



# 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 June 1, 2016 @ 2:00 P.M. BOARD OF SUPERVISORS CHAMBERS COUNTY ADMINISTRATIVE BUILDING 2800 West Burrel Avenue Visalia CA 93291

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

ALTERNATES:  
Pete Vander Poel  
Craig Vejvoda  
Dennis Mederos

EXECUTIVE OFFICER:  
Ben Giuliani

- I. Call to Order
- II. Approval of Minutes from May 11, 2016 (Pages 1-2)
- III. Public Comment Period

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

IV. New Action Items

- 1. 2016/2017 Final Budget and Work Program (Pages 3-22)  
[Public Hearing]..... Recommended Action: Approval

Pursuant to GC 56381, the Commission must adopt a final budget and work program, for the following fiscal year, by June 15. At the April 6<sup>th</sup> meeting, the Commission decided to apply \$50,000 to offset the contribution from the County's eight cities and Tulare County. All expenditures and revenues are itemized on a single spreadsheet and the work program provides further detail on how these expenditures and revenues will be allotted during the fiscal year.

- 2. LAFCO Executive Officer Compensation (Pages 23-24)  
[No Public Hearing]..... Recommended Action: Approval

An Ad-Hoc Committee composed of Commissioners Worthley and Ishida is recommending a salary adjustment for the Executive Officer with an effective date of June 26, 2016 (first pay period of FY 16/17). Please see the enclosed resolution.

**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.**

3. Cancellation of July 2016 Meeting (No Page)  
*[No Public Hearing].....Recommended Action: Approval*

The July LAFCO meeting has been canceled 7 of the last 8 years because the meeting date falls on or near the July 4th holiday and due to a lack of time-sensitive issues to be addressed by the Commission. If the Commission elects to cancel the July 6, 2016 meeting, the next regularly scheduled meeting would be August 3, 2016.

**V. Executive Officer's Report**

1. Draft Policy A-5 (Pages 25-26)

Enclosed is a draft policy amendment which would give LAFCO greater flexibility to respond to requested actions regarding legislation.

2. Legislative Update (Pages 27-44)

Enclosed is information on the various state bills that are being tracked by CALAFCO and the amended letter of opposition to SB 1318.

3. Upcoming Projects (No Page)

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

**VI. Correspondence**

There are no items.

**VII. Other Business**

1. Commissioner Report (No Page)
2. Request from LAFCO for items to be set for future agendas

**VIII Closed Sessions**

1. Personnel (Gov. Code Section 54957)  
It is the Intention of the Board to Meet in Closed Session to: Consider Public Employee Performance Evaluation for the Position of: LAFCO Executive Officer

**IX. Setting Time and Place of Next Meeting**

1. July 6, 2016 or August 3, 2016 @ 2:00 P.M. in the Board of Supervisors Chambers in the County Administration Building.

**X. 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.**

**ITEM: II**  
**TULARE COUNTY LOCAL AGENCY FORMATION COMMISSION**  
**Summary Minutes of the Meeting**  
**May 11, 2016**

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

**Members Absent:**

**Alternates Present:** Vejvoda, Mederos

**Alternates Absent:** Vander Poel

**Staff Present:** Giuliani, Alvez

**Counsel Present:** Nielsen

**I. Call to Order**

Chair Mendoza called the Tulare County LAFCO meeting to order at 2:00 p.m. on May 11, 2016.

**II. Approval of the April 6, 2016 Meeting Minutes:**

Upon motion by Commissioner Allen and seconded by Commissioner Hamilton, the Commission unanimously approved the LAFCO minutes of April 6, 2016.

**III. Public Comment Period**

Chair Mendoza opened/closed the Public Comment Period at 2:00 p.m. No public comments received.

**IV. New Action Items**

**1. LAFCO Case# 1522b Reorganization of the Deer Creek SWD Protest**

EO Giuliani stated there was no additional reconsideration requested for this case and LAFCO may now consider the protest results with the removal of the canal properties from the annexation of the last LAFCO meeting. EO Giuliani stated the protest results now stood at .19 percent of the land value protested, which did not meet the level to trigger an election due to the minimal amount of protests received, so the commission can proceed in recording the annexation.

Upon motion by Commissioner Allen and seconded by Commissioner Worthley, the Commission unanimously accepted the protest results and ordered the annexation without election for LAFCO Case# 1522b Annexation to the Deer Creek SWD.

**2. Legislative Letter**

EO Giuliani discussed CALAFCO's request for individual LAFCOs to submit a letter of opposition to SB1318 (Wolk). EO Giuliani reviewed the issues of concern regarding the bill.

The Commission agreed to the coordinated efforts of Commissioner Allen and EO Giuliani to finalize the legislative letter before the May 16th Appropriations Committee to include specific Tulare County information and to be signed by the Commission Chair.

Upon motion by Commissioner Worthley and seconded by Commissioner Hamilton, the Commission unanimously approved the Legislative Letter to be amended.

## **V. Executive Officer's Report**

### **1. Draft Policy A-5**

EO Giuliani introduced Draft Amended Policy A-5 (Commission Meeting and Hearings) and discussed the need for greater flexibility when considering letters for state legislation when emergency action is requested that can't wait to the next available Commission meeting.

The Commission discussed Brown Act ramifications, the need for a legislative platform and concerns regarding the issuance of letters without full Commission action. EO Giuliani stated the Draft Policy A-5 would be modified based on feedback received and brought before the commission for reconsideration.

### **2. Legislative Update**

EO Giuliani highlighted AB2032 (Linder R-Change of Organization: cities: disincorporation), SB1266 (McGuire D-Joint Exercise of Powers Act: agreements: filings), and AB2853 (Gatto D-Public Records). The Commission discussed various aspects of the bills highlighted.

### **3. City Selection Committee**

Chair Mendoza announced Commissioner Hamilton's appointment to the LAFCO Commission for another term.

### **4. Upcoming Projects**

EO Giuliani informed the Commission that Jennifer Nielsen would be Interim LAFCO Counsel until further notice, as former counsel Lisa Tennenbaum relocated outside Tulare County. EO Giuliani provided a brief bio. of the new LAFCO Staff Analyst, Steven Ingoldsby who would be starting June 13<sup>th</sup>.

## **VI. Correspondence**

Commissioner Vajvoda discussed the City of Tulare and Pratt MWC water system consolidation that is occurring through the SB88 process.

## **VII. Other Business**

### **1. Commissioner Report**

Commissioner Worthley announced that the County of Tulare appointed him to the Commission for another term.

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

None

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

The next meeting is June 1, 2016 at 2:00 p.m. in the Board of Supervisors Chambers in the County Administration Building.

## **IX. Adjournment**

The Tulare County LAFCO meeting adjourned at 2:36 p.m.



# TULARE COUNTY LOCAL AGENCY FORMATION COMMISSION

210 N. Church St., Suite B, Visalia, CA 93291 Phone: (559) 623-0450 FAX: (559) 737-4246

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

ALTERNATES:  
Pete Vander Poel  
Dennis Mederos  
Craig Vejvoda

EXECUTIVE OFFICER:  
Ben Giuliani

June 1, 2016

TO: LAFCO Commissioners, Alternates, Counsel,  
FROM: Ben Giuliani, LAFCO Executive Officer  
SUBJECT: FY 2016/17 Final Budget and Work Program

Enclosed for your review are the Fiscal Year 2016/17 Final Budget and Work Program. LAFCO is required to adopt its final budget by June 15<sup>th</sup> of each year. At the April 6<sup>th</sup> meeting, LAFCO elected to use \$50,000 of reserve funds to help offset city and county contributions to the budget. Besides the \$50,000 offset, there have been no changes between the preliminary budget and work program and the final budget and work program. Listed below are the contributions amounts for FY 16/17.

<i>Using \$50,000 offset</i>	POPULATION (DOF 1/1/2015)	PERCENT OF POPULATION	PROPOSED 16/17 CONTRIBUTION
CITY OF DINUBA	23,096	5.06%	\$9,369
CITY OF EXETER	10,495	2.30%	\$4,257
CITY OF FAMERSVILLE	10,893	2.39%	\$4,419
CITY OF LINDSAY	12,533	2.75%	\$5,084
CITY OF PORTERVILLE	55,526	12.18%	\$22,524
CITY OF TULARE	61,238	13.43%	\$24,841
CITY OF VISALIA	128,525	28.18%	\$52,135
CITY OF WOODLAKE	7,671	1.68%	\$3,112
COUNTY OF TULARE	146,060	32.03%	\$59,248

TOTAL 456,037 100.00% \$184,988

(+\$200 billing fee to  
County Auditor)

### Attachments

FY 2016/2017 Work Program  
FY 2016/2017 Final Budget (Org 794)  
Resolution

2016/17  
LAFCO  
WORK PROGRAM

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Prepared by: Ben Giuliani  
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## **Introduction**

### **Overview of LAFCO**

The Tulare County Local Agency Formation Commission (LAFCO) is responsible for coordinating logical and timely changes in local government boundaries, for conducting special studies which review ways to reorganize, simplify and streamline governmental structure, and for preparing Municipal Service Reviews and Spheres of Influence for each city and special district within Tulare County. The Commission's efforts are directed to seeing that services are provided efficiently and economically while agricultural and open-space lands are protected. LAFCO is independent of the government of Tulare County or any of the cities; however, funding to operate the agency is required to be provided by the county and the cities.

State law first established LAFCOs in each county in 1963. LAFCOs were given regulatory authority over local boundary changes. The agencies currently function under the provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. Government Code Section 56375 sets forth the powers and duties of the commission. It gives LAFCO the authority to "review and approve or disapprove with or without amendment, wholly, partially, or conditionally" proposals concerning the formation of cities and special districts, annexation or detachment of territory to cities and special districts, and other changes in jurisdiction or organization of local governmental agencies. In reviewing proposals, LAFCO is required to consider certain factors such as the conformity with city or county plans, current levels and need for future services, the social, physical and economic effects on the community, the effect on existing agricultural lands and open space, the timely availability of adequate water supplies, and the extent to which each proposal will assist the receiving city and the County in achieving its fair share of the regional housing needs.

LAFCO must consider the effect that any proposal will produce on existing agricultural lands. By guiding development towards vacant urban land and away from agricultural preserves, LAFCO assists with the preservation of Tulare County's valuable agricultural resources. LAFCO also works to discourage urban sprawl, a pattern of development characterized by inefficient delivery of important urban services and unnecessary loss of agricultural land. By discouraging sprawl, LAFCO discourages the misuse of land resources and promotes a more efficient system of local government agencies.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires each LAFCO to adopt an annual budget. The 2015/16 Work Program for the Tulare County LAFCO outlines the anticipated work to be accomplished by LAFCO during the fiscal year and is prepared to accompany the annual budget.

### **Description of Region**

Tulare County, comprised of 12,595 km<sup>2</sup>, is located in the southern portion of the San Joaquin Valley. The Valley is bounded on the west by the Coast Range and on the east by the Sierra Nevada Mountains. The Valley extends from Sacramento on the north, to the Tehachapi Mountains on the south. The San Joaquin Valley is the richest farmland in the world.

Tulare County has approximately one third of its land area in the Valley. The remaining portion is in the Sierra Nevada Mountains. This offers an abundance of scenic and recreational opportunities for residents and visitors. The land in the Valley produces a wide variety of agricultural products. Tulare County ranks as one of the largest agricultural producing counties in the nation.

The population of Tulare County is concentrated in the Valley area. There are eight incorporated cities, which account for 68% of the total county approximate population of 462,189 (DOF – 5/1/15). The eight cities are: Dinuba, Exeter, Farmersville, Lindsay, Porterville, Tulare, Visalia and Woodlake. There are also numerous special districts in the county, including various Community



Service Districts, Irrigation Districts, Hospital Districts, Cemetery Districts, Public Utility Districts, and Resource Conservation Districts.

## Organization of LAFCO

The Tulare County Local Agency Formation Commission is composed of two county supervisors selected by the Board of Supervisors, two city council representatives selected by the mayors in the county, and one public member selected by the other four members. Commission members serve four-year terms. There is an alternate member for each category – city, county, and public. Tulare County LAFCO does not have special district members; however, the law does provide for the addition of two special district members and one alternate if the Commission so orders or the special districts petition for such representation.

### LAFCO Commissioners

Rudy Mendoza, Chair	City representative
Allen Ishida, Vice Chair	County representative
Cameron Hamilton	City representative
Steve Worthley	County representative
Juliet Allen	Public representative

Pete Vander Poel	Alternate, County representative
Craig Vejvoda	Alternate, City representative
Dennis Mederos	Alternate, Public representative

### LAFCO Executive Officer

Ben Giuliani

### LAFCO Staff

vacant, Staff Analyst  
Doreen Alvez, LAFCO Clerk  
Alyssa Blythe, LAFCO Clerk  
Jennifer Nielsen, LAFCO Counsel

## LAFCO Abbreviations and Acronyms

<b>CALAFCO</b>	<i>California Association of Local Agency Formation Commissions</i>
<b>C-K-H</b>	<i>Cortese-Knox-Hertzberg Local Government Reorganization Act Of 2000</i>
<b>CSD</b>	<i>Community Services District</i>
<b>GC</b>	<i>Government Code</i>
<b>LAFCO</b>	<i>Local Agency Formation Commission</i>
<b>MSR</b>	<i>Municipal Service Review</i>
<b>PUD</b>	<i>Public Utility District</i>
<b>SOI</b>	<i>Sphere of Influence</i>

## **LAFCO Work Program Elements**

SUBCATEGORY: 100 ADMINISTRATION

WORK ELEMENT: **100.01 LAFCO Administration**

PURPOSE: To manage and coordinate LAFCO staff work in Tulare County, including development and implementation of the budget, work program, and Policies and Procedures Manual.

PREVIOUS WORK: This is an ongoing function of LAFCO.

PRODUCTS:

1. Administration and support of LAFCO work functions.
2. Representation at statewide and local planning meetings.
3. Development of LAFCO Policies and Procedures Manual.
4. Maintain LAFCO files and records.
5. Prepare LAFCO meeting agendas, schedules and minutes.
6. Prepare annual budget and work program.
7. Maintain membership in CALAFCO.

DISCUSSION:

The administration program provides direction and management of the various routine functions that comprise the LAFCO Work Program. This includes: project scheduling; budget preparation and monitoring; personnel recruitment and training; records maintenance; review of legislation affecting LAFCOs; and development of LAFCO Policies and Procedures consistent with C-K-H requirements and commission directives.

LAFCO staff also maintains membership in the California Association of Local Agency Formation Commissions (CALAFCO), which provides statewide coordination of LAFCO activities, representation before the State Legislature and other bodies, training opportunities for member LAFCOs, and a structure for sharing information among LAFCOs and other governmental agencies throughout the State.

BUDGET:

Estimated staff costs:	\$57,750	(6.0 Staff Person Months)
Memberships:	\$3,323	
Publications and Notices	\$1,500	
County Counsel:	\$5,253	
COWCAP Charged:	\$5,000	
Board Directors fees:	\$1,000	
Rent	\$16,130	
Insurance	\$2,213	
Prof. & Specialized:	\$400	
Service from Other Dept.	\$2,575	
Total:	\$95,144	
Revenue (source):	\$	(Reserve Funds)
Revenue (source):	\$95,144	(County & Cities Contribution)
Revenue (source):		(Planning & Engineering Fees)

SUBCATEGORY: 100 ADMINISTRATION  
 WORK ELEMENT: **100.02 Office Expenses/Fixed Assets**  
 PURPOSE: To procure and manage the assets of LAFCO.

PREVIOUS WORK: Purchase supplies and equipment.  
 Purchase Liability Insurance.  
 Maintenance of LAFCO website.  
 Publish public notices.

- PRODUCTS:
1. Procurement of supplies and equipment.
  2. Maintenance of existing equipment.
  3. Inventory of LAFCO assets.
  4. Continuation of Internet service.
  5. Payment of rent, telephone, mail, printing, data processing and other overhead services.
  6. Ongoing maintenance of LAFCO website.

DISCUSSION:

LAFCO is required by GC Section 56300(f)(1) to establish and maintain, or otherwise provide access to notices and other commission information for the public through an internet website.

The address for the Tulare County LAFCO website is [www.co.tulare.ca.us/lafco/](http://www.co.tulare.ca.us/lafco/). The site provides general information regarding LAFCO, Tulare County LAFCO commissioners and staff, meeting and application deadline schedules, and allows access to agendas and minutes. The site will also be used to post notices, agendas, minutes, and disclosures as required by Sections 56100.1, 56150, 56300, and 56661.

Because LAFCO is an independent agency, LAFCO maintains a general liability insurance policy. LAFCO reimburses the County for office space and other operational expenses as part of the work program.

BUDGET:

Office Expense:	\$1,530
Telecomm	\$452
ADP Payroll/Personnel:	\$150
Utilities:	\$2,101
Custodial Services:	\$1,590
Property	\$83
Mail	\$1,030
Printing	\$500
Alarm	\$160
GIS	\$1,000
Worker's Compensation	\$1,761
Total	\$10,357

(Reserve Funds)  
 \$10,357 (County & Cities Contribution)

(Planning & Engineering Fees)

SUBCATEGORY: 100 ADMINISTRATION

WORK ELEMENT: **100.03 Training and Travel**

PURPOSE: Travel to various local, regional and statewide meetings as required.  
Training for staff related to the operations of LAFCO and legislative activity affecting LAFCOs.

PREVIOUS WORK: This is an ongoing work element.

PRODUCTS:

1. Representation at statewide and local LAFCO meetings.
2. Staff training and educational seminars.
3. Commissioner training and education seminars.

**BUDGET:**

Training (Commissioners & Staff):	\$3,100
Transportation/Travel (Commissioners & Staff)	\$5,750
Total:	\$8,850

Revenue (source):	(Reserve Funds)
Revenue (source):	\$8,850 (County & Cities Contribution)
Revenue (source):	(Planning & Engineering Fees)

SUBCATEGORY: 101 SPECIAL PLANNING PROJECTS

WORK ELEMENT: **101.02 Municipal Service Reviews**

PURPOSE: To prepare Municipal Service Reviews (MSR's) pursuant to GC §56430.

PREVIOUS WORK: Group 1 MSRs adopted March 2006  
 Group 2 MSRs adopted May 2006  
 Group 3 MSRs adopted March 2007  
 Group 4 MSRs adopted October 2011  
 City of Dinuba MSR updated June 2012  
 City of Visalia MSR updated February 2013  
 City of Tulare MSR updated October 2013  
 City of Porterville MSR updated October 2014  
 City of Exeter MSR update April 2016

PRODUCTS: MSRs for Cities of Farmersville, Woodlake, Lindsay, Sultana CSD, Group 1 Districts

**DISCUSSION:**

In accordance with GC §56430, in order to prepare and update spheres of influence, LAFCOs are required to conduct a review of the municipal services provided in the county or other appropriate area designated by the Commission. To address this requirement, a program for conducting municipal service reviews (MSR's) was initiated by LAFCO during the 2003/04 fiscal.

Through a contract with Omni-Means consultants, Tulare County's eight cities and 19 of the special districts were reviewed and MSR's were adopted in 3 groups. Group 1, consisting of Visalia, Farmersville, Tulare and surrounding districts were approved by the Commission in March 2006. Group 2, consisting of Dinuba, Woodlake and surrounding districts were approved by the Commission in May 2006. Group 3, consisting of Exeter, Lindsay and Porterville and surrounding districts were approved by the Commission in March 2007. Group 4, consisting of 21 special districts was approved in October 2011. The scope of MSRs has since been expanded to include service needs of developed communities within and adjacent to the subject agency's current SOI. MSR updates have been completed for the cities of Dinuba, Visalia, Tulare, Porterville and Exeter. Due to the reduced level of casework LAFCO Staff has and will continue to complete the MSR updates without the use of a consultant. Thus, no funds will be allocated for consultant services for FY 16/17.

**BUDGET:**

Estimated staff costs:	\$57,750	(6.0 Staff Person Month)
Total:	\$57,750	
Revenue (source):	\$50,000	(Reserve Funds)
Revenue (source):	\$7,750	(County & Cities Contribution)
Revenue (source):		(Planning & Engineering Fees)

SUBCATEGORY: 101 SPECIAL PLANNING PROJECTS

WORK ELEMENT: **101.03 Cities and Special District Inventory Update**

PURPOSE: To maintain the LAFCO Cities and Special District Inventory.

PREVIOUS WORK: LAFCO Cities and Special District Inventory (October 1975)  
 LAFCO Cities and Special District Inventory (Revised January 1981)  
 LAFCO Cities and Special District Inventory (Revised June 1998)  
 LAFCO Cities and Special District Inventory (Revised April 2007)  
 LAFCO Cities and Special District Inventory (Revised April 2013)

PRODUCTS: Continuous update of the LAFCO Cities and Special District Inventory.

DISCUSSION: The Tulare County LAFCO Cities and Special District Inventory is a listing of the various agencies in Tulare County and provides information about each agency, including: date formed, address, phone number, contact person, functions performed, and method of financing. The Inventory also includes a brief description of each type of agency and a map depicting the agency's sphere of influence. For Community Service Districts and County Service Areas the inventory will also describe the latent powers each district was authorized to perform, but had not performed as of January 1, 2006 and January 1, 2009 (respectively). The full-published revision has been completed. The last major revision took place in FY 13/14. However, this Work Program allocation is intended for the continual updating of contact and map information in the Inventory.

**BUDGET:**

Estimated staff costs:	\$4,812	(.5 Staff Person Months)
Total:	\$4,812	
Revenue (source):		(Reserve Funds)
Revenue (source):	\$4,812	(County & Cities Contribution)
Revenue (source):		(Planning & Engineering Fees)

SUBCATEGORY: 101 SPECIAL PLANNING PROJECTS

WORK ELEMENT: **101.04 Sphere of Influence Updates**

PURPOSE: To prepare updates to agencies' Spheres of Influence and provide an efficient method to review and amend the Spheres of Influence for all agencies within Tulare County LAFCO's jurisdiction.

PREVIOUS WORK: In 2011; Alpine Village-Sequoia Crest CSD, Ducor CSD, East Orosi CSD, Patterson Tract CSD, Ponderosa CSD, Three Rivers CSD, Tract 92 CSD, Porter Vista PUD, CSA #1, Strathmore FPD and Woodlake FPD. Lindmore ID (2011) Lindsay-Strathmore ID (2011) Sultana (2011) Ivanhoe (2011) City of Dinuba (2012) Lindmore Irrigation District (2012) Lindsay-Strathmore Irrigation (2012) Allensworth CSD (2012) Sultana CSD (2012) Three Rivers CSD (2012) City of Lindsay (2014) City of Porterville (2014) City of Exeter 2016.

PRODUCTS:

1. SOI Updates for the Cities of Visalia, Tulare are expected to be adopted in 2016/2017. Farmersville, Woodlake and Lindsay are also anticipated for FY 2016/17
2. SOI Reviews (and updates as needed) for Tulare County principal districts

DISCUSSION:

Pursuant to GC Section 56425(g), all Spheres of Influence must be reviewed and updated, as necessary, on or before January 1, 2008 and every five years thereafter.

Tulare County LAFCO Resolution 96-02 provides that, whenever possible, the Sphere of Influence of each city and those Special Districts that provide urban services to unincorporated communities within the County should reflect a twenty-year growth area with additional areas for communities of interest (Section 56425 (a) (4)). This boundary shall be reviewed and, if necessary, updated no more than once every five years. The updates should be sufficient to accommodate projected growth for twenty years from the date of adoption.

The MSR schedule in Work Element 101.02 will guide the update of agencies' spheres of influence.

BUDGET:

Estimated staff costs: \$19,250 (2 Staff Person Months)  
Total: \$19,250

Revenue (source): \$ (Reserve Funds)  
Revenue (source): \$19,250 (County & Cities Contribution)  
Revenue (source): \$ (Planning & Engineering Fees)

SUBCATEGORY: 101 SPECIAL PLANNING PROJECTS

WORK ELEMENT: **101.05 Island Annexation Program**

PURPOSE: To assist municipalities undertaking island annexations pursuant to GC §56375.3.

PREVIOUS WORK: Assisted Cities of Porterville, Visalia and Tulare

PRODUCTS: Continue to support city staff in their island annexation programs.

DISCUSSION: Amendments to CKH in 2000 provide a window for municipalities to annex county islands within their boundaries using streamlined procedures. Eligible islands must have been created prior to January 1, 2000. Protest hearings and election procedures may be waived by LAFCo, providing that the annexing city adopt a resolution supporting the annexation, and providing the annexation application meets the criteria spelled out in GC §56375.3. To date, the Cities of Visalia, Porterville and Tulare have annexed a total of 48 islands containing approximately 13,633 residents, 4,447 housing units and 2,267 acres of land.

**BUDGET:**

Estimated staff costs:	\$4,813	(.5 Staff Person Month)
Total:	\$4,813	
Revenue (source):		(Reserve Funds)
Revenue (source):	\$1,401	(County & Cities Contribution)
Revenue (source):	\$3,412	(Planning & Engineering Fees)



SUBCATEGORY: 101 SPECIAL PLANNING PROJECTS

WORK ELEMENT: **101.06 Special Projects**

PURPOSE: To fulfill LAFCO's obligation to perform special governmental organization studies pursuant to GC 56375.

PREVIOUS WORK: Report Regarding Preservation of Agricultural Lands.

PRODUCTS: This is an on-going work element. Products could include district consolidation and formation studies.

**DISCUSSION:**

In accordance with GC §56375, LAFCO has the authority to conduct a variety of studies related to effective and efficient provision of public services. This includes special district formation and consolidation studies. As a result of LAFCO Policy Amendments, a Financial Impact Study is now required to be prepared for the activation of latent powers, in certain instances.

The work element accounts for staff and consultant resources required to respond to the need for such special studies as may be authorized by LAFCO during the fiscal year.

**BUDGET:**

Estimated staff costs:	\$14,438	(1.5 Staff Person Month)
Total:	\$14,438	
Revenue (source):		(Reserve Funds)
Revenue (source):	\$14,438	(County & Cities Contribution)
Revenue (source):		(Planning & Engineering Fees)

SUBCATEGORY: 102 CASE PROCESSING

WORK ELEMENT: **102.01 LAFCO Case Processing**

PURPOSE: To process applications submitted by LAFCO.

PREVIOUS WORK: In FY 2015/16 (as of March 11), staff has processed 11 cases (annexations, detachments, sphere of influence amendments and extension of services agreements)

PRODUCTS: This is an ongoing work element. Staff will continue to process case applications as they are submitted. For fiscal year 2016/17, based on feedback from local agencies, staff is estimating processing 6 cases (not including ESAs).

**BUDGET:**

Estimated staff costs:	\$14,437	(1.5 Staff Person Months)
Total:	\$14,437	

Revenue (source):		(Reserve Funds)
Revenue (source):	\$	(County & Cities Contribution)
Revenue (source):	\$14,437	(Planning & Engineering Fees)

## LAFCO Work Program Summary

Activity Description	Work Element Number	Revenue Source and Amount				Expenditures
		Reserve Funds	Income from Other Agencies	Planning & Engineering Services	Fees Paid by County for Incorporation	
LAFCO Administration	100.01	\$0	\$95,144	\$0	\$0	\$95,144
Office Expenses / Fixed Assets	100.02	\$0	\$10,357	\$0	\$0	\$10,357
Training and Travel	100.03	\$0	\$8,850	\$0	\$0	\$8,850
Municipal Service Reviews	101.02	\$50,000	\$7,750	\$0	\$0	\$57,750
Cities & Special District Inventory Update	101.03	\$0	\$4,812	\$0	\$0	\$4,812
Sphere of Influence Updates	101.04	\$0	\$19,250	\$0	\$0	\$19,250
Island Annexation Program	101.05	\$0	\$1,401	\$3,412	\$0	\$4,813
Special Projects	101.06	\$0	\$14,438	\$0	\$0	\$14,438
LAFCO Case Processing	102.01	\$0	\$0	\$14,437	\$0	\$14,437
Subtotals	NA	\$50,000	\$162,003	\$17,849	\$0	\$229,851
Contingency	NA	\$0	\$22,985	\$0	\$0	\$22,985
TOTALS		\$50,000	\$184,988	\$17,849	\$0	\$252,837

Total Staff Person Months = 18.0

(Executive Director – 6.0; Staff Analyst – 9; Clerk and Extra Help- 3)

**TULARE CO. LAFCO- 6-YEAR STRATEGIC WORK PROGRAM**

<i>FY</i>	<i>MSR</i>	<i>SOI UPDATE</i>	<i>SPECIAL PROJECTS</i>	<i>Pending Proposals, Possible Future Projects, Annual Work Elements</i>
2016/17	Woodlake, Farmersville, Lindsay, Sultana CSD, Group 1 Districts (11 MSRs)	Cities (except Dinuba, Porterville, Exeter), Sultana, Group 1 Districts (13 SOIs)		<i>Possible Future Projects</i> <ul style="list-style-type: none"> <li>• Levee Districts</li> <li>• Traver, Seville CSD formations</li> <li>• Formation of Yokohl CSD &amp; CWD</li> <li>• Implementation of MSRs</li> </ul>
2017/18	Group 2 and 3 Districts (10 MSRs)	Group 2 and 3 Districts (10 SOIs)		
2018/19	Dinuba, Visalia, Group 4 Districts (20 MSRs)	Dinuba, Visalia, Group 4 Districts (20 SOIs)		
2019/20	Tulare, Porterville (2 MSRs)	Tulare, Porterville (2 SOIs)		<i>Annual Work Elements</i> <ul style="list-style-type: none"> <li>• Case Processing</li> <li>• Island Annexations</li> <li>• SOI Amendments</li> <li>• City-Special Districts Inventory</li> <li>• Special Projects</li> </ul>
2020/21	Exeter, Woodlake, Lindsay, Farmersville (4 MSRs)	Exeter, Woodlake, Lindsay, Farmersville (4 SOIs)		
2021/22	Group 1 Districts (7 MSRs)	Group 1 Districts (7 SOIs)		

**TULARE COUNTY LOCAL AGENCY FORMATION COMMISSION  
BUDGET ORG 794**

	Object No.	Adopted Budget FY 15/16	As of 5/18/16	Projected Expenses FY 15/16	Proposed Budget FY 16/17
<b>EXPENDITURES</b>					
<b>Services and Supplies</b>					
Board Director's Fees	6008	\$1,000	\$949	\$1,000	\$1,000
Memberships	7027	\$3,106	\$3,106	\$3,106	\$3,323
Office Expenses	7036	\$1,500	\$1,895	\$1,900	\$1,530
Professional and Specialized	7043	\$400	\$200	\$400	\$400
Publication - Public Hearing Notices	7059	\$1,000	\$961	\$1,000	\$1,500
Training	7073	\$3,000	\$1,851	\$3,000	\$3,100
Transportation and Travel	7074	\$5,750	\$2,626	\$5,750	\$5,750
<b>Total Services and Supplies</b>		<b>\$15,756</b>	<b>\$11,588</b>	<b>\$16,156</b>	<b>\$16,603</b>
<b>Other Charges</b>					
I/F Workers Compensation	9300	\$1,326	\$0	\$1,326	\$1,761
I/F Expenses - Property	9302	\$81	\$0	\$81	\$83
I/F Expenses - Special Liability Insurance	9303	\$2,169	\$2,052	\$2,169	\$2,213
I/F ADP Payroll	9310	\$150	\$241	\$241	\$150
Rent	7062	\$15,810	\$12,862	\$15,810	\$16,130
Alarm Services	7036	\$30	\$154	\$154	\$160
Telecom	9312	\$443	\$438	\$443	\$452
Utilities	9312	\$2,060	\$1,300	\$2,060	\$2,101
Custodial Services	9313	\$1,590	\$993	\$1,590	\$1,590
I/F RMA - Printing	7036	\$500	\$292	\$500	\$500
I/F RMA - Mail	7036	\$1,030	\$874	\$1,030	\$1,030
<b>Total Other Charges</b>		<b>\$25,189</b>	<b>\$19,206</b>	<b>\$25,404</b>	<b>\$26,170</b>
<b>Agency Charges</b>					
County Counsel Charges	9315	\$5,150	\$1,411	\$5,000	\$5,253
Services from Other Dpts.	9316	\$2,575	\$3,860	\$3,860	\$2,575
COWCAP Charges	9317	\$5,000	-\$6,970	\$5,000	\$5,000
GIS Services	9324	\$1,000	\$680	\$1,000	\$1,000
Salaries	9333	\$165,000	\$84,066	\$120,000	\$173,250
<b>Total Agency Charges</b>		<b>\$178,725</b>	<b>\$83,047</b>	<b>\$134,860</b>	<b>\$187,078</b>
<b>Contingencies</b>	7432	<b>\$21,967</b>	<b>\$0</b>	<b>\$0</b>	<b>\$22,985</b>
<b>TOTAL EXPENDITURES</b>		<b>\$241,637</b>	<b>\$113,841</b>	<b>\$176,420</b>	<b>\$252,837</b>
<b>REVENUES</b>					
Other - Government Agency Contributions	5801	\$174,495	\$174,495	\$172,857	\$184,988
Planning and Engineering Services	5421	\$17,142	\$12,455	\$16,104	\$17,849
Prior Year Revenue Accruals Adjustment	5999				
<b>TOTAL REVENUES</b>		<b>\$191,637</b>	<b>\$186,950</b>	<b>\$188,961</b>	<b>\$202,837</b>
<b>NET COST</b>		<b>\$50,000</b>	<b>-\$73,109</b>	<b>-\$12,541</b>	<b>\$50,000</b>

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

In The Matter of the 2016/17 )  
Final Budget for the Tulare County ) RESOLUTION NO. **16-0##**  
Local Agency Formation Commission )

**WHEREAS**, Section 56381 of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires that on or before the 15th day of June, the Local Agency Formation Commission must prepare and transmit to the Board of Supervisors; to each city; and to the clerk and chair of the city selection committee, if any, its final budget for the following fiscal year; and

**WHEREAS**, LAFCO Policy D-3.4 (Staff Services Agreement), requires the preparation of a work program for each fiscal year indicating the services to be provided in that fiscal year; and

**WHEREAS**, this Local Agency Formation Commission on April 6, 2016 elected to apply \$50,000 in reserve funds to help offset city and county contributions; and

**WHEREAS**, this Local Agency Formation Commission on June 1, 2016, considered the fiscal year 2016/17 final budget and work program as recommended by the Executive Officer.

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

1. The final budget for fiscal year 2016/17, attached hereto as Exhibit "A", is hereby adopted.

2. The work program for fiscal year 2016/17, attached hereto as Exhibit "B", is hereby adopted.

3. The Executive Officer is hereby authorized and directed to forward said final budget to the County Auditor; to the Board of Supervisors; to each city; and to the clerk and chair of the city selection committee, if any, in accordance with the requirements of Section 56381 of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

The foregoing resolution was adopted upon motion of Commissioner x, and seconded by Commissioner x at a regular meeting held on this 1st day of June 2016, by the following vote:

AYES:

NOES:

ABSTAIN:

PRESENT:

ABSENT:

---

Ben Giuliani, Executive Officer

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

In the Matter of LAFCO Ad-Hoc )  
Personnel Recommendation )

**RESOLUTION NO. 16-0##**

**WHEREAS**, Government Code Section 56375 (k) authorizes LAFCO to appoint and assign staff and contract for professional services to carry out and effect the functions of the Commission; and

**WHEREAS**, on March 3, 2010, this Commission approved the LAFCO/TCAG staff services agreement to be effective on July 1, 2010 (Resolution 10-012); and

**WHEREAS**, Benjamin Giuliani was selected by this Commission to be the Executive Officer on June 9, 2010 to be effective on July 1, 2010 (Resolution 10-013); and

**WHEREAS**, a review of the performance of the Executive Officer is to be conducted at least once every fiscal year by the Commission; and

**WHEREAS**, an Ad-Hoc committee composed of Commissioners Worthley and Ishida recommends an increase of compensation for the LAFCO Executive Officer of 3%, from \$102,022 annually to \$105,083 annually (Band Width: \$71,240 - \$106,860), effective for the first pay period of Fiscal Year 16/17.

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

1. The Executive Officer salary compensation is increased, as recommended by the Ad-Hoc committee, by 3% from \$102,022 annually to \$105,083 (Band Width: \$71,240 - \$106,860).

2. The effective date of the compensation change is the first pay period of Fiscal Year 16/17.

The foregoing resolution was adopted upon motion of Commissioner x, and seconded by Commissioner x, at a regular meeting held on this 1<sup>st</sup> day of June, 2016, by the following vote:

AYES:

NOES:

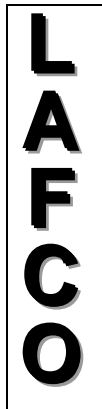
ABSTAIN:

PRESENT:

ABSENT:

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Benjamin Giuliani, Executive Officer



# **TULARE COUNTY LOCAL AGENCY FORMATION COMMISSION**

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

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

June 1, 2016

ALTERNATES:  
*Pete Vander Poel  
Craig Vejvoda  
Dennis Mederos*

TO: LAFCO Commissioners, Alternates, Counsel

FROM: Ben Giuliani, Executive Officer

EXECUTIVE OFFICER:  
*Ben Giuliani*

SUBJECT: Amendment to Policy A-5 (Commission Meetings and Hearings)

## **Background**

At the May 11<sup>th</sup> meeting, a draft amended policy to give LAFCO better flexibility when considering position letters for State legislation was presented. Due to the timing of Commission meetings and the frequency of legislative amendments, it is currently very difficult to provide position letters in a timely manner when requested by our state organization (CALAFCO) or others. Commission suggestions included adopting a legislative platform for which position letters would be based and bringing the letter back to the full Commission for affirmation.

## **Discussion**

Attached is the 2016 CALAFCO Legislative Policies. Tulare County LAFCO may adopt the CALAFCO legislative policies as a whole, make modifications to the policies or narrow the focus on specific issues most important to Tulare County. With consideration of the adoption of a LAFCO legislative platform, listed below is a modified proposed policy regarding legislative positions.

Proposed Addition to LAFCO Policy A-5

### 5.7 Legislative Process Participation

- A. The Commission shall consider adoption of a legislative platform annually, or as needed.
- B. In emergency situations when proposed legislation affecting LAFCO cannot be considered by the full Commission due to timing, the Executive Officer is authorized to provide written or e-mail correspondence regarding the Commission's position if the position is consistent with the adopted legislative platform of the Commission.
- C. The Chair and Vice-Chair shall review and either sign the letter or approve the email prior to it being submitted for consideration.
- D. After submission, the Executive Officer shall forward the approved e-mail or letter to the Commission.

E. The correspondence will be placed in the next available Commission agenda for affirmation.

Based off of feedback from the Commission, a legislative platform and policy amendment can be brought back the Commission for approval at the next meeting.



# CALAFCO 2016 Legislative Policies

As adopted by the Board of Directors on 5 February 2016

## 1. LAFCo Purpose and Authority

- 1.1. Support legislation which enhances LAFCo authority and powers to carry out the legislative findings and authority in Government Code §56000 et seq., and oppose legislation which diminishes LAFCo authority.
- 1.2. Support authority for each LAFCo to establish local policies to apply Government Code §56000 et seq. based on local needs and conditions, and oppose any limitations to that authority.
- 1.3. Oppose additional LAFCo responsibilities which require expansion of current local funding sources. Oppose unrelated responsibilities which dilute LAFCo ability to meet its primary mission.
- 1.4. Support alignment of responsibilities and authority of LAFCo and regional agencies which may have overlapping responsibilities in orderly growth, preservation, and service delivery, and oppose legislation or policies which create conflicts or hamper those responsibilities.
- 1.5. Oppose grants of special status to any individual agency or proposal to circumvent the LAFCo process.
- 1.6. Support individual commissioner responsibility that allows each commissioner to independently vote his or her conscience on issues affecting his or her own jurisdiction.

## 2. LAFCo Organization

- 2.1. Support the independence of LAFCo from local agencies.
- 2.2. Oppose the re-composition of any LAFCo to create special seats and recognize the importance of balanced representation provided by cities, the county, the public, and special districts in advancing the public interest.

- 2.3. Support representation of special districts on all LAFCos in counties with independent districts and oppose removal of special districts from any LAFCo.
- 2.4. Support communication and collaborative decision-making among neighboring LAFCos when growth pressures and multicounty agencies extend beyond a LAFCo's boundaries.

## 3. Agricultural and Open Space Protection

- 3.1. Support legislation which clarifies LAFCo authority to identify, encourage and ensure the preservation of agricultural and open space lands.
- 3.2. Encourage a consistent definition of agricultural and open space lands.
- 3.3. Support policies which encourage cities, counties and special districts to direct development away from prime agricultural lands.
- 3.4. Support policies and tools which protect prime agricultural and open space lands.
- 3.5. Support the continuance of the Williamson Act and restoration of program funding through State subvention payments.

## 4. Orderly Growth

- 4.1. Support the recognition and use of spheres of influence as a management tool to provide better planning of growth and development, and to preserve agricultural, and open space lands.
- 4.2. Support recognition of LAFCo spheres of influence by other agencies involved in determining and developing long-term growth and infrastructure plans.

- 4.3. Support orderly boundaries of local agencies and the elimination of islands within the boundaries of agencies.
- 4.4. Support communication among cities, counties, and special districts through a collaborative process that resolves service, housing, land use, and fiscal issues prior to application to LAFCo.
- 4.5. Support cooperation between counties and cities on decisions related to development within the city's designated sphere of influence.

opportunities for sharing of services, staff and facilities to provide more efficient and cost effective services. Support legislation which provides LAFCo with additional opportunities to encourage shared services.

**5. Service Delivery and Local Agency Effectiveness**

- 5.1. Support the use of LAFCo resources to review Regional Transportation Plans, including sustainable communities strategies and other growth plans to ensure reliable services, orderly growth, sustainable communities, and conformity with LAFCo's legislative mandates. Support efforts that enhance meaningful collaboration between LAFCos and regional planning agencies.
- 5.2. Support LAFCo authority as the preferred method of local governance. Support the availability of LAFCo tools which provide communities with local governance and efficient service delivery options, including the authority to impose conditions that assure a proposal's conformity with LAFCo's legislative mandates.
- 5.3. Support the creation or reorganization of local governments in a deliberative, open process which will fairly evaluate the proposed new or successor agency's long-term financial viability, governance structure and ability to efficiently deliver proposed services.
- 5.4. Support the availability of tools for LAFCo to insure equitable distribution of revenues to local government agencies consistent with their service delivery responsibilities.
- 5.5. Support collaborative efforts among agencies and LAFCOs that encourage

**2016 Legislative Priorities**

**Primary Issues**

**Authority of LAFCo** Support legislation that maintains or enhances LAFCo's authority to condition proposals to address any or all financial, growth, service delivery, and agricultural and open space preservation issues. Support legislation that maintains or enhances LAFCo's ability to make decisions regarding boundaries and formations, as well as to enact recommendations related to the delivery of services and the agencies providing them, including consolidations, reorganizations or dissolutions.

**Agriculture and Open Space Protection** Support policies, programs and legislation that recognize LAFCo's mission to protect and mitigate the loss of prime agricultural and open space lands and that encourage other agencies to coordinate with local LAFCos on land preservation and orderly growth. Support efforts that encourage the creation of habitat conservation plans.

**Water Availability** Support policies, programs and legislation that promote an integrated approach to water availability and management. Promote adequate water supplies and infrastructure planning for current and planned growth as well as to support the sustainability of agriculture. Support policies that assist LAFCo in obtaining accurate and reliable water supply information to evaluate current and cumulative water demands for service expansions and boundary changes including impacts of expanding water company service areas on orderly growth, and the impacts of consolidation or

dissolution of water companies providing services.

encourage the creation of habitat conservation plans.

**Viability of Local Services**

Support legislation that maintains or enhances LAFCo’s ability to review and act to determine the efficient and sustainable delivery of local services and the financial viability of agencies providing those services to meet current and future needs including those identified in regional planning efforts such as sustainable communities strategies. Support legislation which provides LAFCo and local communities with options for local governance and service delivery to ensure efficient, effective, and quality service delivery. Support efforts which provide tools to local agencies to address aging infrastructure, fiscal challenges and the maintenance of services.

**Adequate Municipal Services in Inhabited Territory**

Expedited processes for inhabited annexations should be consistent with LAFCo law and be fiscally viable. To promote environmental justice for underserved inhabited communities, funding sources should be identified for extension of municipal services, including options for annexation of contiguous disadvantaged unincorporated communities. Promote the delivery of adequate, sustainable, efficient, and effective levels of service through periodic updates of Municipal Service reviews, Spheres of Influence, and other studies.

**Issues of Interest**

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**Housing**

Provision of territory and services to support housing plans consistent with regional land use plans and local LAFCo policies.

**Transportation**

Effects of Regional Transportation Plans and expansion of transportation systems on future urban growth and service delivery needs, and the ability of local agencies to provide those services.

**Flood Control**

The ability and effectiveness of local agencies to maintain and improve levees and protect current infrastructure. Carefully consider the value of uninhabited territory, and the impact to public safety of proposed annexation to urban areas of uninhabited territory which is at risk for flooding. Support legislation that includes assessment of agency viability in decisions involving new funds for levee repair and maintenance. Support efforts that

## CALAFCO Legislative Report as of Tuesday, May 24, 2016

### **AB 2032 (Linder R) Change of organization: cities: disincorporation.**

**Current Text:** Amended: 4/11/2016 [pdf](#) [html](#)

**Introduced:** 2/16/2016

**Last Amended:** 4/11/2016

**Status:** 5/19/2016-In Senate. Read first time. To Com. on RLS. for assignment.

#### **Summary:**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, requires the executive officer of a local agency formation commission to prepare a comprehensive fiscal analysis for any proposal that includes a disincorporation, as specified. This bill would additionally require the comprehensive fiscal analysis to include a review and documentation of all current and long-term liabilities of the city proposed for disincorporation and the potential financing mechanism or mechanisms to address any identified shortfalls and obligations, as specified.

**Position:** Support

**Subject:** CKH General Procedures, Disincorporation/dissolution

**CALAFCO Comments:** This bill is sponsored by the County Auditor's Association. After working closely with the author's office and the sponsor's representative, the bill has been substantially amended. The amendments in the April 5, 2016 version of the bill eliminate all of CALAFCO's concerns, and as a result we have removed our opposition. The amendments reflected in the April 11, 2016 version reflect the addition of one item inadvertently omitted by the author and a requested change in the ordering sequence by CALAFCO. All amendments are minor and have been agreed to by CALAFCO and the other stakeholders with whom we worked last year on AB 851 (Mayes).

### **AB 2277 (Melendez R) Local government finance: property tax revenue allocation: vehicle license fee adjustments.**

**Current Text:** Introduced: 2/18/2016 [pdf](#) [html](#)

**Introduced:** 2/18/2016

**Status:** 4/20/2016-In committee: Set, first hearing. Referred to APPR. suspense file.

#### **Calendar:**

5/27/2016 Upon adjournment of Session - State Capitol, Room 4202 ASSEMBLY APPROPRIATIONS SUSPENSE, GONZALEZ, Chair

#### **Summary:**

Beginning with the 2004-05 fiscal year and for each fiscal year thereafter, current law requires that each city, county, and city and county receive additional property tax revenues in the form of a vehicle license fee adjustment amount, as defined, from a Vehicle License Fee Property Tax Compensation Fund that exists in each county treasury. Current law requires that these additional allocations be funded from ad valorem property tax revenues otherwise required to be allocated to educational entities. This bill would modify these reduction and transfer provisions for a city incorporating after January 1, 2004, and on or before January 1, 2012, for the 2016-17 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 SB 817 (Roth, 2016) except that it does not incorporate changes to the R&T Code Section 97.70 related to AB 448 (Brown, 2015). 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 2016/17 year for cities that incorporated between 1-1-2004 and 1-1-2012.

### **AB 2470 (Gonzalez D) Municipal water districts: water service: Indian tribes.**

**Current Text:** Amended: 4/26/2016 [pdf](#) [html](#)

**Introduced:** 2/19/2016

**Last Amended:** 4/26/2016

**Status:** 5/19/2016-Read second time. Ordered to Consent Calendar.

**Calendar:** 5/27/2016 #75 ASSEMBLY CONSENT CALENDAR 2ND DAY-ASSEMBLY BILLS



**Summary:**

Current law authorizes a district to sell water under its control, without preference, to cities, other public corporations and agencies, and persons, within the district for use within the district. Current law authorizes a district to sell or otherwise dispose of water above that required by consumers within the district to any persons, public corporations or agencies, or other consumers. This bill, upon the request of an Indian tribe and the satisfaction of certain conditions, would require a district to provide service of water at substantially the same terms applicable to the customers of the district to an Indian tribe's lands that are not within a district, as prescribed, if the Indian tribe's lands meet certain requirements and the Indian tribe satisfies prescribed conditions.

**Position:** Watch With Concerns

**Subject:** Water

**CALAFCO Comments:** As amended, this bill requires a water agency to provide water service upon request of an Indian tribe and under certain conditions, to the tribe at substantially the same terms as existing customers of the water district even though no annexation of the land to be serviced is required. The proposed process bypasses entirely the LAFCo process and requires the water agency to provide the service without discretion. Although written generically, the bill is intended to be specific to the Sycuan Indian tribe in San Diego.

**AB 2910 (Committee on Local Government) Local government: organization: omnibus bill.**

**Current Text:** Amended: 4/18/2016 [pdf](#) [html](#)

**Introduced:** 3/15/2016

**Last Amended:** 4/18/2016

**Status:** 5/12/2016-Referred to Com. on GOV. & F.

**Summary:**

Under current law, with certain exceptions, a public agency is authorized to exercise new or extended services outside the public agency's jurisdictional boundaries pursuant to a fire protection contract only if the public agency receives written approval from the local agency formation commission in the affected county. Current law defines the term "jurisdictional boundaries" for these purposes. Current law, for these purposes, references a public agency's current service area. This bill would revise these provisions to remove references to a public agency's current service area and instead include references to the public agency's jurisdictional boundaries.

**Position:** Sponsor

**Subject:** CKH General Procedures

**CALAFCO Comments:** This is the annual Omnibus bill that makes minor, non controversial changes to CKH. This year, the bill makes several minor technical changes, corrects obsolete and incorrect code references, and corrects typographical errors. Affected sections include: 56301, 56331, 56700.4, 56816, 56881, 57130 and 56134.

**SB 552 (Wolk D) Public water systems: disadvantaged communities: consolidation or extension of service: administrative and managerial services.**

**Current Text:** Amended: 5/17/2016 [pdf](#) [html](#)

**Introduced:** 2/26/2015

**Last Amended:** 5/17/2016

**Status:** 5/17/2016-From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS.

**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. Would make a community disadvantaged for these purposes if the community is in a mobile home park even if it is not in an unincorporated area or served by a mutual water company. The bill would limit the authority of the state board to order consolidation or extension of service to provide that authority only with regard to a disadvantaged community.

**Position:** Watch

**Subject:** Disadvantaged Communities, Water

**CALAFCO Comments:** Previously, CALAFCO was informed by the author's office that 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. However, to date there has been no response from the author's office as to what that may look like. CALAFCO continues to monitor for amendments.

**SB 817 (Roth D) Local government finance: property tax revenue allocations: vehicle license fee adjustments.**

**Current Text:** Amended: 2/22/2016 [pdf](#) [html](#)

**Introduced:** 1/5/2016

**Last Amended:** 2/22/2016

**Status:** 5/20/2016-Set for hearing May 27.

**Calendar:** 5/27/2016 Upon adjournment of Session - John L. Burton Hearing Room (4203) SENATE APPROPRIATIONS SUSPENSE, LARA, Chair

**Summary:**

Beginning with the 2004-05 fiscal year and for each fiscal year thereafter, current law requires that each city, county, and city and county receive additional property tax revenues in the form of a vehicle license fee adjustment amount, as defined, from a Vehicle License Fee Property Tax Compensation Fund that exists in each county treasury. Current law requires that these additional allocations be funded from ad valorem property tax revenues otherwise required to be allocated to educational entities. This bill would modify these reduction and transfer provisions for a city incorporating after January 1, 2004, and on or before January 1, 2012, for the 2016-17 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

**CALAFCO Comments:** As amended, this bill is identical to SB 25 (Roth, 2015) and SB 69 (Roth, 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 2016/17 year for cities that incorporated between 1-1-2004 and 1-1-2012.

**SB 1262 (Pavley D) Water supply planning.**

**Current Text:** Amended: 5/11/2016 [pdf](#) [html](#)

**Introduced:** 2/18/2016

**Last Amended:** 5/11/2016

**Status:** 5/12/2016-Read second time. Ordered to third reading.

**Calendar:** 5/26/2016 #29 SENATE SEN THIRD READING FILE - SEN BILLS

**Summary:**

the Sustainable Groundwater Management Act, requires all groundwater basins designated as high- or medium-priority basins by the Department of Water Resources that are designated as basins subject to critical conditions of overdraft to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans by January 31, 2020, and requires all other groundwater basins designated as high- or medium-priority basins to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans by January 31, 2022, except as specified. This bill would require a city or county that determines a project is subject to the California Environmental Quality Act to identify any water system whose service area includes the project site and any water system adjacent to the project site.

**Position:** Watch With Concerns

**Subject:** Water

**CALAFCO Comments:** As introduced, this complicated bill makes a number of changes to GC Section 66473.7 and Section 10910 of the Water Code. In 66473.7, in the definitions section, the bill adds definitions pertaining to the use of groundwater by a proposed subdivision as the source of water. It adds an adopted groundwater sustainability plan as optional substantial evidence that the water system has sufficient water supply to meet the demands of the subdivision project. The bill adds that a groundwater basin identified by the State Water Resources Control Board (SWRCB) as a probationary basin is not considered a viable water supply.

Recent amendments removed CALAFCO's primary concern of the timing requirements of the water supply assessment, and returns the statute to its original state. Other concerns remain including the

ongoing discussion of the appropriate size of a project (is 500 units the appropriate threshold) and how this bill will deal with phased development. The author continues discussions on these points with stakeholders.

**SB 1266 (McGuire D) Joint Exercise of Powers Act: agreements: filings.**

**Current Text:** Amended: 4/12/2016 [pdf](#) [html](#)

**Introduced:** 2/18/2016

**Last Amended:** 4/12/2016

**Status:** 5/16/2016-Referred to Com. on L. GOV.

**Calendar:** 6/15/2016 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVT, EGGMAN, Chair  
**Summary:**

Current law requires an agency or entity that files a notice of agreement or amendment with the Secretary of State to also file a copy of the original joint powers agreement, and any amendments to the agreement, with the Controller. This bill would require an agency or entity required to file documents with the Controller, as described above, that meets the definition of a joint powers authority or joint powers agency, as specified, that was formed for the purpose of providing municipal services, and that includes a local agency member, as specified, to also file a copy of the agreement or amendment to the agreement with the local agency formation commission in each county within which all or any part of a local agency member's territory is located within 30 days after the effective date of the agreement or amendment to the agreement.

**Position:** Sponsor

**Subject:** Joint Power Authorities, LAFCo Administration

**CALAFCO Comments:** This is a CALAFCO sponsored bill. As amended, the bill requires all stand-alone JPAs, as defined in GC Section 56047.7, which includes a member that is a public agency as defined in GC Section 56054, and are formed for the purposes of delivering municipal services, to file a copy of their agreement (and a copy of any amendments to that agreement) with the LAFCo in each county within which all or any part a local agency member's territory is located. Further it requires the JPA to file with the LAFCo within 30 days of the formation of the JPA or change in the agreement, and should they not file adds punitive action that the JPA shall not issue bonds nor incur indebtedness. Both of the latter changes are consistent with existing JPA statute.

**SB 1318 (Wolk D) Local government: drinking water infrastructure or services: wastewater infrastructure or services.**

**Current Text:** Amended: 4/12/2016 [pdf](#) [html](#)

**Introduced:** 2/19/2016

**Last Amended:** 4/12/2016

**Status:** 5/23/2016-From committee: Do pass. (Ayes 4. Noes 2.) (May 23).

**Calendar:** 5/26/2016 #5 SENATE SEN SECOND READING FILE - SENATE BILLS

**Summary:**

Current law, except as otherwise provided, prohibits a local agency formation commission from approving an annexation to a city of any territory greater than 10 acres, or as determined by commission policy, where there exists a disadvantaged unincorporated community, as specified, unless an application to annex the disadvantaged unincorporated community to the subject city has been filed with the executive officer. This bill would extend that prohibition to an annexation to a qualified special district.

**Position:** Oppose

**Subject:** Disadvantaged Communities, LAFCo Administration, Municipal Services, Service Reviews/Spheres, Water

**CALAFCO Comments:** Virtually gut and amended on April 12, the bill now does a number of different things.

First, it prohibits a commission from approving an annexation to a city or qualified special district of any territory greater than 10 acres, or as determined by commission policy, where there exists a DUC within or adjacent to the SOI of a city or special district that lacks safe drinking water or wastewater infrastructure or services, unless the city or special district has entered into an enforceable agreement to extend those services into the DUC as specified. The bill would define "qualified special district" to mean a special district with more than 500 service connections.

Next, The bill would prohibit a commission from approving a sphere of influence update that removes a DUC from a city's or special district's sphere of influence unless the commission makes a finding that removal of the community will result in improved service delivery to the community. The bill adds 56425(k), prohibiting a commission from approving a SOI update that removes a disadvantaged community from a city's sphere of influence unless a majority of the voters in the disadvantaged community approve of the proposed SOI.

The bill adds several requirements in GC Section 56430 relating to Municipal Service Reviews. First, it changes (b) to mandate the commission to assess various alternatives relating to the efficiency and affordability of infrastructure and delivery of services; and changes (c) to mandate the commission to include a review whether the agency being reviewed is in compliance with the CA Safe Drinking Water Act.

Finally, the bills adds to 56430 the following requirements to LAFCo: (1) on or before 1/1/22 and every 5 years thereafter, LAFCo shall do MSRs for the entire county territory (regardless of service provider); (2) Create and electronically file a map that identifies DUCs that lack safe drinking water or wastewater with OPR (who will then post on their website); Within 2 years of identifying such a DUC, LAFCo shall create a plan based on alternatives analyzed and adopt any actions necessary to implement the plan (regardless of whether the agencies involved are public or private); (3) Creates an exemption for an election or any protest proceedings on the above action except protest proceedings are required for the residents of the DUC; (4) LAFCo will not be required to adopt a plan if there is no feasible way of connecting the DUC with an existing system; (5) LAFCo cannot change a SOI or extend services if these requirements are not met; (6) LAFCo cannot change a SOI of an agency that was identified in a plan of action and they have not taken action within 3 years, unless there is an application to to extend services of annex that territory; or an extension of services pursuant to 56133.

CALAFCO continues to work with the author and sponsor on potential amendments.

**AB 1362 (Gordon D) Mosquito abatement and vector control districts: board of trustees: appointment of members.**

**Current Text:** Amended: 1/19/2016 [pdf](#) [html](#)

**Introduced:** 2/27/2015

**Last Amended:** 1/19/2016

**Status:** 2/4/2016- Referred to Com. on GOV. & F.

**Summary:**

Would authorize a city council, located in an existing or newly formed district as specified, to adopt a resolution requesting that appointments of persons to the board of trustees instead be made by a city selection committee, established pursuant to specified provisions of law, and conditioned upon a majority of authorized city councils adopting their respective resolutions. This bill would authorize the city selection committee to decrease the total number of appointments to be made by the committee if a majority of city councils within the district make this request in their respective resolutions.

**Position:** Watch

**CALAFCO Comments:** As amended, this bill amends the Health and Safety Code by creating an alternative option to the appointment process to the board of trustees of a district. The additional process calls for the City Selection Committee to make appointments rather than the cities themselves in a case where a majority of the city councils located within the district and are authorized to appoint a person to the board of trustees adopt resolutions approving of this alternate appointment process. No change is being made to how the County Board of Supervisors makes their appoint to the district board. This is a locally supported bill, stemming from an issue in San Mateo with their Mosquito Abatement District which is in the Assembly member's district.

**AB 2414 (Garcia, Eduardo D) Desert Healthcare District.**

**Current Text:** Amended: 4/18/2016 [pdf](#) [html](#)

**Introduced:** 2/19/2016

**Last Amended:** 4/18/2016

**Status:** 5/19/2016-Referred to Com. on GOV. & F.

**Summary:**

Would authorize the expansion of the Desert Healthcare District to include the eastern Coachella Valley region by requiring the Board of Supervisors of the County of Riverside to submit a resolution of application to the Riverside County Local Agency Formation Commission, and, upon direction by the commission, to place approval of district expansion on the ballot at the next countywide election following the completion of commission proceedings, including a public hearing.

**Position:** Oppose

**Subject:** Disincorporation/dissolution, LAFCo Administration

**CALAFCO Comments:** As amended, this bill requires Riverside LAFCo to approve the expansion of the district, providing a determination is made that the expansion is financially feasible. The bill requires the County of Riverside to file the application with the LAFCo by 1/1/17, and as the applicant, to pay all necessary fees. The bill gives Riverside LAFCo 150 days to conduct all proceedings and direct the election necessary to expand the district. While the amendments removed the unrealistic timelines prescribed in the original version, and removed the requirement for the LAFCo (and other agencies) to find a viable funding source for the expansion, the bill still divests Riverside LAFCo of its authority and discretion.

**AB 2471 (Quirk D) Health care districts: dissolution.**

**Current Text:** Amended: 5/10/2016 [pdf](#) [html](#)

**Introduced:** 2/19/2016

**Last Amended:** 5/10/2016

**Status:** 5/19/2016-Referred to Com. on GOV. & F.

**Summary:**

Would require the Alameda County local agency formation commission to order the dissolution of the Eden Township Healthcare District if that health care district meets certain criteria, as specified. The bill would subject a dissolution under these provisions to specified provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 that require dissolution by voter approval only if a majority protest exists, as specified. By requiring a higher level of service from the Alameda County local agency formation commission to analyze the criteria described above, the bill would impose a state-mandated local program.

**Position:** Oppose unless amended

**Subject:** CKH General Procedures, Disincorporation/dissolution, Special District Consolidations

**CALAFCO Comments:** As amended, the bill makes the language specific to Eden Township Healthcare District, rather than the more generic statewide original approach. However, the bills still divests Alameda LAFCo of their authority and discretion. The bill requires the Alameda LAFCo to review Eden Township Healthcare District's compliance with certain criteria set forth in the bill. If all of the prescribed criteria is met, the bill requires the LAFCo to order the dissolution of the district.

**AB 115 (Committee on Budget) Water.**

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

**Introduced:** 1/9/2015

**Last Amended:** 6/18/2015

**Status:** 9/11/2015-Ordered to inactive file at the request of Senator Mitchell.

**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:** UPDATED COMMENTS: CALAFCO continues to monitor this bill to ensure it does re-present itself in another form impacting LAFCo.

**AB 1658 (Bigelow R) Happy Homestead Cemetery District: nonresident burial.**

**Current Text:** Introduced: 1/13/2016 [pdf](#) [html](#)

**Introduced:** 1/13/2016

**Status:** 5/19/2016-Referred to Com. on GOV. & F.

**Summary:**

Would authorize the Happy Homestead Cemetery District in the City of South Lake Tahoe in the County of El Dorado to use its cemeteries to inter residents of specified Nevada communities if specified conditions are met. This bill contains other related provisions.

**Position:** Watch

**Subject:** Special District Principle Acts

**AB 1707 (Linder R) Public records: response to request.**

**Current Text:** Amended: 3/28/2016 [pdf](#) [html](#)

**Introduced:** 1/25/2016

**Last Amended:** 3/28/2016

**Status:** 4/22/2016-Failed Deadline pursuant to Joint Rule 61(b)(5). (Last location was A. L. GOV. on 3/29/2016)

**Summary:**

The California Public Records Act requires state and local agencies to make public records available for inspection, unless an exemption from disclosure applies. The act requires a response to a written request for public records that includes a denial of the request, in whole or in part, to be in writing. This bill instead would require the written response demonstrating that the record in question is exempt under an express provision of the act also to identify the type or types of record withheld and the specific exemption that justifies withholding that type of record.

**Position:** Oppose

**Subject:** Public Records Act

**CALAFCO Comments:** As amended, this bill would require public agencies, including LAFCo's, when responding to a Public Records Request for which a determination has been made to deny the request, to identify the types of records being withheld and the specific exemption that applies to that record. The amendments did little to mitigate concerns, as the change is minor. (Removed the requirement of having to list every document and now requires them to be categorized.) CALAFCO understands this bill has been pulled by the author. We will continue to monitor.

**AB 2142 (Steinorth R) Local government finance.**

**Current Text:** Introduced: 2/17/2016 [pdf](#) [html](#)

**Introduced:** 2/17/2016

**Status:** 5/6/2016-Failed Deadline pursuant to Joint Rule 61(b)(6). (Last location was PRINT on 2/17/2016)

**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:** Watch

**CALAFCO Comments:** As introduced, this appears to be a spot bill. The bill targets Section 96.15 of the Rev & Tax code pertaining to property tax revenue allocations to a qualifying city that merges with a special district.

**AB 2257 (Maienschein R) Local agency meetings: agenda: online posting.**

**Current Text:** Amended: 5/11/2016 [pdf](#) [html](#)

**Introduced:** 2/18/2016

**Last Amended:** 5/11/2016

**Status:** 5/23/2016-In Senate. Read first time. To Com. on RLS. for assignment.

**Summary:**

Would require an online posting of an agenda for the legislative body of a local agency, if the local agency has an Internet Web site, to be posted on the local agency's primary Internet Web site homepage accessible through a prominent, direct link, as specified. The bill would exempt a city, county, city and county, and special district from this requirement if it has an integrated agenda management platform that meets specified requirements, including that the current agenda of the legislative body of the local agency is the first agenda available at the top of the integrated agenda management platform.

**Position:** Watch

**Subject:** LAFCo Administration

**CALAFCO Comments:** As amended, this bill amends GC Section 54954.2 pertaining to the online posting of a local agency's meeting agenda. The bill requires that online posting to have a prominent and direct link to the current agenda itself from the local agency's homepage. This means that LAFCos will have to post a prominent link on their website's homepage, directly taking the user to the meeting agenda. Other requirements added in the April 11, 2016 version of the bill include: (1) The direct link to the agenda required shall not be in a contextual menu; (2) The agenda shall be posted in an open format that is retrievable, downloadable, indexable, and electronically searchable by commonly used Internet search applications; is platform independent and machine readable; is available to the public free of charge and without any restriction that would impede the reuse or redistribution of the public record.

**AB 2389 (Ridley-Thomas D) Special districts: district-based elections: reapportionment.**

**Current Text:** Amended: 5/9/2016 [pdf](#) [html](#)

**Introduced:** 2/18/2016

**Last Amended:** 5/9/2016

**Status:** 5/19/2016-Referred to Coms. on E. & C.A. and GOV. & F.

**Calendar:** 6/8/2016 1:30 p.m. - Room 3191 SENATE ELECTIONS AND CONSTITUTIONAL AMENDMENTS, ALLEN, Chair

**Summary:**

Would authorize a governing body of a special district, as defined, to require, by resolution, that the members of its governing body be elected using district-based elections without being required to submit the resolution to the voters for approval. This bill would require the resolution to include a declaration that the change in the method of election is being made in furtherance of the purposes of the California Voting Rights Act of 2001.

**Position:** Watch

**CALAFCO Comments:** As amended, this bill allows special districts, if approved by resolution of the governing board, to conduct elections of their governing board using district-based elections, without being required to submit the resolution to the voters for approval.

**AB 2435 (Maves R) Local government organization: disincorporated cities.**

**Current Text:** Introduced: 2/19/2016 [pdf](#) [html](#)

**Introduced:** 2/19/2016

**Status:** 5/6/2016-Failed Deadline pursuant to Joint Rule 61(b)(6). (Last location was PRINT on 2/19/2016)

**Summary:**

Under that Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, upon disincorporation of a city, on and after the effective date of that disincorporation, the territory of the disincorporated city, all inhabitants within the territory, and all persons formerly entitled to vote by reason of residing within that territory, are no longer subject to the jurisdiction of the disincorporated city. This bill would make a technical, nonsubstantive change to this provision.

**Position:** Placeholder - monitor

**Subject:** Disincorporation/dissolution

**CALAFCO Comments:** This is a spot bill. According to the author's office, they have no intention of using it to amend CKH but rather as a vehicle to amend another unrelated section of the Government Code. CALAFCO will continue to monitor.

**AB 2737 (Bonta D) Nonprovider health care districts.**

**Current Text:** Amended: 4/11/2016 [pdf](#) [html](#)

**Introduced:** 2/19/2016

**Last Amended:** 4/11/2016

**Status:** 5/23/2016-From committee: Amend, and do pass as amended. (Ayes 17. Noes 3.) (May 18).

**Calendar:** 5/27/2016 #1 ASSEMBLY SECOND READING FILE -- ASSEMBLY BILLS

**Summary:**

Would require a nonprovider health care district, as defined, to spend at least 80% of its annual budget on community grants awarded to organizations that provide direct health services and not more than 20% of its annual budget on administrative expenses, as defined. By requiring a higher level of service from nonprovider health care districts, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

**Position:** Watch

**CALAFCO Comments:** This bill appears to be a companion bill to AB 2471 (Quirk) addressing the Eden Township Healthcare District, although it is written in generic form. As amended, the bill requires a non-provider health care district, as defined, to spend at least 80% of its annual budget on community grants awarded to organizations that provide direct health services and not more than 20% of its annual budget on administrative expenses (as defined).

**AB 2801 (Gallagher R) Local government: fees and charges: written protest.**

**Current Text:** Amended: 5/4/2016 [pdf](#) [html](#)

**Introduced:** 2/19/2016

**Last Amended:** 5/4/2016

**Status:** 5/19/2016-In Senate. Read first time. To Com. on RLS. for assignment.

**Summary:**

Current statutory law provides notice, protest, and hearing procedures for the levying of new or increased fees or charges by local government agencies pursuant to Article XIII D of the California Constitution. Under current statutory law, one written protest per parcel, filed by an owner or tenant of the parcel, is counted in calculating a majority protest to a proposed new or increased fee or charge. This bill would require the agency to maintain the written protests for a minimum of 2 years following the date of the hearing to consider the written protests. By increasing the duties of local officials, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

**Position:** Watch

**Subject:** LAFCo Administration

**CALAFCO Comments:** The original bill would have removed the 60 day statute of limitations on bringing a validation action to court for any public agency, including LAFCo. Gut and amended on April 4, 2016, the bill now focuses on amending GCS 53755 and relates to fee increases to property owners by an agency providing property related services.

**AB 2853 (Gatto D) Public records.**

**Current Text:** Amended: 4/13/2016 [pdf](#) [html](#)

**Introduced:** 2/19/2016

**Last Amended:** 4/13/2016

**Status:** 5/19/2016-Referred to Com. on JUD.

**Summary:**

Would authorize a public agency that posts a public record on its Internet Web site to first refer a person that requests to inspect or obtain a copy of the public record to the public agency's Internet Web site where the public record is posted. This bill contains other related provisions and other existing laws.

**Position:** Watch

**Subject:** Public Records Act

**CALAFCO Comments:** As amended the bill simply allows a public agency that has received a public records request act request to refer the the person making the request to the agency's website for the documents, should they be posted on the site.

**SB 971 (Committee on Governance and Finance) Validations.**

**Current Text:** Enrollment: 5/20/2016 [pdf](#) [html](#)

**Introduced:** 2/8/2016

**Status:** 5/20/2016-Enrolled and presented to the Governor at 3 p.m.



**Summary:**

This bill would enact the First Validating Act of 2016, 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

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

**SB 972 (Committee on Governance and Finance) Validations.**

**Current Text:** Enrollment: 5/20/2016 [pdf](#) [html](#)

**Introduced:** 2/8/2016

**Status:** 5/20/2016-Enrolled and presented to the Governor at 3 p.m.

**Summary:**

This bill would enact the Second Validating Act of 2016, 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

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

**SB 973 (Committee on Governance and Finance) Validations.**

**Current Text:** Enrollment: 5/20/2016 [pdf](#) [html](#)

**Introduced:** 2/8/2016

**Status:** 5/20/2016-Enrolled and presented to the Governor at 3 p.m.

**Summary:**

This bill would enact the Third Validating Act of 2016, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

**Position:** Support

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

**SB 974 (Committee on Governance and Finance) Local government: omnibus.**

**Current Text:** Amended: 3/29/2016 [pdf](#) [html](#)

**Introduced:** 2/8/2016

**Last Amended:** 3/29/2016

**Status:** 5/2/2016-Referred to Com. on L. GOV.

**Calendar:** 6/15/2016 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVT, EGGMAN, Chair

**Summary:**

The Professional Land Surveyors' Act, among other things, requires a county recorder to store and index records of survey, and to maintain both original maps and a printed set for public reference. That act specifically requires the county recorder to securely fasten a filed record of survey into a suitable book. This bill would also authorize a county recorder to store records of survey in any other manner that will assure the maps are kept together. This bill contains other related provisions and other current laws.

**Position:** Watch

**CALAFCO Comments:** As amended, this bill is the Senate Governance & Finance Committee's annual Omnibus bill.

**SB 1009 (Nielsen R) Public cemeteries: nonresidents.**

**Current Text:** Introduced: 2/11/2016 [pdf](#) [html](#)

**Introduced:** 2/11/2016

**Status:** 5/6/2016-Failed Deadline pursuant to Joint Rule 61(b)(6). (Last location was GOV. & F. on 2/25/2016)

**Summary:**

Would authorize a district that serves at least one county with a population of fewer than 10,000 residents or that has a population not exceeding 20,000 and is contained in a nonmetropolitan area, to inter a person who is not a resident of the district in a cemetery owned by the district if specified criteria are met, including that the district requires the payment of a nonresident fee and the board of trustee determines that the cemetery has adequate space for the foreseeable future.

**Position:** Watch

**Subject:** Special District Powers

**CALAFCO Comments:** This bill would authorize a district that serves at least one county with a population of fewer than 10,000 residents or that has a population not exceeding 20,000 and is contained in a non-metropolitan area, to inter a person who is not a resident of the district in a cemetery owned by the district if specified criteria are met, including that the district requires the payment of a nonresident fee and the board of trustee determines that the cemetery has adequate space for the foreseeable future.

**SB 1263 (Wieckowski D) Public water system: permits.**

**Current Text:** Introduced: 2/18/2016 [pdf](#) [html](#)

**Introduced:** 2/18/2016

**Status:** 5/16/2016-Referred to Coms. on E.S. & T.M. and W., P., & W.

**Summary:**

Would, commencing January 1, 2017, prohibit an application for a permit for a new public water system from being deemed complete unless the applicant has submitted a preliminary technical report to the State Water Resources Control Board, as specified, and would allow the state board to impose technical, financial, or managerial requirements on the permit.

**Position:** Watch

**Subject:** Water

**CALAFCO Comments:** As introduced, this bill would prohibit an application for a permit for a new public water system from being deemed complete unless the applicant has submitted a preliminary technical report to the state board, as specified, and would allow the state board to impose technical, financial, or managerial requirements on the permit. The bill would prohibit a public water system not in existence on January 1, 1998, from being granted a permit unless the public water system demonstrates that the water supplier also possesses adequate water rights to ensure the delivery safe drinking water, and would specify that the prohibition applies to any change in ownership of the public water system, including the consolidation of a public water system. The bill would allow the state board to deny the permit if the state board determines that the service area of the public water system can be served by one or more currently permitted public water systems. Finally, the bill would prohibit a local primacy agency from issuing a permit without the concurrence of the state board.

**SB 1276 (Moorlach R) Local agencies.**

**Current Text:** Introduced: 2/19/2016 [pdf](#) [html](#)

**Introduced:** 2/19/2016

**Status:** 5/6/2016-Failed Deadline pursuant to Joint Rule 61(b)(6). (Last location was RLS. on 3/3/2016)

**Summary:**

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 nonsubstantive changes to the above-described law.

**Position:** Placeholder - monitor

**Subject:** CKH General Procedures

**CALAFCO Comments:** This is a spot bill to amend CKH. CALAFCO has not been contacted by the author's office regarding their intent.

**SB 1292 (Stone R) Grand juries: reports.**

**Current Text:** Amended: 3/28/2016 [pdf](#) [html](#)

**Introduced:** 2/19/2016

**Last Amended:** 3/28/2016

**Status:** 5/20/2016-Set for hearing May 27.

**Calendar:** 5/27/2016 Upon adjournment of Session - John L. Burton Hearing Room (4203) SENATE APPROPRIATIONS SUSPENSE, LARA, Chair

**Summary:**

Current law authorizes a grand jury to request a subject person or entity to come before the grand jury for the purpose of reading and discussing the findings of the grand jury report that relates to that person or entity in order to verify the accuracy of the findings prior to their release. This bill would delete the

authority of a grand jury to request a subject person or entity to come before it for purposes of reading and discussing the findings of a grand jury report.

**Position:** Support

**Subject:** Other

**CALAFCO Comments:** Sponsored by CSDA. As amended, the bill requires the Grand Jury to conduct an exit interview with report subjects to discuss and share findings. They may also provide a copy of the subject's report. The subject will have no less than 5 working days to provide written comments back to the Grand Jury for their consideration before the report is public. Once the Grand Jury report is approved by a judge, the Grand Jury is required to provide a copy of the section pertaining to the subject to that entity no later than 6 working days prior to the reports public release. The subject entity can submit a preliminary response to the report to the Grand Jury, who is then required to make those preliminary comments public at the time the report is made public.

This will allow LAFcos, when they are the subject of a Grand Jury report, to meet with the Grand Jury and hear their findings, and for the LAFco to respond to those findings and offer additional information or corrections. Further, it allows the LAFco to provide preliminary comments that are required to be posted with the report when it is made public.

**SB 1360 (Bates R) Local government: municipal service agreements: law enforcement services.**

**Current Text:** Amended: 3/31/2016 [pdf](#) [html](#)

**Introduced:** 2/19/2016

**Last Amended:** 3/31/2016

**Status:** 5/12/2016-Referred to Com. on L. GOV.

**Calendar:** 6/15/2016 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVT, EGGMAN, Chair

**Summary:**

Would require a city that provides law enforcement services through its appropriate departments, boards, commissions, officers, or employees to another city pursuant to a contract or any other agreement to charge that city all the costs that are incurred in providing those law enforcement services, but prohibit the inclusion of any costs that the city providing the services reasonably determines are general overhead costs. The bill would provide that any determination of general overhead costs made by a city providing law enforcement services is subject to judicial review as to the reasonableness of that determination.

**Position:** Watch

**Subject:** Municipal Services

**CALAFCO Comments:** As amended, the bill requires a city that provides law enforcement services to another city, to only charge the city the costs incurred for providing the services, and excludes reimbursement of any general overhead costs. The bill applies to new or renewed contracts as of 1/1/17.

**SB 1436 (Bates R) Local agency meetings: local agency executive compensation: oral report of final action recommendation.**

**Current Text:** Amended: 4/6/2016 [pdf](#) [html](#)

**Introduced:** 2/19/2016

**Last Amended:** 4/6/2016

**Status:** 5/9/2016-Referred to Com. on L. GOV.

**Calendar:** 6/15/2016 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVT, EGGMAN, Chair

**Summary:** Current law prohibits the legislative body from calling a special meeting regarding the salaries, salary schedules, or compensation paid in the form of fringe benefits, of a local agency executive, as defined. This bill, prior to taking final action, would require the legislative body to orally report a summary of a recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive during the open meeting in which the final action is to be taken. This bill contains other related provisions and other existing laws.

**Position:** Watch

**Subject:** LAFco Administration, Other

**CALAFCO Comments:** As amended, this bill requires public agencies, including LAFcos, when taking final action on salary for the agency's executive, to be made as a separate discussion agenda item rather than a consent calendar item on the agenda.



# **TULARE COUNTY LOCAL AGENCY FORMATION COMMISSION**

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May 12, 2016

Honorable Ricardo Lara, Chair  
Senate Committee on Appropriations  
California State Senate  
State Capitol, Room 2206  
Sacramento, CA 95814

**RE: OPPOSITION to SB 1318 (Wolk) as amended April 12, 2016**

Dear Chair Lara:

The Tulare County Local Agency Formation Commission (LAFCo) has been tracking SB 1318 (Wolk), and based on the amendments of April 12, 2016, we are opposed to the bill. The California Association of Local Agency Formation Commissions (CALAFCO) and LAFCos are aware of and concerned about the disparity of local public services, especially for residents and properties located within disadvantaged unincorporated communities (DUCs). All Californians deserve adequate and safe drinking water and wastewater facilities. While we support the author's intent, we strongly believe this bill does not address the source of the problem, and in fact creates a host of additional problems and unintended consequences.

Our primary concern is that the outcome of this legislation does not address the root causes of the lack of acceptable drinking water and wastewater facilities to the DUCs, which are a lack of a reliable water supply, infrastructure deficiencies, lack of management capacity, and a lack of operational and maintenance funding. Unfortunately, this bill redefines the LAFCo mission rather than solves those root issues in providing water and sewer services to the DUCs. In the paragraphs that follow we will elaborate on this concern and provide specific instances of what we can show is working and what we believe is misguided even if well intentioned.

First, as to what is working: Tulare County through a \$2 million grant from the Department of Water Resources has recently completed a three-year study, "Disadvantaged Community Water Study for the Tulare Lake Basin", to develop an integrated water quality and wastewater treatment plan to address the drinking water and wastewater needs of disadvantaged communities in the Tulare Lake Basin. This study identified 113 DUCs in Tulare County. Additionally, seven of the eight incorporated cities in Tulare County are also disadvantaged with average median family incomes less than 80% the State average. We know what we need, since we have completed the needs assessment, but there isn't enough funding to meet the water and sewer needs of the DUCs. The focus of the bill should therefore

be on helping to provide the local agencies currently responsible for provision of water and sewer services the resources to properly address the expensive process for the planning, construction and operations/maintenance of the extension or expansion of water and sewer systems to the DUCs.

We also believe that SB1318 is to some degree redundant and at best ill timed. The passage of Budget Trailer Bill SB 88 last year granted the State Water Resources Control Board (SWRCB) the authority to mandate consolidation of water systems. They have been hard at work the past nine months focusing on those areas that lack safe drinking water due to poor water quality. The SB 88 process is being successfully used in Tulare County with the mandatory consolidation of the Pratt Mutual Water Company into the City of Tulare's water system. Accordingly, Tulare County LAFCo encourages the author and sponsor of SB 1318 to allow time for the process created less than a year ago to work before layering additional and highly unworkable requirements on top of that process.

In addition to the general reasons noted above, we have the following specific issues with the April 12, 2016 version of the bill:

1. The new requirements found in Government Code Section (GCS) 56430(e)(2), requiring LAFCo to, every five years, conduct service reviews sufficient to have reviewed the entire county, extends LAFCo authority far beyond our current level. This precedent setting requirement means LAFCos will be reviewing entities which do not have a sphere of influence (SOI) adopted by LAFCo and whose boundaries and service areas are established by the California Public Utilities Commission. While legislative statute allows LAFCo to request information from certain private entities providing drinking water and private utilities, there is no statutory requirement for the entities to respond. Nor is there statutory authority for LAFCo to recommend or create SOIs for these entities.
2. Similarly, the requirement for each Commission to adopt a plan to provide water and sewer services to all identified DUCs in the County that lack safe drinking water or adequate wastewater services under proposed GCS 56340(g), places expectations on LAFCos that exceed our legislative and legal authority. Specifically, the requirement in section 56340(g)(1) that within two years of the plan's adoption, LAFCo is to "take any actions necessary to implement the plan, including sphere of influence updates, extensions of service, or changes of organization", could only currently apply to public agencies subject to LAFCo's legislative authority. Yet in many cases, inadequate services are provided by private companies or mutual water companies who are not overseen by LAFCo. Equally important, LAFCo lacks the authority to direct cities, counties and special districts to implement a plan created by LAFCo. Finally, this requirement incorrectly presumes LAFCos have the staffing, expertise and budget to create plans for infrastructure design, buildout and cost.
3. The clear lack of funding to fulfill the legislative mandates in #1 and #2 above constitutes an unfunded mandate for LAFCos to conduct county-wide studies every five years, to develop a countywide plan, and to implement that plan. That said, to the degree a LAFCo has adopted the plan required in section 56340(g), LAFCos are not allowed to seek infrastructure grants or sell bonds to install infrastructure improvements which actually lead to the provision of water and wastewater services. This LAFCo "incapacity" to design and build infrastructure, however, is already the responsibility of cities, special districts and counties. With responsible agencies already in place, there is no reason to reassign the planning and implementation tasks to LAFCos.

4. The bill fails to identify the contents of the required plan referenced in GCS 56430(g)(1).
5. Proposed GCS 56430(g)(2) creates a potentially unjust and inconsistent exception for protest proceedings which takes away property rights that have been long-established in governmental reorganizations in California. It affords residents of the DUC the right to file protests for Commission initiated boundary changes, but other residents living within the larger annexation boundary but not part of the DUC would lose their right to protest being included in the annexation or reorganization.

Clearly, this legislation is attempting to address serious problems for DUCs, complementing the measures adopted through SB 244. However, there are obviously a substantial number of unintended consequences to the proposed bill especially regarding the mission, role and capacity of LAFcos. Again, the bill is not addressing the root cause of the lack of drinking water and waste water services, but instead applies a misguided and misinformed focus on LAFcos, who are only one cog in a very large wheel.

We join CALAFCO in encouraging the author and sponsor of SB1318 to establish a collective dialogue with all affected stakeholders to discuss more reasonable and workable solutions from a statewide perspective. Further, we encourage them to establish a process for dialogue among the SWRCB, existing service providers, DUCs and the local LAFcos in those local areas in which specific problems have been identified, in order to discuss the unique circumstances and conditions that exist for that DUC and to determine if annexation or service extensions are a viable alternative.

We support CALAFCO's commitment to help find solutions to the disparities in service delivery to disadvantaged communities and their efforts to be a conversation partner to Senator Wolk, her staff, and the sponsor.

For all of the reasons noted above, the Tulare County LAFCo is opposed to SB 1318, and we thank you and your committee for considering our concerns. I am happy to answer any questions you may have.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'R. Mendoza', with a long horizontal flourish extending to the right.

Rudy Mendoza  
Chair – Tulare County LAFCo

cc: Members, Senate Appropriations Committee  
Honorable Senator Lois Wolk  
Mark McKenzie, Staff Director, Senate Appropriations Committee  
Morgan Branch, Senate Republican Caucus Consultant  
Pamela Miller, Executive Director, CALAFCO