

Ventura Local Agency Formation Commission

# Ventura County Service Area No. 34

Municipal Service Review



Prepared By:  
Ventura Local Agency Formation Commission  
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**Accepted by the Commission on February 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 Ventura County Service Area No. 34 (CSA or CSA 34) using information obtained from multiple sources, including, but not limited to:

- **MSR Questionnaire:** A questionnaire supplied by LAFCo elicited general information about CSA 34 (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 general plans of the County of Ventura and the City of Oxnard provided information regarding land use, populations, and service levels;
- **District Documents:** Various CSA 34 documents provided supplementary information relating to service provision;
- **Historical MSR:** The 2010 MSR provided certain data that remain relevant and accurate for inclusion in the current MSR;
- **District Website:** The County's website provided supplementary and clarifying information; and
- **District Staff:** CSA 34 staff provided supplementary and clarifying information.

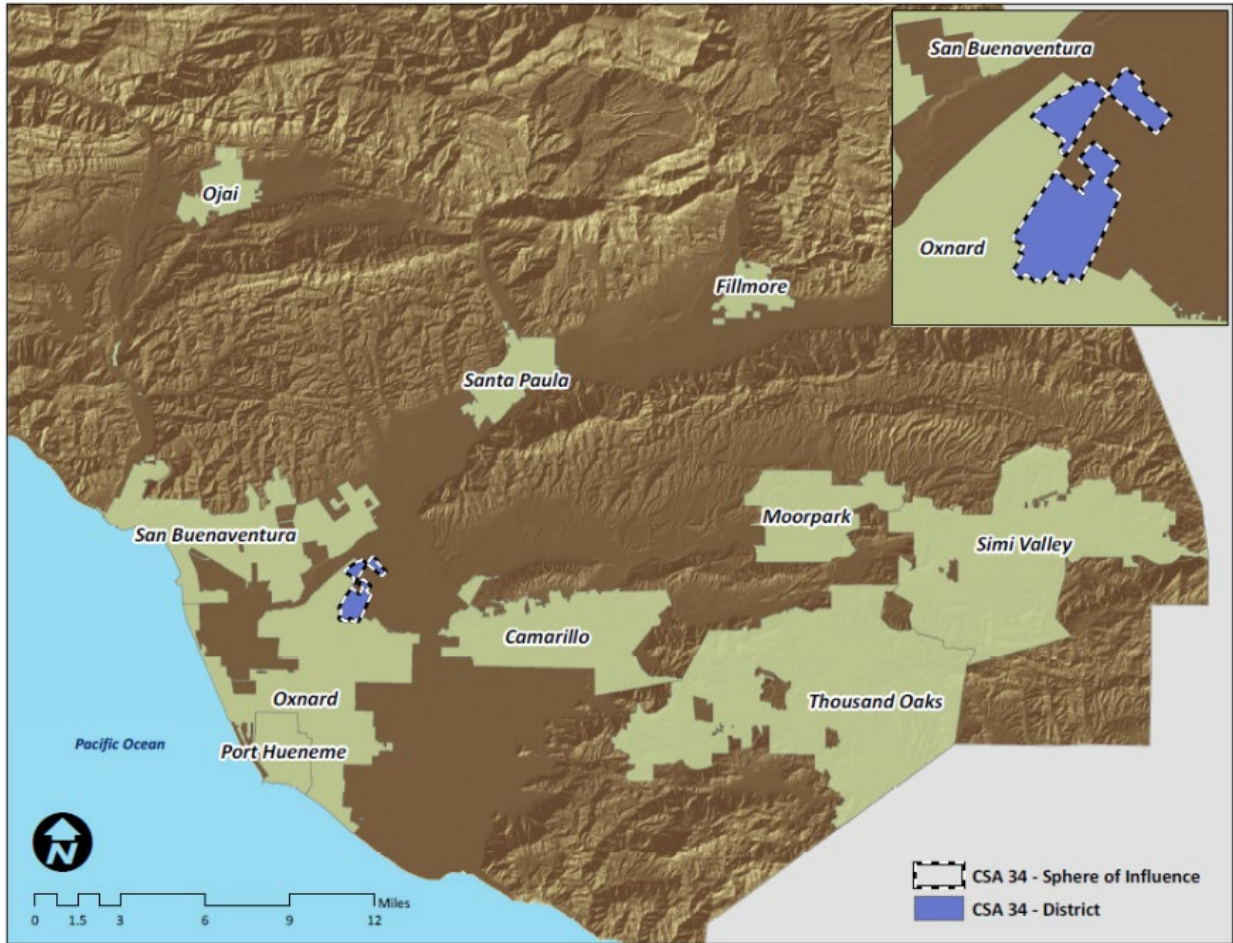
### ***Organization of the MSR***

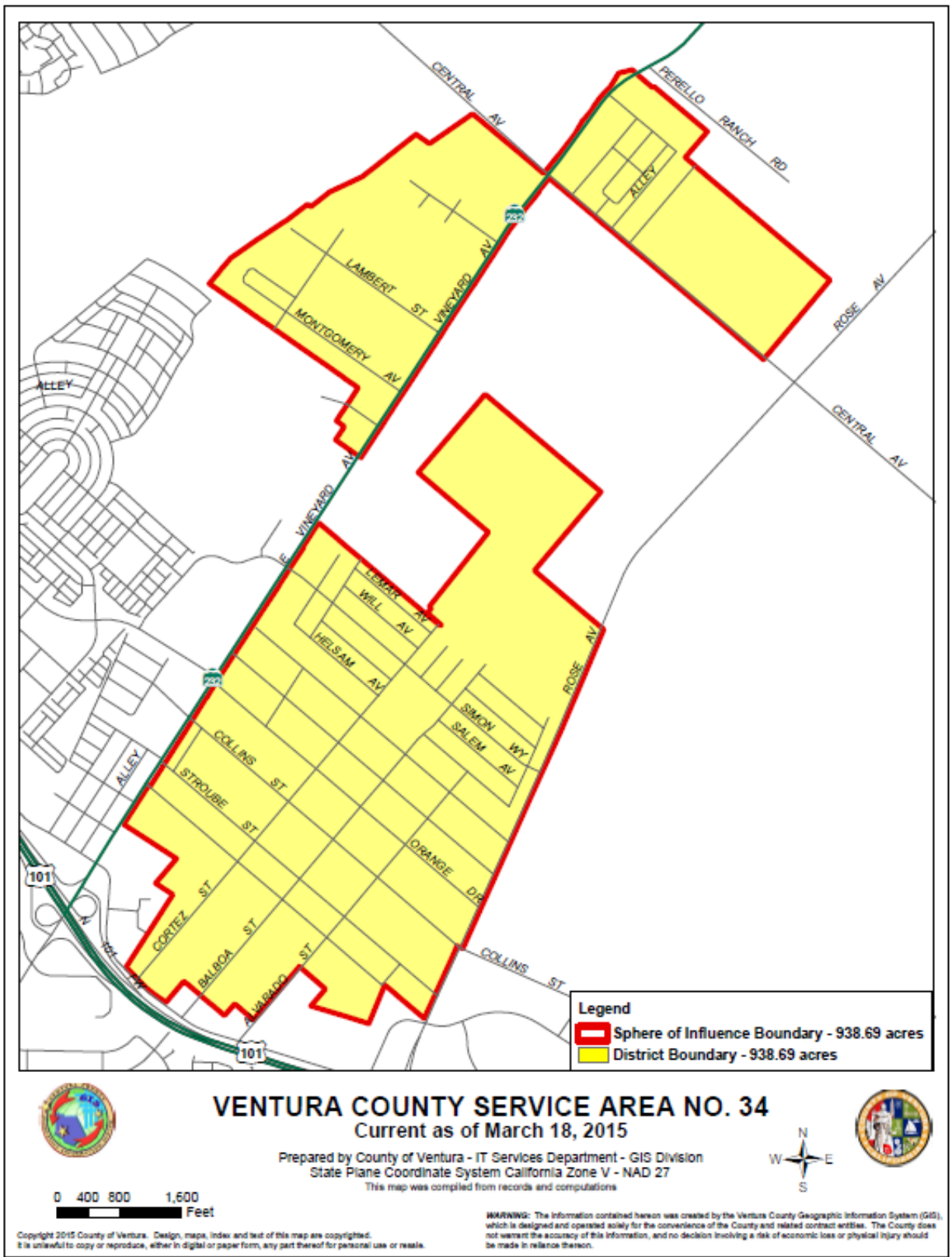
This report is organized into several sections, as follows:

- **Maps:** A general location map and the official LAFCo map of CSA 34;
- **Profile:** Summary profile of information about CSA 34, including contact information, governing body, summary financial information, and staffing levels;
- **Growth and Population Projections:** Details of past, current, and projected population for CSA 34;
- **Review of Municipal Services:** Discussion of the municipal services that CSA 34 provides;
- **Sphere of Influence:** Discussion of the existing sphere of influence of CSA 34 and potential modifications to the sphere; and
- **Written Determinations:** Recommended determinations for each of the seven mandatory factors for CSA 34.

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





## Profile

Ventura County Service Area No. 34 (CSA 34), a dependent district of the County of Ventura, was formed on December 1, 2005, to provide sanitation services to the unincorporated community of El Rio and Strickland Acres, immediately north of the City of Oxnard and Highway 101 on either side of Vineyard Avenue. CSA 34, through the Water and Sanitation Department of the Ventura County Public Works Agency (PWA), provides wastewater collection services, and by contract with the City of Oxnard, discharges wastewater to the City's collection system, which is then conveyed to the City's treatment plant. CSA 34's service area is coterminous with its sphere of influence boundary.

The mission of the Water and Sanitation Department of the Ventura County PWA is provided as follows:

*To deliver efficient, responsive and cost effective public works services that protect and enhance the safety, health and quality of life in Ventura County.*

### Contact Information

District Manager	Joseph Pope
District Office	6767 Spring Road, Moorpark, CA 93020
Mailing Address	P.O. Box 250, Moorpark, CA 93020-0250
Phone Number	(805) 378-3000
Website	<a href="http://pwa.vcpublicworks.org/wsd">pwa.vcpublicworks.org/wsd</a>
E-mail Address	<a href="mailto:joseph.pope@ventura.org">joseph.pope@ventura.org</a>

### Governance Information

Formation Date	December 1, 2005
Legal Authority	<u>Government Code Section 25210</u> (County Service Areas)
Type of District	Dependent
Board of Directors	Five members. Board of Directors consists of the Ventura County Board of Supervisors. Elected by voting district to staggered, four-year terms of office (elections held in even-numbered years).
Board Meetings	<u>Tuesdays as scheduled</u> , beginning at 8:30 a.m., in the Board of Supervisors Hearing Room located at 800 S. Victoria Avenue, Ventura, CA 93009. Webcast live on the County's website, and available for viewing anytime on the County's website.

### Services Provided

CSA 34 is authorized to provide wastewater collection and, by contract with the City of Oxnard, wastewater conveyance, treatment, and disposal for the communities of El Rio and Strickland Acres

Population and Area Information		
	<i>Population</i> <sup>1</sup>	<i>Area (square miles)</i>
Jurisdictional Area	8,573	1.47
Sphere of Influence Area	8,573	1.47

Staffing – Full Time Equivalent Positions <sup>2</sup>			
Executive/Management	Professional/Support	Operational	Total
8	16	33	57

Revenues		Expenditures	
Primary Revenue Sources		Primary Expenses	
Service Charges		Supplies and Services	
Revenue Use of Money and Property		Fixed Assets	
Fines, Forfeitures, and Penalties		Other Financing Uses	
FY 2020-21 Revenues (Budget)		FY 2020-21 Expenditures (Budget) <sup>3</sup>	
\$ 731,700		\$ 1,268,900	

Public Agencies with Overlapping Jurisdiction	
Calleguas Municipal Water District	Ventura County Fire Protection District
City of Oxnard	Ventura County Resource Conservation District
Fox Canyon Groundwater Management Agency	Ventura County Service Area No. 14
Gold Coast Transit District	Ventura County Service Area No. 32
Metropolitan Water District of Southern California	Ventura County Transportation Commission
Oxnard Harbor District	Ventura County Watershed Protection District
United Water Conservation District	Ventura Regional Sanitation District
Ventura County Air Pollution Control District	

<sup>1</sup> Source: 2010 U.S. Census data

<sup>2</sup> The District is staffed by the Ventura County Water and Sanitation Department (VCWSD or Department). The duties associated with each of the positions within the VCWSD involves all of the projects and facilities managed by the VCWSD, including those associated with the District. Therefore, the number of employees identified above does not reflect full-time positions assigned to the District.

<sup>3</sup> According to County Public Works Agency staff, for FY 2020-21, the budgeted net cost is due to capital improvement projects and essential operating costs estimated to exceed estimated revenues.



## **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 U.S. Census Bureau, the estimated 2010 population within CSA 34's jurisdictional boundary and sphere of influence was 8,573. CSA 34 estimates a current population of approximately 6,120 within both its jurisdictional boundaries and its sphere of influence. In December 2021, LAFCo approved a reorganization that involved annexation of 10.5 acres, located at 2714 E. Vineyard Avenue, to the City of Oxnard. The development, known as Rio Urbana, is within the jurisdictional area of CSA 34 and will include the construction of an office building and 167 residential condominium units, with an anticipated increase in population of 663 residents. Other than the anticipated development of Rio Urbana, significant growth within the area is not expected.

## Review of Municipal Services

The review of the CSA 34'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)).

### Wastewater Services

CSA 34, through the Ventura County Water and Sanitation Department, provides wastewater collection services within the unincorporated communities of El Rio and Strickland Acres (immediately north of the City of Oxnard and Highway 101 on either side of Vineyard Avenue) and, by contract with the City of Oxnard, wastewater conveyance, treatment, and disposal services at the City's wastewater treatment plant (located at 6001 Perkins Road, Oxnard, CA 93033).

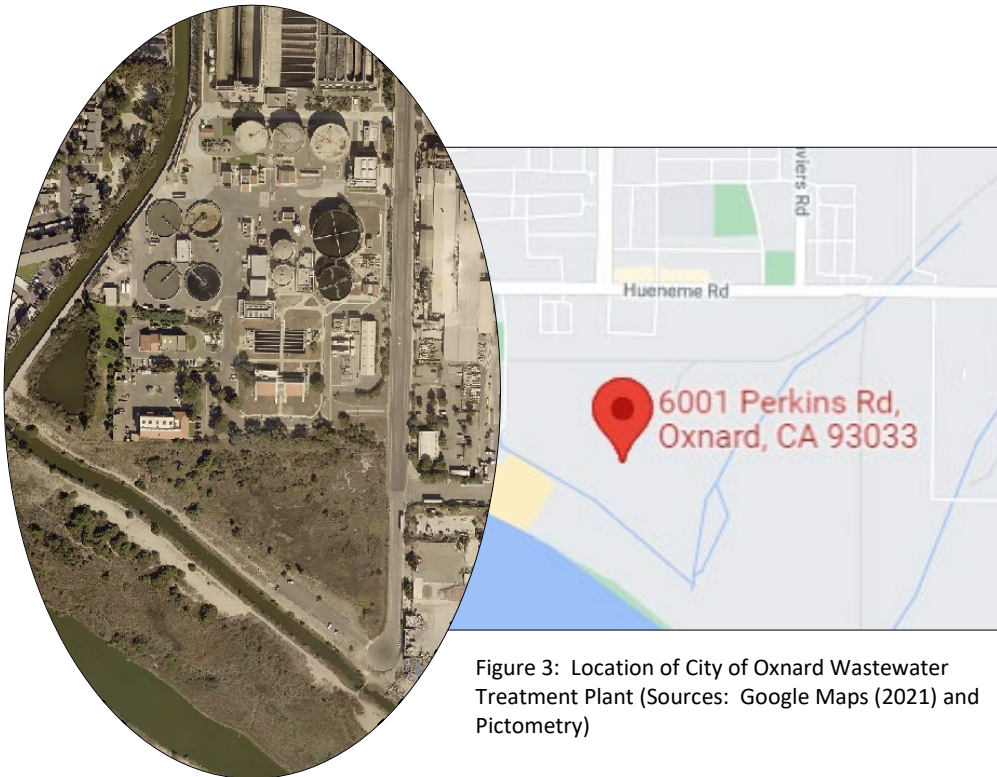


Figure 3: Location of City of Oxnard Wastewater Treatment Plant (Sources: Google Maps (2021) and Pictometry)

CSA 34's service area includes the United Water Conservation District's El Rio Booster Plant Facility, located at 3561 N. Rose Avenue in Oxnard, which was annexed to CSA 34 in 2011 to allow for the facility's septic systems to be abandoned. CSA 34 provides administrative, billing, customer service, maintenance, operation, design, construction and inspection, laboratory, and regulatory compliance services that support the collection, conveyance, treatment, and disposal of wastewater generated within its service area. It also contracts with the Ventura Regional Sanitation District (VRSD) for operations; however, it is currently working to shift its operations in-house and limit its reliance on VRSD to occasional emergency services and periodic sewer line cleaning.

Ventura County Water and Sanitation Department staff documents that the collection system contains 17 miles of sewer pipeline, including an 18-inch to 21-inch diameter trunk line and 8-inch to 10-inch sewer lines, gravity lines, a lift station, a weir-type flow meter, and manholes to support 1,369 service connections.

CSA 34 was formed in 2005 in response to the Los Angeles Regional Water Quality Control Board (LARWQCB) mandate in 1999 for the cessation of discharge into septic systems in the Oxnard Forebay by 2008, to address groundwater contamination within the Oxnard Forebay resulting from pathogens and nitrogen compounds released from individual sewage disposal systems (i.e., septic systems). In 2001, the County of Ventura prepared the *El Rio Area Sewer Collection and Disposal System Project Feasibility Report* which concluded that the most feasible and preferred project to provide sanitary sewer service to the communities was a gravity sewer collection system connected to the City of Oxnard's wastewater collection and treatment system. Given the opposition of the community to annexation to the City of Oxnard, the County requested approval from LAFCo to form a CSA that would enable the construction, operation, and financing of a sewer collection system. The City and the County entered into an Out-of-Agency Service Agreement (OASA), approved by LAFCo as LAFCo No. 05-20, which allows the wastewater collection system to connect to the City's nearest sewer trunk line and transport flow to the City's wastewater treatment facility.

During 2020, average wastewater flow was 0.324 million gallons per day (MGD), with a maximum monthly flow of 0.332 MGD during April 2020. While a sewer study would need to be conducted to identify peak capacity limitations of the various branches and the trunk line, peak daily flow can be reasonably assumed to reach 0.504 MGD (350 gallons per minute (GPM)). Staff indicates that key system limitations include the Montgomery Lift Station's peak design capacity of approximately 400 GPM, and the 18-inch trunk line's design capacity of 820 GPM and peak design capacity of 1,500 GPM.

No increases in system capacity are anticipated to be needed or completed. Nonetheless, over the next three years CSA 34 staff expects that improvements will be made to the piping, mechanical and electrical system of the Montgomery Lift Station (costing approximately \$370,000) and the repair or replacement of up to 12 degrading manholes (costing approximately \$325,000). Funding for these projects will come from fund balance reserves, loans, and/or rate increases. Development of the Rio Urbana project within the City of Oxnard will increase wastewater flow generated from the site by approximately 0.04 MGD; however, CSA 34 infrastructure can accommodate the increase.

According to the Municipal Service Review for the City of Oxnard accepted by the Commission on February 21, 2018, the City's wastewater treatment plant is permitted to treat 31.7 MGD and treats an average of 21.3 MGD. Wastewater flows generated within CSA 34's service area comprise a small portion of the City's overall treatment demand, and existing and future flows within CSA 34's jurisdictional boundaries are not expected to impact the City's ability to treat the volume of wastewater delivered to its treatment plant.

## **Sphere of Influence**

There have been no changes to the District's service area that would require alterations to its sphere of influence boundary, and no changes are anticipated in the foreseeable future.

## 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 U.S. Census Bureau, the estimated 2010 population within CSA 34's jurisdictional boundary and sphere of influence was 8,573. CSA 34 estimates a current population of 6,120 within both its jurisdictional boundaries and its sphere of influence. In December 2021, LAFCo approved a reorganization that involved annexation of 10.5 acres, located at 2714 E. Vineyard Avenue, to the City of Oxnard. The development, known as Rio Urbana, is within the jurisdictional area of CSA 34 and will include the construction of an office building and 167 residential condominium units, with an anticipated increase in population of 663 residents. Other than the anticipated development of Rio Urbana, significant growth within the area is not expected.

### 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% of the statewide annual median household income (Government Code § 56033.5). No disadvantaged unincorporated communities are located within or contiguous to CSA 34's sphere of influence.<sup>4</sup>

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

Wastewater services:

- CSA 34 provides wastewater collection services to the unincorporated communities of El Rio and Strickland Acres. By contract with the City of Oxnard, CSA 34 discharges wastewater to the City's collection system, and wastewater is then conveyed to the City's treatment plant.
- CSA 34's wastewater system consists of a conventional gravity system (including 17 miles of sewer pipeline), a lift station, a weir-type flow meter, and manholes, to support 1,369 service connections.
- CSA 34's system has the capacity to handle existing and anticipated wastewater flows.
- In 2020, the average demand for the system was 0.324 MGD and maximum monthly flow was 0.332 MGD.
- CSA 34 contracts with the VRSD for cleaning of CSA 34's wastewater collection system; however, it is currently working to shift its operations in-house and limit its reliance on VRSD to occasional emergency services and periodic sewer line cleaning.

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<sup>4</sup> 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) and Saticoy (within the City of San Buenaventura's sphere of influence to the east of the city) as disadvantaged unincorporated communities.

- Population within CSA 34's boundaries is anticipated to increase by approximately 663 as a result of development of the Rio Urbana residential project; however, CSA 34 indicates that it has the ability to provide service at existing levels into the foreseeable future.
- CSA 34 does not have a master plan and does not plan to develop one. However, development of a master plan would provide an overview of the capacity and condition of the existing system, as well as identify areas of focus for future infrastructure maintenance and improvement projects.
- Through the County, CSA 34 recently began using a utility management system (i.e., Sedaru), which allows staff to digitally view its mapped infrastructure as an overlay to the County's Geographical Information System (GIS) data, and assists CSA 34 in analyzing its existing services and anticipated needs.

#### **4. Financial ability of agencies to provide services**

- CSA 34 staff (i.e., County staff) indicates that the budgeted net cost is due to capital improvement projects and essential operating costs being estimated approximately \$537,200 higher than estimated revenues for Fiscal Year 2020-21. Fund balance (currently totaling \$2,254,158) is used to cover the difference. As part of the annual budget process, the sewer rate and standby charges are reviewed to determine whether adjustments are needed to accommodate projected expenses. Rates and charges are considered annually by the CSA 34 Board of Directors (i.e., the Ventura County Board of Supervisors), which are reflected in the tax roll. Therefore, it appears that CSA 34 has the ability to finance the services it currently provides.
- According to the MSR accepted by the Commission on July 21, 2010, the District is primarily funded through state, federal, and local grants, as well as a low-interest loans, and user fees.
- CSA 34 has State Revolving Fund loans (administered by the State Water Resources Control Board) which were necessary in order to fund initial costs associated with establishment of the wastewater collection system infrastructure following the formation of CSA 34 in 2005. Sewer connection fees and net revenues are used to repay the loan in annual installment payments. For those customers who elected to pay their sewer connection fee in installments, their payments are collected as part of the annual general tax bill. For the fiscal year ending June 30, 2020, under the reserve fund, outstanding principal loan balances total \$7.5 million, with reserve fund balance to be used for future installment payments totaling \$1.633 million.
- CSA 34 has a steady stream of revenue through service fees collected from its customers. It has predictable expenses related to a contract for operation and maintenance with VRSD and administrative and management services provided by the County. Over the last three years, CSA 34 has maintained reserves ranging between 41 percent and 59 percent of total revenue, and maintained reserves ranging between \$2.8 million and \$3.3 million.
- Development of a master plan may result in a list of capital improvement projects for CSA 34, for which funding sources would need to be identified.

- CSA 34 is independently audited on a regular basis as part of the annual audit of the County. The most recent audit (March 25, 2021) prepared for the County was unqualified. An unqualified report reflects fair and transparent financial statements in compliance with generally accepted accounting principles and statutory requirements.

#### **5. Status of, and opportunities for, shared facilities**

- No opportunities for shared facilities were identified, although CSA 34 receives operational efficiencies through coordination with other providers (i.e., the County of Ventura, VRSD, and City of Oxnard).

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

- CSA 34 is accountable to its constituents through its elected Board of Directors (i.e., the Ventura County Board of Supervisors), adherence to applicable government code sections, open and accessible meetings, and dissemination of information.
- CSA 34 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.
- CSA 34 achieves operational and management efficiencies by being managed and staffed by the County of Ventura. Additionally, it has arrangements with various service providers. For example, it receives the following services from the County of Ventura: office space, management, accounting/auditing, legal counsel, real estate, and insurance. Furthermore, it receives wastewater system cleaning services from the VRSD, and wastewater treatment services from the City of Oxnard.
- CSA 34, through the County of Ventura, is a member of 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 County Public Works Agency's Water and Sanitation Department maintains a website that contains general information about CSA 34, contact information, a summary of services, and projects recently completed and under construction. The website provides a Spanish translation option. CSA 34 could improve its transparency by clarifying that it is a dependent district that is managed and operated by the County of Ventura, and by posting links to its history, mission, enabling legislation, boundary map, summary of facilities, Board of Directors meeting information (agendas, staff reports, minutes, and recordings), current and historical budgets, studies and reports, most recent municipal service review completed by LAFCo, and the State Controller's "By the Numbers" (agency financial reporting information) and "Public Pay" (employee salary) webpages. Much of this information could likely be provided by means of links to the appropriate webpages of the County's website. Additionally, to improve the public's ability to easily access CSA 34 information, the utilities pages of the Water and Sanitation Department could be organized to include all CSA 34 information (e.g.,

including rates and charges, construction projects, and citizens' advisory committee meetings) into one central location.

- Development of a master plan would allow constituents to have a more transparent overview of the capacity and condition of the existing system operated by CSA 34, as well as enable them to be aware of and provide input regarding future infrastructure maintenance and improvement projects.
- CSA 34 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**

- No other matters were identified.