

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

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DATE: JUNE 12, 2006
FROM: SAMUEL MARTINEZ, LAFCO Analyst
TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: Agenda Item #5A: LAFCO 3054 – Sphere of Influence Review (Expansion) for Bighorn-Desert View Water Agency
Agenda Item #5B: LAFCO 3055 – Bighorn-Desert View Water Agency Annexation (2005 Annexation Project)

INITIATED BY:

Resolution of the Board of Directors of the Bighorn-Desert View Water Agency

RECOMMENDATION:

The staff recommends that the Commission approve LAFCO 3054 and LAFCO 3055 by taking the following actions:

1. Certify that LAFCO 3054 and LAFCO 3055 are statutorily exempt from environmental review and direct the Clerk to file Notices of Exemption within five days;
2. Approve LAFCO 3054 – Sphere of Influence Review (Expansion) for Bighorn-Desert View Water Agency;
3. Adopt LAFCO Resolution #2928 for the sphere of influence expansion, setting forth the Commission’s findings and determinations on this issue;
4. Modify LAFCO 3055 to include annexation to the Bighorn-Desert View Water Agency Improvement District No. 1;
5. Approve LAFCO 3055 – Reorganization to Include Annexations to the Bighorn-Desert View Water Agency and its Improvement District No. 1, with the standard terms and conditions;

6. Waive protest proceedings, as permitted by Government Code Section 56663(c), with 100% landowner consent to the reorganization; and,
7. Adopt LAFCO Resolution #2929 for the reorganization, setting forth the Commission's findings, determinations, and conditions of approval concerning this proposal.

BACKGROUND:

LAFCOs 3054 and 3055 are proposals submitted by the Bighorn-Desert View Water Agency (the "Agency") to annex a 30-acre area composed of two adjacent parcels. The property owners of both parcels have requested annexation in order to receive water service from the Agency. One parcel, Assessor Parcel Number (APN) 0635-631-14, is a 10-acre parcel that has an existing single-family residence on it. The other parcel, APN 0635-631-40, is a 20-acre parcel that is currently vacant but is anticipated to develop in the near future.

LAFCO 3054 is a proposal to add the 30-acre area to the sphere of influence of the Agency, which is a requirement for annexation. LAFCO 3055 is a proposal to immediately annex the area in order for the Agency to extend water service to the study area. The two proposals are being discussed concurrently within this report since the area being considered for both proposals are identical. Therefore, the "factors of consideration" for the sphere of influence review and the required annexation findings are included within this single report.

The Bighorn-Desert View Water Agency:

The Agency, which is generally located seven miles north of the Town of Yucca Valley, was formed in 1990 as a result of the consolidation of the Bighorn Mountains Water Agency (which was established in 1969 under a "special act" to provide water service primarily to the community of Landers) and the Desert View County Water District (which was formed in 1964 to provide retail water primarily to the community of Flamingo Heights). Today, the Agency encompasses approximately 44 square miles of unincorporated desert area with approximately 1,560 (metered) active services and operates eight deep wells, ten above-ground reservoirs and maintains around 600 fire hydrants along with 130 miles of water mains/pipelines.

Boundaries:

The study area for the sphere of influence expansion and the reorganization area is generally located east of the logical extension of Sage Avenue, northerly of Linn Road. The study area is contiguous to the Agency along its western boundary and is generally bordered by parcel lines on the north, east and

south and by the logical extension of Sage Avenue on the west. Location and vicinity maps of the study area are included as Attachment #1 to this report.

SPHERE OF INFLUENCE REVIEW (LAFCO 3054)

The staff responses to the “factors of consideration” for the sphere of influence review (as required by Government Code Section 56425) are identified below:

Factors of Consideration:

The present and planned land uses in the area

The existing land use designation within the study area is RL-5 (Rural Living, 5 acre minimum parcel size). This designation allows for single-family residences on parcels that are at least 5 acres. In this case, both parcels can still be subdivided into the minimum 5-acre parcel lots. The 10-acre parcel (which has the existing dwelling) can still be subdivided into two 5-acre parcels, while the 20-acre vacant parcel can be subdivided into four 5-acre parcels. However, it is LAFCO staff’s understanding that the property owner of the vacant parcel only wishes to build a single-family residence at this time. The areas to the north, east and south are also designated as RL-5. The area to the west, which is within the Agency, has a land use designation of RL (Rural Living, 2.5 acre minimum parcel size).

Currently, the County is in the process of updating its General Plan. As part of the update, the County is preparing various community plans including the Homestead Valley Community Plan. This Community Plan includes the communities of Johnson Valley, Flamingo Heights, Yucca Mesa, and Landers – where the study area is located. Based on the land uses identified in the proposed Community Plan, there are no changes anticipated within and around the vicinity of the study area.

The present and probable need for public facilities and services in the area

Currently, the property owner of the developed parcel is hauling bulk water to supply the existing residence. The property owner of the vacant parcel is planning to build a single-family residence on it and is getting ready to construct by fall of 2006. Both property owners have requested that the Agency provide them water service. This sphere of influence review (expansion) is being undertaken because the area is required to be within the Agency’s sphere of influence before annexation can occur. Upon annexation, the Agency will extend the necessary infrastructure to provide water service to the study area.

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

The purpose of this sphere of influence proposal is to facilitate the provision of water service to the two parcels within the study area. The Agency has submitted a Plan for Service that identifies how the area will be served. The Agency has indicated that it has sufficient water supply to serve its current customers as well as future users through its existing groundwater supply and its ability to access supplemental water through its State Water Project. The existing water main is in Delgado Road. In order to serve the study area, the Agency will be installing a 1,320 foot water main.

The existence of any social or economic communities of interest

The study area is generally within the community of Homestead Valley, which is defined by four smaller communities – the communities of Johnson Valley, Flamingo Heights, Yucca Mesa, and Landers. In particular, the study area being discussed is within the community of Landers.

The Agency's existing boundary and sphere of influence encompass generally the western and northern area of the community of Homestead Valley, which includes portions of the communities of Landers, Flamingo Heights, and Johnson Valley.

ANNEXATION (LAFCO 3055)

The concurrent application to the sphere of influence expansion is the reorganization proposal, identified as LAFCO 3055. The following discussion provides the information required to evaluate the reorganization proposal:

Land Use:

The current County land use designation for the area is RL-5 (Rural Living, 5-acre minimum parcel size). As noted above, one parcel has a single-family residence on it, while the other parcel is currently vacant. The area is surrounded by vacant land to the north, east, and south, and to the west (within the Agency) are single-family residences.

Plan for Service:

The Plan for Service submitted as a part of the application (included as part of Attachment #2) indicates that the Agency will provide a pressurized potable water supply to the study area by installing a new mainline from the existing

mainline located in Delgado Road. The new mainline is to be extended from the intersection of Delgado and Richardson Road easterly by approximately 1,320 feet to the eastern edge of the parcel that abuts Richardson Road. Service lines shall then be installed from the new water main to the individual dwellings. The anticipated cost to serve these two parcels is estimated at \$30,000. Upon activation of a service account, the property owners will be subject to the standard residential rates and deposit.

In addition, the study area is to be included in the 1979 Bighorn Mountains General Obligation Bonds Improvement District 1, now known as the Bighorn-Desert View Water Agency Improvement District No. 1. In doing so, the area will be subject to an ad valorem tax currently set at 20 cents per one hundred dollars assessed valuation. Therefore, based on the current assessed value of the two parcels, APN 0635-631-14 will have an additional tax (land and improvement) of approximately \$400.00; and APN 0635-631-40 (which is the vacant parcel), will be assessed approximately \$140.00 for land value only.

This financial effect to landowners and residents within the study area will apply upon completion of the reorganization proposal. Once the vacant parcel is developed as anticipated, the tax will then increase based upon the total assessed value of land and improvement.

Waiver of Protest Proceedings:

The Registrar of Voters has certified that the study area is legally uninhabited and the County Assessor's Office has verified that the study area possesses 100% landowner consent to the reorganization. Therefore, if the Commission approves LAFCO 3055, staff is recommending that it waive further protest proceedings, and direct the Executive Officer to complete the action as no objection to the waiver has been received from affected agencies. Copies of the landowner consent forms are included as a part of Attachment #3.

Annexation Findings:

The following findings relate to the reorganization area, which are required to be provided by Commission policy and Government Code Section 56668 for any change of organization/reorganization proposal.

1. The Registrar of Voters Office has certified that the area proposed for reorganization is legally uninhabited, containing one (1) registered voter as of May 19, 2006.
2. Through approval of the companion proposal, LAFCO 3054, the study area will be within the sphere of influence assigned for the Agency.

3. The County Assessor has determined that the total assessed value of land and improvements within the study area is \$82,736 (land - \$16,743 -- improvements - \$65,993) and that there is 100% landowner consent to the reorganization.
4. Commission review of this proposal has been advertised in *The Sun* and the *Hi-Desert Star*, newspapers of general circulation within and around the study area. Individual notice has been provided to affected and interested agencies, County departments, and those individuals and agencies having requested such notification.
5. LAFCO staff has provided individual notices to landowners and a registered voter within the study area (totaling 3 notices), and to landowners and registered voters surrounding the study area (totaling 38 notices) in accordance with state law and adopted Commission policies. To date, no protest has been received to the notice provided regarding the consideration of these proposals.
6. The County's land use designation for the study area is RL-5 (Rural Living, 5-acre minimum parcel size).
7. As the CEQA lead agency, the Commission's Environmental Consultant, Tom Dodson and Associates, has reviewed LAFCO 3054 (sphere of influence expansion proposal) and LAFCO 3055 (reorganization proposal) submitted by the Agency.

Mr. Dodson has indicated that the review of LAFCO 3054 and LAFCO 3055 is statutorily exempt from the California Environmental Quality Act (CEQA). This recommendation is based on the finding that the Commission's approval of both actions has no potential to cause any adverse effect on the environment; and therefore, the proposals are exempt from the requirements of CEQA, as outlined in the State CEQA Guidelines, Section 15061 (b) (3). A copy of Mr. Dodson's report is included for the Commission's review as Attachment #4.

8. The area in question is presently served by the following local agencies:

County of San Bernardino
Hi-Desert Memorial Healthcare District
Mojave Desert Resource Conservation District
Mojave Water Agency
County Service Area 38 (structural fire protection)
County Service Area 70 (multi-function unincorporated area
Countywide)

None of these agencies are affected by this proposal as they are regional in nature.

9. The Agency has submitted a plan for the extension of its services to the study area, as required by law. This plan is included as a part of Attachment #2 to this report indicating that the Agency will extend water service to the study area following the completion of the reorganization process.
10. The study area will benefit from the availability and extension of water service from the Agency.
11. The County of San Bernardino has adopted a resolution outlining there will be no transfer of property tax revenues to the Agency upon completion of this reorganization. This fulfills the requirements of Section 99 of the Revenue and Taxation Code.
12. The map and legal description as revised are in substantial compliance with LAFCO and State standards through certification by the County Surveyor's Office.

CONCLUSION:

As outlined within the narrative portions of this report, staff supports the sphere of influence expansion and the reorganization proposals to the Bighorn-Desert View Water Agency on the basis that:

- Through the sphere of influence expansion, the study area will be a part of the Agency's sphere of influence, a requirement for annexation;
- Through the annexation of the study area, the Agency will provide retail water service to APNs 0635-631-14 and 0635-631-40; and
- Both parcels will benefit from the availability of water from the Agency: for APN 0635-631-14, it will replace the need for hauled water to serve the existing residence; for APN 0635-631-40 (the vacant parcel), the property owner can now build since water service, a requirement in order to develop, will be available through the Agency.

For these reasons and those outlined in the staff report, staff recommends approval of LAFCOs 3054 and 3055.

KRM/sm

Attachments:

1. Vicinity Maps and Sphere of Influence Expansion/Annexation Map
2. Bighorn-Desert View Water Agency Application and Plan for Service
3. Landowner Consent Forms
4. Tom Dodson's Environmental Response for LAFCO 3054 and 3055
5. Draft Resolution No. 2928 (Sphere of Influence Expansion)
6. Draft Resolution No. 2929 (Reorganization)