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Special District Member

Rosemary Smith
Special District Alternate

Larry Russell
Public Member

Michael Spencer
Public Member Alternate

AGENDA ITEM 8.A.

Date: December 5, 2024

From: Krystle Heaney, Executive Officer

Subject: **City of Anderson MSR / SOI Update**

The Commission will consider adopting the City of Anderson MSR / SOI Update. This action is considered exempt from CEQA under CEQA Guidelines, Section 15061 (b)(3).

BACKGROUND

The Cortese-Knox-Hertzberg Local Government Reorganization Act directs Local Agency Formation Commissions (LAFCOs) to regularly prepare municipal service reviews (MSRs) in conjunction with establishing and updating each local agency's sphere of influence (SOI). The legislative intent of MSRs is to proactively assess the availability, capacity, and efficiency of local governmental services. MSRs may also lead LAFCOs to take other actions under their authority such as forming, consolidating, or dissolving one or more local agencies in addition to any related sphere changes. As part of the Commission's work plan, staff has been preparing a MSR / SOI Update for the City of Anderson.

DISCUSSION

The City provides water and wastewater to residents along with a full suite of municipal services including police, parks and recreation, planning and building, and more. Fire protection services are provided by the Anderson Fire Protection District. The City is funded through multiple sources including property taxes, gas taxes, fees for services, grants, and other special revenue. Overall, the City's audited net position increased over the five-year study cycle by \$1,937,180, or 4.4 percent. There are no proposed changes to the City's SOI as part of this update and LAFCO staff have found the City to have sufficient capacity to provide municipal services at present and in the near future.

City staff have completed two rounds of internal review of the City of Anderson's MSR / SOI Update and provided LAFCO staff with suggested revisions. LAFCO staff incorporated City feedback and prepared a Public Draft of the MSR / SOI Update for initial Commission and public review at the October 3, 2024, meeting.

Based on comments received from the Commission on the Draft MSR/SOI Update, staff revised the MSR/SOI Update which is provided as Attachment A. Changes included clarification on financial transactions, water supply and distribution, and police activity. No additional public comment was received since the October 3, 2024, meeting.

CEQA CONSIDERATIONS

The City of Anderson MSR/SOI Update was reviewed for consideration under the California Environmental Quality Act (CEQA). Since the MSR/SOI Update is a planning document only and does not recommend or outline any actions that would have a physical change or reasonably foreseeable indirect physical change in the environment, adoption of the document is considered exempt from

CEQA pursuant to Title 14 of the California Code of Regulations, Chapter 3 CEQA Guidelines, Section 15061 (b)(3).

RECOMMENDATION

This item has been agendized for consideration as part of a noticed public hearing.

Procedures for Consideration:

The following procedures are recommended with respect to the Commission’s consideration of this item:

- 1) Receive verbal report from staff;
- 2) Open the public hearing and invite testimony (mandatory); and
- 3) Discuss the item and - if appropriate - close the hearing and consider action on the recommendation:

“I move to adopt Resolution 2024-05, thereby approving the City of Anderson Municipal Service Review and Sphere of Influence Update as described in the staff report.”

Alternative Actions

The Commission may choose to continue the public hearing and provide direction to staff as needed on suggested revisions.

ATTACHMENTS

Attachment A - City of Anderson Revised Draft MSR/SOI Update

Attachment B - Draft Resolution 2024-05