

EL DORADO LOCAL AGENCY FORMATION COMMISSION

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I EXECUTIVE SUMMARY

State mandates enacted in 2000 establish requirements for a Local Agency Formation Commission to conduct comprehensive reviews of all municipal services (MSRs) in its county. This service review includes a summary and analysis of the West El Largo Community Services District, along with a subsequent update to its spheres of influence. The MSR serves as a basis for the accompanying sphere of influence determinations and considerations for future government reorganizations. The information contained in this document does not explicitly plan for future services, nor will any action or change in services result directly as a result of LAFCO's adoption of the document. This service review provides a description of existing road maintenance related services provided by the district and is inherently retrospective, taking a "snapshot" of existing conditions. However, this document will be used as a guide for future decisions by LAFCO in determining the agency's ability to expand based on its ability to provide services. The report complies with all guidelines adopted by the Governor's Office of Planning and Research and will be available to other agencies and to the public.

As part of the inaugural cycle of municipal service reviews (2001-2008), El Dorado LAFCO contracted with PMC to prepare the *Streets and Highway Services Municipal Services Review*, adopted by the Commission in December 2007, which reviewed all of the road maintenance service providers in the county, including community services districts, cities, and county service areas. However, for the second cycle, LAFCO will utilize a different approach. Each public agency providing road maintenance services under LAFCO jurisdiction which provides road maintenance services will be reviewed in an individual MSR instead of a single comprehensive report. For more detailed information on the other agencies and organizations which contribute towards the maintenance of public roads, please refer to the *2007 Streets and Highway Services Municipal Services Review*.

This MSR and LAFCO's adoption of a subsequent resolution making sphere of influence determinations are statutorily exempt from the California Environmental Quality Act [Class 6, §15061(b)(3)]. In undertaking this service review and making sphere of influence determinations, LAFCO considered its responsibilities under federal and state civil rights and environmental justice laws. The activities are covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. The MSR and sphere of influence update have no possibility for causing a significant effect on the environment.

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The structure of this report is as follows: Section II contains important background information, Section III contains a description of the West El Largo Community Services District, Section IV contains the service review, Section V contains the sphere of influence determinations, Section VI has the environmental review determinations, and Section VII contains the references.

For each of the six categories of required determinations, staff has prepared recommended determinations recognizing the following: unique land use and planning conditions, government organization and fiscal circumstance that affect the provision of service, effects of rapid demographic changes and growth, communities with different and similar service needs, and efforts to enhance service and impediments to doing so.

II BACKGROUND

A. Legislative Framework

In 1997, the State Legislature established the Commission on Local Governance for the 21st Century (CLG). The CLG was tasked with assessing governance issues and making recommendations, directing special attention to the Cortese-Knox Local Government Reorganization Act of 1985, the then-57 Local Agency Formation Commissions governed by the Act and citizen participation in local government. CLG members included a broad spectrum of constituent groups and perspectives including counties, cities, special districts, educators, industry and elected officials.

The CLG determined that LAFCOs needed more specific information in order to make informed decisions on projects that came before them. It was recommended that LAFCOs be required to collect and review the information necessary to guide decisions before specific proposals were made. The CLG concluded that this information was necessary for LAFCOs to encourage orderly growth and to provide planned, well-ordered, efficient urban development patterns and to advantageously provide for the present and future needs of each county and its communities. Specifically, the CLG recommended that information on public service capacity and issues be gathered through periodic service reviews. These service reviews would ultimately constitute a statewide body of knowledge that could be used to resolve California's growth-related public service issues. Based on these recommendations, the State Legislature enacted Government Code §56430 as part of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH), which became effective on January 1, 2001.

Section 56430 of the CKH Act, in part, states as follows:

- (a) In order to prepare and to update spheres of influence in accordance with Section 56425, the commission shall conduct a service review of the municipal services provided in the county or other appropriate area designated by the commission. The commission shall include in the area designated for service review the county, the region, the sub-region, or any other geographic area as is appropriate for an analysis of the service or services to be reviewed, and shall prepare a written statement of its determinations with respect to each of the following:
 - (1) Growth and population projections for the affected area.
 - (2) Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies.
 - (3) Financial ability of agencies to provide services.

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- (4) Status of, and opportunities for, shared facilities.

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- (5) Accountability for community service needs, including governmental structure and operational efficiencies.
- (6) The potential effect of agency services on agricultural and open space lands.
- (b) In conducting a service review, the commission shall comprehensively review all of the agencies that provide the identified service or services within the designated geographic area.
- (c) The commission shall conduct a service review before, or in conjunction with, but no later than the time it is considering an action to establish a sphere of influence in accordance with Section 56425 or Section 56426.5 or to update a sphere of influence pursuant to Section 56425.

In addition, several sections of CKH empower LAFCOs to obtain information for service reviews:

- Section 56378 authorizes LAFCOs to initiate and make studies of existing governmental agencies. “In conducting those studies, the commission may ask for land use information, studies, and plans of cities, counties, districts, including school districts, community college districts, and regional agencies and state agencies and departments. (Those agencies) shall comply with the request of the commission for that information...”
- Section 56846 states, “Every officer of any affected county, affected city, or affected district shall make available to a reorganization committee any records, reports, maps, data, or other documents which in any way affect or pertain to the committee’s study, report, and recommendation and shall confer with the committee concerning the problems and affairs of the county, city, or district.”
- Section 56844 authorizes the Commission to undertake a study or report in place of a reorganization committee, thereby transferring those access rights.

B. Relationship Between Spheres of Influence and Service Reviews

The CKH Act requires LAFCOs to develop and determine the sphere of influence (SOI) for each applicable local governmental agency that provides services or facilities related to development. Government Code §56076 defines a SOI as “a plan for the probable physical boundaries and service area of a local agency.” Service reviews must be completed prior to the establishment or update of SOIs (§56430(a)). Spheres of influence must be reviewed and updated, as necessary, not less than once every five years (§56425). El Dorado LAFCO’s policies already contain the update

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requirement (Policy 4.2).

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The information and determinations contained in a municipal service review are intended to guide and inform SOI decisions. Service reviews enable LAFCO to determine SOI boundaries and to establish the most efficient service provider for areas needing new service. They also function as the basis for other government reorganizations. Section 56430, as noted above, states that LAFCO can conduct these reviews “before, in conjunction with, but no later than the time it is considering an action to establish a SOI.”

The subject service review is being conducted in order to comply with the legislative requirement for LAFCO to complete all MSRs and SOI updates every five years.

C. Service Review Guidelines

The Governor’s Office of Planning and Research (OPR) was directed by statute (§56430) to prepare guidelines to assist LAFCOs in complying with the new service review requirements. In that regard, the final *Local Agency Formation Commission Municipal Service Review Guidelines* was released in August 2003. OPR’s intent in developing these guidelines was “to provide a structure to assist LAFCOs to carry out their statutory responsibility of promoting orderly growth and development, preserving the state’s finite open space and agricultural land resources, and working to ensure that high quality public services are provided to all California residents in the most cost effective and efficient manner.” These guidelines were utilized in the preparation of this service review document.

The guidelines identify several possible goals and objectives for municipal service reviews to be achieved through written determinations in the six required areas. These goals and objectives are as follows:

- Promote orderly growth and development in appropriate areas with consideration of service feasibility, service costs that affect housing affordability and preservation of open space, important agricultural land and finite natural resources.
- Encourage infill development and direct growth to areas planned for growth in general plans.
- Learn about service issues and needs.
- Plan for provision of high quality infrastructure needed to support healthy growth.
- Provide tools to support regional perspectives or planning that address regional, cross-county or statewide issues and processes.
- Develop a structure for dialogue among agencies that provide services.

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- Develop a support network for smaller or ill-funded districts that provide valuable services.
- Provide backbone information for service provider directories or inventory reference documents for counties that do not have them.
- Develop strategies to avoid unnecessary costs, eliminate waste and improve public service provision.
- Provide ideas about opportunities to streamline service provision through use of shared facilities, approval of different or modified government structures, joint service agreements, or integrated land use planning and service delivery programs.
- Promote shared resource acquisition, insurance policies, joint funding requests or strategies.

The guidelines emphasize that “LAFCOs may need to modify these recommendations to reflect local conditions, circumstances and types of services that are being reviewed.” To that end, El Dorado LAFCO also utilized its own set of policies for service reviews (Policy 5 et seq.), which incorporate the goals and objectives listed above.

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III AGENCY DESCRIPTION

West El Largo Community Services District

Contact Information

Address: 9030 Celestial Way
Placerville, CA 95667

Phone: (530) 621-1155

Website: None

Management Information

Manager: Virginia Ann Pasiuk (appointed, serves without compensation)

Governing Body: Board of Directors

Board Members: John Proctor Elected: 2009-2013
Greg Pasiuk Elected: 2007-2011
Donald Uelmen Elected: 2007-2011
Stephen Griffin Elected: 2009-2013
Thomas Jamrowski Elected: 2009-2013

Board Meetings: As needed, approximately every three months

Staffing: None, contracts for services

Service Information

Empowered Services: Roadway maintenance

Services Provided: Roadway maintenance

Area Served: 18 parcels, approximately 85 acres

Population Served: 33 registered voters

Major Infrastructure: Roadways

Fiscal Information

Budget: \$21,786

Sources of Funding: Property assessments and property taxes

Assessments: \$300 per developed parcel, \$100 per vacant parcel

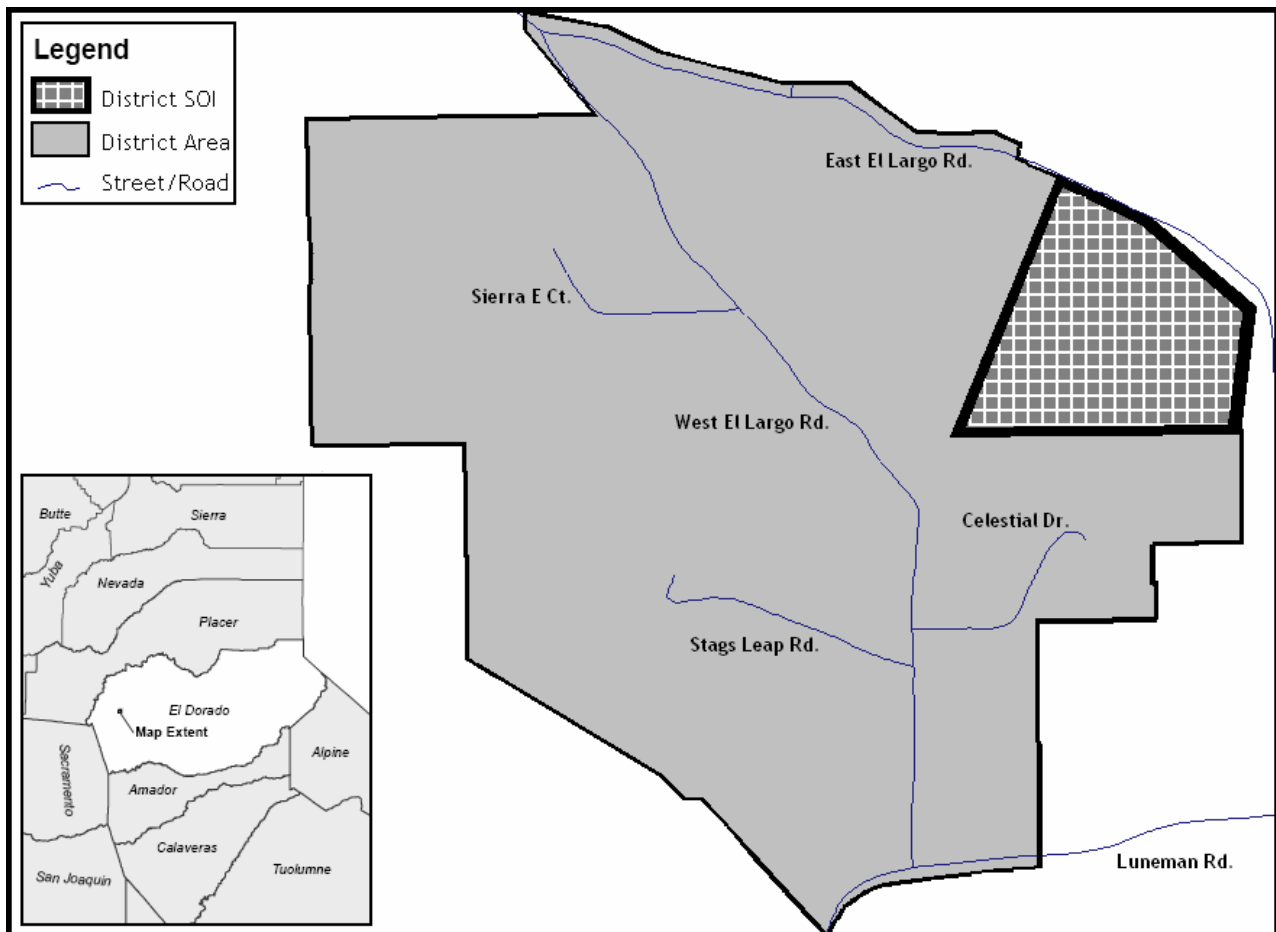
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Rate Structure: None

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Background

The West El Largo Community Services District (West El Largo CSD or the District) was formed in 1982 to maintain roadways providing access to residential homes located on parcels within the District's boundaries. The District maintains less than one mile of roadway, and is located on the north side of Luneman Road, approximately two and a half miles west of Lotus Road, in the Gold Hill area, in El Dorado County.



West El Largo Drive, the district's primary roadway, connects to the publicly-maintained Luneman Road to the south, and to Coffey Lane and East El Largo Drive to the north. The secondary roads of Sierra East Court, Stags Leap Road, and Celestial Drive branch off West El Largo Drive; however, Celestial Drive, is a privately maintained road. Additionally, there are several long privately maintained driveways within the District that branch off West El Largo Drive to provide direct access to residential homes not immediately adjacent to the District's primary roadways.

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The District's sole active power, roadway maintenance services, is authorized under Government Code §61000 et seq. The District does not provide additional services outside of its enabling legislation. The service provided does not extend beyond designated service boundaries. The District is not contracted to provide service to other service providers.

Roadway maintenance services are necessary to ensure that roadways remain usable and safe for residents and visitors to the area. The need for services varies from year to year based primarily on roadway usage and weather conditions. Fluctuations in demand are expected with this type of service, and maintenance activities must be adaptable and responsive to local conditions in order to be effective and efficient.

Population and Growth

Currently, the West El Largo CSD is providing roadway services to 18 parcels within the District's service boundaries. Fifteen of the eighteen parcels are developed, while three remain undeveloped. Outside of annexing the parcels within its SOI, the District does not currently anticipate any significant future growth, population increases, or changes in land uses. Most of the parcels have been developed according to the zoning for the area. The District does not have any immediate plans for future expansion outside of annexing its SOI; however, District officials maintain that bringing in the parcels within the SOI may also be a few years out.

Current District Sphere of Influence

In 2007, the West El Largo CSD requested the expansion of their Sphere of Influence to include two additional parcels, identified by APNs 105-220-50 and 105-220-51, immediately adjacent to the District's service boundary. The owners of these properties currently utilize the District's roadways to access their parcels since these roadways are the sole access way for those two parcels. Even though these outlying parcels are located within the East El Largo road association, they do not have access to the HOA's roads or services. They are currently benefiting directly from the services provided by the West El Largo CSD. It is possible that this area may eventually become a part of the District's service boundaries, though there are no immediate plans to annex these parcels due to the cost of annexation.

Infrastructure

The District's current infrastructure consists of one primary roadway, West El Largo Drive, approximately less than half a mile in length, and the shorter roadways of Sierra East Court and Stags Leap Road, both of which dead-end to the west. The District does not have any facilities or equipment. The adequacy

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of the District's roadways is generally based on the District's self-assessment, as

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determined by adherence to local preferences and expectations for roadway quality, repair frequency, and overall roadway operations. There are no generally accepted countywide standards for roadway repair and maintenance applicable to special districts, thus it is left to each agency to determine the extent of its own maintenance programs. Typical roadway maintenance services include pothole repair, crack sealing, resurfacing, and roadway reconstruction.

Road Maintenance

Repairs and maintenance are contracted out to private roadway maintenance service providers. Maintenance and repairs for this district are currently divided into three sections, one for each of the District maintained roads within the CSD. West El Largo Drive and Sierra East Court are paved roads. Stags Leap Road is a gravel road. Every five to seven years, funds will be allocated to perform road maintenance on one of the paved roads. Based on this rotation schedule, a section of paved roadway receives major repairs approximately once every ten years. The gravel road only undergoes maintenance on an as-needed basis, and is not part of the rotational schedule of repairs. The District has indicated that the current roadways are adequate for the current roadway usage. The District has no immediate plans for future expansion of services or major infrastructure and facilities.

Personnel and Staffing

The West El Largo CSD has an appointed general manager, which is designated as an unpaid position. The District does not employ any additional staff and contracts for roadway maintenance services, when necessary, are handled directly through the board of directors.

Administration and Management

The West El Largo CSD is an independent special district, governed by a board of directors directly elected by voters within the district. Board elections are held every two years and board member terms are staggered, with either two or three terms expiring at the same time. Board members are comprised of registered voters within the District. Board positions are unpaid.

The board creates policy by adopting resolutions or ordinances through duly noticed public hearings. District board meetings are held as needed, approximately once every three months. Any resident of the CSD may request that a meeting be held, or specific items be addressed, by submitting their request in writing to any member of the board. The location for the meetings rotates between households within the District. All records are stored at the house of Director Uelmen. Meeting notices are posted at the front of mailboxes for residents within the community prior to the board meeting. Board meetings

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and notices appear to be consistent with Brown Act requirements, which govern

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open meetings for local government bodies. There appears to be ample opportunities for public involvement and input at meetings.

Funding and Budget

This section analyzes the financial operations of the West El Largo CSD, including financial statements, audits, and other budgetary documents, to assess the long-term financial viability of the District. All monetary amounts cited in this section are rounded to the nearest whole number and based on fiscal year (FY) 2008-09 budgetary information received from the County Auditor-Controller's Office.

The County handles the District's fiscal administration. All of the District's funds are deposited into the County Treasury and the County Auditor's office manages the District's receivables and payables. The CSD submits payment requests or reimbursements to the County, which in turn sends payments to contractors. Currently, the West El Largo CSD does not have any outstanding debt.

Revenues

West El Largo CSD is financed primarily through property taxes and property assessments. The District is currently considering its options to identify and determine whether there is a need to increase funds and methods to increase funding, if necessary. No rates are charged and no user fees are collected. Table 1 shows that the District's annual revenues are relatively stable over time, with exception of annual fluctuations resulting from carryover funds from the previous fiscal year and a slight increase from year to year resulting from normal increases in property taxes. There are no additional factors that are expected to affect the District's revenues.

Table 1: Three-Year History of District Revenues (Fiscal Years 05/06 – 07/08)

Revenues	2005-2006 Actual	2006-2007 Actual	2007-2008 Actual
Fund Balance Available	\$ 771	\$ 5,768	\$ 11,612
Taxes	6,446	6,446	6,673
Property Taxes	1,476	1,680	1,942
Direct Assessment	4,950	4,750	4,750
SHPTR*	20	18	20
Penalties/Cost Delinquent Taxes	13	1	1
Interest	113	411	526
Total Revenues	\$7,342	\$12,626	\$18,851

* State Homeowners Property Tax Relief

The increase shown in the annual fund balance available is primarily due to varying maintenance needs from year to year and accumulations of previous carryover amounts. In addition to any carryover fund balance from the previous fiscal year, the following sources of revenue are available to West El Largo CSD:

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Property Taxes – During FY 2007-08, West El Largo CSD received an average property tax increment of 6.7896% from each of the 18 parcels within the District service area. This is a little under seven cents of every dollar collected in property tax revenue. For FY 2007-08, the total property tax collected amounted to approximately \$1,950.

Direct Assessment – Subject to voter approval, special districts have the option to levy an additional assessment upon the parcels within their boundaries. West El Largo CSD collects an assessment of \$300 per developed parcel and \$100 per undeveloped parcel, which amounted to \$4,750 in FY 2007-08. This annual revenue stream is relatively stable and does not fluctuate from year to year.

SHPT Relief – The CSD also received \$20 from the State Homeowners Property Tax Relief program in FY 2007-08, which is additional funding provided to independent special districts to offset the amount of revenue lost from the state homeowner’s tax exemption. No SHPTR was included in the 2008-2009 adopted budget. Revenue from delinquent taxes within the District is relatively minute.

Interest – The District collected approximately \$525 in interest earned from the balance in its operating account. The County Treasury has an annual variable interest rate that is between 1% to 5.5%, depending on how the entire pool of County-controlled funds is invested. The amount received by each independent district whose funds are deposited in the County Treasury is apportioned by the County based on the ratio of the district’s average daily cash balance to the total cash balance within the Treasury.

Expenses

Table 2: Three-Year History of District Expenditures (Fiscal Years 06/07 –08/09)

Expenditures	2005-2006 Actual	2006-2007 Actual	2007-2008 Actual
Administrative Costs	\$ 1,573	\$ 1,015	\$ 3,796
Insurance Premiums	1,072	973	973
Spec Dept Exp – Agency Adm. Fees	2	3	3
Professional Services – Accounting	0	0	2,778
Special Departmental Expense	499	38	42
Services and Supplies	0	0	0
Maintenance Roads	0	0	0
Total Expenditures	\$1,573	\$1,015	\$3,796

With no staff or facilities to maintain, the majority of the District’s expenses are related to road maintenance and repair. As noted earlier, repairs and maintenance are performed on a rotating five-year schedule between three arbitrarily created zones within the CSD. This gives the District the ability to precisely plan when funds will be spent, and the opportunity to build a reserve of money in their fund balance until the year it will be needed.

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During most years that no road maintenance is performed, the majority of expenditures are dedicated to insurance premiums to provide liability coverage on the roadways through Vaught, Wright, and Bond, Inc. Insurance Services. FY 2007-2008 was a notable exception, when approximately 73% of the total expenditures were paid to the County for a mandatory audit.

IV MSR DETERMINATIONS

In January 2008, the Legislature consolidated the nine factors used in the inaugural cycle down to six. These factors are listed in Government Code §56430:

- (1) Growth and population projections for the affected area.
- (2) Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies.
- (3) Financial ability of agencies to provide services.
- (4) Status of, and opportunities for, shared facilities.
- (5) Accountability for community service needs, including governmental structure and operational efficiencies.
- (6) Any other matter related to effective or efficient service delivery, as required by commission policy. On January 30, 2008, the Commission adopted the following determination as the sixth factor to study: "The potential effect of agency services on agricultural and open space lands."

In addition, the Commission's Policies and Guidelines Section 4.4 require that it make the following determinations prior to establishing a sphere of influence:

- (1) The service capacity, level and types of services currently provided by the agency and the areas where these services are provided.
- (2) Financial capabilities and costs of service.
- (3) Topographic factors and social and economic interdependencies.
- (4) Existing and planned land uses, land use plans and policies; consistency with county and city general plans and projected growth in the affected area.
- (5) Potential effects on agricultural and open space lands.
- (6) A description of the services that will be provided to any areas which may be added to the sphere and the timing and method for funding expansion of facilities or services.
- (7) An analysis of the effects a proposed sphere of influence on other agencies and their service capabilities.

To the extent that is feasible, both sets of determinations will be addressed in this section. In addition, the following sections will detail the meaning of each factor and explain how it applies to the fire suppression and emergency services agencies.

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1. Growth and Population Projections for the Affected Area

Purpose: To evaluate service needs based on existing and anticipated growth patterns and population projections.

Information in this section addresses #3 and #4 of LAFCO Policy 4.4, which are:

- Topographic factors and areas of social and economic interdependencies.
- Existing and planned land uses, land use plans and policies, consistency with county and city general plans, and projected growth in the affected area.

Demands for service are not increasing, although slight variations in service demand are to be expected throughout the year as weather conditions and roadway usage change. Because West El Largo Drive is the only access to two parcels within its SOI, the District is indirectly providing roadway service to the property owners of these two parcels, which are currently outside of the service boundary. There are no plans to annex these outlying parcels in the near future. No significant growth or population increases are anticipated by West El Largo CSD. Current and future land uses are anticipated to remain primarily residential.

2. Present and Planned Capacity of Public Facilities and Adequacy of Public Services, Including Infrastructure Needs or Deficiencies

Purpose: To evaluate the infrastructure needs and deficiencies of a district in terms of capacity, condition of facilities, service quality, and levels of service and its relationship to existing and planned service users.

Information in this section addresses #1 and #6 of LAFCO Policy 4.4, which are:

- Service capacity, level and types of services currently provided by the agency, and areas where these services are provided.
- A description of the services that will be provided to any areas which may be added to the sphere and the timing and method for funding expansion of facilities or services.

The West El Largo CSD's infrastructure consists of less than approximately one half mile of roadway, with one primary roadway, West El Largo Drive. Stags Leap Road and Sierra East Court are dead-end secondary roadways that provide access to more parcels and connect to West El Largo Drive. Celestial Drive is a privately maintained road which does not receive any maintenance by the CSD. The CSD does not own major roadway maintenance equipment and contracts for roadway maintenance and other related services. The District does not have any adopted standards for roadway repair and maintenance; services provided are adequate for the current demand, as determined by adherence to local preferences and expectations for roadway quality, repair frequency, and overall roadway operations. West El Largo CSD does not currently have plans for the

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imminent expansion of infrastructure or facilities.

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3. Financial Ability of the Agency to Provide Services

Purpose: To evaluate factors that affect financing constraints and opportunities, cost avoidance opportunities, and opportunities for rate restructuring.

Information in this section addresses #2 of LAFCO Policy 4.4, which is:

- Financial capabilities and costs of service.

The West El Largo CSD is financed by assessments and property taxes, which appear to be sufficient to cover the expenses of service provision. The CSD does not currently have any outstanding debts. No additional significant financing opportunities have been identified.

The West El Largo Community Services District appears to be utilizing a sufficient range of cost avoidance opportunities; including bidding of contracted services and utilizing contract services to reduce costs. No additional significant cost avoidance opportunities have been identified.

4. Status of, and Opportunities for, Shared Facilities

Purpose: To evaluate the opportunities for a jurisdiction to share facilities and resources to develop more efficient service delivery systems.

The District is currently contracting out roadway maintenance and related services to private firms. Since the District does not own or share any facilities with another provider and, other than the County, the District is not in close proximity to any other local entity that provides similar services, there are no opportunities for shared facilities.

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

Purpose: To consider Government structure options, including advantages and disadvantages of consolidation or reorganization of service providers; an evaluation of management efficiencies; and local accountability and governance.

Information in this section addresses #7 of LAFCO Policy 4.4, which is:

- An analysis of the effects of a proposed sphere of influence on other agencies and their service capabilities.

The overall management structure of the District is sufficient to perform necessary services and maintain operation in an efficient and effective manner. Other than the County, no other public entity providing similar services is in close proximity. There are no legal or administrative limitations on the District to future service provision. Transitioning the CSD to another government entity, such as another district or other form of local government, would be unlikely to result in

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significant efficiencies.

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The District has not expressed interest in altering the current boundaries. Residents within the District appear to be the primary users of the District's roadways, with the exception of two parcels to the northeast of the service boundary, which are encompassed in the District's SOI. Although these parcels use the District's roadways to access their property, there is no immediate plan to extend the service boundary to be coterminous with the SOI due to the cost involved in the annexation process. The services provided are adequate within the District's existing boundaries, and services do not extend beyond designated boundaries. Consequently, the District's service boundaries are appropriate for the current services provided and demanded.

The West El Largo CSD's board is elected by voters within the District. Board meetings appear to be held and noticed consistent with the Brown Act. There appears to be ample opportunities for public involvement and input. No significant issues regarding local accountability were noted.

6. The Potential Effect of Agency Services on Agricultural and Open Space Lands.

Purpose: To determine the extent in which the provision of services by the agency, or its potential expansion of services, impact agriculture and open space, both on lands within the agency or surrounding it.

Information in this section addresses #5 of LAFCO Policy 4.4, which is:

- Potential effects on agricultural and open space lands.

The 2004 General Plan directs unincorporated growth to already existing population centers, or "community regions." West El Largo CSD is not located in or near a community region or an agriculture district. The District is surrounded by lands zoned for low density or rural residential uses. No lands are zoned for agriculture near the CSD. It is unlikely that West El Largo CSD's services would induce urban growth or affect open space lands. Any detrimental impact has already occurred.

V SOI DETERMINATIONS

In determining the sphere of influence for each local agency, Government Code §56425(e) requires the Commission to consider and prepare a written statement of determinations with respect to four factors. Staff recommends the following determinations for amending the sphere for the West El Largo Community Services District:

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

Land uses within the District are primarily low density residential, including some vacant residential lands and open space. The District is surrounded by lands zoned for low density and rural residential uses; no lands are zoned for agriculture near the CSD. Planned land uses are anticipated to remain the same as current land uses.

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

Present needs for public facilities and services are currently being met. Probable needs for public facilities and services are not currently anticipated to vary significantly from present needs, as future 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 West El Largo CSD Board has been conservative with expenditures in the District, following a rotation and loose schedule of maintenance between the two main roadways in its district. This gives the district the opportunity to build up a good reserve before contracting out for any work to the roadways. The present capacity of public facilities provided is sufficient for the current level of service demanded.

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 economic communities of interest in the area. Nearby communities include the Lotus area.

Based upon the information contained in this report, it is recommended that no changes be made to the West El Largo Community Services District sphere of influence at this time and that the Commission reaffirm the current

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SOI, which was last updated in December 2007.

VI ENVIRONMENTAL REVIEW

The California Environmental Quality Act (CEQA, Public Resources Code §21000 et seq.) requires public agencies to evaluate the potential environmental effects of their actions. OPR's Service Review Guidelines Chapter 7, *Integrating Municipal Service Reviews with the California Environmental Quality Act*, advises that "no two municipal service reviews will be exactly alike and each needs to be evaluated on its specific merits and characteristics." The environmental review for El Dorado LAFCO's service review of West El Largo Community Services District is specific to this study and may differ from the environmental review of other service reviews and other LAFCOs.

Service reviews are intended to support sphere of influence updates, including the creation and amendment of SOI boundaries, as well as other government reorganization proposals. Such activities could influence future growth patterns, and as such are considered discretionary projects under CEQA. LAFCO has the principal responsibility for carrying out and approving this service review and therefore the principal responsibility for preparing CEQA documents as lead agency.

Exemption

This service review and accompanying sphere of influence determinations qualify for a statutory exemption as outlined in Public Resources Code §15061(b)(3). These activities are covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. The MSR and sphere of influence update have no possibility for causing a significant effect on the environment. Any future projects that make use of this service review and the information contained herein will be subject to separate environmental review under CEQA.

VII REFERENCES AND SOURCES

General Background Information:

2004 El Dorado County General Plan: A Plan for Managed Growth and Open Roads; a Plan for Quality Neighborhoods and Traffic Relief, adopted July 2004

Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, prepared by Assembly Committee on Local Government, last updated November 2008

Local Agency Formation Commission Municipal Service Review Guidelines, Governor's Office of Planning and Research, August 2003

LAFCO Procedures Guide, 2006 Edition, San Diego County LAFCO

Governing and Defining Legislation:

California Government Code, Title 6 (Districts), Division 3 (Community Services Districts)

West El Largo Community Services District:

2007 Streets and Highway Services Municipal Services Review, prepared by PMC for the El Dorado Local Agency Formation Commission, adopted December 2007

County of El Dorado, Independent Special Districts Final Budgets, West El Largo CSD District Budget Actuals, Fiscal Years 2005-06, 2006-07, 2007-08

Interview, Telephone Conversations with Greg Pasiuk, West El Largo CSD Board of Directors, July 2009.