

Meeting Date: May 18, 2022

TO: LAFCo Commissioners

FROM: Andrea Ozdy, Deputy Executive Officer Andrea Ozdy

**SUBJECT:** Sphere of Influence Review:

LAFCo 22-13S Hidden Valley Municipal Water District

# **Recommendations:**

- A. Determine that the action to review the sphere of influence for the Hidden Valley Municipal Water District (District) is exempt from the California Environmental Quality Act (CEQA) pursuant to § 15061(b)(3) of the CEQA Guidelines.
- B. Adopt Resolution LAFCo 22-13S (Attachment 2) making determinations and reviewing the sphere of influence for the Hidden Valley Municipal Water District pursuant to Government Code § 56425(g), including that a sphere of influence update is not necessary.

# **Background:**

Pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code § 56000 et seq.), the Commission was required to determine and adopt a sphere of influence (or "sphere") for each city and special district on or before January 1, 2008. A sphere of influence is defined in Government Code § 56076 as the probable physical boundary and service area of a local agency, as determined by the Commission. Every five years thereafter, the Commission must, as necessary, review and update each sphere of influence (Government Code § 56425(g)).

In compliance with Government Code § 56425(g), the Commission accepted a Municipal Service Review (MSR) report on September 17, 2003, for the District, entitled *Water and Wastewater Municipal Service Review Report*.

LAFCo's past sphere of influence reviews of the District resulted in the following: (1) a review (i.e., no changes) of the sphere in 2004, (2) a review of the sphere in 2009, and (3) an update of the sphere in 2015. The update of the sphere in 2015 reduced the sphere by approximately 69 acres to align it with the existing jurisdictional boundary of the District.

#### COMMISSIONERS AND STAFF

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Carmen Ramirez, Chair	Janice Parvin	Mary Anne Rooney	
Alternate	Alternate	Alternate	Alternate
Matt LaVere	John C. Zaragoza	John R. (Jack) Curtis	David J. Ross
Executive Officer Kai Luoma	Deputy Executive Officer Andrea Ozdy	Office Manager/Clerk Richelle Beltran	<b>Legal Counsel</b> Alberto Boada

## **Discussion:**

## **District Information**

The Hidden Valley Municipal Water District is an independent special district formed in 1960 that provides recycled water service to a limited number of properties within its service area (i.e., currently nine properties). A five-person Board of Directors governs the District. The District's sphere of influence covers approximately 4,298 acres (about 6.7 square miles), and its jurisdictional boundary is coterminous with its sphere boundary (Attachment 1).

# Current Sphere of Influence Review

LAFCo staff consulted with HVMWD Director Mary Powers and District staff to discuss the District's sphere of influence, and to determine: (1) if the District has experienced any changes to its service needs or areas since LAFCo's most recent evaluation of its sphere of influence, and (2) if the District staff anticipates any service changes that would warrant adjustment of the sphere boundaries. The existing sphere of influence boundary continues to reflect the District's current and probable service area, and is justified based on the MSR report provided for the Commission's consideration as part of Agenda Item 13 of the May 18, 2022, meeting. The MSR demonstrates that the District has the ability to provide services at acceptable levels. Therefore, no changes to the sphere of influence for the District are recommended.

#### Written Determinations

Government Code § 56425(e) requires that, in determining the sphere of influence of an agency, the Commission consider and prepare a written statement 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. (§ 56425(e)(1))

The sphere of influence of the District is coterminous with its service area, and includes the unincorporated area of Hidden Valley. The territory is designated by the Ventura County General Plan and Lake Sherwood/Hidden Valley Area Plan for open space uses. Based on the land use designations and characteristics of this area, the existing land uses are expected to remain unchanged. Therefore, significant growth within the District's sphere of influence and jurisdictional area is not expected.

(2) The present and probable need for public facilities and services in the area. (§ 56425(e)(2))

The sphere of influence of the District is coterminous with its service area, and includes the unincorporated community of Hidden Valley. The District provides recycled water service to a limited number of properties within its service area (i.e., currently nine properties), and is also authorized to provide potable water service (although it does not provide this

Staff Report – Sphere of Influence Review LAFCo 22-13S – Hidden Valley Municipal Water District May 18, 2022 Page 2 of 4

- service). Continued demand for use of recycled water within the District's service area and sphere of influence is anticipated.
- (3) The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide. (§ 56425(e)(3))

The District provides recycled water service to a limited number of properties within its service area (i.e., currently nine properties). Additionally, the District is authorized to provide potable water service; however, it does not have a history of providing water service, or appear to have plans to develop infrastructure to provide this service. Based on the land use designations and characteristics of this area, and the evaluation contained in the MSR prepared by LAFCo on May 18, 2022, demands for recycled water service are not expected to change significantly such that there would be an adverse impact on the present capacity of public facilities and adequacy of public services provided by the District.

As explained in the MSR prepared by LAFCo on May 18, 2022, HVMWD's service is limited to billing activities related to recycled water service that is provided by the Triunfo Water & Sanitation District (TWSD) through a single water meter accessed by customers to retrieve and independently transport recycled water by truck to their properties. The HVMWD does not own or maintain any infrastructure for delivery of water of any type. Furthermore, it has no plans to provide services beyond its current service to coordinate billing for recycled water drawn from the meter. Finally, the District's contract with the TWSD can be terminated at any time, and is likely to be terminated upon the TWSD's implementation of its Pure Water Project (i.e., indirect potable reuse of recycled water) during or around 2028. Therefore, it appears that the District will have the ability to continue to provide recycled water service until approximately 2028; however, it is uncertain how the District would continue to provide recycled water service if and when the TWSD terminates its contract with the HVMWD so that it may use the recycled water for indirect potable reuse purposes.

- (4) The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency. (§ 56425(e)(4))
  - A disadvantaged unincorporated community is defined as a community with an annual median household income that is less than 80 percent of the statewide annual median household income (Government Code § 56033.5). No disadvantaged unincorporated communities are located within or contiguous to the District's sphere of influence.
- (5) For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection. . . the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.

  (§ 56425(e)(5))

The review of the District's sphere of influence is not considered an update (i.e., a modification) to the sphere. Additionally, no disadvantaged unincorporated communities are located within the District's sphere of influence.

# California Environmental Quality Act (CEQA)

A project is defined in CEQA § 21065, in part, as "an activity which may cause either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment." Staff recommends that the Commission find that the review of the District's sphere of influence is exempt from CEQA pursuant to § 15061(b)(3) of the CEQA Guidelines, because "it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment." No change in regulation, land use, or development will occur as a result of the recommended sphere of influence review. The draft resolution contains a finding that the proposed action is exempt from CEQA.

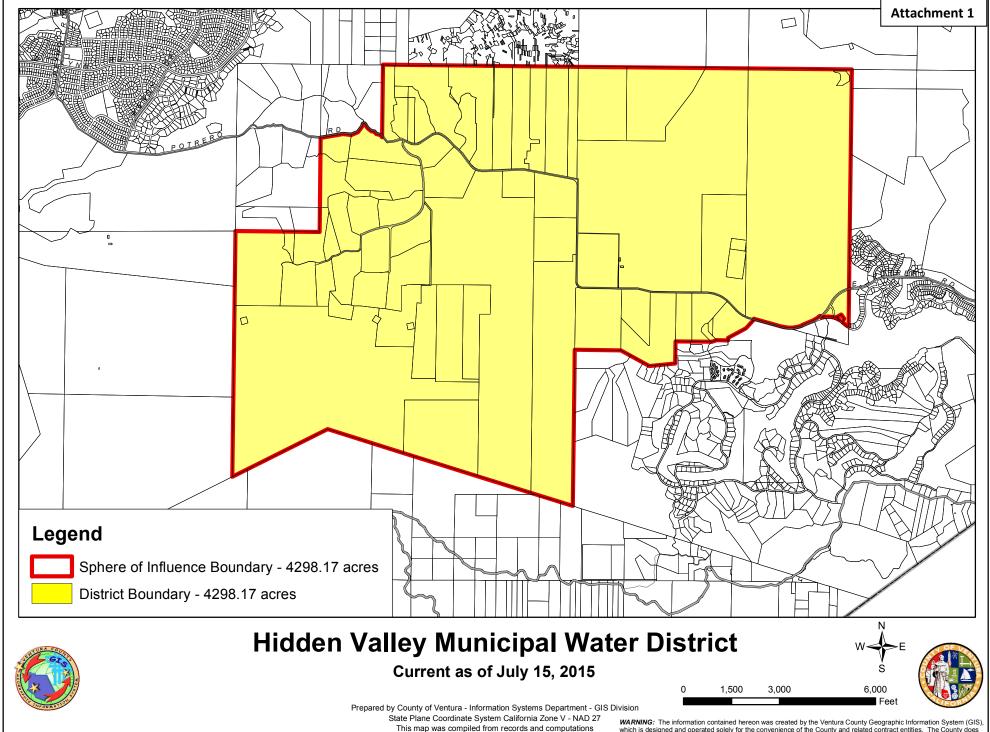
## Notice of Public Hearing

This matter has been noticed as a public hearing pursuant to Government Code § 56427. Additionally, all affected agencies have been notified of the public hearing.

#### Attachments:

- 1. Existing Sphere of Influence Map for the Hidden Valley Municipal Water District
- 2. LAFCo 22-13S Resolution

LAFCo makes every effort to offer legible map files with the online and printed versions of our reports; however, occasionally the need to reduce oversize original maps and/or other technological/software factors can compromise readability. Original maps are available for viewing at the LAFCo office by request.



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**WARNING:** The information contained hereon was created by the Ventura County Geographic Information System (GIS), which is designed and operated solely for the convenience of the County and related contract entities. The County does not warrant the accuracy of this information, and no decision involving a risk of economic loss or physical injury should be made in reliance thereon.

### LAFCO 22-13S

# RESOLUTION OF THE VENTURA LOCAL AGENCY FORMATION COMMISSION MAKING DETERMINATIONS AND REVIEWING THE SPHERE OF INFLUENCE FOR THE HIDDEN VALLEY MUNICIPAL WATER DISTRICT

WHEREAS, Government Code § 56425 et seq. requires the Local Agency Formation Commission (LAFCo or Commission) to develop and determine the sphere of influence of each local governmental agency within the County; and

WHEREAS, Government Code § 56425(g) requires that on or before January 1, 2008, and every five years thereafter, the Commission shall, as necessary, review and update the sphere of influence of each city and special district; and

WHEREAS, the Commission reviewed the sphere of influence for the Hidden Valley Municipal Water District (District) in 2004 and 2009, and updated the sphere of influence in 2015;

WHEREAS, the Commission desires to review the sphere of influence for the District; and

WHEREAS, no change in regulation, land use, or development will occur as a result of reviewing the sphere of influence for the District; and

WHEREAS, at the times and in the manner required by law, the LAFCo Executive Officer gave notice of the consideration of this item by the Commission; and

WHEREAS, the sphere of influence review item was duly considered at a public hearing on May 18, 2022, as specified in the notice of hearing; and

WHEREAS, the Commission heard, discussed, and considered all oral and written testimony for and against the sphere of influence review including, but not limited to, the LAFCo Staff Report dated May 18, 2022, and recommendations; and

WHEREAS, the Commission accepted the Municipal Service Review report for the District dated May 18, 2022.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED by the Commission as follows:

- (1) The LAFCo Staff Report dated May 18, 2022, and recommended review of the sphere of influence for the District are adopted; and
- (2) The subject sphere of influence review is assigned the following distinctive short form designation:

LAFCO 22-123S HIDDEN VALLEY MUNICIPAL WATER DISTRICT SPHERE OF INFLUENCE REVIEW; and

- (3) An update (modification) to the sphere of influence for the District is not necessary; and
- (4) The sphere of influence review for the District is exempt from the California Environmental Quality Act (CEQA) pursuant to § 15061(b)(3) of the CEQA Guidelines, and LAFCo staff is directed to file a Notice of Exemption as the lead agency pursuant to § 15062 of the CEQA Guidelines; and
- (5) The Commission has considered the criteria set forth in Government Code § 56425(e) and determines as follows:
  - a. The present and planned land uses in the area, including agricultural and openspace lands. (§ 56425(e)(1))

The sphere of influence of the District is coterminous with its service area, and includes the unincorporated area of Hidden Valley. The territory is designated by the Ventura County General Plan and Lake Sherwood/Hidden Valley Area Plan for open space uses. Based on the land use designations and characteristics of this area, the existing land uses are expected to remain unchanged. Therefore, significant growth within the District's sphere of influence and jurisdictional area is not expected.

The present and probable need for public facilities and services in the area.
 (§ 56425(e)(2))

The sphere of influence of the District is coterminous with its service area, and includes the unincorporated community of Hidden Valley. The District provides

recycled water service to a limited number of properties within its service area (i.e., currently nine properties), and is also authorized to provide potable water service (although it does not provide this service). Continued demand for use of recycled water within the District's service area and sphere of influence is anticipated.

c. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide. (§ 56425(e)(3))

The District provides recycled water service to a limited number of properties within its service area (i.e., currently nine properties). Additionally, the District is authorized to provide potable water service; however, it does not have a history of providing water service, or appear to have plans to develop infrastructure to provide this service. Based on the land use designations and characteristics of this area, and the evaluation contained in the MSR prepared by LAFCo on May 18, 2022, demands for recycled water service are not expected to change significantly such that there would be an adverse impact on the present capacity of public facilities and adequacy of public services provided by the District.

As explained in the MSR prepared by LAFCo on May 18, 2022, HVMWD's service is limited to billing activities related to recycled water service that is provided by the Triunfo Water & Sanitation District (TWSD) through a single water meter accessed by customers to retrieve and independently transport recycled water by truck to their properties. The HVMWD does not own or maintain any infrastructure for delivery of water of any type. Furthermore, it has no plans to provide services beyond its current service to coordinate billing for recycled water drawn from the meter. Finally, the District's contract with the TWSD can be terminated at any time, and is likely to be terminated upon the TWSD's implementation of its Pure Water Project (i.e., indirect potable reuse of recycled water) during or around 2028. Therefore, it appears that the District will have the ability to continue to provide recycled water service until approximately 2028; however, it is uncertain how the District would continue to provide recycled water service if and when the

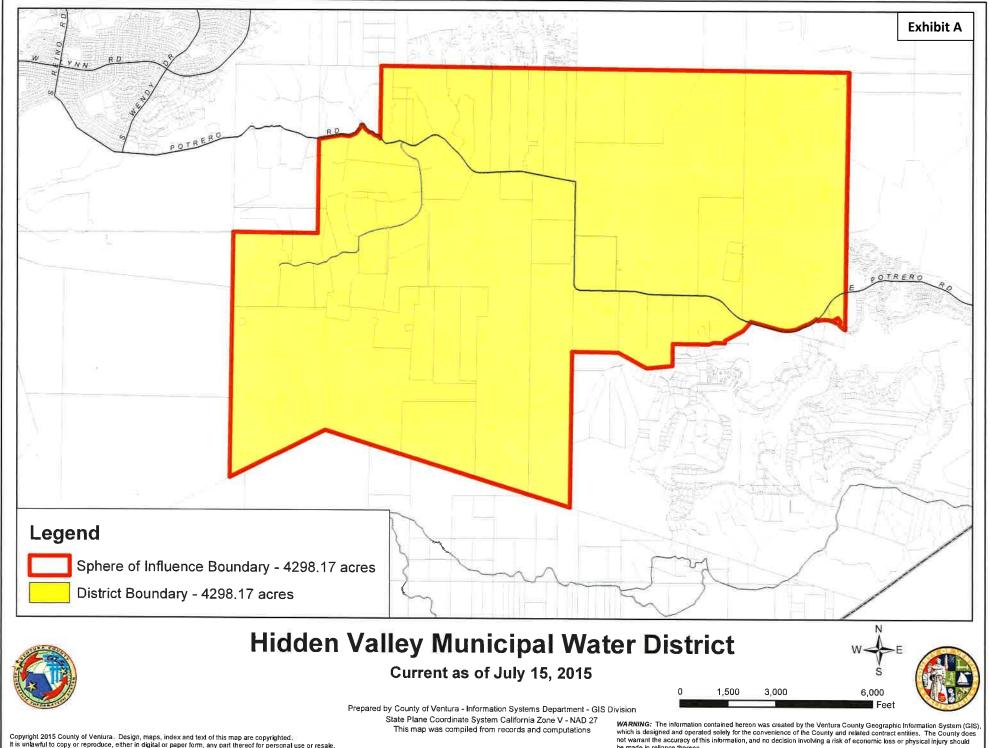
- TWSD terminates its contract with the HVMWD so that it may use the recycled water for indirect potable reuse purposes.
- d. The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency. (§ 56425(e)(4))
  A disadvantaged unincorporated community is defined as a community with an annual median household income that is less than 80 percent of the statewide annual median household income (Government Code § 56033.5). No disadvantaged unincorporated communities are located within or contiguous to the District's sphere of influence.
- e. For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection. . . the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence. (§ 56425(e)(5))
  - The review of the District's sphere of influence is not considered an update (i.e., a modification) to the sphere. Additionally, no disadvantaged unincorporated communities are located within the District's sphere of influence.
- (6) The sphere of influence for the District is hereby reviewed and is generally depicted in Exhibit A, "Hidden Valley Municipal Water District" attached hereto; and
- (7) LAFCo staff is directed to have the official Geographic Information System (GIS) sphere of influence data maintained for the Ventura LAFCo by the Ventura County Information Technology Services Department as the official sphere of influence record for the District updated consistent with this action.

This resolution was adopted on May 18, 2022.

	AYE	NO	ABSTAIN	ABSENT	
	/				
Commissioner Bill-de la Peña					
Commissioner Freeman					
Commissioner Parks					
Commissioner Parvin					
Commissioner Ramirez					
Commissioner Richards	<b>1</b> /				
Commissioner Rooney	$\checkmark$				
Alt. Commissioner Curtis					
Alt. Commissioner La Vere					
Alt. Commissioner Ross					
Alt. Commissioner Zaragoza					
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Date Chair, Ventura Local Agency Formation Commission					

Attachment: Exhibit A

c: Hidden Valley Municipal Water District Ventura County Information Technology Services Department



be made in reliance thereon.

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