

MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE FOR THE:



SALIDA SANITARY DISTRICT

Prepared By:

**Stanislaus Local Agency Formation Commission
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Adopted: April 26, 2023

STANISLAUS

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TABLE OF CONTENTS

Introduction	1
Service Review Factors to be addressed.....	1
Sphere of Influence Update Process	2
Service Review – Salida Sanitary District.....	3
Authority	3
Background	3
Purpose.....	3
Governance.....	3
Formation	3
Location and Size	3
Sphere of Influence	3
Personnel	4
Classification of Services.....	4
Services	4
Support Agencies	5
Funding Sources	5
Service Review Categories and Determinations.....	6
Growth and Population Projections.....	6
Location & Characteristics of Disadvantaged Unincorporated Communities	6
Present and Planned Capacity of Public Facilities, Adequacy of Public Services	6
Financial Ability of Agencies to Provide Services.....	7
Status of, and Opportunities for, Shared Facilities	7
Accountability for Community Service Needs	8
Any Other Matter Related to Effective or Efficient Service Delivery	8
Sphere of Influence Update – Salida Sanitary District	9
Sphere Determinations	9
Present and Planned Land Uses	9
Present and Probable Need for Public Facilities and Services.....	9
Present Capacity of Public Facilities and Adequacy of Public Services	10
Communities of Interest in the Area.....	10
Present and Probable Need for Public Facilities & Services of any DUCs.	10
Appendix A: Salida Sanitary District Summary Profile	11
Map 1: Salida Sanitary District Boundary & SOI.....	12
Map 2: Salida Community Plan	13
Appendix B: References	14

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Municipal Service Review and Sphere of Influence Update For the Salida Sanitary District

Introduction

The Cortese/Knox/Hertzberg Local Government Reorganization Act of 2000 Act (CKH Act) requires the Local Agency Formation Commission (LAFCO) to update the Spheres of Influence (SOI) for all applicable jurisdictions in the County. A Sphere of Influence is defined by Government Code 56076 as “a plan for the probable physical boundary and service area of a local agency, as determined by the Commission.” The Act further requires that a Municipal Service Review (MSR) be conducted prior to or, in conjunction with, the update of a Sphere of Influence (SOI).

The legislative authority for conducting Service Reviews is provided in Government Code §56430 of the CKH Act. The Act states, that “in order to prepare and to update spheres of influence in accordance with §56425, the commission shall conduct a service review of the municipal services provided in the county or other appropriate area...” A Service Review must have written determinations that address the following factors:

Service Review Factors to be Addressed

1. Growth and population projections for the affected area
2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence
3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged unincorporated communities within or contiguous to the sphere of influence.
4. Financial ability of agencies to provide services
5. Status of, and opportunities for, shared facilities
6. Accountability for community service needs, including governmental structure and operational efficiencies
7. Any other matter related to effective or efficient service delivery, as required by commission policy

This Service Review will analyze the Salida Sanitary District. The most recent Sphere of Influence (SOI) update for the Salida Sanitary District was adopted in 2012 and proposed no changes to the District’s SOI. The current update serves to comply with Government Code Section 56425 and will reaffirm the SOI for the District.

Sphere of Influence Update Process

A special district is a government agency that is required to have an adopted and updated Sphere of Influence. Section 56425(g) of the CKH Act calls for Spheres of Influence to be reviewed and updated every five years, as necessary. Stanislaus LAFCO processes the Service Review and Sphere of Influence Updates concurrently to ensure efficient use of resources. For rural special districts, which do not have the typical municipal level services to review, this Service Review will be used to determine what type of services each district is expected to provide and the extent to which they are able to do so. The Sphere of Influence will delineate the service capability and expansion capacity of the agency, if applicable.

Service Review – Salida Sanitary District

Authority

The Salida Sanitary District was organized under the Sanitary District Act of 1923, Health and Safety Code, Section 6400 et seq., and is a “registered voter district”, as the board members are elected by the registered voters residing within the district’s boundaries.

Background

Special districts are local governments that are separate from cities and counties, yet provide public services such as fire protection, sewer, water, and street lighting. In California there are over 2,000 special districts with great diversity of purposes, governance structures, and financing mechanisms. The major types of special districts range from airports to fire protection to mosquito abatement to water conservation.

Purpose

The Salida Sanitary District was formed for the purpose of providing sanitary sewer services to the unincorporated community of Salida.

Governance

Five Board members, elected by the registered voters within the District boundaries, govern the District. Meetings are held on the second Thursday of each month at 6:00 p.m., at the District’s Treatment Plant located at 6200 Pirrone Road, Salida. Meeting agendas are posted at the Salida Union School District Office, located at 4801 Sisk Road, Salida. Agendas are also posted on the District’s website: www.salidasanitary.net.

Formation

The Salida Sanitary District was formed on February 14, 1951.

Location and Size

The District is located in north-central Stanislaus County, and is in the vicinity of the Stanislaus River to the north, Highway 99, and the City of Modesto at its southeasterly boundary. The District encompasses an area of approximately 1,485 acres.

Sphere of Influence

The District’s Sphere of Influence (SOI) encompasses approximately 1,530 acres and is slightly larger than the existing District boundary (see Map 1).

While no changes to the District’s Sphere of Influence are anticipated at this time, it should be noted that the County Board of Supervisors adopted an updated Salida Community Plan in 2007. The updated plan added approximately 3,383 acres to the unincorporated community of Salida. It includes land use designations to accommodate up to 5,000 residential units and 2,029 acres of commercial, business park, and industrial uses. Prior to any development in the updated Community Plan area, infrastructure master plans and environmental review must be

completed. Should expansion of the District's existing service area be requested, an update to the adopted Municipal Service Review and LAFCO approval would be needed.

Personnel

The District employs seven full-time and one part-time employees. The District also contracts for the following services on an as-needed basis: engineering, legal, computer services and financial audits.

Classification of Services

The Salida Sanitary District is authorized to provide the functions or classes of services, which include wastewater collection, treatment and disposal, as identified in this report. Due to recent changes in the Cortese-Knox-Hertzberg Act, the District would have to seek LAFCO approval to exercise other latent powers not currently provided.

Services

The Salida Sanitary District provides wastewater collection, treatment and disposal for the unincorporated community of Salida. The District operates its wastewater treatment plant on the northern edge of Stanislaus County, just south of the Stanislaus River (6200 Pirrone Road, Salida).

To accommodate Salida's existing population and anticipated growth, the first phase of the current Wastewater Treatment Plant (WWTP) was completed in 1991. The first phase consisted of constructing two (2) process tanks that have a combined capacity of 1.2 million gallons per day (mgd). In 1998, two more process tanks were constructed during the second phase of the current WWTP. The completion of these two tanks brought the WWTP to its total design capacity 2.4 million gallons per day. The District serves the following customers with wastewater services within its boundaries:

Type of Customer	No. Of Connections
Domestic/Residential	4,038
Commercial	238
Industrial	1
Other: Churches/Schools	14
TOTAL	4,291

The District also currently provides wastewater services to various customers located outside its boundaries, including: BMC West Lumber Company (4237 Murphy Road), the former Modesto Tobacco and Candy (at 4900 Stoddard Road), Vella Middle School (5041 Toomes Road), Flory Industries (4737 Toomes Road), the former Shell Lab site (5731 Stoddard Road), and Gregori High School (5518 Stoddard Road). Out-of-boundary service extensions are regulated under Government Code Section 56133 and require LAFCO approval.

The Salida Sanitary District's Wastewater Treatment Plant currently processes approximately 1.2 million gallons per day (mgd), which represents approximately half of the plant's total capacity of 2.4 mgd.

In June 2010, the District retained the consulting firm of Black and Veatch to prepare a Wastewater Treatment Plant Evaluation. The report evaluated the District's existing facilities. By collecting, evaluating, and analyzing previous reports and plant upgrades, Black and Veatch was able to make recommendations to improve the effectiveness and efficiency of the existing plant.

Support Agencies

The District maintains collaborative relationships with other agencies, such as: Stanislaus County, Salida Fire Protection District, Salida Union School District, Modesto City Schools, City of Modesto Wastewater Collection Department, and regulatory agencies such as: State Water Resources Control Board and the California Regional Water Quality Control Board.

Funding Sources

The District's main source of revenue is derived from sewer service and connection fees. The District also receives a small portion of the shared property tax revenues from Stanislaus County. In addition, the District participates in the Salida Area Public Facilities Financing Agency (SAPFFA), which administers the bonds established by the Mello Roos district. The SAPFFA, which operates under a joint powers agreement between the Salida Sanitary District, Salida Fire Protection District, and the Salida Union and Modesto City School Districts, provides facilities financing to its participants. To date, the SAPFFA has provided approximately \$14.9 million to the District for improvements and upgrades to the wastewater treatment plant to serve the existing Salida Community Plan area.

Service Review Categories & Determinations:

The following provides an analysis of the six categories or components required by §56430 for a Service Review for the Salida Sanitary District:

1. Growth and Population Projections for the Affected Area

The District serves the unincorporated community of Salida, which has an estimated population of 13,900. The District currently serves approximately 4,038 residential and 238 commercial customers with sanitary sewer service. According to the County's 2015-2023 Housing Element, the town of Salida has the potential to add an estimated 4,361, based on current vacant and/or underutilized parcels. The estimates are based on the Salida Community Plan that was approved in 2007 by the Stanislaus County Board of Supervisors. The Salida Community Plan area is currently outside of the Salida Sanitary District boundaries. Due to limited infrastructure and resources, it is not expected that any significant population growth will occur within the District boundaries at this time.

2. The Location and Characteristics of Any Disadvantaged, Unincorporated Communities Within or Contiguous to the Sphere of Influence.

Based on annual median household income, the area within the Salida Sanitary District is not identified as a Disadvantaged Unincorporated Community (DUC) as defined in Section 56033.5 of the Cortese-Knox-Hertzberg Act of 2000. No additional DUCs have been identified within or contiguous to the District's sphere of influence.

3. Present and Planned Capacity of Public Facilities and Adequacy of Public Services, Including Infrastructure Needs or Deficiencies Including Needs or Deficiencies Related to Sewers, Municipal and Industrial Water, and Structural Fire Protection in Any Disadvantaged, Unincorporated Communities Within or Contiguous to the Sphere of Influence.

The wastewater treatment plant includes four processing tanks. Each tank has a processing capacity of 0.6 million gallons per day (mgd). Three of the four of the tanks are in operation. The processing tanks are operating below capacity and processing the current average daily flow of 1.2 million gallons, with acceptable results. The fourth tank has been converted to an aerobic digester. This has greatly improved the treatment of plant solids.

The infrastructure in the older section of downtown Salida or "old town" is susceptible to grease build-up in the lines, causing blockage in the system. The State Water Resources Control Board adopted the Statewide Waste Discharge Requirement (GWDR) on May 2, 2006, requiring each public collection system to prepare a Sanitary Sewer Management Plan (SSMP). The main purpose of this plan is to minimize the number and impact of sanitary sewer overflows (SSOs). A major cause of SSOs is grease blockages. The District has implemented a maintenance program to inspect the sewer system on a weekly basis and to clear the lines of the grease on a regular basis. Funding for this program is through revenues generated by sewer service charges.

The present sewer service demand within the District's current boundaries can be met with existing facilities and infrastructure. Any expansion of the District's service area will require an evaluation of the District's present facilities and an evaluation of what future facilities will be necessary to serve that area.

In May of 2022 the District executed a Professional Services Agreement with the consulting firm of Kjeldsen, Sinnock, and Neudeck, Inc. for the preparation of the Salida Recycled Water Planning Study. The study is to evaluate the feasibility for recycled water production at the Salida Wastewater Treatment Facility, and also evaluate the potential market for recycled water use within the Salida Sanitary District service area.

4. Financial Ability of Agencies to Provide Services

The District has the necessary financial resources to fund existing levels of sewer services within its service boundaries. The District receives funds for the on-going provision of sewer service through connection and usage fees. These fees are reviewed on a regular basis to ensure they reflect the appropriate revenues necessary to provide adequate levels of service. The District also receives a small share of the county property tax revenues.

The District is a participant in the Salida Area Public Facilities Financing Agency (SAPFFA), which administers Mello Roos bonds under a joint powers agreement with the Modesto and Salida School Districts, and the Salida Fire Protection District. To date, the SAPFFA has provided funds to the Salida Sanitary District for the construction of the first and second phases of the treatment plant upgrades in 1992 and 1998.

The Board of Directors adopts the District's budget on an annual basis, which provides funding for the District's operating, capital, and debt service costs for the upcoming year. The District retained Capitol/PFG to prepare a Sewer User Rate Study (dated May 2021). This study provided for a five-year revenue program to generate sufficient funds to maintain and operate the District's facilities, and fund a financial reserves policy. By District Ordinance (2021-1), the new sewer services charges were approved and went into effect July 1, 2021.

5. Status of, and Opportunities for, Shared Facilities

The District does not currently share any facilities with other districts or agencies. However, the District participates in several cost sharing resource entities to avoid service duplications, reduce costs, and minimize unnecessary resource consumption.

By participating in the Salida Area Public Facilities Financing Agency (SAPFFA), the District has been able to utilize Mello Roos bond funding for several upgrades to the wastewater treatment plant.

The District is a member in the Stanislaus County Employee's Retirement Association (StanCERA), a retirement system organized under the 1937 Retirement Act. StanCERA is a cost-sharing multiple-employer Public Employment Retirement System. One actuarial valuation is performed for the system as a whole, and the same contribution rate applies to each participating entity.

The District is also a member of the California Rural Water Association (CRWA), which provides education and training, insurance programs, public relations support, legislative advocacy, capital improvement and equipment funding. CRWA also provides current information that is crucial to a special district's management and operational effectiveness.

6. Accountability for Community Service Needs, Including Governmental Structure and Operational Efficiencies

The District's governing body consists of a five member Board of Director's elected by the registered voters within the District. The Board of Director's meet on the second Thursday of each month at 6:00 p.m., in the District's administration building, located at 6200 Pirrone Road, Salida. Meeting agendas are posted at the Salida Union School District Office, located at 4801 Sisk Road, Salida. The agendas are also posted on the District's website www.salidasanitary.net. The District is subject to the provisions of the Brown Act requiring open meetings.

A 5-member Board of Directors, elected by the registered voters within the District's boundaries, governs the District. The District employs a staff of eight persons (seven full-time and one part-time), including a District Manager - Engineer who is responsible for the efficient administration of all affairs of the District, and an Operations Manager who oversees the daily operations of the District. The District also contracts for accounting, engineering and legal services.

7. Any Other Matter Related to Effective or Efficient Service Delivery, as Required by Commission Policy

None

Sphere of Influence Update for the Salida Sanitary District

In determining the Sphere of Influence (SOI) of each local agency, the Commission shall consider and prepare determinations with respect to each of the following factors pursuant to Government Code Section 56425:

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 that the agency provides, or is authorized to provide.
4. The existence of any social or economic communities of interest in the area if the Commission determines they are relevant.
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.

This document proposes no changes to the District's existing Sphere of Influence. Rather, it serves to reaffirm the existing SOI boundary. As part of this process, Staff researched the history of the establishment of the District's SOI. A map of the current District boundary and Sphere of Influence is attached in Appendix "A".

The following determinations for the Salida Sanitary District's Sphere of Influence update are made in conformance with Government Code §56425 and Commission policy.

Determinations:

1. The present and planned land uses in the area, including agricultural and open-space lands

The District's Sphere of Influence (SOI) includes approximately 1,485 acres. Territory within the District's boundaries consists of residential and commercial land uses. The District does not have the authority to make land use decisions, nor does it have authority over present or planned land uses within its boundaries. The responsibility for land use decisions within the District boundaries is retained by Stanislaus County.

2. The Present and Probable Need for Public Facilities and Services in the Area

The District has provided sanitary sewer service to the unincorporated community of Salida since 1951. Over the past several decades, Salida has become Stanislaus County's largest unincorporated community.

The County Board of Supervisors adopted an updated Salida Community Plan in 2007. The updated plan added approximately 3,383 acres to the unincorporated community of Salida.

It includes land use designations to accommodate up to 5,000 residential units and 2,029 acres of commercial, business park, and industrial uses. Prior to any development in the updated Community Plan area, infrastructure master plans and environmental review must be completed. The present and probable need for public facilities and services in the area is not likely to diminish, but rather increase in the long-term as the Salida area continues to develop in the future.

3. The present capacity of public facilities and adequacy of public services that the agency provides, or is authorized to provide.

The District currently has adequate capacity to provide the necessary sewer services to customers within its existing service area. The District's Wastewater Treatment Plant (WWTP) currently processes approximately 1.2 million gallons per day (mgd), which represents half of the plant's current design capacity of 2.4 mgd. It is anticipated that buildout of the larger Salida Community Plan area would generate additional flows beyond the plant's current design capacity. Therefore, the WWTP would need to be expanded to serve the projected growth of the Salida area. Any changes to the District's Sphere of Influence and/or service boundary would require LAFCO approval before the District could serve any new growth areas proposed in the Salida Community Plan update.


4. The existence of any social or economic communities of interest in the area if the Commission determines they are relevant.

In addition to the unincorporated community of Salida, the City of Modesto is considered to be a community of interest, due to the City's close proximity to the District. Although the City's Sphere of Influence does not overlap the District's boundaries, it is directly adjacent to the District and included within the City's General Plan.

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.

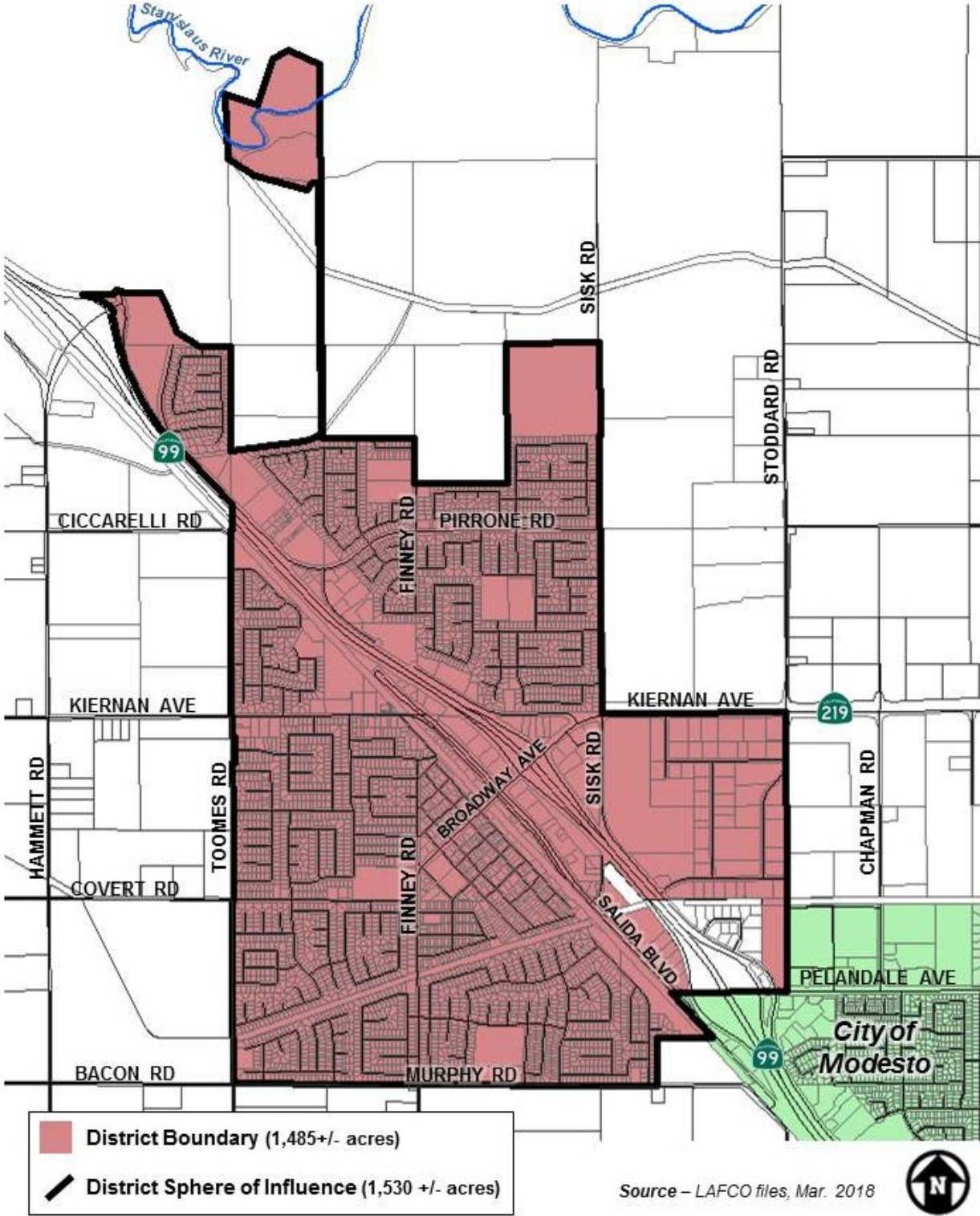
There are no proposals to change the District's existing Sphere of Influence. The District's area covers the town of Salida. Additional services, such as water and structural fire protection, are provided through the City of Modesto, other special districts, or by way of private systems.

APPENDIX “A” DISTRICT SUMMARY PROFILE

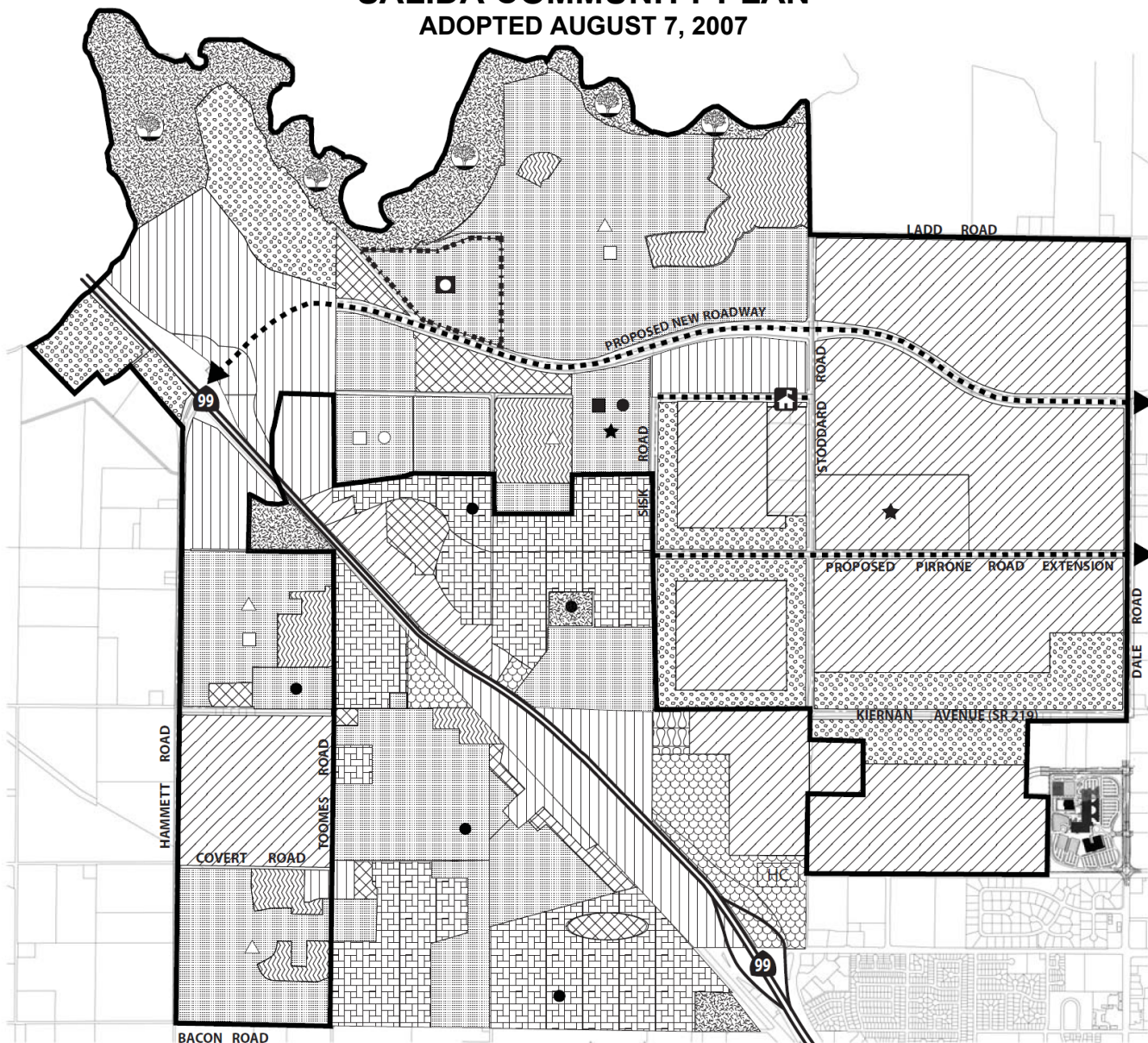
District:	SALIDA SANITARY DISTRICT	
Formation:	February 14, 1951	
Location:	The District is located in north-central Stanislaus County, immediately northwest of the City of Modesto.	
Boundary Area:	Approximately 1,485 acres	
Population*:	Approximately 13,900 persons	
Customers:	4,038 residential 238 commercial 1 industrial 14 other <hr style="width: 20%; margin-left: 0;"/> 4,291 total	
Land Use:	Residential, commercial, and industrial (within the unincorporated community of Salida)	
District Services:	Wastewater collection, treatment and disposal services	
Enabling Act:	Sanitary District Act of 1923, Health & Safety Code, Section 6400 et. seq.	
Governing Body:	Five Board of Directors, elected by the registered voters within the District	
Administration:	The District employs 8 persons (7 full-time and 1 part-time)	
Budget:	\$3,173,990 (Fiscal Year 2022-2023)	
Revenue Sources:	Monthly service and connection fees, Mello Roos Bond funds (Salida Area Public Facilities Financing Agency), developer (annexation) fees, and a share of the county property tax revenues.	

*Source: 2020 Decennial Census












**MAP 1:
SALIDA SANITARY DISTRICT
BOUNDARIES AND SPHERE OF INFLUENCE**













MAP 2: SALIDA COMMUNITY PLAN ADOPTED AUGUST 7, 2007



LAND USES

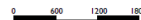
-  Low Density Residential
-  Low Density Residential (Within Project Boundary)
-  Medium Density Residential
-  Medium High Density Residential
-  Business Park
-  Commercial
-  Industrial
-  Planned Industrial
-  Planned Development
-  Highway Commercial
-  Agricultural

PARKS AND SCHOOLS

- | Existing | Proposed | |
|---|---|------------------------|
|  |  | Neighborhood Park* |
|  |  | Elementary School* |
|  |  | Middle School* |
|  |  | High School* |
|  |  | Stanislaus River Park* |

PUBLIC FACILITIES

-  New Road
-  Special Treatment Area
-  Amendment Area Boundary
-  Existing Waste Water Treatment Plant*
-  Proposed Fire Station*



Source: Stanislaus County

**For Illustrative Purposes Only. Check with the
County Planning & Community Development
Department to Verify Designations**

* Symbol denotes general location

APPENDIX “B”

REFERENCES

1. California Special Districts Association website (www.csda.net)
2. District’s Make the Difference website (www.districtsmakethedifference.org)
3. Previous MSR/SOI Update for the Salida Sanitary District, Adopted by Stanislaus LAFCO on May 23, 2018.
4. Salida Sanitary District Solar Feasibility Study, Prepared by Black and Veatch, April 9, 2013.
5. Salida Sanitary District Operations and Maintenance Budget 2022-2023.
6. Salida Sanitary District Sewer User Rate Study, Prepared by Capital PFG, May 2021.
7. Salida Sanitary District Website: www.salidasanitary.net.
8. Salida Times, news articles dated April 7, 1950, January 5, 1951, and November 19, 1951.
9. Senate Local Government Committee, “What’s So Special About Special Districts? (Fourth Edition)”, October 2011.
10. Wastewater Connection Fee Study, Final Revision, Prepared by Parsons and Associates, October 3, 2011.
11. WWTP Facilities Evaluation, Final Report, Prepared by Black and Veatch, July 22, 2010.
12. United States Census Bureau Website. Accessed March 30, 2023. www.census.gov.

INDIVIDUALS AND AGENCIES CONTACTED

1. Linda Walker, Operations Manager, Salida Sanitary District.