

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

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DATE: MAY 7, 2008

FROM: SAMUEL MARTINEZ, LAFCO Analyst

TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: Agenda Item #6: LAFCO SC#327 – City of Redlands Service Agreement OSC 07-04 for Water Service (APN 0302-142-09)

INITIATED BY:

City of Redlands, on behalf of the property owners

RECOMMENDATION:

1. Certify that LAFCO SC #327 is statutorily exempt from environmental review and direct the Clerk to file a Notice of Exemption within five (5) days of this action.
2. Approve LAFCO SC #327 authorizing the City of Redlands to extend water service outside its boundaries to Assessor Parcel Number (APN) 0302-142-09.
3. Adopt LAFCO Resolution #3003 setting forth the Commission's findings, determinations and approval of the agreement for service outside the City of Redlands' boundaries.

BACKGROUND:

The City of Redlands has submitted a request for approval of an out-of-agency service agreement that outlines the terms by which it will extend water service. The agreement relates to a single parcel, APN 0302-142-09, which is approximately 0.26 acres and is generally located on the north side of Mill Creek Road (2829 Mill Creek Road), between Julian Drive East and Julian Drive West. The parcel is within the City's northeastern sphere of influence

within the community known as “Mentone.” Attachment #1 provides a location and vicinity map of the site.

The property owners of the parcel are in the process of building a single-family residential unit on the site which will require water service from the City. The City, on behalf of the property owners, has requested that the Commission review and authorize the extension of service pursuant to the provisions of Government Code Section 56133. The County’s Land Use Services Department (Building and Safety Division) has issued the building permit for the construction of the single-family residential unit on the parcel. Prior to occupancy, the property owners will need to provide proof of authorization to connect to the City’s water facilities. Authorization of this agreement is required before the City can take the final actions to implement the terms of the agreement.

PLAN FOR SERVICE:

The City’s application indicates that water service will be provided to the proposed development through connection to an existing 6-inch water main in Mill Creek Road. Wastewater disposal will be through a septic system, which has been approved by the County for the proposed project.

Pursuant to the Commission’s application requirements for service contracts, information has been provided regarding all financial obligations for the extension of service outside the agency’s boundaries. The City has indicated that the costs for the extension of water service to the parcel are as follows:

Water Source Acquisition Charge SFR 11,000-21,000 sq. ft.	\$1,050 per unit	\$1,050
Water Capital Improvement Charge SFR 11,000-21,000 sq. ft.	\$6,470 per unit	\$6,910
Water Main Frontage Charge (per foot)	\$26 x 70 feet	\$2,100
TOTAL		\$10,060

The City’s General Plan, implementing Measure U, requires a developer who needs utility services outside the City boundaries to pay an amount equivalent to all capital improvements and other development fees, unless the parcel that is being developed is considered an “infill lot.” By definition, infill means “the lot is surrounded on two sides with existing development.” This project is considered to be an infill development; therefore, these sums do not apply. The only amounts applied to this project are the water connection charges outlined above.

In addition to the cost outlined above, the property owners will be required to install fire hydrants if required by the County Fire Marshal and extend the water lateral to the proposed residence, at their own expense. Future occupants of the residential unit will be charged approximately 13 percent more than the in-City bi monthly rate for water service/usage. The higher rate charged is intended to help offset the costs for service delivery outside the City's corporate boundaries.

ENVIRONMENTAL DETERMINATION:

The Commission's Environmental Consultant, Tom Dodson and Associates, has reviewed the service contract submitted by the City of Redlands and recommended that this application is statutorily exempt from environmental review.

CONCLUSION:

Staff has reviewed this request for the provision of water service from the City of Redlands outside its corporate boundaries against the criteria established by Commission policy and Government Code Section 56133. The parcel to be served is within the sphere of influence assigned to the City of Redlands within the Mentone community, and is anticipated to become a part of the City sometime in the future. The development proposed is a single-family residence, which is consistent with the goals and policies of the City's General Plan for the area, requires that it receive water service from the City of Redlands. The approval process through the County requires that the property owners must show proof of their ability to connect to the City's water system - which is the Commission's authorization for the extension of service.

Staff supports the City's request for authorization to provide water service to the proposed development since its facilities are adjacent to the anticipated development, and there is no other existing entity available to provide this service within the area.

FINDINGS:

1. The project area, identified as APN 0302-142-09, is within the sphere of influence assigned the City of Redlands and is anticipated to become a part of that City sometime in the future. The application requests authorization to receive City of Redlands water service. Approval of this application will allow the property owners and the City of Redlands to proceed in finalizing the contract for the extension of water service.

2. The City of Redlands OSC 07-04 being considered is for the provision of water service to a single parcel (APN 0302-142-09) generally located on the north side of Mill Creek Road (2829 Mill Creek Road), between Julian Drive East and Julian Drive West. The agreement for the extension of water service was signed by the property owners on November 28, 2007 and was subsequently approved by the City Council on December 18, 2007. This contract will remain in force in perpetuity or until such time as the area is annexed.
3. The fees charged this project by the City of Redlands are identified as totaling \$10,060 (for a breakdown of charges, see table on page 2). Payment of these fees is required prior to connection to the City's water facilities. Also, the property owners will be required to install fire hydrants if required by the County Fire Marshal, at their own expense.
4. As the CEQA lead agency, the Commission's Environmental Consultant, Tom Dodson and Associates, has reviewed the service contract submitted by the City of Redlands and recommended 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. City of Redlands' Application and Contract
3. Response from Tom Dodson and Associates
4. Draft Resolution #3003