

SANTA BARBARA LOCAL AGENCY FORMATION COMMISSION
EXECUTIVE OFFICER'S REPORT

OUT-OF-AGENCY SERVICE AGREEMENT

June 6, 2002 (Agenda)

LAFCO 02-8: City of Lompoc – Perry

LOCATION Less than one acre located west of and adjacent to San Miguelito Road, about 100 feet south of Willow Avenue, 629 San Miguelito Road

REQUEST: The City of Lompoc requests authorization to provide domestic water outside of its boundaries for an existing single-family home.

GENERAL ANALYSIS:

1. Applicable State Law

In 1991 LAFCOs received the responsibility to regulate not only governmental boundaries but the extension of local agencies outside of their boundaries.

Section 56133 was added to the Government Code and states that “A city or district may provide new or extended services by contract or agreement outside of its jurisdictional boundaries only if it first requests and receives written approval from the commission.”

It states further that “The commission may authorize a city or district to provide new or extended services outside its jurisdictional boundaries but within its sphere of influence in anticipation of a later change of organization.” (Emphasis added)

Last it states that “The commission may authorize a city or district to provide new or extended services outside its jurisdictional boundaries and outside its sphere of influence to respond to an existing or impending threat to the public health or safety of the residents of the affected territory if both of the following requirements are met:

- (1) The entity applying for the contract approval has provided the commission with documentation of a threat to the health and safety of the public or the affected residents.
- (2) The commission has notified any alternative service provided. . .”

2. Proposed Request for Service

The City of Lompoc has requested permission to provide sewage collection and treatment for an existing single-family home. The application from the City states:

“The site proposed for the extension of wastewater service is an existing single-family residence which is located 100’ south of the City limit line. The existing septic system is in need of replacement. Although this is not an emergency health and safety situation, provision of wastewater service by the City is the most practical and environmentally preferred method. Approval of this wastewater service request is consistent with past practice as several houses in the area are already served by the City.

“Connection to the City sewer line is necessary to protect the public health. Removal of the existing septic system and subsequent use of City wastewater service reduces the potential for groundwater contamination which could result from failure of the septic system.”

2. Present and Future Land Use and Public Services

The subject property is less than one-acre with a single-family home. No land use change is proposed. Existing sanitation is provided by means of a private septic disposal system.

The City reports that the property will be served by constructing a private sewer lateral that will extend approximately 240 feet northerly to connect with the public six-inch sewer main in the public alley north of Willow Avenue. The private lateral will traverse the private parcel at 208 Willow through an easement (see attached Exhibit B drawing.).

The City reports that several other homes in the vicinity of the subject parcel are already receiving sewer service from the City without being annexed to the City.

3. City Boundaries

The property is not contiguous to the City boundaries. Contiguity with the City could be established by annexing San Miguelito Road adjacent to the parcel and extending less than 150 feet northerly to its intersection with Willow Avenue.

4. Annexation vs. Out-of-Agency Service Agreement

The Commission's adopted policy is that,

“Annexations to cities and special districts are generally preferred for providing public services; however, out-of-agency service agreements can be an appropriate alternative.”

“While each proposal must be decided on its own merits, the Commission may favorably consider such agreements in the following situations:

- A. Services will be provided to a small portion of a larger parcel and annexation of the entire parcel would be inappropriate in terms of orderly boundaries, adopted land use plans, open space/greenbelt agreements or other relevant factors.
- B. Lack of contiguity makes annexation infeasible given current boundaries and the requested public service is justified based on adopted land use plans or other entitlements for use.
- C. Where public agencies have a formal agreement defining service areas, provided LAFCO has formally recognized the boundaries of the agreement area.
- D. Emergency or health related conditions militate against waiting for annexation.
- E. Other circumstances which are consistent with the statutory purposes and the policies and standards of the Santa Barbara LAFCO.”

Based on this policy the staff proposed to the City staff and the property owner that the City should annex the territory as a precedent to providing sewer service. We also began the property tax exchange negotiation process. (See enclosed November 8 letter).

The annexation of a segment of San Miguelito Road would provide contiguity not only for the Perry property but for other parcels that might need City services in the future. After annexation the City rather than the County would be responsible for municipal services including fire, police and recreation similar to other properties within the City.

When the City considered updating its General Plan several years ago there was opposition to extending City boundaries south into Miguelito Canyon voiced by residents of the area, who are concerned annexation will lead to increased growth in that area.

We understand this issue but do not see how annexing an existing home on any existing lot to the City, with no change in land use or density, increases the likelihood of urbanization.

Nevertheless, we were informed by the City Manager that after considering this matter the City has chosen not to pursue annexation and prefers to provide services under contract.

5. Landowner Consent to Annex

The Commission's policy is that whenever a property may ultimately be annexed to a city or special district, the requirement for an out-of-agency service agreement is recordation by the public agency of an agreement by the landowner consenting to annex the territory and that such consent inure to future owners of the property.

The application from the City includes an "Out-of-Agency Sewer Service Agreement" that has been signed by the City and the property owner, however it does not contain any reference to consenting to the future annexation of the property to the City.

6. Environmental Impact of the Proposal

The City has issued a Notice of Exemption to allow connection to the City's wastewater collection system, pursuant to Section 15303(d) of the California Environmental Quality Act. The staff agrees there is no significant environmental impact to either an out-of-agency service agreement or an annexation. The impacts are similar to those that are anticipated by a categorically exempt pursuant to CEQA Guidelines Section 15319 (Class 19 - Annexation of Existing Facilities and Lots for Exempt Facilities).

7. Alternatives for LAFCO Actions

The Commission's choices with regard to the proposed out-of-agency service agreement, which include the following alternatives:

- Option 1. Approve the request subject to the following conditions.
- A. Approval applies to both current and future property owners.
 - B. Sewer treatment is the only authorized service.
 - C. Approval to extend services beyond those specifically noted herein is withheld and is subject to future LAFCO review.
 - D. Before the service is provided the City and land owner shall record an agreement consenting to annex the property to the City.

- Option 2. Approve the request with different terms and conditions.
- Option 3 Deny the request and request the City to submit an application to annex the territory to the City. If the Commission approves this option, it should waive the processing fee for the subsequent annexation.
- Option 4 Continue the item to a future meeting to obtain added information or to allow further discussion with the City and the landowner.

RECOMMENDED ACTION

It is recommended that the Commission deny the request on the basis that it is inconsistent with the Commission's adopted policy on out-of-agency service agreements.

It is further recommended that the LAFCO staff be directed to work with the City and land owner to facilitate the annexation of this property to the City as expeditiously as possible, including an adjustment in the City's sphere of influence.

BOB BRAITMAN
Executive Officer
LOCAL AGENCY FORMATION COMMISSION

