
LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY


LOCAL AGENCY FORMATION COMMISSION
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Kate McKenna, AICP
Executive Officer

MEMORANDUM

DATE: October 23, 2023

TO: Chair and Members of the Formation Commission

FROM: Kate McKenna, Executive Officer, AICP 

SUBJECT: Supplemental Memorandum Transmitting Amendments regarding October 23, 2023 LAFCO Meeting Agenda Item No. 7 – Consideration of the 2023 Municipal Service Review and Sphere of Influence Study for Five Greenfield Area Public Agencies

After distributing the agenda packet for the October 23 LAFCO meeting, LAFCO received a comment letter on October 20, 2023 (Attachment 1) from the Community Water Center (CWC), a non-profit seeking to increase access to safe, clean, and affordable drinking water. In their letter, the CWC recommended delaying the adoption of the draft municipal service review and sphere of influence study (MSR/SOI study) until the required municipal service review of the Walnut Ave and 12th St & Pine Ave community (outside of the existing City of Greenfield's city limits) is conducted and this area is included in the proposed SOI.

Based on LAFCO staff's review of the CWC letter, staff does not recommend delaying the adoption of the MSR/SOI study. The City has not indicated an interest or capacity to serve new or existing development in these locations. Furthermore, a sphere of influence amendment of this size (likely several hundred acres) would require additional California Environmental Quality Act (CEQA) review. No such CEQA review has been conducted. However, another tool is available to help achieve the goal of increasing access to safe drinking water. The City of Greenfield has the option to apply to LAFCO for an out-of-agency service extension to provide potable water service to these areas within the City sphere of influence and to areas outside the City sphere of influence in response to a documented existing or impending threat to public health and safety. The City was successful in receiving similar out-of-agency service extension approvals from LAFCO in the past.

In response to the letter, staff recommends amendments to the MSR determination #2 and SOI determination #5 to identify these areas as a Disadvantaged Unincorporated Community.

Attachment 2 to this supplemental memo shows in tracked changes staff's recommended amendments to the Determinations section of the MSR/SOI study. Staff recommends approval of amended Item No. 7 with the changes presented in Attachment 2.

Attachments:

1. October 20, 2023 letter from the Community Water Center
2. Tracked changes to attachment 7.2 MSR determination #2 and SOI determination #5

Attachment #1

October 20, 2023 Letter
From the Community Water Center



To: Monterey County LAFCO
132 W Gabilan St #102
Salinas, CA 93901

From: Community Water Center
406 Main St #421
Watsonville, CA 95076

RE: PUBLIC REVIEW DRAFT 2023 MSR & Sphere Study – Greenfield Area Public Agencies

Dear Monterey County LAFCO,

We appreciate the opportunity to comment on the *2023 Municipal Service Review and Sphere of Influence Study: Greenfield Area Public Agencies* prepared by Monterey County LAFCO. Community Water Center (CWC) works alongside low-income communities of color who lack access to safe, clean, and affordable drinking water. Thank you for your work in updating the sphere of influence (SOI) for the City of Greenfield, however upon review of the Public Review Draft Municipal Service Review (MSR) & Sphere Study we are concerned that the Walnut Ave and 12th St & Pine Ave community (see Figure 1), a Disadvantaged Community (DUC) under state law, has not been sufficiently described in the updated MSR. We recommend delaying the adoption of the draft until the required municipal service review of this area is conducted and the Walnut Ave and 12th St & Pine Ave community is included in the proposed SOI¹.

This Disadvantaged Community, as we have discussed in the meeting mentioned in your MSR², is a grouping of residential parcels both within and directly outside the proposed SOI (see Figure 1) that lack a safe source of domestic drinking water. The Walnut Ave and 12th & Pine area comprises 32 households within the existing and proposed SOI as well as 14 households adjacent to the existing and proposed SOI. There are additional households west of the current SOI, including over ten homes in the Mercado Camp to be considered. Below we address each matter of concern in turn.

1. The Walnut Ave and 12th & Pine area is an inhabited DUC for the purposes of SB 244 analysis.

The unincorporated group of residences in the Walnut Ave and 12th St & Pine Ave area along with the Mercado Camp meet the definition of a DUC and should be acknowledged in the MSR. The Draft indicates there are no potential DUCs within or contiguous to the City and four special districts' existing spheres of influence. State law defines DUCs as unincorporated communities with an annual median household income that is less than 80% of the statewide annual median household income³ and as stated in the MSR Municipal Review Determinations,

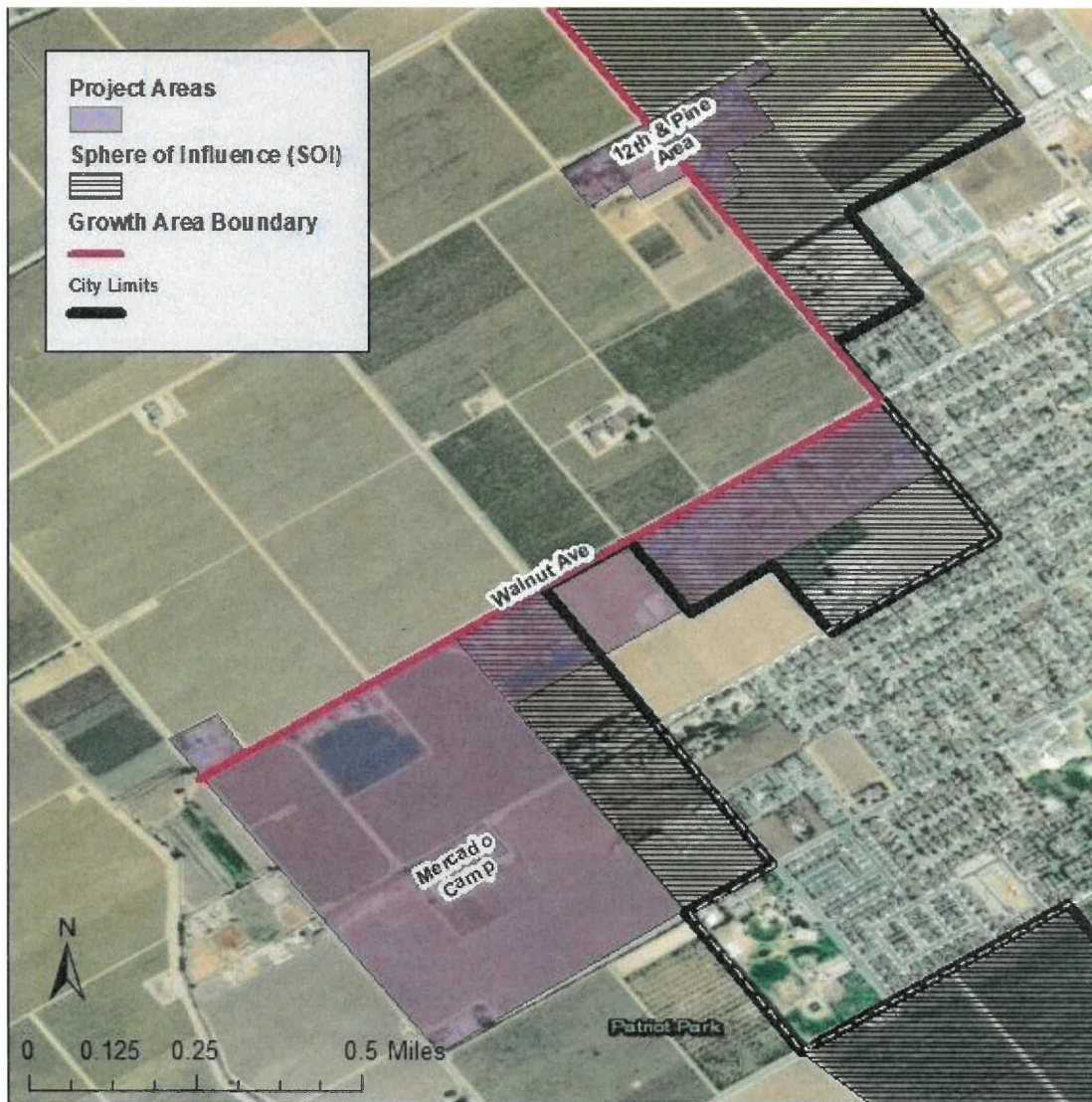
¹ [Cal. Gov't Code § 56425\(e\)\(5\)](#).

² Public Review Draft MSR & Sphere Study (Page 14)

³ CA Govt Code § 56046 (2016)

these homes all fall within a Census block group meeting the income criteria of a DUC (Page 30)⁴.

The draft also states “this area has no identifiable inhabited area contiguous to the City’s sphere of influence” (MSR determinations #2). For the purposes of compliance with the requirements under Senate Bill 244 (Wolk, 2011) (SB 244) “Disadvantaged unincorporated community” means inhabited territory, as defined by Section 56046, or as determined by commission policy, that constitutes all or a portion of a “disadvantaged community” as defined by Section 79505.5 of the Water Code. Community is defined as an inhabited area within a city or county that is composed of no less than 10 dwellings adjacent or in close proximity to one another.⁵ Overall, the full area in question has at least 50 households and as such, is inhabited contrary to the indication in the draft MSR.



⁴ Public Review Draft MSR & Sphere Study (Page 30)

⁵ GC Section 65302.10.(a)

Figure 1. Map of Walnut Ave & 12th St & Pine Ave DUC overlain on existing LAFCO boundaries and SOI.

2. The Walnut Ave and 12th & Pine area is likely a social or economic community of interest.

The Draft indicates that there are no particular social or economic communities of interest in the area that have been determined to be relevant to the five Greenfield area public agencies (SOI determinations #4). However, the Walnut Ave and 12th & Pine area is likely a social or economic community of interest. CWC facilitated domestic drinking water well sampling at six households (two within the SOI) in the Walnut Ave and 12th & Pine area (see Table 1). All six, as well and a seventh well tested by Monterey County, had nitrate results greater than the maximum contaminant level (MCL) (two and three times the MCL in some cases). Four of the six had detections of 123-TCP greater than the MCL. Both of these contaminants pose significant health threats to the residents. Short-term exposure to nitrate greater than the MCL causes methemoglobinemia (blue baby syndrome) and even death in infants, as well as diarrhea, vomiting, spontaneous abortions, stillbirths, or sudden infant death syndrome (SIDS). Chronic exposure to nitrate (including at levels below the MCL), can cause diuresis, hypotension, cancer, and in pregnant women: preeclampsia, anemia, or premature births. Chronic exposure to 123-TCP (including at levels below the MCL) can lead to liver and kidney damage and/or cancer.

Given this information, it is clear that water quality issues are present within the current SOI and immediately adjacent. This has not been acknowledged in previous versions of the MSR or in the current proposed version.

Table 1. Well Testing Results for Walnut Ave & 12th St & Pine Ave Potential Project Area

Site Number	Sample Date	Nitrate (mg/L)	123-TCP (ug/L)
Water Quality Standard:		10 mg/L	0.005 ug/L
Public Health Goal:		10 mg/L	0.0007 ug/L
Site 1	8/10/2023	16	0.020
Site 2	8/10/2023	16	0.0038
*Site 3	8/10/2023	27	0.0058
Site 4	8/10/2023	26	0.075
Site 5	8/10/2023	37	0
*Site 6	8/10/2023	38	0.011
***Site 7	10/4/2017	35	-

*Within existing SOI

**Gray shading indicates a result greater than the MCL

***Sampled by the County

3. The Walnut Ave and 12th St & Pine Ave community is a disadvantaged unincorporated community within and contiguous to the existing sphere of influence of the City of Greenfield.

The Draft MSR Sphere of Influence Determinations state that there are no potential disadvantaged unincorporated communities within the five public agencies' existing spheres of influence. (SOI determinations #5) There are 32 households within the existing SOI, as well as over 20 households immediately adjacent to the SOI, which meet the criteria for a DUC and should be recognized as such in this MSR.

4. Future Annexation

We encourage the inclusion of this community within a newly proposed SOI for the City of Greenfield as this DUC may need to be considered for future annexation (provided the residents are in favor of it) as a result of a forthcoming feasibility study to bring safe and affordable domestic drinking water to these parcels.

Sincerely,



Hailey Shingler
Community Solutions Coordinator
Community Water Center



Janaki Anagha
Director of Community Advocacy
Community Water Center

Attachment #2

Revised MSR & SOI Determinations

Determinations

Municipal Service Review Determinations

Per Government Code Section 56430(a)

This section contains recommended Municipal Services determinations for the City of Greenfield and the Greenfield Fire Protection, Memorial, Public Recreation, and Cemetery Districts.

1. Growth and population projections for the affected area

The City of Greenfield's population is approximately 19,000 (18,937 as of the 2020 census). The Fire District's population is about 600. For the other districts, the in-district population includes city residents plus up to approximately 700 residents in the outlying unincorporated area, for a total of about 19,700.

Most population growth in Monterey County in recent decades has occurred in the cities. The Association of Monterey Bay Area Governments (AMBAG) 2022 Regional Growth Forecast projected the City of Greenfield population to increase by 11.8% between 2020 and 2045, which is about the same as AMBAG's projection for Monterey County as a whole (11.4%). According to the U.S. Census 2021 American Community Survey, the City of Greenfield has a relatively large youth population (55% under the age of 30), compared to the County as a whole (42% under the age of 30). The large youth population in the overall Greenfield community could place increasing demands on service providers in the area.

2. Location and characteristics of any disadvantaged unincorporated communities (“DUCs”) within or contiguous to the sphere of influence

~~There are no potential DUCs within or contiguous to the City and four special districts' existing spheres of influence. State law—The Cortese-Knox-Hertzberg Act, Section 56033.5, defines a DUC as unincorporated communities inhabited territory (with 12 or more registered voters) with an annual median household income that is less than 80% of the statewide annual median household income. A large Census block group in unincorporated Monterey County surrounds the City and meets the income criteria of a DUC. However, this area has no identifiable inhabited area contiguous to the City's sphere of influence. Within this large Census block group, there are clusters of unincorporated residential parcels – in three areas within and adjacent to the City's existing designated sphere of influence - along the south side of Walnut Ave., at the corner of 12th St. & Pine Ave., and on the south side of Apple Avenue between 13th and 14th Streets (Mercado Camp). It is unclear whether any of these three areas meet the CKH Act's criterion of having 12 or more registered voters. However, these areas are occupied and used for residential purposes. The on-site wells at these properties are known to have had issues with water quality for several years.~~

3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs and deficiencies (including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any DUCs within, or contiguous to, the sphere of influence)

The City is a capable service provider of its various municipal services. The City has constructed, acquired, and adequately maintains its public facilities and other infrastructure. With a large youth population and projected moderate growth in the City over the next 25 years, the City is taking appropriate actions to plan for future service and infrastructure needs. For example, the City's adopted FY 2023-24 Budget includes hiring of eight additional staff positions and includes capital projects such as improved City entrance signage, park lighting, ball field improvements, and road improvements.

The Greenfield Fire Protection District provides services to the unincorporated area surrounding the City through a comprehensive service agreement with the City, in which the City provides the services within the District's boundaries in exchange for most of the District's annual revenues. The City is planning for the present and future fire protection and emergency medical services needs of the City and the District by

designing improvements to the City's existing fire station that would include updated bathrooms, sleeping quarters, office facilities, electricity generator, and security systems.

The Greenfield Memorial District's Jim Maggini Memorial Park is not actively maintained and needs significant improvements. The Public Recreation District's outdoor swimming pool is currently unused and non-operational. The Cemetery District has nearly reached full burial capacity at Holy Trinity Cemetery. Although other facilities, such as playgrounds at Oak Park, Oak Park Cemetery, and Greenfield Memorial Hall, are operated and actively maintained by the three districts, the current or pending inoperability of the facilities listed above are examples of previously available services or facilities being no longer available or having diminished capacity.

Investment is needed to repair, replace, or augment these facilities to meet current and future needs of the growing Greenfield-area community. It would be appropriate for the Memorial, Recreation, and Cemetery districts to develop annual capital improvement programs and adopt annual budgets to ensure that capital improvements and upgrades are made in a timely fashion.

4. Financial ability of agency to provide services

The demands on the five Greenfield-area public agencies vary due to the size and geography of each agency's boundaries, land use, demographics, types of services provided, and other factors. These factors help determine the level of funding required to provide an adequate level of service.

The five public agencies within this study receive per-resident revenues ranging from approximately \$11 (Greenfield Memorial District) to \$1,172 (City of Greenfield), depending on assessed valuation, the date of the public agency's formation, development activity, property sales within the agency's boundaries, and other factors.

The financial resources of the agencies appear adequate to meet current demands for services. However, audits of the operations of the Greenfield Memorial, Public Recreation, and Cemetery Districts were last completed six to ten years ago. Completion of annual audits is needed to provide an accurate picture of agency finances. Upon completion of annual audits, it is recommended that the three districts perform strategic planning for current and future service and facility needs. The strategic planning effort would include completion of capital improvement and financial plans to implement needed service and facility improvements.

5. Status of, and opportunities for, shared facilities

In 2017, the City of Greenfield detached from the Greenfield Fire Protection District and created the City of Greenfield Fire Department. Since this time, the District has contracted with the City to provide fire protection and emergency medical services – through the City's staff, equipment, and facilities – to its residents in exchange for most of the District's annual revenues. The District and City's service agreement serves as a model of local government cooperation and efficiency.

The Greenfield Public Recreation, Greenfield Cemetery, and Greenfield Memorial Districts each function mostly as stand-alone local government agencies with no significant partnerships with other public agencies to share facilities or services. Partnering with other local agencies could help the three districts to achieve economies of scale through pooled resources. Partnerships with other local agencies could also improve each district's efficiency and effectiveness.

LAFCO strongly encourages the City of Greenfield and three districts to collaborate on completion of a feasibility study, which would explore and recommend a service model option to improve the Greenfield Public Recreation District, Greenfield Cemetery District, and Greenfield Memorial District's administrative and service delivery efficiency and effectiveness.

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

Registered voters within the City elect a mayor at-large and four councilmembers based on voter districts. Elections are frequently vigorous and active. Each of the four districts is governed by a three- or five-person Board of Directors/Trustees. The five-person Greenfield Public Recreation District and Greenfield Cemetery District Board Directors/Trustees are the same individuals appointed by the Monterey County Board of Supervisors. The five-person Greenfield Memorial District and three-person Greenfield Fire Protection District Board members are elected by voters within their respective districts. If there are no candidates, or if the number of candidates equals the number of eligible seats, the County Board of Supervisors will appoint Directors. The Memorial District’s bylaws also include a process for the Board of Directors to post a notice of vacancy and to appoint a replacement to fill a vacancy by majority vote within 30 days before the County Board of Supervisors would make an appointment to fill a vacancy.

The Greenfield Memorial, Recreation, and Cemetery Districts have various deficiencies in complying with State law (including, but not limited to, adopting annual budgets and completing financial audits), and implementing best practices. These Districts must take immediate action to correct identified deficiencies.

LAFCO strongly encourages the three districts to explore opportunities for improving government structure and operational efficiencies. Such opportunities may include entering into a service agreement with another government agency (such as the City of Greenfield) to provide services. LAFCO also recommends that the City of Greenfield and three districts collaborate to complete a feasibility study. The study would explore and recommend a service model option to improve the three districts’ administrative and service delivery efficiency and effectiveness.

7. Any Other Matter Related to Effective or Efficient Service Delivery, As Required by Commission Policy

LAFCO of Monterey County has adopted Sphere of Influence Policies and Criteria within its *Policies and Procedures Relating to Spheres of Influence and Changes of Organization and Reorganization*. These policies and criteria were adopted, in conformance with State law, to meet local needs. The proposed affirmations of the existing five Greenfield area public agencies’ spheres of influence are consistent with local policies and criteria.

Sphere of Influence Determinations Per Government Code Section 56425(e)

This section provides recommended sphere of influence determinations for the **City of Greenfield and the Greenfield Fire Protection, Memorial, Public Recreation, and Cemetery Districts**. The Executive Officer recommends that the Commission affirm the current spheres of influence with no changes at this time.

I. Present and planned land uses in the area, including agricultural and open-space lands

Current and future land uses within the study’s scope are guided by the general plans of the County of Monterey and the City of Greenfield. Areas outside of the Greenfield city limits are primarily farmlands and grazing land uses. The City’s existing sphere and boundaries encompass a wide range of land uses, including open space and agricultural land. The primary agricultural areas within the City’s existing 599-acre sphere are areas to the west and east of the city limits. Present and planned land uses are discussed and evaluated in the City’s adopted 2005 General Plan, the 2005 General Plan’s certified Final Environmental Impact Report (EIR), and in the approved 2013 City-County-LAFCO MOA for orderly and appropriate land use development in the Greater Greenfield Area. The MOA’s fundamental objective is to balance the preservation of open space and prime agricultural lands with the need for orderly City growth.

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

The Greenfield area has a relatively young population that is currently projected by AMBAG to experience moderate growth through 2045. The City provides a full range of municipal services and has adopted utility master plans and impact fees to ensure that developments within the city fund their share of the costs of city facilities.

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

The City and Greenfield Fire Protection District generally have adequate facilities and services to meet the needs of the overall community that they serve. Since the City-District fire services agreement model took effect in 2017, service levels within the Greenfield Fire Protection District's territory have been consistently maintained.

Levels of service provided by the Greenfield Public Recreation, Greenfield Cemetery, and Greenfield Memorial District have decreased over recent years due primarily to loss of Oak Park's swimming pool operation, Holy Trinity Cemetery approaching/reaching its burial capacity, and discontinued maintenance of Greenfield Memorial District's Jim Maggini Memorial Park as an active sports park. These reductions in levels of services likely place higher demands on similar neighboring public facilities such as Soledad-Mission Recreation District's indoor pool facility, Greenfield Cemetery District's Oak Park Cemetery, and City of Greenfield's Patriot Park's sports facilities.

Consequently, there is an immediate need for the three districts to engage with the community to assess current and future needs for facilities and services. A strategic planning process would also include completion of capital improvement and financial plans to implement identified service and facility improvements.

4. The existence of any social or economic communities of interest in the area, if the commission determines that they are relevant to the agency

Please see MSR determination #2 above, and SOI determination #5, below. There are no other particular social or economic communities of interest in the area that have been determined to be relevant to the five Greenfield area public agencies.

5. For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, the present and probable need for those public facilities and services of any DUCs within the existing sphere of influence.

There are no potential disadvantaged unincorporated communities within the five public agencies' existing spheres of influence. As discussed in MSR determination #2, there are clusters of unincorporated residential parcels both within and adjacent to the City's existing designated sphere, along the south side of Walnut Ave., at the corner of 12th St. & Pine Ave., and on the south side of Apple Avenue between 13th and 14th Streets (Mercado Camp). The private wells on these properties are known to have had issues with water contamination and water quality for several years. The City of Greenfield has the option to extend potable water service to these areas in the future through submitting a LAFCO application for an out-of-agency service extension. LAFCO can approve a service extension to areas within the City's sphere of influence, and also outside the sphere if the County Environmental Health Department determines the existence of an existing or impending threat to public health or safety. LAFCO has approved several City of Greenfield out-of-agency service extensions in the past, most recently in 2019.