

Land Use Policy

FINAL REPORT

CITY OF LIVINGSTON MUNICIPAL SERVICE REVIEW

Prepared for:

Merced County Local Agency Formation Commission

Prepared by:

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As approved by LAFCO January 27, 2005

EPS #12125



Final Report Municipal Service Review – City of Livingston As Approved by LAFCO January 27, 2005

Note: A version of this report titled "Administrative Draft" was approved by LAFCO on January 27, 2005. No changes have been made to this version other than updating the report's title to "Final Report" and revising table and figure labels.

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I. Introduction & Summary

This Report presents the findings and conclusions along with underlying research of a Municipal Service Review for the City of Livingston. Creation of a Municipal Service Review (MSR) for cities and special districts is a new responsibility of the Local Agency Formation Commission. This Municipal Service Review addresses the City of Livingston, including the State-mandated data and analysis and linking this to local organizational issues facing the City. In general these organizational issues involve the City's proposed annexation of unincorporated territory into the City, along with coordination with the County of Merced and various special districts over land use and services in the City's Sphere of Influence and adjacent areas.

BACKGROUND AND PURPOSE

In 1997, the State Legislature convened a special commission to study and make recommendations about how to accommodate California's rapidly accelerating growth. The Commission on Local Governance for the 21st Century focused on empowering the already existing County Local Agency Formation Commissions (LAFCOs), established in 1985 by the Cortese-Knox Local Government Reorganization Act. The Commission's final report, *Growth Within Bounds*, recommended various changes to local land use laws and LAFCO statutes to allow LAFCOs more influence in shaping California's growth. Assembly Speaker Robert Hertzberg encompassed the recommendations of the Commission in Assembly Bill 2838, which passed into the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. The new law endows LAFCO with both more responsibilities and more influence to direct growth in California.

One of the major new responsibilities of LAFCO conferred by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 is to determine the most feasible patterns of growth in their region by conducting comprehensive, regional studies of municipal services (MSRs). These service reviews must be conducted every five years in conjunction with reviews of city Spheres of Influence (SOIs), which generally represent the region's 20-year growth boundary. According to Government Code Section 56425, municipal service agencies must update their SOIs every five years to plan for orderly future outward growth. Section 56430 requires MSRs to be conducted previous to or in conjunction with the sphere reviews to ensure that services can be provided to areas with potential for annexation. In the service review, LAFCO must address at least the following nine issues:

- (1) Infrastructure needs or deficiencies
- (2) Growth and population projections for the affected area
- (3) Financing constraints and opportunities
- (4) Cost avoidance opportunities
- (5) Opportunities for rate restructuring

- (6) Opportunities for shared facilities
- (7) Government structure options, including advantages and disadvantages or consolidation or reorganization of service providers
- (8) Evaluation of management efficiencies
- (9) Local accountability and governance

AB 2838 went into effect in January 1, 2001, so all LAFCOs must finish their first MSRs within five years, by January 1, 2006. Service reviews require written determinations in each category listed above. The written determinations must be based on factual information gathered during the research phase of the service reviews, and must be presented to the public for a review period. Furthermore, active participation is encouraged through the use of public workshops and hearings held by LAFCO.

APPROACH AND METHODOLOGY

Economic & Planning Systems, Inc. (EPS) has been retained under contract to LAFCO to conduct the MSRs for the six cities in Merced County. EPS first requested a range of data from each City regarding municipal services, and prepared an initial draft Report. The initial draft Report was reviewed by LAFCO staff. After LAFCO review and resulting modifications the report was reviewed by the City and subsequently published for public comment. The Report format presents unique "Reorganization Issues" up front and provides details of each service later in the report. The nine State-mandated issue areas are reviewed for each service category examined in the Report.

CITY OF LIVINGSTON GOVERNANCE

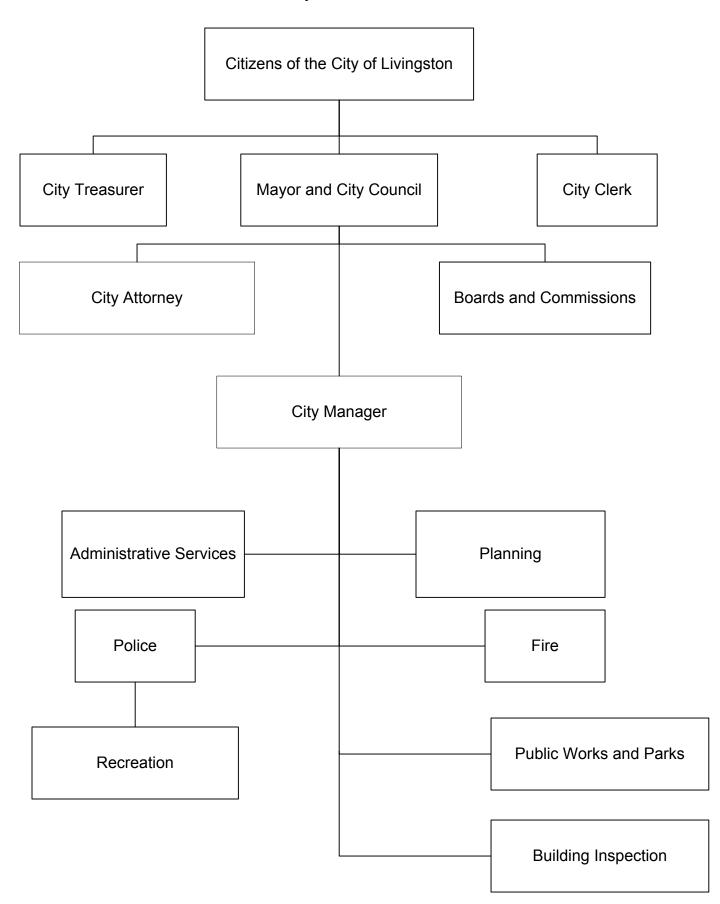
The City of Livingston was founded in 1871 and incorporated in 1922. The City's water and sewer systems were built six years later in 1928. Livingston has five elected City Council members that also serve as the governing board for the Livingston Redevelopment Agency. The City Council is assisted by the Livingston Planning Commission and the Citizens Advisory Committee, both appointed by the City Council. City residents also elect the City Clerk and the City Treasurer. The City supports the following seven departments:

- Administration
- Police
- Recreation
- Parks
- Public Works
- Streets
- Building
- Planning (by contract)

See **Figure 1** for the City's organization chart.

City of Livingston, California

Organizational Chart July 1, 2003



CITY OF LIVINGSTON REORGANIZATION ISSUES

1. Interest in annexations beyond current Sphere of Influence

The City is currently involved in public discussions about future growth and annexation directions. Many developers have shown an interest beyond the current Sphere of Influence boundary.

Time horizon

The City General Plan has a 2050 time horizon, but detailed planning and infrastructure plans only cover the 2020 timeline (which was used for the current SOI). City may have a desire to expand the S.O.I. but information is needed to justify the expansion or complete the MSR for the areas not currently available.

KEY MUNICIPAL SERVICE ISSUES

1. Outdated Infrastructure Master Plans

The City is currently updating its Water, Wastewater, Storm Drainage, and Parks Master Plans, last prepared in 1992. Additionally, the City is developing a Roadways Master Plan. These plans are expected for completion in late 2004 or early 2005.

2. Future Infrastructure Financing

The updated Master Plans will include identification of costs associated with required improvements, and will make recommendations for a Capital Improvement Program to fund those improvements. The City has not established a fee program to fund future infrastructure needs linked to development. As a result, the City has had to rely on individual development agreements for each project. Although this has proven adequate, it makes it quite difficult to ensure that each project pays its fair share of the capital improvements necessary to serve the whole of new development, many of which are not linked to any particular development project.

3. Development Pressure

The City has reported significant pressure for development outside the current City limits, totaling approximately 1,000 acres with a development potential of up to 4,000 residential units and some additional commercial development. The City's 1999 General Plan identified growth areas for a 40 year horizon, but no detailed infrastructure plans were completed, and the Sphere of Influence adopted by LAFCO in 1999 covered only a 20 year growth boundary. Some of the new development proposals the City is considering are outside the current General Plan boundary and would require an update to the 1999 General Plan.

II. SUMMARY OF SERVICE ISSUES AND TRENDS

GROWTH AND DEVELOPMENT

The City of Livingston is located northwest of the City of Merced on Highway 99, about halfway between Atwater and Delhi. The City of Livingston is comprised of 2,329 acres. Within the City limits, fourteen residential subdivision projects have recently been completed or are under construction, approved or pending. The build-out of the current City limit is expected within 5 years. The City's Sphere of Influence (S.O.I.) consists of 923 acres directly adjacent to the City's boundaries. About half of Livingston's S.O.I. is planned for residential use. **Figure 2** (see last page) shows a map of the City's SOI and the City's General Plan designations. See **Table 1** for documented development interest outside the City limits.

Livingston currently has a population of 11,034, and approximately 2,553 households.¹ As shown on **Table 2**, the City of Livingston is expected to grow to 21,675 by 2025, at an average growth rate of approximately 2.7 percent. Along with population growth is expected commercial and mixed-use development.

The City is in the process of updating the infrastructure Master Plans in order to facilitate orderly and well-planned growth. Additionally, the City has held meetings within the last year to discuss the need for a focused General Plan update, addressing changes needed to the Land Use Map, as well as policy changes to address land use changes.

FISCAL CONDITIONS

FY 02-03 Property tax revenues were \$494,805. Only a minor increase in property tax revenues are expected for FY 03-04, reflecting City growth and commercial development spurred by the completion of the Highway 99 bypass.² Other FY 02-03 tax revenues, which include sales tax, transient occupancy tax, and documentary transfer tax, were \$692,000. Both sales and transient occupancy tax revenues decreased slightly during the construction of the Highway 99 bypass, but are expected to grow slowly based on new commercial growth and a slight increase in occupancy in Livingston's one hotel.³

The next year presents a number of uncertainties regarding state revenues. The governor has proposed a bond issue to cover the state deficit which would be accompanied by what is known as the "triple flip", in which the state would retain sales

¹ Department of Finance: E-5 City/County Population and Housing Estimates, 1/1/2003.

² City of Livingston FY 03-04 Proposed Budget, p 47.

³ City of Livingston FY 03-04 Proposed Budget, p 47.

Table 1
Pending and Proposed Annexations to Livingston
Merced Service Reviews, EPS #12125

Name	Status	Acres	Housing units	s Proposed
				minor SOI adjustments and
Ranchwood	Formal application pending			phased approach recommended
Dunmore (Country Villas IV)	Formal application pending			recommended
Gallo	Developer interest			to be considered, if submitted consider southwest portion as
Dunmore	Developer interest			future project
Highland Partners	Developer interest			to be considered, if submitted minor SOI amendment to be
Yagi	Developer interest			considered, if submitted
Total Area		1,00	0 4,000	

Source: "City Growth and Annexations," City of Livingston City Council/Planning Commission Joint Study Session; ppt presentation November 13, 2003.

Table 2 City of Livingston Projected Population Merced Service Reviews, EPS #12125

Year	Population	Growth	Total Housing Units (1)	New Housing Units Required
2000	10,725	2.9%	2,429	
2005	12,524	2.8%	2,837	407
2010	14,519	2.7%	3,289	452
2015	16,612	2.7%	3,763	474
2020	19,053	2.6%	4,316	553
2025	21,675		4,909	594

⁽¹⁾ Assumes 4.415 persons per household, from DOF E-5.

Source: Merced County Association of Governments, www.mcag.ca.us

tax revenues while returning to municipalities some of the property tax revenue withheld under the ERAF program. While in theory this exchange is supposed to hold the municipalities harmless, in practice it is not yet certain that this is perfectly achievable. Furthermore, even if the City ends up with the same number of dollars in property tax revenue that it would have received in sales tax, the money will arrive semiannually instead of monthly, which will at the very least present cash flow challenges that will have to be addressed.

SERVICES

As shown on **Table 3**, Livingston provides a wide range of municipal services to the population within its City limits. Some municipal services are provided by the County or by mutual aid agreements with adjoining municipalities.

Table 3
City of Livingston Service Providers
Merced Service Reviews, EPS #12125

Municipal Service	Service Provider
Water	City of Livingston
Sanitary sewer	City of Livingston
Storm drainage	City of Livingston
-	Livingston Union School District, Merced Union
Schools	High School District
Police	City of Livingston
Fire	Merced County Fire Department (by contract)
Library	County of Merced
Gas & Electric	MID and PG&E
Local Telephone	Evans Telephone Co.
Cable	Charter Communications
Health	Livingston Medical Group
Postal	U.S. Postal Service
Waste Collection	Contract with Gilton Solid Waste Management
Parks	City of Livingston
Recreation	City of Livingston

Source: City of Livingston General Plan December 1999, p. 2-41 - 2-51.

POLICE

DESCRIPTION

Livingston's Police Department consists of 18 police officers of various ranks and an administrative staff, totaling 36. The department strives to maintain a ratio of 1.5 officers per 1,000 residents. The City operates with a Mutual Aid agreement with the Merced County Sheriff's Department.⁴

Miscellaneous police programs, including a bike rodeo, Kops for Kids, and Community & youth services, cost the department in FY 02-03 a total of \$57,711, but brought in a revenue of \$52,685, leaving a net cost of \$5,026. These programs aim to educate the public and improve relationships within the community.⁵

The Police Department's goals include maintaining the current traffic program and zero tolerance efforts at schools, increasing the number of DUI arrests throughout the city, targeting gang violence, improving the department's web site and addressing all languages, and initiating the use of electric vehicles for public relations and street enforcement.⁶

The Department's FY 02-03 budget of \$1.8 million supports almost \$1.5 million in personnel, over \$300,000 in materials and close to \$30,000 for the Capital Outlay purchase of a new vehicle and associated equipment.⁷ In FY 01-02, the department responded to 5,053 emergency 911 calls, issued 220 parking citations, made 154 DUI arrests, 208 felony arrests, 914 misdemeanor arrests, and issued 200 warrants.⁸

⁴ General Plan 2-50

⁵ Budget 43.

⁶ Budget 94.

⁷ Budget 95.

⁸ Budget 95.

DETERMINATIONS

1. INFRASTRUCTURE NEEDS AND DEFICIENCIES

The Police Department does not currently have a master plan or capital improvement program. Capital equipment is acquired as needed to accommodate additional officers or replace equipment that has exceeded its useful life.

2. GROWTH AND POPULATION PROJECTIONS

No police services plan has been provided. It is assumed that additional service capacity (officers) will be added as required to serve new development.

3. FINANCING CONSTRAINTS & OPPORTUNITIES

The police department is financed almost entirely from general fund revenues. In the current municipal finance environment across the state, this poses a potential constraint on the ability of the City to serve new development at acceptable service levels.

4. COST AVOIDANCE OPPORTUNITIES

The Department projected \$1.8 million in personnel expenditures in FY 2003-2004 for 17 uniformed officers, an average of \$103,159 per officer. This cost is within the typical range for comparable cities. No cost avoidance opportunities have been identified at this time.

5. OPPORTUNITIES FOR RATE RESTRUCTURING

No opportunities for rate restructuring have been identified at this time.

6. OPPORTUNITIES FOR SHARED FACILITIES

No opportunities for shared facilities have been identified at this time.

7. GOVERNMENT STRUCTURE OPTIONS

The Police Department currently serves the entire City, and will serve additional areas as they are annexed by the City. As of the date of this report the Police Department does not provide any services to areas outside the City.

8. EVALUATION OF MANAGEMENT EFFICIENCIES

At an average cost of approximately \$103,000 per uniformed officer, the Department appears to be efficiently managed.

9. LOCAL ACCOUNTABILITY AND GOVERNANCE

The police department appears reasonably accountable, with a Police Chief who reports to the City Manager and elected City Council, and no changes to governance are pending or contemplated at this time.

FIRE

DESCRIPTION

Livingston's Fire Department provides fire, rescue and emergency medical response service. The Department is managed and staffed by an agreement with the Merced County Fire Department and the City of Atwater's Fire Department. Livingston has no paid firefighters but 21 volunteer firefighters.

Livingston strives to maintain a ratio of one volunteer per 500 residents and one fire company per 10,000 residents. The goal for fire response time is six minutes.⁹ In 2002, the Fire Department responded to 64 fires within the City and 59 fires within the County. The Department responded to 447 medical aid calls within the City and 95 within the County, 32 motor vehicle accidents in the City and 57 in the County, among a total of 1,194 calls.¹⁰ The FY 02-03 expenditure budget of \$51,599 included \$16,355 in equipment purchases and \$34,661 in materials, supplies and services. The FY 03-04 requested budget increased by just over \$5,000.¹¹

⁹ General Plan 10-2

¹⁰ Budget 121.

¹¹ Budget 123.

DETERMINATIONS

1. INFRASTRUCTURE NEEDS AND DEFICIENCIES

The City has not provided a fire service plan, so EPS has been unable to evaluate the current infrastructure needs and deficiencies of the department.

2. GROWTH AND POPULATION PROJECTIONS

New growth or annexations may require the construction of additional fire stations. In addition, significant new growth may require the conversion of the fire department from volunteer to professional firefighters, which will entail significant additional expense.

3. FINANCING CONSTRAINTS & OPPORTUNITIES

The department derives operating revenue from a number of sources, including the City's general fund, fees for services, and state and federal funds.

4. COST AVOIDANCE OPPORTUNITIES

No cost avoidance opportunities have been identified at this time.

5. OPPORTUNITIES FOR RATE RESTRUCTURING

No opportunities for rate restructuring have been identified at this time.

6. OPPORTUNITIES FOR SHARED FACILITIES

The Merced County Fire Department provides fire, rescue, and emergency services in Livingston, and the City of Atwater provides assistance to Livingston in the event of an emergency.

7. GOVERNMENT STRUCTURE OPTIONS

The fire chief is appointed by the City Council and reports to the City Manager. No other options for government structure have been identified at this time.

8. EVALUATION OF MANAGEMENT EFFICIENCIES

The department appears to be reasonably well managed and efficient for its size and service requirements.

9. LOCAL ACCOUNTABILITY AND GOVERNANCE

The Department appears reasonable accountable.

STORM DRAINAGE

DESCRIPTION

Livingston's storm water is managed through a program with the Merced Irrigation District. Expenditures are about \$5,000 each year. Storm water is temporarily stored in detention basins, which serve as watersheds within the urbanized area. Each watershed has a lift station that drains the storm water at a controlled rate to available MID canals. The detention basins store storm runoff during peak periods, allowing the pump stations to discharge over a longer period of time to the MID canals. The MID canals carry runoff to the Merced River.

Runoff from land with largely residential uses has less potential for contamination than runoff from industrial land uses. MID must review each industrial parcel separately in order to grant special permission to discharge industrial runoff into MID's facilities.

Livingston's General Plan recommends that the City's undeveloped areas be served by new detention basins, because MID has indicated that additional transport capacity in their canals is unavailable. The City will continue to use MID facilities as a part of the storm drainage solution, but also plans to identify locations for new detention basins. Costs in 1992 dollars for the development of these new facilities were estimated to be \$4,400/acre to \$24,980/acre.¹³

The City's Storm Drainage Master Plan, dated 1992, is currently being updated.

¹² Budget 115

¹³ General Plan 2-47

DETERMINATIONS

1. INFRASTRUCTURE NEEDS AND DEFICIENCIES

The last master plan for storm drain services was completed in 1992. The City is currently updating its Storm Drain Master Plan, including capital improvement recommendations. The City also plans to update its General Plan in the near future. These updated plans will address the City's storm drain deficiencies and needs.

2. GROWTH AND POPULATION PROJECTIONS

The Master Plan update will address the City's current population and future growth projections in order to adequately prepare for future storm drain demand.

3. FINANCING CONSTRAINTS & OPPORTUNITIES

Livingston's policy is that new growth should pay for itself. That is, needed facilities and new demands on existing facilities will be paid for through fees on new development. The City does not currently have a development impact fee program. The Master Plan update will identify the need for new facilities and will address financing opportunities.

4. COST AVOIDANCE OPPORTUNITIES

No cost avoidance opportunities have been identified at this time.

5. OPPORTUNITIES FOR RATE RESTRUCTURING

No opportunities for rate restructuring have been identified at this time.

6. OPPORTUNITIES FOR SHARED FACILITIES

The City discharges its storm water into MID facilities. No opportunities for shared facilities have been identified at this time.

7. GOVERNMENT STRUCTURE OPTIONS

No options for government structure have been identified at this time.

8. EVALUATION OF MANAGEMENT EFFICIENCIES

The department appears to be reasonably efficient and no changes are anticipated at this time.

9. LOCAL ACCOUNTABILITY AND GOVERNANCE

Storm water is managed by the City's department of public works, which is under the supervision of the City Manager. The department appears reasonably accountable and no changes are contemplated at this time.

WATER

DESCRIPTION

Livingston's water comes from eight groundwater wells and is distributed through 40 miles of maintained water transmission lines. In FY 03-04 an estimated 400 residential water meters will be installed (up from the previous year's 75). The eight wells produce approximately 9,100 gpm, or almost 2 billion gallons of water per year. A one million gallon storage tank was constructed in 1997 to provide emergency supply during power outages. Water quality is good except for high levels of the pesticide DBCP and nitrates. By 1990, contaminate levels were so high that four wells were closed. Today, wells must be deeper than 120 feet to avoid contamination found in shallow groundwater.

Groundwater is recharged by several means: the Merced River, percolation from MID canals, storm water detention basins, treated wastewater disposal facilities and excess applied surface irrigation water. Livingston's 1992 Water Distribution System Study and Master Plan found that the groundwater supply is adequate for buildout of the City of Livingston's Sphere of Influence. To take advantage of this resource, improvement to the City's production, storage, distribution and treatment systems will be necessary. In its General Plan, Livingston proposes to develop fees for the construction of new wells and water mains for future development.

As urbanization replaces agricultural use of land, groundwater recharge will become more of an issue and overdraft may become a concern for both the City of Livingston and the surrounding farmland. Ditches, which currently help recharge groundwater levels, will become piped, and agricultural land, which currently is irrigated and also recharges groundwater levels, will become urbanized. Groundwater will thus be recharged at a slower rate while wells will pump at the same or greater rate.

The Water Department's \$1.2 million budget in FY 02-03 consisted of \$236,000 in personnel expenses for four maintenance workers and \$923,000 in costs for materials, services and supplies. Capital Outlay of about \$30,000 in both FY 01-02 and FY 02-03 purchased a vehicle for the Department and three hand-held water meter readers. Water fund revenue is derived primarily from water sales (82%) and interest earned. Water connection charges add to a restricted water fund. Livingston was expected to receive a \$99,000 grant for water infrastructure in FY 02-03.

¹⁴ Budget 158-9

¹⁵ General Plan 2-41.

¹⁶ Budget 161.

¹⁷ Budget 36.

¹⁸ Budget 42.

DETERMINATIONS

1. INFRASTRUCTURE NEEDS AND DEFICIENCIES

EPS was unable to determine the current infrastructure needs and deficiencies for the City. The last water master plan, completed in September 1992, indicated that generally the City will be able to draw the groundwater required to serve existing development. The City is currently updating its Water Master Plan, which will be more precise, and will include an updated capital improvement plan.

2. GROWTH AND POPULATION PROJECTIONS

The City's updated Water Master Plan will update population and growth projections to project future water demand.

3. FINANCING CONSTRAINTS & OPPORTUNITIES

Livingston's policy is that new growth should pay for itself. That is, needed facilities and new demands on existing facilities will be paid for through fees on new development. The City has not provided any information regarding a development impact or capital facilities fee program. The Water Master Plan update will identify the need for new facilities and will address financing opportunities.

4. COST AVOIDANCE OPPORTUNITIES

No cost avoidance opportunities have been identified at this time.

5. OPPORTUNITIES FOR RATE RESTRUCTURING

No opportunities for rate restructuring have been identified at this time.

6. OPPORTUNITIES FOR SHARED FACILITIES

The City is the only provider of potable water in the vicinity. No opportunities for shared facilities have been identified at this time.

7. GOVERNMENT STRUCTURE OPTIONS

No government structure options have been identified at this time.

8. EVALUATION OF MANAGEMENT EFFICIENCIES

The department appears reasonably efficient and no changes are anticipated at this time.

9. LOCAL ACCOUNTABILITY AND GOVERNANCE

The operators of the water system, the City's Public Works Department, appear reasonably accountable and no changes to governance are pending or proposed at this time.

SEWER

DESCRIPTION

Livingston's domestic sewer system includes a gravity collection system with 6 pump stations and a wastewater treatment plant with evaporation ponds. The system has the capacity to serve up to 20,000 customers, a population Livingston is not expected to reach until after 2020. The facility is maintained and operated by Environmental Management Services. The domestic sewer fund of \$1.4 million is mostly from domestic sewer service charges, supplemented by interest. For the WWTF, \$4.9 million was spent in FY 02-03, and \$3.1 million is appropriated for FY 03-04. \$2 million of this fund's revenue came from a grant in FY 02-03.¹⁹

Livingston also has a 120 acre industrial wastewater treatment plant that monitors and manages wastewater generated by the City's Foster Farms processing plants. The facility is managed by Environmental Management Services. Twelve lagoon ponds process nearly 4 million gallons of industrial wastewater per day.²⁰ Service charges and interest generate \$390,000 to run the industrial sewer fund. The Industrial Wastewater Treatment Plant will be upgraded in the near future to meet anticipated requirements from the State Water Resources Control Board.

¹⁹ Budget 59

²⁰ Budget 172.

DETERMINATIONS

1. INFRASTRUCTURE NEEDS AND DEFICIENCIES

According to the City's sewer master plan, last updated in November 1996, the City's current sewer treatment system is designed to serve a population of up to 20,000, and therefore appears sufficient to serve expected population growth through approximately 2020. More precise projections will be made in the City's updated Sewer Master Plan.

2. GROWTH AND POPULATION PROJECTIONS

The City's updated Sewer Master Plan will update population and growth projections to project future water demand. However, as noted above, the sewer treatment system is expected to be sufficient to serve future growth through 2020. Sewer distribution systems for new development will be constructed in conjunction with each project.

3. FINANCING CONSTRAINTS & OPPORTUNITIES

Livingston's policy is that new growth should pay for itself. That is, needed facilities and new demands on existing facilities will be paid for through fees on new development. The City has not provided any information regarding a development impact or capital facilities fee program. The Water Master Plan update will identify the need for new facilities and will address financing opportunities.

4. COST AVOIDANCE OPPORTUNITIES

No cost opportunities have been identified at this time.

5. OPPORTUNITIES FOR RATE RESTRUCTURING

No opportunities for rate restructuring have been identified at this time.

6. OPPORTUNITIES FOR SHARED FACILITIES

No opportunities for shared facilities have been identified at this time.

7. GOVERNMENT STRUCTURE OPTIONS

No additional government structure options have been identified at this time.

8. EVALUATION OF MANAGEMENT EFFICIENCIES

The management of the sewer treatment facilities and distribution system appears reasonably efficient and no changes are anticipated at this time.

9. LOCAL ACCOUNTABILITY AND GOVERNANCE

The operators of the sewer system, the City's Public Works Department, appear reasonably accountable and no changes to governance are pending or proposed at this time.

