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**MENDOCINO**    **Local Agency Formation Commission**

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

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**HOPLAND PUBLIC UTILITY DISTRICT**  
**SPHERE OF INFLUENCE UPDATE**

Prepared in accordance with Government Code §56425

Administrative Draft Workshop- February 1, 2016

Draft Hearing- March 7, 2016

**Adopted - March 7, 2016**

(LAFCo Resolution No. 15-16-14)

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## ***INTRODUCTION***

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### **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 establishment of an appropriate Hopland Public Utility District (Hopland PUD, HPUD or District) Sphere of Influence (SOI). The objective is to establish Hopland PUD’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 Hopland PUD’s 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**

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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.
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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 in Mendocino County. 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, MSR’s, 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:

- the land is outside the affected agency’s jurisdictional boundary but has been within the sphere of influence for 10 or more years; or
- 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.

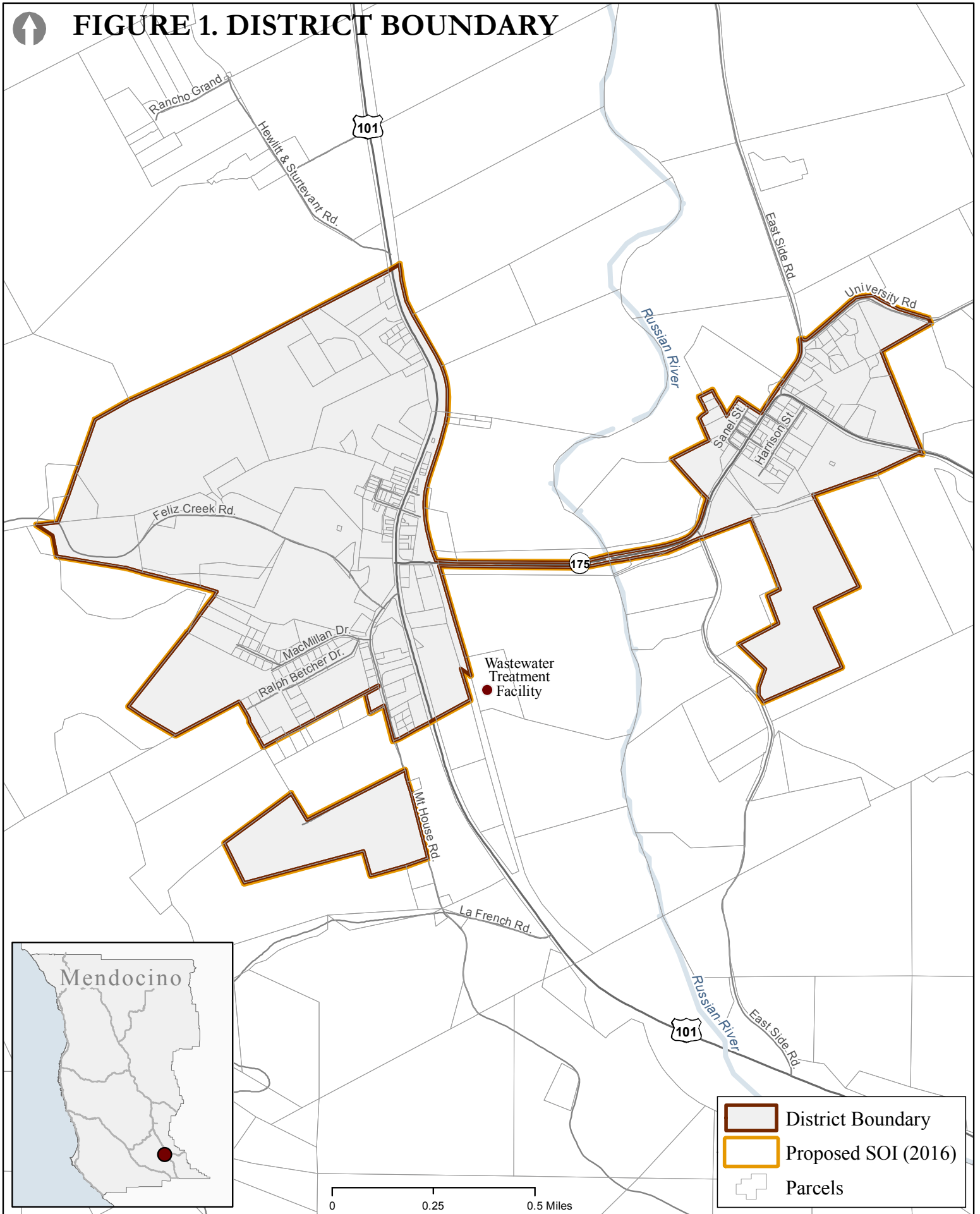
HOPLAND PUBLIC UTILITY DISTRICT SPHERE OF INFLUENCE UPDATE  
MENDOCINO LAFCo

*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.



# FIGURE 1. DISTRICT BOUNDARY



	District Boundary
	Proposed SOI (2016)
	Parcels

## Hopland Public Utility District

Prepared for **PLANWEST PARTNERS, INC.**  
 Mendocino **LAFCo** by: Date: 1/27/2016

Sources: Boundaries: Mendocino County; Roads: US Census TIGER.  
 Path: D:\Planwest\_GIS\projects\current\Mendocino\_LAFCo\Other\_Districts\Hopland\_Public\_Utility\_District.mxd

## ***OVERVIEW***

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### **CURRENT AGENCY OPERATIONS**

The Hopland Public Utility District (HPUD) provides water and sewer service to the Hopland community. There are 326 water connections and 274 sewer connections. The boundaries of HPUD are shown in Figure 1.

### **BACKGROUND**

The HPUD established in 1950 is in the Sanel Valley, located approximately 12 miles south of Ukiah and outside the Ukiah Valley Area Plan study area. By contract the WCWD operated the HPUD from 1983 to 1992. In 2008 HPUD requested and received a new service contract from WCWD to provide office space, office personnel, maintenance staff and general manager to operate the HPUD. The HPUD has no employees and the Board of Directors work directly with Willows general manager and Board of Directors.

### **MUNICIPAL SERVICE REVIEW**

In 2012, the Ukiah Valley Special Districts Municipal Service Review (MSR) was prepared by LAFCo, which included a section on the Hopland Public Utility District. MSR's are a prerequisite for establishing, amending, or updating spheres of influence. As such, much of the information contained herein comes directly from the Hopland PUD MSR, adopted by the Commission on May 8, 2013.

### **SPHERE OF INFLUENCE**

The SOI is considered to be coterminous with the District's boundaries at this time, and there is no information in LAFCo files to indicate otherwise.

### **DISADVANTAGED UNINCORPORATED COMMUNITIES**

LAFCo is required to evaluate disadvantaged unincorporated communities (DUCs) as part of a SOI review, including "...the present and probable need for those public facilities and services of any DUCs within the existing sphere of influence" (GC §56425). 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 Hopland PUD provides water and wastewater, and is responsible for assuring that these services are adequately provided to the community.

Hopland's median household income was reported as \$44,700, which is 77 percent of the California median household income of \$57,708 (MSR 2013). The community of Hopland therefore meets the definition of a DUC. The 2013 MSR reports that there are no island communities, legacy communities, or fringe communities adjacent to the HPUD's boundaries.

### **POPULATION AND LAND USE**

#### **Population and Growth**

The population of Hopland was estimated at 756 residents by the 2010 Census. The MSR estimated the population in Hopland in 2020 would be 830. (MSR 2013).

### **Land Use and Development**

The District's boundary encompasses much of the unincorporated community of Hopland. The District is surrounded on all sides by territory designated as either agriculture or rangeland (see Figure 2 in Appendix A). HPUD's current boundary is not continuous. South of the main body of the District is an island parcel which was annexed to the District some time ago. The District reports this area is a winery which receives both water and wastewater services. The District's wastewater treatment facility is located outside of District boundaries. The principal act for the public utilities districts provides that a district may own, operate and control facilities within or outside district boundaries (Section 16461).

### **CAPACITY AND SERVICE**

#### **Water**

Hopland currently provides water to approximately 326 active service connections (MSR 2013). Annual water demand for calendar year 2013 was 204 ac/ft. The District reports that 2013's demand reflects what it considers its typical annual water demand. HPUD has a contract to divert up to 222 ac/ft annually from the Russian River Flood Control and Water Conservation Improvement District (RRFC). The HPUD maintains two storage tanks, one to the east and one to the west. The east tank has a capacity of 300,000 gallons and the west tank has a capacity of 500,000 gallons and has a maximum daily demand of 400,000 gallons (District Manager, January 2016).

The District transports water to the Hopland Band of Pomo Indians (HBPI). This water is wheeled to the HBPI to satisfy their federally reserved water rights as approved by the State Water Resources Control Board and is not considered District water. The agreement provides for up to 30 acre feet per year (AFY) to be provided to HBPI (District Water Agreement, 2011).

The State Water Resources Control Board has directed that the Tribe has a federally reserved water right that is equal to at least the amount of water that is necessary to irrigate practical irrigable acreage, and that the District can provide the Tribe's reserved water right to the Reservation through the well that the District is presently utilizing (District Water Agreement, 2011).

The District entered into a wheeling agreement with the Hopland Band of Pomo Indians in 2011. The District provided notice to LAFCo of this action in 2011 via letter from their legal counsel. The wheeling agreement allows for HPUD to pump, treat and transport tribal water that is within the HPUD boundaries back to tribal land that is outside of the HPUD boundaries. Prior to the wheeling agreement, the Tribes received their water from the District via water truck transport.

#### **Wastewater**

The HPUD has 274 active sewer connections. Average daily flow is 45,000 gpd, while capacity is 90,000 gpd. The peak daily flow capacity is 220,000. The HPUD has the capacity to double its sewer customers (MSR 2013).

### **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:



Policy DE-186: Coordinate community water and sewer services with General Plan land use densities and intensities.

Policy DE-187: 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.

Policy DE-188: 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.
- Encourage the development and use of innovative systems and technologies for the treatment of wastewater.

Policy DE-189: 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.

Policy DE-190: 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.

Policy DE-191: Land use plans and development shall minimize impacts to the quality or quantity of drinking water supplies.

## ***DISCUSSION***

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### **Sphere of Influence**

HPUD does not provide District water external to current boundaries, nor do they anticipate any expansion of services in the near future. A coterminous SOI fits the present and anticipated near-future needs of the District.

### **Consolidation**

The 2013 MSR provided the following recommendation: “Willow CWD has management agreements with both Calpella CWD and HPUD whereby Willow CWD provides office space, administrative staff, and field staff for the two districts. Both Calpella and Hopland have no employees, so the management agreements represent a functional consolidation of the three districts. Other than maintaining separate boards of directors, Calpella CWD and HPUD are essentially one with Willow CWD. Given this arrangement, the Districts should consider consolidation so that policies and service delivery are consistent. The three districts have not yet consolidated because they desire to maintain

community identity. Although having separate districts is one way to maintain identity, other ways include community advisory councils that would be made up of concerned residents of Calpella and Hopland. Community advisory councils would be able to focus on their respective communities and have standing with the board of directors. Other options include establishing districts so that representation on the board would be sure to include residents of Calpella and Hopland. Nevertheless, the three districts should evaluate the options” (MSR 2013).

As of November 2015, WCWD now also has management agreements with Millview CWD and Redwood Valley CWD, further functionally consolidating the region’s water service providers.

### **Water Supply**

Water availability has long been an issue in the Ukiah Valley and is a likely to constrain future development in the area. (UVAP 2010, 6-3). Though not technically in the Ukiah Valley, HPUD is a part of the same regional community, utilizes the same water supply and faces the same service challenges as other water service providers in the area. Three of the five county water districts in the area have state imposed water connection moratoriums (MSR 2013).

As discussed above, the District has worked to streamline service provision via contracted staffing services. However, this functional consolidation will not resolve the any of the limited supply issues for the agencies served by the Ukiah Valley-Russian River watershed. Opportunities to help alleviate the Ukiah Valley water supply issues may be considered further at the regional level by LAFCO.

## ***ANALYSIS***

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### **1.) Present and Planned Land Use**

The District’s boundary encompasses much of the unincorporated community of Hopland. HPUD is surrounded on all sides by territory designated as either agriculture or rangeland. No services are extended to these areas outside the boundary.

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

Growth within the Hopland community is anticipated to continue at a low rate, with an estimated population of 830 residents in 2020. The District has indicated that the present coterminous SOI fits their service needs.

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

The HPUD purchases enough water to meet present needs and enough wastewater capacity to meet present needs and potentially double the current number of wastewater customers. Service to present customers appears to be adequate and a coterminous sphere suits the District’s current service needs.

### **4.) Social and Economic Communities of Interest**

The larger area of the Ukiah Valley and surrounding areas 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 the same water source. The District has a common interest with the other local water purveyors to manage the water supply systems and watersheds of the Ukiah Valley area.

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

The Hopland community is considered a DUC. The 2013 MSR reports that there are no island communities, legacy communities, or fringe communities adjacent to the HPUD's boundaries which require services. Should the District pursue annexation, services provide within and coterminous to the DUC should be considered further.

***CONCLUSIONS***

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Given that no District water provided outside of District boundaries, and the District indicates no future plans for service beyond district boundaries, an updated SOI that remains coterminous with HPUD's current service boundary is sufficient (See Proposed Sphere Figure 1).

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

***REFERENCES***

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U.S. Census Bureau: State and County QuickFacts. Data derived from Population Estimates, American Community Survey, Census of Population and Housing, State and County Housing Unit Estimates, County Business Patterns, Non-employer Statistics, Economic Census, Survey of Business Owners, and Building Permits. Last Revised: Wednesday, 14 Oct-2015 10:53:57 EDT. Accessed: 15-Oct-2015.  
<http://quickfacts.census.gov/qfd/states/06000.html>

Ukiah Valley Municipal Service Review, 2013. LAFCO of Mendocino County. May 6, 2013. E Mulberg & Associates

(UVAP 2011) Mendocino County. Ukiah Valley Area Plan, August 2011.  
<http://www.co.mendocino.ca.us/planning/UVAP.htm>

(District Water Agreement, 2011) HPUD Tribal Wheeling Agreement, 2011. As provided by HPUD.

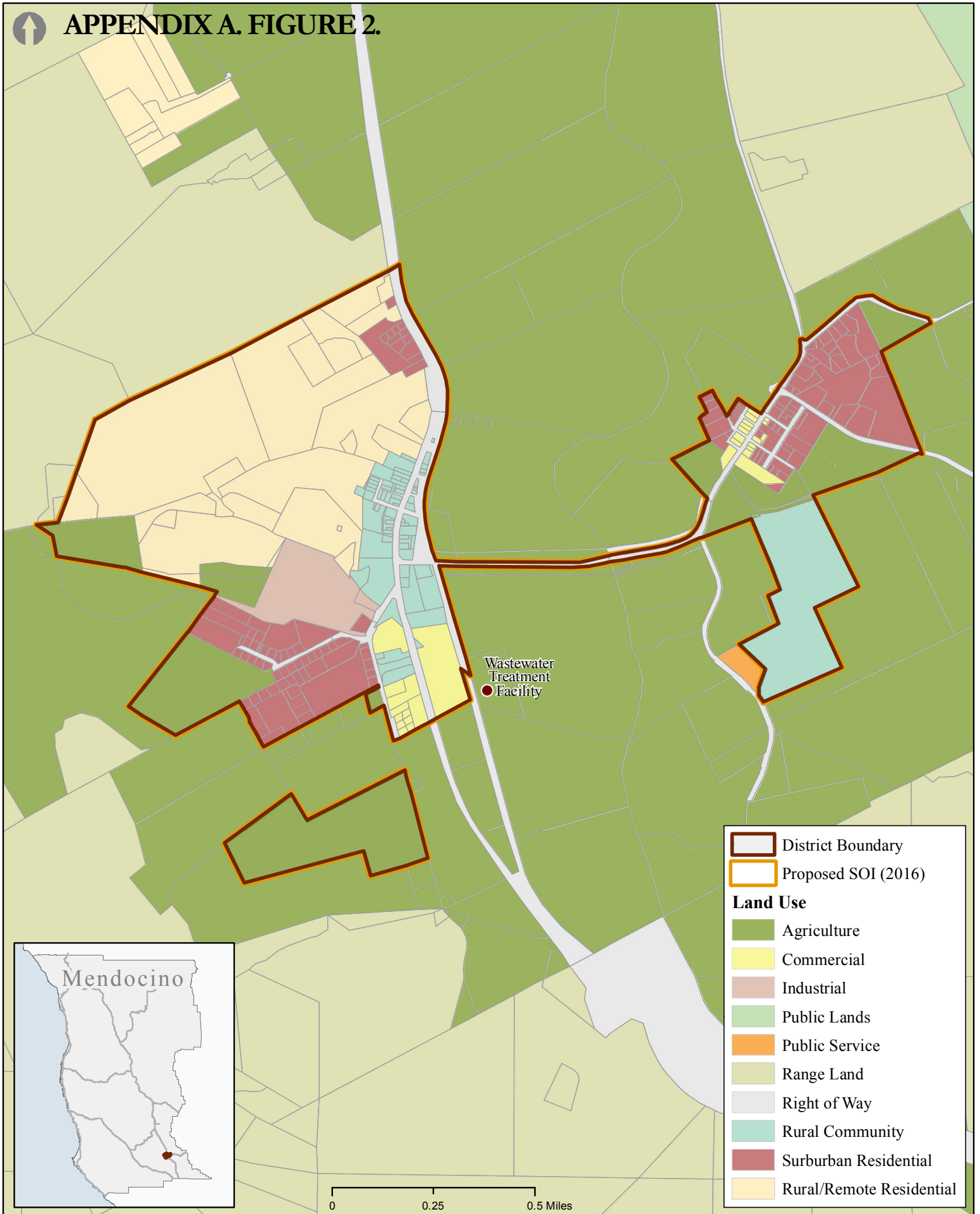
*APPENDIX A*

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**FIGURE 2. LAND-USE MAP**



# APPENDIX A. FIGURE 2.



	District Boundary
	Proposed SOI (2016)
<b>Land Use</b>	
	Agriculture
	Commercial
	Industrial
	Public Lands
	Public Service
	Range Land
	Right of Way
	Rural Community
	Suburban Residential
	Rural/Remote Residential



0 0.25 0.5 Miles

## Hopland Public Utility District Land Use

Prepared for **PLANWEST PARTNERS, INC.**  
 Mendocino LAFCo by: Date: 1/27/2016

Sources: Boundaries: Mendocino County; Roads: US Census TIGER.  
 Path: D:\Planwest\_GIS\projects\current\Mendocino\_LAFCo\Other\_Districts\Hopland\_Public\_UTILITY\_District\_landuse.mxd

***APPENDIX B***

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**LAFCo RESOLUTION OF ADOPTION**

# MENDOCINO LOCAL AGENCY FORMATION COMMISSION

## LAFCo Resolution No. 15-16-12

### A RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION OF MENDOCINO COUNTY APPROVING THE REDWOOD VALLEY 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 Redwood Valley 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 February 1, 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 Redwood Valley County Water District was accepted by the Commission on May 6, 2013.
2. The Commission, as Lead Agency, finds the update to the Redwood Valley 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 Redwood Valley 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: "Redwood Valley 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 Redwood Valley 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 Redwood Valley County Water District sphere of influence.

BE IT FURTHER RESOLVED that the Redwood Valley County Water District's sphere of influence is reaffirmed to be coterminous with the District boundary, 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 1<sup>st</sup> day of February, 2016, by the following vote:

AYES: 6

NOES: 1

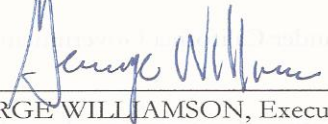
ABSTAIN: 0

ABSENT: 0



JERRY WARD, Chair

ATTEST:

  
\_\_\_\_\_  
GEORGE WILLIAMSON, Executive Officer