

**STAFF REPORT**  
Meeting Date: May 19, 2004

**Agenda Item 13**

**TO:** LAFCO Commissioners

**FROM:** Everett Millais, Executive Officer

**SUBJECT:** Sphere of Influence Review and Update:  
LAFCO 04-09S 1 Calleguas Municipal Water District  
LAFCO 04-09S 2 Camarillo Sanitary District  
LAFCO 04-09S 3 Montalvo Municipal Improvement District  
LAFCO 04-09S 4 Pleasant Valley County Water District  
LAFCO 04-09S 5 Ventura River County Water District

**RECOMMENDATIONS:**

- A. As lead agency, determine that the sphere of influence update for Calleguas Municipal Water District is exempt pursuant to Section 15061(b)(3) of the CEQA Guidelines, and adopt the attached resolution (LAFCO 04-09S 1) making determinations and updating the sphere of influence for Calleguas Municipal Water District.
- B. As lead agency, determine that the sphere of influence update for the Camarillo Sanitary District is exempt pursuant to Section 15061(b)(3) of the CEQA Guidelines, and adopt the attached resolution (LAFCO 04-09S 2) making determinations and updating the sphere of influence for the Camarillo Sanitary District.
- C. As lead agency, determine that the sphere of influence update for the Montalvo Municipal Improvement District is exempt pursuant to Section 15301(b) of the CEQA Guidelines, and adopt the attached resolution (LAFCO 04-09S 3) making determinations and updating the sphere of influence for the Montalvo Municipal Improvement District.

**COMMISSIONERS AND STAFF**

---

<b>COUNTY:</b> Kathy Long Linda Parks <i>Alternate:</i> Steve Bennett	<b>CITY:</b> Evaristo Barajas, Chair Don Waunch <i>Alternate:</i> John Zaragoza	<b>SPECIAL DISTRICT:</b> Jack Curtis, Vice Chair Dick Richardson <i>Alternate:</i> Ted Grandsen	<b>PUBLIC:</b> Louis Cunningham  <i>Alternate:</i> Kenneth M. Hess
<b>EXECUTIVE OFFICER:</b> Everett Millais	<b>LAFCO ANALYST:</b> Hollie Brunsky	<b>OFFICE MANAGER/CLERK:</b> Debbie Schubert	<b>LEGAL COUNSEL:</b> Noel Klebaum

- D. As lead agency, determine that the sphere of influence update for the Pleasant Valley County Water District is exempt pursuant to Section 15301(b) of the CEQA Guidelines, and adopt the attached resolution (LAFCO 04-09S 4) making determinations and updating the sphere of influence for the Pleasant Valley County Water District.
- E. As lead agency, determine that the sphere of influence update for the Ventura River County Water District is exempt pursuant to Section 15301(b) of the CEQA Guidelines, and adopt the attached resolution (LAFCO 04-09S 5) making determinations and updating the sphere of influence for the Ventura River County Water District.

### **DISCUSSION:**

For each city and special district LAFCO must determine and adopt a sphere of influence and, "...review and update, as necessary, the adopted sphere not less than once every five years." (CA Government Code §56430(f)). In order to prepare and update spheres of influence LAFCO must conduct municipal service reviews. During 2003 the Commission conducted water and wastewater service reviews for the 36 agencies (cities and special districts) in the County that provide some form of water and/or wastewater services.

Based on the water and wastewater service review reports and follow-up review and discussion with the staff of each subject agency, sphere of influence updates are recommended for the Calleguas Municipal Water District, Camarillo Sanitary District, Montalvo Municipal Improvement District, Pleasant Valley County Water District and Ventura River County Water District.

### **Calleguas Municipal Water District**

The Calleguas Municipal Water District is an independent special district that supplies potable water on a wholesale basis to public, private and mutual water purveyors located in the cities of Camarillo, Moorpark, Oxnard, Port Hueneme, Simi Valley and Thousand Oaks, and all unincorporated areas between the Santa Clara River and the Los Angeles County line. Calleguas is a member agency of the Metropolitan Water District of Southern California and, as such, is the regional wholesaler for water from the state water project to over half of the residents in Ventura County. Calleguas also distributes recycled water and participates in regional conservation and power programs.

The municipal service review for Calleguas Municipal Water District identified a number of "special study areas" for sphere of influence update purposes. These special study areas related to areas that are within the District's boundaries but outside the District's sphere of influence, the relationship of the Calleguas sphere to the spheres of agencies served by Calleguas, and to potential growth areas within City CURB boundaries. The

recommended sphere of influence update addresses each of these matters and is supported by the Calleguas staff.

The recommended sphere of influence update provides for all areas within the District boundaries, all areas within the sphere of influence of special districts served by Calleguas and all areas within the CURB boundaries of the cities of Camarillo, Moorpark, Oxnard, Port Hueneme, Simi Valley and Thousand Oaks to be included in the sphere of influence of the Calleguas Municipal Water District. The result is a substantial increase in the geographic area of the Calleguas sphere of influence. This change, however, does not really result in any change to potential service areas. Because of the unique role of Calleguas Municipal Water District in providing water to retail agencies, overlaps with the spheres of influence of other agencies or totally including the spheres of influence of other agencies in the sphere of influence of Calleguas is appropriate.

For CEQA purposes, it is recommended that the Commission as lead agency find the Calleguas Municipal Water District sphere of influence update exempt from CEQA under Section 15061(b)(3) of the CEQA Guidelines. This is the so-called “general rule” exemption, meaning that it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. As noted, the District has a unique role. Its future service area is based on the service areas of other agencies and no change in regulation, land use or development will occur as a result of the recommended sphere of influence update.

When determining an agency’s sphere of influence Government Code Section 56425(d) requires the Commission to consider and prepare written statements of its determinations with respect to each of the following:

- (1) *The present and planned land uses in the area, including agricultural and open-space lands.* – The sphere of influence update for the Calleguas Municipal Water District is to provide for all areas within the District boundaries and all areas within the spheres of influence of agencies served by the District to be within the District’s sphere. The update does not affect the real future service area of the District and no change in land use or development will result from the sphere of influence update.
- (2) *The present and probable need for public facilities and services in the area.* – The sphere of influence update will not affect the present or probable need for public facilities and services in the area. The District wholesales water to retail agencies and the sphere of influence update provides for the District’s sphere to coincide with or include all areas within the existing boundaries of the District and the spheres of influence of all agencies served by the District.
- (3) *The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.* – The sphere of influence update will not affect the present or probable need for public facilities and services in the area. The District wholesales water to retail agencies and the

sphere of influence update provides for the District's sphere to coincide with or include all areas within the existing boundaries of the District and the spheres of influence of all agencies served by the District.

- (4) *The existence of any social or economic community of interest in the area if the commission determines that they are relevant to the agency.* – The sphere of influence update will not affect any of the social or economic communities of interest in the area that are relevant to the District.

**Camarillo Sanitary District:**

The Camarillo Sanitary District is a dependent special district that provides wastewater collection and treatment and industrial waste pretreatment programs to a service area located in and around the City of Camarillo. The Camarillo City Council acts as the governing board for the District.

The sphere of influence for the Camarillo Sanitary District is generally consistent with the sphere of influence of the City of Camarillo, except for areas east of Calleguas Creek and north of US 101. Sanitary sewer services to that area are provided by the Camrosa Water District. As a part of the service review for the Camarillo Sanitary District "special study areas" were noted for the sphere of influence update for areas of pending or future development. Based on a follow-up review with the staff of the Camarillo Sanitary District, the only areas of change identified for the sphere of influence update were to align the District's sphere with the City's sphere and CURB boundary in two areas south of US 101. These areas within the City's sphere and the City's CURB are recommended to be added into the Camarillo Sanitary District's sphere of influence as a part of this update process.

Previous LAFCO studies of special districts contained comments about merging the Camarillo Sanitary District with the City of Camarillo. This is still a future possibility that should be considered by both agencies as future annexations occur. Due to differing service areas, primarily in the Camarillo heights area, such a consolidation is probably not politically practical at this time, and is beyond the scope of this sphere of influence update.

Prior LAFCO studies also discussed the possibility of the Camarillo Sanitary District and Camrosa Water District combining services. Last years municipal service review report noted, however, that there are both physical and political disadvantages to pursuing any formal consolidation of these two agencies. Even though the spheres of influence and boundaries overlap, there is no duplication of services (e.g. there are not water or wastewater lines of different agencies serving the same areas). Also, the Camarillo Sanitary District and the Camrosa Water District are cooperating whenever feasible to improve reliability and affordability of services.

For CEQA purposes, it is recommended that the Commission as lead agency find the Camarillo Sanitary District sphere of influence update exempt from CEQA under Section

15061(b)(3) of the CEQA Guidelines. This is the so-called “general rule” exemption, meaning that it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. Adding the areas recommended into the District’s sphere of influence will not result in any development or change in land use. The District has no land use authority and under the regulations of the City and District sewer services would only be extended to these areas upon their annexation to the City of Camarillo and the District.

Pursuant to Government Code Section 56425(d) it is recommended that the Commission consider and adopt written statements of its determinations with respect to each of the following:

- (1) *The present and planned land uses in the area, including agricultural and open-space lands.* – The sphere of influence update for the Camarillo Sanitary District is to ensure that the District’s sphere coincides with the sphere of the City of Camarillo and the City of Camarillo’s CURB boundary for areas within the Sanitary District’s service area south of US 101. There will be no development, no change in land use and no impact to agricultural and open space lands as a result of the sphere of influence update.
- (2) *The present and probable need for public facilities and services in the area.* – No changes in public facilities or services provided by the District will result from this sphere of influence update. The District bases its public facilities and services projections on the City of Camarillo’s General Plan and sphere of influence.
- (3) *The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.* – The sphere of influence update will not affect the present capacity of public facilities or the services provided by the Camarillo Sanitary District.
- (4) *The existence of any social or economic community of interest in the area if the commission determines that they are relevant to the agency.* - The sphere of influence update will provide that the Camarillo Sanitary District’s sphere of influence better coincides with the City of Camarillo social and economic communities of interest.

### **Montalvo Municipal Improvement District:**

The Montalvo Municipal Improvement District is an independent district formed by special legislation in 1955. The District provides wastewater collection and treatment services for the remaining unincorporated area of the Montalvo community and for areas of Montalvo within the City of Ventura. The current sphere of influence of the District is entirely within the sphere of influence of the City of Ventura.

The sphere of influence for the Montalvo Municipal Improvement District is now coterminous with the District’s boundaries. The service review report for the District noted that the District is and has been serving properties currently outside of the District boundaries and sphere of influence and designated these areas for special study. These

areas, most notably portions of the Ventura Auto Center, are being served under an agreement with the City of Ventura. The agreement was entered into before the law was changed to provide for LAFCO approval of such agreements. In addition, it was noted that the District's treatment plant and facilities are outside the District boundaries and sphere of influence.

As a part of this sphere of influence update process, both the District and the City were consulted. A joint meeting was held with the staffs of both agencies and LAFCO staff met with the District's Board. The City of Ventura indicated that it now has, or soon will have adequate facilities in place to serve all areas now being served by the Montalvo Municipal Improvement District that are outside the District's boundary and sphere. As such, it was the consensus of both the District and the City that these areas should not be included in the District's sphere of influence as a part of this update. Everyone was also in agreement that the District's treatment plant and facilities should be included in the District's sphere to recognize existing circumstances.

Prior LAFCO special district studies recommended that the Montalvo Municipal Improvement District be dissolved or merged with the City of Ventura and that the city take over all wastewater services for the area now being served by the District. The 2003 service review report also discussed this option, but noted that the service and boundary issues are complicated. In addition, due to the fact that the District currently receives a portion of property tax revenues that are used to offset rates, it is politically unlikely that the residents and property owners now being served by the District would support any dissolution or merger with the City as a successor agency.

The 2003 service review report also suggested that the Commission consider a zero sphere of influence for the Montalvo Municipal Improvement District. This is not recommended at this time. This District will be in existence for the foreseeable future and the Ventura LAFCO does not currently have a policy about zero spheres of influence.

Staff believes that a policy about zero spheres of influence is worthy of future consideration by the Commission. However, staff does not believe it would be appropriate for the Commission to adopt and apply such a policy during this first round of service and sphere of influence reviews. Rather, it would be better to consider such a policy after the completion of all the service reviews in this first round. Then both staff and the Commission will have a better understanding of all the agencies that might be affected by such a policy and, if such a policy were adopted, all affected agencies would know of the policy prior to the next round of service and sphere of influence reviews. Based on the current service review and sphere of influence update work plan, it would be appropriate to consider such a policy in 2006 or 2007, before the start of the next five-year cycle of sphere of influence reviews.

For CEQA purposes it is recommended that the Commission as lead agency find the sphere of influence update for the Montalvo Municipal Improvement District to be

Categorically Exempt under Section 15301(b) (Existing Facilities) of the CEQA Guidelines. The only change to the sphere of influence is to add the District's existing wastewater treatment plant and facilities into the sphere. This change is only to recognize existing circumstances and no change in regulation, land use or development will occur as a result of the recommended sphere of influence change.

Pursuant to Government Code Section 56425(d) it is recommended that the Commission consider and adopt written statements of its determinations with respect to each of the following:

- (1) *The present and planned land uses in the area, including agricultural and open-space lands.* – The areas included with this sphere of influence update do not affect agricultural lands. Even though the area occupied by the District's wastewater treatment plant and facilities are designed Open Space by the County General Plan because of their location in the Santa Clara River flood plain, the plant and facilities will not be changing in the foreseeable future, the District has no land use authority, and no change to the present or planned uses will result from this sphere of influence update.
- (2) *The present and probable need for public facilities and services in the area.* – No changes in public facilities or services provided by the District will result from this sphere of influence update.
- (3) *The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.* – The sphere of influence update will not affect the present capacity of public facilities or the services provided by the District.
- (4) *The existence of any social or economic community of interest in the area if the commission determines that they are relevant to the agency.* - The Montalvo community historically was a distinct social and economic community of interest served by the Montalvo Municipal Improvement District. The update of the sphere of influence to include the district's wastewater treatment plant does not affect the Montalvo community.

**Pleasant Valley County Water District:**

The Pleasant Valley County Water District is an independent district that operates and maintains a distribution system for irrigation water for approximately 12,000 acres of land on both sides of Las Posas Road between US 101 and US 1. The District obtains its water from United Water Conservation District. Pleasant Valley County Water District has some outstanding bonds that are paid via a slightly higher property tax rate for properties within the District boundaries.

The municipal service review for the Pleasant Valley County Water District identified the area between US 101 and the Camarillo Airport as a special study area. This area has been partially developed (Home Depot, etc.) and the remaining area is planned for future urban development. When properties develop and convert from agricultural to urban uses, they should be, and in most instances have been, detached from the District. Upon

development the services provided by the District are no longer necessary and the developed properties should no longer have to pay for the District's bonded indebtedness.

The recommended sphere of influence update proposes to remove the existing developed area east of Las Posas Road and south of US 101 from the District's sphere of influence. Areas planned for future development are proposed to remain in the District's sphere until development actually occurs. The developed areas that are now in the sphere, but that are recommended to be removed from the sphere, will remain in the District's boundaries until either the property owners or the District initiate detachment proceedings. Reducing the sphere of influence boundary is a way of encouraging detachment and will make the detachment process slightly easier in the future. For CEQA purposes it is recommended that the Commission as lead agency find the sphere of influence update for the Pleasant Valley County Water District to be Categorically Exempt under Section 15301(b) (Existing Facilities) of the CEQA Guidelines. The only change to the sphere of influence is to reduce the area of the sphere where development now exists and where the District is no longer providing services. This change is only to recognize existing circumstances and no change in regulation, land use or development will occur as a result of the recommended sphere of influence change.

Pursuant to Government Code Section 56425(d) it is recommended that the Commission consider and adopt written statements of its determinations with respect to each of the following:

- (1) *The present and planned land uses in the area, including agricultural and open-space lands.* – The sphere of influence update for the Pleasant Valley County Water District is to ensure that the District's sphere coincides with the District's service area and recognizes existing conditions. There will be no development, no change in land use and no impact to agricultural and open space lands as a result of the sphere of influence update.
- (2) *The present and probable need for public facilities and services in the area.* – No changes in public facilities or services provided by the District will result from this sphere of influence update. As properties develop they no longer need the agricultural water provided by the District.
- (3) *The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.* – The sphere of influence update will not affect the present capacity of public facilities or the services provided by the Pleasant Valley County Water District.
- (4) *The existence of any social or economic community of interest in the area if the commission determines that they are relevant to the agency.* - The sphere of influence update will reflect that the Pleasant Valley County Water District's sphere of influence coincides with the agricultural social and economic communities of interest served by the District.

### **Ventura River County Water District:**

The Ventura River County Water District is an independent district that operates and maintains a retail water distribution system for Casitas Springs, northern Oak View and a small portion of the City of Ojai. Water is obtained primarily from District wells and from Casitas Municipal Water District. The District is wholly within the boundaries and sphere of influence of Casitas Municipal Water District and, to the north, adjoins the boundaries and sphere of influence of the Meiners Oaks County Water District.

Prior LAFCO special district studies and the 2003 municipal service review discussed the possible consolidation of the Ventura River County Water District and the Meiners Oaks County Water District. The two Districts developed independently, but have adjoining and occasionally duplicative facilities. While there are no inter-ties between the two systems, the Districts do share material and staff on an emergency basis. Due to differences in rate structures and the history of the two Districts, however, the 2003 municipal service review noted a potential reluctance of the residents in the Meiners Oaks County Water District to agree to a consolidation.

The 2003 municipal service review identified several “special study areas” for the Ventura River County Water District. These special study areas directly relate to the District’s boundary and sphere of influence. The recommended sphere of influence update, prepared in consultation with the District staff, would modify the District’s sphere to coincide with existing service areas and areas with District facilities and/or owned by the District. Areas not being served by the District, including areas within the District boundaries (e.g. an area along Creek Road), would be removed from the sphere of influence. While the sphere of influence update will not alter the District’s boundaries, those areas within the District’s boundaries, but outside the updated sphere should be considered for detachment by the District.

For CEQA purposes it is recommended that the Commission as lead agency find the sphere of influence update for the Ventura River County Water District to be Categorically Exempt under Section 15301(b) (Existing Facilities) of the CEQA Guidelines. The sphere changes are to better reflect the District’s service area and to include District facilities and property owned by the District. No change in regulation, land use or development will occur as a result of the recommended sphere of influence change.

Pursuant to Government Code Section 56425(d) it is recommended that the Commission consider and adopt written statements of its determinations with respect to each of the following:

- (1) *The present and planned land uses in the area, including agricultural and open-space lands.* – The sphere of influence update for the Ventura River County Water District is to ensure that the District’s sphere reflects the District’s service area and includes District facilities and properties owned by the District. There will be no development, no change in land use and no

impact to agricultural and open space lands as a result of the sphere of influence update.

- (2) *The present and probable need for public facilities and services in the area.* – No changes in public facilities or services provided by the District will result from this sphere of influence update. There is an on-going need for the public facilities and services provided by the District within the District's sphere of influence.
- (3) *The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.* – The sphere of influence update will not affect the present capacity of public facilities or the services provided by the Ventura River County Water District.
- (4) *The existence of any social or economic community of interest in the area if the commission determines that they are relevant to the agency.* - The Ventura River County Water District serves several distinct social and economic communities of interest. The sphere of influence update does not affect the social and economic communities of interest served by the District.

Attachments:

Resolutions for sphere of influence updates for each of the following special districts:

- LAFCO 04-09S 1 Calleguas Municipal Water District
- LAFCO 04-09S 2 Camarillo Sanitary District
- LAFCO 04-09S 3 Montalvo Municipal Improvement District
- LAFCO 04-09S 4 Pleasant Valley County Water District
- LAFCO 04-09S 5 Ventura River County Water District