

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

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FROM: KATHLEEN ROLLINGS-McDONALD, Executive Officer

TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: AGENDA ITEM #7: STATUS REPORT FOR LAFCO 3082 – SPHERE OF INFLUENCE REVIEW (EXPANSION) FOR CITY OF VICTORVILLE AND VICTORVILLE WATER DISTRICT

BACKGROUND:

At the September 17, 2008 hearing the Commission directed staff to return in six months to provide an update on the status of the sphere of influence proposal from the City of Victorville to expand the City and Water District sphere by 37,139 +/- acres which is slightly more than 58 square miles (LAFCO 3082). At that hearing staff outlined the progress of the City of Victorville's General Plan Update, noting that it was scheduled to be adopted by the City Council on October 7. LAFCO staff waited for the completion of the filing period for litigation related to the City's General Plan Update Environmental Impact Report before contacting the City to proceed with this application. No litigation related to the EIR has been filed. A copy of the September staff report is included as Attachment #1 to this report.

On February 23, staff met with the Interim City Manager, Jim Cox, and Assistant City Manager, Doug Robertson, to review the materials needed to proceed with the sphere of influence expansion proposal. Those materials include: updates of MSR information for the City, the submission of MSR and sphere update materials for the Victorville Water District, provision of the last two audits for both the City and the District, and the two most current budgets for both the City and the District. It was outlined again with City staff that due to the overlap of the Helendale CSD sphere establishment and LAFCO 3082, the proposals would be addressed at the same hearing. City of Victorville staff indicated that they would be providing the information requested.

The review is anticipated to provide for consideration of the expansion to the north, discuss the information received from the City of Adelanto regarding reduction of its sphere along Helendale Road, and make the adjustments necessary as outlined in the approvals for the MSR/Sphere Updates for the Town of Apple Valley (minor adjustment along Highway 18) and City of Hesperia (clarification along Bear Valley Road). On

January 29, 2009, LAFCO staff received a letter from the City of Adelanto indicating its support for transfer of its sphere territory along Helendale Road to the City of Victorville (Attachment #2). Such an expansion will be considered as a part of LAFCO 3082.

During the week of March 2nd, however, LAFCO staff was provided with three newspaper articles related to the City of Victorville and its delayed Audit for Fiscal Year 2006-07. As the Commission will recall, the City of Victorville provides for a single audit for the functions of the City, its subsidiary Sanitary, Park and Recreation, and Fire Protection Districts. It is not known by staff if the audit of the subsidiary Victorville Water District is now also a part of this document or provided by separate review. Copies of these articles are attached for the Commission's information (Attachment #3). Staff has reviewed this information with City of Victorville staff who have indicated that the audit does not change their position, at this time, to move forward with sphere of influence expansion proposal.

In addition, during this period staff became aware of a piece of federal legislation from Representative Buck McKeon, identified as the Soledad Canyon Mine Act, HR 5887 (copy included as Attachment #4). This legislation was terminated at the end of the session, but staff has been informed that it will be revamped and reintroduced this legislative session by Representative McKeon. Of importance to this discussion and future discussions related to LAFCO 3082 is that this legislation anticipates the closure of the Soledad Canyon mine operated by CEMEX USA in the Santa Clarita area of LA County, making the holdings preserved open space while fully compensating CEMEX through a transfer of BLM lands within the Victorville area, anticipated to be 8,000 acres. Staff has spent weeks trying to track down a map of this proposed exchange of properties to no avail. However, on March 4th an e-mail version of the map was provided by the City of Victorville. While the quality of the map is poor, making a clear identification of the lands involved difficult, it is clear that the lands are within the territory proposed for inclusion within the City of Victorville sphere through approval of LAFCO 3082. This information will also need to be included in the analysis of LAFCO 3082.

Upon receipt of the requested information from the City of Victorville, LAFCO staff will begin the process of preparing the analysis of the updated materials, and proceed to bring this consideration to the Commission for its review and determination.

No action is required nor can be taken by the Commission at this hearing. Staff will be happy to answer any questions regarding this proposal prior to or at the hearing.

KRM

Attachments:

1. Status Report from the September 2008 Hearing for LAFCO 3082

2. Letter Dated January 28, 2009 from the City of Adelanto
3. Articles from the Victorville Daily Press for March 3, 4 and 5, 2009 related to the City of Victorville
4. HR 5887 (McKeon) and Map provided March 4, 2009 by the City of Victorville