LAFCO

Santa Barbara Local Agency Formation Commission

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November 3, 2005 (Agenda)

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

Municipal Service Reviews and Sphere of Influence Updates for the Eastern South Coast, Area

Dear Members of the Commission:

RECOMMENDATION

It is recommended the Commission

- 1. Accept public testimony, make changes as needed and approve the Municipal Service Review for each local agency contained in the report for the Eastern South Coast area.
- 2. Consider and approve the Sphere of Influence Updates as recommended.
- 3. Direct the staff to confer with Carpinteria Sanitary District, other local agencies in the area and the County regarding potential expansions to the District's Sphere of Influence and report at a future Commission meeting.

DISCUSSION

Since the release of the Agency Review Draft several agencies have provided formal comments. The staff responses to these comments are attached and included as part of the record. In addition, the staff has the following comments:

Carpinteria Sanitary District - Sphere of Influence

The District's Sphere of Influence is similar to its current boundaries, which necessitates a sphere change for each annexation or proposal to provide out-of-agency services. Some prospective annexations to the District include beach communities that have requested sewers to replace on-site disposal systems. These annexations include a portion of Rincon Point in Ventura County.

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It is recommended that the Commission direct the staff to confer with the Carpinteria Sanitary District, City of Carpinteria, Carpinteria-Summerland Fire Protection District and the County with respect to a possible expansion of the District's Sphere of Influence to avoid the need for "piecemeal" sphere changes for areas which are anticipated to receive District services.

Community of Montecito - Multiple Purpose vs. Single Purpose Districts

Three special districts – Montecito Fire Protection, Montecito Sanitary and Montecito Water – have expressed concern with or opposition to even having a discussion or raising the possibility in the MSR with respect to potentially creating a single, multipurpose agency that would combine the services of the three existing districts.

- The Montecito Fire Protection District indicates such a statement is made without supporting
 data or analysis and "should not be included in this review as the Districts have made it clear
 that such a consolidation is not desired in Montecito."
- The Montecito Sanitary District incorrectly categorizes the draft report as recommending the consolidation of agencies by stating that "given that this recommendation has not been substantiated by any factual data, it is the recommendation of the Montecito Sanitary District Board of Directors that it be removed from the report."
- The Montecito Water District reports the statement in the report that functional consolidation may result in greater overall economy or efficiency "appears to be a philosophical statement by LAFCO staff, which has not been objectively evaluated ...the Montecito Water District Board of Directors voted unanimously that this statement be removed from the report because it is not true."

The staff is surprised by these responses because the draft report offered no recommendations for governmental changes or even for specific studies of governmental changes.

The staff is reluctant to comply with requests that the concept of consolidation, no matter how carefully worded, be removed from the report. The draft staff report reflects existing statutory language in the Cortese-Knox-Hertzberg Local Government Reorganization Act. Government Code Section 56001 states:

The legislature finds and declares that a single, multipurpose governmental agency is accountable for community service needs and financial resources and therefore may be the best mechanism for establishing community service priorities especially in urban areas."

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This wording has been a part of LAFCO's enabling statute for many years. It originally referred to incorporating cities but several years ago was modified to simply refer to a "multipurpose governmental agency," which could include a special district. A full copy of Section 56001 is appended to this letter for reference.

This issue may be a matter of perspective. If I worked for or was on the governing board of one of these special districts, I may hold the view that there should be no governmental change or even consideration of a governmental change. But from any other perspective, consideration of combining local agencies is a legitimate issue for the community.

The staff has made no recommendations to study this issue, but legitimate questions are raised by the current local governmental structure in Montecito:

- Is it preferable <u>for the public</u> to have three limited purpose districts with separate boards and staffs, as compared to having a single multipurpose agency with one board of directors?
- Would a single, multi-purpose agency still directly accountable to the voters be better able to assess and <u>balance public service needs and resources</u> in the community from year to year?
- Would there be greater savings or increased costs by having a common administrative and finance staff for these local functions?

The report is written from a LAFCO perspective regarding the governmental structures and in light of the legislative declaration in the Commission's enabling statute regarding potential benefits that may result by combining services under a single governing board.

Please contact the LAFCO office if you have any questions.

Sincerely,

BOB BRAITMAN Executive Officer Local Agency Formation Commission Municipal Service Reviews November 3, 2005 (Agenda) Page 4

Enclosures

- A. Government Code Section 56001
- B. Carpinteria Sanitary District letter (August 12) and staff response
- C. Douglas and Jaleh White letter re Carpinteria Sanitary District (August 19) and staff response
- D. Carpinteria-Summerland Fire Protection District letter (July 25) and staff response
- E. Montecito Fire Protection District letter (August 10) and staff response
- F. Montecito Sanitary District letter (August 9) and staff response
- G. Montecito Water District letters (July 27 and August 18) and staff response

NOTE:

PLEASE CONTACT THE LAFCO OFFICE TO REQUEST THE ABOVE ENCLOSURES.