



TULARE COUNTY LOCAL AGENCY FORMATION COMMISSION

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

LAFCO MEETING AGENDA
August 8, 2012 @ 2:00 P.M.
BOARD OF SUPERVISORS CHAMBERS
COUNTY ADMINISTRATION BUILDING
2800 West Burrel Avenue
Visalia, CA. 93291

COMMISSIONERS:
Juliet Allen, Chair
Cameron Hamilton, V. Chair
Steve Worthley
Rudy Mendoza
Allen Ishida

ALTERNATES:
Dennis A. Mederos
Vacant
Mike Ennis

EXECUTIVE OFFICER:
Ben Giuliani

I. Call to Order

II. Approval of Minutes from July 11, 2012 (Pages 1-4)

III. Public Comment Period

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

IV. Consent Calendar

There are no items.

V. Continued Action Items

There are no items.

VI. New Action Items

1. Adoption of the City of Visalia's Municipal Service Review (Pages 5-20)
[Public Hearing].....Recommended Action: Approval

Tulare County LAFCO will consider the adoption of the City of Visalia's Municipal Service Review Update. The MSR and its determinations were distributed to the Commission and posted for public review on July 18th, 2012. Enclosed is the Executive Summary of the MSR, which includes all of the MSR determinations. The complete MSR is posted on the Commission's website at: <http://www.co.tulare.ca.us/lafco/default.asp>. This item is exempt from the California Environmental Quality Act: Sections 15061(b)(3) and 15306.

NOTE: Persons wishing to speak on any of the agenda items who have made a political contribution of more than \$250 to any commissioner in the last twelve months must indicate this when speaking.

2. Designation of Voting Delegate and Alternate for the CALAFCO Business Meeting (No Page)
[No Public Hearing].....Recommended Action: Designate Delegate and Alternate

During each CALAFCO Annual Conference, voting delegates appointed by each member LAFCO vote on various CALAFCO policy and procedural matters and vote to elect nominees to the CALAFCO Board of Directors.

3. Cancellation of September 12th Commission Meeting (No Page)
[No Public Hearing].....Recommended Action: Approval

There are no actions items scheduled for the September 12th meeting. The only non-regular item would be a follow-up report on special districts which is not time sensitive.

VII. Executive Officer's Report

1. Grand Jury Report - "Special Districts Lack of Oversight" (Pages 21-26)

The Grand Jury's report regarding special districts was reviewed at last month's Commission meeting. Enclosed is the County Auditor's report to the Board of Supervisors that was referenced in the Grand Jury report. The Auditor maintains a schedule for district reporting. Not every district is reported on each year. After a preliminary review of the State Controller's Special Districts Annual Reports, most of the districts cited on the Auditor's report appear not to be in poor financial situations. However, there are a few districts that need further review. A detailed report regarding these districts will be provided at the next Commission meeting. In addition, staff is also collecting information as requested by the Commission regarding districts that have had difficulty keeping full boards. This information will also be provided to the Commission at the next meeting.

2. Legislative Update (No Page)

The Executive Officer will provide a status update of proposed legislation that will, or potentially could, impact LAFCO's legislative authority and/or administrative responsibility.

3. Upcoming Projects (No Page)

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

VIII. Correspondence

None

IX. Other Business

1. Commissioner Report (Page 27)

At this time, any Commissioner may inform the Commission, Staff, or the public of pertinent LAFCO issues not appearing on the agenda.

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

NOTE: Persons wishing to speak on any of the agenda items who have made a political contribution of more than \$250 to any commissioner in the last twelve months must indicate this when speaking.

X. Closed Sessions

There are no items.

XI. Setting Time and Place of Next Meeting

September 12, 2012 or October 10, 2012 (if September is canceled) @ 2:00 P.M. in the Board of Supervisors Chambers in the County Administration Building

XII. Adjournment

Item No.

Agenda Summary

- II. *Please see enclosed July 11th, 2012 meeting minutes.*
- VI.1 *Please see enclosed Memo and Determinations for the City of Visalia MSR update.*
- VI.2 *There are no enclosures for this item.*
- VI.3 *There are no enclosures for this item.*
- VII.1 *Please see enclosed Auditor's report regarding special districts.*
- VII.2 *There are no enclosures for this item.*
- VII.3 *There are no enclosures for this item.*
- IX. *Please see enclosed CALAFCO Quarterly newsletter.*

NOTE: Persons wishing to speak on any of the agenda items who have made a political contribution of more than \$250 to any commissioner in the last twelve months must indicate this when speaking.

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TULARE COUNTY LOCAL AGENCY FORMATION COMMISSION
Minutes of the Meeting
July 11, 2012

Members Present: Julie Allen, Cameron Hamilton, Allen Ishida

Members Absent: Rudy Mendoza, Steve Worthley

Alternates Present: Mike Ennis, Dennis Mederos

Alternates Absent: None

Staff Present: Ben Giuliani, Cynthia Echavarria, Jessica Moncada

Counsel Present: Nina Dong

I. Call to Order

Chair Allen called the Tulare County Local Agency Formation Commission meeting to order at 2:03 p.m. on July 11, 2012

II. Approval of the June 6, 2012 Minutes:

Upon motion by Commissioner Hamilton and seconded by Commissioner Ishida, the Commission unanimously approved the June 6, 2012 minutes.

III. Public Comment Period

Chair Allen opened the Public Comment Period

No comments were received; Chair Allen closed the Public Comment Period

IV. Consent Calendar Items

There were no Consent Calendar items.

V. Continued Action Items

There were no Continued Action Items.

VI. New Action Items

1. LAFCO Case 1491, formation of the Alpaugh Services District and dissolution of the Tulare County Waterworks District #1

Staff Analyst Cynthia Echavarria provided information on LAFCO Case 1491, formation of the Alpaugh Services District and dissolution of the Tulare County Waterworks District #1.

The proposed CSD would provide domestic water service to the town site of Alpaugh and surrounding area in place of the Tulare County Waterworks District #1 and Alpaugh Joint Powers Authority. The community of Alpaugh is located in the southwest corner of the County of Tulare, California. The Tulare County Waterworks District #1 encompasses the town site of Alpaugh. Ms. Echavarria stated the site is and will remain agriculture outside the town site and rural residential with some commercial in the town site. The proposed Alpaugh CSD encompasses the entire area that is currently served by the domestic water system.

There are three alternatives. Alternative 3 was not approved by the BOS, however, Alternative 3 takes into account existing tax rate areas (TRAs). Using Alternative 3 would assist the County

Auditor in keeping TRA adjustments as minimal as possible. There would be no additional environmental impact by approving Alternative 3.

The proposed formation of the Alpaugh CSD and dissolution of the Tulare County Waterworks District #1 are not subject to a protest hearing but they are subject to protest. To date, there have been no written protests submitted against either the proposed dissolution or formation.

Subsequent to the issuance of the Executive Officer's Report, staff prepared an addendum to the staff report. EO Giuliani stated he attended an Alpaugh Community meeting and based off feedback from the residents in attendance some modifications to the staff report and recommendations were needed. As a condition of approval all previous charges, fees, assessments or taxes collected by Tulare County Water Works District #1 shall be continued to Alpaugh CSD. In addition, the provision regarding placing an extension of the property assessment on the ballot was recommended to be removed. A map and legal description will need to be received from the proponent prior to recording a Certificate of Completion.

LAFCO will not be setting a Sphere of Influence for the district at this time. It is felt that it would be better to get the district running first, do a Municipal Service Review and then set up a Sphere of Influence later.

Staff recommended that the proposal be approved and that the Commission take actions 1-7: Removing item 6.b and adding the determination that A Municipal Service Review (MSR) and the establishment of a Sphere of Influence (SOI) will be completed following the adoption of Alpaugh CSD's FY 13/14 budget.

Chair Allen opened the public hearing.

Paul Boyer from Self Help Enterprises stated he supports the formation going on the ballot.

Matt Hurley, Angiola Water District, stated that each of the entities so far has expressed a positive attitude towards this action and he believes this is the direction to go for Alpaugh. He highly recommends getting this on the ballot.

Steve Larson, Bureau of Land Management, requested that additional BLM land be added to the proposed CSD.

EO Giuliani recommended that the additional land be added to the proposed formation.

Chair Allen closed the public hearing.

Upon motion made by Commissioner Ennis and seconded by Commissioner Ishida the Commission unanimously approved Alternative 3 as amended for LAFCO Case 1491, formation of the Alpaugh Services District (CSD) and dissolution of the Tulare County Waterworks District #1.

2. LAFCO Case 1490, City of Dinuba Sphere of Influence Update

Staff Analyst Cynthia Echavarria provided an update on LAFCO Case 1490, Dinuba Sphere of Influence. Ms. Echavarria stated the last SOI Update for the City was adopted by the Commission on April 4th, 2007. The first MSR for the City was adopted as part of the Group 2 MSRs on May 3rd, 2006. Since the adoption of the last SOI update in 2007, the City has updated its General Plan and more recently, in May of 2012, signed a Memorandum of Understanding (MOU) with the County. One of the agreements in the MOU is that the County will adopt a 20-year Urban Development Boundary (UDB) that is coterminous to the LAFCO adopted SOI for the City. Staff recommends that the SOI be approved and that the Commission take actions A through D in the staff report.

Chair Allen opened the public hearing at 2:29 p.m.

Ralph Kachadourian from the RMA Planning Branch stated there was great success in planning with the City of Dinuba and RMA for this Sphere of Influence and spoke in support of the proposal.

Steve Brandt from Quad Knopf representing the City of Dinuba stated that he is in support of staff's recommendations and the MOU that has been established with the County.

Chair Allen closed the public comment period at 2:31p.m.

Upon motion made by Commissioner Ishida and seconded by Commissioner Ennis, the Commission unanimously approved LAFCO Case 1490, City of Dinuba Sphere of Influence Update.

VII. Executive Officer's Report

1. Grand Jury- "Special Districts Lack of Oversight"

As part of their FY 11/12 report, the Tulare County Grand Jury released recommendations regarding a perceived lack of oversight of special districts in the County. EO Giuliani expressed his concerns as to why he thought it was unnecessary to increase staff as recommended by the report. The Grand Jury report sites LAFCO's power to dissolve and reorganize districts. EO Giuliani stated he doesn't think the Grand Jury fully realized the extent of what has to happen to be able to dissolve and reorganize districts.

The Grand Jury report, states in 2011, 29 special districts experienced an operation loss or decrease in assets. In addition, 11 special districts failed to perform any audits for one or more years. EO Giuliani stated that an operations loss doesn't necessarily mean that a special district is not functioning properly. A district will miss on its budget on occasion; this is why they have reserves. EO Giuliani stated that he could get the auditor's report that identifies these special districts and look, from a historical perspective, at the state controller reports and bring it back to the commission.

Commissioner Ishida asked if LAFCO is required to give a response to the Grand Jury Report.

EO Giuliani stated the Tulare County Board of Supervisors is the only required response.

Commissioner Ishida requested that staff request information from the Board of Supervisors regarding districts that have had issues keeping full boards.

2. CALAFCO Board Nominations and Achievement Award Nominations

EO Giuliani provided information on the CALAFCO Board Nominations and Achievement Award Nominations. EO Giuliani stated for the Central Region this year, three out of the four Board Members are up for election. A city member lost a recent election and now their seat is up for election at the next CALAFCO meeting.

Commissioner Allen stated every year CALAFCO gives out various achievement awards. If there are any particular award nominations that the Commission can think of, the Commission will need to act quickly.

3. Legislative Update

EO Giuliani stated that the governor did sign the LAFCO Omnibus Bill. The most significant part of the bill is the streamline of the protest proceedings. The Perea Bill that was reported last month, is still moving forward but has not yet been passed.

4. Upcoming Projects

The Visalia MSR is currently the only action item on the August agenda.

EO Giuliani also wanted to let the Commission know about the upcoming annual LAFCO conference that will be held in Monterrey on October 3rd.

Commissioner Ishida recommended that the LAFCO's new alternate member, Dennis Mederos attend the LAFCO Conference.

VIII. Correspondence

None

IX. Other Business

1. Commissioner Report - At this time, any Commissioner may inform the Commission, Staff, or the public of pertinent LAFCO issues not appearing on the agenda.

Commissioner Allen stated the next CALAFCO's meeting will be held July 13th, 2012 in Sacramento. The most important decision on the agenda is to select the new Executive Director for CALAFCO. Commissioner Allen also expressed her thanks for all the condolences sent to her during her family's time of loss.

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

None

X. Closed Sessions

None

XI. Setting Time and Place of Next Meeting

August 8, 2012 @ 2:00 P.M. in the Board of Supervisors Chambers in the County Administration Building

XII. Adjournment



TULARE COUNTY LOCAL AGENCY FORMATION COMMISSION

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COMMISSIONERS:
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EXECUTIVE OFFICER:
Ben Giuliani

August 8, 2012

TO: LAFCO Commissioners, Alternates, Counsel

FROM: Cynthia Echavarria, Executive Officer

SUBJECT: Visalia Municipal Service Review Update

Background

The first Municipal Service Review (MSR) for the City of Visalia was adopted as part of the Group 1 MSRs by the Commission at the March 2006 meeting. Since the adoption of the MSR, the City has started an update to its General Plan. The Sphere of Influence (SOI) for Visalia was last comprehensively reviewed by the Commission in 1974 followed by several SOI amendments. Before the Commission can approve a major amendment or a comprehensive update of the SOI, the updated MSR determinations need to be adopted.

Discussion

Since the Visalia MSR was first developed in March of 2006, government code was modified that combined twelve topic areas into six. Recently, a seventh was added into law relating to disadvantaged unincorporated communities. The Commission is required to prepare a written statement of determinations for the following:

- Growth and population projections for the affected area.
- The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.
- Present and planned capacity of public facilities, adequacy of public services and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.
- Financial ability for agencies to provide services.
- Status of, and opportunities for, shared facilities.
- Accountability for community service needs, including governmental structure and operational efficiencies.

- Any other matter related to effective or efficient service delivery, as required by commission policy.

Note: In the updated MSR, information regarding the location and characteristics of disadvantaged unincorporated communities and services relating to those communities were combined under the last topic area.

Technical data was updated based on newer supporting documents such as the City of Visalia's General Plan Update Existing Conditions Report (2011), City of Visalia's Housing Element Background Report and Policy Document (2010), Operating and Capital Budget FY 2010/ 11 & 2011/12, Cal Water: Water Supply and Facilities Master Plan (2005), Water Conservation and Landscape Ordinance Municipal Code 13.20, Storm Water Management Program (2005), Visalia Water Conservation Plant 2008 Master Plan, Comprehensive Annual Financial Reports CAFR 2010-2011, and the 2010 Census.

Tulare County LAFCO will not be initiating the City's SOI update at this time. The City of Visalia's SOI update should wait until after the completion of their General Plan update and after the completion of the City/County MOU process.

Attached is the Executive Summary with determinations for the updated Visalia MSR. The full version of the Draft MSR was distributed for the Commission on July 18, 2012. The full version Draft was also posted for public review on LAFCO's website: <http://www.co.tulare.ca.us/lafco/default.asp>.

Recommendation

Adopt the updated Municipal Service Review and statement of determinations for the City of Visalia.

Attachments:

Updated Visalia MSR – Executive Summary
Resolution of Adoption

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

In the Matter of the Adoption of the)
Municipal Service Review Update)
For the City of Visalia)

RESOLUTION NO. 12-013

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

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

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

WHEREAS, on March 1, 2006, the Commission adopted the first Municipal Service Review (MSR) and statement of determinations for the City of Visalia (Resolution 06-010); and

WHEREAS, the Visalia MSR and its determinations have been updated to allow for the Commission's consideration of a comprehensive update to the City's SOI; and

WHEREAS, on August 8, 2012 this Commission heard, received, and considered testimony, comment, recommendations and reports from all persons present and desiring to be heard in this matter.

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

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

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

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

4. The Commission hereby finds the updated Visalia MSR:

(a) Includes a subregion of the county appropriate for an analysis of the services to be reviewed;

(b) Contains a written statement of the Commissions' determination of the subjects required to be analyzed in an MSR, and

(c) Reviews all of the agencies that provide the service or services within the designated geographic area as set forth in LAFCO policy C-5.

5. The Municipal Service Review Report, including statement of determinations, for the City of Visalia is hereby adopted.

The foregoing resolution was adopted upon motion of Commissioner x and seconded by Commissioner x, at a regular meeting held on this 8th day of August 2012, by the following vote:

AYES:

NOES:

ABSTAIN:

PRESENT:

ABSENT:

Ben Giuliani, Executive Officer

ce

City of Visalia

Municipal Service Review
Written Determinations



Prepared By
Tulare County
Local Agency Formation Commission
August 2012

Written Determinations

1 Growth and Population

Population

1. Based upon population estimates available from the California Department of Finance (DOF), the City had a population of approximately 125,770 as of January 2011.
2. Based on current data Visalia experienced an average annual growth rate of 2.52% between 1990 and 2010. The recession of the late 2000s caused a reduction in population growth, with California losing population between 2007 and 2010. Although, the Central Valley added population at just less than 1 percent per year, and Visalia at 2.1 percent per year, during this period. The most recent DOF data shows a 1.3 percent change in population from January 1, 2010 to January 1, 2011.
3. Using an annual average growth rate of 2.52% results in a year 2020 population of approximately 159,620 and a 2025 population of approximately 180,778 compared to the year 2020 *Proposed General Plan Land Use Element* estimate of 165,000. Based upon these comparisons, it is concluded that the *General Plan Land Use Element* provides reasonable estimates of the City's population at General Plan build-out, projected to occur by year 2020.
4. According to the City of Visalia's Draft General Plan Update, it will add 65,500 new residents over the next 20 years, a respective increase of 46 percent and 39 percent above existing levels. From the 2009 population of 123,670 to the projected 2030 population of 207,600, population is projected to grow at an annual rate of 2.6 percent.

Planning Boundaries

5. Visalia's *General Plan Land Use Element* establishes planning boundaries including a UAB, UGB, and UDB's to help create a timeline for establishing urban development areas. Currently Visalia is updating the General Plan. The planning area is the geographic area for which the General Plan establishes policies about future urban growth, long-term agricultural activity, and natural resource conservation. The boundary of the planning area was determined by the General Plan Update Review Committee (GPURC). It comprises all land within the city limits as well as neighboring unincorporated land, including the community of Goshen. It encompasses approximately 104 square miles or 66,640 acres. It is roughly bounded by Avenue 320 and Avenue 328 to the north; Road 158 and Mariposa Avenue to the east; Avenue 264 and Avenue 260 to the south; and Road 64 and Road 52 to the west.
6. To ensure that growth occurs in compact and concentric manner the City has urban growth policies that implement the General Plan's phased growth strategy. The General Plan land Use Diagram establishes growth "rings" comprised of the UDB and UAB. Urban growth policies including the following monitoring requirements:
 - Five-year update of basic assumptions of urban growth projections including population growth, average density of urban development, infrastructure constraints, employment trends
 - Comprehensive update every 10 years to reflect changing community needs and values
 - Review of urban development boundaries based on actual population and buildout, rather than the current date-based system

7. While the City's *General Plan Land Use Element* associates the SOI with the UAB, this is not consistent with a SOI as defined by Tulare County LAFCO. As defined by LAFCO, a SOI would be more representative of Visalia's definition of a UGB. A City's SOI should generally extend beyond or be coterminous with a City's UGB, and inside a City's UAB, which is not currently the case with the City of Visalia.

Land Use Findings

8. The City's *General Plan Land Use Element*, in addition to the preparation of Specific Plans provides for the logical and reasonable growth and development for the City of Visalia.
9. The City of Visalia is now in the process of updating the General Plan. The City Council began this multi-year process in 2010, commencing a unique and important opportunity for residents to share their ideas about their community's future. The General Plan update is a collaborative effort between the City and its residents to create a vision and a blueprint for development through 2030.¹
10. The City plans future development through the preparation, adoption, and implementation of Specific Plans. Specific Plans address the distribution of land uses, the location and sizing of supporting infrastructure, methods of financing public improvements, and standards of development for a specific planning area boundary. To date, the City of Visalia has eight Specific Plans in effect. The City requires specific plans to be approved for community centers prior to development.
11. There is adequate land designated for residential development within the City's current UGB to accommodate residential growth through the year 2020.
12. The current Urban Development Boundary (UDB) is essentially still adequate as a boundary for future growth, although minor adjustments may be appropriate.²
13. The Housing Element (2010) is a comprehensive update of the previous Housing Element (2005) and is valid for a 7½-year planning period (i.e., January 1, 2007 to June 30, 2014). The previous Housing Element (2005) served a planning period from 2001 to 2007.
14. The City's *General Plan Land Use Element* provides for adequate land zoned for retail commercial and office within the City's UGB.
15. The *Visalia Industrial Park Implementation Plan* establishes a study area, which lies totally within Visalia's UAB, but portions of which are outside the City's UDB, UGB, SOI, and city limits. The boundaries of the study area were designed to make sure jurisdictional issues between the City and County were addressed. The City indicates a need for additional land zoned for industrial uses to accommodate future expansions of the industrial park area.
16. The *Visalia Industrial Park Implementation Plan* provides for Master Planned growth within the northwest industrial area, including land use, public utilities, traffic and circulation, economic analysis, financial planning, and environmental documentation.

Annexations

17. Since 1996, Visalia has successfully annexed 5,976.4 acres between 1996 and 2011.

¹ City of Visalia's website

² General Plan Update existing conditions report

18. Since 2006, Visalia has annexed 480 acres intended for future industrial development, and 113 acres of mostly developed industrial land area south of Goshen Avenue, and 437 acres for various public uses and 160 acres for a future school site.
19. There are 10 "islands" (developed and undeveloped) within the city limits, in which services are currently provided by Tulare County. Visalia has some infrastructure in place in many of the developed islands, anticipating ultimate connection to their services.
20. California SB 1266, effective January 1, 2005, amended AB 1555 by expanding the maximum area for island annexations from 75 to 150 acres. All other provisions of the current law will remain unchanged. The sunset date is currently January 1, 2014.
21. From 2003 to 2006, the City annexed 15 developed County Islands that included 392 acres of land, 3,053 people and 1,032 housing units.

Potential SOI Updates

22. The City's SOI should generally extend beyond or be coterminous with the City's UGB, and inside the City's UAB, which is not currently the case with the City of Visalia. At a minimum, the City's SOI should be updated to encompass land within the City's UGB if the UGB is found to be consistent with LAFCO's SOI policies.
23. Since 2006, the City's SOI has been amended in conjunction with the approximately 480-acre industrial annexations. The City indicates that a SOI amendment is still necessary for the Industrial Park and the SOI would need to be expanded by 160 acres to include additional area between Avenue 312 and 320 to reach its development potential. All industrial annexations after 2007 have remained undeveloped.

2 Present and Planned Capacity of Public Facilities and Adequacy of Public Services, Including Infrastructure Needs & Deficiencies

Water

1. The City of Visalia contracts with California Water Service (Cal Water), a private water service provider, to serve the City with potable water and fire protection use. The Cal Water Visalia District primarily serves the City of Visalia, the community of Goshen to the west, and several unincorporated areas adjacent to the City of Visalia. It should be noted that Cal Water is not subject to a SOI determination, and therefore has been identified as being exempt from the municipal service review requirement.
2. The Cal Water Visalia District completed a comprehensive Water Supply and Facilities Master Plan (Boyle Engineering) in February 2005. The master plan program is intended to proactively address the service needs of the existing customers in light of potential water quality and quantity issues as well as address expansion to the system to meet projected future growth. The master plan has a study area consistent with the City's UGB.
3. The City is in a watershed where the groundwater supplies (from the Tulare Lake Basin) are over-drafted, which means more water is being withdrawn from the ground for use than is being replenished. The City has been actively involved in seeking and implementing ways to mitigate the impacts of groundwater overdraft.
4. In August 2005, the City adopted a groundwater overdraft mitigation ordinance which assesses impact fees upon new development and a volumetric fee upon existing urban water supplies to

fund activities and projects to mitigate the impacts of groundwater overdraft. These efforts demonstrate the City's desire to continue to implement long term water supply solutions even through they are not the direct supplier of domestic water to City residents.

5. The City of Visalia has a capital improvement fund set up for underground water recharge efforts. Funds are used for the acquisition of water, and other activities to improve groundwater levels, and increase the supply of water to the City.
6. The City's Municipal Code contains a *Water Conservation Ordinance* which outlines specific policies pertaining to the conservation of potable water. Employees of California Water Service Company are authorized by the ordinance to issue written notices of violations, but are not authorized by law to issue citations for violations. The City's *Water Conservation Ordinance* is available on the City's website.
7. Despite the fact that the City is not the direct domestic water supplier for its residents the City continues to make significant efforts to ensure that the long term water supply needs of the City continue to be addressed. City officials have indicated that they are studying the feasibility of various alternatives of implementing a City owned domestic water system.

Drainage Infrastructure

8. The City continues to expand and improve its drainage infrastructure as new development occurs within the City. The City accomplishes this through development fees (for new drainage facilities), and a drainage utility fee of \$0.75 per month for all developed properties (for maintaining existing facilities).
9. The City has a Master Planned storm drain system that is anticipated to meet drainage infrastructure needs through the build-out of the General Plan. The *Storm Water Master Plan and Management Program* addresses future facility expansion needs to accommodate growth within the City's UGB.
10. The City of Visalia has two capital funds set up for storm sewer improvements, one for new facilities, and one for correcting existing deficiencies as outlined in the *Storm Water Master Plan and Management Program*.

Wastewater Collection, Treatment and Disposal

11. The City continues the process of upgrading and replacing sewer collection pipelines through the implementation of the *Sewer System Master Plan*. The *Sewer System Master Plan* is a long range plan that identifies trunk lines that would ultimately serve the City's UAB.
12. The City has a comprehensive capital improvement program that appropriates funds to construct sewer infrastructure projects on an annual basis.
13. The *Sewer System Master Plan* indicates that many trunk sewers are nearing capacity, and the maintenance of these lines is essential to provide the designed flow capacities. The Master Plan recommends that the City develop a sanitary sewer maintenance program that includes cleaning pipes on a regular basis.
14. The City continues to upgrade the wastewater treatment plant through the implementation of the *Wastewater Treatment Master Plan Update*. The City has budgeted \$1,000,000 annually to carryout upgrades associated with NPDES discharge regulations. Continual upgrades of the wastewater treatment plant will be necessary to accommodate future growth.

15. Improvements to the VWCP have increased the plant's hydraulic capacity to 22 MGD, the BOD5 capacity to 103,229 lbs/day, and the SS capacity to 148,068 lbs/day. The current permit in which the VWCP is operating under, which prescribes a maximum average daily dry weather flow of 16 MGD, expired on March 1, 2002. The City has submitted a renewal application for the NPDES permit, which is pending action from the RWQCB. The City has been directed by the RWQCB to continue operating under the expired permit until a new permit is issued by the Board. The City anticipates that the renewed permit will allow for a maximum flow of 22 MGD.

Streets and Roads

16. The City continues the process of upgrading and replacing roads and streets through the implementation of its comprehensive capital improvement program that appropriates funds to construct transportation infrastructure projects on an annual basis. Currently, the City has four capital funds that are allocated to annual transportation improvements.
17. The City coordinates closely with the Tulare County Association of Governments (TCAG) and Caltrans to obtain funding for transportation improvement projects.
18. The City's *General Plan Circulation Element* provides a comprehensive policy base for improving the City's transportation system.
19. The Tulare County Regional Transportation Plan (RTP) provides a link between local (City) and regional (County) transportation needs. The Regional Transportation Improvement Program (RTIP), which qualifies projects for the State Transportation Improvement Program (STIP), is consistent with the RTP, and serves as the implementing document.
20. Due to the State budget crisis, several projects programmed to receive STIP funding have been significantly delayed, and therefore, the City has had to prioritize which transportation projects to construct based on immediate needs, and funding shortages.
21. The 2010 public opinion survey indicates respondents rated street and road maintenance as the most important City service after police and fire. Traffic flow was rated excellent with the exception of the North East due in large part to the Lovers Lane 198 intersection. The survey found that in the public's opinion street lighting has improved from previous years. These results indicate that the City may need to focus more on these issues in future years.
22. The City Council recently adopted a major policy change in the way that the City's arterial and collector streets are funded and constructed. Under the new policy, the City will now have the financial responsibility for all portions of arterial and collector streets. If these streets are built by developers, they will be reimbursed the entire cost of construction. In exchange, the City significantly raised its traffic impact fees for new development. The City anticipates that the new policy for constructing streets will provide the funding capability to respond to the public's major traffic concerns in a more timely fashion.

Fire and Police Protection Services

23. The City of Visalia operates six fire stations of which five are staffed 24 hours a day, 365 days a year, and responded to approximately 11,000 calls in 2011. There are six fire companies, two aerial ladder trucks and four engines that cover an area of 34 square miles. All fire companies are staffed with a minimum of three personnel with one member being a paramedic. The Visalia Fire department staffs two Regional Specialty Teams- including Cal EMA Type I Haz Mat Response Team. There are a total of 72 full-time employees.

24. The Police Department has 143 allocated positions, as well as 11 reserve-sworn officers, 64 allocated civilian positions, and 75 volunteers. Operations are supported by units such as Communications, Records, and Investigations.
25. Through capital improvement funds and general fund allocations, the City of Visalia continues to meet the public safety needs of its residents.
26. The voters approved a ¼-cent sales tax on March 2, 2004 (Measure T). No sales tax funds can replace General Fund dollars budgeted for normal operations at the previous year's service level unless the City Council declares an economic emergency by a 4/5ths vote. The distribution of Measure T funds is 60% Police Department and 40% Fire Department.
27. The City requires developers to pay public safety impact fees prior to the issuance of any building permits. The fees vary based upon type of service (police and fire), and proposed land use. The fees collected are allocated to fund capital improvements to police and fire protection facilities.
28. Police headquarters is at 303 South Johnson Street in downtown Visalia, adjacent to City Hall West. In 2007, the Department opened two substations, and shifted to district-based operations. The District 1 substation, serving northern Visalia, is located at 204 Northwest 3rd Avenue, near Lincoln Oval. District two, at 4100 South County Center Drive, serves the southern part of the City. These facilities are intended to facilitate contact with the community and support robust incident response. Fire Administration Headquarters is located at 707 W. Acequia Ave.

Solid Waste

29. The City has ordinances in place that require residents to bag garbage, and recycle. This helps reduce the amount of solid waste transported to County landfills. The City of Visalia salvages approximately 1,150 ton of recyclables and 2,500 tons of green waste per month in residential and commercial operations.
30. In 1989, Assembly Bill 939, known as the Integrated Waste Management Act, was passed because of the increase in waste stream and the decrease in landfill capacity. AB 939 required jurisdictions to meet solid waste diversion goals of 25 percent by 1995 and 50 percent by 2000. In 2009, AB 737 amended the Integrated Waste Management Act to require CalRecycle to adopt programs to increase statewide diversion to 75 percent by 2020. AB 737 also addresses recycling in the largely under-served commercial sector.
31. The City of Visalia is contracted with Sunset Waste and pays Sunset Waste to provide recyclable material processing (not including green waste). The City of Visalia provides all of the collection services for residential customers and for many of the commercial customers. Various private haulers provide refuse, recycling, C&D and green waste to the remainder of the commercial accounts, along with providing those services for construction sites and other cleanup jobs.
32. The City provides split containers for residential trash and recycling, and green waste containers for residential green waste and compostable materials. The City also actively encourages commercial recycling and provides refuse, green waste and recycling bins or boxes to the commercial accounts it services. As of 2006, Visalia also has a construction and demolition debris recycling and reuse plan requirement.
33. The Consolidated Waste Management Authority is a joint powers authority that is recognized by the State and collectively manages the solid waste recycling and diversion activities for eight

local area members including Tulare County, Tulare, Visalia, Dinuba, Exeter, Farmersville, Lindsay and Porterville. The Consolidated Waste Management Authority has continued to improve its diversion rate as established by the State. The State recently changed its diversion calculation method from a percentage of waste diverted from the landfill to a calculation of pounds per person per day (PPD) that goes to the landfills. Most recent data shows that the CWMA has a base rate to achieve of 6.2 PPD. CWMA has been able to successfully achieve an annual PPD significantly lower than the benchmark established by the State. In 2008 the CWMA achieved a diversion rate of 5.2 PPD, and in 2009 lowered it even further to 4.4PPD.

34. Visalia has a household compost collection program where residents are able to dispose of organic waste and soiled cardboard in their greenwaste containers along with their green waste. Items allowed include food scraps (not meat or protein) pizza boxes and hamburger wrappers—that may be placed in the residential green-waste containers to be composted instead of going to the landfill. The entire residential community now has access to use this program and the City and composting facilities continue to add items to the allowable composting material list. Initial response from the community has been very positive it appears many residents are taking advantage of the program. Other cities in the area are now also implementing a similar residential composting program. Visalia expects to achieve as high as a 20% participation rate once the program is fully and correctly implemented.

3 Financial Ability to Provide Services

1. The City prepares an award-winning annual budget that clearly and comprehensively describes the services provided by the City to residents and the funds expended for those services.
2. The City prepares its annual budget on a two-year cycle, thereby reducing administrative costs associated with preparing comprehensive budgets on an annual basis. The two-year budget includes a mid-cycle review in June and two mid-year reviews each January.
3. The City recognizes the need to offset revenue losses resulting from the State budget crisis, and continues to develop strategies to offset these losses.

4 Status of, and Opportunities for, Cost Avoidance and Shared Facilities

Fiscal Structure

1. The City uses conservative budgeting practices to ensure adequate and cost-effective services to current residents.
2. The City's two-year budget cycle provides for an excellent short-term fiscal planning tool while reducing the amount of time and resources associated with the preparation of annual budgets.
3. Master planned infrastructure helps the City in avoiding unnecessary costs through effective planning and implementation policies, and help eliminate overlapping and/or duplicative services.
4. The City has worked to have development pay for itself by instituting infrastructure impact fees. These impact fees pay for necessary infrastructure which supports new development. The City also implemented a number of maintenance fees to pay for the ongoing maintenance necessary for common residential landscaping. The dramatic decline in impact fees parallels the decline in construction activity. In this case, the City will slow down the pace of capital improvements to match the new level of revenues and growth.

5. To Visalia's credit, City Council has worked to maintain fiscally sound budgets and adequate reserves to meet these fiscal challenges. Visalia's financial reserves have allowed the City to adjust to the changing financial environment with less drastic actions than other entities. However, the use of the City's reserves will cushion the economic blow but does not eliminate the need to change how the City operates. The City has also made expenditure reductions, not in an across the board manner but according to how revenues have declined in various parts of the budget.

Purchasing Policy

6. The City has a well defined purchasing policy that promotes healthy competition, and guides the City in obtaining cost effective quality services.

Fee Structure

7. Rates and fees for services are established and updated using the City's budget process, ordinances and other regulations.
8. The City has a sound fee structure in place which allows the City to continue to provide cost effective services to its residents while continuing to maintain and improve the current infrastructure.
9. There is no evidence suggesting that the City would not be able to provide services to areas within the SOI and UGB.

Current Facilities Sharing Activities

10. The City continues to look for opportunities to construct joint use projects, and opportunities for shared services. The City has demonstrated this effort with the completion of many projects in cooperation with the County, and by sharing services with local and surrounding jurisdictions.
11. The City should continue to collaborate with other agencies to facilitate exceptional and efficient service, maintain and expand working relationships, and look for new opportunities to work with other agencies such as Kaweah Delta Water Conservation District, Cal Water and the County in ways that support the City's planning goals.

Future Opportunities

12. The City has several future opportunities to share services and/or facilities in the future, including but not limited to: groundwater recharge efforts, recreational facilities, and the sharing of office buildings.

5 Accountability for Community Service Needs, Including Government Structure and Operational Efficiencies

Development within SOI Areas

1. Since development of properties within the SOI/UGB generally relies on Master Planned infrastructure available from the City, it is logical for the City to assume the lead in planning for these sites, consistent with the City of Visalia General Plan.
2. The City has a sound governmental structure that provides necessary resources to provide public services and infrastructure improvements within the SOI/UGB areas.

3. Annexation of County islands into the City would create a more defined City Limit boundary while meeting or exceeding the current level of services provided by the County.
4. Coordinated infrastructure plans, for development within the SOI/UGB areas, submitted with specific annexation requests would create a checks and balance system for incorporating lands into the City while promoting improvements to impacted adjacent County land.
5. Tulare County LAFCO has adopted specific policies for reviewing proposals for a change in organization, reorganization, incorporations, dissolution and other proposals processed by Tulare County LAFCO, including annexations, and SOI amendment proposals.

Boundary Conflicts

6. The City of Visalia governmental structure could be affected by the potential overlapping of boundaries with the Goshen Community Services District (which provides sanitary sewer collection service in the Goshen Community).
7. The City of Visalia has a Wastewater Service Agreement with the Goshen CSD, which sets forth specific criteria with regard to wastewater collection and treatment services within the boundary of each agency.
8. The agreement does not appear to address wastewater collection services within the Goshen CSD SOI, which in some areas overlaps with the City of Visalia SOI. Boundary conflicts and service provisions would ultimately be resolved between the City of Visalia, the Goshen CSD, and Tulare County LAFCO.

Evaluation of Management Efficiencies

9. The City has an effective organizational structure that is readily available to respond to the needs of the community.
10. There is no evidence indicating that the City's current management structure would not be able to assume services within the SOI/UGB areas, and/or continue to assist other agencies through mutual aid agreements.
11. The City should ensure that services can be efficiently provided in the SOI/UGB areas through the preparation of master service plans that include funding mechanisms for infrastructure that will ultimately serve the SOI/UGB areas.
12. As a part of the budget process, the City evaluates the accomplishments during the previous budget cycle, and outlines specific objectives for the following budget cycle. This is done for each department at the division and/or bureau level.

Local Accountability and Governance

13. The City continues to make reasonable efforts to maintain public involvement regarding land use and development projects in the community. The City accomplishes this through regular City Council meetings, newsletters, and website postings.
14. The City maintains an excellent comprehensive website, which provides a means to keep the public informed on local events, current City projects, department budgets, recreational activities, and other activities occurring in the City.

15. The City conducts public workshops to keep the public involved with local planning issues including land use, housing, circulation, and other issues key to the development and growth of Visalia.
 16. The City's budget preparation process gives residents the opportunity to review the services the City is providing, and the cost of those services. This type of accountability helps the City to identify services that are operating efficiently and areas where improvement may be needed within the organization.
- 6 Any Other Matter Related to Effective or Efficient Service Delivery, As Required by Commission Policy

Disadvantaged and Other Developed Unincorporated Communities

1. There are five unincorporated communities within or adjacent to the existing City SOI (Goshen, Patterson Tract area, Oak Ranch, K Street Island and Sierra View), one unincorporated community outside the SOI but within the City UDB (Tract 92) and one unincorporated community outside the SOI and UDB that is connected to the same domestic water system that serves Visalia (Tract 396). Patterson Tract (Tract 34), Tract 359, Goshen, K Street Island and Tract 92 are disadvantaged.
2. All of the unincorporated communities are either served by Cal Water's Visalia water system or by a Community Services District, except for Tract 111 which is served by Sunrise Mutual Water Company.
3. All of the unincorporated communities' sewer services are individual septic systems with the exception of Goshen, which is served, by its CSD's sewer system and City's treatment facility.
4. The City and the County have a mutual-aid agreement for fire protection services with five City fire stations and three County fire stations in the Visalia area.
5. The inclusion of the various unincorporated communities around Visalia in its SOI shall be reviewed in the next SOI update.

Conflicting Growth Boundaries

6. LAFCO shall determine the SOI for the City of Visalia pursuant to State law and Tulare County LAFCO Policy C-5.
7. There are numerous inconsistencies between the current SOI, City UDB and County UDB.
8. The City of Visalia's SOI update should wait until after the completion of their General Plan update and after the completion of the City/County MOU process.
9. Due to the relationship of the City of Visalia's and Tulare's SOIs, the SOI updates for both of the cities should be completed contemporaneously.



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July 19, 2011

Mike Ennis
Chairman of the Board of Supervisors
County of Tulare
2800 W Burrel Ave
Visalia, CA 93291

Dear Supervisor Ennis:

While meeting the requirements of the State of California Code Section 26909, ensuring that all Special Districts file an audit report with the County, my office reviewed several Special District audit reports that we believe include concerns regarding financial conditions, going concerns, and/or subsequent events. You will find these concerns outlined below for each Special District within Tulare County. I also consider it important to keep you apprised of the Special Districts within your District and therefore have indicated your Districts in bold. Each Board Member will also receive a similar letter notifying them of the Special Districts within their District. I am providing this list for informational purposes only and am not requesting any action be conducted. For your reference, I have enclosed copies of the listed Special District audit reports.

1. Alpaugh Irrigation District –
June 30, 2010 - The District reported an operating loss of \$136,470.
June 30, 2009 - The District reported an operating loss of \$107,844.
2. Alpaugh Joint Powers Authority –
June 30, 2007 - The District reported an operating loss of \$91,348 and a decrease in net assets of \$29,135.
3. Alpine Village – Sequoia Crest Community Services District –
June 30, 2010 - The District reported an operating loss of \$29,078.
June 30, 2009 - The District reported an operating loss of \$10,165.

4. Alta Irrigation District –
September 30, 2010 - The District reported an operating loss of \$473,366.
September 30, 2009 - The District reported an operating loss of \$401,395.
5. Delta Vector Control District –
June 30, 2010 - The District reported a decrease in net assets of \$108,496.
6. Ducor Irrigation District –
June 30, 2010 - **The District reported an operating loss of \$10,263. The District relies on interest revenue only and that revenue is inadequate to cover current expenses.**

June 30, 2009 - **The District reported an operating loss of \$2,600.**
7. East Orosi Community Services District –
June 30, 2010 - The Independent Auditor issued a disclaimer of opinion. The Independent Auditor was unable to form an opinion regarding the amounts recorded as expenses in the accompanying statement of activities (stated at \$99,026). The District reported an operating loss of \$22,509 and a decrease in net assets of \$23,649.

June 30, 2009 - The District reported an operating loss of \$56,185 and a decrease in net assets of \$56,856.
8. Eshom Valley Public Cemetery District –
June 30, 2010 - The District reported a decrease in net assets of \$3,666.

June 30, 2009 - The District reported a decrease in net assets of \$2,510.
9. Ivanhoe Public Utility District –
June 30, 2010 - The District reported an operating loss of \$135,772 and a decrease in net assets of \$21,997.

June 30, 2009 - The District reported an operating loss of \$259,713 and a decrease in net assets of \$68,204.
10. Kingsburg District Hospital –
June 30, 2010 - The District reported total net assets at negative \$2,466,470 and an operating loss of \$417,330.

June 30, 2009 - The District reported an operating loss of \$736,292 and a decrease in net assets of \$255,266.

11. Lemon Cove Sanitary District –
June 30, 2010 - The District reported an operating loss of \$12,752 and a decrease in net assets of \$4,884.

June 30, 2009 - The District reported an operating loss of \$18,016 and a decrease in net assets of \$7,832.
12. Lewis Creek Water District –
February 28, 2011 - The District reported an operating loss of \$6,606.

February 28, 2010 - The District reported an operating loss of \$88,623 and a decrease in net assets of \$7,422. The District also reported total net assets deficit at \$151,466.
13. Lindmore Irrigation District –
December 31, 2010 - The District reported an operating loss of \$366,977.

December 31, 2009 - The District reported an operating loss of \$745,452.
14. Orosi Memorial District –
June 30, 2010 - The District reported an operating loss of \$45,144.
15. Orosi Public Utility District –
June 30, 2010 - The District reported an operating loss of \$320,143 and a decrease in net assets of \$138,456.

June 30, 2009 - The District reported an operating loss of \$549,771 and a decrease in net assets of \$177,917.
16. Poplar Community Services District –
June 30, 2010 - The District reported an operating loss of \$27,801 and a decrease in net assets of \$32,130.

June 30, 2009 - The District reported an operating loss of \$7,394.
17. Porter Vista Public Utility District –
June 30, 2010 - The District reported an operating loss of \$252,173 and a decrease in net assets of \$112,761.

June 30, 2009 - The District reported an operating loss of \$227,030 and a decrease in net assets of \$51,483.
18. Porterville Public Cemetery District –
June 30, 2010 - The District reported an operating loss of \$357,956.

19. Sequoia Memorial District –

June 30, 2009 - The Independent Auditor issued a disclaimer of opinion. The Independent Auditor was not supplied with sufficient supporting documentation and the District was unable to retain a full board and constitute a quorum necessary for the transaction of business and the performance of official acts. The District reported an operating loss of \$12,548.

20. South Tulare County Memorial District –

June 30, 2010 - The Independent Auditor issued a qualified opinion. The Independent Auditor reported inadequacies in the District's accounting records. They were unable to form an opinion regarding the amount of rent revenue in the Statement of Governmental Fund Revenues, Expenditures and Changes in Fund Balance and Statement of Activities stated at \$72,626. The rent revenue is the District's primary business. The auditor issued a disclaimer of opinion in the prior year due to similar circumstances.

21. Springville Public Utility District –

June 30, 2010 - The District reported a decrease in net assets of \$77,226.

June 30, 2009 - The District reported a decrease in net assets of \$158,275.

22. Terra Bella Memorial District –

June 30, 2010 - The District reported an operating loss of \$58,247 and decrease in net assets of \$3,887.

23. Tipton-Pixley Public Cemetery District –

June 30, 2010 - The Independent Auditor issued a qualified opinion. The Independent Auditor was not able to confirm the cost of property improvements through supporting documentation at June 30, 2010 and was unable to satisfy themselves about building and improvement costs through alternative procedures. The District reported an operating loss of \$78,237.

24. Three Rivers Community Services District –

June 30, 2010 - The District reported an operating loss of \$47,262.

25. Visalia Memorial District –

June 30, 2010 - The District reported a decrease in net assets of \$80,764.

26. Visalia Public Cemetery District –

June 30, 2010 - The District reported an operating loss of \$676,792 and a decrease in net assets of \$317,885. The District also maintains uninsured cash balances of \$2,724,683 at the A.G. Edwards & Sons brokerage firm (investments) located in Visalia, California.

June 30, 2009 - The District reported an operating loss of \$727,477 and a decrease in net assets of \$270,398. The District also maintains uninsured cash balances of \$3,907,577 at the A.G. Edwards & Sons brokerage firm (investments) located in Visalia, California.

27. Woodlake Memorial District –

June 30, 2010 - The District reported an operating loss of \$58,536.

June 30, 2009 - The District reported an operating loss of \$48,424.

28. Woodlake Public Cemetery District –

June 30, 2010 - The District reported an operating loss of \$26,740 and a decrease in net assets of \$24,040.

29. Woodville Public Utility District –

June 30, 2010 - The District reported an operating loss of \$10,313.

In addition, my office has not received a copy of the Special District audit reports from the following:

1. Allensworth Community Services District has reported that Gil Aguilar, CPA, is contracted to perform the audits for the years June 30, 2008, 2009 and 2010.
2. Alpaugh Joint Powers Authority has reported that Gil Aguilar, CPA, is contracted to perform the audits for the years June 30, 2008, 2009 and 2010.
3. Atwell Island Water District has stated that audit reports were completed, but we have yet to receive any for the years May 31, 2005, 2006, 2007, 2008, 2009 and 2010.
4. Deer Creek Storm Water District has reported that M Green & Co, CPA's, are contracted to perform the biennial audits for the two years ending June 30, 2008 and 2010.
5. Dinuba Veteran's Memorial District has reported that Sanborn and Sanborn, CPA's, are contracted to perform the audits for the years June 30, 2007, 2008, 2009 and 2010.

6. Lindsay Local Hospital District has reported that Morris, Sprague, Groen and Neese are contracted to perform the audit for the year June 30, 2010.
7. Lindsay-Strathmore Memorial District has reported that Morris, Sprague, Groen and Neese are contracted to perform the audit for the year June 30, 2010.
8. Lindsay-Strathmore Public Cemetery District has reported that Morris, Sprague, Groen and Neese are contracted to perform the audit for the year June 30, 2010.
9. Richgrove Community Services District has reported that Lynn Conley, CPA, is contracted to perform the audits for the years June 30, 2007, 2008, 2009 and 2010.
10. Teviston Community Services District has reported that Pine, Pedroncelli and Aguilar, CPAs are contracted to perform the audits for the years June 30, 2007, 2008, 2009 and 2010.
11. Three Rivers Memorial District has reported that Tulare County's Auditor-Controller Internal Audit Division is contracted to perform the biennial audit for the two years ending June 30, 2009.

If you have any questions, please call Doreen Hutchings at (559) 636-5232.

Sincerely,



Rita Woodard
County of Tulare Auditor-Controller
Treasurer-Tax Collector

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Enclosures



CALAFCO Board Selects New Executive Director

At its July 13th meeting the CALAFCO Board of Directors selected **Pamela Miller** as the new Executive Director. The Board, along with the CALAFCO executive officer and deputy executive officers interviewed two finalists before making the selection. The finalists were recommended by the Board's Selection Committee (Jerry Gladbach, Ted Novelli, Mary Jane Griego, John Leopold, Clark Alsop, Steve Lucas and Lou Ann Texeira) which reviewed 11 proposals and interviewed four candidates before making the recommendation. The executive director serves through a contract with the Association.

Pamela Miller comes to CALAFCO with a diverse background that includes local government, non-profit, and private sector experience. Most recently, as Vice President of the Consortium for Community Development, a 501(c)(3) community-based organization with 27 member agencies, she provides support to its board of directors and spearheads a number of critical community initiatives. She serves as executive-on-loan to the City of Benton Harbor's (MI) state-appointed emergency manager as the City works its way out of financial crisis, and to the Benton Harbor Area School District on special projects such as the creation and implementation of the Benton Harbor Promise and College Access Network and Center. Previously Pamela served as Administrative Manager of the CEO Office and Clerk of the Board of Supervisors for Napa County and Deputy City Clerk for the City of Vallejo. She has also consulted with a number of local agencies in California and Michigan in developing individual and system capacities.



Additionally, Pamela serves as Program Director and trainer for Continuing Education for Public Officials, Inc. (CEPO), a non-profit organization that provides leader development and training to current and emerging leaders in the public sector in California. The University of California Riverside Extension recently named her as the Professor of Record for CEPO.

Pamela earned a Master's Degree in Organizational Leadership and a Bachelor's Degree in Business Administration from Siena Heights University. She is certified in Total Quality Management and is a graduate of the National Community Development Institute's Community Builders Leadership Institute. A California native, Pamela will be moving to her home in Suisun City (Solano County). She is expected to begin in early September and looks forward to meeting LAFCo staff and commissioners at the Annual Conference in Monterey. Pamela may be reached at pmiller@calafco.org.

New Board Member Appointed

The Board appointed Stanislaus LAFCo Alternate Commissioner **Matthew Beekman** to fill the vacancy created when Stephen Souza lost his re-election bid to the Davis City Council in June. Commissioner Beekman is Mayor Pro Tem of the City of Hughson. His CALAFCO Board seat is the city commissioner from the Central Region and is up for election at the annual conference this fall.

CALAFCO Annual Conference in Monterey

The CALAFCO Annual Conference is scheduled for **October 3rd-5th** at the **Hyatt Regency Monterey**.



The Program Committee, under the leadership of John Leopold, Lou Cunningham Marjorie Blom and Kate McKenna, is fully engaged in creating a rich learning and networking opportunity. Featured speakers include:

-  **Karen Ross**, Secretary of Food & Agriculture
-  **Sylvia M. Panetta**, Director of the Panetta Institute for Public Policy
-  **Mark Nechodom**, Director of the department of Conservation

Other conference highlights include a mobile workshop – *The Bounty of Monterey County*, the 2nd annual CALAFCO Open golf adventure, and the 6th wine competition. The CALAFCO Annual membership meeting will be held on Thursday, October 4th at 8:00 a.m. and includes the election of the Board of Directors.

Complete program details and registration information is available on the CALAFCO website www.calafco.org.

Legislative Activities

- * **AB 2238 (Perea)** – Has been significantly amended to remove all LAFCo mandates. Now would require Department of Public Health to consult with LAFCo prior to issuing grants or loans to agencies which may serve disadvantaged unincorporated communities. It is scheduled to be heard in Senate Appropriations on August 6.
- * **AB 2698 (Assembly Local Government Committee)** – This is the CALAFCO-sponsored annual C-K-H Omnibus bill. In addition to technical changes, AB 2698 also includes important clarifications to the protest provisions and waiver of notice provisions. It has passed the Legislature and on July 9 was signed into law.

CALAFCO U – CEQA for LAFCo



This workshop for LAFCo and local agency staff focuses on the basics, practices and responsibilities for environmental documentation on LAFCo projects. The class is scheduled for Friday, September 14th in Sacramento. Visit www.calafco.org for information and registration. AICP credits available.