



TULARE COUNTY LOCAL AGENCY FORMATION COMMISSION

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

COMMISSIONERS:
Rudy Mendoza, Chair
Pete Vander Poel, V-Chair
Julie Allen
Vacant
Dennis Townsend

LAFCO MEETING AGENDA April 3, 2019 @ 2:00 P.M. BOARD OF SUPERVISORS CHAMBERS COUNTY ADMINISTRATIVE BUILDING 2800 West Burrel Avenue Visalia CA 93291

ALTERNATES
Eddie Valero
Carlton Jones
Manny Gomes

EXECUTIVE OFFICER
Ben Giuliani

- I. Call to Order
- II. Approval of Minutes from March 6, 2019 (Pages 1-2)
- III. Public Comment Period

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

IV. New Action Items

- 1. Extraterritorial Service Agreement 2019-001 (Pages 3-24)
[No Public Hearing]Recommended Action: Approval

Tulare County has submitted a request for an extraterritorial service agreement for approximately 47 acres of land to be served by the City of Kingsburg and the Selma-Kingsburg-Fowler County Sanitation District located near the northwest corner of Road 16 and Avenue 396. An Environmental Impact report has been prepared in compliance with CEQA by Tulare County for use in this proposal.

- 2. 2019/2020 Preliminary Budget and Work Program (Pages 25-46)
[Public Hearing]Recommended Action: Approval

Pursuant to GC 56381, the Commission must adopt a proposed budget and work program, for the following fiscal year, by May 1. The Commission must also decide the amount of reserve funds; if any, it would like to apply in order 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.

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. In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting please contact LAFCO Staff at 559-623-0450. Documents related to the items on this Agenda submitted to the Board after distribution of the Agenda packet are available for public inspection at 210 N Church Ste. B Visalia CA 93291

V. Executive Officer's Report

1. Legislative Update (Pages 47-61)

Enclosed is the California Association of Local Agency Formation Commissions (CALAFCO) legislative report.

2. Upcoming Projects (No Page)

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

VI. Correspondence

1. State Water Resources Control Board Notice of Public Hearing (Page 62)

Public Hearing to comment on the potential for Orosi Public Utility District (PUD) to provide water to East Orosi Community Service District (CSD).

VII. Other Business

1. Commissioner Report (No Page)

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

VIII. Setting Time and Place of Next Meeting

1. May 1 @ 2:00 P.M. in the Board of Supervisors Chambers in the County Administration Building.

IX. Adjournment

NOTE: Persons wishing to speak on any of the agenda items who have made a political contribution of more than \$250 to any commissioner in the last twelve months must indicate this when speaking. In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting please contact LAFCO Staff at 559-623-0450. Documents related to the items on this Agenda submitted to the Board after distribution of the Agenda packet are available for public inspection at 210 N Church Ste. B Visalia CA 93291

TULARE COUNTY LOCAL AGENCY FORMATION COMMISSION

**2800 W. Burrel Ave., Visalia, CA 93291 – Tulare County Administrative Building
March 06, 2019 – Meeting Minutes**

Members Present: Mendoza, Vander Poel, Allen, Townsend
Members Absent:
Alternates Present: Gomes
Alternates Absent: Valero, Jones
Staff Present: Giuliani, Ingoldsby, Quintanilla, & Kane recording
Counsel Present: Erickson

I. **Call to Order:** Chair Mendoza called the meeting to order at 2:00 p.m.

II. **Approval of the February 6, 2019 Meeting Minutes:**

Upon motion by Commissioner Vander Poel and seconded by Commissioner Allen, the Commission unanimously approved the LAFCO minutes.

III. **Public Comment Period:**

Chair Mendoza opened/closed the Public Comment Period at 2:02 p.m. No public comments received.

IV. **New Action Items:**

1. **Case 1540-W-24, City of Woodlake Annexation 19-001**

Staff Analyst Ingoldsby presented the proposed annexation to the City of Woodlake, and outlined the recommended actions. Jason Waters, Community Services Director with the City of Woodlake discussed the intent to use the annexed parcel as a storm water retention basin to support water recharge and groundwater sustainability.

Chair Mendoza opened/closed the Public Hearing at 2:05 p.m. No comments received.

Upon motion by Commissioner Allen and seconded by Commissioner Townsend, the Commission unanimously approved the City of Woodlake Annexation as recommended.

2. **Letter of Support for AB 213 (Reyes)**

EO Giuliani stated that the League of California Cities is sponsoring AB 213, which would restore funding for developed annexations. A copy of the proposed support letter was provided for review.

Upon motion by Commissioner Allen and seconded by Commissioner Vander Poel, the Commission unanimously approved the letter of support for AB 213.

V. **Executive Officer's Report**

1. **Legislative Update:**

EO Giuliani reviewed the CALAFCO Legislative Report. The Commission requested additional information regarding SB 414 – Small System Water Authority Act of 2019.

2. **Upcoming Projects:**

EO Giuliani stated that April's meeting would include the preliminary budget for fiscal year 2019/2020. EO Giuliani also noted that an extraterritorial service agreement with the City of Kingsburg and the Selma-Kingsburg-Fowler County Sanitation District would be reviewed.

VI. **Correspondence:**

1. State Water Resources Control Board Letter to East Oroshi
EO Giuliani provided an overview of the letter received from the State Water Resources Control Board, which denied the request from the East Oroshi CSD for a six-month extension to continue negotiations towards voluntary consolidation.

VII. **Other Business:**

1. **Commissioner Report:**

None

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

None

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

The next Local Agency Formation Commission (LAFCO) meeting scheduled for **April 3, 2019 at 2:00 p.m.** in the Board of Supervisors Chambers in the County Administration Building

IX. **Adjournment:** The Tulare County LAFCO meeting adjourned at 2:28 p.m.

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

April 3, 2019

LAFCO Extraterritorial Service Request 19-001

- PROPOSAL:** Extraterritorial Water and Sewer Service Request to serve the Andersen Village Specific Plan and Tentative Map Area
- PROPONENT:** Tulare County
- SIZE:** 47.21 acres
- LOCATION:** Northwest corner of Road 16 and Avenue 396 (**Figure 1**)
- NOTICE:** Notice for this public hearing was provided in accordance with Government Code Section 54954.2(a).
- SUMMARY:** The purpose for the Extraterritorial Service Agreement (ESA) is to serve a 182-unit residential development near the Tulare County/Fresno County boundary line and the City of Kingsburg. Water would be provided by the City of Kingsburg and sewer service would be provided by Selma-Kingsburg-Fowler County Sanitation District (SKF).
- APNs:** 028-140-008, 012, 013, 022 (current APNs – parcels are to be split with the subdivision map)

Proposal:

A request for approval of an Extraterritorial Service Agreement (ESA) setting the terms and conditions for extension of domestic water service from the City of Kingsburg and sewer service by Selma-Kingsburg-Fowler County Sanitation District (SKF). The purpose for the extension of water and sewer services is to allow the development of a 182-unit residential project.

The development is also seeking annexation approval through Fresno LAFCO in the following months into SKF. The ESA for sewer service would allow for the provision of services in the interim. It is anticipated that the annexation will go before the Fresno LAFCO in May or June of this year. Cities are prohibited from crossing county boundaries in California so the ESA for water service from the City of Kingsburg would remain in place.

The area proposed to receive the extraterritorial services is within the sphere of influence of both the City of Kingsburg and SKH.

Agreement

The final service agreements were approved by the County of Tulare on March 26th. A will serve letter has been provided by SKF. A final signed copy will be provided as a condition of approval.

Type of Review Required

The development is partially within Tulare County and partially within Fresno County. Extraterritorial Service Agreement requests are processed by the county receiving the new service, making Tulare County the principal county for this request.

Tulare County LAFCO policy allows the Executive Officer to approve or deny proposals to extend services beyond their jurisdictional boundaries for services extending to existing development. Since this proposal is for new development it must come before the Commission.

Environmental Impacts

An Environmental Impact Report (SCH# 2016091017) has been prepared by Tulare County Resource Management Agency for use in this project. Tulare County as the lead agency has found the environmental document to be adequate for the extension of the service agreement and has determined that the project will not have a significant adverse impact on the environment.

RECOMMENDED ACTIONS:

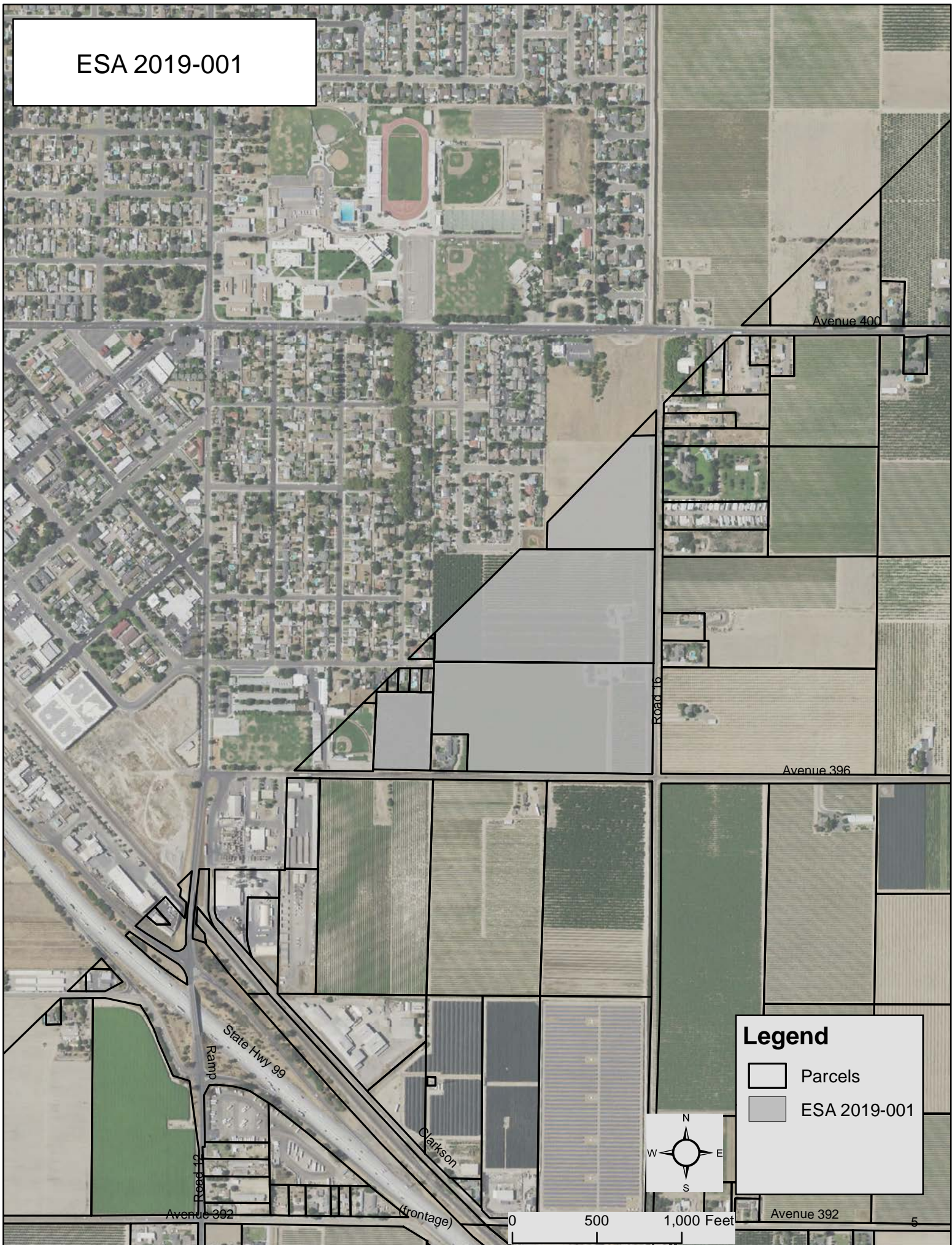
It is recommended that this proposal be approved and that the Commission take the following actions:

1. Find that the Environmental Impact Report prepared by Tulare County for this project is adequate and determine that the project will not have a significant adverse impact on the environment.
2. Approve the proposed extraterritorial service agreement subject to the following conditions of approval:
 - a. The applicant shall provide a signed copy of the service agreement between the City of Kingsburg and Tulare County for the provision of domestic water.
 - b. The applicant shall provide a signed copy of the service agreement between SKH and Tulare County for the provision of sewer service.

Attachments:

- | | |
|----------|--------------------|
| Figure 1 | Site Location Map |
| Figure 2 | Resolution |
| Figure 3 | Service Agreements |

ESA 2019-001



Avenue 400

Avenue 396

Avenue 392

Avenue 392



0 500 1,000 Feet

Legend

-  Parcels
-  ESA 2019-001

Clarkson

(frontage)

Ramp

State Hwy 99

Road 42

BEFORE THE LOCAL AGENCY FORMATION COMMISSION

OF THE

COUNTY OF TULARE, STATE OF CALIFORNIA

In the Matter of the Proposed Extraterritorial Service)
Agreement between the County of Tulare, the City)
of Kingsburg, and the Selma-Kingsburg-Fowler County) **RESOLUTION NO. 19-XX**
Sanitation District., ESA 2019-001)

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

WHEREAS, this Commission has read and considered the 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 April 3, 2019 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 County of Tulare, as Lead Agency, prepared and filed an Environmental Impact Report (SCH#2016091017) in compliance with the California Environmental Quality Act (CEQA). And finds that the Commission has reviewed and considered the Environmental Impact Report prepared by the County of Tulare for this project and determines the project will not have a significant adverse impact on the environment.

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:

XXXXXXXXXX

XXXXXXXXXX

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

5. Based upon the evidence and information on the record before it and the findings, the Commission hereby determines extension of water service from the City of Kingsburg and sewer service from the Selma-Kingsburg-Fowler County Sanitation District is consistent with the Government Code Section 56133

6. The proposed extraterritorial service agreement described in Exhibit "A" attached hereto is hereby approved subject to the following conditions:

a. The applicant shall provide a signed copy of the service agreement between the City of Kingsburg and Tulare County for the provision of domestic water.

b. The applicant shall provide a signed copy of the service agreement between the Selma-Kingsburg-Fowler County Sanitation District and Tulare County for the provision of sewer service.

7. 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 motion of Commissioner _____, seconded by Commissioner _____, at a regular meeting held on this 3rd day of April, 2019 by the following vote:

AYES:

NOES:

ABSTAIN:

PRESENT:

ABSENT:

Ben Giuliani, Executive Officer

si

Recording Requested By

County of Tulare

When Recorded Mail To:

County of Tulare
Resource Management Agency
5961 South Mooney Blvd.
Visalia, CA 93277-9394

(Space Above This Line for Recorder's Use)

EXTRA-TERRITORIAL SEWER SERVICE AGREEMENT

THIS EXTRA-TERRITORIAL SEWER SERVICE AGREEMENT ("Agreement") is made and entered into this 7th day of March, 2019, by and between Selma-Kingsburg- Fowler County Sanitation District ("DISTRICT"), the County of Tulare, ("County"), Presidio JJR Summerlin 123, LLC, a Delaware Limited Liability Company ("Owner"), and Steven Cecil Hash and Elizabeth McNalley Shafer, Trustees of the Hash/Shafer 2016 Revocable Trust dated March 24, 2016 ("Owner").

RECITALS

A. Owner owns certain real property located in Tulare County, California and comprising approximately 47.21+/- acres and having an Assessor's Parcel Number 028-140-012, 013, and 022, and commonly known as Andersen Village Tract Map, Kingsburg, California and more particularly described in Exhibit "A" which is attached hereto and made a part hereof ("Owner's Property"). Located upon Owner's Property is a residential housing tract. Owner's Property is located approximately 1,200 feet from DISTRICT's limit boundary.

B. DISTRICT has entered into an agreement with Tulare County to provide municipal services for the residential tract. Owner has requested that it receive DISTRICT service to Owner's Property. DISTRICT is willing to provide sewer service to Owner's Property so long as Owner installs all infrastructure needed to provide DISTRICT sewer service to the Owner's Property and Owner agrees to install said infrastructure in accordance with the DISTRICT'S construction standards, policies, rules and regulations and the provisions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto, agree as follows:

1. Connection to DISTRICT System. Owners jointly and severally represent and warrant to DISTRICT and County that:

Upon Owner's full and complete performance of all of its obligations and responsibilities under this Agreement, DISTRICT agrees to provide Owner's Property with sewerage from the DISTRICT's sewer system. DISTRICT's obligation to provide Owner's Property with sewer from the DISTRICT's system is conditioned upon the County agreeing with DISTRICT and the Owner in obtaining the consent of all applicable governmental agencies including, without limitation, approval of this Agreement by Tulare LAFCo and obtaining all consents from Tulare County, including, without limitation obtaining the necessary encroachment permits from Tulare County to install a sewer pipeline and related fixtures within Tulare County Right of Way into Owner's Property.

The DISTRICT does not guarantee that the extension of the sewer line to the Owners property will yield any specific volume of sewer or provide any specific sewer pressure under static or demand scenarios. The Owner assumes full responsibility to determine the adequacy of the sewer line extension for the purposes for which it is proposed and holds harmless, defends and indemnifies the DISTRICT for any damages that occur due to insufficient sewer flow or pressure from the DISTRICT's system.

2. **Construction and Installation of Sewer Service to Owners' Property.** Owner shall, at his sole cost and expense, construct and install the sewer pipeline and related infrastructure necessary to transport sewer from the DISTRICT's municipal sewer system to Owner's Property ("New Sewer System"). Owner shall construct and install the New Sewer System only in accordance with plans and specifications approved by the DISTRICT and only in the locations identified on Exhibit "B" which is attached hereto and made a part hereof. Owner shall complete construction and installation of the improvements on or before December, 31, 2019 ("Completion Date"). Should Owner fail to complete the construction and installation of the New Sewer System on or before the Completion Date, DISTRICT shall have the right, but not the obligation, to complete the construction and installation of the New Sewer System. Should DISTRICT elect to complete the construction and installation of the New Sewer System, Owner shall reimburse DISTRICT and all fees, costs and expenses incurred by DISTRICT to complete the construction and installation of the New Sewer System within ten (10) days of the date after invoice from DISTRICT.

Owner shall recognize the City of Kingsburg DISTRICT Engineer and Kingsburg Public Works Department as authorities in regard to design and construction inspection of the sewer infrastructure and shall construct the line to the DISTRICT's satisfaction, including correcting any and all deficiencies identified by DISTRICT staff. This shall not relieve the Owner for the obligations assumed under the provision of the required County Encroachment Permit.

3. **Maintenance and Repair of New Sewer System.** Until the New System is dedicated to DISTRICT, Owner shall, at its sole cost and expense, maintain, repair and replace the New Sewer System for a period of 12 months after the improvements are deemed complete by the DISTRICT Engineer. Owner's obligation to maintain, repair and replace the New Sewer System shall include, without limitation, any maintenance, repair, replacement or modification of the New Sewer System that may be required by the DISTRICT. Should Owner fail to maintain, repair and replace the New Sewer System as required by this Paragraph 3, DISTRICT shall

have the right, but not the obligation, to maintain, repair and replace the New Sewer System. Should the DISTRICT elect to maintain, repair and replace the New Sewer System, Owner shall reimburse DISTRICT and all fees, costs and expenses incurred by DISTRICT to maintain, repair and replace the New Sewer System within ten (10) days after the date of invoice from DISTRICT.

4. **Continuing Obligations and Responsibilities of Owners.** Owner agrees to pay to DISTRICT and the County any and all fees for service supplied by DISTRICT to Owner's Property. Owner agrees to maintain his DISTRICT account with DISTRICT in a current status. Owner acknowledges and agrees that should his sewer service account with the DISTRICT become 60 days delinquent, DISTRICT shall have the right, at the DISTRICT's sole option, to discontinue sewer service to Owner's Property.

5. **Consent to Annexation.** In further consideration of the DISTRICT's agreement to provide sewer from the DISTRICT's system to Owner's Property in accordance with the provisions of this Agreement, Owner agrees: (i) not to oppose or protest, in any way, the annexation of Owner's Property to the DISTRICT and to pay Owner's share of all applicable fees and charges DISTRICT or the County may require at the time of annexation of Owner's Property to the DISTRICT; and (ii) after annexation of Owner's Property into DISTRICT upon request by the County and at no cost to the County, dedicate to the DISTRICT the entire New Sewer System and any right of way along the frontage of Owner's Property where the DISTRICT's System is located and to the extent required by the applicable City / County street plans and improvement standards existing at the time of annexation of Owner's Property into the DISTRICT.

6. **Covenants Running with the Land.** Owner acknowledges and agrees that all of Owner's covenants, agreements, promises, representations and warranties as set forth in this Agreement are covenants running with Owner's Property as defined in the applicable provisions of Sections 1457, et seq. of the California Civil Code. Owner's covenants, agreements, promises, representations and warranties as contained in this Agreement, shall run with Owner's Property and shall be binding on Owner and Owner's successors and assigns and all parties and persons claiming under them.

7. **Successors and Assigns.** The covenants and agreements contained in this Agreement shall be binding upon and shall inure to the benefit of the heirs, successors and assigns of the parties hereto. Owner may not assign its rights and/or obligations under this Agreement without the prior written consent of DISTRICT, which consent shall not be unreasonably withheld. Any such consent by the DISTRICT shall not, in any way, relieve Owner of its obligations and responsibilities under this Agreement.

8. **Attorneys' Fees.** If an action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees, costs and necessary disbursements in addition to any other reasonable relief to which he may be entitled. With respect to any suit, action or proceeding arising out of or related to this Agreement, or the documentation related hereto, the parties hereby submit to the jurisdiction and venue of the Superior Court in the County of Fresno, State of California for any proceeding arising hereunder.

The parties hereto understand and agree that Owner's Property and the covenants, agreements, promises, representations and warranties of Owner which run with the land are unique and for that reason, among others, County will be irreparably harmed in the event that this Agreement and Owner's obligations under this Agreement are not specifically enforced and damages will be an inadequate remedy to DISTRICT. Accordingly, in the event of any breach or default of any term or condition of this Agreement by Owner, DISTRICT shall have, in addition to any other remedies or claim for damages for such breach or default, and in addition to and without prejudice to any other rights or remedies available at law or in equity, the right to demand and to receive specific performance of all of Owner's obligations and responsibilities under this Agreement.

9. **Sole and Only Agreement.** This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the matters set forth herein and contains all of the covenants and agreements between the parties regarding said matters. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or in writing, have been made by any party or anyone acting on behalf of any party which are not embodied in this Agreement and no other agreement, statement or promise shall be valid or binding.

10. **Invalidity.** If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force and effect without being impaired or invalidated in any way.

11. **Amendment.** No change, amendment or modification of this Agreement shall be valid unless the same be in writing and signed by the parties hereto.

12. **Governing Law.** This Agreement shall be construed and governed pursuant to the laws of the State of California.

IN WITNESS WHEREOF, the parties have executed this Agreement effective on the day and in the year first set forth above.

"County"

THE County of Tulare
a State of California County

By: _____
Kuyler Crocker, Chairman
Board of Supervisors

"DISTRICT"

A State of California Sanitation District

By: _____
Ben Muñoz, Jr.
General Manager

"OWNER"

Presidio JJR Summerlin 123, LLC, a Delaware
Limited Liability Company
BY: JJR Management Services, Inc., a California
Corporation
Its: Operating Manager



Joseph A. Leal, President

"OWNER"

The Hash/Shafer 2016 Revocable Trust

Steven Cecil Hash, Trustee

Elizabeth McNalley Shafer, Trustee

EXHIBIT "A"

PARCEL A

A portion of Lot 3 of the Kingsburg Colony Lots (Tulare County) recorded in Volume 5 of Maps, at Page 312, of Tulare County Records, located in the Northeast quarter of Section 26, Township 16 South, Range 22 East, Mount Diablo Base and Meridian, in the County of Tulare, State of California, described as follows;

Beginning at the Southeast corner of said Lot 3, said point also being the East quarter corner of said Section 26;

Thence North 89°22'32" West, along the South line of said Lot 3, a distance of 1324.38 feet, to the Southwest corner of said Lot 3,

Thence North 00°29'01" East, along the West line of said Lot 3, a distance of 20.00 feet, to a line parallel with and 20.00 feet North of said South line;

Thence South 89°22'32" East, along said parallel line, 208.71 feet to a line parallel with and 208.71 feet East of said West line;

Thence North 00°29'01" East, along said parallel line 208.71 feet, to a line parallel with said South line;

Thence South 89°22'32" East, along said parallel line 11.31 feet;

Thence South 44°22'32" East, 29.29 feet, to a line parallel with and 208.00 feet North of said South line;

Thence South 89°22'32" East, along said parallel line 140.27 feet;

Thence South 67°26'54" East, 74.98 feet, to a line parallel with and 180.00 feet North of said South line;

Thence South 89°22'32" East, along said parallel line 874.00 feet, to the East line of said Lot 3 and the East line of said Northeast quarter;

Thence South 00°30'13 West, along said East lines, 180.00 feet to the Point of Beginning.

PARCEL B

That portion of Lot 4, in the unincorporated areas of Fresno and Tulare Counties, State of California according to the following maps: Kingsburg Colony Lots (Fresno County), recorded May 21, 1889, in Book 4, Page 33 of Maps, in the office of the County Recorder of Fresno County; Kingsburg Colony Lots (Tulare County), recorded March 18, 1918 in Book 8, Page 33 of Maps, in the office of the County recorder of Fresno County; and Plat of Kingsburg Colony Lots (Tulare County), recorded June 7, 1889, in Book 5, Page 31 of Maps, in the County Recorder of Tulare County, lying South of a line that begins at a point in the East line of Section 26, Township 16 South, Range 22 East, Mount Diablo Base and Meridian, distant 660.40 feet Southerly of the Northeast corner of Section 26 and bears Westerly 662.25 feet, more or less, to terminate at a point in the West line of said Lot 4, distant 660.16 feet Southerly of the North line of said Section 26.

TOGETHER WITH, that portion of Lots 3 and 17 of Kingsburg Colony Lots (Fresno County), recorded May 21, 1889, in Book 4, Page 33 of Maps, in the office of the County Recorder of Fresno County; Kingsburg Colony Lots (Tulare County), recorded March 18, 1918 in Book 8, Page 33 of Maps, in the office of the County recorder of Fresno County; and Plat of Kingsburg Colony Lots (Tulare County), recorded June 7,

1889, in Book 5, Page 31 of Maps, in the County Recorder of Tulare County of the Northeast quarter of Section 26, Township 16 South, Range 22 East, Mount Diablo Base and Meridian, in the Counties of Fresno and Tulare, State of California, described as follows;

Commencing at the Southeast corner of said Lot 3, said point also being the East quarter corner of said Section 26;

Thence North 00°30'13" East, along the East line of said Lot 3, a distance of 180.00 feet to a line parallel with and 180.00 feet North of the South line of said Lot 3, and the TRUE POINT OF BEGINNING;

Thence North 89°22'32" West, along said parallel line 339.00 feet, to a line parallel with and 339.00 feet West of the East line of said East line;

Thence North 00°30'13" East, along said parallel line, 119.95 feet;

Thence South 89°29'47" East, 2.50 feet, to a line parallel with and 336.50 feet West of the East line of said East line;

Thence North 00°30'13" East, along said parallel line, 174.00 feet;

Thence South 89°29'47" East, 2.00 feet, to a line parallel with and 334.50 feet West of the East line of said East line;

Thence North 00°30'13" East, along said parallel line, 120.00 feet;

Thence South 89°29'47" East, 38.00 feet, to a line parallel with and 296.50 feet West of the East line of said East line;

Thence North 00°30'13" East, along said parallel line, 174.00 feet;

Thence North 89°29'47" West, 535.53 feet;

Thence North 66°44'40" West, 118.70 feet;

Thence North 00°29'01" East, 198.61 feet;

Thence southeasterly 21.06 feet, along a non-tangent curve, concave to the Southwest, with a radius of 300.00 feet, a central angle of 04°01'19", and a beginning radial which bears North 13°18'16" East;

Thence North 17°19'35" East, 54.00 feet;

Thence North 00°29'01" East, 80.19 feet;

Thence North 89°30'59" West, 342.30 feet, to the West line of said Lot 17 of Kingsburg Colony Lots (Fresno County);

Thence North 00°29'01" East, along said West line, 183.19 feet, to the Northwest corner of said Lot 17;

Thence South 89°26'14" East, along the North line of said Lot 17, a distance of 1324.84 feet, to the Northeast corner of said Lot 17;

Thence South 00°30'13" West, along the East line of said Lots 3 and 17, a distance of 1141.35 feet, to the TRUE POINT OF BEGINNING;

PARCEL C

A portion of Lots 3 and 17 of Kingsburg Colony Lots (Fresno County), recorded May 21, 1889, in Book 4, Page 33 of Maps, in the office of the County Recorder of Fresno County; Kingsburg Colony Lots (Tulare County), recorded March 18, 1918 in Book 8, Page 33 of Maps, in the office of the County recorder of Fresno County; and Plat of Kingsburg Colony Lots (Tulare County), recorded June 7, 1889, in Book 5, Page 31 of Maps, in the County Recorder of Tulare County of the Northeast quarter of Section 26,

Township 16 South, Range 22 East, Mount Diablo Base and Meridian, in the Counties of Fresno and Tulare, State of California, described as follows;

Commencing at the Southeast corner of said Lot 3, said point also being the East quarter corner of said Section 26;

Thence North 00°30'13" East, along the East line of said Lot 3, a distance of 180.00 feet to a line parallel with and 180.00 feet North of the South line of said Lot 3;

Thence North 89°22'32" West, along said parallel line 339.00 feet, to a line parallel with and 339.00 feet West of the East line of said East line, and the TRUE POINT OF BEGINNING;

Thence North 00°30'13" East, along said parallel line, 119.95 feet;

Thence South 89°29'47" East, 2.50 feet, to a line parallel with and 336.50 feet West of the East line of said East line;

Thence North 00°30'13" East, along said parallel line, 174.00 feet;

Thence South 89°29'47" East, 2.00 feet, to a line parallel with and 334.50 feet West of the East line of said East line;

Thence North 00°30'13" East, along said parallel line, 120.00 feet;

Thence South 89°29'47" East, 38.00 feet, to a line parallel with and 296.50 feet West of the East line of said East line;

Thence North 00°30'13" East, along said parallel line, 174.00 feet;

Thence North 89°29'47" West, 535.53 feet;

Thence North 66°44'40" West, 118.70 feet;

Thence North 00°29'01" East, 198.61 feet;

Thence southeasterly 21.06 feet, along a non-tangent curve, concave to the Southwest, with a radius of 300.00 feet, a central angle of 04°01'19", and a beginning radial which bears North 13°18'16" East;

Thence North 17°19'35" East, 54.00 feet;

Thence North 00°29'01" East, 80.19 feet;

Thence North 89°30'59" West, 342.30 feet, to the West line of said Lot 17 of Kingsburg Colony Lots (Fresno County);

Thence South 00°29'01" West, along the West line of said Lot 17 and Lot 3, a distance of 908.02 feet, to a line parallel with the South line of said Lot 3;

Thence South 89°22'32" East, along said parallel line 220.02 feet;

Thence South 44°22'32" East, 29.29 feet, to a line parallel with and 208.00 feet North of said South line;

Thence South 89°22'32" East, along said parallel line 140.27 feet;

Thence South 67°26'54" East, 74.98 feet, to a line parallel with and 180.00 feet North of said South line;

Thence South 89°22'32" East, along said parallel line 535.00 feet, to the TRUE POINT OF BEGINNING;



ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

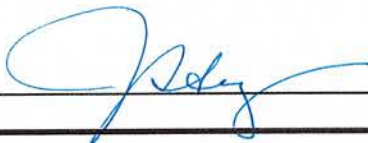
State of California
County of TULARE

On MARCH 7, 2019 before me, J. STURGEON, NOTARY PUBLIC
(insert name and title of the officer)

personally appeared JOSEPH A. LEAL
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature  (Seal)



Attachment “B”

City of Kingsburg Extra-Territorial Water Service Agreement

Recording Requested By

CITY OF KINGSBURG

When Recorded Mail To:

**City of Kingsburg
1401 Draper Street
Kingsburg, CA 93631**

(Space Above This Line for Recorder's Use)

EXTRA-TERRITORIAL WATER SERVICE AGREEMENT

THIS EXTRA-TERRITORIAL WATER SERVICE AGREEMENT ("Agreement") is made and entered into this ____ day of February, 2019, by and between THE CITY OF KINGSBURG, a Charter City and municipal corporation ("City"), and _____ ("Owner").

RECITALS

A. Owner owns certain real property located in Tulare County, California and comprising approximately 54+/- acres and having an Assessor's Parcel Number 028-140-007, 012, 013, 018, and 022 and commonly known as Tract Map , Kingsburg, California and more particularly described in Exhibit "A" which is attached hereto and made a part hereof ("Owner's Property"). Located upon Owner's Property is a residential housing tract. Owner's Property is located approximately 1,200 feet from City's city limit boundary.

B. City has entered into an agreement with Tulare County to provide municipal services for the residential tract. Owner has requested that it receive City water service to Owner's Property. City is willing to provide water service to Owner's Property so long as Owner installs all infrastructure needed to provide City water service to the Owner's Property and Owner agrees to install said infrastructure in accordance with the provisions of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereto, agree as follows:

1. **Connection to City's Municipal Water System.** Owners jointly and severally represent and warrant to City that:

Upon Owner's full and complete performance of all of Owner's obligations and responsibilities under this Agreement, City agrees to provide Owner's Property with water from the City's municipal water system. City's obligation to provide Owner's Property with water from the City's municipal water system is conditioned upon City and Owner obtaining the consent of

all applicable governmental agencies including, without limitation, approval of this Agreement by Tulare LAFCo and obtaining all consents from Tulare County including, without limitation obtaining the necessary encroachment permits from Tulare County to install a water pipeline and related fixtures within Tulare County Right of Way into Owner's Property.

The City does not guarantee that the extension of the waterline to the Owners property will yield any specific volume of water or provide any specific water pressure under static or demand scenarios. The Owner assumes full responsibility to determine the adequacy of the waterline extension for the purposes for which it is proposed and holds harmless and indemnifies the City for any damages that occur due to insufficient water flow or pressure from the City's system.

2. **Construction and Installation of Water Service to Owners' Property.** Owner shall, at his sole cost and expense, construct and install the water pipeline and related fixtures necessary to transport water from the City's municipal water system to Owner's Property ("New Water System"). Owner shall construct and install the New Water System only in accordance with plans and specifications approved by the City and only in the locations identified on Exhibit "B" which is attached hereto and made a part hereof. Owner shall complete construction and installation of the improvements on or before December, 31, 2019 ("Completion Date"). Should Owner fail to complete the construction and installation of the New Water System on or before the Completion Date, City shall have the right, but not the obligation, to complete the construction and installation of the New Water System. Should City elect to complete the construction and installation of the New Water System, Owner shall reimburse City and all fees, costs and expenses incurred by City to complete the construction and installation of the New Water System within ten (10) days of the date after invoice from City.

Owner shall recognize the Kingsburg City Engineer and Kingsburg Public Works Department as authorities in regards to design and construction inspection of the waterline and shall construct the line to the City's satisfaction, including correcting any and all deficiencies identified by City staff. This shall not relieve the Owner for the obligations assumed under the provision of the required County Encroachment Permit.

3. **Maintenance and Repair of New Water System.** Until the New Water System is dedicated to the City, Owner shall, at its sole cost and expense, maintain, repair and replace the New Water System for a period of 12 months after the improvements are deemed complete by the City Engineer. Owner's obligation to maintain, repair and replace the New Water System shall include, without limitation, any maintenance, repair, replacement or modification of the New Water System that may be required by the City. Should Owner fail to maintain, repair and replace the New Water System as required by this Paragraph 3, City shall have the right, but not the obligation, to maintain, repair and replace the New Water System. Should City elect to maintain, repair and replace the New Water System, Owner shall reimburse City and all fees, costs and expenses incurred by City to maintain, repair and replace the New Water System within ten (10) days after the date of invoice from City.

4. **Continuing Obligations and Responsibilities of Owners.** Owner agrees to pay to City any and all fees for water service supplied by City to Owner's Property. Owner

agrees to maintain his water service account with the City in a current status. Owner acknowledges and agrees that should his water service account with the City become 60 days delinquent, City shall have the right, at the City's sole option, to discontinue water service to Owner's Property.

5. **Consent to Annexation.** In further consideration of the City's agreement to provide water from the City's municipal water system to Owner's Property in accordance with the provisions of this Agreement, Owner agrees: (i) not to oppose or protest, in any way, the annexation of Owner's Property to the City and to pay Owner's share of all applicable fees and charges the City or any other governmental agency may require at the time of annexation of Owner's Property to the City; and (ii) after annexation of Owner's Property into the City upon request by the City and at no cost to the City, dedicate to the City the entire New Water System and any right of way along the frontage of Owner's Property where the New Water System is located and to the extent required by the applicable City street plans and improvement standards existing at the time of annexation of Owner's Property into the City.

6. **Covenants Running with the Land.** Owner acknowledges and agrees that all of Owner's covenants, agreements, promises, representations and warranties as set forth in this Agreement are covenants running with Owner's Property as defined in the applicable provisions of Sections 1457, et seq. of the California Civil Code. Owner's covenants, agreements, promises, representations and warranties as contained in this Agreement, shall run with Owner's Property and shall be binding on Owner and Owner's successors and assigns and all parties and persons claiming under them.

7. **Successors and Assigns.** The covenants and agreements contained in this Agreement shall be binding upon and shall inure to the benefit of the heirs, successors and assigns of the parties hereto. Owner may not assign its rights and/or obligations under this Agreement without the prior written consent of City, which consent shall not be unreasonably withheld. Any such consent by the City shall not, in any way, relieve Owner of its obligations and responsibilities under this Agreement.

8. **Attorneys' Fees.** If an action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees, costs and necessary disbursements in addition to any other reasonable relief to which he may be entitled. With respect to any suit, action or proceeding arising out of or related to this Agreement, or the documentation related hereto, the parties hereby submit to the jurisdiction and venue of the Superior Court in the County of Fresno, State of California for any proceeding arising hereunder.

The parties hereto understand and agree that Owner's Property and the covenants, agreements, promises, representations and warranties of Owner which run with the land are unique and for that reason, among others, City will be irreparably harmed in the event that this Agreement and Owner's obligations under this Agreement are not specifically enforced and damages will be an inadequate remedy to City. Accordingly, in the event of any breach or default of any term or condition of this Agreement by Owner, City shall have, in addition to any other remedies or claim for damages for such breach or default, and in addition to and without prejudice

to any other rights or remedies available at law or in equity, the right to demand and to receive specific performance of all of Owner's obligations and responsibilities under this Agreement.

9. **Sole and Only Agreement.** This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the matters set forth herein and contains all of the covenants and agreements between the parties regarding said matters. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or in writing, have been made by any party or anyone acting on behalf of any party which are not embodied in this Agreement and no other agreement, statement or promise shall be valid or binding.

10. **Invalidity.** If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force and effect without being impaired or invalidated in any way.

11. **Amendment.** No change, amendment or modification of this Agreement shall be valid unless the same be in writing and signed by the parties hereto.

12. **Governing Law.** This Agreement shall be construed and governed pursuant to the laws of the State of California.

IN WITNESS WHEREOF, the parties have executed this Agreement effective on the day and in the year first set forth above.

"CITY"

THE CITY OF KINGSBURG,
a Charter City of the State of California

By: _____
Alexander Henderson, City Manager

"OWNER"

San Joaquin Valley Homes

STATE OF CALIFORNIA)
) ss.
COUNTY OF TULARE)

On _____, 2019, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature_____

(Seal)

STATE OF CALIFORNIA)
) ss.
COUNTY OF TULARE)

On _____, 2019, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

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Signature_____

(Seal)

STATE OF CALIFORNIA)
) ss.
COUNTY OF TULARE)

On _____, 2019, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

(Seal)



**TULARE COUNTY
LOCAL AGENCY FORMATION COMMISSION**

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

COMMISSIONERS:

*Rudy Mendoza Chair
Pete Vander Poel, V-Chair
Julie Allen
Vacant
Dennis Townsend*

ALTERNATES:

*Eddie Valero
Carlton Jones
Manny Gomes*

EXECUTIVE OFFICER:

Ben Giuliani

April 3, 2019

TO: LAFCO Commissioners, Alternates, Counsel,
and Executive Officer

FROM: Steven Ingoldsby, LAFCO Staff Analyst

SUBJECT: FY 2019/20 Preliminary Budget and Work Program

Enclosed for your review are the Fiscal Year 2019/20 Preliminary Budget and Work Program. LAFCO is required to adopt its preliminary budget by May 1st and its final budget by June 15th of each year.

BUDGET 794

REVENUES

5801 Income from Other Agencies - \$234,222 is the amount estimated for FY 2019/20 as income from eight cities and the County as required by Government Code Section 56381. For 2018/19, \$50,000 of reserve funds was used to help offset the contribution amount from the cities and the County. It is estimated that there will be approximately \$173,000 in available reserve funds at the end of FY 2018/19.

The Commission may wish to again use the reserve funds to offset some of the cost to the cities and County in FY 2019/20. Attached is a spreadsheet showing different contribution scenarios utilizing different amounts of surplus funds. The \$50,000 scenario would leave contribution levels similar to FY 2019/20.

5421 Planning and Engineering Services – Staff anticipates two new cases to be submitted by the end of this fiscal year (June 15). The total estimated revenue for FY2018/19 is \$18,150. For fiscal year 2019/20, based on feedback from city and district staff, staff has estimated a total estimated revenue of \$34,760.

EXPENDITURES- Services and Supplies

6008 Director's Fees - \$1,000 is budgeted for reimbursing the public member and alternate public member for expenses incurred as a result of attending monthly LAFCO meetings. For FY 2019/20, no expense claims have been submitted yet.

Estimated expenditure for current FY - \$1,000.

7027 Memberships – The CALAFCO membership fees are set by the CALAFCO board. \$4,254 is budgeted for FY 2019/20.

Estimated expenditure for current FY - \$3,659

7036 Office Expenses - \$1,200 was allocated for office supplies and other office equipment expenses in FY 2018/19. \$1,200 is budgeted for FY 2019/20.

Estimated expenditure for current FY - \$943

7043 Professional and Specialized Services – \$200 is budgeted for FY 2019/20. These are funds used to contract with outside vendors, such as professional services (County Auditor) or consultants. The need for consultant services is likely to remain low in FY 2019/20 as the reduced projected workload is expected to continue.

Estimated expenditure for current FY - \$200

7059 Publications and Notices – Savings for newspaper notices have been found by advertising public meetings in the Foothills Sun Gazette. \$2,000 is budgeted for FY 2019/20.

Estimated expenditure for current FY - \$1,700

7073 Staff and Commission Member Training – Training costs of \$3,289 are proposed for FY 2019/20 to cover registration expenses for attending the annual CALAFCO Conference, Executive Officers Workshop and Staff Conference, and other conferences and workshops. The estimated expenditures will include the possible attendance of 2 staff persons and 2 Commissioners for the LAFCO conference and 4 staff members for the LAFCO workshop and other conferences and workshops commissioners and/or staff may attend.

Estimated expenditure for current FY - \$3,225

7074 Staff and Commission Transportation / Travel – Transportation/Travel costs of \$5,750 are proposed for FY 2019/20 to accommodate travel by staff and Commission members to and from the various LAFCO related conferences and workshops. The funds in this budget line are used for lodging, meal, and mileage costs incurred by attending the various events. To date approximately \$1,432 has been spent on transportation and travel. In April staff members will attend the CALAFCO staff workshop.

Estimated expenditure for current FY - \$5,750

Expenditures – Other Charges

7043 Worker's Compensation – A total of \$1,869 has been budgeted for FY 2019/20 to cover expenses for worker's compensation.

Estimated expenditure for current FY - \$1,832

7043 Property – \$89 is proposed for FY 2019/20.

Estimated expenditure for current FY - \$87

7043 Liability Insurance – A total of \$2,302 has been budgeted for FY 2019/20 to cover expenses for general liability insurance.

Estimated expenditure for current FY - \$2,167

7036 ADP Payroll – A total of \$285 has been budgeted for FY 2019/20.

Estimated expenditure for current FY - \$271

7036 Rent – A total of \$12,496 has been budgeted for FY 2019/20.

Estimated expenditure for current FY - \$12,132

7036 Alarm Services – A total of \$100 has been budgeted for FY 2019/20.

Estimated expenditure for current FY - \$21

7036 Telecomm – A total of \$968 has been budgeted for FY 2019/20 to cover expenses for telephone service.

Estimated expenditure for current FY - \$817

7036 Utilities -\$2,230 is budgeted for utility expenses for FY 2019/20.

Estimated expenditure for current FY - \$1,992

7043 Custodial- \$642 is budgeted for custodial services during FY 2019/20.

Estimated expenditure for current FY - \$550

7036 RMA Printing Services – \$500 is budgeted for FY 2019/20. This covers costs associated with duplication of LAFCO documents such as the special district inventory, policy and procedure manual, and assistance with public hearing notice mail outs.

Estimated expenditure for current FY - \$500

7036 RMA Mail Services - \$1,000 is budgeted for FY 2019/20. This covers costs for processing mail for LAFCO public hearing notices and other correspondence.

Estimated expenditure for current FY - \$513

Expenditures – Agency Charges

7043 LAFCO Legal Counsel- AB 2838 establishes LAFCO as an independent agency which means it will be charged an hourly rate for the services of County Counsel to act as LAFCO legal counsel. \$5,000 is proposed for FY 2019/2020.

Estimated expenditure for current FY - \$4,500

7066 Services from Other Departments- This charge includes services provided by other County departments such as TCAG, the County Auditor, Surveyor, Elections, IT, etc. The charges largely stem from review of LAFCO proposals by County departments. Former category 7043 GIS Services has been rolled into this category. \$8,347 has been allotted for FY 2019/2020.

Estimated expenditure for current FY - \$8,183

7066 COWCAP Charges - The amount budgeted for FY 2019/2020 is \$10,000. The COWCAP charges have historically been rather volatile. In FY 18/19 \$22,577 was charged to LAFCO. In FY 17/18, \$7,722 was charged to LAFCO. In FY 2016/17, \$17,306 was charged to LAFCO. In FY 2014/15 \$14,481 was refunded to LAFCO due to COWCAP overcharges in previous years.

Estimated expenditure for current FY- \$22,577

7043 G.I.S.-Arcview Services – The cost for GIS services provided to LAFCO were rolled into 7066 Services from Other Departments. This category is being removed for FY 18/19

Estimated expenditure for current FY - \$0

7066 Intra Agency Services Received (Salaries) - This item reflects Staff salaries. Staffing services are provided by the Tulare County Association of Governments. \$181,008 in salaries is estimated for FY 2019/2020. This includes a half-time Executive Officer, a 25% Clerk, and a 75% Staff Analyst.

Estimated expenditure for current FY – \$125,000

CONTINGENCY/CARRYOVER

7432 Contingency - A contingency of 10% of the expenses is proposed for 2019/20 in order to provide a “cushion” to offset any unforeseen expenditures or failure to receive anticipated fee revenue. It is not anticipated that contingency funds will be used in the current fiscal year. The contingency for FY 2018/19 is \$23,252. The contingency proposed for FY 2019/20 is \$24,453.

Budget Reserve – Carryover – The budget reserve is accounted for in the LAFCO’s 794 cash account. The revenue and expenses lines in the actual spreadsheet will only show transactions for the current FY which means that we still do not have the most up to date reserve numbers. For FY 2018/19, \$50,000 was used to offset the cities and County contribution. Staff estimates that LAFCO will have a reserve of approximately \$173,000 at the end of FY 2018/19. This reserve was generated through Planning and Engineering Services and charges to funding agencies from previous years. The Commission may again consider applying a specified amount of this reserve for the coming year. Attached is a spreadsheet showing different contribution amounts based on differing amounts of reserve funds being used. Also attached, is a table showing city and County contributions and applied reserve from FY01/02 to present.

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

	Object No.	Adopted Budget FY 18/19	As of 3/26/2019	Projected Budget FY 18/19	Proposed Budget FY 19/20
EXPENDITURES					
Services and Supplies					
Board Director's Fees	6008	\$1,000	\$0	\$1,000	\$1,000
Memberships	7027	\$3,659	\$3,659	\$3,659	\$4,254
Office Expenses	7036	\$1,200	\$595	\$943	\$1,200
Professional and Specialized	7043	\$200	\$200	\$200	\$200
Publication - Public Hearing Notices	7059	\$2,856	\$495	\$1,700	\$2,000
Training	7073	\$3,225	\$2,309	\$3,225	\$3,289
Transportation and Travel	7074	\$5,750	\$1,725	\$5,750	\$5,750
Total Services and Supplies		\$17,890	\$8,983	\$16,477	\$17,693
Other Charges					
I/F Workers Compensation	7043	\$1,832	\$0	\$1,832	\$1,869
I/F Expenses - Property	7043	\$87	\$0	\$87	\$89
I/F Expenses - Special Liability Insurance	7043	\$2,302	\$2,167	\$2,167	\$2,302
I/F ADP Payroll	7036	\$285	\$92	\$271	\$285
Rent	7036	\$12,221	\$9,054	\$12,132	\$12,496
Alarm Services	7036	\$166	\$21	\$21	\$100
Telecom	7036	\$968	\$504	\$817	\$968
Utilities	7036	\$2,186	\$830	\$1,992	\$2,230
Custodial Services	7043	\$630	\$365	\$550	\$642
I/F RMA - Printing	7036	\$500	\$101	\$242	\$500
I/F RMA - Mail	7036	\$1,000	\$140	\$513	\$1,000
Total Other Charges		\$22,177	\$13,274	\$20,624	\$22,481
Agency Charges					
County Counsel Charges	7043	\$5,626	\$623	\$4,500	\$5,000
Services from Other Dpts.	7066	\$4,080	\$4,144	\$8,183	\$8,347
COWCAP Charges	7066	\$7,865	\$22,577	\$22,577	\$10,000
GIS Services	7043	\$2,500	\$0	\$0	\$0
Salaries	7066	\$172,383	\$46,199	\$125,000	\$181,008
Total Agency Charges		\$192,454	\$73,543	\$160,260	\$204,355
Contingencies	7432	\$23,252	\$0	\$0	\$24,453
TOTAL EXPENDITURES		\$255,773	\$95,800	\$197,361	\$268,982
REVENUES					
Other - Government Agency Contributions	5801	\$181,442	\$181,642	\$181,642	\$234,222
Planning and Engineering Services	5421	\$24,332	\$10,698	\$18,150	\$34,760
Prior Year Revenue Accurals Adjustment	5999				
TOTAL REVENUES		\$205,774	\$192,340	\$199,792	\$268,982
NET COST		\$50,000	-\$96,540	-\$2,431	\$0

AGENCY CONTRIBUTIONS
CARRYOVER SCENARIOS

Contribution Scenerios

Carryover applied: \$0

	POPULATION (DOF 1/1/2018)	PERCENT OF POPULATION	PROPOSED		DIFFERENCE
			19/20 CONTRIBUTION	18/19 CONTRIBUTION	
CITY OF DINUBA	24,873	5.23%	\$12,243	\$9,562	\$2,681
CITY OF EXETER	11,169	2.35%	\$5,498	\$4,225	\$1,273
CITY OF FAMERSVILLE	11,443	2.40%	\$5,633	\$4,326	\$1,307
CITY OF LINDSAY	13,162	2.77%	\$6,479	\$4,994	\$1,485
CITY OF PORTERVILLE	60,798	12.78%	\$29,927	\$23,043	\$6,884
CITY OF TULARE	65,982	13.87%	\$32,479	\$24,871	\$7,608
CITY OF VISALIA	136,246	28.63%	\$67,065	\$51,215	\$15,850
CITY OF WOODLAKE	7,786	1.64%	\$3,833	\$2,942	\$891
COUNTY OF TULARE	144,375	30.34%	\$71,066	\$56,263	\$14,803
TOTAL	475,834	100.00%	\$234,222	\$181,442	\$52,780

(794) LINE 5801

\$234,222

+ \$200.00 billing fee to County Auditor

Carryover applied: \$15000

	POPULATION (DOF 1/1/2018)	PERCENT OF POPULATION	PROPOSED		DIFFERENCE
			19/20 CONTRIBUTION	18/19 CONTRIBUTION	
CITY OF DINUBA	24,873	5.23%	\$11,459	\$9,562	\$1,897
CITY OF EXETER	11,169	2.35%	\$5,146	\$4,225	\$921
CITY OF FAMERSVILLE	11,443	2.40%	\$5,272	\$4,326	\$946
CITY OF LINDSAY	13,162	2.77%	\$6,064	\$4,994	\$1,070
CITY OF PORTERVILLE	60,798	12.78%	\$28,010	\$23,043	\$4,967
CITY OF TULARE	65,982	13.87%	\$30,399	\$24,871	\$5,528
CITY OF VISALIA	136,246	28.63%	\$62,770	\$51,215	\$11,555
CITY OF WOODLAKE	7,786	1.64%	\$3,587	\$2,942	\$645
COUNTY OF TULARE	144,375	30.34%	\$66,515	\$56,263	\$10,252
TOTAL	475,834	100.00%	\$219,222	\$181,442	\$37,780

(794) LINE 5801

\$219,222

+ \$200.00 billing fee to County Auditor

Carryover applied FY : \$25000

	POPULATION (DOF 1/1/2018)	PERCENT OF POPULATION	PROPOSED		DIFFERENCE
			19/20 CONTRIBUTION	18/19 CONTRIBUTION	
CITY OF DINUBA	24,873	5.23%	\$10,937	\$9,562	\$1,375
CITY OF EXETER	11,169	2.35%	\$4,911	\$4,225	\$686
CITY OF FAMERSVILLE	11,443	2.40%	\$5,031	\$4,326	\$705
CITY OF LINDSAY	13,162	2.77%	\$5,787	\$4,994	\$793
CITY OF PORTERVILLE	60,798	12.78%	\$26,733	\$23,043	\$3,690
CITY OF TULARE	65,982	13.87%	\$29,012	\$24,871	\$4,141
CITY OF VISALIA	136,246	28.63%	\$59,907	\$51,215	\$8,692
CITY OF WOODLAKE	7,786	1.64%	\$3,423	\$2,942	\$481
COUNTY OF TULARE	144,375	30.34%	\$63,481	\$56,263	\$7,218
TOTAL	475,834	100.00%	\$209,222	\$181,442	\$27,780

(794) LINE 5801

\$209,222

+ \$200.00 billing fee to County Auditor

AGENCY CONTRIBUTIONS
CARRYOVER SCENARIOS

Carryover applied: \$50000

	POPULATION (DOF 1/1/2018)	PERCENT OF POPULATION	PROPOSED		DIFFERENCE
			19/20 CONTRIBUTION	18/19 CONTRIBUTION	
CITY OF DINUBA	24,873	5.23%	\$9,630	\$9,562	\$68
CITY OF EXETER	11,169	2.35%	\$4,324	\$4,225	\$99
CITY OF FAMERSVILLE	11,443	2.40%	\$4,430	\$4,326	\$104
CITY OF LINDSAY	13,162	2.77%	\$5,096	\$4,994	\$102
CITY OF PORTERVILLE	60,798	12.78%	\$23,538	\$23,043	\$495
CITY OF TULARE	65,982	13.87%	\$25,545	\$24,871	\$674
CITY OF VISALIA	136,246	28.63%	\$52,748	\$51,215	\$1,533
CITY OF WOODLAKE	7,786	1.64%	\$3,014	\$2,942	\$72
COUNTY OF TULARE	144,375	30.34%	\$55,896	\$56,263	-\$367
TOTAL	475,834	100.00%	\$184,222	\$181,442	\$2,780

(794) LINE 5801 \$184,222 + \$200.00 billing fee to County Auditor

Carryover applied: \$75000

	POPULATION (DOF 1/1/2018)	PERCENT OF POPULATION	PROPOSED		DIFFERENCE
			19/20 CONTRIBUTION	18/19 CONTRIBUTION	
CITY OF DINUBA	24,873	5.23%	\$8,323	\$9,562	-\$1,239
CITY OF EXETER	11,169	2.35%	\$3,737	\$4,225	-\$488
CITY OF FAMERSVILLE	11,443	2.40%	\$3,829	\$4,326	-\$497
CITY OF LINDSAY	13,162	2.77%	\$4,404	\$4,994	-\$590
CITY OF PORTERVILLE	60,798	12.78%	\$20,344	\$23,043	-\$2,699
CITY OF TULARE	65,982	13.87%	\$22,079	\$24,871	-\$2,792
CITY OF VISALIA	136,246	28.63%	\$45,590	\$51,215	-\$5,625
CITY OF WOODLAKE	7,786	1.64%	\$2,605	\$2,942	-\$337
COUNTY OF TULARE	144,375	30.34%	\$48,310	\$56,263	-\$7,953
TOTAL	475,834	100.00%	\$159,222	\$181,442	-\$22,220

(794) LINE 5801 \$159,222 + \$200.00 billing fee to County Auditor

Carryover applied: \$100000

	POPULATION (DOF 1/1/2018)	PERCENT OF POPULATION	PROPOSED		DIFFERENCE
			19/20 CONTRIBUTION	18/19 CONTRIBUTION	
CITY OF DINUBA	24,873	5.23%	\$7,016	\$9,562	-\$2,546
CITY OF EXETER	11,169	2.35%	\$3,151	\$4,225	-\$1,074
CITY OF FAMERSVILLE	11,443	2.40%	\$3,228	\$4,326	-\$1,098
CITY OF LINDSAY	13,162	2.77%	\$3,713	\$4,994	-\$1,281
CITY OF PORTERVILLE	60,798	12.78%	\$17,150	\$23,043	-\$5,893
CITY OF TULARE	65,982	13.87%	\$18,612	\$24,871	-\$6,259
CITY OF VISALIA	136,246	28.63%	\$38,432	\$51,215	-\$12,783
CITY OF WOODLAKE	7,786	1.64%	\$2,196	\$2,942	-\$746
COUNTY OF TULARE	144,375	30.34%	\$40,725	\$56,263	-\$15,538
TOTAL	475,834	100.00%	\$134,222	\$181,442	-\$47,220

(794) LINE 5801 \$134,222 + \$200.00 billing fee to County Auditor

Contribution History

	FY 2001/02	FY 2002/03	FY 2003/04	FY 2004/05	FY 2005/06	FY 2006/07	FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11
DINUBA	\$9,838	\$6,716	\$4,325	\$3,455	\$0	\$6,584	\$8,929	\$6,904	\$6,068	\$5,235
EXETER	\$5,404	\$3,627	\$2,336	\$1,873	\$0	\$3,534	\$4,850	\$3,704	\$2,788	\$2,629
FAMERSVILLE	\$4,827	\$3,467	\$2,229	\$1,802	\$0	\$3,494	\$4,751	\$3,613	\$2,747	\$2,655
LINDSAY	\$5,681	\$4,064	\$2,566	\$2,052	\$0	\$3,764	\$5,101	\$3,857	\$3,071	\$2,880
PORTERVILLE	\$23,626	\$15,675	\$10,133	\$8,177	\$0	\$15,181	\$20,624	\$17,765	\$15,790	\$12,833
TULARE	\$26,235	\$17,408	\$11,192	\$9,020	\$0	\$16,881	\$23,478	\$19,308	\$17,610	\$14,423
VISALIA	\$60,715	\$36,375	\$23,674	\$19,274	\$0	\$36,694	\$50,702	\$40,643	\$37,780	\$30,487
WOODLAKE	\$4,042	\$2,666	\$1,691	\$1,350	\$0	\$2,453	\$3,332	\$2,552	\$1,785	\$1,915
COUNTY	\$90,577	\$55,677	\$35,561	\$28,291	\$0	\$51,257	\$70,071	\$49,113	\$43,361	\$35,779

TOTAL \$230,945 \$145,675 \$93,707 \$75,294 \$0 \$139,841 \$191,838 \$147,459 \$131,000 \$108,834

Reserve Applied \$0 \$0 \$100,000 \$150,000 \$150,000 \$30,000 \$40,000 \$60,000 \$70,000 \$100,000

	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19
DINUBA	\$4,764	\$8,855	\$8,606	\$8,687	\$11,370	\$9,369	\$9,644	\$9,562
EXETER	\$2,295	\$4,193	\$3,910	\$3,998	\$5,166	\$4,257	\$4,261	\$4,225
FAMERSVILLE	\$2,351	\$4,355	\$4,059	\$4,153	\$5,362	\$4,419	\$4,363	\$4,326
LINDSAY	\$2,613	\$4,849	\$4,164	\$4,707	\$6,170	\$5,084	\$5,037	\$4,994
PORTERVILLE	\$12,028	\$22,124	\$20,688	\$21,148	\$27,334	\$22,524	\$23,239	\$23,043
TULARE	\$13,164	\$24,175	\$22,816	\$23,276	\$30,146	\$24,841	\$25,083	\$24,871
VISALIA	\$27,635	\$50,736	\$47,887	\$48,698	\$63,269	\$52,135	\$51,650	\$51,215
WOODLAKE	\$1,616	\$2,957	\$2,858	\$2,838	\$3,776	\$3,112	\$2,967	\$2,942
COUNTY	\$31,728	\$58,012	\$54,421	\$55,551	\$71,901	\$59,248	\$56,742	\$56,263

TOTAL \$98,195 \$180,257 \$169,409 \$173,057 \$224,494 \$184,989 \$182,985 \$181,442

Reserve Applied \$100,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000 \$50,000

2019/20
LAFCO
WORK PROGRAM

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Introduction

Overview of LAFCO

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

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

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

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires each LAFCO to adopt an annual budget. The 2019/20 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 70% of the total county approximate population of 475,834 (DOF – 1/1/18). The eight cities are: Dinuba, Exeter, Farmersville, Lindsay, Porterville, Tulare, Visalia and Woodlake. There are also numerous special districts in the county, including various Community

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

Organization of LAFCO

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

LAFCO Commissioners

Rudy Mendoza, Chair	City representative
Pete Vander Poel, Vice Chair	County representative
Julie Allen	Public representative
Vacant	City representative
Dennis Townsend	County representative
Eddie Valero	Alternate, County representative
Carlton Jones	Alternate, City representative
Many Gomes	Alternate, Public representative

LAFCO Staff

Ben Giuliani, Executive Officer
Steven Ingoldsby, Staff Analyst
Aime Kane, LAFCO Clerk
Marit Erickson, 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:	\$50,280	(5.0 Staff Person Months)
Memberships:	\$4,254	
Publications and Notices	\$2,000	
County Counsel:	\$5,000	
COWCAP Charged:	\$10,000	
Board Directors fees:	\$1,000	
Rent	\$12,496	
Insurance	\$2,302	
Prof. & Specialized:	\$200	
Service from Other Dept.	\$8,347	
Total:	\$95,879	
Revenue (source):		(Reserve Funds)
Revenue (source):	\$95,879	(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:	\$1,200
Telecomm	\$968
ADP Payroll/Personnel:	\$285
Utilities:	\$2,230
Custodial Services:	\$642
Property	\$89
Mail	\$1,000
Printing	\$500
Alarm	\$100
Worker's Compensation	\$1,869
Total	\$8,883

(Reserve Funds)
 \$8,883 (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):	\$3,289
Transportation/Travel (Commissioners & Staff)	\$5,750
Total:	\$9,039

Revenue (source):	(Reserve Funds)
Revenue (source):	\$9,039 (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
 Goshen CSD MSR update December 2018

PRODUCTS: MSRs for Alta Hospital District, Exeter Ambulance District, Lindsay Local Hospital District, Alpaugh 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 year.

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 disadvantaged unincorporated 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 19/20. By policy, future MSR updates will be completed on an as needed basis following County Community Plan and City General Plan Updates.

BUDGET:

Estimated staff costs:	\$60,336	(6.0 Staff Person Month)
Total:	\$60,336	
Revenue (source):		(Reserve Funds)
Revenue (source):	\$60,336	(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 also describes 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:	\$10,056	(1.0 Staff Person Months)
Total:	\$10,056	
Revenue (source):		(Reserve Funds)
Revenue (source):	\$10,056	(County & Cities Contribution)
Revenue (source):		(Planning & Engineering Fees)

SUBCATEGORY: 101 SPECIAL PLANNING PROJECTS

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

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) City of Tulare (2017) City of Visalia (2018), Goshen CSD (2018)

PRODUCTS: 1. SOI Reviews (and updates as needed) for Tulare County principal districts and cities

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, as needed.

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:	\$20,112	(2 Staff Person Months)
Total:	\$20,112	
Revenue (source):	\$	(Reserve Funds)
Revenue (source):	\$12,416	(County & Cities Contribution)
Revenue (source):	\$7,696	(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
Memorial 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:	\$10,056	(1.0 Staff Person Month)
Total:	\$10,056	
Revenue (source):		(Reserve Funds)
Revenue (source):	\$10,056	(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 2018/19 as of this date, staff has processed 6 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 2018/19, based on feedback from local agencies, staff is estimating processing 12 cases.

BUDGET:

Estimated staff costs:	\$30,168	(3 Staff Person Months)
Total:	\$30,168	
Revenue (source):		(Reserve Funds)
Revenue (source):	\$	(County & Cities Contribution)
Revenue (source):	\$30,168	(Planning & Engineering Fees)

LAFCO Work Program Summary

Activity Description	Work Element Number	Revenue Source and Amount				Expenditures
		Reserve Funds	Income from Other Agencies	Planning & Engineering Services	Fees Paid by County for Incorporation	
LAFCO Administration	100.01	\$0	\$95,879	\$0	\$0	\$95,879
Office Expenses / Fixed Assets	100.02	\$0	\$8,883	\$0	\$0	\$8,883
Training and Travel	100.03	\$0	\$9,039	\$0	\$0	\$9,039
Municipal Service Reviews	101.02	\$0	\$60,336	\$0	\$0	\$60,336
Cities & Special District Inventory Update	101.03	\$0	\$10,056	\$0	\$0	\$10,056
Sphere of Influence Updates & Amendments	101.04	\$0	\$15,520	\$4,592	\$0	\$20,112
Special Projects	101.06	\$0	\$10,056	\$0	\$0	\$10,056
LAFCO Case Processing	102.01	\$0	\$0	\$30,168	\$0	\$30,168
Subtotals	NA	\$0	\$209,769	\$34,760	\$0	\$244,529
Contingency	NA	\$0	\$24,453	\$0	\$0	\$24,453
TOTALS		\$0	\$234,222	\$34,760	\$0	\$268,982

Total Staff Person Months = 18.0
 (Executive Director – 6.0; Staff Analyst – 9; Clerk - 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>
2019/20	Alta Hospital District, Exeter Ambulance District, Lindsay Local Hospital District and other districts as needed	As needed based on MSR results		<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
2020/21	Future MSRs and SOI updates will be completed based on County Community Plan Updates and City General Plan Updates.			
2021/22				
2022/23				
2023/24				
2024/25				

CALAFCO Legislative Report March 27, 2019

AB 508 (Chu D) Drinking water: consolidation and extension of service: domestic wells.

Current Text: Amended: 3/25/2019 [html](#) [pdf](#)

Introduced: 2/13/2019

Last Amended: 3/25/2019

Status: 3/26/2019-Re-referred to Com. on E.S. & T.M.

Summary:

The California Safe Drinking Water Act requires the State Water Resources Control Board, before ordering consolidation or extension of service, to, among other things, obtain written consent from any domestic well owner for consolidation or extension of service and make a finding that consolidation of the receiving water system and subsumed water system or extension of service to the subsumed water system is appropriate and technically and economically feasible. The act makes any domestic well owner within the consolidation or extended service area who does not provide written consent ineligible, until consent is provided, for any future water-related grant funding from the state, except as provided. This bill would modify the provision that authorizes consolidation or extension of service if a disadvantaged community is reliant on a domestic well described above to instead authorize consolidation or extension of service if a disadvantaged community has one or more residences that are reliant on a domestic well described above.

Position: Watch

Subject: Disadvantaged Communities, Water

AB 600 (Chu D) Local government: organization: disadvantaged unincorporated communities.

Current Text: Amended: 3/25/2019 [html](#) [pdf](#)

Introduced: 2/14/2019

Last Amended: 3/25/2019

Status: 3/26/2019-Re-referred to Com. on L. GOV.

Summary:

The Planning and Zoning Law requires a city or county, on or before the due date for the next adoption of its housing element, to review and update the land use element of its general plan based on available data, including, but not limited to, the data and analysis of unincorporated island, fringe, or legacy communities inside or near its boundaries, as provided. That law requires the updated land use element to include, among other things, an analysis of water, wastewater, stormwater drainage, and structural fire protection needs or deficiencies for each identified community. This bill would define the term "needs or deficiencies" for these purposes to mean both deficient services and lack of services, as specified.

Position: Watch

Subject: Disadvantaged Communities, Water

AB 1253 (Rivas, Robert D) Local agency formation commissions: grant program.

Current Text: Introduced: 2/21/2019 [html](#) [pdf](#)

Introduced: 2/21/2019

Status: 3/11/2019-Referred to Com. on L. GOV.

Calendar:

3/27/2019 1:30 p.m. - State Capitol, Rm 447 ASSEMBLY LOCAL GOVT, AGUIAR-CURRY, Chair

Summary:

This bill would require the Strategic Growth Council, until July 31, 2025, to establish and administer a local agency formation commissions grant program for the payment of costs associated with initiating and completing the dissolution of districts listed as inactive, the payment of costs associated with a study of the services provided within a county by a public agency to a disadvantaged community, as defined, and for other specified purposes, including the initiation of an action, as defined, that is limited to service providers serving a disadvantaged community and is based on determinations found in the study, as approved by the commission. The bill would specify application submission, reimbursement, and reporting requirements for a local agency formation commission to receive grants pursuant to the bill. The

bill would require the council, after consulting with the California Association of Local Agency Formation Commissions, to develop and adopt guidelines, timelines, and application and reporting criteria for development and implementation of the program, as specified, and would exempt these guidelines, timelines, and criteria from the rulemaking provisions of the Administrative Procedure Act. The bill would make the grant program subject to an appropriation for the program in the annual Budget Act, and would repeal these provisions on January 1, 2026. This bill contains other existing laws.

Position: Sponsor

Subject: Disadvantaged Communities, LAFCo Administration, Municipal Services, Special District Consolidations

CALAFCO Comments: This is a CALAFCO sponsored bill following up on the recommendation of the Little Hoover Commission report of 2017 for the Legislature to provide LAFCos one-time grant funding for in-depth studies of potential reorganization of local service providers. Last year, the Governor vetoed AB 2258 - this is the same bill. The Strategic Growth Council (SGC) will administer the grant program. Grant funds will be used specifically for conducting special studies to identify and support opportunities to create greater efficiencies in the provision of municipal services; to potentially initiate actions based on those studies that remove or reduce local costs thus incentivizing local agencies to work with the LAFCo in developing and implementing reorganization plans; and the dissolution of inactive districts (pursuant to SB 448, Wieckowski, 2017). The grant program would sunset on July 31, 2024.

The bill also changes the protest threshold for LAFCo initiated actions, solely for the purposes of actions funded pursuant to this new section. It allows LAFCo to order the dissolution of a district (outside of the ones identified by the SCO) pursuant to Section 11221 of the Elections code, which is a tiered approach based on registered voters in the affected territory (from 30% down to 10% depending).

The focus is on service providers serving disadvantaged communities. The bill also requires LAFCo pay back grant funds in their entirety if the study is not completed within two years and requires the SGC to give preference to LAFCos whose decisions have been aligned with the goals of sustainable communities strategies.

The fiscal request is \$1.5 million over 5 years. CALAFCO is attempting to get this in the May revise budget so there is no General Fund appropriation (the reason Gov. Brown vetoed the bill).

AB 1389 (Eggman D) Special districts: change of organization: mitigation of revenue loss.

Current Text: Introduced: 2/22/2019 [html](#) [pdf](#)

Introduced: 2/22/2019

Status: 3/14/2019-Referred to Com. on L. GOV.

Summary:

Would authorize the commission to propose, as part of the review and approval of a proposal for the establishment of new or different functions or class of services, or the divestiture of the power to provide particular functions or class of services, within all or part of the jurisdictional boundaries of a special district, that the special district, to mitigate any loss of property taxes, franchise fees, and other revenues to any other affected local agency, provide payments to the affected local agency from the revenue derived from the proposed exercise of new or different functions or classes of service.

Position: Watch

Subject: CKH General Procedures

CALAFCO Comments: This bill allows LAFCo, when approving a proposal for new or different functions or class of service for a special district, to propose the district provide payments to any affected local agency for taxes, fees or any other revenue that may have been lost as a result of the new service being provided.

AB 1751 (Chiu D) Water and sewer system corporations: consolidation of service.

Current Text: Amended: 3/21/2019 [html](#) [pdf](#)

Introduced: 2/22/2019

Last Amended: 3/21/2019

Status: 3/25/2019-Re-referred to Com. on E.S. & T.M.

Summary:

Current law authorizes the State Water Resources Control Board to order consolidation of public water systems where a public water system or state small water system serving a disadvantaged community consistently fails to provide an adequate supply of safe drinking water, as provided. This bill, the Consolidation for Safe Drinking Water Act of 2019, would authorize a water or sewer system corporation to file an application and obtain approval from the commission through an order authorizing consolidation with a public water system or state small water system, or to implement rates for the subsumed water system.

Position: Watch

Subject: Water

CALAFCO Comments: This bill allows for water (public or state small) or sewer systems corps to file an application for consolidation with the SWRCB.

AB 1822 (Committee on Local Government) Local Government: omnibus.

Current Text: Introduced: 3/11/2019 [html](#) [pdf](#)

Introduced: 3/11/2019

Status: 3/12/2019-From printer. May be heard in committee April 11.

Summary:

Current law requires a commission to develop and determine the sphere of influence of each city and each special district within the county and enact policies designed to promote the logical and orderly development of areas within each sphere. Current law requires the commission, in order to prepare and update spheres of influence in accordance with this requirement, to conduct a service review of the municipal services provided in the county or other appropriate area designated by the commission, as specified. Current law defines "sphere of influence" to mean a plan for the probable physical boundaries and service area of a local agency. Current law defines the term "service" for purposes of the act to mean a specific governmental activity established within, and as a part of, a general function of the special district, as specified. This bill would revise the definition of the term "service" for these purposes to mean a specific governmental activity established within, and as a part of, a general function of the local agency.

Position: Sponsor

Subject: LAFCo Administration

CALAFCO Comments: This is the annual Omnibus bill.

SB 272 (Morrell R) Fire Protection District Law of 1987.

Current Text: Introduced: 2/13/2019 [html](#) [pdf](#)

Introduced: 2/13/2019

Status: 2/21/2019-Referred to Com. on GOV. & F.

Summary:

The Fire Protection District Law of 1987 provides that whenever a district board determines that it is in the public interest to provide different services, to provide different levels of service, or to raise additional revenues within specific areas of the district, it may form one or more service zones by adopting a resolution that includes specified information, fixing the date, time, and place for public hearing on the formation of the zone, publishing notice, as specified, hearing and considering any protests to the formation of the zone at the hearing, and, at the conclusion of the hearing, adopting a resolution ordering the formation of the zone. If a resolution adopted after the public hearing would extend services outside of an existing service zone and the extension of service would result in those persons in the expanded area paying charges for the expansion of services, this bill would provide that the resolution does not become effective unless approved by a majority of the voters within the expanded service area.

Position: Watch

CALAFCO Comments: This bill requires a fire protection district to hold an election to (at their expense) approve an extension of service regardless of the level of protest.

SB 414 (Caballero D) Small System Water Authority Act of 2019.

Current Text: Introduced: 2/20/2019 [html](#) [pdf](#)

Introduced: 2/20/2019

Status: 3/19/2019-Set for hearing March 27.

Calendar: 3/27/2019 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, MCGUIRE, Chair
Summary:

Would create the Small System Water Authority Act of 2019 and state legislative findings and declarations relating to authorizing the creation of small system water authorities that will have powers to absorb, improve, and competently operate noncompliant public water systems. The bill, no later than March 1, 2020, would require the state board to provide written notice to cure to all public agencies, private water companies, or mutual water companies that operate a public water system that has either less than 3,000 service connections or that serves less than 10,000 people, and are not in compliance, for the period from July 1, 2018, through December 31, 2019, with one or more state or federal primary drinking water standard maximum contaminant levels, as specified.

Position: Watch

Subject: Water

CALAFCO Comments: This bill is very similar to AB 2050 (Caballero) from 2018. Several changes have been made. This bill is sponsored by Eastern Municipal Water District and the CA Municipal Utilities Assoc. The intent is to give the State Water Resources Control Board (SWRCB) authority to mandate the dissolution of existing drinking water systems (public, mutual and private) and authorize the formation of a new public water authority. The focus is on non contiguous systems. The SWRCB already has the authority to mandate consolidation of these systems, this will add the authority to mandate dissolution and formation of a new public agency.

LAFCo will be responsible for dissolving any state mandated public agency dissolution, and the formation of the new water authority. The SWRCB's appointed Administrator will act as the applicant on behalf of the state. LAFCo will have ability to approve with modifications the application, and the new agency will have to report to the LAFCo annually for the first 3 years.

SB 646 (Morrell R) Local agency utility services: extension of utility services.

Current Text: Introduced: 2/22/2019 [html](#) [pdf](#)

Introduced: 2/22/2019

Status: 3/14/2019-Referred to Com. on GOV. & F.

Summary:

Would prohibit a city or district providing the extended service from denying the extension of a utility service to a property owner located within the extended service area based upon a property owner's election not to participate in an annexation or preannexation proceeding.

Position: Oppose

Subject: CKH General Procedures

CALAFCO Comments: This bill does 3 things. (1) Seeks to add a provision to 56133 that requires LAFCo to approve an extension of service regardless of whether a future annexation is anticipated or not. It further requires the service provider to extend the provision of service to a property owner regardless of a whether there is a pending annexation or pre-annexation agreement. The newly proposed subsection directly contradicts subsection (b). (2) Changes the definition of "fee" by requiring the new fee "is of proportional benefit to the person or property being charged." There is no reasonable definition or application of "proportional benefit". (3) Narrows the scope of application of Section 56133 to water or sewer service; and prohibits the service provider to charge higher fees and charges to those outside the jurisdictional boundaries.

AB 213 (Reyes D) Local government finance: property tax revenue allocations: vehicle license fee adjustments.

Current Text: Introduced: 1/15/2019 [html](#) [pdf](#)

Introduced: 1/15/2019

Status: 3/18/2019-In committee: Set, first hearing. Hearing canceled at the request of author.

Calendar: 4/3/2019 1:30 p.m. - Capitol, Rm 127 ASSEMBLY LOCAL GVT, AGUIAR-CURRY, Chair

Summary:

Would, for the 2019–20 fiscal year, require the vehicle license fee adjustment amount to be the sum of the vehicle license fee adjustment amount in the 2018–19 fiscal year, the product of that sum and the percentage change in gross taxable assessed valuation within the jurisdiction of that entity between the

2018–19 fiscal year to the 2018–19 fiscal year, and the product of the amount of specified motor vehicle license fee revenues that the Controller allocated to the applicable city in July 2010 and 1.17.

Position: Support

Subject: Tax Allocation

CALAFCO Comments: Sponsored by the League, this bill will reinstate ERAF funding for inhabited annexations. This bill is the same as AB 2268 (Reyes) from last year.

AB 818 (Cooley D) Local government finance: vehicle license fee adjustment amounts.

Current Text: Introduced: 2/20/2019 [html](#) [pdf](#)

Introduced: 2/20/2019

Status: 3/4/2019-Referred to Com. on L. GOV.

Calendar: 3/27/2019 1:30 p.m. - Capitol, Rm 447 ASSEMBLY LOCAL GOVT, AGUIAR-CURRY, Chair

Summary:

Current property tax law, for the 2006–07 fiscal year, and for each fiscal year thereafter, requires the vehicle license fee adjustment amount to be the sum of the vehicle license fee adjustment amount for the prior fiscal year, if specified provisions did not apply, and the product of the amount as so described and the percentage change from the prior fiscal year in the gross taxable valuation within the jurisdiction of the entity. Current law establishes a separate vehicle license fee adjustment amount for a city that was incorporated after January 1, 2004, and on or before January 1, 2012. This bill would establish a separate vehicle license fee adjustment amount for a city incorporating after January 1, 2012, including an additional separate vehicle license fee adjustment amount for the first fiscal year of incorporation and for the next 4 fiscal years thereafter.

Position: Support

Subject: Financial Viability of Agencies

CALAFCO Comments: Sponsored by the League, this bill will reinstate ERAF funding for cities incorporating after 2018. This is the same bill as AB 2491 from 2018.

AB 1304 (Waldron R) Water supply contract: Native American tribes.

Current Text: Introduced: 2/22/2019 [html](#) [pdf](#)

Introduced: 2/22/2019

Status: 3/11/2019-Referred to Com. on L. GOV.

Summary:

Current law provides for the establishment and operations of various water districts. This bill would specifically authorize a water district, as defined, that supplies potable water to enter into a contract with a Native American tribe to receive water deliveries from an infrastructure project on tribal lands.

Position: Watch

Subject: Municipal Services, Water

CALAFCO Comments: This bill amends the water code to allow a Native American tribe to sell/deliver water to a water district (as defined in the water code section 20200).

SB 99 (Nielsen R) Transportation: emergency evacuation routes.

Current Text: Amended: 3/26/2019 [html](#) [pdf](#)

Introduced: 1/10/2019

Last Amended: 3/26/2019

Status: 3/26/2019-From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS.

Summary:

Current law creates the Road Maintenance and Rehabilitation Program to address deferred maintenance on the state highway system and the local street and road system. This bill would require a city or county located in whole or in part in a very high fire hazard severity zone and seeking an apportionment of those funds, to additionally develop, establish, and maintain a minimum of 2 emergency evacuation routes in, and within 10 miles of, a very high fire hazard severity zone for the purpose of safely evacuating the affected area during a worst case scenario.

Position: Watch

Subject: Ag Preservation - Williamson

CALAFCO Comments: This is a spot bill.

SB 379 (Committee on Governance and Finance) Validations.

Current Text: Introduced: 2/20/2019 [html](#) [pdf](#)

Introduced: 2/20/2019

Status: 3/13/2019-Set for hearing March 27.

Calendar: 3/27/2019 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, MCGUIRE, Chair

Summary:

This bill would enact the First Validating Act of 2019, 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: This is one of three annual validating acts.

SB 380 (Committee on Governance and Finance) Validations.

Current Text: Introduced: 2/20/2019 [html](#) [pdf](#)

Introduced: 2/20/2019

Status: 3/13/2019-Set for hearing March 27.

Calendar: 3/27/2019 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, MCGUIRE, Chair

Summary:

This bill would enact the Second Validating Act of 2019, 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: This is one of three annual validating acts.

SB 381 (Committee on Governance and Finance) Validations.

Current Text: Introduced: 2/20/2019 [html](#) [pdf](#)

Introduced: 2/20/2019

Status: 3/13/2019-Set for hearing March 27.

Calendar: 3/27/2019 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, MCGUIRE, Chair

Summary:

This bill would enact the Third Validating Act of 2019, 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: This is one of three annual validating acts.

AB 530 (Aguilar-Curry D) The Fairfield-Suisun Sewer District.

Current Text: Amended: 3/20/2019 [html](#) [pdf](#)

Introduced: 2/13/2019

Last Amended: 3/20/2019

Status: 3/21/2019-Re-referred to Com. on L. GOV.

Summary:

The Fairfield-Suisun Sewer District Act creates the Fairfield-Suisun Sewer District and grants to the district various powers relating to the treatment and disposal of sewage. The act provides for the election of a board of directors for the district and administrative procedures for the operation of the district. This bill would make various administrative changes to the act, including removing the requirement that the district appoint a clerk and changing the posting requirements for regulations.

Position: Watch

Subject: Special District Powers, Special Districts Governance

CALAFCO Comments: This bill makes administrative changes to this special act district. It also allows for an extension of service pursuant to 56133 (keeping that LAFCo process intact).

AB 1053 (Dahle R) Fallen Leaf Lake Community Service District.

Current Text: Amended: 3/25/2019 [html](#) [pdf](#)

Introduced: 2/21/2019

Last Amended: 3/25/2019

Status: 3/26/2019-Re-referred to Com. on L. GOV.

Summary:

Would prohibit, on and after January 1, 2020, the Fallen Leaf Lake Community Services District from providing any services or facilities except fire protection, including medical response and emergency services, and parks and recreation services or facilities.

Position: Watch

CALAFCO Comments: CALAFCO will watch this bill to determine if the outcome of the State Audit on this district will have an impact on all CSDs.

AB 1457 (Reyes D) Omnitrans Transit District.

Current Text: Introduced: 2/22/2019 [html](#) [pdf](#)

Introduced: 2/22/2019

Status: 3/14/2019-Referred to Coms. on L. GOV. and TRANS.

Calendar: 4/10/2019 1:30 p.m. - Capitol, Rm 447 ASSEMBLY LOCAL GOVT, AGUIAR-CURRY, Chair

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 specified 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. The bill would require the district to succeed to the rights and obligations of the existing Omnitrans Joint Powers Authority and would dissolve that authority. The bill would require the transfer of assets from the authority to the district. The bill would provide for a governing board composed of representatives of governing bodies within the county and would specify voting procedures for the taking of certain actions by the board. The bill would specify the powers and duties of the board and the district to operate transit services, and would authorize the district to seek voter approval of retail transactions and use tax measures and to issue revenue bonds. The bill would enact other related provisions. By imposing requirements on the district and affected local agencies, the bill would impose a state-mandated local program. This bill contains other existing laws.

Position: Oppose unless amended

CALAFCO Comments: This is a special act district formation. The bill takes what is currently a JPA and transforms it into a special district. The bill specifically addresses annexations and detachments and dissolution processes that do not include LAFCo. Also of concern is the lack of specificity in the process for adding new board members when a territory is annexed.

SB 654 (Moorlach R) Local government: planning.

Current Text: Introduced: 2/22/2019 [html](#) [pdf](#)

Introduced: 2/22/2019

Status: 3/14/2019-Referred to Com. on RLS.

Summary:

Current law, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, makes certain findings and declarations relating to local government organizations, including, among other things, the encouragement of orderly growth and development, and the logical formation and modification of the boundaries of local agencies, as specified. This bill would make nonsubstantive changes to these findings and declarations.

Position: Watch

CALAFCO Comments: This is a spot bill. The author indicates he has no plans to use this for LAFCo law.

SB 780 (Committee on Governance and Finance) Local Government Omnibus Act of 2019.

Current Text: Introduced: 2/28/2019 [html](#) [pdf](#)

Introduced: 2/28/2019

Status: 3/14/2019-Referred to Com. on GOV. & F.

Summary:

Current law requires the governing body of a public agency, within 70 days after the commencement of the agency's legal existence, to file with the Secretary of State, on a form prescribed by the secretary, and also with the county clerk of each county in which the public agency maintains an office, a specified statement of facts about the agency. Current law requires this information to be updated within 10 days of a change in it. Current law requires the Secretary of State and each county clerk to establish and maintain an indexed Roster of Public Agencies that contains this information. This bill would instead require the Secretary of State and each county clerk to establish and maintain an indexed Registry of Public Agencies containing the above-described information.

Position: Watch

CALAFCO Comments: This is the Senate Governance & Finance Committee's annual Omnibus bill.

Senate Bill 414 (Caballero)

Senate Bill 414 enacts the Small System Water Authority Act of 2019, which authorizes the creation of a small system water authority (authority) and requires consolidation of failing water systems into an authority.

Notifying noncompliant systems. SB 414 directs SWRCB by March 1, 2019, to provide written notice to all public agencies, private water companies, or mutual water companies that operate a public water system that has either less than 3,000 service connections or serve less than 10,000 people, and are not in compliance with one or more state or federal primary drinking water standard maximum contaminant levels based on a running average from July 1, 2018 to December 31, 2019. If the noncompliant system is a water corporation, SWRCB must provide a copy of the notice to the California Public Utilities Commission (CPUC). SB 414 requires the CPUC to be responsible with the state board for ensuring compliance with the provisions of the bill.

<Definition of public water system is linked to HSC 116275: “Public water system” means a system for the provision of water for human consumption through pipes or other constructed conveyances that has 15 or more service connections or regularly serves at least 25 individuals daily at least 60 days out of the year... >

Response from noncompliant systems. SB 414 requires an entity receiving the notice to respond to SWRCB, and, if appropriate, the CPUC, as to whether the violations of drinking water standards are remedied and the basis for that conclusion. If an entity reports a continuing violation of drinking water standards, the entity has 180 days from the date of a specified response filed with the state board to prepare and submit a plan to SWRCB to permanently remedy a violation of drinking water standards within a reasonable time that is no later than January 1, 2025.

SB 414 requires SWRCB to review the plan and accept, accept with reasonable conditions, or reject the plan within 60 days of receipt. SWRCB may not impose conditions or reject the plan without meeting with the entity 15 days before SWRCB takes action on the plan. An entity with an accepted plan must provide quarterly reports to SWRCB on progress towards a permanent remedy for violations of drinking water standards. The SWRCB must annually hold a public hearing to consider whether the progress is satisfactory.

Formation of an authority. If SWRCB rejects the plan, SB 414 requires SWRCB to cause the formation of a small system water authority by the applicable LAFCO, subject to conditions in the bill. To order the creation of the authority, SWRCB must first find that:

- The continued operation of the public water system in its current condition is a threat to public health and safety;
- The public water system lacks the financial, managerial, or technical resources required to remedy the violation of state or federal primary drinking water standards, which results in the entity’s inability to remain operationally viable as a public water system; and

- There is no reasonable alternative that would protect the public drinking water supplies of the public water system other than for there to be the formation of an authority.

If SWRCB cannot make all of those findings, it must remedy the failure to meet drinking water standards either through its existing authority to remedy drinking water violations, including the consolidation and receivership powers, or use its existing funding sources and legal authority.

Once SWRCB rejects the plan, the failing water system has 15 days to request reconsideration of the rejection. SWRCB must hold an evidentiary hearing on the plan within 90 days of the request and issue a final order within 60 days of the hearing.

Within 30 days of rejecting a plan to remedy a violation of drinking water standards, SB 414 requires SWRCB to notify LAFCO and the CPUC, if applicable, that it has determined that the public water system shall be consolidated into an authority. Within 60 days of the rejection, SWRCB must notify LAFCO and the CPUC of the public water systems that will be consolidated into an authority.

Administrator responsibilities. SB 414 requires SWRCB to appoint an administrator for each proposed authority. The administrator serves at the pleasure of SWRCB until whichever of the following dates occurs earlier:

- The LAFCO issues a notice of completion regarding the plan for service for the authority;
- Three years from the date that LAFCO forms an authority; or
- No sooner than 30 days after the appointment of a general manager by the board of the authority.

SB 414 also requires SWRCB to establish a list of individuals qualified to be an administrator by March 1, 2021, based on the minimum requirements for administrators under SWRCB's existing receivership authority. SB 414 establishes an administrator as responsible for the interim administration and management of the authority and requires SWRCB to bear the cost of the administrator. On or before March 1, 2022, but after a consultation with LAFCO, the administrator must submit to SWRCB a conceptual formation plan that includes:

- The public water system service areas to be served by the authority;
- The population to be served by the authority;
- The available infrastructure to be used by the authority and any known deficiencies;
- The recorded violations of drinking water standards and the nature of the threat to public health and safety;
- Financial and operational provisions to be addressed in the plan for service provided to LAFCO; and
- A plan for the provision of safe and clean water supplies to the customers of the water system from the time of submission of the plan until all repairs or construction of drinking water infrastructure are completed.

The SWRCB must comment on the conceptual formation plan to the administrator and applicable LAFCO within 60 days of its receipt.

Inclusion of other systems. SB 414 also requires SWRCB, by July 1, 2021, to notify each county, city, water district, private water company, or mutual water company located within a county where SWRCB is considering forming an authority and to invite other public water suppliers to consider a voluntary dissolution and subsequent inclusion into the authority. A city or county receiving this notice must decide whether to include any dependent districts in the authority before November 1, 2021, if any systems should be included in the authority. An agency wishing to consolidate into a proposed authority must opt in to the authority on or before December 31, 2021. A city or county that wants to later include a dependent district in the authority may do so by a proposal or petition to LAFCO.

SB 414 also allows customers of water systems in a county where an authority will be formed to file a petition with the administrator to be included in the proposed authority. If signed by either 1,000 residents served by the water system or 10 percent of the service connections, whichever is less, the administrator must deem that the system itself has requested to be included.

SB 414 allows an administrator to reject the inclusion of a system, including those included via petition, if it would substantially increase the costs for other anticipated customers of the authority or if it would not be successful within a reasonable period of time.

SB 414 allows an authority to include non-contiguous territory.

LAFCO review. SB 414 requires the administrator, within 180 days after the state board provides comments on the draft conceptual formation plan, to submit an application for formation and proposed plan for service to LAFCO for review and would require LAFCO to hold a hearing on the plan and approve or deny it, or approve it with modifications. The LAFCO can only approve formation of an authority if at least five public water systems—including failing systems, voluntary participants, dependent districts of a city or county, and systems with a valid petition—are proposed to be included in the authority, unless the administrator determines that a smaller number would be financially and operationally viable. The plan for service evaluated by LAFCO must include:

- A description of the services currently provided and proposed to be provided;
- The improvements that will be made within the affected territory;
- The authority's process for ensuring compliance with Constitutional requirements and limitations on taxes and fees;
- Identification of the financial resources necessary to improve or upgrade water facilities or other infrastructure included in the formation application;
- A discussion of the economies of scale that accrue when several small organizations are consolidated into a single authority;
- An estimated timeframe for constructing and delivering the services identified in the formation application;
- The operation and maintenance needs of the authority;
- Financial plans for the financing of capital improvements, operation and maintenance of facilities, and operation of the authority;
- Financial resources currently available, including taxes, bonds, and other charges;

- The governance, oversight, and long-term maintenance of the services identified in the formation application after the initial costs are recouped and any tax increment financing terminates;
- Information showing how the area currently being served by a failing water system that will be consolidated will be served with water until repairs and construction of drinking water infrastructure are complete; and
- A statement that the administrator has consulted with the failing water system's representatives.

If a special district will be dissolved in the formation of the authority, SB 414 requires the plan for services to contain additional information, including:

- A description of the services currently being provided and identification of the authority that will take over service provision;
- A description of the services that will be discontinued or transferred, the current way those services are financed, and any method of financing proposed by the successor; and
- Information about current bankruptcy proceedings, orders relating to the dissolution of the district, and other information requested by LAFCO.

Once LAFCO approves the plan, the authority must file a statement, under penalty of perjury, with LAFCO certifying that the authority will take the appropriate actions to comply with an approved plan. Within 30 days of receiving the statement, LAFCO must issue a notice of completion to the authority and send a copy of that notice to SWRCB. If the authority fails to timely file a statement certifying compliance with the plan, SWRCB can compel the authority to file a statement certifying compliance with the plan or other remedial action as may be appropriate.

SB 414 requires the authority to file an annual report with LAFCO describing its compliance with the plan for three years after formation. The LAFCO must hold a public hearing on the report to review the authority's performance during the previous year. SB 414 allows SWRCB to order an authority to remedy any failures to comply with conditions, and allows SWRCB to impose a civil penalty on an authority of up to \$500 per day for each violation if an authority fails to timely comply with its remedial order, up to a maximum of \$10,000 per year for each particular violation.

Within a year of formation, SB 414 requires the administrator to submit a capital improvement plan to SWRCB that will bring the authority into full compliance with drinking water standards within three years or longer if authorized by the board.

AB 600 (Chu)

Local government: organization: disadvantaged unincorporated communities.

(1) The Planning and Zoning Law requires a city or county to prepare and adopt a comprehensive, long-term general plan that includes various mandatory elements, including a housing element for the preservation, improvement, and development of housing. That law also requires a city or county, on or before the due date for the next adoption of its housing element, to review and update the land use element of its general plan based on available data, including, but not limited to, the data and analysis of unincorporated island, fringe, or legacy communities inside or near its boundaries, as provided. That law requires the updated land use element to include, among other things, an analysis of water, wastewater, stormwater drainage, and structural fire protection needs or deficiencies for each identified community.

This bill would define the term “needs or deficiencies” for these purposes to mean both deficient services and lack of services, as specified.

(2) The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 provides the authority and procedure for the initiation, conduct, and completion of changes of organization, reorganization, and sphere of influence changes for cities and districts, as specified.

This bill would require, on or before January 1, 2021, each city, county, and qualified special district, as defined, to submit to the commission an accessibility plan to secure safe drinking water, wastewater services, stormwater protection, and structural fire protection in unincorporated island, fringe, or legacy communities identified in the updated land use element described above. The bill would require the accessibility plan to, among other things, identify the city, county, or special district best positioned to provide adequate water or wastewater services to the affected territory and an identification of actions by the commission that are necessary to enable the city, county, or special district to provide those services. The bill would require the accessibility plan to include an analysis of costs and benefits of improved water or wastewater services for residents in each affected territory, and would prohibit the costs and fees for services extended to those territories through implementation of the accessibility plan from exceeding the costs and fees charged to existing water and wastewater system customers, as specified. The bill would require a city or county to, on or before January 1, 2021, submit a map of the county that identifies disadvantaged unincorporated communities that lack safe drinking water or adequate wastewater, along with the adopted accessibility plan, to the Office of Planning and Research, the State Water Resources Control Board, and any relevant regional quality control board, as specified.

The bill would require the commission to, within two years of the approval of an accessibility plan, hold a noticed public hearing and review the status of every disadvantaged unincorporated community that is subject to the accessibility plan.

By increasing the duties of local officials, this bill would impose a state-mandated local program.

(3) The act sets forth the powers and duties of a local agency formation commission, including initiating proposals by resolution of application for, among other things, the formation of a new district or districts and specified reorganizations.

This bill would additionally authorize the commission to initiate the reorganization or extension of services involving a disadvantaged unincorporated community, as specified. The bill would require the commission to initiate a change of organization or reorganization or service extension if the commission determines that service needs identified in an accessibility plan remain unaddressed two years after the approval of the accessibility plan.

(4) Existing law prohibits the commission from approving an annexation to a city of any territory greater than 10 acres where there exists a disadvantaged unincorporated community that is contiguous to the area of proposed annexation, unless an application to annex the disadvantaged unincorporated community into the subject city has been filed.

This bill would also prohibit the commission from approving an annexation under these circumstances to a qualified special district. The bill would define the term "qualified special district" for these purposes to mean a special district with more than 500 service connections that provides drinking water or wastewater services.

The bill would also specify that these provisions apply to the annexation of 2 or more contiguous territories within 2 years of each other that are individually less than 10 acres but are cumulatively more than 10 acres.

(5) Under existing law, an application to annex a contiguous disadvantaged community is not required if the commission finds that a majority of the registered voters within the disadvantaged unincorporated community are opposed to the annexation, as specified.

This bill would instead provide that an application to annex a contiguous disadvantaged community is not required if the commission finds that a majority of the residents within the disadvantaged unincorporated community are opposed to the annexation, as specified. This bill would additionally provide that an application to annex a contiguous disadvantaged community is not required if the commission finds that a majority of the residents within the affected disadvantaged unincorporated community would prefer to address the service deficiencies through an extraterritorial service extension.

The bill would also prohibit the commission from approving an annexation to a city or to a qualified special district of any territory if the city or qualified special district has failed to take steps necessary to implement an accessibility plan, as specified.

(6) The act requires the commission to develop and determine the sphere of influence of each city and each special district within the county and enact policies designed to promote the logical and orderly development of areas within each sphere. The act requires the commission, in order to prepare and update spheres of influence in accordance with this requirement, to conduct a service review of the municipal services provided in the county or other appropriate area designated by the commission, as provided. The act requires the commission to prepare a written statement of its determinations with respect to, among other things, the present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies, as provided.

This bill would prohibit the commission from adopting, amending, or updating a sphere of influence update that removes a disadvantaged community from the sphere of influence of a city or a special district or that fails to include a disadvantaged community that is contiguous to the

proposed sphere of influence, unless the commission makes specified findings. The bill would also prohibit the commission from approving, amending, or updating a sphere of influence for a city or a special district that has not taken action pursuant to an accessibility plan that was adopted within the previous 2 years.

(7) The act additionally states that the purpose of the commission is, among other things, to encourage the efficient provision of government services, as specified.

This bill would also state that the purpose of a local agency formation commission is to encourage the equitable provision of government services, as specified.

(8) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

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JARED BLUMENFELD
SECRETARY FOR
ENVIRONMENTAL PROTECTION

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State Water Resources Control Board

NOTICE OF PUBLIC HEARING

POTENTIAL FOR EAST OROSI COMMUNITY SERVICE DISTRICT (CSD) TO CONNECT WITH OROSI PUBLIC UTILITY DISTRICT (PUD)

The State Water Resources Control Board invites you to attend a public hearing to comment on the potential for Orosi PUD to provide domestic water to persons now served by East Orosi CSD.

Background:

East Orosi CSD (Water System) is located approximately seven miles east of Dinuba and two miles east of the community of Orosi. The Water System serves domestic water to a population of approximately 700 through 106 service connections. The Water System uses two groundwater wells to meet water demands and does not have any storage capacity.

Records show the water in the Water System contains nitrate levels that exceed the maximum contaminant level (MCL) set in state and federal regulations. Nitrate is a chemical that can be harmful to human health.

In 2015, Compliance Order No. 03-24-15R-001 was issued for a violation of the nitrate MCL in Well 02. In 2012, a funding agreement was issued to East Orosi CSD to complete a feasibility study which included evaluating three project alternatives to meet safe drinking water standards. In 2017, a preliminary engineering report was completed and recommended that East Orosi CSD connect to Orosi PUD. The planning project deadline was February 16, 2018.

Public Meeting:

The State Water Resources Control Board will host a public hearing to provide information on the proposed action, answer questions, receive public comments, and public testimony.

Date: **Wednesday, April 10, 2019 from 6:00 p.m. – 8:00 p.m.**

Location: **Orosi High School, Multi-Purpose Room
41815 Road 128 Orosi, CA 93647**

**Spanish language interpretation services will be available.*

Public Comments/Information

Public comments will be received through **April 30, 2019** and can be sent to:

Mail: Caitlin Juarez, Consolidation & Water Partnership Coordinator
State Water Resources Control Board, Division of Drinking Water
265 W. Bullard Avenue, Suite 101, Fresno, CA 93704

Email: Caitlin.Juarez@waterboards.ca.gov or **Fax:** (559) 447-3300

E. J. JOAQUIN ESCOBAR, CHAIR | EILEEN SCHOCK, EXECUTIVE DIRECTOR

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