

Ventura Local Agency Formation Commission

Ventura Regional Sanitation District

Municipal Service Review



Prepared By:
Ventura Local Agency Formation Commission
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Accepted by the Commission on May 17, 2023

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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 the Ventura Regional Sanitation District (VRSD 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 and general plans of the cities included within the District's sphere of influence provided information regarding land use, populations, and service levels;
- **District Documents:** Various District documents provided supplementary information relating to service provision;
- **Historical MSRs:** The 2004 and 2005 MSRs 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

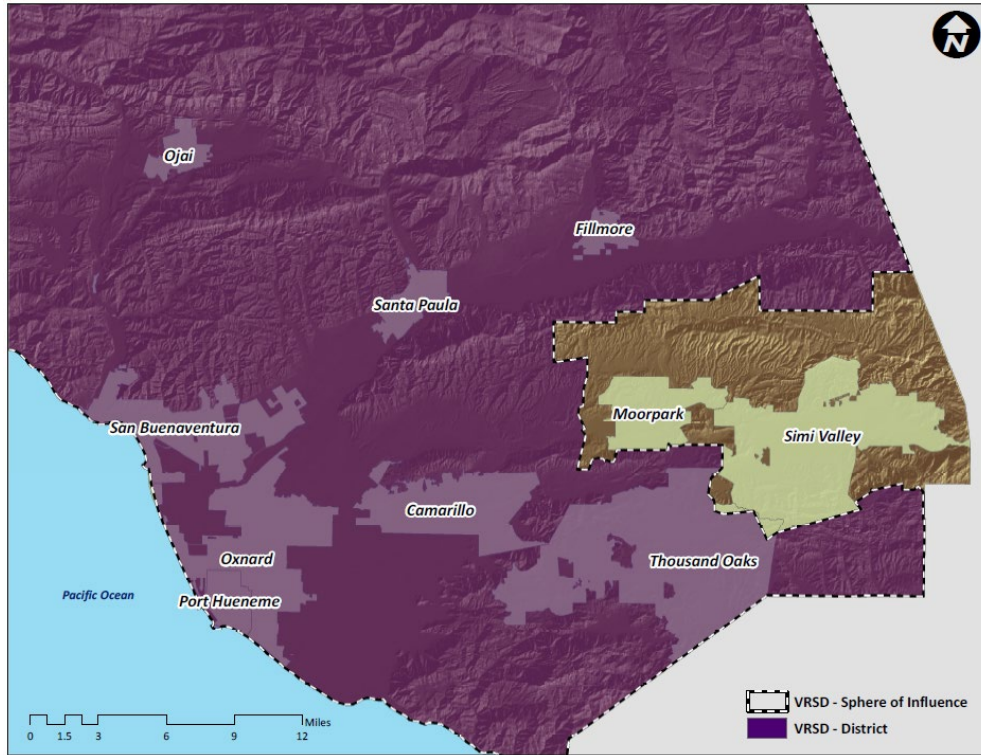


Figure 1: Location Map

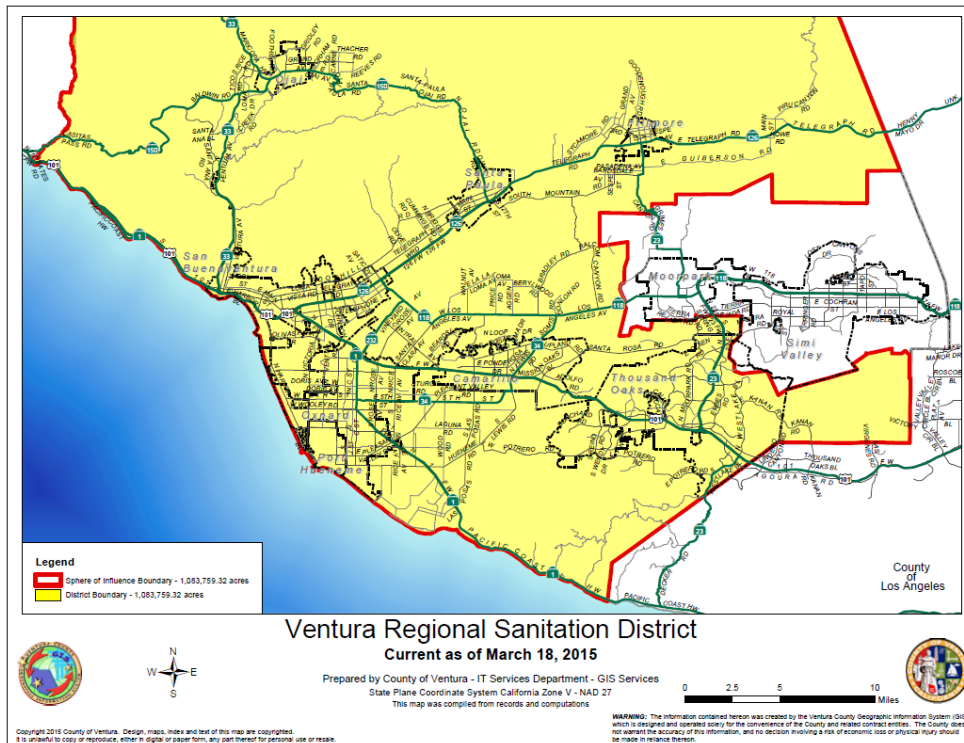


Figure 2: Official LAFCo Map

Profile

The mission of the VRSD is provided as follows:

The Ventura Regional Sanitation District is a non-tax supported public agency providing sanitation services. We offer the highest quality service at the lowest possible cost for our customers and we will provide solutions by involving our staff, our customers and our community.

The VRSD was formed in 1970 to create and operate a regional system of wastewater collection, treatment, and refuse disposal service within Ventura County. Its role and function within Ventura County have transformed over time, and today the VRSD primarily provides support for wastewater system operation and maintenance of other organizations, operation of the Toland Road Landfill near the City of Santa Paula, and post-closure monitoring and maintenance of closed landfills within the County.

Contact Information

District Manager	Chris Theisen
District Office	4105 W. Gonzales Road, Oxnard, CA 93036
Mailing Address	4105 W. Gonzales Road, Oxnard, CA 93036
Phone Number	(805) 658-4642
Website	vrsd.com
E-mail Addresses	christheisen@vrsd.com

Governance Information

Formation Date	July 28, 1970 ¹
Legal Authority	<u>Health and Safety Code Section 4700</u> (County Sanitation District Act)
Type of District	Dependent
Board of Directors	Nine members. City council members appointed by each of the memberships of the cities of Camarillo, Fillmore, Ojai, Oxnard, Port Hueneme, Santa Paula, Thousand Oaks, and San Buenaventura, and a member appointed by the Ventura County Special Districts Association. ²
Board Meetings	1 st and 3 rd Thursday of most months, beginning at 8:30 a.m., located at 4105 W. Gonzales Road, Oxnard, CA 93036

¹ On May 15, 1970, LAFCo adopted Resolution 70-26, approving the requested formation of the Ventura Regional County Sanitation District, and authorized the Ventura County Board of Supervisors to take action regarding the formation of the District. On July 28, 1970, the Ventura County Board of Supervisors ordered the formation of the District.

² One board member representing special districts sits on the VRSD Board. The representing agency rotates annually, and includes the following agencies, regardless of whether or not the agency currently holds contracts for service with VRSD: Camrosa Water District, Channel Islands Beach Community Services District, Ojai Valley Sanitary District, Saticoy Sanitary District, and Triunfo Water & Sanitation District.

Services Provided

The Ventura Regional Sanitation District is authorized to acquire, construct, and operate sewage collection, treatment and disposal facilities; to acquire, construct, and operate refuse transfer and disposal facilities; perform wastewater and solid waste management; and provide retail and agricultural water services. The District's primary activities relate to the operation of the Toland Road Landfill.

Population and Area Information

	<i>Population</i> ³	<i>Area (square miles)</i>
Jurisdictional Area	686,500	1,693.37
Sphere of Influence Area	686,500	1,693.37

Staffing – Full Time Equivalent Positions

Executive/Management	Professional/Support	Operational	Total
3.0	7.6	38	48.6

Revenues

Primary Revenue Sources

Landfill Disposal Service
Contracted Labor Services
Contracted Materials and Supplies

FY 2022-23 Revenues (Budget)

\$18,002,581

Expenditures

Primary Expenses

Salaries and Benefits⁴
Capital Improvement Projects⁵
Capital Outlay⁶

FY 2022-23 Expenditures (Budget)⁷

\$30,026,999

³ The population reflects the estimate based on information contained in the Southern California Association of Governments (SCAG) 2020-2045 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS).

⁴ Estimated salaries and benefits decreased by \$2,744,152 in Fiscal Year (FY) 22-23, as a direct result of the reduction of 21.23 positions.

⁵ According to the FY 22-23 Budget, capital improvement projects typically involve multi-year projects and processes (estimated to be \$5,650,000 in FY 22-23).

⁶ According to the FY 22-23 Budget, capital outlay typically includes short-term or "minor dollar amount" projects, and one-time purchases of vehicles and equipment (estimated to be \$2,252,870 in FY 22-23).

⁷ The District's budgeted expenditures for FY 2022-23 exceed its revenues by more than \$12 million. VRSD anticipates that will use its reserves throughout the last build-out phase of Toland Landfill, expected to conclude by FY 25-26. District staff indicates that will continue to rely on reserves in order to balance its budget for the foreseeable future, as it must pay off two outstanding loans associated with a failed project involving biosludge/biosolids. The debt service on those loans is approximately \$1,093,000 in FY 22-23 and \$785,000 in FY 23-24. As the debt obligations and the capital improvement project build-out phase of the landfill are completed, the landfill will no longer need to rely on accumulated reserves.

Public Agencies with Overlapping Jurisdiction

Bardsdale Cemetery District	Oxnard Drainage District No. 2
Bell Canyon Community Services District	Oxnard Harbor District
Blanchard/Santa Paula Library District	Piru Public Cemetery District
Calleguas Municipal Water District	Pleasant Valley County Water District
Camarillo Health Care District	Pleasant Valley Recreation and Park District
Camarillo Sanitary District	Rancho Simi Recreation and Park District
Camrosa Water District	Saticoy Sanitary District
Casitas Municipal Water District	Triunfo Water and Sanitation District
Channel Islands Beach Community Services District	United Water Conservation District
City of Camarillo	Ventura County Air Pollution Control District
City of Fillmore	Ventura County Fire Protection District
City of Ojai	Ventura County Resource Conservation District
City of Oxnard	Ventura County Service Area No. 3
City of Port Hueneme	Ventura County Service Area No. 4
City of San Buenaventura	Ventura County Service Area No. 14
City of Santa Paula	Ventura County Service Area No. 29
City of Thousand Oaks	Ventura County Service Area No. 30
Conejo Recreation and Park District	Ventura County Service Area No. 32
Fillmore-Piru Memorial District	Ventura County Service Area No. 34
Fox Canyon Groundwater Management Agency	Ventura County Transportation Commission
Gold Coast Transit District	Ventura County Watershed Protection District
Hidden Valley Municipal Water District	Ventura County Waterworks District No. 1
Lake Sherwood Community Services District	Ventura County Waterworks District No. 8
Meiners Oaks Water District	Ventura County Waterworks District No. 16
Metropolitan Water District of Southern California	Ventura County Waterworks District No. 17
Ojai Basin Groundwater Management Agency	Ventura County Waterworks District No. 19
Ojai Water Conservation District	Ventura County Waterworks District No. 38
Ojai Valley Sanitary District	Ventura Port District
Oxnard Drainage District No. 1	Ventura River Water District

Growth and Population Projections

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

The District's jurisdictional area includes all of Ventura County, except for the cities of Moorpark and Simi Valley, as well as surrounding unincorporated areas. Based on data provided in the Southern California Association of Governments (SCAG) 2020-2045 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS), the 2016 population of Ventura County omitting the cities of Moorpark and Simi Valley was 686,500, and is projected to reach 768,400 by 2045.

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)).

History of Services and Jurisdictional Area

Wastewater Service

The functions of the VRSD, originally known as the Ventura County Regional Sanitation District, have evolved throughout its more than 50-year existence. The VRSD was formed by the Ventura County Board of Supervisors to create and operate a regional system of wastewater collection, treatment, and refuse disposal service within Ventura County, and was intended to create the opportunity for improved service efficiencies through economies of scale by consolidating the operations of sewage treatment plants throughout the County. The concept included the abandonment of existing wastewater treatment plants operated by more than a dozen separate entities throughout the County, and the construction of a single major facility that would treat wastewater generated within the region and dispose of treated wastewater by means of an ocean outfall.

The planned consolidation of wastewater systems never materialized, primarily as a result of financial considerations (e.g., development of new programs allowed individual cities to gain better access to grant funding to expand wastewater treatment plants on their own). Instead, generally related to the original concept of its formation, the District established contracts with cities and special districts to provide focused, technical services in support of the operation and maintenance of wastewater treatment plants.

Solid Waste Service

During development of VRSD's anticipated role related to regional sewer service in Ventura County, the State of California passed Senate Bill (SB) 5 in 1972, known as the Solid Waste Management and Resource Recovery Act, which required each county to prepare a comprehensive regional solid waste management plan. The Ventura County Board of Supervisors identified the VRSD as the appropriate entity to develop and implement Ventura County's first Solid Waste Management Plan, and the plan was adopted by the Ventura County Board of Supervisors in 1976. In 1981, the County reassumed the solid waste planning and implementation functions related to the Solid Waste Management Plan, in compliance with the Solid Waste Management and Resource Recovery Act. The Board of Supervisors adopted a subsequent Solid Waste Management Plan, and the County has continued to maintain responsibility for regional waste management planning activities since 1981.

Also during this general time period, the Board of Supervisors established a moratorium on the granting of new permits for refuse disposal facilities, in order to explore the idea of public ownership of all solid waste facilities in the County, which would effectively limit landfill operations within the unincorporated County area to public entities. The effort to require public operation of landfills was ultimately successful. This limitation was eventually eliminated, but not before the Board of Supervisors and the VRSD took actions over the course of a decade to transfer responsibility for landfill operations to the VRSD. Based on information provided by the VRSD, the District’s history of landfill operation includes the following:

Landfill	VRSD Operation Period	Landfill Status
Bailard Landfill	1988-current (post-closure)	Closed 1998
Coastal Landfill	1982-current (post-closure)	Closed 1995
Ozena Landfill	1972-current (post-closure)	Closed 1987
Santa Clara Landfill	1972-current (post-closure)	Closed 1982
Simi Landfill	1972-1983	Active (Waste Management, Inc.) ⁸
Tierra Rejada Landfill	1972-current (post-closure)	Closed 1972
Toland Road Landfill	1972-current	Active (VRSD) ⁹

The VRSD’s assumption of duties related to landfill operations coincided with a shift in industry norms related to the disposal of solid waste, which was evolving from use of open burning dumps to modern solid waste disposal sites.

Today, the privately-owned Simi Valley Landfill and Recycling Center and the Toland Road Landfill are the only two operational landfills located within Ventura County. The other landfills referenced above have since been closed, and the VRSD’s responsibilities related to those landfills is limited to post-closure monitoring and management activities.

Governance Structure

The composition, including number of members, of the board of directors the VRSD has fluctuated over time. Upon its formation, the VRSD board of directors consisted of 22 members (three members of the Ventura County Board of Supervisors, one city council member from each of the nine city councils (which represented all cities in existence in the County at that time; the City of Moorpark was not incorporated until 1982), and one representative from each of 10 sewer districts. At the request of the Ventura County Grand Jury, LAFCo prepared an evaluation of the VRSD in 1983, which resulted in special legislation and a series of changes in VRSD’s governing structure.

⁸ In 1983, the lease to operate the Simi Landfill (known today as the Simi Valley Landfill and Recycling Center), was acquired from VRSD by Chemical Waste Management, Inc. (currently known as Waste Management, Inc.)

⁹ The VRSD acquired title of the Toland Road Landfill property in 1986.

In 1984, as a result of Assembly Bill (AB) 1429, the composition of the VRSD Board of Directors was modified to reduce the number of board members from 22 to five. The new five-member board consisted of two members of the Ventura County Board of Supervisors, two members of city councils from among the 10 cities, and one special district member.

In 1988, following the detachment of the cities of Moorpark and Simi Valley (and surrounding areas) from the VRSD's jurisdictional area,¹⁰ SB 223 again modified the membership of the VRSD board of directors, this time increasing its membership from five to nine, resulting in the current composition of the board. The nine-member board consists of eight members of city councils (i.e., one each from the cities of Camarillo, Fillmore, Ojai, Oxnard, Port Hueneme, San Buenaventura, Santa Paula, and Thousand Oaks), and one special district member representing special districts (which are appointed by a committee of the Ventura County Special Districts Association based on a rotational schedule). Given the County's enforcement role (i.e., through the Environmental Health Division of the Resource Management Agency as the Local Enforcement Agency designated by the Recycling and Recovery Department of the California Department of Resources Agency (known as CalRecycle) for landfills in Ventura County) pertaining to District operations, and establishment of the Solid Waste Management Division (now known as the Integrated Waste Management Division) in 1987, the County is no longer represented on the VRSD Board of Directors.

Service Area

Until 1985, the jurisdictional area of the VRSD included all of Ventura County. In 1985, LAFCo approved the detachment of the cities of Moorpark and Simi Valley from the VRSD, as well as the detachment of the unincorporated areas surrounding those cities, to align with the boundaries of the Moorpark School District and Simi Valley School District. The reason for this modification to VRSD's jurisdictional boundary was to reflect that the Simi Landfill serving the Moorpark/Simi Valley area (now known as the Simi Valley Landfill and Recycling Center) was no longer operated by the VRSD, and was instead being operated by a private entity (known today as Waste Management, Inc.) which was responsible for accepting and disposing of local solid waste at that facility. The Simi Valley Landfill and Recycling Center provides services that are comparable to those offered at the Toland Road Landfill. While the VRSD maintains contracts with many agencies within its service area, it does not at all times have active contracts with all of them. The VRSD's jurisdictional boundaries have not been modified for 35 years.

Current Services

The VRSD is authorized to provide various water, wastewater, solid waste, and associated administrative services on a contract basis to customers that include the general public, private industry and various governmental entities. Municipal customers have included the cities of Camarillo, Fillmore, Ojai, Oxnard, Port Hueneme, San Buenaventura, Santa Paula, and Thousand Oaks, and special district customers have included the Camarillo Sanitary District, Camrosa

¹⁰ In 1985, LAFCo approved the detachment of the cities of Moorpark and Simi Valley, as well as the additional territory within the Moorpark Unified School District and the Simi Valley Unified School District, from the VRSD in response to the 1983 transfer of the lease to operate the Simi Landfill from VRSD to Chemical Waste Management, Inc.

Water District, Channel Islands Beach Community Services District, Ojai Valley Sanitary District, Saticoy Sanitary District, Triunfo Water & Sanitation District (TWSD), Ventura County Service Area Nos. 29, 30, and 34, and Ventura County Waterworks District Nos. 1 and 16. As mentioned above, the District maintains contracts with many agencies within its service area, but does not at all times have active contracts with all of them. While the District is internally organized into a “Water/Wastewater Division” and a “Solid Waste Division,” it provides only very limited water-related services.

Water and Wastewater Services (“Water/Wastewater Division”)

- Water Services

VRSD historically operated the Oak Park Water Service under contract with the TWSD.¹¹ Oak Park Water Service, which includes reservoirs, pumping stations, and pipelines within the unincorporated community of Oak Park in eastern Ventura County, receives 100 percent of its potable water supply from the Metropolitan Water District of Southern California through the Calleguas Municipal Water District. While the TWSD in 2022 separated from the VRSD by directly hiring its staff and establishing its own office, the TWSD continues to rely on the VRSD for support of maintenance activities related to the TWSD’s water-related services.

Additionally, VRSD owns an approximately 26.43-acre property known as Assessor’s Parcel Number 138-0-190-155, located immediately southwest of the intersection of Victoria Avenue and the Santa Clara River, north of the City of Oxnard. The property is located just east of the now-closed Bailard Landfill. This parcel, which includes an on-site water well, is leased by VRSD to a private party for commercial agricultural use (i.e., flowers), and water extracted from the well is used for on-site agricultural irrigation purposes. Through a lease agreement, the leaseholder is responsible for all aspects of well operation, maintenance, and reporting, and the District is not directly involved with the provision of the well water.

- Wastewater Services

The VRSD currently provides wastewater collection system cleaning and inspection, electrical and mechanical equipment repair and installation, mechanical maintenance and installation, preventive maintenance, application of industrial paint and coatings, root abatement, permit compliance, public outreach and education, utility billing and collection, accounting, financial management, customer service and professional services to its customers.

¹¹ The Triunfo Water & Sanitation District has provided potable water service within the unincorporated community of Oak Park since 1993.

For FY 2022-23, the District provides wastewater system operations and maintenance services to the following organizations:

- **Cabrillo Economic Development Corporation** (Villa Victoria Apartments (54 units), Oxnard)
Operation and maintenance of a lift station and facility maintenance
- **Camrosa Water District** (Camarillo area)
Cleaning and emergency response services for sewer collection system
- **City of Santa Paula**
Management, operation, and maintenance of aspects of the City's wastewater collection system and sewer treatment facility
- **City of Thousand Oaks**
Operation and maintenance of the Thousand Oaks Civic Arts Plaza sewer lift station
- **Ventura County Waterworks District No. 1** (Moorpark area)
Cleaning and emergency response services for sewer collection system
- **Ventura County Waterworks No. 16** (Piru area)
Cleaning and emergency response services for sewer collection system
- **Saticoy Sanitary District** (unincorporated community of Saticoy)
Administrative, management, professional, operational, and maintenance activities related to the sewer collection and treatment system
- **Top O'Topanga Community Association** (Topanga area)¹²
Operation and monitoring of wastewater plant operations and lift station
- **Triunfo Water & Sanitation District** (unincorporated communities of Oak Park, Lake Sherwood, and Bell Canyon, and the Westlake Village and North Ranch portions of the City of Thousand Oaks)
Maintenance of wastewater collection system
- **Malibu Bay Club** (South Coast area within Ventura County)
Operation of the on-site wastewater treatment system to serve the 136-unit condominium complex

Prior to FY 2022-23, the District provided wastewater services additionally to the following customers, who have ceased their contracts with VRSD as of FY 22-23: Ojai Valley Sanitary District, Cate School (in the unincorporated Carpinteria area), Ojai Valley School, Thacher School (in the unincorporated Ojai area), Thomas Aquinas College (in the unincorporated area north of Santa Paula and east of Upper Ojai), and the Triunfo Water & Sanitation District. The reduction in number of wastewater-related contracts maintained by VRSD is reflective of a significant (i.e., 30 percent) rate increase imposed by the District.¹³

¹² Top O'Topanga Community Association ceased its contract for service provision by the VRSD during FY 22-23 and is no longer a customer of VRSD.

¹³ The rate increase was necessary for the District's Water/Wastewater Division in order to recover the costs of the services being provided, unlike previous rates which were not set to recover a fair share of overhead costs. The full recovery of overhead costs along with a smaller customer base to cover these costs contributed to the significant rate increase.

Solid Waste Services (“Solid Waste Division”)

- Toland Road Landfill Operation

The District provides customers with integrated regional waste treatment and disposal services. It does this primarily through operation of the Toland Road Landfill, which is located in the unincorporated area between the cities of Fillmore and Santa Paula, and was established in 1970 as a neighborhood landfill serving the Santa Clara River valley area (Figure 3, below). The VRSD began operation of the Toland Road Landfill in 1972, and it purchased the landfill in 1986.

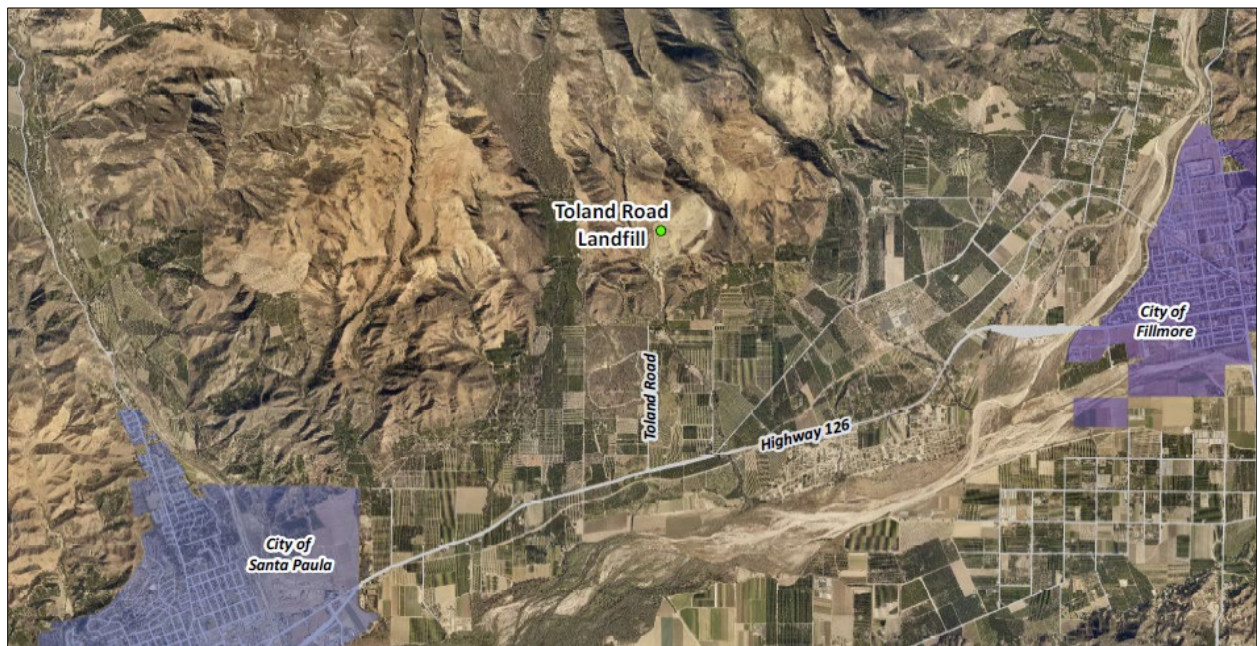


Figure 3: Toland Road Landfill
Source: Ventura County GIS (2022)

The approximately 216.5-acre landfill, open Monday through Friday except for major holidays, operates pursuant to a County-approved conditional use permit (CUP) and serves communities within its service area. Solid waste delivered to the Toland Road Landfill is primarily sourced from transfer stations (i.e., facilities where municipal solid waste is unloaded from collection vehicles or containers and then reloaded for transport to landfills or other solid waste facilities for disposal); however, individuals who demonstrate residence or occupation within the Santa Clara River Valley area (e.g. the communities of Santa Paula, Fillmore, and Piru) may also pay to directly deliver solid waste to the landfill. The District currently only accepts transfer loads from Gold Coast Recycling and Transfer Station, located within the City of San Buenaventura.

In 1997, the District expanded the facility to accommodate 1,500 tons of refuse per day (i.e., an increase from the previously established 135 tons per day), in order to provide an additional 30 years of landfill capacity for western Ventura County. This expansion coincided with the closure of the Bailard Landfill, immediately north of Oxnard and south of the Santa Clara River, west of Victoria Avenue. Flow assurance agreements with the District’s contractors guarantee a stable stream of refuse and revenue to support Toland Road Landfill operations.

When originally approved, the County CUP for the Toland Road Landfill established that closure of the landfill would occur in 2027; however, the current iteration of the permit sets a maximum number of 152 daily truck trips (i.e., an estimated 2,500 tons daily) rather than a sunset date, effectively allowing the landfill to remain open until filled to capacity (i.e., an estimated 17 million tons of municipal solid waste in a canyon reaching a maximum fill elevation of 1,435 feet above mean sea level). Upon closure of the facility, expected to occur around 2034, the VRSD will continue to oversee the landfill in accomplishing post-closure monitoring and maintenance tasks, and disposal of solid waste will need to occur elsewhere. The FY 2022 Annual Comprehensive Financial Report documents that the Toland Road Landfill accepted approximately 330,788 tons of refuse in FY 2022, and that approximately 86 percent of that volume came from Gold Coast Recycling Center and Transfer Station. According to the District's FY 2022-23 budget, it anticipates that approximately 340,686 tons of refuse will be accepted at the Toland Road Landfill during FY 2022-23, with an estimated revenue of \$12,044,602.

The District's current solid waste customers are as follows:

- **Gold Coast Recycling Center and Transfer Station**
Solid waste generated within the cities of San Buenaventura, Camarillo, and Ojai, and surrounding unincorporated area, and City of Carpinteria¹⁴
- **Athens Services**
Solid waste generated within the City of Santa Paula
- **E.J. Harrison & Sons**
Solid waste generated within the City of Fillmore and surrounding unincorporated area
- Various other companies within the Santa Clara River Valley
- Residents of the Santa Clara River Valley

Refuse generated in the cities of Moorpark and Simi Valley (outside the District's service area) is disposed at the Simi Valley Landfill and Recycling Center.

According to the District's FY 2022-23 budget, the VRSD's capital improvement projects are expected to cost \$5,650,000 during FY 2022-23, and are limited to regulatory compliance improvements at the Toland Road Landfill. While the cost and implementation of most projects is long-term, the following components of the District's capital improvement plan are included for FY 2022-23 and are anticipated to be completed between 2023 and 2025: (1) access road upgrades (\$240,000), (2) master plan/closure design (\$200,000), (3) landfill phase 4 build-out (final cell development for burial of refuse in the southeast corner of the landfill) (\$3,000,000), (4) gas collection system improvements (plumbing for methane extraction wells) (\$1,000,000), (5) west perimeter slope repair/partial site closure (\$360,000), and (6) leachate treatment system improvements (drainage system to collect water from refuse, which is treated to non-potable levels and used for dust suppression) (\$750,000). Funding is anticipated to be achieved

¹⁴ As a result of historical waste collection agreements in effect since 1996 which predate the limitations on service provision outside the jurisdictional boundaries of a special district, refuse generated in the City of Carpinteria (outside Ventura County) is accepted at the Toland Road Landfill.

by means of a combination of use of existing reserves and debt issuance. These projects are all in various stages of development and have varying anticipated completion dates.

- Post-Closure Management of Closed Landfills

The VRSD is responsible for reclamation activities related to several closed landfills throughout Ventura County (i.e., Bailard Landfill¹⁵ (closed 1998), Coastal Landfill¹⁶ (closed 1995), Ozena Landfill¹⁷ (closed 1987), Santa Clara Landfill¹⁸ (closed 1982), and Tierra Rejada Landfill¹⁹ (closed 1972)). The District includes in its budget the funding necessary to perform all necessary post-closure maintenance and management in accordance with each post-closure plan approved by the Environmental Health Division of the Resource Management Agency as the Local Enforcement Agency designated by CalRecycle. Post-closure requirements are specific to each landfill, and stem from the landfill closure date. Post-closure activities include landscaping, irrigation and drainage system installation and maintenance, landfill gas extraction, groundwater monitoring, and soil layer quality assurance. A time estimate of cessation of post-closure activities and future use(s) of the closed landfill sites are unknown at this time. The VRSD is funded primarily through service charges and fees directly related to the provision of services, and reclamation funds are collected during a landfill's operational period. Upon eventual closure of the Toland Road Landfill, the VRSD will also be responsible for post-closure activities related to that landfill.

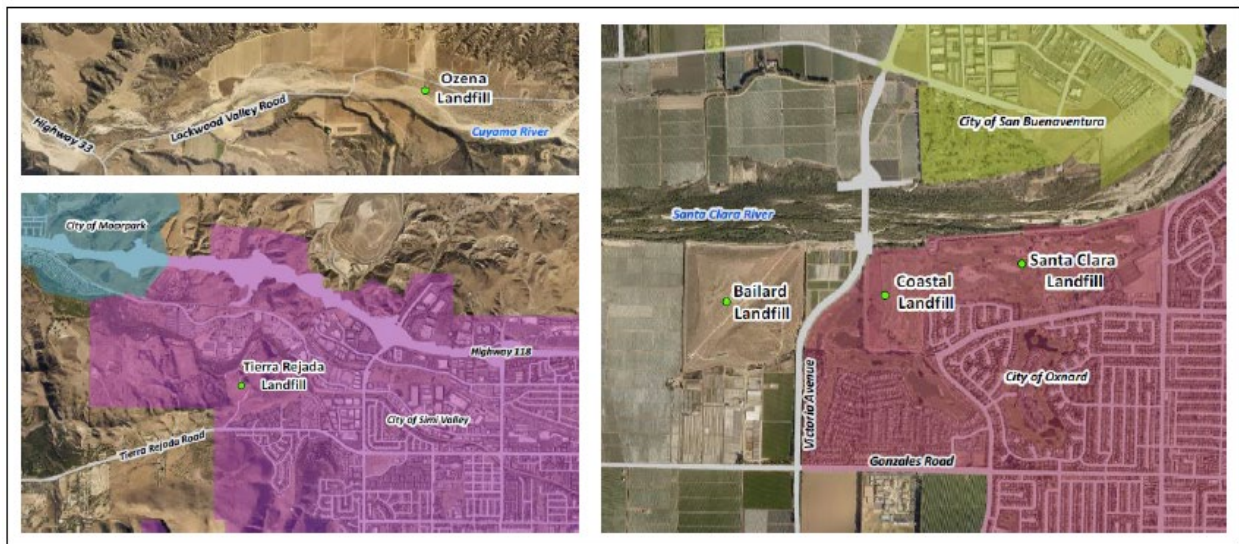


Figure 4: Closed Landfills
Source: Ventura County GIS (2022)

¹⁵ Bailard Landfill is owned by the VRSD.

¹⁶ Coastal Landfill is owned by the City of Oxnard, which contracts with VRSD for post-closure management activities.

¹⁷ Ozena Landfill is owned by the VRSD.

¹⁸ Santa Clara Landfill is owned by the City of Oxnard, which contracts with VRSD for post-closure management activities.

¹⁹ Tierra Rejada Landfill is owned by a consortium, consisting of the County of Ventura (25 percent), City of Simi Valley (25 percent), Rancho Simi Recreation and Park District (25 percent), and VRSD (25 percent). The members of the consortium are equally financially responsible for post-closure management activities related to the landfill, and the VRSD conducts post-closure management work on behalf of the consortium, by contract.

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

- The District's jurisdictional area includes all of Ventura County, except for the cities of Moorpark and Simi Valley, as well as surrounding unincorporated areas. Based on data provided in the Southern California Association of Governments (SCAG) 2020-2045 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS), the 2016 population of Ventura County omitting the cities of Moorpark and Simi Valley was 686,500, and is projected to reach 768,400 by 2045.

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). 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. The VRSD's sphere of influence (which is coterminous with its jurisdictional area) includes all three disadvantaged unincorporated communities identified by LAFCo:
 - The community of Nyeland Acres is located northeast of and contiguous to the City of Oxnard. Based on 2010 U.S. Census Bureau demographic data, the Nyeland Acres community consists of 3,003 residents and has a median household income of \$42,043. The Nyeland Acres community receives fire protection services from both the Ventura County Fire Protection District and the City of Oxnard under a mutual aid agreement, police protection services from the Ventura County Sheriff's Office, wastewater collection services from Ventura County Service Area No. 30 (CSA 30), wastewater collection and treatment from the City of Oxnard (through an agreement between CSA 30 and the City whereby CSA 30 discharges to the City's collection system), and water services from the Garden Acres Mutual Water Company and Nyeland Acres Mutual Water Company.
 - The community of Piru is located within the Santa Clara River Valley along Highway 126, approximately six miles east of the City of Fillmore and about five miles west of the Ventura/Los Angeles County line. It is not contiguous to any city. Based on 2020 U.S. Census Bureau data, the Piru community (i.e., within the area identified by the U.S. Census Bureau as the Piru Census Designated Place) has a population of 2,587 and a median household income of \$59,000. The Piru community receives fire protection services from the Ventura County Fire Protection District, police protection services from the Ventura County Sheriff's Office, wastewater collection

and treatment services from Ventura County Waterworks District No. 16, and water services from the Warring Water Service, Inc., a mutual water company.

- The community of Saticoy is located southeast of and contiguous to the City of San Buenaventura and located within the City's current sphere of influence. Based on a 2018 income survey provided by the Proposition 1 program, the median household income for Saticoy is \$30,000. The Saticoy community receives fire protection services primarily from the City of San Buenaventura (through a mutual aid agreement between the City and Ventura County Fire Protection District), police protection services from the Ventura County Sheriff's Office, wastewater collection and treatment services from the Saticoy Sanitary District, and water services from the City of San Buenaventura).

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

Water services:

- The VRSD's Water/Wastewater Division provides limited water-related services within its service area (i.e., to the Oak Park Water Service operated by the Triunfo Water & Sanitation District within the unincorporated community of Oak Park in eastern Ventura County).
- While the District previously operated the Oak Park Water Service on behalf of the TWSD, upon separation by the TWSD from the VRSD, the District's water-related services consist only of support of maintenance activities related to the TWSD's water-related services.
- The District owns a property that includes a water well, which is leased to a private party for agricultural irrigation use. Through a lease agreement, the leaseholder is responsible for all aspects of well operation, maintenance, and reporting, and the District is not directly involved with the provision of the well water.

Wastewater services:

- The VRSD's Water/Wastewater Division provides wastewater collection system cleaning and inspection, electrical and mechanical equipment repair and installation, mechanical maintenance and installation, preventive maintenance, application of industrial paint and coatings, root abatement, permit compliance, public outreach and education, utility billing and collection, accounting, financial management, customer service and professional services to its customers.
- The VRSD's wastewater customers for FY 2022-23 include the Cabrillo Economic Development Corporation (Villa Victoria Apartments, Oxnard), Camrosa Water District (Camarillo area), City of Santa Paula, City of Thousand Oaks, Ventura County Waterworks District No. 1 (Moorpark area), Ventura County Waterworks District No. 16 (Piru area), Saticoy Sanitary District (unincorporated community of Saticoy), Top O'Topanga Community Association (Topanga area), Triunfo Water & Sanitation District (unincorporated communities of Oak Park, Lake Sherwood, and Bell Canyon, and the Westlake Village and North Ranch portions of the City of Thousand Oaks), and Malibu Bay Club (South Coast area within Ventura County).

Solid waste services:

- The VRSD's Solid Waste Division provides services related to the operation of the Toland Road Landfill located between the cities of Santa Paula and Fillmore, and post-closure activities related to several former waste disposal sites.
- The VRSD provides integrated regional waste treatment and disposal services at the Toland Road Landfill. It accepts solid waste primarily from its major customers, which for FY 2022-23 include Gold Coast Recycling Center and Transfer Station, Athens Services, and E.J. Harrison & Sons. Additionally, the District maintains solid waste contracts with several other companies within the Santa Clara River Valley and the City of Carpinteria, and accepts waste delivered directly from residents of the Santa Clara River Valley.
- The Conditional Use Permit approved by the County of Ventura for the Toland Road Landfill authorizes a maximum number of 152 daily truck trips and effectively allows the Toland Road Landfill to remain open until it reaches capacity (expected to occur around 2034). Upon closure of the Toland Road Landfill, the VRSD will continue to oversee the landfill in accomplishing post-closure monitoring and maintenance.
- The FY 2022 Annual Comprehensive Financial Report documents that the Toland Road Landfill accepted approximately 330,788 tons of refuse in FY 2022, and that approximately 86 percent of that volume came from Gold Coast Recycling Center and Transfer Station.
- According to the District's FY 2022-23 budget, it anticipates that approximately 340,686 tons of refuse will be accepted at the Toland Road Landfill during FY 2022-23, with an estimated revenue of \$12,044,602.
- The District has an adopted capital improvement plan, which is focused on projects related to the Toland Road Landfill. Capital improvements during FY 2022-23 include: (1) access road upgrades, (2) master plan/closure design, (3) landfill phase 4 build-out (final cell development for refuse burial in the southeast corner of the landfill), (4) gas collection system improvements (plumbing for methane extraction wells), (5) west perimeter slope repair/partial site closure, and (6) leachate treatment system improvements (drainage system to collect water from refuse, which is treated to non-potable levels and used for dust suppression). These projects are all in various stages of development and have varying anticipated completion dates. The total cost for capital improvement projects for FY 2022-23 is \$5,650,000, and is expected to be funded by means of a combination of use of existing reserves and debt issuance.
- The VRSD is additionally responsible for reclamation activities related to several closed landfills throughout Ventura County, consisting of the following: Bailard Landfill (closed 1998), Coastal Landfill (closed 1995), Ozena Landfill (closed 1987), Santa Clara Landfill (closed 1982), and Tierra Rejada Landfill (closed 1972)). Post-closure activities include landscaping, irrigation and drainage system installation and maintenance, landfill gas extraction, groundwater monitoring, and soil layer quality assurance. The VRSD is funded primarily through service charges and fees directly related to the provision of services, and reclamation funds are collected during a landfill's operational period. Upon eventual closure of the Toland Road Landfill, the VRSD will additionally be responsible for post-closure activities related to that landfill.

4. Financial ability of agencies to provide services

- The District's budget is not balanced, as a result of significant capital-related projects undertaken by the District and acquisition of landfill equipment, in conjunction with (1) existing debt obligations that are expected to expire within the next several years upon build-out of the Toland Road Landfill's Phase 4 development, and (2) depreciation expense (a non-cash item).
- The District appears to have the ability to finance the services it currently provides. It operates as an enterprise district (e.g., its primary operating revenues come from sales and services).
- Until 1999, VRSD's functions were supported by property tax revenue; however, VRSD currently operates as an enterprise district and is funded entirely by user fees and revenue-generating programs. The District is capable of providing integrated waste treatment and disposal services to public agencies and private customers.
- The District has a total of approximately \$9.6 million in long-term debt as of the end of FY 2021-22, which reflects a reduction in approximately \$3 million in long-term debt from FY 2020-21.
- The District's 2022 Annual Comprehensive Financial Report documents that assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of FY 2021-22 by \$38.6 million (net position), which reflected a decrease in net position by \$4.4 million from \$43 million, and was a result of an increase in the necessary funding for landfill closure/post-closure costs and the net deferred pension related inflows. Net position included \$26.3 million in capital assets (e.g., land and land improvements, structures, equipment, vehicles, and infrastructure), \$5.6 million in restricted amounts (e.g., long-term debt and anticipated landfill closure/post-closure costs), and \$6.7 million in unrestricted amounts (e.g., ongoing obligations to creditors). The District's decrease in assets is due in large part to the decrease in cash and cash equivalents occurring as a result of \$3.3 million in scheduled debt payments, a \$1.5 million decrease in the fair market value of the District's investment portfolio, \$1.5 million in capital outlays, and a \$1 million net reduction in capital assets resulting from the disposition of the remaining biosolids/microturbine (i.e., biosludge) facility. The VRSD's decrease in liabilities is a result of scheduled debt payments, a \$1.7 million decrease in the net pension liability, and a \$1.5 million decrease in accounts payable following completion of the Toland Road Landfill Phase 4B capital project, offset by a \$1.2 million increase in landfill closure/post-closure reserves.
- As a result of significant reductions to its water/wastewater operations (resulting from the elimination of service contracts with several agencies and the separation of the TWSD from the VRSD), the District continues to explore the long-term viability of its water/wastewater services.
- The District has adopted and operates in accordance with several specific financial policies: debt management policy, fraud reporting policy, investment policy, purchasing policy, and reserve level policy.
- According to the District's FY 2022 Annual Comprehensive Financial Report, the District's reserves policy (revised in April 2021) serves to maintain the District's credit worthiness, offset cyclical variations in revenues and expenses, withstand economic

downturns, and provide for cash flow needs. The VRSD's reserves policy establishes three levels of reserves, and ensures that the District maintains financial resources sufficient to protect against reduced service levels, revenue shortfalls, and/or unexpected expenses. The District currently has approximately \$21 million in reserves.

- The VRSD accrues revenue for landfill closure and maintenance while the Toland Road Landfill is in operation, and the VRSD budgets for and has established reserves that allow it to perform landfill closure and post-closure maintenance and management activities in compliance with the post-closure plan approved by the Environmental Health Division of the Ventura County Resource Management Agency as the Local Enforcement Agency designated by the Recycling and Recovery Department of the California Department of Resources Agency (known as CalRecycle).
- The District has an adopted capital improvement plan, which is focused on projects related to the Toland Road Landfill. The total cost for capital improvement projects for FY 2022-23 is \$5,650,000, and is expected to be funded through combination of use of existing reserves and debt issuance.
- The District is independently audited on a regular basis. The most recent audit (December 6, 2022) prepared for the District was unqualified. An unqualified report reflects fair and transparent financial statements in compliance with generally accepted accounting principles and statutory requirements.
- The District participates in the Local Agency Investment Fund, which is a pooled money investment account. The District's investment portfolio includes structured notes and other asset-backed securities.
- The Government Finance Officers Association routinely grants VRSD a Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report for, which reflects an easily readable and efficiently organized Annual Comprehensive Financial Report.
- Based on information that the Ventura County Special Districts Association provided the County in January 2021, the District has experienced an estimated financial impact (including costs related to personal protective equipment, sick leave, custodial/sanitation activities, signage, education and enforcement, childcare, and technology) of approximately \$55,000, related to the coronavirus. These costs have been covered by fund balance.

5. Status of, and opportunities for, shared facilities

- VRSD supports water and wastewater operations of other entities, providing services including management, operation, and maintenance of facilities and equipment. Organizations that contract with the VRSD benefit from reduced service costs made possible through economies of scale offered by the VRSD related to technical expertise and resources.

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

- The District is accountable to its constituents through its appointed Board of Directors, adherence to applicable government code sections, open and accessible meetings, and dissemination of information.
- The District 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 as required during the official state of emergency. As of December 2022, meetings are entirely in-person and do not include opportunities for virtual participation.
- The District maintains a modern website that provides detailed information about the District. It contains the District's history, mission, enabling legislation, summary of services and facilities, current and historical budgets and comprehensive annual financial reports, roster of current Board members, staff roster and contact information, historical meeting agendas, upcoming meeting information, library of relevant documents related to the District, "Public Pay" (employee salary) webpage, and fees and charges related to the Toland Road Landfill. The District could improve its transparency on its website by providing contact information and term expiration dates (if applicable) of its Board members, adopted minutes, official boundary map as determined by LAFCo, and a link to the Ventura LAFCo webpage containing municipal service reviews prepared by LAFCo for the District news/press releases and a calendar of events related to the District and the State Controller's "By the Numbers" (agency financial reporting information) webpage, and recording and archiving Board meetings to be available on the District's website, an online form for public records requests, and a Spanish translation option for its website content.
- The District is a member of the California Water/Wastewater Agency Response Network (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 District achieves operational efficiencies through participation 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).
- 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

- No other matters were identified.