

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

175 West Fifth Street, Second Floor
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E-mail: lafco@lafco.sbcounty.gov
www.sbclafco.org

DATE: September 6, 2004

FROM: 
KATHLEEN ROLLINGS-McDONALD, Executive Officer

TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: **Agenda Item #9** – LAFCO 2929: Service Review and Sphere
Of Influence Update for the City of Redlands

INITIATED BY:

San Bernardino County Local Agency Formation Commission

RECOMMENDATION:

1. Determine that LAFCO 2929 is statutorily exempt from environmental review and direct the Clerk to file a Notice of Exemption within five days;
2. Make the findings related to a service review required by Government Code Section 56430 and determine that the existing sphere of influence for the City of Redlands should be affirmed as presently configured; and,
3. Adopt LAFCO Resolution #2847 setting forth the Commission's findings and determinations on this issue.

BACKGROUND INFORMATION:

This proposal was initiated by the Commission on January 15, 2003 in response to state mandates requiring service reviews and sphere of influence updates for all cities and special districts on a five-year schedule. In general, LAFCO 2929 is a routine, non-controversial service review and sphere of influence update for the City of Redlands.

Included as Attachment #1 to this report is a map which identifies the boundaries and sphere of influence for the City of Redlands. Attachment #2 is

general description of what services a City/Town can perform and how it may be expanded. Attachment #3 to this report is a summary profile of the City of Redlands and a copy of the survey response provided by the City to the service review factors required by Government Code Section 56430.

LAFCO staff has reviewed the current City of Redlands sphere of influence against the policies and procedures established by the Commission for its sphere of influence program (copy included as Attachment #4). One of the guiding principles in these documents is that the sphere of influence should be based upon a community-by-community approach, and that the family of agencies serving a community should, unless unique circumstance warrant, maintain a coterminous sphere of influence.

Communities included within the existing City sphere of influence include the Mentone and Crafton communities generally located east of existing City boundaries at Wabash Avenue. The common division of these communities, and a definition supported by community leaders, is that the Mentone community is the area northerly of the Zanja (near Colton Avenue) and the Crafton community is the area to the south along the base of the Crafton Hills. The sphere of influence includes the whole of these communities and there are no community-specific districts providing service that are under the jurisdiction of the Commission.

In addition, while not readily recognized as a community, the area commonly identified as the “Doughnut Hole” is a unique area of consideration specifically excluded from the City’s sphere of influence but fully impacted by service delivery by the City. As the Commission will recall, in October 2000 the area of the Doughnut Hole was removed from the City of Redlands sphere of influence pursuant to the provisions of Government Code Section 56429, as amended by Assembly Bill 1544. The requirements of this section indicated that the Commission was obligated to remove the sphere of influence designation upon receipt of a petition signed by property owners owning in excess of 50% of land value. In addition, once removed through this process, Government Code Section 56429(g) requires that any subsequent inclusion within the sphere of influence of the City of Redlands would need to follow the petition and other requirements of the section.

The City has indicated in its response that it does anticipate a sphere of influence amendment within the next five years related to the area identified as the Doughnut Hole. The response identifies that based upon completion of the development process for the area identified as Citrus Plaza and the entering into of a pre-annexation agreement, this sphere amendment would be submitted to LAFCO. As noted above, this sphere of influence amendment

would need to comply with the provisions of Government Code Section 56429(g) requiring a petition and other matters.

When looking at the sphere of influence update for the City of Redlands, it is also important to review some additional new requirements regarding agricultural preserves and Williamson Act contracts. Specifically, Government Code Section 56426.5 indicates that the Commission “shall not approve a change to the sphere of influence of a local agency of territory that is subject to a contract entered into pursuant to the California Land Conservation Act of 1965 if that local government agency provides or would provide facilities or services related to sewers, nonagricultural water, or streets and roads to the territory, unless these facilities or services benefit land uses that are allowed under the contract and the landowner consents to the change to the sphere of influence”.

The majority of the territory within the Crafton community of the City of Redlands eastern sphere of influence and portions of the Mentone community are within Agricultural Preserves as adopted by San Bernardino County, and there are a number of Williamson Act contracts within these areas (Attachment #5 provides maps showing the preserves and existing contracts). These preserves were established in the early 1970’s to address the citrus groves in these communities. While it is presumed by staff that this section was codified to prevent the extension of a sphere of influence into agricultural lands, it also would apply to a change in the sphere of influence for the City of Redlands or other public service provider, should one be contemplated. However, the City has not identified any change for the sphere of influence in this area nor has any application been discussed for possible amendment of the sphere. The outline is provided for information purposes only.

In reference to the service review factors, the City of Redlands response indicates it is a full-service City. The major points of consideration within the survey response provided by the City of Redlands are outlined as follows:

1. As outlined above, the City of Redlands has identified that it does anticipate a sphere of influence change within the next five years, specifically to address the portions of the Doughnut Hole as they complete the development process. The City Council has considered the response to the service review factors in a public hearing, and concurs with the City staff findings that sphere amendments will likely be contemplated in the foreseeable future.

The City is currently surrounded by the Cities of San Bernardino and Highland on the north, the City of Yucaipa and its sphere of influence on the east, the San Bernardino/Riverside County line to the south, and the

City of Loma Linda and its sphere of influence and the City of San Bernardino on the west.

2. The City of Redlands is a full-service city providing the services of general government, fire protection and paramedics, land use planning, code enforcement, building and safety functions, cemetery services, refuse collection, the operation of a municipal airport, recreation services, roads, water and sewer services within its corporate limits.

The City currently provides water and sewer service outside its corporate limits through individual contract. Many of these contracts were entered into prior to the implementation of Government Code Section 56133; however, the Commission routinely reviews out-of-agency service contracts for the extension of these services within the Mentone and Crafton communities. The general exceptions to this include:

- a. The Commission has reviewed and determined that the extension of water, sewer, law enforcement, and fire protection/paramedic services to the Doughnut Hole are exempt from the provisions of Government Code Section 56133.
- b. The City provides water and sewer service to the Crafton Hills College and Tract 12222 outside its boundaries and sphere of influence. This is an historic service agreed to or provided prior to the implementation of Government Code Section 56133.

3. The City currently receives the following services through outside service providers/contractors:

SERVICE	PERFORMED BY
Water	Retail water service within the southeastern portion of the City is provided by the Western Heights Mutual Water Company. The Yucaipa Valley Water District sphere includes portions of the City boundary within the Live Oak Canyon area for sewer service.
Ambulance	Inland Counties Emergency Medical Authority (ICEMA) granted exclusive operating area to American Medical Response (AMR)
Vector Control	Contract with the County of San Bernardino Vector Control Program for the provision of service. Area included in the benefit assessment authorized by County Resolution No. 3103

4. The City of Redlands corporate boundaries are currently overlaid by the following public agencies:

San Bernardino Valley Municipal Water District
East Valley Resource Conservation District
San Bernardino Valley Water Conservation District (portion)
Inland Valley Development Authority (small portion of the Redevelopment Agency for reuse of the former Norton Air Force Base, now known as San Bernardino International Airport)
County Service Area 110 (planning, water, sewer, road, streetlights, park and recreation, fire and soil conservation) area within the East Valley Corridor Specific Plan

The City's sphere of influence is overlaid by the following additional agencies:

County Service Area SL-1 (streetlighting) portions of the Mentone community
County Service Area 38 (fire protection)
County Service Area 70 (multi-function county service area)
CSA 70 Improvement Zone CR (water, sewer, park and recreation, drainage, streetlighting, road improvements) area within the Crafton Hills created for a development project, the majority of which is now known as Hampton Heights
CSA 70 Improvement Zone P-7 (park and recreation) overlays the Mentone and Crafton Communities
CSA 70 Improvement Zone P-10 (park and recreation, landscaping and streetlights) for the development known as Boulder Creek within the Mentone community

The area of the Doughnut Hole is overlaid by the following agencies:

San Bernardino Valley Municipal Water District
East Valley Resource Conservation District
San Bernardino Valley Water Conservation District
County Service Area 38 (fire protection)
County Service Area 70 (multi-function county service area)
CSA 70 Improvement Zone EV-1 (water, sewer, streetlighting, park and recreation, maintenance, drainage control)
County Service Area 110
Inland Valley Development Authority (see description above)

None of the adjacent or overlaying agencies have identified any concerns with the City of Redlands sphere of influence as it is presently configured.

CONCLUSION

Based on the information outlined above, and the response provided by the City of Redlands, staff recommends that the Commission uphold and affirm the existing sphere of influence determination for the City. In addition, staff recommends that the Commission adopt Resolution #2847 which sets forth written responses to the statutory factors related to service reviews and sphere of influence studies.

/krm

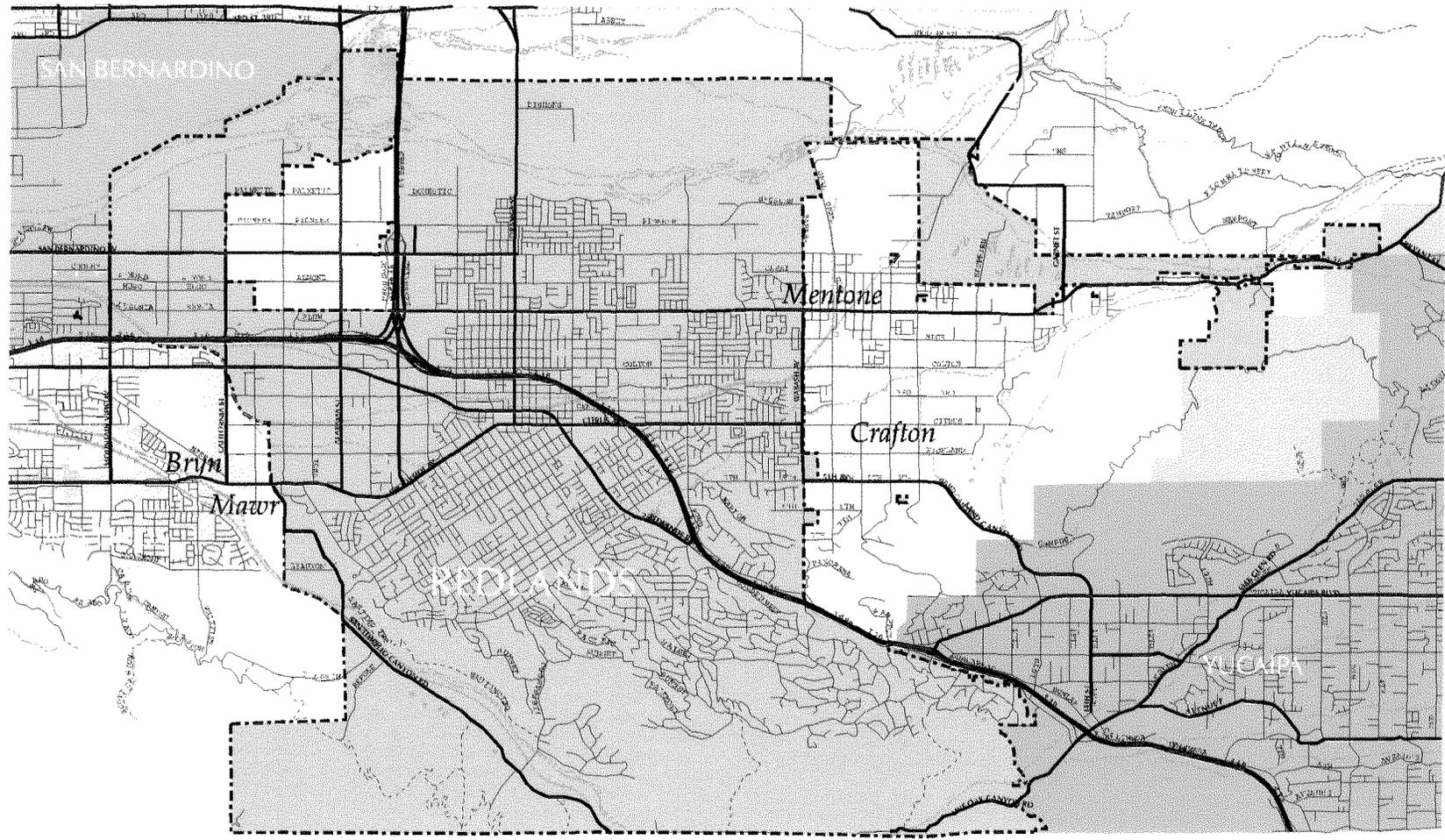
Attachments:

1. Location Map of the Existing Sphere of Influence of the City of Redlands
2. Outline of a City/Town
3. Summary City Profile Sheet and Survey Response Provided by the City of Redlands
4. Sphere of Influence Policies and Guidelines
5. Maps showing Agricultural Preserves within the Mentone and Crafton communities
6. Response from Tom Dodson and Associates
7. Draft Resolution #2847

**LOCATION MAP OF EXISTING
SPHERE OF INFLUENCE OF
CITY OF REDLANDS**

Attachment 1

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Tuesday August 31, 2004 12:06 PM
MAPSCALE 1" = 38703.3R



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CITY OF REDLANDS

City Limit & Sphere of Influence

Map Prepared On August 31, 2004



OUTLINE OF A CITY/TOWN

Attachment 2

LOCAL AGENCY FORMATION COMMISSION COUNTY OF SAN BERNARDINO

175 West Fifth Street, Second Floor, San Bernardino, CA 92415-0490
• (909) 387-5866 • FAX (909) 387-5871
E-MAIL: lafco@lafco.sbcounty.gov
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CITY AND TOWN

(Government Code Sections 34000 et seq.)

WHAT IS A CITY/TOWN?

State law indicates that Cities are general purpose government agencies incorporated under provisions of the California State Constitution and Government Code. Webster's Collegiate Dictionary defines the word City as "an inhabited place of greater size, population, or importance than a town or village". Most all agree that a City represents an organized form of government providing services to a cohesive, generally urbanized or urbanizing area.

The State Legislature has granted municipalities the ability to be called either "City" or "Town". This choice is made either: (a) at the time of incorporation and is an element voted upon during the election; or (b) at a later date the name change can be accomplished through election. The laws which govern a City or Town are the same and in a legal context they are the same type of government agency. Many communities select the distinction of "Town" to provide permanence to the perception of a rural lifestyle enjoyed by the area's inhabitants.

All cities or towns incorporate as a "general law city", which means that they are limited in their powers to those expressly conferred upon them by the State legislature along with those powers "incident, essential, or granted to the object and purposes of a city". Following incorporation any City may propose a "charter" according to the procedures outlined in the government code. A City charter is a kind of local "constitution" wherein general state laws are made more locally-specific. A charter cannot contain provisions which attempt to override or counter the state laws and constitution; instead, the charter is intended to supplement the state laws based upon local circumstances and needs.

WHO GOVERNS A "CITY"?

A City Council or Town Council composed of at least five members is a

municipality's governing body. The term of office is four years, except for the original city council elected at incorporation.

The membership of the council can be elected at-large or by districts (or "wards"). A by-district council involves the division of the city territory into five districts of approximately equal population. Voters within each district vote for one candidate to represent their views to the entire council and the candidate must reside within the district. A charter city may propose, as one element of its charter, increasing the size of the council.

WHAT KINDS OF POWERS DOES A "CITY" HAVE?

Cities exercise two types of legal powers -- corporate powers and police powers.

- Corporate powers give the city the ability to raise, spend, and invest public funds in order to provide municipal service to city residents. The types of services which a city is able to provide are any kind of public service desired by residents including public safety, streets, parking, parks and recreation, water, sewage disposal, refuse collection and disposal, public landscaping, etc.
- Police powers regulate or restrict the activity of private parties. Such powers include: (1) planning and land-use control, including the adoption of general plans, zoning and subdivision controls, building regulations, etc.; (2) traffic and parking control; (3) animal control; (4) issuing utility franchises; (5) maintaining health and safety; (6) legal authority to condemn land for public purposes; (7) authority to enter into Joint Powers Agreements with other public agencies; (8) authority to sue and be sued.

A City or Town Council may act as the ex-officio governing body of a special district. This special district is established as a "subsidiary" district of the city. The independent District retains its boundaries, its employees, its separate budget but the Council is empowered to act as the board of directors of the special district. A special district may be established as a subsidiary district if it meets two specific criteria: (a) 70% or more of the district's land area is within the boundaries of the city; and (b) 70% or more of the district's registered voters reside within the boundaries of the city.

The listings outlined above are not all inclusive and are intended to provide an illustration of the range of activities in which a city may participate.

HOW CAN YOU BE ANNEXED INTO AN EXISTING CITY?

Once formed, a city's boundaries can be expanded to include additional territory within its sphere of influence which is:

- contiguous territory;
- noncontiguous territory if it is owned by the municipality and used for municipal purposes; for example, well sites, treatment plants, etc. (The requirement for inclusion within the city's sphere of influence does not apply in this circumstance).

Proceedings for the annexation process are handled under the provision of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Govt. Code Section 56000 et seq) which is administered by the Local Agency Formation Commission.

HOW CAN YOU FORM A CITY/TOWN?

The process involved in considering and reviewing the incorporation of a City/Town is outlined in a separate booklet prepared by the Local Agency Formation Commission entitled "Incorporation Guidelines".

**SUMMARY CITY PROFILE SHEET
AND SURVEY RESPONSE PROVIDED
BY CITY OF REDLANDS**

Attachment 3

CITY OF REDLANDS

CITY PROFILE SUMMARY SHEET

CONTACT PERSON: Jeffrey E. Shaw, Director of Community Development
(Designated LAFCO Contact) or
John Davidson, City Manager

ADDRESS: 35 Cajon Street

Mailing Address: Post Office Box 3005
Redlands, CA 92373-1505
Phone: (909) 798-7500
FAX: (909) 798-7503

E-MAIL ADDRESS: cmanager@eee.org
WEBSITE LOCATION: www.ci.redlands.ca.us

DATE OF MUNICIPALITY FORMATION: December 3, 1888

CHARTER/DATE: None

REDEVELOPMENT AGENCY: YES NO

Located generally within the Downtown portion of the City

GOVERNING BODY:

Five (5) city council elected at-large

MEMBERSHIP:

Susan Pepler	Mayor
Gilberto Gil	Mayor Pro Tem
Gary George	Councilmember
Pat Gilbreath	Councilmember
Jon Harrison	Councilmember

PUBLIC MEETINGS: City Council meets 1st and 3rd Tuesday of each month,
beginning at 3:00 p.m., City Council Chambers, 35 Cajon Street.

Law Enforcement Services	Area within the Doughnut Hole by contract with County of San Bernardino	September 17, 2003	Until contract amended to terminate service
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Special Charges for service outside boundaries: None identified

SUBSIDIARY DISTRICTS ___ YES XX NO

SPHERE OF INFLUENCE:

ESTABLISHED:

LAFCO NUMBER	RESOLUTION NO./ DATE ADOPTED	LOCATION
LAFCO 1152	Resolution No. 765 JULY 12, 1972	Included areas of unincorporated territory to the north, east, south and west

CHANGES:

LAFCO NUMBER	RESOLUTION NO./ DATE ADOPTED	TYPE OF CHANGE	LOCATION
LAFCO 1152B	Resolution No. 1561 OCTOBER 17, 1979	EXPANSION	Area westerly of Live Oak Canyon Road, southwest of I-10, identified as Sunset Drive area
LAFCO 1152C	Resolution No. 1601 NOVEMBER 14, 1979	REDUCTION	West of California Street, north of Mission Blvd., east of Loma Linda sphere, south of I-10 (added to Loma Linda)
LAFCO 2287A	Resolution No. 1941 NOVEMBER 14, 1984	EXPANSION	East of Mountain View, south of I-10, west of California Street, and north of Flood Control Channel (removed from Loma Linda)
LAFCO 2343	Resolution No. 2009 SEPTEMBER 11, 1985	REDUCTION	North of Beaumont Avenue, east of California Street, and west of San Timoteo Creek (added to Loma Linda)
LAFCO 2361	Resolution No. 2030 APRIL 16, 1986	REDUCTION	East of California Street, southwest of Flood Control Channel, west of midway point between New Jersey and Nevada Street, north of property lines (added to Loma Linda)

LAFCO 2426A	Resolution No. 2096 MAY 27, 1987	REDUCTION	Minor reduction along the ridgelines of the Crafton Hills and along the I-10 Frontage Road (included in Yucaipa Incorporation)
LAFCO 2571	Resolution No. 2246 MARCH 29, 1990	EXPANSION	Live Oak Canyon area adjacent to City of Yucaipa boundaries
LAFCO 2576	Resolution No. 2268B JULY 18, 1990	REDUCTION	Area within San Timoteo Canyon -- generally easterly of Railroad tracks and parcel lines, north of the southerly Section 5 line, east of Loma Linda sphere and south of Barton Road (added to Loma Linda)
LAFCO 2831	Resolution No. 2569 NOVEMBER 11, 1997	EXPANSION	Expansion into a portion of the area identified as the "Greenspot" residential area and lands east of the area commonly known as Sunrise Ranch within the Mill Creek area.

TOTALLY SURROUNDED ISLANDS WITHIN BOUNDARY/SPHERE:

The area commonly known as the "Doughnut Hole" is a totally surrounded island within the City of Redlands boundaries. Pursuant to the provisions of Government Code Section 56429, this area was removed from the City sphere of influence. In addition, the City sphere of influence cannot be expanded into this area without petition support from landowners as outlined in Government Code Section 56429(g).

BUDGETARY INFORMATION: (Not provided but available for review at City offices.)

City of Redlands



November 5, 2003

Kathleen Rollings-McDonald
Executive Director
Local Agency Formation Commission
175 West Fifth Street, Second Floor
San Bernardino, CA 92415-0490

RECEIVED

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LAFCO
San Bernardino County

RE: Sphere of Influence Review and Municipal Service Review Survey

Dear Ms. Rollings-McDonald:

At its meeting on November 4, 2003, the Redlands City Council considered the responses to the survey being conducted by the Local Agency Formation Commission. The purpose of the survey was to perform a review of the City's Sphere of Influence and a review of its municipal services. Through this action, the City Council has also directed staff to file the enclosed response with LAFCO. It is our understanding that LAFCO will bill the City for actual costs incurred in the review of this report.

Should you have any questions, please contact either myself or John Jaquess, City Planner at (909) 798 7555.

Sincerely,

Jeffrey L. Shaw, AICP
Community Development Director

Attachment

REQUEST FOR CITY COUNCIL ACTION

SUBJECT: REPORT TO LOCAL AGENCY FORMATION COMMISSION ON SPHERE OF INFLUENCE UPDATE/SERVICE REVIEW FOR THE CITY OF REDLANDS

MOTION

If the City Council determines that the staff's recommendation is appropriate, staff proposes the following motions:

"I move that the City Council has reviewed the response to the Local Agency Formation Commission's Survey for a Sphere of Influence review and Municipal Service review and direct staff to forward to LAFCO.

BACKGROUND

In 2001, legislation was effective mandating Local Agency Formation Commissions (LAFCOs) to perform sphere of influence reviews every five years for each city and special district within its purview. In addition, a review of the services provided by a city or special district would also be required in conjunction with a sphere review. The purpose of the sphere review is to provide a planning tool to guide individual proposals involving jurisdictional changes, such as annexations, detachments, or reorganizations. In addition, the purpose of a municipal service review is to determine the adequacy of the governmental services being provided in the region or sub-region.

In light of this new responsibility, the San Bernardino LAFCO has started its mandated five-year sphere and municipal service review program by preparing a series of questions in the form of a survey. The survey covers both types of reviews for each city and special district within its purview. The cities and special districts located in the west valley were the first to be processed. LAFCO has now completed those reviews and has extended its review to the cities and special districts in the east valley of which Redlands is a part.

In response to the sphere of influence review, City staff has indicated that an amendment to the sphere of influence is anticipated within the next five years for the doughnut hole area. In response to the service review survey, City staff has prepared responses that generally outline the City's services. The primary categories for a service review are as follows: (1) Infrastructure needs and deficiencies; (2) Growth and population; (3) Financing opportunities and constraints; (4) Cost avoidance opportunities; (5) Rate restructuring; (6) Opportunities for shared facilities; (7) Government structure options; (8) Evaluation of management efficiencies; and (9) Local accountability and governance. Attached for City Council review is a copy of staff's responses prepared for this survey.

LAFCO's consideration of the City's sphere and municipal service review is tentatively scheduled for January, 2004 subject to review by LAFCO staff. The City staff will be notified of the date, time, and place of the public hearing to be held by LAFCO.

STAFF RECOMMENDATION

Staff recommends that the City Council approve the response to the Local Agency Formation Commission's Survey for a Sphere of Influence review and Municipal Service review and direct staff to forward to LAFCO.

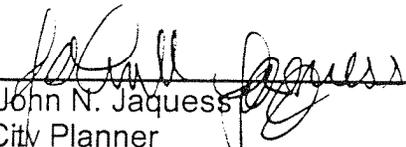
ALTERNATIVES

The City Council may decide that the draft response is not adequate or does not reflect the Council's policy in this area and direct staff to revise the letter.

FISCAL IMPACT

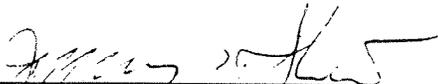
None

Prepared by:



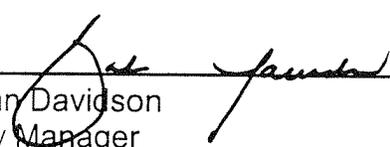
John N. Jaquess
City Planner

Concurrence:



Jeffrey L. Shaw, AICP
Community Development Director

Recommended by:



John Davidson
City Manager

Reviewed by:



Dan McHugh
City Attorney

Attachment: Sphere Update/Service Review letter to LAFCO w/o attachments

City of Redlands



November 4, 2003

Kathleen Rollings-McDonald
Executive Director
Local Agency Formation Commission
175 West Fifth Street, Second Floor
San Bernardino, CA 92415-0490

Re: Sphere Update/Service Review for City of Redlands

Dear Ms. McDonald:

This is in response to your letter requesting that the City complete the required survey form for a Sphere Update/ Service Review. The following information is hereby provided.

SPHERE OF INFLUENCE

Does your agency anticipate any sphere of influence amendments that might be proposed over the next five years?

The City of Redlands anticipates that there will be an expansion to the City sphere of influence within the next five years. This will be oriented toward the area known as the Doughnut Hole which is generally surrounded by I-210 (State Route 30) on the east, Lugonia Avenue on the south, California Street on the west, and existing City Limits on the north adjacent to the Santa Ana River. The City is anticipating entering into a pre-annexation agreement with the owners of Citrus Plaza to authorize annexation of Citrus Plaza into the City when all permits for the Center have been issued.

The City is already providing water and sewer to the area and LAFCO has approved the City providing Fire Protection Services to the Doughnut Hole. An application was approved by LAFCO on September 17, 2003 for providing police services to the area as well. Those police services have been in effect since September 29, 2003. A Tax Sharing Agreement between the County and the City for the doughnut hole has also been approved. This Agreement will expire on December 31, 2003 unless extended by a majority vote of the voters in a general election to be held in November, 2003.

The following responses are provided to the factors listed in your survey:

"Preserving the Past, Protecting the Future"

P.O. BOX 3005

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REDLANDS, CA 92373



Recycled Paper

1. The present land uses in the area are retail (Kohl's and Sports Chalet), commercial pads (Citrus Plaza), agriculture, and scattered residential. Proposed land uses are commercial, office, and industrial.
2. The present and probable need for public facilities and services in the area to be provided by the City of Redlands include water, sewer, fire and police services, street maintenance and storm drainage, and general government services.
3. As has been documented in the past and will be documented below, there is adequate capacity of public facilities, and public services in the City to provide service to the area. As LAFCO is aware, this area was previously located in the sphere of influence of the City of Redlands and the City has always planned that this area would be within the City at some point in time when development occurred and services were required.
4. The Doughnut Hole area is surrounded on all four sides by the City of Redlands and is an island of County territory. It is only logical that this area be placed back in the sphere of influence of the City and that services be provided by the City. A map and legal description of the doughnut hole is attached as Exhibit A.

SERVICE REVIEW

I. Infrastructure Needs and Deficiencies

Purpose: To evaluate the infrastructure needs and deficiencies of a jurisdiction in terms of capacity, condition of facility, service quality and levels of services and its relationship to existing and planned service users.

1. Capital Improvement Plans/Studies

The City of Redlands has a five year plan for Measure I streets that is maintained through the Public Works Department. The City of Redlands has master planned, programmed, and constructed water production and distribution facilities, and wastewater collection and treatment facilities to serve the Sphere of Influence (SOI) of the City of Redlands. Master planning and capital improvement programming are updated annually and/or as needs dictate.

2. Master Service Plans/Studies

The City's master service plans are found in various adopted plans: General Plan, Circulation Element, Water and Sewer Master Plans, and Recreation and Park Master Plan. Copies of each plan are available upon request.

3. Water Service Plans/Studies

a) **Supply and Demand Information:** Water supply facilities are incrementally implemented as needed to meet demands of new development. All of the area within the SOI is presently within the City of Redlands water service area, and water distribution lines extend to serve the SOI. The City of Redlands has provided water service to the SOI since the early 1900's. Additional local water mains and extensions to provide required water service, including fire flow, will be required to be installed by development to City of Redlands standards. Water system production and transmission capital costs will be offset by development impact fee charges that will be collected upon development of projects within the SOI. Operation and maintenance costs will be offset by user fees. A map of water facilities which have been extended to the service area is attached as Exhibit B.

4. Sewer Service Plans/Studies

The capacity of wastewater collection and treatment facilities is incrementally implemented as needed to meet demands of new development. All the area within the SOI is presently within the City of Redlands sewer service area, sewer lines extend to serve the SOI, and can be sewer to the City of Redlands Wastewater Treatment Plant (WWTP). Additional local sewer mains and extensions to provide required sewer collection service will be required to be installed by development to City of Redlands standards. The existing sewer collection facilities have been sized to include demand within the SOI. The WWTP was also upgraded several years ago and has a present capacity of 9.5 Million gallons per day. The plant presently treats approximately 6.3 million gallons per day. Sewer system treatment and trunk sewer capital costs have been offset by development impact fee charges that will be paid by the development projects within the SOI. Operation and maintenance costs will be offset by user fees. (A map of sewer facilities which have been extended to the area is attached as Exhibit C.)

5. Age and Condition of Facilities

a) Water Supply and Distribution System

The age of facilities varies from less than one year to more than 100 years. The condition varies from adequate to excellent. Portions of facilities are replaced annually and/or as needed, subject to funding limitations, to maintain the facilities in satisfactory condition to serve our customers in the SOI.

b) Wastewater Collection and Treatment

The age of facilities varies from less than one year to more than 100 years. The condition varies from adequate to excellent. Portions of facilities are replaced annually and/or as needed, subject to funding limitations, to maintain the facilities in satisfactory condition to serve our customers in the SOI.

6. Capacity Analysis

a) Number of Service Units Available, b) Currently Allocated, and c) Within City Boundaries

The City of Redlands has a total of 550 residential units available each calendar year for residential development under its growth management voter initiative, Measure U, as enacted into the Redlands General Plan and Municipal Code. 150 units are available within the SOI and 400 residential units are available within the City boundaries. The number of units allocated for which physical service connections have been made varies, but has been less than 150 and 400 for more than ten years within the SOI and within the City boundaries, respectively.

7. Future Development (Water, Sewer and Solid Waste)

a) Additional Infrastructure Needed, b) Description of Additional Facilities, c) Funding of Facilities, and d) Schedule

As development occurs, it is required to fund and install local mains and extensions to serve the development, and to fund through payment of impact fees, the installation of master planned facilities to facilitate serving the additional demand of new development. Both local mains and extensions, and master planned facilities are incrementally scheduled, annually and/or as needed, to meet demands.

8. Reserve Capacity

The City maintains reserve capacity in its water system to meet demands, subject to funding constraints, regulatory requirements, operational needs, and resource variability. The City maintains reserve capacity in its wastewater system to meet demands, subject to funding constraints, regulatory requirements, and operational needs. The Wastewater Treatment Plant maintains reserve capacity as required by its waste discharge requirements under its operating permit.

II. **Growth and Population**

Purpose: To evaluate service needs based upon existing and anticipated growth patterns and population projections.

1. Population Information

- a) Existing and Projected: Based on the 2000 census data, the City's population was 63,591. The City's estimated population on January 1, 2003 is 67,604. The City's projected buildout population based on the 1995 General Plan is approximately 101,644, however, a growth management initiative referred to as Measure U was passed by the City voters in 1997. Based on language in that initiative, it was stated that with the implementation of the growth management element and other provisions of the General Plan the likely number of residents at buildout will reduce to approximately 90,000 people. This number was only an estimate and has not been documented through independent analysis. This projection is based on an average household size of 2.706 persons and the theoretical development capacity at 100% buildout. (Note: The 2.706 figure is derived from the California Department of Finance, Demographic Research Unit.) See the Growth Management Element and the Land Use Element of the Redlands General Plan for additional information which is attached as Exhibit D.

2) General Plan

- a) *Excerpts regarding existing and projected growth:* In 1990, the City's existing population was 60,394 with 26,362 housing units in the Planning Area. Based on the General Plan, it is projected that the total housing units for the City of Redlands at buildout could be as many as 36,414.

III. **Financing Opportunities and Constraints**

Purpose: To evaluate factors that affect financing of needed improvements

1. Finance Plans

- a) *Service upgrades:* The City's adopted Capital Improvement Plans outline the approximate location, size, timing, and estimated costs of all planned facilities or improvements. The development and financing of these improvements would depend on available funding. The City has an adopted fee program that covers the following categories: streets, traffic signals, storm drains, fire, police, civic center, city yard, library, water, sewer, solid waste, and parks.
- b) *Capacity Improvements:* The City's CIP projects are grouped into the following categories: streets and traffic control, storm drains, water, sewer, parks, public facilities and other capital improvements.

- c) *Revenue Source:* The City's revenue sources are as follows: property tax, business license tax, franchise fees, sales tax, transient occupancy tax, motor vehicle in-lieu fees, street lighting and landscape maintenance assessments, community facilities district special tax assessment, sewer, water and solid waste fees and other general revenue sources.

2. Bond Rating

The City has outstanding General Obligation Refunding Bonds, originally approved by voters in November, 1987, that are currently rated A by Standard and Poors. The City's Lease Revenue Refunding Certificates of Participation are rated A- by Standard and Poors. These ratings reflect good financial management practices with maintenance of reserves, a resilient local economy with a strong growth in tax base, and above-average income and wealth indicators with low unemployment.

3. Joint Financing Projects

- a) *Does agency participate?* The City, in joint participation with other governmental agencies, has been awarded various grants. The City has agreements with the cities of Colton and Loma Linda to provide cost recovery billing services. In addition, the City is participating in several joint financing programs that include a tax sharing plan between the City and the County for providing services in the doughnut hole, and a joint planning and infrastructure study for the Santa Ana River Wash area, for example.
- b) *What are policies?* There are no formal City policies on file for joint financing projects.

4. Revenue Sources

- a) *Identify:* The City's revenue sources are as follows: property tax, business license tax, franchise fees, sales tax, transient occupancy tax, motor vehicle in-lieu fees, street lighting and landscape maintenance assessments, community facilities district special tax assessment, sewer, water and solid waste fees and other general revenue sources.
- b) *Can they be expanded?* Existing fees may be expanded as a result of Council actions to increase the development coming into the City and from time to time as Council may approve increases to the existing fee structure. The City has a legislative lobbyist who works with the City Council and City staff to monitor new sources of revenues that may be available to the City, such as grants, and to protect the sources of revenue that currently exist.

IV. Cost Avoidance Opportunities

Purpose: *To identify practices or opportunities that may help eliminate unnecessary costs.*

1. Overlapping/Duplicative Services

The City's participation in joint capital improvement projects does encourage coordination with other local government agencies, and funds from several agencies decreases the need to rely solely on one funding source. However, depending on the size and scope of the project, a duplication of effort (staff time) can occur over the life of the project.

2. Joint Agency Practices

- a) *Identify:* The City, in joint participation with other governmental agencies, has been awarded various grants. The City has agreements with the cities of Colton and Loma Linda to provide cost recovery billing services.
- b) *Reduce costs?* The reduction of costs in joint capital improvement projects may be obtained by carefully monitoring the assignment to staff by the various public agencies, developing a comprehensive tracking system for the project, and maintaining a monthly meeting schedule to update the various participants in the project.

3. Rely On Other Agencies

- a) *Administrative functions:* The City does not rely on other agencies for its administrative functions.
- b) *Grant management:* Individual City departments apply for and manage grant funds.
- c) *In-house cost vs. outside cost:* Since individual City departments apply for and manage the grant funds, in-house costs are absorbed by the individual city departments.

4. Growth Management Strategies

The City of Redlands has a growth management element in its General Plan which is consistent with the three growth management initiatives that have been passed by the voters in the City.

- a) *Strategies for directing growth:* The city's strategies for directing growth are in several key areas: (1) Capital improvement projects, such as widening streets, installation of curbs, gutters, sidewalks, water and sewer lines, street lights, traffic signals, and storm drain facilities; (2) right of way acquisition to facilitate the capital improvement projects; and (3) annexation of unincorporated areas that are within the City's sphere of influence.
 - b) *Infill:* The City has specific infill policies in its General Plan. that exempt development of infill single family residences from the development requirements adopted as part of Measure U, a growth initiative. These standards include traffic levels of service, noise, and similar standards.
 - c) *Conservation:* The Conservation Element and the Open Space Element have been merged into a single element of the General Plan entitled Open Space and Conservation Element. In function and content, the Open Space Element and Conservation Element often overlap. The Conservation Element is oriented toward the management of natural resources to prevent waste, destruction or neglect. The Open Space Element, in contrast, emphasizes open space as a land use and requires that preservation and management of natural resources be considered in land use planning and decision making. The combined open Space and Conservation Element describes conservation practices within state designated types of open space, meeting requirements of both elements. In addition, Redlands' archaeological resources are considered. The Open Space and Conservation goals and Policies are found in Section 7.0 of the General Plan.
 - d) *Annexation Policies:* The City of Redlands annexation policy is to support annexation of urban designated land. The City does not pursue annexations however, the City will initiate an application for annexation when requested or supported by the property owner(s) or a parcel that has an existing approved pre-annexation agreement becomes contiguous to the City. It responds to requests from property owners who are contiguous to the City limits. The City also requires pre-annexation agreements when property owners request water or water and sewer services and are not contiguous to the City. If properties are contiguous to existing City limits and are located in the City's sphere of influence, they must first annex in order to obtain water and sewer services.
5. Level of Service
- a) *Meets or exceeds customer needs?* The General Plan establishes Level Of Service standards for noise, traffic, parks/open space and other goals and

objectives which are implemented on a daily basis. The City also annually adopts a five year capital improvement plan. This is monitored and adjusted every year to respond to changing priorities and conditions.

- b) *Customer Satisfaction:* The City adopted Resolution 5321 in October, 1996 which was a Customer Service Program. It provided goals, programs, and standards for service. Elements of the Program included provisions for making and responding to complaints, inquiries, and code complaints.

6. Per-Unit Service Costs

- a) *Identify:* The City per-unit service costs are found in the City's Fee Schedule. These fees were established as a result of a special study prepared by David M. Griffiths and Associates that developed detailed costs for each City service for which per-unit fees were applicable. This study was completed in July, 1996 Fees developed as a result of this study were established through a series of resolutions to the City Council, beginning in January, 1997. The City plans to have another fee study performed in the near future. Periodically, as new services are added as a result of code amendments, new per-unit fees are developed by staff and added to the City's fee schedule. A hard copy of the Community Development Department's fee schedule is available at the Community Development Department public counter.
- b) *Comparison with others:* The City's user fees are based upon a detailed cost analysis of the services provided by the City. These are compared periodically with surrounding cities for information.

V. **Rate Restructuring**

Purpose: To identify opportunities to positively impact rates without decreasing service levels.

1. Rates

- a) *Use of consumer price index?* The City of Redlands does not raise its fees or special taxes based on the consumer price index.
- b) *Identify ways to compare rates:* The City uses an informal process to identify ways to compare rates, such as contacting surrounding cities and counties and professional organizations as a resource for information.

- c) *Identify current rates and plans, if any, for rate changes:* The City's water and sewer rates were recently reviewed and adjusted to reflect current and projected costs. A copy of the rates is attached for reference as Exhibit E. The City does not anticipate any additional rate changes for water and sewer in the near term, however, other fees such as those that cover the provision of one time services in planning and development review are projected to be reviewed for ensuring that the actual cost of providing the service is being recovered.

VI. Opportunities for Shared Facilities.

Purpose: To evaluate the opportunities for a jurisdiction to share facilities and resources to develop more efficient service delivery systems.

1. Shared Facilities

- a) *Existing - flood, parks, groundwater storage, etc.* The City does not share facilities for any flood, parks, or groundwater storage.
- b) *Future opportunities/options:* Future opportunities or options for shared facilities may be found through enhanced service for street maintenance and flood control; within the unincorporated areas of the City sphere of influence. The City, however, has limited staffing to perform the work.

2. Duplication of Facilities

- a) Existing duplication?
- b) Planned/future duplication?
- c) Excess capacity available to outside customers
- d) Productivity ratings, if any, for staff

The City does have some potential for duplication of services in the Doughnut Hole since the City made plans to provide service to that area in the past. Based on recent agreements with property owners in the area, that potential will be minimized since the City will be the provider for water and sewer facilities to new development on a case by case basis. As stated above, the City has excess capacity in its sewer treatment plant to provide services to outside customers.

VII. Government Structure Options

Purpose: To consider the advantages and disadvantages of various government structures to provide services.

1. Agency Recommendation

- a) *Government structure options:* The island provisions outlined in the Cortese-Knox-Hertzberg Government Reorganization Act of 2000 should be revised to delete the acreage limitation on an unincorporated island of territory. The revisions to the law should be a joint effort by the cities, the County, and LAFCO in sponsoring the changes to the Act.
- b) *Benefits to customers:* By filling in City boundaries, the delivery of City services can be made more efficient and effective by eliminating the potential for duplication.

2. Hurdles to Consolidation/Reorganization

The islands of unincorporated territory that are surrounded by the City's boundaries are too large in size to fit the criteria outlined in the island provision on the Cortese-Knox-Hertzberg Act.

3. Recommended Options

- a) *Benefit to customers:* same as number 1 (b) noted above.
- b) *Services to be provided:* By filling the island of unincorporated area, City services will be provided consistent with the municipal services now provided within the City's limits.

VIII. Evaluation of Management Efficiencies

Purpose: To evaluate whether organizational changes to governmental structure can be made to improve the quality of public services in comparison to cost.

1. Training Opportunities

The on-going training of employees is performed on a department-by-department basis through the use of workshops, conferences, and memberships in professional associations. In addition, general purpose and city-wide training is handled by the City's Administrative Services Department - Personnel Division.

2. Staffing Levels

Based on the City general fund, the City ratio for staffing in the current fiscal year is approximately 4.1 employees per thousand population, not including sworn police officers. The Police Department is currently maintaining a ratio of 1.3 officers per thousand population

3. Technology

- a) *Billing Systems:* The City maintains billing systems for water, sewer, solid waste, business licenses, weed abatement, and miscellaneous receivables. The City also has a billing process for false alarms.

4. Budget

- a) *Policies:* The policies of the budget are derived by City Council direction.
- b) *Preparation/public involvement:* The budget is prepared by each department and submitted to the Finance Department and City Manager for review and recommendations. The Finance Department and City Manager prepare the final budget for presentation to the City Council. The public is encouraged to participate in the budget process by attending public hearings held before the City Council. Copies of the budget are available to the public at the City and at the City library.
- c) *Analysis - revenues/reserves/expenditures:* The analysis of revenues/reserves/expenditures is done through the preparation of the City's annual budget. The budget covers the General Fund and other Governmental Funds, Enterprise Funds, Internal Service Funds, and the Redevelopment Agency.

5. Joint Powers Agreements

- a) *Identify and describe:* The City participates in joint capital improvement projects with other governmental agencies including the County of San Bernardino and Caltrans. The City has joint signal maintenance agreements with the State of California, the County of San Bernardino, and the City of Loma Linda and City of San Bernardino. The City, in joint participation with other governmental agencies, has been awarded various grants. The City has agreements with the cities of Colton and Loma Linda to provide cost recovery billing services.

IX. Local Accountability and Governance

Purpose: To evaluate the accessibility and levels of participation associated within the agency's decision-making and management processes.

1. Governing Body

- a) *Selection Process:* The selection of members on the Redlands City Council is done at an election held every two years for four year terms. The Mayor is appointed by the Council to a two year term. Redlands form of government is council/manager.
- b) *Representation (Districts, area-wide):* The members of the Redlands City Council are selected on an area-wide basis.
- c) *Frequency of meetings:* The Redlands City Council meets twice a month on the first and third Tuesdays at 3:00 p. m. and 7:00 p. m.
- d) *Brown Act Compliance:* In compliance with the Brown Act, the City Council's agenda is posted 72 hours prior to its regularly scheduled meetings. The agenda is posted on the outside of the City Council Chambers.
- e) *Number of elections over the last decade:* The number of elections held over the last 10 years is nine (9), one every two years for City Council elections plus four (4) special elections.

2. Customer Feedback

- a) *Surveys:*
- b) *Complaint tracking:* The individual departments track and respond to complaints as they are filed. For example, code enforcement complaints are logged by the Police Department and follow up is conducted by the assigned code enforcement officer based on the geographic location of the complaint in the City. In addition, the Public Works Department responds to complaints on street related items such as potholes, street lights, street trees, etc.. A work order is made out and assigned to the appropriate street maintenance crew. Municipal Utilities Department also has a formal complaint response process that involves filling out a work order and required follow up.

3. Access

- a) *Hours:* City Hall is open nine days over a two week period and is closed every other Friday. Office hours are 7:30 a. m. to 5:30 p. m.
- b) *Newsletters:* Currently the Solid Waste Division of the Municipal Utilities Department and the Police Department provide newsletters to City residents. The Downtown Redlands Business Association in the Community Development Department publishes a newsletter to its members. The Smiley Library publishes a newsletter which goes out to over 24,000 people.

Sphere of Influence Update/Service Review

November 4, 2003

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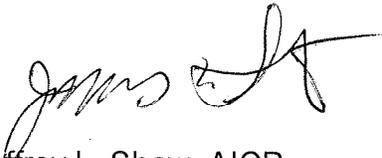
- c) *Website:* The City maintains a website which is updated regularly by each individual department. Please refer to www.ci.redlands.ca.us to view the city's website.
 - d) *Media Coverage:* The newspapers that cover the City of Redlands are The Daily Facts, The Sun, and The Press Enterprise.
 - e) *Cable/public access TV:* The local cable company (Adelphia) provides televised coverage of City Council and Planning Commission meetings. Announcements for community events are shown on the cable channel when various events are not being televised.
4. Regular Progress Reports
- a) *Budget - major projects:* The City's budget is adopted annually in the month of June. Major projects are shown and discussed in that document. For financial tracking purposes, each project is assigned a job ledger number and is included in monthly financial status reports that are provided to the City Council, City Manager, and departments. A mid-year review of the budget is performed in January.
 - b) *Operations:* The City's budget is adopted annually in the month of June. There is a mid-year budget performance review in January. Monthly financial status reports are provided to City Council members, City manager, and departments. Any requests for increases to the adopted budget require Council approval.
 - c) *Voter participation:* The public is encouraged to review the City budget in advance of its consideration by the City Council. Copies are available in the Finance Department, City Clerk's office and the public library, and can be purchased by individuals who would like to have a copy. If someone wants a copy of a page or a small section of the document, copies are generally available without charge. The City rate for providing copies of reports or documents is \$.05 per page. Public comments on the City budget are encouraged in written or oral communication.

Monthly meetings are held by the Downtown Redlands Business Association and include a financial update at each meeting.

The above information has been prepared in response to your survey information request. If you have any questions or need additional information, please contact me at (909) 798 7555.

Sphere of Influence Update/Service Review
November 4, 2003
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Sincerely,

A handwritten signature in black ink, appearing to read "Jeffrey L. Shaw". The signature is fluid and cursive, with a prominent initial "J" and "S".

Jeffrey L. Shaw, AICP
Community Development Director

Attachments

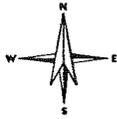
EXHIBIT A

Donut-Hole Area Map

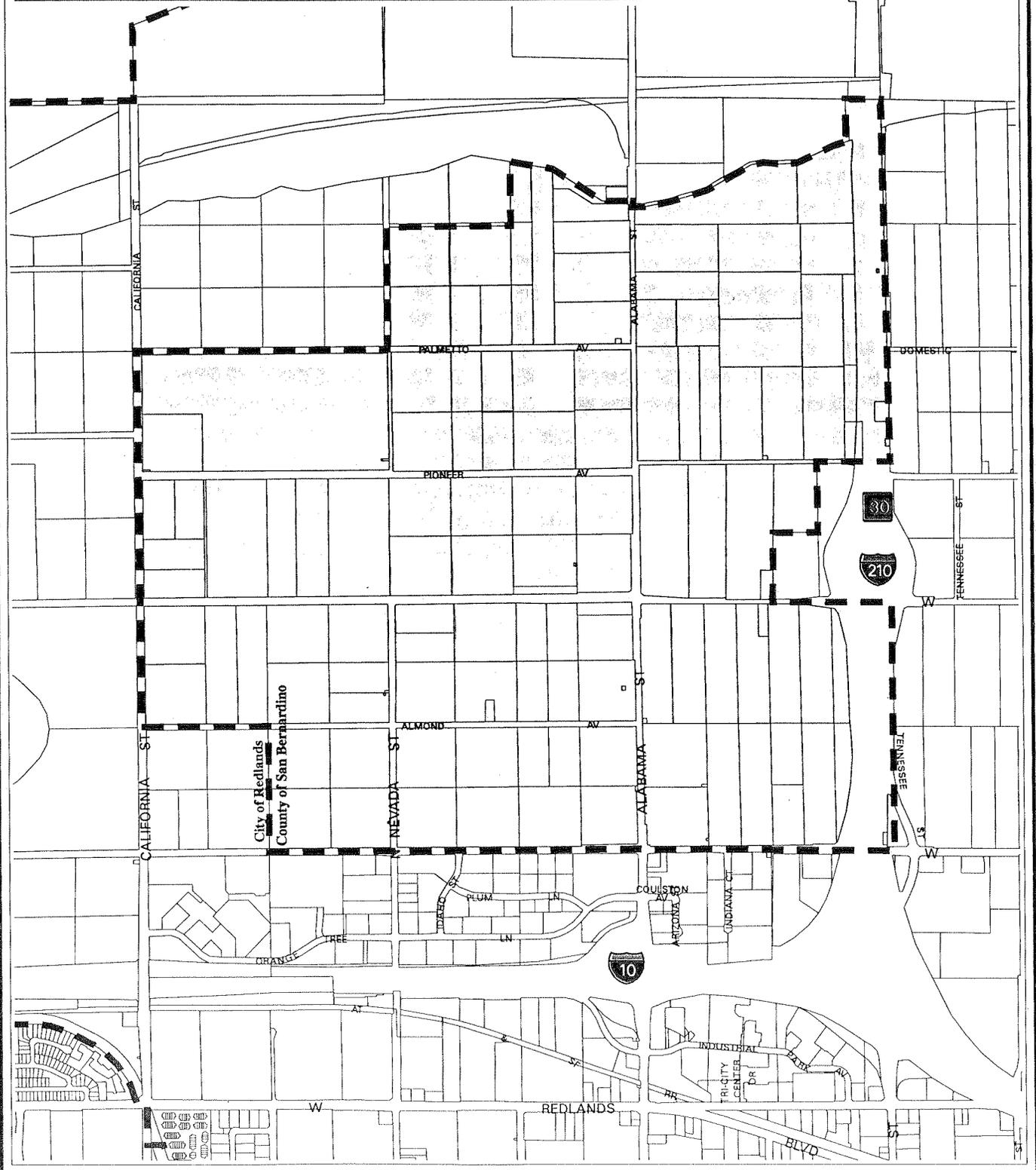
 S.B. County "Donut-Hole"

 Parcel Boundary

 Redlands City Boundary



Map produced on November 05, 2003 by the City of Redlands, Municipal Utilities Department, GIS Services. Scale 1:18000



LEGAL DESCRIPTION
Doughnut Hole

Portions of Section 16, 17, 20 and 21, T1S, R3W, SBBM; more particularly described as follows:

Following the various courses of the existing Redlands city limits, beginning at the intersection of the west boundary line of the City of Redlands as originally incorporated, said line also being the intersection of the north and south quarter section line of Section 21, T1S, R3W, SBBM, with the east and west quarter section line of said Section 21;

Thence westerly along the east and west quarter section line of said Section 21 and continuing along the east and west quarter section line of Section 20, T1S, R3W, SBBM, to its intersection with the southerly prolongation of the east line of Lots 6 and 3 of Block 6, of the Henry L. Williams Tract, as recorded in Book 11, Page 17 in the office of the County Recorder, County of San Bernardino, State of California, last said intersection being 1,320 feet East of the intersection of the centerlines of Lugonia Avenue and California Street;

Thence North 1,320 feet along said east line of Lots 6 and 3 and the prolongation thereof, to its intersection with the centerline of Almond Avenue;

Thence westerly along the centerline of Almond Avenue to its intersection with the centerline of California Street;

Thence northerly along the centerline of California Street to its intersection with the centerline of Palmetto Avenue;

Thence easterly along the centerline of Palmetto Avenue 2,641.72 feet to its intersection with the centerline of Nevada Street;

Thence northerly along the centerline of Nevada Street 1,320.00 feet to its intersection with the south line of Pine Street (vacated);

Thence South $89^{\circ} 27' 45''$ East, 1,318.13 feet along the south line of Pine Street (vacated) to its intersection with the southerly prolongation of the east line of Lot 3, Block 1 of Browns Subdivision of the Henry L. Williams tract as recorded in Book 8 of Maps, Page 96, in the office of the County Recorder, County of San Bernardino, State of California;

Thence North $0^{\circ} 35' 17''$ East, 661.14 feet along last said southerly prolongation and east line of said Lot 3 to its intersection with the northerly line of Lots 3 and 2, Block 1 of Browns Subdivision;

Thence South $79^{\circ} 40' 16''$ East, 453.20 feet along the northerly line of said Lot 2;

Thence South $56^{\circ} 40' 16''$ East, 640 feet;

Thence South $89^{\circ} 10' 16''$ East, 325.69 feet to the centerline of Alabama Street;

Thence southerly along the centerline of Alabama Street and the existing city limit line of the City of Redlands, 30 feet, more or less;

Thence continuing along various courses as described in Grant Deed recorded October 9, 1962 in Book 5832, Page 746, Official records of said County, said courses described as follows:

North 89° 39' 20" East, along the shoulder of the bluff of the South bank of the Santa Ana River, 83.58 feet;

Thence North 79° 43' 10" East, along said shoulder, 295.94 feet;

Thence North 73° 08' 36" East, along said shoulder, 404.77 feet;

Thence North 61° 19' 50" East, along said shoulder, 221.48 feet;

Thence North 58° 09' 30" East, along said shoulder, 297.10 feet;

Thence North 83° 00' 20" East, along said shoulder, 149.56 feet;

Thence South 84° 05' 28" East, along said shoulder, 181.82 feet;

Thence North 86° 38' 09" East, along said shoulder, 191.55 feet;

Thence North 67° 03' 32" East, along said shoulder, 9.36 feet;

Thence continuing North 67° 03' 32" East, along said shoulder, 409.89 feet;

Thence North 72° 52' 22" East, 170 feet more or less to the westerly right-of-way of the State of California for State Route 30;

Thence continuing northerly and westerly along the various courses of said right-of-way of the State of California to the northerly line of said Section 16;

Thence easterly along the north line of said Section 16 to the east line of the west half of said Section 16;

Thence southerly along the east line of the west half of said Section 16 and the existing city limit line of the City of Redlands to the centerline of Pioneer Avenue;

Thence westerly along the centerline of Pioneer Avenue to a point 1,944.8 feet east of the west line of Section 16, T1S, R3W, SBBM;

Thence South 01° 20' West, 746.32 feet;

Thence West 475.38 feet;

Thence South 01° 20' West, 720.55 feet to the centerline of San Bernardino Avenue;

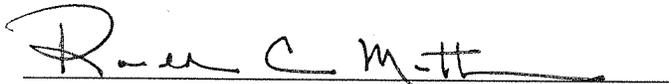
Thence easterly along the centerline of San Bernardino Avenue to its intersection with the north and south quarter line of Section 21, T1S, R3W, SBBM;

Thence southerly along last said quarter line to the Point of Beginning.

Contains 1,101.0 acres more or less.

Revised: September 7, 1999

Prepared by:



Ronald C. Mutter, RCE 28129

Expiration Date: March 31, 2006



EXHIBIT B – CITY OF REDLAND WATER SYSTEM MAP
(unable to copy due to size – available for review in LAFCO
office)

EXHIBIT C – CITY OF REDLANDS SEWER SYSTEM MAP
(unable to copy due to size – available for review in LAFCO
office)

EXHIBIT D – CITY OF REDLANDS GENERAL PLAN (copy
available for review in LAFCO office)

EXHIBIT E

**CITY OF REDLANDS
MUNICIPAL UTILITIES DEPARTMENT**

WATER, WASTEWATER AND SOLID WASTE CAPITAL CHARGES

The Municipal Utilities Department's Capital Charges for Development for water, sewer and solid waste are listed below and are effective January 2, 2003 for Non-Residential Development and February 1, 2003 for Residential Development.

WATER CAPITAL IMPROVEMENT CHARGE

Single Family Dwelling Unit:	
< 11,000 sq. ft.	\$4,500/dwelling unit
11,000 - 21,000 sq. ft.	\$5,810/dwelling unit
> 21,000 sq. ft.	\$7,125/dwelling unit
Multiple Family & Mobile Homes	\$2,250/dwelling unit
Non-Residential	\$187.50/100 cu.ft.est. flow per month

WATER SOURCE ACQUISITION CHARGE

Single Family Dwelling Unit:	
< 11,000 sq. ft.	\$810/dwelling unit
11,000 - 21,000 sq. ft.	\$1,050/dwelling unit
> 21,000 sq. ft.	\$1,280/dwelling unit
Multiple Family & Mobile Homes	\$405/dwelling unit
Non-Residential	\$33.70/100 cu.ft. est. flow per month

SEWER CAPITAL IMPROVEMENT CHARGE

Single Family Residential	\$3,850/dwelling unit
Multiple Family & Mobile Homes	\$3,080/dwelling unit
Residential Dwelling Unit if Building Permit issued prior to November 1, 1961	\$350/dwelling unit
non-Residential	\$1,900/100 gpd est. flow

SOLID WASTE CAPITAL IMPROVEMENT CHARGE

Single Family Residential	\$650/dwelling unit
Multiple Family	\$325/dwelling unit
Non-Residential Development	\$52/ppd estimated waste stream
Waste container/Residential	\$70 each

FRONTAGE CHARGES

Water and/or Sewer	\$17/front foot (each)
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WATER METERS

¾ inch	= \$151	
1 inch	= \$165	plus \$180 deposit
1½ inch	= \$375	(refundable)
2 inch	= \$529	

**SPHERE OF INFLUENCE
POLICIES AND GUIDELINES**

Attachment 4

SPHERE OF INFLUENCE

PURPOSE

(Adopted January 18, 1995, by LAFCO Resolution #2499)

Government Code Section 56076 defines a sphere of influence as "a plan for the probable physical boundaries and service area of a local agency, as determined by the commission." It is an area within which a city or district may expand, over an undefined period of time, through the annexation process. In simple terms, a sphere of influence is a planning boundary within which a city or district is expected to grow into over time.

The purpose of a sphere of influence is to encourage the "logical and orderly development and coordination of local government agencies so as to advantageously provide for the present and future needs of the county and its communities." The following enumerated items comprise the statement of purpose adopted by San Bernardino LAFCO for spheres of influence:

1. To promote orderly growth of communities, whether or not services are provided by a city or district (board governed or independently governed);
2. To promote coordination of cooperative planning efforts among the county, cities, special districts, and identifiable communities by encouraging compatibility in their respective general plans;
3. To guide timely changes in jurisdiction by approving annexations, reorganizations, etc., within a sphere of influence only when reasonable and feasible provision of adequate services is assured;
4. To encourage economical use and extension of facilities by assisting governmental agencies in planning the logical and economical extension of governmental facilities and services, thereby avoiding duplication of services;
5. To provide assistance to property owners in relating to the proper agency to comprehensively plan for the use of their property;
6. To review, update, and/or change existing spheres of influence periodically to reflect planned, coordinated changes in factors which impact on spheres of influence; and
7. To encourage the establishment of urban-type services only within an adopted sphere of influence.

The Commission emphasizes that a sphere of influence is a planning tool and the establishment of a sphere of influence, or the inclusion of territory within a sphere of influence of an existing governmental entity, does not automatically mean that the area is being proposed for annexation or development.

Establishment of a Sphere:

As outlined under state law, the Commission is designated as the public body responsible for determining spheres of influence for each city and district within its jurisdiction.

As a function of incorporation and as outlined in Government Code Section 56426.5, the Commission must establish a sphere of influence for a newly-incorporated city within one year of its incorporation effective date. Usually within six months of a city's effective date, the LAFCO staff notifies the city of the requirement pursuant to state law. The sphere proposal may be initiated by the Commission, the city council, or the County Board of Supervisors, through adoption of a resolution of the governing body.

State law also stipulates that a sphere of influence will not be established or changed without specific review and study independent of any action before the Commission at the time. Public hearings are held to review sphere of influence proposals such as establishment, amendment, or in connection with any proposed annexation, which may or may not involve another agency's sphere of influence.

Factors of Consideration:

As part of a sphere of influence review and as outlined in Government Code Section 56425, LAFCO is required to review four "factors of consideration" in connection with any sphere of influence proposal. The factors of consideration are as follows:

1. The present and probable land uses within the area, including agricultural and open space lands;
2. The present and probable need for public facilities and services in the study area;
3. The present capacity of public facilities and the adequacy of public services that the agency provides or is authorized to provide; and
4. The existence of any social or economic communities of interest in the study area.

In these categories of review, a city or district must show that its planning activities can be beneficial to the area, and that the initiation of those activities is appropriate. None of the above factors by themselves shall be deemed to be a determining factor in the establishment or revision of a sphere of influence for a city, district, or community area, but shall be reviewed as part of the total project.

The factors of consideration noted above are addressed individually within the staff's report for each sphere of influence proposal.

COMMISSION POLICY GUIDELINES FOR SPHERES OF INFLUENCE

The approaches and/or methods listed below are policies adopted by San Bernardino LAFCO. The policies guide the Commission's review in its determination of spheres of influence, periodic reviews and/or updates, and any amendments of those sphere boundaries.

Concurrent Sphere Reviews:

The Commission may include additional agencies as part of its review of a sphere of influence proposal. In considering the sphere of influence of a community, the Commission will concurrently evaluate all agencies serving that community, and as a policy guideline, it will need to establish a single, coterminous sphere for all such agencies.

Community-by-Community Approach:

As previously mentioned, the community-by-community approach is a guide used to establish spheres of influence. The idea was adopted by San Bernardino LAFCO prior to the mandate for spheres of influence, and includes the practice of looking at a total area, which could be considered a community, and defining its boundaries. This approach also considers the existence of inter-related economic, environmental, geographic, and social interests, and attempts to harmonize the conflicting plans and services of the various service entities. Under this approach, an attempt is made to keep the spheres of influence of the various service districts as nearly the same as possible.

Coterminous Boundaries:

The Commission may establish a sphere of influence which is coterminous with existing city/district boundaries when it is not feasible for the public agency to expand beyond its present boundaries. However, as outlined in state law, a sphere of influence must be established for each city and district, regardless whether the sphere boundary is the same as the city or district boundary.

Environmental Review for a Sphere:

A sphere of influence proposal requires review of the environmental aspects of the proposed sphere. The environmental review process is a requirement outlined in the California Environmental Quality Act (CEQA) that applies to the review of sphere of influence proposals. In compliance with CEQA and the State CEQA Guidelines, San Bernardino LAFCO adopted its own

Guidelines and Policies Implementing CEQA on June 22, 1990 with a subsequent amendment adopted on January 18, 1995. The Commission's Guidelines and Policies tailor the general provisions of CEQA to LAFCO's specific functions as both a "Responsible" and a "Lead" agency. The Guidelines and Policies also provide specific procedures used by San Bernardino LAFCO to implement CEQA.

Each sphere of influence proposal involving establishment, expansion, reduction, or submitted as part of the annexation proposal, must be reviewed by the Commission's environmental consultant. As a requirement of LAFCO's review, the environmental assessment must be completed prior to the Commission's review of the item.

Exclusion of Territory:

Under certain circumstances, a sphere of influence may exclude portions of the existing boundaries of a city or district. The Commission encourages reorganization and special studies in this situation to make final determination of which city or district should serve.

For example, certain portions of the City of San Bernardino are surrounded on three sides by the City of Highland, as there are certain portions of the City of Highland that are surrounded on three sides by the City of San Bernardino. In these situations, a sphere of influence study may be initiated to determine which public agency could better serve the area of review. The sphere of influence study would include a review of the possibility of excluding territory from one jurisdiction and the placement of the same territory in another jurisdiction's sphere of influence. The purpose of excluding territory would be an attempt to straighten irregular boundaries, and eliminate confusion arising from multiple jurisdictions.

Modification of a Sphere Review Area:

During the review of a sphere of influence proposal, the Commission may modify the area of review by expanding or reducing the area of review. The expansion or reduction of a sphere can be for several reasons, such as to include areas that may be better served by a public agency, or exclude areas that may be better served by another public agency.

Periodic Review/Update of a Sphere:

As a function of its duties and responsibilities, LAFCO is required to periodically review and/or update spheres of influence. Government Code Section 56425 requires the Commission to review and update, if necessary, all spheres of influence for cities and special districts at least once every five years.

The periodic sphere review does not preclude a public agency (city or district), or an individual from initiating a sphere proposal. The purpose of the periodic sphere review plan is to keep abreast of changes occurring within the public agencies under the jurisdiction of LAFCO.

Requirement for a Sphere Review in Relationship to Annexation:

State law precludes the Commission from approving annexation proposals lying outside of current sphere of influence boundaries for the affected city or district. If an annexation proposal lies outside the sphere of influence of a city or district, the annexation proposal must also include a sphere review. The joint sphere and annexation review is to maintain consistency in city or district boundaries and their sphere boundaries, for the extension and provision of services as it relates to proposed annexation sites.

Responsibility/Obligation for a Sphere Area:

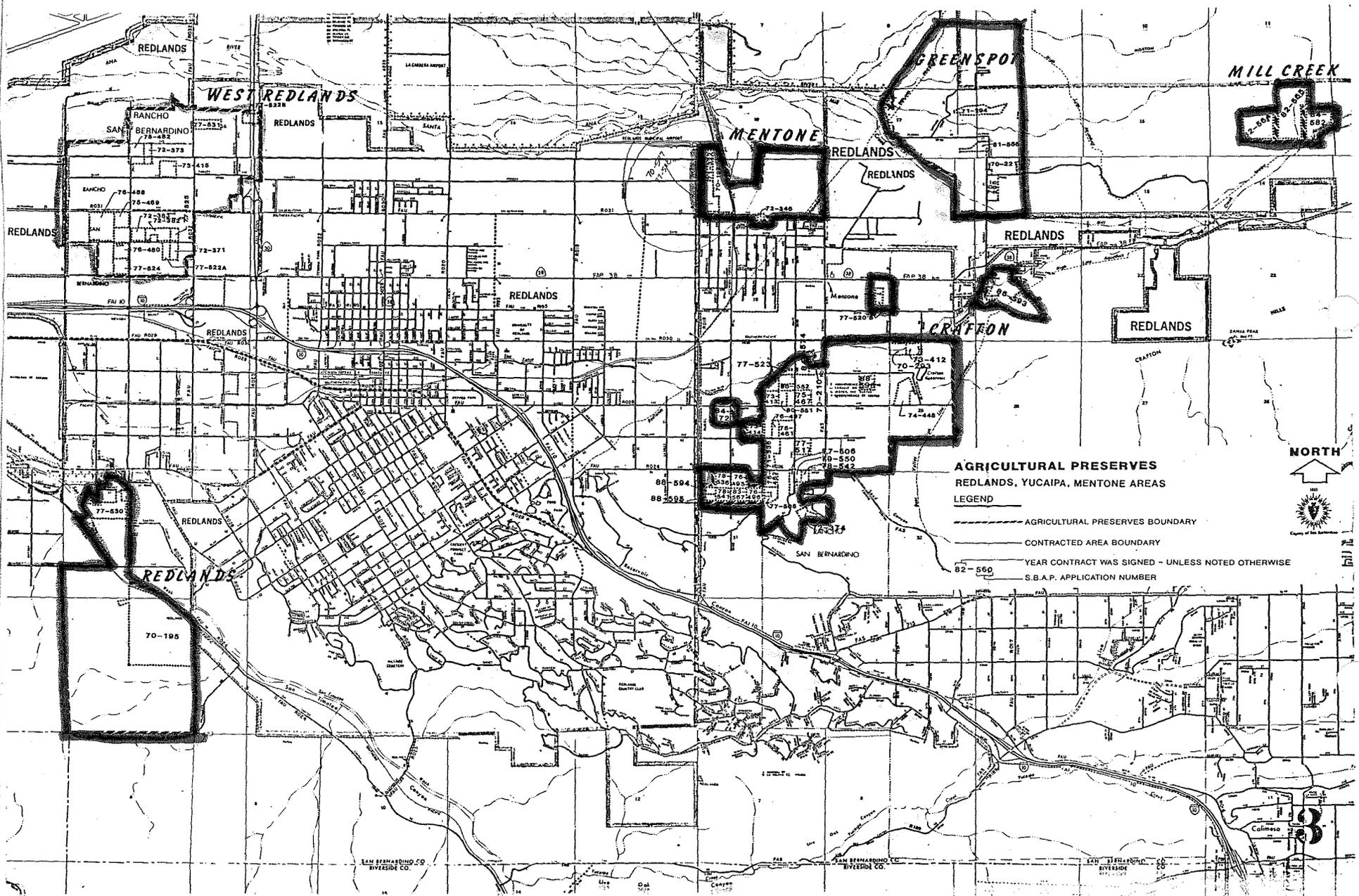
When a sphere of influence is assigned, a city or district is required to commence long range land use and service planning activities, thereby enabling it to respond to any annexation requests it might receive from landowners or residents within the sphere. By accepting a sphere of influence, a city or district agrees to plan for the provision of services.

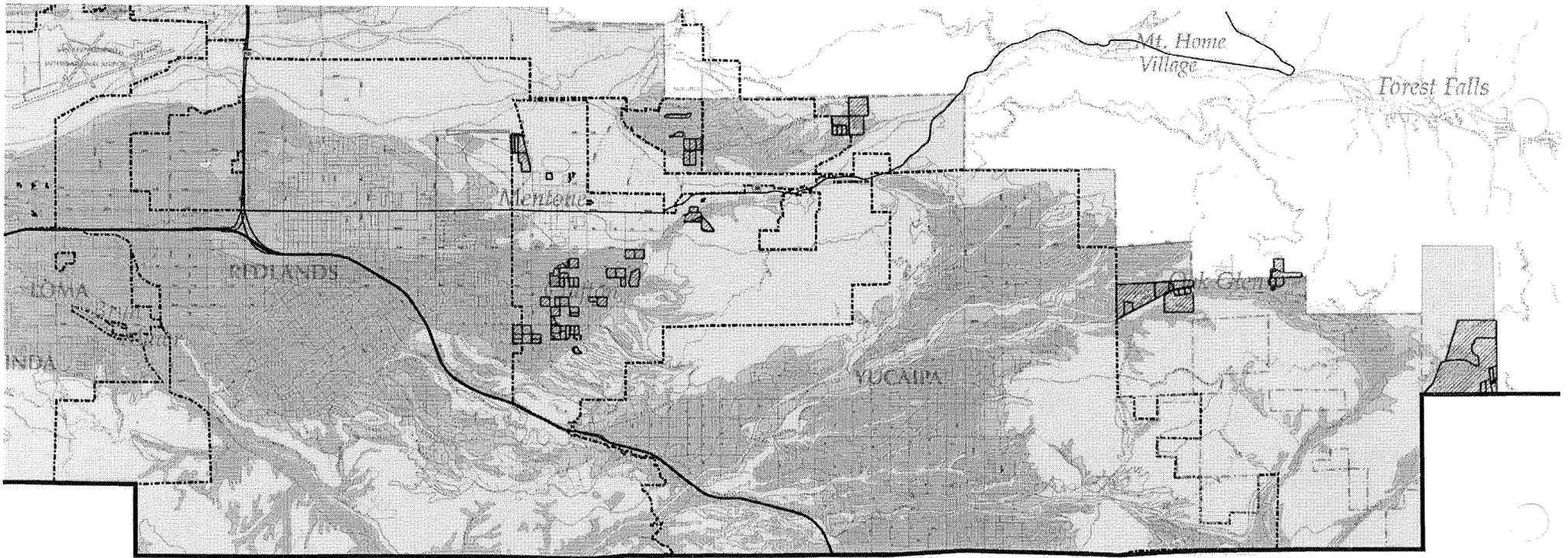
Urban Development within a City Sphere:

LAFCO takes the position that any new urban development which occurs within a city sphere of influence should take place as close to the city's urban area as possible. This position is emphasized for two reasons: First, so that contiguous areas may easily be annexed to the city; and secondly, so that the new urban area can be served by reasonable extension of the city's already developed municipal services.

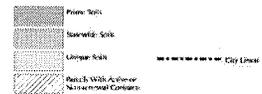
**MAPS SHOWING AGRICULTURAL
PRESERVES WITHIN MENTONE AND
CRAFTON COMMUNITIES**

Attachment 5





SAN BERNARDINO COUNTY EAST VALLEY REGION
 Parcels Under Agricultural Contract

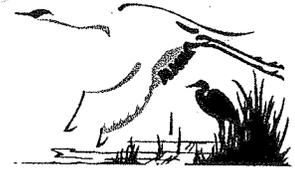


Scale 1:40000
 1 inch on map represents 4000 feet on the ground
 0 5 10 15 20 Miles

**RESPONSE FROM TOM DODSON
AND ASSOCIATES**

Attachment 6

TOM DODSON & ASSOCIATES
2150 N. ARROWHEAD AVENUE
SAN BERNARDINO, CA 92405
TEL (909) 882-3612 • FAX (909) 882-7015
E-MAIL tda@tstonramp.com



September 2, 2004

RECEIVED
SEP 03 2004

Ms. Kathleen Rollings-McDonald
Local Agency Formation Commission
175 West Fifth Street, Second Floor
San Bernardino, CA 92415-0490

LAFCO
San Bernardino County

Dear Kathy:

LAFCO 2929 consists of a service review for the City of Redlands (City) pursuant to Government Code Section 56430 and Sphere of Influence Study Pursuant to Government Code 56425. If approved by the Commission, the service and Sphere review would not result in any change to the services or the Sphere of Influence for the City. Based on the above proposal, it appears that LAFCO 2929 can be implemented without causing any physical changes to the environment or any adverse environmental impacts. The service and Sphere review does not appear to have any potential to alter the existing physical environment in any manner. Since no projects are pending or will occur as a result of approving this review, no physical changes in the environment are forecast to result from approving the action before the Commission.

Without a potential for causing physical changes in the environment, I recommend that the Commission find that a Statutory Exemption applies to LAFCO 2929 under the Section 15061 (b) (3) which states: "A project is exempt from CEQA if the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA." It is my opinion, and recommendation to the Commission, that this circumstance applies to LAFCO 2929.

Based on a review of LAFCO 2929 and the pertinent sections of CEQA and the State CEQA Guidelines, I conclude that LAFCO 2929 does not constitute a project under CEQA and adoption of the Statutory Exemption and filing of a Notice of Exemption is the most appropriate determination to comply with the CEQA process for this action. The Commission can approve the review and findings for this action and I recommend that you notice LAFCO 2929 as statutorily exempt from CEQA for the reasons outlined in the State CEQA Guideline sections cited above. The Commission needs to file a Notice of Exemption with the County Clerk to the Board for this action once the hearing is completed.

A copy of this exemption should be retained in LAFCO's project file to serve as verification of this evaluation and as the CEQA environmental determination record. If you have any questions, please feel free to give me a call.

Sincerely,

A handwritten signature in cursive script that reads "Tom Dodson".

Tom Dodson

DRAFT RESOLUTION NO. 2847

Attachment 7

PROPOSAL NO.: LAFCO 2929

HEARING DATE: SEPTEMBER 15, 2004

RESOLUTION NO. 2847

A RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION OF THE COUNTY OF SAN BERNARDINO MAKING DETERMINATIONS ON LAFCO 2929, A SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE FOR THE CITY OF REDLANDS.

On motion of Commissioner _____, duly seconded by Commissioner _____, and carried, the Local Agency Formation Commission adopts the following resolution:

WHEREAS, a service review mandated by Government Code Section 56430 and a sphere of influence update mandated by Government Code Section 56425 have been conducted by the Local Agency Formation Commission of the County of San Bernardino (hereinafter referred to as "the Commission") in accordance with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Sections 56000 et seq.); and,

WHEREAS, at the times and in the form and manner provided by law, the Executive Officer has given notice of the public hearing by this Commission on this matter; and,

WHEREAS, the Executive Officer has reviewed available information and prepared a report including his recommendations thereon, the filings and report and related information having been presented to and considered by this Commission; and,

WHEREAS, the public hearing by this Commission was held upon the date and at the time and place specified in the notice of public hearing and in an order or orders continuing the hearing; and,

WHEREAS, at the hearing, this Commission heard and received all oral and written protests; the Commission considered all objections and evidence which were made, presented, or filed; and all persons present were given an opportunity to hear

RESOLUTION NO. 2847

and be heard in respect to any matter relating to the review, in evidence presented at the hearing; and,

WHEREAS, a statutory exemption has been issued pursuant to the provisions of the California Environmental Quality Act (CEQA) indicating that this service review and sphere of influence update are statutorily exempt from CEQA and such exemption is hereby adopted by this Commission. The Clerk is directed to file a Notice of Exemption within five working days of adoption of this resolution; and,

WHEREAS, based on presently existing evidence, facts, and circumstances filed with the Local Agency Formation Commission and considered by this Commission, it is determined that the sphere of influence for the City of Redlands should be affirmed as it currently exists, as more specifically described on the map attached to this resolution and on file in the LAFCO staff office; and,

WHEREAS, the following findings are made in conformance with Government Code Section 56430 and local Commission policy:

1. **Infrastructure Needs and Deficiencies.** The City of Redlands has a five-year plan for Measure I street improvements maintained through the City's Public Works Department. In addition the City has master planned, programmed, and constructed water production and distribution facilities and wastewater collection and treatment facilities to serve the City and its sphere of influence. The City master services can be found in various adopted plans, including, but not limited to, the City General Plan, Circulation Element, Water and Sewer Master Plans, and Recreation and Park Master Plans. Copies of the City's master plans are maintained in City offices and are available for public review.

The City of Redlands has a total of 550 residential units available each calendar year for residential development under its growth management voter initiative, Measure U, as enacted within the Redlands General Plan and Municipal Code. 150 units are available within the sphere of influence and 400 residential units are available within the City.

2. **Growth and Population.** The City's population based on 2000 Census data is 63,591. The estimated 2003 population is 67,604. The City's projected build out population based on the 1995 General Plan is approximately 101,644. However, the growth management initiative referred to as Measure U was passed by the City's voters in 1997. Based upon the language within that initiative, with implementation of the growth management element and other provisions, it is now anticipated that the build out population of the City will be reduced to approximately 90,000.

3. **Financing Opportunities and Constraints.** The City's revenue sources are as follows: property tax, business license tax, franchise fees, sales tax, transient

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occupancy tax, motor vehicle in-lieu fees, streetlighting and landscape maintenance assessments, community facilities district special tax assessment, sewer, water, and solid waste fees and other general revenue sources. A complete list of the sources of City revenues is contained within the City budget, copies of which are maintained on file in the City's Finance Department and available for public review. The City participates in joint financing projects that include a tax sharing plan between the City and the County for providing services within the area identified as the Doughnut Hole and a joint planning and infrastructure study for the Santa Ana Wash area.

4. **Cost Avoidance Opportunities.** The City of Redlands participates in joint capital improvement projects which encourage coordination with other local government agencies. Growth management strategies as identified in the Growth Management Element of the City General Plan are consistent with the three growth management initiatives that have been passed by the voters in the City of Redlands. Infill policies included in the General Plan exempt infill projects from the development requirements adopted by Measure U. These standards include traffic levels of service, noise and other similar standards. Beyond that, the City of Redlands did not identify any specific cost avoidance opportunities relevant to this review.

5. **Rate Restructuring.** The City of Redlands fee schedule was developed following the 1996 special study conducted by David M. Griffiths and Associates that developed detailed costs for each City service for which a per-unit fee was applicable. Beginning in July 1996 these fees were established through a series of resolutions adopted by the City Council for the City of Redlands. The City is anticipating another study to update its fee schedule in the near future. Copies of the City's rate structures are maintained in various City offices and are available for public review. No other relevant issues related to this factor were identified by the City of Redlands.

6. **Opportunities for Shared Facilities.** The City of Redlands does not currently share facilities for such items as flood, parks, groundwater storage, etc. However, future opportunities or options may be found through enhanced service for street maintenance and flood control. The City will review and encourage future shared facilities as opportunities become available and they are determined to be feasible.

7. **Government Structure Options.** The City would recommend that the island annexation provisions outlined in the Cortese-Knox-Hertzberg Government Reorganization Act of 2000 should be revised to delete the acreage limitation. By filling in City boundaries, the delivery of service can be made more efficient and effective for both the City and County eliminating the potential for duplication of services. The City will continue to take an entrepreneurial approach to government structure and the provision of the service option that provides the best result at the least cost. No other options for governmental structure were identified by the City of Redlands.

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8. **Management Efficiencies.** The City of Redlands provides for on-going training of employees on a department-by-department basis through the use of workshops, conferences, and memberships in professional associations. In addition, general purpose and city-wide training is handled by the City's Administrative Services Department – Personnel Division. Based upon the City General fund, the City ratio for staffing is approximately 4.1 employees per thousand population, excluding sworn police officers. The City budget is annually prepared in cooperation with City departments and the City Finance Department and City Manager prepare and present the final budget to the City Council. Copies of the budget documents are available for public review in various City offices.

9. **Local Accountability and Governance.** The City is governed by a City Council elected at-large which serve four-year terms in office. The Mayor is appointed by the Council to a two-year term. The City Council meets twice a month and complies with the requirements of the Brown Act for posting of agendas and open meetings. The City maintains a web site, and provides surveys, newsletters, complaint tracking services, and provides periodic progress reports on City programs and projects.

WHEREAS, the following findings are made in conformance with Government Code Section 56425 and local Commission policy for a sphere of influence update:

1. **PRESENT AND PLANNED LAND USES**

The full range of urban, suburban, and rural land uses are included within the boundaries and current sphere of influence of the City of Redlands. This sphere of influence update and service review have no potential to change present or planned land uses within the City sphere, since no changes to the sphere of influence are contemplated.

The City of Redlands has indicated that it does contemplate a sphere of influence amendment within the next five years to address the area known as the Doughnut Hole. Present land uses within this area includes the power center of the development project known as Citrus Plaza, Calvary Chapel Church and School, and some scattered grove-related residential uses. Planned land uses within this area have been identified by the County as planned development anticipating commercial, office and industrial uses. The City General Plan does not address this area.

2. **PRESENT AND PROBABLE NEED FOR PUBLIC FACILITIES AND SERVICES IN THE AREA**

No changes to the City sphere of influence are proposed through this review. The present and probable need for public facilities and services in the Doughnut Hole area provided by the City of Redlands include water, sewer, fire

RESOLUTION NO. 2847

and police services, and those contemplated to be provided in the future include street maintenance and storm drainage, and other general government services. The City has adopted a master plan for water and sewer service which addresses this area, and said plans are on file in the City offices.

3. **PRESENT CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES PROVIDED**

No changes to the City sphere of influence are proposed or contemplated through this review. As noted above, the City has adopted master plans for water and sewer service which address this factor for the area identified as the Doughnut Hole. These Plans are available for review in the City offices.

4. **COMMUNITIES OF INTEREST IN THE AREA**

No changes to the City sphere of influence are proposed through this review. The City of Redlands has indicated that it contemplates a sphere of influence change within the next five years to address territory within the Doughnut Hole.

5. **OTHER FINDINGS**

- A. Notice of this hearing has been published as required by law in The Sun, and the Redlands Daily Facts, newspapers of general circulation in the area. As required by state law, individual notification was provided to affected and interested local agencies, County departments, and those individuals wishing mailed notice.
- B. Comments from landowners and any affected local agency have been reviewed and considered by the Commission in making its determination.

WHEREAS, having reviewed and considered the findings as outlined above, the Commission affirms and upholds the sphere of influence for the City of Redlands as it currently exists, as depicted on the map attached and on file in the office of the San Bernardino Local Agency Formation Commission.

NOW, THEREFORE, BE IT RESOLVED by the Local Agency Formation Commission of the County of San Bernardino, State of California, that this Commission shall consider the territory described on the attached map as being within the sphere of influence of the City of Redlands, it being fully understood that establishment of such a sphere of influence is a policy declaration of this Commission, based on existing facts and circumstances which, although not readily changed, may be subject to review and change in the event a future significant change of circumstances so warrants.

BE IT FURTHER RESOLVED that the Local Agency Formation Commission of the County of San Bernardino, State of California, does hereby determine that the City of Redlands shall indemnify, defend, and hold harmless the Local Agency Formation Commission of the County of San Bernardino from any legal expense, legal action, or judgment arising out of the Commission's affirmation of this sphere of influence, including any reimbursement of legal fees and costs incurred by the Commission.

THIS ACTION APPROVED AND ADOPTED by the Local Agency Formation Commission of the County of San Bernardino by the following vote:

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

ABSENT: COMMISSIONERS:

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN BERNARDINO)

I, KATHLEEN ROLLINGS-McDONALD, Executive Officer of the Local Agency Formation Commission of the County of San Bernardino, California, do hereby certify this record to be a full, true, and correct copy of the action taken by said Commission, by vote of the members present, as the same appears in the Official Minutes of said Commission at its meeting of September 15, 2004.

DATED:

KATHLEEN ROLLINGS-McDONALD
Executive Officer