

**CALAVERAS
LOCAL AGENCY FORMATION COMMISSION**

Adopted

***MURPHYS SANITARY DISTRICT
SPHERE OF INFLUENCE UPDATE***

***April 15, 2013
Resolution 2015-0002***

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1 INTRODUCTION

1.1 Sphere of Influence Description

The Commission is charged with developing and updating the Sphere of Influence (SOI) for each city and special district within the county. Once LAFCO has adopted the MSR determinations, it must update the SOI for the Murphys Sanitary District (MSD).

An SOI is a LAFCO-approved plan that designates an agency's probable future boundary and service area. The definition for a Sphere of Influence in Government Code Section 56076 is a "*Sphere of Influence*" means a plan for the probable physical boundaries and service area of a local agency, as determined by the Commission. Spheres are planning tools used to provide guidance for individual boundary change proposals and are intended to encourage efficient provision of organized community services and prevent duplication of service delivery. Territory cannot be annexed by LAFCO to a city or district unless it is within that agency's sphere. The purposes of the SOI include the following:

- to ensure the efficient provision of services
- to discourage urban sprawl and premature conversion of agricultural and open space lands
- to prevent overlapping jurisdictions and duplication of services

The Cortese-Knox-Hertzberg (CKH) Act requires LAFCO to develop and determine the SOI of each local governmental agency within the county and to review and update the SOI every five years, as necessary. LAFCOs are empowered to adopt, update and amend the SOI. They may do so with or without an application and any interested person may submit an application proposing an SOI amendment.

While SOIs are required to be updated every five years, as necessary, this law does not necessarily define the planning horizon of the SOI. The term or horizon of the SOI is determined by each LAFCO. In the case of Calaveras LAFCO, the Commission's policies state that an agency's near term SOI shall generally include land that is anticipated to be annexed within the next five years, while the agency's long-term SOI shall include land that is within the probable growth boundary of an agency and therefore anticipated to be annexed in the next 20 years.

LAFCO may recommend government reorganizations to particular agencies in the county, using the SOIs as the basis for those recommendations.

In determining the SOI, LAFCO is required to complete an MSR and adopt six determinations. The MSR for Murphys Sanitary District was adopted by Calaveras LAFCO Resolution 2012-02 on June 18, 2012.

1.2 Sphere of Influence Requirements

In determining the Sphere of Influence for each local agency, LAFCO must consider and prepare a statement of determinations with respect to each of the following:

1. The present and planned land uses in the area, including agricultural and open space lands
2. The present and probable need for public facilities and services in the area
3. The present capacity of public facilities and adequacy of public services which the agency provides, or is authorized to provide
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
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 disadvantaged unincorporated communities within the existing Sphere of Influence.

Additionally, the CKH Act stipulates several procedural requirements in updating SOIs. It requires that special districts file written statements on the class of services provided and that LAFCO clearly establish the location, nature and extent of services provided by special districts.

By statute, LAFCO must publish a notice and notify affected agencies 21 days before holding the public hearing to consider the SOI and may not update the SOI until after that hearing. The LAFCO Executive Officer must issue a report including recommendations on the SOI amendments and updates under consideration at least five days before the public hearing.

1.3 Calaveras LAFCO Sphere of Influence Policies

In addition to State requirements for SOIs, Calaveras LAFCO has adopted policies regarding Spheres of Influence in the County and minimum requirements necessary in order to update or adopt an agency's SOI. Six highlighted requirements are summarized as follows:

1. The Sphere of Influence Plan must be consistent with LAFCO's policies, State law, other agencies' SOI plans, the municipal service review, and long range planning goals of the area.
2. LAFCO will not include lands that are unlikely to require the services of the agency or which cannot be feasibly served within a time frame consistent with the sphere plan.
3. Agencies are encouraged to keep the supporting documentation for their SOI plans up to date.

4. Sphere of Influence Plans have to be updated every five years or more frequently.
5. If an agency is unable to provide an adequate level of service within a portion of its service area boundaries within the time frame provided for that boundary, the Sphere of Influence Plan has to be updated so that the probable service boundaries are consistent with the determinations in the Municipal Service Review.
6. A District Sphere of Influence Plan shall contain the following:

Proof that the territory within the District's SOI is likely to require the district's services and that the district has or will have the capacity to serve the area at the appropriate level.

In the case of multi-service districts, LAFCO has to adopt an SOI plan for each distinct function or class of service provided by a district. These sphere plans may or may not be coterminous. Each sphere shall establish the nature, location, and extent of the functions or classes of services provided by the district.

LAFCO adopts a sphere of influence plan for a newly formed district within two years of the completion of formation proceedings.

Amendment proposals involving sphere expansion to include open space or prime agricultural land will not be approved by LAFCO if there is sufficient alternative land available for annexation within the existing sphere of influence.

1.4 Possible Approaches to the Sphere of Influence

LAFCO may recommend government reorganizations to particular agencies in the county, using the SOIs as the basis for those recommendations. Based on review of the guidelines of Calaveras LAFCO as well as other LAFCOs in the State, various conceptual approaches have been identified from which to choose in designating an SOI. These seven approaches are explained below:

1) Coterminous Sphere:

A Coterminous Sphere means that the sphere for a city or special district that is the same as its existing boundaries.

2) Annexable Sphere:

A sphere larger than the agency's boundaries identifies areas the agency is expected to annex. The annexable area is outside its boundaries and inside the sphere. This is the recommendation for Murphys Sanitation District. **This proposed SOI would allow the annexation of the Spray Fields and the Ironstone Vineyards.**

3) Detachable Sphere:

A sphere that is smaller than the agency's boundaries identifies areas the agency is expected to detach. The detachable area is the area within the agency bounds but not within its sphere.

4) Zero Sphere:

A zero sphere indicates the affected agency's public service functions should be reassigned to another agency and the agency should be dissolved or combined with one or more other agencies.

5) Consolidated Sphere:

A consolidated sphere includes two or more local agencies and indicates the agencies should be consolidated into one agency.

6) Limited Service Sphere:

A limited service sphere is the territory included within the SOI of a multi-service provider agency that is also within the boundary of a limited purpose district which provides the same service (e.g., fire protection), but not all needed services. Territory designated as a limited service SOI may be considered for annexation to the limited purpose agency without detachment from the multi-service provider.

This type of SOI is generally adopted when the following four conditions exist:

- a) The limited service provider is providing adequate, cost effective and efficient services
- b) The multi-service agency is the most logical provider of the other services
- c) There is no feasible or logical SOI alternative, and
- d) Inclusion of the territory is in the best interests of local government organization and structure in the area

Government Code §56001 specifically recognizes that in rural areas it may be appropriate to establish limited purpose agencies to serve an area rather than a single service provider, if multiple limited purpose agencies are better able to provide efficient services to an area rather than one service district.

Moreover, Government Code Section §56425(i), governing sphere determinations, also authorizes a sphere for less than all of the services provided by a district by requiring a district affected by a sphere action to "establish the nature, location, and extent of any functions of classes of services provided by existing districts" recognizing that more than one district may serve an area and that a given district may provide less than its full range of services in an area.

7) Sphere Planning Area (Area of Concern):

LAFCO may choose to designate a sphere planning area (area of concern) to signal that it anticipates expanding an agency's SOI in the future to include territory not yet within its official SOI.

1.5 SOI Options for Murphys Sanitary District

Four potential options have been identified with respect to the MSD SOI. These options will be explained below and an analysis will follow.

1.5.1 Option 1-Provisional Coterminous SOI

By adopting a provisional SOI, LAFCO may revisit the District's SOI at a later date to ensure that recommended conditions are adequately addressed in a timely manner. The Commission may wish to stipulate accountability measures and planning efforts to allow MSD to make service enhancements, before a longer-term SOI is adopted. MSD is a small district that, **prior to 2012**, ~~has faced challenges with staff and board turnover in the past.~~

~~As a result of this turnover, MSD demonstrated minimal accountability through its disclosure of information as indicated by the District's failure~~**failed to respond in a timely manner to LAFCO requests for information. The District is now committed to, not only cooperating with LAFCO, but to improving** ~~The District's accountability is additionally constrained by a lack of constituent outreach efforts, as evidenced by the implementation of a website in 2012.~~**including the absence of a website, and limited interest in serving on the governing body, as indicated by uncontested elections and board vacancies.** ~~During 2012 the District corrected long-standing compliance problems and upgraded regulatory reporting procedures. Also, during 2012 it was determined that wastewater treatment facilities were over-capacity and a strenuous effort under the current District Board of Directors is underway to modernize the facility; to that end, a Planning Grant in the amount of \$335,000 has been awarded to the District by the Clean Water State Water Revolving fund.~~

~~Should the District desire to retain the existing governance structure over wastewater services, enhanced accountability practices are recommended, such as developing a website, promoting constituent involvement in board activities, retaining a full board, and taking measures to ensure staff and board member stability. An independently-conducted organizational management review is an option for identifying and addressing the District's leadership challenges.~~

1.5.2 Option 2-Zero SOI

A zero SOI would signify that LAFCO anticipates the eventual dissolution of MSD and the transfer of its services to another entity, such as a new, multi-service CSD or an existing entity that is empowered to take on wastewater services.

Depending on priorities and needs of the community, one option may be the dissolution of the District and services assumed by another overlapping agency, such as Calaveras County Water District (CCWD) or Union PUD (UPUD), which are both empowered to take on wastewater services. **Neither of these agencies has professed any interest in absorbing MSD, Being however, being governed by a large professionally organized agency may provide constituents with an enhanced level of accountability—**with additional constituent outreach efforts, public interest in board activities, and more consistent staffing.

In the event that CCWD were to take over wastewater services in the area, CCWD would form an improvement district encompassing the community through a vote by its Board. **Prior to incorporation, MSD facilities would have to be improved to a level acceptable to CCWD and the costs for any required improvements, with an**

additional layer of administrative overhead, would be charged to MSD ratepayers. Also, Due due to the countywide nature of CCWD, the constituents in Murphys may encounter a loss of local control. ~~Conversely, as CCWD offers professional staffing levels and standardized protocol for customer requests and complaints, the constituents may benefit from greater public accessibility and enhanced transparency.~~ The potential for improvement of service levels, if taken on by CCWD, can be seen in the case of Wallace Community Services District (WCSD), which has reduced operational costs and improved regulatory compliance since contracting for services with CCWD. If initiated by LAFCO, a consolidation study could explore the potential for enhanced services in more detail.

~~In light of the lack of a cooperative working relationship between MSD, CCWD and UPUD, a~~ A more feasible governance alternative may be the complete dissolution of MSD and UPUD (the overlapping water provider) and the formation of a new agency to take on water and wastewater services in the area. A community service district would also be able to take on additional functions, such as fire, park, lighting, and cemetery services. A newly formed district may face less opposition, as it is an opportunity to start from a clean slate without a preexisting governing body and management structure. The benefits of a new agency that provides several services—in particular, public safety services—may be more interest in serving on the Board, more constituent interest in district activities, potential administrative cost savings, additional resources to apply for loans and grants, and enhanced accountability.

1.5.3 Option 3-Confirm Existing Coterminous SOI

By retaining the existing coterminous SOI, LAFCO would indicate that the District is not expected to annex or detach territory in the foreseeable future.

1.5.4 Option 4-SOI Expansion

An SOI expansion would indicate that LAFCO anticipates the annexation of the added areas in the foreseeable future. The Commission may choose to include within the District's SOI the following three areas:

- 1) The parcels to which the District is providing service outside of its boundaries
- 2) The District's wastewater treatment facility property
- 3) Adjacent proposed developments to which the District could potentially provide service

The District has one wastewater connection outside of the District's boundaries, which serves Ironstone Vineyards, across the street from the WWTP. The Ironstone Vineyards connected to the District's system in the early 1980's in order to receive reclaimed water from MSD's treatment facility. Records show that in 1999, when the contract with the Ironstone Vineyards was renegotiated, MSD began collecting sewage from the winery, employee housing and a residence for the ranch manager.¹ **There are also two parcels which currently receive District service which are outside the District**

¹ MSD, Agreement for the Supply and Acceptance of Reclaimed Water, April 26th, 1999, p. 1.

Boundaries in the Pennsylvania Gulch Road area. There are no records of LAFCO approving service outside of the District's bounds and these areas ~~were~~ never annexed by MSD.

While districts are not required to annex property, which they own or have facilities on, MSD's WWTP property is included in this option to bridge the gap between the District's existing boundaries and the vineyard.

There are four planned or proposed developments—the Taylor, Stewart, Barden, and Folendorf developments—which are immediately adjacent to the District's boundaries in the north along Utica Powerhouse Road. The District has not been approached by these developers, but reported that extending service to this area may be feasible depending on the size of the developments. Including these developments within the District's SOI, would clearly indicate what agency LAFCO anticipates serving the areas in the future.

1.5.5 SOI Options Analysis

~~MSD faces challenges with accountability and practices minimal planning activities. With the exception of minimal capital improvement planning, these deficiencies were not identified in the previous MSR; consequently, the District has not been made aware of management practices that are in need of improvement.~~

When updating the District's SOI, LAFCO will need to determine the degree to which it values 1) service adequacy, 2) local control and 3) opportunity for improvement. If LAFCO would like to ensure adequate service levels, then the suitable SOI options would be Options 1 or 2.

Should LAFCO value local control over level of service then Options 3 or 4 would be appropriate. If LAFCO determines that the District has not had adequate notice of the deficiencies nor sufficient time to address the issues of concern, then a provisional SOI would allow for a judicious amount of time as defined by the Commission to make necessary improvements. Conversely, if the Commission feels that the District is aware of the insufficiencies, but has failed to make efforts at improvement, then a zero SOI would be recommended.

As part of the previous MSR LAFCO identified the need for MSD to prepare and adopt a capital improvement plan for five, 10 and 15 year increments. MSD has since then prepared ~~a minimal~~ a 10-year plan with cost estimates and approximate timing of seven sewer line improvements. The plan was last updated in 2008. **Planning for system improvements is now in full swing with the recent award of a \$335,000 Planning Grant.**

Should the Commission choose to adopt a provisional SOI, LAFCO will need to set specific conditions for MSD to meet within a required time frame. A minimum of two years is recommended to allow the District to complete and implement the

recommended studies. Examples of conditions that could be established in response to recognized deficiencies include the following three examples:

~~1. Lack of constituent outreach: Create a website where service related information, contact information, and board meeting details, agendas, and minutes are available.²~~

~~2-1. High rate of staff and board turnover leading to a lack of accountability:
Maintain a full board for a prescribed period.~~

~~3-2. Minimal capital improvement planning and reinvestment in capital:
Prepare and adopt a 10-year capital improvement plan that includes treatment plant needs and necessary improvements.~~

In recent months, MSD has demonstrated efforts to improve management organization and communication by instating a full-time office manager and a new general manager. The District has opened a channel of communication with LAFCO to discuss challenges and efforts made to overcome those challenges.

1.6 SOI Amendments and CEQA

LAFCO has the discretion to limit SOI updates to those that it may process without unnecessarily delaying the SOI update process or without requiring its funding agencies to bear the costs of environmental studies associated with SOI expansions. Any local agency or individual may file a request for an SOI amendment. The request must state the nature of and reasons for the proposed amendment, and provide a map depicting the proposal.

LAFCO may require the requester to pay a fee to cover LAFCO costs, including the costs of appropriate environmental review under CEQA. LAFCO may elect to serve as lead agency for such a review, may designate the proposing agency as lead agency, or both the local agency and LAFCO may serve as co-lead agencies for purposes of an SOI amendment. Local agencies are encouraged to consult with LAFCO staff early in the process regarding the most appropriate approach for the particular SOI amendment under consideration.

Certain types of SOI amendments are usually exempt from CEQA review. Examples are SOI expansions that include territory already within the bounds or service area of an agency, SOI reductions, and zero SOIs. SOI expansions for limited purpose agencies that provide services (e.g., fire protection, levee protection, cemetery, and resource conservation) needed by both rural and urban areas are typically not considered growth-inducing and are likely exempt from CEQA. Similarly, SOI expansions for districts serving rural areas (e.g., irrigation water) are typically not considered growth-inducing.

Remy et al. write

In City of Agoura Hills v. Local Agency Formation Commission (2d Dist.1988) 198 Cal.App.3d480, 493-496 [243 Cal.Rptr.740] (City of Agoura Hills), the court held that a LAFCO's decision to approve a city's sphere of influence that in most respects was

² ~~The District has secured a domain name and plans to complete a website by the end of 2011.~~

*coterminous with the city's existing municipal boundaries was not a "project" because such action did not entail any potential effects on the physical environment.*³

The recommendation for the Murphys Sanitation District is for the Sphere of Influence to include the **WWTP site, Spray Fields, and the Ironstone Vineyards and the two parcels in the Pennsylvania Gulch Road area.** Since the Ironstone Vineyards and the two referenced parcels are ~~is~~ already receiving service this should not require environmental review.

³ Remy, Michael H., Tina A. Thomas, James G. Moose, Whitman F. Manley, Guide to CEQA, Solano Press Books, Point Arena, CA, February 2007, page 111.

2 SPHERE OF INFLUENCE (SOI) DETERMINATIONS for MURPHYS SANITATION DISTRICT

Murphys Sanitary District (MSD) provides wastewater collection, treatment and disposal services to the community of Murphys and the surrounding area. MSD was formed on January 12, 1960 as an independent special district.⁴ The District was formed to provide wastewater services in the community of Murphys. Since formation there have been no recorded changes to the District's boundaries, according to the State Board of Equalization and Calaveras LAFCO.

MSD provides wastewater collection, treatment and disposal services directly through district staff. The District owns and operates a wastewater treatment plant and sewer collection infrastructure in the District's bounds.

The District does not provide or receive any services via contract; however, the District does rely on all neighboring wastewater providers for backup in the event of an emergency and would reciprocate this assistance should the need arise for another provider

MSD provides wastewater collection, treatment and disposal services to the unincorporated community of Murphys and surrounding areas within its boundaries. In addition, the District has one wastewater connection outside of the District's boundaries which serves Ironstone Vineyards, across the street from the WWTP. The Ironstone Vineyards connected to the District's system in the early 1980's in order to receive reclaimed water from MSD's treatment facility. Records show that in 1999, when the contract with the Ironstone Vineyards was renegotiated, MSD began collecting sewage from the winery, employee housing and a residence for the ranch manager.⁵ There are no records of LAFCO approving service outside of the District's bounds; however, approval from LAFCO for extra-territorial service was not required until 2001. The area was never annexed by MSD.

Because the Ironstone Vineyards is receiving service, the recommendation is for this area and the spray fields to be included in the SOI.

2.1 Present and Planned Land Uses in the Murphys Sanitation District Area, Including Agricultural and Open Space Lands

2.1.1 Calaveras County General Plan and Zoning

A majority of the District lies within the County designated Murphys Community Plan area with the exception of 80 acres to the north that lies within the County's Ebbetts Pass Highway Plan area.

The District bounds encompass residential, commercial, industrial, agricultural preserve, and public land uses. Residential areas consist of single family, multi-family and rural residential designations. Single family residential areas are located in the western and central portion of the District, north of Main Street and Highway 4, while rural residential

⁴ State of California, Board of Equalization.

⁵ MSD, Agreement for the Supply and Acceptance of Reclaimed Water, April 26th, 1999, p. 1.

areas are located in the western and eastern extremes of the District. The multi-family residential designation consists of the Murphys Diggins Mobile Home Park, south of Highway 4. Commercial designations are primarily located along Main Street and Highway 4, and industrial activity is located south of Bret Harte Drive. Public land uses consist of the Murphys Cemetery and Albert Michelson Elementary School. A domestic water storage facility is located in the northeastern portion of the District, south of Utica Powerhouse Road.⁶

Local business activities are primarily tourism-related, and include hotels and inns, restaurants, several wine tasting rooms, and boutique shops.

The District considers its customer base to be the wastewater connections served and the residents within the District boundaries. As of 2010, the District provided wastewater services to 783 wastewater connections—639 single family residential, 40 multi-family residential, and 104 commercial connections. The estimated residential population in the District bounds was 1,532 in 2010, based on analysis of the number of residential connections and average household size in the County. The District's population density was approximately 613 per square mile in 2010, compared with the countywide density of 45 per square mile.

The District has experienced approximately 25 percent growth between 2000 and 2010. The District reported that it anticipates slower growth in the future.

There are three developments (Kautz, Edmonson, and Murphys Creek Estates) consisting of a total of 60 new connections and two in-fill connections that have been approved to connect to the District's system. The District reported that there are limited opportunities for growth outside of the District's boundaries, as a majority of the surrounding area is at a lower elevation than the District's wastewater treatment plant, given the cost to pump wastewater up to the plant. The District did not report other proposed developments, and has not developed growth projections.

According to Calaveras County, there is one additional planned or proposed development projects within the District's boundaries of greater than five units—the Murphys/Rocky Hill development. The projects would total over 82 residential dwelling units. Given the recent decline in the housing market, this project, like many others, is on hold. In addition, there are four planned or proposed parcel splits—the Taylor, Stewart, Barden, and Folendorf properties—which are immediately adjacent to the District's boundaries in the north along Utica Powerhouse Road. There are eight potential dwelling units in this area; the District has not been approached by these property owners, but reported that extending service to this area might be feasible.

Construction of all of the planned and proposed units within the District's boundaries and connection to the District's system would result in a population increase of approximately 20%. The District anticipates a growth rate of approximately 10% between 2010 and 2030 based on wastewater flow projections.⁷ By comparison, the countywide projected growth rate is 40% over that period.⁸

⁶ Calaveras County, Murphys-Douglas Flat Community Plan Land Use Designations Map, January 2008.

⁷ Calaveras County, *Water Element Baseline Report Supplement Final Draft*, February 2009, p. 39.

⁸ Department of Finance, *Population Projections for California and Its Counties 2000-2050*, July 2007.

The District is not a land use authority, and does not hold primary responsibility for implementing growth strategies.⁹

2.1.2 SOI Determinations on Present and Planned Land Use for Murphys Sanitation District Area

- 1-1] The District bounds encompass residential, commercial, industrial, agricultural preserve, and public land uses. Residential areas consist of single family, multi-family and rural residential designations. Single family residential areas are located in the western and central portion of the District, north of Main Street and Highway 4, while rural residential areas are located in the western and eastern extremes of the District.
- 1-2] The multi-family residential designation consists of the Murphys Diggins Mobile Home Park, south of Highway 4.
- 1-3] Commercial designations are primarily located along Main Street and State Highway 4, and industrial activity is located south of Bret Harte Drive.
- 1-4] Public land uses consist of the Murphys Cemetery and Albert Michelson Elementary School.
- 1-5] A domestic water storage facility is located in the northeastern portion of the District, south of Utica Powerhouse Road.
- 1-6] There are three developments (Kautz, Edmonson, and Murphys Creek Estates) consisting of a total of 60 new connections and two in-fill connections that have been approved to connect to the District's system.
- 1-7] There is one additional proposed development projects within the District's boundaries of greater than five units—the Murphys/Rocky Hill development. These project would total over 82 residential dwelling units. Given the recent decline in the housing market, this project, like many others, is on hold.
- 1-8] There are four planned or proposed developments—the Taylor, Stewart, Barden, and Folendorf developments—which are immediately adjacent to the District's boundaries in the north along Utica Powerhouse Road. These developments are not included in this Sphere of Influence update.

2.2 Municipal Services—Present and Probable Capacity and Need

2.2.1 Present and Probable Capacity and Need Background

The Murphys Sanitation District reported that the ponds and treatment facility are generally in good condition and there are no immediate infrastructure needs or deficiencies related to the secondary treatment operations of the facility. Improvements

⁹ Calaveras Local Agency Formation Commission, Final water and Wastewater Municipal Service Review, June 18, 2012, Page 221.

would be necessary if the District chose to pursue treating at tertiary standards, which was the intent of improvements that were completed in 2002.

Due to existing contract limitations with regard to discharge and available storage volume, the District's actual inflow (based upon a 100 year return period as required by the Districts RWQCB permit) is 109~~93~~ percent of its permitted capacity. Additional disposal or storage capacity is needed. ~~or else the District needs to upgrade to tertiary treatment.~~ The grant which was recently approved by the District is intended to address all existing issues at the District's WWTP, including modifications to achieve Title 22 treatment, and main pump station and lead to a request for construction financing form the Clear Water State Revolving Fund.

~~Based on the existing inflow capacity and ADWF, the WWTP is operating at 81% capacity. Based on the actual ADWF per connection and the existing inflow capacity of the system, the system presently has space for approximately 183 additional connections.~~

Of the total collection system, 10% of the piping needs to be replaced as it is older and composed of clay. The District plans to address five problem areas by 2016, which will cost an estimated \$1.3 million.

2.2.2 *SOI Determinations on Present and Probable Capacity and Need for Murphys Sanitation District*

- 2-1] The estimated residential population in the Murphys Sanitation District bounds was 1,532 in 2010, based on analysis of the number of residential connections and average household size in the County.
- 2-2] The District has experienced approximately 25 percent growth between 2000 and 2010. The District reported that it anticipates slower growth in the future.
- 2-3] Construction of all of the units planned and proposed units within the District's boundaries and connection to the District's system would result in a population increase of approximately 325 or 21%.
- 2-4] The District anticipates a growth rate of approximately 10% between 2010 and 2030 based on wastewater flow projections. By comparison, the countywide projected growth rate is 40% over that period, according to the DOF.

2.3 *The Present Capacity of Public Facilities and Adequacy of Public Services Provided by Murphys Sanitation District*

2.3.1 *Adequacy of Services Provided by Murphys Sanitation District*

Wastewater services offered by the District appear to be adequate based on regulatory compliance status, treatment effectiveness rate, overflow rates, and response times. The District could improve upon its infiltration and inflow rates based on its peaking factor, and its planning efforts, which are minimal.

2.3.2 SOI Determinations on Adequacy of Services Provided by Murphys Sanitation District

- 3-1] The District is using ~~109~~84 percent of its existing permitted storage capacity in **100 year storm season events**, and upon completion of a new contract with the vineyard for irrigation, the District will be using 75 percent of its permitted capacity.
- ~~3-2] Based on the actual ADWF of 192 gpd per connection and the existing inflow capacity of the system of 0.185 mgd, the system presently has space for approximately 183 additional connections.~~
- 3-3] ~~It is anticipated that once the contract is updated, there will be space for 260 total additional connections. Should growth slow as the District anticipates, then the existing plant would have sufficient capacity to serve the area beyond 2025.~~
- 3-4] Wastewater services offered by the District appear to be adequate based on regulatory compliance status, treatment effectiveness rate, overflow rates, and response times.
- 3-5] The District could improve upon its infiltration and inflow rates based on its peaking factor, its planning efforts, which are minimal, and accountability.
- 3-6] As the request for SOI expansion if only for parcels which are currently being served by the District no increase in wastewater flows which would affect District capacity will occur.**

2.4 Social or Economic Communities of Interest

2.4.1 Murphys Community Background

Murphys is a separate community with a distinct history. John and Daniel Murphy were part of the Stephens-Townsend-Murphy Party, the first immigrant party to bring wagons across the Sierra Nevada to Sutter's Fort in 1844. They earned a living as merchants, but like many others, began prospecting when the California Gold Rush began. They first started in Vallecito, which was known as "Murphys Old Diggings," before moving to another location in 1848 which became "Murphys New Diggings," "Murphy's Camp," and eventually just "Murphys."

Like many other mining towns, fire was its bane and the town was destroyed three times by flames, in 1859, 1874, and 1893. After the second major fire, there was little gold left to mine, and so the town was never rebuilt to its boomtown condition. However, Murphys continued to thrive as a merchant center, supplying many of the silver mines in Nevada with provisions via Ebbetts Pass. The town is registered as California Historical Landmark #275.¹⁰ The first post office was established as Murphy's in 1851. The name was changed to Murphys in 1894, and finally to Murphys in 1935.¹¹

¹⁰ Office of Historical Preservation, California State Parks. <http://ohp.parks.ca.gov/ListedResources/Detail.aspx?num=275>. Retrieved 2012-10-06.

¹¹ Durham, David L. (1998). *California's Geographic Names: A Gazetteer of Historic and Modern Names of the State*. Quill Driver Books. p. 808. [ISBN 9781884995149](https://www.isbn-international.org/view/title/9781884995149).

The Ironstone Concours d'Elegance car show is held annually in Murphys at the Ironstone Vineyards. Proceeds from the event benefit the 4-H Club and Future Farmers of America. Also, Ironstone Vineyards hosts concerts every year. Murphys is part of the Vallecito Union School District.

The Calaveras Chamber of Commerce describes Murphys as follows:¹²

The Gold Rush town of Murphys, Queen of the Sierra, sports a charming main street lined with a vast variety of shops, fine eateries, art galleries and architecturally appropriate new retail developments. Murphys is the hub of Calaveras wine country with the lion's share of wineries operating within a four mile radius. Romantic bed and breakfast inns and the historic Murphys Hotel complete the picture of this fast-growing community.

2.4.2 SOI Determinations on Social or Economic Communities of Interest for Murphys

- 4-1] Communities of interest within the District's boundary and SOI includes the unincorporated community of Murphys.
- 4-2] Economic communities of interest include the businesses and the landowners within the District that pay a portion of their property tax to MSD. These communities are not divided by the District's boundaries or SOI.
- 4-3] The Ironstone Vineyards is a part of the Murphys community and receives services from the MSD; therefore, this area should be included in the Sphere of Influence.

2.5 Disadvantaged Unincorporated Community Status

2.5.1 Disadvantaged Unincorporated Communities

In addition to a consideration of population growth, the State Law requires LAFCO to consider whether or not an area is a Disadvantaged Unincorporated Community (DUC). A DUC is an area where the Median Household Income is less than 80% of the State of California Median Household Income. For 2010 the Median Household Income for the Murphys Census Designated Place (CDP) was \$42,864. Since 80% of the \$60,883 State of California Median Household Income is \$48,706;¹³ the Murphys CDP is considered a DUC.

2.5.2 Murphys and Disadvantaged Unincorporated Community Status

- 5-1] The Murphys area is not a DUC because the median household income in Murphys is lower than 80% of the State of California Median Household Income.

¹² <http://www.calaveras.org/about-calaveras/communities/>, February 9, 2013.

¹³ <http://www.clrsearch.com/Murphys-Demographics/CA/95247/Household-Income>, February 9, 2013.

ABBREVIATIONS

ADWF	Average Dry Weather Flow (Wastewater Treatment)
CCWD	Calaveras County Water District
CEQA	California Environmental Quality Act
CKH Act	Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000
CSA	County Service Area
CSD	Community Services District
DOF	Department of Finance (California)
DUC	Disadvantaged Unincorporated Community
LAFCO	Local Agency Formation Commission
MSR	Municipal Service Review (LAFCO)
MSD	Murphys Sanitary District
PUD	Public Utility District
SOI	Sphere of Influence (LAFCO)
UPUD	Union Public Utility District
WCSD	Wallace Community Services District
WWTP	Wastewater Treatment Plant

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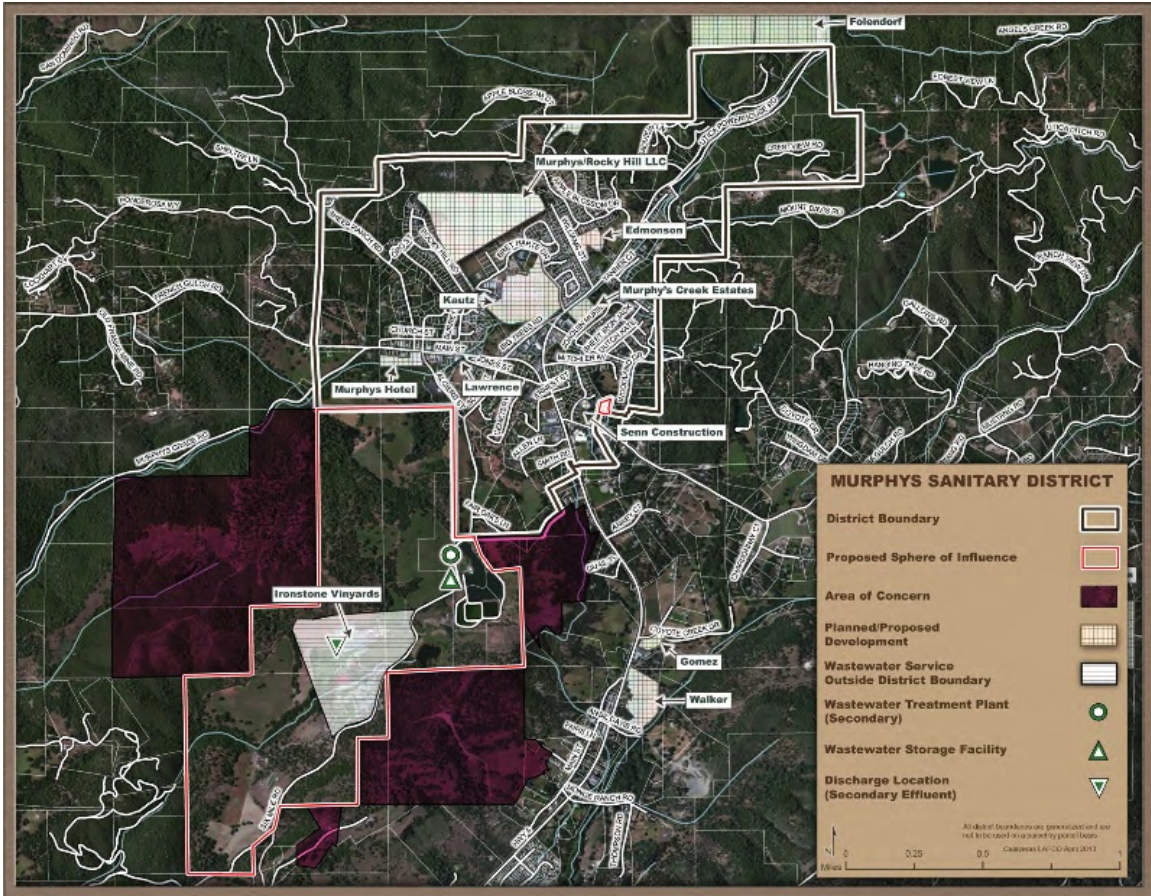
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Attachment A - MURPHYS SANITARY DISTRICT
 SPHERE OF INFLUENCE
 Resolution 2013-0002 April 15, 2013



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