

**LOCAL AGENCY FORMATION COMMISSION
COUNTY OF SAN BERNARDINO**

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DATE: NOVEMBER 16, 2007

FROM: MICHAEL TUERPE, LAFCO Analyst

TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: Agenda Item # 6: LAFCO 3018 – Service Review and Sphere of Influence Update for County Service Area 42

INITIATED BY:

San Bernardino Local Agency Formation Commission

RECOMMENDATION:

Staff recommends that the Commission take the following actions related to LAFCO 3024:

1. Certify that LAFCO 3018 is statutorily exempt from environmental review and direct the Clerk to file a Notice of Exemption within five (5) days.
2. Receive and file the municipal service review for County Service Area 42 (CSA 42) and make the findings related to the service review required by Government Code 56430 as outlined in the staff report.
3. Amend the “Rules and Regulations Affecting Special Districts” to exclude solid waste as an authorized power CSA 42 as follows:

DISTRICT	FUNCTIONS	SERVICES
CSA 42 (Oro Grande)	Park and Recreation	Park and recreation
	Water	Water distribution and treatment
	Sewer	Sewer distribution and treatment
	Streetlighting	Streetlighting

4. Expand the sphere of influence of CSA 42 making its boundaries and sphere of influence coterminous as shown on the maps attached to this report.
5. Adopt LAFCO Resolution #2985 setting forth the Commission’s findings and determinations.

BACKGROUND:

At the October 24, 2007 hearing, the Commission continued consideration of LAFCO 3018 due to the need for essential County and Fire personnel to attend to the fires within southern California. No change in the recommendation has taken place in the interim. Attached are the original staff report, including a copy of the vicinity and location maps and Draft Resolution No. 2985 outlining the staff’s recommendations.

On page 4 of the original staff report, staff indicated that it was unaware if CSA 42 received payment for water it transferred to other agencies. During the interim, information was received for the two most recent water sales: \$22,375 for FY 2004-05 transfers and \$27,060 for FY 2005-06 transfers. A breakdown is provided in the table below for those years. Data for later years is not yet available.

Transfers for Water Year 2004-05

Transferred to	Amount of Transfer	Revenue Received
CSA 64	50 Acre Feet (AF)	\$6,250
CSA70C	29 AF	\$3,625
CSA 70J	50 AF	\$6,250
CSA 70L	50 AF	\$6,250
TOTAL	179 AF	\$22,375

source: Mojave Water Agency. Request for Assignment of Carryover Right in Lieu of Payment of Replacement Water Assessments for the 2004-05 Water Year. May 24, 2006.

Transfers for Water Year 2005-06

Transferred to	Amount of Transfer	Revenue Received
CSA 64	75 Acre Feet (AF)	\$12,375
CSA 70J	79 AF	\$13,035
CSA 70L	10 AF	\$1,650
TOTAL	164 AF	\$27,060

source: Mojave Water Agency. Request for Assignment of Carryover Right in Lieu of Payment of Replacement Water Assessments for the 2005-06 Water Year. May 23, 2007.

Additionally, the Local Agency Rate Comparison table on page 10 of the original staff report has been updated. The changes to the monthly meter charges, indicated in bold italic, include the 2008 increase for the Victorville Water District Improvement District #2 (formerly the Baldy Mesa Water District), and the meter charges for Hesperia Water District and CSA 42 were incorrectly identified in the previous staff report at their bi-monthly meter charge.

Table 4. Water Local Agency Rate Comparison (FY 2007-08)

(rates measured in hundred cubic feet)

Agency	Flat Rate	Tier One	Tier Two	Tier Three	Monthly Meter Charge (1" Meter)
Apple Valley Ranchos Water Company	\$1.52	-	-	-	\$52.65
Victorville Water District Improvement District #2 (formerly the Baldy Mesa Water District) ^{1, 2}	-	0.63	0.90	0.98	16.43
Victorville Water District Improvement District #1 (formerly the Victor Valley Water District) ^{1, 3}	1.08	-	-	-	21.00
Hesperia Water District	-	0.65	0.78	0.96	32.28
Golden State Water Company	2.11	-	-	-	24.05
CSA 42	-	1.54	1.72	1.85	24.01
CSA 64	-	0.53	0.65	0.70	6.15
<p>¹ The Baldy Mesa Water District and the Victor Valley Water District were consolidated in 2007.</p> <p>² Tier rates include an additional 45¢ per HCF and monthly charge includes an additional \$10.25 for arsenic removal. Rates and Charges listed take effect in 2008.</p> <p>³ Flat rate includes an additional 10¢ per HCF for arsenic treatment and monthly service charge is based upon how much water is used during the billing period and ranges from \$13 to \$100. The median charge is \$21.</p>					

A comparison of sewer charges within the general region during FY 2007-08 was not included in the original staff report and is provided below.

Sewer Local Agency Rate Comparison (FY 2007-08)

Agency	CSA 42	CSA 64	Victorville Sanitary District	Hesperia Water District	Town of Apple Valley
Monthly Charge per EDU	\$41.24	\$23.24	\$12.74	\$16.39	\$16.00
EDU = Equivalent Dwelling Unit					

The Local Accountability and Governance section of the municipal service review on page 13 of the original staff report discusses community meetings and the lack of an advisory council for CSA 42. In the interim, a review with Special Districts Department staff indicates that no community meetings have taken place within the past ten years. It remains unclear as to when the last community meeting was held.

Staff will be happy to answer any questions at the hearing.

Attachments:

1. Location and Vicinity Maps
2. Staff Report dated October 17, 2007
3. Amended Draft Resolution 2985