



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 September 9 @ 2:00 P.M. BOARD OF SUPERVISORS CHAMBERS COUNTY ADMINISTRATIVE BUILDING 2800 West Burrel Avenue Visalia CA 93291

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

ALTERNATES:
Dennis Mederos
Pete VanderPoel
Craig Vejvoda

EXECUTIVE OFFICER:
Ben Giuliani

I. Call to Order

II. Approval of Minutes from June 3, 2015 (Pages 1-6)

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

1. LAFCO Case #1517-F-26 City of Farmersville Change of Organization (Pages 7-22)
[No Public Hearing].....Recommended Action: Approval

The City of Farmersville has submitted a request for the annexation of 4.67 acres of land to the City of Farmersville and the detachment of the same area from Tulare County CSA #1.

V. New Action Items

1. Reschedule the October 7th Tulare County LAFCO Meeting (No Pages)
[No Public Hearing].....Recommended Action: Approval

The currently scheduled October 7th LAFCO meeting conflicts with the San Joaquin Valley Policy Conference. The next available date for the Board of Supervisors Chambers is Thursday, October 15th.

VI. Executive Officer's Report

1. Legislative Update (Pages 23-32)

Enclosed is information on the various state bills that are being tracked by CALAFCO.

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. Upcoming Projects (No Page)

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

VI. Correspondence

1. Commissioner Report (Pages 33-36)

Chair Allen will highlight the CALAFCO Strategic Plan. Chair Allen will provide a brief summary of the legislative efforts and concerns by CALAFCO.

2. Letters from the State Water Resources Control Board (Pages 37-44)

The SWRCB sent letters to the City of Tulare, Pratt Mutual Water Company (MWC) and Soulds MWC to begin the water system consolidation process that was recently signed into state law through SB 88.

VII. Other Business

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

VIII. Setting Time and Place of Next Meeting

1. October 7th or October 15th, 2015 @ 2:00 P.M. in the Board of Supervisors Chambers in the County Administration Building.

IX. Adjournment

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

TULARE COUNTY LOCAL AGENCY FORMATION COMMISSION
Summary Minutes of the Meeting
June 10, 2015

Members Present: Allen, Mendoza, Ishida, Hamilton, Worthley

Members Absent: None

Alternates Present: Mederos, Vejvoda

Alternates Absent: Ennis

Staff Present: Giuliani, Echavarria, Blythe

Counsel Present: Tennenbaum

I. Call to Order

Chair Allen called the Tulare County Local Agency Formation Commission meeting to order at 2:00 p.m.

II. Approval of the May 6, 2015 Meeting Minutes:

Upon motion by Commissioner Ishida and seconded by Commissioner Worthley, the Commission unanimously approved the minutes of May 6, 2015.

III. Public Comment Period

Chair Allen opened and closed the Public Comment Session at 2:02 p.m.

IV. Consent Calendar

1. Amendment to Policy D-1 (Conflict of Interest and Disclosure)
2. LAFCO Case #1516 Goshen CSD – Protest Hearing Results

Upon motion by Commissioner Hamilton and seconded by Commissioner Mendoza, the Commissioners approved Amendment to Policy D-1 (Conflict of Interest and Disclosure) and LAFCO Case #1516 Goshen CSD – Protest Hearing Results.

VI. New Action Items

1. LAFCO Case #1512-W-20 City of Woodlake Change of Organization

Staff Analyst Echavarria highlighted the proposed annexation for the City of Woodlake and its proposed detachment of certain territory from Tulare County's CSA's 1 and 2. SA Echavarria asked Commission to take action on items 1-6 of the staff report.

Chair Allen opened the Public Comments Session at 2:08 p.m.

Public Comments provided by: Oscar Ayala, Woodlake resident, Greg Collins, City of Woodlake, Layna Case, Woodlake resident, and Jorge Avila, Woodlake resident.

Questions regarding the annexation's impacts to neighboring property owners were answered by City and Commission staff.

Chair Allen closed the Public Comments Session at 2:24 p.m.

Upon motion by Commissioner Worthley and seconded by Commissioner Ishida, the Commissioners approved LAFCO Case #1512-W-20 City of Woodlake Change of Reorganization.

2. LAFCO Case #1513-P-314 City of Porterville Island Annexation

SA Echavarria presented the reorganization for the City of Porterville and stated the annexation of the Porterville island serves to improve the disadvantaged community and would include creation of a more definitive and organized city boundary. SA Echavarria asked Commission to take action on items 1-7 of the staff report.

Chair Allen opened the Public Comment Session at 2:29 p.m.

Publics Comments provided by: Gary Ingraham, Porterville resident, Jose Ramero, Porterville resident, John Lollis, Porterville City Manager and Jenni Byers, City of Porterville.

Mr. Ingraham and Mr. Ramero, requested the Commission to deny the annexation as they are in favor of keeping the area preserved for agricultural use and are opposed to the proposed sewer and water changes.

Mr. Lollis, Porterville City Manager, reviewed the need for the annexation in extending the City water system to provide water to disadvantaged areas that are currently served by private water companies with nitrate contamination issues.

Chair Allen closed the Public Comment Session at 2:35 p.m.

Upon motion by Commissioner Hamilton and seconded by Commissioner Worthley, the Commissioners approved LAFCO Case #1513-P-314 City of Porterville Island Annexation 4-1 with Commissioner Ishida voting against.

3. LAFCO Case #1514-P-315 City of Porterville Island Annexation

Staff Analyst Echavarria presented LAFCO Case #1514-P-315 and asked that Commission take actions on Items 1-7 of the staff report.

Chair Allen opened the Public Comment Session at 2:53 p.m.

Public Comments provided by: Greg Norys, Colemon & Horowitz, Bruce and Wayne White, Porterville residents, John Lollis, Porterville City Manager, Jenni Byers, City of Porterville, James Cemo, Porterville resident, and Kari Crane, Porterville resident.

Greg Norys, Colemon & Horowitz, on behalf of Bruce and Wayne White, stated they were opposed to the annexation and that the island was not substantially surrounded and did not qualify for the stream-lined island annexation process.

Commissioner Ishida motioned with Commissioner Mendoza seconding to continue the public hearing to the next Commission meeting to allow staff to research if any court cases addressed the definition of "substantially surrounded" as applied to county islands.

Following a further discussion about the determination of the island being substantially surrounded, Mr. Norys requested that the Commission exclude his client's property from the annexation.

Commissioner Worthley proposed removing Mr. White's property and the neighboring property to the south at the northwest corner of Gibbons Ave. and Plano St.

EO Giuliani noted that the proposed annexation would still qualify as a substantially surrounded county island with the removal of the identified properties.

James Cemo, Porterville resident, requested to also be excluded from the annexation, as he is unsure of the cities intentions if his property is annexed.

Kari Crane, on behalf of her parents who reside in the annexation area, requested that their property between Plano and Main be excluded from the annexation.

Commissioner Worthley stated he was opposed to granting Mr. Cemo and Ms. Crane's requests as the said properties are located in the middle of the island.

Chair Allen closed the Public Comment Session at 3:44 p.m.

The original motion by Commissioner Ishida to continue the public hearing failed 2-3, with Commissioners Ishida and Mendoza voting for approval and Commissioners Allen, Hamilton and Worthley voting against.

Upon motion by Commissioner Worthley and seconded by Commissioner Hamilton, the Commissioners approved LAFCO CASE #1514-P-315 City of Porterville Island Annexation with the amended area 4-0-1 with Commissioner Mendoza abstaining.

4. LAFCO Case # 1515-P-316 City of Porterville Island Annexation

Staff Analyst Echavarria presented LAFCO Case #1516-P-316 City of Porterville for the three Island Annexations and asked that the Commission take actions 1-7 of the Staff Report.

Chair Allen Opened and Closed the Public Comment Session at 3:58 p.m.
There were no public comments.

Upon motion by Commissioner Worthley and seconded by Commissioner Ishida, the Commissioners approved LAFCO Case #1515-P-316 City of Porterville Island Annexation.

5. 2015/2016 Final Budget and Work Program

Staff Analyst Echavarria presented the 2015/2016 Final Budget and Work Program and asked that Commission adopt the Final Budget and Work Program for Fiscal Year 2015/2016.

Chair Allen Opened and Closed the Public Comments at 4:02 p.m.
There were no public comments.

Upon motion by Commissioner Mendoza and seconded by Commissioner Hamilton, the Commissioners approved the 2015/2016 Final Budget and Work Program.

6. Response to Tulare County Grand Jury Report, “Special Districts-Audit Failures” and “Transparency-Open Meeting Law”

Executive Officer Giuliani reported on the Tulare County Grand Jury Reports and stated LAFCO’s response essentially agrees with the Grand Jury’s summary of problems they are experiencing with their audits. EO Giuliani reported that of the 84 Special Districts, the Auditor tracked, 34 were listed as out of compliance.

Upon motion by Commissioner Hamilton and seconded by Commissioner Mendoza, the Commissioners approved the response to Tulare County Grand Jury report, “Special Districts-Audit Failures” and the response to Tulare County Grand Jury report “Transparency-Open Meeting Law”.

7. Nomination for the 2015/16 CALAFCO Board of Directors

Upon motion by Commissioner Worthley and seconded by Commissioner Hamilton, the Commissioners approved the nomination of Chair Allen for the 2015/16 CALAFCO Board of Directors.

8. Designation of Voting Delegate and Alternate for the CALAFCO Business Meeting

Upon motion by Commissioner Ishida and seconded by Commissioner Worthley, the Commissioners approved the designation of Chair Allen as the voting delegate and EO Giuliani as the alternate for the CALAFCO Business Meeting.

9. LAFCO Executive Officer Compensation

Closed Session: Commissioners met to consider Public Employee Performance Evaluation for the Position of LAFCO Executive Officer.

Upon motion by Commissioner Worthley and seconded by Commissioner Ishida, the Commissioners approved the LAFCO Executive Officer Compensation 4-1 with Commissioner Mendoza voting against.

10. Cancellation of July 2015 Meeting

EO Giuliani proposed that due to lack of time-sensitive issues, the July 2015 LAFCO meeting be cancelled with the next meeting set for August 5, 2015.

Upon motion by Commissioner Ishida and seconded by Commissioner Worthley, the Commissioners approved the Cancellation of the July 2015 Meeting and tentatively set the next meeting for August 5, 2015.

VII. Executive Officer’s Report

1. ESA’s 2015-06 (Farmersville), -07 and -08 (Porterville)

EO Giuliani reported that ESAs for Cameron Creek, City of Farmersville, and two for Porterville were approved using the Executive Officer’s delegated authority.

2. Legislative Update

EO Giuliani reported on the following bills: AB 402, AB 448, AB 851, AB 1532, SB 25 and SB 239 and the budget trailer bill regarding forced water consolidation.

Discussion ensued regarding the upcoming budget trailer bill and Commission agreed Chair Allen would sign a letter of opposition on behalf of Tulare County LAFCO.

3. Upcoming Projects

EO Giuliani stated there has not been any city or District casework received so far for the August meeting, and are continuing to update the City Municipal Service Reviews for Exeter, Farmersville and Woodlake.

X. Other Business

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

Commissioner Mendoza requested that additional items be moved to the consent calendar in consideration of the length of the Commission meetings.

XI. Closed Session

Held during the LAFCO Executive Officer Compensation portion of the meeting.

XII. Setting Time and Place of Next Meeting

The next meeting will be August 5, 2015 in the Board of Supervisors Chambers in the County Administration Building.

XII. Adjournment

The meeting was adjourned at 4:30 p.m.

XIV. Special Meeting

1. Closed Session: Conference with Legal Counsel – Anticipated Litigation

There was nothing to report from closed session.

Special Meeting was adjourned at 4:40 p.m.

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**TULARE COUNTY LOCAL AGENCY FORMATION COMMISSION
EXECUTIVE OFFICER'S REPORT**

September 9, 2015

**LAFCO Case Number 1517-F-26
City of Farmersville Annexation No. 2014-01**

- PROPOSAL:** City of Farmersville Reorganization 2014-01
- PROPONENT:** The City of Farmersville by resolution of its City Council Res. #2015-02
- SIZE:** Two parcels (Parcel 1 containing 1.56 acres and parcel 2 containing 3.11 acres)
- LOCATION:** (Figure 1) The proposal consists of the annexation of land in the City of Farmersville. Generally located on the west and south sides of Farmersville Wastewater Treatment Plant.
- APNs:** 130-020-027 and 130-020-028
- NOTICE:** Notice has been provided in accordance with GC §§56663(c)

GENERAL ANALYSIS:

1. Land Use:

A. Site Information

	Existing	Proposed
Zoning Designation	AE-20	P/QP (Public/Quasi Public)
General Plan Designation	Public Facilities	Public Facilities
Uses	Portion of Farmersville Wastewater Treatment Plant	No change

B. Surrounding Land Uses and Zoning and General Plan Designations

All areas are surrounded by City P/QP and AE-20 zoning. To the north and east there is a wastewater treatment plant, to the south and west there is agriculture land.

C. Topography, Natural Features and Drainage:

The subject parcels are level. There are earthen berms constructed as part of the wastewater treatment pond on APN 130-020-027.

D. Conformity with General Plans and Spheres of Influence:

The entire site is within the City of Farmersville Sphere of Influence (SOI). The annexation area is part of the City's wastewater treatment facility and is noncontiguous to the inhabited portion of the City. While the area is not within the City and County adopted Urban Development Boundaries (UDBs), it is consistent with the City's General Plan.

2. Impact on Prime Agricultural Land, Open Space and Agriculture:

Williamson Act and Agricultural Preserves:

The site is not under a Williamson Act or Farmland Security Zone contract.

Open Space Land Conversion (GC §56377):

The site is a zoned AE-20 and will be rezoned Public/ Quasi Public the site is next to and part of the existing Farmersville Wastewater Treatment Plant. The Uses are planned to remain the same. A land supply analysis is not warranted for this case.

3. Population:

There no residents or registered voters within the project area. Therefore, pursuant to GC §56046, the annexation area is uninhabited.

4. Services and Controls - Need, Cost, Adequacy and Availability:

Agency providing service

Service	Current	After	Method of Finance
Police Protection	Tulare County Sheriff's Office	Farmersville Police Department	General Fund
Fire Protection	Tulare County Fire Department	Farmersville Fire Department	General Fund,
Water Supply	No water supply	Farmersville WWTP	NA
Sewage Disposal	No sewage disposal	Same	General Fund
Street Lighting	NA	None proposed	NA
Street Maintenance	NA	None Proposed	NA
Planning/Zoning	County of Tulare RMA	City of Farmersville	General Fund
Garbage Disposal	City of Farmersville	City of Farmersville	User fees

5. Boundaries and Lines of Assessment:

The boundaries of the proposal area are definite and certain and conform to the lines of assessment and ownership. A map sufficient for filing with the State Board of Equalization has been received from the proponent.

6. Assessed Value, Tax Rates and Indebtedness:

Upon completion of this annexation the area will be assigned to a new tax rate area. The total assessed valuation of the proposal area is as follows:

Land and Improvements	\$ 27,220.00
Estimated per capita assessed valuation	\$ 0.00

7. Environmental Impacts:

The City of Farmersville acting as Lead Agency finds that this reorganization is Categorically Exempt from the provisions of the California Environmental Quality Act (CEQA) under Section 15319, "Annexations of Existing Facilities and Lots for Exempt Facilities". A copy of the document is included in the application materials.

8. Landowner and Annexing Agency Consent:

Consent to this annexation was received from the affected landowner (the City). Therefore, the protest proceedings may be waived in accordance with Government Code Section 56663(c).

9. Regional Housing Needs:

Pursuant to GC §56668 (m), LAFCO shall consider the extent to which the proposal will assist the receiving city and the County in achieving its fair share of regional housing needs as determined by the appropriate council of governments. The annexation area is part of the Farmersville Wastewater Treatment Plant and is not subject to residential development.

10. Discussion:

Noncontiguous Annexation to the City of Farmersville

The annexation is noncontiguous from the inhabited portion of the City. GC §56742 allows for noncontiguous annexations when the property is owned by the City and used for municipal purposes. This annexation qualifies for the noncontiguous exemption because the land is owned by the City and is part of the City's existing Wastewater Treatment Plant.

Detachment from County Service Area No. 1

SB 1458, which rewrote the County Service Area Law, took effect January 1, 2009. The old version of the CSA Law provided for automatic detachment from a CSA whenever annexation to a city was approved. However, the rewritten version does not include this provision. Therefore, the map and legal description must be amended to include the detachment of the area from CSA #1.

Recommended Actions

It is recommended that this proposal be approved and that the Commission take the following actions:

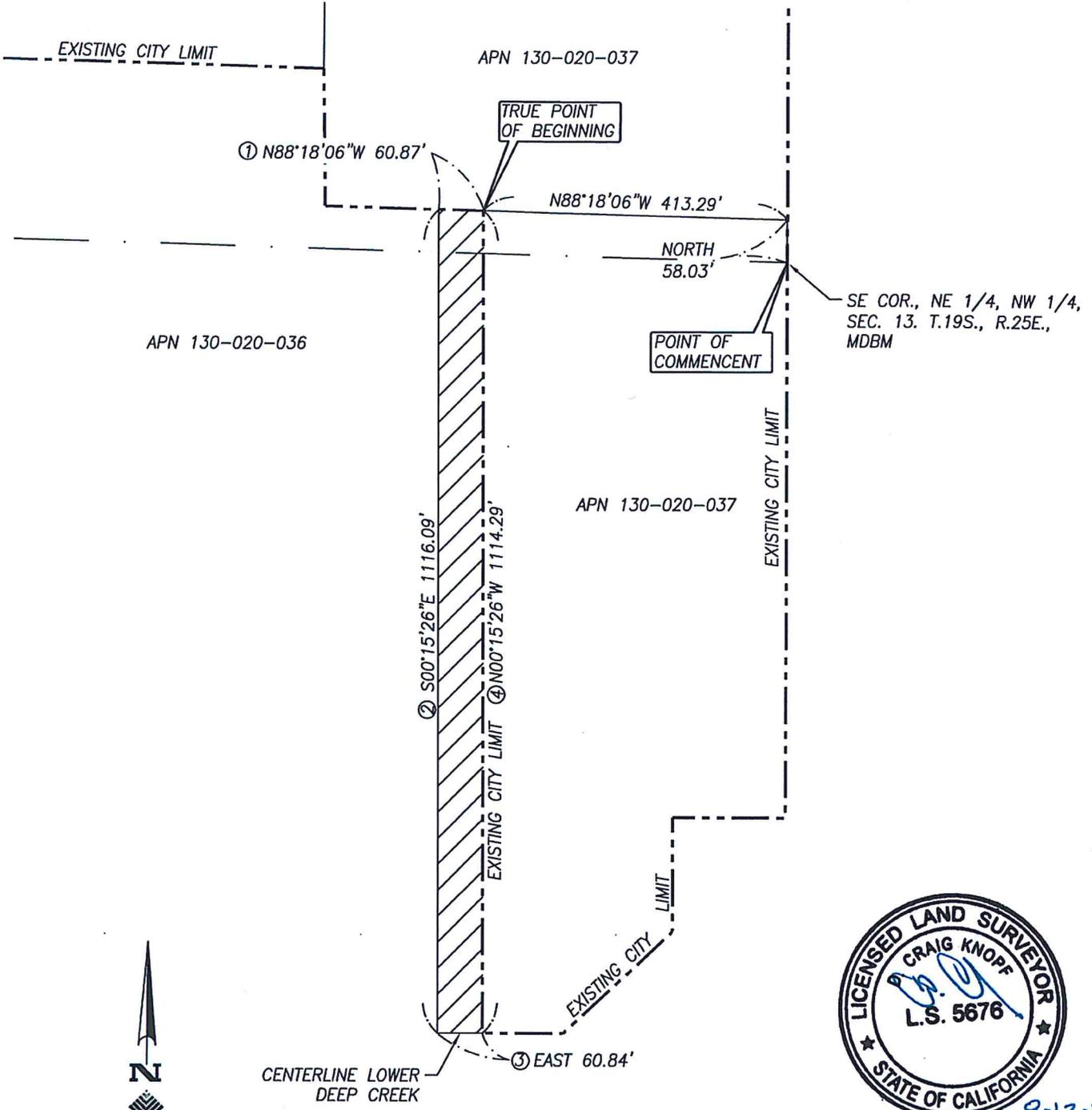
1. The City of Farmersville acting as Lead Agency pursuant to California Environmental Quality Act (CEQA) Guidelines finds that this reorganization is Categorical Exempt from the provisions of the California Environmental Quality Act (CEQA) under Section 15319, "Annexations of Existing Facilities and Lots for Exempt Facilities". A copy of the document is included in the application materials.
2. Find that the proposed annexation to the City of Farmersville complies with the policies and priorities of the Cortese-Knox-Hertzberg Act, GC §56377.
3. Pursuant to LAFCO Policy and Procedure Section C-1.2, find that:
 - a. The boundaries of the proposed annexation are definite and certain and conform to lines of assessment.
 - b. There is a demonstrated need for municipal services and controls and that the city has the capability of meeting this need.
 - c. There is a mutual social and economic interest between the residents of the City and the proposed annexation territory.
 - d. The proposed annexation is compatible with the City of Farmersville General Plan.
 - e. The proposed annexation represents a logical and reasonable expansion of the annexing municipality.
4. Approve the reorganization, to be known as LAFCO Case No. 1517-F-26, City of Farmersville Annexation No. 2014-01, subject to the following conditions:
 - A.) No change be made to land use designations or zoning for a period of two years after the completion of the annexation, unless the City Council makes a finding at a public hearing that a substantial change has occurred in circumstances that necessitate a departure from the designation or zoning.

- B.) The Certificate of Completion shall not be recorded until a map acceptable to the BOE showing the detachment of the subject area from CSA #1 has been received.
 - C.) The applicant must provide the required filing fee for the Statement of Boundary Change that is to be submitted to the BOE prior to the recording of the Certificate of Completion.
5. Waive the protest hearing for this proposal in accordance with Government Code section 56663(c) and order the change of organization without an election. All the owners of land within the affected territory have given their written consent to the reorganization.

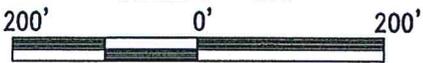
Figures & Exhibits:

Attachment 1 Site Location Map
Attachment 2 Resolution

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SCALE: 1" = 200'



LEGEND

- ANNEXATION AREA CONTAINING APPROXIMATELY 1.56 ACRES
- ① COURSE NUMBER

PLOT DATE:	Aug-11-2015 01:38PM
JOB NO.	F140003
DWG. NAME:	Annex.dwg
SCALE:	1" = 200'
SHEET NO.:	1 OF 2

PARCEL 1
APN 130-020-028

CITY OF FARMERSVILLE
ANNEXATION

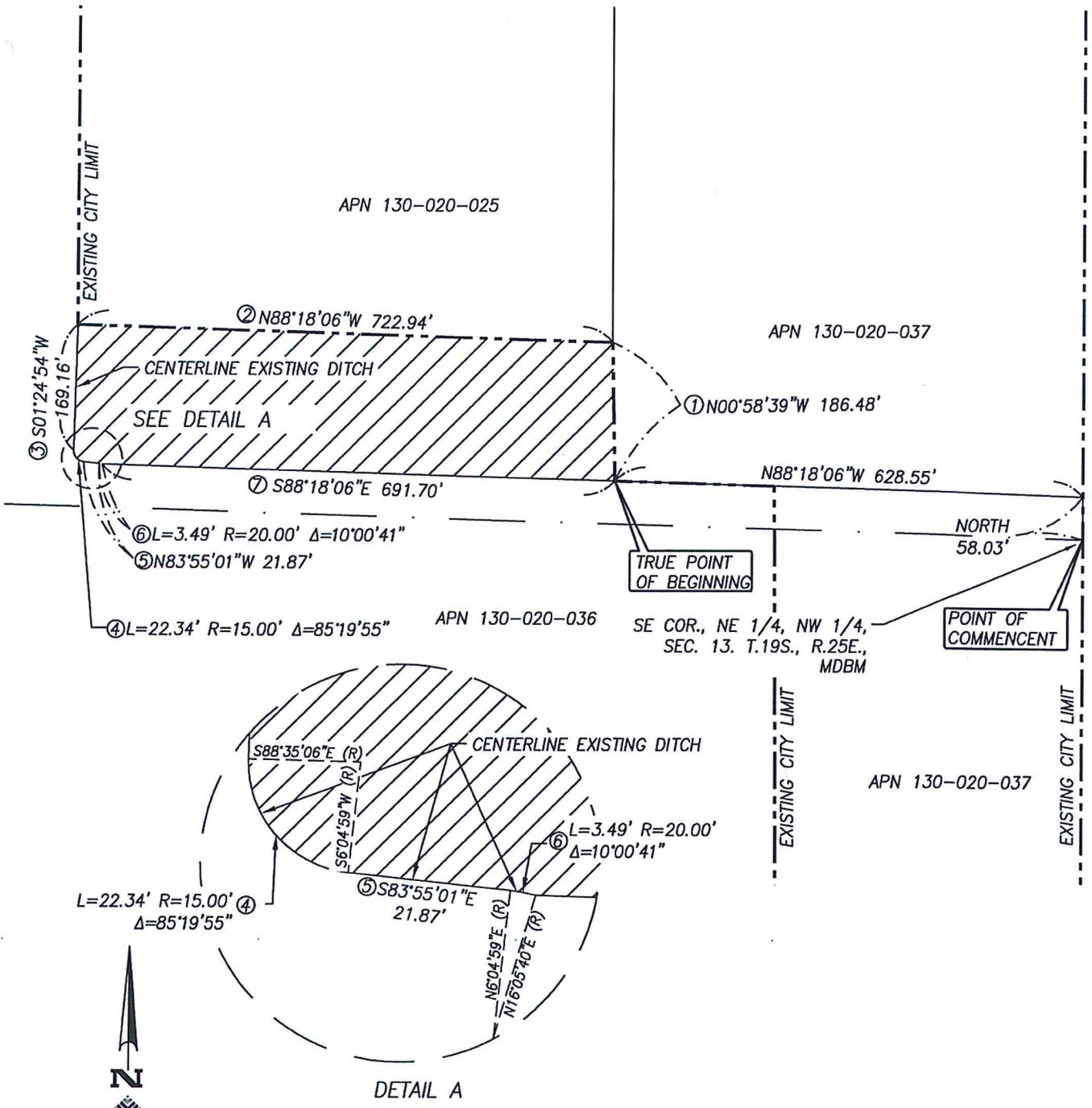
PREPARED BY:

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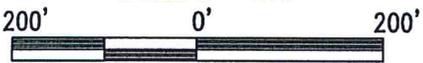
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DRW BY: JC	CHK BY: DCK
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SCALE: 1" = 200'



LEGEND



ANNEXATION AREA CONTAINING APPROXIMATELY 3.11 ACRES

① COURSE NUMBER

PLOT DATE:	Aug-11-2015 03:10PM
JOB NO.	F140003
DWG. NAME:	Annex.dwg
SCALE:	1' = 200'
SHEET NO.:	2 OF 2

PARCEL 2
APN 130-020-027

CITY OF FARMERSVILLE
ANNEXATION

PREPARED BY:



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DRW BY: DTJ CHK BY: DCK

**City of Farmersville
ANNEXATION DESCRIPTIONS**

PARCEL 1: APN 130-020-028

That portion of the Northwest Quarter of Section 13, Township 19 South, Range 25 East, Mount Diablo Base and Meridian, in the County of Tulare, State of California, according to the official plat thereof, described as follows:

Commencing at the Southeast corner of the Northeast quarter of the Northwest quarter of said Section 13;

Thence, North along the Easterly line thereof 58.03 feet, more or less, to the Southeasterly corner of that property conveyed from Jack F. Hesse and Pauline Colpien Hesse, husband and wife, to the City of Farmersville by Grant Deed recorded December 12, 1968, in Book 2818, Page 447, Official Records;

Thence, North 88°18'06" West, along the Southerly line thereof, 413.29 feet, to a point on the existing City limits line and the TRUE POINT OF BEGINNING;

Thence, from the True Point of Beginning the following courses:

Course 1) Continuing North 88°18'06" West, along said Southerly line, and along the existing City limits line, 60.87 feet;

Course 2) South 0°15'26" East, 1116.09 feet, to a point in the centerline of Lower Deep Creek;

Course 3) North 90°00'00" East, along said centerline, 60.83 feet, to a point on the existing City limits line;

Course 4) Leaving said centerline, North 0°15'26" West, along said existing City limits line, 1114.29 feet to the TRUE POINT OF BEGINNING

Containing approximately 67,842 square feet (1.56 acres)



PARCEL 2: APN 130-020-027

That portion of the Northwest quarter of Section 13, Township 19 South, Range 25 East, Mount Diablo Base and Meridian, in the County of Tulare, State of California, according to the official plat thereof, described as follows:

Commencing at the Southeast corner of the Northeast quarter of the Northwest quarter of said Section 13;

Thence, North along the Easterly line thereof 58.03 feet, more or less, to the Southeasterly corner of that property conveyed from Jack F. Hesse and Pauline Colpien Hesse, husband and wife, to the City of Farmersville by Grant Deed recorded December 12, 1968, in Book 2818, page 447, Official Records;

Thence, North $88^{\circ}18'06''$ West, along the Southerly line thereof, 628.55 feet, more or less, to the Southwesterly corner of said Grant Deed, said corner being on the City limits line and the TRUE POINT OF BEGINNING;

Thence, from the True Point of Beginning the following courses:

Course 1) North $0^{\circ}58'39''$ West, along the Westerly line of said City of Farmersville property, and along the existing City limits line, 186.48 feet;

Course 2) North $88^{\circ}18'06''$ West, along the existing City limits line, 722.94 feet, to a point in the centerline of an existing ditch;

Course 3) Thence, along said centerline, and leaving the existing City limits line, South $1^{\circ}24'54''$ West, 169.16 feet;

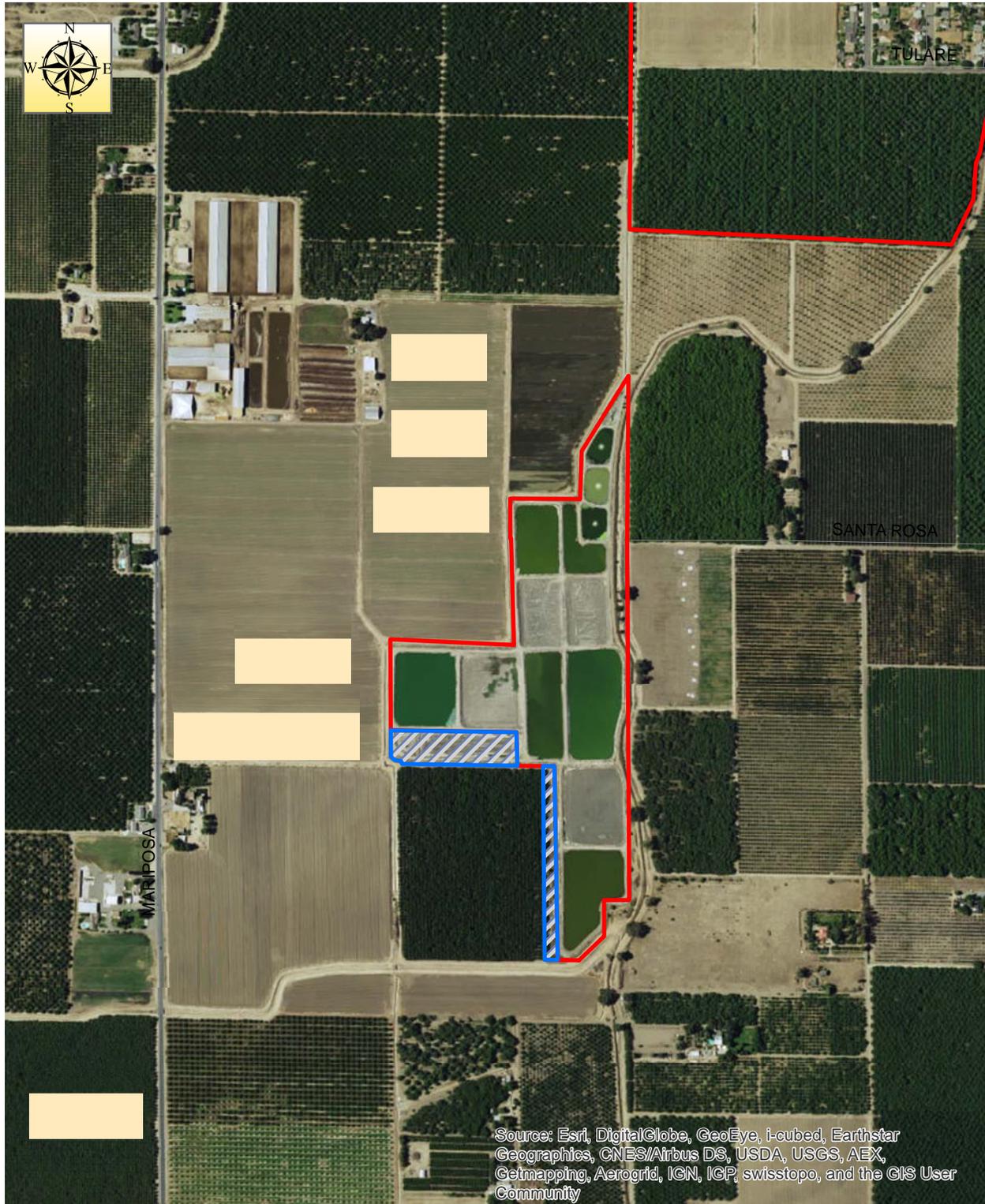
Course 4) Continuing along said centerline, Southeasterly along a tangent curve, concave Northeasterly, with a radius of 15.00 feet and internal angle of $85^{\circ}19'55''$, an arc length of 22.4 feet;

Course 5) Continuing along said centerline, South $83^{\circ}55'01''$ East, 21.87 feet;

Course 6) Continuing along said centerline, Southeasterly, along a tangent curve concave Southwesterly, with a radius of 20.00 feet, and internal angle of $10^{\circ}00'41''$, an arc length of 3.20 feet;

Course 7) Thence, leaving said centerline, South $88^{\circ}18'06''$ East, 691.70 feet, to the TRUE POINT OF BEGINNING

Containing approximately 135,284 square feet (3.11 acres)



0.1 0.05 0 0.1 Miles

1517-F-26

 APN 130-020-027, 028

 City of Farmersville

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

In the matter of the proposed reorganization to the)
City of Farmersville and detachment of the same)
Territory from CSA No. 1.) **RESOLUTION NO. 15-0XX**
LAFCO CASE #1517-F-26)

WHEREAS, application has been made to this Commission pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Sections 56000 et seq.) for approval of a proposal to annex certain territories described in attached Exhibit "A" made a part hereof; and

WHEREAS, this Commission has read and considered the Resolution of Application and application materials, the report of the County Surveyor and the report and recommendations of the Executive Officer, all of which documents and materials are incorporated by reference herein; and

WHEREAS, on September 9, 2015, this Commission heard, received, and considered testimony, comments, recommendations and reports from all persons present and desiring to be heard concerning this matter.

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

1. The information, material and facts set forth in the application, the report of the County Surveyor, and the report of the Executive Officer (including any corrections), have been received and considered in accordance with Government Code

§56668. All of said information, materials, facts, reports and other evidence are incorporated by reference herein.

2. The Commission hereby finds that there is no substantial evidence that said reorganization will have a significant effect on the environment, and certifies that the Commission has independently reviewed and considered the information contained in the Notice of Exemption filed by the City of Farmersville for the proposed reorganization in compliance with the California Environmental Quality Act of 1970, as amended, prior to taking action on said reorganization. Accordingly, said Notice of Exemption is hereby incorporated by reference herein.

3. The Commission has reviewed and considered, in accordance with Government Code §56668.

XXXXXXX

4. 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.

5. Based upon the evidence and information on the record before it, the Commission makes the following findings of fact:

- a. This proposal is for the annexation of territory consisting of two parcels (Parcel 1 containing 1.56 acres and parcel 2 containing 3.11 acres) acres of land to the City of Farmersville and detachment from County Service Area #1.
- b. Less than 12 registered voters reside in the affected territory and landowner consent was received.
- c. No parcels are within the proposal area are under Williamson Act Contract.

- d. The proposal is consistent with the findings and declarations of GC §56001.

6. Based upon the evidence and information on the record before it and the findings of fact made above, the Commission makes the following determinations:

- a. The boundaries of the proposed reorganization (annexation to the City of Farmersville and detachment from County Service Area #1) are definite and certain and conform to lines of assessment.
- b. There is a demonstrated need for municipal services and controls and that the City has the capability of meeting this need.
- c. There is a mutual social and economic interest between the residents of the city and the proposed annexation territory.
- d. The proposed annexation is compatible with the City's General Plan.
- e. The proposed reorganization represents a logical and reasonable expansion of the annexing municipality.
- f. The proposed reorganization complies with the policies and priorities of the Cortese-Knox-Hertzberg Act, GC §56377.
- g. Said territory does not receive any type of governmental services and control furnished by County Service Area No.1.
- h. The proposed reorganization promotes the mutual social and economic interests of the people in the area and will contribute to the logical, orderly and reasonable development of the local government in the community.

7. Waive the protest hearing for this proposal in accordance with GC §56663(c) and order the change of organization without an election.

8. Approve the change of organization, to be known as LAFCO Case No. 1517-F-26 subject to the following conditions:

- A.) No change be made to land use designations or zoning for a period of two years after the completion of the annexation, unless the City Council

makes a finding at a public hearing that a substantial change has occurred in circumstances that necessitate a departure from the designation or zoning.

B.) The Certificate of Completion shall not be recorded until a map acceptable to the BOE showing the detachment of the subject area from CSA #1 has been received.

C.) The applicant must provide the required filing fee for the Statement of Boundary Change that is to be submitted to the BOE prior to the recording of the Certificate of Completion.

8. The following short form designation shall be used throughout these proceedings:

LAFCO Case No. 1517-F-26, City of Farmersville Annexation No. 2014-01

9. The Executive Officer is hereby authorized and directed to mail certified copies of this resolution as required by law.

10. The Executive Officer is hereby authorized and directed to sign the Notice of Exemption on behalf of the Commission and file said notice with the Tulare County Clerk pursuant to Section 21152 (a) of the Public Resources Code.

The forgoing resolution was adopted upon motion of Commissioner _____ and seconded by Commissioner _____, at a regular meeting held on this 9th, day of September, by the following vote:

AYES:

NOES:

ABSTAIN:

PRESENT:

ABSENT:

Ben Giuliani, Executive Officer

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CALAFCO Daily Legislative Report as of Tuesday, September 01, 2015

AB 115 (Committee on Budget) Water.

Current Text: Amended: 6/18/2015 [pdf](#) [html](#)

Introduced: 1/9/2015

Last Amended: 6/18/2015

Status: 6/18/2015-From committee: Do pass. (Ayes 10. Noes 5.) (June 18). Senate Rule 29 suspended. (Ayes 22. Noes 13. Page 1486.) Ordered to third reading.

Calendar: 9/1/2015 #137 SENATE ASSEMBLY BILLS-THIRD READING FILE

Summary: Would authorize the State Water Resources Control Board to order consolidation with a receiving water system where a public water system, or a state small water system within a disadvantaged community, consistently fails to provide an adequate supply of safe drinking water. This bill would authorize the state board to order the extension of service to an area that does not have access to an adequate supply of safe drinking water so long as the extension of service is an interim extension of service in preparation for consolidation.

Position: Oppose

Subject: Disadvantaged Communities, LAFCo Administration, Special District Consolidations, Water

CALAFCO Comments: This bill is the same as SB 88. As amended, AB 115 gives the State Water Resources Control Board (SWRCB) direct authority to mandate either an extension of service or consolidation of water systems, including public and private systems, and individual wells. The bill focuses on disadvantage communities. Prior to ordering the consolidation, the SWRCB must make certain determinations and take certain actions, including conducting a public hearing in the affected territory. They are also required to "consult with and fully consider input from the relevant LAFCo, the PUC, and either the city or county (whichever has land use authority). Entities are allowed 6 months to find workable solutions before the SWRCB mandates the action. Prior to making the order, the SWRCB must make certain determinations. Upon making the order, the SWRCB must make funding available to the receiving water system for capacity building (no operations and maintenance funding is provided, adequately compensate the subsumed system, pay fees to the LAFCo for whatever work they will do (which is as of now undefined) to facilitate the action. The bill also contains certain CEQA exemptions and liability relief for the subsuming water entity, as well as various penalties. Finally, the bill makes legislative findings and declarations as to the reason for the SWRCB to have these powers, which has been taken directly from the legislative findings and declarations of CKH and the reason LAFCos have the powers they do.

CALAFCO has attempted to work with the administration for some time in defining the best possible process for these actions. However, for the most part, amendments proposed have been dismissed. CALAFCO has a number of concerns regarding the proposed process, not the least of which is the language in section 116682 (g) (the way it is worded now, it exempts the entire consolidation process and there is a legal argument that this would divest LAFCO of any authority to complete the consolidation since that authority is solely contained in CKH). Further, we requested indemnification for LAFCo as they implement section 11682(e)(4) which was also dismissed.

AB 402 (Dodd D) Local agency services: contracts.

Current Text: Amended: 8/26/2015 [pdf](#) [html](#)

Introduced: 2/19/2015

Last Amended: 8/26/2015

Status: 8/27/2015-Read second time. Ordered to third reading.

Calendar: 9/1/2015 #231 SENATE ASSEMBLY BILLS-THIRD READING FILE

Summary: Under current law, a local agency formation commission may authorize a city or district to provide new or extended services outside both its jurisdictional boundaries and its sphere of influence under specified circumstances, including when responding to an impending threat to the public health or safety of the residents in the affected territory where specified requirements are met. This bill would revise

the circumstances under which the commission may authorize a city or district to provide new or extended services.

Position: None at this time

Subject: CKH General Procedures, LAFCo Administration, Service Reviews/Spheres

CALAFCO Comments: This bill creates a 5 year pilot opportunity for Napa and San Bernardino LAFCo Commissions to authorize an extension of services outside boundaries and spheres to support existing or planned uses pending the commission's determination that (1) a service deficiency was identified and evaluated in a MSR; AND (2) the extension of services will not result in adverse impacts on open space or ag lands or have growth inducing impacts.

CALAFCO previously considered (over an extensive period of time) amending GC §56133, and twice (in 2011 and again in 2013) the CALAFCO Board of Directors decided not to pursue those amendments. This is not a CALAFCO sponsored bill. Assembly member Dodd is a former Napa LAFCo Commissioner.

AB 448 (Brown D) Local government finance: property tax revenue allocations: vehicle license fee adjustments.

Current Text: Introduced: 2/23/2015 [pdf](#) [html](#)

Introduced: 2/23/2015

Status: 8/27/2015-In committee: Held under submission.

Summary: Current property tax law requires the county auditor, in each fiscal year, to allocate property tax revenue to local jurisdictions in accordance with specified formulas and procedures, and generally provides that each jurisdiction shall be allocated an amount equal to the total of the amount of revenue allocated to that jurisdiction in the prior fiscal year, subject to certain modifications, and that jurisdiction's portion of the annual tax increment, as defined. This bill would modify these reduction and transfer provisions, for the 2015-16 fiscal year and for each fiscal year thereafter, by providing for a vehicle license fee adjustment amount calculated on the basis of changes in assessed valuation.

Position: Support

Subject: Financial Viability of Agencies, Tax Allocation

CALAFCO Comments: As introduced, this bill is identical to AB 1521 (Fox) from last year. This bill reinstates the VLF payment (through ERAF) and changes the way that the growth in the VLF adjustment amount (property tax in lieu of VLF) is calculated starting in FY 2015-16 to include the growth of assessed valuation, including in an annexed area, from FY 2004-05 to FY 2015-16. Beginning in FY 2016-17, the VLF adjustment amount would be the jurisdiction's annual change in the assessed valuation

AB 851 (Maves R) Local government: organization: disincorporations.

Current Text: Enrollment: 8/31/2015 [pdf](#) [html](#)

Introduced: 2/26/2015

Last Amended: 8/18/2015

Status: 8/31/2015-Senate amendments concurred in. To Engrossing and Enrolling. (Ayes 80. Noes 0.)

Summary: Current law authorizes a local agency which is conducting proceedings for the incorporation of a city, formation of a district, change of organization, a reorganization, a change of organization of a city, or a municipal reorganization to propose the adoption of a special tax on behalf of the affected city or district in accordance with this procedure. This bill would additionally authorize a local agency conducting proceedings for the disincorporation of a city to propose the adoption of a special tax on behalf of an affected city in accordance with the above-described procedure.

Position: Sponsor

Subject: CKH General Procedures, Disincorporation/dissolution

CALAFCO Comments: Sponsored by CALAFCO. As amended, this bill addresses the long-outdated statutes relating to disincorporation. Although many other areas of CKH have been updated over the past 52 years, the areas pertaining to disincorporations remain in their original format as written in 1963.

This bill does the following: (1) Clarifies the expectation for assignment of responsibility for debt that will continue in existence after disincorporation; (2) Establishes the parameters and requirements for the submission of the Plan for Service for a disincorporation proposal which outlines existing services, the proponent's plan for the future of those services, and whether or not a bankruptcy proceeding has been undertaken; (3) Establishes the responsibilities of LAFCOs in preparing a Comprehensive Fiscal Analysis

for disincorporations, the determination of the transfer of property tax revenues previously received by the proposed disincorporating City, and the determination of the transfer of debt to a successor agency or agencies. Further, the bill retains LAFCOs existing authority to impose terms and conditions on a proposed disincorporation as well as the election requirements necessary for approval of disincorporation. The proposed disincorporation statutory changes use the incorporation provisions as a template to propose changes in the disincorporation process.

AB 1532 (Committee on Local Government) Local government: omnibus.

Current Text: Chaptered: 7/15/2015 [pdf](#) [html](#)

Introduced: 3/23/2015

Last Amended: 5/22/2015

Status: 7/15/2015-Chaptered by Secretary of State - Chapter 114, Statutes of 2015.

Summary: The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, requires a local agency formation commission to notify specified state agencies having oversight or regulatory responsibility over, or a contractual relationship with, a local health care district when a proposal is made for any of specified changes of organization affecting that district. This bill would update obsolete references to a "hospital" district and replace outdated references to the State Department of Health Services with references to the State Department of Public Health and the State Department of Health Care Services.

Position: Sponsor

Subject: CKH General Procedures

CALAFCO Comments: This is the annual Omnibus bill for the Cortese-Knox-Hertzberg Reorganization Act of 2000. This bill makes nonsubstantive technical clean-up corrections to the Act.

SB 25 (Roth D) Local government finance: property tax revenue allocation: vehicle license fee adjustments.

Current Text: Amended: 8/28/2015 [pdf](#) [html](#)

Introduced: 12/1/2014

Last Amended: 8/28/2015

Status: 8/31/2015-Read second time. Ordered to third reading.

Calendar: 9/1/2015 #185 ASSEMBLY SENATE THIRD READING FILE

Summary: Would modify specified reduction and transfer provisions for a city incorporating after January 1, 2004, and on or before January 1, 2012, for the 2014-15 fiscal year and for each fiscal year thereafter, by providing for a vehicle license fee adjustment amount calculated on the basis of changes in assessed valuation. This bill contains other related provisions and other existing laws.

Position: Support

Subject: Financial Viability of Agencies

CALAFCO Comments: Identical to SB 69 (Roth) from 2014, the bill calls for reinstatement of the VLF through ERAF for cities that incorporated between January 1, 2004 and January 1, 2012. There are no provisions for back payments for lost revenue, but the bill does reinstate future payments beginning in the 2014/15 year for cities that incorporated between 1-1-2004 and 1-1-2012.

SB 88 (Committee on Budget and Fiscal Review) Water.

Current Text: Chaptered: 6/24/2015 [pdf](#) [html](#)

Introduced: 1/9/2015

Last Amended: 6/17/2015

Status: 6/24/2015-Chaptered by Secretary of State - Chapter 27, Statutes of 2015

Summary: Would authorize the State Water Resources Control Board to order consolidation with a receiving water system where a public water system, or a state small water system within a disadvantaged community, consistently fails to provide an adequate supply of safe drinking water. This bill would authorize the state board to order the extension of service to an area that does not have access to an adequate supply of safe drinking water so long as the extension of service is an interim extension of service in preparation for consolidation.

Position: Oppose

Subject: Disadvantaged Communities, LAFCo Administration, Special District Consolidations, Water

CALAFCO Comments: This bill is the same as AB 115. As amended, SB 88 gives the State Water Resources Control Board (SWRCB) direct authority to mandate either an extension of service or consolidation of water systems, including public and private systems, and individual wells. The bill focuses on disadvantage communities. Prior to ordering the consolidation, the SWRCB must make certain determinations and take certain actions, including conducting a public hearing in the affected territory. They are also required to "consult with and fully consider input from the relevant LAFCo, the PUC, and either the city or county (whichever has land use authority). Entities are allowed 6 months to find workable solutions before the SWRCB mandates the action. Prior to making the order, the SWRCB must make certain determinations. Upon making the order, the SWRCB must make funding available to the receiving water system for capacity building (no operations and maintenance funding is provided, adequately compensate the subsumed system, pay fees to the LAFCo for whatever work they will do (which is as of now undefined) to facilitate the action. The bill also contains certain CEQA exemptions and liability relief for the subsuming water entity, as well as various penalties. Finally, the bill makes legislative findings and declarations as to the reason for the SWRCB to have these powers, which has been taken directly from the legislative findings and declarations of CKH and the reason LAFCos have the powers they do.

CALAFCO has attempted to work with the administration for some time in defining the best possible process for these actions. However, for the most part, amendments proposed have been dismissed. CALAFCO has a number of concerns regarding the proposed process, not the least of which is the language in section 116682 (g) (the way it is worded now, it exempts the entire consolidation process and there is a legal argument that this would divest LAFCO of any authority to complete the consolidation since that authority is solely contained in CKH). Further, we requested indemnification for LAFCo as they implement section 11682(e)(4) which was also dismissed.

SB 239 (Hertzberg D) Local services: contracts: fire protection services.

Current Text: Amended: 8/31/2015 [pdf](#) [html](#)

Introduced: 2/17/2015

Last Amended: 8/31/2015

Status: 8/31/2015-Read second time and amended. Ordered to second reading.

Calendar: 9/1/2015 #7 ASSEMBLY SENATE SECOND READING FILE

Summary: Current law permits a city or district to provide extended services, as defined, outside its jurisdictional boundaries only if it first requests and receives written approval from the local agency formation commission in the affected county. Under current law, the commission may authorize a city or district to provide new or extended services outside both its jurisdictional boundaries and its sphere of influence under specified circumstances. This bill would, with certain exceptions, permit a public agency to exercise new or extended services outside the public agency's current service area pursuant to a fire protection contract, as defined, only if the public agency receives written approval from the local agency formation commission in the affected county.

Position: None at this time

Subject: CKH General Procedures, Municipal Services

CALAFCO Comments: As amended on June 1, this bill sets forth requirements for the application of service extensions relating to fire protection services. The bill calls for a Fire Protection Contract to be submitted with the application. This is required for applications that (1) Transfer greater than 25% of the service area or (2) Changes the employment status of more than 25% of employees of any affected agencies. Prior to submitting the application for service extension, all affected agency employee unions must approve the request and conduct a public hearing; or, provide at least 30 days notice of the public hearing with such notice being sent to each affected public agency and all affected employee unions and shall include a copy of the proposed agreement. The bill requires contents of the Contract Plan to include: (1) Cost of providing services to be extended; (2) Cost to customers; (3) an ID of existing service providers; (4) Financing plan; (5) Alternatives to the extension; (6) Enumeration and description of services proposed; (7) level and range of services proposed; (8) Timeline for services to be provided; and (9) improvements or upgrades that would be imposed or required to provide services. Further, it requires a comprehensive Fiscal Analysis to be conducted. It further requires the CFA to include (1) Cost to provide services for three years; (2) Cost comparison; (3) Estimated revenue for three years; and (4) Cost/revenue effects to any affected agency. The bill also outlines determinations the commission must

make that include the provider of services for the extension of service will build a "reasonable reserve" during the three years following the effective date of the contract.

The bill sets several precedents. First, it requires a California state agency to apply for, and request LAFCo approval prior to undertaking an action that involves the provision of services outside of a public agency's current service area under contract or agreement. Further, the >25% threshold that triggers this kind of scrutiny appears to be an arbitrary threshold with no data to support it. Next, LAFCos currently have exempted the review and approval of contracts or agreements between two public agencies - this bill would change that provision in certain circumstances. Finally, the bill addresses only one type of service provider, which fails to address the question of why the provision of fire protection services, by contract or agreement, outside of a public agency's boundaries, requires a different level of review than other types of equally vital services or demands a heightened or weighted review from any commenter or affected agency.

Many of CALAFCO's concerns have been removed by amendments, however there are some that remain as noted above. At question for CALAFCO members is whether or not the LAFCo should be reviewing and/or approving contracts/agreements between two public agencies, which is a question for which CALAFCO has received divergent positions. As a result, for now, CALAFCO does not have a position on this bill.

SB 272 (Hertzberg D) The California Public Records Act: local agencies: inventory.

Current Text: Amended: 8/17/2015 [pdf](#) [html](#)

Introduced: 2/19/2015

Last Amended: 8/17/2015

Status: 8/20/2015-Read second time. Ordered to third reading.

Calendar: 9/1/2015 #117 ASSEMBLY SENATE THIRD READING FILE

Summary: Would require each local agency, except a local educational agency, in implementing the California Public Records Act, to create a catalog of enterprise systems, as defined, to make the catalog publicly available upon request in the office of the person or officer designated by the agency's legislative body, and to post the catalog on the local agency's Internet Web site. The bill would require the catalog to disclose a list of the enterprise systems utilized by the agency, and, among other things, the current system vendor and product.

Position: Watch

Subject: LAFCo Administration, Public Records Act

CALAFCO Comments: As amended, this bill requires all local agencies (including LAFCo) to create a catalogue of enterprise systems used by that agency and make that catalogue available to the public. For purposes of the bill, the author defines enterprise systems as a software application or computer system that collects, stores, exchanges, and analyzes information that the agency uses that is both: (1) is a multi-departmental system or system containing information collected about the public; AND (2) a system of record for that agency. Further, the bill defines a system of record as a system that serves as an original source of data within an agency. The bill requires certain pieces of information be disclosed including (1) Current system vendor; (2) Current system product; (3) A brief statement of the system's purpose;(4) A general description of categories, modules, or layers of data;(5) The department that serves as the system's primary custodian;(6) How frequently system data is collected; and (7) How frequently system data is updated. The author has agreed to exclude 911 systems.

SB 552 (Wolk D) Public water systems: disadvantaged communities: consolidation or extension of service.

Current Text: Amended: 7/7/2015 [pdf](#) [html](#)

Introduced: 2/26/2015

Last Amended: 7/7/2015

Status: 7/17/2015-Failed Deadline pursuant to Rule 61(a)(10). (Last location was RLS. on 7/9/2015)

Summary: Current law, for purposes of the California Safe Drinking Water Act, defines "disadvantaged community" to mean a disadvantaged community that is in an unincorporated area or is served by a mutual water company. This bill would allow a community to be a "disadvantaged community" if the

community is in a mobilehome park even if it is not in an unincorporated area or served by a mutual water company.

Position: Watch

Subject: Disadvantaged Communities, Water

CALAFCO Comments: This bill is being amended as a vehicle to clean-up the water consolidation legislation [passed through as a budget trailer bill, SB 88/AB 115.

AB 3 (Williams D) Isla Vista Community Services District.

Current Text: Amended: 8/17/2015 [pdf](#) [html](#)

Introduced: 12/1/2014

Last Amended: 8/17/2015

Status: 8/18/2015-Read second time. Ordered to third reading.

Calendar: 9/1/2015 #175 SENATE ASSEMBLY BILLS-THIRD READING FILE

Summary: Would authorize the establishment of the Isla Vista Community Services District by requiring the Board of Supervisors of the County of Santa Barbara to submit a resolution of application to the Santa Barbara County Local Agency Formation Commission, and, upon direction by the commission, place the questions of whether the district should be established and whether a utility user tax should be imposed on the ballot at the next countywide election following the completion of the review by the commission.

Position: Oppose unless amended

Subject: LAFCo Administration, Special District Powers

CALAFCO Comments: As amended on July 1, the bill requires the Santa Barbara Board of Supervisors (BOS) on or before 1/5/16 to file a resolution of application with the Santa Barbara LAFCO to initiate a comprehensive review of the formation of the Isla Vista CSD. The LAFCO will not have the authority to make a final determination as to whether or not the CSD should be formed, but rather only make recommendations as to its formation. (This differs from the last version of the bill which did not include the LAFCO at all.) The final authority of whether or not the district shall be formed will stay with the voters. The bill requires the BOS to pay the appropriate fees for the LAFCO review and recommendations. Further, the bill requires the LAFCO to complete the review and make recommendations within 120 days of the filing of the resolution of application. Finally, because the people are voting on the establishment of the CSD, protest proceedings are being waived.

The bill also requires the BOS to place the formation question on the first ballot after LAFCO completes the review, and should the district be formed, the BOS shall then call for a cote on the funding of the district. Setting a precedent, the bill is calling for a utility user tax to fund the district, which shall be determined by 1/1/23. The bill also calls out the special governing structure of the district board, the boundaries of the proposed CSD and the authorities of the CSD.

AB 707 (Wood D) Agricultural land: Williamson Act contracts: cancellation.

Current Text: Amended: 8/24/2015 [pdf](#) [html](#)

Introduced: 2/25/2015

Last Amended: 8/24/2015

Status: 8/31/2015-In Assembly. Concurrence in Senate amendments pending. May be considered on or after September 2 pursuant to Assembly Rule 77.

Calendar: 9/1/2015 #61 ASSEMBLY UNFINISHED BUSINESS CONCURRENCE IN SENATE AMENDMENTS

Summary: Current law provides for the procedure to cancel a contract entered into under specified provisions of the Williamson Act, and provides that the landowner and the Department of Conservation may agree on the cancellation value of the land. This bill would require the department to provide a preliminary valuation of the land to the county assessor and the city council or board of supervisors at least 60 days prior to the effective date of the agreed upon cancellation valuation if the contract includes an additional cancellation fee, as specified.

Position: Watch

Subject: Ag Preservation - Williamson

CALAFCO Comments: As written, this bill repeals the provision that allows cancellation of the valuation of the land.

AB 168 (Maienschein R) Local government finance.

Current Text: Introduced: 1/22/2015 [pdf](#) [html](#)

Introduced: 1/22/2015

Status: 5/15/2015-Failed Deadline pursuant to Rule 61(a)(3). (Last location was PRINT on 1/22/2015)

Summary: Current law requires the county auditor, in the case in which a qualifying city becomes the successor agency to a special district as a result of a merger with that district as described in a specified statute, to additionally allocate to that successor qualifying city that amount of property tax revenue that otherwise would have been allocated to that special district pursuant to general allocation requirements. This bill would make nonsubstantive changes to the provision pertaining to property tax revenue allocations to a qualifying city that merges with a special district.

Position: Placeholder - monitor

Subject: Tax Allocation

AB 369 (Steinorth R) Local government.

Current Text: Introduced: 2/17/2015 [pdf](#) [html](#)

Introduced: 2/17/2015

Status: 5/15/2015-Failed Deadline pursuant to Rule 61(a)(3). (Last location was PRINT on 2/17/2015)

Summary: The Planning and Zoning Law establishes in each city and county a planning agency with the powers necessary to carry out the purposes of that law. Current law sets forth the Legislature's findings and declarations regarding the availability of affordable housing throughout the state. This bill would make nonsubstantive changes to those findings and declarations.

Position: Placeholder - monitor

AB 541 (Dahle R) Big Valley Watermaster District Act.

Current Text: Introduced: 2/23/2015 [pdf](#) [html](#)

Introduced: 2/23/2015

Status: 5/1/2015-Failed Deadline pursuant to Rule 61(a)(2). (Last location was L. GOV. on 3/5/2015)

Summary: Would create a watermaster district with unspecified boundaries within the Counties of Lassen and Modoc to be known as the Big Valley Watermaster District. The bill would generally specify the powers and purposes of the district. The bill would prescribe the composition of the board of directors of the district. The bill would require the district to provide watermaster service on behalf of water right holders whose place of use under an appointed decree, as defined, is a parcel of real property within the district.

Position: Watch

Subject: LAFCo Administration, Special District Powers, Water

AB 568 (Dodd D) Reclamation District No. 108: hydroelectric power.

Current Text: Chaptered: 8/7/2015 [pdf](#) [html](#)

Introduced: 2/24/2015

Last Amended: 5/14/2015

Status: 8/7/2015-Chaptered by Secretary of State - Chapter 134, Statutes of 2015.

Summary: Current law authorizes Reclamation District No. 1004, in conjunction with the County of Colusa, to construct, maintain, and operate a plant, transmission lines, and other necessary or appropriate facilities for the generation of hydroelectric power, as prescribed. Current law requires proceeds from the sale of electricity to be utilized to retire any time warrants issued for construction of the facilities and otherwise for the powers and purposes for which the district was formed. This bill would grant the above-described hydroelectric power authority to Reclamation District No. 108 until January 1, 2021.

Position: Watch

Subject: Special District Powers

AB 656 (Garcia, Cristina D) Joint powers agreements: mutual water companies.

Current Text: Enrollment: 8/27/2015 [pdf](#) [html](#)

Introduced: 2/24/2015

Last Amended: 6/22/2015

Status: 8/27/2015-Enrolled and presented to the Governor at 3:30 p.m.

Summary: Would specifically authorize a mutual water company and a public agency to participate in joint powers agreement for the provision of insurance and risk-pooling, technical support, and other similar services for the purpose of reducing risk liability, as specified.

Position: Watch

Subject: Other

CALAFCO Comments: As amended, the bill gives the ability for a mutual water company to enter into a joint powers agreement with a public water agency for the purposes of either risk-pooling or the provision of technical support, continuing education, safety engineering, operational and managerial advisory assistance to be provided to the members of that joint powers agency.

SB 13 (Pavley D) Groundwater.

Current Text: Enrollment: 8/28/2015 [pdf](#) [html](#)

Introduced: 12/1/2014

Last Amended: 7/6/2015

Status: 8/28/2015-Enrolled and presented to the Governor at 3:45 p.m.

Summary: Would specify that the State Water Resources Control Board is authorized to designate a high- or medium-priority basin as a probationary basin. This bill would provide a local agency or groundwater sustainability agency 90 or 180 days, as prescribed, to remedy certain deficiencies that caused the board to designate the basin as a probationary basin. This bill would authorize the board to develop an interim plan for certain probationary basins one year after the designation of the basin as a probationary basin.

Position: Watch

Subject: Water

CALAFCO Comments: While this bill has no direct affect on LAFCos, the formation of groundwater management agencies and groundwater management is of interest, therefore CALAFCO will watch the bill.

SB 181 (Committee on Governance and Finance) Validations.

Current Text: Chaptered: 6/1/2015 [pdf](#) [html](#)

Introduced: 2/9/2015

Status: 6/1/2015-Chaptered by Secretary of State - Chapter No. 4, Statutes of 2015

Summary: This bill would enact the First Validating Act of 2015, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill contains other related provisions.

Position: Support

Subject: Other

CALAFCO Comments: One of three annual acts which validate the boundaries of all local agencies.

SB 182 (Committee on Governance and Finance) Validations.

Current Text: Enrollment: 8/28/2015 [pdf](#) [html](#)

Introduced: 2/9/2015

Status: 8/28/2015-Enrolled and presented to the Governor at 3:45 p.m.

Summary: This bill would enact the Second Validating Act of 2015, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill contains other related provisions.

Position: Support

Subject: Other

CALAFCO Comments: One of three annual acts which validate the boundaries of all local agencies.

SB 183 (Committee on Governance and Finance) Validations.

Current Text: Chaptered: 7/2/2015 [pdf](#) [html](#)

Introduced: 2/9/2015

Status: 7/2/2015-Chaptered by Secretary of State - Chapter 45, Statutes of 2015.

Summary: This bill would enact the Third Validating Act of 2015, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

Position: Support

Subject: Other

CALAFCO Comments: One of three annual acts which validate the boundaries of all local agencies.

SB 184 (Committee on Governance and Finance) Local government: omnibus bill.

Current Text: Enrollment: 8/26/2015 [pdf](#) [html](#)

Introduced: 2/9/2015

Last Amended: 6/15/2015

Status: 8/26/2015-Enrolled and presented to the Governor at 4:30 p.m.

Summary: Current law authorizes specified local entities, including cities, counties, special districts, and other authorized public corporations, to collect fees, tolls, rates, rentals, or other charges for water, sanitation, storm drainage, or sewerage system services and facilities. Under current law, a local entity may collect these charges on the property tax roll at the same time and in the same manner as its general property taxes, but is required to file a report on these collected charges. Current law requires the clerk or secretary to annually file the report with the auditor. This bill would define "clerk" to mean the clerk of the legislative body or secretary of the entity.

Position: Watch

Subject: Other

CALAFCO Comments: This bill is the Senate Governance & Finance Committee's annual Omnibus bill. This bill is intended to make technical, non-substantive changes to the Government Code outside of CKH.

SB 226 (Pavley D) Sustainable Groundwater Management Act: groundwater adjudication.

Current Text: Amended: 8/17/2015 [pdf](#) [html](#)

Introduced: 2/13/2015

Last Amended: 8/17/2015

Status: 8/31/2015-From committee: Do pass as amended. (Ayes 12. Noes 0.) (August 27).

Calendar: 9/1/2015 #33 ASSEMBLY SENATE SECOND READING FILE

Summary: Under current law, courts may adjudicate rights to produce groundwater and exercise other powers relating to the supervision of a groundwater basin. Current law authorizes a court to order a reference to the State Water Resources Control Board, as referee, of any and all issues involved in the suit. This bill would authorize the state to intervene as a matter of right in any suit brought in any court for determination of rights to water.

Position: None at this time

Subject: Water

CALAFCO Comments: As amended this bill addresses groundwater rights and is a follow up to the 2014 groundwater legislative package.

SB 393 (Ngunven R) Local agencies.

Current Text: Introduced: 2/25/2015 [pdf](#) [html](#)

Introduced: 2/25/2015

Status: 5/15/2015-Failed Deadline pursuant to Rule 61(a)(3). (Last location was RLS. on 3/5/2015)

Summary: Current law, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, establishes the sole and exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts. This bill would make technical, nonsubstantive changes to the above-described law.

Position: Placeholder - monitor

Subject: CKH General Procedures

CALAFCO Comments: This is a spot bill.

SB 422 (Monning D) Santa Clara Valley Open-Space Authority.

Current Text: Chaptered: 7/15/2015 [pdf](#) [html](#)

Introduced: 2/25/2015

Last Amended: 6/18/2015

Status: 7/15/2015-Chaptered by Secretary of State - Chapter 99, Statutes of 2015.

Summary: Would authorize the Santa Clara County Open-Space Authority to acquire, but not to take by eminent domain, interests in real property that are without the authority's jurisdiction, necessary to the full exercise of its powers. The bill would also authorize the authority's boundaries to be altered by the annexation of contiguous territory, in the unincorporated area of a neighboring county, as provided. The bill would change the name of the authority to the Santa Clara Valley Open-Space Authority and make conforming changes.

Subject: Special District Powers

SB 485 (Hernandez D) County of Los Angeles: sanitation districts.

Current Text: Amended: 8/27/2015 [pdf](#) [html](#)

Introduced: 2/26/2015

Last Amended: 8/27/2015

Status: 8/31/2015-In Senate. Concurrence in Assembly amendments pending.

Calendar: 9/1/2015 #102 SENATE UNFINISHED BUSINESS

Summary: Would authorize specified sanitation districts in the County of Los Angeles to acquire, construct, operate, maintain, and furnish facilities for the diversion, management, and treatment of stormwater and dry weather runoff, the discharge of the water to the stormwater drainage system, and the beneficial use of the water. This bill contains other related provisions.

Subject: Special District Powers

August 12, 2015

Tulare LAFCo
210 N. Church Street, Ste. B
Visalia, CA 93291

TCAG/LAFCO
210 N. Church Street, Ste. B
Visalia, CA 93291

AUG 17 2015

MAIL RECEIVED

Dear Executive Officer:

In January of this year the Board held its biennial retreat to review our Strategic Plan and enhance it to address the organizations future needs. As the economy has picked up, there has been renewed interest in the Legislature for ways to work with and work around the LAFCo process. As we looked at our Strategic Plan we saw a need to both improve services to our members and address some long-standing issues with the infrastructure of the organization itself.

Over its 44-year existence, CALAFCO has matured from a volunteer organization to a professional educational organization that has helped the state better understand CKH and the LAFCo process. At different periods in the lifetime of the organization, the Board has looked for ways to continually evolve CALAFCO to address current circumstances and conditions.

One of the areas that the Board has been working on is how to improve the Annual Conference. An important feature of CALAFCO, the conference also presents a great deal of responsibility for host communities. In working to keep the conference in accessible locations, the conference sometimes impacts the same LAFCos time and again. In addition, as the conference has grown, managing all aspects of it has become challenging for a part time staff. The Board formed a subcommittee in January to delve into the issue of evolving the conference, and that subcommittee worked diligently over the past six months exploring the issues and generating a series of options and solutions for the Board to consider. Working over six months, the Board considered a number of changes that will enhance the conference and reduce the dependence upon member LAFCos to act as host. At our July meeting, the Board unanimously approved a number of changes in the evolution of the current annual conference model.

Those changes include the hiring of a part-time Sponsorship Coordinator who will help raise funds from organizations within the CALAFCO universe to support the conference, which will in turn help bring notable speakers and programing requested by LAFCos around the state. Further, they will help us to better brand and market ourselves as an organization. In addition to augmenting the CALAFCO staff for conferences, it is the intent of the organization to provide discounted registrations to LAFCos whose staff members can assist with registration, conference planning and support during the conference.

CALAFCO will transition away from the LAFCo volunteer "host" model currently used to a CALAFCO-hosted model beginning in 2017. With these changes we also intend to hold the conferences in three primary locations: Sacramento, Monterey and San Diego, with a rotating list of locations every fourth year. We anticipate this will allow for greater long term planning and help manage the costs of the conference. Additionally, it will relieve the burden of work for those LAFCos who volunteer to host the annual conference. In order for this all to be accomplished and after careful review of what our sister organizations charge for their annual conference, the Board unanimously approved a modest raise in the registration fee for the conference by \$95 over the next three years.

With increasing requests from the Legislature to provide input on bills and calls for consultation with the administration, CALAFCO has witnessed the strain of leading a statewide organization with a very part-time staff. We currently only pay for 24 hrs/wk for our Executive Director, but we still need representation the better part of the week to manage the growing professional demands of the organization. Juggling the aforementioned responsibilities with maintaining our relationships with our sister organizations and

meeting the needs of all 58 LAFCoS is no longer tenable and we tasked our Executive Committee with the difficult job of developing sustainable solutions for CALAFCO.

After months of work, the Executive Committee (John Leopold, Coastal region; Gay Jones, Central region; Josh Susman, Northern region; and Jim Curatalo, Southern region) brought recommendations to the full Board for consideration at the July 31 meeting. After much deliberation, the Board unanimously approved a series of changes to the organizational structure.

First, the Board approved an increase in the hours of our Executive Director effective January 1, 2016 to 32 hrs/wk to better represent the organization. Desiring to also increase resources for our members, the Board is also committing to adding to our White Papers series to support our LAFCoS. By increasing our staffing and providing new resources to our members, the Board is committing to evolving the organization to meet the needs of the 21st century and ensuring continued high levels of service to our members.

Current service levels are not sustainable without additional funding and the Board recognizes that the services provided by CALAFCO are valuable tools for all LAFCoS and help all of us fulfill our missions. This comes with a cost and after very lengthy discussion at the July 31 Board meeting, the Board unanimously approved an increase in dues that will be as little as \$55/yr for small LAFCoS and \$530/yr for our larger LAFCoS. This dues increase will be spread over a two-year period, beginning in FY 2016-17. The increase reflects a seven (7) percent in year one, and a seven (7) percent increase in year two. The total increase over the two-year period equates to a range of \$114 to \$1,098. The Board also declared its intention to not raise the dues by the CPI during these two years.

Raising fees and dues at any time is a difficult proposition. Our work at CALAFCO does not differentiate between small and large LAFCoS when meeting the needs of our members. During the worst years of the recession, CALAFCO held the lines on dues. With effective fiscal management and new efforts to raise sponsorship funds, the organization is in a strong fiscal position and we are not contemplating these changes out of crisis. We are committed to continually enhancing the services of CALAFCO and fulfilling our mandate "to assist member LAFCoS with educational and technical resources that otherwise would not be available." I hope you will agree when we discuss this at our annual membership meeting at this year's conference.

Next Steps - Your Help is Needed!

This is an important element in the growth of our Association, the profession, and the role of LAFCo. We recognize that for some LAFCoS these changes represent a financial increase. However, we also realize that the current service levels are not sustainable without additional funding, and that evolving and expanding our service levels are not possible without additional resources. We trust that you see this as an investment in the Association and your Commission, and that we have demonstrated through our actions the value of your membership. Your positive support and assistance in securing the support of your Commission is greatly appreciated. We are providing you with a one-page summary of the organizational changes and the reasons for them, along with a copy of the DRAFT minutes of the July 31, 2015 Board meeting, at which all of these actions were taken.

I and the rest of the Board are available to answer any questions you may have. You are encouraged to seek out the feedback of your regional Board members.

On behalf of the CALAFCO Board of Directors,



John Leopold
Chair of the Board

Cc: CALAFCO Board of Directors
enclosures

Dues Increase Summary

WHAT'S THE ISSUE?

- ❖ Desired membership needs and expectations requires additional funding to allow CALAFCO to effectively deliver services and expanded efforts to meet expectations.
- ❖ CALAFCO's current part-time contracted staff hours are insufficient to meet the current and evolving needs and expectations.
- ❖ Dues do not fully cover the operational and staff costs of the organization (and have not for some years).
- ❖ Heavy reliance on carry-over fund balances and annual conference profit each year to balance the budget.

HOW DID WE GET HERE?

1. Availability of volunteer staff to provide services has diminished; workload shifting to CALAFCO staff.
 - Natural evolution in a volunteer-based organization that faces ever increasing responsibilities
 - Current annual conference "host model" not as effective as it once was (not as many LAFcos able to or wanting to act as host)
 - Legislative monitoring and participation have grown substantially and created additional workload
 - CALAFCO assuming "host" responsibilities for annual conference starting in 2017
 - Member LAFco volunteer staff (CALAFCO Executive Officer and Deputy Executive Officers) roles have expanded and stipends have not kept pace (not increased since 2001/2002)
2. No increase in dues since 2008/2009 (except CPI increases beginning in 2012/2013)
3. Increased demand for services from member LAFcos and stakeholders
 - Increase in requests for CALAFCO to serve on state policy workgroups (e.g. water and land use)
 - Expanding legislative agenda and efforts
 - Research (e.g. implementation of 2014 groundwater and 2015 water system consolidation legislation)
 - Website upgrades (upgrading of existing CALAFCO website, increase in online resources and addition of technical support)
 - Increasing revenue opportunities for CALAFCO through increased conference sponsorships (hiring specialized firm to assist with branding message and solicitations)

WHAT WILL THE DUES INCREASE PROVIDE?

1. Add and expand services in the current year and beyond
 - Expand Executive Director hours from 24/wk to 32/wk (to meet expectations beyond contracted scope of work and better align compensation with hours worked)
 - Improved website and ongoing technical support for web services to ensure reliable accessibility and functionality
 - Increase external education and outreach about LAFco
 - Add professional assistance in conference branding, marketing and increase sponsorship outreach
 - Reasonable compensation for LAFcos who provide volunteer staff (EO and DEOs)
 - Maintaining the increased legislative effort
 - Enhanced partnerships with sister organizations to increase CALAFCO credibility and effectiveness
2. Reduce dependence upon member LAFcos to act as conference host
 - Transfer to CALAFCO all current local LAFco host responsibilities (effective 2017 conference)
 - Provide incentives for CALAFCO volunteers (partial conference registration compensation for LAFcos who provide volunteer staff at conferences)

SUMMARY

1. CALAFCO members should commit to funding professional staff at appropriate funding to ensure continued high levels of service.
2. CALAFCO members should recognize that the current service levels are not sustainable without additional funding.
3. CALAFCO members should consider that excellent service is a valuable tool for all LAFcos and helps us fulfill our missions.

HOW WAS THE RECOMMENDED DUES INCREASE DEVELOPED?

Board worked on various approaches over the course of the past six months

- Began discussions at biennial strategic planning retreat on January 29, 2015
- Formed two subcommittees, conducted extensive research, reported to the full Board on May 8, subcommittees did further work and considered a number of options for implementation
- Final recommendations made to full Board on July 31, receiving unanimous Board of Directors support

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State Water Resources Control Board

Division of Drinking Water

August 18, 2015

Board of Directors
Pratt Mutual Water Company
P. O. BOX 598
Tulare, CA 93275

Dear Board of Directors:

State Water Resources Control Board Notice Regarding Mandatory Consolidation

Effective June 24, 2015, Senate Bill 88 (Statutes 2015, Chapter 27) added Sections 116680 – 116684 to California Health & Safety Code, addressing consolidation of public water systems.

Our records indicate that the water delivered by the Pratt Mutual Water Company's public water system (System) contains arsenic at levels that exceed the maximum contaminant level established in state and federal regulations. Since approximately February 2010, the System has consistently failed to provide an adequate supply of safe drinking water. It is our understanding that the infrastructure has been built to facilitate delivery of water from the City of Tulare (City).

The State Water Resources Control Board (State Water Board) strongly encourages the System and the City to work out voluntary consolidation of their public water systems. If a voluntary consolidation is not timely achieved, the State Water Board intends to take action pursuant to Health & Safety Code section 116682, subdivision (a) for consolidation of the System with the City's public water system. Please note that as used in the applicable statutory authority, the City is hereby identified as the potentially receiving water system and the System is identified as the potentially subsumed water system.

This letter serves as official notification that, pursuant to Health & Safety Code section 116682, subdivision (b) (6), Pratt Mutual Water Company, the potentially subsumed water system, is directed to negotiate consolidation with the City, the potentially receiving water system. Pratt Mutual Water Company is further directed to complete such negotiations and report the outcome to the State Water Board Division of Drinking Water Tulare District Office not later than six (6) months following the date of this letter.

The State Water Board acknowledges that consolidation is a complex process and stands ready to assist you so that you are successful in delivering safe, affordable and accessible drinking water in a cost-effective manner. Pursuant to Health & Safety Code section 116682, subdivision (b) (6) (A), during the six month negotiation period, the State Water Board will provide technical assistance and work with the City and Pratt Mutual Water Company to develop an appropriate and necessary financing package. Technical assistance will be available from the State Water Board Division of Drinking Water (DDW) and Division of Financial Assistance (DFA).

If you have any questions regarding this matter, please contact Mr. Chad Fischer, Tulare District Engineer for the State Water Board's DDW, at (559) 447-3302, or me at (559) 447-3132. For funding related questions, please contact Ms. Deisy Rios at (916) 322-0522.

Sincerely,



Carl L. Carlucci, P.E.
Supervising Sanitary Engineer
Central California Section
SOUTHERN CALIFORNIA BRANCH
DRINKING WATER FIELD OPERATIONS

cc: Mr. David Macedo, Mayor, City of Tulare
Mr. Joseph Carlini, Public Works Director, City of Tulare
City Council, City of Tulare
Mr. Michael Spata, Director, Tulare County Resource Management Agency
Tulare County Health and Human Services Agency
Mr. Ben Giuliani, Executive Officer, Tulare LAFCo

State Water Resources Control Board

Division of Drinking Water

August 18, 2015

Board of Directors
Souls Mutual Water Company
2721 Souls Drive
Tulare, CA 93274

Dear Board of Directors:

State Water Resources Control Board Notice Regarding Mandatory Consolidation

Effective June 24, 2015, Senate Bill 88 (Statutes 2015, Chapter 27) added Sections 116680 – 116684 to California Health & Safety Code, addressing consolidation of public water systems.

Our records indicate that the water delivered by Souls Mutual Water Company's public water system (System) contains nitrate at levels that exceed the maximum contaminant level established in state and federal regulations. Since approximately July 2010, the System has consistently failed to provide an adequate supply of safe drinking water. It is our understanding that the System's service area is outside the boundaries of City of Tulare (City) but within the City's sphere of influence. It is also our understanding that the System's service area and distribution system extends to an area approximately 100 yards from and immediately west of the City's western boundary.

The State Water Resources Control Board (State Water Board) strongly encourages the System and the City to work out voluntary consolidation of their public water systems. If a voluntary consolidation is not timely achieved, the State Water Board intends to take action pursuant to Health & Safety Code section 116682, subdivision (a) for consolidation of System with the City's public water system. Please note that as used in the applicable statutory authority, the City is hereby identified as the potentially receiving water system and the System is identified as the potentially subsumed water system.

This letter serves as official notification that, pursuant to Health & Safety Code section 116682 subdivision (b) (6), the Souls Mutual Water Company, the potentially subsumed water system, is directed to negotiate consolidation with the City, the potentially receiving water system. The Souls Mutual Water Company is further directed to complete such negotiations and report the outcome to State Water Board Division of Drinking Water Tulare District Office not later than six (6) months following the date of this letter.

The State Water Board acknowledges that consolidation is a complex process and stands ready to assist you so that you are successful in delivering safe, affordable and accessible drinking water to your neighboring community in a cost-effective manner. Pursuant to Health & Safety Code section 116682 subdivision (b) (6) (A), during the six month negotiation period, the State Water Board will provide technical assistance and work with the City and the Souls Mutual Water Company to develop an appropriate and necessary financing package. Technical assistance will be available

FELICIA MARCUS, CHAIR | THOMAS HOWARD, EXECUTIVE DIRECTOR

265 West Bullard Avenue, Suite 101, Fresno, CA 93704 | www.waterboards.ca.gov

from the State Water Board's Division of Drinking Water (DDW) and Division of Financial Assistance (DFA).

If you have any questions regarding this matter, please contact Mr. Chad Fischer, Tulare District Engineer for the State Water Board, DDW, at (559) 447-3302, or me at (559) 447-3132. For funding related questions, please contact Mr. Oscar Guerrero at (916) 445-9243.

Sincerely,



Carl L. Carlucci, P.E.
Supervising Sanitary Engineer
Central California Section
SOUTHERN CALIFORNIA BRANCH
DRINKING WATER FIELD OPERATIONS

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City Council, City of Tulare
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Tulare County Health and Human Services Agency
Mr. Ben Giuliani, Executive Officer, Tulare LAFCo



EDMUND G. BROWN JR.
GOVERNOR



MATTHEW RODRIGUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

State Water Resources Control Board
Division of Drinking Water

August 18, 2015

Mr. Don Dorman, City Manager
City of Tulare
3981 South K Street
Tulare, CA 93274

Dear Mr. Dorman:

State Water Resources Control Board Notice Regarding Mandatory

Effective June 24, 2015, Senate Bill 88 (Statutes 2015, Chapter 27) added Sections 116680 – 116684 to California Health & Safety Code, addressing consolidation of public water systems.

Our records indicate that the water delivered by Pratt Mutual Water Company's public water system (System) contains arsenic at levels that exceed the maximum contaminant level established in state and federal regulations. Since approximately February 2010, the System has consistently failed to provide an adequate supply of safe drinking water. It is our understanding that the infrastructure has been built to facilitate delivery of water from the City of Tulare (City) to the System.

The State Water Resources Control Board (State Water Board) strongly encourages Pratt Mutual Water Company and the City to work out voluntary consolidation of their public water systems.

If a voluntary consolidation is not timely achieved, the State Water Board intends to take action pursuant to Health & Safety Code section 116682, subdivision (a) for consolidation of the System with the City's public water system. Please note that as used in the applicable statutory authority, the City is hereby identified as the potentially receiving water system and the System is identified as the potentially subsumed water system.

This letter serves as official notification that, pursuant to Health & Safety Code section 116682, subdivision (b) (6), the City, the potentially receiving water system, is directed to negotiate consolidation with the Pratt Mutual Water Company, the potentially subsumed water system. The City is further directed to complete such negotiations and report the outcome to State Water Board Division of Drinking Water, Tulare District Office not later than six (6) months following the date of this letter.

The State Water Board acknowledges that consolidation is a complex process and stands ready to assist you so that you are successful in delivering safe, affordable and accessible drinking water to your neighboring community in a cost-effective manner. Pursuant to Health & Safety Code section 116682 subdivision (b) (6) (A), during the six month negotiation period, the State Water Board will provide technical assistance and work with the City and Pratt Mutual Water Company to develop an appropriate and necessary financing package. Technical assistance will be available from the State Water Board's Division of Drinking Water (DDW) and Division of Financial Assistance (DFA).

FELICIA MARCUS, CHAIR | THOMAS HOWARD, EXECUTIVE DIRECTOR

265 West Bullard Avenue, Suite 101, Fresno, CA 93704 | www.waterboards.ca.gov

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Central California Section
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Mr. Ben Giuliani, Executive Officer, Tulare LAFCo



EDMUND G. BROWN JR.
GOVERNOR



MATTHEW RODRIGUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

State Water Resources Control Board

Division of Drinking Water

August 18, 2015

Mr. Don Dorman, City Manager
City of Tulare
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Tulare, CA 93274

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The State Water Board acknowledges that consolidation is a complex process and stands ready to assist you so that you are successful in delivering safe, affordable and accessible drinking water to your neighboring community in a cost-effective manner. Pursuant to Health & Safety Code section

FELICIA MARCUS, CHAIR | THOMAS HOWARD, EXECUTIVE DIRECTOR

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116682, subdivision (b) (6) (A), during the six month negotiation period, the State Water Board will provide technical assistance and work with the City and Soults Mutual Water Company to develop an appropriate and necessary financing package. Technical assistance will be available from the State Water Board Division of Drinking Water (DDW) and Division of Financial Assistance (DFA).

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