
**SISKIYOU LOCAL AGENCY FORMATION
COMMISSION**

**CITY OF TULELAKE
MUNICIPAL SERVICES REVIEW
AND SPHERE OF INFLUENCE
UPDATE**



APRIL 2021



CITY OF TULELAKE

MUNICIPAL SERVICES REVIEW AND SPHERE OF INFLUENCE UPDATE

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SECTION 1 - INTRODUCTION

1.1 - Role and Responsibility of Local Agency Formation Commission (LAFCo)

The Siskiyou Local Agency Formation Commission (LAFCo) is the oversight agency for special districts and cities within Siskiyou County. The role of LAFCo under the Cortese-Knox-Hertzberg Reorganization Act of 2000 is to oversee local agency boundary changes and to adopt spheres of influence for local agencies. Among the purposes of LAFCOs are the discouragement of urban sprawl and the encouragement of the orderly formation and development of local agencies.

As such, LAFCo is considered the “watchdog” of local agencies by the State Legislature and is solely empowered with establishing spheres of influence that dictate the provision of future service delivery to orderly growth of that agency. Therefore, it is LAFCo’s responsibility to review the information available regarding services provided by an agency and make appropriate determinations that will establish future policy for future boundary decisions, such as annexations, for the corresponding jurisdiction.

1.2 - Municipal Service Review Purpose

The Municipal Services Review (MSR) process is a comprehensive assessment of the ability of existing government agencies to provide services effectively and efficiently to residents and users. The form and content of the MSR is governed by requirements of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act) and the State of California’s Local Agency Formation Commission (LAFCo) MSR Guidelines (Guidelines), published in August 2003.

The CKH Act requires all LAFCOs, including Siskiyou LAFCo, to prepare an MSR for each of its incorporated cities and special districts. The fundamental role of LAFCo is to implement the CKH Act by providing for the logical, efficient, and most appropriate formation of local municipalities, service areas, and special districts. These MSRs must be completed prior to, or in conjunction with, the update of a Sphere of Influence (SOI) or before LAFCo initiates any reorganization of district boundaries.

This review is intended to provide Siskiyou LAFCo with all necessary and relevant information related to the operations and management of the City of Tulelake (the City). The City is located approximately 2.5 miles south of the Oregon border in the northeastern corner of Siskiyou County (see Figure 1-1 and Figure 1-2). The information in this report may be used in considering an update to the City’s SOI by Siskiyou LAFCo or for other policy related decisions related to the City.



Figure 1-1
Regional Location

MSRs are intended to provide LAFCo with a comprehensive analysis of service provision by cities and other service providers within the legislative authority of LAFCo. The MSR focuses on service providers within the area of the City and will make determinations in each area of evaluation, providing the basis for Siskiyou LAFCo to review possible amendments to Sphere of Influence or possible reorganization, consolidation, or annexation with those other service providers.

1.3 - Methodology and Approach

The process of developing the MSR began with a kick-off meeting to discuss the existing services provided by the City to its residents. Following the meeting, a comprehensive survey was sent to the City of Tulelake staff. The purpose of the survey was to retrieve more specific and technical information regarding the City's operations and delivery of its various services. The information requested included documents such as planning and budgetary documents, adopted budgets, Capital Improvement Programs, technical or special studies, and any other records related to the provision of municipal services by the City.

1.4 - Public Review and Adoption Process

Two drafts of the MSR document were presented to LAFCo. A first draft allowed for public comments and a final draft was presented to the Commission for formal acceptance that incorporates any revisions, corrections, and responses to comments received at the prior public workshop.

1.5 - Required Topic Areas of Analysis

The MSR contains analysis and conclusions, referred to as determinations, regarding six topic areas set forth in the CKH Act. These areas of analysis contain the essential operational and management aspects of each service provider, and together constitute a complete review of the ability of the providers to meet the service demands of the residents and businesses within the City. The six topic areas used for analysis in this MSR are as follows:

1. Growth and Population Projections
2. Disadvantaged Unincorporated Communities
3. Present and Planned Capacity of Public Facilities and Adequacy of Public Services, Including Infrastructure Needs or Deficiencies
4. Financial Ability to Provide Services
5. Status of, and Opportunities for, Shared Facilities
6. Accountability for Community Service Needs, Including Governmental Structure and Operational Efficiencies

An explanation of the specific operational and management aspects considered in each of these topic areas is provided below.

1. *Growth and Population Projections*

Service efficiency is linked to a service provider's ability to plan for the future need of a city while also meeting existing service demands. This section reviews projected service demands and needs based upon existing and anticipated growth patterns and population projections. This is found in Section 2.

2. *The Location and Characteristics of any Disadvantaged Unincorporated Communities within or Contiguous to the Sphere of Influence*

Unincorporated disadvantaged communities, as defined by Water Code §79505.5, may lack basic infrastructure, such as water, sewer, or fire protection, because they may have been overlooked during the comprehensive land use planning process due to their socioeconomic status. To promote equality and environmental justice in accordance with adopted local policy and Senate Bill 244, which was adopted in 2011, the proximity of any disadvantaged community to existing service providers is analyzed and discussed in order to determine if the community should be included in the SOI of the City. This is found in Section 3.

3. *Present and Planned Capacity of Public Facilities and Adequacy of Public Services, Including Infrastructure Needs or Deficiencies*

Infrastructure can be evaluated in terms of condition, capacity, availability, quality, and relationship to operational, capital improvement and finance planning. This section assesses the adequacy and quality of the service providers' physical infrastructure and analyzes whether or not sufficient infrastructure and capital are in place (or planned for) to accommodate planned future growth and expansions. This is found in Section 4.

4. *Financial Ability to Provide Services*

This section analyzes the financial structure and health of the City with respect to the provision of services. Included in this analysis is the consideration of rates, service operations, and the like, as well as other factors affecting the City's financial health and stability, including factors affecting the financing of needed infrastructure improvements and services. Compliance with existing State requirements relative to financial reporting and management is also discussed. This is found in Section 5.

5. *Status of, and Opportunities for, Shared Facilities*

Practices and opportunities that may help to reduce or eliminate unnecessary costs are examined in this section. Occurrences of facility sharing are listed and assessed for efficiency, and potential sharing opportunities that would serve to better deliver services are discussed. This is found in Section 5.2.

6. *Accountability for Community Service Needs, Including Governmental Structure and Operational Efficiencies*

This section addresses the adequacy and appropriateness of the agency's existing boundaries and Sphere of Influence and evaluates the ability of the City to meet their service demands under their existing government structure. Also, included in this section is an evaluation of compliance by the agency with public meeting and records laws. This is found in Section 5.3.

1.6 - Issues Analyzed

Tulelake is a general law city located in the northeastern corner of Siskiyou County near the Oregon border, encompassing approximately 264 acres. The City was established in 1906 and is empowered to provide various municipal services, including the following, which will be addressed in this MSR:

- Water Infrastructure
- Wastewater Infrastructure
- Storm Drainage
- Road Maintenance
- Law Enforcement
- Fire Protection
- Administration, Management, and Operations

The preamble of the CKH Act contains a number of legislative findings and declarations that serve as a general guide for LAFCo's and their purpose for being. The first and main declaration is that:

It is the policy of the State to encourage orderly growth and development, which are essential to the social and economic well-being of the State.

The Legislature goes on to make further declarations in CKH Section 56001 about how the determination of orderly local government boundaries is important to orderly growth and development. The Legislature also makes the following declarations in Section 56001:

The Legislature finds and declares that a single multipurpose governmental agency is accountable for community service needs and financial resources and, therefore, may be the best mechanism for establishing community service priorities especially in urban areas.

Nonetheless, the Legislature recognizes the critical role of many limited purpose agencies, especially in rural communities.

The Legislature also finds that, whether governmental services are proposed to be provided by a single-purpose agency, several agencies, or a multipurpose agency, responsibility should be given to the agency or agencies that can best provide government services.

The main purpose of this MSR is to review past findings, if available, for various City services and evaluate if the level of services currently being provided is operating at a level that is still encouraging orderly growth and efficient service delivery to residents of Tulelake. Once that is determined by LAFCo, then questions regarding SOI and boundary change recommendations can be answered.

1.7 - Background, Setting and History

The City of Tulelake is located in the far northeastern corner of Siskiyou County, approximately 2.5 miles south of the Oregon border. The City encompasses an area of approximately 264 acres with an average elevation of 4,035 feet above sea level. The community of Tulelake was established following institution of the Klamath Project, a major reclamation effort initiated in 1906 to drain shallow lakes and marshlands in the Klamath Basin, which spans the boundary of California and Oregon. That reclamation project made thousands of acres of land available for agricultural production. As fertile soils were created and irrigation systems developed, the federal government encouraged homesteading through lotteries, largely for returning servicemen and their families. Today, the City of Tulelake is surrounded by thousands of acres of cropland that was previously located under the waters of nearby Tule Lake. The City of Tulelake was incorporated in 1937.

The City is governed by a Council/Manager form of government made up of five council members elected to four-year, overlapping terms. The fiscal year of the City is from each July 1 to June 30 of the following year.

The City works with other local and regional government agencies including Klamath County in Oregon, the U.S. Forest Service, and the Department of Fish and Wildlife.

1.8 - Services Currently Provided

Tulelake provides a wide range of services including police and fire protection, street maintenance, parks and recreation, engineering, building inspection, public improvements, and general administration. City recreational facilities include the Tulelake/Newell Family Center, as well as conditional use recreation space on the high school and elementary school. City parks include Otis Roper, Ridgeview, Vicky Thaler, Harold Clinton, and Shott Park. Further description of each service and the extent of its current operations are included in Section 4 of this document.

Other essential services provided to the residents of the City are overseen through various other agencies. These agencies fill voids in the municipal service needs of City residents where the City chooses not or simply cannot provide an identified service. The other public agencies include the Siskiyou County Sheriff's Department, Tulelake Multi-County Fire District as well as fire protection agencies in Klamath County, Oregon. Other private entities also meet service needs for residents of the City, such as private contract companies. Adkins Engineering is contracted as the City Engineer.

Table 1-1 illustrates the services provided in the Tulelake area. The matrix specifies whether the services that can and are being provided now or whether those services that are authorized but not being provided currently.

Provides - means that the agency is authorized by LAFCo and State law to provide the service and that the service is currently being provided. These services may continue to be provided by the agencies at their discretion.

Authorized - means that the agency is authorized by LAFCo and State law to provide the service, but this service is not currently being provided.

Table 1-1
Services Matrix within the City of Tulelake

Municipal Service Type	Tulelake
Water supply	Provides
Water distribution	Provides
Sewer collection & disposal	Provides
Storm drainage	Provides
Flood control	Authorized
Street construction	Authorized
Street maintenance	Provides
Street lighting	Provides
Street sweeping/snow plowing	Provides
Solid waste collection, transfer & disposal	Provides
Police protection	Provides ¹
Fire protection	Provides ²
Animal control	Provides
Parks & recreation	Provides
Airports	Authorized
Ambulance service	Authorized
Emergency medical service	Authorized
Community facilities	Provides
Television/Cable services	
Transportation	Authorized
Cemeteries	
Open space conservation	Authorized

¹ A mutual aid agreement exists between the City of Tulelake Police Department and the Siskiyou County Sheriff's Department. The Siskiyou County Jail is used for all bookings made by the City of Tulelake.

² A contract exists between the City of Tulelake and Tulelake Multi-County Fire District to provide fire protection services. Mutual aid agreements have been set up between the U.S. Forest Service, Fish and Wildlife, Lava Beds National Monument, and fire protection agencies existing in Klamath County, Oregon.

1.9 - Determinations

Determination 1-1 – Siskiyou LAFCo has the authority to determine the Sphere of Influence for the City of Tulelake.

Determination 1-2 – A single multipurpose governmental agency, such as a city, County Service Area, Public Utility District or Community Services District, is the preferred entity by LAFCo and could be accountable for all community service needs and financial resources and, therefore, may be the best mechanism for establishing community service priorities especially in urban areas. Governmental services should be given to the agency or agencies that can best provide government services.

Determination 1-3 – The City of Tulelake is currently providing the following services:

- Water Infrastructure
- Wastewater Infrastructure
- Storm Drainage
- Street Maintenance and Street Lighting
- Street Sweeping/Snowplowing
- Solid Waste Collection, Transfer, and Disposal
- Law Enforcement
- Fire Protection
- Animal Control
- Parks and Recreation
- City Hall

Determination 1-4 – The following services are currently provided by other agencies or private entities within or around the City of Tulelake:

- Ambulance Services
- Emergency Medical Services
- Street Construction

SECTION 2 - GROWTH AND POPULATION PROJECTIONS

The purpose of this section is to evaluate service needs based on existing and anticipated growth patterns and population projections. The MSR Guidelines call for LAFCo to determine historic and projected growth and absorption patterns in relationship to a service provider's boundaries and SOI. In addition, LAFCo is tasked with evaluating the impact and compatibility of such growth on and with land use plans, services, local government structures and growth patterns.

2.1 - Historical Data and Population Projections

Historical population data and future projections have been obtained from the U.S. Census Bureau, and the California Department of Finance. For analysis purposes, this data is compared to other source data relating to growth and population including the City's General Plan population projections. Tulelake has experienced a slow growth rate in recent years (less than one percent annually in the last decade) and has experienced periods of population decline. According to the CA Department of Finance, the City's population is currently 1,010. Historical census data indicates that Tulelake had a population of 1,010 in 1990, 1,020 in 2000, and 966 in 2010. According to the DOF, the City experienced its most dramatic population growth between 1980 and 1990, but the population peaked in 2002 and has since declined.

According to U.S. Census Bureau, the City's population, as of January 1, 2017, was 913 (453 males and 460 females). The total number of housing units was 472, of which approximately 317 were occupied. The breakdown in household size is as follows: one-person household – 24.6%, two-person household – 30.9%, three-person household – 15.5%, and four or more person household – 29.0% (Census, 2017).

The 2013-2017 American Community Survey five-year estimates state that the median total household income is \$31,467. Similarly, The Census Bureau estimates the 2017 demographic makeup of the City of Tulelake as 76.2% Hispanic or Latino and 23.8% White alone. The City's Hispanic/Latino population grew at a faster rate than all other populations, increasing from 51.1% in 2010.

The City of Tulelake's General Plan does not discuss population projections. According to Census data dating back to 1970, the population of Tulelake has stayed relatively the same for the past 50 years, not experiencing significant change (Commerce, 1970). The existing SOI for the City covers 1.04 square miles. No new housing will need to be built in order to accommodate population projections. The U.S. Census Bureau estimated the 2017 vacant housing units at roughly 32.8%. Were the population to grow at a management rate, the growth could be accommodated through occupation of existing vacant structures, and even new development if need be.

Table 2-1 compares the City of Tulelake's population to the overall population of Siskiyou County for years 1970, 1980, 1990, 2000, 2010, and projected for years 2020, 2025 and 2030.

**Table 2-1
Historical Population Growth (1970-2030)**

Year	Tulelake		Siskiyou County	
	Population	Average Annual Growth Rate	Population	Average Annual Growth Rate
1970	857		33,224	
1980	783	-8.6%	39,400	+19.59%
1990	1,010	+29.0%	43,531	+8.9%
2000	1,020	+1.0%	44,281	+2.3%
2010	1,010	-1.0%	44,900	+1.4%
2015	1010	+0.0%	44,776	-0.37%
2020	1015 ³	+0.001%	44,272	-1.1%
2025	1020	+0.001%	44,352	+1.18%
2030	1025	+0.001%	44,392	+0.09%

Source: Department of Finance E-4 Population Estimates for Cities, Counties, and the State

As indicated in Table 2-1 compares the City of Tulelake’s population to the overall population of Siskiyou County for years 1970, 1980, 1990, 2000, 2010, and projected for years 2020, 2025 and 2030.

Table 2-1, it is estimated that Tulelake’s population will reach approximately 1,015 by year 2020, while extrapolating its historical growth rate results in an estimated population of 1,025 by 2030. It is anticipated that the City will comprise approximately 2.3% of the overall County population by year 2030, compared to 2.25% in 2010.

2.2 - Planning Documents

As of the completion of this MSR, the City of Tulelake had not recently updated its long-range planning documents. The City does have a General Plan, which was last updated in 1978. A city’s general plan is a long-term, comprehensive framework to guide physical, social, and economic development within the community’s planning area. Being that the General Plan is as old as it is, it may not be as affective in being a long-range guide for attaining the City’s current goals within its service area. It will still be analyzed for the sake of this MSR, but only applicable parts will be discussed. It would benefit the City to update their General Plan.

Senate Bill 375 contained a statutory amendment providing an option to applicable transportation agencies to change the update schedules for the Regional Transportation Plan and Housing Element (HE). A Metropolitan Planning Organization (MPO) or Regional Transportation Planning Agency (RTPA) on a five-year Regional Transportation Plan (RTP) update schedule can elect to adopt its RTP every four years. After the election is made, all local governments within the region of the MPR or RTPA change from a five-year to an eight-

³ 2020-2030 population projections were calculated using the historical data from the Department of Finance E-4 Population Estimates

year HE planning period beginning with the next HE update (Department of Housing and Community Development, 2014). The Housing Element also needs to be reviewed and approved by the California State Department of Housing and Community Development (HCD). The City of Tulelake Housing Element, while meant to be part of the General Plan, is separately bound and was last updated in 2015.

2.3 - Planning Boundaries

Tulelake's current (2011) SOI extends from the intersection of Yost Road and the Volcanic Legacy Scenic Byway in the north to the intersection of Wright Road and Modoc County Road in the south. The SOI also extends from Yost road in the west and following the diagonal created by California State Highway 139 to the east. This boundary includes a total of approximately 665 acres of land within and surrounding the current City limits, which consists of approximately 255 acres.

2.4 - Annexations

The City of Tulelake processes annexation applications for discretionary review by the City Council. Tulelake allows for the consideration of annexations of land within the Sphere of Influence. It is projected though that the new growth in the City, if any, will occur within the existing City limits. Land within the City of Tulelake's SOI boundary may be annexed into the City upon approval by the Siskiyou County LAFCO, thereby transferring land use authority for the land within the SOI from the County of Siskiyou to the City of Tulelake.

Tulelake is not expected to grow significantly through the addition of new territory to its boundaries in the coming years and, accordingly, major annexations are not anticipated. Most of the area outside the City limits but inside the Sphere of Influence is agricultural land and is not considered developed (see Figure 2-1). The General Plan states that "The City should utilize all available lands within the existing City limits before it considers additional annexations in the future" (City of Tulelake, 1978). If this land becomes developed in the future and the area within the City limits grows significantly, it is possible to consider future annexations. This is not projected to happen anytime in the near future.

2.5 - Land Use

The City is located within the far northeastern portion of Siskiyou County, bordered on the southwest by Tule Lake and surrounded almost entirely by agricultural land. Tulelake's elevation lies around 4,035 feet. Major access roads include California Highway 139. The City has a small, developed core area that hugs CA-139 along the northeastern edge.

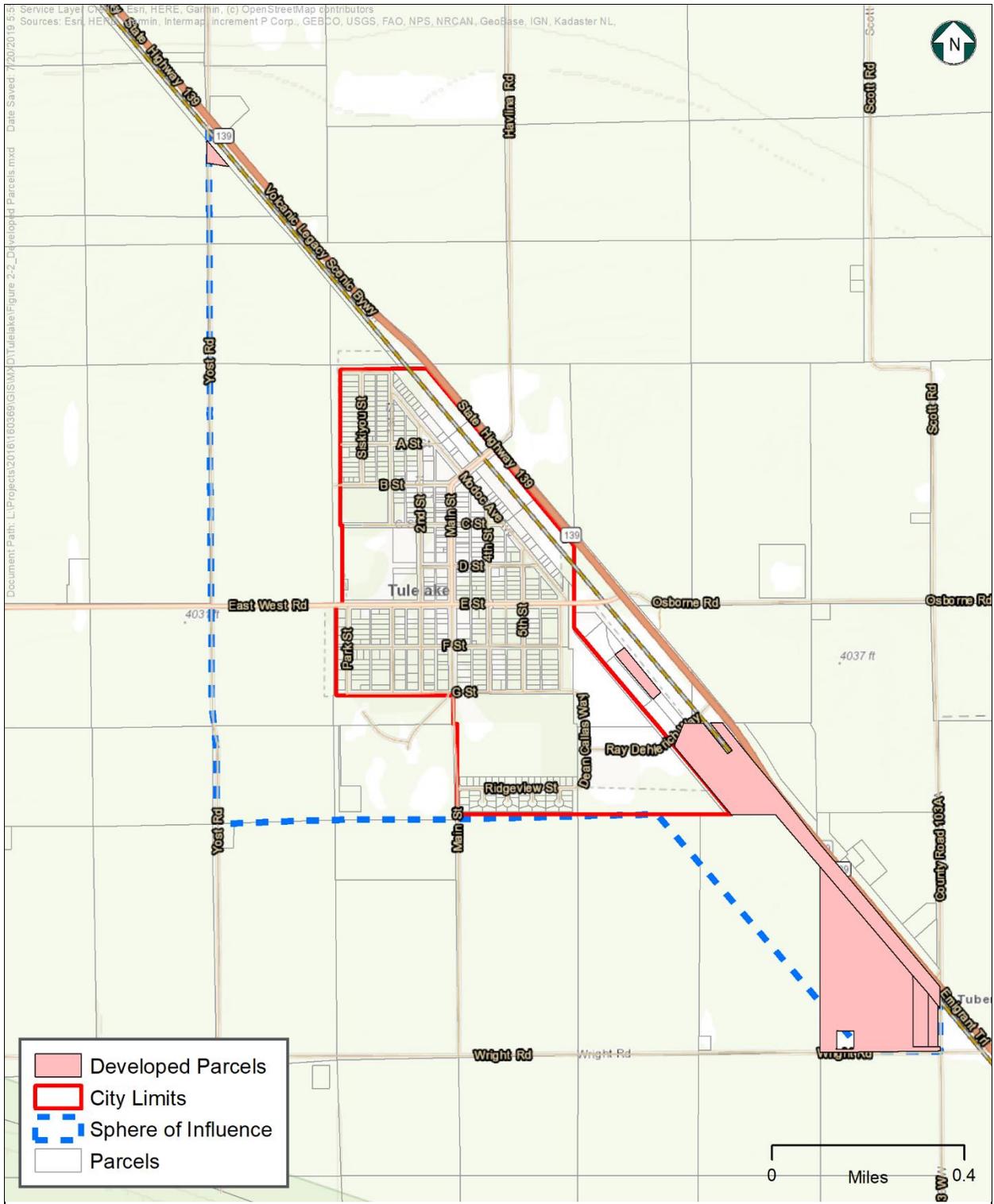


Figure 2-1
Existing Developed Areas within the Sphere of Influence

The City of Tulelake's General Plan Lists the following as the "General Goals" of the land use within the City:

1. Promote the protection and preservation of prime agricultural lands;
2. Promote orderly and stable development and internal unity of growth;
3. Promote the long-term welfare of the community;
4. Reduce land-use conflicts;
5. Maintain and enhance the existing environmental setting;
6. Encourage development of vacant land within the City prior to annexations;
7. Redevelop blighted areas;
8. Reserve adequate space for each land-use category;
9. Discourage urban sprawl;
10. Promote economy in the cost of community services;
11. Protect the public health and safety;
12. Underground utilities; and
13. Provide a full range of private and public services.

The unincorporated area within the City's Sphere of Influence is mostly rural. Some areas are developed, as can be seen in Figure 2-1.

As prescribed by General Plan Policy, the City should encourage development of vacant land within the City prior to annexations. Prioritization should lie with infill, preserving open space, and smart growth in order to diversify mixed use and commercial development in strategic locations of the City of Tulelake.

2.6 - Regional Housing Needs Allocation/Plan (RHNA/P)

California's Housing Element law, Government Code Sections 65580-65589.8, mandates that a local jurisdiction develop and approve a Regional Housing Needs Allocation (RHNA) to accommodate a share of the region's projected housing needs as part of the process of updating local housing elements of the general plan. HCD is responsible for allocating each region's share of the statewide housing need to each of California's Council of Governments (COG), who in turn allocate a share of the region's housing needs to each of the cities and counties in the region for the planning period. In the case of Siskiyou County, which is a non-COG area, the Siskiyou County Public Health and Community Development Department is responsible for allocating the RHNA to individual jurisdictions within the County, including Tulelake.

The 2014-2019 Tulelake RHNP establishes the total number of housing units that the City of Tulelake must plan for within a five-year planning period. Based on the adopted RHNP, each city and county must update the housing element of its general plan to demonstrate how the jurisdiction will meet the expected growth in housing need over this period of time.

According to Table 2-2, the City's Housing Element identifies 13 additional housing units being needed to accommodate anticipated growth between January 1, 2007 to October 1,

2014. Of these 13 units, five of them must be designated for extremely low, very low, and low-income individuals.

**Table 2-2
Tulelake 2014-2019 Housing Allocation**

Total # of Projected Units Needed Based on Growth	Extremely Low Income	Very Low Income	Low Income	Moderate	Above Moderate
13	1 (7.7%)	2 (15.38%)	2 (15.38%)	6 (15.38%)	6 (46.16%)

Source: Housing Element for the City of Tulelake 2014-2019

2.7 - Anticipated Service Needs

The potential for population growth for the City is very limited and highly dependent on the economy. The City of Tulelake General Plan directs development and growth to vacant lots within the City through goals that promote infill development. As such, growth beyond the existing City limits of Tulelake would seem to be limited until infill development has been exhausted.

Infill developments within the City would likely have many existing services within their immediate area such as water, sewer, streets, parks, lighting and/or snowplow services. Furthermore, law enforcement and fire protection services would already be servicing the surrounding properties and would be aware that the new development is within their jurisdiction.

2.8 - Determinations

Determination 2-1 – U.S. Census data indicates that the City had a 1990 population of 1,010, a 2000 population of 1,020, and a 2010 population of 966. These trends, combined with the projected growth of Siskiyou County, indicate that the City’s population will grow at an average annual rate of approximately 0.001%.

Determination 2-2 – The City plans for future growth through the implementation of policies and standards set for in its General Plan. The City’s General Plan was updated in 1978 and is due for an update. The City should work toward updating its General Plan as soon as it can.

Determination 2-3 – Present land use in the area includes residential, commercial, and industrial uses. Primary residential areas tend to follow State Route 139. Growth and development potential are limited and there are not expected to be any substantial changes in land use as a direct result of this review.

Determination 2-4 – Present needs for public facilities and services are currently being met. Probable needs for the public facilities and services are not currently anticipated to vary from present needs as future demands are expected to remain relatively the same. Although there is expected to be a small amount of growth, no significant growth or population

increases are currently anticipated to affect the City's ability to provide services. The City does not have any major plans for future expansion of boundaries.

Determination 2-5 – The City will likely accommodate future residential growth through infill development within the City limits, which is already served by the City or other local agencies that provide municipal services.

SECTION 3 - DISADVANTAGED UNINCORPORATED COMMUNITIES

Disadvantaged Unincorporated Communities (DUCs) are defined as inhabited territory (12 or more registered voters) that constitutes all or a portion of a community with an annual median household income that is less than 80% (or \$51,026) of the statewide annual median household income, which was \$63,783 as of 2016 (Census, 2017). These communities were identified as an area of concern by Senate Bill 244 that was adopted in State law in 2011. These communities may lack essential municipal services such as water or sewer as they may have been developed prior to infrastructure being installed in proximity to them. Pursuant to State law, LAFCo is now required to identify any DUC adjacent to the City and determine if they should be included with any SOI amendment.

The entirety of the area outside the existing City limits has a median household income below \$51,026 annually (Figure 3-1). The area is mostly agricultural, comprised of a series of farms and a few farmhouses. Pursuant to Government Code Section 56430, disadvantaged unincorporated communities do not just have a lower income, they also lack water, wastewater, and structural fire protection services. The City provides its own water and wastewater, and also contracts with the Tulelake Multi-County Fire District for fire protection services.

Based on the information available, it can be determined that, although the entire SOI meets the definition of a DUC as it pertains to income level, the City provides this area with water, wastewater, and fire protection. Any neighborhood outside the City and within the SOI could potentially qualify as a disadvantaged neighborhood, pending further analysis or review by the City in compliance with Housing Element law.

3.1 - Determinations

Determination 3-1 – The entire area outside the City limits but within the Sphere of Influence can be considered an unincorporated disadvantaged community due to median household income being below 80% of the statewide average.

Determination 3-2 – The City should update its General Plan Housing Element in compliance with Government Code Section 65302.10(d) to properly identify potential unincorporated island, fringe, or legacy communities inside or near its boundaries.

Determination 3-3 – The City should conduct an analysis of water, wastewater, stormwater drainage, and structural fire protection of any identified unincorporated island, fringe, or legacy communities inside or near its boundaries.

Determination 3-4 – Following proper updates of the General Plan in accordance with Housing Element law by the City, LAFCo shall revisit the presence of unincorporated disadvantaged communities and more specifically identify and prioritize these neighborhoods for service delivery by the City, if applicable.

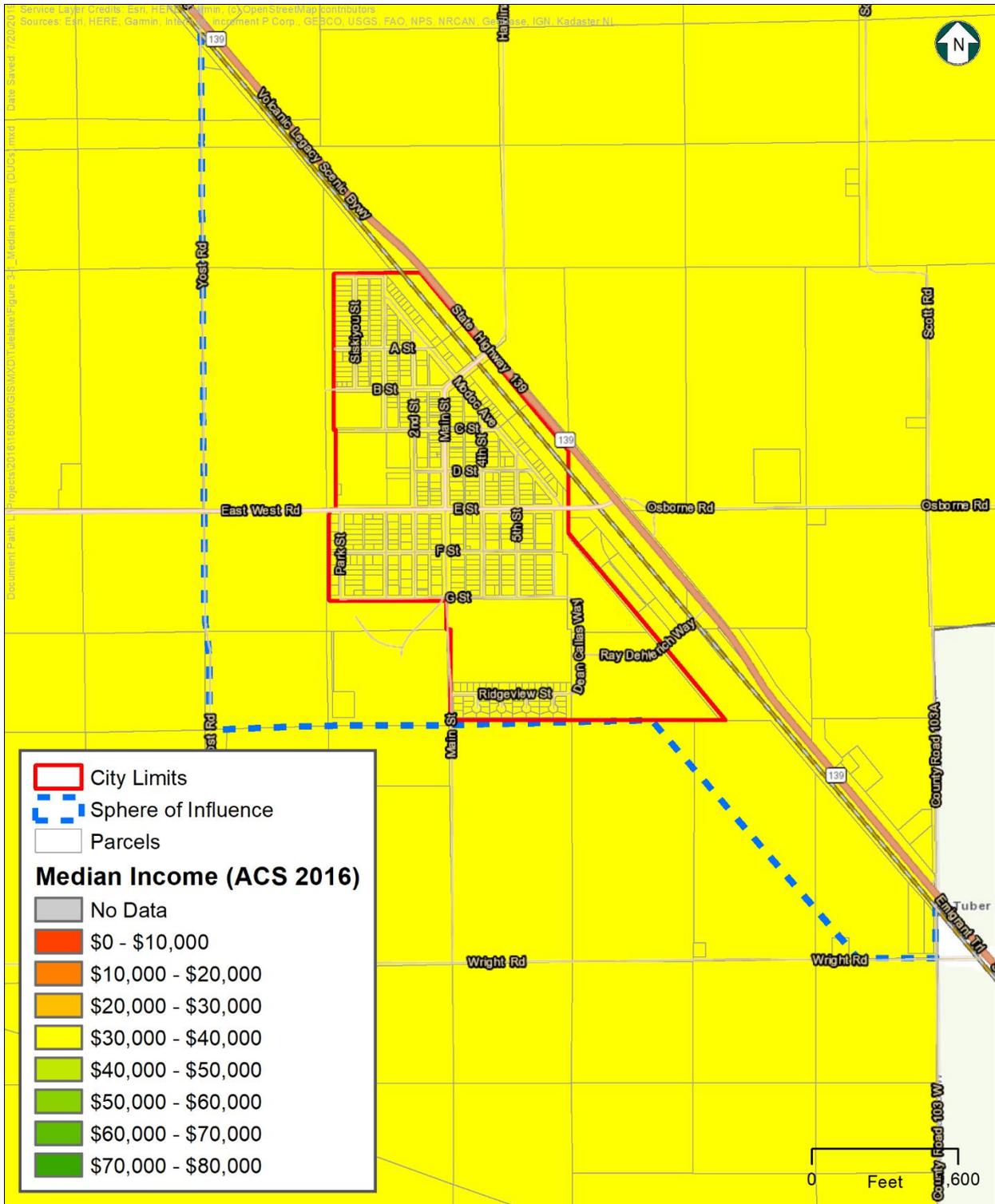


Figure 3-1
Median Household Income

SECTION 4 - PRESENT AND PLANNED CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES, INCLUDING INFRASTRUCTURE NEEDS OR DEFICIENCIES

The purpose of this section is to evaluate the infrastructure needs and deficiencies of the City of Tulelake in terms of availability of resources, capacity to deliver services, condition of facilities, planned improvements, service quality, and levels of service.

LAFCo is responsible for determining that an agency requesting an SOI amendment is reasonably capable of providing needed resources and basic infrastructure to serve areas within the City and its SOI. It is important that these findings of infrastructure and resource availability are made when revisions to the SOI and annexations occur. LAFCo accomplishes this by evaluating the resources and services to be expanded in line with increasing demands.

4.1 - Capital Investment/Improvement Program

Upon completion of this Municipal Services Review, the City of Tulelake had not completed a Capital Improvement Plan (CIP). It is within the City's best interest to adopt a CIP to plan for needed infrastructure enhancements for the community in an orderly fashion. The Siskiyou County 2016 Regional Transportation Plan, however, has identified both short-range and long-range capital improvements for the next 20 years for the City. Projects range from roadway rehabilitation to widening of curb, gutter, and sidewalks, the total predicted pricing of which to be around \$1.5 million. The current status of said projects are unknown.

4.1.1 - DETERMINATIONS

Determination 4.1-1 – Every few years the County adopts its Regional Transportation Plan which identifies key capital projects that are needed in order to enhance services to residents.

Determination 4.1-2 – The City should adopt a CIP annually to plan for needed infrastructure enhancements for the community in an orderly fashion.

4.2 - Water

4.2.1 - SUMMARY OF PRIOR MSR FINDINGS

The 2011 MSR for the City of Tulelake noted that the City obtains its water from ground water sources of three wells. The water is conveyed via a booster pump to two elevated tanks, with a combined storage capacity of 175,000 gallons, not including well storage. The existing water demand varies by season. In 2008 the City purchased a new well with a capacity of 1,300 gpm, doubling the City's capacity.

As of 2011, current water fees were not adequate to fully cover the cost of new or upgraded infrastructure, and the City did not maintain a capital improvements fund for the water system. The proposed short-term improvements at the time included replacement of waterlines, water valves, and the replacement of the water tank and groundwater tank. These improvements should have sufficient capacity to meet the needs of future development over the next 20 years.

4.2.2 - CURRENT CONDITIONS

The City still maintains its own water and sewer facilities, water being provided from wells. The combined storage capacity is 175,000 gallons, not including well storage. There has not been a need to restrict water usage during the summer months for the residents within the City limits.

The City conducts yearly Consumer Confidence Reports where it tests its groundwater drinking water at one of its wells. The City tests for things like sodium, hardness, lead, copper, and chloride. Water samples are also taken twice a month at the main well to check for the presence of coliform bacteria. According to the Consumer Confidence Reports from the last five years, the City's water supply has been in good standing from 2014 to 2018.

Needs and Deficiencies

As of the completion of this Municipal Services Review, the City has not adopted a Water Master Plan. That being said, the City should undergo an evaluation of its existing water system to determine where leaks and other losses are occurring in order to preserve its water resources.

As mentioned before, the City needs funds for new and upgraded infrastructure. In 2015 the City was awarded a Community Development Block Grant, with the purpose of repairing many of the old water lines within the City, improving the City's water storage system, and repairing and repainting the water tower. This aided the City in reaching many of its goals for water infrastructure.

By preparing and adopting a Water Master Plan, the City will be able to identify current deficiencies within the water system and develop a program with solutions, such as funding

options, fees for development, or a Capital Improvement Program, all to address the needs for the City's residents.

4.2.3 - DETERMINATIONS

Determination 4.2-1 – The City provides water to its residents with groundwater wells.

Determination 4.2-2 – The City does not have a Water Master Plan. The City should prepare and adopt a Water Master Plan in order to better understand the water infrastructure and service needs of the City residents.

Determination 4.2-3 – The City should implement a program to assess the quality of water on a regular basis and produce an annual report to City Council on water supply and water quality.

Determination 4.2-4 – The City should implement a Capital Improvements Plan for the phasing of updates to the water supply system when feasible, including the completion of metering of the water supply system as well as the for the phasing of updates to the water distribution system when feasible.

Determination 4.2-5 – The City should implement a program to assess the distribution network as the City completes updates and regular maintenance.

4.3 - Wastewater

4.3.1 - SUMMARY OF PRIOR MSR FINDINGS

The City of Tulelake MSR from 2011 identified that the City's wastewater treatment plant (WWTP) and disposal facility was located on Dean Callas Way at the south end of the City. This infrastructure was originally installed in 1973, and the collection system was developed in 1947. The City discharged treated wastewater to a waterway; a practice that needed to be terminated and upgraded to a new lagoon system. The City contained 4.5 miles of various-sized pipelines and three lift stations. The three lift stations were installed in 1976 and needed rebuilding. The average annual flow in 2011 was 0.0587 MGD, with the average wet weather flow being 0.100 MGD.

Upon completion of the last MSR, the City had actively pursued three grants to convert the sewer treatment system from a lagoon system to a wetland treatment system or ground application. Unfortunately, the City was not successful in those attempts. The City intended to apply for another series of grants in order to upgrade their system and increase capacity to handle future growth.

4.3.2 - CURRENT CONDITIONS

The City does not currently have a Sewer System Management Plan. It is in the City's best interest to implement a Sewer System Management Plan in order to gain an understanding of the current status of the sewer system and strategize practical solutions to the needs of the City.

In November of 2016, the City opened a new wastewater treatment plant. It was funded through multiple grants totaling in excess of \$6.3 million. As mentioned in the previous MSR, the City was in need of updating its wastewater system, as it was discharging treated wastewater into a ditch that let into Tulelake, potentially connecting with the Klamath River.

The new wastewater treatment plant utilized lined storage ponds for peak environmental protection. After treatment, the effluent is pumped from a new effluent pumping station to two new effluent storage ponds. The recycled effluent is then pumped to a new feed line that supplies water for agricultural irrigation application for farm cover crops. Surface water discharge was eliminated and replaced with agronomic reuse. The upgrade also includes some much-needed valving as well as electrical work with new motors and VFD drives for the blower system. Lastly, a new motor-controlled PLC to operate the functions of the plant (City of Tulelake, 2019).

According to Brett Nystrom, the Public Works Director, "if we didn't have this project our plant would have failed, we would have had raw sewage spilling over, it would not have been good" (Liedtke, 2016). A cease-and-desist order had been issued to Tulelake in 2015 regarding the wastewater treatment plant, followed by accumulation of fines that threatened to bankrupt the City.

The new pump and blower system aerate treatment ponds at twice the capacity with barely 40% of the power previously used. City Hall also saves more than \$2,000 a month in chemical costs alone compared to the chlorination and de-chlorination process once utilized.

The new treatment plant gives the City the ability to accommodate anticipated future growth and still manage treatment. This is a huge accomplishment for the City, as it addresses many of the issues expressed in the previous MSR.

Needs and Deficiencies

As stated before, the City would benefit from a Sewer System Management Plan (SSMP). The plan could address customer complaints and regular maintenance activities to identify and prioritize system deficiencies.

It has been determined that the City's existing collection system has capacity to meet Average Dry Weather Flows (ADWF). The new wastewater treatment plant has capacity for current and future residents for the next few decades if population projections play out as they are predicted.

4.3.3 - DETERMINATIONS

Determination 4.3-1 – The City of Tulelake's wastewater treatment plant provides sewer treatment to the entirety of its population.

Determination 4.3-2 – The City should implement a Sewer System Management Plan in order to identify and prioritize system deficiencies. The City should then review the plan during every budget cycle in order to determine if funds are needed to revise the document based on growth, development, or regulatory changes within the City.

Determination 4.3-3 – The City opened a new wastewater treatment plant in 2016, using grant money, replacing the inefficient and non-environmentally friendly wastewater treatment plant that was 50+ years old. The City is now able to accommodate anticipated future growth and still manage treatment.

4.4 - Storm Drainage

4.4.1 - SUMMARY OF PRIOR MSR FINDINGS

Per the previous MSR, the City does not have a true storm drain system or curb and gutter throughout most of the City due to the relatively level ground and soil. The City's storm drainage consists of water running into street drains, onto rock and into a pocket drain, which holds water that is then soaked into the ground. The City does not have an ordinance that requires developments to install curb and gutter.

4.4.2 - CURRENT CONDITIONS

As of the completion of this MSR, there is no evidence that the City has built a storm drain system or curb and gutter throughout most of the City. There is also no evidence of a Storm Drainage Master Plan. The City still does not have an ordinance that requires developments to install curb and gutter.

4.4.3 - DETERMINATIONS

Determination 4.4-1 – The City does not have a storm drain system beyond the water that soaks in the ground.

Determination 4.4-2 – The City is in need of a Master Storm Drain Plan to fully comply with the requirements of the North Coast Regional Water Quality Control Board.

4.5 - Road Maintenance

4.5.1 - SUMMARY OF PRIOR MSR FINDINGS

According to the previous MSR, the Public Works Department of Tulelake maintains the streets and roads of the City as needed. The City experiences significant impact on streets during the summer farming and harvest season (May through November).

According to City staff at the time of the previous MSR, City streets are in good condition. The City is applying for funds to repave Main Street, which is wider than standard streets and increases the cost of repaving.

4.5.2 - CURRENT CONDITIONS

The following City of Tulelake road projects are included in the 2016 Siskiyou County Regional Transportation Plan (RTP):

**Table 4-1
Tulelake Road Projects**

Route	Description	Cost	Construction Year
Hwy St., Siskiyou St., First ST., Park St., G St., Fifth St., Main St	Overlay Various Streets	\$812,000	2020
13th Street	Overlay and widen with curb, gutter, and sidewalks	\$327,000	2026+
Modoc Street – Main to G	Pavement Overlay	\$139,000	2026+
1 st Street	Rehabilitate Roadway	\$110,000	2026+
2 nd Street	Rehabilitate Roadway	\$281,000	2026+
5 th Street	Rehabilitate Roadway	\$47,000	2026+
B Street	Rehabilitate Roadway	\$89,000	2026+
C Street	Rehabilitate Roadway	\$77,000	2026+
EW	Rehabilitate Roadway	\$70,000	2026+
F Street	Rehabilitate Roadway	\$38,000	2026+
G Street	Rehabilitate Roadway	\$86,000	2026+

Note: Construction year is anticipated.

Source: 2016 Siskiyou County Regional Transportation Plan

Funding for the listed projects is expected to come from the State Transportation Improvement Program (STIP) and Regional Surface Transportation Program (RSTP), and local funds. Most of these projects are carryover projects from the 2011 Siskiyou County RTP; construction will occur as funding becomes available. The 2016 RTP stated that there will not be sufficient funding over the next 20 years to implement all the projects identified in the RTP, even though these projects are important improvements for the regional and local transportation system. Therefore, the City may need to identify other funding sources in order to complete the identified roadway improvements.

4.5.3 - DETERMINATIONS

Determination 4.5-1 – The City actively maintains the existing road systems and provides street sweeping services within the City limits, with the exception of the State Highway.

Determination 4.5-2 – The City utilizes a Capital Improvement Program, reimbursements from Gas Tax and grant funding to aid in the repair and maintenance of existing roadways within the City limits.

Determination 4.5-3 – The City should investigate opportunities for funding to complete the road projects listed in the Regional Transportation Plan.

4.6 - Law Enforcement

4.6.1 - SUMMARY OF PRIOR MSR FINDINGS

Per the last MSR, the City’s Police Department consists of a Chief of Police and two full-time officers. The Police Department boundaries are contiguous with the City limits, therefore serving approximately 1,000 residents. This is a ratio of 333 persons per officer. The Department offers additional assignments including: D.A.R.E Detectives; a field training officer; Narcotics Task Force; and animal control. The City of Tulelake Police Department has mutual aid agreements with the Siskiyou County Sheriff’s Department, which includes assist mode, dispatch, and respond. The Siskiyou County Sheriff has a sub-station located in Tulelake, which is primarily dedicated to serve the rural area surrounding Tulelake.

4.6.2 - CURRENT CONDITIONS

Upon the completion of this document there is no evidence of any changes to the Police Department or any of the aforementioned additional assignments. In 2015 the Tulelake Police Chief was rehired under contract. He has been with the department since 1992 and has served as Chief since 2002. The City seems to be adequately serving its population.

Crime statistics for Tulelake were obtained from the Federal Bureau of Investigations (FBI) and are shown in Table 4-2 below.

**Table 4-2
2014-2017 Reported Crime Statistics (Category I Crimes)**

Category	2016	2017	2018	2019
Population	990	988	991	985
Violent Crime	1	2	0	3
Murder/non-negligent manslaughter	0	0	0	0
Rape	0	0	0	1
Robbery	0	0	0	0
Aggravated Assault	1	2	0	2
Property Crime	10	1	6	4
Burglary	4	1	1	1
Larceny-theft	5	0	3	3
Motor vehicle theft	1	0	2	0
Arson	0	0	0	0
Total Reported Crimes	11	4	6	7

Source: www.fbi.gov

Police Department expenditures were not found for Tulelake.

4.6.3 - DETERMINATIONS

Determination 4.6-1 – The Police Department provides law enforcement services.

Determination 4.6-2 – The City should continue mutual aid agreements with other local and regional law enforcement agencies in order to enhance response capabilities within and around the City limits.

Determination 4.6-3 – The City should monitor crime statistics starting now to determine if there is a need for additional personnel.

4.7 - Fire Protection

4.7.1 - SUMMARY OF PRIOR MSR FINDINGS

Tulelake contracts with the Tulelake Multi-County Fire District for fire protection services. Their District has two stations. The City leases the land to the District for the fire station within the City limits. The District has a Fire Chief, Assistant Chief, and 24 volunteer firefighters as of January 2011. The Fire District owned a total of five engines, a brush truck, two tenders, and a first responder medical unit that are available. The Fire District serves the City, parts of Siskiyou and Modoc County, a radius of 120 square miles, and a population of 2,700-3,000.

The Fire District has mutual aid agreements with the U.S. Forest Service, Lava Beds National Monument, Fire and Wildlife and fire protection agencies in Klamath County, Oregon. The District responds to structure fires, vegetation fires, automobile incidents, medical assistance calls, general aid, and 911 calls. The fire hydrants in the City meet the Siskiyou County standards.

4.7.2 - CURRENT CONDITIONS

Upon completion of this document there is no evidence of any changes to the Fire Department.

4.7.3 - DETERMINATIONS

Determination 4.7-1 – The City contracts with Tulelake Multi-County Fire District for fire protection, with a mostly volunteer fire department.

Determination 4.7-2 – The City should encourage continuance of mutual aid and automatic aid agreements with adjacent agencies in order to provide overlapping and supplemented service within the City limits and SOI.

SECTION 5 - FINANCIAL ABILITY TO PROVIDE SERVICES

This section analyzes the financial structure and health of the City of Tulelake with respect to the provision of services. Included in this analysis is the consideration of rates, service operations, and the like, as well as other factors affecting the City's financial health and stability, including factors affecting the financing of needed infrastructure improvements and services. Compliance with existing State requirements relative to financial reporting and management is also discussed.

An examination of financing includes an evaluation of the fiscal impacts of potential development, and probable mechanisms to finance needed improvements and services. Evaluating these issues is important to ensure new development does not excessively burden existing infrastructure and the ability of the City to fund existing improvements and services.

An examination of rate restructuring should identify impacts on rates and fees for services and facilities and recognize opportunities to positively impact rates without decreasing service levels. The focus is on whether there are viable options to increase the City's efficiency through rate restructuring prior to any SOI adjustment.

Annual audit reports and financial statements for the City were reviewed in accordance with the MSR Guidelines. The purpose of this review is to determine fiscal viability, suitability of current funding practices, and potential fiscal impacts resulting from new legislation.

5.1 - City Budget

The FY 2018-2019 Annual Budget reflects the City Council's goals and targets and continues funding sufficient to maintain basic service levels. The budget contains many items that contribute to the overall operation of the City, including the General Fund, Water Services, Wastewater Collections, and the Gas Tax Fund.

The Annual Budget would give a more comprehensive understanding of the City if a Capital Improvement Program was implemented. The program would further break down specific projects of different departments, giving the reader a better understanding of the intricacies of department budgets.

The surest way to understand the City's financial situation is through an audit. The City most recently conducted an Independent Auditors' Report in 2015 with Aiello, Goodrich & Teuscher Accountancy Corporation. The opinion of the accountants was that "The City of Tulelake, California, complied, in all material respects, with these types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30,2015" (Aiello, Goodrich & Teuscher, 2015)

Overall, the City should adopt budget policies and strategies that drive the development of a sound budgetary structure. The City should maintain benchmarks and goals in order to allow

for proper planning during the budgeting process in order to reallocate funds accordingly in order to meet missed benchmarks.

5.1.1 - RATES AND FEES

The City sets rates and fees for various services it provides. However, typical rates for water and sewer, which are usually among the rates that require significant attention due to operation and maintenance costs, may only be used to support delivering that specific service and are subject to Proposition 218, described in Section 5.1.2.

Therefore, very few of the rates and fees set by the City are subject to Proposition 218 and, instead, may be adjusted through a resolution adopted by the City Council. This allows for easier adjustment for various factors such as inflation or establishment of new services provided by City staff.

The City adopts fees at the beginning of the fiscal year and provides a comprehensive list of fees through the Master Fee Schedule that is revised accordingly. The fees include:

- Usage fees for the various recreation facilities throughout the City;
- Building Permit Fees for review and inspection;
- Business license fees; and
- Police service and vehicle fines.

5.1.2 - PROPOSITION 218

Proposition 218 restricts local government's ability to impose assessment and property related fees and requires elections to approve many local governmental revenue raising methods. This initiative, approved in 1996, applies to nearly 7,000 cities, counties, special districts, schools, community college districts, redevelopment agencies, and regional organizations. It ensures that all new taxes and most charges on property owners are subject to voter approval and especially to the tools of using property related fees to fund governmental services instead of property related services. Of potential concern is the long-term effect the proposition has created in a local government's ability to fill the growing divide between infrastructure needs and the provision of governmental services for the new infrastructure.

Tulelake utilized Proposition 218 to fund its new wastewater treatment plant (Liedtke, 2016). The City was in violation of their Wastewater Surface Water Disposal permit and had accumulated nearly \$750,000 in fines. A rate increase was implemented to supplement funding for facility operations.

5.1.3 - OPPORTUNITIES FOR RATE/FEE RESTRUCTURING

The City's Fee Schedule is subject to periodic comprehensive revisions and updates. The latest updated Fee Schedule went into effect in 2018. There is no evidence suggesting that the City would not be able to provide services to the SOI areas for fees consistent with

citywide fees for such services. Further, since the City's common practice is to review these fees and adopted revised fees annually, it can be assumed that future years will follow the same review and update procedure in order to ensure that full cost recovery is obtained for services rendered.

5.1.4 - DETERMINATIONS

Determination 5.1-1 – The City annually conducts an open, transparent budgeting process aimed at balancing the needs of the City with the financial resources available.

Determination 5.1-2 – The City would benefit from implementing a Capital Improvement Program in order to give a comprehensive understanding of the needs of each department.

Determination 5.1-3 – The City last performed an independent audit in 2015.

Determination 5.1-4 – There is no evidence suggesting that the City would be unable to provide services to the SOI areas for fees consistent with citywide fees for services. Since the City's common practice is to review these fees and adopted revised fees annually, it can be assumed that future years will follow the same review and update procedure in order to ensure that full cost recovery is obtained for services rendered.

Determination 5.1-5 – The City's utilization of an open and sound budgeting process allows the City to be financially able to provide an adequate level of service to residents.

5.2 - Status of, and Opportunities for, Cost Avoidance and Shared Facilities

Practices and opportunities that may help to reduce or eliminate unnecessary costs are examined in this section, along with cost avoidance measures that are already being utilized. Occurrences of facilities sharing are listed and assessed for efficiency. Potential sharing opportunities that could result in better delivery of services is also discussed.

An examination of cost avoidance opportunities should identify practices and opportunities that may help eliminate unnecessary or excessive costs to provide services. Such costs may be derived from a variety of factors including duplication of service efforts and facilities; inefficient budgeting practices; higher than necessary administration and operating cost ratios; inefficient use of outsourcing opportunities; and inefficient service boundaries.

An examination of opportunities for shared facilities should determine if public service costs can be reduced as a result of identification and development of opportunities for sharing facilities and resources. The benefits of sharing costs for facilities are numerous, including pooling of funds to enjoy economies of scale; reduced service duplications; diversion of administrative functions of some facilities; reduced costs; and providing better overall service.

Maximizing opportunities to share facilities allows for a level of service that may not otherwise be possible under normal funding constraints; however, facilities sharing opportunities are not without their challenges. When a municipality enters into a shared

agreement, it generally relinquishes a portion of its control of the facility. Additionally, the facility may not be entirely suited to accommodate the municipality's needs.

Being as rural as Tulelake is and being without a close proximity to other cities and towns, it is in the cities best interest to enter into multiple mutual aid or joint power agreements with other government agencies. It is unknown at this time which agreements the City is in beyond the Fire and Police Departments.

5.2.1 - DETERMINATIONS

Determination 5.2-1 – It is within the best interest of the City to participate in Joint Power Agreements to possibly capitalize on cost savings through shared services and facilities.

5.3 - Accountability for Community Service Needs, including Governmental Structure and Operation Efficiencies

This section addresses the adequacy and appropriateness of the City of Tulelake's existing boundary and Sphere of Influence, assesses the management structure and overall managerial practices of the City, and evaluates the ability of the City to meet its service demands under its existing government structure. Also included in this section is an evaluation of compliance by the City with public meeting and records laws.

An examination of government structure should consider the advantages and disadvantages of various government structures that could provide public services. In reviewing potential government structure options, consideration may be given to service delivery quality and cost, regulatory or government frameworks, financial feasibility, operational practicality, and public preference.

An examination of local accountability should evaluate the accessibility to and levels of public participation with the agency's management and decision-making processes. The MSR Guidelines note measures such as legislative and bureaucratic accountability, public participation, and easy accessibility to public documents and information as important in ensuring public participation in the decision-making process.

5.3.1 - ORGANIZATIONAL STRUCTURE

The City of Tulelake operates under the council-mayor form of government. The Chief Executive Officer is the City Clerk who is appointed by the City Council and carries out City policies. All other department heads in the City serve under contract of the City Clerk. The City consists of six departments, which include City Finances, City Hall, Library, Building Department, Police, and Public Works.

The City Council is responsible for governing as well as establishing the overall priorities and direction for the City's municipal government. The Council's responsibilities include the adoption of City ordinances and policies, approval of programs, services, projects, contracts and agreements, adoption of the annual budget, and establishment of short- and long-term

goals for the City. Actions of the Council, including opportunities for public involvement and public hearings, are regulated in accordance with applicable statutes and City procedures. The organizational chart for the City is illustrated on Figure 5-1.

The City Council is elected on an at-large basis. Once elected, it is the duty of each Councilmember to represent the interests of all residents of the City. However, this structure of election allows residents to elect all Council members but may result in areas of the City being unrepresented. The Council conducts public, noticed meetings on the first and third Tuesday of each month at 5:30 p.m. at City Hall, located at 591 Main Street. Special meetings are posted at City Hall, if needed.

The City is required to follow the open meeting law set forth in the Brown Act (State of California, 1949). The intent of this legislation is to ensure that deliberations and actions of a legislative body be conducted openly and that all persons be permitted to attend any meeting except as otherwise provided in the law. Agendas must be posted at least 72 hours in advance of a meeting, and information made available to the Council must also be available to the public.

There appear to be ample opportunities for public involvement and input at regularly scheduled meetings. The agenda is posted at numerous locations, posted on the Internet, and sent to local media. It can be emailed out to those residents who request an agenda and is also posted to the City's website. Public notices (pursuant to the Government Code) are published to advertise certain types of hearings and press releases are issued to inform the public on significant citywide issues and projects.

The City's budget process is a key mechanism used to review efficiencies in the management of City services and programs. The budget process includes a review of previous accomplishments, upcoming goals and programs, and specific funding to carry out those programs. The budget is adopted through a public hearing process by the City Council.

As a municipality, the City is structured to meet the needs and expectations of urban/suburban levels of development. As a multiple service provider with established service systems, the City would be able to efficiently provide a comprehensive range of services. With existing and planned development within the SOI, the extension of infrastructure and services into these areas would be logical and generally more efficient than if provided by other utilities. Provision of services and infrastructure by the City into the SOI should not overlap or conflict with other service providers. The inclusion of the SOI areas into the City is not anticipated to have a significant effect on the governmental structure of the City.

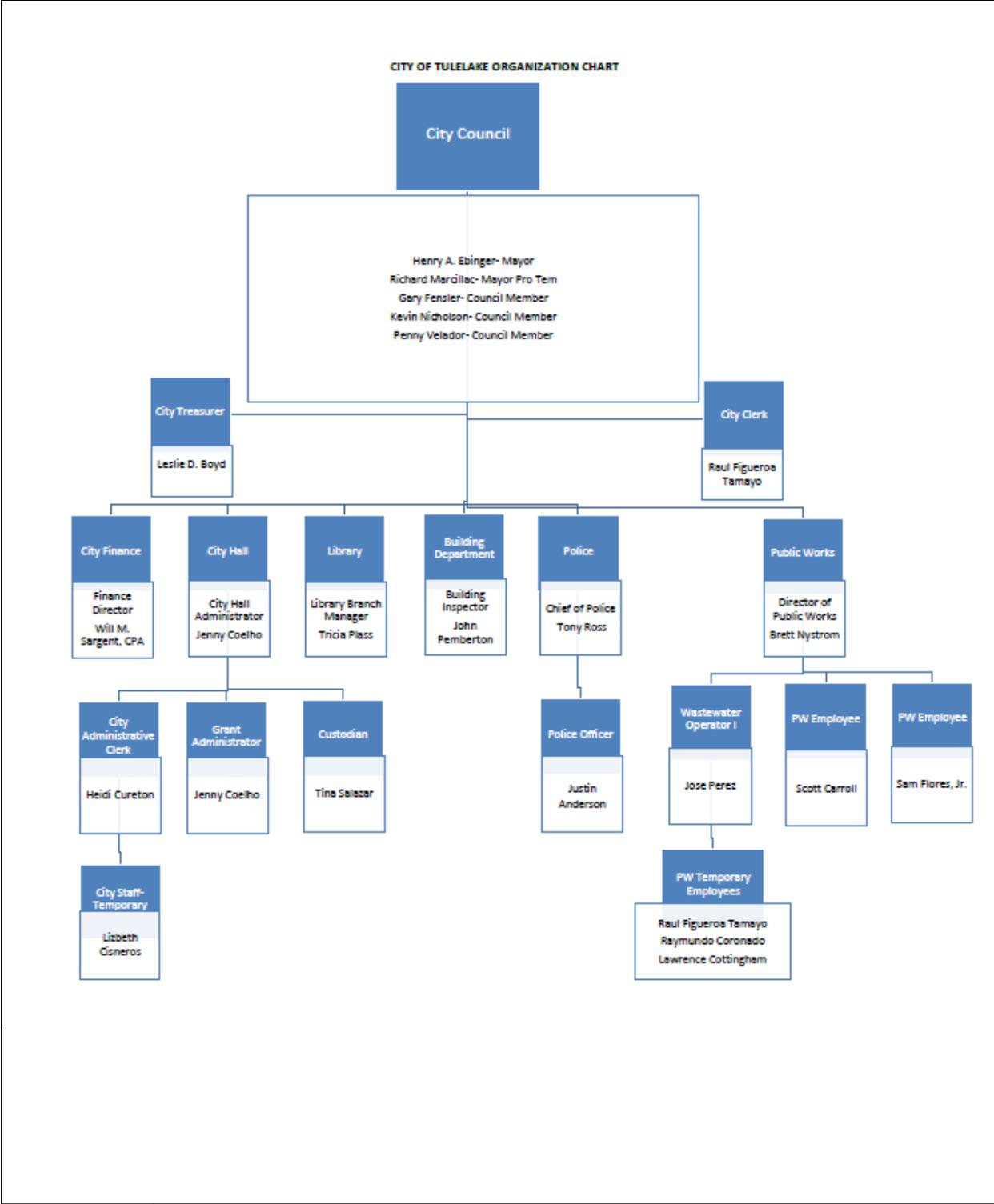


Figure 5-1
City of Tulelake Organizational Chart

Source: City of Tulelake

5.3.2 - DETERMINATIONS

Determination 5.3-1 – The City Council is elected at-large and utilizes a City Clerk appointment format, which serves for a term of four years. This may prevent some areas of the City from being represented on the City Council.

Determination 5.3-2 – The City conducts open meetings in compliance with the Brown Act that allows for complaints and comments regarding services and potential conflicts or inefficiencies to be identified to the City Council by residents.

Determination 5.3-3 – The City utilizes an organizational structure that obtains efficiency through department heads who oversee multiple divisions.

Determination 5.3-4 – The City makes reports, documents, council agendas and other information available to the public that detail operations and services provided by the City at City Hall as well as on its website.

Determination 5.3-5 – The current City structure is efficient, transparent and meets expectations of its residents with the resources available.

SECTION 6 - SPHERE OF INFLUENCE REVIEW

6.1 - Sphere of Influence Overview

As part of any Sphere of Influence review, LAFCo is required to consider all of the information presented in the Municipal Service Review conducted for that agency. Additionally, LAFCo must also make written statement of its determinations for that agency regarding 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 that 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; and
5. The present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing Sphere of Influence.

After a written determination has been made with respect to the aforementioned areas of review, LAFCo may adopt a Sphere of Influence (SOI) that is appropriate for the agency's provision of service.

This section of the report fulfills the requirements of Government Code Section 56425 and allows LAFCo to adopt an SOI that is consistent with the written determinations for the City of South Lake Tahoe.

6.2 - Present and Planned Land Uses

The City adopted a General Plan Update in 1978. The planning area within the General Plan provided a basis for the land use analysis and future development policies. The planning area does not extend past the City limits; however, areas outside the City limits are addressed only in the case of concepts pending future evaluations of appropriate land uses for annexations. Land outside the City limits is also addressed as it pertains to access and connectivity of goods and services to City residents.

The current SOI would appear to be adequate to meet present and future service needs of residents. The SOI covers adjacent, existing communities which may need services in the future if their service provider is no longer able to operate. The areas within the SOI but without the City limits are mainly agricultural and rural. Were these areas to develop and become more populated, the City would consider annexation in order to provide basic services. The City would be able to possibly step in as successor agency in the future. As stated in the General Plan, annexations within the SOI will require evaluation but this process is typical for any proposal for reorganization.

6.3 - Present and Probable Need for Public Facilities and Services

The City provides a range of services to its residents, while sometimes coordinating with other agencies to best provide services in a comprehensive manner. Additionally, the City has outlined its growth and development within the adopted General Plan. The slow growth of the City of Tulelake has allowed the City to serve the needs of its residents without needing to expand.

The only probable need for public facilities would be for the existing areas within the SOI, were these areas to become more developed. It is also within the City's best interest to continue to update their existing facilities, along with conducting studies to determine the timeline and funding opportunities to do so.

6.3.1 - DISADVANTAGED UNINCORPORATED COMMUNITIES

The area outside the City limits but in the SOI is mostly agricultural land. The City would be the logical service provider for this area. Therefore, the City would need to prepare to extend these services to this area as part of any reorganization within, and development of, the area. However, this area is already within the SOI and therefore no amendment would need to be made.

6.4 - Present Capacity of Public Facilities and Adequacy of Public Services

The City currently provides a level of service which is satisfactory to meet the needs of residents. The City reviews its service levels and should set benchmarks that allow for easy review on an annual basis to determine if additional resources must be allocated. Creating Master Plans on a five-year basis would allow for better tracking and evaluation of service levels and needs. Furthermore, inclusion of a CIP within the two-year adopted budget would further show the enhancements and improvements completed to further enhance infrastructure systems operated by the City.

6.5 - Existence of Any Social or Economic Communities of Interest

As stated in Section 3, there are currently communities of social or economic interest within or adjacent to the existing SOI, identified as DUCs. However, by keeping these neighborhoods within the SOI, it would allow the City to be a viable service provider under the provisions of Government Code §56133 and subject to the policies of Siskiyou LAFCo, in the event than an existing service provider is no longer able to do so.

6.6 - Tulelake Sphere of Influence Recommendations

As shown in the MSR and throughout the determinations of this document, the City of Tulelake is currently providing services at an adequate level to its citizens. The City is accountable to its customers through the City Council, which are elected at-large. However, given the revenue structure of the City, it amicably pieces together multiple sources of

revenue such as Gas Tax and grant opportunities to provide a wide range of services within the City limits.

The growth of the City is managed through the General Plan. As a result, modest growth has been planned and identified within the City but policies for development will allow for services and infrastructure planning to catch up with the needs of future residents. It is within the best interest of the City to update their General Plan, as a General Plan has not been updated in more than 40 years. The State of California is providing grants through Senate Bill 2 to update plans to accommodate housing development, specifically those identified within the RHNA and Housing Element.

In conclusion, based on the analysis provided within this report, the existing SOI for the City of Tulelake is adequate to service the existing residents as well as possible future needs of communities within it.

Recommendation 6-1 – It is recommended that the City of Tulelake SOI remain unchanged.

Recommendation 6-2 – With the adoption of a General Plan to guide growth policies, the City's existing SOI is acceptable to accommodate present and future growth needs for residents.

Recommendation 6-3 – With the adoption of a General Plan to guide growth policies, the capacity of public facilities is required to be reviewed during new development proposals by the City to accommodate the present and future needs of residents in a responsible manner.

Recommendation 6-4 – The City may be considered a logical service provider for adjacent, existing communities if one of the current service providers is no longer solvent or able to provide services. At that time, a feasibility study should be commissioned to identify potential options for successor agencies to provide fire protection services to these communities.

Recommendation 6-5 – The City should update their General Plan.

SECTION 7 - REFERENCES

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