

**MUNICIPAL SERVICE REVIEW AND
SPHERE OF INFLUENCE UPDATE**

SANTA YNEZ VALLEY

Report to the
**Santa Barbara Local Agency
Formation Commission**

April 2006

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INTRODUCTION AND OVERVIEW

Local Agency Formation Commissions (or LAFCOs) are a method unique to California in dealing with population growth and public service conditions that became evident in a significant way following World War II.

During and after World War II California experienced a dramatic increase in population and economic development. These changes, together with increased personal mobility related to common automobile ownership, created growing demands for housing, public services and public infrastructure, often in suburban areas.

1. Before LAFCOs were created

Prior to 1964 decisions to expand city and special district boundaries were left to the annexing agency and the affected landowners. There was no external or third party oversight.

As a result, and due to the desires of some communities to capture their perceived share of new growth, annexation “wars” evolved between some agencies, with some expanding their area to be in a better a position to annex additional territory. The creation of new cities or special districts also occurred without any third party review.

A general lack of coordination led to a multitude of overlapping, inefficient jurisdictional and service boundaries and premature conversion of much of the State’s productive agricultural and open-space lands. The result was “urban sprawl.”

Recognizing these problems, in 1959 newly elected Governor Edmund G. Brown, Sr. appointed the Commission on Metropolitan Area Problems. It’s task was to study and make recommendations on the "misuse of land resources" and the growing complexity of local governmental jurisdictions.

The Commission's revelations about local governmental reorganization were converted into legislation enacted in 1963 that created a Local Agency Formation Commission in each county (except the City and County of San Francisco).

2. LAFCO regulation of boundary changes

Beginning in 1964, local boundary changes required approval of this new Commission with county-wide regulatory authority. Its broad goals and objectives include discouraging urban sprawl, encouraging the orderly formation and development of local governments based on local circumstances, promoting efficient and economical local governments and, where appropriate, guiding development away from agricultural and open space resources.

LAFCO regulates by approving or denying city and special district boundary changes and the extension of public services. It is empowered to undertake studies of local

agencies and to initiate updates to the spheres of influence. Typically, applications to LAFCO originate with affected landowners and/or developers and cities or districts seeking to annex territory.

The Commission is an independent agency, exercising a direct grant of legislative authority from the State government. Its decisions, while subject to judicial review, are not appealable to the County or any other local or State-wide administrative body.

3. Santa Barbara LAFCO

The SB LAFCO consists of seven regular members: two members appointed by the Board of Supervisors from its own membership; two members of city councils appointed by the mayors of the cities in the County; two members of special district board appointed by the presiding officers of the independent special districts in the County; and one public member, appointed by the other Commissioners.

There are also four alternates – one in each category of member - who vote in the absence of a regular member. Commissioners are appointed to four-year terms.

The day-to-day business of the Commission, including analysis and recommendations about proposals is the responsibility of the Executive Officer. The Commission has legal counsel for assistance.

4. Legislative History (Significant Changes Only)

Through a series of legislative amendments over the past 30 years LAFCO has become responsible for coordinating logical and timely changes in the local governmental structure, including annexations and detachments of territory, incorporations of cities, formations of special districts, consolidations, mergers and dissolutions, and to regulate the extension of services by cities and special districts outside of their boundaries.

A brief timeline of significant legislation and litigation that shaped LAFCO's current powers and duties is useful to understanding the need for Municipal Service Reviews.

- 1964 LAFCO is created as a regulatory agency in each county to regulate cities and districts, promote orderly boundaries and discourage urban sprawl.
- 1971 LAFCO becomes a planning agency when directed by the Legislature to prepare and adopt a “sphere of influence” of each city and special district
- 1976 Due to a legal challenge to a city annexation, the courts declare LAFCOs are subject to the California Environmental Quality Act and annexations are “projects” under CEQA
- 1983 Responding to a lawsuit involving a special district annexation, the Legislature creates firm time limits within which LAFCOs must adopt spheres of influence or lose the ability to approve annexations.

- 1985 LAFCO and boundary change statutes are combined into one volume, the Cortese/ Knox Local Government Reorganization Act
- 1993 Significant reforms include allowing LAFCO to initiate some special district reorganizations and waive certain conduct authority protest hearings
- 2000 LAFCO required to (1) review and update spheres a least every five years and (2) prepare Municipal Service Reviews when updating spheres

5. Legislative Requirement to Prepare Municipal Service Reviews

Two separate studies recommended that LAFCOs review local agencies.

Little Hoover Commission - A May 2000 Little Hoover Commission report, *Special Districts: Relics of the Past or Resources for the Future?*, focused on governance and financial problems among independent special districts, and barriers to LAFCO's pursuit of district consolidation and dissolution.

The report focused on the need for special districts oversight, noting "the underlying patchwork of special district governments has become unnecessarily redundant, inefficient and unaccountable." It raised concerns about a lack of visibility and accountability among some independent special districts and indicated many special districts have excessive reserve funds and questionable property tax revenue. The report expressed concern about the lack of financial oversight of the districts.

The report called on the legislature to increase the oversight of special districts by mandating that LAFCOs identify service duplications and that LAFCOs study reorganization alternatives when service duplications are identified, when a district appears insolvent, when district reserves are excessive, when rate inequities surface, when a district's mission changes, when a new city incorporates and when service levels are unsatisfactory. To accomplish this, the report recommended that the state strengthen the independence and funding of LAFCOs, require districts to report to their respective LAFCO, and require LAFCOs to study service duplications.

Commission on Local Governance - The second report, *Growth Within Bounds: Planning California Governance for the 21st Century*, had its genesis in legislation that created the Commission on Local Governance for the 21st Century in 1997. It was established to review current statutes on the policies, criteria, procedures and precedents for city, county and special district boundary changes.

The 21st Century Commission released its final report in January 2000. It examined how local government is organized and operates, and established a vision of how the state will grow by "making better use of the often invisible LAFCOs in each county".

The report points to the expectation that California's population will double over the first four decades of the 21st Century, and raises concern that our government institutions were designed when our population was much smaller and our society

was less complex. The report warns that, without a strategy, open spaces will be swallowed up, expensive freeway extensions will be needed, job centers will become farther removed from housing, and this will lead to longer commutes, increased pollution and a more stressful lifestyle. The report suggests local governments face unprecedented challenges in their ability to finance service delivery since voters cut property tax revenues in 1978 and the legislature shifted property tax revenues from local government to the schools in 1993.

The report recommended encouraging effective, efficient and easily understandable government and suggested that LAFCOs cannot achieve their fundamental purposes without a comprehensive knowledge of the services available within its county, the current efficiency of providing service within various areas of the county, future needs for each service, and expansion capacity of each service provider. Further, the report asserted that many LAFCOs lack such knowledge, and should be required to conduct such reviews to ensure that municipal services are logically extended to meet California's future growth and development.

The Report's recommendations were made part of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. The law requires LAFCO periodically update spheres of influence and review municipal services before updating them.

MSRs are intended to provide LAFCO and the public with a comprehensive study of existing and future public service conditions and evaluate organizational options to accommodate growth, prevent urban sprawl and ensure that critical services are provided efficiently and cost-effectively.

Government Code Section 56430, which became effective on January 1, 2001, requires LAFCO to review municipal services provided in geographic areas appropriate to the service or services to be reviewed, and prepare a written statement of determinations with respect to each of the following:

1. Infrastructure needs or deficiencies;
2. Growth and population projections for the affected area;
3. Financing constraints and opportunities;
4. Cost avoidance opportunities;
5. Opportunities for rate restructuring;
6. Opportunities for shared facilities;
7. Government structure options, including advantages and disadvantages of consolidation or reorganization of service providers;
8. Evaluation of management efficiencies; and
9. Local accountability and governance.

MSRs do not require LAFCO to initiate changes based on service review findings, only to make determinations regarding the provision of public services. LAFCO, local agencies and the public may subsequently use the determinations to analyze

prospective changes of organization or reorganization or to establish or amend spheres of influence.

MSRs are not “projects” under the provisions of the California Environmental Quality Act; they are feasibility or planning studies for *possible* future action that LAFCO has not approved.

The outcome of conducting an MSR may implement a recommended change of organization or reorganization. Either LAFCO or a local agency that submits a proposal may be the lead agency for compliance with CEQA and conduct an appropriate environmental review.

6. Legislative Requirement to Update Spheres of Influence

Since 1971 LAFCO has been obligated to develop and adopt a sphere of influence for each city and special district within the county. The statute states “The Commission shall develop and determine the sphere of influence of each local governmental agency within the county and enact policies designed to promote the logical and orderly development of areas within the sphere.” (Government Code Section 56425)

Section 56076 defines a sphere of Influence as:

A plan for the probable physical boundaries and service area of a local agency, as determined by the commission.

The Cortese/Knox/Hertzberg Local Government Reorganization Act of 2000 requires LAFCO, for the first time, to “review and update, as necessary, the adopted sphere not less than once every five years.” (Government Code Section 56425 (f)).

LAFCO is prohibited from approving a boundary change that is inconsistent with the adopted sphere for the affected agencies. It is therefore a planning tool to provide guidance for individual proposals involving jurisdictional changes. They are intended to encourage the efficient provision of public services and prevent service duplication.

The direct relationship between MSRs and Sphere of Influence Updates is in Government Code Section 56430, which states that “In order to prepare and to update spheres of influence in accordance with Section 56425, the Commission shall conduct a service review of the municipal services provided in the county or other appropriate area designated by the commission.”

In addition to the written determinations needed to adopt an MSR, whenever LAFCO adopts or amends a sphere of influence it must make the following additional written determinations:

1. Present and planned land uses in the area, including agricultural and open-space lands;
2. Present and probable need for public facilities and services in the area;
3. Present capacity of public facilities and adequacy of public service that the agency provides or is authorized to provide; and
4. Existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

The statute contains procedural requirements for LAFCO to review and update spheres. The Commission must notify affected agencies 21 days before holding a public hearing to consider the sphere. The Executive Officer must issue a report and recommendations on the sphere updates under consideration at least five days prior to the public hearing.

Other Local Agencies within the Santa Ynez Valley Area

In addition to cities and special districts discussed in the this report, the Santa Ynez Valley includes countywide or regional districts that were identified and discussed in Municipal Service Review reports already prepared for other areas. These include:

- County Service Area No. 32

This County-governed special district encompasses the entire unincorporated area and provides an accounting mechanism to help fund law enforcement services the unincorporated area. The District has no separate staff and functions as a source of revenue for the Sheriff's office.

- Santa Barbara Coastal Vector Control District

This is a countywide special district except for the Cities of Buellton, Lompoc, Santa Maria and Solvang. LAFCO has approved a proposal to annex the Cities of Buellton and Solvang to the District; that process has not be completed.

The District provides abatement of mosquitoes, roof rats and other disease vectors and routine surveillance of vector-borne disease.

- Cachuma Resource Conservation District

This countywide special district provides technical assistance to landowners and services related to improving land capabilities, conserving resources, preventing and controlling soil erosion and public education.

CITY OF BUELLTON

MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE

Report to the
**Santa Barbara Local Agency
Formation Commission**

April 2006

1. INTRODUCTION

This report regarding the City of Buellton 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 City 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.

2. MUNICIPAL SERVICE REVIEW

Description of City

The City of Buellton was incorporated on February 1, 1992 and is one of eight cities in Santa Barbara County. It operates pursuant to the general laws of the State of California (Government Code, Section 34000 et seq.).

It is governed by a five-member city council whose members are elected at large. It has a city manager form of government and is a “full service” city, providing most essential city services.

The City is adjacent to the Santa Ynez River in central Santa Barbara County. It is at the confluence of State Highways 101 and 246.

The City boundaries and sphere of influence are coterminous. A map of the City and its sphere is included in this report.

City Services

The City provides a broad variety of municipal services, which include:

- ❑ Law enforcement including traffic law enforcement
- ❑ Emergency medical response
- ❑ Land use planning and regulation of buildings
- ❑ Parks, recreation programs and open space maintenance
- ❑ Library services
- ❑ Retail water supply
- ❑ Wastewater collection, treatment and disposal
- ❑ Refuse collection, recycling and disposal
- ❑ Street maintenance
- ❑ Street lighting
- ❑ Drainage and storm water disposal
- ❑ Transit services

The Request for Information for Municipal Service Reviews includes significant detail about the services provided by the City including a discussion of services provided in concert with other public agencies. A copy is available in the LAFCO office.

The City services to approximately 1,475 water and wastewater connections.

Other Governmental Agencies within the City

Local agencies that overlap the City are the Cachuma Resource Conservation District, Oak Hill Cemetery District, Santa Barbara County Fire Protection District and Santa Ynez River Water Conservation District.

3. MSR DETERMINATIONS

This portion of the report addresses the factors specified in LAFCO's governing statute for the MSR for the City of Buellton. LAFCO is responsible for assessing whether the City is reasonably capable of providing needed resources and infrastructure to serve areas within the City and its Sphere of Influence. It is important that infrastructure and resources are available when SOI revisions or annexations occur.

Infrastructure Needs and Deficiencies

The City owns and maintains a variety of facilities to provide public services to residents and property owners. The City's Public Facilities Master Plan identifies City owned facilities used to provide various services and assesses their remaining useful life.

The Final EIR prepared for the City General Plan Land Use Element and Circulation Element Update (August 2005) identifies current and future needs, allowing the City to plan for sufficient financing and sequencing of construction to meet its probable needs. Existing infrastructure is sufficient to maintain current levels of public services.

Growth and Population Projections

In addition to the Santa Barbara County Association of Government's growth projections the City's General Plan Update projects population growth. The Land Use Element Update can accommodate up to 1,803 new dwelling units, all within the current City boundaries and sphere.

Financing Constraints and Opportunities

The City is subject to the funding regulations that apply to municipalities throughout the State and is therefore subject to broad changes in revenue allocation based on the State budget and its relationship to local funding sources.

It is reasonable to conclude that by investing in capital projects, calculating impact fees and mitigations for new projects and careful stewardship of resources the City will be able to avoid long-term, unfunded financial obligations for municipal services.

Continued planned growth may allow the City to benefit from economy of scale and being able to allocate some fixed municipal costs over a wider base of support.

Cost-Avoidance Opportunities

There are no obvious cost avoidance opportunities that have not been considered by the City and implemented through service agreements to assist in service economy and mitigate impacts of emergencies by avoiding costs of duplicate facilities and equipment.

Opportunities for Rate Restructuring

There are no obvious opportunities for rate restructuring in City operations.

Opportunities for Shared Facilities

Due to the relative distance between the City and other communities, opportunities for shared facilities are limited, but there are arrangements for providing some community services, such as library staffing, cooperatively with other local agencies.

Government Structure Options

There are no obvious opportunities for governmental structure options.

Management Efficiencies

The City exhibits the characteristics of a well-managed agency operating efficiently and serving its residents and customers effectively. A significant amount of effort is invested in planning how best to provide services to City residents and property owners.

Local Accountability and Governance

The City is a relatively compact government, which enhances the ability of the public to participate in its activities. The Mayor and City Council are elected by and accountable to the voters who reside in the City.

All City Council packets and minutes are posted on the City's website and posted at public buildings. The City also distributes a quarterly newsletter to all residents.

4. SPHERE OF INFLUENCE REVIEW AND UPDATE

Description of Current Sphere of Influence

The City boundaries and sphere of influence are coterminous. A map of the City and its sphere are included.

Potential Sphere Changes

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

Do you feel that your agency's boundary is correct at this time? No

Are there areas your agency desires or plans to serve that are not now within is boundaries or its sphere of influence? Yes

The City notes discussions are underway regarding the expansion of the City's sphere but no requests for sphere changes have been submitted to LAFCO.

Sphere of Influence Determinations

Inasmuch as no changes in the sphere of influence have been officially proposed at this time it is not necessary for the Commission to adopt or approve determinations to modify the sphere. At such time in the future that a sphere amendment is proposed it would be appropriate to consider the information in this MSR in making any determinations

5. 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 City of Buellton provided the information and documents upon which the evaluation is based. City Manager Steve Thompson was instrumental in providing data but it is clear from the quality of the submittal that the entire City organization was involved.

Mapping services were provided by JDL Mapping.

Available Documentation

The "Request for Information for Municipal Service Reviews" submitted by the City and the supporting documents referred to therein are available in the LAFCO office. The City submitted all supporting documents, including budgets, rate schedules, audit reports, General Plan Elements and other documents on an easily searchable compact disk.

6. RECOMMENDATIONS

In consideration of information gathered and evaluated during the Municipal Service Review it is recommended the Commission affirm the current Sphere of Influence and that consideration of expansion or revision be considered when an application from the City is received.

CITY OF SOLVANG

MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE

Report to the
**Santa Barbara Local Agency
Formation Commission**

April 2006

1. INTRODUCTION

This report regarding the City of Solvang 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 City 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.

2. MUNICIPAL SERVICE REVIEW

Description of City

The City of Solvang was incorporated in 1985 and is one of eight cities in Santa Barbara County. It operates pursuant to the general laws of the State of California (Government Code, Section 34000 et seq.).

It is governed by a five-member city council, whose members are elected at large. It has a city manager form of government and is a “full service” city, providing most essential city services.

The City is adjacent to the Santa Ynez River in central Santa Barbara County. Located at on State Highway 246 approximately three and a half miles east of State Highway 101 and five miles west of State Highway 154.

The City boundaries and sphere of influence are largely coterminous. A map of the City and its sphere is included in this report.

City Services

The City provides a broad variety of municipal services, which include:

- ❑ Law enforcement including traffic law enforcement
- ❑ Fire prevention and suppression
- ❑ Emergency medical response
- ❑ Land use planning and regulation of buildings
- ❑ Parks, recreation programs and open space maintenance
- ❑ Retail water supply
- ❑ Wastewater collection, treatment and disposal
- ❑ Refuse collection, recycling and disposal
- ❑ Street maintenance
- ❑ Street lighting
- ❑ Drainage and storm water disposal
- ❑ Transit services

The Request for Information for Municipal Service Reviews includes detail about the services provided by the City. A copy is available in the LAFCO office.

The City provides services to approximately 1,907 water and wastewater connections.

Sewage effluent from the City and the Santa Ynez Community Services District is treated and disposed of by the City’s Wastewater Treatment Plant.

Other Governmental Agencies within the City

Local agencies that overlap the City are the Cachuma Resource Conservation District, Oak Hill Cemetery District and the Santa Ynez River Water Conservation District.

3. MSR DETERMINATIONS

This portion of the report addresses the factors specified in LAFCO's governing statute for the MSR for the City of Solvang. LAFCO is responsible for assessing whether the City is reasonably capable of providing needed resources and infrastructure to serve areas within the City and its Sphere of Influence. It is important that infrastructure and resources are available when SOI revisions or annexations occur.

Infrastructure Needs and Deficiencies

The City owns and maintains a variety of facilities that provide services to its residents and property owners. The City purchases and distributes water from the State Water Project and its own wells and operates its own wastewater treatment plant. It is in the process of developing a Capital Improvement Plan (CIP).

Growth and Population Projections

The City accepts the Santa Barbara County Association of Government's growth projections for use in Municipal Service Reviews.

Financing Constraints and Opportunities

The City is subject to the funding regulations that apply to municipalities throughout the State and is therefore subject to broad changes in revenue allocation based on the State budget and its relationship to local funding sources.

It is reasonable to conclude that by calculating impact fees and mitigations for new projects and careful stewardship of resources the City will be able to avoid long-term, unfunded financial obligations for improvements or maintenance.

Cost-Avoidance Opportunities

There are no obvious cost avoidance opportunities that have not been considered by the City and implemented through service agreements to assist in service economy and mitigate impacts of emergencies by avoiding costs of duplicate facilities and equipment.

Opportunities for Rate Restructuring

There are no obvious opportunities for rate restructuring in City operations.

Opportunities for Shared Facilities

Some sharing of facilities is already occurring by use of the City's wastewater treatment plant by the Santa Ynez Community Services District, and arrangements for community services such as library staffing cooperatively with other local agencies.

Government Structure Options

There are no obvious opportunities for governmental structure options.

Management Efficiencies

The City exhibits the characteristics of a well-managed agency operating efficiently and serving its residents and customers effectively.

Local Accountability and Governance

The City is a relatively compact government, which enhances the ability of the public to participate in its activities. The Mayor and City Council are elected by and accountable to the voters who reside in the City.

City Council meetings are telecast live. There is a website with information about City activities and City Council agendas are posted on the Internet and at City Hall.

4. SPHERE OF INFLUENCE REVIEW AND UPDATE

Description of Current Sphere of Influence

The City boundaries and sphere of influence are largely coterminous. A map of the City and its sphere are included.

Potential Sphere Changes

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

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

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

This policy was recently illustrated when the City preferred to provide sewage collection and treatment services for a property adjacent to the City by an out-of-agency agreement as opposed to annexing the property.

Sphere of Influence Determinations

Inasmuch as no changes in the sphere of influence have been proposed at this time it is not necessary for the Commission to adopt or approve determinations to modify the sphere. At such time in the future that a sphere amendment is proposed it would be appropriate to consider the information in this MSR in making any determinations

5. 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 City of Solvang provided information and documents upon which the evaluation is based. The City staff 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 City and the supporting documents referred to therein are available in the LAFCO office.

6. RECOMMENDATIONS

In consideration of information gathered and evaluated during the Municipal Service Review it is recommended the Commission affirm the current Sphere of Influence.

**SANTA BARBARA COUNTY
FIRE PROTECTION
DISTRICT**

**MUNICIPAL SERVICE REVIEW AND
SPHERE OF INFLUENCE UPDATE**

Report to the
**Santa Barbara Local Agency
Formation Commission**

April 2006

1. INTRODUCTION

This report regarding the Santa Barbara County Fire Protection 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.

2. MUNICIPAL SERVICE REVIEW

Description of District

The Santa Barbara County Fire Protection District was formed in April 1926 and operates pursuant to the Fire Protection District Law of 1987 (Health and Safety Code, Section 13800 et seq.).

The District is Countywide except for the Cities of Guadalupe, Lompoc, Santa Barbara, Santa Maria and Solvang and the Carpinteria/Summerland, Montecito and Orcutt Fire Protection Districts.

The District is governed by the Board of Supervisors and administered by the County Fire Chief.

The District's boundaries and sphere of influence are coterminous. As land is annexed to one of the cities that provide fire protection it is detached from the District.

District Services

The District provides fire prevention and suppression, emergency medical response and transport, search and rescue, building permits and inspections and participates in the County Office of Emergency Services.

Other Governmental Agencies within the District

Local agencies that overlap the District in the Santa Ynez Valley include the Cachuma Resource Conservation District, City of Buellton, County Service Area 32 (Unincorporated Law Enforcement), Oak Hill Cemetery District, Santa Barbara Coastal Vector Control District, Santa Ynez Community Services District, Santa Ynez Valley Water Conservation District, Santa Ynez Water Conservation District, Improvement District No. 1.

3. MSR DETERMINATIONS

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

Infrastructure Needs and Deficiencies

The District operates Fire Station No. 31 at 168 West Highway 246, Buellton and No. 32 at 906 Airport Road, Santa Ynez, which serve the unincorporated Santa Ynez Valley and the City of Buellton. It appears the District is able to accommodate potential service demands in the area from these facilities, provided sufficient funding is available to adequately staff these stations.

The County's Capital Improvement Plan projects capital needs for the District to serve projected growth in its entire service area and estimates funds that will be needed for proposed capital improvements to serve anticipated needs.

Growth and Population Projections

The District will provide services as population growth occurs. It does not affect the rate or location of population development.

Financing Constraints and Opportunities

The District receives a portion of the general property tax levied within its boundaries and fees to mitigate impacts of development projects. It is not clear whether these will avoid long-term, unfunded financial obligations for improvements or operations for this service, especially if the State continues to transfer funding from local government.

Cost-Avoidance Opportunities

The District participates in mutual aid and response agreements with other emergency response agencies to obtain increased levels of service and coverage. This includes the City of Solvang which staffs a municipal fire station.

Opportunities for Rate Restructuring

There are no obvious opportunities for rate restructuring in the operations of the District.

Opportunities for Shared Facilities

There may be possible savings by sharing administrative and field staff and/or facilities and equipment. See response below to Government Structure Options.

Government Structure Options

While no proposals have been made to LAFCO, the District reports that "fiscal and service efficiencies could be attained through county-wide regionalization of the types of services provided by the District."

Management Efficiencies

Given its extensive service area the District exhibits the characteristics of a well-managed agency operating efficiently and serving its residents and customers effectively.

Local Accountability and Governance

The District is governed by the Board of Supervisors, which is elected by districts each of which include approximately 20% of the total County population.

4. SPHERE OF INFLUENCE REVIEW AND UPDATE

Description of Current Sphere of Influence

The District's boundaries and sphere of influence are coterminous. As lands are annexed to one of the cities or districts that provide fire protection it is detached from the District.

No Proposed Sphere Changes

There are no known sphere changes proposed at this time.

Sphere of Influence Determinations

Inasmuch as no changes in the sphere of influence are proposed at this time it is not necessary for the Commission to adopt or approve any determinations.

5. 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 Santa Barbara County Fire Protection District provided the basic information and documents upon which the evaluation is based.

Mapping services were provided by JDL Mapping.

Available Documentation

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

6. RECOMMENDATIONS

In consideration of information gathered and evaluated during the Municipal Service Review it is recommended the Commission affirm the current Sphere of Influence and that it not be expanded or revised at this time.

SANTA YNEZ COMMUNITY SERVICES DISTRICT

MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE

Report to the
**Santa Barbara Local Agency
Formation Commission**

April 2006

1. INTRODUCTION

This report regarding the Santa Ynez Community Services 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.

2. MUNICIPAL SERVICE REVIEW

Description of District

The Santa Ynez Community Services District was formed November 15, 1971 and operates pursuant to the Community Services District Act (Government Code, Section 61000 et seq.).

It is located in northern Santa Barbara County, north of and adjacent to State Highway 246, three miles east of the City of Solvang and approximately a mile and a half west of State Highway 154.

The District is governed by a five-member board of directors, elected at-large. A General Manager is responsible for administrative functions.

The District's sphere of influence is larger than its boundaries, particularly in the western portion of the District, allowing for significant future annexations. A map of the District and its sphere are included.

The District's Mission Statement is included as part of this report.

District Services

The District collects and transports wastewater. Effluent from the District is treated and disposed of by the City of Solvang's wastewater treatment plant. The District serves approximately 680 connections.

The District, by contract, maintains the collection lines, pump station and wastewater treatment plant for the Chumash Tribe Indian Reservation.

The District provides streetlighting, illuminating 10 street lights in the community.

Other Governmental Agencies within the District

Local agencies that overlap the District are the Cachuma Resource Conservation District, County Service Area 32 (Law Enforcement), Oak Hill Cemetery District, Santa Barbara Coastal Vector Control District, Santa Barbara County Fire Protection District and Santa Ynez Valley Water Conservation District.

3. MSR DETERMINATIONS

This portion of the report addresses the factors specified in LAFCO's governing statute for the MSR for the Santa Ynez CSD.

Infrastructure Needs and Deficiencies

The District owns and operates the sewage collection system within its boundaries, an infrastructure sufficient for current demand. Treatment and disposal of sewage is provided by the treatment plant owned and managed by the City of Solvang. The District owns 0.29 million gallons per day (average dry weather flow) of the treatment capacity, an amount that appears to be sufficient for the District's current and projected needs.

There are areas west of the District, but within its sphere, that are served by individual on-site septic disposal systems. There have been a series of annexations to the District over the past several years as individual properties in this area seek connection to the District's wastewater collection system. It is assumed this trend will continue.

The District is in the process of adopting a ten-year capital improvement plan.

Growth and Population Projections

The District indicates it accepts the Santa Barbara County Association of Government's Forecast 2000 growth projections for use in Municipal Service Reviews.

Financing Constraints and Opportunities

It is reasonable to conclude that the District's adopted service fees, contract with the Chumash Tribe and fees for new connections and projects will avoid long-term, unfunded financial obligations for improvements or maintenance.

Cost-Avoidance Opportunities

There are no obvious cost avoidance opportunities in wastewater operations though the idea of sharing overhead and administrative costs with other agencies is a potential.

In late 2002 the District Board conducted a planning workshop. At that time the concept of dissolving and having the City of Solvang assume responsibility for maintaining and operating the collection system was discussed, but not supported due to concerns for retaining the current representation for District residents through the Board of Directors.

Opportunities for Rate Restructuring

There are no obvious opportunities for rate restructuring.

Opportunities for Shared Facilities

Significant sharing is occurring in wastewater by joint use of the Solvang treatment plant.

Government Structure Options

There may be benefits to “merge” or “combine” the District with Improvement District No. 1 of the Santa Ynez River Water Conservation District (SYRWCD ID#1) that provides retail water service to the Santa Ynez area.

In addition to possible economies by sharing administration and field staff, such a change would establish a publicly accountable agency to provide both water distribution and sewage collection, public works activities with many similar functional activities.

The District, in response to the draft report, indicates “it is not interested and see no advantage in merging with any other agency and is uncertain it is possible to merge with the SYRWCD ID#1 due to the water code that it was formed under.” Further, the District indicated “the citizens of Santa Ynez are better served by this District and expressed their desire to continue to serve in the capacity of a Community Services District looking to serve the community with future needs.”

Management Efficiencies

The District exhibits the characteristics of a well-managed small agency operating efficiently and serving its residents and customers effectively.

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 recently distributed its first newsletter, requesting feedback from its customers.

4. SPHERE OF INFLUENCE REVIEW AND UPDATE

Description of Current Sphere of Influence

The District’s sphere of influence is larger than its boundaries, particularly in the western portion of the District, allowing for significant future annexations. A map of the District and its sphere are included.

No Proposed Sphere Changes

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 staff feels this response pertains more to the District sphere than its current boundaries given the continuing number of annexations that are submitted for approval.

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

Are there areas your agency currently serves that might be served more efficiently by another agency? No

Sphere of Influence Determinations

Inasmuch as no changes in the sphere of influence are proposed at this time it is not necessary for the Commission to adopt or approve any determinations.

5. 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 Santa Ynez CSD's General Manager Bobbie Martin was instrumental in providing the basic information and documents upon which the evaluation is based.

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.

6. RECOMMENDATIONS

In consideration of information gathered and evaluated during the Municipal Service Review it is recommended the Commission affirm the current Sphere of Influence and that it not be expanded or revised at this time.

SANTA YNEZ VALLEY COMMUNITY SERVICES DISTRICT

Mission Statement

The mission of the District is to respond to the needs of its citizens and represent them, as a group, at local and regional levels in solving local problems affecting the common good. To fulfill that mission, the Board of Directors of the Santa Ynez Community Services District is committed to the following legislative policy:

- To respond to community needs within the District's sphere of influence (said sphere being subject to future revision and amendment pursuant to Government Code) to the full extent of the District's authority and the purposes for which it was formed;
- To support orderly growth and development which is essential to the social, fiscal and economic well-being of the community as an integral part of the Santa Ynez Valley and which responds sensitively to environmental concerns and available natural resources; and
- To set priorities for community services by weighing actual and future needs against all available financial resources and to manage public funds in a manner both fiscally sound and conservative.

The Board further finds that the common good is best served when all policies are based upon the most complete information that can be assembled, the counsel of reliable, independent experts is sought, and the District is administered fairly, objectively and without deference to special or self interests.

SANTA YNEZ RIVER WATER CONSERVATION DISTRICT

MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE

Report to the
**Santa Barbara Local Agency
Formation Commission**

April 2006

1. INTRODUCTION

This report regarding the Santa Ynez River Water Conservation 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.

2. MUNICIPAL SERVICE REVIEW

Description of District

The Santa Ynez River Water Conservation District was created on October 23, 1939 and operates under provisions of the California Water Conservation Law of 1931, Water Code Section 74000 et seq.

The District overlaps much of the Santa Ynez Valley, extending from the Pacific Ocean at Surf eastward past Lake Cachuma. It includes the Cities of Buellton, Lompoc and Solvang and the communities of Los Olivos and Santa Ynez.

The District was formed to protect the water rights and supplies of the Santa Ynez Valley from diversion and export. It was created in response the construction of dams on the Santa Ynez River by south coast interests. It does not own, sell or replenish water.

Its principal activity is applying technical, regulatory and legal expertise to resolve surface and groundwater issues and thereby defend the water supplies of its constituents from use by interests outside of the watershed. It has negotiated agreements with south coast interests and the U.S. Bureau of Reclamation pertaining to operation of and releases of water from the dams. The District prepares groundwater management plans and other reports. The District's 27th annual "Engineering and Survey Report on Water Supply Conditions" was prepared in April 2005.

The District is governed by a five-member board of directors, which is elected by divisions. A General Manager is responsible for administration and coordination of the technical, regulatory and legal efforts of the District.

This District should not be confused with the Santa Ynez River Water Conservation District (Special) Improvement District No. 1 (ID No. 1) which the District formed as a water purveyor in 1961.

ID No. 1 became a separate entity in 1968 after its Board of Trustees was established in accordance with Water Code Section 75165. A small number of statutory and contractual provisions govern the relationship between this District and ID No. 1.

The District's boundaries are smaller than its sphere of influence which encompasses the entire Santa Ynez River drainage basin. A map of the District and its sphere is included.

District Services

The District provides water conservation services.

Other Governmental Agencies within the District

Local agencies that overlap the District include Cachuma Resource Conservation District, the Cities of Buellton, Lompoc and Solvang, County Service Area 32 (Unincorporated Law Enforcement), Oak Hill Cemetery District, Santa Barbara Coastal Vector Control District, Santa Barbara County Fire Protection District, Santa Ynez Community Services District and Santa Ynez Water Conservation District, Improvement District No. 1.

3 . M S R D E T E R M I N A T I O N S

Infrastructure Needs and Deficiencies

The District does not own or plan to acquire physical facilities.

Growth and Population Projections

The District provides services that do not directly affect the rate or location of residential development. Service provided by the District, however, are affected by residential development since such development can affect the timing and amount of water rights releases and also affect the District's property tax base, among other things.

Financing Constraints and Opportunities

The District's primary revenue is ad valorem property taxes. After Proposition 13 it implemented a groundwater charge to supplement the property tax revenue. That source, initially a relatively minor percentage of financial support, increased after 1992 due to property tax losses related the Education Revenue Augmentation Fund (ERAF).

Cost-Avoidance Opportunities

There do not appear to be obvious cost avoidance opportunities.

Opportunities for Rate Restructuring

There are no obvious opportunities for rate restructuring in the operations of the District.

Opportunities for Shared Facilities

There are no obvious opportunities for shared facilities in the operations of the District.

Government Structure Options

There are no obvious opportunities for government structure options.

Management Efficiencies

The District exhibits the characteristics of a well-managed agency operating efficiently. Regular meetings of the Board of Director are held four times a year.

Local Accountability and Governance

The five-member Board of Directors is elected by and accountable to voters residing in their respective Divisions. The District communicates with constituents through bi-annual Newsletters.

4 . SPHERE OF INFLUENCE REVIEW

Description of Current Sphere of Influence

The District's boundaries are smaller than its sphere of influence which encompasses the entire Santa Ynez River drainage basin. A map of the District and its sphere is included.

No Proposed Sphere Changes

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.

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

Are there areas your agency currently serves that might be served more efficiently by another agency? No

The District believes that its boundaries and sphere of influence (the watershed) are appropriate at this time.

Sphere of Influence Determinations

Inasmuch as no changes in the sphere of influence are proposed at this time it is not necessary for the Commission to adopt or approve any determinations.

5 . ACKNOWLEDGEMENTS & REFERENCES

The Santa Barbara LAFCO staff, with assistance from LAFCO consultant Pam Cosby, prepared this Municipal Service Review. Responsibility for any errors or omissions rests with those who prepared the report.

The Santa Ynez River Water Conservation District provided the basic information and documents upon which the evaluation is based. General Manager Bruce Wales 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.

6 . R E C O M M E N D A T I O N S

In consideration of information gathered and evaluated during the Municipal Service Review it is recommended the Commission affirm the current Sphere of Influence and that it not be expanded or revised at this time.

**SANTA YNEZ RIVER WATER
CONSERVATION DISTRICT,
IMPROVEMENT DISTRICT
NO. 1**

Report to the
**Santa Barbara Local Agency
Formation Commission**

April 2006

7. INTRODUCTION

The Santa Ynez River Water Conservation District, Improvement District No. 1 was created in 1939 and operates under provisions of the California Water Conservation Law of 1931, Water Code Section 74000 et seq.

The District includes the City of Solvang, communities of Los Olivos and Santa Ynez, intervening lands and property adjacent to Lake Cachuma in the Santa Ynez Valley.

A five-member board of directors, elected by divisions, governs the District. A General Manager is responsible for administrative functions.

This public agency provides retail water service.

While the matter has not been tested, the Commission has accepted the District's view that it is not a "special district" with regard to LAFCO's jurisdiction to regulate local governmental boundaries.

The LAFCO staff cannot present a Municipal Service Review for this agency at this time since it has declined to provide requested information.

8. RECOMMENDATIONS

None.