

## ***Hot Springs Valley Water District***

### ***SPHERE OF INFLUENCE UPDATE***

#### ***1.1 Sphere of Influence Overview***

##### ***1.1.1 Sphere of Influence Requirements***

In determining the Sphere of Influence for each local agency, LAFCO must consider and prepare a written statement of determinations with respect to each of the following:

1. The present and planned land uses in the area, including agricultural and open space lands;
2. The present and probable need for public facilities and services in the area;
3. The present capacity of public facilities and adequacy of public services which the agency provides, or is authorized to provide; and
4. The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.
5. For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing Sphere of Influence.

##### ***1.1.2 Possible Approaches to the Sphere of Influence***

LAFCO may recommend government reorganizations to particular agencies in the county, using the SOIs as the basis for those recommendations. Based on review of the guidelines of Modoc LAFCO as well as other LAFCOs in the State, various conceptual approaches have been identified from which to choose in designating an SOI. These seven approaches are explained below:

- 1) **Coterminous Sphere:**  
A Coterminous Sphere means that the sphere for a city or special district that is the same as its existing boundaries. This is the recommendation for the Sphere of Influence for the Hot Springs Valley Water District.

- 2) Annexable Sphere:  
A sphere larger than the agency's boundaries identifies areas the agency is expected to annex. The annexable area is outside its boundaries and inside the sphere. **This is the proposed Sphere of Influence for the Hot Springs Valley Water District. The District is proposing detachments and annexations. This Sphere of influence is aligned with the properties being annexed and detached to and from the district.**
- 3) Detachable Sphere:  
A sphere that is smaller than the agency's boundaries identifies areas the agency is expected to detach. The detachable area is the area within the agency bounds but not within its sphere.
- 4) Zero Sphere:  
A zero sphere indicates the affected agency's public service functions should be reassigned to another agency and the agency should be dissolved or combined with one or more other agencies.
- 5) Consolidated Sphere:  
A consolidated sphere includes two or more local agencies and indicates the agencies should be consolidated into one agency.
- 6) Limited Service Sphere:  
A limited service sphere is the territory included within the SOI of a multi-service provider agency that is also within the boundary of a limited purpose district which provides the same service (e.g., fire protection), but not all needed services. Territory designated as a limited service SOI may be considered for annexation to the limited purpose agency without detachment from the multi-service provider.

A limited service sphere is generally adopted when the following conditions exist:

- a) The limited service provider is providing adequate, cost effective and efficient services.
- b) The multi-service agency is the most logical provider of the other services.
- c) There is no feasible or logical SOI alternative.
- d) Inclusion of the territory is in the best interests of local government organization and structure in the area.

Government Code §56001 specifically recognizes that in rural areas it may be appropriate to establish limited purpose agencies to serve an area rather than a single service provider, if multiple limited purpose agencies are better able to provide efficient services to an area rather than one service district.

Moreover, Government Code Section §56425(i), governing sphere determinations, also authorizes a sphere for less than all of the services provided by a district by requiring a district affected by a sphere action to “establish the nature, location, and extent of any functions of classes of services provided by existing districts” recognizing that more than one district may serve an area and that a given district may provide less than its full range of services in an area.

7) Sphere Planning Area:

LAFCO may choose to designate a sphere planning area to signal that it anticipates expanding an agency’s SOI in the future to include territory not yet within its official SOI.

**1.1.3 SOI Update Process**

LAFCO is required to establish SOIs for all local agencies and enact policies to promote the logical and orderly development of areas within the SOIs. Furthermore, LAFCO must update those SOIs every five years. In updating the SOI, LAFCO is required to conduct a municipal service review (MSR) and adopt related determinations. Development of actual SOI update will involve additional steps as follows:

- Opportunity for public input at a Modoc LAFCO public hearing
- Consideration of changes requested by LAFCO Commissioners

LAFCO must notify affected agencies 21 days before holding a public hearing to consider the SOI and may not update the SOI until after that hearing. The Modoc LAFCO Executive Officer must issue a report including recommendations on the SOI amendments and updates under consideration at least five days before the public hearing.

Modoc LAFCo adopted a

**1.1.4 SOI Amendments and CEQA**

LAFCO has the discretion to limit SOI updates to those that it may process without unnecessarily delaying the SOI update process or without requiring its funding agencies to bear the costs of environmental studies associated with SOI expansions. Any local agency or individual may file a written request for an SOI amendment. The request must state the nature of and reasons for the proposed amendment, and provide a map depicting the proposal.

Certain types of SOI amendments are likely exempt from CEQA review. Examples may include SOI expansions that involve territory already within the bounds or service area of an agency, SOI reductions, and zero SOIs, or annexable Spheres where the City already provides services.

SOI expansions for limited purpose agencies that provide services (e.g., fire protection, levee protection, cemetery, and resource conservation) needed by both rural and urban areas are typically not considered growth-inducing and are likely exempt from CEQA. Similarly, SOI expansions for districts serving rural areas (e.g., irrigation water) are typically not considered growth-inducing.

Remy et al. write as follows:

*In City of Agoura Hills v. Local Agency Formation Commission (2d Dist.1988) 198 Cal.App.3d480, 493-496 [243 Cal.Rptr.740] (City of Agoura Hills), the court held that a LAFCO's decision to approve a city's sphere of influence that in most respects was coterminous with the city's existing municipal boundaries was not a "project" because such action did not entail any potential effects on the physical environment.<sup>1</sup>*

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<sup>1</sup> Remy, Michael H., Tina A. Thomas, James G. Moose, Whitman F. Manley, Guide to CEQA, Solano Press Books, Point Arena, CA, February 2007, page 111.

**1.2 Present and Planned Land Uses in the Area, Including Agricultural and Open Space Lands Land Use**

**1.2.1 Land Use in the Hot Springs Valley Water District Area**

The Modoc County General Plan states that “Agricultural crop and grazing lands are divided into two land use categories: exclusive agriculture and general agriculture.”<sup>2</sup> The land within and surrounding the Hot Springs Valley Water District are protected by agricultural general plan designations and zoning.

**1.2.2 SOI Determinations on Present and Planned Land Use for Hot Springs Valley Water District**

1-1] The Modoc County General Plan protects the area within the Hot Springs Valley Water District for agricultural uses.

**1.3 Municipal Services: Present Need**

**1.3.1 Service Need for Hot Springs Valley Water District**

There is a need for the Hot Springs Valley Water District to supply water for agriculture in the area.

**1.3.2 SOI Determinations for Facilities and Services: Present and Probable Need**

2-1] The need for the Hot Springs Valley Water District will continue so the Sphere of Influence should remain the same as the District Boundary.

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<sup>2</sup> Modoc County, Modoc County General Plan, September 1988, Goals, Policies and Action Program, Prepared by Mintier Harnish & Associates, 510 8<sup>th</sup> Street, Sacramento CA 95814, 916-446-0522, page 31

**1.4 Public Facilities Future Capacity**

**1.4.1 Facilities and Capacity**

The facilities and capacity of the Hot Springs Valley Water District are adequate for the District.

**1.4.2 SOI Determinations for Public Facilities**

3-1] The facilities of the Hot Springs Valley Water District are adequately maintained.

**1.5 Social or Economic Communities of Interest**

**1.5.1 Hot Springs Valley Water District**

The Hot Springs Valley Water District represents a community of interest for the 53 landowners in the District. They want to maintain a water source so they can continue to farm.

**1.5.2 SOI Determinations on Social or Economic Communities of Interest**

4-1] The Hot Springs Valley Water District represents an economic community because the landowners in the District need the water to produce agricultural crops.

**1.6 Present and probable need for public facilities and services of any disadvantaged unincorporated communities within the existing Sphere of Influence**

***This determination is not required since the Hot Springs Valley Water District does not provide public facilities or services related to sewers, municipal and industrial water, or structural fire protection.***