

SUTTER COUNTY LOCAL AGENCY FORMATION COMMISSION

MUNICIPAL SERVICE REVIEWS AND SPHERE OF INFLUENCE UPDATE

COUNTY DRAINAGE DISTRICTS

EL CERRITO

EL MARGARITA

TIERRA BUENA

WATER DISTRICTS

FEATHER RIVER

SOUTH SUTTER

SUTTER EXTENSION

OSWALD

LEVEE DISTRICT NO. 9

ROBBINS WATERWORKS DISTRICT NO. 1

SUTTER COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

ROBBINS SUTTER BASIN FIRE PROTECTION DISTRICT

TIERRA BUENA COMMUNITY SERVICES DISTRICT

RECLAMATION DISTRICT 2054

SUTTER COUNTY WATER AGENCY



PREPARED BY

PMC

1590 DREW AVE, SUITE 120
DAVIS, CA 95616

AUGUST 2007

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RECLAMATION DISTRICT 2054

SUTTER COUNTY WATER AGENCY

PREPARED FOR

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AUGUST 2007

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1.0 EXECUTIVE SUMMARY

The Municipal Service Review (MSR) and Sphere of Influence (SOI) update, also called the MSR/SOI, has been prepared to comply with requirements of the Sutter County Local Agency Formation Commission (LAFCo), as well as California State Law. The MSR/SOI is a document required by the Cortese-Knox-Hertzberg (CKH) Local Government Reorganization Act of 2000 (California Government Code §56425 and §56430).

This document contains Municipal Service Reviews and Sphere of Influence updates for County Drainage Districts, Water Districts, a Levee District, a Waterworks District, a County Flood Control and Water Conservation District, a Fire Protection District, a Reclamation District, and a Water Agency. The determinations and findings reached are based upon surveys of agency representatives, meetings, and assessments of existing documents.

COUNTY DRAINAGE DISTRICT

The County Drainage District Act (California Water Code Division 17) provides for the creation of County Drainage Districts to control storm and other waste waters, protect private and public property from storm or waste waters, and conservation of storm and waste waters for beneficial and useful purposes.

The El Cerrito, Tierra Buena, and El Margarita County Drainage Districts are analyzed in this MSR/SOI Update.

WATER DISTRICTS

Water Districts may be formed pursuant to the California Water Code (Division 12) , for the purposes of furnishing water within the District boundaries. Fees may be charges that are equal to the District's cost for providing that service.

The Feather River, South Sutter, Sutter Extension, and Oswald Water District's are analyzed in this MSR/SOI Update.

LEVEE DISTRICTS

The Levee District Law of 1959 (Water Code § 70000-70272) provides for the creation of Levee Districts to protect lands from overflows and to conserve or add water to sloughs and drains.

Levee District #9 is analyzed in this MSR/SOI Update.

WATERWORKS DISTRICT

A Waterworks District may be formed pursuant to Water Code Section 55000, et. seq for the purposes of supplying residents with water for irrigation, domestic, industrial, or fire protection, and may provide for the development and conservation of water supplies for those purposes.

The Robbins Waterworks District #1 is analyzed in this MSR/SOI Update.

COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

The Sutter County Flood Control and Water Conservation District was formed under the Sutter County Flood Control and Water Conservation District Act to make sufficient water available for beneficial uses including storage and distribution of water for irrigation, domestic and fire

1.0 EXECUTIVE SUMMARY

protection and other beneficial uses. The District may construct and operate hydroelectric projects for district's use or for sale at wholesale. Additionally, the District may control drainage, flood or storm water and store and transport the water for beneficial uses. The Sutter County Flood Control and Water Conservation District is analyzed in this MSR/SOI Update.

FIRE PROTECTION DISTRICT

The Fire Protection District Law of 1987 (Health and Safety Code 13800- 13970), also known as the Bergeson Fire District Law, provides local governments with the power to form special districts to provide fire protection services, rescue services, emergency medical services, hazardous material emergency response services, ambulance services, and other services relating to the protection of lives and property.

The Robbins Sutter Basin Fire Protection District is analyzed in this MSR/SOI Update.

RECLAMATION DISTRICTS

Reclamation Districts are special districts established and operated under California Water Code Section 50000 *et seq.* The purpose of these districts is to reclaim and protect any body of swampland and overflowed salt march, tidelands, or other lands subject to overflow; to irrigate lands; and to provide drainage, levee maintenance, or irrigation services.

Reclamation District 2054 is analyzed in this MSR/SOI Update.

WATER AGENCY

The Sutter County Water Agency was formed under the Sutter County Water Agency Act of 1959 to make water available for any present or future beneficial use or uses of lands or inhabitants in the agency; to control and conserve drainage, flood and storm waters, replenish groundwater, protect watercourses, watersheds, roads, life and property from water damage, store, conserve, reclaim and import water, and to prevent pollution and contamination of water.

Each report contains the following sections:

I. Setting. This section provides a description of the geographic service area and Sphere of Influence;

II. Growth and Population. This section presents information on the present and projected service area population, and describes land uses and significant growth areas.

III. Infrastructure. This section analyzes the sufficiency of physical infrastructure and facilities to serve present and projected needs of the area based on current and projected population growth.

IV. Financing Constraints and Opportunities. This section evaluates the finance plans, joint finance projects, and revenue sources of each service provider.

V. Cost Avoidance Opportunities. This section examines current practices, overlapping services, the transfer of costs to the public, and inter-agency cooperation for the prospect of cost avoidance.

VI. Rate Restructuring. This section considers the current rate structure, including an analysis of frequency of rate updates.

VII. Opportunities for Shared Facilities. This section examines currently shared resources, facilities, personnel, and systems, as well as opportunities for expanded sharing.

VIII. Government Structure Options. This section reviews alternatives, such as formation and reorganization of new agencies and private sector opportunities. It also reviews previous restructuring efforts, as well as opportunities for and obstacles to restructuring.

IX. Evaluation of Management Efficiencies. This section reviews the current management structure, communication, and efficiency of the service providers

X. Local Accountability and Governance. This section analyzes the governing body, selection process, participation levels, and public access and interest of each district.

XI. Sphere of Influence Recommendations and Determinations. This section reviews the Sphere of Influence boundaries to determine whether any changes to the boundary should be made.

XII. Determinations. This section provides determinations with respect to the analysis factors described above.

CONCLUSIONS

The MSR/SOI updates for the special districts of Sutter County will serve as the primary document for the Sutter County LAFCo in their determination of services provided to the Districts' residents. This review will ensure that municipal and rural services are provided in the most efficient manner. This information will also be used by LAFCo to determine the appropriate Sphere of Influence for each agency, as well as to pursue changes to service or boundaries if necessary. Questions regarding the MSR/SOI update process can be directed to:

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**2.1 EL CERRITO COUNTY
DRAINAGE DISTRICT**

2.1 EL CERRITO COUNTY DRAINAGE DISTRICT

I. SETTING

The El Cerrito County Drainage District (District), formed in 1969, is a dependent district that serves a small residential subdivision on Romero Street in the Tierra Buena area and consists of approximately 14.8 acres (0.023 square miles). Land uses within the District consist of single-family residential development on 10,000 square foot lots, a drainage retention basin, and a small number of parcels zoned for commercial uses. The El Cerrito County Drainage District's mission statement is as follows:

The primary mission of the El Cerrito County Drainage District is to operate and maintain the drainage system within the District boundaries.

II. GROWTH AND POPULATION

Based on the 1983 Sphere of Influence Study adopted by LAFCo, population within the District is approximately 160. The District boundary is shown in **Figure 2.1-1**. The land within the District is fully built out. The District is located within Yuba City's sphere of influence which is growing at a rate of 2.5 percent per year.

Public Works personnel have noted that any new development proposed adjacent to the District's boundary would likely be covered under a new Drainage Zone of Benefit through the Sutter County Water Agency; the District's boundaries would not be increased.

III. INFRASTRUCTURE

Current facilities within the District include a drainage easement, gutters, drop inlets, a below-ground mounted pump, drainage pipes, and a retention pond for the purpose of draining collected water through evaporation and percolation.





The District Supervisor is also the Director of the Sutter County Public Works Department. The Public Works Department offices are located at 1130 Civic Center Boulevard in Yuba City. Public Works personnel are assigned a specific zone within the County, where they are responsible for day-to-day maintenance of infrastructure of the special districts that now fall under the purview of the Department. According to Public Works personnel, no known deficiencies in infrastructure exist; however, the existing capacity of the Live Oak canal constrains the amount of new development within the County.

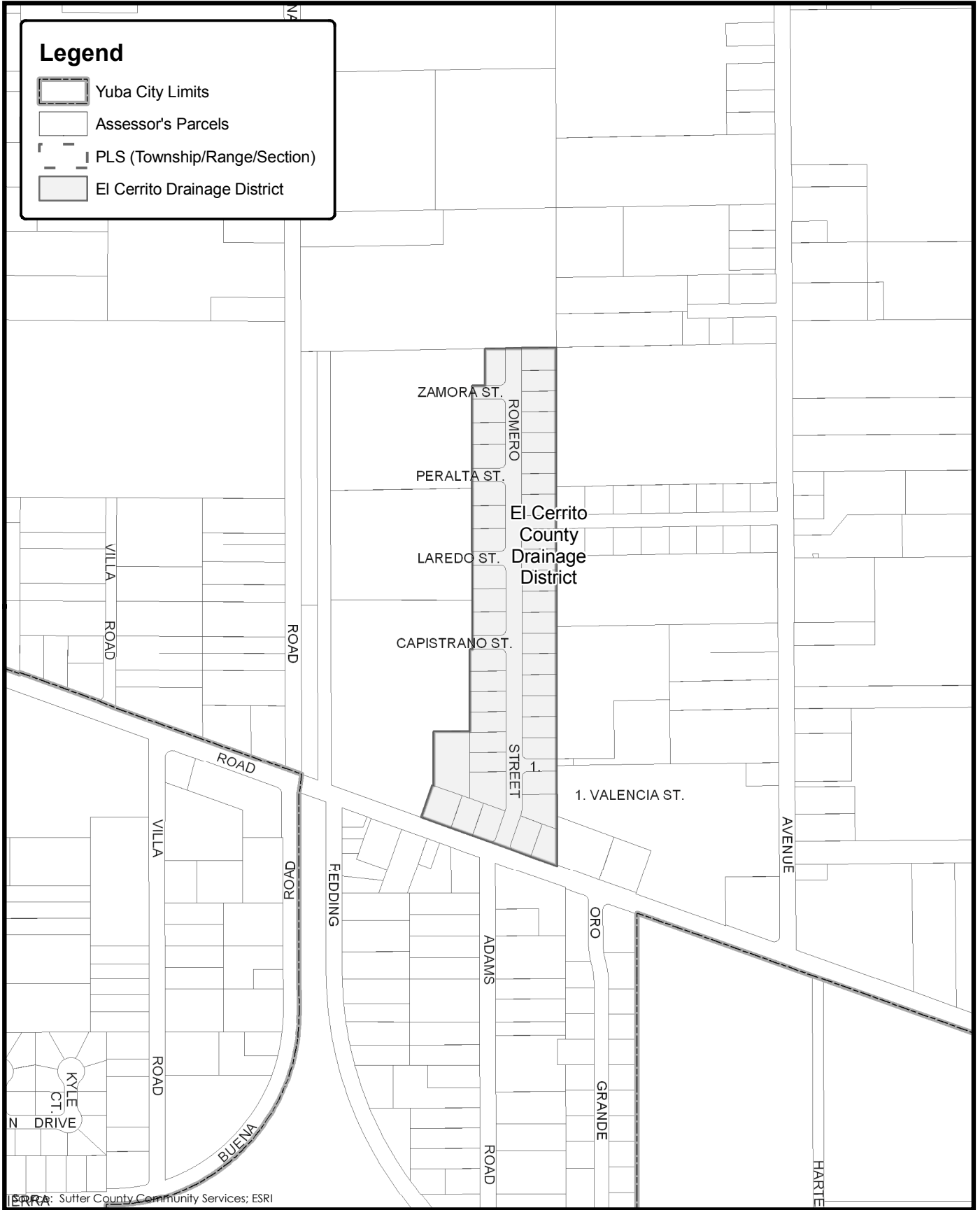
IV. FINANCING CONSTRAINTS AND OPPORTUNITIES

The Sutter County Public Works Department receives a portion of the ad valorem tax collected by the County. These funds are transferred to the Sutter County Water Agency for maintenance of the drainage system. Revenues in the fiscal year 2006-07 approved budget were \$540; net expenditures were \$540. The District does not currently charge any fees or pursue any grants or other sources of revenue.

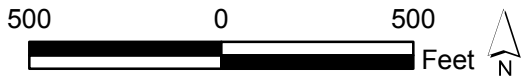
All expenditure decisions made on behalf of the El Cerrito County Drainage District are controlled by the annual budget developed and managed by Public Works staff and approved by the Sutter County Board of Supervisors.

Legend

-  Yuba City Limits
-  Assessor's Parcels
-  PLS (Township/Range/Section)
-  El Cerrito Drainage District



ESRI: Sutter County Community Services; ESRI



EL CERRITO COUNTY DRAINAGE DISTRICT



V. COST AVOIDANCE OPPORTUNITIES

This section of the MSR considers the potential cost avoidance opportunities available to each service provider. Cost avoidance opportunities include any potential sources of reduction in costs associated with service provision, and any other capital or operational actions or programs which may result in a more efficient and streamlined provision of services to the properties within the service area. This analysis includes both potential and previously implemented cost avoidance measures.

The Sutter County Public Works Department oversees the day-to-day operations and maintenance for several special districts including the El Cerrito County Drainage District, the Tierra Buena County Drainage District, the El Margarita County Drainage District, and the Sutter County Flood Control and Water Conservation District. The Department also is responsible for administrative services to the County Airport, Facilities Maintenance, Central Services, County Shop, Fish and Game, Parks and Recreation, Purchasing, Road Department, Water Agency, and street lighting and landscape districts.

The District is benefiting from the cost avoidance incurred by utilizing a drainage maintenance supervisor and maintenance/equipment workers whose responsibilities include providing services to other special districts.

Auditing and budgeting are performed as part of a larger department-wide process.

No additional significant cost avoidance opportunities have been identified that would have resulted in a significant reduction in costs associated with service provision.

VI. RATE RESTRUCTURING

Revenue sources consist only of a portion of the ad valorem tax collected by the County. There are no additional fees charged for drainage services, thus rate restructuring options are not readily available to the District.

VII. OPPORTUNITIES FOR SHARED FACILITIES

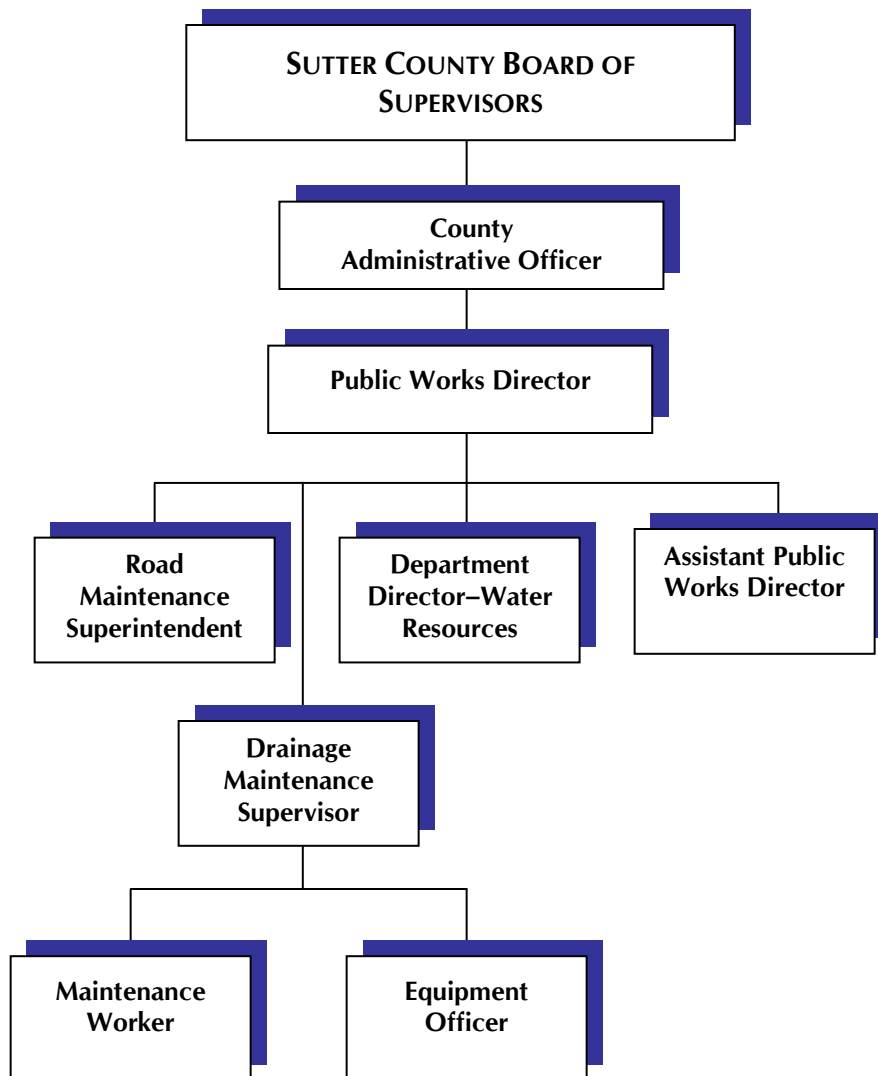
District operations are conducted by the Public Works Department. Department personnel and equipment are utilized to provide service to this District and other districts which fall under the purview of the Department.

VIII. GOVERNMENT STRUCTURE OPTIONS

Members of the Board of Supervisors serve as the legislative body for Sutter County as well as all dependent special districts within the County. Each of the five members represents an area of the County, known as a Supervisorial District, and is elected by the voters in that Supervisorial District to a staggered four-year term. Board members receive compensation in the form of salary and benefits. The government structure of the District is shown in **Figure 2.1-2**.

2.1 EL CERRITO COUNTY DRAINAGE DISTRICT

FIGURE 2.1-2:
GOVERNMENT STRUCTURE



The District, under its current legal form, is able to function under its current government structure. The cost, time, and administrative complexity of transitioning to an alternative government structure would make the suitability a transition extremely difficult. The existing structure of the District as a County Drainage District is sufficient to allow the District to continue service provision in the foreseeable future. Therefore, a reorganization of the current government structure is not likely to significantly improve services. The current government structure is able to provide adequate service within district boundaries. No additional government structure options have been identified.

IX. EVALUATION OF MANAGEMENT EFFICIENCIES

The District is operated by the Sutter County Public Works Department. The Public Works Director acts as the District Supervisor and Public Works staff provide administrative assistance (correspondence and billing) and day-to-day maintenance within the District. The Department has actively recruited for personnel to fill a vacant position for a Water Resources Engineer for more than a year. The District is included within the boundaries of the Tierra Buena County Drainage District (CDD), but the Tierra Buena CDD is currently inactive. The internal structure of the District has not been reorganized within the past three years.

The District does not maintain a website; however, information related to drainage and the District is available on the County website.

The current organization of the District presents few apparent management issues. Therefore, management changes are unnecessary to ensure the long-term continuation of service provision by the District.

X. LOCAL ACCOUNTABILITY

The District is governed by the Sutter County Board of Supervisors and operated by the County Public Works Department. The Board is responsible for enacting ordinances and resolutions, adopting the County budget, levying taxes, and approving formal contracts and agreements. Board meetings are held every Tuesday during the regular Board of Supervisors meeting. Secondary meetings are held every second and fourth Thursday during the Public Works Support Services Committee meetings. All meetings of the Board of Supervisors are open to the public. Meeting times and locations are posted online, in addition to meeting agendas and minutes. Additionally, taped meetings of the Board can be viewed every Wednesday evening at 8:00 p.m. on cable TV channel 18 in the Yuba City area. District public meetings appear to comply with all Brown Act procedures.

All expenditure decisions made on the behalf of the District are controlled by the annual budget developed and managed by the Public Works staff and approved by the Sutter County Board of Supervisors. Auditing and budgeting of the District's finances are performed as part of a larger department-wide process.

Bidding procedures for the County have been adopted by the Board of Supervisors and established by Ordinance (Chapter 27, Sections 10 through 27).

XI. SPHERE OF INFLUENCE RECOMMENDATIONS AND DETERMINATIONS

A sphere of influence comprises the growth boundaries for an agency and provides opportunities for the service area to expand, should they choose to seek such an expansion. State law requires updating spheres of influence at least once every five years. As part of updating a sphere of influence, state law requires LAFCo to prepare written statements with regard to the following four areas of attention:

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

All land within the El Cerrito County Drainage District is zoned residential, with the exception of parcels fronting Butte House Road and the retention basin area, which are zoned commercial.

2.1 EL CERRITO COUNTY DRAINAGE DISTRICT

- 2) The present and probable need for public facilities and services in the area.

Population growth within the El Cerrito County Drainage District is expected to remain fairly constant over time, as the area is fully built out. Personnel in the Sutter County Public Works Department have noted that current and long-term needs are continued maintenance of existing drainage facilities.

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

According to personnel in the Public Works Department, the present capacity of the drainage system is adequate to serve existing customers.

- 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.

There are no relevant social or economic communities of interest in the District.

XII. MUNICIPAL SERVICE REVIEW DETERMINATIONS

Pursuant to the Cortese-Knox-Hertzberg Act, determinations must be made for each factor analyzed above. Determinations are based on analysis of information provided by surveys completed by agency staff, agency documents, meetings with agency staff, and Internet research. Accordingly, staff recommends that the Commission adopt the determinations that follow.

- 1) **Growth and population projections for the affected area determination** – Land within the El Cerrito County Drainage District has been built out; therefore, no further development is anticipated and the population will remain relatively constant.
- 2) **Infrastructure needs or deficiencies determination** – According to Public Works Department staff, the El Cerrito County Drainage's infrastructure is sufficient to service existing residents. Future infrastructure needs consist only of continued maintenance of existing drainage facilities.
- 3) **Financing constraints and opportunities determination** – The El Cerrito County Drainage District receives funding through ad valorem taxes collected by the County. District expenditures routinely match revenues, and no financial constraints have been identified by District staff.
- 4) **Cost avoidance opportunities determination** – The El Cerrito County Drainage District, as well as numerous other dependent special districts within the County, is governed and operated by existing County entities. The District is benefiting from the cost avoidances incurred by utilizing staff whose responsibilities include providing services to other special districts.
- 5) **Opportunities for rate restructuring determination** – The El Cerrito County Drainage District is funded by ad valorem taxes collected by the County and does not charge any fees; therefore, no opportunities for rate restructuring are available.

2.1 EL CERRITO COUNTY DRAINAGE DISTRICT

- 6) **Opportunities for shared facilities determination** – The El Cerrito County Drainage District utilizes staff from the County Public Works Department and is governed by the County Board of Supervisors. No other opportunities for facilities sharing were identified.
- 7) **Government structure options determinations** –The El Cerrito County Drainage District serves its residents efficiently within logical service boundaries and would not benefit from operating under a different government structure.
- 8) **Evaluation of management efficiencies determination** – The El Cerrito County Drainage District appears to operate efficiently and effectively in its provision of services.
- 9) **Local accountability determination** – The El Cerrito County Drainage District is overseen by the County Board of Supervisors, members of which are elected by County voters. The District Board holds monthly public meetings that are noticed according to Brown Act procedures. District finances are audited as part of a larger department-wide process, and bidding procedures have been established for services contracted by the District.

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**2.2 EL MARGARITA COUNTY
DRAINAGE DISTRICT**

2.2 EL MARGARITA COUNTY DRAINAGE DISTRICT

I. SETTING

The El Margarita Drainage District (District), created in 1972, exists to operate and maintain the drainage systems within the District, which serves a small residential subdivision off of El Margarita Road. The District primarily manages surface storm water runoff within the subdivision. The District's service area is approximately 26.4 acres, or 0.041 square miles. The District's current boundaries are shown on **Figure 2.2-1**.

II. GROWTH AND POPULATION

The subdivision within and served by the District is zoned for single-family residential uses and is fully developed. There are approximately 108 lots. As a result, no significant growth, land use changes, or population increases are anticipated.

A 1983 LAFCo Sphere of Influence Study estimated the population within the District to be 184 people. The District is located entirely within Yuba City's sphere of influence, which is growing at a rate of 2.5% per year.

The District is located entirely within the drainage Zone of Benefit 8, which is administered by the Sutter County Water Agency. Any additional development outside of the District would be served by the Sutter County Water Agency and would not require the District to expand boundaries or services.

III. INFRASTRUCTURE

The District primarily manages surface storm water runoff within the subdivision. Current infrastructure and facilities includes gutters, drop inlets, drainage pipes, and a drainage lift station. The District's current infrastructure is able to adequately serve the subdivision. No significant issues were noted by District staff.

The surface storm water collected within the District is eventually discharged into the Sutter County Water Agency's Live Oak Canal.





IV. FINANCING CONSTRAINTS AND OPPORTUNITIES

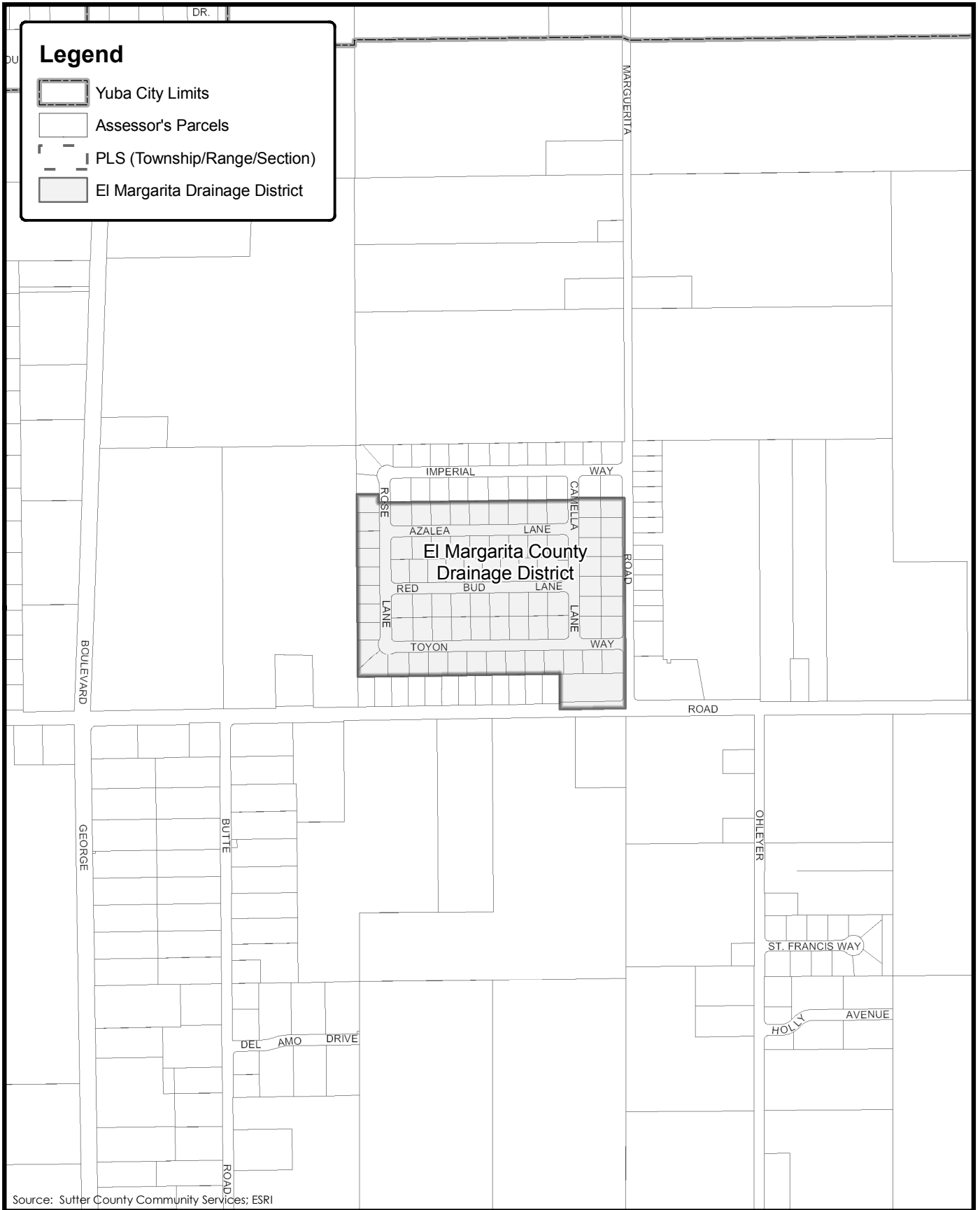
The Sutter County Public Works Department receives a portion of the ad valorem tax collected by the County to maintain the District infrastructure. The District is within County Water Zone #8, and all of the District's financial activities are grouped in under this Water Zone. The Board of Supervisors adopted a total budget of \$55,419 for the entire Water Zone. Revenues included property tax and interest income.

All expenditure decisions made on behalf of the El Margarita County Drainage District are controlled by the annual budget developed and managed by Public Works staff and approved by the Sutter County Board of Supervisors.

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Legend

-  Yuba City Limits
-  Assessor's Parcels
-  PLS (Township/Range/Section)
-  El Margarita Drainage District



Source: Sutter County Community Services; ESRI



EL MARGARITA COUNTY DRAINAGE DISTRICT



V. COST AVOIDANCE OPPORTUNITIES

This section of the MSR considers the potential cost avoidance opportunities available to each service provider. Cost avoidance opportunities include any potential sources of reduction in costs associated with service provision, and any other capital or operational actions or programs which may result in a more efficient and streamlined provision of services to the properties within the service area. This analysis includes both potential and previously implemented cost avoidance measures.

The Sutter County Public Works Department oversees the day-to-day operations and maintenance for several special districts including the El Margarita County Drainage District, the Tierra Buena County Drainage District, the El Cerrito Drainage District, and the Sutter County Flood Control and Water Conservation District. The Department also is responsible for administrative services to the County Airport, Facilities Maintenance, Central Services, County Shop, Fish and Game, Parks and Recreation, Purchasing, Road Department, Water Agency, and street lighting and landscape districts.

The District is benefiting from the cost avoidance incurred by utilizing a drainage maintenance supervisor and maintenance/equipment workers whose responsibilities include providing services to other special districts.

Auditing and budgeting are performed as part of a larger department-wide process.

No additional significant cost avoidance opportunities have been identified that would have resulted in a significant reduction in costs associated with service provision.

VI. RATE RESTRUCTURING

Revenue sources consist only of a portion of the ad valorem tax collected by the County. There are no additional fees charged for drainage services; thus, rate restructuring options are not readily available to the District.

VII. OPPORTUNITIES FOR SHARED FACILITIES

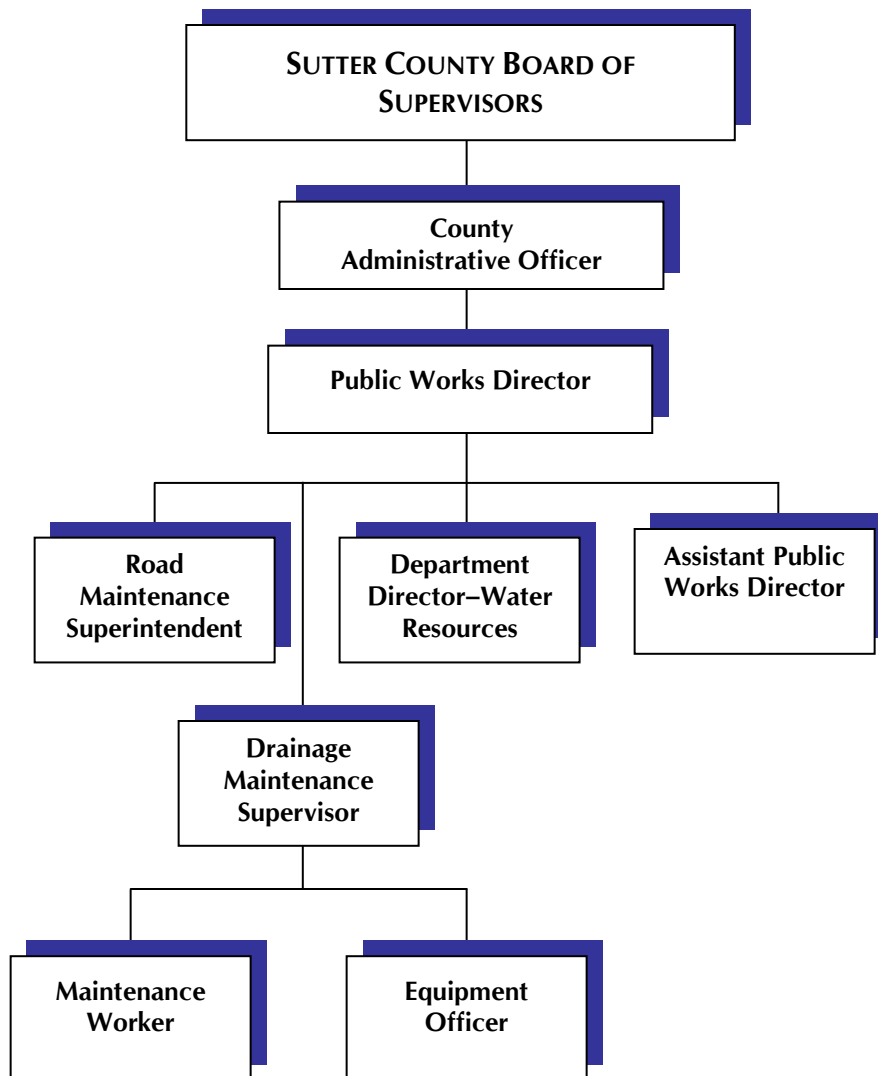
District operations are conducted by the Public Works Department. Department personnel and equipment are utilized to provide service to this District and other districts which fall under the purview of the Department.

VIII. GOVERNMENT STRUCTURE OPTIONS

Members of the Board of Supervisors serve as the legislative body for Sutter County as well as all dependent special districts within the County. Each of the five members represents an area of the County, known as a Supervisorial District, and is elected by the voters in that Supervisorial District to a staggered four-year term. Board members receive compensation in the form of salary and benefits. The government structure of the District is shown in **Figure 2.2-2**.

2.2 EL MARGARITA COUNTY DRAINAGE DISTRICT

FIGURE 2.2-2:
GOVERNMENT STRUCTURE



The District, under its current legal form, is able to function under its current government structure. The cost, time, and administrative complexity of transitioning to an alternative government structure would make the suitability a transition extremely difficult. The existing structure of the District as a County Drainage District is sufficient to allow the District to continue service provision in the foreseeable future. Therefore, a reorganization of the current government structure is not likely to significantly improve services. The current government structure is able to provide adequate service within district boundaries. No additional government structure options have been identified.

The Sutter County Board of Supervisors, by Board Resolution 72-263, formed the District in November 27, 1972.

IX. EVALUATION OF MANAGEMENT EFFICIENCIES

The District is operated by the Sutter County Public Works Department. The Public Works Director acts as the District Supervisor and Public Works staff provide administrative assistance (correspondence and billing) and day-to-day maintenance within the District. The Department has actively recruited for personnel to fill a vacant position for a Water Resources Engineer for more than a year. The internal structure of the District has not been reorganized within the past three years.

The District does not maintain a website; however, information related to drainage and the District is available on the County website.

The current organization of the District presents few apparent management issues. Therefore, management changes are unnecessary to ensure the long-term continuation of service provision by the District.

X. LOCAL ACCOUNTABILITY

The District is governed by the Sutter County Board of Supervisors and operated by the County Public Works Department. The Board is responsible for enacting ordinances and resolutions, adopting the County budget, levying taxes, and approving formal contracts and agreements. Board meetings are held every Tuesday during the regular Board of Supervisors meeting. Secondary meetings are held every second and fourth Thursday during the Public Works Support Services Committee meetings. All meetings of the Board of Supervisors are open to the public. Meeting times and locations are posted online, in addition to meeting agendas and minutes. Additionally, taped meetings of the Board can be viewed every Wednesday evening at 8:00 p.m. on cable TV channel 18 in the Yuba City area. District public meetings appear to comply with all Brown Act procedures.

All expenditure decisions made on the behalf of the District are controlled by the annual budget developed and managed by the public works staff and approved by the Sutter County Board of Supervisors. Auditing and budgeting of the District's finances are performed as part of a larger department-wide process.

Bidding procedures for the County have been adopted by the Board of Supervisors and established by Ordinance (Chapter 27, Sections 10 through 27).

XI. SPHERE OF INFLUENCE RECOMMENDATIONS

A sphere of influence comprises the growth boundaries for an agency and provides opportunities for the District to expand, should they choose to seek such an expansion. State law requires that Spheres of Influence be updated every five years. As part of updating a Sphere of Influence, State law requires LAFCo to prepare written statements with regard to the following four areas of attention:

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

Present land uses within the El Margarita Drainage District are entirely residential and fully developed. Planned land uses within District are anticipated to remain the same as current land uses.

2.2 EL MARGARITA COUNTY DRAINAGE DISTRICT

2. The present and probable need for public facilities and services in the area.

The present need for public facilities and services within the El Margarita Drainage District is currently being met. No probable needs for public facilities and services within the District are anticipated.

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

The present capacity of the El Margarita Drainage District's drainage facilities are adequate to serve residents within the District. The Live Oak Canal to which the District currently discharges storm water has a limited capacity available, but is not expected to affect District services provided.

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.

Relevant social or economic communities of interest in the area include Yuba City, as the city is just east of the District.

XII. MUNICIPAL SERVICE REVIEW DETERMINATIONS

Pursuant to the Cortese-Knox-Hertzberg Act, determinations must be made for each factor analyzed above. Determinations are based on analysis of information provided by surveys completed by agency staff, agency documents, meetings with agency staff, and Internet research. Accordingly, staff recommends that the Commission adopt the determinations that follow.

1. **Growth projected for the affected area determination:** The subdivision within and served by the El Margarita Drainage District is zoned for single-family residential uses and is fully developed. No significant growth, land use changes, or population increases are anticipated.
2. **Infrastructure needs or deficiencies determination:** The El Margarita Drainage District's current infrastructure and facilities include gutters, drop inlets, drainage pipes, and a drainage lift station. The District's current infrastructure is able to adequately serve the subdivision. No significant issues were noted by District staff.
3. **Financing constraints and opportunities determination:** The El Margarita Drainage District appears to be financed by property taxes. No budgets and audited financial statements were available for review. The District is operated by the Sutter County Public Works Department.
4. **Cost avoidance opportunities determination:** The El Margarita Drainage District appears to utilize available cost reduction measures in its operations, as related to sharing of facilities, knowledge, equipment, and personnel by utilizing staff from the Sutter County Public Works Department to provide services. No additional significant opportunities for cost avoidance have been identified.
5. **Opportunities for rate restructuring determination:** The El Margarita Drainage District is funded by ad valorem taxes collected by the County and does not charge any fees; therefore, no opportunities for rate restructuring are available.

6. **Opportunities for shared facilities determination:** The District utilizes staff from the County Public Works Department and is governed by the County Board of Supervisors. No other opportunities for facilities sharing were identified.
7. **Government structure options, including advantages and disadvantages of consolidation or reorganization of service providers determination:** The El Margarita Drainage District, a dependent special district, is providing storm water drainage services within its jurisdictional boundary without overlapping services with other service providers. The overall management structure of the District is sufficient to perform necessary services and maintain operation. The current government structure is adequate for the services provided.
8. **Evaluation of management efficiencies determination:** The El Margarita Drainage District is currently providing operation and maintenance of drainage facilities within the subdivision it serves. The Sutter County Public Works Department provides all technical and administrative support staff for the District. This allows the District to share the knowledge and expertise of several drainage systems within the county.
9. **Local accountability and governance determination:** The El Margarita Drainage District is overseen by the County Board of Supervisors, members of which are elected by County voters. The District Board holds monthly public meetings that are noticed according to Brown Act procedures. District finances are audited as part of a larger department-wide process, and bidding procedures have been established for services contracted by the District.

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Correspondence with Kevin Bradford, Associate Civil Engineer, Sutter County Public Works Department, March 8, 2007.

Sutter LAFCo, Sphere of Influence Study, October 1983.






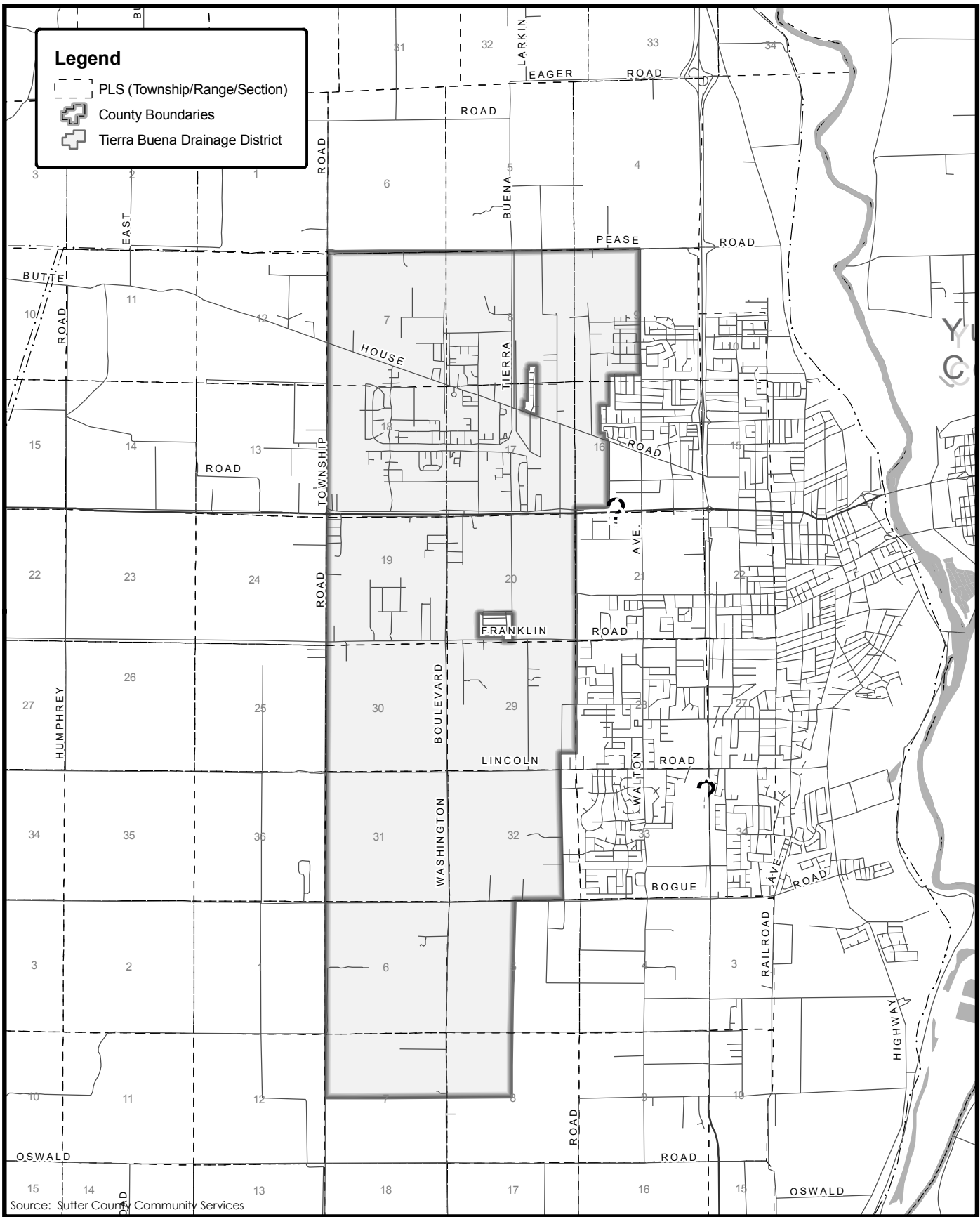
**2.3 TIERRA BUENA COUNTY
DRAINAGE DISTRICT**

2.3 TIERRA BUENA COUNTY DRAINAGE DISTRICT

The Tierra Buena County Drainage District is inactive. The District was formed by Resolution 73-172 in September 1973. The subsequent election held to establish a tax rate failed; therefore the District does not provide services within its boundary area of 6.25 square miles. Drainage service needs within the District are handled by the Sutter County Water Agency and/or the City of Yuba City.

Legend

-  PLS (Township/Range/Section)
-  County Boundaries
-  Tierra Buena Drainage District



Source: Sutter County Community Services



**TIERRA BUENA COUNTY
DRAINAGE DISTRICT**





3.1 FEATHER RIVER WATER DISTRICT

I. SETTING

The Feather River Water District (District) was formed on June 23, 1958, under Division 13 of the California Water Code. The existing land uses in the District are predominantly agricultural and pasture as well as one ski lake. The total area of the District is 9,800 acres, but the service area fluctuates between 8,000 and 8,300 acres each year based on the amount of land that is irrigated. The District provides water for the purposes of irrigation only; no domestic water is provided.

The boundaries of the District are shown in **Figure 3.1-1**.

II. GROWTH AND POPULATION

According to District Manager Francis Silva, there are currently 132 parcels and about 300 connections in the District.

No urban development within the District is expected in the near- or long-term. The existing General Plan designates parcels within this area as Agricultural-80-acre minimum parcel size and Agricultural-20-acre minimum parcel size; therefore, potential development in the District is limited. Uses in the District do change, but such changes have had a negligible impact on the demand for service.

III. INFRASTRUCTURE

The District owns and maintains 51 miles of concrete pipeline, 8 pumps in the Feather River, backhoes, an air compressor, a concrete cutter saw, 15 water meters, and 4 pickups. The District also owns an office with an attached workshop located at 280 Wilkie Avenue in Yuba City.

The District performs maintenance on all public and 135 privately-owned meters in the District. However, if the District determines that a meter has been intentionally damaged, the owner is charged a repair fee.






The District holds a water service replacement water contract with the U.S. Bureau of Reclamation (USBR) where up to 18,000 acre-feet of Central Valley Project CVP water is pumped out of the Feather River and is "replaced" with CVP water from the Sacramento River delivered by the Bureau of Reclamation at the confluence of the Sacramento and Feather Rivers.

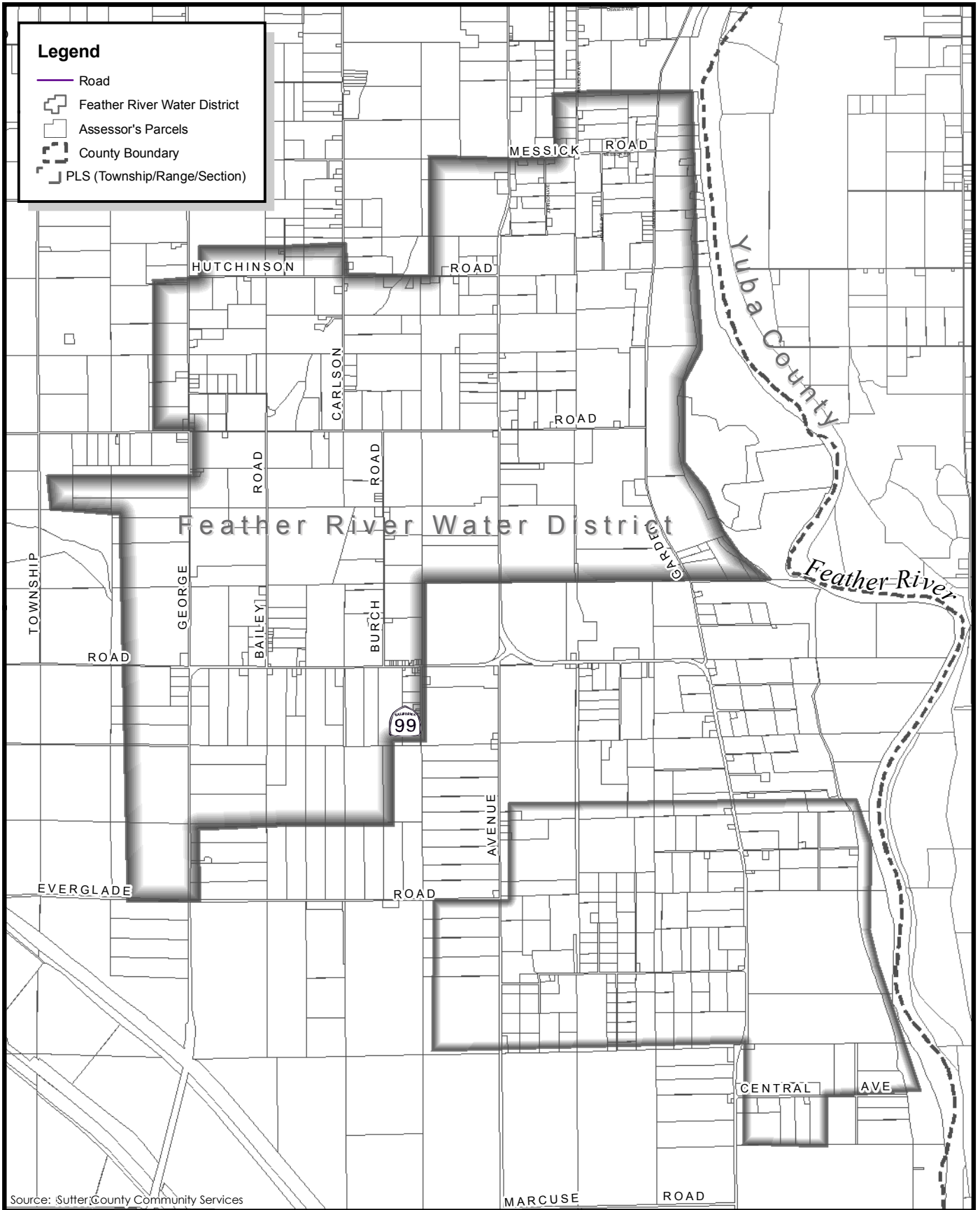
IV. FINANCING CONSTRAINTS AND OPPORTUNITIES

The District has a contract with the USBR for 18,000 acre-feet of water per year. The District buys this water at a rate of \$32 per acre-foot. The District owns water rights from September to May and utilizes water through the USBR contract to buy water for the remaining months.

The District receives income from two sources: (1) property taxes and (2) a water charge assessed on growers based on the amount of irrigated land that year. Property taxes are collected and distributed by the County, while water charges are billed directly by the District. Proposition 13 limits the ability of the District to raise assessments on parcels. To compensate for this limitation, the District charges a water fee to fund the costs of providing services not funded by tax revenues. The District currently has a delinquency account with the County.

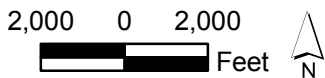
Legend

-  Road
-  Feather River Water District
-  Assessor's Parcels
-  County Boundary
-  PLS (Township/Range/Section)



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Source: \Sutter\County Community Services



FEATHER RIVER WATER DISTRICT

PMC



The District's audits for the Fiscal Years (FYs) 2002-03 and 2003-04 were reviewed to determine the fiscal status of the District. According to these audits, the District's revenues and expenditures fluctuate annually. In 2003, the District had \$848,999 in actual revenues. The District budgeted \$711,000 in expenditures but actually spent \$994,257, ending the year with a \$145,258 deficit. In 2004, the District's revenues were \$923,939. The District budgeted \$723,160 for expenditures but actually spent \$794,165, ending the year with a \$129,774 surplus. As of December 31, 2004, the District paid \$103,005 toward its existing debt, including \$11,375 in interest.

In the FY 2002-03 auditor's report, it was noted that the District did not have formal written personnel or purchasing policies and procedures. It was recommended that the District develop such policies; the District wrote the policies prior to the December 31, 2004, audit. Additionally, other recommendations made in the auditor's report from the previous year were addressed by the District. These recommendations included creating a list of all capital assets and planning implementation of GASB 34. The recommendations which were not implemented or were only partially implemented include determining the benefits of reclassification from a benefit fund to a proprietary fund, charging fees in accordance with a fee schedule which is reflected in the general ledger, and periodically reviewing computer files to establish correspondence with employees files.

V. COST AVOIDANCE OPPORTUNITIES

This section of the MSR considers the potential cost avoidance opportunities available to each service provider. Cost avoidance opportunities include any potential sources of reduction in costs associated with service provision, and any other capital or operational actions or programs which may result in a more efficient and streamlined provision of services to the properties within the service area. This analysis includes both potential and previously implemented cost avoidance measures.

Through its relationships with the neighboring agencies, Garden Highway Mutual and Tudor Mutual, the District is able to reduce overhead costs by sharing attorney costs and repair crews. Additionally, Tudor Mutual shares an office with the Feather River Water District and pays a rental fee.

VI. RATE RESTRUCTURING

As described in Section IV above, the District receives income from property taxes and water charges. Water charges are billed directly from the District office, but property taxes are collected and distributed by the County. To account for the limitations of property taxes due to Proposition 13, the District levies a "surplus charge" to each account to compensate for the increasing costs of running the District.

VII. OPPORTUNITIES FOR SHARED FACILITIES

The District owns office space and rents a portion of the property to Tudor Mutual, with whom they also share attorney costs and repair crews.

VIII. GOVERNMENT STRUCTURE OPTIONS

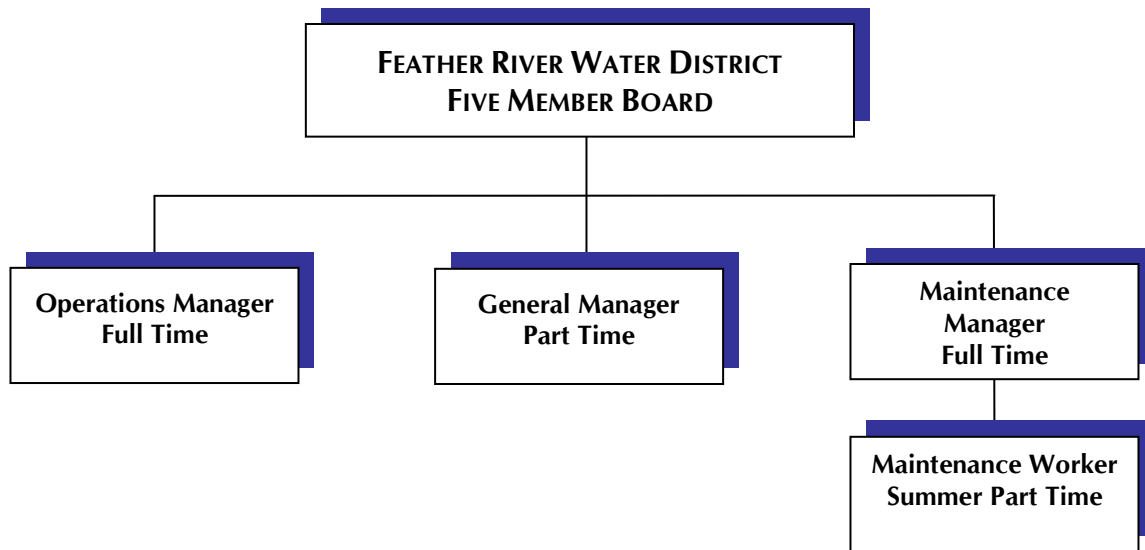
The District is managed by a five-member Board of Directors, elected by District property owners. The District employs a part-time general manager, a full-time operations manager, a full-time maintenance manager, and two part-time maintenance workers in the summer.

3.1 FEATHER RIVER WATER DISTRICT

The District facilities are adequate to provide irrigation for agriculture. The District owns water rights capable of supporting an additional 500 acres to the north and 200 acres to the south. A landowner with a 90-acre parcel to the south is planning on annexing into the District. This parcel abuts the existing District boundary.

Figure 3.1-2 represents the government structure of the Feather River Water District.

**FIGURE 3.1-2:
GOVERNMENT STRUCTURE**



IX. EVALUATION OF MANAGEMENT EFFICIENCIES

District staff spends approximately eight to nine months each year servicing pipelines and the remaining months performing maintenance work including replacement and repair of pipelines. The District has \$100,000 budgeted each year for maintenance work.

According to the District Manager, it is infeasible to inspect 51 miles of pipe on a regular basis. Therefore, maintenance and inspection take place as leaks occur.

Every year, "Summary Sheets" are filled out by District landowners to document water usage and are submitted to the District. The District employs a private firm, "Water Account Records," to ensure that all Summary Sheets are adequate and complete prior to District submission to the USBR.

X. LOCAL ACCOUNTABILITY

The District is managed by a Board of Directors, which meets the second Tuesday of each month. Agendas are posted at the District office. The Board approves all major purchases; however, the Operations Manager can make purchases related to emergency situations without consulting the Board.

The District reports water usage yearly for conservation purposes to the USBR. The District is required to utilize all feasible measures of water conservation. Every two years, the USBR audits

the District Summary Sheets which record how much land is being irrigated by landowners in the District. The District maintains Water Delivery Books for the past 20 years.

XI. SPHERE OF INFLUENCE RECOMMENDATIONS

A sphere of influence comprises the growth boundaries for an agency and provides opportunities for the District to expand, should they choose to seek such an expansion. State law requires that Spheres of Influence be updated every five years. As part of updating a Sphere of Influence, State law requires LAFCo to prepare written statements with regard to the following four areas of attention:

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

Present and planned land uses within the District are primarily agricultural including pasture.

2. The present and probable need for public facilities and services in the area.

There is no urban development expected within the District in the near- or long-term. Intensive development opportunities in the District are limited by the existing General Plan designation of Agriculture.

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

The District facilities are adequate to provide irrigation for agriculture. The District owns water rights capable of supporting an additional 500 acres to the north and 200 acres to the south. A landowner with a 90-acre parcel to the south is planning on annexing into the District. The parcel abuts against the existing District Boundary.

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 local agricultural community is of interest as the primary recipient of services from the District.

XII. MUNICIPAL SERVICE REVIEW DETERMINATIONS

Pursuant to the Cortese-Knox-Hertzberg Act, determinations must be made for each factor analyzed above. Determinations are based on analysis of information provided by surveys completed by agency staff, agency documents, meetings with agency staff, and Internet research. Accordingly, staff recommends that the Commission adopt the determinations that follow.

1. **Growth projected for the affected area determination:** Feather River Water District will be able to continue to meet service needs and has access to surplus water rights. The District should be able to accommodate projected service demands over the next 10 years and beyond, including the proposed 90-acre annexation to the south.
2. **Infrastructure needs or deficiencies determination:** Feather River Water District has adequate infrastructure to serve the District's residents and maintains it sufficiently.

3.1 FEATHER RIVER WATER DISTRICT

3. **Financing constraints and opportunities determination:** Feather River Water District is recovering its annual costs from property taxes as well as fees levied based on water use. The District has implemented a number of suggestions from the Auditor-Controllers office that may allow the District to avoid significant budget changes.
4. **Cost avoidance opportunities determination:** The Feather River Water District appears to utilize available cost reduction measures in its operations, as related to sharing of facilities and personnel. The District reduces overhead costs by sharing attorney costs and repair crews with neighboring districts. Additionally, the District rents out a portion of its office space. There are no outstanding opportunities identified to significantly avoid current operating costs.
5. **Opportunities for rate restructuring determination:** The Feather River Water District receives income from property taxes and water charges. Water charges are billed directly from the District office, but property taxes are collected and distributed by the County. To account for the limitations of property taxes due to Proposition 13, the District levies a "surplus charge" each account to compensate for the increasing costs of running the District.
6. **Opportunities for shared facilities determination:** The Feather River Water District rents a portion of its office space. No other opportunities for shared facilities have been identified.
7. **Government structure options, including advantages and disadvantages of consolidation or reorganization of service providers determination:** The structure of the Feather River Water District needs no changes. There has been no interest expressed by the District to merge with any other district or alter the governmental structure as currently practiced. The District noted interest in annexing an adjacent 90-acre parcel to the south; the District has access to sufficient water rights to service this area.
8. **Evaluation of management efficiencies determination:** The overall management structure of the Feather River Water District is sufficient to account for necessary services and maintain operations in an efficient and effective manner. The District is monitored by the Bureau of Reclamation.
9. **Local accountability and governance determination: The Feather River Water District is overseen by a five-member Board of Directors, who are elected by District landowners.** District meetings appear to be conducted in accordance with Brown Act procedures, including meeting notifications posted at the District office. There are sufficient opportunities for local involvement in District activities.

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Feather River Water District. Personal Correspondence, Francis Silva, General Manager.

The seal of Sutter County, California, is a circular emblem. It features a central landscape scene with a river, a bridge, and a mountain range in the background. The scene is framed by a white border containing the text "SUTTER COUNTY" at the top and "CALIFORNIA" at the bottom. Two golden spheres are positioned on either side of the central scene. Two horizontal lines are drawn across the seal, one above and one below the central text.

3.2 SOUTH SUTTER WATER DISTRICT

I. SETTING

The South Sutter Water District (District) is a supplemental water district providing agricultural irrigation water for services to meet the farming needs of the unincorporated areas in southeast Sutter County. The District encompasses 60 miles of open canals, the Bear River Drive Pump Plant and Pipeline, and the Camp Far West Dam and Reservoir, within an area of approximately 57,128 acres. The District is generally bounded by the Bear River, Coon Creek, Curry Creek, and approximately Dowd Road to the east. The predominant land use in the region is agriculture. Sheridan and the City of Lincoln exist outside the District's eastern border and present potential residential development pressure. Water user fees fund the operation of District's facilities and maintenance of the existing infrastructure.

Residents established the Water District in 1954, pursuant to the California Water Code codified in Sections 34150 and 34500. By petitioning the Sutter County Board of Supervisors, a special election was held to form the District. An approval by voters led to the formation of the District, which was empowered to provide water for agricultural uses to residents within the service area. The District was not empowered to provide municipal water services.

Because the District utilizes water rights on the Bear River that set available water volumes, operating permits and meters are not necessary. Additional water sources include surface water from Camp Far West Reservoir and landowners' private wells for water demands above their allocations.





The District's current Sphere of Influence is seen in **Figure 3.2-1**. The District's sphere has not changed since the District was established in 1954.

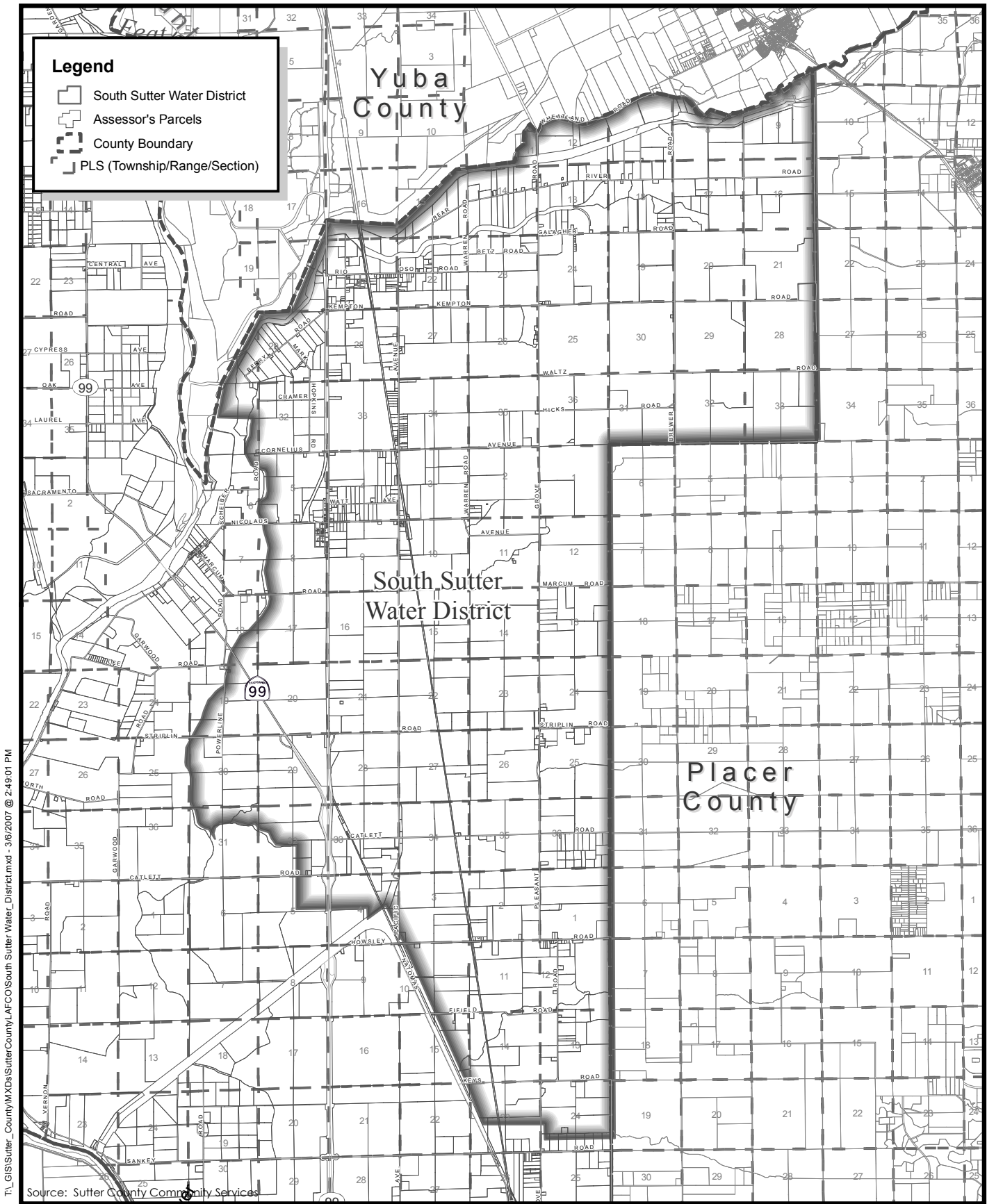
II. GROWTH AND POPULATION

The District experiences minimal growth both in terms of population and agricultural intensities. The County's regulation of farmland within the District's boundaries limits the projected population growth, as does limited potable water supplies. The District's general manager noted that current population growth rate is estimated to be less than one percent per year. The general manager also noted that the City of Lincoln is expanding westward toward the District, and developers along the I-5 corridor could possibly encroach into the southern boundary of the District within the next five to ten years. Since the District does not provide municipal services, sprawl may be discouraged.

Agricultural land uses and their subsequent zoning designation serve as a natural growth impediment. The Sutter County Zoning Ordinance provides that agricultural parcels range in size from a minimum of 20 acres to a maximum of 80 acres. These large lot sizes limit the amount of subdivision development and corresponding population growth. Additional growth impediments include the lack of municipal services within the District's boundaries. As a result, there have been very few changes in the population trends in the District's history.

Legend

-  South Sutter Water District
-  Assessor's Parcels
-  County Boundary
-  PLS (Township/Range/Section)



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Source: Sutter County Community Services



SOUTH SUTTER WATER DISTRICT



III. INFRASTRUCTURE

The District currently provides agricultural water to approximately 200 users. The District's infrastructure consists of the Camp Far West Dam and Reservoir, a powerhouse, a diversion dam, approximately 60 miles of open canals, and the Bear River Drive Pump Plant and Pipeline. Construction of District infrastructure was completed in 1964.

Water supply is determined based upon water availability in the Camp Far West Reservoir. Fluctuations in supply are based solely on yearly winter precipitation. Water quality monitoring is not required because the District provides water for agricultural purposes and not potable uses.

The District staff noted that the current infrastructure is in "good" condition. The District repairs and replaces worn pipes and structures annually. No known infrastructural deficiencies have been identified. The District conducts a thorough inspection of canals, dams and pipelines during the winter dewatering period (mid-January through mid-March) and makes repairs as needed.

Future plans for improvements to District infrastructure include enlargement of pipelines and removal of obstructions to increase carrying capacity. The future improvements will be funded by water sales.

IV. FINANCING CONSTRAINTS AND OPPORTUNITIES

Budgets and audited financial statements were not made available by the District and were not on file with the Sutter County Auditor's Office. The District has stated that annual budgets are adopted by the Board and non-budgeted items are approved by the Board.

The District receives funding from water sales and area charges. The District's main sources of revenues are generated from water sales and from the operation of a powerhouse.

Based upon available information, the District appears to have funding to provide services. The adequacy of the District's funding is currently unknown.

V. COST AVOIDANCE OPPORTUNITIES

This section of the MSR considers the potential cost avoidance opportunities available to each service provider. Cost avoidance opportunities include any potential sources of reduction in costs associated with service provision, and any other capital or operational actions or programs which may result in a more efficient and streamlined provision of services to the properties within the service area. This analysis includes both potential and previously implemented cost avoidance measures.

The District utilizes an appropriate range of cost avoidance measures including employing a minimal number of staff to maintain District operations. One general manager, one damtender, four watertenders, two maintenance personnel, and one office manager serve as District staff. The general manager serves as the secretary to the Board of Directors, and the office manager acts as District treasurer, accountant, and assessor. The District owns the office, two hydro plants and a pump plant where its operational facilities are located.

The District identified potential cost avoidance opportunities which include equipment maintenance, lower employee turnover, and District vehicle car pooling when feasible.

3.2 SOUTH SUTTER WATER DISTRICT

VI. RATE RESTRUCTURING

The Board of Directors reviews and approves rates for the District's customers. The District has three basic rate structures, based on type of irrigation water transmission. Current water rates are charged monthly at a rate of: \$7.75 for gravity flow, \$6.75 for low lift pump, and \$11.75 for water from the Bear River Pipeline. The California Water Code states that service districts are not allowed to operate for profit. Therefore, rates are charged to recover expenses only; the rates are based on the District's operating expenses on the related facilities for water distribution facilities.

VII. OPPORTUNITIES FOR SHARED FACILITIES

The District does not currently share its facilities, personnel or services with other service providers in the area. There appear to be no opportunities to combine services and share facilities with other service providers, due to the rural nature of the District's services and its relatively isolated office location. Additionally, the provision of water for agricultural purposes has different standards than water used for domestic purposes. Therefore, the District would not be able to share services with a domestic water purveyor. Because the District is located in an outlying area from other service providers, no opportunities for shared facilities have been identified.

VIII. GOVERNMENT STRUCTURE OPTIONS

The District was established as a Water District, as codified under the California Water Code Section 34000, as a supplemental water district to provide irrigation water. The District utilizes canals and streams to deliver water to users.

The District, under its current legal form, appears to be able to function under its current government structure. Reorganizing the provision of supplemental water services under a different enabling legislation or government structure is not expected to significantly improve service. The cost, time, and administrative complexity of such a transition make the suitability of transitioning to an alternative government structure extremely difficult. The existing structure of the District is sufficient to allow the District to continue service provision in the foreseeable future. There appear to be no legal or administrative limitations on the District for future service provision. It is unlikely that other government structures will result in a significant improvement in service. The current government structure is appropriate to provide supplemental water services.

An elected seven-member Board of Directors governs the District, and an appointed general manager is responsible for implementing District policies and procedures set by the Board and for providing management and oversight of all District employees and consultants.

The District's adopted Bylaws state that District personnel shall include a treasurer, tax collector, assessor, and secretary. The bylaws provide that these positions can be consolidated into the position of the general manager.

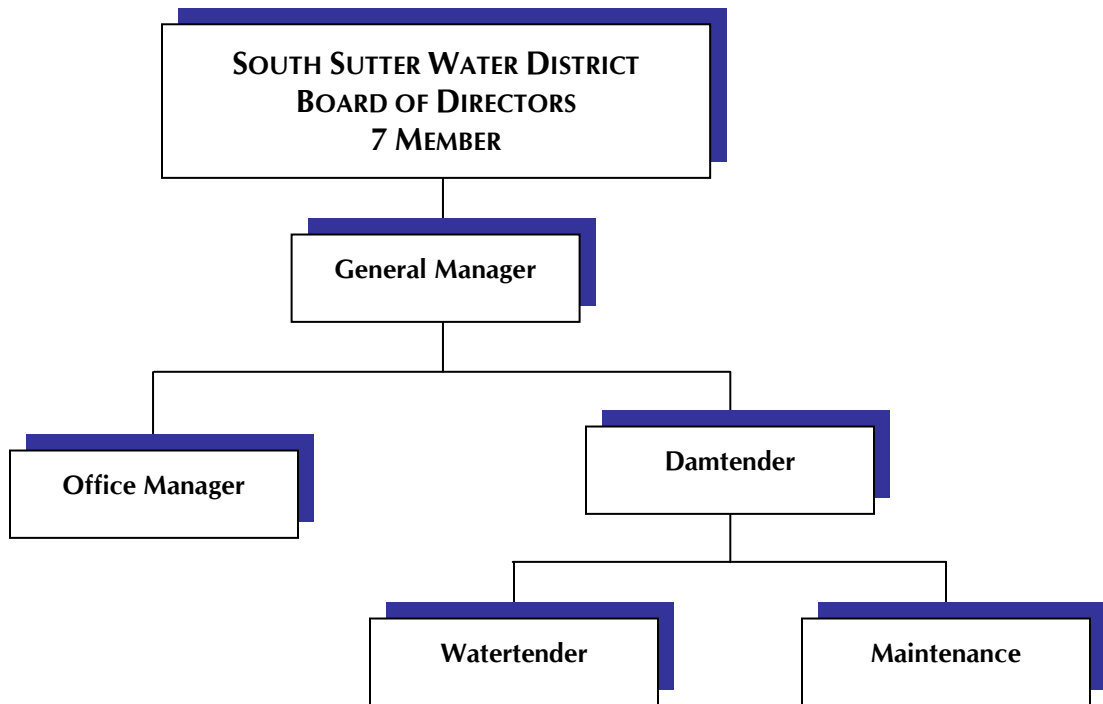
The Treasurer provides a report of all assets on deposit. Assets are deposited with LAIF, UMPQUA Bank and Securities America Inc. The Treasurer prepares checks to be issued in payment of invoiced as presented to the Board of Directors. A copy of the budget showing revenue and expenses as provided to the Directors at the monthly board meetings. All expenditure decisions made on behalf of South Sutter Water District are controlled by the annual budget developed, managed and approved by the board of directors. The financial statements of the district are audited annually by an independent outside auditor. Copies of the final audit are provided to

the Directors, State of California, Sutter County Special Districts Audits Coordinator, ACWA/JPIA and Dunn and Brad Street.

Furthermore, the District with its current government structure has demonstrated an ability to function efficiently and properly as required and pursuant to California Government Codes. No changes to the District's government structure are needed.

Figure 3.2-2 represents the management structure of the South Sutter Water District.

FIGURE 3.2-2:
GOVERNMENT STRUCTURE



IX. EVALUATION OF MANAGEMENT EFFICIENCIES

The management structure of the District is relatively vertical with the general manager receiving supervision and direction from the elected Board of Directors. The general manager also supervises an office manager and a damtender.

The role of the general manager is to develop, implement, and supervise administrative processes relating to all District functions, including policy development, water resource planning and distribution, fiscal management, and engineering and administration. The general manager also serves as secretary to the Board of Directors. The office manager serves under the direction of the general manager and acts as the accountant, assessor and treasurer of the District. The damtender supervises six staff members: four watertenders and two maintenance employees. The damtender is responsible for planning, organizing and coordinating all fieldwork of the District.

3.2 SOUTH SUTTER WATER DISTRICT

Purchases made by the District are accounted for in the yearly budget. Major infrastructure improvements are contracted out for bids by private firms.

The current management structure is able to provide irrigation water services.

X. LOCAL ACCOUNTABILITY

A body of seven elected officials serves as the Board of Directors governing the District. Residents within the District's service area elect board members to four-year terms. The terms are staggered, such that three members are elected in an odd year and four members are elected the following odd year. Board members are subject to recall by the voters through the recall procedures set forth in Chapter 2, Division 13 of the Elections Code. While Board members are elected by registered voters, rates are not subject voter approval. The Board reviews and approves rates annually.

While board members are elected by registered voters, certain water-related assessments are subject to voter approval under the guidelines of Proposition 218. The Board of Directors creates policy by adopting resolutions or ordinances through duly noticed public hearings. The Board holds regular meetings on the last Tuesday of each month at 9:00 a.m. in the District's office. Board members are paid \$25 per meeting attended. Meetings appear to be noticed consistent with Brown Act requirements, which include postings in public places. The District posts notices on the front window of the District office. There appear to be ample opportunities for public involvement and input at regularly scheduled meetings and through communication with District staff.

XI. SPHERE OF INFLUENCE RECOMMENDATIONS

A sphere of influence comprises the growth boundaries for an agency and provides opportunities for the District to expand, should they choose to seek such an expansion. State law requires that Spheres of Influence be updated every five years. As part of updating a Sphere of Influence, State law requires LAFCo to prepare written statements with regard to the following four areas of attention:

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

The majority of land uses within the South Sutter Water District's boundaries are primarily agricultural. Planned land uses are anticipated to remain the same as current land uses due to existing County General Plan and zoning designations.

2. The present and probable need for public facilities and services in the area.

The present and probable needs for public facilities and supplemental water services in the area are currently being met. Future service demands are expected to remain the same.

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

The present capacity of South Sutter Water District's public facilities are currently adequate to supply supplemental irrigation water to agricultural users.

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.

There are no relevant social or economic communities of interest in the South Sutter Water District.

XII. MUNICIPAL SERVICE REVIEW DETERMINATIONS

Pursuant to the Cortese-Knox-Hertzberg Act, determinations must be made for each factor analyzed above. Determinations are based on analysis of information provided by surveys completed by agency staff, agency documents, meetings with agency staff, and Internet research. Accordingly, staff recommends that the Commission adopt the determinations that follow.

1. **Growth projected for the affected area determination:** The South Sutter Water District is anticipated to experience minimal population growth throughout its service area due to County policies limiting the agriculturally zoned parcel sizes.
2. **Infrastructure needs or deficiencies determination:** The South Sutter Water District has sufficient infrastructure consisting of dams, reservoirs, pumps, and pipeline to provide irrigation water to residents within the District. The District staff considers the current infrastructure to be in "good" condition. Future plans for improvements to the District's infrastructure include enlargement of pipelines and removing obstructions to increase carrying capacity.
3. **Financing Constraints and opportunities determination:** Budgets and audited financial statements were not provided for this review. The South Sutter Water District's main sources of revenue are generated from water sales and from the operation of the powerhouse. The adequacy of the South Sutter Water District's funding is currently unknown.
4. **Cost avoidance opportunities determination:** The South Sutter Water District is currently utilizing an appropriate range of cost avoidance opportunities in its operations including employing a minimal number of staff to maintain District operations. The District identified potential cost avoidance opportunities, which include equipment maintenance, lower employee turnover, and District vehicle car pooling when feasible.
5. **Opportunities for rate restructuring determination:** The Board of Directors reviews and approves rates for the South Sutter Water District's customers. The District has three basic rate structures, based on type of irrigation water transmission. The Community Services District Act states that service districts are not allowed to operate for profit; therefore, rates are charged to recover expenses only. Rates are based on the District's operating expenses on the related facilities for water distribution facilities.
6. **Opportunities for shared facilities determination:** The South Sutter Water District has minimal opportunities to share facilities, equipment or personnel due to its relative geographic isolation and the specific services it provides.
7. **Government structure options, including advantages and disadvantages of consolidation or reorganization of service providers determination:** The current government structure of the South Sutter Water District is appropriate to provide services. The South Sutter

3.2 SOUTH SUTTER WATER DISTRICT

Water District is the sole irrigation water service provider for the area served. Service boundaries do not overlap with another similar service provider.

8. **Evaluation of management efficiencies determination:** South Sutter Water District operates efficiently as currently organized. Combining the positions of general manager and secretary is permitted pursuant to Government Code § 61240. The management structure of the District is sufficient to account for necessary services and maintain operations.
9. **Local accountability and governance determination:** The South Sutter Water District Board of Directors is elected by voters within the District and is therefore accountable to its citizens. District meetings appear to be conducted in accordance with Brown Act procedures. There appear to be sufficient opportunities for local involvement in District activities.

BIBLIOGRAPHY

Sutter County. Zoning Ordinance.

South Sutter Water District (SSWD). Personal Correspondence, Bradley J. Arnold, General Manager.

The seal of Sutter County, California, is a circular emblem. It features a central landscape with a mountain range in the background, a river or stream in the middle ground, and a field in the foreground. The text "SUTTER COUNTY" is arched across the top, and "CALIFORNIA" is arched across the bottom. Two golden spheres are positioned on the left and right sides of the central scene.

3.3 SUTTER EXTENSION WATER DISTRICT

I. SETTING

The Sutter Extension Water District (District) provides water services to meet the needs of the agricultural uses, within a 25,500 acre boundary, to the west of Yuba City. District infrastructure includes 52 miles of canals and eight pumps. The District is generally bounded by Highway 113 to the south, the Sutter Buttes and Sutter Bypass to the west, Paseo Avenue to the north, the Feather River at the northeastern end of the District, and Township Road along the central and southeastern area. The predominant land uses in the region include agricultural uses and some rural ranchettes. Water rates fund the operation of District facilities and fund maintenance activities.

Residents established the Water District in 1950 pursuant to Section 34150 and 34500 of the California Water Code. The residents served a petition to the Sutter County Board of Supervisors for the formation of the District. The Board of Supervisors called for a special election for district formation, and the subsequent election officially created the Sutter Extension Water District.

The District utilizes pre-1914 water rights that determine water deliveries to agricultural users, and therefore operating permits and meters are not required. The District utilizes surface water from Lake Oroville and is currently in the process of constructing two wells which will supply a combined amount of approximately 6,000 gallons per minute.

Cranmer Analytical Laboratory assesses water quality taken at three locations within the District. Water is collected by the District, and Cranmer Laboratory tests for recoverable arsenic and total dissolved solids. The District is not required to test or report water quality as it provides non-potable water.

The boundaries of the District are shown on the map attached as **Figure 3.3-1**.

II. GROWTH AND POPULATION




Agricultural land uses within the District inhibit population growth, but encourage the expansion of agricultural practices.

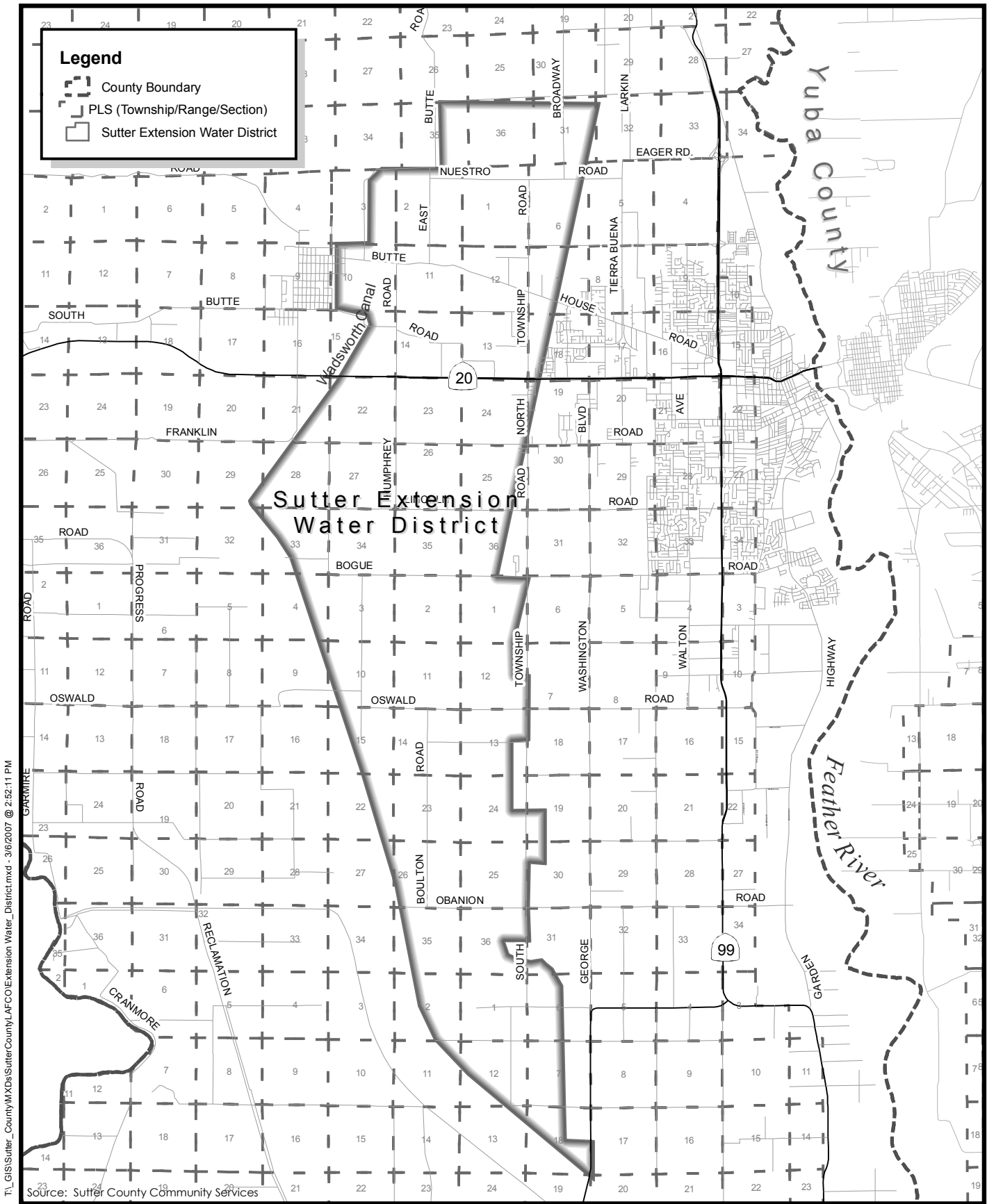
GROWTH TRENDS AND PROJECTIONS

The District experienced growth in the number of acres used for agricultural purposes. Farming practices such as land leveling, a reduction in chemical spills, and shorter growing periods have reduced the amount of water used per acre. However, while the amount of water used per acre has decreased, the total number of acres farmed has increased approximately 20% over the past 20 years. The number of actual connections varies per year and is based on the type of harvest planted. Water connections are not metered.

The County's regulation of farmland within the District's boundaries limits the projected population growth. Lynn Phillips, District General Manager, noted that current demographic trends include the continued growth of surrounding cities, which encourages people to construct rural ranchettes in the District's service area. According to District staff, the movement of people into the District does not affect the District's ability to provide water to its users. However, there are liability issues associated with the introduction of ranchettes on agricultural land, such as open canals, seepage, and drainage issues.

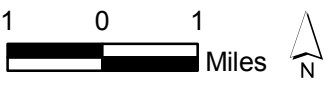
Legend

-  County Boundary
-  PLS (Township/Range/Section)
-  Sutter Extension Water District



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Source: Sutter County Community Services



SUTTER EXTENSION WATER DISTRICT



GROWTH IMPEDIMENTS

The majority of land uses in the District are designated for agricultural purposes, which act as a growth impediment. The Sutter County Zoning Ordinance dictates that agricultural parcels range in size from a minimum of 20 acres to a maximum of 80 acres. These large lot sizes prohibit the amount of subdivision development and therefore limit population growth that occurs in the area. As a result there have been very few changes to overall population.

Despite the exclusion of subdivisions that act as a growth impediment, the District is capable of providing sufficient water connections and services to existing users.

The audited financial statements for the fiscal year ending December 31, 2005 indicate "substantial threats exist to Sutter Extension Water District's water supply and rights" due to State Water Resources Control Board hearings.

III. INFRASTRUCTURE

WATER SUPPLY AND DEMAND

The District operates a water supply and distribution system to agricultural users within its 25,500-acre service area. The District's infrastructure consists of 52 miles of canals, eight pumping stations, an office and yard on Franklin Road, ditchtender residences, vehicles, pumps and maintenance equipment. The District is in the process of constructing two new wells. The canals and pumping stations were constructed and installed in the early 1900s. Water flows through open canals that the District shares with four other water districts. These districts are as follows: Richvale Irrigation District, Biggs-West Gridley Water District, Butte Water District, and Sutter Extension Water District.

The District currently provides an approximate supply of 176,000 acre-feet of water per year. Demand and the number of connections vary per year based on crops planted. Prior to March 15 of each year, landowners are required to file with the District secretary a statement and application for water. The application will describe the crops and acreage of each crop that the landowner intends to irrigate. Variations in service do occur as the District distinguishes between primary and secondary users. Primary users pay a higher rate than secondary users and receive water first. If there is water remaining after the primary users establish their water use for the season, secondary users have the right to the remaining supply. District By-Laws dictate that, should a shortage of water occur, the supply of water would be prorated until such time that a full supply could be provided.

INFRASTRUCTURE CONDITION

Infrastructure is in moderate condition and there are some seepage issues. The District conducts a thorough inspection of all infrastructure and facilities during the winter dewatering period (mid-January through mid-March) and makes repairs as needed. Vehicles are replaced every four years. The District coordinates maintenance and repair work through a joint working agreement with the four other water districts listed above.

The District is currently finishing a pre-feasibility study for system improvements. Proposed system improvements include canal lining, replacement of siphons under roadways, and canal automation. The purpose of the study is to secure funding for projects that a small district would not normally be able to afford. The District is pursuing Proposition 13 funding for these projects.

3.3 SUTTER EXTENSION WATER DISTRICT

WATER QUALITY

The District is not required by the State or legislation to test water quality as it provides non-potable water. However, the District keeps records for personal information or for someone who may request the records. The District undertook this testing because the proximity and encroachment of housing and business could deteriorate the quality of water. The District desired to maintain records of the water quality in the canals and the drain at the lower end of the system.

There have been no significant issues regarding water quality provided by the District. Water quality is tested three times per year at three different locations within the District. All water was found to contain concentrations of arsenic and dissolved solids that are less than levels that represent health risks as established by the Environmental Protection Agency. Further information about water quality is available in the District's chemical report that can be viewed at the District office.

IV. FINANCING CONSTRAINTS AND OPPORTUNITIES

The audited financial statements for Fiscal Year (FY) 2004-05 and supplemental information submitted by the District's auditors show the overall performance of the District improved from the prior fiscal year, with an increase in net assets of \$73,000 leaving the District with total net assets of just over \$3 million. During the same period, operating revenue decreased by about 10%, but this was offset by an accompanying decrease in operating expenses; other income increased which resulted in a net profit of \$72,892, compared to the prior year income of \$16,109. The primary cause for the decrease in operating revenues was the lack of outside water sales which occurred in the prior year. Expenses decreased as the result of decreased pump repair and pumping costs.

Primary District expenses included wages, insurance, power, and depreciation. FY 2004-05 expenses totaled \$690,763. Primary District revenues included water, excavator and services, and miscellaneous. FY 2004-05 revenues totaled \$667,270.

The District's audited financials for the FY 2004-05 show its long-term debt includes three notes, all used to secure equipment. The debt payments due within one year are \$72,000, and one of the notes is scheduled to be retired in 2007.

The auditor's report noted that the District faces significant financial vulnerability due to the State Water resources Control Board Bay-Delta Hearings, which threaten the water rights of the Joint District that Sutter Extension Water District forms with Richvale Irrigation District, Biggs-West Gridley Water District, and Butte Water District. The District has indicated that it has not needed to spend money on the Bay-Delta Hearing for some time (how many years?) and has also not had to spend significant amounts of money to defend water rights. The Bay Delta hearings have resulted in a water rights agreement called the Phase 8 Settlement, which remains in effect.

V. COST AVOIDANCE OPPORTUNITIES

This section of the MSR considers the potential cost avoidance opportunities available to each service provider. Cost avoidance opportunities include any potential sources of reduction in costs associated with service provision, and any other capital or operational actions or programs which may result in a more efficient and streamlined provision of services to the properties within the service area. This analysis includes both potential and previously implemented cost avoidance measures.

The District employs a minimal number of staff for necessary functions of the District. There is one general manager, one operations employee, and one clerical employee. The general manager serves as the secretary and treasurer to the Board of Directors.

Additionally, the District participates in a working agreement with Richvale Irrigation District, Biggs-West Gridley Water District, and Butte Water District that share use of canals by all districts throughout the same canal system.

VI. RATE RESTRUCTURING

The Board of Directors reviews and approves rates for the District, which are subject to approval by public vote. Rates are adjusted annually and are based on the previous years operation, maintenance, and replacement expenses of the District. The California Water Code states that service districts are not allowed to operate for profit. Therefore, rates are charged to recover expenses only. Water rates include an \$8.48 per user water meter fee and a charge of \$0.96 per 100 cubic feet of water. When service is shut off for non-payment of the bill, the District imposes a \$40.00 shut-off fee before the service can be reinstated. An additional service tampering fee of \$20.00 is imposed if the customer turns water back on without first paying the shut-off fee. Other fees imposed by the District include a \$7.50 late bill pay fee. The District also charges a \$6,730.56 hook-up fee for new connections to lots. The hook-up fee is used in part for funding the purchase and construction of the new water tank.

The District's rate structure is volume-based with the intent that charged rates will derive revenue from each customer commensurate with the cost of providing services. There are no variances in rates or taxes among users. The District's current water meter and water usage fee has generated approximately \$50,000 to \$60,000 of revenue used to maintain infrastructure. The money that was generated was due to a rate increase of \$0.15 per year during the previous five years.

The District's current rates, as a result of preceding increases, have enabled it to set funds aside to purchase infrastructure, facilities, and equipment that are necessary to maintain water services. The most recent rate increase occurred on January 1, 2006.

VII. OPPORTUNITIES FOR SHARED FACILITIES

There are limited opportunities for the District to share facilities with other districts in the area, beyond shared use of the canal system.

VIII. GOVERNMENT STRUCTURE OPTIONS

The District was established pursuant to Section 34000 of the California Water Code and operates to provide non-potable water for agricultural land uses.

An elected Board of Directors governs the District and appoints a general manager whose responsibility is to fulfill District policies and procedures set by the Board and to provide management and oversight of all District employees and consultants. The general manager is also responsible for treasurer and secretary duties.

The District's adopted Bylaws state that District personnel shall include a treasurer, tax collector, assessor, and secretary. Pursuant to District By-Laws, these positions can be consolidated into the position of the general manager.

3.3 SUTTER EXTENSION WATER DISTRICT

Government Code Section 61730 states that the Board of Directors of the District is responsible for designating the county treasurer of a county in which the district is located to be the depository and have the custody of all the District's money. The Sutter County Auditor apportions the necessary funds to districts in order for them to maintain their facilities and personnel.

The consolidated nature of the positions within the District limits the opportunities to restructure the District's organization. Furthermore, the District with its current government structure has demonstrated an ability to function efficiently and properly as required and pursuant to California Government Codes. Altering the government structure of the District would not result in increased efficiencies.

Figure 3.3-2 represents the government structure of the Sutter Extension Water District.

IX. EVALUATION OF MANAGEMENT EFFICIENCIES

The management structure of the District is relatively vertical, with the general manager receiving supervision and direction from the elected Board of Directors and the remainder of staff directly supervised by the general manager.

The District's mission is to provide high quality water for agricultural purposes. The District carries out this mission through the efficient management of District resources and personnel. District employees include the following:

- General manager, serving as secretary and treasurer
- Five maintenance workers, one of whom is a foreman/assistant general manager
- Clerical position assisting general manager

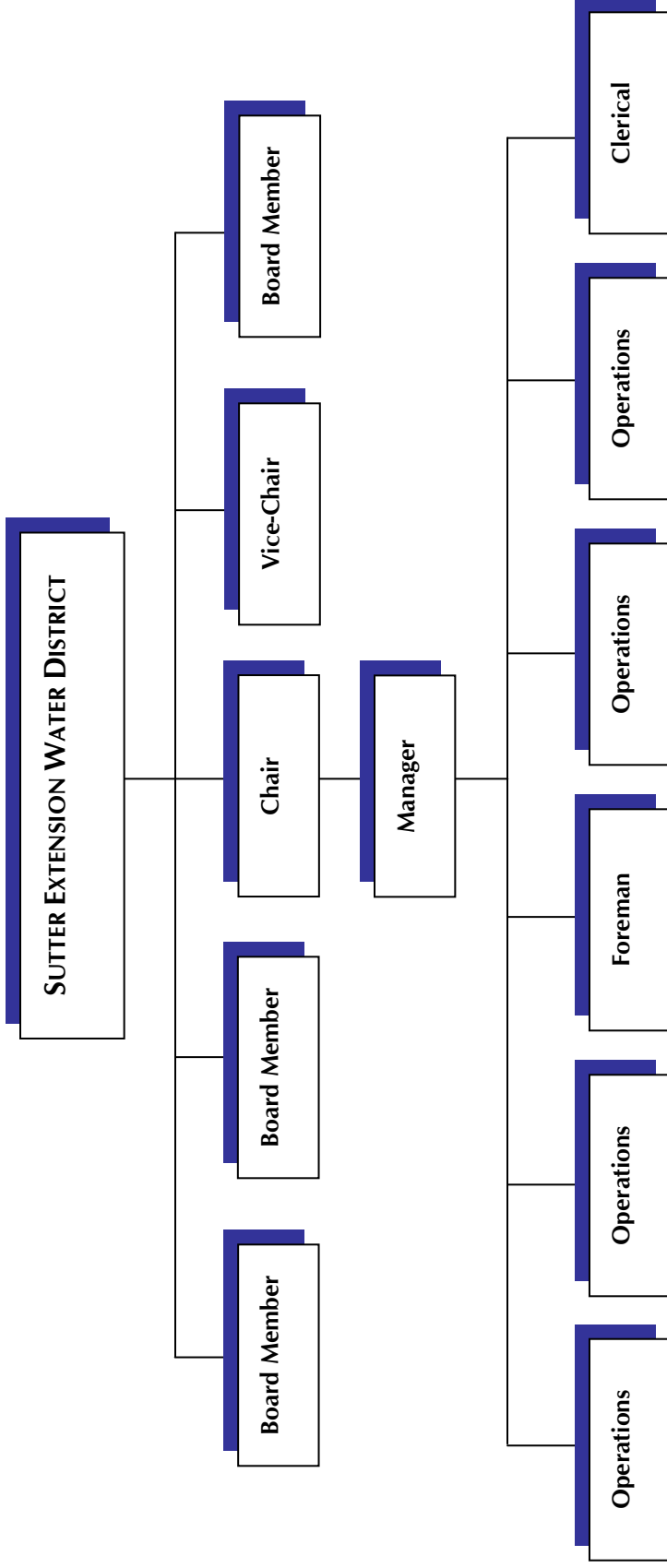
The elected five members of the Board of Directors appoint a general manager who manages operations of the District. The general manager oversees a staff of five maintenance workers who ensure the District is capable of supplying water to its users. The general manager is responsible for managing the day-to-day affairs of the District in accordance with policy directives established by the District Board of Directors. Additional responsibilities of the manager include oversight of district employees and consultants, and management of operation and maintenance activities with respect to water delivery systems and other district facilities. The clerical position assists the general manager in their role of record keeping, tax collections, treasurer, and secretary to the Board. District employees are provided with an employee handbook that dictates policies regarding District operations.

Purchases made by the District are accounted for in the yearly budget. However, major items, such as new infrastructure, are sent out to a bid, and the Board of Directors decides to whom the contract is awarded.

There are no apparent management problems with the District as currently organized. With good financial and operational health, there do not appear to be any necessary management changes necessary to ensure the long-term continuation of service provision by the District.

3.3 SUTTER EXTENSION WATER DISTRICT

FIGURE 3.3-2:
GOVERNMENT STRUCTURE



X. LOCAL ACCOUNTABILITY

Citizen vote is an essential component of local accountability. A body of five officials serves as the Board of Directors governing the District. Residents within the District's service area elect board members to four-year terms, which are staggered such that two members are elected in an odd year and three members are elected the following odd year. Elections are held during standard state and federal elections. However, rates are not subject to a vote of residents. The Board of Directors sets rates annually.

Board members are subject to recall by the voters at any time through the recall procedures set forth in Chapter 2, Division 13 of the Elections Code. The Board of Directors creates policy by adopting resolutions or ordinances through duly noticed public hearings. The District Board of Directors holds regular meetings at 1:00 p.m. on the third Tuesday of each month at the office located at 4525 Franklin Road in Yuba City. Meetings are noticed consistent with Brown Act requirements, which include postings on the front window of the District office.

There appear to be ample opportunities for public involvement and input at regularly scheduled meetings and through meetings with District staff. Should a District resident have an issue with the District or the service the District is providing, he/she can present their concern at a Board meeting where the Board will address the issue. Further local accountability is accomplished through monthly water monitoring reports that are presented to the Board of Directors and the public.

Water quality is tested two times per year at three different locations within the District, and the results are maintained by the District and available for inspection at the District office. The water quality reports are available upon request to any user. Records indicate that water quality has improved since 2003. Given the nature of the services provided, there is not a significant public need for expanded informational systems to be created and implemented in the District.

XI. SPHERE OF INFLUENCE RECOMMENDATIONS

A sphere of influence comprises the growth boundaries for an agency and provides opportunities for the District to expand, should they choose to seek such an expansion. State law requires that Spheres of Influence be updated every five years. As part of updating a Sphere of Influence, State law requires LAFCo to prepare written statements with regard to the following four areas of attention:

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

The majority of land uses within the Sutter Extension Water District are agricultural uses. As neighboring cities continue to grow, the need for development will increase, as will the potential of rural ranchettes in the area. However, Sutter County's policies regulating agricultural land limit the amount of growth that will occur within the District's service area.

2. The present and probable need for public facilities and services in the area.

The District is capable of providing present and future needs as related to the transportation of non-potable water for agricultural uses.

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

The Sutter Extension Water District does not provide public facilities. However, the meeting hall is adequate to serve the District. The District upgrades facilities as needed.

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.

There are no relevant social or economic communities of interest in the Sutter Extension Water District.

XII. MUNICIPAL SERVICE REVIEW DETERMINATIONS

Pursuant to the Cortese-Knox-Hertzberg Act, determinations must be made for each factor analyzed above. Determinations are based on analysis of information provided by surveys completed by agency staff, agency documents, meetings with agency staff, and Internet research. Accordingly, staff recommends that the Commission adopt the determinations that follow.

1. **Growth projected for the affected area determination:** The Sutter Extension Water District will experience minimal population growth throughout its service area. However, agricultural uses will continue to increase, as will the demand for water.
2. **Infrastructure needs or deficiencies determination:** Sutter Extension Water District has sufficient infrastructure planning and practices to ensure that infrastructure and capital facilities can be maintained.
3. **Financing Constraints and opportunities determination:** The Sutter Extension Water District is recovering its annual costs through the rate structure it charges its customers. In FY 2004-05, the District's net income was \$72,892. The District plans for maintenance expenses in its yearly budgeting process.
4. **Cost Avoidance Opportunities determination:** The Sutter Extension Water District appears to utilize available cost reduction measures in its operations, as related to sharing of facilities. No outstanding opportunities were identified that would result in avoidance of current operating costs.
5. **Opportunities for rate restructuring determination:** The Sutter Extension Water District updates fees based on previous year's income versus maintenance and overhead charges. The last rate update occurred in 2006. Existing rates appear to be sufficient to cover expenses.
6. **Opportunities for shared facilities determination:** The Sutter Extension Water District maintains a working agreement with four other similar districts for usage of a common canal system. No other opportunities for facilities sharing were identified.
7. **Government Structure options, including advantages and disadvantages of consolidation or reorganization of service providers determination:** The Sutter Extension Water District is governed by an elected Board of Directors. There has been no interest expressed by the District to merge with any other district or alter the governmental structure as currently practiced.

3.3 SUTTER EXTENSION WATER DISTRICT

8. **Evaluation of management efficiencies determination:** The Sutter Extension Water District does not appear to be in conflict with any regulatory legislation regarding government management. The overall management structure of the District is relatively vertical and sufficient to account for necessary services and maintain operations in an efficient and effective manner.
9. **Local accountability and governance determination:** Sutter Extension Water District Board of Directors is elected by the voters within the District boundary. All District meetings appear to be conducted in accordance with Brown Act procedures. There are sufficient opportunities for local involvement in District activities, and information regarding the District is readily available to members of the public.

BIBLIOGRAPHY

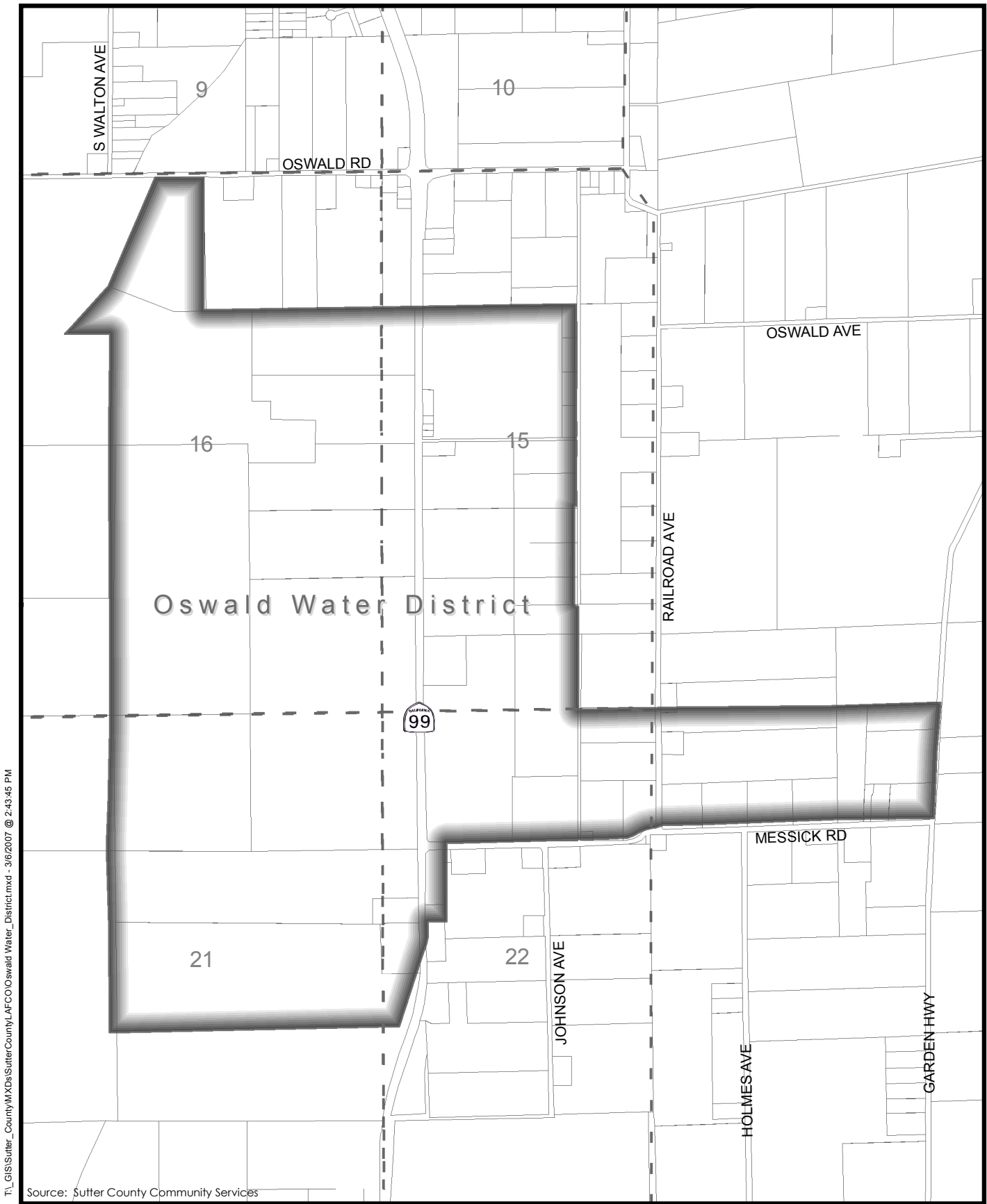
Personal communication, Lynn Phillips, General Manager (2006)



3.4 OSWALD WATER DISTRICT

3.4 OSWALD WATER DISTRICT

Numerous attempts were made to contact representatives from the Oswald Water District to collect the information necessary to complete this Municipal Service Review/Sphere of Influence Update. No information was submitted; no determinations can be made for the Oswald Water District.



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Source: Sutter County Community Services



OSWALD WATER DISTRICT
PMC



4.1 LEVEE DISTRICT NO. 9

I. SETTING

Sutter Levee District #9's (LD 9) service area is bordered by Levee District #1 and Reclamation District 777 (Maintenance Area 16). The Levee District has jurisdiction over 6.4 miles of levees along the west bank of the Feather River and provides 100-year flood protection. District boundaries are shown in **Figure 4.1-1**.

II. GROWTH AND POPULATION

The Sacramento Area Council of Governments (SACOG) estimated the 2000 population in the unincorporated portion of Sutter County as 37,110. SACOG projects population in unincorporated Sutter County to be 47,530 by the year 2015, reflecting an average annual growth rate of 1.67 percent.

According to the 2000 US Census, there are approximately 3,092 residents in the District. The District expects that growth within its boundaries will correspondingly increase as planned development near Pease Road progresses. No boundary changes or annexations are anticipated as the District is bounded by other similar districts.

Customers of the District include property owners, businesses, and residents located within District boundaries. According to District officials, future development will not impact provision of services.

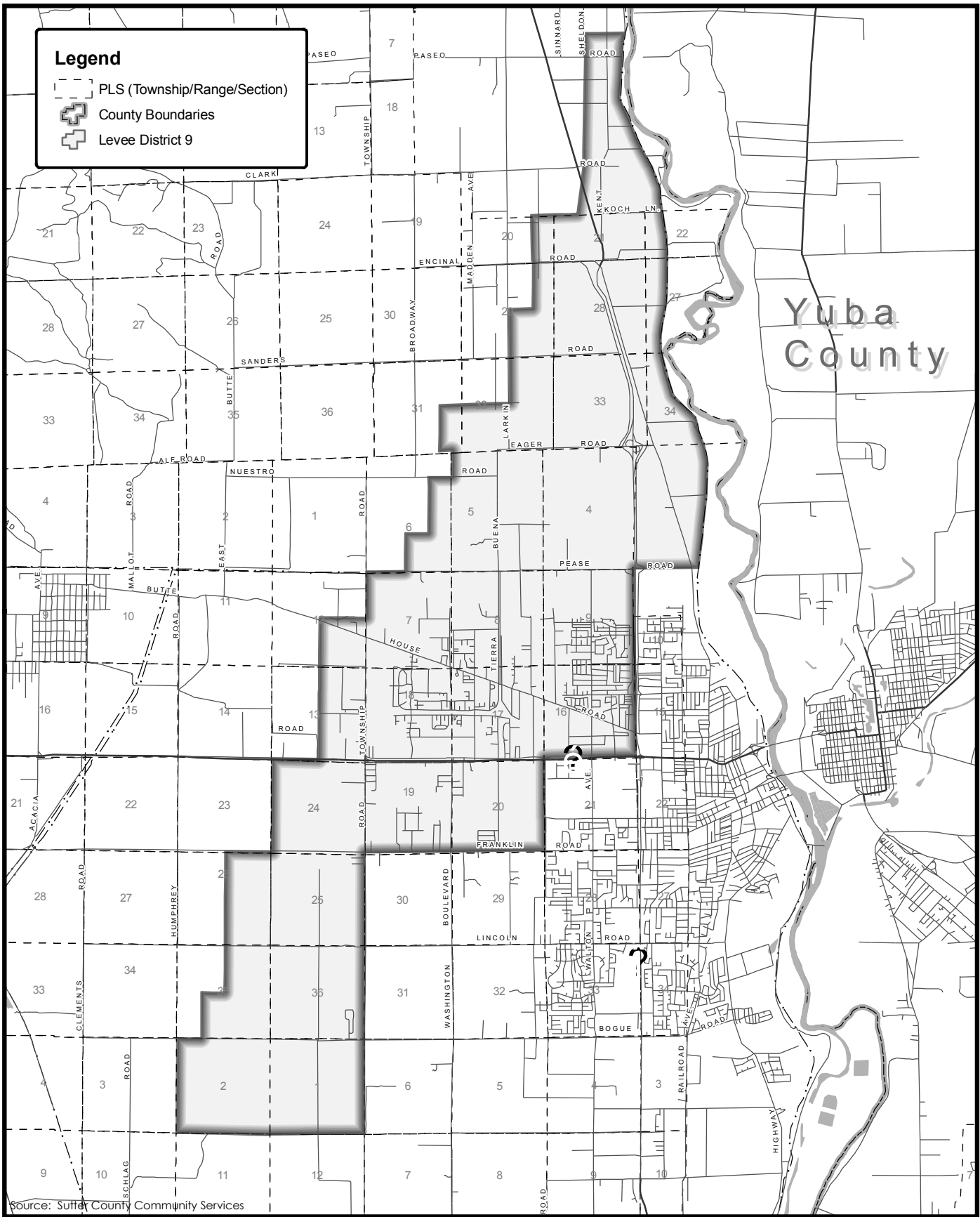
III. INFRASTRUCTURE

The District maintains 6.4 miles of levee along the west bank of the Feather River to provide District residents with flood protection. The landside of the levees is outside the 100-year flood plain on current Federal Emergency Management Agency (FEMA) maps.

The District owns an office, generators, and a portable welder. Additionally, the District rents a warehouse for equipment and supply storage. The District has agreements with other districts as well as with Sutter County to share equipment.

According to District officials, changes in the Army Corps of Engineers (Corps) criteria for certification of levees have brought into question the adequacy of the Central Valley Flood Control Project including levees within the District. FEMA is currently redrawing maps of major areas of the country, which now show areas previously believed to be protected from 100-year flooding within the 100-year floodplain.

In October 2006, the Corps was in the process of studying the Upper Feather River and had finished their survey of the lower Feather River. The Corps studied the adequacy of the levees and the likelihood of inundation if the levees are not certified or if there are any problems found with the levees. The Corps determined that levees along the lower Feather River would fail in a 100-year flood. The District anticipates a similar determination for the upper Feather River and that the District's service area will be within the floodplain on the final updated FEMA maps. The first review of the draft updated maps began in October 2006 and will likely last one year. These draft maps show the District's service area in the floodplain, indicating that the levees will not meet the Corps' new 100-year levee certification criteria.



Currently, none of the levees in the District are certified.

The recent court case *Paterno v. State of California* makes it clear that the state will be financially liable for flood damages due to flooding as a result of levee failure. What is not clear is how levee districts will be able to continue maintaining the levees at the current levels. Because of *Paterno* and the understanding the state will pay damages, voters are reluctant to raise assessment fees. The District is uncertain if the *Paterno* case will require levee districts to assume liability of the levees they maintain.

IV. FINANCING CONSTRAINTS AND OPPORTUNITIES

Auditor's reports for fiscal years ending June 30, 1999, and June 30, 2002, were reviewed to determine the fiscal status of the District. According to these reports, the District's only major source of revenue is property taxes adopted prior to Proposition 13. Another, lesser revenue source is interest income from investments. Annually, the District generates between \$34,000 and \$41,000 from property tax revenues.

Also according to these reports, the District's primary expenditures include services and supplies (pesticide purchases, insurance, salaries, fuel, and warehouse space rental), distantly followed by personnel services. Currently, the District receives adequate revenues to fund the maintenance and management of the District barring any major expenses associated with flooding or high waters. The District currently has \$150 in reserves.

Despite growth in the District, revenues are not significantly increasing. For this reason, the District anticipates a future need to request voter approval for an additional assessment.

V. COST AVOIDANCE OPPORTUNITIES

This section of the MSR considers the potential cost avoidance opportunities available to each service provider. Cost avoidance opportunities include any potential sources of reduction in costs associated with service provision, and any other capital or operational actions or programs which may result in a more efficient and streamlined provision of services to the properties within the service area. This analysis includes both potential and previously implemented cost avoidance measures.

The District employs a minimal number of staff necessary to perform District operations. The only staff position for the District is the superintendent, which is a part-time position. Board members receive \$50 per meeting attended. The District has an unwritten agreement with Levee District #1 for mutual assistance with regard to manpower and supplies during emergency situations. The District is also a member of the West Feather River Levee Reconstruction Agency, a Joint Powers Authority. The Agency was established by Sutter County to raise funds for funding deficiencies within the Feather River levee system. Proposed Feather River levee improvements will provide close to 100-year flood protection.

The District utilizes the assistance of volunteers for activities such as methobromide treatment and gas toxin application, during slow rise events, and to assist in burning and the smoothing of levees. During disaster events and District-held trainings, volunteer attendance ranges between 150 and 200. Finally, the District has agreements with Sutter County and surrounding districts for equipment sharing in times of emergency.

The District does not seek grant funding other than those grants offered by state and federal governments specifically for levees and flood control.

4.1 LEVEE DISTRICT NO. 9

District officials have noted that they are working toward a future cost saving opportunity through formation of a Joint Powers Authority for pooling insurance policies of Levee Districts 9 and 1 as well as local reclamation districts, as each of these districts must spend significant portions of their budgets on individual insurance policies.

VI. RATE RESTRUCTURING

The revenue that is generated for the District comes from property taxes that were imposed prior to Proposition 13. The District is anticipating the need to raise the fees that property owners pay to the District in the future. The District does not provide contract services to other entities outside District boundaries.

VII. OPPORTUNITIES FOR SHARED FACILITIES

Limited opportunities exist for shared facilities because the District is the only entity providing levee maintenance and flood control within the District boundaries. However, the Board does host meetings at the Sutter County Offices.

VIII. GOVERNMENT STRUCTURE OPTIONS

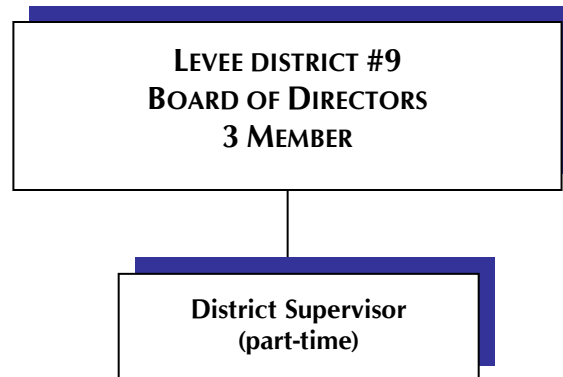
Levee District #9 was established in 1959. The services provided by the District can be legally performed by a variety of governments, including cities, counties, community services districts (CSD), county service areas (CSA), and other special district types. The District, under its present legal form, is able to function under its current government structure. The cost, time, and administrative complexity of transitioning to an alternative government structure would make the suitability of a transition extremely difficult. The existing structure of the District as a levee district is sufficient to allow the District to continue service provision in the foreseeable future. Therefore, a reorganization of the current government structure is not likely to significantly improve services. The existing structure of the District is sufficient to allow the District to continue service provision in the foreseeable future. There are no legal or administrative limitations on the District to future service provision.

The mission of the District is to provide levee maintenance and levee patrols under the provisions of the California Water Code Division 19 levee district law of 1919, which governs levee districts and reclamation districts and falls under the jurisdiction of the State Reclamation Board and Department of Water Resources. To meet its mission, District activities include maintenance, flood prevention, levee patrols, and flood fighting to serve local property owners, businesses, and residents.

The County Board of Supervisors confirms an elected three-member Board to govern the District. The District has one employee, a part-time superintendent who reports to the District's Board. District officials stated that the District operates under the Sutter County and Yuba City Slow Rise Flood Plan. The Government Structure is shown in **Figure 4.1-2**.

District personnel currently patrol Maintenance Area 16 (MA16), and District officials have expressed a desire to annex this area into the District boundaries. Currently, MA 16 is run by the state. The District believes that a consolidation of both districts would be beneficial, as the District is currently maintaining MA 16 without compensation.

FIGURE 4.1-2
GOVERNMENT STRUCTURE



IX. EVALUATION OF MANAGEMENT EFFICIENCIES

The mission of the District is to provide levee maintenance and levee patrols under the provisions of state law governing levee districts and reclamation districts, and under the jurisdiction of the State Reclamation Board and Department of Water Resources.

The elected Board of Directors, made up of three members, appoints the superintendent who manages operations of the District. This part-time superintendent oversees record keeping and is the District's only employee.

The District has developed procedures for emergency situations. The District can call local farmers who volunteer workers and trucks to move sandbags. This typically occurs in the winter months during "slow-rise" events. The superintendent is responsible for organizing all volunteers.

The District provides service to meet the standards set by the Department of Water Resources and the Corps. These services are provided on a continuous basis and are inspected by the state. The responsibility for repairs and major maintenance falls on state and federal governments. Levee patrols and flood fighting efforts are provided as needed in the winter flood season.

Purchases made by the District are accounted for in the yearly budget. The Board handles all purchasing and payables; however, major items are sent out for competitive bid.

X. LOCAL ACCOUNTABILITY

A body of three officials serve as the Board of Directors governing the District. Currently all three members are serving concurrent terms, are elected by District landowners, and subsequently confirmed by the Sutter County Board of Supervisors. Board elections are held concurrently with the state general election. The Board makes all staff appointments, including the superintendent. Board members receive \$50 compensation for each meeting attended. Meeting notices are posted at the County offices, and meetings are open to the public.

The state inspects the District four times a year. At each inspection, the status of existing roadways, bumps, weeds, and squirrel holes are evaluated; based on these inspections, the state issues a rating of either satisfactory or unsatisfactory. According to officials, the District

4.1 LEVEE DISTRICT NO. 9

typically receives a rating of "satisfactory;" these rating reports are kept on file at the District office.

XI. SPHERE OF INFLUENCE RECOMMENDATIONS

A sphere of influence comprises the growth boundaries for an agency and provides opportunities for the District to expand, should they choose to seek such an expansion. State law requires that Spheres of Influence be updated every five years. As part of updating a Sphere of Influence, State law requires LAFCo to prepare written statements with regard to the following four areas of attention:

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

There are orchards on both sides of the levee as well as commercial, residential housing, and agricultural uses within the District's boundaries.

2. The present and probable need for public facilities and services in the area.

The District continues to see growth within its boundaries; however, this growth will not affect the services provided by the District.

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

The District's facilities are currently considered adequate to provide services; the County has implemented the West Feather River Levee Reconstruction Agency to provide for needed County-wide improvements. The facilities used by the District to hold Board meetings are adequate to serve the District.

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.

There are no social or economics communities of interest in the area.

XII. MUNICIPAL SERVICE REVIEW DETERMINATIONS

Pursuant to the Cortese-Knox-Hertzberg Act, determinations must be made for each factor analyzed above. Determinations are based on analysis of information provided by surveys completed by agency staff, agency documents, meetings with agency staff, and Internet research. Accordingly, staff recommends that the Commission adopt the determinations that follow.

1. **Growth projected for the affected area determination:** Although Levee District #9 will see population growth in the near- to long-term future, the District will continue to function at the same level due to the type of service provided.
2. **Infrastructure needs or deficiencies determination:** Levee District #9 has sufficient infrastructure planning and oversight by responsible entities to ensure that infrastructure and capital facilities can be maintained within the planning period of five years.

3. **Financing constraints and opportunities determination:** Levee District #9 is financially sound, with sufficient stable revenues to cover expenses and operations. There were no opportunities for rate restructuring identified in the municipal services review
4. **Cost avoidance opportunities determination:** Levee District #9 appears to utilize a sufficient range of cost reduction measures in its operations, as related to sharing of knowledge, equipment, and personnel, and the utilization of volunteers. However, the District did note that it is working toward another cost avoidance measure: the creation of a joint powers authority with other local levee and reclamation districts.
5. **Opportunities for rate restructuring determination:** Levee District #9 is funded almost entirely by property taxes. It does not charge fees for services provided.
6. **Opportunities for shared facilities determination:** Levee District #9 is the only entity providing levee maintenance services within its boundaries and there are limited opportunities for shared facilities; however, the District does utilize County offices for Board meetings.
7. **Government structure options, including advantages and disadvantages of consolidation or reorganization of service providers determination:** The County Board of Supervisors confirms an elected three-member Board of Directors to govern Levee District #9. The District has one employee, a part-time superintendent who reports to the District's Board.
8. **Evaluation of management efficiencies determination:** Levee District #9 is operating in good financial and operational health; there do not appear to be any management changes necessary to ensure the long-term continuation of service provision by the District.
9. **Local accountability and governance determination:** Levee District #9 Board of Directors members are elected by landowners in the District and confirmed through the Board of Supervisors. All District meetings are conducted in accordance with Brown Act procedures. There are sufficient opportunities for local involvement in District activities, and information regarding the District is readily available to members of the public.

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Sutter Levee District No. 9 (LD9). Personal Correspondence, Chairman David Lamon and Superintendent David Schmidl.



**5.1 ROBBINS WATERWORKS
DISTRICT NO. 1**

I. SETTING

Robbins Waterworks District No. 1 (District) is overseen by the Sutter County Public Works Department (SCPWD), and has the mission of providing the community of Robbins, California, with reliable, high-quality water and disposal of wastewater at an equitable price, and to ensure the fiscal and environmental viability of the District. The District provides domestic water and wastewater collection services to the unincorporated community of Robbins located in southwestern Sutter County near the intersection of Highway 113 and Reclamation Road. The service area is approximately 0.28 square miles (180 acres). Current land uses within the District are primarily single-family residential with some industrial and commercial zoning located along State Highway 113 and Reclamation Road.

The Sutter County Board of Supervisors accepted a petition from residents in the community of Robbins for the formation of Waterworks District No. 1 pursuant to Division 16, Sections 55104 and 55105 of the Water Code (Res. 86-50, Jan 21, 1986). A public hearing for the formation of the District was held on February 11, 1986. The District originally provided only water service and was expanded to include wastewater service in 1998 with the installation of a sewage treatment effluent pumping system and central treatment plant.

The District currently holds a permit for domestic water service from the California Department of Health Services (system #5100107) and a wastewater permit order (#96-137) from the State Water Resources Control Board. The District utilizes treated groundwater from two wells: (1) Wagner Aviation Well, which is the primary well for the District; and (2) the New Sacramento Boulevard Well that acts as a backup to Well 1 and provides flow for fire protection uses.

The boundaries of the District are shown on **Figure 5.1-1**.

II. GROWTH AND POPULATION

The present growth rate within the District service area is negligible due to the limited capacity of the current sewer and water services. The wastewater treatment plant in the District has reached its maximum operating capacity and no additional water connections are permitted. For this reason, permitted District development has ceased until capacity increasing upgrades are implemented. The District has no plans for the management of future service needs within the District.

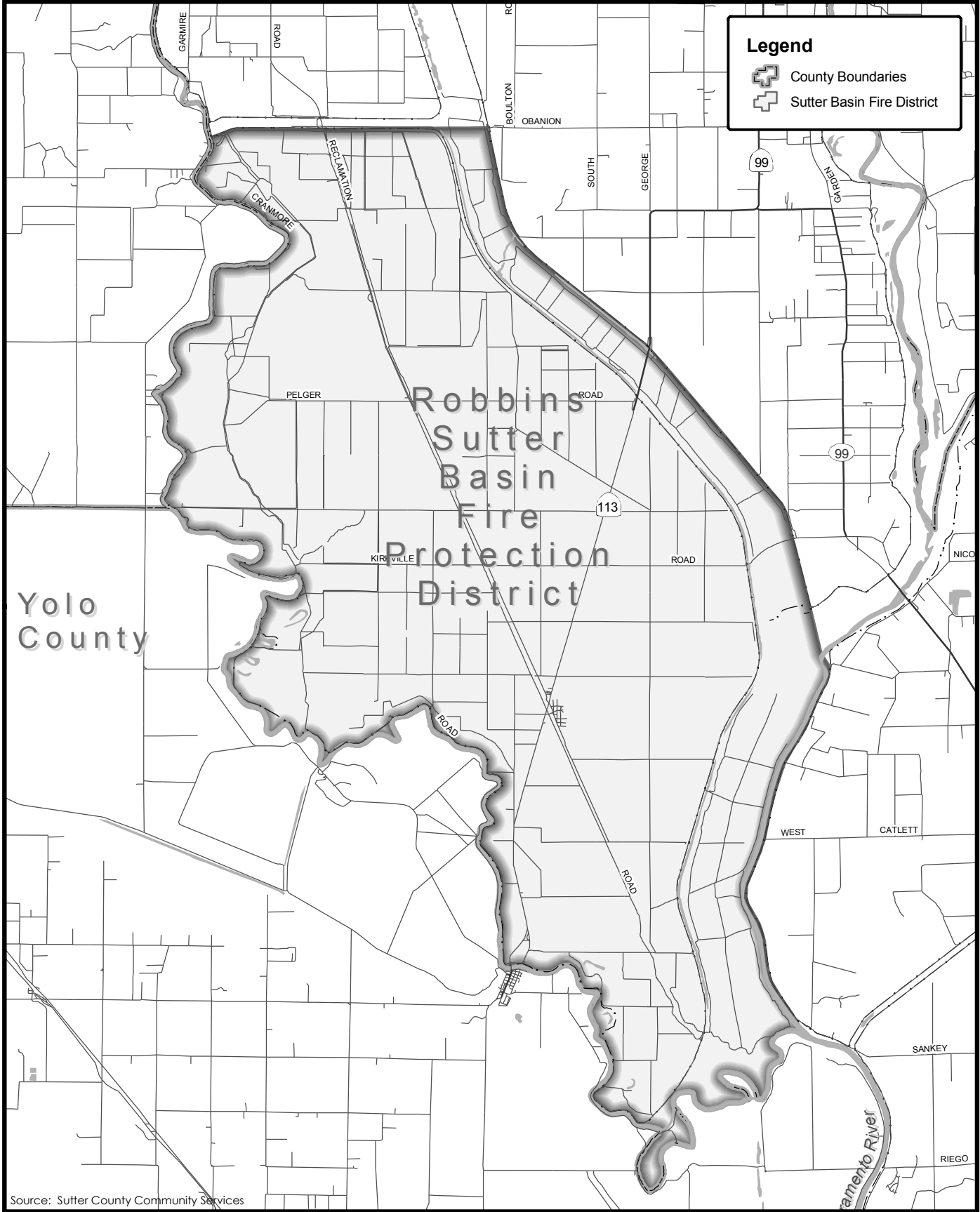
The District's sphere of influence is coterminous with its service boundary. There are no plans to expand either the District boundaries or its sphere of influence.

III. INFRASTRUCTURE

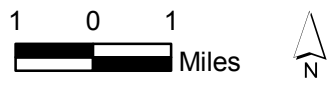
WATER SUPPLY AND DEMAND

The District was originally formed to provide water service to the residents of the Robbins community. The current sources of water utilized by the District are two groundwater wells. Well 2 is only used for emergencies requiring excessive water demand and to provide additional fire protection. In 1998, the District expanded its services to include sewer service with the installation of a sewage treatment effluent pumping system and central treatment plant.

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Source: Sutter County Community Services



ROBBINGS SUTTER BASIN FIRE PROTECTION DISTRICT



Water demand for 2005 was 39.8 million gallons per year (122 acre-feet/year) with a maximum daily demand of 0.281 million gallons. As of July 2006, the District had 94 active water connections and two inactive connections. Twenty of these connections are metered connections. Customers are billed a flat rate, and metered rates are not anticipated at this time. Currently, the wastewater treatment plant is operating at full capacity; therefore, no additional water connections are permitted.

The District water system maintains an average pressure of 62 pound per square inch (psi) from the Wagner Aviation Well (Well 2) with 450 gallons per minute and the New Sacramento Boulevard Well (Well 1) is capable of delivering 600 gallons per minute. Well 1 is automatically activated when system pressure is reduced ensuring that there is adequate fire flow pressure to serve fire suppression needs.

INFRASTRUCTURE CONDITION

The District owns all water and wastewater infrastructure including groundwater wells, pumping stations, pipelines, and a central wastewater treatment plant, while the SCPWD provides trucks, tools, operators, and administrative assistance at a charge to the District.

The infrastructure is currently in good condition according to the SCPWD. All districts that are maintained by the SCPWD are assigned a maintenance zone and an operator who is responsible for ensuring that the infrastructure remains in good working order.

WATER QUALITY

Testing for bacteriological contaminants in the water distribution system is required by state regulations and schedule. No samples from District water were found to contain coliform bacteria during any one month. Lead and copper testing of water from individual taps in the distribution system is required by state regulations. Other tests within the distribution system include those for arsenic, barium, iron, magnesium, sodium, TDS, hardness, turbidity, sulfate, foaming agents, total trihalomethane, five haloacetic acids, color, silver, and chlorine.

The system's drinking water contains moderate but currently acceptable levels of arsenic. The maximum contaminate level (MCL) for arsenic is 10 parts per billion (ppb). The District has a MCL of 17 ppb; however a pilot arsenic removal process is being conducted during 2006/2007. Sutter County Public Works chlorinates and removes iron and manganese and will soon be removing arsenic from the water supply to comply with federal regulations. The County also conducts annual flushing of the water distribution system in March or April.

Reports of the County's water quality are available at the County's website <http://www.suttercounty.org/doc/government/depts/pw/pwhome>. Additionally, complete assessments are available by visiting the County Public Works Department office.

A water quality analysis consultant tests water quality and provides results to the California Department of Health Services. There have been no significant issues regarding water quality provided by the District. Water quality is tested regularly by a schedule established by the state. All water was found to contain concentrations of arsenic and dissolved solids that are less than levels that represent health risks as established by the Environmental Protection Agency. Further information about water quality is available in the District's chemical report that can be viewed at the District office.

5.1 ROBBINS WATERWORKS DISTRICT NO. 1

IV. FINANCING CONSTRAINTS AND OPPORTUNITIES

The adopted budget for Fiscal Years (FY) 2002-03, 2003-04, and 2004-05, as well as proposed budgets for FYs 2005-06 and 2006-07, were reviewed to determine the fiscal status of the District.

In FY 2003-04, the approved budget was \$195,922 and the projected available revenues were also \$195,922. For the same fiscal year, the actual total budget was \$328,837 higher than the adopted budget totaling \$524,759, while the total available financing was \$192,309, leaving \$332,450 in unreimbursed costs.

In the FY 2004-05 budget, the auditor commented that the District's deficit of \$438,952 was "unusual because the Board of Supervisors included in its approved budget a use of funds to increase reserves by \$2,036,478." The actual total budget for FY 2004-05 was \$72,509 while the total available financing was negative (by \$259,315), leaving \$331,824 in unreimbursed costs for that year. This amount was \$107,128 less than the adopted budget projected the deficit would be.

For FY 2005-06, the total budget was \$67,456 while the total available financing was negative (by \$402,814), leaving \$470,270 in unreimbursed costs. The adopted budget for FY 2005-06 projected a deficit of \$583,235, nearly \$113,000 higher than the actual deficit. The District requested a budget of \$2,116,749 with financing equaling the same.

The District consistently runs a deficit. Over the last four budget cycles, the unreimbursed costs have averaged \$339,926. Additionally, the County adopts budgets that predict deficits higher than those that actually occur.

V. COST AVOIDANCE OPPORTUNITIES

This section of the MSR considers the potential cost avoidance opportunities available to each service provider. Cost avoidance opportunities include any potential sources of reduction in costs associated with service provision, and any other capital or operational actions or programs which may result in a more efficient and streamlined provision of services to the properties within the service area. This analysis includes both potential and previously implemented cost avoidance measures.

The Sutter County Public Works Department oversees the day-to-day operations and maintenance for several special districts including the Robbins Waterworks District #1, El Cerrito Drainage District, the Tierra Buena County Drainage District, the El Margarita County Drainage District, and the Sutter County Flood Control and Water Conservation District. The Department also is responsible for administrative services to the County Airport, Facilities Maintenance, Central Services, County Shop, Fish and Game, Parks and Recreation, Purchasing, Road Department, Water Agency, and street lighting and landscape districts.

The District is benefiting from the cost avoidances incurred by utilizing the County's Assistant Public Works Director, who acts as the District's General Manager and other Public Works staff whose administrative and maintenance responsibilities include providing similar services to other special districts.

Auditing and budgeting are performed as part of a larger department-wide process.

No additional significant cost avoidance opportunities have been identified that would have resulted in a significant reduction in costs associated with service provision.

VI. RATE RESTRUCTURING

The Board of Directors reviews and approves rates which are not subject to approval by public vote. The rates are designed to finance projected operation, maintenance, and replacement expenses of the District. Rates are charged to recover expenses only. Water rates are fixed through the District.

The District's rate structure is a flat fee paid by all residents and commercial operations. There are no variances in rates or taxes among users. The District has not adjusted rates in the last three years. The District's current rates do not allow for any funds to be set aside to purchase infrastructure, facilities, or equipment.

The revenue sources are monthly service charges and connection fees, as well as state and federal grants and loans. To raise funds, the District only needs the Board's approval; therefore, there are no major constraints associated with generating revenue. The District does not have a reserve or maintain a retained earnings account. The County Assistant Public Works Director approves all expenditures which comply with the District's annual budget.

Over the past three years there have been no changes implemented in rates, fees, taxes or any other charges. There are no available rebates, tax credits, or other relief options given to any agency customers. All customers within the District pay the same service charges and fees. Water hook-up fees are \$435 and sewer hook-up fees are \$884. For each commercial connection, water is \$54.63 and wastewater is \$32.50 monthly. For each residential connection, water is \$22.50 and wastewater is \$32.50 monthly. The District does not bill based on the amount of water consumed. The fees paid allow customers as much water as they want to use.

TABLE 5.1-1: DISTRICT RATE STRUCTURE

Cost per Connection				
Hook up fees		Residential	Commercial	
Water	\$435	Water	\$22.50	\$54.63
Sewer	\$884	Wastewater	\$32.50	\$32.50

Because the fees being collected for service are not sufficient to cover the operating costs of the District, District personnel have determined that increased water treatment and repair costs will require increased charges and fees for FY 2006-07. Voter approval is not needed to increase rates.

Although wastewater distribution facilities depreciate over their useful life, the District does not have a replacement fund. To improve the economic or management efficiency and district operations, rates could be metered and/or a capital fund could be created by the Board.

The District has not been involved in any legal conflicts resulting in legal expenses in the last three years.

5.1 ROBBINS WATERWORKS DISTRICT NO. 1

VII. OPPORTUNITIES FOR SHARED FACILITIES

District operations are conducted by the Public Works Department. Department personnel and equipment are utilized to provide service to this District and other districts which fall under the purview of the Department.

VIII. GOVERNMENT STRUCTURE OPTIONS

Members of the Board of Supervisors serve as the legislative body for Sutter County as well as all dependent special districts within the County. Each of the five members represents an area of the County, known as a Supervisorial District, and is elected by the voters in that Supervisorial District to a staggered four-year term. Board members receive compensation in the form of salary and benefits. The government structure of the District is shown in **Figure 5.1-2**.

The District, under its current legal form, is able to function under its current government structure. The cost, time, and administrative complexity of transitioning to an alternative government structure would make the suitability of a transition extremely difficult. The existing structure of the District as a County Waterworks District is sufficient to allow the District to continue service provision in the foreseeable future. Therefore, a reorganization of the current government structure is not likely to significantly improve services. The current government structure is able to provide adequate service within district boundaries. No additional government structure options have been identified.

Figure 5.1-2 represents the government structure of the Sutter County Public Works Department.

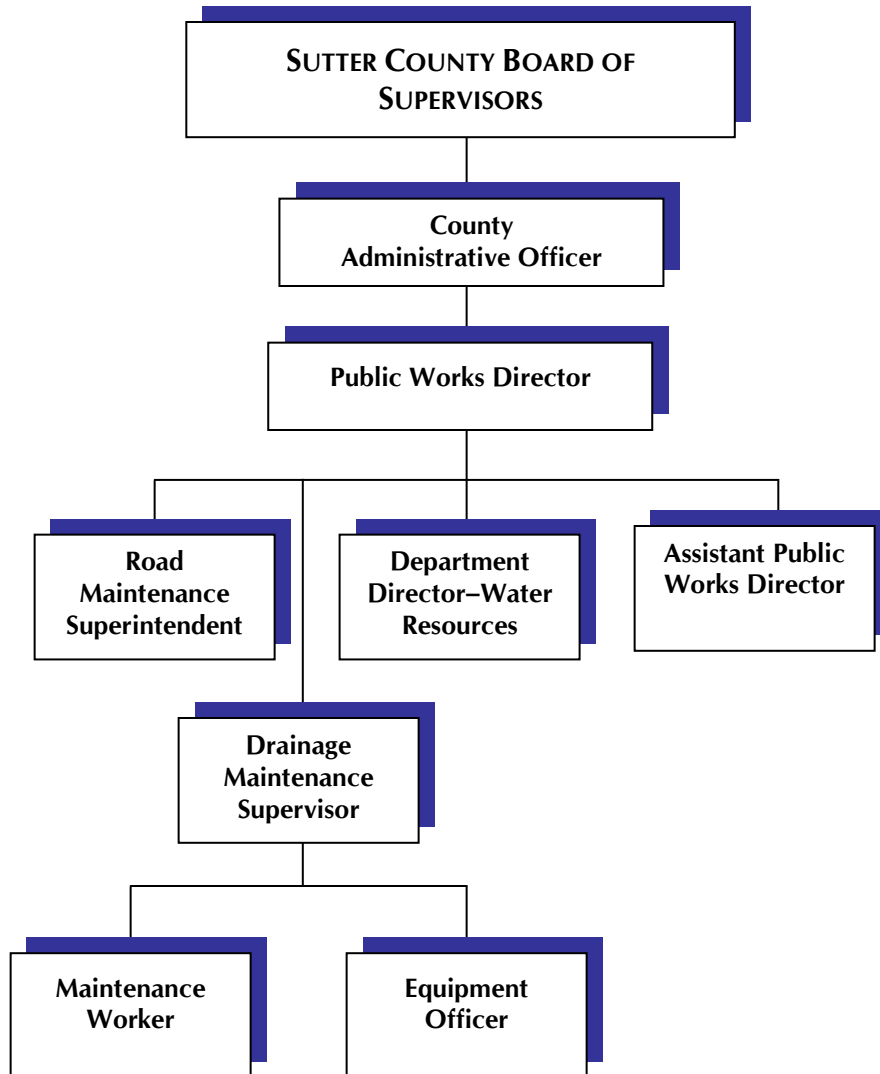
IX. EVALUATION OF MANAGEMENT EFFICIENCIES

The District is operated by the SCPWD. The Sutter County Public Works Director acts as the District Supervisor and Public Works staff provide administrative assistance (correspondence and billing) and day-to-day maintenance within the District. The Department has actively recruited for personnel to fill a vacant position for a Water Resources Engineer for more than a year. The District's mission is to provide domestic water and wastewater collection services to the unincorporated community of Robbins located in southwestern Sutter County near the intersection of Highway 113 and Reclamation Road. The service area is approximately 0.28 square miles (180 acres).

The District does not maintain a website; however, information related to drainage and the District is available on the County website.

The current organization of the District presents few apparent management issues. Therefore, management changes are unnecessary to ensure the long-term continuation of service provision by the District.

FIGURE 5.1-2:
GOVERNMENT STRUCTURE



X. LOCAL ACCOUNTABILITY

The District is a dependant district governed by the Sutter County Board of Supervisors and operated by the SCPWD. The Board is responsible for enacting ordinances and resolutions, adopting the County budget, levying taxes, and approving formal contracts and agreements. Board meetings are held every Tuesday during the regular Board of Supervisors meeting. Secondary meetings are held every second and fourth Thursday during the Public Works Support Services Committee meetings. All meetings of the Board of Supervisors are open to the public. Meeting times and locations are posted online, in addition to meeting agendas and minutes. Additionally, taped meetings of the Board can be viewed every Wednesday evening at 8:00 p.m. on cable TV channel 18 in the Yuba City area. District public meetings appear to comply with all Brown Act procedures.

5.1 ROBBINS WATERWORKS DISTRICT NO.1

All expenditure decisions made on the behalf of the District are controlled by the annual budget developed and managed by the Public Works staff and approved by the Sutter County Board of Supervisors. Auditing and budgeting of the District's finances are performed as part of a larger department-wide process.

Bidding procedures for the County have been adopted by the Board of Supervisors and established by Ordinance (Chapter 27, Sections 10 through 27).

XI. SPHERE OF INFLUENCE RECOMMENDATIONS

A sphere of influence comprises the growth boundaries for an agency and provides opportunities for the District to expand, should they choose to seek such an expansion. State law requires that Spheres of Influence be updated every five years. As part of updating a Sphere of Influence, State law requires LAFCo to prepare written statements with regard to the following four areas of attention:

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

The majority of land uses within the District are single-family residential, with some industrial and commercial zoning established along State Highway 113 and Reclamation Road. There are no agriculturally-based water needs in the District.

2. The present and probable need for public facilities and services in the area.

Currently, all residents and businesses in the District are being served. There is little to no growth in the District. Therefore, the present and probable needs for public facilities and services area are being met.

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

The present growth rate within the District service area is negligible due to the limited capacity of the current sewer and water services.

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.

There are no relevant social or economic communities of interest in Robbins Waterworks District No 1.

XII. MUNICIPAL SERVICE REVIEW DETERMINATIONS

Pursuant to the Cortese-Knox-Hertzberg Act, determinations must be made for each factor analyzed above. Determinations are based on analysis of information provided by surveys completed by agency staff, agency documents, meetings with agency staff, and Internet research. Accordingly, staff recommends that the Commission adopt the determinations that follow.

1. **Growth projected for the affected area determination:** Robbins Waterworks District No. 1 has reached operating capacity at the wastewater treatment plant. Permitted District development has ceased until capacity increasing upgrades are implemented.

2. **Infrastructure needs or deficiencies determination:** New development within Robbins Waterworks District #1 has ceased until existing infrastructure and capital facilities can be upgraded.
3. **Financing constraints and opportunities determination:** Robbins Waterworks District No. 1 has been running at a deficit for four consecutive years because the current rates are not sufficient to cover annual costs. District budgeting and auditing is performed on a Department-wide level.
4. **Cost avoidance opportunities determination:** Robbins Waterworks District No 1, as well as numerous other dependent special districts within the County, is governed and operated by existing County entities. The District is benefiting from the cost avoidance incurred by utilizing staff whose responsibilities include providing services to other special districts.
5. **Opportunities for rate restructuring determination:** Robbins Waterworks District No. 1 is funded by a combination of water and wastewater connection fees and hook-up fees. The District operates under the Community Services District Act and does not generate a profit. The District operates with insufficient revenues to cover expenses and operations. There are opportunities for rate restructuring identified in the municipal services review.
6. **Opportunities for shared facilities determination:** Robbins Waterworks District No. 1 utilizes staff from the County Public Works Department and is governed by the County Board of Supervisors. No other opportunities for facilities sharing were identified.
7. **Government structure options, including advantages and disadvantages of consolidation or reorganization of service providers determination:** The structure of the Robbins Waterworks District No. 1 serves its residents efficiently within logical service boundaries and would not benefit from operating under a different government structure. There has been no interest expressed by the District to merge with any other district or alter the governmental structure as currently practiced.
8. **Evaluation of management efficiencies determination:** Robbins Waterworks District No. 1 does not appear to be in conflict with any regulatory legislation regarding government management. The overall management structure of the District is sufficient to account for necessary services and maintain operations.
9. **Local accountability and governance determination:** Robbins Waterworks District No. 1 is overseen by the County Board of Supervisors, members of which are elected by County voters. The District Board holds monthly public meetings that are noticed according to Brown Act procedures. District finances are audited as part of a larger department-wide process and bidding procedures have been established for services contracted by the District

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Sutter County Public Works Department. Personal Correspondence, Eric Ausmus.

The seal of Sutter County, California, is a circular emblem. It features a central landscape with a mountain range, a river, and a field. The text "SUTTER COUNTY" is arched across the top, and "CALIFORNIA" is arched across the bottom. Two gold coins are positioned on the left and right sides of the central scene.

**6.1 SUTTER COUNTY FLOOD CONTROL
AND WATER CONSERVATION DISTRICT**

6.1 SUTTER COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

I. SETTING

The Sutter County Flood Control and Water Conservation District (District) is a special district that serves all of Sutter County. The District was formed by a County Board of Supervisors Resolution dated September 17, 1973, and has served Sutter County without changes to its boundary or mergers with other districts. The purposes of the District are:

- Make sufficient water available for beneficial uses, including storage and distribution of water for irrigation, domestic, fire protection, and other beneficial uses;
- May construct and operate hydroelectric projects for District's use or for sale at wholesale;
- May control drainage, flood or storm water and store and transport the water for beneficial uses; and
- Release water from surface reservoirs to replenish groundwater; alleviate high groundwater levels.

II. GROWTH AND POPULATION

District boundaries coincide with that of Sutter County; thus, the District population and size are equivalent to that of the County. The District boundary is shown in **Figure 6.1-1**. The District encompasses 600 square miles or 384,000 acres. In Sutter County, development of areas in and around Yuba City has generated population growth. Outside of Yuba City and its surrounding area, the majority of County land is zoned agriculture. As a result, population growth in these areas is slow.




The population of Sutter County was 88,945 as of January 1, 2005, based on figures from the California Department of Finance (CDF). This represents a 12.7% increase from the 2000 U.S. Census population, which is above the 8.7% increase in population in California during the same period. CDF projections indicate that the population of Sutter County would be 95,757 in 2010, and 111,856 in 2020. The area within Yuba City's Sphere of Influence has an annual population growth rate of 2.5% per year.

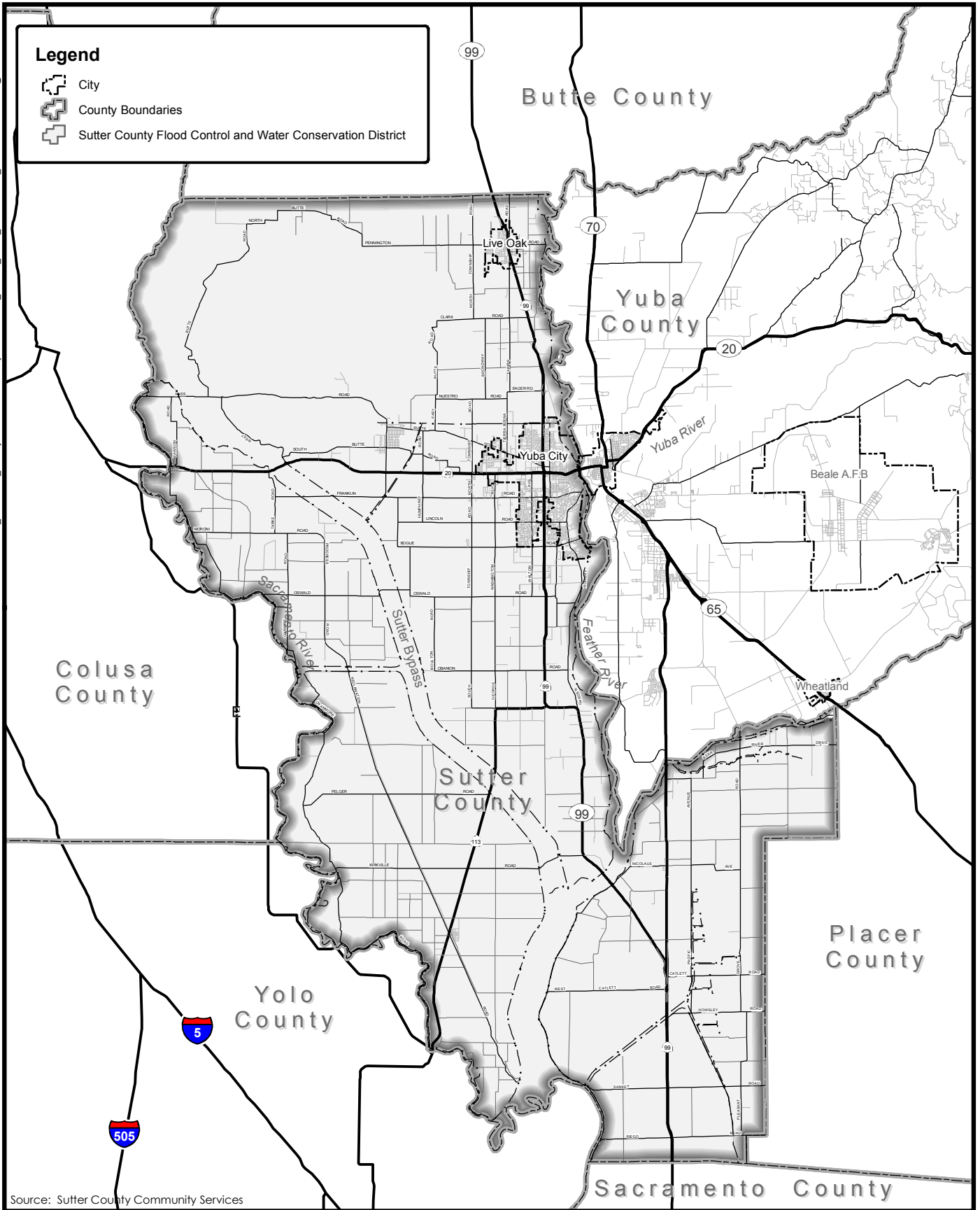
Levees and other flood control facilities protect most of Sutter County. As the population increases, more residents will depend on flood control facilities to protect their lives and properties. Growth will also increase demand for water, requiring additional supplies or new ways to utilize existing supplies. New subdivisions within Yuba City's SOI require annexation into the City. Capacity of the drainage systems in the area is limited, requiring on-site detention/retention of storm water.

Land use reclassification of portions of the District may occur as a result of approval of Advisory Measure M. On November 1, 2005, Sutter County voters approved Advisory Measure M, a mixed-use development of 7,500 acres along State Route 99 in southern Sutter County. The measure calls for up to 2,900 housing units, 3,600 commercial/industrial units, and 1,000 community use units. This development would result in a significant population increase in the District service area, thereby affecting service demand in terms of potential impact to run-off. However, development is expected to pay its own way.

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Legend

-  City
-  County Boundaries
-  Sutter County Flood Control and Water Conservation District



Source: Sutter County Community Services



SUTTER COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

PMC

III. INFRASTRUCTURE

The Sutter County Public Works Department offices are located at 1130 Civic Center Boulevard in Yuba City; according to Public Works personnel, no other known infrastructure is related to the District. According to Public Works personnel, no known deficiencies in infrastructure exist; however, the existing capacity of the Live Oak canal constrains the amount of new development within the County.

IV. FINANCING CONSTRAINTS AND OPPORTUNITIES

The Sutter County Public Works Department receives a portion of the ad valorem tax collected by the County for maintenance and operation of the District. The County's fiscal year (FY) 2006-07 budget showed prior year reserves for all special districts run by the County at \$3,423,052. Total reserves at the end of FY 2006-07 are estimated at \$4,474,320. General sources of revenue include property tax assessment and interest income. General sources of expenditures include salaries and employee benefits, services and supplies. The District is not called out specifically in the FY 2006-07 budget.

All expenditure decisions made on behalf of the District are controlled by the annual budget developed and managed by Public Works staff and approved by the Sutter County Board of Supervisors.

V. COST AVOIDANCE OPPORTUNITIES

This section of the MSR considers the potential cost avoidance opportunities available to each service provider. Cost avoidance opportunities include any potential sources of reduction in costs associated with service provision, and any other capital or operational actions or programs which may result in a more efficient and streamlined provision of services to the properties within the service area. This analysis includes both potential and previously implemented cost avoidance measures.

The Sutter County Public Works Department oversees the day-to-day operations and maintenance for several special districts including the El Cerrito Drainage District, the Tierra Buena County Drainage District, the El Margarita County Drainage District, and the Sutter County Flood Control and Water Conservation District. Public Works personnel are assigned a specific zone within the County, where they are responsible for day-to-day maintenance of infrastructure of the special districts that now fall under the purview of the Department. Public Works also is responsible for administrative services to the County Airport, Facilities Maintenance, Central Services, County Shop, Fish and Game, Parks and Recreation, Purchasing, Road Department, Water Agency, and street lighting and landscape districts.

The District is benefiting from utilizing a drainage maintenance supervisor and maintenance/equipment workers whose responsibilities include providing services to this District and to other special districts.

Auditing and budgeting are performed as part of a larger department-wide process.

VI. RATE RESTRUCTURING

Revenue sources consist only of a portion of the ad valorem tax collected by the County. There are no known additional fees charged for drainage services.

6.1 SUTTER COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

VII. OPPORTUNITIES FOR SHARED FACILITIES

District operations are conducted by the Public Works Department. Department personnel and equipment are utilized to provide service to this District and other districts which fall under the purview of the Department.

VIII. GOVERNMENT STRUCTURE OPTIONS

In 1931, the California State Legislature adopted the Flood Control and Flood Water Conservation Law, which provided the legal basis for the creation, function, and governing powers of flood control and water conservation districts. The Sutter County Board of Supervisors governs the District. The Board of Supervisors also may establish a zone council in any zone and delegate any authority to it.

Members of the Board of Supervisors serve as the legislative body for Sutter County as well as all dependent special districts within the County. Each of the five members represents an area of the County, known as a Supervisorial District, and is elected by the voters in that Supervisorial District to a staggered four-year term. Board members receive compensation in the form of salary and benefits. The government structure of the District is shown in **Figure 6.1-2**.

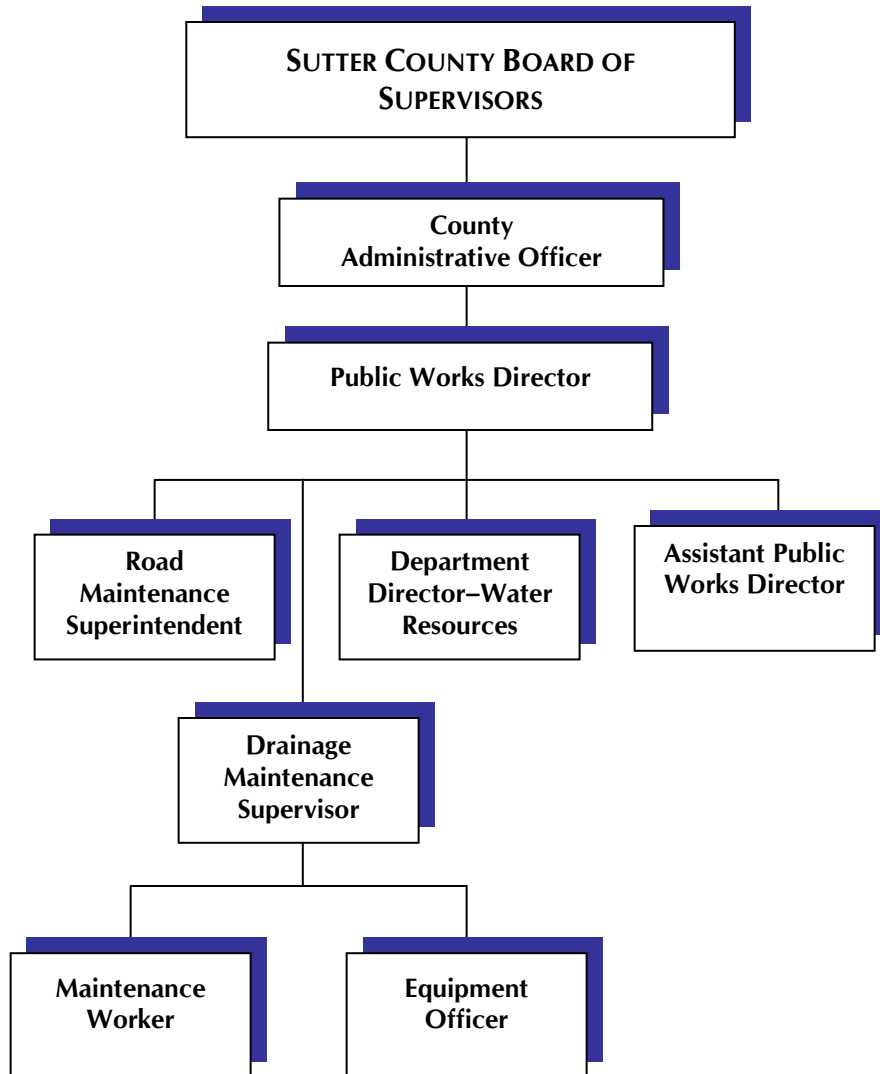
The Sutter County Flood Control and Water Conservation District, under its current legal form, is able to function under its current government structure. The cost, time, and administrative complexity of transitioning to an alternative government structure would make the suitability of such a transition extremely difficult. The existing structure of the District as a Flood Control and Water Conservation District is sufficient to allow the District to continue service provision in the foreseeable future. Therefore, a reorganization of the current government structure is not likely to significantly improve services. The current government structure is able to provide adequate service within District boundaries. No additional government structure options have been identified.

IX. EVALUATION OF MANAGEMENT EFFICIENCIES

The District is operated by the Sutter County Public Works Department. The Public Works Director acts as the District Supervisor and Public Works staff provide administrative assistance (correspondence and billing) and day-to-day maintenance within the District. The Department has actively recruited for personnel to fill a vacant position for a Water Resources Engineer for more than a year.

The District does not maintain a website; however, information related to District operation is available through the County Water Resources Department.

FIGURE 6.1-2:
GOVERNMENT STRUCTURE



X. LOCAL ACCOUNTABILITY

The District is governed by the Sutter County Board of Supervisors and operated by the County Public Works Department. The Board is responsible for enacting ordinances and resolutions, adopting the County budget, levying taxes, and approving formal contracts and agreements. Board meetings are held every Tuesday during the regular Board of Supervisors meeting. Secondary meetings are held every second and fourth Thursday during the Public Works Support Services Committee meetings. All meetings of the Board of Supervisors are open to the public. Meeting times and locations are posted online, in addition to meeting agendas and minutes. Recorded meetings of the Board can be viewed every Wednesday evening at 8:00 p.m. on cable TV channel 18 in the Yuba City area. District public meetings appear to comply with all Brown Act procedures.

6.1 SUTTER COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

All expenditure decisions made on behalf of the District are controlled by the annual budget developed and managed by the Public Works staff and approved by the Sutter County Board of Supervisors. Auditing and budgeting of the District's finances are performed as part of a larger department-wide process.

Bidding procedures for the County have been adopted by the Board of Supervisors and established by Ordinance (Chapter 27, Sections 10 through 27).

XI. SPHERE OF INFLUENCE RECOMMENDATIONS AND DETERMINATIONS

A sphere of influence comprises the growth boundaries for an agency and provides opportunities for the District to expand, should they choose to seek such an expansion. State law requires that Spheres of Influence be updated every five years. As part of updating a Sphere of Influence, State law requires LAFCo to prepare written statements with regard to the following four areas of attention:

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

Most of the land in the District is agricultural. There are concentrations of urban development at the two incorporated cities within the District, as well as in scattered unincorporated communities. The General Plan of Sutter County, as well as those of each of the incorporated cities within District boundaries, provides for multiple planned uses, including urban development, open space, and agricultural uses. Urban development consists of residential, commercial, industrial, and recreational uses.

Advisory Measure M calls for a mixed-use development of 7,500 acres along State Route 99 in southern Sutter County, with up to 2,900 housing units, 3,600 commercial/industrial units, and 1,000 community use units. If the applicant and the County approve, this would result in a significant population increase in the service area and would require appropriate measures for the District to accommodate the anticipated increased demand for its services.

2. The present and probable need for public facilities and services in the area.

Population growth in Sutter County would mean more residents requiring flood protection for themselves and their properties. It also would lead to an increased demand for domestic water supplies. Other special districts are the primary providers of these services, and Public Works personnel have indicated that there is not a present or probable need for expanded 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.

As previously noted, Public Works personnel have indicated that there is no service-specific District infrastructure.

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 District's goals are to reduce the potential for flooding and to ensure an adequate provision of water for beneficial uses for all residents of Sutter County. The District serves

both rural and urban areas within its boundary. These areas are interrelated and have direct impacts on one another. Flood control and water conservation are regional issues that go beyond the jurisdiction of local agencies within the District's boundary.

XII. MUNICIPAL SERVICE REVIEW DETERMINATIONS

Pursuant to the Cortese-Knox-Hertzberg Act, determinations must be made for each factor analyzed above. Determinations are based on analysis of information provided by surveys completed by agency staff, agency documents, meetings with agency staff, and Internet research. Accordingly, staff recommends that the Commission adopt the determinations that follow.

1. **Growth and population projections for the affected area determination:** Outside of Yuba City and its surrounding area, the majority of County land is zoned agriculture. As a result, population growth in these areas is slow. The passage of Advisory Measure M and subsequent growth has the potential to result in significant development that would demand increased services. However, development will pay its own way.
2. **Infrastructure needs or deficiencies determination:** According to Public Works personnel, the Sutter County Flood Control and Water Conservation District does not maintain service-specific infrastructure. However, District operations are carried out from County offices.
3. **Financing constraints and opportunities determination:** The Sutter County Flood Control and Water Conservation District is not accounted for specifically in the FY 2006-07 County budget. However, with regard to all special district operations, the budget is balanced.
4. **Cost avoidance opportunities determination:** The Sutter County Flood Control and Water Conservation District benefits from a variety of cost avoidance opportunities including oversight by the County Public Works Department, shared personnel, and auditing and budgeting performed by the Sutter County Auditor as part of a wider County-wide process.
5. **Opportunities for rate restructuring determination:** Revenue sources consist only of a portion of the ad valorem tax collected by the County. There are no known additional fees charged for drainage services.
6. **Opportunities for shared facilities determination:** Public Works personnel and equipment are utilized to provide service to the Sutter County Flood Control and Water Conservation District and other districts which fall under the purview of the Department.
7. **Government structure options determinations:** The Sutter County Board of Supervisors oversees the Sutter County Flood Control and Water Conservation District, with a supervisor overseeing operations. Members of the Board of Supervisors serve as the legislative body for Sutter County as well as for all dependent special districts within the County, including the Sutter County Flood Control and Water Conservation District. The District, under its current legal form, is able to function under its current government structure.
8. **Evaluation of management efficiencies determination:** The Sutter County Public Works Director acts as the District Supervisor and Public Works staff provide administrative

6.1 SUTTER COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

assistance (correspondence and billing) and day-to-day maintenance within the Sutter County Flood Control and Water Conservation District.

9. **Local accountability determination:** The governing body of the Sutter County Flood Control and Water Conservation District is the County Board of Supervisors. All meetings of the Board of Supervisors are open to the public. Meeting times and locations are posted online, in addition to meeting agendas and minutes. Meetings are recorded and can be viewed on local television channels.

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**7.1 ROBBINS SUTTER BASIN
FIRE PROTECTION DISTRICT**

7.1 ROBBINS SUTTER BASIN FIRE PROTECTION DISTRICT

I. SETTING

The Robbins Sutter Basin Fire Protection District (District) was organized as a local fire district for the residents of Sutter Basin on March 7, 1950. The original intent of the District was for the provision of fire protection services. Since that time, the District has grown to include first responders for medical aid as well as fire protection.

One of six fire districts in the County of Sutter, the District is generally located in southwestern Sutter County. The District is bordered by the Meridian Fire Protection District to the north, as well as County Service Area C, D and F to the east. Of the six different fire districts in the County, three of them are Board-dependent districts that are known as County Service Areas (CSAs); they are CSA-F, CSA-C and CSA-D. There are two independent districts that have their own governing boards; they are the District and the Meridian Fire Department. Additionally, there is the City of Yuba City Fire Department.

II. GROWTH AND POPULATION

The District is roughly bound by the south levee of the Tisdale Bypass, the east and north levees of the Sacramento River, and the west levee of the Sutter Bypass. This area is also located within Reclamation District 1500. The Robbins Sutter Basin Fire Protection District in total is approximately 126 square miles (80,644 acres) and has approximately 1,500 residents. Primary land uses within the District are agricultural as well as three airports and a small commercial area. District boundaries are shown in **Figure 7.1-1**.

No information related to the projected growth of the District is available; however, the District is surrounded by other fire districts and has no plans for expansion.

III. INFRASTRUCTURE

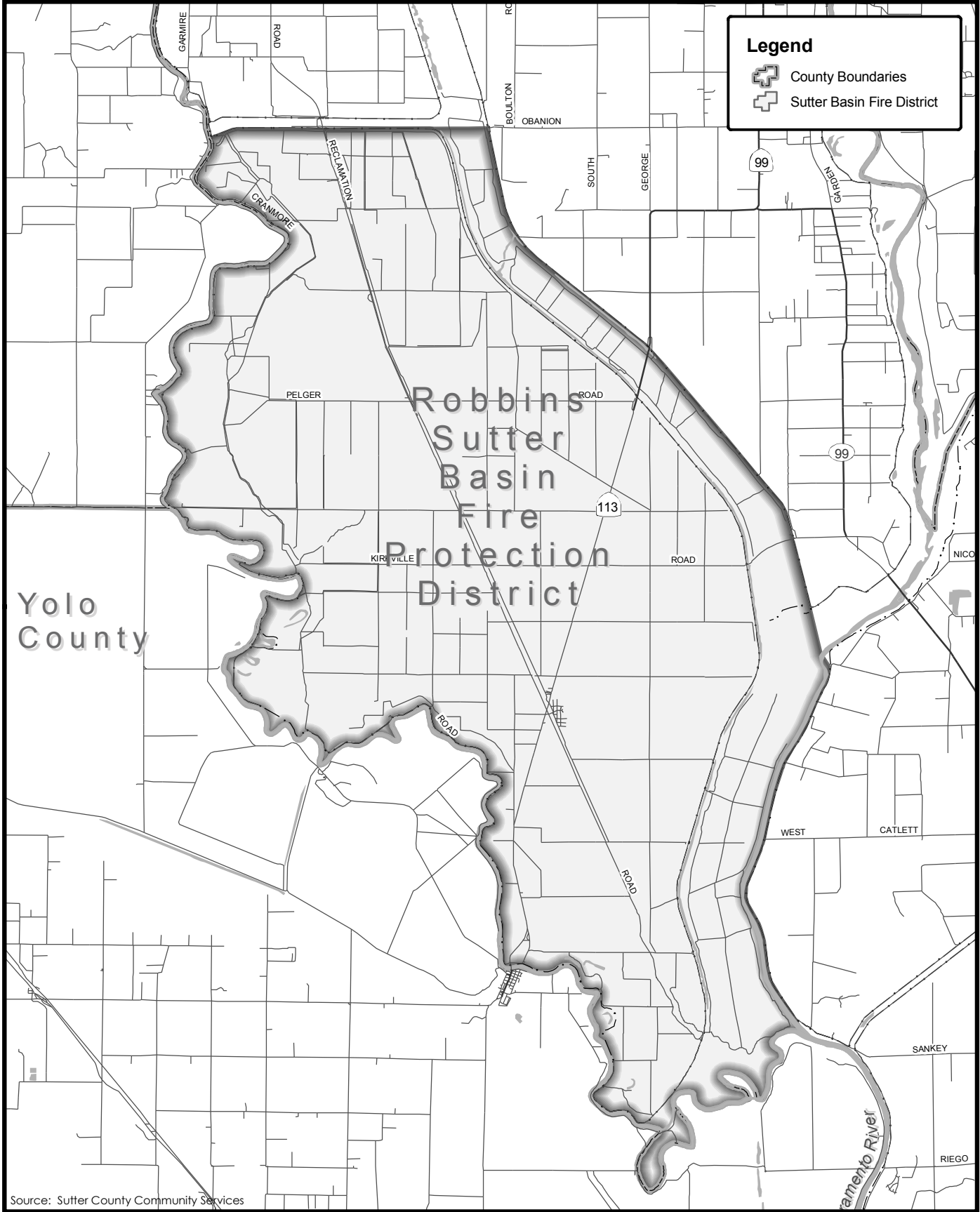
The District owns five vehicles: (1) a 1986 GMC Pumper Type 3 engine; (2) a 1975 International Tanker which holds 4,000 gallons of water; (3) a 1987 Ford Pumper Type 1 engine; (4) a 1989 Ford Type 3 engine; and (5) a 1979 GMC Type 3 engine. Additionally, the District anticipates acquiring one more engine in the near future.

The District has three fire stations, including a main fire station located at the center of the District and two secondary fire stations located in the southeastern and western portions of the District respectively. These locations provide for quick response times, allowing the District to respond before adjacent districts. One station also serves as the headquarters for Reclamation District 1500.

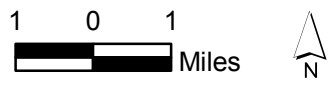
IV. FINANCING CONSTRAINTS AND OPPORTUNITIES

Annual financial reports for fiscal years ending June 30, 2000, 2001, and 2002, together with independent auditor's reports and the District's actual budget for fiscal year 2006-07, were reviewed to determine the fiscal status of the District.

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Source: Sutter County Community Services



ROBBINGS SUTTER BASIN FIRE PROTECTION DISTRICT



7.1 ROBBINS SUTTER BASIN FIRE PROTECTION DISTRICT

According to these reports, the District receives revenues primarily from property taxes and uses funds primarily for salaries and employee benefits, insurance, and equipment. During the fiscal year ending 2000, the District's total revenues were \$64,044, while total expenditures were \$62,435, leaving a surplus of \$1,609. In the fiscal year ending 2001, the District's total revenues were \$55,469, while total expenditures were \$51,561, leaving a surplus of \$3,908. In the fiscal year ending 2002, the District's total revenues were \$57,605, while total expenditures were \$44,308, leaving a surplus of \$13,297. The District continually operates at a surplus, indicating that it receives adequate revenues to fund the maintenance and management of the District.

V. COST AVOIDANCE OPPORTUNITIES

This section of the MSR considers the potential cost avoidance opportunities available to each service provider. Cost avoidance opportunities include any potential sources of reduction in costs associated with service provision, and any other capital or operational actions or programs which may result in a more efficient and streamlined provision of services to the properties within the service area. This analysis includes both potential and previously implemented cost avoidance measures.

The District has a mutual aid agreement with Sutter and Yolo County (established 1993) and an automatic aid agreement with the Knights Landing Fire Protection District (established 1951) of Yolo County. These agreements ensure that if the District needs additional firefighters or equipment, the County or Knights Landing FPD or both will provide the necessary assistance. Conversely, if either of the other districts requires aid, the District will provide such assistance. These agreements ensure better service provision by all entities.

The District employs no full-time employees and utilizes volunteers only. Board members are not compensated.

The District has insurance through Glatfelter Insurance Group. The District's policy is a package covering buildings, equipment, vehicles, and liability. The premium for this policy is approximately \$6,900 per year.

VI. RATE RESTRUCTURING

The District receives revenue primarily from property taxes that are collected by the County and allocated by the District Board. The District does not charge additional fees for services. The District continually operates at a surplus, indicating that it receives adequate revenues to fund the maintenance and management of the District. They have adequate funds for normal maintenance of equipment but would lack funds for purchase of new state-of-the-art equipment without a special assessment which would have to be voted on.

VII. OPPORTUNITIES FOR SHARED FACILITIES

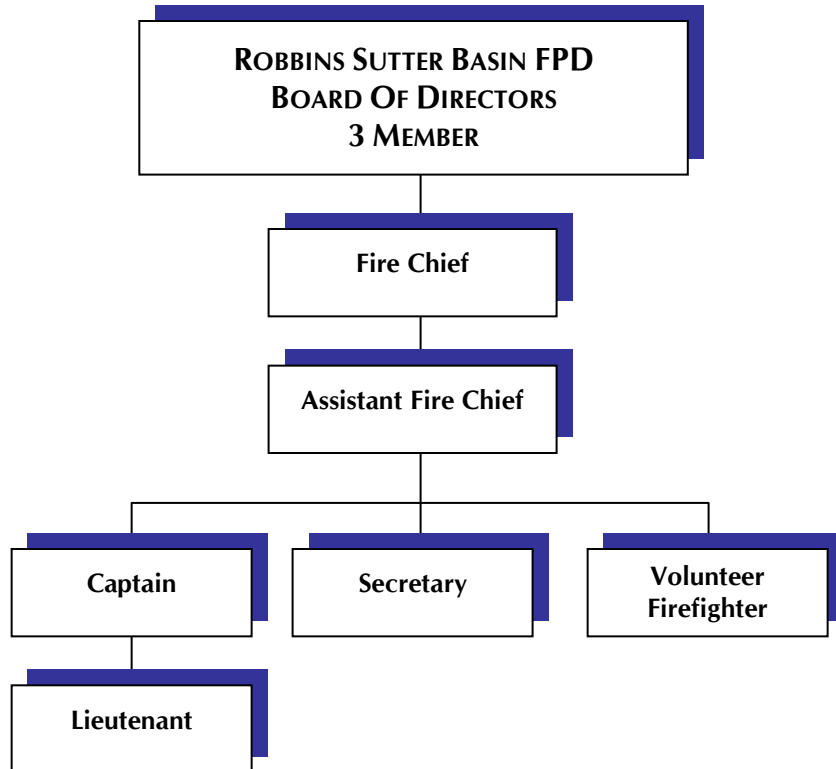
The District has a mutual aid agreement with Sutter and Yolo County and an automatic aid agreement with the Knights Landing Fire Protection District of Yolo County. These agreements provide the District, Knights Landing FPD and Sutter County Fire Department with additional equipment and personnel in times of need.

Additionally, the District shares a fire station located at 15094 Cranmore Road in Kirksville with Reclamation District 1500. No other opportunities for facilities sharing were identified.

VIII. GOVERNMENT STRUCTURE OPTIONS

The District is an independent special district operating under a three-member Board of Directors in accordance with the Fire Protection District Law of 1987, §13801 et seq. of the State Health and Safety Code. The Board of Directors oversees the chief, who in turn oversees the rest of the staff which includes an assistant chief, captain, lieutenant, secretary, and numerous volunteer firefighters. The government structure of the District is shown in **Figure 7.1-2**.

**FIGURE 7.1-2:
GOVERNMENT STRUCTURE**



Volunteers are recruited to the District via word-of-mouth. This lack of a formal recruiting program has resulted in concerns that too few volunteers are available. The District currently has 18 volunteers but has the ability to staff up to 20. All volunteers receive training during a minimum six-month probationary period on equipment and first responder procedures including first aid and CPR. Volunteers also receive ongoing training and attend a monthly dinner meeting held on the first Monday of each month.

Fire protection services for unincorporated areas of California counties may be provided in a limited number of ways, including through contract with neighboring municipalities, through Community Service Districts (CSDs), or through Community Service Areas (CSAs). As an independent special district, the District adequately and appropriately serves 126 square miles of unincorporated Sutter County. The service capacity of the District is sufficient to serve within its boundaries, and the District is held directly accountable for services by a vote of its taxpayers.

IX. EVALUATION OF MANAGEMENT EFFICIENCIES

The Board of Directors has three members who oversee the chief who, in turn, oversees the rest of the staff. The chief does not receive compensation.

The Insurance Services Office (ISO) is a private organization that supplies information that underwriters use to evaluate and price particular risks, including fire protection. ISO staff gathers information on individual properties and communities and, in turn, insurers use that information in underwriting personal and commercial property insurance, commercial liability, and workers compensation policies. Among other services, the ISO:

- Evaluates the fire-protection capabilities of individual cities and towns.
- Surveys personal and commercial properties to determine:
 - the type and effectiveness of building construction;
 - the hazards of various commercial uses of the properties;
 - the type and quality of sprinkler systems and other internal and external fire protection;
 - special conditions; and
 - potential dangers from adjacent properties.

Using the information it gathers, the ISO rates every fire protection agency within the United States. This rating determines the fire insurance rates for the residents and businesses within the agency's jurisdiction. The ratings range from a score of ten (no fire protection at all) to one (best fire protection possible). The District has an ISO rating of six. This rating is consistent with the chief's indication that the average response time is approximately ten minutes. While response times and ISO ratings measure different things, they are related. A longer response time would be a factor that may affect the ISO rating. The lack of adequate fire hydrants also affects the District's ISO rating. This, however, is not something that the District will be able to address until the town of Robbins expands the present water system.

The District also participates in a Slow Rise Flood Emergency Readiness Plan with Reclamation District 1500. This plan states that, should water levels reach stages that are deemed by the Reclamation District to require emergency action be taken to ensure public safety, the District will work in conjunction with state, county, and other local agencies to notify all the residents of the area of the situation, to develop evacuation routes, and to provide assistance to those with special needs or circumstances.

The District has a management and accountability structure in place that adequately provides fire protection and first response medical and emergency services to its residents.

7.1 ROBBINS SUTTER BASIN FIRE PROTECTION DISTRICT

X. LOCAL ACCOUNTABILITY

The Robbins Sutter Basin Fire Protection District's mission statement is as follows:

The Mission of the Robbins Volunteer Fire Department is the safe and efficient response necessary to prevent or minimize loss of life and property threatened by the hazards of fire, medical and rescue emergencies, or disaster situations in the Sutter Basin Fire District.

The Robbins Sutter Basin Fire Protection District Board of Directors is made up of three commissioners who are elected by voters of the District or appointed by the County Board of Supervisors if there is no competition. Board members serve four-year terms and are not compensated. The current commissioners are George VanRuiten, whose term expires December 2009, and Henry Richter, Jr. and Gerald Alonso whose terms expire December of 2007.

The Board meets on the second Tuesday of each month at 4880 Del Monte Avenue in Robbins. These meetings are held to pay bills and discuss any business coming before the Board at the next meeting. Anyone with a complaint is encouraged to come and voice concerns at this time. Typically, the Board, the secretary, and the fire chief are the only attendees. Notices of regular board meetings are posted at the local post office.

Association meetings are held on the third Monday of the month at the Fire House in Robbins at 7:00 p.m. A business meeting consists of welcoming new members, discussing protocol for handling calls, and picking up new or requesting equipment.

District finances are periodically reviewed or audited by either the County Auditor-Controller or a private independent auditing firm contracted by the County Auditor-Controller. A recent review, performed by an independent auditing firm, found that the District's finances are in good shape and its reporting practices are in compliance with accepted standards.

The District does not maintain a website.

XI. SPHERE OF INFLUENCE RECOMMENDATIONS

A sphere of influence comprises the growth boundaries for an agency and provides opportunities for the District to expand, should they choose to seek such an expansion. State law requires that Spheres of Influence be updated every five years. As part of updating a Sphere of Influence, State law requires LAFCo to prepare written statements with regard to the following four areas of attention:

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

Primary land uses within the Robbins Sutter Basin Fire Protection District are agricultural as well as three airports and a small commercial area.

2. The present and probable need for public facilities and services in the area.

The Robbins Sutter Basin Fire Protection District is presently adequately serving its service area and maintains an acceptable ISO rating given the rural character of the area. Additionally, according to District staff, no complaints have been received from service

7.1 ROBBINS SUTTER BASIN FIRE PROTECTION DISTRICT

area residents. The District is not experiencing significant growth, and no changes in demand for public facilities or services are anticipated.

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

The Robbins Sutter Basin Fire Protection District maintains three fire stations and five vehicles within its service area, which provide sufficient capacity. The District also provides adequate services to the residents of its service area and maintains an appropriate ISO rating.

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.

There are no relevant social or economic communities of interest in the Robbins Sutter Fire Protection District.

XII. MUNICIPAL SERVICE REVIEW DETERMINATIONS

Pursuant to the Cortese-Knox-Hertzberg Act, determinations must be made for each factor analyzed above. Determinations are based on analysis of information provided by surveys completed by agency staff, agency documents, meetings with agency staff, and Internet research. Accordingly, staff recommends that the Commission adopt the determinations that follow.

1. **Growth and population projections for the affected area determination:** The Robbins Sutter Basin Fire Protection District has sufficient ability to provide existing residents with fire protection services. The District is surrounded by other districts providing fire protection services and has no plans for geographic expansion.
2. **Infrastructure needs or deficiencies determination:** The Robbins Sutter Fire Protection District maintains three fire stations and five vehicles within its service area, which provide sufficient capacity and ability to serve existing and future residents. The District also provides adequate services to the residents of its service area and maintains an appropriate ISO rating.
3. **Financing constraints and opportunities determination:** The Robbins Sutter Fire Protection District receives revenue primarily from property taxes and, according to available financial documents, has maintained a surplus each year. The District does not currently charge any fees or pursue any grants or other sources of revenue.
4. **Cost avoidance opportunities determination:** The Robbins Sutter Fire Protection District has a mutual aid agreement with Sutter County and an automatic aid agreement with the Knights Landing Fire Protection District of Yolo County, allowing for sharing of staff and equipment. Additionally, the District shares a fire station with Reclamation District 1500. The District has purchased a package insurance policy covering all buildings, equipment, vehicles, and liability. Finally, the District employs no staff members and is composed of all volunteers.
5. **Opportunities for rate restructuring determination:** The Robbins Sutter Fire Protection District does not charge any fees. Revenue is received from property taxes; therefore, no opportunities for rate restructure are available.

7.1 ROBBINS SUTTER BASIN FIRE PROTECTION DISTRICT

6. **Opportunities for shared facilities determination:** The Robbins Sutter Fire Protection District operates under mutual/automatic aid agreements with neighboring districts. Additionally, the District shares a fire station with Reclamation District 1500. No additional opportunities for facilities sharing were identified.
7. **Government Structure options determination:** The Robbins Sutter Fire Protection District serves its customers efficiently within logical service boundaries and would not benefit from operating under a different government structure.
8. **Evaluation of management efficiencies determination:** The Robbins Sutter Fire Protection District appears to operate efficiently and effectively in its provision of services.
9. **Local accountability determination:** The Robbins Sutter Fire Protection District is overseen by a three-member board that is elected by the residents of the District or appointed by the County Board of Supervisors if there is no competition. The District Board holds monthly public meetings that are noticed according to Brown Act procedures. Residents are encouraged to attend and participate in these meetings.

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**8.1 TIERRA BUENA
COMMUNITY SERVICES DISTRICT**

I. SETTING

The Tierra Buena Community Service District (District) provides wastewater services to residents of Tierra Buena, a built-out residential community annexed to Yuba City in 2004. The District encompasses a housing development known as Stonegate. The Tierra Buena planning area is a topographically flat area positioned to the northwest of Yuba City. The District is located north of State Route 20, and is bounded to the north by Jefferson Avenue and to the south by Monroe Road, and includes parcels on Stonegate Drive and Granite Drive serving as the eastern and western boundaries. These district boundaries are shown on **Figure 8.1-1**.

II. GROWTH AND POPULATION

The only use in the District is single-family homes and, according to the Yuba City Water Master Plan, the District is at its build-out of 109 homes.

III. INFRASTRUCTURE

The District owns all individual holding tanks, for a combined sewer system located on each property in the District as well as the one-inch lines that run from these tanks to the streets to connect to the main, four-inch City-owned wastewater treatment line. According to Yuba City staff, the City wants to transition the District from the current tank system and connect the District directly to the City's wastewater system. To do this, both District-owned and City-owned pipes would require upgrades.

The District owns the wastewater treatment plant located in the District; however, the plant is not operational due to a previous leakage. For this reason, the District utilizes the City of Yuba City's wastewater treatment plant. Originally, the permitted flow of the City's treatment plant was 7 million gallons per day (mgd). Currently, the City is operating the treatment plant on remand due to an ongoing lawsuit with the Regional Water Quality Board which has lasted five years. The permit negotiations are scheduled to occur at the Regional Board in August 2007. The City is requesting a permit which would allow for a flow of up to 10.5 mgd. Currently, the City is discharging 7 mgd.





According to City personnel, each household within the District generates an average of 460 gallons of wastewater each day or an average of 0.05 mgd with a peak of 0.08 mgd.

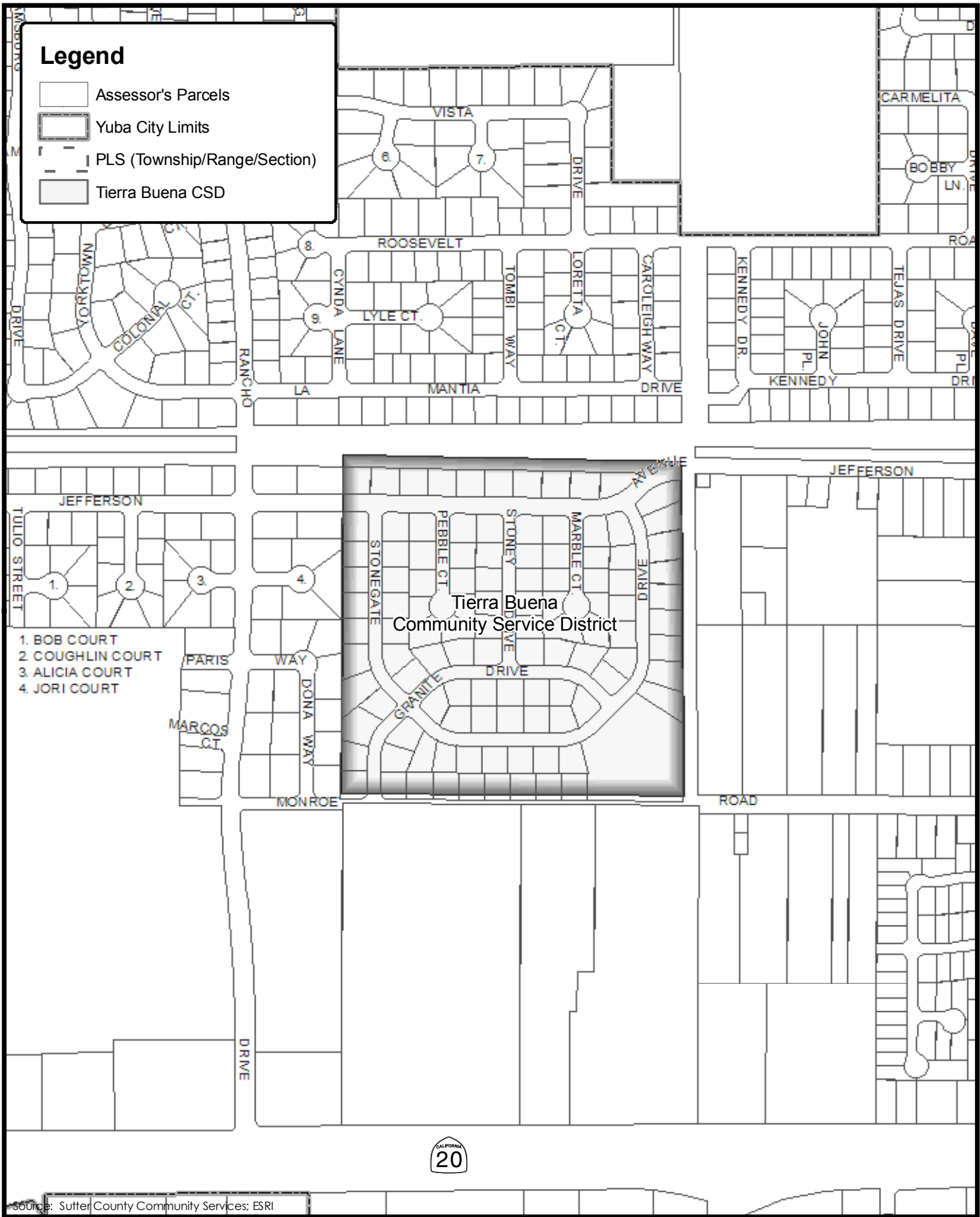
IV. FINANCING CONSTRAINTS AND OPPORTUNITIES

The original bond that was passed to start the District has not been paid down. Yuba City has a copy of the original Limited Obligation Improvements Bonds for the Stonegate Sewer Improvement District. According to this information, in 2006 the principle amount was \$35,000 and the interest was \$22,500 for a total debt of \$57,500. The County collects revenues from District residents' property taxes and pays the debt without assistance from the City.

The District has determined that if it sells the abandoned treatment plant, the profit of the sale could finance the upgrades needed to transition from the tank system to the City's wastewater system. However, the District believes that if the sale occurred before the entirety of the original bond is paid off, then the profits would be seized by the County to pay down the debt, leaving little or no money for the upgrades.

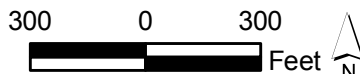
Legend

-  Assessor's Parcels
-  Yuba City Limits
-  PLS (Township/Range/Section)
-  Tierra Buena CSD



- 1. BOB COURT
- 2. COUGHLIN COURT
- 3. ALICIA COURT
- 4. JORI COURT

Tierra Buena
Community Service District



TIERRA BUENA COMMUNITY SERVICE DISTRICT



Source: Sutter County Community Services; ESRI

The District is unaware if any audits have taken place and the City of Yuba City does not include the District audit as a part of the City's audit. Finally, the Sutter County Auditor-Controller's office was unable to locate the District's audit as either an independent audit or as part of Sutter County's audit.

This financial analysis is based on the adopted budgets for Fiscal Year (FY) 2003-04 and 2004-05 as well as the adopted budget for FY 2004-05 as recorded in Sutter County's budget requests for FY 2005-06. In FY 2003-04, the total budgeted expenditures were \$29,176 and the budgeted revenues were \$32,397, leaving the District with a surplus of \$3,221. For FY 2004-05, the total budgeted expenditures were \$280 and the budgeted revenues were \$3,018, leaving the District with a surplus of \$3,018. The reason for the drop in expenditures is that in FY 2003-04 there were \$12,960 worth of services and supplies provided by the District; in FY 2004-05 there were none although the adopted budget allowed for \$2,863 in services and supplies for the year. Additionally, in FY 2003-04 the District had \$32,184 worth of user pay revenues; in FY 2004-05 the District did not collect any nor were any budgeted.

The reason for the changes in the Sutter County budget is that the District was annexed by the City of Yuba City; however, the County will continue to include the District in its budget until the A-87 charges (the original bond) has been paid off.

V. COST AVOIDANCE OPPORTUNITIES

This section of the MSR considers the potential cost avoidance opportunities available to each service provider. Cost avoidance opportunities include any potential sources of reduction in costs associated with service provision, and any other capital or operational actions or programs which may result in a more efficient and streamlined provision of services to the properties within the service area. This analysis includes both potential and previously implemented cost avoidance measures.

The District engages in several cost avoidance activities as a result of being managed by the City of Yuba City. The District does not maintain an office of its own, and therefore utilizes all office infrastructure and staff that the City provides.

In addition to utilizing the City's office resources and professional and administrative staff, the District also uses the City's wastewater treatment plant. Therefore the District does not incur the operational and maintenance costs associated with a treatment plant.

VI. RATE RESTRUCTURING

The City charges a flat fee of \$31.40 to residents of the District, which includes a sewer fee of \$26.48 and a Community Service District fee of \$4.92. The City applies an annual adjustment of 4.3% or the current Consumer Price Index, whichever is higher, for the entire bill. Additional assessment fees or taxes are collected monthly or as a one-time lump payment. The City reviews and updates the service rates on an ongoing basis as an annual rate restructure that maintains and improves service levels. Additionally, the master schedule of fees is reviewed regularly and updates are made to provide full cost recovery. Development impact fees are also collected and are reviewed to ensure that the fees collected are ample to pay for capital improvements related to new growth and development.

8.1 TIERRA BUENA COMMUNITY SERVICES DISTRICT

VII. OPPORTUNITIES FOR SHARED FACILITIES

The District is managed by the City of Yuba City, and the District utilizes City offices, professional and administrative staff, and infrastructure such as trucks and tools.

VIII. GOVERNMENT STRUCTURE OPTIONS

The City Council for the City of Yuba City serves as the Board for the District. Additionally, the City utilizes its own staff for the needs of the District.

The District will remain a separate legal entity dependent upon the City for the life of the assessment district obligations or at a time when the City refinances the bonds. At that time, the District will be fully integrated into City operations.

IX. EVALUATION OF MANAGEMENT EFFICIENCIES

The mission statement for the City of Yuba City's Wastewater Treatment Facility, which provides services to the District, is "Providing reliable wastewater services to the residents of Yuba City in the safest, most economical means possible while safeguarding the environment."

If repairs are required on District infrastructure, including individual tanks and lines, the City sends Public Works Department staff to repair the problem. This is a service that is not offered to City residents on the wastewater system.

X. LOCAL ACCOUNTABILITY

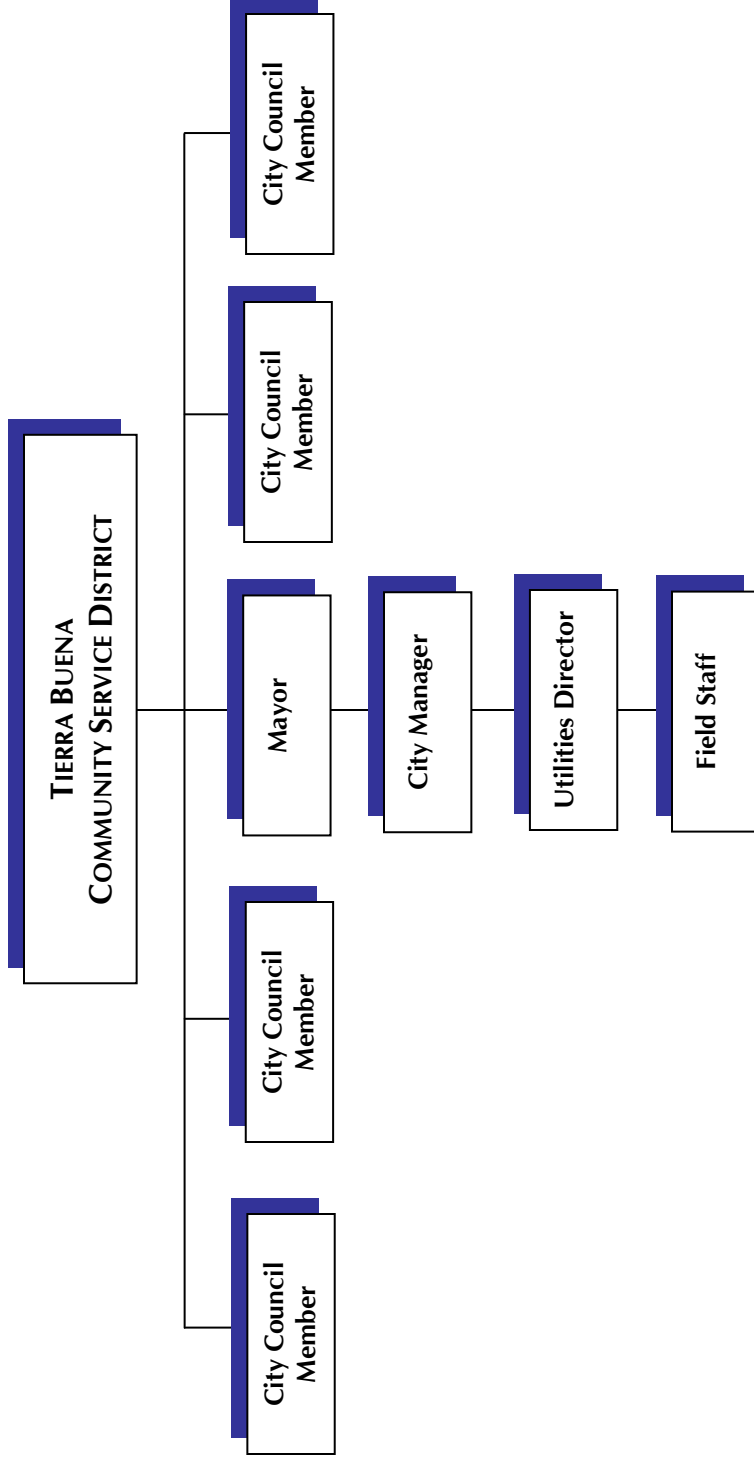
The City of Yuba City is an accessible body that maintains open communication with its residents, businesses, and private organizations. City Council meetings are held on the first and third Tuesday of each month at 7:00 p.m. in the Council Chambers at City Hall, 1201 Civic Center Boulevard. Agendas and minutes are available online and appear to be noticed in compliance with the Brown Act.

There appear to be ample opportunities for District residents to participate in the public process. The City has taken many steps to actively engage its residents into government activities. The following are examples of the City's efforts to promote public participation:

- A comprehensive website hosting a variety information, including, but not limited to:
 - News & Events with a news archive and events calendar
 - Posted current City Council and Planning Commission agendas and minutes
 - Public notices
 - City services descriptions and maps to departments
 - Documents, such as an online version of the General Plan Update, the zoning code, planning fee schedule, permit information and forms, and past and current city budgets

8.1 TIERRA BUENA COMMUNITY SERVICES DISTRICT

FIGURE 8.1-2
GOVERNMENT STRUCTURE



8.1 TIERRA BUENA COMMUNITY SERVICES DISTRICT

- Links to the Utilities department
- Lists of current projects
- Community links
- Recreation events
- Housing improvement programs
- Purchasing and surplus sources
- Links to local newspapers
- Demographic data
- A historical overview titled Yuba City at a Glance
- Email links for the public to present feedback to individual departments and services.
- Sponsoring special workshops to inform the public and receive input on major planning projects, such as the Harter Specific Plan.
- Holding City Council and Planning Commission meetings during the evening at 7:00 p.m., enabling daytime workers to attend.
- Following an appointments process for the Planning Commission, Traffic Committee, Parks and Recreation Commission, Senior Commission, and Youth Commission, each of which holds their own meetings to facilitate public involvement.
- Publishing a Parks and Recreation Department “Activity Guide” for residents.
- Regularly publishing “Yuba City,” a community newsletter with contents including:
 - A Brief History of Yuba City
 - Your City Council
 - City Budget
 - City Services
 - Commissions and Committees
 - Parks & Recreation
 - Police & Fire
 - Community Development & Redevelopment Agency
 - Public Works & Utilities

- Community Resources
- Publishing a Disaster Preparedness Guide as a community outreach and informative tool, which encourages community involvement.
- Sponsoring a Police Department media relations unit dedicated to “an open and honest relationship” with the public.
- Completing and making public an independent annual audit of the City's budget.
- Televising and web-casting City Council meetings.

According to City staff, the City Council has never made a ruling pertaining to the District. However, when the Council makes rulings related to other districts, the Council does not close the Council session then reconvene as the Board for the relevant district. Additionally, according to City staff, the Council did not pass a measure specific to the District to establish current District fees. The City sends out customer service surveys to the entire city including the District.

XI. SPHERE OF INFLUENCE RECOMMENDATIONS AND DETERMINATIONS

A sphere of influence comprises the growth boundaries for an agency and provides opportunities for the District to expand, should they choose to seek such an expansion. State law requires that Spheres of Influence be updated every five years. As part of updating a Sphere of Influence, State law requires LAFCo to prepare written statements with regard to the following four areas of attention:

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

The community is built out entirely with single family residential housing.

2. The present and probable need for public facilities and services in the area.

The Tierra Buena community is currently built out and any needs that arise will likely be the same as those needed by Yuba City. The City is undertaking substantial planning efforts to ensure reliable wastewater services to Tierra Buena and the rest of the City.

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

The Tierra Buena Community Service District utilizes City facilities which are only marginally affected by the amount of wastewater flow generated by the District. It is not likely that the District will be a burden on the City's infrastructure and will be able to continue to offer this service to the District's residents.

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.

There are no relevant social or economic communities of interest in the Tierra Buena Community Service District planning area.

XII. MUNICIPAL SERVICE REVIEW DETERMINATIONS

Pursuant to the Cortese-Knox-Hertzberg Act, determinations must be made for each factor analyzed above. Determinations are based on analysis of information provided by surveys completed by agency staff, agency documents, meetings with agency staff, and Internet research. Accordingly, staff recommends that the Commission adopt the determinations that follow.

1. **Growth and population projections for the affected area determination:** The District has reached its build-out with 109 homes.
2. **Infrastructure needs or deficiencies determination:** The City of Yuba City Utilities Department's wastewater infrastructure is adequate to serve residents within the Tierra Buena Community Service District boundaries.
3. **Financing constraints and opportunities determination:** Due to bond debt obligation to finance the wastewater system conversion, Tierra Buena CSD will remain a separate legal entity for the life of the 20-year loan or until the City refinances the loan. At that time, Tierra Buena will be fully integrated into the financing operations of the City's wastewater system. All further operations and maintenance costs will be the responsibility of the City's Utilities Department. Existing budgeting, auditing, and leverage of fees occurs as a larger City-wide process.
4. **Cost avoidance opportunities determination:** The District utilizes a range of cost avoidance measures including utilizing City of Yuba City infrastructure and personnel. The District engages in several cost avoidance activities as a result of being managed by the City of Yuba City. The District does not maintain an office of its own, and therefore utilizes all office infrastructure and staff that the City provides.
5. **Opportunities for rate restructuring determination:** There are no variances in rates for Tierra Buena residents compared to existing City residents. Additional assessment fees or taxes are collected monthly or as a one-time lump payment. The City reviews and updates the service rates on an ongoing basis as an annual rate restructure that maintains and improves service levels. Additionally, the master schedule of fees is reviewed regularly and updates are made to provide full cost recovery. Development impact fees are also collected and are reviewed to ensure that the fees collected are ample to pay for capital improvements related to new growth and development.
6. **Opportunities for shared facilities determination:** With Tierra Buena's conversion to Yuba City's wastewater system, the District is already taking advantage of the opportunities for sharing treatment and administrative facilities are being utilized.
7. **Government structure options, including advantages and disadvantages of consolidation or reorganization of service providers determination:** The Yuba City Council serves as the Board of Directors for the Tierra Buena Community Service District by reviewing Tierra Buena CSD matters, as needed, at its regularly scheduled meetings. The District will remain a separate legal entity dependent upon the City for the life of the assessment district obligations or until such time as the City refinances the bonds. At that time, the District will be fully integrated into City operations.
8. **Evaluation of management efficiencies determination:** Tierra Buena CSD is now managed by the City of Yuba City and receives services not offered to City residents.

9. **Local accountability and governance determination:** City Council meetings appear to be held and noticed in compliance with the Brown Act. Public participation is encouraged and customer surveys help ensure annual feedback on City management.

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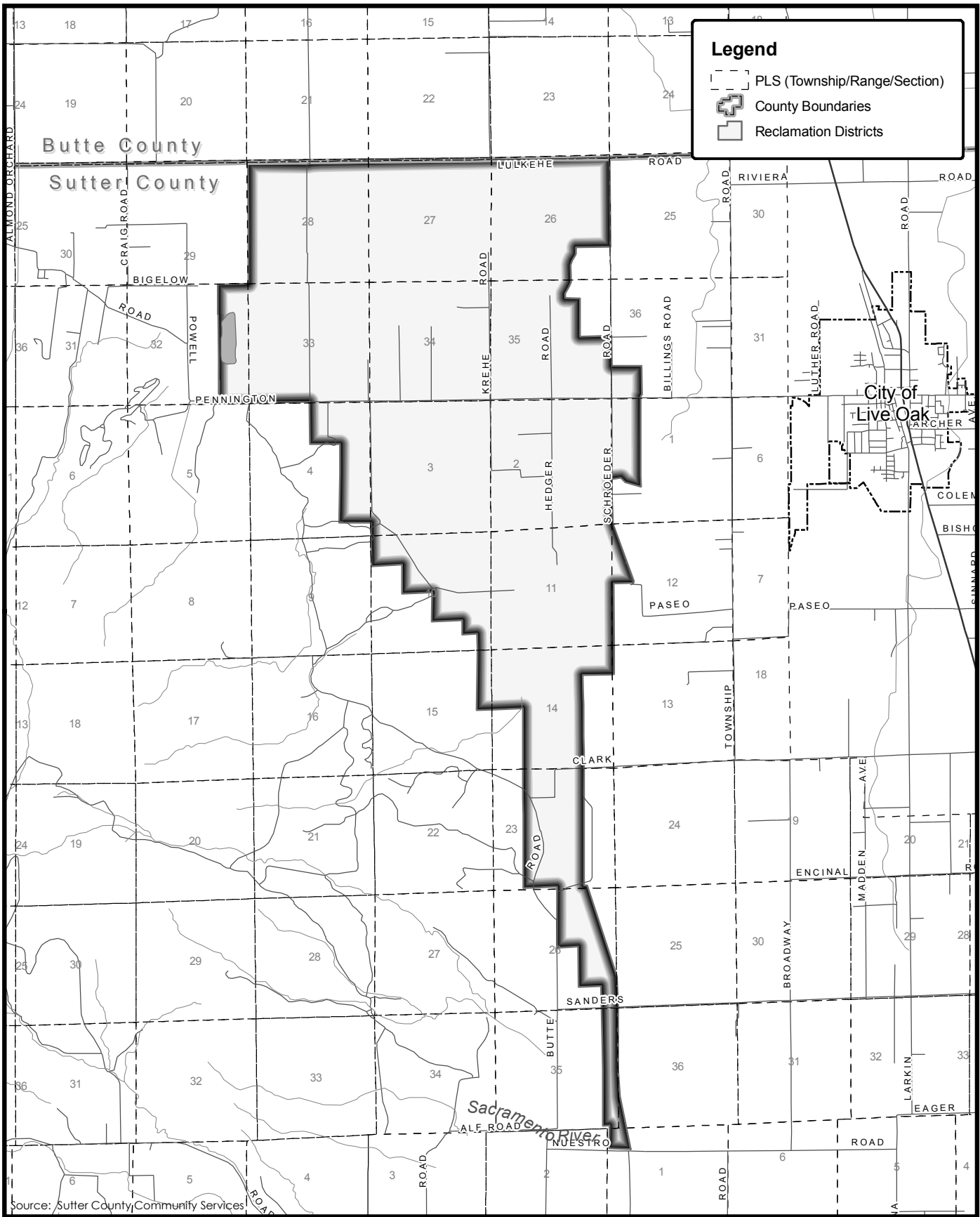


9.1 RECLAMATION DISTRICT 2054

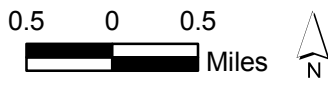
9.1 RECLAMATION DISTRICT 2054

Numerous attempts were made to contact representatives from Reclamation District 2054 to collect the information necessary to complete this Municipal Service Review/Sphere of Influence Update. No information was submitted; no determinations can be made for Reclamation District 2054.

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Source: Sutter County Community Services



RECLAMATION DISTRICT 2054





10.1 SUTTER COUNTY WATER AGENCY

I. SETTING

The Sutter County Water Agency (Agency) exists to operate, maintain, and improve drainage systems for several drainage Zones of Benefit within Sutter County. The Agency manages domestic water and surface stormwater runoff in the county, through ditches, culverts, and other conveyance and detention systems into the Live Oak Canal, the Agency's main drainage canal. The Agency also provides groundwater monitoring services and capital improvement projects.

There are currently 13 Zones of Benefit within the county served by the Agency. A zone of benefit is a geographic area formed to provide extended services not already being provided by any other entity. The drainage systems in each of the zones eventually flow into the Live Oak Canal, the Agency's major drainage conveyance system. The different zones were set up to provide funding, of operations, maintenance, and improvements to benefit the properties within the zones. The Agency's boundaries are coterminous with the County's boundaries, which are approximately 600 square miles, or 384,000 acres. The Agency's current boundaries of the District are shown on **Figure 10.1-1**.

II. GROWTH AND POPULATION

The Agency currently does not anticipate any changes to the current Zone of Benefit boundaries. Additional Zones of Benefit will be added as subdivisions are annexed to a cities within Sutter County.

The current capacity of the Live Oak Canal constrains the amount of development within the county. The Agency, as of 2006, employed a private consultant that is currently developing a drainage master plan. The drainage master plan integrates growth and population projections with plans for future services.




The County's General Plan serves as the overall guiding policy document for land use and development for the County. The Land Use Element of the General Plan designates the general distribution and intensity of all uses of land in the community. Development that occurs within the County must be consistent with the County's General Plan, which designates the allowable land uses in the area. Population and growth projections are also contained in the General Plan. The majority of Sutter County is zoned agricultural. There are two cities, Yuba City and Live Oak, that have their own general plan, which also plans for growth and population increases.

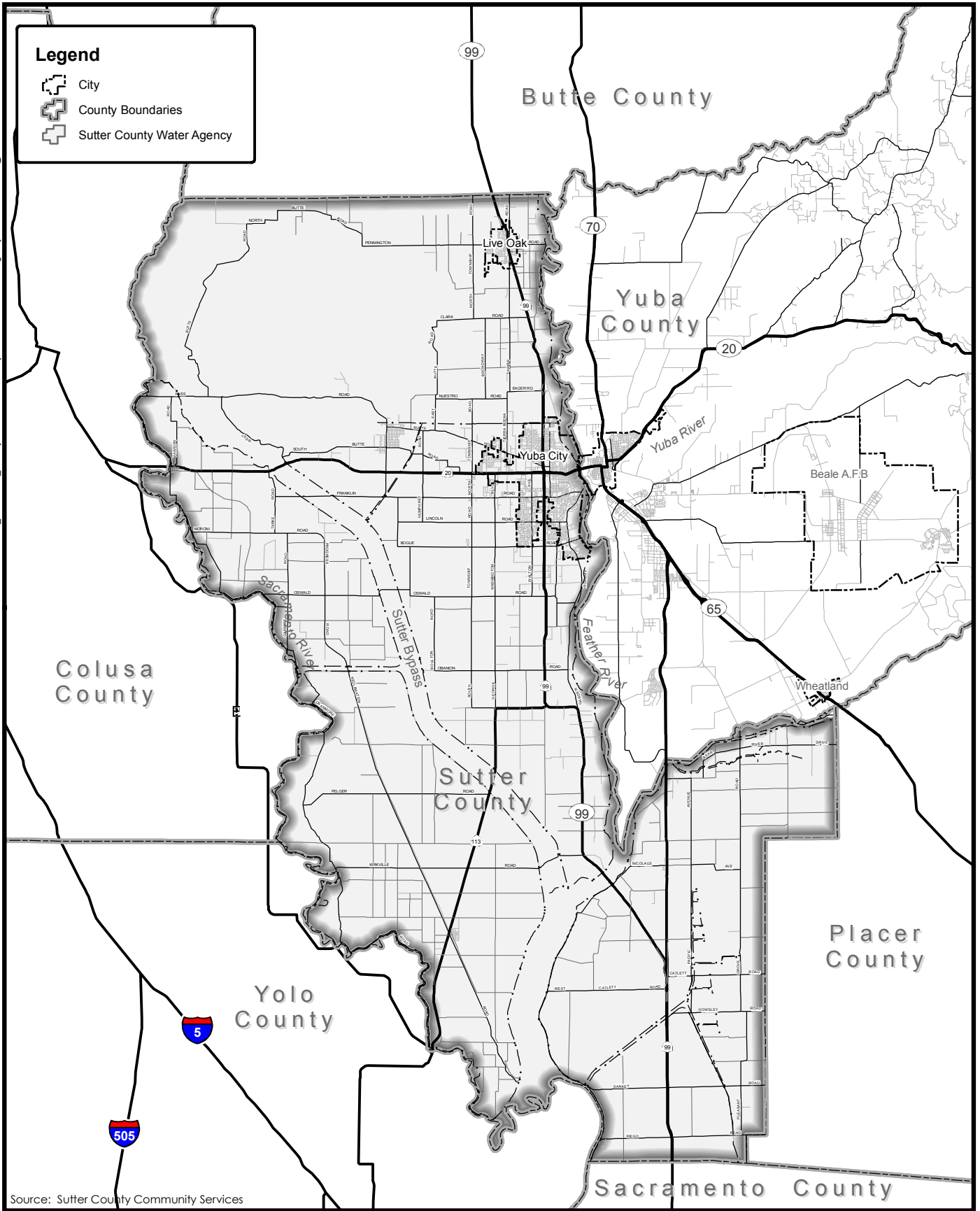
III. INFRASTRUCTURE

The Agency's primary infrastructure is the Live Oak Canal, which conveys storm runoff received from the 13 Zones of Benefit and other districts throughout the county. The canal is the major collector for domestic and storm water runoff in the county. Agency staff currently considers the canal's capacity limited, as the current drainage system requires detention and retention of storm water. During periods of high storm water flowing into the Agency's drainage system, the amount of storm water may exceed the capacity of the canal. Excess storm water above the canal's capacity are retained and stored in detention systems, until the excess storm water can be conveyed through the canal. The use of detention systems is normal for large drainage systems.

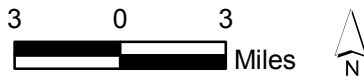
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Legend

-  City
-  County Boundaries
-  Sutter County Water Agency



Source: Sutter County Community Services



SUTTER COUNTY WATER AGENCY

PMC

According to Agency staff, the canal requires continual maintenance due to erosion and needs frequent upgrades to eliminate bottlenecking and clogging at culverts and other crossings.

Several known infrastructure deficiencies are currently being resolved. This includes the bottleneck caused by the Sutter Water Extension District canal, which crosses over the Agency's Live Oak Canal. A private consultant is currently designing a project to reconstruct the crossing where the canals cross, which is anticipated to prevent overtopping of the upstream canal. The Agency is also currently widening the terminus of the Live Oak Canal, where it flows into the State Drainage Canal. The canal narrows at the terminus, leading to decreased capacity.

The Agency's canal is affected by squirrels, which constantly burrow in the banks of the canal. This burrowing by squirrels results in holes in the banks of the canal, which may lead to a structural deficiency.

The Agency is currently studying additional drainage conveyance means, including utilizing the Wadsworth Canal and the Sutter Bypass. The State Department of Water Resources is responsible for the access and use of these two facilities.

IV. FINANCING CONSTRAINTS AND OPPORTUNITIES

Financial information analyzed is based on the actual budgets for Fiscal Year (FY) 2005-06. The Agency's financial audits were not made available. It is not know if financial audits were completed solely for the Agency, thus financial audits were not reviewed.

The Agency operates several drainage Zones of Benefit within Sutter County, including their budgets. The Agency has separate funds for each zone and uses finances solely for the benefit of their respective zones.

Table 10.1-1 below shows the Agency's budget for the fiscal year ending in 2006.

TABLE 10-1: SUTTER COUNTY WATER AGENCY BUDGET, FISCAL YEAR END 2006

	Fund Balance	Estimated Additional Financing	Total Available Financing	Estimated Financing Uses	Provisions for Reserves
Sutter County Water Agency	\$42,654	\$142,240	\$184,894	\$142,240	\$42,654
Zone 2	\$523		\$523		\$523
Zone 4	\$92,814	\$18,500	\$111,314	\$13,058	\$98,256
Zone 5	\$175,083	\$99,650	\$274,733	\$10,010	\$264,723
Zone 6	\$65,215	\$14,450	\$79,665	\$3,411	\$76,254
Zone 7	\$68,572	\$9,650	\$78,222	\$4,022	\$74,200
Zone 8	\$49,574	\$5,845	\$55,419	\$4,407	\$51,012
Zone 9	\$3,390	\$4,300	\$7,690	\$3,501	\$4,189
Zone 11	\$83,637	\$2,400	\$86,037		\$86,037
Zone 12	\$23	\$60	\$83		\$83
Zone 13	\$1,975		\$1,975		\$1,975
Total	\$583,460	\$297,095	\$880,555	\$180,649	\$699,906

10.1 SUTTER COUNTY WATER AGENCY

The Agency is primarily financed by annual assessments on properties within the Zones of Benefit. The assessments collected within each zone vary based on the type of development and impact to the Agency's drainage system. The property assessments have built-in inflation rates. The assessments have been based on an engineering study of impacts and have been approved by the Board. The annual assessments are reviewed and adjusted by the Board of Directors.

Zones 4, 5, 6, 7, and 8 have a special construction fee for all new development and improvements. This fee is due at the time a building permit is issued or when existing developed property is sold. The construction fee reimburses the Agency for the original costs of construction of the drainage facilities, which were constructed prior to the development. Each fiscal year, the property assessments in each zone is adjusted based on the Engineering News Record's Construction Cost Index. Zone 4's assessments are not adjusted annually, but pays a standard four percent annual interest rate on the original cost of construction for the improvements within the zone.

A portion of the Agency's budget is restricted to improvement, operations, and maintenance of the Live Oak Canal. This revenue is derived from assessment in Zones 4, 5, 6, 7, 8, 9, and the El Cerrito Drainage Zone.

All available resources are transferred to the Water Resources budget unit, which performs the work funded by the Agency.

Based on the information provided in the available budgets for fiscal years 2005-07, it appears that the Agency is financially stable.

V. COST AVOIDANCE OPPORTUNITIES

This section of the MSR considers the potential cost avoidance opportunities available to each service provider. Cost avoidance opportunities include any potential sources of reduction in costs associated with service provision, and any other capital or operational actions or programs which may result in a more efficient and streamlined provision of services to the properties within the service area. This analysis includes both potential and previously implemented cost avoidance measures.

The Agency has an adopted bidding procedure for competitive bid process for capital facilities. The competitive bid process appears to be effective in controlling costs, as it allows the Agency to select the lowest cost qualified contractor for services.

The Sutter County Public Works Department provides the Agency with administrative and professional staff to operate the Agency. County Public Works staff also provides services to other special districts within the County. This allows the Agency to avoid significant costs to have their own separate staff and administrative personnel.

No additional significant cost avoidance opportunities have been identified that would have resulted in a significant reduction in costs associated with service provision.

VI. RATE RESTRUCTURING

No rates are charged, as the Agency is financed primarily by property assessments and construction fees, appropriate for the type of services provided.

VII. OPPORTUNITIES FOR SHARED FACILITIES

The Sutter County Public Works Department is currently providing services for the Agency. Equipment and facilities used by the County Public Works Department are also used by the Agency, resulting in sharing of resources. The Agency's major storm water drainage facilities, the Live Oak Canal, is shared across several Zones of Benefit and other special districts. No additional opportunities for shared facilities have been identified by the Agency.

VIII. GOVERNMENT STRUCTURE OPTIONS

The Agency was formed under the Sutter County Water Agency Act, passed in 1959, and placed in Water Uncodified Acts Section 86, Chapter 2088, to operate, maintain, and improve drainage systems for several drainage Zones of Benefit within Sutter County.

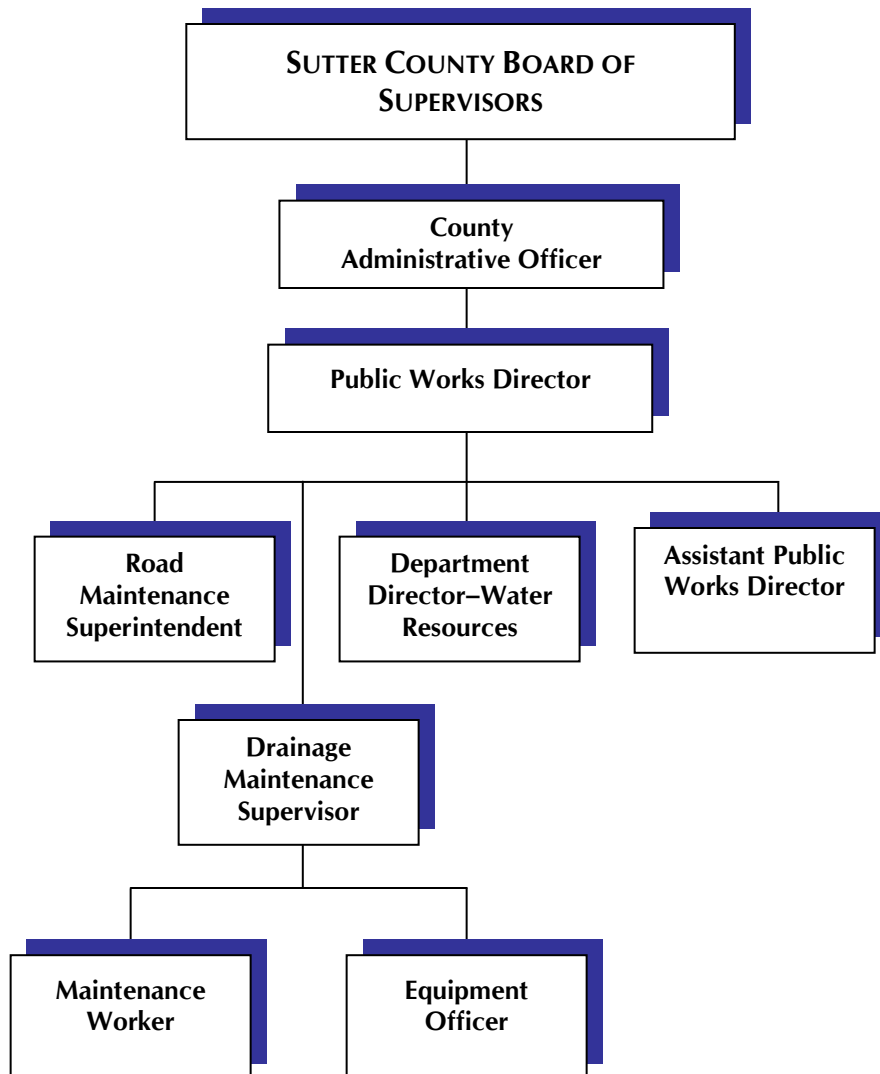
The Agency's boundaries are coterminous with the County's boundaries, which are approximately 600 square miles, or 384,000 acres. The Agency does not currently intend to alter its boundaries.

There are several districts and cities within the Agency's boundaries that provide similar services that the Agency provides. The services provided by the other service providers do not overlap with the Agency's services. The Agency is unable to provide drainage services to all areas within its boundaries, the entire county. Currently, there are no boundary disputes with other service providers. The Agency currently is providing operation and maintenance of drainage facilities in 13 Zones of Benefit within the county. Four of the current zones are wholly within Yuba City's boundaries, while five are partially within Yuba City's boundaries. The El Margarita Drainage District is wholly within the Agency's Zone 8.

There are many districts and cities within the Agency's boundaries that provide additional services that the Agency is not currently providing. The Agency has not expressed interest in providing additional services.

The Agency, under its current legal form, is able to function under its current government structure. Reorganizing the provision of drainage services under a different enabling legislation or government structure is not expected to significantly improve service. The cost, time, and administrative complexity of such a transition make the suitability of transitioning to an alternative government structure extremely difficult. The existing structure of the Agency is sufficient to allow the Agency to continue service provision in the foreseeable future. There appears to be no legal or administrative limitations on the Agency for future service provision. It is unlikely that other government structures will result in a significant improvement in service. The current government structure is appropriate to provide drainage services.

FIGURE 10.1-2:
GOVERNMENT STRUCTURE



IX. EVALUATION OF MANAGEMENT EFFICIENCIES

The Agency currently is providing operation and maintenance of drainage facilities in 13 Zones of Benefit. In 1997, the County created a drainage crew to maintain and improve drainage systems for the Agency. The District is operated by the Sutter County Public Works Department. The Public Works Director acts as the Agency Supervisor and Public Works staff provide administrative assistance (correspondence and billing) and day-to-day maintenance. The Department has actively recruited for personnel to fill a vacant position for a Water Resources Engineer for more than a year.

Figure 10.1-2 represents the organizational structure of the Sutter County Water Agency.

X. LOCAL ACCOUNTABILITY

The Agency, a dependent agency, is governed by the Sutter County Board of Supervisors and operated by the County Public Works Department. The Board is responsible for enacting ordinances and resolutions, adopting the County budget, levying taxes, and approving formal contracts and agreements. Board meetings are held every Tuesday during the regular Board of Supervisors meeting. Secondary meetings are held every second and fourth Thursday during the Public Works Support Services Committee meetings. All meetings of the Board of Supervisors are open to the public. Meeting times and locations are posted online, in addition to meeting agendas and minutes. Recorded meetings of the Board can be viewed every Wednesday evening at 8:00 p.m. on cable TV channel 18 in the Yuba City area. District public meetings appear to comply with all Brown Act procedures.

All expenditure decisions made on behalf of the Agency are controlled by the annual budget developed and managed by the Public Works staff and approved by the Sutter County Board of Supervisors. Auditing and budgeting of the District's finances are performed as part of a larger department-wide process.

Bidding procedures for the County have been adopted by the Board of Supervisors and established by Ordinance (Chapter 27, Sections 10 through 27).

XI. SPHERE OF INFLUENCE RECOMMENDATIONS

A sphere of influence comprises the growth boundaries for an agency and provides opportunities for the District to expand, should they choose to seek such an expansion. State law requires that Spheres of Influence be updated every five years. As part of updating a Sphere of Influence, State law requires LAFCo to prepare written statements with regard to the following four areas of attention:

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

The Agency's boundaries are coterminous with the County's boundaries. Present and planned land uses within the Agency's boundaries are identified in the County's General Plan, which identify a variety of land uses within the County.

2. The present and probable need for public facilities and services in the area.

The present need for public drainage facilities is currently being met. Probable needs for public drainage facilities are anticipated to be met, as the Agency is currently working on improvements to the drainage system.

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

The present capacity is currently considered by staff to be inadequate for the current usage. The Live Oak Canal currently has a limited capacity available and requires additional mitigation in order to receive additional storm water flows; construction is underway to remedy this situation.

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.

10.1 SUTTER COUNTY WATER AGENCY

Relevant social or economic communities of interest within the Agency's boundaries include two cities, Yuba City and Live Oak, and all the unincorporated communities within Sutter County, as the Agency's boundaries are coterminous with the County's boundaries.

XII. MUNICIPAL SERVICE REVIEW DETERMINATIONS

Pursuant to the Cortese-Knox-Hertzberg Act, determinations must be made for each factor analyzed above. Determinations are based on analysis of information provided by surveys completed by agency staff, agency documents, meetings with agency staff, and Internet research. Accordingly, staff recommends that the Commission adopt the determinations that follow.

1. **Growth projected for the affected area determination:** Population and growth projections for the Sutter County Water Agency are identified in the County's General Plan. More specific growth and population projections are also identified in the General Plans for the two cities that are within the Agency's boundaries. No significant growth or population increases are currently anticipated to affect the Agency's ability to provide of services.
2. **Infrastructure needs or deficiencies determination:** The Sutter County Water Agency's primary infrastructure is the Live Oak Canal, which staff currently considers the canal's capacity to be limited and also requires continual maintenance. Several known infrastructure deficiencies are currently being resolved. The Agency is also currently considering other storm water conveyance means.
3. **Financing Constraints and opportunities determination:** The Sutter County Water Agency operates several drainage Zones of Benefit within Sutter County and has established separate funds for each zone solely for the benefit of their respective zones. The Agency receives funding from property assessments and construction fees within those zones of benefit. Funds are transferred to the Water Resources budget unit, which performs the work funded by the Agency. Based on the information provided in the available budgets for fiscal years 2005-07, it appears that the Agency financially stable.
4. **Cost Avoidance Opportunities determination:** The Sutter County Water Agency appears to utilize available cost reduction measures in its operations, as related to sharing of facilities, knowledge, equipment, and personnel by soliciting bids for contracted services, and utilizing staff from the Sutter County Public Works Department to provide services. No additional significant opportunities for cost avoidance have been identified.
5. **Opportunities for rate restructuring determination:** The Sutter County Water Agency does not charge any rates for drainage services; appropriate for the type services provided. Storm water drainage services provided by the Agency is funded primarily by property assessments and construction fees.
6. **Opportunities for shared facilities determination:** The Sutter County Public Works Department is currently providing services for the Sutter County Water Agency, utilizing the same equipment and facilities, resulting in sharing of resources. The Agency's major storm water drainage facilities, the Live Oak Canal, is shared across several Zones of Benefit and other special districts. No additional opportunities for shared facilities have been identified by the Agency.

7. **Government Structure options, including advantages and disadvantages of consolidation or reorganization of service providers determination:** The Sutter County Water Agency, a dependent agency, is providing storm water drainage services within its jurisdictional boundary without overlapping services with other service providers. The overall management structure of the Agency is sufficient to perform necessary services and maintain operation in an efficient and effective manner. No additional government structure options are likely to result in significant improvements in services. The current government structure is adequate for the services provided.
8. **Evaluation of management efficiencies determination:** The Sutter County Water Agency currently is providing operation and maintenance of drainage facilities in 13 Zones of Benefit. The Sutter County Public Works Department provides all technical and administrative support staff for the Agency. This allows the Agency staff to have the knowledge and expertise of several drainage systems within the county.
9. **Local accountability and governance determination:** The Sutter County Water Agency is a dependent agency, governed by County Board of Supervisors. All meetings of the Board of Supervisors are open to the public. Meeting times and locations are posted online, in addition to meeting agendas and minutes. Meetings are recorded and can be viewed on local television channels.

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