

SANTA YNEZ COMMUNITY SERVICES DISTRICT

Mailing Address: P.O. Box 667, Santa Ynez, CA 93460-0667 • (805) 688-3008

April 29, 2016

Santa Barbara Local Agency Formation Commission
Attn: Paul Hood
105 E. Anapamu Street
Santa Barbara, CA 93101

Subject: Proposed Change to Sphere of Influence to Include Los Olivos

Dear Mr. Hood:

This letter responds to the letter from the Santa Ynez River Water Conservation District, Improvement District Number 1 ("ID No. 1") dated April 4, 2016 regarding the proposed change to the sphere of influence of the Santa Ynez Community Services District ("SYCSD") to include the Los Olivos area.

ID No. 1 has only Limited Latent Authority to Provide Sewage Services

ID No. 1 states in its letter that, pursuant to Water Code Section 74593, it "possesses the latent authority to provide sewage services within its existing service area." Under the clear language of Section 74593, ID No. 1 only has the latent authority to "treat, purify and recycle" sewage and storm water for beneficial use. In addition, ID No. 1 only has the latent authority to "treat, purify and recycle" sewage and storm water in cases where the sewage and/or storm water is delivered to ID No. 1 by a municipality, sanitary district or other incorporated body pursuant to a contractual arrangement. In other words, Section 74593 does not authorize ID No. 1 to collect sewage from and provide sewage service to the general public. SYCSD can provide additional information regarding the scope of ID No. 1's latent authority under Section 74593 upon request.

By contrast, SYCSD's authorized powers with respect to sewage services are far broader. Pursuant to Government Code 61100(b), SYCSD has the authority to "[c]ollect, treat, or dispose of sewage, wastewater, recycled water, and storm water, in the same manner as a sanitary district." Also, SYCSD currently provides sewage services, so its powers in that regard are not latent.

The Boundaries of the Two Agencies Already Overlap

ID No. 1 also states in its letter that "SYCSD's proposal should be denied because it will cause SYCSD's jurisdiction to overlap that of ID No. 1, and will cause the future duplication of sewage services by the two public agencies, both of which have statutory authorization to provide sewer services." As stated above, SYCSD does not agree that ID No. 1 has the statutory authorization to provide "sewage services", except to the limited extent provided in Water Code Section 74593. In any case, however, ID No. 1's statement is inaccurate insofar as the jurisdictional boundaries of the two agencies already overlap. In fact, the entire existing territory of SYCSD and the entire existing sphere of influence of SYCSD are already located within the existing boundaries of ID No. 1. Adding the Los Olivos area to the SYCSD sphere of influence would

increase the size of the SYCSD sphere that is located within the boundaries of ID No. 1, but it would not create any potential for conflicts that does not already exist. Over the many decades that the current overlap has existed, no conflict has arisen, primarily because the two agencies provide different services. This would continue to be the case if the Los Olivos area is added to the SYCSD sphere of influence.

The SYCSD Principal Act Expressly Permits Non-Contiguous Territory

ID No. 1 further states in its letter that “[t]he Cortese-Knox-Hertzberg Act contains a presumption in favor of contiguous territories”, citing Government Code Section 56119. That Section provides in pertinent part as follows:

Except as otherwise provided in this division, in any change of organization or reorganization the principal act shall govern as to any provisions in the principal act pertaining to boundaries, to contiguity or noncontiguity of territory, to the incorporated or unincorporated status of territory, and to the overlapping of territory of a district with the territory of another district or city. Unless otherwise provided by the principal act, any territory annexed to a district shall be contiguous to the district and shall not be a part of another district formed under the same principal act without the consent of the other district. [Emphasis added]

ID No. 1’s letter fails to consider the SYCSD principal act, as set forth in Government Code Section 61000 et seq. Government Code Section 61007 provides in pertinent part as follows:

(a) Territory, whether incorporated or unincorporated, whether contiguous or noncontiguous, whether in one or more counties, may be included in a district.

(b) Except as provided in this part, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Division 3 (commencing with Section 56000) of Title 5, shall govern any change of organization or reorganization of a district. In the case of any conflict between that division and this division, the provisions of this division shall prevail. [Emphasis added]

Because the provisions of Government Code Section 61007 govern and prevail over the provisions of the Cortese-Knox-Hertzberg Act, there is no presumption in favor of contiguous territories in this case, and there is nothing that prohibits the addition of the Los Olivos area to the SYCSD sphere of influence.

The Sphere of Influence Application is Not Premature

ID No. 1 argues in its letter that the SYCSD sphere of influence application is premature. SYCSD recognizes that further analysis is required and that certain questions remained unanswered. However, SYCSD believes that there is a critical need to address the lack of wastewater service in the Los Olivos area and that the sphere of influence application is necessary to move the process forward. Unless and until LAFCO has determined that SYCSD is

Mr. Paul Hood
April 29, 2016
Page 3

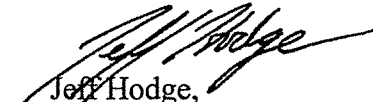
the appropriate provider of sewer service for the Los Olivos area, either on a temporary or permanent basis, the District is not in a position to undertake further analysis or address unanswered questions. In this regard, ID No. 1 argues that the SYCSD application is premature because “the agency to construct and operate the wastewater collection and treatment systems must be determined.” It is just such a determination that the sphere of influence application will facilitate.

SYCSD filed the sphere of influence application because numerous residents of Los Olivos asked it to do so. The sphere of influence application establishes a framework and process for fully evaluating the relevant issues. SYCSD’s only interest is in helping to address the unmet needs of Los Olivos. SYCSD will have no objections if ID No. 1 (or any other agency) wishes to step forward and provide this service instead.

Thank you for your consideration of these comments.

Sincerely,

SANTA YNEZ COMMUNITY
SERVICES DISTRICT


Jeff Hodge,
General Manager

cc SYCSD Board of Directors
Richard G. Battles, SYCSD Legal Counsel