

RESOLUTION NUMBER L-2014-02**Update to the Grizzly Flats Community Services District
Sphere of Influence****LAFCO Project No. 2012-02**

WHEREAS, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 governs the organization and reorganization of cities and special districts by local agency formation commissions established in each county, as defined and specified in Government Code Sections 56000 et seq. (unless otherwise indicated all statutory references are to the Government Code); and

WHEREAS, Section 56425 et seq. provides that the local agency formation commission in each county shall develop and determine the sphere of influence of each local governmental agency within the county, and enact policies designed to promote the logical and orderly development of areas within the spheres of influence, as more fully specified in Sections 56425 et seq.; and

WHEREAS, Section 56430 requires that local agency formation commissions conduct a municipal service review (MSR) prior to, or in conjunction with, consideration of actions to establish or update a sphere of influence (SOI) in accordance with Sections 56076 and 56425; and

WHEREAS, pursuant to Section 56430, in order to prepare and update the sphere of influence, the Commission conducted a municipal service review of the Grizzly Flats Community Services District and adopted a written statement of determinations in conjunction with this sphere of influence update on January 22, 2014; and

WHEREAS, the Executive Officer reviewed the sphere of influence update pursuant to the California Environmental Quality Act (CEQA), and recommended that the project is exempt from CEQA under Section 15061(b)(3) because it is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA, and, based thereon, the Executive Officer prepared a Notice of Exemption; and

WHEREAS, the Executive Officer set a public hearing for January 22, 2014 for consideration of the environmental review and the sphere of influence update for the Grizzly Flats Community Services District and caused notice thereof to be posted, published and mailed at the times and in the manner required by law at least twenty-one (21) days in advance of the date; and

WHEREAS, on January 22, 2014 the sphere of influence update came on regularly for hearing before LAFCO, at the time and place specified in the Notice; and

WHEREAS, at said hearing, LAFCO reviewed and considered the sphere of influence, and the Executive Officer's Report and Recommendations; each of the policies, priorities and factors set forth in Government Code Section 56425 et seq.; LAFCO's Policies and Guidelines related to spheres of influence, starting with Policy 4.0; and all other matters presented as prescribed by law; and

WHEREAS, at that time, an opportunity was given to all interested persons, organizations, and agencies to present oral or written testimony and other information concerning the proposal and all related matters; and

WHEREAS, the Commission received, heard, discussed, and considered all oral and written testimony related to the sphere update, including but not limited to protests and objections, the Executive Officer's report and recommendation, the environmental document and determinations and the service review; and

WHEREAS, on January 30, 2008, at the time of its last review, the Commission established the functions and classes of services provided by the Grizzly Flats Community Services District as follows: Water; and

WHEREAS, the Commission does hereby make the following determinations regarding the proposal pursuant to Government Code Section 56425(e):

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

Present land use in the GFCSD service area includes medium to high density residential uses, with a few parcels having other designations, such as open space and public facility use. Present land uses surrounding the District include "natural resources" or low density residential. Planned land uses are anticipated to remain the same as current land uses.

GFCSD's service area is overwhelmingly surrounded by a significant amount of U.S. Forest Service Land designated as natural resource, along with a few rural and medium density residential parcels. GFCSD's SOI was amended in 2008 to remove these parcels from the SOI, resulting in a new SOI that is now coterminous with the District's service boundaries.

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

Based on metered usage, water demands for GFCSD were 140.5 acre-feet in 2009 (Supply and Demand Findings, URS 2009); all District customers are metered. GFCSD's pre-1914 water rights provide a combined firm yield of 184 acre-feet of water per year. The firm yield increased from 166 acre-feet per year due to the completion of the District's Water System Improvement Project in 2012, which included the installation of a geosynthetic reservoir liner to reduce water loss from

seepage. Water loss was estimated to be as high as 35 acre-feet per year. Improvements were also made to the earthen berm which allows the District to store the full 31 acre-feet of water for use in dry periods, which greatly improved the District's water storage capacity.

The District also has two permits from the State Water Resources Control Board for additional diversions between November 1 and June 15, which provides up to 31 acre-feet per year for seasonal storage in the raw water reservoir, and up to 3 acre-feet per year to be stored in Grizzly Pond for fire suppression purposes.

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

The District has undergone steps to improve its water storage capacity. In 2009, GFCSD received a \$463,000 grant and a \$952,000 loan from the United States Department of Agriculture (USDA) for the District's Water System Improvement Project (WSIP), designed to improve water delivery and system reliability. The WSIP, completed in 2012, consisted of the engineering and construction of certain improvements to the District's existing water system, which is approximately 40 to 50 years old.

The District has adequate plans and facilities to provide water service to its current residents; however expansion beyond its current service boundary would likely require further expansion of the District's water supply storage capacity.

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.*

GFCSD serves the community of Grizzly Flats, which is the primary concentrated, social or economic community of interest within the District. Social or economic communities of interest in the area do not extend beyond the community of Grizzly Flats. Grizzly Flats is designated as a Rural Center by the 2004 County General Plan, and an urban limit line (ULL) is established for the community. The District's current boundaries are fairly consistent with the ULL. GFCSD has not indicated any specific areas planned for annexation in the near future, nor the need for sphere of influence or boundary adjustments.

NOW, THEREFORE, BE IT HEREBY RESOLVED, DETERMINED, ORDERED AND FOUND:

Section 1. Each of the foregoing recitals is true and correct.

Section 2. The Notice of Exemption prepared by the Executive Officer is approved as the appropriate environmental document for this project.

Section 3. Pursuant to Government Code Section 56425(i)(2), the Commission does hereby establish the functions and classes of services provided by the Grizzly Flats Community Services District as follows: Water.

APPROVED

Section 4. The update to the Grizzly Flats Community Services District sphere of influence to affirm the current sphere is orderly, logical and justifiable.

Section 5. The Executive Officer is directed to file a Notice of Exemption under Section 15061(b)(3) in compliance with the California Environmental Quality Act and local ordinances implementing the same.

Section 6. The Grizzly Flats Community Services District sphere of influence is updated to affirm its current sphere as shown on the attached map, marked Exhibit A, attached hereto and incorporated herein by this reference.

PASSED AND ADOPTED by the El Dorado Local Agency Formation Commission at a regular meeting of said Commission, held January 22, 2014 by the following vote of said Commission.

Briggs, Frentzen, Humphreys, Laine,
AYES: Mikulaco, Patton, Mette
NOES: None
ABSTAIN: None
ABSENT: None

ATTEST:



Interim Clerk to the Commission



Chair

Grizzly Flats Community Services District Sphere of Influence Update
LAFCO Project No. 2012-02

EXHIBIT A

