



TULARE COUNTY LOCAL AGENCY FORMATION COMMISSION

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

COMMISSIONERS:
Pete Vander Poel, Chair
Juliet Allen, V-Chair
Cameron Hamilton
Rudy Mendoza
Steve Worthley

LAFCO MEETING AGENDA
June 14, 2017 @ 2:00 P.M.
BOARD OF SUPERVISORS CHAMBERS
COUNTY ADMINISTRATIVE BUILDING
2800 West Burrel Avenue
Visalia CA 93291

ALTERNATES:
Mike Ennis
Carlton Jones
Dennis Mederos

EXECUTIVE OFFICER:
Ben Giuliani

- I. **Call to Order**
- II. **Approval of Minutes from April 12, 2017 (Pages 01-03)**
- 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. Case 1511 City of Tulare Sphere of Influence Update **(Pages 04-13)**
[Public Hearing] *Recommended Action: Approval*

The Commission will consider the proposed SOI Update for the City of Tulare. LAFCO has reviewed and considered the information contained in the EIR prepared for the 2035 General Plan Update.

- 2. Case 1531 Alpaugh Irrigation District (AID) and Alpaugh Community Services District (ACSD) Detachment 17-01. **(Pages 14-33)**
[Public Hearing] *Recommended Action: Approval except for Area G*

The Angiola Water District (AWD) has submitted a request for detachment of mostly AWD owned land from the AID and ACSD. The detachment from the AID consists of multiple parcels containing 841 acres of land. The detachment from the ACSD consists of multiple parcels containing 117 acres of land. A notice of exemption was prepared in compliance with CEQA by the AWD for use in this proposal.

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. 2017/2018 Final Budget and Work Program **(Pages 34-51)**
[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 12th 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.

4. LAFCO Executive Officer Compensation **(Pages 52-53)**
[No Public Hearing] Recommended Action: Approval

An Ad-Hoc Committee composed of Commissioners Worthley and Vander Poel is recommending a salary adjustment for the Executive Officer with an effective date of the first pay period of FY 17/18. Please see the enclosed resolution.

V. Executive Officer's Report

1. Legislative Update **(Pages 54-59)**

An update will be given at the meeting.

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

VIII. Closed Sessions

1. Conference With Legal Counsel – Significant Exposure to Litigation (Government Code Section 54956.9 (d)(2))

Number of Potential Cases: 1

Facts and circumstances that might result in significant exposure to litigation are clearly known to potential plaintiff(s), and are described as follows:

Threat of litigation from one faction of Board of Directors of Atwell Island Water District regarding the proposed Angiola Water District detachment of land from the Alpaugh Irrigation District and the Alpaugh Community Services District, per letters from attorneys Rachele Berglund and from William McComas.

2. 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 12, 2017 @ 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

April 12, 2017

Members Present: Vander Poel, Allen, Hamilton, Mendoza, Worthley

Members Absent: None

Alternates Present: Mederos

Alternates Absent: Ennis, Jones

Staff Present: Giuliani, Ingoldsby, Alvez

Counsel Present: Kuhn

I. Call to Order

Chair Vander Poel called the Tulare County LAFCO meeting to order at 2:00 p.m. on April 12, 2017 at the Tulare County Administrative Building, 2800 W. Burrel Ave, Visalia, CA 93291.

II. Approval of the March 1, 2017 Meeting Minutes:

Upon motion by Commissioner Allen and seconded by Commissioner Hamilton, the Commission unanimously approved the LAFCO minutes of March 1, 2017.
Abstain: Worthley

III. Public Comment Period

Chair Vander Poel opened/closed the Public Comment Period at 2:01 p.m. No public comments received.

IV. Consent Calendar

1. Case 1530-P-320 City of Porterville Annexation No. 481

Upon motion by Commissioner Worthley and seconded by Commissioner Mendoza, the Commission unanimously approved Case 1530-P-320 City of Porterville Annexation No. 481.

V. New Action Items

1. 2017/2018 Preliminary Budget and Work Program

Staff Analyst Ingoldsby discussed the Preliminary Budget and Work Program and addressed questions and comments from the commission.

EO Giuliani proposed changes to the six year Strategic Program to focus on Municipal Service Reviews (MSR) for those special districts that need sphere of influence updates after

their community plan updates are completed and answered questions and comments from the commission.

Chair Vander Poel opened/closed the public hearing at 2:20 p.m. No public comments received.

Upon motion by Commissioner Allen and seconded by Commissioner Worthley, the Commission unanimously approved the 2017/2018 Preliminary Budget and Work Program, using \$50,000 in reserve funds to partially offset city/county contributions.

2. Cancellation of May 3rd Meeting

EO Giuliani recommended the cancelation of the May 3rd LAFCO meeting.

Upon motion by Commissioner Worthley and seconded by Commissioner Mendoza, the Commission unanimously approved the cancellation of the May 3rd Meeting.

VI. Executive Officer's Report

1. ESA 2017-02 (City of Dinuba/Flores)

EO Giuliani reported an Extraterritorial Service Agreement (ESA) was approved for the provision of domestic water to an existing development on one parcel adjacent to the City of Dinuba and as part of the ESA the city required the owner to sign annexation documents.

2. Legislative Update

EO Giuliani reviewed some of the legislative bills being monitored by CALAFCO and stated he would provide a list of bills being monitored in the next LAFCO agenda.

3. Upcoming Projects

EO Giuliani reported the potential annexations in the City of Visalia and addressed questions and comments from the Commission.

VII. Correspondence

1. CALAFCO Bulletin

EO Giuliani provided a brief overview of the CALAFCO Bulletin.

2. California Water Boards

EO Giuliani provided a brief overview of the Groundwater Sustainability Agencies (GSA) frequently asked questions correspondence and addressed questions and comments from the Commission.

Paul Hendrix, Tulare Irrigation District, provided information additional GSA information and addressed questions and comments from the Commission.

VIII. Other Business

1. Commissioner Report

Commissioner Mendoza highlighted the City of Woodlake events: unveiling of the new solar powered City of Woodlake Sign on Spruce Road/SR198 on April 14th, the Community Clean-Up event on April 22nd, the Horseshoe Tournament on May 11th and the rodeo parade on May 13-14th.

Commissioner Mederos reported a new addition to his family.

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

Commissioner Mederos requested a status update on the meetings with public cemetery districts.

IX. Setting Time and Place of Next Meeting

The next Local Agency Formation Commission (LAFCO) meeting is June 7, 2017 @ 2:00 p.m. in the Board of Supervisors Chambers in the County Administration Building.

X. Adjournment

The Tulare County LAFCO meeting adjourned at 2:56 p.m.



**TULARE COUNTY
LOCAL AGENCY FORMATION COMMISSION**

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

COMMISSIONERS:
*Pete Vander Poel, Chair
Juliet Allen, V-Chair
Cameron Hamilton
Rudy Mendoza
Steve Worthley*

June 14, 2017

ALTERNATES:
*Mike Ennis
Dennis Mederos
Carlton Jones*

TO: LAFCO Commissioners, Alternates, Counsel

FROM: Steven Ingoldsby, Staff Analyst

EXECUTIVE OFFICER:
Ben Giuliani

SUBJECT: City of Tulare Sphere of Influence Update

Background

The Commission is proposing to update the Sphere of Influence (SOI) for the City of Tulare. In 2015, the Commission was scheduled to hear the case but a lawsuit had been filed, Manro vs City of Tulare (TCSC Case 258532) which challenged the EIR prepared for the General Plan update. Since there was no indemnification agreement in place between the City and the Commission, the SOI update was tabled until the resolution of the lawsuit. The first Municipal Service Review (MSR) for the City of Tulare was adopted as part of the Group 1 MSRs by the Commission at the March 2006 meeting. A MSR update was adopted in August 2013. Before the Commission can approve a major amendment or a comprehensive update of the SOI, the updated MSR determinations need to be adopted. Prior to adoption of the MSR the County had the opportunity to meet with the City to discuss various issues; including growth and population, annexations, potential Sphere of Influence updates and development impact fees.

The existing Sphere of Influence (SOI) for Tulare was last comprehensively reviewed by the Commission in 1974 followed by several minor SOI amendments. The SOI was also comprehensively reviewed in 2001. However, the resulting SOI was rescinded after a successful challenge on the City's environmental document that was used for that SOI update.

Discussion

The 2013 City of Tulare MSR recommended that the City of Tulare's SOI update should wait until after the completion of the General Plan Update and after the completion of the City/County MOU process. On November 7, 2014 the City adopted by resolution the Tulare County General Plan Update. Following its adoption, a lawsuit was filed challenging the General Plan Update Environmental Document (included on disk). That lawsuit has been resolved.

City-County Memorandum of Understanding

The City of Tulare and County of Tulare entered into a Memorandum of Understanding (MOU) on Dec. 13, 2012. As part of the MOU, the following was agreed to regarding the 20-year UDB relationship with a LAFCO adopted SOI:

The County will cooperate with the City to establish a new 20-year UDB adopted by both the county and the City, Which the parties will use their best efforts to make coterminous with the SOI set by LAFCO.

The MOU also includes agreements regarding the County General Plan, development impact fees, and provisions regarding development and land use within the County adopted UDB and Urban Area Boundary (UAB).

This proposed Sphere of Influence Update takes into account the signing of the MOU between the City and the County.

Environmental Impacts:

The Commission hereby finds that the proposed SOI amendment will have significant impacts on the environment, and certifies that the Commission has independently reviewed and considered the information contained in the City of Tulare General Plan Update Program Environmental Impact Report (SCH# 2012071064) approved by the City of Tulare for the proposed SOI in compliance with the California Environmental Quality Act of 1970. The Commission hereby adopts by reference the City's Statement of Overriding Considerations regarding the impacts to the environment and Mitigation Monitoring and Reporting Program as set forth in the City's EIR. Accordingly, said EIR is hereby incorporated by reference.

The Mitigation Monitoring and Reporting Program (MMRP) contains a number of mitigation measures relating to municipal services, and specifically hydrology/water quality and transportation/traffic. The MMRP includes mitigation measures to address potential impacts to surface and groundwater, potential flooding, and public safety resulting from implementation of the General Plan buildout.

State Law Requirements

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires LAFCO to establish Spheres of Influence for cities and special districts. Prior to, or in conjunction with establishing an agency's SOI, LAFCO is required to conduct a Municipal Service Review (MSR) for each agency. A MSR update was prepared and adopted for the City of Tulare on August 7, 2013.

Required Determinations

GC §56425(e) requires that in determining the Sphere of Influence of each local agency the Commission shall consider and prepare a written statement of its determinations with respect to certain factors prior to making a decision.

(1) *The present and planned land uses in the area, including agricultural and open-space lands.*

The City uses multiple tools to plan for future growth, including but not limited to, General Plan Elements, Specific Plans, and Master Plans. As the City's UDB expands, it will also be necessary to expand the SOI as the UDB approaches the limits of the SOI Boundary.

According to the 2013 MSR update the existing land uses include 5,056 acres of residential, 1,598 acres of commercial, 1,781 acres of industrial, 340 acres of Parks and Recreation, and 1,625 acres of Public facilities. The existing land use contains 8,761 acres of Prime Farmland, 670 acres of Farmland of Statewide Importance, and 3 acres of Unique Farmland. The General Plan environmental impact reports indicates that implementation of the General Plan Update would convert approximately 6,419 acres of farmlands of concern to non-agricultural uses (i.e. any designation except Open Space/Agriculture).

The General Plan Update policies describe the City's intent to concentrate growth within the city and UDB, in part, to protect agricultural lands outside of the UDB from conversion to non-agricultural use. Other policies, included in the General Plan Update outline a mitigation strategy that would apply to a portion of the agricultural lands within the UDB that would be converted to non-agricultural use by development.

The comprehensive update of the General Plan Land Use Element evaluated and modified the UDB to accommodate 20 years of growth. As the City's UDB expands, it is necessary to expand the SOI as the UDB approaches the limits of the SOI Boundary. Ultimate development of the recommended land use concept would require expansion of the existing UDB, the existing SOI, and the existing City Limits.

(2) The present and probable need for public facilities and services in the area.

The City of Tulare is a mix of urban and rural areas. The Tulare General Plan Update indicates that 26.6 percent of the land within the total land area is being used for agriculture uses, 20 percent of the planning area is categorized as Single-Family Residential, and 24.4 percent was identified as Vacant. Other land uses such as commercial, retail, and industrial make up the balance. The City's available residential, industrial and commercial land base is currently building out and may in the future require additional areas for growth.

Continuing at a slightly slower pace of development compared to the average annual growth rate from the last 20 years (1990-2010) of 2.9 percent, the City is expected to witness an additional 42,020 residents over the next 20 years at an average annual growth rate of 2.7 percent. In addition to accommodating future population growth, the City is working to create a pace that is both safe and offers a high quality of life in a manner that can be maintained from both resource and financial points of view. Since 2006, Tulare has successfully annexed over 1,200 acres of land into the City,

(3) The present capacity of public facilities and adequacy of public services.

As indicated in the original Municipal Service Review, there is no evidence suggesting that the City cannot continue to provide efficient services to existing residents of Tulare.

The recent General Plan Update buildout will increase demand for water services to a degree that could exceed the limits of existing supply and facilities. With continued ground water conservation efforts and infrastructure improvements it is likely that the City could provide efficient water service to future residents. The City has a sound management structure in place

that could continue to provide efficient water service to existing and future residents of Tulare. The City has recently adopted a five year series of rate increases to fund operations and unforeseen major repairs and/or improvements to the water system.

The City has several future opportunities to share services and/or facilities in the future, including but not limited to: groundwater recharge efforts, recreational facilities within mutual benefit areas, sharing facilities with the school district, and agricultural land preservation.

(4) The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

There are five unincorporated communities within or adjacent to the City of Tulare SOI Matheny Tract, East Tulare Villa, Tract 396, Lone Oak Tract, Soult's Tract, and Tract 103. One community, East Tulare Villa, is outside the current SOI but is adjacent to the College of Sequoias (COS) and is included in the proposed SOI.

(5) The present and probable need for services related to sewers, municipal and industrial water, or structural fire protection of any disadvantaged unincorporated communities (DUCs) within the sphere of influence.

Matheny Tract, East Tulare Villa, Lone Oak Tract, and Soult's Tract are disadvantaged. East Tulare Villa is served by CalWater's Tulco system (which is not connected to CalWater's Visalia system). Matheny Tract was recently connected into the City water system. Soult's Tract is served by Soult's Mutual Water Company. The Soult's MWC in coordination with Self Help Enterprises has applied for State grant funding to replace infrastructure to allow for a stable connection to the City system. Lone Oak Tract is connected to the City of Tulare's water system.

All of the DUCs' sewer services are individual septic systems. The City of Tulare is working with Tulare County to potentially secure grant funding for sewer service to the Matheny Tract. Tulare County and all of the incorporated cities have a mutual-aid agreement for fire protection services. The proximity of the nearest City or County fire station varies significantly between the unincorporated communities. There are three City fire stations and one County fire station in the Tulare area. County Fire Station #25 is within Tulare City limits.

Impact on Prime Agricultural Land, Agriculture and Open Space:

There are approximately 4,049 acres of land within the Study Area under Williamson Act contract, 1,325 acres of which was put into non-renewal status in 2009. Of this land, approximately 3,620 would be designated for non-agricultural uses (of which 1,180 acres are in non-renewal status) under the Draft General Plan. Some non-renewal status land, bounded by East Tulare Avenue to the north, South Oakmore Street to the east, and East Bardsley Avenue to the south, is envisioned in the Draft TOD Plan for heavy and light industrial, residential, and commercial uses.

The General Plan Update contains a goal and several policies relating to agricultural land. In the Land Use Element, Policy LU-P2.3 directs the City to encourage and provide incentives for infill development in order to, among other things, minimize the conversion of existing agricultural land. In the Conservation and Open Space Element, Goal COS-3 and its associated policies outline the City's strategy to promote the productivity of agricultural land surrounding Tulare and the continued viability of agriculture countywide.

Municipal Service Reviews:

Municipal Service Reviews provide a comprehensive review of the services provided by a city or district and present recommendations with regard to the condition and adequacy of these services and whether or not any modifications to a city or district's SOI are necessary. MSRs can be used as informational tools by LAFCO and local agencies in evaluating the efficiencies of current district operations and may suggest changes in order to better serve the public.

The City of Tulare's Municipal Service Review report was prepared pursuant to Section 56430. The report begins by providing background information and then summarizes data collected and analyzed for the purpose of supporting written statements of determination with respect to each of the following:

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

The City of Tulare's MSR update was adopted at the August 7, 2013 meeting. Many of the determinations from the MSR were used in the SOI determinations listed in this report. The MSR is available for review at the Commission's website: <http://lafco.co.tulare.ca.us/MSRs.asp>

Existing SOI and proposed SOI Comparison:

Attached is a map showing the areas of change between the existing SOI and the proposed SOI which matches the Tulare UDB with the inclusion of the Matheny Tract as a community of interest. Table 1 below shows the land use changes in each of the areas and the total change between the SOI and the UDB. Adopting the UDB as the new SOI would result in a net increase of almost 1,472 acres of land (about 2.3 square miles). Area F, the largest expansion area, includes a developed disadvantaged unincorporated community (East Tulare Villa – 171ac), the Tulare campus of the College of Sequoias (500ac) and a Kaweah Delta Water Conservation ponding basin (140ac).

Table 1 – Areas of Change (acres)

Area	Residential	Commercial	Industrial	Public	Agriculture	East Tulare Village	TOTAL
A		+168	+252	+37			+457
B	-581	-21			-639		-1,241
C	+259						+259
D					-80		-80
E	+86						+86
F	+936	+353		+600		+171	+2,060
G					-120		-120
H			+416		+458		+874
I					-655		-655
J					-281		-281
K	+153						+153
L	-40						-40
TOTAL	+813	+500	+668	+637	-1,317	+171	+1,472

Note: Residential includes 461ac of Transit Oriented Development in Area F and 259ac of Village in Area C. Both of which may contain some non-residential land uses.

Recommendations:

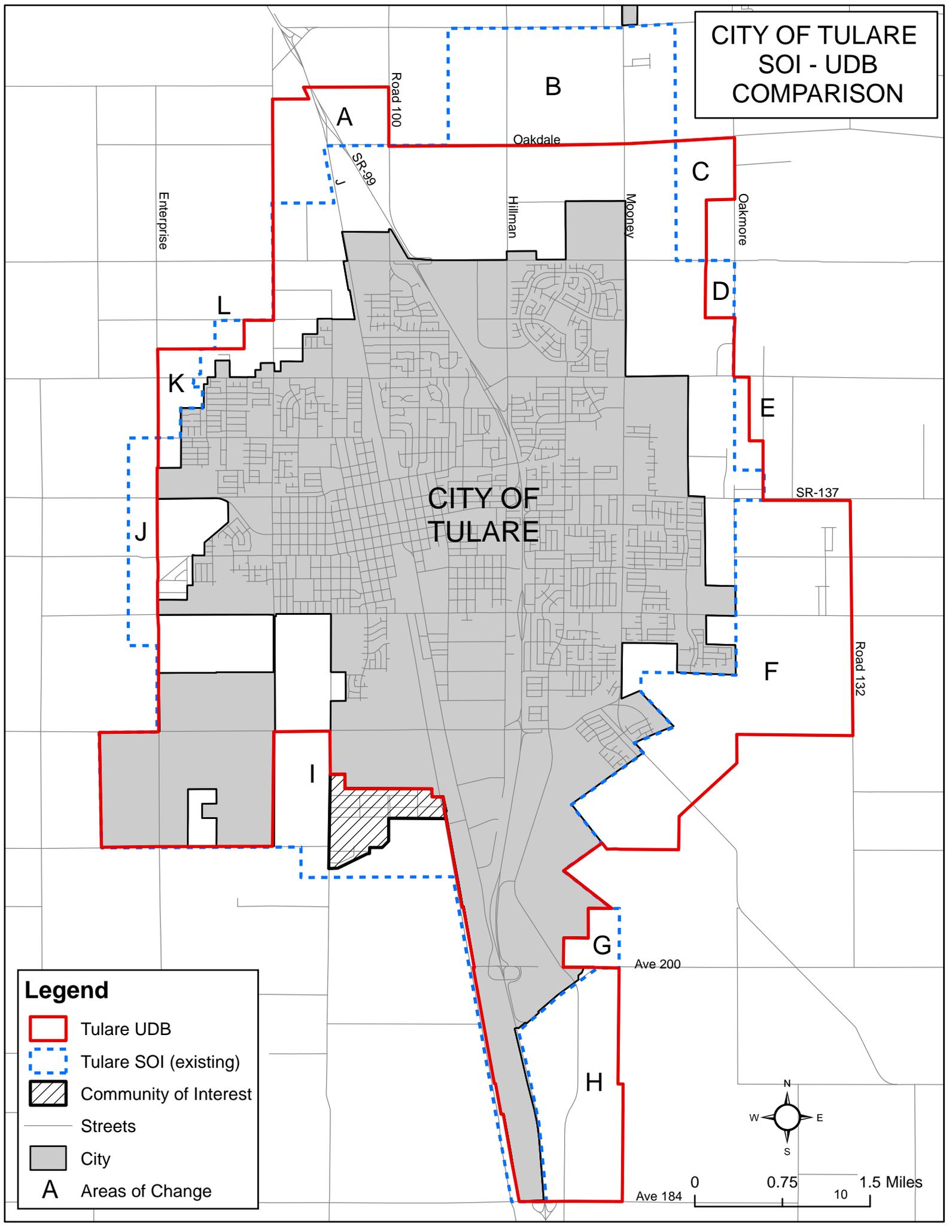
It is recommended that this SOI be approved and that the Commission take the following actions:

- A. The Commission hereby finds that the proposed Sphere of Influence amendment will have significant impacts on the environment, and certifies that the Commission has independently reviewed and considered the information contained in the 2035 General Plan Update EIR SCH# 2012071064 and adopts by reference the City’s Findings and Statement of Overriding Considerations regarding the impacts to the environment.
- B. Adopt the written statement of determinations and find that the proposed City of Tulare Sphere of Influence update is in compliance with the GC Section 56425.
- C. Find that pursuant to GC §56426.5(b)(2), the proposed SOI amendment will not adversely affect the continuation of any Williamson Act contracts beyond their current expiration dates.
- D. Approve the Sphere of Influence as identified within Figure 1, requested to be known as LAFCO Case 1511, Tulare SOI Update.

Attachments:

- 1. SOI-UDB Areas of Change
- 2. City of Tulare General Plan Update Final EIR (CD)
- 3. City of Tulare Municipal Service Review update (CD) or <http://lafco.co.tulare.ca.us/MSRs.asp>
- 4. Resolution

**CITY OF TULARE
SOI - UDB
COMPARISON**



Legend

- Tulare UDB
- Tulare SOI (existing)
- Community of Interest
- Streets
- City
- A** Areas of Change

N
W ○ E
S

0 0.75 1.5 Miles
Ave 184 10

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

In the Matter of the City of Tulare)
Sphere of Influence Update) **RESOLUTION NO. 17-XX**
LAFCO Case No. 1511)

WHEREAS, pursuant to Government Code Section 56425, Local Agency Formation Commissions are required to establish, periodically review and revise or amend Sphere of Influence boundaries; and

WHEREAS, this Commission has adopted a Sphere of Influence Policy which requires that wherever possible, the Spheres of Influence for each of the incorporated cities and various special districts which provide urban services to unincorporated communities in the County reflect a twenty year growth area; and

WHEREAS, the Commission conducted a municipal service review adopted on August 7, 2013 (LAFCO Resolution 13-014); and

WHEREAS, the Commission has read and considered the reports and recommendations of the Executive Officer.

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

1. The boundaries of the Sphere of Influence amendment are definite and certain as shown in Figure 1.

2. The information, materials, and facts set forth in the application and the reports of the Executive Officer, including any corrections, have been received and considered in accordance with GC §56427.

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

XXXXXXXXXXXXXXXXXXXX

4. All required notices have been given and all proceedings taken in this matter have been and now are in all respects taken in accordance with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, as amended.

5. Pursuant to GC §56430, the Municipal Service Review for the City of Tulare was approved on August 7, 2013, by Resolution No. 13-014.

6. The Commission hereby adopts the attached written determinations required under GC §56425 in support of the proposed Sphere of Influence adoption.

7. The Commission finds that pursuant to GC §56426.5(b)(2), the proposed SOI Update will not adversely effect the continuation of any Williamson Act contracts beyond their current expiration dates.

8. The Commission hereby finds that the proposed Sphere of Influence Update will have significant impacts on the environment, and certifies that the Commission has independently reviewed and considered the information contained in the 2035 General Plan Update EIR SCH# 2012071064 approved by the City of Tulare in compliance with the California Environmental Quality Act of 1970. The Commission hereby adopts by reference the City's Findings and Statement of Overriding

Considerations regarding the impacts to the environment, as set forth in the City's EIR.

Accordingly, said EIR is hereby incorporated by reference.

9. The Commission hereby finds that the proposed City of Tulare Sphere of Influence is in compliance with the Cortese-Knox-Hertzberg Act, GC §§56425, 56430 and 56377, and Tulare County LAFCO Policy and Procedure Section C-5, Spheres of Influence.

10. The Sphere of Influence for the City of Tulare is hereby adopted as shown in Figure 1.

11. Authorize the Executive Officer to sign and file a Notice of Determination on behalf of the Commission with the Tulare County Clerk pursuant to Section 21152 (a) of the Public Resources Code.

The foregoing resolution was adopted upon the motion by Commissioner ____, and seconded by Commissioner ____, at a regular meeting held this 14th day of June 2017 by the following vote:

AYES:

NOES:

ABSTAIN:

PRESENT:

ABSENT:

si

Ben Giuliani, Executive Officer

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

June 14, 2017

**LAFCO Case Number 1531 (AID/ACSD)
Alpaugh Irrigation District and Alpaugh Community Services District Detachment
No. 17-01**

- PROPOSAL:** Alpaugh Irrigation District (AID) and Alpaugh Community Services District (ACSD) Detachment
- PROPONENT:** Angiola Water District by Resolution of its Board of Directors
- SIZE:** The detachment from the AID contains approximately 841 acres of land. The detachment from the ACSD contains approximately 117 acres of land.
- LOCATION:** The detachment from the AID consists of multiple parcels located near the northwest, southwest and southeast boundaries of the district. The detachment from the ACSD consists of multiple parcels located near the western boundaries of the district. **(Figures 1 & 2)**
- APNs:** See attached lists **(Figure 3)**
- NOTICE:** Notice for this public hearing was provided in accordance with Government Code Sections 56660 & 56661.
- SUMMARY:** The purpose of the detachment is to allow Angiola WD to add the subject area to the Tri-County Water Authority, a Groundwater Sustainability Agency (GSA) that is a Joint Powers Authority (JPA) between Angiola WD, Deer Creek Storm Water District (SWD) and Kings County and to reduce costs for the property owner because of assessment fees being charged by Alpaugh ID for irrigation services that are not needed in the subject area.

ANALYSIS

1. Conformity with Plans:

A. Site Information

	Existing	Proposed
Zoning Designation	AE – 40	No Change
General Plan Designation	Valley Agriculture	No Change

Uses	Agriculture, one dwelling	Agriculture (sole tenant to be relocated at the end of the lease)
-------------	---------------------------	---

Surrounding land uses are mostly agricultural. This proposal does not conflict with the Tulare County General Plan.

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

All of the subject parcels are under Williamson Act contracts or Ag Preserve. The approval of this detachment is not inconsistent with continued Williamson Act coverage. Cancellation of Williamson Act Contracts is not contemplated in this application.

3. Population:

According to Tulare County Election Division there are fewer than 12 registered voters within the affected area. Therefore, pursuant to GC Section 56046, the detachment area is uninhabited.

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

The detachment being proposed will save the property owners assessment fees which they feel are not being used to adequately serve their property. The AID and ACSD will lose rate payers which could negatively impact their budget as fixed costs will need to be spread among fewer parties. Economic impacts are reviewed later in this report.

Most of the land in the irrigation district is used agriculturally and does not presently require a great deal of governmental services and controls. The Angiola Water District could potentially provide water supply to its own properties if these properties were to detach from the AID. However, the proposed detachment areas are a part of Angiola WD's land retirement program.

There is a tenant in Area G of the ACSD map (*Figure 2*) which receives domestic water from the ACSD.

5. Boundaries and Lines of Assessment:

The boundaries of the proposal area are definite and certain and conform to the lines of assessment and ownership.

6. Environmental Impacts:

The Angiola Water District is the lead agency for this proposal. The District has determined that the project is categorically exempt from the California Environmental Quality Act under Sections 15320 and 15061 (b)(3). A copy of the document is included in the application materials.

7. Landowner Consent:

Consent to this detachment has been received from all of the property owners within the proposed detachment area. Angiola WD owns Areas B-E and Area A is owned by private individuals. Notice was mailed to all landowners and registered voters within the detachment area. Because 100% consent has been received, the Commission must waive the protest hearing.

8. Discussion:

Groundwater Sustainability Agencies

The proposed detachment areas are currently within two overlapping GSAs. One is Alpaugh GSA which includes Alpaugh ID, Alpaugh CSD and Atwell Island WD. The other is Tri-County Water Authority, a joint powers authority whose signatories include Angiola WD, Deer Creek Storm Water District and Kings County. Within the Tule River sub-basin, the Alpaugh GSA is fully overlapped and cannot be finalized as an exclusive GSA without the overlap being resolved. The Tri-County Water Authority is an exclusive GSA for areas surrounding the Alpaugh GSA.

While the lack of need for irrigation services for the proposed detachment areas is an important consideration, it appears the primary impetus behind the proposed detachment is the current overlap between the two GSAs and the desire of Angiola WD to have the proposed detachment areas within the GSA for which they are a signatory. If the overlap persists without resolution, the overlap areas could then become the responsibility of the County. The County could then enter into agreements for these areas with existing GSAs. While not a certainty, the property proposed for detachment could still end up within the Tri-County Water Authority GSA if it were detached from Alpaugh ID and CSD. Conversely, detachment of the property that would remove the existing overlap could result in a greater willingness of Tri-County WA to remove the overlap with the remainder of the Alpaugh ID/CSD land.

Since the primary catalyst for the proposed detachment is the GSA overlap, a condition of approval could be added that would specify that the detachment areas would revert back to the Alpaugh ID and CSD if the Alpaugh GSA is not finalized as an exclusive GSA.

Irrigation District Services

The AID is an irrigation district comprised of approximately 11,200 acres situated in southern Tulare County surrounding the community of Alpaugh. In 2016 an annexation, Case 1529a, was approved which added 482 acres of land for

irrigation and SGMA purposes and an additional 1,294 acres for SGMA purposes only. Most of the land is used agriculturally and does not presently require a great deal of governmental services and controls.

Economic Impacts of detachment

The properties proposed for detachment do not receive irrigation water from Alpaugh ID. However, Alpaugh ID does charge an \$18 per acre assessment to all properties within the District. With about 859 acres proposed to be detached from Alpaugh ID, the yearly financial loss to the District would be about \$15,462. Listed below are the revenues for Alpaugh ID in FY 14/15.

Operating Revenue		Non-Operating Revenue	
Irrigation	\$1,162,484	Leases	\$240,655
Standby/Availability Charges	\$159,394	Property Tax	\$146,612
Other	\$14,790	Other	\$2,469
Total Operating Revenue	\$1,336,668	Total Non-Operating Revenue	\$389,736
TOTAL REVENUE: \$1,726,404			

Assessments are included under “Irrigation” as operating revenue. Property tax under non-operating revenue is Alpaugh ID’s share of the 1% ad valorem tax. Alpaugh ID would retain its base portion of the property tax for any detached areas. With detachment, Alpaugh ID would lose the yearly assessments. The loss in assessments account for 0.9% of total revenues.

Community Services District – Logical Service Boundaries

The detachment of Area B from the Alpaugh CSD would create an island within an urban servicing providing special district. While there are no legal requirements prohibiting the creation of islands in CSDs (in contrast to creating islands within cities), the issue of logical boundaries is a concern. In addition, there is an existing occupied residence in Area B that is currently being served by the CSD. Angiola WD has indicated that the property would be vacated and service would no longer be needed if detached from the CSD.

Due to the presence of CSD infrastructure and existing service and that the detachment would create an illogical boundary with the creation of an island within Alpaugh CSD, staff recommends not detaching Area B from the CSD.

Letters Regarding Litigation – Atwell Island WD

LAFCO staff has received two letters regarding the proposed detachment [Figures 4 & 5]. One letter (Pascuzzi, Pascuzzi, Stoker) is from an attorney representing Milton Pace who is a board member on one of the competing Atwell Island Water District boards. The other letter is from an attorney (Herr, Pedersen,

Berglund) who represents the Atwell Island Water District board of which Milton Pace is a member. .

As background, there are currently two boards that claim to be the legitimate board of Atwell Island WD. There have been cross-complaints filed between the two boards and they are currently in court ordered mediation. Both of these letters request that LAFCO postpone a decision on the proposed detachment until the current court proceedings between the two Atwell Island WD boards is completed because of impacts to the Atwell Island WD. The claimed impacts are not specified in the letters.

Atwell Island WD is not a party to the proposed detachment. The detachment areas, with the exception of Area B of the proposed detachment from Alpaugh CSD, are not even within Atwell Island WD's boundaries. **[Figure 6]**

The only evident connection between the proposed detachment and Atwell Island WD is in regards to what GSA Area B will ultimately be a part of. Currently, there are two competing boards for Atwell Island WD with one board wanting to remain in the Alpaugh GSA and the other wanting to join Tri-County Water Authority.

While Area B is recommended not to be detached due to other considerations, even if it were to be detached the area would still be in overlap between the Alpaugh GSA and Tri-County Water Authority. A detachment of Area B would not result in a change of GSAs.

A change in GSA could only occur by agreement of the Atwell Island WD board (of whichever composition that results out of the current litigation). Therefore, a detachment of Area B would have no effect on the current Atwell Island WD litigation. Since a LAFCO decision regarding Area B would have no effect on the GSAs and that the other proposed detachment areas are not even within Atwell Island WD, proceedings for the proposed detachment are not recommended to be continued.

RECOMMENDED ACTIONS:

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

1. Certify that the Commission has reviewed and considered the Notice of Exemption prepared by the Angiola Water District and find that the proposed reorganization is Categorically Exempt from the California Environmental Quality Act pursuant to CEQA Guidelines Sections 15320 and 15061(b)(3).

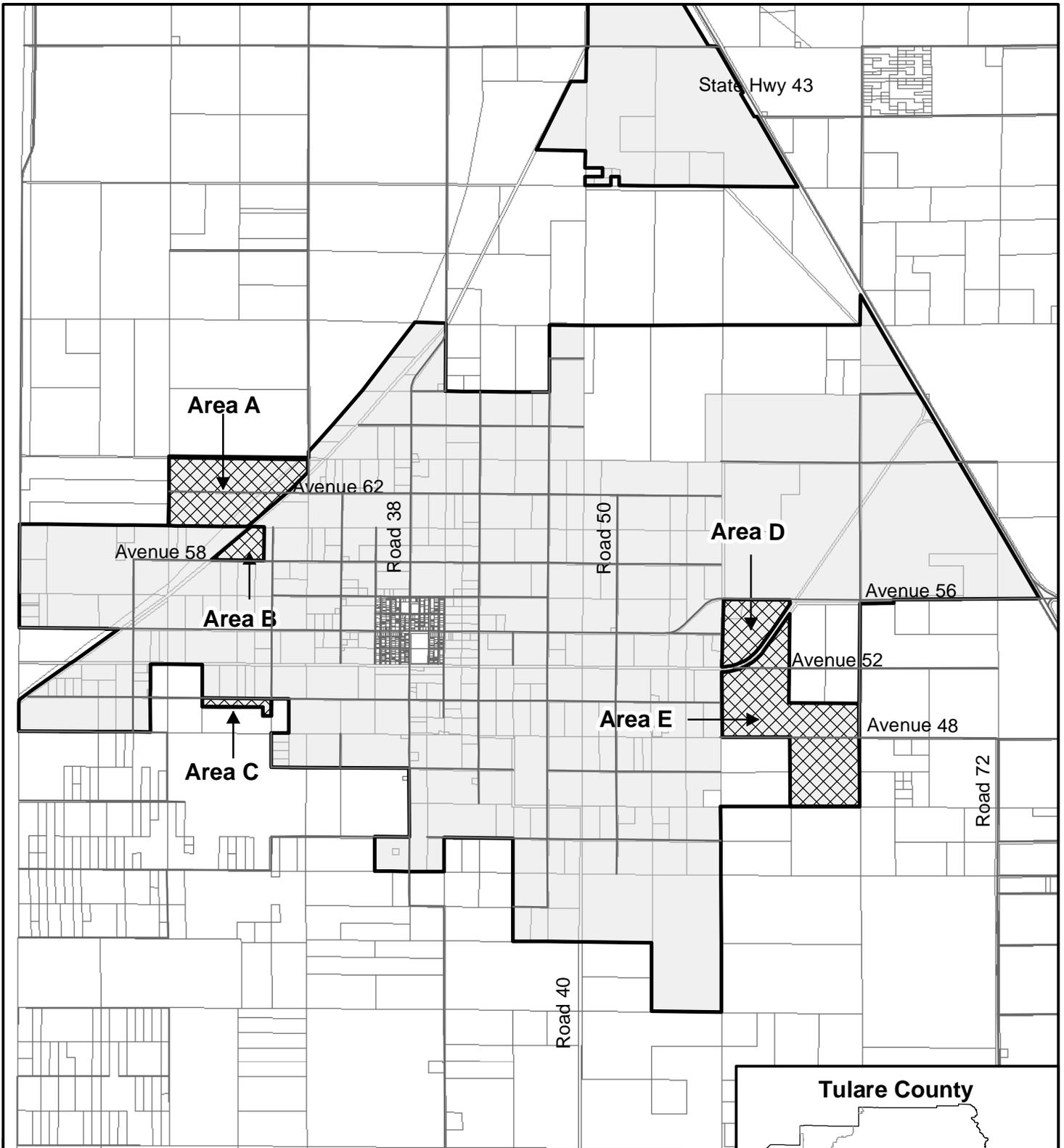
2. Find that the proposed reorganization of the Alpaugh Irrigation District complies with the policies and priorities of the Cortese-Knox-Hertzberg Act, Section §56001.
3. Pursuant to LAFCO Policy and Procedure Section C-1, find that:
 - a. The proposed detachment of Areas A through F represents a logical and reasonable change of organization of the district.
 - b. The proposed detachment is compatible with the County's General Plan.
 - c. The proposed boundaries are definite and certain and conform to lines of assessment.
 - d. The proposal is consistent with the findings and declarations of GC §56001.
4. Find that the territory proposed for this detachment from The Alpaugh Irrigation District and the Alpaugh Community Services District is uninhabited.
5. Exclude Area G which includes parcels 311-290-010, 311-290-010, and 311-290-016 from the Community Services District detachment.
6. Approve the detachment as proposed by Angiola Water District, with the exclusion of Area G from the Alpaugh Community Services District, to be known as LAFCO Case Number 1531, Alpaugh Irrigation District (AID) and Alpaugh Community Services District (ACSD) Detachment 17-01 with the following conditions:
 - a. The Certificate of Completion shall not be recorded until the County Surveyor has verified the accuracy of the map and legal description and any needed corrections are completed including the exclusion of Area G from the project map and legal description.
 - b. The detached areas will revert back to the Alpaugh ID and CSD respectively if the Alpaugh GSA does not achieve final exclusive status.
7. Waive the protest hearing for this proposal in accordance with Government Code §56662 and order the detachment without an election.
8. Authorize the Executive Officer to sign and file a Notice of Exemption on behalf of the Commission with the Tulare County Clerk pursuant to Section 21152 (a) of the Public Resources Code.

Figures:

Figure 1 Site Location Map for Alpaugh Irrigation District

Figure 2	Site Location Map for Alpaugh Community Services District
Figure 3	Assessor's Report
Figure 4	Opposition to Detachment from Pascuzzi, Pascuzzi & Stoker
Figure 5	Opposition to Detachment from Herr, Pedersen, Berglund
Figure 6	Map of Atwell Island WD and detachment areas
Figure 7	Resolution

LAFCO Case 1531 Alpaugh Irrigation District



 1531 Site Location Alpaugh ID

 Alpaugh ID SOI

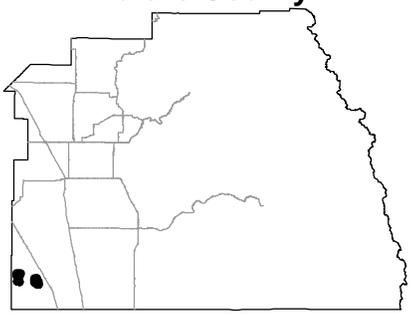
 Alpaugh ID

 Parcels

0 0.5 1 2 Miles

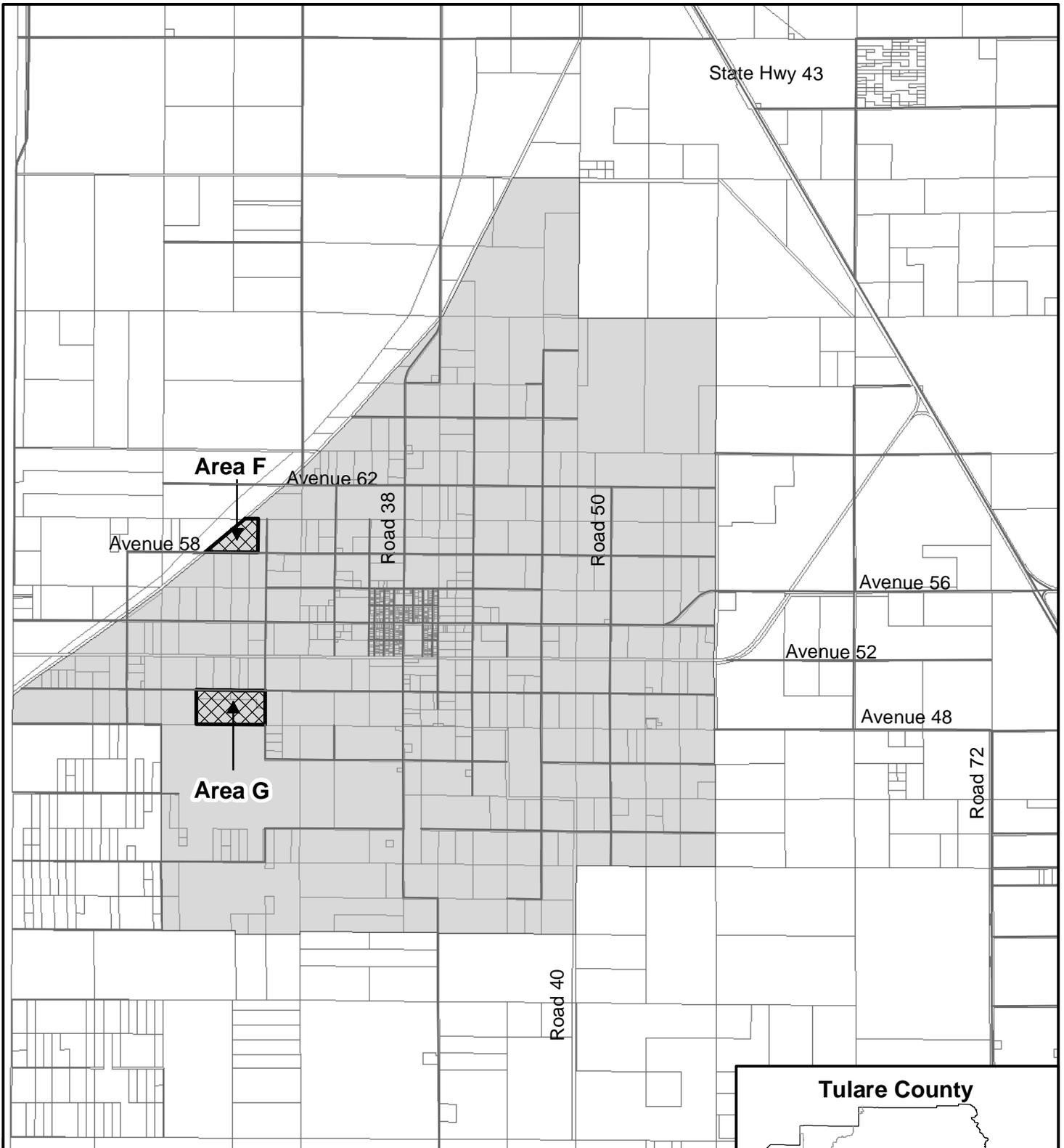
Boundaries as of 4/4/17

Tulare County



21
Created by Tulare County LAFCO

LAFCO Case 1531 Alpaugh Community Service District



 1531 Site Location Alpaugh CSD

 Alpaugh CSD

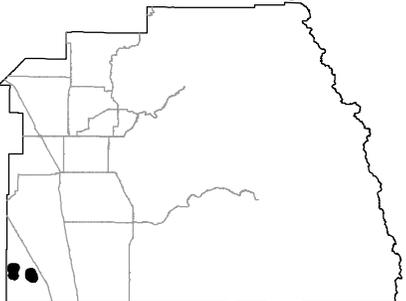
 Parcels



 0 0.5 1 2 Miles

Boundaries as of 4/4/17

Tulare County



22
Created by Tulare County LAFCO

ASSESSOR'S REPORT TO LAFCO & AUDITOR

[Pursuant to Section 56386 of Government Code]

LAFCO CASE NO.: 1531 (AID/ACSD)

PROPONENT: Alpaugh Irrigation District/Angiola Water District

DESCRIPTIVE TITLE: Resolution 17-01 Angiola Water District Detachment

1) Total Parcels Lying Entirely Within Proposed Boundaries: 13

See Itemized list, attached

2) Total Parcels Lying Only Partially Within Proposed Boundaries: 0

NONE

3) a) Total Parcels in Aq Preserve and/or Contract: 13

See Itemized list, attached

b) If Case Is Annexation of Aq Preserve, Does Initiating Agency Address Issue:

N/A

4) a) Total Parcels Owned by Initiating Agency: 9

See Itemized list, attached

b) If Any, Were Parcels Acquired by Eminent Domain or Other Method:

N/A

5) Assessee's Names, Addresses, Tax Rate Areas and Values:

Using the above-referenced Assessor's Parcel Numbers this information is available to you via the County's Property Information System ("PIMS") shared by our offices.

6) Other Comments:

a) The County Resource Management Agency is the local authority, and the Department of Conservation is the State authority on the existence, extent and status of any agricultural preserves, land conservation contracts and related issues and matters.

Technician: ASG

Date: 05/04/2017

END OF REPORT

Itemized List of Parcels Lying Entirely Within Proposed Boundaries

311-100-013
311-100-037
311-100-042
311-100-043

311-290-010
311-290-015
311-290-016

311-340-005

311-350-001
311-350-002
311-350-006
311-350-007

330-130-024

Itemized List of Parcels in Aq Preserve and/or Contract

311-100-013
311-100-037
311-100-042
311-100-043

311-290-010
311-290-015
311-290-016

311-340-005

311-350-001
311-350-002
311-350-006
311-350-007

330-130-024

Itemized List of Parcels Owned by Initiating Agency

311-100-013
311-100-037 311-340-005
311-100-042
311-100-043

330-130-024

311-290-010
311-290-015
311-290-016

Harry Pascuzzi
Susan L. Pascuzzi
Steven R. Stoker
Catherine A. Amador
William E. McComas

PASCUZZI
PASCUZZI & STOKER
Attorneys at Law

(559) 227-1100 tel
(559) 227-1290 fax
2377 W. Shaw Ave.,
Suite 101
Fresno, Ca 93711
www.pascuzzi.com
wmccomas@pascuzzi.net

May 24, 2017

VIA FACSIMILIE AND U.S. MAIL

Tulare County Local Agency Formation Commission
Attn: LAFCO Commissioners
c/o Steven Ingoldaby
210 N. Church Street, Suite B
Visalia, CA 93291

Re: *Case No.: 1531 Alpaugh Irrigation District (AID) and Alpaugh
Community Services District (ACSD) Detachment 17-01.*

Dear LAFCO Commissioners:

We are in receipt of your letter dated April 24, 2017, concerning Angiola Water District's ("Angiola") request for detachment. This firm represents Milton Pace who is one of six (6) named cross-defendants of the cross-complaint brought on behalf of the Atwell Island Water District ("AIWD"), filed on April 21, 2017, with the Tulare County Superior Court, and docketed as case No. VCU268562.

Presently, there are two (2) board factions vying for control of the AIWD. The AIWD board that meets in Alpaugh ("Alpaugh AIWD Board") has neither approved nor condones Angiola's request to secede real property from the Alpaugh Irrigation District or the Alpaugh Community Services District (jointly referred to as the "Alpaugh Entities").

If applicable, and if the AIWD board that meets in Corcoran ("Corcoran AIWD Board") has provided support or conciliation allowing Angiola to detach from the Alpaugh Entities, please be advised that any such resolution is invalid.

On June 6, 2017, the Alpaugh AIWD Board and the Corcoran AIWD Board will participate in mediation to assist the parties in determining the legitimate AIWD board of directors for purposes of governing the agency. Where the issue of board control may be resolved on June 6, 2017, we suggest tabling your discussion of Angiola detachment from the Alpaugh Entities until a date and a time after this highly contested matter is resolved.

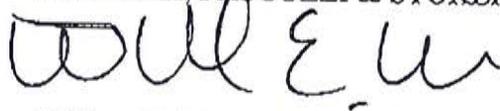
Tulare County Local Agency Formation Commission
May 24, 2017
Page 2

Otherwise, if action is taken at your meeting of June 7, 2017, which impacts the AIWD, we will inform the Court, inform the California Department of Water Resources and inform the Tulare County Board of Supervisors of such action(s) as well as bring litigation to protect our client's rights and interests.

If you have any questions, comments or concerns, please feel free to contact me.

Very truly yours,

PASCUZZI, PASCUZZI & STOKER



William E. McComas

WEM/lr
cc: Milton Pace



May 26, 2017

VIA FACSIMILE AND FIRST CLASS MAIL

Tulare County Local Agency Formation Commission
Attn: Ben Giuliani and LAFCO Commissioners
210 N. Church St., Ste. B
Visalia, CA 93291
Facsimile: 559-733-6720

RE: Case No. 1531 Alpaugh Irrigation District (AID) and Alpaugh Community Services District (ACSD) Detachment 17-01

Dear Mr. Giuliani and LAFCO Commissioners:

This correspondence is being sent in response to your letter dated April 24, 2017 and concerning Angiola Water District's Resolution of Application for a detachment.

For approximately six months, there has been an ongoing dispute over control of the board and validity of certain board members to Atwell Island Water District (AIWD). The dispute has resulted in two competing boards, one which meets regularly in Alpaugh (Alpaugh AIWD) and another, which meets in Corcoran (Corcoran AIWD). The dispute is presently the subject of extensive litigation. Our office represents the Alpaugh AIWD board, and individuals associated with that board.

Please be advised the Alpaugh AIWD board has not approved, condoned or expressed support of Angiola Water District's request to secede real property from the Alpaugh Irrigation District or the Alpaugh Community Services District. Regardless of the outcome of LAFCO's decision on the Application for detachment, LAFCO will certainly face objection by at least one of the competing boards. Because detachment of Angiola Water District will have a significant impact on AIWD, we urge LAFCO to postpone the June 7 meeting for consideration until such time as the dispute between the Alpaugh AIWD and Corcoran AIWD is resolved. If the LAFCO decision is not postponed until such time control of the AIWD board is resolved, our office finds it necessary to inform

VISALIA
100 WILLOW PLAZA, SUITE 300
VISALIA, CA 93291
TELEPHONE: (559) 636-0200
FACSIMILE: (559) 636-9759

HANFORD
1489 LACEY BOULEVARD, SUITE 103
HANFORD, CA 93230
TELEPHONE: (559) 410-8560
FACSIMILE: (559) 410-8922

Tulare County Local Agency Formation Commission
Attn: Ben Giuliani and LAFCO Commissioners
May 26, 2017
Page 2 of 2

the court, as it impacts our ongoing litigation, and will likewise inform the California Department of Water Resources Board, Tulare County Board of Supervisors, and undertake any other necessary efforts to protect our clients' rights and interests.

Thank you for your prompt attention to this important matter.

Very truly yours,

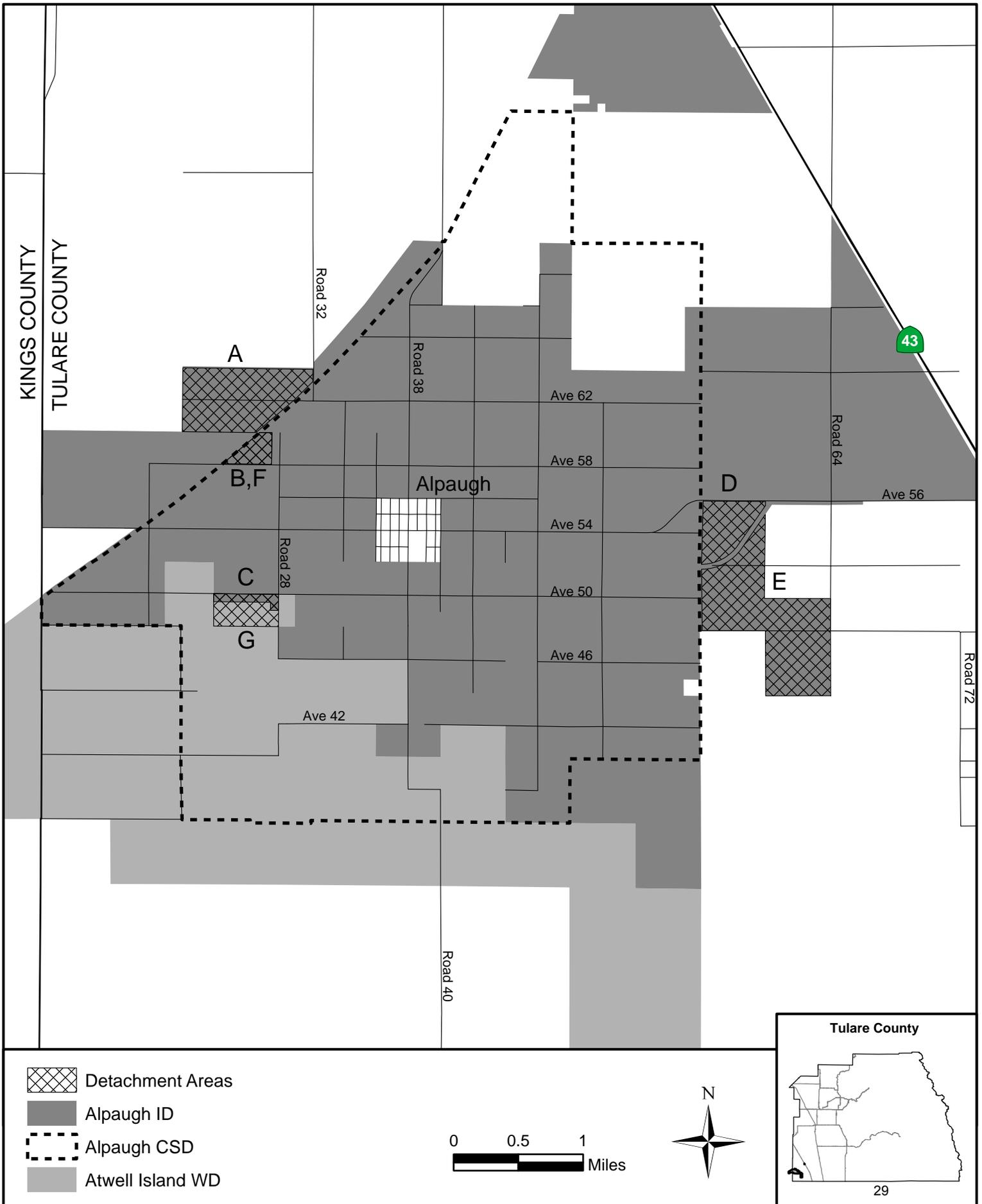
HERR PEDERSEN & BERGLUND LLP

A handwritten signature in cursive script that reads "Rachele Berglund".

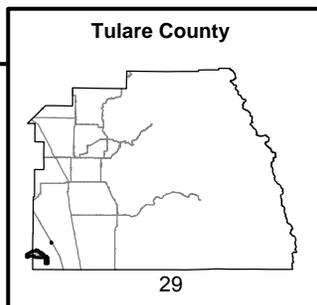
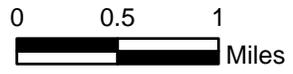
Rachele Berglund

RB/mr
cc: Clients
RB ltr to LAFCO (5-26-17)

Alpaugh ID, Alpaugh CSD, Atwell Island WD



-  Detachment Areas
-  Alpaugh ID
-  Alpaugh CSD
-  Atwell Island WD



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

In the Matter of the Proposed Detachment)
From the Alpaugh Irrigation District (AID) and the)
Alpaugh Community Services District (ACSD)) **RESOLUTION NO. 17-XXX**
LAFCO Case No. 1531 (AID/ACSD) Detachment)
17-01)

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

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

WHEREAS, on June 14, 2017 this Commission heard, received, and considered testimony, comments, recommendations and reports from all persons present and desiring to be heard concerning this matter.

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

1. The information, material and facts set forth in the application and the report of the Executive Officer (including any corrections), have been received and considered in accordance with GC §56668. All of said information, materials, facts, reports and other evidence are incorporated by reference herein.

2. The Angiola Water District, as Lead Agency, filed a Notice of Exemption in compliance with the California Environmental Quality Act (CEQA). And finds that the proposed detachment will not have a significant impact on the environment. Under the California Environmental Quality Act (CEQA) Sections 15320 and 15061(b)(3), the proposal is considered exempt from CEQA review.

3. The Commission has reviewed and considered, in accordance with GC §56668, the information, materials and facts presented by the following persons who appeared at the public hearing and commented on the proposal:

XXXXXXXXXXXXX
XXXXXXXXXXXXX

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

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

- a. The boundaries of the proposed detachment are definite and certain and conform to lines of assessment.
- b. Fewer than 12 registered voters reside in the affected territory and 100% landowner consent was not received.

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

- a. The proposed detachment with the exception of Area G represents a logical and reasonable change of organization of the district.
- b. The proposed detachment is compatible with the County's General Plan.
- c. The proposed boundaries are definite and certain and conform to lines of assessment.
- d. The proposal is consistent with the findings and declarations of GC §56001.

8. Waive the protest hearing for this proposal in accordance with GC §56662 and order the change of organization without an election.

9. Approve the detachment as proposed by Angiola Water District, with the exclusion of Area G from the Alpaugh Community Services District to be known as LAFCO Case Number 1531, Alpaugh Irrigation District (AID) and Alpaugh Community Services District (ACSD) Detachment 17-01, with the following conditions:

- a. The Certificate of Completion shall not be recorded until the County Surveyor has verified the accuracy of the map and legal description and any needed corrections are completed including the exclusion of Area G from the project map and legal description.
- b. The detached areas will revert back to the Alpaugh ID and CSD respectively if the Alpaugh GSA does not achieve final exclusive status.

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

LAFCO Case No. 1531 (AID/ACSD) Detachment 17-01.

11. Authorize the Executive Officer to sign and file a Notice of Exemption on behalf of the Commission with the Tulare County Clerk pursuant to Section 21152 (a) of the Public Resources Code.

The foregoing resolution was adopted upon motion of Commissioner _____, seconded by Commissioner _____, at a regular meeting held on this 14th day of June, 2017 by the following vote:

AYES:

NOES:

ABSTAIN:

PRESENT:

ABSENT:

Ben Giuliani, Executive Officer

si



TULARE COUNTY LOCAL AGENCY FORMATION COMMISSION

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

COMMISSIONERS:
Pete Vander Poel, Chair
Juliet Allen V-Chair
Cameron Hamilton
Rudy Mendoza
Steve Worthley

ALTERNATES:
Mike Ennis
Dennis Mederos
Carlton Jones

EXECUTIVE OFFICER:
Ben Giuliani

June 14, 2017

TO: LAFCO Commissioners, Alternates, Counsel,
FROM: Steven Ingoldsby, Staff Analyst
SUBJECT: FY 2017/18 Final Budget and Work Program

Enclosed for your review are the Fiscal Year 2017/18 Final Budget and Work Program. LAFCO is required to adopt its final budget by June 15th of each year. At the April 12th 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 2017/18.

<i>Using \$50,000 offset</i>	POPULATION (DOF 1/1/2016)	PERCENT OF POPULATION	PROPOSED 17/18 CONTRIBUTION
CITY OF DINUBA	24,657	5.28%	\$9,663
CITY OF EXETER	11,013	2.36%	\$4,316
CITY OF FAMERSVILLE	11,161	2.39%	\$4,374
CITY OF LINDSAY	12,960	2.78%	\$5,079
CITY OF PORTERVILLE	60,070	12.87%	\$23,542
CITY OF TULARE	63,515	13.60%	\$24,892
CITY OF VISALIA	130,231	27.89%	\$51,039
CITY OF WOODLAKE	7,648	1.64%	\$2,997
COUNTY OF TULARE	145,651	31.19%	\$57,082

TOTAL 466,906 100.00% \$182,985

(+\$200 billing fee to
County Auditor)

Attachments

FY 2017/2018 Work Program
FY 2017/2018 Final Budget (Org 794)
Resolution

**2017/18
LAFCO
WORK PROGRAM**

Prepared by: Steven Ingoldsby
Tulare County LAFCO
210 N. Church St., Suite B
Visalia, CA 93277
Phone: (559) 623-0450
Fax: (559) 733-6720

TABLE OF CONTENTS

INTRODUCTION	PAGE
Overview of LAFCO	1
Description of Region.....	1
Organization of LAFCO.....	2
LAFCO Abbreviations and Acronyms	2
WORK ELEMENTS	
100.01 LAFCO Administration.....	3
100.02 Office Expenses / Fixed Assets.....	4
100.03 Training and Travel.....	5
101.02 Municipal Service Reviews.....	6
101.03 Cities & Special District Inventory Update.....	7
101.04 Sphere of Influence Updates	8
101.06 Special Projects.....	9
102.01 LAFCO Case Processing	10
LAFCO WORK PROGRAM SUMMARY	11

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 2017/18 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 km², 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 69% of the total county approximate population of 466,906 (DOF – 1/1/16). 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

Pete Vander Poel, Chair	County representative
Juliet Allen, Vice Chair	Public representative
Cameron Hamilton	City representative
Rudy Mendoza	City representative
Steve Worthley	County representative
Mike Ennis	Alternate, County representative
Carlton Jones	Alternate, City representative
Dennis Mederos	Alternate, Public representative

LAFCO Staff

Ben Giuliani, Executive Officer
Steven Ingoldsby, Staff Analyst
vacant, LAFCO Clerk
Jeffrey Kuhn, LAFCO Counsel

LAFCO Abbreviations and Acronyms

CALAFCO	<i>California Association of Local Agency Formation Commissions</i>
C-K-H	<i>Cortese-Knox-Hertzberg Local Government Reorganization Act Of 2000</i>
CSD	<i>Community Services District</i>
GC	<i>Government Code</i>
LAFCO	<i>Local Agency Formation Commission</i>
MSR	<i>Municipal Service Review</i>
PUD	<i>Public Utility District</i>
SOI	<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:	\$60,637	(6.0 Staff Person Months)
Memberships:	\$3,556	
Publications and Notices	\$1,500	
County Counsel:	\$5,516	
COWCAP Charged:	\$6,000	
Board Directors fees:	\$1,000	
Rent	\$11,778	
Insurance	\$2,257	
Prof. & Specialized:	\$200	
Service from Other Dept.	\$4,000	
Total:	\$96,444	
Revenue (source):		(Reserve Funds)
Revenue (source):	\$96,444	(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/. 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:	\$1,500
Telecomm	\$663
ADP Payroll/Personnel:	\$285
Utilities:	\$2,143
Custodial Services:	\$1,590
Property	\$85
Mail	\$1,000
Printing	\$500
Alarm	\$163
GIS	\$1,000
Worker's Compensation	\$1,796
Total	\$10,725

(Reserve Funds)
 \$10,725 (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):	\$3,162
Transportation/Travel (Commissioners & Staff)	\$5,750
Total:	\$8,912

Revenue (source):	(Reserve Funds)
Revenue (source):	\$8,912 (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
 City of Woodlake MSR update August 2016

PRODUCTS: MSRs for Cities of Farmersville, Lindsay, Goshen CSD, Sultana CSD and other special districts as needed

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 MSRs 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, Exeter and Woodlake. 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 17/18.

BUDGET:

Estimated staff costs:	\$60,637	(6.0 Staff Person Month)
Total:	\$60,637	
Revenue (source):	\$50,000	(Reserve Funds)
Revenue (source):	\$10,637	(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:	\$10,106	(1.0 Staff Person Months)
Total:	\$10,106	
Revenue (source):		(Reserve Funds)
Revenue (source):	\$10,106	(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) City of Woodlake (2016).

PRODUCTS:

1. Lindsay, Sultana, Goshen, Alpaugh and Farmersville are anticipated for FY 2017/18. Also SOI updates for the Cities of Visalia and Tulare are expected to be adopted in 2017/18
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:	\$20,213	(2 Staff Person Months)
Total:	\$20,213	
Revenue (source):	\$	(Reserve Funds)
Revenue (source):	\$12,319	(County & Cities Contribution)
Revenue (source):	\$7,894	(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: Agricultural Land Updates
Public Cemetery District Report

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:	\$10,106	(1.0 Staff Person Month)
Total:	\$10,106	
Revenue (source):		(Reserve Funds)
Revenue (source):	\$10,106	(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 2016/17 as of this date, staff has processed 14 cases (annexations, detachments, sphere of influence amendments and extension of services agreements). In prior years, a separate work element (101.05 Island Annexation Program) was dedicated to the island annexation program which is now incorporated in this element

PRODUCTS: This is an ongoing work element. Staff will continue to process case applications as they are submitted. For fiscal year 2017/18, based on feedback from local agencies, staff is estimating processing 16 cases.

BUDGET:

Estimated staff costs:	\$20,213	(2 Staff Person Months)
Total:	\$20,213	
Revenue (source):		(Reserve Funds)
Revenue (source):	\$	(County & Cities Contribution)
Revenue (source):	\$20,213	(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	\$96,444	\$	\$0	\$96,444
Office Expenses / Fixed Assets	100.02	\$0	\$10,725	\$0	\$0	\$10,725
Training and Travel	100.03	\$0	\$8,912	\$0	\$0	\$8,912
Municipal Service Reviews	101.02	\$50,000	\$10,637	\$0	\$0	\$60,637
Cities & Special District Inventory Update	101.03	\$0	\$10,106	\$0	\$0	\$10,106
Sphere of Influence Updates	101.04	\$0	\$12,319	\$7,894	\$0	\$20,213
Special Projects	101.06	\$0	\$10,106	\$0	\$0	\$10,106
LAFCO Case Processing	102.01	\$0	\$0	\$20,213	\$0	\$20,213
Subtotals	NA	\$0	\$159,249	\$28,107	\$0	\$237,356
Contingency	NA	\$0	\$23,736	\$0	\$0	\$23,736
TOTALS		\$50,000	\$182,985	\$28,107	\$0	\$261,092

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>
2017/18	Lindsay, Farmersville, Goshen, Sultana, Alpaugh	Tulare, Visalia, Lindsay, Farmersville, Goshen, Sultana, Alpaugh		<i>Possible Future Projects</i> <ul style="list-style-type: none"> • District dissolutions • District formations • Incorporation studies, Policy updates, Implementation of MSRs <i>Annual Work Elements</i> <ul style="list-style-type: none"> • Case Processing • SOI Amendments • City-Special Districts Inventory • Special Projects
2018/19	Dinuba, Visalia, Special Districts	Dinuba, Special Districts		
2019/20	Tulare, Porterville, Special Districts	Tulare, Porterville, Special Districts		
2020/21	Exeter, Woodlake, Special Districts	Exeter, Woodlake, Special Districts		
2021/22	Lindsay, Farmersville, Special Districts	Lindsay, Farmersville, Special Districts		
2022/23	Special Districts	Special Districts		

**Special District MSR and SOI updates will be completed based on need and in coordination with County Community Plan updates.*

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

	Object No.	Adopted Budget FY 16/17	As of 5/31/17	Projected Expenses FY 16/17	Proposed Budget FY 17/18
EXPENDITURES					
Services and Supplies					
Board Director's Fees	6008	\$1,000	\$0	\$1,000	\$1,000
Memberships	7027	\$3,323	\$3,323	\$3,323	\$3,556
Office Expenses	7036	\$1,530	\$928	\$1,500	\$1,500
Professional and Specialized	7043	\$400	\$200	\$200	\$200
Publication - Public Hearing Notices	7059	\$1,500	\$1,291	\$1,291	\$1,500
Training	7073	\$3,100	\$3,023	\$3,100	\$3,162
Transportation and Travel	7074	\$5,750	\$2,343	\$5,750	\$5,750
Total Services and Supplies		\$16,603	\$11,108	\$16,164	\$16,668
Other Charges					
I/F Workers Compensation	7043	\$1,761	\$0	\$1,761	\$1,796
I/F Expenses - Property	7043	\$83	\$0	\$83	\$85
I/F Expenses - Special Liability Insurance	7043	\$2,213	\$2,107	\$2,107	\$2,257
I/F ADP Payroll	7036	\$150	\$186	\$285	\$285
Rent	7036	\$16,130	\$10,200	\$11,166	\$11,778
Alarm Services	7036	\$160	\$21	\$160	\$163
Telecom	7036	\$452	\$567	\$650	\$663
Utilities	7036	\$2,101	\$794	\$2,101	\$2,143
Custodial Services	7043	\$1,590	\$564	\$1,590	\$1,590
I/F RMA - Printing	7036	\$500	\$240	\$500	\$500
I/F RMA - Mail	7036	\$1,030	\$532	\$1,000	\$1,000
Total Other Charges		\$26,170	\$15,212	\$21,403	\$22,260
Agency Charges					
County Counsel Charges	7043	\$5,253	\$1,337	\$5,253	\$5,516
Services from Other Dpts.	7066	\$2,575	\$3,562	\$4,000	\$4,000
COWCAP Charges	7066	\$5,000	\$17,306	\$17,306	\$6,000
GIS Services	7043	\$1,000	\$0	\$1,000	\$1,000
Salaries	7066	\$173,250	\$53,041	\$120,000	\$181,913
Total Agency Charges		\$187,078	\$75,246	\$147,559	\$198,428
Contingencies					
	7432	\$22,985	\$0	\$0	\$23,736
TOTAL EXPENDITURES					
		\$252,836	\$101,566	\$185,126	\$261,092
REVENUES					
Other - Government Agency Contributions	5801	\$184,988	\$185,188	\$185,188	\$182,985
Planning and Engineering Services	5421	\$17,849	\$17,679	\$21,155	\$28,107
Prior Year Revenue Accurals Adjustment	5999				
TOTAL REVENUES		\$202,837	\$202,867	\$206,343	\$211,092
NET COST					
		\$50,000	-\$101,301	-\$21,217	\$50,000

2. The work program for fiscal year 2017/18 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 Government Code Section 56381 of the Corteses-Knox-Herzberg Local Government Reorganization Act of 2000.

The foregoing resolution was adopted upon the motion by Commissioner _____, and seconded by Commissioner _____, at a regular meeting held on this 14th day of June 2017, by the following vote:

AYES:

NOES:

ABSTAIN:

PRESENT:

ABSENT:

Ben Giuliani, Executive Officer

si

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. 17-0##

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 Vander Poel recommends an increase of compensation for the LAFCO Executive Officer of 2%, from \$107,184 annually to \$109,328 annually, effective for the first pay period of Fiscal Year 17/18.

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 2% from \$107,184 annually to \$109,328.

2. The effective date of the compensation change is the first pay period of Fiscal Year 17/18.

The foregoing resolution was adopted upon motion of Commissioner zzz, and seconded by Commissioner yyy, at a regular meeting held on this 7th day of June, 2017, by the following vote:

AYES:

NOES:

ABSTAIN:

PRESENT:

ABSENT:

Benjamin Giuliani, Executive Officer

CALAFCO Daily Legislative Report

AB 464 (Gallagher R) Local government reorganization.

Current Text: Amended: 3/14/2017 [Text](#)

Introduced: 2/13/2017

Last Amended: 3/14/2017

Status: 5/24/2017-Referred to Com. on GOV. & F.

Summary: Under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, current law requires that an applicant seeking a change of organization or reorganization submit a plan for providing services within the affected territory that includes, among other requirements, an enumeration and description of the services to be extended to the affected territory and an indication of when those services can feasibly be extended. This bill would specify that the plan is required to also include specific information regarding services currently provided to the affected territory, as applicable, and make related changes.

Position: Sponsor

Subject: Annexation Proceedings

CALAFCO Comments: This bill makes a fix to Gov. Code Sec. 56653 based on the court finding in the case of The City of Patterson v. Turlock Irrigation District. The court found that because the services were already being provided via an out of area service agreement, the application for annexation was deemed incomplete because it was not a new service to be provided. By making the fix in statute, any pending/future annexation for a territory that is already receiving services via an out of area service agreement will not be in jeopardy.

As amended, corrections were made to: 56653(b)(3) reading "proposed" rather than "provided", and in Government Code Section 56857 an exemption added pursuant to Public Utilities Code Section 9608 for territory already receiving electrical service under a service area agreement approved by the Public Utilities Commission pursuant to Public Utilities Code Section 9608.

AB 979 (Lackey R) Local agency formation commissions: district representation.

Current Text: Amended: 5/15/2017 [Text](#)

Introduced: 2/16/2017

Last Amended: 5/15/2017

Status: 5/22/2017-Read third time. Passed. Ordered to the Senate. In Senate. Read first time. To Com. on RLS. for assignment.

Summary: The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 provides for the selection of representatives of independent special districts on each local agency formation commission by an independent special district selection committee pursuant to a nomination and election process. This bill would additionally require the executive officer to call and hold a meeting of the special district selection committee upon the adoption of a resolution of intention by the committee relating to proceedings for representation of independent special districts upon the commission pursuant to specified law.

Position: Sponsor

Subject: CKH General Procedures

CALAFCO Comments: This bill is co-sponsored by CALAFCO and CSDA. As amended, the bill amends code Sec. 56332.5 to streamline the process of seating special districts on LAFCo by mirroring current statute 56332 (the process for electing special district representatives into the special district seats). Keeping the process voluntary, it allows for voting by mail whether or not the district wants to have special districts represented on LAFCo. Further, it will allow for the consolidation of that question with the independent special district selection committee appointment to a countywide redevelopment agency oversight board pursuant to Health and Safety Code 34179 (j)(3).

AB 1725 (Committee on Local Government) Local agency formation.

Current Text: Amended: 5/2/2017 [Text](#)

Introduced: 3/20/2017

Last Amended: 5/2/2017

Status: 5/18/2017-Read third time. Passed. Ordered to the Senate. In Senate. Read first time. To Com. on RLS. for assignment.

Summary: The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 provides the exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts, as specified. The act authorizes a local agency formation commission to establish a schedule of fees and a schedule of service charges for proceedings taken pursuant to the act, as specified. This bill would revise that provision to authorize a local agency formation commission to establish a schedule of fees and a schedule of service charges pursuant to the act.

Position: Sponsor

Subject: CKH General Procedures

CALAFCO Comments: This is the annual Omnibus bill. The bill currently has two items and will be amended soon to include four (4) additional items. The bill makes only minor, non-substantive technical changes to CKH.

SB 37 (Roth D) Local government finance: property tax revenue allocations: vehicle license fee adjustments.

Current Text: Introduced: 12/5/2016 [Text](#)

Introduced: 12/5/2016

Status: 5/26/2017-Failed Deadline pursuant to Rule 61(a)(5). (Last location was APPR. SUSPENSE FILE on 5/25/2017)(May be acted upon Jan 2018)

Summary: Beginning with the 2004–05 fiscal year and for each fiscal year thereafter, existing 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 2017–18 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: This bill is identical to SB 817 (Roth, 2016), SB 25 (Roth, 2015) and SB 69 (Roth, 2014) with the exception of the chaptering out language included in the 2016 version (which addressed the companion bill AB 2277 (Melendez, 2016)). 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 2017/18 year for cities that incorporated between 1-1-2004 and 1-1-2012.

SB 448 (Wieckowski D) Local government: organization: districts.

Current Text: Amended: 5/26/2017 [Text](#)

Introduced: 2/15/2017

Last Amended: 5/26/2017

Status: 5/31/2017-Read third time. Passed. (Ayes 33. Noes 0.) Ordered to the Assembly.

Summary: Current law requires a report of an audit of a special district's accounts and records made by a certified public accountant or public accountant to be filed with the Controller and the county auditor of the county in which the special district is located within 12 months of the end of the fiscal year or years under examination. This bill would require that those audit reports also be filed with the local agency formation commission of either the county in which the special district is located or, if the special district is located in 2 or more counties, with each local agency formation commission within each county in which the district is located until January 1, 2027, and thereafter with the county containing the greatest percentage of the assessed value of taxable property in the district.

Position: Oppose unless amended

Subject: CKH General Procedures

CALAFCO Comments: As amended, this bill authorizes LAFCo to dissolve inactive districts by holding one hearing and without conducting a special study and with the waiver of protest proceedings. The bill creates an "idle" status for districts based on certain criteria, and authorizes LAFCo to dissolve idle

districts under certain conditions.

The bill requires districts to conduct a biennial audit and submit to the State Controller's Office (SCO). The SCO will create a listing of idle districts based on those audits. Idle districts are defined as either: (1) no financial transactions and no revenue in the audit period; OR (2) district failed to submit the audit. The bill also adds a definition of inactive district as outlined in the bill. Once a district has been labeled idle, they have 180 days to file a statement of purpose with the SCO (criteria for content of the statement of purpose also outlined in the bill).

CALAFCO has several concerns with the processes identified in the bill, the location (code section) being used to address these new LAFCo powers, and several other minor technical issues. CALAFCO will work with the author's office and key stakeholders on amendments.

AB 267 (Waldron R) Community services districts.

Current Text: Introduced: 2/1/2017 [Text](#)

Introduced: 2/1/2017

Status: 5/12/2017-Failed Deadline pursuant to Rule 61(a)(3). (Last location was PRINT on 2/1/2017)(May be acted upon Jan 2018)

Summary: Current law provides for the organization and powers of community services districts, including the continuation of any community services district, improvement district of a community services district, or zone of a community services district, that was in existence on January 1, 2006. This bill would make nonsubstantive changes to these provisions.

Position: Watch

CALAFCO Comments: According to the author's office this is a spot bill.

AB 548 (Steinorth R) Omnitrans Transit District.

Current Text: Amended: 4/4/2017 [Text](#)

Introduced: 2/14/2017

Last Amended: 4/4/2017

Status: 4/28/2017-Failed Deadline pursuant to Rule 61(a)(2). (Last location was TRANS. on 3/23/2017)(May be acted upon Jan 2018)

Summary: Would create the Omnitrans Transit District in the County of San Bernardino. The bill would provide that the jurisdiction of the district would initially include the Cities of Chino, Chino Hills, Colton, Fontana, Grand Terrace, Highland, Loma Linda, Montclair, Ontario, Rancho Cucamonga, Redlands, Rialto, San Bernardino, Upland, and Yucaipa, and unspecified portions of the unincorporated areas of the County of San Bernardino. The bill would authorize other cities in the County of San Bernardino to subsequently join the district.

Position: None at this time

CALAFCO Comments: This bill, as amended, appears to dissolve the Omnitrans JPA and form a new independent special district to be known as the Omnitrans Transit District. The formation process does not include LAFCo. CALAFCO is reaching out to the author's office for more details.

AB 577 (Caballero D) Disadvantaged communities.

Current Text: Amended: 3/9/2017 [Text](#)

Introduced: 2/14/2017

Last Amended: 3/9/2017

Status: 4/28/2017-Failed Deadline pursuant to Rule 61(a)(2). (Last location was E.S. & T.M. on 2/27/2017)(May be acted upon Jan 2018)

Summary: Current law defines a disadvantaged community as a community with an annual median household income that is less than 80% of the statewide annual median household income for various purposes, that include, but are not limited to, the Water Quality, Supply, and Infrastructure Improvement Act of 2014, eligibility for certain entities to apply for funds from the State Water Pollution Cleanup and Abatement Account, and authorization for a community revitalization and investment authority to carry out a community revitalization plan. This bill would expand the definition of a disadvantaged community to include a community with an annual per capita income that is less than 80% of the statewide annual per capita income.

Position: Watch

Subject: Disadvantaged Communities

CALAFCO Comments: Sponsored by the Environmental Justice Coalition for Water, this bill is intended to expand the definition of disadvantaged communities to include multi-family households. According to the author's office this will be a two-year bill. CALAFCO will retain a Watch position until any amendments are in print.

AB 645 (Quirk D) Local government: organization: dissolution.

Current Text: Introduced: 2/14/2017 [Text](#)

Introduced: 2/14/2017

Status: 5/12/2017-Failed Deadline pursuant to Rule 61(a)(3). (Last location was L. GOV. on 3/2/2017)(May be acted upon Jan 2018)

Summary: Under current law, if a change of organization consists of a dissolution, the commission is required to order the dissolution subject to confirmation of voters if, among other things, the proposal was not initiated by the commission and if a subject agency has not objected to the proposal, the commission has found that, for an inhabited territory protests have been signed by either 25% of the number of landowners within the affected territory who own at least 25% of the assessed value of land within the territory or 25% of the voters entitled to vote as a result of residing or owning land within the affected territory. This bill would decrease that threshold to 10% of the number of landowners within the affected territory who own at least 25% of the assessed value of land within the territory or 10% of the voters entitled to vote as a result of residing or owning land within the affected territory.

Position: Watch

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

CALAFCO Comments: According to the author's office this is a spot bill pending the outcome of the Alameda LAFCo special study on Eden Healthcare District. Update: The author's office indicates they will hold off moving this bill. CALAFCO will continue to Watch.

AB 892 (Waldron R) Municipal water districts: water service: Indian tribes.

Current Text: Amended: 3/23/2017 [Text](#)

Introduced: 2/16/2017

Last Amended: 3/23/2017

Status: 5/12/2017-Failed Deadline pursuant to Rule 61(a)(3). (Last location was L. GOV. on 3/23/2017)(May be acted upon Jan 2018)

Summary: Current law, upon the request of certain Indian tribes and the satisfaction of certain conditions, requires a district to provide service of water at substantially the same terms applicable to the customers of the district to the Indian tribe's lands that are not within a district, as prescribed. This bill would authorize, rather than require, a district to provide this service of water. The bill would apply this authorization to all Indian tribes whose lands are owned by the tribe.

Position: Watch

Subject: Water

CALAFCO Comments: According to the author's office, this may very well become a two-year bill. The intent of the bill was to make it permissive for an Indian tribe to negotiate directly with a water provider to obtain water services. This would circumvent LAFCo. This bill expands on last year's bill by Gonzalez-Fletcher, AB 2470. The author's office has indicated the bill will not move forward in it's current version. They understand CALAFCO's concerns. CALAFCO will continue to monitor the bill for any amendments and will consider a position if/when amendments are in print.

AB 1728 (Committee on Local Government) Health care districts: board of directors.

Current Text: Introduced: 3/22/2017 [Text](#)

Introduced: 3/22/2017

Status: 5/18/2017-Read third time. Passed. Ordered to the Senate. In Senate. Read first time. To Com. on RLS. for assignment.

Summary: Each health care district has a board of directors with specific duties and powers respecting the creation, administration, and maintenance of the district, including purchasing, receiving, having, taking, holding, leasing, using, and enjoying property. This bill would require the board of directors to adopt an annual budget in a public meeting, on or before September 1 of each year, that conforms to

generally accepted accounting and budgeting procedures for special districts, establish and maintain an Internet Web site that lists contact information for the district, and adopt annual policies for providing assistance or grant funding, if the district provides assistance or grants.

Position: Support

Subject: Other

CALAFCO Comments: As introduced, this bill requires healthcare districts to adopt annual budgets, establish and maintain a website (and prescribes the required site content), and adopt policies for grant funding.

SB 206 (Committee on Governance and Finance) Validations.

Current Text: Introduced: 2/1/2017 [Text](#)

Introduced: 2/1/2017

Status: 5/18/2017-Referred to Com. on L. GOV.

Calendar:

6/14/2017 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVT, AGUIAR-CURRY, Chair

Summary: Would enact the First Validating Act of 2017, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill would declare that it is to take effect immediately as an urgency statute.

Position: Support

Subject: LAFCo Administration

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

SB 207 (Committee on Governance and Finance) Validations.

Current Text: Introduced: 2/1/2017 [Text](#)

Introduced: 2/1/2017

Status: 5/18/2017-Referred to Com. on L. GOV. **Calendar:**

6/14/2017 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVT, AGUIAR-CURRY, Chair

Summary: Would enact the Second Validating Act of 2017, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill would declare that it is to take effect immediately as an urgency statute.

Position: Support

Subject: LAFCo Administration

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

SB 208 (Committee on Governance and Finance) Validations.

Current Text: Introduced: 2/1/2017 [Text](#)

Introduced: 2/1/2017

Status: 5/18/2017-Referred to Com. on L. GOV.

Calendar: 6/14/2017 1:30 p.m. - State Capitol, Rm 447 ASBLY LOCAL GOVT, AGUIAR-CURRY, Chair

Summary: Would enact the Third Validating Act of 2017, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

Position: Support

Subject: LAFCo Administration

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

SB 365 (Dodd D) Regional park and open-space districts: County of Solano.

Current Text: Introduced: 2/14/2017 [Text](#)

Introduced: 2/14/2017

Status: 5/26/2017-Referred to Com. on L. GOV.

Summary: Current law authorizes proceedings for the formation of a regional park and open-space or regional open-space district in specified counties in the state to be initiated by resolution of the county board of supervisors adopted after a noticed hearing, and specifies the contents of the resolution. This bill, in addition, would authorize the formation of a regional district in the County of Solano to be initiated by resolution of the county board of supervisors after a noticed hearing. The bill would specify the contents of the resolution, including the calling of an election, as prescribed.

Position: Oppose

Subject: LAFCo Administration

CALAFCO Comments: This bill calls for the formation of a regional park and open space district which will circumvent the LAFCo formation process. CALAFCO discussed our concerns with the author's office, who has made it clear they will not be considering any potential amendments unless requested by Solano LAFCo. As Solano LAFCo is now formally in support of the bill, it is not likely there will be any amendments.

SB 435 (Dodd D) Williamson Act: payments to local governments.

Current Text: Amended: 5/2/2017 [Text](#)

Introduced: 2/15/2017

Last Amended: 5/2/2017

Status: 5/25/2017-May 25 hearing: Held in committee and under submission.

Summary: Would, under the Williamson act, reduce the amount per acre paid to a city, county, or city and county under these provisions to \$2.50 for prime agricultural land, \$0.50 for all other land devoted to open-space uses of statewide significance, and, for counties that have adopted farmland security zones, \$4 for land that is within, or within 3 miles of the sphere of influence of, each incorporated city.

Position: Support

Subject: Ag Preservation - Williamson

CALAFCO Comments: This bill renews partial subvention funding for the Williamson Act as a fiscal incentive to lift contract moratoria, implements solar use easements and Farmland Security Zone Contracts, and increases subvention funding for counties that adopt conservation planning strategies for agriculturally zoned property that further our state's sustainable community goals.

SB 634 (Wilk R) Santa Clarita Valley Water District.

Current Text: Amended: 5/26/2017 [Text](#)

Introduced: 2/17/2017

Last Amended: 5/26/2017

Status: 5/31/2017-Read third time. Passed. (Ayes 32. Noes 0.) Ordered to the Assembly.

Summary: Current law, the Castaic Lake Water Agency Law, created the Castaic Lake Water Agency and authorizes the agency to acquire water and water rights, including water from the State Water Project, and to provide, sell, and deliver water at wholesale for municipal, industrial, domestic, and other purposes. This bill would repeal the Castaic Lake Water Agency Law. This bill contains other related provisions and other current laws.

Position: Oppose unless amended

Subject: Special District Consolidations

CALAFCO Comments: As amended, this bill consolidates two independent water districts in Los Angeles. The bill was amended to include LAFCo in the process via an application for binding conditions. There are still several minor technical changes that have been requested to the sponsors and author, and CALAFCO will retain our oppose unless amended position until those changes are in print.

SB 693 (Mendoza D) Lower San Gabriel River Recreation and Park District.

Current Text: Introduced: 2/17/2017 [Text](#)

Introduced: 2/17/2017

Status: 5/31/2017-Read third time. Passed. (Ayes 25. Noes 9.) Ordered to the Assembly.

Summary: Would specifically authorize the establishment of the Lower San Gabriel River Recreation and Park District, by petition or resolution submitted to the Los Angeles County Local Agency Formation Commission before January 1, 2020, subject to specified existing laws governing recreation and park districts, including their formation, except as provided. The bill would authorize specified city councils and the Los Angeles County Board of Supervisors to appoint the initial board of directors of the district.

Position: Watch

Subject: LAFCo Administration

CALAFCO Comments: This bill forms the Lower San Gabriel River Recreation and Park District while leaving a majority of the LAFCo process intact. CALAFCO will keep watching to ensure it stays that way.