

**EXECUTIVE OFFICER'S AGENDA REPORT
DECEMBER 4, 2019**

TO: LAFCO Commissioners

FROM: Javier Camarena, Assistant Executive Officer

SUBJECT: MSR NO. 2019-04, SOI UPDATE 2019-05: MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE FOR THE CROWS LANDING, GRAYSON, AND WESTLEY COMMUNITY SERVICE DISTRICTS

INTRODUCTION

This proposal was initiated by the Local Agency Formation Commission in response to State mandates that require the Commission to conduct municipal service reviews and sphere of influence updates for all cities and special districts at least once every five years. The current review covers the Crows Landing, Grayson, and Westley Community Services Districts. The previous update for these districts was adopted December 3, 2014.

DISCUSSION

There are three Community Services Districts in the western region of Stanislaus County: Crows Landing, Grayson, and Westley Community Services District. The Districts were organized under Government Code Section 61000 et. seq. to provide services such as municipal sewer, water, and/or street lighting to their respective unincorporated communities. The CSDs are considered registered voter districts, as their board members are elected by the registered voters residing in each District's boundaries. The CSDs are all located in western Stanislaus County and are somewhat isolated from larger municipal service providers (e.g. the City of Patterson and the City of Newman). Each face challenges typical of smaller districts that have aging infrastructure and do not benefit from economies of scale.

The Municipal Service Review and Sphere of Influence Update process provides an opportunity for the Districts to share accurate and current data, accomplishments and information regarding the services they provide. LAFCO Staff sent the previously approved Municipal Service Review and Sphere of Influence document to each of the Community Services Districts for their comments, revisions and updated information. LAFCO Staff also reviews the Districts' most recent audits, current budget, and financial data from the State Controller's office. Once this data was collected, a revised Municipal Service Review and Sphere of Influence Update document was drafted.

The proposed Municipal Service Review and Sphere of Influence document is attached to this report as Exhibit 1. The relevant factors as set forth by the Cortese-Knox-Hertzberg Act are discussed for each District. No changes are being proposed for the Districts' Spheres of Influence.

ENVIRONMENTAL REVIEW RECOMMENDATION

Pursuant to the California Environmental Quality Act (CEQA), the adoption of a municipal service review is considered to be categorically exempt from the preparation of environmental documentation under a classification related to information gathering (Class 6 - Regulation §15306). Further, LAFCO's concurrent reaffirmation of an existing sphere of influence qualifies for a General Exemption as outlined in CEQA Regulation §15061(b)(3), which states:

The activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be

seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.

As there are no land use changes, boundary changes, or environmental impacts associated with the Municipal Service Review and Sphere of Influence Update, a Notice of Exemption is the appropriate environmental document.

ALTERNATIVES FOR COMMISSION ACTION

After consideration of this report and any testimony or additional materials that are submitted, the Commission should consider choosing one of the following options:

- Option 1:** APPROVE the Municipal Service Review and Sphere of Influence Update for the Crows Landing, Grayson, and Westley Community Services Districts.
- Option 2:** DENY one or more of the updates.
- Option 3:** If the Commission needs more information, it should CONTINUE this matter to a future meeting (maximum 70 days).

RECOMMENDED ACTION

Approve Option 1. Based on the information presented, Staff recommends approval of Municipal Service Review and Sphere of Influence Update for the Crows Landing, Grayson, and Westley Community Services Districts. Therefore, Staff recommends that the Commission adopt Resolution No. 2019-21, which:

1. Determines that the Municipal Service Review and Sphere of Influence Update qualifies for a General Exemption from further California Environmental Quality Act (CEQA) review based on CEQA Regulations §15306 and §15061(b)(3);
2. Makes determinations related to the Municipal Service Review and Sphere of Influence Update as required by Government Code §56425 and §56430; and,
3. Determines that the Spheres of Influence for the Crows Landing, Grayson, and Westley Community Services Districts should be affirmed as they currently exist.

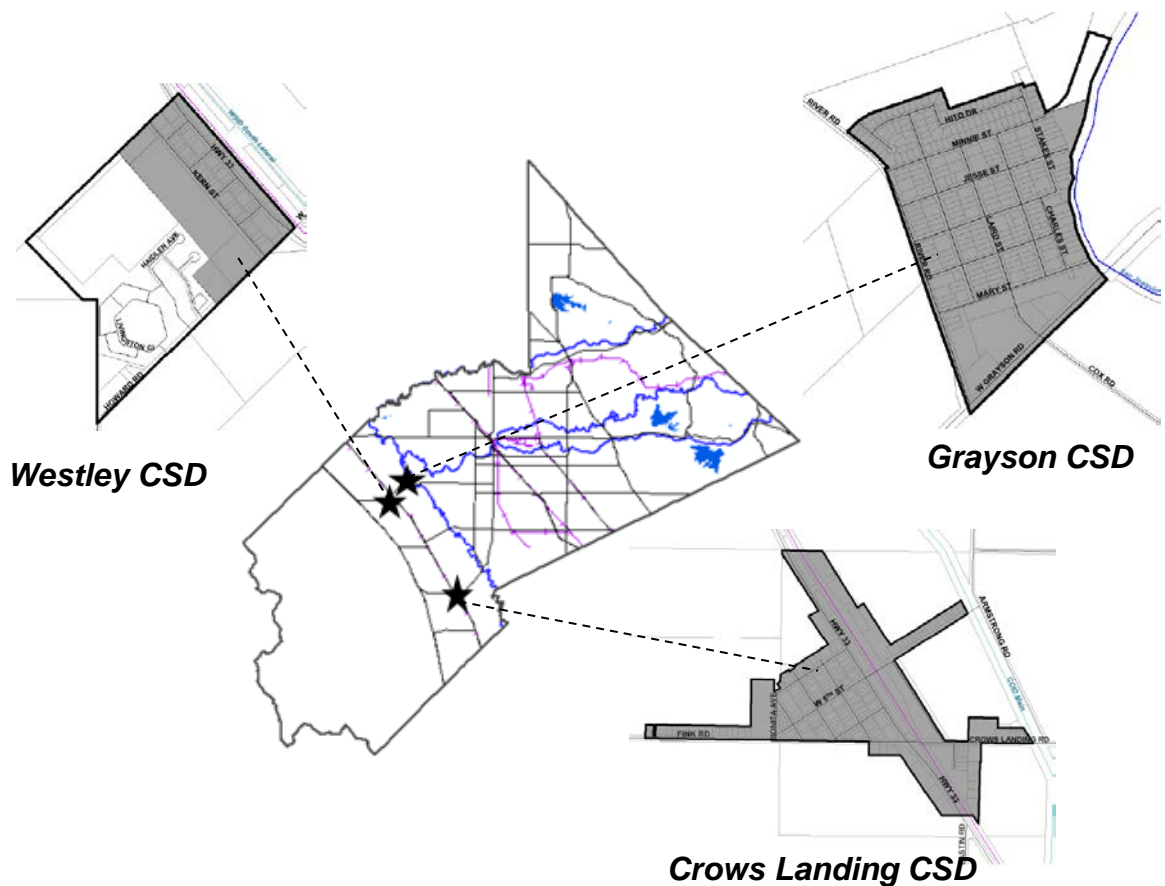
Attachments:

- Municipal Service Review and Sphere of Influence Update for the Crows Landing, Grayson, and Westley Community Services Districts
- Draft Resolution No. 2019-21

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**MUNICIPAL SERVICE REVIEW AND
SPHERE OF INFLUENCE UPDATE FOR:**

**CROWS LANDING, GRAYSON, AND WESTLEY
COMMUNITY SERVICES DISTRICTS**



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Adopted: _____

STANISLAUS

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Municipal Service Review and Sphere of Influence Update For the Crows Landing, Grayson, and Westley Community Services Districts

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 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 a municipal service review is provided in Government Code Section 56430 of the CKH Act. The Act states, that "in order to prepare and to update spheres of influence in accordance with Section 56425, the commission shall conduct a service review of the municipal services provided in the county or other appropriate area..." MSRs must have written determinations that address the following factors in order to update a Sphere of Influence. These factors were recently amended to include the consideration of disadvantaged unincorporated communities within or contiguous to the sphere of influence of an agency.

Municipal 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 MSR will analyze the Crows Landing, Grayson, and Westley Community Services Districts. It will also provide the basis for LAFCO to reaffirm the Districts' Spheres of Influence.

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 municipal service reviews 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 document will be used to determine what type of services each district is expected to provide and the extent to which they are actually able to do so. For these special districts, the spheres will delineate the service capability and expansion capacity of the agency, if applicable.

Spheres of Influence for the Grayson and Westley Community Services Districts were originally adopted by the Commission in 1984 and the Sphere of Influence for the Crows Landing Community Services District was adopted in 1988. The most recent combined update, adopted in 2014, proposed no changes to the Districts' SOIs. The current update serves to comply with Government Code Section 56425 and will reaffirm the SOIs for each district.

Sphere of Influence Determinations

In determining a 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 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.

This document proposes no changes to the Districts' existing spheres of influence. Rather, it serves to reaffirm the existing SOI 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. California has over 3,400 special districts, which provide over 30 different types of services. There are 54 major types of special districts ranging from airports to fire protection to mosquito abatement to water conservation. To date, there are approximately 325 community services districts (CSDs) in California.

Authority

This review will cover three independent special districts located on the western portion of Stanislaus County: Crows Landing, Grayson, and Westley Community Services Districts. The Districts were organized under Section 61000 et. seq. of the Government Code. In addition, the Districts are considered “registered voter districts,” as the board members are elected by the registered voters residing within each district’s boundaries.

Purpose

Community services districts may be formed to provide one or more of the following services: water, sewer, garbage disposal, fire protection, public recreation, street lighting, mosquito abatement, police services, library services, street improvements, conversion of overhead electric and communication facilities to underground locations, ambulance services, airport facilities, flood control and transportation services.

Classification of Services

As part of the original MSR completed for the Districts, each District provided a listing of the services provided within their boundaries. The Districts are authorized to provide the functions or classes of services as identified in this report. State Law requires that the Districts seek LAFCO approval in order to exercise any other latent powers not currently provided.

CROWS LANDING COMMUNITY SERVICES DISTRICT

Formation

The Crows Landing Community Services District (CSD) was formed on September 23, 1986.

Location and Size

The District encompasses an area of approximately 124 acres located in the unincorporated community of Crows Landing, on the west side of Stanislaus County along State Highway 33, midway between the cities of Patterson and Newman. In addition, the former Crows Landing Naval Air Base is located approximately one mile west of the District boundaries.

Sphere of Influence

The District's Sphere of Influence is coterminous with its current boundaries.

Governance

Five Board members, elected by the registered voters within the District boundaries, govern the District. Meetings are held on the third Wednesday each month at 6:30 p.m. at the Crows Landing Fire Station, located at 22012 "G" Street, Crows Landing.

Personnel

There are four part-time employees working for the District to run the day-to-day operations. The District contracts out for assistance with water repairs, as well as engineering, legal and bookkeeping services.

Services

The District provides municipal water services for residential and commercial purposes via two groundwater wells. Currently, the majority of the municipal water is pumped through very old and small pipelines, which tend to lose pressure when heavy consumptive demands are placed on the system. The system is also at capacity, limiting the District's ability to expand.

Support Agencies

The District maintains collaborative relationships with other agencies, as necessary. These agencies include the: City of Patterson, Stanislaus County (including the Department of Environmental Resources and Public Works Department), West Stanislaus Fire Protection District, State Department of Water Resources and Regional Water Quality Control Board.

Funding Sources

The District's source of revenue is derived from connection and monthly water service fees. The District has also obtained low-interest loans and grants for upgrades and repairs to the water system from the Department of Water Resources, the former Stanislaus County Redevelopment Agency, and the Stanislaus County Community Development Fund.

Municipal Service Review Determinations Crows Landing Community Services District

The following are determinations related to the seven factors required by Section 56430 for a Service Review for the Crows Landing Community Services District:

1. Growth and Population Projections for the Affected Area

The District serves the unincorporated community of Crows Landing with municipal water service. The area is included within a Community Plan in the Stanislaus County General Plan and includes residential, commercial, and industrial designated properties. The current estimated population in Crows Landing is 500 residents. While there are a few properties that are vacant or underutilized within Crows Landing, significant population growth in the area is not expected in the near future.

The recently approved Crows Landing Industrial Business Park is located northwest of the community of Crows Landing. The business park will include approximately 1,500 acres of industrial and business park uses, public facilities, an airport and other related uses and infrastructure. Development of the site will necessitate water and sewer services. Options to potentially include the Crows Landing CSD in these efforts would require LAFCO review and approval.

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

Existing data from the Department of Water Resources' Disadvantaged Communities Mapping Tool identifies the Crows Landing Community as a Disadvantaged Unincorporated Community.

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

The District currently serves 137 service connections, including residential and commercial users, as well as a school. The District's entire water distribution system is in need of improvements and system upgrades as many of the lines are over 50 years old. The water system is currently at capacity and upkeep of the system is an ongoing challenge as emergency repairs can quickly deplete the District's limited resources. The District relies on two groundwater wells, one of which recently experienced a failure that has necessitated urgent and costly repairs.

Water service is the only service that the Crows Landing Community Services District provides. Private septic systems are used for processing wastewater in the community. The area receives fire protection services from the West Stanislaus Fire Protection District, which operates a fire station in Crows Landing and has an Insurance Service Office (ISO) rating of 5 for the area.

The District was working on a remediation project of well "5". However, the project was changed to the replacement of all new water mains, hydrants, storage and new water source for the CSD.

4. Financial Ability of Agencies to Provide Services

At present time, the District appears to have very limited financial resources to address current system deficiencies. The District is also limited in its revenue stream and does not receive a share of the county property tax. The District raised its water service rates in 2010 and residents now pay a flat rate of \$50 per month. This increase was based on the cost of maintaining the system in compliance with State regulations and the need for infrastructure upgrades to the entire water distribution system, as many of the lines are over 50 years old. The District was recently granted up to \$20,000 from the Stanislaus County Community Development Fund to assist in the necessary repair of wells. The District should continue its efforts to seek funds from other sources (e.g. State and/or Federal public works infrastructure grants/loans) for system upgrades.

5. Status of, and Opportunities for, Shared Facilities

There is no overlapping or duplication of services within the District boundaries and therefore, no shared facilities for water distribution. The West Stanislaus Fire Protection District allows the use of its conference room at the Crows Landing Fire Station for the CSD's monthly meetings.

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

A five-member Board of Directors, elected by the registered voters, governs the District. The District is subject to the provisions of the Brown Act requiring open meetings. Currently there are four part-time employees of the District--a general manager, secretary, and two water operators.

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

The District has benefited from local private organizations (Lions, FDES) and the West Stanislaus Fire Protection District, which recently assisted the District with the purchase and installation of several new fire hydrants. This effort saved the District several thousand dollars. Additionally, the District has an agreement with the City of Patterson to use personnel from the City's Public Works Department for repairs to the District's system and after-hours emergencies.

SOI Update – Crows Landing Community Services District

The following determinations for the Crows Landing Community Services District Sphere of Influence update are made in conformance with Government Code Section 56425 and local Commission policy.

Determinations:

1. Present and Planned Land Uses in the Area, Including Agricultural and Open-Space Lands

The District's Sphere of Influence includes approximately 124 acres. Territory within the District boundaries consists of residential, commercial and industrial land uses. These uses are not expected to change. In addition, 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 the County.

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

The present demand for water service is not expected to change. The most critical need in the District at this time, and in the future, is an improved source of water and total upgrade of the existing water distribution system.

3. Present Capacity of Public Facilities and Adequacy of Public Services that the Agency Provides or is Authorized to Provide

The District's water system is at capacity. Much of the water is pumped through very old and small pipelines, which tend to lose pressure when heavy consumptive demands are placed on the system. The ability of the District to provide water services to its customers may be diminished in the future based on the lack of resources to remedy infrastructure deficiencies. The District should continue to pursue financing options that may be available to provide system-wide upgrades.

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

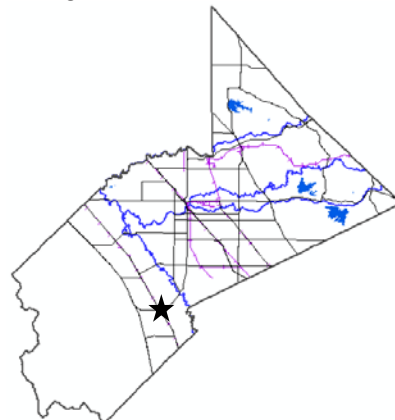
The unincorporated community of Crows Landing is located wholly within the District's boundaries and Sphere of Influence and is the only community of interest in the area.

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

Based on existing Census data, the community of Crows Landing is considered a disadvantaged unincorporated community. Currently, the District provides only municipal water service. The community relies on private septic tanks for sewer service, as there is no nearby infrastructure to provide public wastewater service. As described in the Municipal Service Review for the District, structural fire protection is provided by the West Stanislaus Fire Protection District.

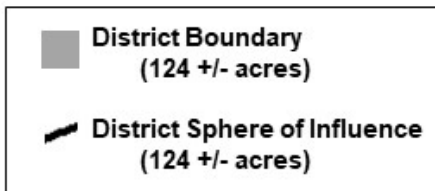
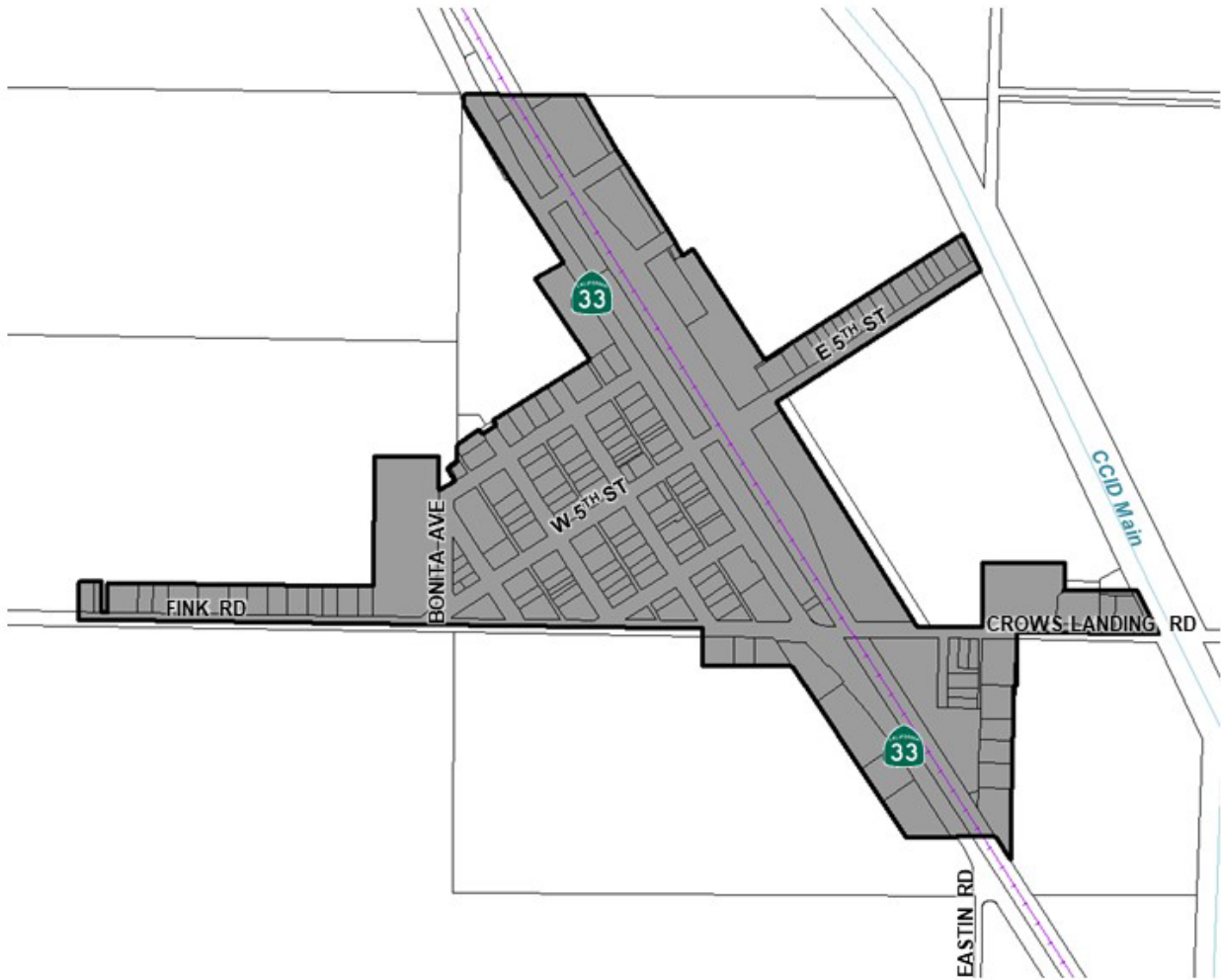
DISTRICT SUMMARY PROFILE

District:	CROWS LANDING COMMUNITY SERVICES DISTRICT
Location:	Unincorporated community of Crows Landing in Western Stanislaus County, along State Highway 33
Boundary:	Approximately 124 acres
Population*:	Approximately 355 persons
Land Use:	Residential, commercial, and industrial
Date of Formation:	September 23, 1986
Enabling Act:	California Government Code, Section 61000, et. seq.
Governing Body:	Five-member Board of Directors, elected by the registered voters within the District
Administration:	Four part-time employees (a general manager, secretary and two water operators)
District Services:	Distribute water for residential and commercial purposes
Total Revenues:	\$94,190 (Fiscal Year 2019-2020 Budget)
Revenue Sources:	Service and connection fees



*Source: 2010 Census

CROWS LANDING COMMUNITY SERVICES DISTRICT BOUNDARY AND SPHERE OF INFLUENCE



Source: LAFCO files, November 2019



GRAYSON COMMUNITY SERVICES DISTRICT

Formation

The Grayson Community Services District was formed on January 21, 1969.

Location and Size

The District is located in the unincorporated community of Grayson, along the west side of the San Joaquin River, in western Stanislaus County, and encompasses approximately 100 acres.

Sphere of Influence

The District's Sphere of Influence includes approximately 104 acres and is coterminous with the District's current boundaries, with the exception of a small expansion area along the San Joaquin River.

Governance

A five-member Board of Directors, elected by registered voters within the District boundaries, governs the District. Meetings are held on the second Thursday of each month at 7:00 p.m., at the United Community Center, located at 8900 Laird Street in Grayson.

Personnel

The District employs three part-time persons: a general manager, secretary, and wastewater plant operator. The District also contracts out for legal and bookkeeping services.

Services

The District provides street lighting and municipal wastewater (sewer) services to the community of Grayson.

Support Agencies

The District maintains collaborative relationships with other agencies, such as the: the City of Modesto, City of Patterson, Stanislaus County, Turlock Mosquito Abatement District, California Rural Water Association, and the State Regional Water Quality Control Board.

Funding Sources

The District receives funds from monthly service and connection fees, property tax assessments, as well as a small portion of the shared property tax revenues from Stanislaus County.

Municipal Service Review Determinations Grayson Community Services District

The following are determinations related to the seven factors required by Section 56430 for a Service Review for the Grayson Community Services District:

1. Growth and Population Projections for the Affected Area

The District serves the unincorporated community of Grayson. The area is designated in the Stanislaus County General Plan for residential, commercial and industrial uses. However, due to limited service capacity, it is not expected that any significant population growth will occur within the District boundaries in the near future.

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

Based on available Census data, the community of Grayson meets the income criteria to be considered a disadvantaged unincorporated community. The entirety of the community lies within the District's boundary and Sphere of Influence.

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

The Grayson Community Services District currently serves one commercial and 240 residential customers with street lighting and wastewater (sewer) service. The District appears to have the ability and the capacity to serve its existing service area. The District's wastewater collection and treatment system has a designed flow capacity of 100,000 gallons per day. Any growth in the area would require significant upgrades to the system in order to increase this capacity.

The District provides only street lighting and wastewater services. Municipal water is provided by the City of Modesto, who owns and operates the former Del Este water system in the area. Water service is provided via two groundwater wells in the Grayson area and is treated through an ion exchange nitrate treatment system. The City has sought grant funding for improvements to the water infrastructure in the area. Structural fire protection service in the area is currently provided by the West Stanislaus Fire Protection District, which operates a fire station approximately one mile away in the community of Westley.

The District received a Proposition 1 Small Community Wastewater Grant from the California State Water Resources Control Board on November 18, 2016. The planning grant amount was for \$500,000 for the Grayson CSD Wastewater Treatment Facility Planning Project.

The project will consolidate the wastewater treatment of Westley and Grayson. A new secondary wastewater treatment facility will be constructed in the current location of the Grayson Wastewater Treatment Plant, which will collect and treat the combined wastewater flow from both communities. The wastewater treatment facility will be abandoned and Westley and Grayson will only have one facility to operate and maintain.

4. Financial Ability of Agencies to Provide Services

At present time, the District appears to have the necessary financial resources to fund existing levels of wastewater and street lighting services within the District's boundaries. Funds are received from monthly service and connection fees and a small portion of the shared property tax revenues from Stanislaus County. The District also utilizes property assessments to fund infrastructure improvements. In 2002, the District passed a \$300,000 special assessment bond for public improvements to the wastewater system, in compliance with the regulations of the Regional Water Quality Control Board. These improvements included installation of new aeration equipment and lift station upgrades.

5. Status of, and Opportunities for, Shared Facilities

The District utilizes the Grayson United Community Center for its meeting space. There is no overlapping or duplication of services within the District boundaries that would readily allow for other shared facilities. The nearest provider of urban services is the Westley Community Services District, which provides sewer and water services to the unincorporated community of Westley located about a mile southwest of Grayson. Both Districts struggle with aging infrastructure necessitating system-wide improvements. As mentioned previously, the District currently in the planning stages of developing a new wastewater treatment plant to serve both the communities of Grayson and Westley.

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

A five-member Board of Directors, elected by the registered voters, governs the District. The District is subject to the provisions of the Brown Act requiring open meetings. The District has a small, yet adequate part-time staff to provide the necessary services to its customers.

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

None.

SOI Update – Grayson Community Services District

The following determinations for the Grayson Community Services District's Sphere of Influence update are made in conformance with Government Code Section 56425 and local Commission policy.

Determinations:

1. Present and Planned Land Uses in the Area, Including Agricultural and Open-Space Lands

The District's Sphere of Influence includes approximately 104 acres. Territory within the District boundaries consists of residential, commercial, and industrial use areas. These uses are not expected to change. In addition, 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 the County.

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

The need for reliable wastewater service and street lighting in the area is not expected to change. In 2002, the District passed a \$300,000 special assessment bond for public improvements to the wastewater system, in compliance with the regulations of the Regional Water Quality Control Board. These improvements included new aeration equipment and lift station upgrades.

The District is currently in the planning stages for consolidation of its wastewater services with Westley CSD. The plan proposes a future wastewater plant that will provide wastewater services to both Districts.

3. Present Capacity of Public Facilities and Adequacy of Public Services that the Agency Provides or is Authorized to Provide

The District's wastewater treatment plant is designed to handle flows of up to 100,000 gallons per day. According to the District, the plant is currently at capacity. Although at capacity, the District is currently meeting the demands of the community that it serves.

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

The unincorporated community of Grayson is the only community of interest within the District's boundaries and Sphere of Influence.

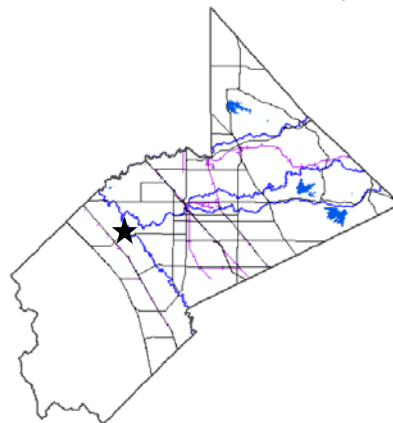
5. For an Update of a Sphere of Influence of a City or Special District That Provides Public Facilities or Services Related to Sewers, Municipal and Industrial Water, or Structural Fire Protection, the Present and Probable Need for Those Public Facilities and Services of Any Disadvantaged Unincorporated Communities Within the Existing Sphere of Influence

Grayson is considered a disadvantaged unincorporated community. The Grayson Community Services District provides wastewater services and lighting to the community. Water service is provided by the City of Modesto. As described in the Municipal Service

Review for the District, structural fire protection is provided by the West Stanislaus Fire Protection District.

DISTRICT SUMMARY PROFILE

District:	GRAYSON COMMUNITY SERVICES DISTRICT
Location:	Unincorporated community of Grayson in Western Stanislaus County
Boundary:	Approximately 100 acres
Population*:	952
Land Use:	Residential, commercial and industrial
Date of Formation:	January 21, 1969
Enabling Act:	California Government Code, Section 61000, et. seq.
Governing Body:	Five-member Board of Directors, elected by registered voters within District boundaries
Administration:	Three part-time employees (a district manager, secretary and plant operator)
District Services:	Street lighting and municipal sewer services
Total Revenues:	\$122,950 (Fiscal Year 2019-2020 Budget)
Revenue Sources:	Service and connection fees; property taxes



*Source: 2010 Census

GRAYSON COMMUNITY SERVICES DISTRICT BOUNDARY AND SPHERE OF INFLUENCE



WESTLEY COMMUNITY SERVICES DISTRICT

Formation

The Westley Community Services District was formed on August 5, 1969.

Location and Size

The District is located in the unincorporated community of Westley, along State Highway 33 in western Stanislaus County, and encompasses approximately 60 acres.

Sphere of Influence

The District's Sphere of Influence encompasses approximately 149 acres and includes the Stanislaus County Housing Authority's Westley Migrant and Farm Labor Housing Complex.

Governance

The District is governed by a five-member Board of Directors, elected by the registered voters within the District boundaries. Meetings are held on the second Wednesday of each month at 7:00 p.m. at the Westley Fire Station.

Personnel

There are no paid employees working for the District. However, the District contracts with the Stanislaus County Housing Authority to provide sewer and water services within its boundaries.

Services

The Westley Community Services District was established to provide sewer, water and street lighting services to the unincorporated community of Westley. The Stanislaus County Housing Authority operates a wastewater treatment facility, which serves the Housing Authority's Migrant and Farm Labor Housing Complex, and provides sewer service to the District on a contractual basis. The Housing Authority also provides municipal water service within the District boundaries via two pumping stations.

Support Agencies

The District maintains collaborative relationships with other agencies, as necessary. These agencies include the Stanislaus County Housing Authority and Stanislaus County.

Funding Sources

The District's source of revenue is derived from service fees and a very small portion of the shared Stanislaus County property tax revenues. The District regularly reviews its service fees to adjust for increased costs associated with the sewer and water costs charged by the Housing Authority and PG&E for streetlights.

Municipal Service Review Determinations Westley Community Services District

The following are determinations related to the seven factors required by Section 56430 for a Service Review for the Westley Community Services District:

1. Growth and Population Projections for the Affected Area

The District serves the unincorporated community of Westley, which has an estimated population of 83 residents within the District's boundaries. The Housing Authority's Migrant and Farm Labor Housing Complex, with 173 housing units, lies just outside the District's boundaries and within its Sphere of Influence. The area is designated in the Stanislaus County General Plan for residential, commercial and industrial uses. However, due to the limited service capacity, it is not expected that any significant population growth will occur within the District boundaries in the near future.

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

Based on available Census data, the community of Westley meets the income criteria to be considered disadvantaged unincorporated community.

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

The Westley Community Services District currently serves 38 customer accounts (23 residential and 15 commercial) with street lighting, water and sewer service. The District has indicated that "short-term fix" repairs have been made to the sewer lift station and two pumps. Major repairs to this facility will be necessary at some time in the future.

Structural fire protection service for the community is provided by the West Stanislaus Fire Protection District, which operates a fire station in Westley and has an Insurance Service Office (ISO) rating of 5 for the area.

The District recently completed a Wastewater Treatment Plant Improvement Planning project through a grant provided by the California Water Resources Control Board. As mentioned previously in the document, the Grayson and Westley CSDs will be consolidating into one wastewater treatment plant that will provide services to both communities.

The District will begin a water metering project in December of 2019. Water meters will be installed on approximately 39 service laterals (23 residential, 15 commercial, and 1 school) within the Westley CSD's service area. Backflow preventers will also be installed at commercial service laterals. Two master flow meters will be installed on the 8-inch distribution pipelines between the District and the groundwater supply wells located in the Stanislaus County Housing Authority Migrant Housing area. Additionally, twelve (12) existing water gate valves will be replaced with new isolation valves and three (3) fire hydrants will be replaced.

4. Financial Ability of Agencies to Provide Services

In order to meet the rising costs of sewer, water, and electrical service for streetlights, the District regularly reviews its rates as they relate to actual costs. During the previous update period, reserve funds for the District had been depleted, as costs charged by the Housing Authority and electrical rates had increased. In addition, repairs were needed for the sewer lift station and pumps. The District last updated its fees in 2005.

5. Status of, and Opportunities for, Shared Facilities

The sewer and water facilities are owned by the Housing Authority, which provides the District services by contract. The current arrangement seems to be the most logical given the size and location of the District. The nearest provider of urban services is the Grayson Community Services District, which provides sewer services to the unincorporated community of Grayson located about a mile northeast of Westley. Both Districts struggle with aging infrastructure necessitating system-wide improvements. The potential for shared facilities is currently being explored; however cost estimates associated with upgrades and regionalization of the infrastructure are significant and would necessitate financial assistance.

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

In the past, the District has had difficulty in securing and/or maintaining the required number of board members. A reduced number of board members can often hinder the District in performing the necessary governmental functions and responsibilities of the District.

The District does not have a traditional management structure, as they do not employ full-time personnel. They do, however, contract with the Stanislaus County Housing Authority, which provides sewer and water services to the District. The current contractual arrangement for service with the Housing Authority appears to be appropriate for this relatively small District.

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

None.

SOI Update – Westley Community Services District

The following determinations for the Westley Community Services District's Sphere of Influence update are made in conformance with Government Code Section 56425 and local Commission policy.

Determinations:

1. Present and Planned Land Uses in the Area, Including Agricultural and Open-Space Lands

The Westley Community Services District's Sphere of Influence includes approximately 149 acres, of which 60 acres are currently within the District's boundaries. According to the Stanislaus County General Plan, territory within the District boundaries consists of residential, commercial and industrial land uses. These uses are not expected to change. In addition, 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 the County.

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

The present demand for street lighting, water and wastewater services in the area is not expected to change. The District is currently meeting the service needs of its customers. However, the District recognizes that major repairs to the existing sewer lift station and two pumps will be necessary in the near future.

The District is currently working on a project to consolidate its wastewater services with Grayson CSD. The plan proposes a future wastewater plant that will provide wastewater services to both Districts.

3. Present Capacity of Public Facilities and Adequacy of Public Services that the Agency Provides or is Authorized to Provide

The District contracts with the Housing Authority for water and wastewater services and the associated facilities are owned by the Housing Authority. The wastewater treatment plant is designed to handle flows of up to 90,000 gallons per day and is considered to be at capacity. Two water wells serve the area and both have necessitated improvements over the past five to seven years.

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

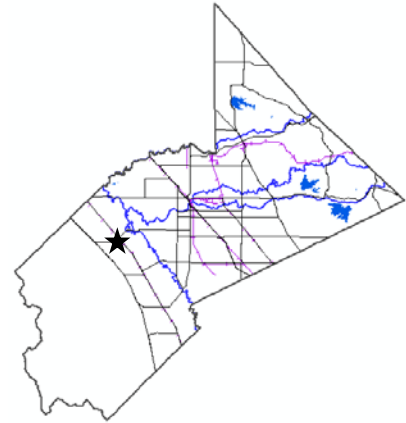
The unincorporated community of Westley, located within the District's Sphere of Influence, is the only community of interest in the area.

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

Westley is considered a disadvantaged unincorporated community. The Grayson Community Services District provides water, wastewater services and lighting to the community. As described in the Municipal Service Review for the District, structural fire protection is provided by the West Stanislaus Fire Protection District.

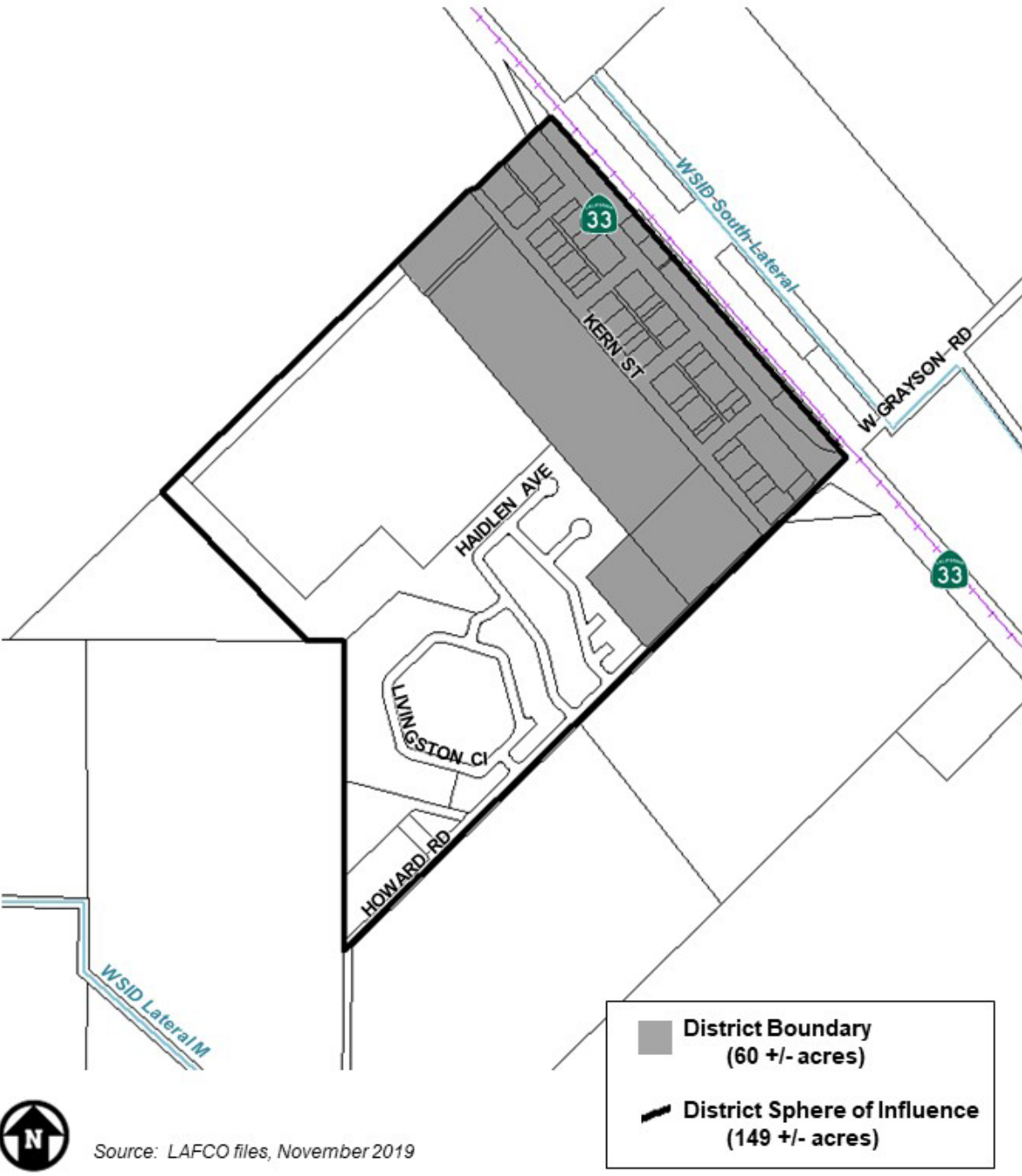
**APPENDIX “C”
DISTRICT SUMMARY PROFILE**

District:	WESTLEY COMMUNITY SERVICES DISTRICT
Location:	Unincorporated community of Westley in Western Stanislaus County, along State Highway 33
Boundary:	Approximately 60 acres
Population*:	603
Land Use:	Residential, commercial, industrial
Date of Formation:	August 5, 1969
Enabling Act:	California Government Code, Section 61000, et. seq.
Governing Body:	Five-member Board of Directors, elected by registered voters within District boundaries
District Services:	Collection and treatment of sewage, street lighting and water distribution
Total Revenues:	\$70,314 (Fiscal Year 2019-2020 Budget)
Revenue Sources:	Service and connection fees, property taxes



**Source: 2010 Census*

WESTLEY COMMUNITY SERVICES DISTRICT BOUNDARY AND SPHERE OF INFLUENCE



REFERENCES

1. California Department of Water Resources. *Disadvantaged Communities (DAC) Mapping Tool*. Website (<https://gis.water.ca.gov/app/dacs/>). Accessed November 14, 2019.
2. California State Controller's Office. *Special Districts Annual Report (Fiscal Year 2011-2012)*. November 22, 2013.
3. California Special Districts Association Website. <https://www.csda.net/dmtd/district-types>. Accessed July 17, 2019
4. Crows Landing Community Services District. *Fiscal Budget*. 2019/2020.
5. Grayson Community Services District. *Fiscal Budget*. 2019/2020.
6. Stanislaus County. *General Plan*. 1994, 2006, 2015.
7. Stanislaus County. *2015-2023 Housing Element*. April 2016.
8. United States Census Bureau. 2010.
9. Westley Community Services District. *Fiscal Budget 2019/2020*.
10. West Stanislaus Fire Protection District. Website (<http://www.weststanfire.org>). Accessed November 14, 2019.

**STANISLAUS COUNTY LOCAL AGENCY
FORMATION COMMISSION**

RESOLUTION

DATE: December 4, 2019

NO. 2019-21

SUBJECT: Municipal Service Review No. 2019-04 and Sphere of influence Update No 2019-05: Crows Landing, Grayson, and Westley Community Services Districts

On the motion of Commissioner _____, seconded by Commissioner _____, and approved by the following vote:

Ayes: Commissioners:
Noes: Commissioners:
Absent: Commissioners:
Ineligible: Commissioners:

THE FOLLOWING RESOLUTION WAS ADOPTED:

WHEREAS, a Service Review mandated by California Government Code Section 56430 and a Sphere of Influence Update mandated by California Government Code Section 56425, has been conducted for the Crows Landing, Grayson, and Westley Community Services Districts, in accordance with the Cortese-Knox-Hertzberg Reorganization Act of 2000;

WHEREAS, at the time and in the form and manner provided by law, the Executive Officer has given notice of the December 4, 2019 public hearing by this Commission on this matter;

WHEREAS, the subject document is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Sections 15306 and 15061(b)(3) of the State CEQA Guidelines;

WHEREAS, Staff has reviewed all existing and available information from the District and has prepared a report including recommendations therein, and related information as presented to and considered by this Commission;

WHEREAS, the Commission has duly considered the draft Municipal Service Review and Sphere of Influence Update on the Crows Landing, Grayson, and Westley Community Services Districts and the determinations contained therein;

WHEREAS, the Crows Landing, Grayson, and Westley Community Services Districts were established to provide public water, sewer, and/or street lighting services within their boundaries;

WHEREAS, pursuant to Government Code Section 56425(i), the range of services provided by the Crows Landing, Grayson, and Westley Community Services Districts are limited to those as identified above, and such range of services shall not be changed unless approved by this Commission; and

WHEREAS, no changes to the Districts' Spheres of Influence are proposed or contemplated through this review.

NOW, THEREFORE, BE IT RESOLVED by the Commission:

1. Certifies that the project is statutorily exempt under the California Environmental Quality Act (CEQA) pursuant to Sections 15306 and 15061(b)(3) of the State CEQA Guidelines.
2. Approves the Service Review prepared in compliance with State law and update of the Crows Landing, Grayson, and Westley Community Services Districts' Spheres of Influence, and written determinations prepared by the Staff and contained herein.
3. Determines that except as otherwise stated, no new or different function or class of services shall be provided by the Districts, unless approved by the Commission.
4. Determines, based on presently existing evidence, facts, and circumstances filed and considered by the Commission, that the Spheres of Influence for the Crows Landing, Grayson, and Westley Community Services Districts should be affirmed as they currently exist, as more specifically described on the maps contained within the Service Review document.
5. Directs the Executive Officer to circulate this resolution depicting the adopted Sphere of Influence Update to all affected agencies, including the Crows Landing, Grayson, and Westley Community Services Districts.

ATTEST: _____
Sara Lytle-Pinhey, Executive Officer