



TULARE COUNTY LOCAL AGENCY FORMATION COMMISSION

210 N. Church Street, Suite B, Visalia 93291 Phone: (559) 623-0450 FAX: (559) 733-6720

LAFCO MEETING AGENDA

December 2, 2020 @ 2:00 P.M.

COMMISSIONERS:
*Pete Vander Poel, Chair
Julie Allen, V-Chair
Martha Flores
Dennis Townsend
Pamela Kimball*

ALTERNATES
*Eddie Valero
Carlton Jones
Vacant*

EXECUTIVE OFFICER
Ben Giuliani

NOTE: This meeting will allow Commissioners and the public to participate in the meeting via Teleconference, pursuant to the Governor’s Executive Order N-25-20 (March 12, 2020), available at <https://www.gov.ca.gov/wp-content/uploads/2020/03/3.12.20-EO-N-25-20-COVID-19.pdf>

The call-in number for this meeting is: 877-858-5743 | Passcode: 609873

Executive Order N-25-20 requires agencies holding meetings via teleconferences to designate a publicly accessible location from which members of the public may observe and provide public comment. Although members of the public are encouraged to participate via teleconference, LAFCo has designated the following physical location for public participation:

BOARD OF SUPERVISORS CHAMBERS | COUNTY ADMINISTRATIVE BUILDING
2800 West Burrel Avenue
Visalia, CA 93291

I. Call to Order

II. Approval of Minutes from October 7, 2020

(Pages 01-02)

III. Public Comment Period

At this time, members of the public may comment on any item not appearing on the agenda and that is within the scope of matters considered by the Commission. Under state law, matters presented under this item cannot be discussed or acted upon by the LAFCO Commission at this time. So that all interested parties have an opportunity to speak, any person addressing the Commission may be limited at the discretion of the chair. At all times, please use the microphone and state your name and address for the record.

IV. New Action Items

1. Lindsay Local Hospital District Municipal Services Review Update

(Pages 03-20)

[No Public Hearing].....Recommended Action: Approval

The Commission will consider the adoption of the Lindsay Local Hospital District MSR Update. The MSR and its determinations were posted for public review on November 10, 2020. The complete MSR is enclosed and is also available on LAFCO’s website at <https://lafco.co.tulare.ca.us/lafco/index.cfm/msr/> MSR’s are exempt from CEQA pursuant to Sections 15061 (b)(3) and 15303.

NOTE: Persons wishing to speak on any of the agenda items who have made a political contribution of more than \$250 to any commissioner in the last twelve months must indicate this when speaking. In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting please contact LAFCO Staff at 559-623-0450. Documents related to the items on this Agenda submitted to the Board after distribution of the Agenda packet are available for public inspection at 210 N Church Ste. B Visalia CA 93291

2. 2021 Proposal Deadline and Meeting Schedule (Page 21)
[No Public Hearing].....Recommended Action: Approval

The Commission will consider a schedule of meeting dates and application deadlines for 2021. This includes moving the January 6th, 2021 meeting to January 20th. All dates are tentative and subject to change.

3. Alternate Public Member Selection Committee (No Page)
[No Public Hearing].....Recommended Action: Select Alternate Public Member

Two applications were received for the Alternate Public Member Position. The Alternate Public Member Selection Committee will update and/or make a recommendation to the Commission.

4. Election of Officers (Page 23)
[No Public Hearing].....Recommended Action: Elect Chairman and Vice-Chairman

The Commission will select a new Commission Chair and Vice-Chair. The LAFCO Commission Chair and Vice-Chair are chosen on a rotating basis in accordance with LAFCO Policy A-4 which has typically been rotated from City to County to Public. The new officers' terms will commence on January 1, 2021 and end of December 31, 2021.

V. Executive Officer's Report

1. Legislative Update (No Page)

Executive Officer will provide verbal update

2. Upcoming Projects (No Page)

The Executive Officer will provide a summary and tentative schedule of upcoming LAFCO projects.

VI. Correspondence

1. Orosi PUD/East Orosi CSD water system consolidation (Pages 25-50)

Enclosed are letters from the State Water Resources Control Board (SWRCB) ordering the mandatory consolidation of the East Orosi CSD water system into the Orosi PUD water system. Orosi PUD and East Orosi CSD are required to submit a consolidation plan to the SWRCB by December 18, 2020.

VII. Other Business

1. CALAFCO Annual Conference (Webinars) Update (No Page)

2. Commissioner Report (No Page)

3. Request from LAFCO for items to be set for future agendas (No Page)

VIII. Setting Time and Place of Next Meeting

1. January 6, 2021 or January 20, 2021 @ 2:00 P.M in the Board of Supervisors Chambers in the County Administration Building.

IX. Adjournment

NOTE: Persons wishing to speak on any of the agenda items who have made a political contribution of more than \$250 to any commissioner in the last twelve months must indicate this when speaking. In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting please contact LAFCO Staff at 559-623-0450. Documents related to the items on this Agenda submitted to the Board after distribution of the Agenda packet are available for public inspection at 210 N Church Ste. B Visalia CA 93291

TULARE COUNTY LOCAL AGENCY FORMATION COMMISSION

**2800 W. Burrel Ave., Visalia, CA 93291 – Tulare County Administrative Building
October 7, 2020 – Meeting Minutes**

Members Present: Vander Poel, Allen, Flores, Townsend, Kimball
Members Absent:
Alternates Present: Valero
Alternates Absent: Jones
Staff Present: Giuliani, Ingoldsby, & Kane recording
Counsel Present: Erickson

- I. **Call to Order:** Chair Vander Poel called the meeting to order at 2:00 p.m.
- II. **Approval of the August 5, 2020 Meeting Minutes:**
Upon motion by Commissioner Flores and seconded by Commissioner Townsend, the Commission unanimously approved the LAFCO minutes.
- III. **Public Comment Period:**
Chair Vander Poel opened/closed the Public Comment Period at 2:02 p.m. No public comments received.
- IV. **New Action Items:**
 1. **Designate LAFCO Appointee to the Tulare County Association of Governments RTP/SCS Roundtable**
EO Giuliani explained that every four years a roundtable group is assembled to review and provide input for the Regional Transportation Plan and Sustainable Communities Strategy (RTP/SCS) and LAFCo is designated to participate by appointing a representative to be involved.

Upon motion by Commissioner Allen and seconded by Commissioner Townsend, the Commission unanimously approved to appoint Commissioner Allen to the RTP/SCS Roundtable.
 2. **Cancellation of the November 4th Meeting**
EO Giuliani stated that since no action items would be presented in November, the recommendation would be to cancel and hold the next meeting December 2, 2020.

Upon motion by Commissioner Townsend and seconded by Commissioner Kimball, the Commission unanimously approved to cancel the November meeting.
- V. **Executive Officer's Report**
 1. **Yettem-Seville Update**
Mr. Ross Miller, with Tulare County Resource Management Agency presented the phases of the Yettem-Seville Water System Improvement Project and highlighted the timeline of actions and Yettem-Seville CSD formation.

2. **Legislative Update:**

EO Giuliani stated that SB 414 was not passed but otherwise there was no other significant legislation to discuss.

3. **Upcoming Projects:**

EO Giuliani stated that several projects would be coming up since the cities of Dinuba, Woodlake, Porterville, and Visalia all have annexations in process.

VI. **Correspondence:**

1. CALAFCO Announcement regarding the October Annual Conference

EO Giuliani reported that the Annual Conference had canceled in person meetings due to Covid-19 but were currently looking into the possibility of holding online sessions.

VII. **Other Business:**

1. **Commissioner Report:**

None

2. **Request from LAFCO for items to be set for future agendas:**

None

VIII. **Setting Time and Place of Next Meeting:**

The next Local Agency Formation Commission (LAFCO) meeting scheduled for **December 2, 2020 at 2:00 p.m.** in the Board of Supervisors Chambers in the County Administration Building

IX. **Adjournment:** The Tulare County LAFCO meeting adjourned at 2:17 p.m.



Tulare County

Tulare County

LAFCO



MUNICIPAL SERVICE REVIEW

Prepared By

Tulare County

Local Agency Formation Commission

October 2020 - Draft

Lindsay Local Hospital District Municipal Services Review

Contact Information

Address: 831 B N. Sequoia Ave Lindsay, CA 93247
Mailing Address: Post Office Box 234, Lindsay, CA 93247
Website: <http://lindsayhospitaldistrict.org/>

Management Information

Governing Body: Board of Directors
Board Members: Greg McQueen, President
Valerie Velasquez, Vice President
Rick Loflin, Treasurer
Ivet Z. Soria, Secretary
Richard Hernandez, Director
Board Meetings: Monthly. Third Tuesday of the month at 6:00pm
Staffing: 1 part time administrative assistant.

Service Information

Empowered Services: Hospital and Health Care Services
Acres Served: 47,066 acres
Funding Sources: Property taxes, leased offices.

Description and History of the District

The Lindsay Local Hospital District (the District) was formed in October of 1958. The District Sphere of Influence is coterminous with the District boundaries, **Figure 1-1**. After the District was formed, the Lindsay District Hospital was established as a separate business entity assisted by District funding. Operation of the District hospital was contracted out to the Sierra-View Local Hospital District in 1995. Sierra View spent \$15 million over a 5-year period to renovate the hospital building and upgrade hospital equipment. However, the increased operational and regulatory costs forced the Sierra View LHD to cease hospital operations and transfer control back to the District. Under an agreement executed in 1995, ownership of the hospital facility was transferred from the District to the City of Lindsay. The

District, shifted its focus to providing for the health and safety of District residents through other healthcare programs.

Following the hospital closure, a Board meeting was held on January 30, 2001 to discuss how the estimated \$300,000 in annual property tax revenues could be used. District and City officials in attendance suggested that remaining facilities could be used to establish health lifestyle centers through a joint City/District venture.

The City of Lindsay procured a \$3 million Rural Development loan from the USDA for construction of a health center to serve the residents of rural Tulare County. The Lindsay Wellness Center, is a 14,000 square-foot facility consisting of a lap swimming pool, therapy pool, fitness gym, demonstration kitchen, physical therapy facility, and multi-purpose meeting rooms.

The facility is owned and operated by the City of Lindsay; the District serves the role of helping to fund a portion of Wellness Center costs. This type of agreement is expressly allowed under GC Section 32121 (m), which states in part that a healthcare district has the power to establish, maintain, and operate or provide assistance in the operation of free clinics, diagnostic and testing centers, health education programs, wellness and prevention programs, rehabilitation, aftercare, and any other healthcare services provider, groups, and organizations that are necessary for the maintenance of good physical and mental health in the communities served by the district. Government Code Section 32126.5 (a) (2) further allows a healthcare district to provide assistance or make grants to nonprofit provider groups and clinics already functioning within the community. Several statutes in the Healthcare District Act allow for service to be provided outside of District boundaries.

The District's Mission Statement is, "As the local Health Care District, our mission is to meet the health care needs of the District residents through the provision of health care services, wellness projects, public awareness, and health education. The Lindsay Local Hospital District was established to effectively improve and maintain local health care needs by:

- Identifying and assessing health care needs within the District
- Partnering with diverse resources and service providers to meet the health care needs of district residents

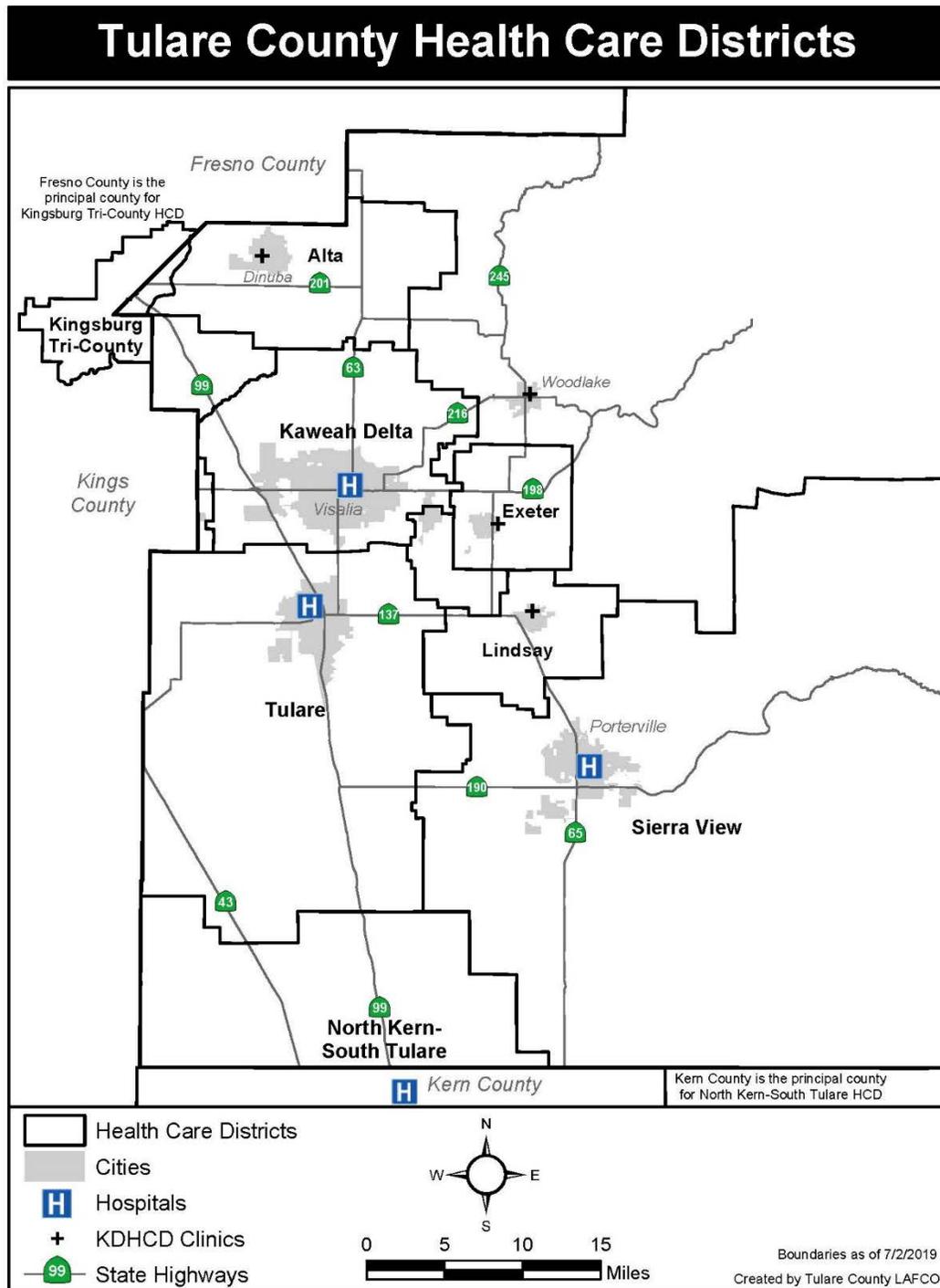
The District is committed to supporting wellness projects and health care services from the Lindsay Wellness Center and other locations in the District. This District also assists in the establishment of clinics within its boundaries for the District residents."

1 GROWTH AND POPULATION

The District encompasses the City of Lindsay, the communities of Tonyville, Plainview, El Rancho and the Page Moore Tract. The current District boundary and the currently adopted SOI for the District are coterminous and illustrated in **Figure 1-1**.

Future growth in the District boundaries is likely to be a combination of growth within the City of Lindsay and in the unincorporated areas of the County.

The District does not provide water, sewer, stormwater, utilities or any other services that directly affect the rate or location of population growth. The District is bordered by the Exeter Ambulance District to the north, Sierra View Local Hospital District to the South and Tulare Local Hospital District to the West as shown below in **Figure 1-2 Tulare County Health Care Districts**.



1.1 Written Determinations

1. The District boundary and the District Sphere of Influence are coterminous.
2. The Tulare County General Plan projects a population growth rate of 1.3% and the City of Lindsay General Plan projects a population growth rate of 1.1%.
3. District services do not directly affect the rate or location of population growth.
4. The estimated population within the District is 20,083 and the City of Lindsay accounts for about 2/3 of the population.

2 THE LOCATION AND CHARACTERISTICS OF ANY DISADVANTAGED UNINCORPORATED COMMUNITIES WITHIN OR CONTIGUOUS TO THE SPHERE OF INFLUENCE

Pursuant to Government Code section 56430, municipal service reviews are required to identify the location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence and to also identify needs or deficiencies related to sewers, municipal and industrial water and structural fire protection. Government Code section 56033.5 defines a “disadvantaged unincorporated community” as inhabited territory, as defined by section 56046 (12 or more registered voters), or as determined by commission policy, that constitutes all or a portion of a disadvantaged community as defined by Water Code section 79505.5 (a community with an annual median household income that is less than 80 percent of the statewide annual median household income).

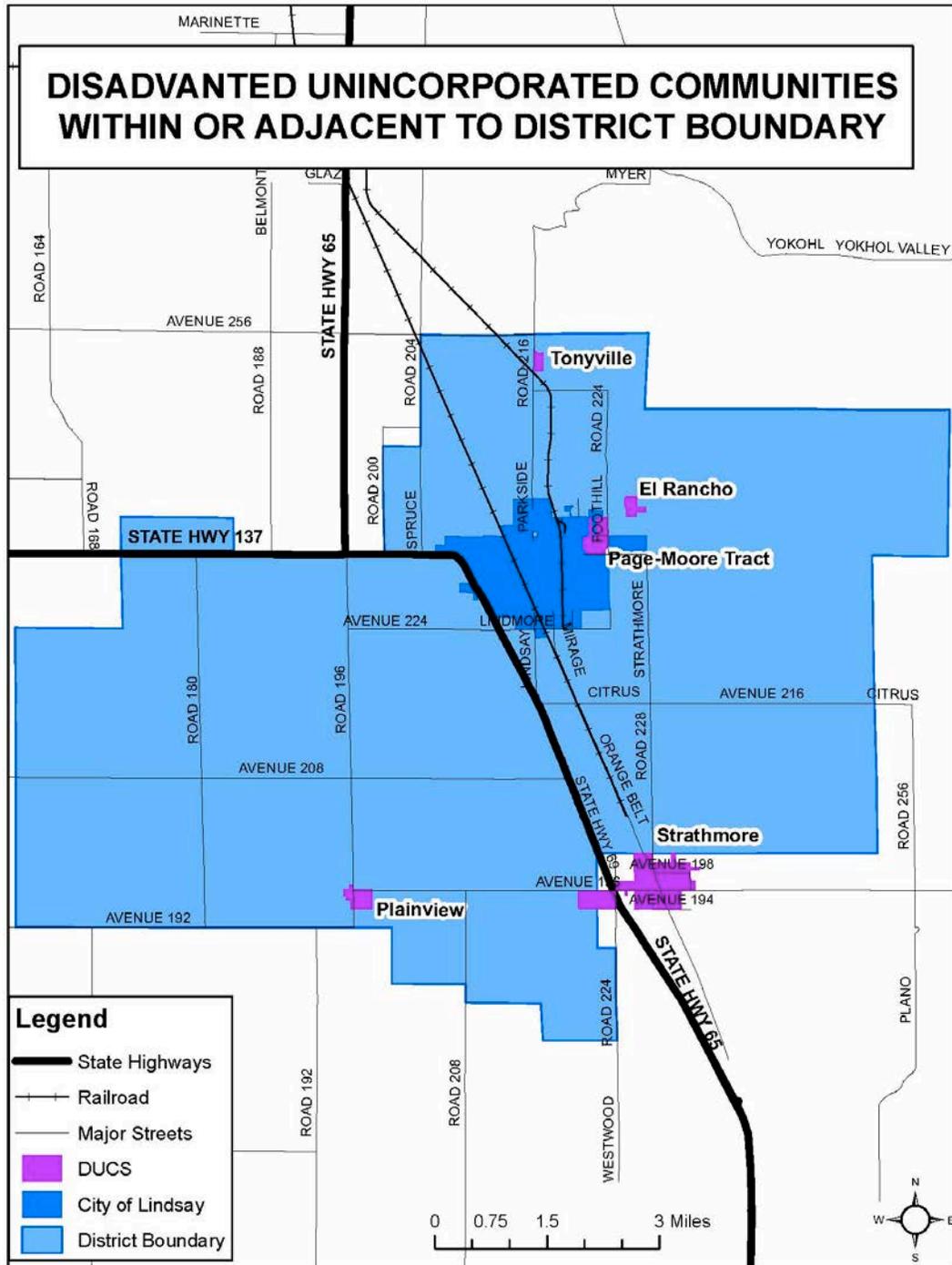
Tulare County LAFCO Policy C-5.7(C) defines a disadvantaged community as an area that has a median household income 80% or less of the statewide average pursuant to Public Resources Code section 75005(g) and contains at least 20 dwelling units at a density not less than one unit per acre.

In addition to what is required by GC §56430, Tulare County LAFCO Policy C-5.7(B)(VII)(a) requires that the Written Statement of Determinations for MSRs shall be based on a comprehensive review of area service providers conducted in accordance with GC §56430(b) and shall include, but is not limited to: estimate of existing population, identification of existing service providers, identification of services provided within the community, service costs and identification of surrounding land use designations, both existing and planned, contained in a city’s General Plan or County’s Community Plan for all (not just disadvantaged) unincorporated communities within or adjacent to the agency’s SOI. (Note: A reasonable effort shall be made to conduct a thorough review; however, the level of detail is subject to the extent data is readily available and relevant to the overall MSR analysis.)

Tulare County LAFCO identified El Rancho and the Page Moore Tract as part of a list of disadvantaged unincorporated communities (DUCs) that was adopted into policy on 5/2/12. The DUCs in or adjacent to the District’s current boundary/SOI also include Tonyville, Plainview and Strathmore and are shown

below in **Figure 2-1**. All of the DUCs are reviewed within the City of Lindsay and other special district MSRs with the exception of Plainview. Plainview is not within an urban services providing special district. The population of Plainview in the 2010 Census was 945 people with 224 housing units.

Figure 2-1 Disadvantaged Unincorporated Communities (DUCs) Within or Adjacent to District Boundary



Source: Tulare County LAFCO and Tulare County GIS Database (September 2020)

The service providers for water, wastewater, fire, and police protection for the identified DUCs are outlined in **Table 2-1** below.

Table 2-1 Service Providers for DUCs Within or Adjacent to District Boundary

	<u>Water</u>	<u>Wastewater</u>	<u>Fire</u>	<u>Police</u>
El Rancho	City of Lindsay	City of Lindsay	Tulare County Fire	Tulare County Sheriff
Page-Moore	City of Lindsay	City of Lindsay	Tulare County Fire	Tulare County Sheriff
Tonyville	Lindsay-Strathmore Irrigation District	Tulare County (CSA #1)	Tulare County Fire	Tulare County Sheriff
Plainview	Plainview Mutual Water Company	Private Septic	Tulare County Fire	Tulare County Sheriff
Strathmore	Strathmore Public Utility District	Strathmore Public Utility District	Strathmore Fire Protection District	Tulare County Sheriff

Source: Tulare County Community Plans

2.1 Written Determinations

1. El Rancho, Page Moore Tract, Tonyville and Plainview are identified disadvantaged unincorporated communities within the District boundaries and Strathmore borders the District to the south.
2. The DUCs within and bordering the District receive services from a variety of sources. These are listed in Table 2-1.

3 PRESENT AND PLANNED CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES INCLUDING INFRASTRUCTURE NEEDS AND DEFICIENCIES

The District entered into an agreement with the City of Lindsay for the development of the Lindsay Wellness Center in 2001. The Memorandum of Understanding (MOU) generally called for the District to pay the debt service and the City to pay for the operations of the Wellness Center. The MOU was updated in 2019. The updated MOU came about as the Wellness Center aged and began needing equipment repairs, replacements and upgrades which weren't adequately addressed in the original MOU.

In summary, the new MOU states that the District will contribute \$285,000 annually for operational expenses including the debt service, basic services and programming costs for the Wellness Center. If there are major unexpected expenses, the City can request assistance from the District and the District will act in good faith to consider the request.

The City and District established a Programming Committee that advises the Wellness Center on programming and budgeting for the Center. The Committee consists of two District members, two City Council members, and a fifth at large member who can come from the local school board, Healthy Kids Healthy Lindsay or other individual residing in the District.

The Wellness Center is located at 860 North Sequoia in the City of Lindsay. It is a valuable facility that serves many community needs. A comparable facility isn't available anywhere else in the county. The District's recent effort to update the MOU with the City will help ensure that the Wellness Center will continue to serve the community into the future.

The District also owns and leases 5 medical offices and uses the proceeds to help fund the District's grant program.

There are no current plans to expand the infrastructure of the district. Efforts to increase the use of the Wellness Center are ongoing. Nutrition and Diabetes classes are regularly held at the Wellness Center.

The District's grant program remains a key component of the District's functions. The grant policy and funding request procedures and policies are available on the District's website. The District should consider adding a grant application form to the website to aid prospective grantees. When a request for past district grants was made, the District directed LAFCO staff to review board meeting minutes that are available on their website. A review of board minutes shows the following approved grants in recent years:

Table 3-1 District Grant Awards

Grantee	Approval of Grant	Amount Awarded	Notes
Healthy Kids-Healthy Lindsay	5/26/15	\$233,310	Diabetes Integrated Project Program Phase 1
McDermont	8/25/15	\$8,500	Get Up and Move (GUM) program
Tim Cregor, LMFT	12/22/15	\$30,000	Mental Health Workshops
Lindsay Unified School District	2/16/16	Unknown	SPOT Screener Vision Assessment Tool
McDermont	3/15/16	\$8,400	Get Up and Move (GUM) program
Exeter District Ambulance	11/22/16	\$59,000	3 year commitment to serve district area. Ambulance is to be used primarily within LLHD District boundaries
Healthy Kids-Healthy Lindsay	12/13/16	Unknown	Diabetes Integrated Project Program
City of Lindsay	6/20/17	\$60,000	Get Up and Move (GUM) program
City of Lindsay	8/15/17	\$1,000	Health Fair Sponsorship
Healthy Kids-Healthy Lindsay	5/15/18	\$284,627	Diabetes Integrated Project for two years
McDermont	8/21/18	\$60,000	Get Up and Move (GUM) program
Lindsay Unified School District	12/18/18	\$10,000	Items for Human Body Systems for Lindsay High School Science Program
Lindsay Department of Public Safety	2/19/19	Not to exceed \$4,000	Two Automatic Defibrillators
Community Services Employment Training (CSET)	6/18/19	Not to exceed \$60,000	Tulare County Senior Services Meals on Wheels Program to serve seniors of Lindsay

McDermont	7/16/19	Not to exceed \$60,000	Get Up and Move (GUM)
Kaweah Delta	9/17/19	\$1,400/Saturday \$37,800 Total	MOU for Saturday Care at the clinic in Lindsay.

In May 2020, the board approved \$5,000 to be spent on facemasks to distribute to District residents at drive-through events in order to help curb the spread of Covid-19.

3.1 Written Determinations

1. The District has an updated MOU with the City of Lindsay to fund \$285,000 annually for the Lindsay Wellness Center debt service and operation costs.
2. The District owns and leases 5 medical offices.
3. The District operates a grant program to fund a variety of health related projects, equipment, and programs.
4. The District should consider adding a grant application form to the website to aid prospective grantees.
5. The District should develop and maintain a list of past and current grant recipients.
6. The District should consider adding the list of prior grant awards to their website.

4 FINANCIAL ABILITY TO PROVIDE SERVICE

The purpose of this section is to evaluate the jurisdiction’s capability to finance needed improvements and services.

According to the District’s 2019 audit, the District’s expenses exceeded the District’s revenues by \$35,024 for the year with a total net position of \$2,785,997. According to the 2019 audit, the district had \$2,289,779 in cash assets. According to the District’s 2018 audit, the District revenues exceeded its expenses by \$260,279 for the year to end the fiscal year with a total net position of \$2,821,001. According to audits in 2016, 2017, and 2018 the District has ended with a higher total net position in each year. The 2019 audit shows a slight decrease in total net position (reduced from \$2,821,001 to \$2,785,997). The recently updated MOU increases the District’s payments to the City of Lindsay from \$233,000 to \$285,000. Fiscal year 2019/20 also had an expensive repair for the Wellness Center which resulted in the District budgeting a \$163,000 deficit.

From property taxes, the district received \$521,477 in 2016, \$541,601 in 2017, \$566,910 in 2018 and \$593,642 in 2019. The District also receives revenue from leases several office buildings. These office building revenues usually exceed building maintenance expenses. However, the funds from property taxes alone would sufficiently cover ongoing district’s costs for the Wellness Center and the medical offices.

Funds that exceed the costs of the Wellness Center and building maintenance for the offices can be used for grants which allows the district to be flexible and financially able to continue to provide service for the foreseeable future. Even with this flexibility, the District should develop a policy for a target level of reserves.

4.1 Written Determinations

1. The District prepares an annual budget
2. The District prepares its financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP)
3. As of July 1, 2019 the District had a total net position of \$2,785,997.
4. The District has one long term liability and continues to make a good faith effort in payment. The District has agreed to pay the City of Lindsay \$285,000 toward the debt service and maintenance of the Lindsay Wellness center.
5. Based on available financial information, the District is financially sound.
6. The District should develop a policy for a target level of reserves.

5 STATUS OF AND OPPORTUNITIES FOR COST AVOIDANCE AND SHARED FACILITIES

The purpose of this section is to identify practices or opportunities that may help to eliminate unnecessary costs and to evaluate opportunities to share facilities and resources, thereby increasing efficiency.

5.1 Cost Avoidance

The District's employs one part-time staff but primarily relies on efforts of the board members and contracted professional services including engineering, legal services and other consulting services to meet the District's needs. This avoids unnecessary costs and long term liabilities such as the provision for retirement and healthcare.

5.2 Shared Facilities

The Wellness Center is a shared facility that has hosted a variety of tenants, classes, and events. Some of these include a fitness center, physical therapy office, nutrition classes, educational and social activities. The Wellness Center pool and therapy pool are used by the Lindsay High School swim team, summer recreation swim team, fitness center members, aquarobics classes, and the physical therapy office in addition to general public access.

The funding arrangement with the City of Lindsay that built and runs the wellness center is a key-part of the district's function. The district's recently updated MOU with the City calls for the District to pay

\$285,000 annually to the City of Lindsay for debt service and programming of the Wellness Center. Without the collaboration between the District and the City of Lindsay, it is unlikely that such a facility and its accompanying services and programs would be available to district residents. It is recommended that the District continue to coordinate and collaborate with the City of Lindsay, the Lindsay School District, and non-profit organizations to program the best uses of the Wellness Center

5.3 Written Determinations

1. The District avoids unnecessary costs and liabilities by contracting out professional services
2. The Wellness Center is a unique partnership between the District and City of Lindsay. The District pays \$285,000 towards the debt service and programming for the Wellness Center which serves a variety of users and persons within the District and City.
3. The District should continue to coordinate and collaborate with the City of Lindsay, the Lindsay School District and other non-profit organizations to program the best uses of the Wellness Center

6 ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS INCLUDING GOVERNMENT STRUCTURE AND OPERATIONAL EFFICIENCIES

The purpose of this section is to consider the advantages and disadvantages of various government structure to provide public services, consider the management structure of the jurisdiction and evaluate the accessibility and levels of public participation associated with the agency’s decision-making processes.

6.1 Government Structure

In 2019 the Kaweah Delta Health Care District issued a district boundary study where the potential consolidation of neighboring districts was examined for the purposes of spreading future bond issues to areas that use Kaweah Delta HCD facilities but are not currently within their boundaries. No recommendations were made from the study regarding if Kaweah Delta HCD should try to consolidate with neighboring districts. Rather an analysis of what it might look like, how much revenue Kaweah Delta HCD may receive, the feasibility and the process of doing so were examined. The report also looked at data from California’s Office of Statewide Health Planning and Development (OSHPD) regarding Kaweah Delta HCD’s market share of emergency/urgent care facilities and hospital stays of patients from within Lindsay LHD.

Table 6-1 Hospital Services Provided to Lindsay LHD Residents (2018)

Hospital	In-Patient*	%	Hospital	ER Only*	%
Kaweah Delta	728	44.7	Sierra View	3,612	56.6
Sierra View	595	36.5	Kaweah Delta	1,800	28.2
Valley Children’s	70	4.3	Valley Children’s	253	4.0
All Others	236	14.5	All Others	711	11.2

Source: OSHPD using 93247 zip code

*In-Patient includes Emergency visits that result in hospitalization. Emergency includes Ambulatory Surgery (same day surgery – no hospitalization).

Kaweah Delta operates a clinic within the District boundaries at the Sequoia medical offices. One of the grants distributed in 2019 by the District was to expand Saturday service at the clinic. The grant came with a MOU that the District would pay \$1,400 per Saturday up to \$37,800.

In 2016 one of the grants award by the District was to the Exeter District Ambulance and a MOU with the between the districts was approved 2017. This agreement came with a 3-year commitment that the Exeter District Ambulance would serve the LLHD District area with the ambulance

A primary benefit of Lindsay LHD remaining independent is maintaining local control of funding of health care services within their district. However, a potential consolidation with either Kaweah Delta HCD or Sierra View HCD should still be reviewed to determine if the consolidation would result in greater efficiency in the use of taxpayer funding and a better economy of scale for the provision of health care services to the area. A consolidation could include a condition where existing property tax revenue within Lindsay LHD must be used within the former District boundaries and condition that the consolidating district maintain the MOU with the City for the debt service and maintenance of the Wellness Center.

Lindsay LHD's funding for ambulance service from Exeter, funding for expanded services at the Kaweah Delta clinic, partnership with the City for the debt service and maintenance of the Wellness Center and provision of other grant awards appear to be an effective way at meeting the District's mission of serving its residents and is consistent with the responsibilities of a health care district in California Health and Safety Code.

6.2 Local Accountability and Governance

LAFCO may consider the agency's record of local accountability in its management of community affairs as a measure against the ability to provide adequate services to the SOI and annexation areas.

The District has a five member Board of Directors elected by voters residing within the District's Boundary. All five District board seats are elected at large and are presently filled.

The board creates District policy by adopting resolutions and ordinances through duly-noticed public meetings. Regularly scheduled Board meetings, which are open to the public are held on the third Tuesday of the month starting at 6:00pm. The meetings are held in the Lindsay Hospital District Board Room located at 831 B N. Sequoia Ave in Lindsay. District board meetings are open to the public and residents are invited to attend the monthly board meetings. Opportunity to address the District board on items not on the agenda is provided on each meeting's agenda.

The District maintains a website that meets the requirements of SB 929 and SB 272. The District's website provides general district information, board of directors contact information, board meetings times and location, and grant funding policy and procedures. Agendas are posted at the district office, city of Lindsay municipal building, and on the district's website no less than 72 hours prior to the

meeting. Agendas and minutes are posted to the website under the “Agenda / Minutes” tab. A direct link to the most recent agenda should be added to the home page.

The District has an active social media account. Recently the District has used it to advertising mask distribution to help curb the spread of Covid-19. The social media account is also use it also for air quality alerts and wellness center programming.

The board members are familiar with the Brown Act and receive regular training.

6.3 Written Determinations

1. The District’s method of awarding grants to increase clinic medical access and ambulance service appears to be an effective way of serving District residents.
2. The District should review and consider consolidation with Kaweah Delta HCD and/or Sierra View HCD.
3. The District is governed by a five member Board of Directors elected at large from within its boundaries.
4. The District complies with the Brown Act open meeting law by holding regularly scheduled meetings in which the public is invited. Regularly scheduled meetings are held on the third Tuesday of each month at 6:00 p.m. Agendas for Board meetings are posted at the district office, city of Lindsay municipal building, and on the district’s website no less than 72 hours prior to the meeting.
5. The District maintains a website that meets the requirements of SB 929 and SB 272. The District’s website provides district information, contact information, meeting times and locations and grant funding policy and procedures. It is recommended that the District provide a direct link to the most recent agenda to the home page.

7 ANY OTHER MATTER RELATED TO EFFECTIVE OR EFFICIENT SERVICE DELIVER AS REQUIRED BY COMMISSION POLICY.

Lindsay Local HD has no boundary conflicts or sphere of influence conflicts with any other hospital/health care district. Since Lindsay Local HD does not have a hospital facility and there are no plans for outward growth of services, the existing SOI is recommended to remain conterminous with the District boundaries.

BEFORE THE LOCAL AGENCY FORMATION COMMISSION
OF THE
COUNTY OF TULARE, STATE OF CALIFORNIA

In the Matter of the Adoption of the)
Municipal Service Review Update) **RESOLUTION NO. 20-XXX**
For the Lindsay Local Hospital District)

WHEREAS, the Commission is authorized by Government Code Section 56430 to conduct a service review of the municipal services provided in the county or other appropriate area designated by the Commission and prepare a written statement of its determinations; and

WHEREAS, Government Code Section 56425(g) requires the commission to review and update all spheres of influence (SOI), as necessary, every five years; and

WHEREAS, a service review must be completed before the Commission can consider an update to a SOI for a city or a district which provides municipal services as defined by Commission policy; and

WHEREAS, on August 3, 2011, the Commission adopted the first Municipal Service Review (MSR) and statement of determinations for Lindsay Local Hospital District (Resolution 11-011); and

WHEREAS, the Lindsay Local Hospital District MSR and its determinations have been updated to allow for the Commission’s consideration of a comprehensive update to the District’s SOI; and

WHEREAS, on December 2, 2020 this Commission heard, received, and considered testimony, comment, recommendations and reports from all persons present and desiring to be heard in this matter.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED as follows:

1. The information, material and facts set forth in the report of the Executive Officer and updated MSR Report for the Lindsay Local Hospital District including any corrections have been received and considered.

2. The Commission has reviewed and considered the information, material and facts presented by the following persons who appeared at the public hearing and commented on the proposal:

XXXXXXXXXX

XXXXXXXXXX

3. All notices required by law have been given and all proceedings heretofore and now taken in this matter have been and now are in all respects as required by law.

4. The Commission hereby finds the updated Lindsay Local Hospital District MSR:

- (a) Includes a subregion of the county appropriate for an analysis of the services to be reviewed;
- (b) Contains a written statement of the Commissions' determination of the subjects required to be analyzed in an MSR, and
- (c) Reviews all of the services subject to review within the Lindsay Local Hospital District boundary as set forth in LAFCO policy C-5.

5. The Municipal Service Review Report, including statement of determinations, for the Lindsay Local Hospital District is hereby adopted.

6. The current Sphere of Influence boundary shall remain unchanged.

The foregoing resolution was adopted upon motion of Commissioner X and seconded by Commissioner X, at a regular meeting held on this 2nd day of December 2020, by the following vote:

AYES:

NOES:

ABSTAIN:

PRESENT:

ABSENT:

Ben Giuliani, Executive Officer

si

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TULARE COUNTY LOCAL AGENCY FORMATION COMMISSION

210 N. Church Street, Suite B, Visalia 93291 Phone: (559) 623-0450 FAX: (559) 733-6720

COMMISSIONERS:
*Pete Vander Poel, Chair
Julie Allen, V-Chair
Martha Flores
Dennis Townsend
Pamela Kimball*

ALTERNATES
*Eddie Valero
Carlton Jones*

EXECUTIVE OFFICER
Ben Giuliani

To: LAFCO Members, Alternates and Executive Officer
From: Amie Kane, LAFCO Clerk
Subject: Proposed 2021 LAFCO Meeting and Application Deadline Schedule

The following meeting dates and application deadlines are proposed for 2021 which includes combining the January and February meetings to a new meeting date to avoid conflict with the holidays. Complicated proposals or those which have not been "pre-noticed" by the initiating agency may require additional time to process. Staff will make every effort to place the proposal on the corresponding agenda, however, unforeseen circumstances (i.e. missed publication dates, need for further information, incomplete applications etc.) may require placement of the proposal on another agenda.

APPLICATION DEADLINE

TENTATIVE MEETING DATE

<i>Friday, December 4, 2020</i>	January 20, 2021 [^]
<i>Friday, January 15, 2021</i>	March 3, 2021
<i>Friday, February 19, 2021</i>	April 7, 2021
<i>Friday, March 19, 2021</i>	May 5, 2021
<i>Friday, April 16, 2021</i>	June 2, 2021
<i>Friday, May 21, 2021</i>	July 7, 2021
<i>Friday, June 18, 2021</i>	August 4, 2021
<i>Friday, July 16, 2021</i>	September 1, 2021
<i>Friday, August 20, 2021</i>	October 6, 2021
<i>Friday, September 17, 2021</i>	November 3, 2021
<i>Friday, October 15, 2021</i>	December 1, 2021
<i>Friday, December 3, 2021</i>	January 19, 2022 [^]

[^]January/February meetings combined to avoid conflict with holidays

*All meetings held in the Tulare County Board of Supervisors Chambers

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TULARE COUNTY LOCAL AGENCY FORMATION COMMISSION

210 N. Church St., Suite B, Visalia, CA 93291 (559) 623-0540 FAX (559) 733-6720

COMMISSIONERS:
*Pete Vander Poel, Chair
Julie Allen,, V-Chair
Martha Flores
Dennis Townsend
Pamela Kimball*

December 2, 2020

ALTERNATES:
*Eddie Valero
Carlton Jones
Vacant*

TO: All LAFCO Commission Members and Alternates

FROM: Steven Ingoldsby

EXECUTIVE OFFICER:
Ben Giuliani

SUBJECT: Election of Officers for 2021

Commission Policy A-4 requires that the LAFCO Chair and Vice-Chair be annually chosen on a rotating basis so that all members will have an equal opportunity to serve as an officer. This has typically been rotated between City-County-Public members. Using the typical rotation, Public representative Julie Allen is scheduled to be Chair and City representative Martha Flores is scheduled to be selected as Vice-Chair. The terms of office for chair and vice-chair shall be one year from January 31 to December 31.

2021 Member Roster

<u>Member</u>	<u>Term Expires</u>
Pete Vander Poel (<i>County Commissioner</i>)	May 2024
Dennis Townsend (<i>County Commissioner</i>)	May 2024
Julie Allen (<i>Public Commissioner</i>)	May 2022
Martha Flores (<i>City Commissioner</i>)	May 2023
(<i>City Commissioner</i>) Vacant	May 2024
<i>Eddie Valero</i> (<i>County Alternate</i>)	May 2023
<i>Carlton Jones*</i> (<i>City Alternate</i>)	May 2021
<i>To be determined</i> (<i>Public Alternate</i>)	May 2024

*TBD based on election results

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State Water Resources Control Board

Division of Drinking Water

October 27, 2020

System No. CA5401003

Board Members
East Orosi Community Service District
P.O. Box 213
Orosi, CA 93647

COMPLIANCE ORDER NO. 03_24_20R_011
MANDATORY CONSOLIDATION TO THE OROSI PUBLIC UTILITY DISTRICT

The State Board appreciates the willingness of both parties to work together over the past several months. The State Board recognizes Orosi PUD and East Orosi CSD both submitted materials as part of this effort on October 15 and October 16, respectively; however as detailed in the attached order, the materials are incomplete. The State Board looks forward to continuing to work with both Orosi PUD and East Orosi CSD as they develop a sustainable long-term solution.

Enclosed is Compliance Order No. 03_24_20R_011 (hereinafter “Order”), issued to the East Orosi Community Service District (hereinafter “East Orosi CSD”) public water system. Please note that there are legally enforceable deadlines associated with this Order.

The Order contains legally enforceable directives with specific due dates. On or before December 18, 2020, Orosi PUD is required to submit the Consolidation Plan, required under Directive No. 1 of the Order. The deadline to achieve consolidation with the Orosi Public Utility District water system is December 31, 2024.

Any person who is aggrieved by a citation, order or decision issued under authority delegated to an officer or employee of the State Board under Article 8 (commencing with CHSC, Section 116625) or Article 9 (commencing with CHSC, Section 116650), of the Safe Drinking Water Act (CHSC, Division 104, Part 12, Chapter 4), may file a petition with the State Board for reconsideration of the citation, order or decision.

E. JOAQUIN ESQUIVEL, CHAIR | EILEEN SOBECK, EXECUTIVE DIRECTOR

Petitions must be received by the State Board within 30 days of the issuance of the citation, order or decision by the officer or employee of the State Board. The date of issuance is the date when the Division of Drinking Water mails a copy of the citation, order or decision. If the 30th day falls on a Saturday, Sunday, or state holiday, the petition is due the following business day by 5:00 p.m.

Information regarding filing petitions may be found at:

http://www.waterboards.ca.gov/drinking_water/programs/petitions/index.shtml

If you have any questions regarding this matter, please contact Karen Nishimoto of my staff at (818) 551-2049 or me at (916) 341-5045.

Sincerely,

A handwritten signature in black ink, appearing to read "Andrew Altevogt". The signature is fluid and cursive, with a long horizontal stroke at the end.

Andrew Altevogt
for Darrin Polhemus, P.E.
Deputy Director, Division of Drinking Water
State Water Resources Control Board

Enclosures

Certified Mail No. 7018-0040-0000-3159-6295

cc without attachments:

Carmen Moreno, East Orosi CSD – President
Orosi PUD Board of Directors
Ben Giuliani, Executive Officer, Tulare County Local Agency Formation Agency
Eddie Valero, Tulare County Board of Supervisors – District 4 (via email)
Denise England, Tulare County – Water Resources Program Director (via email)
Kurt Souza, SWRCB – Branch Chief (via email)
Bryan Potter, SWRCB – District Engineer (via email)
Karen Nishimoto, SWRCB – SoCal Engagement Unit (via email)
Caitlin Juarez, SWRCB – SoCal Engagement Unit (via email)
Ryan Jensen, Community Water Center (via email)
Kayla Vander Schuur, Self Help Enterprises (via email)
Vergie Nunez, La Voz de Vecinos Unidos (via email)

State Water Resources Control Board

Division of Drinking Water

October 27, 2020

System No. CA5410008

Board of Directors
Orosi Public Utility District
12488 Avenue 416
Orosi, CA 93647

COMPLIANCE ORDER NO. 03_24_20R_002
MANDATORY CONSOLIDATION OF THE EAST OROSI COMMUNITY SERVICE DISTRICT

The State Board appreciates the willingness of both parties to work together over the past several months. The State Board recognizes Orosi PUD and East Orosi CSD both submitted materials as part of this effort on October 15 and October 16, respectively; however as detailed in the attached order, the materials are incomplete. The State Board looks forward to continuing to work with both Orosi PUD and East Orosi CSD as they develop a sustainable long-term solution.

Enclosed is Compliance Order No. 03_24_20R_002 (hereinafter “Order”), issued to the Orosi Public Utility District (hereinafter “Orosi PUD”) public water system. Please note that there are legally enforceable deadlines associated with this Order.

The Order contains legally enforceable directives with specific due dates. On or before December 18, 2020, Orosi PUD is required to submit the Consolidation Plan, required under Directive No. 1 of the Order. The deadline to achieve consolidation with the East Orosi Community Service District water system is December 31, 2024.

Any person who is aggrieved by a citation, order or decision issued under authority delegated to an officer or employee of the State Board under Article 8 (commencing with CHSC, Section 116625) or Article 9 (commencing with CHSC, Section 116650), of the Safe Drinking Water Act (CHSC, Division 104, Part 12, Chapter 4), may file a petition with the State Board for reconsideration of the citation, order or decision.

E. JOAQUIN ESQUIVEL, CHAIR | EILEEN SOBECK, EXECUTIVE DIRECTOR

Petitions must be received by the State Board within 30 days of the issuance of the citation, order or decision by the officer or employee of the State Board. The date of issuance is the date when the Division of Drinking Water mails a copy of the citation, order or decision. If the 30th day falls on a Saturday, Sunday, or state holiday, the petition is due the following business day by 5:00 p.m.

Information regarding filing petitions may be found at:

http://www.waterboards.ca.gov/drinking_water/programs/petitions/index.shtml

If you have any questions regarding this matter, please contact Karen Nishimoto of my staff at (818) 551-2049 or me at (916) 341-5045.

Sincerely,

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Andrew Altevogt
for Darrin Polhemus, P.E.
Deputy Director, Division of Drinking Water
State Water Resources Control Board

Enclosures

Certified Mail No. 7018-0040-0000-3159-6301

cc without attachments:

Dennis R Keller, Keller & Wegley Engineering
Moses Diaz, Central Valley Legal Services
Carmen Moreno, East Oroquieta CSD – President
Ben Giuliani, Executive Officer, Tulare County Local Agency Formation Agency
Eddie Valero, Tulare County Board of Supervisors – District 4 (via email)
Denise England, Tulare County – Water Resources Program Director (via email)
Kurt Souza, SWRCB – Branch Chief (via email)
Bryan Potter, SWRCB – District Engineer (via email)
Karen Nishimoto, SWRCB – SoCal Engagement Unit (via email)
Caitlin Juarez, SWRCB – SoCal Engagement Unit (via email)
Ryan Jensen, Community Water Center (via email)
Kayla Vander Schuur, Self Help Enterprises (via email)
Vergie Nunez, La Voz de Vecinos Unidos (via email)

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CALIFORNIA
STATE WATER RESOURCES CONTROL BOARD
DIVISION OF DRINKING WATER

Name of Public Water System: Orosi Public Utility District

Water System No.: 5401008

Attention: Board of Directors

12488 Avenue 416

Orosi, CA 93647

Issued: October 27, 2020

ORDER NO. 03_24_20R_002
FOR MANDATORY CONSOLIDATION

The Division of Drinking Water (“Division”) of the State Water Resources Control Board (“State Board” or “Board”), acting by and through its Division of Drinking Water (hereinafter “Division”) and the Deputy Director for the Division hereby orders the consolidation of the Orosi Public Utility District (“Orosi PUD”) and the East Orosi Community Service District (“East Orosi CSD”). The Division further orders Orosi PUD and East Orosi CSD to take the actions set forth below to effect consolidation.

APPLICABLE AUTHORITIES

1 Section 116682(a) of the California Health and Safety Code (“CHSC”)¹ authorizes the State
2 Board to order the consolidation of water systems, whereby one public water system subsumes
3 another public water system or a state small water system that serves a disadvantaged
4 community and “consistently fails to provide an adequate supply of safe drinking water”. Section
5 116681(f) defines a “disadvantaged community” as a “community with an annual median
6 household income that is less than 80 percent of the statewide annual median household
7 income.” Section 116681(a) defines “adequate supply” as “sufficient water to meet residents’
8 health and safety needs at all times.” Section 116681(c) defines “consistently fails” as “failure
9 to provide an adequate supply of safe drinking water.” Section 116681(l) defines “safe drinking
10 water” as “water that meets all primary and secondary drinking water standards.” Section
11 116365(c) defines primary drinking water standards as maximum contaminant levels (MCLs) or
12 treatment techniques and monitoring and reporting requirements of MCLs.
13
14

15 Section 116682(b) requires the Board to engage affected water systems, local government, and
16 the public before deciding whether to order a consolidation. If the Board orders a consolidation,
17 Section 116882(d) requires the Board to make seven enumerated findings, which are set forth
18 in this order below. Section 116682(e)(1) requires the Board, upon ordering a consolidation, to
19 “provide appropriate financial assistance for the water infrastructure needed for the
20 consolidation.”
21
22

23 The Division exercises the State Board's consolidation authority pursuant to Section
24 116271(k)(2).
25
26

27 ¹ Unless otherwise noted, all statutory references are to the Health and Safety Code.

STATEMENT OF FACTS**Water Systems Characteristics****a. Community Demographics**

Orosi PUD is a community water system as defined by section 116275(i). Orosi PUD supplies domestic water to approximately 8,770 individuals through approximately 1,578 service connections. Orosi PUD operates under a Domestic Water Supply Permit (Permit No. 03-12-12P-008), issued by the Department of Public Health, the State Board's predecessor in the regulation of public water systems, on July 20, 2012². Orosi PUD relies on five active groundwater wells to supply water to the distribution system. Orosi PUD is a disadvantaged community as defined by Section 116681(f). Section 116681(f) incorporates the definition of disadvantaged community provided in Section 79505.5 of the Health and Safety Code. Section 79505.5 defines disadvantaged community as a community with an annual median income that is less than 80 percent of the statewide median household income. 80 percent of the statewide median household income is \$56,982. The 2014-2018 American Community Survey states that Orosi is a census designated place with a median household income of \$44,1756. This income classifies Orosi PUD as a disadvantaged community.

East Orosi CSD is also a community water system, as defined by Section 116275(i), supplying water for domestic purposes to approximately 932 individuals through 103 service connections. East Orosi CSD is located in an unincorporated area of Tulare County approximately two miles from Orosi PUD. The definition of a severely disadvantaged community is a community with an annual median income that is less than 60 percent of the statewide median household income.

² Authority for regulation of public water systems pursuant to the California Safe Drinking Water Act (CHSC, Section 116270 et seq.) was transferred from the Department to the State Board effective July 1, 2014. (See CHSC, Section 116271)

1 60 percent of the statewide median household income is \$ 42,737. The 2014-2018 American
2 Community Survey states that East Orosi is a census designated place with a median
3 household income of \$35,163. This income classifies East Orosi CSD as a severely
4 disadvantaged community.

5 **b. Water Sources**

6 East Orosi CSD operates under Domestic Water Supply Permit No. 03-24-19PA-023, issued
7 on December 31, 2019 by the Division. East Orosi CSD utilizes two groundwater wells to supply
8 water to the distribution system. Well 01 was drilled in 1983 and Well 02 was drilled in 1984.
9 California Code of Regulations, Title 22, Section 64554, requires a public water system with
10 fewer than 1,000 service connections to maintain storage capacity equal to the system's
11 maximum daily demand, unless it shows that it possesses an additional source or an emergency
12 interconnection that can meet maximum daily demand. East Orosi CSD has no standby
13 sources, storage capacity, or emergency interconnections with adjacent public water systems
14 and therefore does not meet maximum daily demand

15 Well 01 serves as the primary source of East Orosi CSD's water supply, due to nitrate
16 contamination of Well 02. However, since East Orosi CSD lacks storage or access to other
17 sources, Well 02 provides additional supply during high-demand summer months. Furthermore,
18 Well 01 underwent rehabilitation in 2017, during which time Well 02 served as the sole water
19 source for East Orosi CSD's customers. Well 02 did not have a functional water flow meter in
20 2017, and the Division directed East Orosi CSD to install a functional meter. As of December
21 2019, East Orosi CSD had not installed a functional meter.
22

23
24 East Orosi CSD was issued a planning funding agreement in 2012 to evaluate alternatives to
25 mitigate the nitrate contamination. The planning project included completion of a preliminary
26 engineering report (PER) that looked at a new well, required storage, existing distribution
27

1 system and meters. The PER was completed in 2017. A hydrologic survey concluded that the
2 only site for a new well that could feasibly connect to East Orosi CSD lay southwest of East
3 Orosi CSD and south of Orosi PUD. A test well confirmed that the site could produce an
4 adequate supply of uncontaminated drinking water. The PER analyzed two alternative routes
5 to connect the well site to East Orosi. Because of the site's location relative to Orosi PUD, both
6 alternatives skirted Orosi PUD. Therefore, the PER considered options for interconnecting
7 systems. Two options, C-1(a) and C-1(b), were considered for the first route. Option C-1(a)
8 would entail no interconnection and would require East Orosi CSD to construct a storage tank.
9 Option C-1(b) would entail interconnection with Orosi PUD along part of the route and a service
10 agreement for Orosi PUD to provide operations and maintenance to East Orosi CSD; but East
11 Orosi CSD would still need to construct a storage tank. Two options, C-2(a) and C-2(b), were
12 likewise considered for the second route. Option C-2(b) would entail the same services
13 agreement considered under Option C-1(b) and provide a backup water source for East Orosi
14 CSD, eliminating the need to construct a storage tank. Option C-2(b) would entail full
15 consolidation of the two systems. The PER concluded that the total construction costs for either
16 route, including storage tank construction under Option C-1, would be about the same
17 (approximately \$4,630,000 for Options C-1 and approximately \$4,320,000 for Option C-2). The
18 PER noted that East Orosi CSD did not have the financial resources or customer base to cover
19 the costs, stating, "There is no possibility of local financing; the District's residents cannot fund
20 the needed facilities." All options being about equal in terms of cost, the PER concluded that
21 Option C-2 would "provide . . . operations and maintenance stability" and a backup water source
22 for East Orosi CSD. The PER further concluded that Option C-2(b), entailing full consolidation,
23 "offers the additional long-term reliability afforded by a continuing legal responsibility to [Orosi
24 PUD]."
25
26
27

1 **East Orosi CSD's History of Violations**

2 **a. Violation of Nitrate MCL**

3 In July 2015, California changed the reporting units for nitrate from a maximum contaminant
4 level (MCL) of 45 mg/L as NO₃ to 10 mg/L as nitrogen (N). The change in reporting units brought
5 California in line with the USEPA and the other 49 states in the nation whose nitrate MCL is 10
6 mg/L (as N). Laboratories were allowed to report in either set of units for samples analyzed
7 through December 31, 2015. Title 22, Division 4, Chapter 15, Article 4, Section 64431 of the
8 California Code of Regulations sets the MCL for nitrate (as nitrogen) at 10 mg/L. Section
9 64432.1(a)(2) requires public water systems using groundwater that submit a sample containing
10 nitrate at a level equal to or greater than 50 percent of the MCL to monitor for that contaminant
11 on a quarterly basis.

12
13 On April 15, 2010, the Tulare County Environmental Department issued East Orosi CSD a
14 compliance order for exceeding the MCL for nitrate which required East Orosi CSD to sample
15 for nitrate quarterly.

16
17
18 On July 1, 2014, the Tulare County Environmental Health Department ceded regulatory
19 jurisdiction over East Orosi CSD to the Division. In 2015, quarterly samples from Well 02 each
20 exceeded the nitrate MCL. On November 9, 2015, the Division issued East Orosi CSD
21 compliance order 03_24_15R_001 for exceeding the nitrate MCL in Well 02 which directed East
22 Orosi CSD to return to compliance by December 1, 2018. However, quarterly samples from
23 Well 02 continued to exceed the nitrate MCL. In the fourth quarter of 2018, Well 01 exceeded
24 the nitrate MCL.

25
26 Results of quarterly samples between 2010 and the present are shown in Table 1, below.

27

Table 1: Nitrate Monitoring Results

Sample Date	Well 02 -West	MCL
02/10/10	58 mg/L *	45 mg/L as NO ₃
07/24/10	31 mg/L	45 mg/L as NO ₃
01/13/11	51 mg/L *	45 mg/L as NO ₃
06/30/11	50 mg/L *	45 mg/L as NO ₃
10/24/11	51 mg/L *	45 mg/L as NO ₃
02/01/12	Non-Detect	45 mg/L as NO ₃
02/27/12	50 mg/L *	45 mg/L as NO ₃
04/10/12	41 mg/L	45 mg/L as NO ₃
08/22/12	59 mg/L *	45 mg/L as NO ₃
10/22/12	42 mg/L	45 mg/L as NO ₃
01/03/13	45 mg/L	45 mg/L as NO ₃
04/01/13	63 mg/L *	45 mg/L as NO ₃
07/22/13	43 mg/L	45 mg/L as NO ₃
09/25/13	40 mg/L	45 mg/L as NO ₃
12/12/13	44 mg/L	45 mg/L as NO ₃
01/02/14	44 mg/L	45 mg/L as NO ₃
04/25/14	62 mg/L *	45 mg/L as NO ₃
07/28/14	49 mg/L *	45 mg/L as NO ₃
10/20/14	50 mg/L*	45 mg/L as NO ₃
01/12/15	52 mg/L *	45 mg/L as NO ₃
04/15/15	48 mg/L *	45 mg/L as NO ₃
07/27/15	11 mg/L *	10 mg/L as N
10/26/15	11 mg/L *	10 mg/L as N
01/14/16	11 mg/L *	10 mg/L as N
04/04/16	11 mg/L *	10 mg/L as N
07/25/16	10 mg/L	10 mg/L as N
10/17/16	12 mg/L *	10 mg/L as N
01/06/17	12 mg/L *	10 mg/L as N
04/07/17	12 mg/L *	10 mg/L as N
07/24/17	12 mg/L *	10 mg/L as N

1	10/23/17	11 mg/L *	10 mg/L as N
2	01/15/18	11 mg/L *	10 mg/L as N
3	04/18/18	11 mg/L *	10 mg/L as N
4	06/12/18	12 mg/L *	10 mg/L as N
5	07/20/18	12 mg/L *	10 mg/L as N
6	02/19/19	11 mg/L *	10 mg/L as N
7	03/22/19	12 mg/L *	10 mg/L as N
8	04/19/19	12 mg/L *	10 mg/L as N
9	07/22/19	12 mg/L *	10 mg/L as N
10	10/23/19	9.2 mg/L	10 mg/L as N
11	01/22/20	9.5 mg/L	10 mg/L as N
12	04/24/20	10 mg/L	10 mg/L as N
13	07/30/20	10 mg/L	10 mg/L as N

* in the body of the table indicates a sampling result above the MCL.

b. Monitoring and Reporting Violations

In addition to exceedances of the nitrate MCL in Well 02, East Orosi CSD has violated primary drinking water standards by failing to monitor for nitrate and other contaminants. East Orosi CSD was cited for failure to submit a nitrate sample for Well 02 for the fourth quarter of 2018. Since the first quarter of 2016, East Orosi CSD has intermittently submitted nitrate samples for Well 01: East Orosi CSD did not submit any samples for 2016 or the first three quarters of 2017 because the well was offline for repairs.

East Orosi CSD has received a number of citations for failure to monitor for contaminants in addition to nitrate. It failed to monitor for lead and copper in the second half of 2017 and all of 2018, finally submitting samples in September 2019. It failed to perform source monitoring for total coliform bacteria from November 2018 through January 2019. As of December 2019, East Orosi CSD had not submitted a required bacteriological sample siting plan for its distribution system, despite the Division in April 2018 directing it to submit a plan by June 2018. East Orosi CSD has also received citations for failing to monitor for disinfection byproducts and 1,2,3-Trichloropropane (1,2,3-TCP).

1
2 **Voluntary Consolidation and Administrator Efforts**

3 On July 13, 2018, the State Board sent letters to East Oroshi CSD and Oroshi PUD that strongly
4 encouraged them to negotiate a voluntary consolidation. The letters also directed East Oroshi
5 CSD and Oroshi PUD to complete the negotiations and report the outcome no later than six
6 months following the date of the letter.

7
8 The State Board attended a meeting of the Board of Directors of Oroshi PUD on September 12,
9 2017.

10
11 The State Board held a meeting with the Supervisor Steve Worthley, Supervisor Eddie Valero,
12 and Denise England the Tulare County Water Resources Program Director on September 13,
13 2018.

14
15 The State Board held a noticed public meeting on October 22, 2018 to take public comment
16 and testimony. A copy of the notice for said meeting is attached hereto as Attachment B.

17
18
19 The State Board attended an East Oroshi CSD Board meeting on February 28, 2019.

20
21 The State Board held a noticed public hearing on April 10, 2019 to take public comment and
22 testimony on mandatory consolidation. A copy of said notice is attached hereto as Attachment
23 B.

24
25 In January 2019, the State Board received letters from East Oroshi CSD and Oroshi PUD
26 requesting a six-month extension from the State Board to continue negotiations. In February
27

1 2019, the State Board denied the request for a six-month extension due to the non-compliant
2 water currently served to customers of East Orosi CSD.

3
4 The State Board attended a special joint board meeting between Orosi PUD and East Orosi
5 CSD board meeting on June 26, 2019. East Orosi CSD was unable to achieve a quorum at this
6 joint board meeting. The State Board participated in a conference call on September 30, 2019
7 with Orosi PUD, East Orosi CSD, Tulare County, and Cutler-Orosi Joint Unified School District.

8
9 The State Board held a meeting with Orosi PUD, LAFCo, Self Help Enterprises, Division of
10 Drinking Water, and Division of Financial Assistance on October 16, 2019. Representatives
11 from East Orosi CSD were invited to participate in this meeting but did not attend.

12
13 Representatives from Orosi PUD attended each of the said public forums. Representatives from
14 East Orosi CSD did not attend each of the said public forums. Despite these efforts, the State
15 Board has been unable to achieve voluntary consolidation of Orosi PUD and East Orosi CSD.

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18 East Orosi CSD did not have a quorum of board members in office until January 2019.
19 Therefore, the Orosi PUD board and East Orosi CSD board were unable to engage in voluntary
20 consolidation negotiations prior. As of March 2020, the State Water Board has coordinated
21 monthly meetings to support voluntary consolidation efforts. Initially, attendees included East
22 Orosi CSD, Division of Drinking Water, Division of Financial Assistance, Self Help Enterprises,
23 and Community Water Center. As of August 2020, Orosi PUD and Tulare County have
24 participated in the monthly meetings. The State Water Board requested letters of intent to
25 pursue voluntary consolidation along with milestones and schedules to progress consolidation
26 from both parties by October 16, 2020. East Orosi CSD submitted a letter of intent to consolidate
27

1 voluntarily and an incomplete milestones and timeline received on October 15, 2020. Orosi PUD
2 failed to submit a letter of intent to consolidate voluntarily but submitted an incomplete
3 milestones and timeline received on October 16, 2020.

4
5 After discussion with East Orosi CSD and their expressed interest, the State Water Board
6 initiated the first steps to appoint an administrator to the water system. The designated water
7 system letter was sent to East Orosi CSD on September 10, 2020.

8
9
10 **FINDINGS**

11 Pursuant to of Health and Safety Code section 116682(d), the State Board makes the following
12 findings:

- 13
14 1. East Orosi CSD has consistently failed to provide an adequate supply of safe drinking water.

15 **Discussion:**

16
17
18 For purposes of consolidation, “safe drinking water” means “water that meets all primary and
19 secondary drinking water standards.” Primary drinking water standards include MCLs,
20 treatment techniques, and monitoring and reporting requirements for MCLs. East Orosi has
21 consistently violated primary drinking water standards by exceeding the nitrate MCL in Well 02
22 over the past ten years and by failing on a number of occasions to monitor for nitrates, lead and
23 copper, total coliform, disinfection byproducts, and 1,2,3-TCP.

24
25 Although East Orosi CSD’s primary source of water is Well 01, which has not exceeded the
26 nitrate MCL as consistently as Well 02, Well 01 did exceed the nitrate MCL in the fourth quarter
27

1 of 2018. Furthermore, Well 01 does not consistently provide an adequate supply of water for
2 East Orosi CSD's customers. The system draws on the contaminated Well 02 during high-
3 demand summer months and relied solely on Well 02 for its water supply in 2017 while Well 01
4 underwent rehabilitation. Well 02 did not have a functioning water flow meter as of December
5 2019, so it is unknown whether Well 02 would be able to meet immediate demand if Well 01
6 were to be taken offline again. Regulations require systems of East Orosi CSD's size to
7 maintain storage capacity equal to maximum daily demand or else possess an additional water
8 source or emergency interconnection. Not only does East Orosi CSD lack sufficient
9 uncontaminated water supply to immediately meet maximum daily demand throughout the year,
10 it lacks storage capacity or an alternative source or interconnection to ensure the ability to meet
11 demand, as required by regulation. Apart from East Orosi CSD's failure to reliably meet demand
12 without drawing on a water source that has consistently exceeded the nitrate MCL, East Orosi
13 CSD has violated primary drinking water standards on a system-wide basis by failing to monitor
14 for nitrates and other contaminants. Therefore, East Orosi CSD has consistently failed to
15 provide an adequate supply of safe drinking water to its customers.
16

17
18 2. All reasonable efforts to negotiate consolidation of East Orosi CSD's water system with
19 Orosi PUD's water system were made by the State Board.

20 Discussion:

21 The Division participated in multiple meetings with East Orosi CSD and Orosi PUD regarding
22 the consolidation of the water systems. A voluntary consolidation agreement between Orosi
23 PUD and East Orosi CSD has not been achieved, nor have milestones and timelines for forward
24 progress been identified.
25
26
27

1 3. Consolidation of Orosi PUD's water system and East Orosi CSD's water system is
2 appropriate and technically and economically feasible.

3 Discussion:

4 As noted in Finding No. 1 above, East Orosi CSD has consistently failed to provide an adequate
5 supply of safe drinking water. It is not only appropriate, but necessary, that East Orosi CSD,
6 find an alternative water supply. The PER concluded that the only site for a new well that could
7 feasibly connect to East Orosi CSD lay southwest of East Orosi CSD and south of Orosi PUD.
8 A test well confirmed that the site could produce an adequate supply of uncontaminated drinking
9 water. The PER identified two routes to connect the well to East Orosi CSD, which, because of
10 the well site's location relative to Orosi PUD, skirted the district. Therefore, three of the options
11 considered by the PER involved interconnecting the two systems. The PER found that all
12 options would cost about the same amount, but that East Orosi CSD did not have the financial
13 resources or customer base to cover the costs, stating, "There is no possibility of local financing;
14 the District's residents cannot fund the needed facilities." However, as noted in Finding No. 6
15 below, the infrastructure needed to extend service from Orosi PUD's water system to East Orosi
16 CSD's water system is eligible to be constructed with grant monies provided by the State Board.
17 Section 116682 (e)(1) states that the State Board, as necessary and appropriate, will make
18 funds available, upon appropriation by the Legislature, to the receiving water system for the
19 costs of completing the consolidation or extension of service, including, but not limited to,
20 replacing any capacity lost as a result of the consolidation or extension of service, providing
21 additional capacity needed as a result of the consolidation or extension of service, and legal
22 fees. Funding pursuant to this paragraph is available for the general purpose of providing
23 financial assistance for the infrastructure needed for the consolidation or extension of service
24 and does not need to be specific to each individual consolidation project. The State Water
25 Resources Control Board shall provide appropriate financial assistance for the infrastructure
26
27

1 needed for the consolidation or extension of service. The State Water Resources Control
2 Board's existing financial assistance guidelines and policies shall be the basis for the financial
3 assistance. The PER concluded that full consolidation was the most preferable option, stating
4 that consolidation "offers the additional long-term reliability afforded by a continuing legal
5 responsibility [of Orosi PUD to East Orosi CSD]." Therefore, consolidation of Orosi PUD's water
6 system and East Orosi CSD's water system is appropriate and technically and economically
7 feasible.

8
9 4. There is no pending local agency formation commission process that is likely to resolve the
10 problem in a reasonable amount of time.

11 Discussion:

12 The Division has consulted with the Tulare County Local Agency Formation Commission
13 (LAFCo) and has confirmed there is no pending Tulare County Local Agency Formation
14 Commission process that is likely to resolve the problem in a reasonable amount of time. Written
15 correspondence was obtained via email from Tulare County LAFCo on May 11, 2020 and on
16 September 3, 2020 can be found in Attachment F. A full consolidation of East Orosi CSD and
17 Orosi PUD could happen through a consolidation action where the two districts join into a new
18 successor district or by dissolution/annexation where East Orosi CSD would be dissolved and
19 the same area annexed into Orosi PUD in a concurrent action. The request for a change of
20 organization could be made by either or both districts, by any "affected local agency" (for
21 example, the County) or by landowners or registered voters by petition within East Orosi CSD.
22
23

24
25 5. Concerns regarding water rights and water contracts of the subsumed and receiving water
26 systems have been adequately addressed.

27 Discussion:

1 The current source of water supply for East Orosi CSD water system and Orosi PUD's water
2 system is groundwater. The local groundwater basin is unadjudicated; therefore, the State
3 Water Board is not aware of concerns regarding water rights and water contracts of two districts.
4 The PER produced in East Orosi CSD's planning project included the development of a new
5 well located on the property owned by the Cutler-Orosi Joint unified School District. The PER
6 and Option Agreement are in Attachment G.

7
8 6. Consolidation or extension of service is an effective and cost-effective means to provide an
9 adequate supply of safe drinking water.

10 Discussion:

11 As described in Finding No. 3 above, consolidation of East Orosi CSD's water system with Orosi
12 PUD's water system is an effective and feasible means to provide an adequate supply of safe
13 drinking water to East Orosi CSD. The PER found that all options for connecting East Orosi
14 CSD to the new well site would cost about the same but concluded that Option C-2 would
15 "provide . . . operations and maintenance stability" and a backup water source for East Orosi
16 CSD. The PER further concluded that Option C-2(b), entailing full consolidation, "offers the
17 additional long-term reliability afforded by a continuing legal responsibility to [Orosi PUD]."

18
19 In the 2019 Sanitary Survey Report, the Division found that East Orosi CSD lacks technical,
20 managerial, and financial capacity (TMF) to manage and operate a reliable and sustainable
21 water system. The lack of TMF capacity appears to be a product of the lack of consistently filled
22 Board member positions, a lack of volunteer or hired management availability and the economic
23 reality of a small rate base and aging infrastructure. The infrastructure needed to extend service
24 from Orosi PUD's water system to East Orosi CSD's water system is eligible to be constructed
25 with grant monies provided by the State Board.

1 7. The capacity of the proposed interconnection needed to accomplish the consolidation is
2 limited to serving the current customers of the subsumed water system.

3 Discussion:

4 The capacity of the interconnection that will be installed between Orosi PUD's water system
5 and East Orosi CSD's water system to accomplish the consolidation is limited to serving the
6 current customers of East Orosi CSD.

7
8 **DIRECTIVES**

9 Orosi PUD and East Orosi CSD are hereby directed to take the following actions:

10
11 1. On or before December 18, 2020, prepare and submit for State Board review and approval,
12 a draft plan for consolidation of East Orosi CSD's water system with Orosi PUD's water
13 system that ensures East Orosi CSD has an adequate supply of safe drinking water; such
14 plan (hereinafter "Consolidation Plan") shall:

15 a) Develop tasks, time schedule, and involved parties necessary to achieve consolidation
16 of East Orosi CSD's water system with Orosi PUD water system. The timeline should
17 assume nine months for State Water Board issuance of funding agreement and a final
18 project completion date of December 31, 2024. Tasks shall include but not limited to the
19 following:
20

- 21 • Complete planning (30% plans, cost estimate, environmental work)
- 22 • Submit LAFCo Out-of-Area Service Agreement and/or Annexation Application
- 23 • Preparation of a Construction Funding Application
- 24 • Draft a Water Service Agreement between East Orosi CSD and Orosi PUD
- 25 • Sign Executed Funding Agreement and Water Service Agreement
- 26 • Finalize Plans and Specs, including approval from Orosi PUD, State Water Board,
27

1 and Tulare County

- 2 • Prepare Bid Documents/Bidding Process
- 3 • Obtain Necessary Construction Permits
- 4 • Select Contractor and Schedule/Begin Construction Activities
- 5 • Sign up new Water Customers in East Orosi CSD
- 6 • Water Quality Testing, Initiate Water Service, Project Completion

7

8 b) Ensure consolidation of East Orosi CSD's water system with Orosi PUD's water system,
9 not later than December 31, 2024.

10 2. If the State Board does not approve the plan, revise according to the comments received
11 and resubmit the Consolidation Plan within thirty (30) days, unless otherwise specified. The
12 final Consolidation Plan must be approved within 60 day of original submittal. If no
13 Consolidation Plan is received by December 18, 2020 or approved within 60 days of the
14 original submittal, the State Board will develop milestones and timelines for project
15 implementation.

16

17 3. Timely perform each element of the State Board's approved Consolidation Plan according
18 to the time schedule set forth therein.

19

20 4. Active participation in the funding process for the duration of the project.

21

22 5. Submit quarterly written progress reports to the State Board and have an authorized
23 representative knowledgeable of the consolidation efforts participate in monthly
24 coordination meetings. The first quarterly progress report shall describe progress made in
25 the quarter between October 15, 2020 through January 15, 2021 and shall be submitted to
26 the State Board by February 1, 2021 using the form provided in Attachment J.

27

- 1
2 6. Notify the State Board in writing and submit proposed alternative deadline for State Water
3 Board approval no later than fifteen (15) days prior to any deadline within the Consolidation
4 Plan that either party anticipates it will not timely meet.
5

6 All submittals required by this Order shall be addressed to:
7

8 Karen Nishimoto
9 State Water Resources Control Board
10 Division of Drinking Water, SAFER
11 500 North Central Avenue Suite 500
12 Glendale, CA 91203

13 The Division reserves the right to make such modifications to this Order and/or to issue such
14 further order(s) as it may deem necessary to protect public health and safety and to achieve the
15 consolidation addressed by this Order. Such modifications may be issued as amendments to
16 this Order and shall be deemed effective upon issuance.
17

18 Nothing in this Order relieves Orosi PUD of its obligation to meet the requirements of the
19 California Safe Drinking Water Act, CHSC, Division 104, Part 12, Chapter 4 (hereinafter
20 "SDWA"), or any regulation, standard, permit or order issued thereunder.
21

22 **PARTIES BOUND**

23 This Order shall apply to and be binding upon Orosi PUD, its officers, directors, agents,
24 employees, contractors, successors, and assignees.
25

26 **SEVERABILITY**
27

1 The requirements of this Order are severable, and Orosi PUD shall comply with each and every
2 provision hereof notwithstanding the effectiveness of any other provision.

3
4 **FURTHER ENFORCEMENT ACTION**

5 The California SDWA authorizes the Division to issue orders and citations with assessment of
6 administrative penalties to a public water system for violation or continued violation of the
7 requirements of the California SDWA or any regulation, permit or order issued or adopted
8 thereunder including, but not limited to, failure to correct a violation identified in a citation or
9 order. The California SDWA also authorizes the Division to take action to suspend or revoke a
10 permit that has been issued to a public water system if the system has violated applicable law
11 or regulations or has failed to comply with an order of the Division; and to petition the superior
12 court to take various enforcement measures against a public water system that has failed to
13 comply with an order of the Division. The Division does not waive any further enforcement action
14 by issuance of this order.
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19
20 October, 27 2020
21 Date



22 Andrew Altevogt
23 for Darrin Polhemus, P.E.
24 Deputy Director, Division of Drinking Water
25 State Water Resources Control Board

26 Certified Mail No.: 7018-0040-0000-3159-6301
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Attachments:

- Attachment A: Applicable Authorities
- Attachment B: Public Meeting and Public Hearing
- Attachment C: State Water Board Correspondence
- Attachment D: Orosi PUD Correspondence
- Attachment E: East Orosi CSD Correspondence
- Attachment F: LAFCo Correspondence
- Attachment G: Planning Project
- Attachment H: Regulatory Documents
- Attachment I: Letters of Support
- Attachment G: Quarterly Progress Report