

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

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**DATE:** FEBRUARY 8, 2016



**FROM:** KATHLEEN ROLLINGS-McDONALD, Executive Officer  
SAMUEL MARTINEZ, Assistant Executive Officer

**TO:** LOCAL AGENCY FORMATION COMMISSION

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**SUBJECT:** AGENDA ITEM #5 – LAFCO 3193 – Sphere of Influence Amendment  
(Expansion) for the Phelan Piñon Hills Community Services District

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**INITIATED BY:**

Resolution of the Board of Directors of the Phelan Piñon Hills Community Services District

**RECOMMENDATION:**

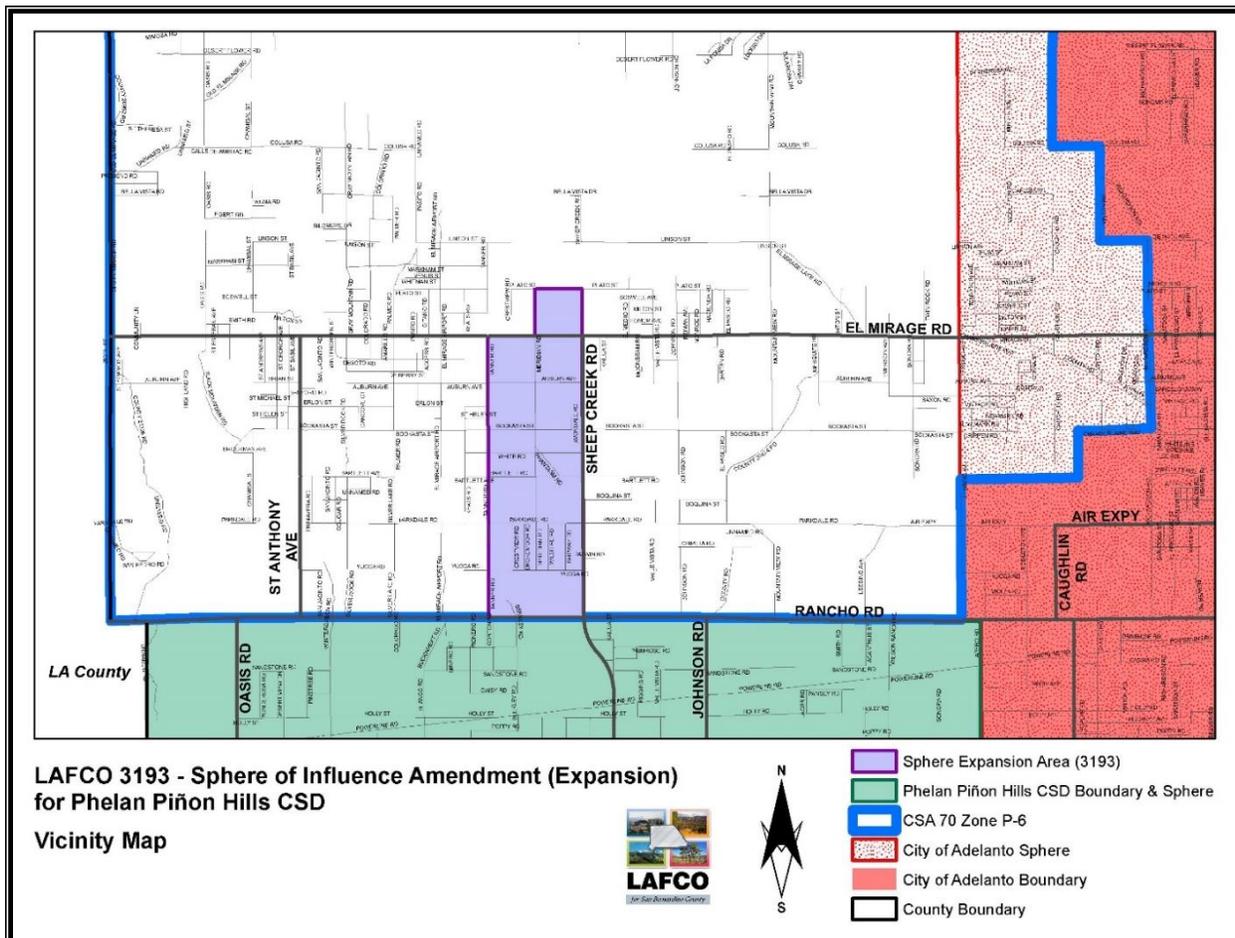
LAFCO staff recommends that the Commission approve LAFCO 3193 by taking the following actions:

1. Determine that the proposed sphere of influence amendment, submitted under the provisions of Government Code Section 56428, does not require a service review;
2. Certify that LAFCO 3193 is statutorily exempt from environmental review and direct the Executive Officer to file a Notice of Exemption within five (5) days;
3. Approve the sphere of influence expansion for the Phelan Piñon Hills Community Services District;
4. Affirm the description of the functions and services for the Phelan Piñon Hills Community Services District as identified in the *LAFCO Policy and Procedure Manual*; and,
5. Adopt LAFCO Resolution No. 3213 reflecting the Commission's determinations for LAFCO 3193.

**BACKGROUND:**

On April 1, 2015, the Board of Directors of the Phelan Piñon Hills Community Services District (hereafter shown as “PPHCSD” or “District”) adopted Resolution No. 2015-11 initiating an application to expand its sphere of influence for the purpose of including District-owned properties into its sphere of influence, which is a requirement for annexation. A “sphere of influence” is defined as a planning boundary that designates an agency’s probable future boundary and service area. Changing a sphere of influence does not change the actual jurisdictional boundary of an agency.

The sphere of influence expansion that the District is proposing not only includes the District-owned properties that are proposed for annexation, but rather, encompasses a much larger area that addresses a more comprehensive planning boundary. A map illustrating the proposed sphere of influence expansion is included as Attachment #1 to this report and shown below:



## **BOUNDARIES:**

The sphere of influence expansion encompasses 2,078+/- acres, which is generally bordered by a combination of El Mirage Road, Meridian Road, and Plato Street on the north, Sheep Creek Road on the east, Rancho Road (existing PPHCSD boundary) on the south, and Tanner Road on the west. Location and vicinity maps are included as Attachment #1 to this report.

### *Discussion Related to Expansion into the El Mirage Community*

This proposal is a consideration to expand the sphere of influence for the Phelan Piñon Hills Community Services District by 2,078+/- acres into an area that is generally considered a part of the community of El Mirage, a LAFCO defined community located north of the communities of Phelan and Piñon Hills, the communities currently served by the District. The El Mirage community is generally defined by the boundaries of two existing service providers: County Service Area 70 Zone P-6 for park and recreation and the San Bernardino County Fire Protection District Service Zone FP-3 for fire protection and emergency medical response.

A “sphere of influence” is defined as a planning boundary that designates an agency’s probable future boundary and service area. Changing a sphere of influence does not change the actual jurisdictional boundary of an agency. The proposed sphere of influence amendment has been submitted by the District for the purpose of including the District-owned properties—including other properties located outside of District’s boundary—into its sphere of influence, which is a requirement for annexation. LAFCO staff believes the proposed sphere of influence expansion is a reasonable sphere of influence amendment given that the District is obligated to plan to serve the areas that it is proposing to annex through its companion reorganization proposal (LAFCO 3194).

- Possible Alternative Sphere Expansion #1

One option would be to expand the sphere of influence to include only the properties that the District are annexing. This option would be considered short sighted since the district would be obligated to serve the properties once they are annexed. If the only reason for annexing the District-owned properties is for tax purpose, then it would not necessarily need service. However, if for any reason the District needed to provide water service to the properties that it owns, it would have to run water mains along either Tanner and/or Sheep Creek Roads to get to its properties. Which is why looking at a more comprehensive approach to expand the sphere of influence makes a lot of sense from a planning perspective.

- Possible Alternative Sphere Expansion #2

Another option would be to expand the sphere of influence to include the entirety of the community of El Mirage. This is a logical option that could address the service needs of the entire community. Given the water quality issues that the El Mirage community is experiencing and since there is no public entity that provides retail water service to the

area, the inclusion of the entire community into the District's sphere of influence would allow the District to provide long range planning for the entire community. However, this would be impractical since the District itself is not prepared to serve the entirety of El Mirage community.

One concern related to the potential inclusion of the entire community is the loss of community identity. However, this statement is not entirely valid since many communities already co-exist. One prime example is the District itself, which is comprised of two distinct communities—Phelan and Piñon Hills. The City of Rancho Cucamonga is still identified by some through its underlying communities – Alta Loma, Etiwanda, and Cucamonga.

In the future, if the direction is to serve the rest of the El Mirage community, the District should begin its dialogue with the community to plan to serve the whole of El Mirage.

The two alternatives may be available solutions to expand the sphere of influence for the District in order to move forward with its companion reorganization proposal; however, LAFCO staff believes that the sphere of influence expansion as originally proposed provides for a logical sphere boundary that would allow the District to plan to serve the area between Tanner and Sheep Creek Roads, a reasonable area that are the access points that would connect the District with the properties that it acquired north and south of El Mirage Road.

#### **SERVICE REVIEW DETERMINATION:**

It is the staff's positions that a sphere of influence "amendment" does not require that a service review be conducted pursuant to Government Code Section 56430 as this section reads in part, "In order to prepare and to update spheres of influence in accordance with 56425, the commission shall conduct a service review..." LAFCO 3193 is a sphere of influence amendment pursuant to Government Code Section 56428. In addition, the Commission's policy that would require a service review for an amendment to a retail water district's sphere of influence does not apply in this case:

- 1) The area being considered for sphere of influence amendment is within the sphere of influence (and in this case the actual boundary) of the Mojave Water Agency, which is the wholesale water provider for the region; and,
- 2) No objection has been received from any agency that provides water service whose sphere of influence is within or adjacent to the subject area.

Therefore, staff is recommending that the Commission determine that LAFCO 3193 does not require a service review.

## **SPHERE OF INFLUENCE FACTORS OF CONSIDERATION:**

The balance of this report provides staff's responses to the "factors of consideration" required by State law for sphere of influence amendment proposals as outlined in Government Code Section 56425.

### **1. The Present and Planned Land Uses in the area**

The District's current sphere of influence is coterminous with its boundaries. Ninety percent of the area is designated Rural Living (which is reflective of its rural atmosphere), four percent Single Residential, and the remainder of the land uses comprise six percent of the total area designated for Multiple Residential, Special Development (Residential/Commercial), Commercial, Resource Conservation, Industrial, and Institutional.

The existing uses within the sphere of influence expansion area include a mix of a non-operating dairy farm, field crops, heavy industrial development, and primarily vacant land. There is also an existing horse stable and a well site within the area. The land uses that the County has assigned for the sphere expansion area include 480 acres designated AG (Agriculture), 838 acres designated RL (Rural Living, one unit per 2.5 acres), 640 acres designated RL-5 (Rural Living, one unit per 5 acres), and 120 acres IR (Regional Industrial).

The District recently built a solar facility in one of the parcels it currently owns within the sphere expansion area, which is expected to save the District almost \$14 Million in electricity costs over the next 30 year. This is the only development that has occurred and there are no immediate plans to develop the rest of the properties that the District acquired. Likewise, no significant change is expected to occur for the rest of the sphere expansion area within the next five years.

### **2. The present and probable need for public facilities and services in the area**

Currently, the District is authorized by LAFCO to provide water, streetlights, solid waste and recycling, and park and recreation functions and services. Other services provided by regional service providers are fire protection and emergency medical response services provided by the San Bernardino County Fire Protection District, its North Desert Service Zone, and its Service Zone FP-3; wholesale water service by the Mojave Water Agency (State Water Project Contractor for the area); and the Mojave Desert Resource Conservation District overlays the entirety of the area. In addition, the area is overlain by County Service Area 70 (multiple function agency, unincorporated County), Zone P-6 of County Service Area 70 (parks), and County Service Area 60 (Apple Valley Airport).

The sphere of influence expansion area is overlain by the same regional service providers. In addition, within the sphere expansion area, parks and recreation services are currently provided by County Service Area 70 Zone P-6 and solid waste and recycling services by Burrtec under contract with the County.

There are 57 parcels within the sphere of influence expansion area. The need for public facilities and services within the area will vary with the type of land use that is assigned to each parcel and the type of development proposed in the future. However, there are no development plans anticipated at this time.

**3. The present capacity of public facilities and adequacy of public services that the agency provides**

The District is currently authorized to provide water, streetlights, solid waste and recycling, and park and recreation.

Water

The District provides water to around 6,800 service connections. The District's water distribution system consists of approximately 353 miles of pipelines ranging from 4-inch to 16-inch in diameter. The District obtains its water supply from the local groundwater aquifer through the use of 11 active wells in six well fields that pump directly into the distribution system or into storage reservoirs. The District maintains 35 storage tanks ranging from 1.0 million gallon (MG) to 0.04 MG with a total capacity of 12 MG.

Also, it should be noted that within the core of the District lies the Sheep Creek Mutual Water Company, a shareholder owned water utility, serving approximately 10 square miles. The Water Company currently provides for its water from surface flows and other sources.

The District has interties with the Sheep Creek Mutual Water Company, the City of Victorville, and San Bernardino County CSA 70 Zone J (Oak Hills area). These interties are typically only used during short-term emergencies or during planned shutdowns of a primary source, not during normal operating conditions when regular supplies are available.

The District is within the Alto and Oeste sub-regions of the Mojave Groundwater Basin. The District has water production rights of 1,416 acre-feet (AF) in the Oeste sub-basin. The recently acquired water rights from the dairy farm adds another 2,335 AF bringing the total to 3,751 AF, which is now higher than the historical demand of approximately 2,725 AF. The District also has water production rights of 355 AF in the Alto Sub-basin.

Properties within the sphere of influence expansion area generally rely on underground water wells. Water service from the District is not anticipated to be extended to the sphere expansion area in the near future; however, if the need arises, the cost to extend water service will be the responsibility of the property owners/developer.

### Streetlighting

The District succeeded to the streetlights previously operated by the former County Service Area 9. It should be noted that the area of Phelan/Piñon Hills is a part of the County's Night Sky Ordinance, which limits the introduction of new streetlights in the area except to address safety issues. The District's streetlighting service is primarily located in the business district of Phelan with some at strategic intersections within the District for safety needs.

There are no streetlights within the sphere of influence expansion area because most of the properties are primarily vacant. No streetlighting service is anticipated to be installed anytime soon; however, if the need arises, the cost to install streetlights will be the responsibility of the property owners/developer.

### Solid Waste and Recycling

The District administers solid waste and recycling programs. The solid waste and recycling services are contracted with CR&R Waste and Recycling Services (CR&R). The District works closely with CR&R to coordinate various programs and provide a variety of recycling events within the community.

The sphere of influence expansion area is currently served by the San Bernardino County through its Solid Waste Management Division under contract with AVCO/Burrtec for solid waste disposal services.

### Park and Recreation

The District operates two community centers with associated park facilities utilized by the entire community, the district provides for recreation activities at these facilities such as the Phelan Farmers Market (weekly event) and the Senior Lunch Program (twice a month). The District has been improving its park operations, provided additional training for staff, and worked with school officials and local sporting associations for other recreation programs to meet community needs.

The sphere of influence expansion area is within the boundaries of County Service Area 70 P-6 that operates a community park and community/senior center on an approximate 4.25 acre parcel. The park contains a baseball field, basketball court, playground, picnic areas, and an open grass area.

This sphere of influence amendment application will allow for the delivery of water, streetlights, solid waste and recycling, and park and recreation services. However, no increase in service is anticipated through the completion of this sphere of influence expansion or its corresponding annexation proposal since no development is anticipated in at least the next five years.

**4. The existence of any social or economic communities of interest**

The District currently serves the communities of Phelan and Piñon Hills.

The sphere of influence expansion area is within the community identified as El Mirage. This community extends west of the City of Adelanto to the westerly County line north of the communities of Phelan and Piñon Hills. The El Mirage community is also generally defined by the service entities of County Service Area 70 Zone P-6 (for park and recreation) and the San Bernardino County Fire Protection District Service Zone FP-3 (for fire protection and emergency medical response). The community is generally associated with the El Mirage Off-Highway Vehicle Area which is managed by the Bureau of Land Management.

**Functions and Services for the Phelan Piñon Hills Community Services District:**

Government Code Section 56425(i) requires that during a sphere of influence amendment or update for a Special District, the Commission is required to review and identify the range of services to be provided, as well as the nature and location of these services. At present the Commission's Policy and Procedure Manual identifies the authorized functions and services to be provided by the special districts under its purview. That listing identifies the following functions and services for the Phelan Piñon Hills Community Services District:

<b><u>FUNCTION</u></b>	<b><u>SERVICES</u></b>
Water	Supply water for any beneficial use as outlined in the Municipal Water District law of 1911 (commencing with Section 71000) of the Water Code.
Park and Recreation	Acquire, construct, improve, maintain and operate recreation facilities, including, but not limited to, parks and open space, in the same manner as a recreation and park district formed pursuant to the Recreation and Park District Law (commencing with Section 5780) of the Public Resources Code.
Streetlighting	Acquire, construct, improve, maintain and operate streetlighting and landscaping on public property, public right-of-way, and public easements.
Solid Waste and Recycling	Collect, transfer, and dispose of solid waste and provide solid waste handling service, including, but not limited to, source reduction, recycling, composting activities, pursuant to Division 30 (commencing with Section 40000), and consistent with Section 41821.2 of the Public Resources Code.

LAFCO staff recommends that the Commission affirm the service description for the Phelan Piñon Hills Community Services District as identified in the *LAFCO Policy and Procedure Manual, Section VI, Chapter 3: Listing of Special Districts within San Bernardino LAFCO Purview - Authorized Functions and Services*.

**ENVIRONMENTAL CONSIDERATIONS:**

As the CEQA lead agency, the Commission’s Environmental Consultant, Tom Dodson from Dodson and Associates, has indicated that the review of LAFCO 3193 is statutorily exempt from the California Environmental Quality Act (CEQA). This recommendation is based on the finding that the Commission’s approval of the sphere of influence amendment does not appear to have any potential to alter the existing physical environment in any manner different from the existing environmental circumstance; and therefore, the proposal is exempt from the requirements of CEQA, as outlined in the State CEQA Guidelines, Section 15061 (b)(3). A copy of Mr. Dodson’s analysis is included as Attachment #3 to this report.

**ADDITIONAL DETERMINATIONS:**

1. As required by State Law, notice of the Commission’s consideration of this issue has been advertised as required by State law through publication in *The Daily Press*, a newspaper of general circulation in the area. As required by State law, individual notification was provided to affected and interested agencies, County departments, and those individuals and agencies wishing mailed notice.
2. LAFCO staff has also provided individual notices to landowners and registered voters within the sphere expansion area (totaling 48) and to landowners and registered voters surrounding the sphere expansion area (totaling 181) in accordance with state law and adopted Commission policies. To date, no written comments in support or opposition have been received regarding the consideration of this proposal.
3. The map and legal description of this sphere of influence amendment, was certified by the County Surveyor’s office.

**CONCLUSION:**

LAFCO 3193 represents a reasonable expansion of the sphere of influence for the Phelan Piñon Hills Community Services District. This proposal has been submitted in order to move forward with the reorganization proposal that the District submitted to annex the properties it owns that are currently outside of the District’s boundaries. For all these reasons, and those identified within this report, staff recommends approval of LAFCO 3193. The actions recommended for the Commission are outlined on page one of this report.

KRM/sm

Attachments:

1. [Vicinity Map and Map of Proposed Sphere Expansion](#)
2. [Phelan Piñon Hills Community Services District Application for Sphere of Influence Expansion Including Supplemental Data](#)
3. [Letter Response from the Commission's Environmental Consultant Tom Dodson of Tom Dodson and Associates](#)
4. [Draft LAFCO Resolution No. 3213](#)