### **LAFCO**

Santa Barbara Local Agency Formation Commission
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May 5, 2016 (Agenda)

Local Agency Formation Commission 105 East Anapamu Street Santa Barbara CA 93101

Confirm Existing Spheres of Influence for the Goleta Cemetery District, Goleta Sanitary District, Goleta Water District, Montecito Sanitary District, and the Summerland Sanitary District

Dear Members of the Commission

#### RECOMMENDATION

It is recommended that the Commission accept public testimony adopt the attached resolutions confirming Spheres of Influence for the following Special Districts:

- Goleta Cemetery District
- Goleta Sanitary District
- Goleta Water District
- Montecito Sanitary District
- Summerland Sanitary District

#### DISCUSSION

The law requires that Spheres of Influence be updated every five years. The Santa Barbara Local Agency Formation Commission (LAFCO) received a report from its staff regarding a proposed program and schedule to review and update Spheres of influence for the cities and special districts in Santa Barbara County.

After receiving the report and discussing the update program, the Commission directed the Executive Officer to confer with local agencies regarding whether changes necessitate new Municipal Service Reviews to update their Spheres of Influence. Updates are being prepared "as necessary" if there are significant changes to the city's general plan, funding levels, or requested sphere of influence revisions.

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#### Special District Sphere of Influence Updates

On February 12-17, 2016, staff sent out Municipal Service Review/Sphere of influence Update letters to the following special districts:

Carpinteria Cemetery District Goleta Cemetery District Guadalupe Cemetery District Lompoc Cemetery District Los Alamos Cemetery District Oak Hill Cemetery District Santa Maria Cemetery District

Carpinteria Sanitary District
Carpinteria/Summerland Fire Protection District
Carpinteria Valley Water District
Summerland Sanitary District

Goleta Sanitary District
Goleta Water District
Goleta West Sanitary District

Montecito Fire Protection District Montecito Sanitary District Montecito Water District

The deadline to either request that the Commission reaffirm the exiting spheres of influence, or request changes, was March 18, 2016. Only the five special districts listed above have responded to the questionnaire and requested that their existing sphere of influence be confirmed. The Goleta Sanitary District requested that text revisions be incorporated into the district's sphere of influence to bring it up to date. The revisions are attached to the district's LAFCO resolution reaffirming the existing sphere.

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The Goleta West Sanitary District is preparing an attachment to update their current MSR. The Carpinteria Sanitary District is requesting changes to its sphere of influence to include agricultural lands to the east of the district.

Staff will be sending reminder letters to those district that have not responded.

Sphere of Influence Requirements
Goleta Cemetery District Resolution
Goleta Sanitary District Resolution
Goleta Water District Resolution
Montecito Sanitary Resolution
Summerland Sanitary District Resolution

Sincerely,

PAUL HOOD Executive Officer

Paul Hood

A Sphere of Influence is defined in Government Code §56076 as "...a plan for the probable physical boundaries and service area. . . " of a city or special district as adopted by LAFCO.

Government Code §56425 describes the determinations LAFCO must make in adopting spheres and the need for spheres to list types of services currently being provided by special districts.

Government Code §56430 directs LAFCO to prepare Municipal Service Reviews (MSRs) to help inform Commission decisions regarding adopting or updating SOIs.

The Commission has fulfilled its statutory requirement to adopt written MSR determinations and adopt SOIs for cities and special districts within the County.

LAFCO's enabling statute, the Cortese-Knox Local Government Reorganization Act, as revised in 2001 states "On or before January 1, 2008, and every five years thereafter, the commission shall, as necessary, review and update each sphere of influence." (Emphasis added)

The Commission-approved work plan directs the staff to confer with each city and special district to determine whether changes have occurred that would necessitate an in-depth MSR in conjunction with updating the agency's sphere.

If this initial review indicates no changes are needed in the current sphere, the LAFCO staff is to prepare a resolution for the Commission to <u>confirm the existing sphere</u>. If, on the other hand, the initial review indicates circumstances require a more detailed evaluation, the staff is to prepare a new MSR and SOI Update, with appropriate compliance with CEQA.

### RESOLUTION OF THE SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION MAKING WRITTEN DETERMINATIONS AND CEQA FINDINGS AND REAFFIRMING THE SPHERE FOR THE GOLETA CEMETERY DISTRICT

WHEREAS, a Sphere of Influence is defined as a plan for the probable physical boundaries and service area of a city or special district as adopted by the Commission, and

WHERAS, the Commission is required to review and update, as necessary, adopted spheres of influence not less than every five years, and

WHEREAS, the Commission is directed to conduct a review of municipal services not later than the time it considers an action to establish or update a sphere of influence, and

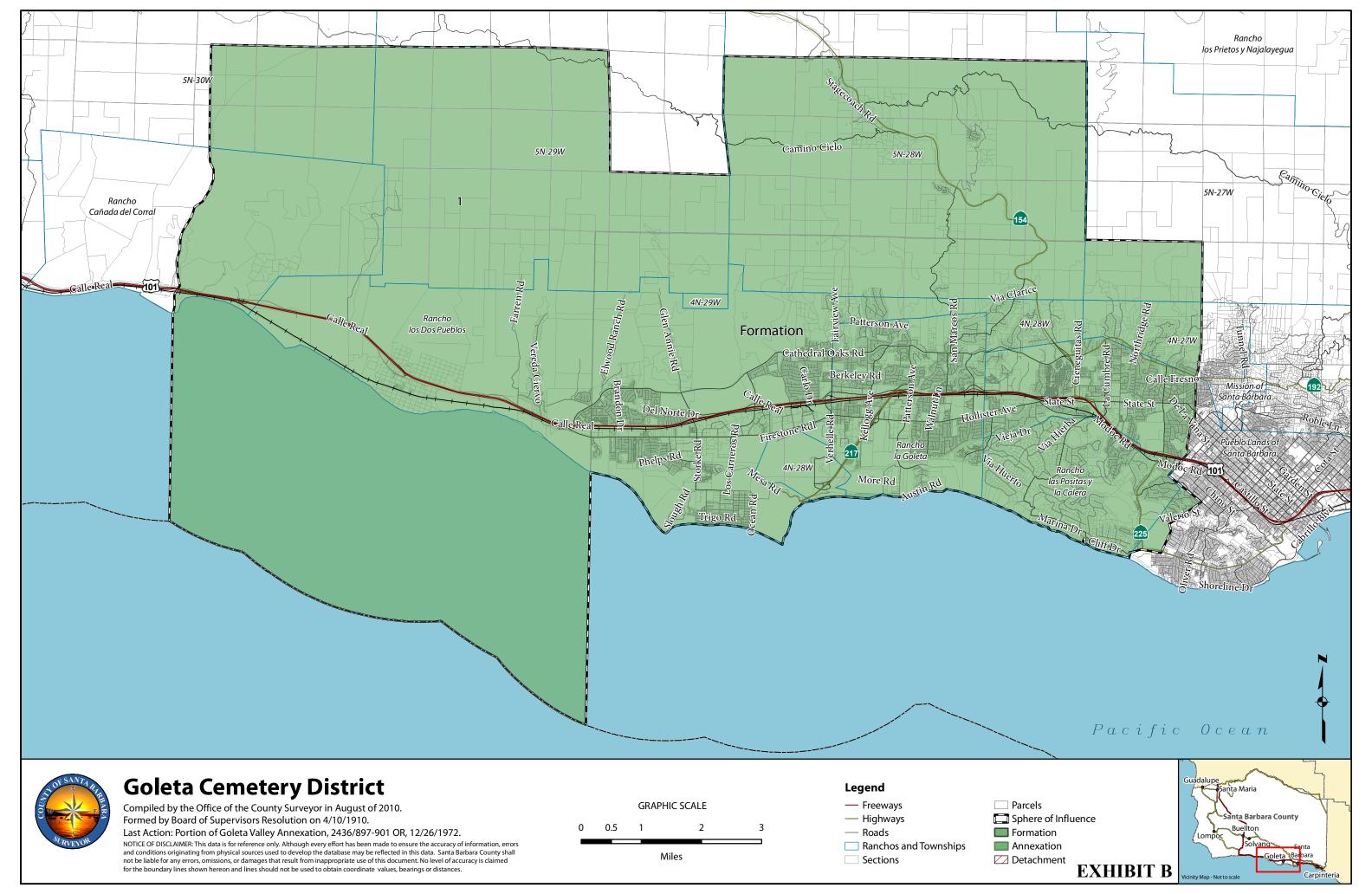
WHEREAS, the Commission conducted a municipal service review and adopted a Sphere of Influence for the Goleta Cemetery District on October 5, 2006 and reaffirmed the District's Sphere of Influence on November 4, 2010, and

WHEREAS, in the manner required by law, has given notice of the public hearing by the Commission to review and update the sphere of influence, and

WHEREAS, the Commission has heard, discussed and considered all relevant evidence, including but not limited to, the Executive Officer report, and environmental documents, applicable general and specific, plans and all testimony, correspondence and exhibits received during the public hearing, all of which are included hearing by reference,

- 1. The project before the Commission is an update of the sphere of influence the Goleta Cemetery District.
- 2. The Commission finds this update to be exempt from CEQA because no change of the sphere of influence is being adopted.
- 3. The sphere of influence is hereby updated and no change is made to the map attached as Exhibit A
- 4. This resolution was adopted on May 5, 2016 and is effective on the date signed by the Chair.

AYES:		
NOES:		
ABSTAINS:		
Dated:	Chair Santa Barbara Local Agency Formation Commission	
ATTEST		
Jacquelyne Alexander, Clerk Santa Barbara Local Agency Formation Commission		



# RESOLUTION OF THE SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION MAKING WRITTEN DETERMINATIONS AND CEQA FINDINGS AND REAFFIRMING THE SPHERE FOR THE GOLETA SANITARY DISTRICT

WHEREAS, a Sphere of Influence is defined as a plan for the probable physical boundaries and service area of a city or special district as adopted by the Commission, and

WHERAS, the Commission is required to review and update, as necessary, adopted spheres of influence not less than every five years, and

WHEREAS, the Commission is directed to conduct a review of municipal services not later than the time it considers an action to establish or update a sphere of influence, and

WHEREAS, the Commission conducted a municipal service review and adopted a Sphere of Influence for the Goleta Sanitary District on September 1, 2005 and reaffirmed the District's Sphere of Influence on November 4, 2010, and

WHEREAS, in the manner required by law, has given notice of the public hearing by the Commission to review and update the sphere of influence, and

WHEREAS, the Commission has heard, discussed and considered all relevant evidence, including but not limited to, the Executive Officer report, and environmental documents, applicable general and specific, plans and all testimony, correspondence and exhibits received during the public hearing, all of which are included hearing by reference,

- 1. The project before the Commission is an update of the sphere of influence the Goleta Sanitary District.
- 2. The Commission finds this update to be exempt from CEQA because no change of the sphere of influence is being adopted.
- 3. The Municipal Service Review approved by the Commission on September 1, 2005, is hereby updated by the changes indicated in Exhibit A.
- 4. The sphere of influence is hereby updated and no change is made to the map attached as Exhibit B

Chair.	
AYES:	
NOES:	
ABSTAINS:	
Dated:	Chair Santa Barbara Local Agency Formation Commission
ATTEST	
Jacquelyne Alexander, Clerk Santa Barbara Local Agency Formation Co.	mmission

5. This resolution was adopted on May 5, 2016 and is effective on the date signed by the

### GOLETA SANITARY DISTRICT

### MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE

Report to the Santa Barbara Local Agency Formation Commission

September 2005

#### 37. INTRODUCTION

This report regarding the Goleta Sanitary District was prepared by the Santa Barbara Local Agency Formation Commission ("LAFCO") in accordance with Section 56430 of the California Government Code. It responds to the requirement that LAFCO conduct a Municipal Service Review (MSR) to study the delivery of municipal services and update spheres of influence.

The MSR evaluates services provided by the District and issues regarding its sphere of influence. MSR Guidelines prepared by the State Office of Planning and Research were referred to in developing information, performing analysis and organizing this study.

This report describes service delivery and related issues for LAFCO to consider and presents determinations as required by law. The decision to approve or disapprove any determinations or policies rests entirely with the Commission.

Written determinations regarding the MSR and sphere of influence update are provided for the Commission's consideration. This report is an informational document and does not substitute for discretionary decisions that can only be made by the Commission.

This Report is subject to reconsideration and revision as directed by the LAFCO staff or by the Commission during the course of its deliberations.

#### 38. MUNICIPAL SERVICE REVIEW

#### Description of District

The District was formed in 1942 and operates pursuant to the Sanitary District Act of 1923 (Health & Safety Code §6400 et seq.).

It is located in southern Santa Barbara County, occupying much of the Goleta Valley on both sides of Highway 101 and is adjacent to Hope Ranch and the City of Santa Barbara.

A five-member board of directors, elected at-large, governs the District. A General Manager is responsible for administrative functions. A District organizational chart is included as part of this report.

The District's boundaries and sphere of influence are largely coterminous. A map of the District and its sphere is enclosed.

#### District Services

The District provides wastewater collection, treatment and disposal and produces reclaimed water that is distributed by the Goleta Water District.

The District operates a regional wastewater treatment and disposal facility by accepting and treating wastewater from the Goleta West Sanitary District, Embarcadero Municipal Improvement District, University of California at Santa Barbara, City of Santa Barbara Municipal Airport and County of Santa Barbara building complex.

The District's own collection system serves about  $1\underline{1,8236,000}$  equivalent residential units, representing a population of about  $5\underline{53,000}$ . The regional treatment plan serves about  $1\underline{9,70424,000}$  equivalent residential units, representing a population of about  $8\underline{997,000}$ .

#### Other Governmental Agencies within the District

Local agencies that overlap the District are the City of Goleta, City of Santa Barbara. Goleta Water District, County Service Area 3 (Goleta Valley), County Service Area 32 (Law Enforcement), Santa Barbara Coastal Vector Control District, Santa Barbara County Fire Protection District and Santa Barbara Metropolitan Transit District.

#### 39. MSR DETERMINATIONS

This report addresses the MSR factors specified in LAFCO's governing statute.

#### Infrastructure Needs and Deficiencies

District evaluation and planning documents include a Sewer Collection System Master Plan (2000), Wastewater Treatment Plant Maintenance Master Plan (2000), Water Reclamation Master Plan (1999), updated projections for its NPDES <u>permit renewal</u> application (20<u>15</u>03) and five-year capital improvement plan (2003), termed the Capital Refurbishment Plan for the Wastewater Treatment Plant and other documents that project infrastructure needs for the agency and its service area.

There appears to be sufficient capacity in the plant to meet projected demands, though expansion may be required in the future. The most significant immediate challenge to the District completed a significant will be modifying its wastewater treatment plant upgrade in 2013 over the next several years to achieve full secondary treatment. There appears to be sufficient capacity in the plant to meet projected demands.

#### **Growth and Population Projections**

The District obtained growth projections in connection with the draft City of Goleta Coastal Zone Water Supply/Wastewater Treatment Capacity Reportits recent renewal of the NPDES discharge permit from the UCSB Economic Forecast Project. Planning documents include a land use survey and wastewater generation projection, conducted jointly with the Goleta West Sanitary District (1998). (2016).

#### **Financing Constraints and Opportunities**

The District generates increased revenues as population and water usage and wastewater generation are increased.

#### **Cost-Avoidance Opportunities**

The District participates in a Joint Powers Authority with other public utilities to obtain pooled property, automotive, liability and workers compensation insurance savings.

The Commission previously endorsed consolidating sewer services in the Goleta Valley in order to reduce administrative costs and inefficiency for these programs and promote economy in the use of personnel and equipment.

#### **Opportunities for Rate Restructuring**

The District's rates are established to recover costs. The opportunity for restructuring rates occurs during annual budget processes and the adoption of each rate ordinance.

#### **Opportunities for Shared Facilities**

The District's wastewater treatment facility is currently shared with other agencies

and sharing of equipment might be enhanced though a consolidation of these agencies.

#### **Government Structure Options**

One option is consolidation with the Goleta West Sanitary District. Both agencies were formed and operate under the same principal act, provide similar types of services and share a single treatment plant. The Commission previously endorsed this option.

The "Request for Information for Municipal Service Reviews" asked.

"Are there structural reorganizations such as consolidations or reorganizations that your agency thinks should be evaluated in the next few years to benefit recipients of your agency's services or improve the provision of services generally?"

#### The District responded by stating:

"The District would be interested in providing sewer service to the unincorporated Hope Ranch community if such service is desired by the residents and can be provided in a cost effective manner.

"The Goleta Sanitary District is also interesting in exploring the possibility of consolidating with the adjacent Goleta West Sanitary District. Approximately 10 years have passed since this issue was last studied and a consolidation at this time could be in the best interests of the constituents of both agencies.

"In addition, the District is interested in exploring the possibility of annexing the sewer systems of (i) the City of Santa Barbara Municipal Airport and adjacent areas within the City of Santa Barbara, and (ii) the University of California at Santa Barbara."

Though the District is emphatic that it is opposed to any reorganization that does not have the concurrence of all of the affected agencies.

#### **Management Efficiencies**

The District exhibits the characteristics of a well-managed agency effectively serving its residents and customers. With regard to overall services more efficient use of personnel and equipment might be possible via the consolidation or unification with the adjacent Goleta West Sanitary District.

#### **Local Accountability and Governance**

The District is a relatively compact government, which enhances the ability of the public to participate in its activities. The Board of Directors is elected by and accountable to the voters who reside in the District. The District's maintains a website and conducts a public education program involving twice-annual newsletters sent to all constituents, tours of the treatment plant and an elementary school program.

#### 40. SPHERE OF INFLUENCE REVIEW

#### Description of Current Sphere of Influence

The District's boundaries and sphere of influence are not coterminous. The sphere is larger and there are several of pockets or islands within the overall boundaries. A map of the District and its sphere is included.

#### No Proposed Boundary Chances

In response to the MSR Request for Information, the District responded as follows:

Do you feel that your agency's boundary is correct at this time?

Yes

The boundaries will require adjustment as properties located outside of the District's present boundaries develop or other require sewer service.

Are there areas your agency desires or plans to serve that are not now within No is boundaries or its sphere of influence?

The District would be interested in providing sewer service to the unincorporated Hope Ranch if such service is desired by the residents and can be provided in a cost effective manner

The District is interested in exploring the possibility of consolidating with! \_ the adjacent Goleta .West Sanitary District. Approximately 10 years have i passed since this issue was last studied and a consolidation at this timel could be in the best interests of the constituents of both agencies.

The Goleta Sanitary District is interested in exploring the possibility of assuming responsibility for the sewer collection mums which are currently owned and operated by (i) the city of Santa Barbara Municipal Airport and adjacent areas within the City of Santa Barbara, and (ii) the University of California at Santa Barbara.

Are there areas your agency currently serves that might be served more efficiently by another agency?

No

#### Sphere of Influence Determinations

It is recommended the Commission adopt a "single sphere of influence" for the Goleta Sanitary District and Goleta West Sanitary District, which will reflect the Commission's official view these agencies should be consolidated or unified.

The following sphere of influence determinations are proposed in support of this sphere:

Present and planned land uses in the area, including agricultural and open-space lands

A variety of urban use exist or are planned within the proposed sphere, i.e., residential, commercial, industrial and institutional, with some open space and agriculture. No change in existing or planned uses will result from having a "common sphere" with the Goleta West Sanitary District.

Present and probable need for public facilities and services in the area

There is an existing and ongoing need for community wastewater treatment and disposal services in the proposed sphere, as anticipated in the District's capital facilities plan. No change in the need for these services will result from having a "common sphere" with the Goleta West Sanitary District.

**Present capacity of public** facilities and adequacy of public service that the agency **provides or is authorized to** provide

'1 he **District's capital facilities plan indicates the capacity of public facilities to serve** the territory within the District and its logical growth area. Public services are adequate with the understanding the District's wastewater treatment plant has recently been will be upgraded to meet higher full secondary levels of treatment. Plans to comply with the State's requirements to upgrade the treatment plant are already under way although full compliance may take up to 10 years.

Existence of any social or economic communities of **interest in the** area if the commission determines that **they are** relevant **to the agency.** 

**Goleta** Valley residents share many similar social and economic characteristics, including a government structure that encompasses much of the entire valley with respect to water, sewer, library, fire protection and public education. Such common interests appear to favor a consolidated or unified sewer system operation.

#### 41. ACKNOWLEDGEMENTS & REFERENCES

The Santa Barbara LAFCO staff prepared this Municipal Service Review. Responsibility for any errors or omissions rests with those who prepared **the report**.

The Goleta Sanitary District provided the basic information and documents upon which the evaluation is based. District staff, notably General Manager/District Engineer Kamil AzourySteve Wagner, was instrumental in providing data.

Mapping services were provided by JDL Mapping.

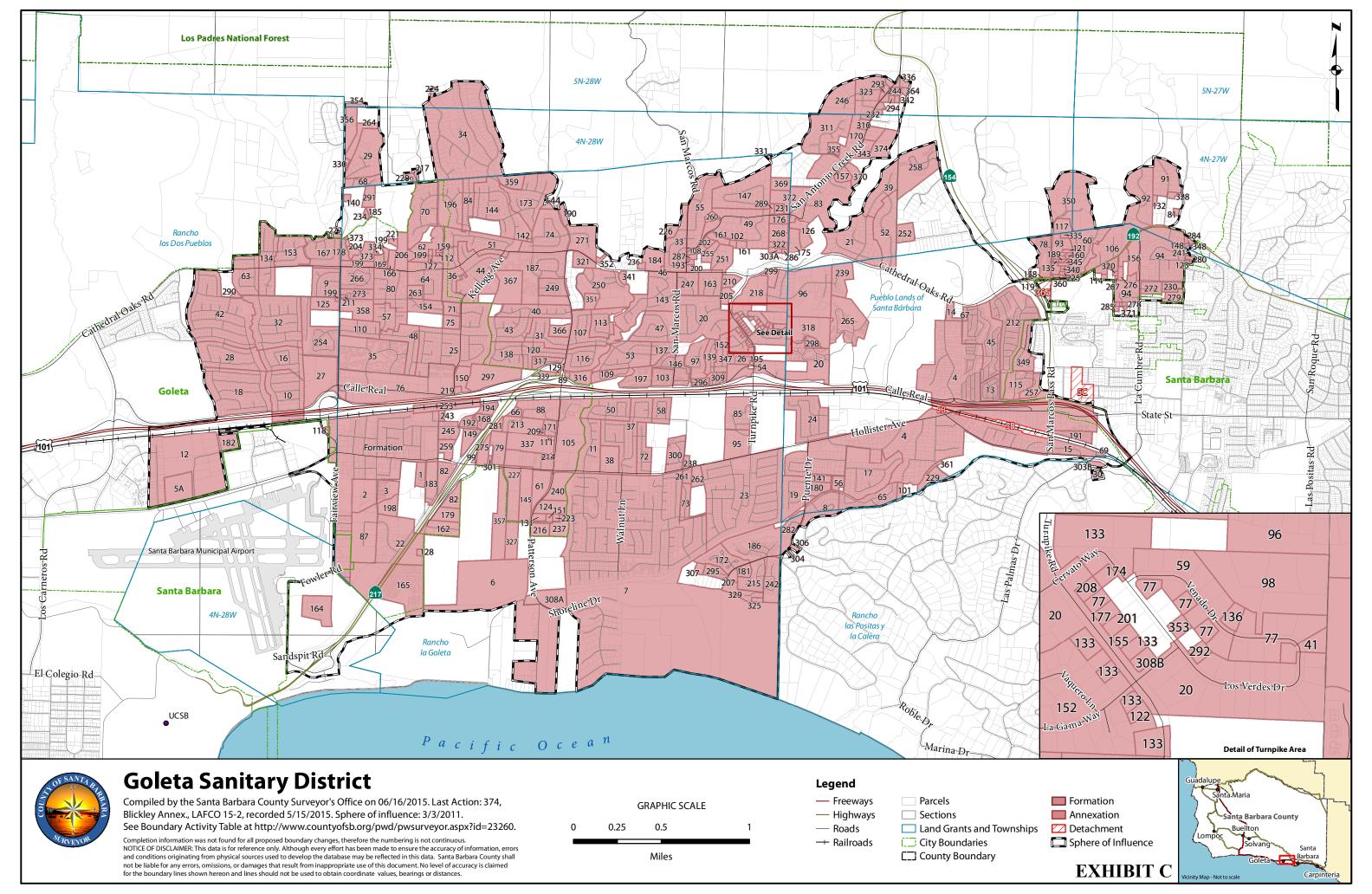
#### Available Documentation

The "Request for Information for Municipal Service Reviews" submitted by the District and the supporting documents referred to therein are available in the LAFCO office.

#### 42. RECOMMENDATIONS

In consideration of information gathered and evaluated during the Municipal Service Review it is recommended the Commission approve determinations and adopt a common sphere of influence for the Goleta Sanitary District and Goleta West Sanitary District.

A single sphere of influence appears to be exempt from CEQA in light of Categorical Exemption Class 20 (Changes in Governmental Organization).



# RESOLUTION OF THE SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION MAKING WRITTEN DETERMINATIONS AND CEQA FINDINGS AND REAFFIRMING THE SPHERE FOR THE GOLETA WATER DISTRICT

WHEREAS, a Sphere of Influence is defined as a plan for the probable physical boundaries and service area of a city or special district as adopted by the Commission, and

WHERAS, the Commission is required to review and update, as necessary, adopted spheres of influence not less than every five years, and

WHEREAS, the Commission is directed to conduct a review of municipal services not later than the time it considers an action to establish or update a sphere of influence, and

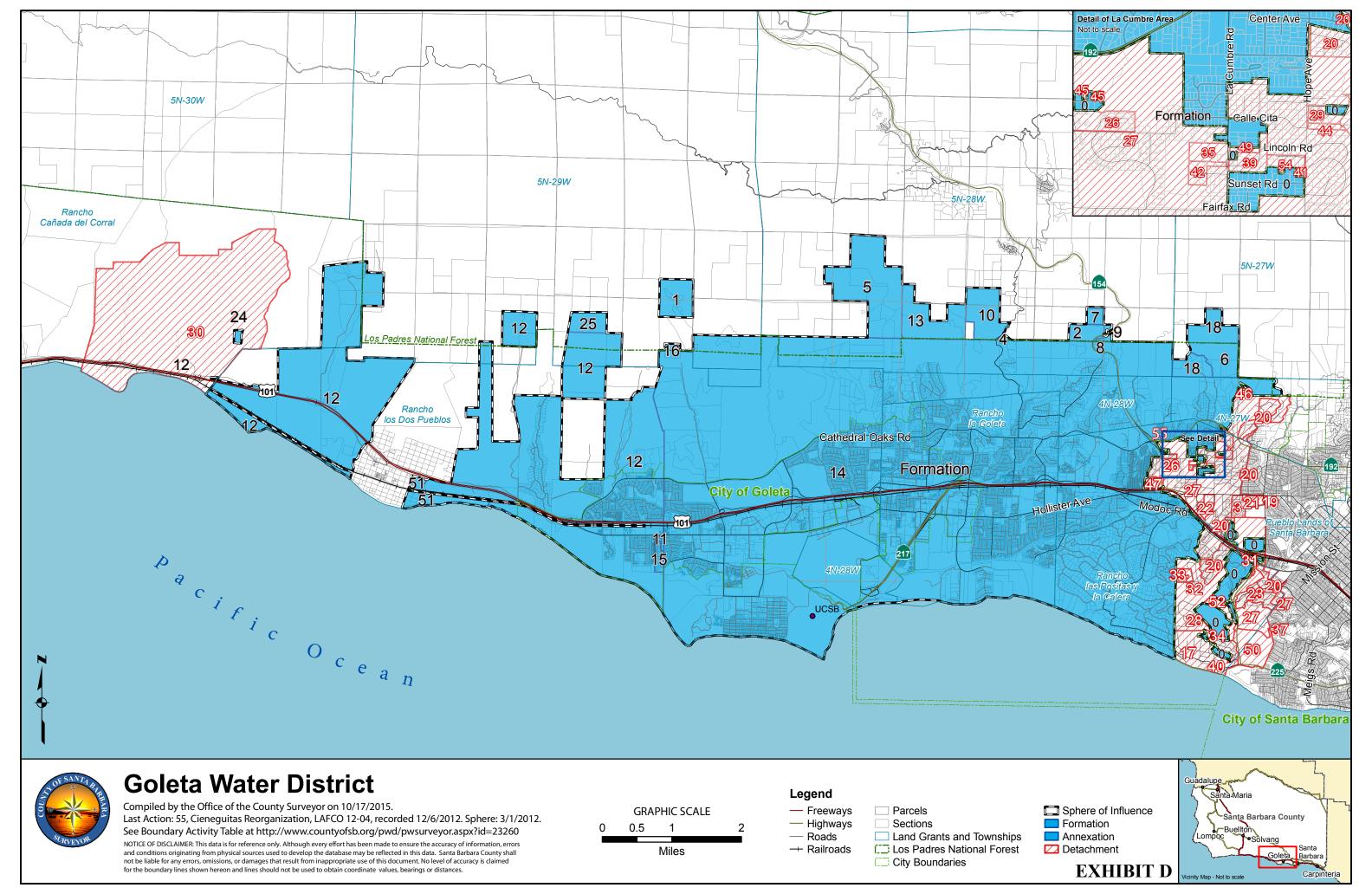
WHEREAS, the Commission conducted a municipal service review and adopted a Sphere of Influence for the Goleta Water District on November 3, 2005 and reaffirmed the District's Sphere of Influence on March 1, 2012, and

WHEREAS, in the manner required by law, has given notice of the public hearing by the Commission to review and update the sphere of influence, and

WHEREAS, the Commission has heard, discussed and considered all relevant evidence, including but not limited to, the Executive Officer report, and environmental documents, applicable general and specific, plans and all testimony, correspondence and exhibits received during the public hearing, all of which are included hearing by reference,

- 1. The project before the Commission is an update of the sphere of influence the Goleta Water District.
- 2. The Commission finds this update to be exempt from CEQA because no change of the sphere of influence is being adopted.
- 3. The sphere of influence is hereby updated and no change is made to the map attached as Exhibit A
- 4. This resolution was adopted on May 5, 2016 and is effective on the date signed by the Chair.

AYES:		
NOES:		
ABSTAINS:		
Dated:	Chair Santa Barbara Local Agency Formation Commission	
ATTEST		
Jacquelyne Alexander, Clerk Santa Barbara Local Agency Formation Commission		



# RESOLUTION OF THE SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION MAKING WRITTEN DETERMINATIONS AND CEQA FINDINGS AND REAFFIRMING THE SPHERE FOR THE MONTECITO SANITARY DISTRICT

WHEREAS, a Sphere of Influence is defined as a plan for the probable physical boundaries and service area of a city or special district as adopted by the Commission, and

WHERAS, the Commission is required to review and update, as necessary, adopted spheres of influence not less than every five years, and

WHEREAS, the Commission is directed to conduct a review of municipal services not later than the time it considers an action to establish or update a sphere of influence, and

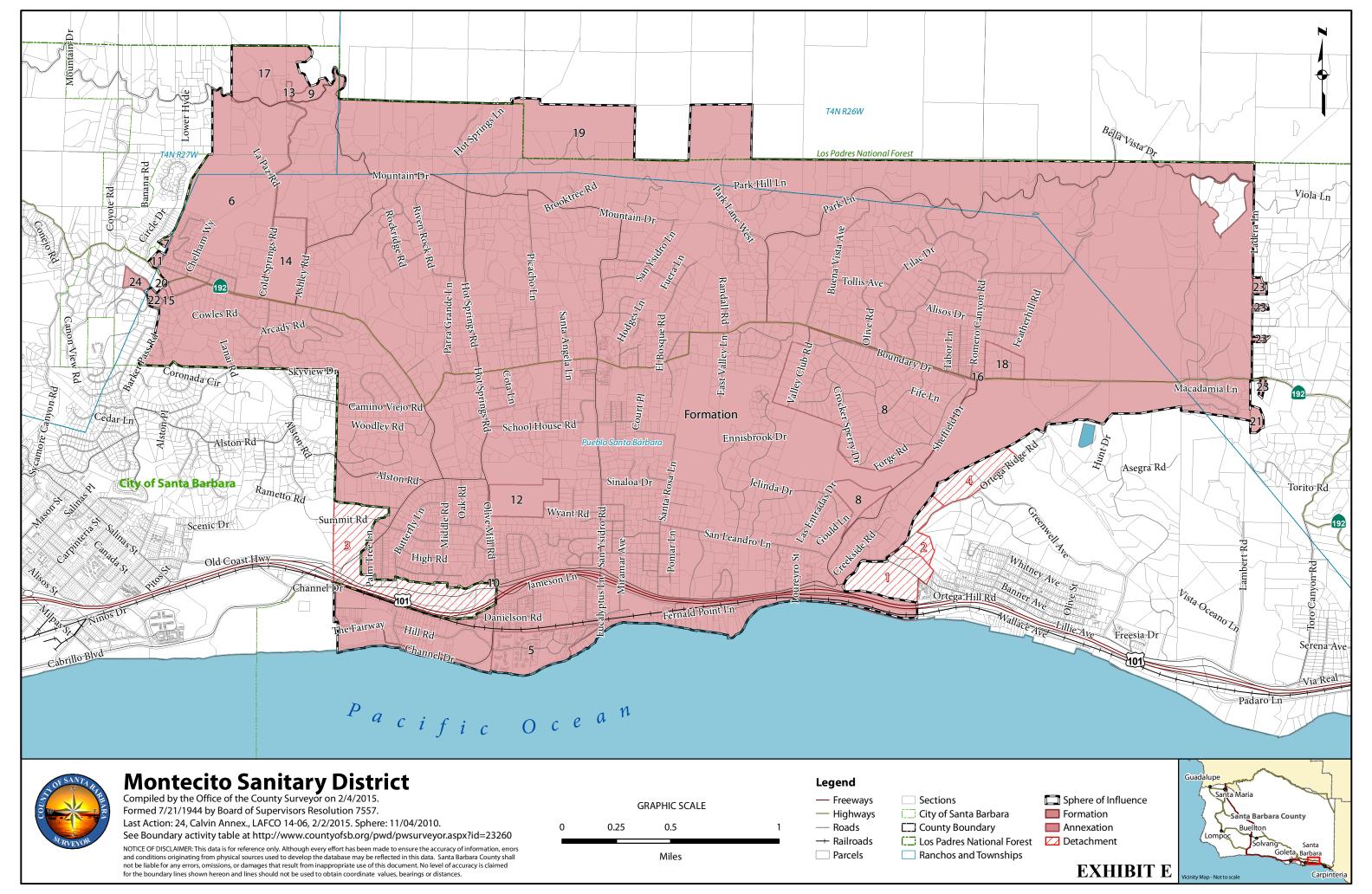
WHEREAS, the Commission conducted a municipal service review and adopted a Sphere of Influence for the Montecito Sanitary District on November 3, 2005 and reaffirmed the District's Sphere of Influence on November 4, 2010, and

WHEREAS, in the manner required by law, has given notice of the public hearing by the Commission to review and update the sphere of influence, and

WHEREAS, the Commission has heard, discussed and considered all relevant evidence, including but not limited to, the Executive Officer report, and environmental documents, applicable general and specific, plans and all testimony, correspondence and exhibits received during the public hearing, all of which are included hearing by reference,

- 1. The project before the Commission is an update of the sphere of influence the Montecito Sanitary District.
- 2. The Commission finds this update to be exempt from CEQA because no change of the sphere of influence is being adopted.
- 3. The sphere of influence is hereby update and no change is made to the map attached as Exhibit A
- 4. This resolution was adopted on May 5, 2016 and is effective on the date signed by the Chair.

AYES:		
NOES:		
ABSTAINS:		
Dated:	Chair Santa Barbara Local Agency Formation Commission	
ATTEST		
Jacquelyne Alexander, Clerk Santa Barbara Local Agency Formation Commission		



# RESOLUTION OF THE SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION MAKING WRITTEN DETERMINATIONS AND CEQA FINDINGS AND REAFFIRMING THE SPHERE FOR THE SUMMERLAND SANITARY DISTRICT

WHEREAS, a Sphere of Influence is defined as a plan for the probable physical boundaries and service area of a city or special district as adopted by the Commission, and

WHERAS, the Commission is required to review and update, as necessary, adopted spheres of influence not less than every five years, and

WHEREAS, the Commission is directed to conduct a review of municipal services not later than the time it considers an action to establish or update a sphere of influence, and

WHEREAS, the Commission conducted a municipal service review and adopted a Sphere of Influence for the Summerland Sanitary District on November 3, 2005 and reaffirmed the District's Sphere of Influence on November 4, 2010, and

WHEREAS, in the manner required by law, has given notice of the public hearing by the Commission to review and update the sphere of influence, and

WHEREAS, the Commission has heard, discussed and considered all relevant evidence, including but not limited to, the Executive Officer report, and environmental documents, applicable general and specific, plans and all testimony, correspondence and exhibits received during the public hearing, all of which are included hearing by reference,

- 1. The project before the Commission is an update of the sphere of influence the Summerland Sanitary District.
- 2. The Commission finds this update to be exempt from CEQA because no change of the sphere of influence is being adopted.
- 3. The sphere of influence is hereby update and no change is made to the map attached as Exhibit A
- 4. This resolution was adopted on May 5, 2016 and is effective on the date signed by the Chair.

AYES:	
NOES:	
ABSTAINS:	
Dated:	Chair Santa Barbara Local Agency Formation Commission
ATTEST	
Jacquelyne Alexander, Clerk Santa Barbara Local Agency Formation Commission	

