

Ventura Local Agency Formation Commission

Meiners Oaks Water District

Municipal Service Review



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Accepted by the Commission on November 16, 2022

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Introduction

Purpose of the Municipal Service Review

Local Agency Formation Commissions (LAFCo) exist in each county in California and were formed for the purpose of administering state law and local policies relating to the establishment and revision of local government boundaries. According to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (California Government Code § 56000 et seq.), LAFCo's purposes are to:

- discourage urban sprawl;
- preserve open space and prime agricultural land;
- ensure efficient provision of government services; and
- encourage the orderly formation and development of local agencies.

To achieve these purposes, LAFCos are responsible for coordinating logical and timely changes in local government boundaries (such as annexations), conducting special studies that identify ways to reorganize and streamline governmental structure, and determining a sphere of influence for each city and special district over which they have authority.

A **sphere of influence** is a plan for the probable physical boundaries and service area of a local agency, as determined by LAFCo (Government Code § 56076). Beginning in 2001, each LAFCo was required to review, and as necessary, update the sphere of each city and special district on or before January 1, 2008, and every five years thereafter (Government Code § 56425(g)). Government Code § 56430(a) provides that in order to determine or update a sphere of influence, LAFCo shall prepare a **Municipal Service Review (MSR)** and make written determinations relating to the following seven factors:

1. Growth and population projections for the affected area.
2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.
3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.
4. Financial ability of agencies to provide services.
5. Status of, and opportunities for, shared facilities.
6. Accountability for community service needs, including governmental structure and operational efficiencies.
7. Any other matter related to effective or efficient service delivery, as required by Commission policy.

MSRs are not prepared for counties, but are prepared for special districts including those governed by a county Board of Supervisors. Additionally, while LAFCos are authorized to

prepare studies relating to their role as boundary agencies, they have no investigative authority.

LAFCo staff prepared this MSR for Meiners Oaks Water District (MOWD or District) using information obtained from multiple sources, including, but not limited to:

- **MSR Questionnaire:** A questionnaire supplied by LAFCo elicited general information about the District (e.g., contact information, governing body, financial information), as well as service-specific data;
- **Budget:** The adopted budget provided information regarding services and funding levels;
- **General Plans:** The Ventura County General Plan provided information regarding land use, populations, and service levels;
- **District Documents:** Various District documents provided supplementary information relating to service provision;
- **Historical MSR:** The 2004 MSR provided certain data that remain relevant and accurate for inclusion in the current MSR;
- **District Website:** The District’s website provided supplementary and clarifying information; and
- **District Staff:** District staff provided supplementary and clarifying information.

Organization of the MSR

This report is organized into several sections, as follows:

- **Maps:** A general location map and the official LAFCo map of the District;
- **Profile:** Summary profile of information about the District, including contact information, governing body, summary financial information, and staffing levels;
- **Growth and Population Projections:** Details of past, current, and projected population for the District;
- **Review of Municipal Services:** Discussion of the municipal services that the District provides;
- **Sphere of Influence:** Discussion of the existing sphere of influence of the District and potential modifications to the sphere; and
- **Written Determinations:** Recommended determinations for each of the seven mandatory factors for the District.

The Commission’s acceptance of the MSR and adoption of written determinations will be memorialized through the adoption of a resolution that addresses each of the seven mandatory factors based on the Written Determinations section of the MSR.

Maps

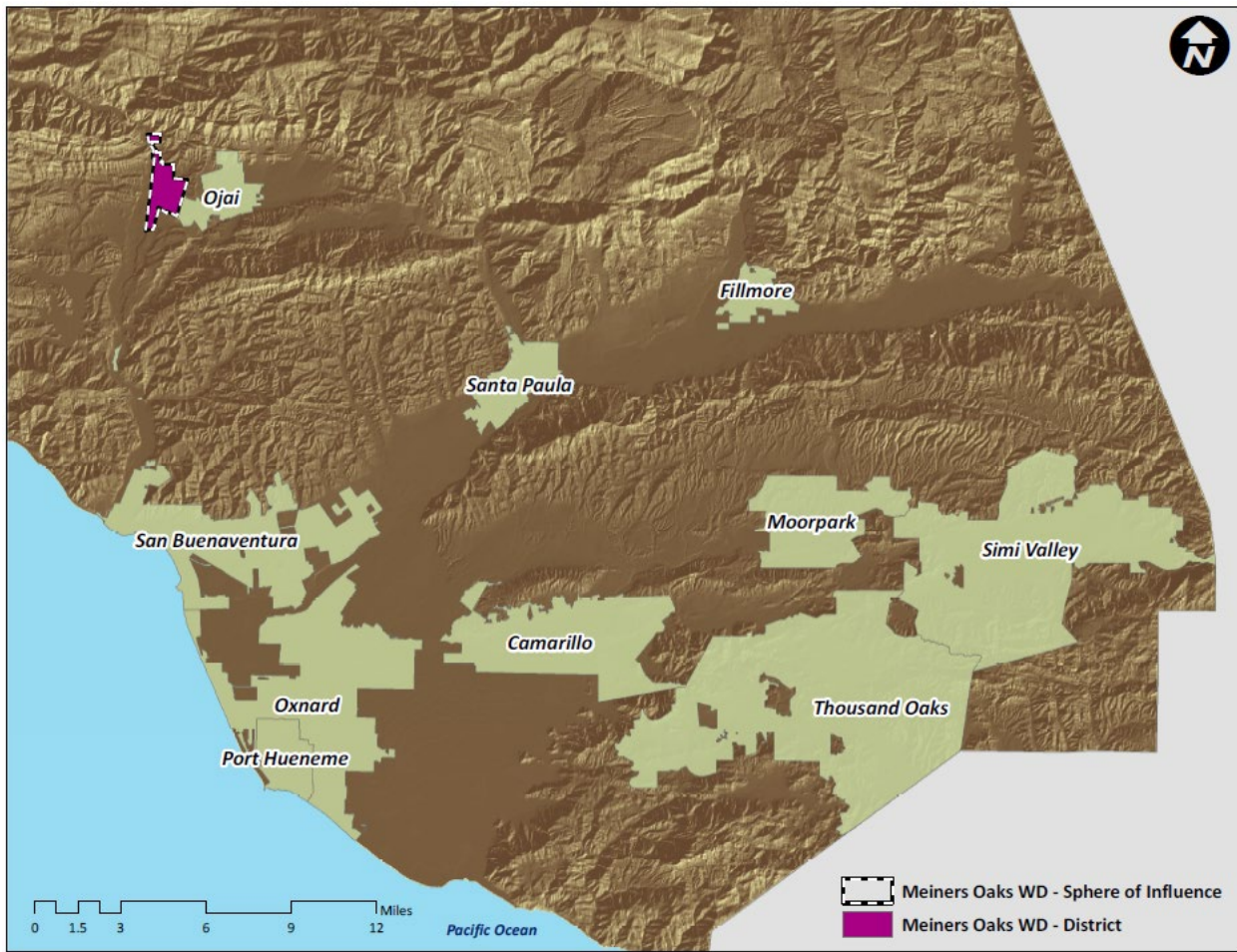


Figure 1: Location Map

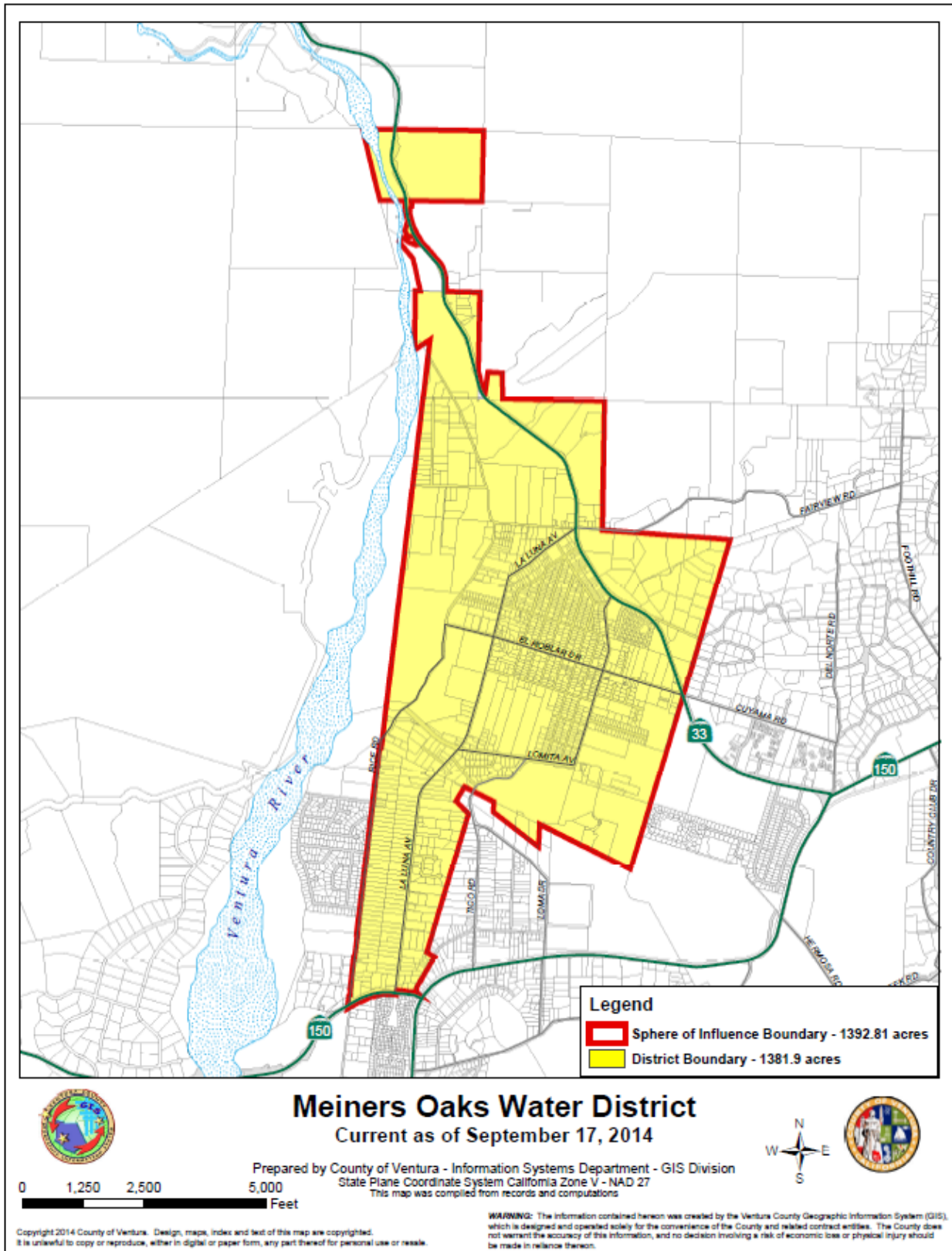


Figure 2: Official LAFCo Map

Profile

The MOWD provides potable water to the unincorporated community of Meiners Oaks, immediately west of the City of Ojai. The District’s water is sourced from groundwater wells and the Casitas Municipal Water District (CMWD).

The District’s mission is provided as follows:

To produce and deliver a reliable and sustainable supply of water to meet the needs of the residents and properties and the community within its boundaries.

Contact Information

District Manager	Justin Martinez
District Office	202 W. El Roblar Drive, Ojai, CA 93023
Mailing Address	202 W. El Roblar Drive, Ojai, CA 93023
Phone Number	(805) 646-2114
Website	meinersoakswater.com
E-mail Address	justin@meinersoakswater.com

Governance Information

Formation Date	February 1, 1949
Legal Authority	<u>Water Code Section 30000</u> (County Water District Law)
Type of District	Independent
Board of Directors	Five members. Elected at-large to staggered, four-year terms of office (elections held in even-numbered years).
Board Meetings	3 rd Tuesday of each month, beginning at 6:00 p.m., located at 202 W. El Roblar Drive, Ojai, CA 93023

Services Provided

The MOWD is authorized to provide potable retail water service.

Population and Area Information

	<i>Population</i> ¹	<i>Area (square miles)</i>
Jurisdictional Area	4,200	2.16
Sphere of Influence Area	5,000	2.18

Staffing – Full Time Equivalent Positions²

Executive/Management	Professional/Support	Operational	Total
2	2	2	6

¹ Source: District staff.

² Source: Current and historical City budget documents, and City staff.

Revenues		Expenditures	
Primary Revenue Sources		Primary Expenses	
Water Sales and Meter Charges		Salaries and Benefits	
Property Taxes		Water Distribution Operations and Projects	
Interest		Professional Services	
FY 2022-23 Revenues (Budget)		FY 2022-23 Expenditures (Budget)	
\$2,055,544		\$2,258,500 ³	
Public Agencies with Overlapping Jurisdiction			
Casitas Municipal Water District		Ventura County Service Area No. 14	
Gold Coast Transit District		Ventura County Service Area No. 32	
Ojai Valley Sanitary District		Ventura County Transportation Commission	
Ventura County Air Pollution Control District		Ventura County Watershed Protection District	
Ventura County Fire Protection District		Ventura Regional Sanitation District	
Ventura County Resource Conservation District		Ventura River Water District	

³ The difference in revenues and expenditures (i.e., \$202,956) is to be covered by reserves, resulting in a reduction in reserves from \$1,420,361 to \$1,217,405.

Growth and Population Projections

LAFCo is required to project the growth and population for the affected area (Government Code § 56430(a)(1)).

According to the District, the estimated population within the District's jurisdictional boundary is 4,200. Given the trend of a low growth rate and limited opportunities for development within its service area and sphere of influence, the District estimates that the maximum future population within the existing sphere of influence will be 5,000.

Review of Municipal Services

The review of the District's services is based on provisions of state law which require LAFCo to make determinations regarding the present and planned capacity of public facilities, the adequacy of public services, infrastructure needs and deficiencies, and the District's financial ability to provide these services (Government Code § 56430(a)(3)).

Water Services

Service Area and Distribution System

The Meiners Oaks Water District operates and maintains a retail potable water distribution system within the unincorporated community of Meiners Oaks, immediately west of the City of Ojai. The MOWD's jurisdictional area is entirely within the boundaries of the CMWD. At its southern jurisdictional boundary in the vicinity of Rice Road and Baldwin Road, the MOWD overlaps the jurisdictional area of the Ventura River Water District (VRWD) (at the northern boundary of the VRWD).⁴ The area of overlap is limited to right-of-way within Rice Road and Baldwin Road, within which both districts own water pipelines.

The District has two water sources: (1) groundwater (pumped from the Upper Ventura River Groundwater Basin (UVRGB)), and (2) surface water (supplied by the CMWD, as a water wholesaler, from its reservoir known as Lake Casitas).⁵ The MOWD's water distribution system consists of 19 miles of pipeline that serve 1,280 customers. It owns and operates four wells, three pump stations, and three reservoirs, and has two independent connections to the CMWD distribution system. The District's total available storage capacity is 1.75 million gallons; however, actual storage volume fluctuates and averages 1.3 million gallons. The District intends to replace a 80,000-gallon storage tank, which failed in 2018. In an effort to ensure adequate back-up water supply and improve system reliability, the District also plans to pursue replacement of a 500,000-gallon storage tank with a 750,000-gallon storage tank. The District relies on groundwater whenever possible, but supplements its supply with surface water provided by the CMWD when necessary, during well repair/maintenance activities, and when groundwater wells are unable to meet water demand.

Water Supply and Demand

Water demand within the District's service area was 643 acre feet (AF) in 2019, 668 AF in 2020, and 664 AF in 2021. Between 2005 and 2021, total annual water demand by the District's customers ranged from approximately 623 AFY to 1,273 acre feet per year (AFY), with demand prior to 2014 consistently above 900 AFY and demand since 2014 consistently under 900 AFY.

⁴ The VRWD is a special district that provides retail potable water to the unincorporated communities of Casitas Springs, northern Oak View, and a portion of the City of Ojai near the City's western boundary.

⁵ The Casitas Municipal Water District is a water wholesaler and retailer that supplies water to the Ojai Valley, Ventura River valley, and the western portion of the City of San Buenaventura. The MOWD is a water retailer within the MOWD's service area.

Since 2016, water demand has not exceeded 700 AFY. The District’s projected total water use for its service area is expected to be approximately 620 AFY for the foreseeable future.

District staff anticipates that continued implementation of conservation measures along with limited growth within the District will allow water demand to remain consistent with current and recent demand. The District’s water supply consists primarily of groundwater from the UVRGB (approximately 76 percent), with remaining supply consisting of surface water from the CMWD (approximately 24 percent). The District has for most of its existence relied exclusively on groundwater in order to supply its customers. Since 2013, it has supplemented groundwater with surface water provided by the CMWD. Greatest water demand typically occurs during the month of August, averaging a total of 72 AF during both 2020 and 2021.

Groundwater Supply

The District’s jurisdictional area includes portions of the UVRGB, which is a medium-priority basin that is not considered by the California Department of Water Resources (DWR) to be in critical overdraft. The UVRGB is overseen by the Upper Ventura River Groundwater Sustainability Agency (UVRGSA), a Groundwater Sustainability Agency (GSA) under the Sustainable Groundwater Management Act (SGMA).⁶ Members of the UVRGSA include the CMWD, MOWD, VRWD, City of San Buenaventura, and County of Ventura. Water from the UVRGB is pumped primarily by four major water suppliers (i.e., the City of San Buenaventura, CMWD, MOWD, and VRWD) and three mutual water companies. In general, the UVRGB is replenished with approximately 10,000 AFY, and is depleted of a similar amount. Flows from the Ventura River provide most of the surface and subsurface recharge of the UVRGB. A map of the UVRGB underlying the District is provided in Figure 3, below.

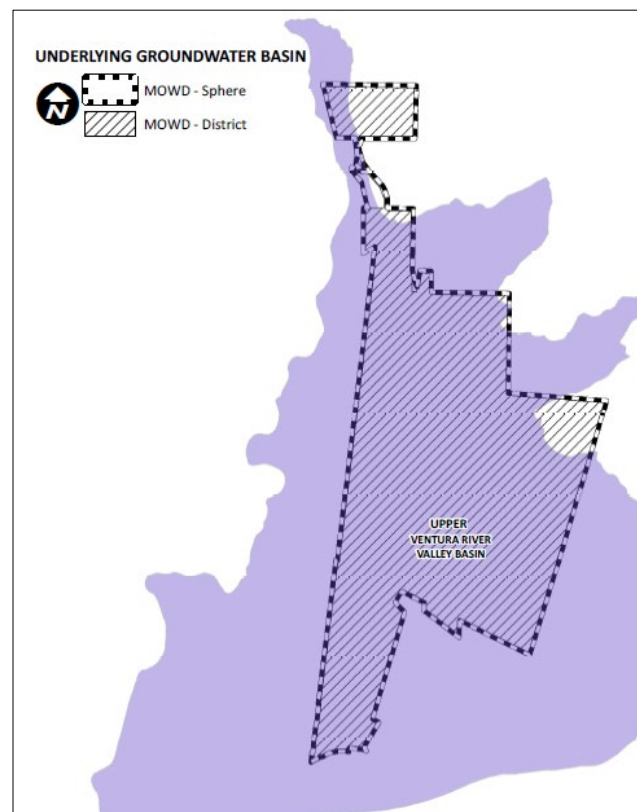


Figure 3: Underlying Groundwater Basin
Source: California Department of Water Resources, 2019

⁶ The MOWD is a member agency of UVRGSA which is responsible for preparing a Groundwater Sustainability Plan (GSP) and managing the UVRGB pursuant to SGMA, with the goal of achieving sustainable groundwater management within 20 years of adoption. The UVRGSA adopted a GSP, which was submitted to and is currently undergoing review by the DWR.

According to the GSP prepared for the UVRGSA, the estimated storage in the UVRGB varies considerably, ranging between 14,000 AF and 35,000 AF. Groundwater is recharged through infiltration of precipitation and percolation from surface water flows, among other sources. The District operates four wells and is currently pursuing the addition of a fifth well, which if drilled, would decrease the District's reliance on the CMWD, although to what degree is not yet known. These wells are expected to provide a reliable supply of water, even during drought conditions. While the UVRGB has an estimated capacity of between 14,000 AF and 35,000 AF, actual groundwater supply for the District is unknown and the District is studying this topic to determine the volume of groundwater available to it.

Surface Water Supply

The District's surface water supply is sourced from the CMWD, through two 4-inch connections. Surface water contained in Lake Casitas is currently estimated to be 74,811 AF,⁷ which is used to supply the CMWD's retail customers and retail water purveyors. The CMWD establishes a maximum annual delivery water volume to MOWD based on factors including but not limited to current drought conditions. Maximum delivery volume by the CMWD to the MOWD is currently 713.49 AFY, as a result of Stage 3 drought conditions, which is consistent with the CMWD's maximum delivery volume to the MOWD over the past three years. MOWD is not required to prepare an Urban Water Management Plan (UWMP); however, information contained in the UWMP prepared for the CMWD (adopted June 23, 2021) states that the CMWD service area is not expected to experience significant growth over the next 20 years (estimated population in 2020 within the CMWD service area was 11,042 and projected population in 2040 is 11,281).

Capital Improvement Projects

To meet continued water demands within the District's service area, the District is currently pursuing several capital improvement projects to be implemented over the next several years: (1) replacement of its 30-year-old treatment plant, located at 15145 Maricopa Highway, which is reaching the end of its useful life and is experiencing corrosion (\$4 million maximum, to be completed within the next approximately 18 months), (2) development of a new well (\$1 million maximum), (3) installation of a back-up generator (Meiners Road) (\$500,000 maximum), and (4) chloramination (i.e., a disinfection process) of Well Nos. 4 and 7, which would allow the District to blend well water with surface water supplied by the CMWD (estimated \$150,000). In 2018, the District replaced Well No. 4 with Well No. 4A (\$447,954), which was funded by the District's ratepayers and District reserve funds. Funding for all of these anticipated capital improvement projects is anticipated to consist of grants and customer rate increases.

On June 30, 2022, the District approved rate increases pursuant to Proposition 218, in order to help fund several projects and activities, including the replacement of the District's water treatment plant, replacement of a water tank, upgrade a pressure zone to improve fire flow reliability, legal defense involving the UVRGB adjudication. The rate increase will consist of an

⁷ The capacity of Lake Casitas is approximately 237,761 AF. The lake is currently 31.4 percent full.

increase in customers' monthly Water Availability Charge from \$35.91 to \$36.00, an increase in the cost per hundred cubic feet (HCF) of water from \$2.34/HCF to \$3.85/HCF, and an increase in the over-allocation charge from \$1/HCF to \$5/HCF. The average increase for a residential customer is expected to be \$22.74 (for a total average water bill of \$98.32 for an average residential customer).

Because the District serves fewer than 3,000 customers and less than 3,000 AFY, it does not qualify as an urban water supplier and, as such, is not required, every five years, to prepare and adopt an UWMP pursuant to the Urban Water Management Planning Act enacted by the California State Legislature in 1983.⁸ Therefore, a comprehensive and up-to-date discussion of current and expected water supply and demand, supply reliability, and water shortage contingency planning and conservation efforts is not regularly consolidated into a single report that is easily accessible to the public.

Water Master Plan

The District does not currently operate in accordance with a water master plan. However, it is currently working toward developing a water master plan, to be completed over the next two years. The master plan will guide the District's actions related to operation, maintenance, and infrastructure improvements to meet its service needs, and reflect current water supply and demand figures, infrastructure, population, and capital improvement needs. The District anticipates pursuing grant funding to partially defray the cost of master plan preparation. Upon completion, it would be prudent for the District to post a copy of the master plan on its website, and/or formal reporting/updates that are easily accessible to the public.

Water Conservation Measures and Efforts

The District does not implement its own water shortage contingency plan, but in accordance with its water service agreement with the CMWD, it implements mandatory use restrictions for drought conditions as prescribed by the CMWD that are established in the CMWD's Water Efficiency Allocation Plan (WEAP). The CMWD Board of Directors adopted a resolution on May 11, 2022, to continue implementation of Stage 3 (30 percent) conservation levels through the summer of 2022. The WEAP includes provisions and requirements, based on the established level of drought (Stages 1 through 5), with each stage building upon the requirements of the prior stage:

- Under Stage 1, reduction measures include a voluntary demand reduction of 20 percent, the requirement for use of shutoff nozzles, and prohibition against rinsing of sidewalks, driveways, and public roadways.
- Under Stage 2, the District requires a 20-percent reduction in water demand, enforces a moratorium on new water connections, restricts watering to two times per week between the hours of 6 am and 9 am (but prohibits watering during or within 48 hours of a rain event), and requires that plumbing leaks be repaired within 48 hours.

⁸ Water supply and demand by the District is generally acknowledged in the UWMP prepared by the CMWD.

- Under Stage 3, the District requires a 30-percent reduction in water demand, restricts watering to one time per week and prohibits the use of potable water for dust control.
- Under Stage 4, the District requires a 40-percent reduction in water demand, prohibits the filling of new swimming pools and fountains, temporary construction meters, and watering of lawns, and allows the District to consider prohibiting water use for agricultural purposes.
- Under Stage 5, the District requires a 50-percent reduction in water demand, all outdoor watering, including for agricultural use, is prohibited.

Given the current and predicted drought condition, persistent decline of the water volume in Lake Casitas will potentially result in the imposition of additional conservation measures and the risk of the lake going dry.

Additionally, the District supports water-saving projects through its involvement with the Land Resilience Partnership (LRP)/Wildlife Conservation Board. The programs involve implementation of various water-wise projects, including installation of water-efficient landscaping and tools to accomplish rainwater containment. The LRP provides services including professional site assessment, cataloging of potential recommendations for potential site opportunities/projects, plan design, construction guidance, neighborhood training, rebates, and discounted services. These efforts are supported through grant funding provided by the DWR, Wildlife Conservation Board, among other local organizations. While the District coordinates access to the LRP programs, in most cases the LRP provides services directly to the District's customers. During the coming year, the District anticipates offering collaborative workshops and customer outreach programs related to the LRP.

Sphere of Influence

Based on an evaluation of the District’s sphere of influence, several adjustments to the sphere appear to be warranted. The spheres (and jurisdictional areas) of the MOWD and the VRWD overlap in the public road right-of-way along Rice Road and Baldwin Road. Each of these districts contains pipeline infrastructure in the roadway; however, each district’s infrastructure is limited to the side of the road closest to the service area of that district. Amendment of the District’s sphere would eliminate overlap with the sphere of the VRWD (a coordinating reduction in the sphere of the VRWD would address the remaining area of overlap), resulting in a sphere boundary that runs along the centerline of the road in the area where each district’s infrastructure is limited to its side of the road right-of-way. In addition, reduction of the District’s sphere to remove the southern portion of Cruzero Road would better reflect the District’s reach because this area does not contain any water distribution pipelines and is not expected to be used for MOWD infrastructure in the foreseeable future. Finally, removal of a 10-acre parcel from the sphere near the north end of the District’s service area would result in the exclusion of a parcel that is designated by the County General Plan for open space use, is being used as an orchard and not for urban purposes, does not receive water service from the District, and is not anticipated by the District to receive District services. These modifications are depicted in Figure 4, below. The existing sphere of influence boundary otherwise continues to reflect the District’s current and probable service area, and is justified based on this MSR report, which demonstrates that the District has the ability to provide urban services at acceptable levels.

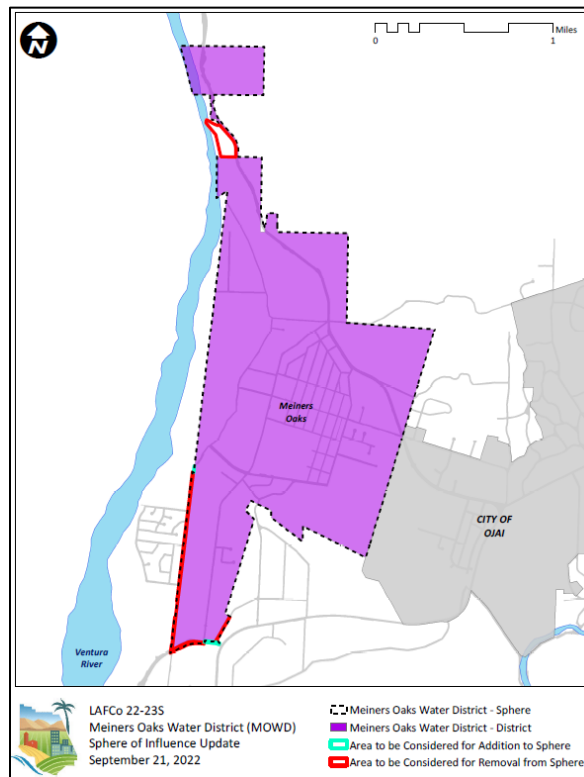


Figure 4: Sphere of influence recommended reduction

Written Determinations

The Commission is required to prepare a written statement of its determinations with respect to each of the subject areas provided below (Government Code § 56430(a)).

1. Growth and population projections for the affected area

According to the District, the estimated population within the District's jurisdictional boundary is 4,200. Given the trend of a low growth rate and limited opportunities for development within its service area and sphere of influence, the District estimates that the maximum future population within the existing sphere of influence will be 5,000.

2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence

A disadvantaged unincorporated community is defined as a community with an annual median household income that is less than 80 percent of the statewide annual median household income (Government Code § 56033.5). No disadvantaged unincorporated communities are located within or contiguous to the District's sphere of influence. According to Ventura LAFCo Commissioner's Handbook Section 3.2.5, Ventura LAFCo has identified Nyeland Acres (within the City of Oxnard's sphere of influence to the north of the city), the Piru community, and Saticoy (within the City of San Buenaventura's sphere of influence to the east of the city) as disadvantaged unincorporated communities.

3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies

Water services:

- The District operates and maintains a retail domestic water distribution system for the community of Meiners Oaks.
- The District's water sources consist of groundwater pumped from water wells owned by the District and surface water from the Casitas Municipal Water District (which is both a water wholesaler and retailer). The District's current water supply is adequate to meet current demands.
- Water demand within the District's service area was 643 acre feet (AF) in 2019, 668 AF in 2020, and 664 AF in 2021. Between 2005 and 2021, total annual water demand by the District's customers ranged from approximately 623 AFY to 1,273 AFY, with demand prior to 2014 consistently above 900 AFY and demand since 2014 consistently under 900 AFY. Since 2016, total water demand has not exceeded 700 AFY.
- The District's projected total water use for its service area is expected to be approximately 620 AFY for the foreseeable future.
- To improve its transparency, the District should consider formalizing its water use projections for normal years, single-dry years, and multiple-dry years, and making this information available on its website.

- The District's total available storage capacity is 1.75 million gallons; however, actual storage volume fluctuates and averages 1.3 million gallons. The District intends to replace a 80,000-gallon storage tank, which failed in 2018. In an effort to ensure adequate back-up water supply and improve system reliability, the District also plans to pursue replacement of a 500,000-gallon storage tank with a 750,000-gallon storage tank.
- The District is pursuing several capital improvement project over the next several years, including replacement of its 30-year-old treatment plant, located at 15145 Maricopa Highway, which is reaching the end of its useful life and is experiencing corrosion (\$4 million maximum, to be completed within the next approximately 18 months), development of a new well (\$1 million maximum), installation of a back-up generator (Meiners Road) (\$500,000 maximum), and chloramination (i.e., a disinfection process) of Well Nos. 4 and 7, which would allow the District to blend well water with surface water supplied by the Casitas Municipal Water District (estimated \$150,000). Funding for all of these anticipated capital improvement projects is anticipated to consist of grants and customer rate increases. In 2018, the District replaced Well No. 4 with Well No. 4A (\$447,954), and it is pursuing development of a new well which is estimated to cost \$1 million.
- The District is equipped with back-up generators at its well sites and pump stations to enable its facilities to be operated during a power outage.

4. Financial ability of agencies to provide services

- The District has a balanced budget, and appears to have the ability to finance the services it currently provides.
- The District has a steady stream of revenue through service charges collected from its customers, property taxes, and interest. It has predictable expenses related to capital outlay and salaries/benefits.
- The District has a policy to maintain a minimum of \$600,000 in reserves. The District currently has a balance of \$1,420,361 in reserves, and therefore is in compliance with its reserves policy.
- The District has a five-year capital improvement plan that includes water system improvements (e.g., replacement of the District's treatment plant and development of a new well). Two percent of the capital improvement plan is currently funded, and the remaining amount is expected to be funded by ratepayers and grants. .
- The District is independently audited on a regular basis. According to the District, the most recent audit (October 29, 2021) prepared for the District was unqualified. An unqualified opinion is an independent auditor's judgment that a company's financial statements are fairly and appropriately presented, without any identified exceptions, and in compliance with generally accepted accounting principles (GAAP).
- Based on information that the Ventura County Special Districts Association provided the County in January 2021, the District has not experienced financial impacts related to the coronavirus.

5. Status of, and opportunities for, shared facilities

- The District shares training activities with the Ventura River Water District (e.g., First Aid), and is exploring additional shared training programs.
- The *Study of Special Districts in Ventura County: An Analysis with Recommendations for Changes of Organization* prepared by the Ventura County Executive Office in 1972 recommended that a committee be formed to “evaluate unification of retail water service in the Ventura River Drainage Area.” Although the MOWD appointed a representative to the committee, no record of committee activities or reorganization studies exist.
- The *Special Districts Study* prepared by LAFCo in 2001 recommended that the MOWD consider consolidating with the VRWD or CMWD; however, such a consolidation was never pursued.
- The MSR prepared by LAFCo in 2004 for water and wastewater agencies within Ventura County recommended that: (1) LAFCo should consider the reorganization of water purveyors in the Ojai Valley, and either: (a) LAFCo should form a reorganization committee composed of representatives from the governing bodies of each of the affected agencies and from other entities as determined by the Commission, or (b) the water agencies in the Ojai Valley should independently form a reorganization committee and present a report to LAFCo, and (2) government restructuring options for water service in the Ojai Valley should include an analysis of private and mutual water service providers and participation by representatives of the City of Ojai and the Ojai Valley Sanitary District. It does not appear that such further study toward reorganization of water service providers within the Ojai Valley was pursued.
- The 2004 MSR further stated that: (1) the service areas of the MOWD and VRWD are adjacent and have developed independent and occasionally duplicative facilities (i.e., these agencies both have pipeline running along certain roadway segments), and there are no interties between the two systems, and (2) consolidation of the MOWD and VRWD could provide the advantage of pooling staff, facilities, technology and other resources to achieve more streamlined service provision and improved economies of scale. The 2004 MSR acknowledged an apparent lack of interest in and effort toward consolidation, given that no perceptible progress has been made in that direction since the idea was first floated in 1972.
- The circumstances that prompted the initial discussion of reorganization among water agencies in the Ojai Valley have not changed since 1972, and the opportunity for consolidation of agencies continues to exist. Obstacles toward consolidation with the CMWD include CMWD’s current focus on water supply concerns related to drought conditions and new responsibilities following its acquisition in 2017 of the City of Ojai service area. Challenges for consolidation with VRWD may include issues related to water rights, physical limitations of the water systems, differences in rate structures, and interest level of the districts’ governing bodies. MOWD should again consider pursuit of consolidation with the VRWD and/or the CMWD. Within five years, LAFCo should re-evaluate the readiness of the districts for consolidation, and initiate such a

proposal if it deems appropriate and if none has been proposed by the agencies involved.

6. Accountability for community service needs, including governmental structure and operational efficiencies

- The District is accountable to its constituents through its elected Board of Directors, adherence to applicable government code sections, open and accessible meetings, and dissemination of information.
- The District has adapted to the changing needs of public access as a result of the disease caused by the novel coronavirus (COVID-19) pandemic, by providing live internet access and public participation opportunities for its meetings.
- The District is equipped with emergency generators at the well sites and pump stations for the purpose of providing back-up power. Additionally, it is pursuing installation of an additional back-up generator.
- The District plans to improve its accountability for community service needs by developing a water master plan.
- The District maintains a website that includes a history and basic information about the District, a mission statement, a map of the district, current and recent Board of Directors meeting agendas, staff reports, and minutes, current and historical budget information, policies, procedures, resolutions, and ordinances, an online bill-pay function, water allocation calculator, news and updates, miscellaneous information (e.g., water quality reports, conservation tips, drought status information), and the State Controller's "By the Numbers" (agency financial reporting information) and "Public Pay" (employee salary) webpages. The District could improve its transparency by posting on its website current and historical audits, a summary of historical, current, and anticipated water supply and demand (including a breakdown by source of water (i.e., groundwater and CMWD)), recording and archiving Board meetings to be available on the District's website, its enabling legislation, its master plan (once developed), its capital improvement plan, the most recent municipal service review completed by LAFCo, and a Spanish translation option for its website content.
- The District achieves operational efficiencies through shared training activities with the VRWD. It also participates in the California Special District Risk Management Authority (which provides insurance coverage, training programs, and other practical resources for public agencies) and contracts with private providers (e.g., local engineering contractors for water system repairs).
- The District is not required to prepare an UWMP; however, some limited information regarding its water supply and demand is contained within the CMWD UWMP. The District should consider posting a link on its website to the CMWD UWMP, as well as providing historical and current usage and supply figures on its website.
- The District should consider participation in the California Water/Wastewater Agency Response Network WARN (CALWARN) program (which supports and promotes statewide emergency preparedness, disaster response, and mutual assistance processes

for public and private water and wastewater utilities in coordination with the State Office of Emergency Services).

- The Ventura County Grand Jury released a document entitled Final Report – Independent Special Districts (April 26, 2018), which was the result of an investigation by the Grand Jury into the transparency and public accountability of independent special districts within the County. The Grand Jury identified opportunities for improvement in these subject areas and required a response from the District. The District’s response stated that the requested information is available on the District’s website.
- Additional discussion regarding governmental structure and operational efficiencies is provided in the written determinations above concerning shared facilities.
- District staff was responsive in providing information for this MSR during the requested timeframe.

7. Any other matter related to effective or efficient service delivery, as required by Commission policy

- The Sustainable Groundwater Management Act (SGMA) of 2014 requires the formation of local groundwater sustainability agencies (GSAs) for high- or medium-priority water basins, as determined by the state. GSAs are required to evaluate local water basin conditions and develop groundwater sustainability plans (GSPs). The purpose of a GSP is to define sustainability for an individual basin and establish a path toward sustainability by 2040 for high-priority basins, and 2042 for medium-priority basins. The UVRGB is listed as a medium-priority basin, pursuant to the State Department of Water Resources. The Upper Ventura River Groundwater Agency is the GSA for the UVRGB, and was formed through a joint powers agreement among the CMWD, MOWD, VRWD, the City of San Buenaventura, and the County of Ventura. The GSP prepared for the UVRGB in January 2022 is currently undergoing review by the DWR.
- In 2014, the Santa Barbara ChannelKeeper, a nonprofit organization with the mission to protect and restore the Santa Barbara Channel and its watersheds, sued the State Water Resources Control Board (an agency responsible for preserving, enhancing, and restoring the quality of California’s water resources) and the City of San Buenaventura, in an effort to require that the State Water Resources Control Board conduct further study (a “Reasonable Use Analysis”) of the City of San Buenaventura’s use of water from the Ventura River (i.e., alleged overpumping of the river). According to the Santa Barbara ChannelKeeper, the City has currently and historically overpumped water from the river. In its response to the litigation, the City denied it has overpumped water from the Ventura River, and filed a cross-complaint against other surface water and groundwater users in the Ventura River Watershed, including the CMWD, MOWD, and VRWD. As of the date of this document, the issue remains unresolved and adjudication of the Ventura River Watershed is pending.