

**EXECUTIVE OFFICER'S AGENDA REPORT  
DECEMBER 7, 2016**

TO: LAFCO Commissioners

FROM: Sara Lytle-Pinhey, Executive Officer *SLP***SUBJECT: 2017 WORK PROGRAM - MUNICIPAL SERVICE REVIEW & SPHERE OF  
INFLUENCE UPDATES**

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**RECOMMENDATION**

Staff recommends that the Commission consider adoption of a work program to guide completion of Municipal Service Reviews (MSRs) and Sphere of Influence (SOI) updates for 2017. The Commission may direct Staff to prioritize certain updates as needed.

**DISCUSSION**

One of LAFCO's responsibilities includes a periodic review of spheres of influence for each city and special district. As part of this process a municipal service review must also be completed, outlining the services provided by the agency and making a series of determinations. Stanislaus LAFCO typically combines these into one document (referred to as a MSR-SOI) for better use of staff time and resources.

The requirement for reviewing and updating a sphere of influence is outlined in Government Code section 56425(g) which states, "on or before January 1, 2008, and every five years thereafter, the commission shall, as necessary, review and update each sphere of influence." Consistent with that section, Stanislaus LAFCO has generally made it a goal to initiate MSR-SOI updates for the special districts every five years, as these serve as a means for the Commission to check-in with various districts and service demands throughout the County.

For cities, the Commission has interpreted the "as necessary" provision in the above code section as coinciding with a city's General Plan update. City MSR-SOI updates are generally more detailed and time consuming than those of special districts and are often completed by a consultant in conjunction with an application to LAFCO.

The Commission's policies state that it is preferred that municipal service reviews be completed by LAFCO staff where possible to avoid additional costs of using outside consultants. The Commission's policies also state that in order to be cost-effective, MSR-SOI updates will be completed using existing information and documents that are available (e.g. master plans, general plans, budgets, etc) and are not intended to initiate new analyses.

**Prior Year's Work Program**

In 2016, LAFCO Staff completed MSR updates for the following districts:

- Fire Protection Districts (14 total)
- County Service Areas (24 total, 2 subsequently dissolved)
- Westside Agricultural Water Districts (6 total)
- Western Hills Water District
- Knights Ferry Community Services District
- Monterey Park Tract Community Services District

2017 Goals - Special Districts

Staff has identified the following special districts whose current MSR-SOI documents exceed the five-year update goal and would benefit from updates in 2017:

- Modesto Irrigation District
- Turlock Irrigation District
- Newman Drainage District
- Empire Sanitary District
- Riverdale Park Tract Community Services District

A draft schedule for all the special districts, organized by the date of the prior update is attached. The special districts are grouped together by the target year for adoption of a new MSR-SOI update. Should the special districts in the 2017 group be adopted prior to the end of the year, MSR-SOI updates for the 2018 group will be initiated in order to bring these closer to the 5-year timeframe.

Upcoming City Updates

A list of each city and the adoption date of its current MSR-SOI document is also attached to this report. The cities of Hughson and Modesto would also benefit from updated MSRs. City MSR-SOI updates are typically initiated by the cities and/or their consultant in conjunction with a general plan update and/or a proposed sphere of influence amendment.

**CONCLUSION**

Staff believes that the proposed work program can be reasonably completed throughout the year. Paid applications (e.g. annexations, out-of-boundary service extensions) have required processing timeframes that are given precedence over Municipal Service Reviews and Sphere of Influence updates and may delay individual updates. Likewise, tasks involved with upcoming projects (e.g. responses to environmental referrals, pre-application meetings, etc.) may also delay MSR-SOI goals. Staff will continue to keep the Commission apprised of the progress in meeting the goals of the 2017 Work Program throughout the year.

Attachments:

- Special Districts MSR & SOI Update Schedule*
- Cities MSR & SOI Updates*

**SPECIAL DISTRICTS**  
MSR & SOI UPDATE SCHEDULE - BY YEAR

	DISTRICT	LAST MSR COMPLETED
2017	<b>Irrigation District -</b> Modesto Irrigation District	January 26, 2011
	Turlock Irrigation District	May 25, 2011
	<b>Drainage District -</b> Newman Drainage District	July 27, 2011
	<b>Sanitary District</b> Empire Sanitary District	August 24, 2011
	<b>Community Services District -</b> Riverdale Park Tract	December 7, 2011
2018	<b>Sanitary District -</b> Salida Sanitary District	January 25, 2012
	<b>Water District -</b> Eastside Water District	March 28, 2012
2019	<b>Water District -</b> Rock Creek Water District	June 26, 2013
	<b>Mosquito Abatement Districts -</b> Turlock and Eastside	July 24, 2013
	<b>Irrigation District -</b> Oakdale Irrigation District	July 24, 2013
2020	<b>Community Services District -</b> Denair and Keyes	August 27, 2014
	<b>Resource Conservation Districts -</b> East Stanislaus and West Stanislaus	August 27, 2014
	<b>Cemetery Districts -</b> Hills Ferry, Knights Ferry and Patterson	September 24, 2014
	<b>Community Services District -</b> Crows Landing, Grayson, Westley	December 4, 2014
2021	<b>Healthcare &amp; Hospital Districts -</b> Del Puerto Healthcare, Westside Community Healthcare, and Oak Valley Hospital Districts	January 28, 2015
	<b>Flood Control Districts -</b> Orestimba Creek and Sand Creek	December 2, 2015
2022	<b>Water District -</b> Western Hills	January 27, 2016
	<b>Community Services District -</b> Monterey Park Tract	January 27, 2016
	<b>County Service Areas (CSAs) -- 24 total</b>	February 24, 2016
	<b>Westside Irrigation &amp; Water Districts -</b> Patterson and West Stanislaus IDs; Eastin, El Solyo, Del Puerto, and Oak Flat WDs	July 27, 2016
	<b>Fire Protection Districts -</b> Burbank-Paradise, Ceres Rural, Denair, Mountain View, Turlock Rural, Westport, Woodland, Hughson, Industrial, Keyes, Salida, Stanislaus Consolidated, West Stanislaus and Oakdale Rural	July 27, 2016
	<b>Community Services District -</b> Knights Ferry	August 24, 2016

**CITIES**  
**ADOPTED MUNICIPAL SERVICE REVIEWS (MSRs) &**  
**SPHERE OF INFLUENCE (SOI) UPDATES**

<b>CITY</b>	<b>MSR-SOI ADOPTION</b>	<b>NOTES</b>
Ceres	February 22, 2012	<i>City has begun General Plan Update process</i>
Hughson	August 24, 2005	-
Modesto	September 22, 2004	<i>City is working on Draft EIR for General Plan Update</i>
Newman	January 28, 2009	<i>City is working on environmental documentation for Northwest Master Plan</i>
Oakdale	July 22, 2015	<i>Completed SOI modification (with simultaneous annexation)</i>
Patterson	December 4, 2013	-
Riverbank	July 27, 2016	<i>Approved as part of a SOI modification</i>
Turlock	September 26, 2007	-
Waterford	August 22, 2007	-

*Stanislaus LAFCO, Nov. 2016*