MENDOCINO

Local Agency Formation Commission

Ukiah Valley Conference Center ◊ 200 South School Street ◊ Ukiah, California 95482

WILLOW COUNTY WATER DISTRICT SPHERE OF INFLUENCE UPDATE

Prepared in accordance with Government Code §56425

Final Adoption- August 1, 2016

Mendocino LAFCo Resolution No. 15-16-23

MENDOCINO LOCAL AGENCY FORMATION COMMISSION

LAFCo Resolution No. 15-16-23

A RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION OF MENDOCINO COUNTY APPROVING THE WILLOW COUNTY WATER DISTRICT SPHERE OF INFLUENCE UPDATE 2016

WHEREAS, the Mendocino Local Agency Formation Commission, hereinafter referred to as the "Commission", is authorized to establish, amend, and update spheres of influence for local governmental agencies whose jurisdictions are within Mendocino County; and

WHEREAS, the Commission conducted an update for the Willow County Water District's sphere of influence pursuant to California Government Code Section 56425; and

WHEREAS, the Executive Officer gave sufficient notice of a public hearing to be conducted by the Commission in the form and manner prescribed by law; and

WHEREAS, the Executive Officer's report and recommendations on the sphere of influence update were presented to the Commission in the manner provided by law; and

WHEREAS, the Commission heard and fully considered all the evidence presented at a public hearing held on the sphere of influence update on June 6, 2016; and

WHEREAS, the Commission considered all the factors required under California Government Code Section 56425.

NOW, THEREFORE, the Mendocino Local Agency Formation Commission does hereby RESOLVE, DETERMINE, and ORDER as follows:

- 1. This sphere of influence update has been informed by the Commission's earlier municipal service review on the Ukiah Valley special districts, for which the section on the Willow County Water District was accepted by the Commission on May 6, 2013.
- 2. The Commission, as Lead Agency, finds the update to the Willow County Water District's sphere of influence is exempt from further review under the California Environmental Quality Act pursuant to California Code of Regulations Section 15061(b)(3). This finding is based on the Commission determining with certainty the update will have no possibility of significantly effecting the environment given no new land use or municipal service authority is granted.
- 3. The Willow County Water District confirmed during the review of its sphere of influence that its services are currently limited to water services. Accordingly, the Commission waives the requirement for a statement of services prescribed under Government Code Section 56425(i).
- 4. This sphere of influence update is assigned the following distinctive short-term designation: "Willow County Water District Sphere of Influence Update 2016"
- 5. Pursuant to Government Code Section 56425(e), the Commission makes the written statement of determinations included in the Willow County Water District Sphere of Influence Update report, hereby incorporated by reference.

6. The Executive Officer shall revise the official records of the Commission to reflect this update of the Willow County Water District sphere of influence.

BE IT FURTHER RESOLVED that the Willow County Water District's sphere of influence is amended (reduced) to include only those properties currently receiving service within the existing SOI or with appropriate land use designations to receive municipal water services, and to exclude those properties which overlap with the City of Ukiah boundary and do not receive services from the district, as depicted in Exhibit "A".

The foregoing Resolution was passed and duly adopted at a regular meeting of the Mendocino Local Agency Formation Commission held on this 11th day of July, 2016, by the following vote:

AYES: Commissioners Hammerstrom, Doble, McCowen, Ward

NOES: Commissioners Brown, McNerlin, Orth

ABSTAIN: None

ABSENT: Madrigal

JERRY WARD, Chair

ATTEST:

UMA HINMAN, Executive Officer

Table of Contents

INTRODUCTION	3
Overview	3
REVIEW PERIOD	
EVALUATION CONSIDERATIONS	3
General Guidelines for Determining Spheres of Influence	
OVERVIEW	6
CURRENT AGENCY OPERATIONS	6
Background	6
MUNICIPAL SERVICE REVIEW	6
Sphere of Influence	6
DISADVANTAGED UNINCORPORATED COMMUNITIES	11
POPULATION AND LAND USE	11
Population and Growth	
Land Use and Development	
CAPACITY AND SERVICE	12
Water	12
Supply and Storage	12
Relevant Local Agencies and Communities of Interest	
RELEVANT PLANNING AND SERVICE FACTORS	
County of Mendocino General Plan- Development Element (DE)	12
DISCUSSION	13
SPHERE OF INFLUENCE	13
WATER SUPPLY	15
ANALYSIS	15
1.) Present and Planned Land Use	15
2.) Present and Probable Need for Public Facilities and Services	15
3.) Present Capacity of Facilities and Adequacy of Public Services	16
4.) Social and Economic Communities of Interest	
5.) Present and Probable Need for Water, Sewer, or Fire Protection Services for Disadvantaged Unincorpora	
Communities (DUCs)	
CONCLUSIONS	16
REFERENCES	19
APPENDIX A	20
List of Figures	_
Figure 1 District Boundary	5
Figure 2 District Service Area Reference Map.	
Figure 3 Final Adopted SOI	
Figure 4 District Land Use Designation Map	
1 18 are 5 Paries Crider Williamson Net Contracts Wap	

INTRODUCTION

OVERVIEW

This update is prepared in accordance with the Cortese-Knox-Hertzberg Local Government Reorganization Act (CKH Act) which states, "In order to carry out its purposes and responsibilities for planning and shaping 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, LAFCo shall develop and determine the Sphere of Influence (SOI) of each local governmental agency within the county" (GC §56425). A "SOI" is defined under the CKH Act as ".... a plan for the probable physical boundaries and service area of a local (government) agency" (GC §56076).

Decisions on organizational changes must be consistent with the SOI boundary and determinations. The adopted SOI is used by LAFCo as a policy guide in its consideration of boundary change proposals affecting each city and special district in Mendocino County. Other agencies and individuals use adopted SOIs to better understand the services provided by each local agency and the geographic area in which those services will be available. Clear public understanding of the planned geographic availability of urban services is crucial to the preservation of agricultural land and discouraging urban sprawl.

The following update will assess and recommend an appropriate Sphere of Influence (SOI) for the Willow County Water District (Willow CWD or District). The objective is to update Willow CWD's SOI relative to current legislative directives, local policies, and agency preferences in justifying whether to (a) change or (b) maintain the designation. The update draws on information from the Willow CWD Municipal Services Review (MSR), which includes the evaluation of availability, adequacy, and capacity of services provided by the District.

REVIEW PERIOD

SOI reviews and updates typically occur every five years, or as needed. A local agency's services are analyzed with a twenty year planning horizon, and a sphere is determined in a manner emphasizing a probable need for services within the next 5-10 years. Actual boundary change approvals, however, are subject to separate analysis with particular emphasis on determining whether the timing of the proposed action is appropriate.

EVALUATION CONSIDERATIONS

When updating the SOI, the Commission considers and adopts written determinations:

Sphere Determinations: Mandatory Written Statements

- 1. Present and planned land uses in the area, including agricultural and open space
- 2. Present and probable need for public facilities and services in the area
- 3. Present capacity of public facilities and adequacy of public services the agency provides or is authorized to provide
- 4. Existence of any social or economic communities of interest in the area if the commission determines they are relevant to the agency
- 5. If the agency provides services related to water, sewer, or fire, then the present and probable need for these services by any disadvantaged unincorporated communities within the existing sphere should be considered

Policies specific to Mendocino LAFCo are also considered along with determinations in administering the CKH Act. This includes considering the merits of the SOI, or any changes, relative to the Commission's seven interrelated policies, as listed below, with respect to determining the appropriate SOI.

General Guidelines for Determining Spheres of Influence

The following is excerpted from *Mendocino LAFCo's 2016 Policies and Procedures*, "Chapter 9: Spheres of Influence, MSRs, and Special Studies":

Section 1. Spheres of Influence

Reduced Spheres

The Commission shall endeavor to maintain and expand, as needed, spheres of influence to accommodate planned and orderly urban development. The Commission shall, however, consider removal of land from an agency's sphere of influence if either of the following two conditions apply:

- o the land is outside the affected agency's jurisdictional boundary but has been within the sphere of influence for 10 or more years; or
- o the land is inside the affected agency's jurisdictional boundary but is not expected to be developed for urban uses or require urban-type services within the next 10 years.

Zero Spheres

LAFCo may adopt a "zero" sphere of influence encompassing no territory for an agency. This occurs if LAFCo determines that the public service functions of the agency are either nonexistent, no longer needed, or should be reallocated to some other agency (e.g., mergers, consolidations). The local agency which has been assigned a zero sphere should ultimately be dissolved.

Service Specific Spheres

If territory within the proposed sphere boundary of a local agency does not need all of the services of the agency, a "service specific" sphere of influence may be designated.

Agriculture and Open Space Lands

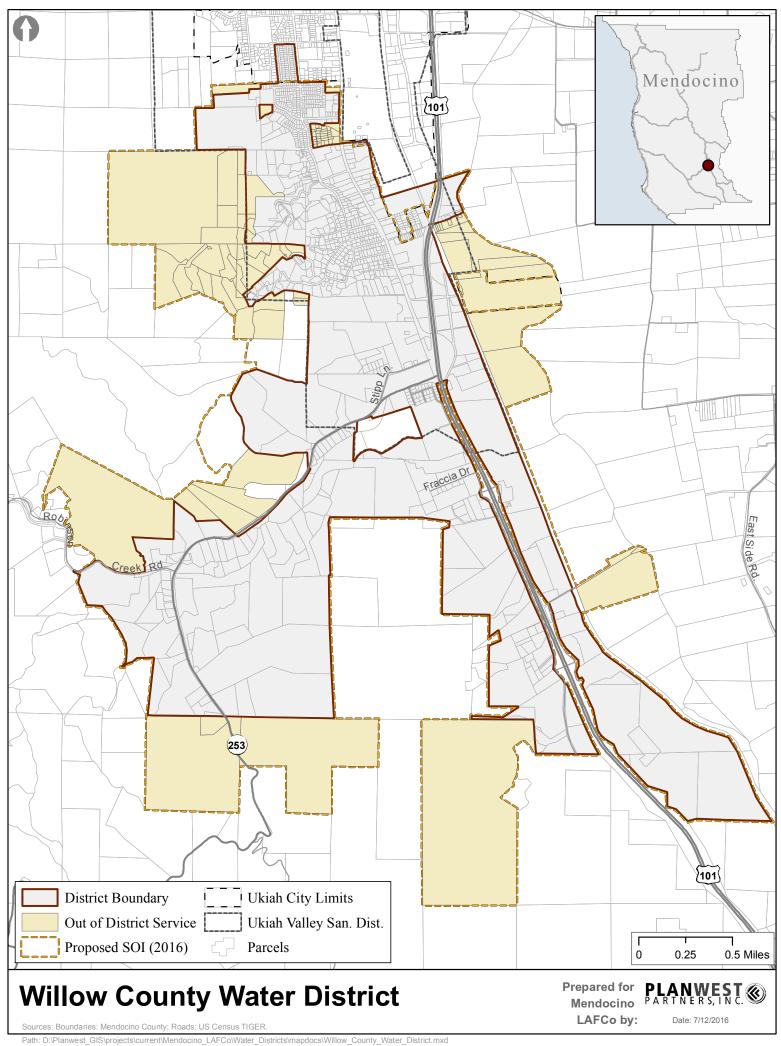
Territory not in need of urban services, including open space, agriculture, recreational, rural lands, or residential rural areas shall not be assigned to an agency's sphere of influence unless the area's exclusion would impede the planned, orderly and efficient development of the area. In addition, LAFCo may adopt a sphere of influence that excludes territory currently within that agency's boundaries. This may occur when LAFCo determines that the territory consists of agricultural lands, open space lands, or agricultural preserves whose preservation would be jeopardized by inclusion within an agency's sphere. Exclusion of these areas from an agency's sphere of influence indicates that detachment is appropriate.

Annexations are not Mandatory

Before territory can be annexed to a city or district, it must be within the agency's sphere of influence (G.G. §56375.5). However, territory within an agency's sphere will not necessarily be annexed. A sphere is only one of several factors that are considered by LAFCo when evaluating changes of organization or reorganization.

Islands or Corridors

Sphere of influence boundaries shall not create islands or corridors unless it can be demonstrated that the irregular boundaries represent the most logical and orderly service area of an agency.



OVERVIE W

CURRENT AGENCY OPERATIONS

The Willow County Water District (Willow CWD or District) provides water service to approximately 990 residential and 60 commercial connections in the unincorporated area south of the City of Ukiah, located within the Ukiah Valley (MSR 2013). Figure 1 shows the Willow CWD boundaries.

The Willow CWD provides treated water to domestic and irrigation connections. Several sources are utilized including wells, surface water, and Lake Mendocino water. The District has agreements with other water agencies to provide staffing and management services for these agencies, including: Calpella CWD, Hopland PUD, Millview CWD, Redwood Valley CWD, and River Estates Mutual Water Company.

BACKGROUND

The Willow CWD, formed as an independent special district on July 20, 1950 pursuant to County Water District Law (Division 12, Section 30000-33901 of the California Water Code). The District is governed by a five member board of directors who are elected at-large for four year terms by constituents within the District.

MUNICIPAL SERVICE REVIEW

A municipal service review (MSR) for the District was conducted as a part of a larger study of the Ukiah Valley in 2013, known as the *Ukiah Valley Special Districts Final Municipal Service Review*. The Willow CWD's section of this report was adopted May 6th, 2013. A Municipal Service Review is a part of and a prerequisite for a SOI Update; as such, much of the information contained herein comes directly from the Willow CWD portion of the 2013 MSR.

SPHERE OF INFLUENCE

The District reports its current SOI extends beyond its service boundary as shown in Figure 1. This update considers the area the District serves in the updated SOI. The current SOI also includes lands in the City of Ukiah's city limit and unserved rural agricultural areas. As such, these areas warrant analysis in relation to LAFCo policy. Please note the following description and numbering corresponds with Figure 2, District Service Areas.

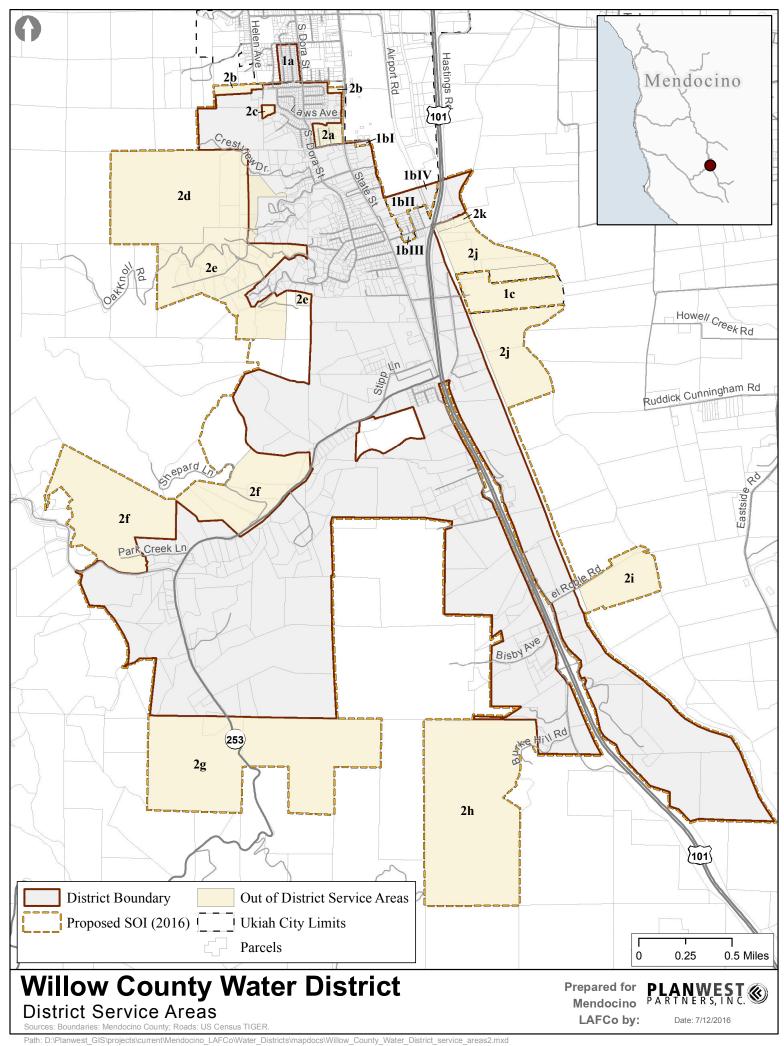
- 1) **District/City Boundary Overlap:** There are several areas (123 parcels in total) where the Willow CWD overlaps/provides services to territory that is within Ukiah's city limits. These served areas include:
 - a) The neighborhood of South Dora, Rose, and Yokayo Streets, located south of Wabash Avenue and north of Beacon Lane (See Figure 2). Consisting of 85 customers, this area was annexed to the City; however, in order to maintain revenue stability the Willow CWD continues to provide service (MSR 2013). This area is within both the District's boundary and SOI, as well within the City limits.

- b) Territory surrounding the Ukiah Municipal Airport. The Airport is owned and operated by the City of Ukiah and is within the City limits. The airport facility is along the northeast border of Willow CWD's boundary, generally along State Street. Several parcels that are now considered a part of the airport are within District boundaries, as described below.
 - I. APNs 003-330-69 and -70. These two parcels are within the Willow CWD boundary and outside of the existing City limits (see Figure 2). The City and the District have an informal agreement that these parcels are served by the City, and they are therefore not within the existing District SOI. The parcels are designated as Commercial and currently house airport infrastructure.
 - II. APN 180-120-03. This parcel is at the southern end of the airport and is within both the District boundary and City limits (see Figure 2). The City and the District also have an informal agreement that this parcel is served by the City, and it is therefore not within the existing District SOI. The parcel is currently in use as a part of the airport runway infrastructure.
 - III. Approximately 28 small parcels at the southernmost tip of the airport, west of Pomo Lane and east of State Street, along the north and south sides of Norgard Lane (see Figure 2). These parcels are within the District's boundary and SOI, as well as the Ukiah City limits. They are currently an empty field at the end of the airport runway. The District indicates they are not providing service to this area. APNs 184-061-03, -04, -05, -07, -08, -09, -12, -13, -14, -15, -16, -17; 184-062-01, -03, -07, -09, -10, -12, -13, -14, -16; 184-070-02, -03, -04, -05, -06, -07 -08.
 - IV. APNs 180-120-04 and 184-080-01. This territory is on the southeastern border of the airport, between Highway 101 and the airport runway (see Figure 2). This area is within the District's boundary and SOI, and well as the Ukiah City limits. The District reports it provides water services to this territory, which is currently under a Williamson Act contract and is in agricultural production as a grape vineyard.
- c) The City of Ukiah Wastewater Treatment Plant. APNs 184-100-05, -07, -08, -09, -10, and -11 (see Figure 2). These parcels contain the City's wastewater treatment plant and the Mendocino County Animal Control facility (APN 184-100-07). The area is outside of the Willow CWD boundary, but within its SOI. All parcels except APN 184-100-04 are within the Ukiah City limits (note: this parcel was not included in the 123 parcel total noted at the beginning of this section). The District reports that it provides service to the entire area.
- 2) Out of District Service: The Willow CWD provides out of district services to multiple properties (approximately 106 parcels, including the 6 reported above in City Overlap part 3) located outside their district boundary but within their existing SOI. The District reports that these connections all occurred prior to 2001. Although the District provides what it considers to be agricultural water to several of these properties, all water provided by the District is treated, potable water. These served areas are described below, and their numbering corresponds with the labeling in Figure 2, District Service Areas.
 - a) A residential area between South Dora Street and State Street, located north of Jefferson Lane (see Figure 2). This area consists of 33 parcels, designated for use as Suburban Residential, Mixed Use, and Commercial. The area is substantially surrounded by District territory, and is not within the Ukiah City limits. The area is also within the Ukiah Valley

- Sanitation District (UVSD) service boundary. APN's: 003-420-35; 003-430-21, -023, -024, -30, -31, -33, -35, -42, -45, -46, -47, -48, -50, -51, -53, -55, -60, -63, -64, -65, -66, -68, -70, -71, -72, -74, -75, -76, -77, -78, -79, and -80.
- b) Two adjacent parcels along the northern District boundary-APNs 003-260-48 and 003-390-48 (see Figure 2). Located adjacent to the District's northwestern boundary, APN 003-260-48 is designated as Rural Residential. Located adjacent to the District's northeastern boundary, APN 003-390-48 is designated as Commercial and is in use as a car wash. Both of these parcels are also within the UVSD service boundary.
- c) Northern island area-APN 003-410-25. This parcel is in the northern portion of the District and is entirely surrounded by District territory, though the parcel itself is not considered to be within the District boundary (see Figure 2). Designated as Suburban Residential, this area is in use as a parking lot. The area is also within the UVSD service boundary.
- d) Crestview Drive area. This area is along the District's northwestern boundary (see Figure 2) and is designated as Rangeland. The area is forested and developed with low-density residential uses. APNs 157-150-03, -06, -07, and 180-240-01 are fully outside the District's boundary, while APNs 180-160-05, -06, and 182-023-01 are partially located within the District. These split parcels are also partially within the UVSD service boundary.
- e) Oak Knoll Road area. Located just south of the Crestview Drive area (see Figure 2), these parcels are designated for Remote Residential use and contain scattered residences along Fircrest Drive and Oak Knoll Road. Several of the parcels are also within the UVSD's service boundary. Consisting of thirty parcels, this area contains APNs: 157-150-05,-157-160-16, -17,-18; 157-170-02, -03, -04, -05, -13, -21, -22, -023, -27, -31, -33, -34, -43, -44, -47, -49, -50, -51, -52, -53; 157-180-09, -10, -17, -19, -20; and 180-160-04.
- f) Boonville Road/Shepard Lane area (see Figure 2). APN's 046-271-10, 185-260-18, -24, and -25 are all designated remote residential and receive service. APN 185-110-22 also receives service in this area and is designated as Rangeland. It appears to support a residence on the property.
- g) Boonville Road area south of the District's boundary. APNs 046-290-03, -44, -45, and 046-300-01 are all adjacent to the District's southern border near Boonville Road (see Figure 2). With the exception of APN 046-290-03 (designated as Remote Residential) these parcels are designated as Rangeland and contain scattered residences.
- h) Burkehill Road area south of the District's boundary. APN 046-300-60 receives service from the District (see Figure 2). This parcel is designated as Range Land and is currently under a Williamson Act contract with the County of Mendocino for which a notice of non-renewal has been filed (Mendocino County Assessor's Office, Personal communication, March 17, 2016).
- i) El Roble Road area-APNs 186-030-01, 184-240-04, and -05. This area located east of the District along El Roble Road (see Figure 2) is designated for Agriculture and Public Service use. The agriculturally-designated parcel (186-030-01) is currently in production as an orchard.
- j) Two agricultural areas surrounding the Wastewater Treatment Plant-APNs, 184-080-28, 184-090-01, -06, -07, 184-100-04, 184-160-01, and 184-150-01 (see Figure 2). These parcels

are adjacent to the District's eastern boundary and are located north and south of the above mentioned City of Ukiah Wastewater Treatment Plant. All of the parcels are designated for agricultural use and, with the exception of APN 184-090-06 and 184-150-01, are currently under a Williamson Act contract with the County of Mendocino. All lands in this area are in agricultural production. APNs 184-090-06 and 184-090-01 are also within UVSD's service boundary.

k) North of the aforementioned agricultural area described under item "j" and adjacent to the Willow CWD-APNs 184-080-08, -09, -10, -11, -13, -20, and -27 (see Figure 2). These parcels are also designated for agricultural use, but are presently developed with residential uses. All parcels except APN 184-080-13 are within UVSD boundaries.



DISADVANTAGED UNINCORPORATED COMMUNITIES

LAFCo evaluates disadvantaged unincorporated communities (DUCs) as part of an SOI review, including the location and characteristics of any such communities. A DUC is defined as any area with 12 or more registered voters where the median household income (MHI) is less than 80 percent of the statewide MHI. Within a DUC, three basic services are evaluated: water, sewage, and fire protection. The Willow CWD provides water services, and is therefore only responsible for assuring that this service is adequately provided to communities.

No specific MHI estimates are available for the area which Willow CWD encompasses. The community of Hopland approximately five miles to the south meets the definition of a disadvantaged unincorporated community. The community of Hopland has an MHI of \$44,700, which is 77% of the statewide MHI of \$57,708 (MSR 2013). The Hopland community receives municipal services from the Hopland Public Utility District, which provides water and sewer, and the Hopland Volunteer Fire District, which provides fire protection.

The northern extent of the District's border is the City of Ukiah. Ukiah has an estimated MHI of \$42,609 (Census FactFinder, 2010), which is 73 percent of the California MHI, thereby qualifying it as disadvantaged. Ukiah is incorporated, and therefore does not qualify as a DUC. However, it stands to reason that sections of unincorporated territory surrounding the City may also qualify as disadvantaged, though no area has been identified as such at this time. Should the District pursue annexation, DUC communities within the District's vicinity may be examined further.

POPULATION AND LAND USE

Population and Growth

The community served by the Willow CWD is situated at the City of Ukiah's southern boundary. The Willow CWD shares a common boundary with the City in some areas, and the boundaries overlap in other areas. According to the Ukiah Valley Municipal Service Review, the 2012 Willow CWD population was estimated at 3,910 residents. A 2020 District population of 4,222 residents is estimated based on a conservative 1.0 percent annual growth rate and 4,418 residents based on higher growth estimate of 1.63 percent (MSR 2013).

Land Use and Development

Similar to many other special districts in Mendocino County, the Willow CWD boundary and existing SOI include agriculturally-designated lands and land under Williamson Act contract. Around 30 percent of the land within the District is designated as some sort of resource land and approximately 60 percent is designated as suburban, remote, or rural residential¹ (See Figure 3 in Appendix A). Some of the resource parcels within District boundaries are subject to a contract under the Williamson Act² (See Figure 4 in Appendix A). Other designations within the District include Commercial and Industrial.

Within the existing SOI the majority of territory is designated as either Rangeland or Agricultural. Again, many of these parcels also have Williamson Act contracts associated with them (See Figure 4

-

¹ All Land use designation information from Mendocino County GIS Parcel Information Layer. October, 2014.

in Appendix A). Other designations in the existing SOI include Rural and Remote Residential, and Public Service.

CAPACITY AND SERVICE

Water

The Willow CWD provides treated water to both domestic and irrigation water connections. Domestic production ranges up to 1,200 acre feet per year (AFY) and irrigation water may be to up to 100 acre feet (AF). Production declined from 2006 to 2009, which coincided with a severe drought in the area. During that period, Lake Mendocino water levels receded to record lows, and mandatory rationing—a 50-percent reduction in water use—was instituted by the Mendocino County Board of Supervisors. Water usage in 2004, a year of near-average precipitation and a year with no extraordinary water conservation efforts, is considered more typical of an average year. Domestic production was 1,137 AF and agricultural production was 73 AF in 2004, for a total of 1,210 AF. The average production over the ten-year period was 1,094 AF, with 94 percent for domestic use and 6 percent for irrigation (MSR 2013).

Demand in 2010 was 1,301 AF and is expected to increase to 1,904 AF in 2030 if required conservation measures are not put in place. Total supply from all sources is estimated at 2,681 AF in a normal year and 2,308 AF in an extended dry year. On that basis, the Willow CWD has sufficient capacity to meet anticipated demand (MSR 2013).

Supply and Storage

The Willow CWD has surface water rights for 1,440 AFY from November to June and 726 AFY year round through diversion of underflow of the Russian River. The Willow CWD also contracts with RRFC for 515 AFY. The Willow CWD has five wells, of which three are used only during dry months. The total capacity of the two well fields is 2,700 gallons per minute. In addition, there are nine storage tanks with a capacity of 1,348,000 gallons. The Willow CWD recently replaced one of its 100,000-gallon storage tanks with a 350,000-gallon tank. As such, Willow CWD now has a storage capacity of 1.598 million gallons (MSR 2013).

Relevant Local Agencies and Communities of Interest

The District has adjacent and overlapping borders with the City of Ukiah (See Figure 1). The Ukiah Valley Fire District, which provides fire protection services, encompasses the Willow CWD. Wastewater services are provided by the Ukiah Valley Sanitation District, though their service area only covers the northern half of the Willow CWD. Willow CWD also lies within the Russian River Flood Control and Water Conservation Improvement District Boundary (RRFC). The RRFC contracts with the Willow CWD to supply surface water to the Willow CWD.

RELEVANT PLANNING AND SERVICE FACTORS

Local planning policies and land-use designations inform LAFCo SOI decisions. Below are relevant policies and service factors that are used as a guide.

County of Mendocino General Plan- Development Element (DE)

General Plan Water Supply and Sewer (Wastewater Treatment) Services Policies:

- <u>Policy DE-186</u>: Coordinate community water and sewer services with General Plan land use densities and intensities.
- <u>Policy DE-187</u>: The County supports efficient and adequate public water and sewer services through combined service agencies, shared facilities, or other inter-agency agreements.

Action Item DE-187.1: Work aggressively with water and sewer service providers to overcome current and projected system and supply deficiencies necessary to serve planned community growth.

Action Item DE-187.2: Support funding applications to improve and expand water and sewer service capabilities in areas planned for future growth or to resolve existing deficiencies.

Action Item DE-187.3: Work with communities and public water and sewer service entities to monitor, manage and/or maintain community-wide or decentralized water/sewer systems.

- <u>Policy DE-188</u>: Encourage water and sewer service providers to incorporate water conservation, reclamation, and reuse.
 - Encourage the development and use of innovative systems and technologies that promote water conservation, reclamation, and reuse.
 - Encourage the development of systems that capture and use methane emissions from their operation.
 - O Encourage the development and use of innovative systems and technologies for the treatment of wastewater.
- <u>Policy DE-189</u>: Oppose extension of water or sewer services to rural non-community areas when such extensions are inconsistent with land use and resource objectives of the General Plan, except where the extension is needed to address a clear public health hazard.
- <u>Policy DE-190</u>: Development of residential, commercial, or industrial uses shall be supported by water supply and wastewater treatment systems adequate to serve the long-term needs of the intended density, intensity, and use.
- <u>Policy DE-191</u>: Land use plans and development shall minimize impacts to the quality or quantity of drinking water supplies.

DISCUSSION

SPHERE OF INFLUENCE

This update considers the existing SOI as depicted in Figure 1 and proposes an updated SOI consistent with the area the District presently serves within the updated SOI.

District/City Overlap

Among the purposes of the Commission are efficiently providing government services and encouraging the orderly formation and development of local agencies based upon local conditions and circumstances (GC §56301). As discussed above, the District service area (including some out of district services) overlaps with the City of Ukiah's boundary. Territory overlap between the two agencies providing the same service should be minimized to facilitate efficient services and orderly formation.

Those overlap territories not receiving services from the District should be removed from the District's SOI. These include those territories identified in items "1.b.I", "1.b.II", and "1.b.III" discussed above in the "Sphere of Influence" section (See Figure 2.) Those territories within both the District's boundary and the City's boundary which receive services from the District should be removed from the District's SOI, but shall not be detached from the District prior to analysis of the fiscal impacts to the District and approval of a plan to make the District whole financially. This includes the 85 customers discussed in item "1.a" and the agricultural territories in "1.b.IV" and includes those properties discussed in item "1.C." No other boundary overlaps are identified at this time.

Out of District Service

Retaining those parcels designated as Suburban Residential, Rural Residential, and Remote Residential within the District's SOI is consistent with LAFCo policy. All out of district properties receiving service from the District on or before January 1, 2001 are exempt from LAFCo out-of-district-service approval (GC §56133(e)(4)). This includes all areas receiving service identified in the SOI.

Lands designated for agricultural or open space uses are typically not included in spheres for purposes of discouraging urban sprawl and preserving open space and prime agricultural lands. Nonetheless, similar to many other special districts in Mendocino County, the District's boundary and existing SOI include agriculturally-designated lands and land under Williamson Act contract (See Appendix A, Figure 4). This update proposes to exclude from the District SOI the majority of territory identified as agricultural land pursuant to GC \$56016, consistent with LAFCo's objective to preserve agricultural and open-space land (See Appendix A Figures 3 & 4). However, this proposed reduced SOI maintains those areas already receiving service which have agricultural land uses because these services benefit the agricultural land uses occurring on the properties.

With respect to the areas under Williamson Act contract, those properties currently served will also remain in the SOI. These Williamson Act contracts will not experience a sphere change and therefore are not subject to GC §56426.6. In addition, the change of sphere designation to exclude non-served contracted lands would not impact their non-serviced status, would facilitate efficient land use patterns, and would not adversely impact the existing Williamson Act contracts in accordance with GC §56426.6.

There are two island areas within the District boundary which are not a part of the Willow CWD, but which are wholly surrounded by District territory. The northern island area-APN 003-410-25 receives service and is designated as Suburban Residential. The southern island area-APNs 185-050-03, -04, and -05 are all agriculturally designated and do not water receive service from the District. Typically, to promote orderly boundaries and the efficient delivery of services, the creation of islands or substantially surrounded territory are discouraged, particularly within an annexation process. Maintaining both of these islands within the SOI for the Willow CWD supports the orderly formation and development of the District's boundary.

Should annexation be proposed in the future, the potential for agricultural land conversion should be evaluated based on LAFCo policies. Pursuant to GC §56668(e), any proposed annexation shall demonstrate the effect of the proposal on maintaining the physical and economic integrity of agricultural lands. In accordance with GC §56377, development shall be guided away from existing prime agricultural lands towards areas containing nonprime agricultural lands, unless that action

would not promote the planned, orderly, efficient development of an area. Additionally, local policies and standards adopted by Mendocino LAFCo for agricultural lands should be considered.

SHARED SERVICES

The District has agreements with other water agencies to provide staffing and management services for these agencies, including: Calpella CWD, Hopland PUD, Millview CWD, Redwood Valley CWD, and River Estates Mutual Water Company. The shared staffing and management contracts are viewed as a step towards a functional consolidation between these agencies. Given the coordination of services between these districts, there may be opportunity to consider a structural consolidation in the future.

WATER SUPPLY

Water availability has long been an issue in the Ukiah Valley and is likely to constrain future development in the area (UVAP 2010, 6-3). Though not under a water moratorium, Willow CWD is a part of the regional community, utilizes the same water supply, and faces similar service challenges.

Challenges cited in the Ukiah Valley Area Plan include decreased water diversion from the Eel River, as well as difficulties and lengthy time inherent in developing new supplies in the face of increasing demand. Various unknowns complicating growth planning include the water rights of water purveyors, the definition of Russian River underflow versus groundwater, continued refinement of water agreements, and changes in imports from the Eel River through the Potter Valley Project"(UVAP 2011, 6-3). Opportunities to help alleviate the Ukiah Valley water supply issues may be considered further at the regional level by LAFCo.

ANALYSIS

As presented in the introduction, when updating the SOI, the Commission considers and adopts written determinations. The following are the formal determinations for this SOI Update:

1.) Present and Planned Land Use

The existing SOI includes agriculturally-designated lands and land under Williamson Act contract. This update proposes to exclude the majority of territory identified as agricultural lands pursuant to GC §56016 and LAFCo's objective to preserve agricultural and open-space land. However this proposed reduced SOI maintains those areas already receiving water service which have agricultural land uses because these services benefit the agricultural uses occurring on the properties.

The change of sphere designation to exclude non-served Williamson Act contracted lands does not impact their unserved status, facilitates efficient patterns of land use, and is not likely to adversely impact the existing Williamson Act contracts in accordance with GC §56426.6.

2.) Present and Probable Need for Public Facilities and Services

The Willow CWD provides out of district services to approximately 106 parcels within their existing SOI. The District reports that they are considering annexation of some or all of the properties receiving services within the existing SOI. Those properties receiving service outside of District boundaries represent a need for service external to District boundaries. A 2020 District population of 4,222 is estimated based on a conservative 1.0 percent annual growth rate and 4,418 based on

higher growth estimate of 1.63 percent. Given this estimated growth, additional demand for services within the District and SOI are anticipated.

3.) Present Capacity of Facilities and Adequacy of Public Services

Demand for water services from the District is expected to increase to 1,904 AF by 2030 if required conservation measures are not put in place. Total supply from all sources is estimated at 2,681 AF in a normal year and 2,308 AF in an extended dry year. On this basis, the District has sufficient capacity to meet anticipated demand within the District and reduced SOI.

4.) Social and Economic Communities of Interest

The larger Ukiah Valley is a community of interest for purposes of coordinating common water supply and management needs. Multiple agencies provide water services in a community which shares geography and in most cases, the same water source. The District has a common interest with other local water purveyors to manage the water supply systems and watersheds of the Ukiah Valley.

5.) Present and Probable Need for Water, Sewer, or Fire Protection Services for Disadvantaged Unincorporated Communities (DUCs)

The City of Ukiah has been identified as disadvantaged but is incorporated and therefore does not qualify as a DUC. It stands to reason that sections of unincorporated territory surrounding the City may also qualify as disadvantaged, though no area has been identified as such at this time. Should the District pursue annexation, DUC communities within the District's vicinity may be examined further.

CONCLUSIONS

This update considers the existing SOI relative to services provided and its consistency with LAFCo policies. The existing SOI should be reduced to exclude the majority of territory identified as agricultural lands pursuant to GC §56016 and consistent with LAFCo's objective to preserve agricultural and open-space land. The following considerations guide the proposed SOI reduction:

- 1. Those properties receiving service within the existing SOI, but which are within the City limits, be removed from the proposed updated sphere.
- 2. Those properties designated as Suburban Residential, Rural Residential and Remote Residential within the District's SOI are considered appropriate to receive municipal water services consistent with LAFCo policy. They remain within the proposed updated SOI.
- 3. Those properties which overlap with the City of Ukiah boundary and do not receive services from the District are excluded from the proposed updated sphere.
- 4. APNs 003-330-69 and -70, which are within the District's boundary, should also be excluded from the District's proposed updated SOI as they do not receive District service. Both the District and City have informally agreed that the City serves this area.
- 5. Territories recognized as agricultural, rangeland, or open space are removed from the SOI with the exceptions of those territories receiving services and the island territories listed in the above *Discussion* section.

Further consideration may be given to the water supply issues in the Ukiah Valley and the potential for consolidation of multiple agencies providing water services within this area.

REFERENCES

- (Census American FactFinder, 2010) United States Census Bureau. Community Facts- City of Ukiah,

 California. http://factfinder.census.gov/faces/nav/jsf/pages/community_facts.xhtml?src=bkmk
- (UVAP 2011) Mendocino County. Ukiah Valley Area Plan, August 2011. http://www.co.mendocino.ca.us/planning/UVAP.htm
- Ukiah Valley Municipal Service Review, 2013. LAFCO of Mendocino County. May 6, 2013. E Mulberg & Associates

APPENDIX A

