

# LOCAL AGENCY FORMATION COMMISSION COUNTY OF SAN BERNARDINO

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**DATE:** SEPTEMBER 3, 2010  
**FROM:** SAMUEL MARTINEZ, Senior LAFCO Analyst  
**TO:** LOCAL AGENCY FORMATION COMMISSION

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**SUBJECT:** Agenda Item #10A: LAFCO SC#355 – County Service Area 42  
Out-of-Agency Service Agreement for Water and Sewer Services  
(APN 0468-241-01)

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## **INITIATED BY:**

County Service Area 42, on behalf of the property owner

## **RECOMMENDATION:**

The staff recommends that the Commission approve LAFCO SC#355 by taking the following actions:

1. Certify that LAFCO SC #355, is statutorily exempt from environmental review and direct the Executive Officer to file the Notice of Exemption within five (5) days;
2. Approve LAFCO SC#355 authorizing County Service Area 42 to extend water and sewer service outside its boundaries and its sphere of influence to Assessor Parcel Number (APN) 0468-241-01.
3. Adopt LAFCO Resolution #3108 setting forth the Commission's findings, determinations and approval of the agreement for service outside County Service Area 42's boundaries and/or sphere of influence.

## **BACKGROUND:**

The property owner, the Oro Grande School District (School District), is currently constructing a junior high and high school on a parcel, Assessor Parcel Number (APN) 0468-241-01, that requires water and sewer service available only through County Service Area (CSA) 42 in the Oro Grande community. In November 2009, the School District submitted a petition to LAFCO requesting a sphere of influence (sphere) expansion and reorganization to CSA 42 (Item #10B and 10C on this agenda), which included the parcel

identified above. At that time, LAFCO staff advised the School District to work with CSA 42 regarding the annexation and sphere expansion requirements, including the preparation of a Plan for Service. Since then, the School District has been working with CSA 42, not only in preparing the required Plan for Service but essentially getting connected to CSA 42's water and sewer facilities prior to approval of the sphere expansion and completion of the reorganization proposal.

Although the school is still under construction, the School District began using the school premises for the current school year, which officially started August 2, 2010. In order to do so, the School District installed temporary modular buildings on the site and other improvements – including the actual connection to CSA 42's water and sewer facilities.

It was only recently that LAFCO staff was made aware of the actual delivery of water and sewer service to the parcel. LAFCO staff informed the School District and CSA 42 that the extension of water and sewer service to the school site prior to approval of the sphere expansion and the reorganization was inappropriate.

Since the territory is currently not within CSA 42's existing boundaries or sphere, the Commission's only recourse to address the service delivery outside CSA 42's boundaries and sphere is through a provision in State law, Government Code Section 56133 (c), which reads as follows:

*“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:*

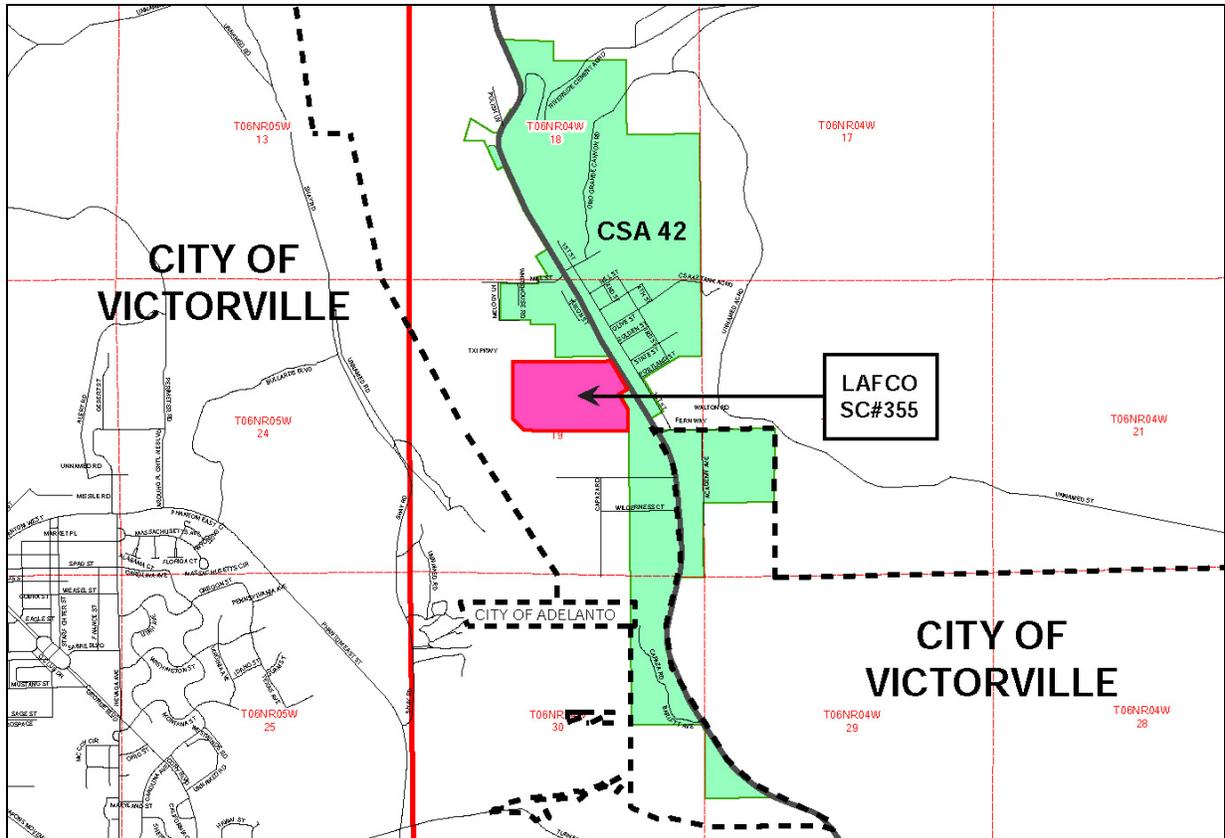
*(1) The entity applying for the contract approval has provided the commission with documentation of a threat to the health and safety of the public or the affected residents.*

*(2) The commission has notified any alternate service provider, including any water corporation as defined in Section 241 of the Public Utilities Code, or sewer system corporation as defined in Section 230.6 of the Public Utilities Code, that has filed a map and a statement of its service capabilities with the commission...”*

In reviewing this with CSA 42 and the School District, it was identified that the provision of water and sewer service to the school is necessary in order for the school to continue its operation. Otherwise, the school will have to be shut down for sanitary reasons related to having no water and/or sewer service.

Therefore, CSA 42, at the request of LAFCO staff, has submitted an out-of-agency service agreement that outlines the terms by which it will extend water and sewer service to the school site. The agreement relates to a single parcel, APN 0468-241-01, generally bordered by National Trails Highway (existing CSA 42 boundaries/sphere) on the east, and parcel

lines on the south, west, and north (see Figure 1 below). Attachment #1 provides a location and vicinity map of the site along with a map outlining the location of the infrastructure to be extended.



Vicinity Map

CSA 42, on behalf of the School District, is requesting that the Commission review and approve the extension of water and sewer service outside its boundaries and sphere, pursuant to the provisions of Government Code Section 56133(c), as outlined below:

1. There is a threat to the health and safety of the public since the operation of the school is contingent upon the provision of water and sewer service; and,
2. There is no public (or private) water and/or sewer service provider in the area other than CSA 42.

Based on the findings outlined above, LAFCO staff is recommending that the Commission determine that, pursuant to Government Code Section 56133(c), the provision of water and sewer service by CSA 42 to APN 0468-241-01, located outside its boundaries and sphere, is necessary in order to eliminate a potential health and safety threat to the public.

**PLAN FOR SERVICE:**

The application materials include a feasibility study on how water and sewer service is to be provided to the proposed school site.

Water Service

The feasibility study indicates that water service will be provided through construction of an 8-inch water line extension from the existing 6-inch water line on National Trails Highway along the north side of the parcel (approximately 2,000 linear feet) including all on-site improvements. The study also requires that a new domestic water is installed including a future 12-inch water transmission line from CSA 42’s existing water reservoir to the school parcel.

Sewer Service

The feasibility study identifies two options for sewer service – Option 1, which requires connection to CSA 42’s sewer facilities using a sewer lift station; and Option 2, which connects directly to VVWRA’s sewer lines using a gravity line. The School District chose Option 2 including all on-site sewer improvements. However, upon actual implementation of the sewer improvements on site, Option 2 also ended up needing a sewer lift station. Therefore, the project requires the installation of a sewer lift station, a combination of a 4-inch sewer force main and an 8-inch sewer main (total of approximately 2,400 linear feet) that connects directly to the Oro Grande trunk sewer, which is maintained by the Victor Valley Wastewater Reclamation Authority (VVWRA).

Costs for Water and Sewer Service

Pursuant to the Commission’s application requirements for service contracts, information has been provided regarding all financial obligations for the extension of service. CSA 42 has submitted an estimated cost of \$413,141.63 for the extension of water and sewer fees service to the school site. As of the date of this report, staff has not determined the payments made by the School District toward the extension of service. Following is a table with a detailed calculation of the fees:

<b>WATER</b>		
CSA 42 Connection Fee	34 EDU's x \$2,314.42	\$78,690.28
Off-site piping		\$120,000.00
Sub-Total Costs for Water Service		<b>\$198,690.28</b>
<b>SEWER</b>		
CSA 42 Connection Fee	41 EDU's x 407.35	\$16,701.35
VVWRA Connection Fee	41 EDU's x \$3,750	\$153,750.00
Off-site piping		\$144,000.00
Sub-Total Costs for Sewer Service		<b>\$214,451.35</b>
<b>Total</b>		<b>\$413,141.63</b>

In addition to the costs outlined above, the School District will be responsible for the entire cost of the construction and installation of the new water well including all on-site water improvements (i.e. piping, plumbing, fire sprinkler system, etc.), and the sewage lift station and all on-site sewer improvements (on-site collector sewer system and laterals).

**ENVIRONMENTAL DETERMINATION:**

As the CEQA lead agency, the Commission's Environmental Consultant, Tom Dodson from Dodson and Associates, has reviewed this proposal and has indicated that it is his recommendation that the review of LAFCO SC#355 is statutorily exempt from the California Environmental Quality Act (CEQA). This recommendation is based on the finding that the Commission's approval of the out-of-agency service extension request does not have the potential to significantly alter the existing physical environment; and therefore, the proposals are exempt from the requirements of CEQA, as outlined in the State CEQA Guidelines, Section 15061 (b)(3).

**CONCLUSION:**

The development of the school requires that it receive water and sewer service from CSA 42. It is anticipated that the parcel is to become a part of CSA 42 through approval of the sphere expansion proposal (LAFCO 3146) and the reorganization proposal (LAFCO 3147) being considered in conjunction with LAFCO SC#355.

In order to address the extension of water and sewer service to the school site prior to approval of the sphere expansion and reorganization, LAFCO staff required CSA 42 to submit this out-of-agency service agreement. LAFCO staff has reviewed CSA 42's request for the provision of water and sewer service outside its boundaries and/or sphere pursuant to Government Code Section 56133(c).

LAFCO staff is recommending that the Commission determine that the provision of water and sewer service by CSA 42 outside its boundaries and/or sphere is necessary in order to alleviate any threat to the health and safety of the school pursuant to Government Code Section 56133(c). This recommendation is made on the basis that there is a potential threat to the health and safety of the public since the operation of the school is contingent upon the provision of water and sewer service and there is no public (or private) water and sewer service provider in the area other than CSA 42.

**FINDINGS:**

1. The project area relates to a single parcel, APN 0468-241-01, generally bordered by National Trails Highway (existing CSA 42 boundaries/sphere) on the east, and parcel lines on the south, west, and north. This parcel is being developed as a junior high and high school and is anticipated to become a part of County Service Area 42 (CSA 42) through approval of LAFCO 3146 (sphere expansion) and completion of LAFCO 3147 (reorganization proposal to annex to CSA 42). The application requests authorization to receive water and sewer service from CSA 42 pursuant to

Government Code Section 56133 (c) in order to alleviate any potential threat to the health and safety of the public.

2. The Agreement being considered is for the provision of water and sewer service by CSA 42 to APN 0468-241-01. The contract was signed by the property owner on August 4, 2010 and was approved by the County Board of Supervisors, acting as CSA 42's ex-officio Board of Directors on September 14, 2010. This contract will remain in force in perpetuity for said parcel until such time the sphere expansion (LAFCO 3146) is approved and the reorganization (LAFCO 3147) is completed.
3. The fees charged this project by CSA 42 for water and sewer service are identified as totaling \$413,141.63 (for a breakdown of fees, see table on page 3). In addition, the School District will be responsible for all costs related to the construction and installation of a new water well, a sewer lift station, and all other on-site and off-site water and sewer improvements.
4. As the CEQA lead agency, the Commission's Environmental Consultant, Tom Dodson and Associates, has reviewed the service contract submitted by CSA 42 and recommends that this application is statutorily exempt from environmental review. A copy of Mr. Dodson's response is included as Attachment #3 to this report.

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Attachments:

1. [Vicinity Map and Map of the Contract Area](#)
2. [CSA 42's Application and Contract Including Feasibility Study](#)
3. [Tom Dodson and Associates Response](#)
4. [Draft Resolution #3108](#)