

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

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DATE: August 6, 2004

FROM: KATHLEEN ROLLINGS-McDONALD, Executive Officer 

TO: LOCAL AGENCY FORMATION COMMISSION

SUBJECT: **Agenda Item #9** – LAFCO 2931: Service Review and Sphere Of Influence Update for the City of Yucaipa

INITIATED BY:

San Bernardino County Local Agency Formation Commission

RECOMMENDATION:

1. Determine that LAFCO 2931 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 Yucaipa should be affirmed as presently configured; and,
3. Adopt LAFCO Resolution #2838 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 2931 is a routine, non-controversial service review and sphere of influence update for the City of Yucaipa. Included as Attachment #1 to this report is a map which identifies the boundaries and sphere of influence for the City of Yucaipa. 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 Yucaipa and a copy of the survey response provided by the City to the service review factors required by Government Code Section 56430.

As LAFCO staff began its review, we looked to the policies and procedures outlined 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. The family of districts which address service delivery in the general Yucaipa community include the City, the Yucaipa Valley Water District (YVWD), and County Service Area 63 (CSA 63). These other agencies have been scheduled for their service review/sphere update at this hearing as well. Both of these agencies address a larger community, the community of Oak Glen, which has been specifically excluded from the City's sphere of influence. The Oak Glen community is generally located easterly of the City of Yucaipa's easternmost boundary within the foothills of the San Bernardino Mountains.

When the City of Yucaipa incorporated, and at the time of its sphere of influence establishment, inclusion of the Oak Glen community within the City's jurisdiction was considered. In both instances, the community of Oak Glen expressed its position, in no uncertain terms, that it was a separate rural community, not a part of the urbanizing area of the City of Yucaipa. LAFCO staff has broached the question of this larger community with City of Yucaipa staff during this service review/sphere update. This discussion was based upon the contractual relationship of the City for the delivery of fire protection and paramedic services to the Oak Glen community following the City's detachment from CSA 38 in 1999.

The City position as indicated by its staff is that the City does not anticipate proposing a sphere amendment within the next five years and would only do so in response to community request. Therefore, due to the unique character of the Oak Glen community and its ability to provide the range of service it desires through CSA 63, and CSA 38 and its Improvement Zone M, the staff is not recommending an amendment to the City of Yucaipa sphere of influence.

The major points of consideration within the survey response provided by the City of Yucaipa are outlined as follows:

1. The City of Yucaipa is not proposing any change to its sphere of influence. The City has indicated that it does not anticipate proposing a sphere of influence amendment within the next five years. The City Council has considered the response to the service review factors in a

public hearing, and concurs with staff findings that no sphere amendments will likely be contemplated in the foreseeable future.

The City is currently surrounded by the City of Redlands and its sphere of influence on its western and northwestern boundaries, the National Forest boundary on the north, the community of Oak Glen on the east and the Riverside/San Bernardino County line makes up its southern border.

2. The City of Yucaipa provides the services of general government, land use planning, code enforcement, building and safety, recreation, roads, fire protection and paramedics within its corporate boundaries. On July 1, 1999, the City of Yucaipa assumed responsibility for the provision of fire protection and rescue (paramedic) service within its corporate boundaries. Following this transition of service, the City signed a contract with the California Department of Forestry and Fire Protection to provide for its structural fire protection services and paramedic service.

At that time, the County of San Bernardino, on behalf of County Service Area 38 and its Improvement Zone M, contracted with the City of Yucaipa to continue to provide structural fire protection and paramedic services to the community of Oak Glen and those areas which remained within CSA 38 Improvement Zone M.

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

SERVICE	PERFORMED BY
Fire Protection and Paramedic	Contract for service with the California Department of Forestry and Fire Protection
Law Enforcement	County of San Bernardino Sheriff's Department
Animal Control	County Public Health Department by contract
Water	Retail and recycled water provided by the Yucaipa Valley Water District. Domestic water is also provided by the South Mesa Water Company and Western Heights Water Company.
Wastewater Treatment	Yucaipa Valley Water District
Refuse Collection	Yucaipa Disposal – granted franchise by City
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 Yucaipa is currently overlaid by the following public agencies:

Yucaipa Valley Water District
Beaumont-Cherry Valley Water District
San Bernardino Valley Municipal Water District
East Valley Resource Conservation District
County Service Area 70 Improvement Zone CR (generally the area of
Tract 12222 and the parcel immediately to its north)

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

County Service Area 38 and its Improvement Zone M (fire protection and
rescue (paramedic) service)
County Service Area 63 (park and recreation, streetlighting, roads,
sanitation and disaster preparedness)
County Service Area 70 (multi-function)

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

CONCLUSION

Based on the information outlined above, and the response provided by the City of Yucaipa, 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 #2838 which sets forth written responses to the statutory factors related to service reviews and sphere of influence studies.

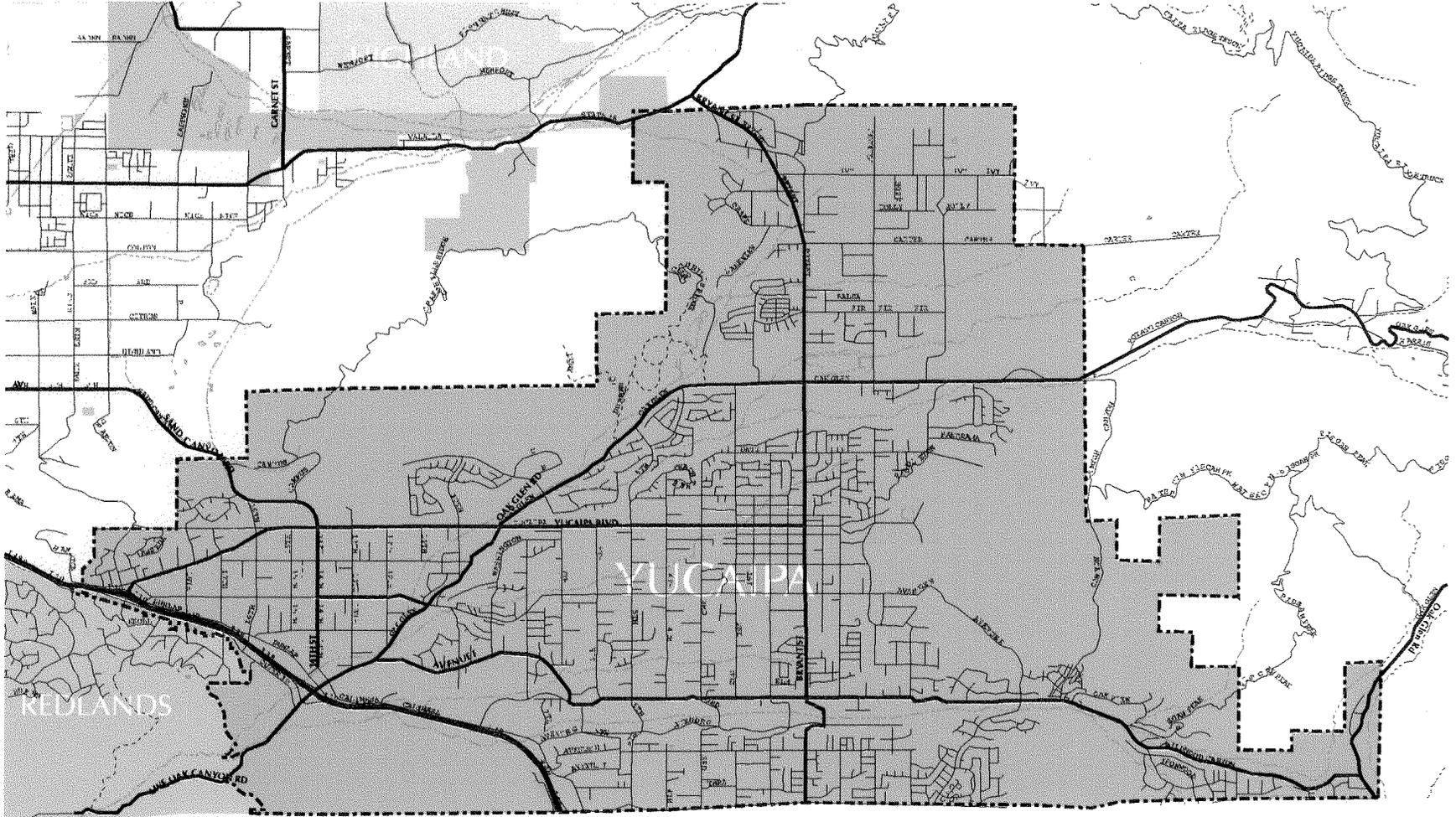
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Attachments:

1. Location and Vicinity Maps of the Existing Sphere of Influence of the City of Yucaipa
2. Outline of a City/Town
3. Summary City Profile Sheet and Survey Response Provided by the City of Yucaipa
4. Sphere of Influence Policies and Guidelines
5. Response from Tom Dodson and Associates
6. Draft Resolution #2838

**Location and Vicinity Maps of the
Existing Sphere of Influence of
the City of Yucaipa**

Attachment 1



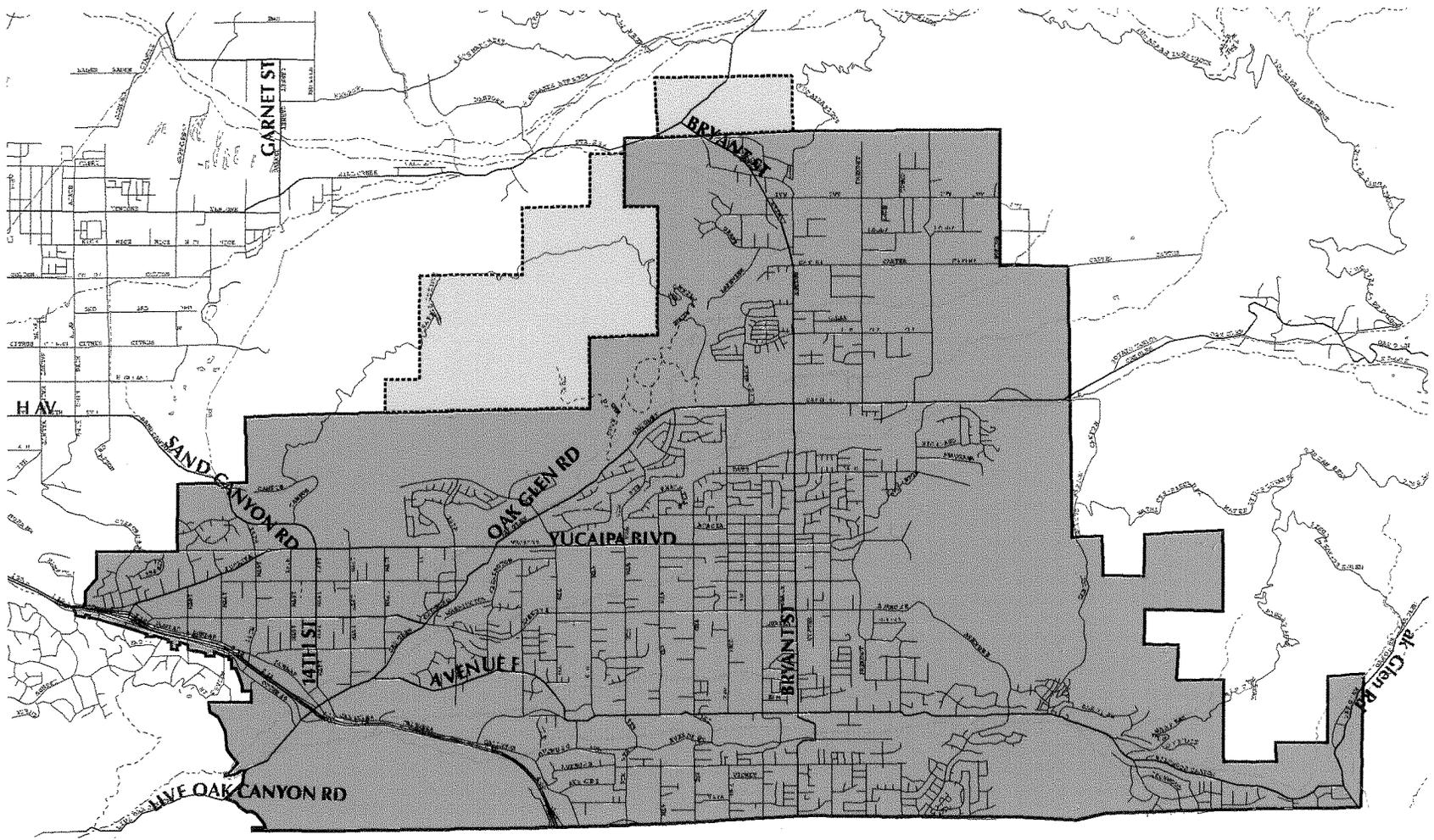
- City of Yucaipa
- City of Redlands
- Yucaipa Sphere
- Redlands Sphere
- City of Highland

CITY OF YUCAIPA

City Limit & Sphere of Influence

Map Prepared On August 06, 2004





CITY & SPHERE OF INFLUENCE BOUNDARIES
City of Yucaipa
 Map Prepared On July 20, 2004

- City Limit
- Sphere of Influence



Outline of a City/Town

Attachment 2

LOCAL AGENCY FORMATION COMMISSION COUNTY OF SAN BERNARDINO

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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
the City of Yucaipa**

Attachment 3

CITY OF YUCAIPA

CONTACT PERSON:

John McMains, Director of Community Development
John Tooker, City Manager

ADDRESS: 34272 Yucaipa Blvd., Yucaipa, CA 92399

WEBSITE ADDRESS : www.yucaipa.org

E-MAIL ADDRESS: General – city@yucaipa.org

DATE OF MUNICIPALITY FORMATION:

November 27, 1989

LAFCO 2537 – Reorganization to Include Incorporation of the
City of Yucaipa and Detachment from County Service Area 63

REDEVELOPMENT AGENCY: XX YES NO

If yes, please indicate name and define area of service.

Yucaipa Redevelopment Agency --The City Council serves as the Redevelopment Agency Board of Directors and the City Manager serves as the Executive Director. The Chairman and Vice-Chairman of the Redevelopment Agency are elected by a vote of its members. The core business area of the City of Yucaipa, as well as portions of the freeway corridor, are included in the Yucaipa Redevelopment Agency. Currently, the Yucaipa Redevelopment Agency is actively involved in revitalizing the uptown area of the City's business district.

GOVERNING BODY: 5-member City Council elected at-large

MEMBERSHIP:

Dick Riddell	Mayor
Allan Drusys	Mayor Pro Tem
Diane Smith	Councilmember
Bob Lampi	Councilmember
Tom Masner	Councilmember

PUBLIC MEETINGS:

2nd and 4th Monday of each month, 6:00 p.m.,
Civic Center, 34272 Yucaipa Blvd.

AREA SERVED:

28 +/- Square Miles (approximately 17,920 acres) within City
Unincorporated Sphere area estimated as 1,600 acres

POPULATION

43,500 (2002 by ECD demographics)
41,207 (Defined by 2000 Census)

SERVICES PROVIDED:

SERVICES DIRECTLY PROVIDED BY CITY (NON-CONTRACTUAL):

Land Use Planning, Code Enforcement, Building and Safety; Park and Recreation; Roads; General Government (City Council, finance, etc.); Public Landscaping (through City Landscape Maintenance District);

PROVIDED BY CONTRACT:

SERVICE	PROVIDED BY WHOM	DATE OF CONTRACT	SUNSET DATE
Police Protection (Law Enforcement, Traffic Accident Investigation)	County Sheriff	Since Incorporation	None -- termination allowed by action of City and/or County
Fire Protection and Paramedic	California Department of Forestry and Fire Protection (CDF)	July 1, 1999	None – termination allowed by action of City or CDF
Animal Control	County of San Bernardino Public Health Department	Since Incorporation	None – termination allowed by action of either City
Refuse Collection	Yucaipa Disposal	Unknown	Franchise
Vector Control	County Vector Control Program	Ordinance 3672 adopted October 29, 1996	None – termination allowed by action of City and/or County
Ambulance	American Medical Response	Unknown	Inland Counties Emergency Medical Authority (ICEMA) granted exclusive operating area to American Medical Response (AMR)

SERVICES PROVIDED OUTSIDE AGENCY BOUNDARIES:

SERVICE	PROVIDED TO WHOM	DATE OF CONTRACT	SUNSET DATE
Fire Protection and Paramedics	Community of Oak Glen and the area remaining within CSA 38 Improvement Zone M	July 1, 1999	Termination allowed by action of City and/or County on behalf of CSA 38

Special Charges for service outside boundaries: None – service provided to the community of Oak Glen for funds generated from special tax (CSA 38 Improvement Zone M) and share of 1% ad valorem property tax (CSA 38).

SUBSIDIARY DISTRICTS? YES NO

SPHERE OF INFLUENCE:

ESTABLISHED:

LAFCO NUMBER	RESOLUTION NO./ DATE ADOPTED	LOCATION
LAFCO 2585	Resolution No. 2250, adopted March 21, 1990	Existing City of Yucaipa, areas along the ridge-line of the Crafton Hills/Mill Creek draining to Yucaipa, the commercial properties fronting Outer Highway from the Yucaipa Blvd. off-ramp to existing City boundaries

CHANGES:

LAFCO NUMBER	RESOLUTION NO./ DATE ADOPTED	TYPE OF CHANGE	LOCATION
LAFCO 2694	No. 2359 – 3/18/2002	Expansion	Expansion to include the areas of Porter Ranch and Birmingham Ranch in the Wildwood Canyon area

TOTALLY SURROUNDED ISLANDS WITHIN BOUNDARY/SPHERE: YES NO

BUDGETARY INFORMATION: Not provided

May 8, 2003



RECEIVED

MAY 09 2003

LAFCD
San Bernardino County

Ms. Kathleen Rollings-McDonald
Local Agency Formation Commission
175 West Fifth Street, 2nd Floor
San Bernardino, CA 92415-0490

Re: Sphere of Influence/Service Review Survey

Dear Ms. Rollings-McDonald:

This is to advise you that on April 28, 2003, the Yucaipa City Council approved the Sphere of Influence Review and Service Review Survey (enclosed) in accordance with the Sphere Update/Service Review policies that have been adopted by the Local Agency Formation Commission. As requested, we are also enclosing a payment of \$500.00 to cover the cost of your agency's administrative services with regard to this submittal.

If you should have any questions, or if you require any additional information, you can contact me at (909) 797-2489 x231.

Sincerely,

CITY OF YUCAIPA

JOHN McMAINS, Director
Community Development Department

enclosures: as noted

JM/sfl

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**CITY OF YUCAIPA
RESPONSE TO LAFCO
SPHERE OF INFLUENCE REVIEW
AND SERVICE REVIEW SURVEY**

Sphere of Influence

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

The City of Yucaipa does not currently anticipate proposing a sphere of influence amendment within the next five years.

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 needs.

1. Capital Improvements Plans/Studies

The City of Yucaipa seven year Capital Improvement Program (CIP) was adopted in June of 2002 and outlines the City's current and future capital improvements needs. Capital Improvement projects are administered through Public Works, Fire, Recreation and Redevelopment Departments. A copy of the Capital Improvement Program is available upon request.

2. Master Service Plans/Studies

The City's master service plans are found in various adopted plans: General Plan, Circulation Master Plan of Streets and Highways, Drainage Master Plan, Recreation and Park Plan, and Capital Improvement Program. Copies of each plan are available upon request.

3. Water Service Plans/Studies

a) Supply and demand information: The City of Yucaipa is served by three primary water purveyors: the Yucaipa Valley Water District, South Mesa Water Company, and the Western Heights Water Company. A copy of the Master Plan of Service for each City water purveyor is available upon request.

4. Sewer Services Plans/Studies

a) **Capacity and demand information:** The Yucaipa Valley Water District owns and operates its own sewer plant and distribution system. The Master Plan of Sewers includes capacity for the City's northerly sphere of influence areas. Adequate sewer capacity will be available to meet current and projected flows upon completion of the current sewer plant expansion project.

5. Age and Condition of Facilities

a) **Water supply and distribution system:** Copies of the Master Plans for each serving agency are available upon request.

b) **Wastewater collection and treatment:** A copy of the Water District's Master Plan of Sewers and treatment capacity is available upon request.

6. Capacity Analysis (sewer)

a) **Number of service units available:** Capacity of the Water District's sewer treatment plant is presently 4.5 million gallons per day. *City's share (Corporate and sphere)?*

b) **Number of service units currently allocated:** Not applicable.

c) **Total number of service units within agency boundaries:** The sewer treatment plant presently processes approximately 4 million gallons of wastes per day, or approximately 16,000 sewer connections.

7. Future development (sewer)

a) **What additional infrastructure is needed?** Future infrastructure needs are addressed in the Water District's Master Plan of Sewers. A copy of this plan is available upon request.

b) **Description of additional facilities.** Please refer to the District's Master Plan.

c) **How will they be funded?** Development fees.

d) **Is there a schedule for improvement?** Refer to the District's Master Plan.

8. Reserve Capacity

a) **What is the policy?** Please refer to Master Plan of Sewers.

II. Growth and Population

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

1. Population Information

a) **Existing and projected:** The current population of the City is approximately 45,000 residents. The City's projected ultimate population is estimated at approximately 67,000 residents.

2. General Plan

a) **Excerpts regarding existing and projected growth:** The City's ultimate population was calculated based on the residential land use densities contained in the 1992 General Plan. A copy of the Yucaipa General Plan is on file with the LAFCO office.

b) **Other:** The City does not anticipate any major land use alternations that will substantially change the above ultimate population projection.

3. Identify Significant Growth Areas

The City is not yet close to build-out of its vacant single family residential areas. The City has a relatively small multi-family residential reserve, which will represent approximately 20% of the future residential growth. The City's primary growth will include industrial and commercial development along the I-10 Corridor.

III. Financing Opportunities and Constraints

Purpose: To evaluate factors that affect the financing of needed improvements.

1. Financing Plans

a) **Service upgrades:** The City's adopted Capital Improvement Program outlines the approximate location, size, and timing and estimated costs of all major facilities. The development and financing of these projects depend on available funding. The City has an adopted fee program that covers the following: circulation, storm drain, fire, public facilities and parks.

b) **Capacity Improvements:** The City's CIP addresses capacity improvements. Copies are available upon request.

c) **Revenue source:** The City's revenue sources are as follows: property tax, sales tax, franchise fees, development fees, building permit fees, motor vehicle in lieu fees, grants, redevelopment project area funds and other general revenue sources.

2. **Bond Rating**

The City does not have a bond rating, but bonding capacity is excellent.

3. **Joint Financing Projects**

a) **Does agency participate?** The city participates in joint capital improvement projects with the County and periodically with other jurisdictions as the need arises.

b) **What are policies?** There are no City policies on file for joint financing projects.

4. **Revenue Sources**

a) **Identify:** The City's major recurring revenue sources include: sales tax, state revenues, franchise fees, development and business related fees, and other general revenue sources.

b) **Can they be expanded?** The City maintains a legislative lobbyist and legislative City team to monitor new sources of revenue, such as grant applications.

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 improvements projects and other joint studies and activities does encourage coordination with other local governmental agencies, and funds from several agencies decreases the need to rely solely on one funding source.

2. **Joint Agency Practices**

a) **Identify:** Please refer to Item III.3a response.

b) **Reduce Costs?** Reduction of costs in joint capital improvement projects and other joint studies is obtained through economies of scale.

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 and manage grant funds. The City does periodically contract with firms to prepare more complex grant applications.

c) **In-house cost vs. outside cost:** Since individual City departments apply and manage the grant funds, in-house costs are absorbed by the individual City department.

4. Growth Management Strategies

a) **Strategies for directing growth:** The City's strategies for directing growth are through capital improvement projects, such as the installation of necessary infrastructure improvements and through the application of Improvement Level Standards.

b) **Infill:** The City does not presently have an incentive program for infill.

c) **Conservation:** The City's Conservation Element of the General Plan emphasizes the conservation, development and utilization of resources located in each planning area. These resources include: mineral, water, soils, biotic, cultural and archaeological, energy and waste stream resources. A copy of the City's General Plan is on file at the LAFCO office.

d) **Annexation policies:** The City encourages the annexation of properties located within its adopted sphere of influence. The City's annexation policy is not to propose annexation until it is the desire of the property owner(s).

5. Level of Service

a) **Meets or exceeds customer needs?** The City is able to process all requests for service in a timely manner, and with the use of contract employees, we have extensive flexibility in responding to changing conditions.

b) **Customer satisfaction:** Each City department has a specialized format to sample the service level rating within its clientele.

6. Per-Unit Service Costs

a) **Identify:** Periodically, the City's fees and charges are reviewed and recommendations are presented to the City Council for adjustments. A copy of the City's fee schedule is available upon request.

b) **Comparison with others:** The City's user's fees are based upon a cost analysis of the services provided by the City.

V. Rate Restructuring

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

1. Rates

a) **Use of consumer price index?** It is being done at the present time.

b) **Identify ways to compare rates:** Periodically, the City informally reviews and compares rates of adjoining communities.

c) **Identify current rates and plans, if any, for rate changes:** Please refer to response under Item V 1b.

VI. Opportunities For Shared Facilities

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

1. Shared Facilities

a) **Existing - flood, parks, groundwater storage, etc.** The city does share recreation facilities with the Yucaipa-Calimesa Joint Unified School District. *Such as ?*

b) **Future opportunities/options:** The City is constantly reviewing opportunities with the various governmental agencies to enhance the delivery of municipal services for the benefit of all serving agencies.

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 not have any existing duplication of facilities; therefore, the items listed above are not applicable.

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 City has recently taken over County Service 38 to assume responsibility for local fire protection services and paramedic services. At this time, the City has no plans to take over any of the other special districts operating within our jurisdiction.

b) **Benefits to customers:** The delivery of municipal services is more cost effective and less confusing to the general public when a single entity is responsible for all aspects of public services.

2. Hurdles to Consolidation/Reorganization

Existing agencies are reluctant to give up their responsibilities, revenues must be able to off-set the costs that would be assumed, and operational expertise must be maintained.

3. Recommended Options

a) **Benefit to customers:** Same as Item VII-1b.

b) **Services to be provided:** By providing consolidation whenever possible, the City can provide more efficient municipal services.

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 an individual department basis through the use of workshops, conferences, seminars and memberships in professional associations. In addition, training for general interest courses or to improve existing job performance is offered by the City.

2. Staffing Levels

Historically, the City has maintained a very low ratio of employees per population. Currently, the ratio is approximately 1.29 per 1,000 residents. While an

employee/resident ratio may be an important indicator, the City maintains a staffing level that is appropriate to available funding.

3. **Technology**

a) **Billing systems:** The City maintains billing systems for business licensing and miscellaneous receivables.

4. **Budget**

a) **Policies:** Budget policies are established by the City Council, formulated into policy guidelines by staff, reviewed by the City Council and adopted through the public hearing process.

b) **Preparation/public involvement:** The City's one year budget is prepared by each department under the supervision of the Administrative Services Department. Throughout the budget process the public is encouraged to review drafts by accessing the City's website and reviewing draft copies available at the public counter.

c) **Analysis-revenue/reserves/expenditures:** The analysis of the City revenues/reserves/expenditures is done through the preparation of the operating budget and through periodic updates. The budget covers the General Fund, the Redevelopment Agency and other miscellaneous City funds.

5. **Joint Powers Agreements**

a) **Identify and describe:** The City is a member of the Independent Cities Lease Finance Authority Joint Power Authority. The City also participates in joint powers improvement projects with County of San Bernardino and the State of California.

IX. **Local Accountability and Governance**

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

4. **Governing Body**

a) **Selection Process:** The selection of members of the Yucaipa City Council is done at an election held every two years for four-year terms. The mayor is elected for a one-year term by members of the Council. Yucaipa is a City Administrator oriented form of government.

b) **Representation (District's, area-wide):** The Yucaipa City Council members are selected on a city-wide basis.

c) **Frequency of meetings:** The Yucaipa City Council meets on the second and fourth Monday of each month at 6:00 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 outside of the City Council Chambers.

e) **Number of elections over last decade:** The number of elections held over the last ten years is five.

2. **Customer Feedback**

a) **Surveys:** Periodically, the City may conduct city-wide resident surveys. Customer survey cards are occasionally provided at the front counter for each department.

b) **Complaint tracking:** Each individual department tracks and responds to complaints as they are filed. In addition, the Public Works department responds to pothole, graffiti and other complaints as they are filed.

3. **Access**

a) **Hours:** City Hall is open Monday through Thursday, 7:30 a.m. to 5:30 p.m. and every other Friday from 8:00 a.m. to 5:00 p.m. City employees work a 9/80 work schedule.

b) **Website:** The City maintains a website, which is updated periodically by the Information Services Division.

c) **Media coverage:** The newspapers that cover the City are the San Bernardino Sun, the Riverside Press Enterprise and the Yucaipa-Calimesa News Mirror.

4. **Regular Progress Reports**

a) **Budget-major projects:** The City's budget is adopted every year during the month of June and reviewed on a bi-annual basis. Progress reports are periodically presented to the City Council.

b) **Operations:** Please review the previous response.

c) **Voter participation:** City residents are encouraged to review the proposed City budget in advance by accessing the City's website, or purchasing or reviewing the budget at the public counter. Public comments on the City budget are encouraged in written or oral communications.

**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.

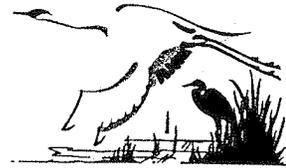
Urban Development within a City Sphere:

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.

**Response from
Tom Dodson and Associates**

Attachment 5

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



August 5, 2004

RECEIVED
AUG 06 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 2931 consists of a service review for the City of Yucaipa (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 by the City and it would not modify the City's existing Sphere of Influence. Based on the above proposal, it appears that LAFCO 2931 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. Without a potential for causing physical changes in the environment, I recommend that the Commission find that a Statutory Exemption (as defined in the California Environmental Quality Act, CEQA) applies to LAFCO 2931 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 2931.

Based on a review of LAFCO 2931 and the pertinent sections of CEQA and the State CEQA Guidelines, I conclude that LAFCO 2931 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 CEQA for this action. The Commission can approve the review and findings for this action and I recommend that you notice LAFCO 2931 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. 2838

Attachment 6

PROPOSAL NO.: LAFCO 2931

HEARING DATE: AUGUST 18, 2004

RESOLUTION NO. 2838

A RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION OF THE COUNTY OF SAN BERNARDINO MAKING DETERMINATIONS ON LAFCO 2931, A SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE FOR THE CITY OF YUCAIPA.

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 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

RESOLUTION NO. 2838

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 Yucaipa should be affirmed as it currently exists, as more specifically described on maps and legal descriptions 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.** A comprehensive capital improvement plan has been adopted by the City setting forth recommendations for a variety of projects. A copy of the City's response is on file in the LAFCO office (and is attached to the staff report for this item), and a copy of the City's master plan is maintained in City offices.
2. **Growth and Population.** Based on the 2000 census data, the population of the City of Yucaipa is 45,000. The City's projected ultimate population is estimated at 67,000, based on the 1992 Yucaipa General Plan. The area of the City's sphere of influence has not been included within its General Plan. The County General Plan designates the area for open space uses so no significant growth is anticipated within this area. Significant growth areas are industrial and commercial development along the I-10 Corridor. A copy of the General Plan is maintained in the LAFCO staff office and in City offices.
3. **Financing Opportunities and Constraints.** The City receives a share of the general levy of property tax revenue, but the bulk of its revenue is derived from fees for service, sales and use revenue, development fees, state subventions, grants, community facilities districts, redevelopment project funds, and other revenues. Revenues for the City, as is the case for all other local agencies, are constrained by a variety of state laws that govern revenue generation. A complete list of the sources of City revenues is contained within the City budget, which is on file and available for public review in City offices.
4. **Cost Avoidance Opportunities.** The City of Yucaipa receives water service from the Yucaipa Water Company within the bulk of its corporate boundaries. It contracts with the California Department of Forestry and Fire Protection for the receipt of structural fire protection and emergency medical services. The City of Yucaipa also takes a cooperative approach and encourages coordination with other local agencies on a variety of projects. Beyond that, the City of Yucaipa did not identify any specific cost avoidance opportunities relevant to this review.
5. **Rate Restructuring.** The City of Yucaipa periodically reviews its cost of services in order to stay in conformance with state requirements and the competitive market place. Copies of the City's rate structures are maintained in City offices and are available for public review. No relevant issues related to this factor were identified by the City of Yucaipa.

RESOLUTION NO. 2838

6. **Opportunities for Shared Facilities.** The City of Yucaipa indicates that it is constantly reviewing opportunities with other governmental agencies to enhance the delivery of municipal services. The City has indicated that it currently shares recreational facilities with the Yucaipa-Calimesa Joint Unified School District. No other relevant findings related to this factor were identified by the City of Yucaipa.

7. **Government Structure Options.** The City has indicated it has no plans to assume responsibility for other agencies serving within its boundaries. In 1999, the City assumed responsibility for the provision of fire protection and paramedic services within its corporate limits through detachment of County Service Area 38. No other options for governmental structure were identified by the City of Yucaipa.

8. **Management Efficiencies.** The City of Yucaipa provides for on-going training of employees through the use of conferences, workshops, and memberships in professional organizations. Staffing levels are also continually reviewed, and the current City ratio is 1.29 employees per 1,000 City residents. The City also identified use of various joint powers agreements that have already been implemented as ways to promote management efficiency.

9. **Local Accountability and Governance.** The City is governed by a City Council elected at large, all of which serve four-year terms in office. The Mayor is elected for a one-year term by members of the Council. The City maintains a web site, and conforms to provisions of the Brown Act requiring open meetings. In addition, the City 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 Yucaipa. 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 Yucaipa endorses this approach by indicating that no sphere of influence changes are contemplated within the next five years.

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

No changes to the City sphere of influence are proposed or contemplated through this review. The City has adopted a master plan for service which addresses this issue for the services which it directly provides. Said plan is on file in the City offices.

RESOLUTION NO. 2838

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. The City has adopted a master plan for service which addresses this issue, and is on file in the City offices.

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

No changes to the City sphere of influence are proposed or contemplated through this review. The Commission therefore determines that this factor of determination is not relevant to this review, as permitted by Government Code Section 56425.

5. **OTHER FINDINGS**

- A. Notice of this hearing has been published as required by law in The Sun and the Yucaipa News Mirror, 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 Yucaipa as it currently exists, and is depicted on maps and legal descriptions 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 maps and legal descriptions on file in the LAFCO office, as being within the sphere of influence of the City of Yucaipa, 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 Yucaipa 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.

RESOLUTION NO. 2838

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 August 18, 2004.

DATED:

KATHLEEN ROLLINGS-McDONALD
Executive Officer

