



TULARE COUNTY LOCAL AGENCY FORMATION COMMISSION

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

LAFCO MEETING AGENDA June 4, 2014 @ 2:00 P.M. BOARD OF SUPERVISORS CHAMBERS COUNTY ADMINISTRATIVE BUILDING 2800 West Burrel Avenue Visalia CA 93291

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

ALTERNATES:
Mike Ennis
Janet Hinesly
Dennis Mederos

EXECUTIVE OFFICER:
Ben Giuliani

I. **Call to Order**

II. **Approval of Minutes from April 2, 2014 (Pages 1-4)**

III. **Public Comment Period**

At this time, members of the public may comment on any item not appearing on the agenda and that is within the scope of matters considered by the Commission. Under state law, matters presented under this item cannot be discussed or acted upon by the 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.

V. **New Action Items**

1. **2014/2015 Final Budget and Work Program (Pages 5-28)**
[Public Hearing].....Recommended Action: Approval

Pursuant to GC 56381, the Commission must adopt a final budget and work program, for the following fiscal year, by June 15. At the April 2nd meeting, the Commission decided to apply \$50,000 to offset the contribution from the County's eight cities and Tulare County. All expenditures and revenues are itemized on a single spreadsheet and the work program provides further detail on how these expenditures and revenues will be allotted during the fiscal year.

2. **LAFCO Executive Officer Compensation (Pages 29-30)**
[No Public Hearing]..... Recommended Action: Approval

An Ad-Hoc Committee composed of Commissioners Worthley and Ishida is recommending a salary adjustment for the Executive Officer with an effective date of July 13, 2014. Please see the enclosed resolution.

3. **Cancellation of July 9, 2014 Meeting (No Page)**
[No Public Hearing].....Recommended Action: Approval

There are no actions items scheduled for the July, 2014 meeting. If the Commission elects to cancel the July 9, 2014 meeting, the next regularly scheduled meeting would be August 6, 2014.

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.

VI. Executive Officer's Report

1. Legislative Update (Pages 31-36)

Attached are the various state bills that are being tracked by CALAFCO. Changes in bill status since the last Commission meeting will be discussed.

2. Upcoming Projects (No Page)

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

VII. Correspondence

There are no items.

VIII. Other Business

1. Commissioner Update (Page 37)

Attached is the May 2014 CALAFCO Quarterly Report.

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

IX. Closed Sessions

1. Personnel (Gov. Code Section 54957)

It is the Intention of the Board to Meet in Closed Session to: Consider Public Employee Performance Evaluation for the Position of: LAFCO Executive Officer

X. Setting Time and Place of Next Meeting

1. July 9, 2014 @ 2:00 P.M. or August 6, 2014 @ 2:00 P.M. (if the July meeting is cancelled) in the Board of Supervisors Chambers in the County Administration Building.

XI. Adjournment

Agenda Summary

Item No.

- II. Please see enclosed April 2, 2014 meeting minutes.*
- V.1 Please see enclosed 2014/15 Final Budget and Work Program*
- V.2 Please see enclosed resolution regarding Executive Officer compensation*
- VI.1 Please see enclosed CALAFCO Legislative Report*
- VI.2 No enclosure for this item*
- VIII.1 Please see enclosed CALAFCO May Quarterly Report*

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

TULARE COUNTY LOCAL AGENCY FORMATION COMMISSION
Summary Minutes of the Meeting
April 2, 2014

Members Present: Mendoza, Ishida, Allen, Hamilton
Members Absent: Worthley
Alternates Present: Ennis, Mederos
Alternates Absent: Hinesly
Staff Present: Ben Giuliani, Cynthia Echavarria, Doreen Alvez
Counsel Present: Lisa Tennebaum

I. Call to Order

Vice-Chair Allen called the Tulare County Local Agency Formation Commission meeting to order at 2:01 p.m. on April 2, 2014.

II. Approval of the March 5, 2014 Minutes:

Upon motion by Commissioner Hamilton and seconded by Commissioner Mendoza, the Commission unanimously approved the March 5, 2014 minutes.

III. Public Comment Period

Public Comments opened/closed at 2:02 p.m. There were no public comments.

IV. Regional Transportation/Sustainable Community Strategy

Mr. Kimball of the Tulare County Association of Governments provided a presentation and an overview of the outreach conducted for the Draft 2014 Regional Transportation Plan (RTP)/Sustainable Communities Strategy (SCS).

Commissioners discussed their concerns for the addition of persons projected in the 2014 RTP/SCS with the water shortage.

V. New Action Items

Public Member Selection [Vice-Chair Allen recused herself from this item]

Staff Analyst Echavarria provided information on the Public Member selection process. Mrs. Echavarria stated that a press release was sent to local newspapers regarding the opening. Tulare County LAFCO has received four qualified applicants since the press release.

Commissioners discussed the members of the public who submitted an application, highlighted Commissioner Allen's reelection to the CALAFCO Board and the requirement of being a member of a LAFCO board in order to continue on the CALAFCO Board.

Upon motion by Commissioner Ishida and seconded by Commissioner Hamilton, the Commission approved the Public Member Selection of Juliet Allen.

- 2014/2015 Preliminary Budget and Work Program

Ms. Echavarria reviewed the budget and work program and presented scenarios for the use of reserve funding to offset member agency contributions.

Commissioners requested clarification of the revenue/expenditures breakdown.

Vice-Chair Allen opened/closed the Public Hearing at 2:38 p.m. No comments received.

Vice-Chair Allen requested feedback from the commission to approve 2014/15 Preliminary Budget and Work Program.

Commissioner Mendoza provided his concerns regarding staff salary versus anticipated caseload for the FY 2014/15.

Vice-Chair Allen stated that salaries reflect the formal agreement with TCAG for staff time.

Upon motion by Commissioner Ishida and seconded by Commissioner Hamilton, the Commission approved the 2014/2015 Preliminary Budget and Work Program as written. Opposed: Commissioner Mendoza.

Executive Officer Giuliani stated that the commission could apply \$50,000 of reserve funds again this year to offset member agency contribution.

Upon motion by Commissioner Ishida and seconded by Commissioner Hamilton, the Commission approved the carryover of \$50,000 toward the Revenue Budget. Abstain: Commissioner Mendoza.

Amendment to Policy C-2.9 (Waiver of Public Notice & Hearing) and Policy B-2 (Processing Fees)

Executive Officer Giuliani stated this policy was brought to the Commission in March, and the purpose was to further refine the fee schedule on what type of annexations and detachments that qualify for a half fee, based off of what type of annexation or detachments that qualify for a waiver of public notice and hearing. Executive Officer Giuliani stated at the last meeting the Commission requested to add flexibility on what type of city and urban districts annexation and detachments can qualify for a waiver of public notice and hearing and highlighted the changes made to the policy on page 2.9 5(d).

Vice-Chair Allen opened/closed a public comment period at 2:50 p.m. No comments received.

Upon motion by Commissioner Ennis and seconded by Commissioner Mendoza, the Commission unanimously approved the Amendment to Policy C-2.9 (Waiver of Public Notice & Hearing) and Policy B-2 (Processing Fees).

Cancellation of May 2014 Meeting

Executive Officer Giuliani requested cancellation of the May 2014 Meeting.

Upon motion by Commissioner Ishida and seconded by Commissioner Ennis, the Commission unanimously approved the Cancellation of the May 2014 Meeting.

VI. Executive Officer's Report
Legislative Update

Executive Officer Giuliani provided an overview of bills in the legislature and highlighted new bills that were not on last month's agenda that could affect LAFCO: AB2762-Annual LAFCO Omnibus Bill for technical corrections, AB1593-Auburn Public Cemetery District, AB-1122-Strategic Growth Council to develop and implement regional grant programs to the support the implementation of the sustainable communities strategies and other plans.

Commissioner Ishida highlighted the concerns of the Lindsay/Strathmore Irrigation District with the AB1593 Legislative Bill.

Upcoming Projects

Executive Officer Giuliani provided the upcoming projects: Bring the Final 2014/15 Final Budget and Work Program for approval, Continue work on the municipal service review for the City of Porterville and City of the Exeter and another review of district financial data, as two years of data have been received from the State Controller's Office.

VII. Correspondence

None

VIII. Other Business

Commissioner Update

Vice-Chair Allen requested feedback on the March 2014 CALAFCO Quarterly Report.

Commissioner Ishida highlighted a presentation and the concerns discussed at the Rural Counties Supervisors Meeting (34 counties represented) for San Joaquin Valley County Supervisors, and Delta County Supervisors, who have agreed to a mission statement for the water bond with priorities for the water bond.

Commissioner Ishida stated a letter will be going out to all 58 counties to sign on to the basic principles of storage, money for the source counties and other minor items.

Commissioner Mendoza announced that the City of Woodlake has two positions open for the planning commission.

Request from LAFCO for items to be set for future agendas

Vice-Chair Allen requested to continue to review the policy effectiveness analysis for RVLP and highlighted the importance of having an understanding of its 40-year history.

Commissioner Ishida requested a study from CALAFCO to determine how many acres the State of California and the Federal Government retired out of production due to flood plans, the Delta Bay Conservation Program, and how much land have they bought that is taken out of the tax roll of the counties in the last five years.

IX. Setting Time and Place of Next Meeting

The next meeting is on Wednesday June 4, 2014 at 2:00 PM. The meeting will be in the Board of Supervisors Chambers in the County Administration Building.

XI. Adjournment

Upon motion by Commissioner Ennis and seconded by Commissioner Ishida, the Commission approved to adjourn the meeting. The meeting adjourned at 3:04 P.M.

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TULARE COUNTY LOCAL AGENCY FORMATION COMMISSION

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

COMMISSIONERS:
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ALTERNATES:
Mike Ennis
Dennis Mederos
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EXECUTIVE OFFICER:
Ben Giuliani

June 4, 2014

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

FROM: Cynthia Echavarria, LAFCO Staff Analyst

SUBJECT: FY 2014/15 Final Budget and Work Program

Enclosed for your review are the Fiscal Year 2014/15 Final Budget and Work Program. LAFCO adopted its preliminary budget April 2th and is required to adopt its final budget by June 15th. The Commission elected to use \$50,000 from carryover funds to help offset the cities and County contributions.

BUDGET 794

REVENUES

5801 Income from Other Agencies - \$222,857 is the amount estimated for FY 2014/15 as income from eight cities and the County as required by Government Code Section 56381. At the April 2014 meeting the commission voted to apply \$50,000 of reserve funds to help offset the contribution amount from the cities and the County. It is estimated that there is currently \$80,000 in available reserve funds.

5421 Planning and Engineering Services – As of this date, staff has processed 6 cases (annexations, detachments, sphere of influence amendments and extension of services agreements). The total estimated revenue is \$12,470. For fiscal year 2014/15, based on feedback from city staff, staff has estimated processing 6 cases for a total estimated revenue of \$16,072.

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 2013/14 \$579 in expense claims have been submitted.

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

7027 Memberships – The 2014/15 CALAFCO membership fee for suburban counties is estimated to be \$3,045. In 2014, a membership fee increase of 1.5 percent will be applied.

Estimated expenditure for current FY - \$2,565

7036 Office Expenses - \$3,000 was allocated for office supplies and other office equipment expenses in FY 13/14. A one-time charge of 491.92 was applied in 13/14 for an ipad for the executive officer. \$1,500 is budgeted for FY 14/15.

Estimated expenditure for current FY - \$2,783

7043 Professional and Specialized Services – \$400 is budgeted for FY 2014/15. These are funds used to contract with outside vendors, such as professional services or consultants. The need for consultant services is likely to remain low in FY 14/15 as the reduced projected workload is expected to continue. A one-time charge of \$2,241 was accrued for digitizing microfiche of LAFCO cases 1-800.

Estimated expenditure for current FY - \$2,386

7059 Publications and Notices - Staff estimates spending \$600 of the budgeted amount for FY 2014/15. The caseload is expected to increase slightly in FY 2014/15. However, there will be cost savings realized from MSR noticing.

Estimated expenditure for current FY - \$600

7073 Staff and Commission Member Training – Training costs of \$3,000 are proposed for FY 2014/15 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 - \$2,500

7074 Staff and Commission Transportation / Travel – Transportation/Travel costs of \$5,750 are proposed for FY 2014/15 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. The item also takes into account Commissioner Allen's travel expenses associated with her membership on the CALAFCO Board of Directors. To date approximately \$3,185 has been spent on transportation and travel.

Estimated expenditure for current FY - \$4,185

Expenditures – Other Charges

9315 Worker's Compensation – A total of \$1,300 has been budgeted for FY 2014/15 to cover expenses for worker's compensation.

Estimated expenditure for current FY - \$1,256

9302 Property – \$80 is proposed for FY 2014/15.

Estimated expenditure for current FY - \$77

9303 Liability Insurance – A total of \$1,700 has been budgeted for FY 2014/15 to cover expenses for general liability insurance. The increase from the budgeted amount last year is due to LAFCO needing to get separate special liability insurance from the County.

Estimated expenditure for current FY - \$1,676

9312 Telecomm – A total of \$300 has been budgeted for FY 2014/15 to cover expenses for telephone service.

Estimated expenditure for current FY - \$195

7036 RMA Printing Services – \$500 is budgeted for FY 2014/15. 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 - \$95

7036 RMA Mail Services - \$1,000 is budgeted for FY 2014/15. This covers costs for processing mail for LAFCO public hearing notices and other correspondence.

Estimated expenditure for current FY - \$428

Expenditures – Agency Charges

9315 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 2014/15.

Estimated expenditure for current FY - \$3,872

9316 Services from Other Departments- This charge includes services provided by other County departments such as TCAG, the County Auditor, Surveyor, Elections, etc. The charges predominately stem from review of LAFCO proposals by County departments. \$2,500 has been allotted for FY 2014/15.

Estimated expenditure for current FY - \$200

9317 COWCAP Charges - The amount budgeted for FY 2014/15 is \$8,000

Estimated expenditure for current FY- \$2,451

9324 G.I.S.-Arcview Services - The budgeted amount for 2014/15 is \$1,000.

Estimated expenditure for current FY - \$0

3795 Intra Agency Services Received- This item reflects Staff salaries. Staffing services are provided by the Tulare County Association of Governments. \$165,000 in salaries is estimated for FY 2014/15. This includes a half-time Executive Officer, a 25% Clerk, and a 75% Staff Analyst and an extra help position.

Estimated expenditure for current FY – \$120,000

CONTINGENCY/CARRYOVER

8508 Contingency - A contingency of 10% of the expenses is proposed for 2014/15 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 2013/14 is \$20,203. The contingency for FY 2014/15 is \$21,721.

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 2013/14, \$50,000 was used to offset the cities and County contribution. Staff estimates that LAFCO will have a reserve of approximately \$80,000 at the end of FY 2013/14. 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.

In considering this matter the Commission may also wish to provide policy direction as to the appropriate amount to retain as a reserve on a year-to-year basis. In making this decision the Commission should be aware that under GC Section 56381(c), the Board of Supervisors is authorized to loan the Commission funds if during the fiscal year the Commission is without funds to operate. The Commission must then appropriate sufficient funds in its budget for the subsequent year to repay the loan.

Carryover applied: \$50000

	POPULATION (Census 1/1/2013)	PERCENT OF POPULATION	PROPOSED 14/15 CONTRIBUTION	13/14 CONTRIBUTION	DIFFERENCE
CITY OF DINUBA	22,649	5.02%	\$8,670	\$8,606	\$64
CITY OF EXETER	10,439	2.31%	\$3,996	\$3,910	\$86
CITY OF FAMERSVILLE	10,841	2.40%	\$4,150	\$4,059	\$91
CITY OF LINDSAY	12,281	2.72%	\$4,701	\$4,164	\$537
CITY OF PORTERVILLE	55,192	12.22%	\$21,128	\$20,688	\$440
CITY OF TULARE	60,722	13.45%	\$23,245	\$22,816	\$429
CITY OF VISALIA	127,061	28.14%	\$48,641	\$47,887	\$754
CITY OF WOODLAKE	7,388	1.64%	\$2,828	\$2,858	-\$30
COUNTY OF TULARE	144,967	32.11%	\$55,496	\$54,421	\$1,075

TOTAL 451,540 100.00% \$172,857 \$169,409 \$3,448

(794) LINE 5900 \$172,857

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	FY 2011/12	FY 2012/13	FY 2013/14
CITY OF DINUBA	\$9,838	\$6,716	\$4,325	\$3,455	\$0	\$6,584	\$8,929	\$6,904	\$6,068	\$5,235	\$4,764	\$8,855	\$8,606
CITY OF EXETER	\$5,404	\$3,627	\$2,336	\$1,873	\$0	\$3,534	\$4,850	\$3,704	\$2,788	\$2,629	\$2,295	\$4,193	\$3,910
CITY OF FAMERSVILLE	\$4,827	\$3,467	\$2,229	\$1,802	\$0	\$3,494	\$4,751	\$3,613	\$2,747	\$2,655	\$2,351	\$4,355	\$4,059
CITY OF LINDSAY	\$5,681	\$4,064	\$2,566	\$2,052	\$0	\$3,764	\$5,101	\$3,857	\$3,071	\$2,880	\$2,613	\$4,849	\$4,164
CITY OF PORTERVILLE	\$23,626	\$15,675	\$10,133	\$8,177	\$0	\$15,181	\$20,624	\$17,765	\$15,790	\$12,833	\$12,028	\$22,124	\$20,688
CITY OF TULARE	\$26,235	\$17,408	\$11,192	\$9,020	\$0	\$16,881	\$23,478	\$19,308	\$17,610	\$14,423	\$13,164	\$24,175	\$22,816
CITY OF VISALIA	\$60,715	\$36,375	\$23,674	\$19,274	\$0	\$36,694	\$50,702	\$40,643	\$37,780	\$30,487	\$27,635	\$50,736	\$47,887
CITY OF WOODLAKE	\$4,042	\$2,666	\$1,691	\$1,350	\$0	\$2,453	\$3,332	\$2,552	\$1,785	\$1,915	\$1,616	\$2,957	\$2,858
COUNTY OF TULARE	\$90,577	\$55,677	\$35,561	\$28,291	\$0	\$51,257	\$70,071	\$49,113	\$43,361	\$35,779	\$31,728	\$58,012	\$54,421
TOTAL	\$230,945	\$145,675	\$93,707	\$75,294	\$0	\$139,841	\$191,838	\$147,459	\$131,000	\$108,834	\$98,195	\$180,257	\$169,409
Surplus Applied	\$0	\$0	\$100,000	\$150,000	\$150,000	\$30,000	\$40,000	\$60,000	\$70,000	\$100,000	\$100,000	\$50,000	\$50,000

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

794 - Preliminary Spreadsheet

	Object No.	Adopted Budget FY	AS of 3/19/14	Projected Expenses	Proposed Budget FY
EXPENDITURES					
Services and Supplies					
Board Director's Fees	6008	\$1,000	\$579	\$1,000	\$1,000
Memberships	7027	\$3,000	\$2,565	\$2,565	\$3,045
Office Expenses*	7036	\$3,000	\$875	\$2,783	\$1,500
Professional and Specialized	7043	\$400	\$2,386	\$2,386	\$400
Publication - Public Hearing Notices	7059	\$2,000	\$361	\$600	\$1,000
Training	7073	\$3,500	\$1,065	\$2,500	\$3,000
Transportation and Travel	7074	\$5,750	\$3,185	\$4,185	\$5,750
Total Services and Supplies		\$18,650	\$11,016	\$16,018	\$15,695
Other Charges					
I/F Workers Compensation	9300	\$945	\$1,256	\$1,256	\$1,300
I/F Expenses - Property	9302	\$79	\$77	\$77	\$80
I/F Expenses - Special Liability Insurance	9303	\$874	\$1,676	\$1,676	\$1,700
I/F ADP Payroll	9310	\$0	\$0	\$128	\$150
Rent	7062	\$11,446*	\$8,582	\$11,446	\$11,446
Alarm Services	7036	\$0	\$37	\$37	\$37
Telecom	9312	\$465	\$129	\$195	\$300
Utilities	9312	\$1,098*	\$1,011	\$1,924	\$2,000
Custodial Services	9313	\$587	\$432	\$1,296	\$1,500
I/F RMA - Printing	7036	\$500	\$95	\$95	\$500
I/F RMA - Mail	7036	\$500	\$221	\$428	\$1,000
Total Other Charges		\$3,950	\$13,516	\$18,557	\$20,013
Agency Charges					
County Counsel Charges	9315	\$7,000	\$1,372	\$3,872	\$5,000
Services from Other Dpts.	9316	\$4,500	\$200	\$200	\$2,500
COWCAP Charges	9317	\$7,528	\$2,451	\$2,451	\$8,000
GIS Services	9324	\$4,500	\$0	\$0	\$1,000
Intra - Agency Service Received*	9333	\$178,504	\$0	\$120,000	\$165,000
Total Agency Charges		\$202,032	\$4,023	\$126,524	\$181,500
Contingencies	7432	\$20,203	\$19,984	\$19,984	\$21,721
TOTAL EXPENDITURES		\$244,835	\$48,540	\$181,083	\$238,929
REVENUES					
Other - Government Agency Contributions	5801	\$169,858	\$169,858	\$169,858	\$172,857
Planning and Engineering Services	5421	\$22,426	\$10,970	\$12,470	\$16,072
Prior Year Revenue Accruals Adjustment	5999				
TOTAL REVENUES		\$192,284	\$180,828	\$182,328	\$188,929
NET COST		\$50,000	-\$132,288	-\$1,245	\$50,000
* included in Intra-Agency Services for 2013/14					
Staff Time	Amount	165,000			
Insurance		960			
Rent		11,446			
Utilities		1,098			
Total		178,504			

2014/2015 LAFCO WORK PROGRAM

Prepared by: Cynthia Echavarria
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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 2014/15 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 first in the nation in total agricultural income.

The population of Tulare County is concentrated in the Valley area. There are eight incorporated cities, which account for 68% of the total county approximate population of 456,347 (DOF – 7/1/13). 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

Steve Worthley, Chair	County representative
Juliet Allen, Vice Chair	Public representative
Rudy Mendoza	City representative
Allen Ishida	County representative
Cameron Hamilton	City representative
Mike Ennis	Alternate, County representative
Janet Hinesly	Alternate, City representative
Dennis Mederos	Alternate, Public representative

LAFCO Staff

Ben Giuliani, Executive Officer
Cynthia Echavarria, Staff Analyst
Doreen Alvez, LAFCO Clerk
Andrea Apolinario, LAFCO Clerk
Lisa Tennenbaum, 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 and special projects 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.

Although the Executive Officer is a position shared with TCAG, the Executive Officer is available to perform work for the Commission at least 50% of his/her work time, and more if needed. As a result, 6 months of LAFCO E.O. time has been allocated in the LAFCO Work Program.

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. Memberships in the American Planning Association and Association of Environmental Professionals are also included.

BUDGET:

Estimated staff costs:	\$55,000	(6.0 Staff Person Months)
Board Directors fees:	\$1,000	
Publications and Notices	\$1,000	
County Counsel:	\$5,000	
COWCAP Charged:	\$8,000	
Memberships:	\$3,045	
Rent	\$11,446	
Insurance	\$1,700	
Prof. & Specialized:	\$400	
Service from Other Dept.	\$2,500	
Total:	\$89,091	
Revenue (source):	\$25,000	(Reserve Funds)
Revenue (source):	\$64,091	(County & Cities Contribution)
Revenue (source):		(Planning & Engineering Fees)

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

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

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

DISCUSSION:

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

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

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

BUDGET:

Office Expense:	\$1,500
Telecomm	\$300
ADP Payroll/Personnel:	\$150
Utilities:	\$2,000
Custodial Services:	\$1,500
Property	\$80
Mail	\$1,000
Printing	\$500
Alarm	\$37
GIS	\$1,000
Worker's Compensation	\$1,300
Total	\$9,367

(Reserve Funds)
 \$9,367 (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):	\$3,000
Transportation/Travel (Commissioners & Staff)	\$5,750
Total:	\$8,750

Revenue (source):	(Reserve Funds)
Revenue (source):	\$8,750 (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.

- PRODUCTS:
1. Group 1 MSRs adopted March 2006
 2. Group 2 MSRs adopted May 2006
 3. Group 3 MSRs adopted March 2007
 4. City of Dinuba MSR updated June 2012
 5. City of Visalia MSR updated February 2013
 6. City of Tulare MSR updated October 2013

DISCUSSION:

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

Through a contract with Omni-Means consultants, Tulare County's eight cities and 19 of the special districts were to be reviewed and MSR's presented to LAFCO 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. The geographic scope of MSRs has been expanded to include developed communities within and adjacent to the subject agency's current SOI.

Due to the reduced level of casework LAFCO Staff will be able to complete the MSR updates without the use of a consultant. Thus, no funds will be allocated for consultant services for FY 14/15.

BUDGET:

Estimated staff costs:	\$55,000	(6.0 Staff Person Month)
Total:	\$55,000	
Revenue (source):	\$15,000	(Reserve Funds)
Revenue (source):	\$40,000	(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)

PRODUCTS: 1. Updated LAFCO Cities and Special District Inventory.

DISCUSSION: The Tulare County LAFCO Cities and Special District Inventory is a listing of the various agencies in Tulare County and provides information about each agency, including: date formed, address, phone number, contact person, functions performed, and method of financing. The Inventory also includes a brief description of each type of agency and a map depicting the agency's sphere of influence. For Community Service Districts and County Service Areas the inventory will also describe the latent powers each district was authorized to perform, but had not performed as of January 1, 2006 and January 1, 2009 (respectively). The full-published revision has been completed. However, this Work Program allocation is intended for the continual updating of contact and map information in the Inventory with a major update anticipated in FY 10/11. Some updates were made during FY 13/14.

BUDGET:

Estimated staff costs:	\$9,167	(1.0 Staff Person Months)
Total:	\$9,167	
Revenue (source):		(Reserve Funds)
Revenue (source):	\$9,167	(County & Cities Contribution)
Revenue (source):		(Planning & Engineering Fees)

SUBCATEGORY: 101 SPECIAL PLANNING PROJECTS

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

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

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

PRODUCTS:

1. SOI Updates for the Cities of Visalia, Tulare, Porterville, Farmersville, Woodlake and Exeter are anticipated for FY 2014/15
2. SOI Reviews (and updates as needed) for Tulare County principal districts

DISCUSSION:

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

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

By an informal understanding with the cities, this work element has been put on hold pending completion of ongoing negotiations between the cities and the County. However, some cities will be proposing projects during FY 2014/15 that require expansion of their SOI; thus, this element will be resumed in FY 2014/15. The MSR schedule in Work Element 101.02 will guide the update of agencies' spheres of influence.

BUDGET:

Estimated staff costs: \$18,333 (2 Staff Person Months)
Total: \$18,333

Revenue (source): \$10,000 (Reserve Funds)
Revenue (source): \$6,011 (County & Cities Contribution)
Revenue (source): \$2,322 (Planning & Engineering Fees)

SUBCATEGORY: 101 SPECIAL PLANNING PROJECTS

WORK ELEMENT: **101.05 Island Annexation Program**

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

PREVIOUS WORK: 1. Assisted Cities of Porterville, Visalia and Tulare

PRODUCTS: 1. Continue to support city staff in their island annexation programs.

DISCUSSION: Amendments to CKH in 2000 provide a window for municipalities to annex county islands within their boundaries using streamlined procedures. Eligible islands must have been created prior to January 1, 2000. Up to the program expiration date of January 1, 2014, protest hearings and election procedures may be waived by LAFCo, providing that the annexing city adopt a resolution supporting the annexation, and providing the annexation application meets the criteria spelled out in GC §56375.3. To date, the Cities of Visalia, Porterville and Tulare have annexed a total of 42 islands containing 10,883 residents, 3,525 housing units and 1,683 acres of land.

BUDGET:

Estimated staff costs:	\$0	(0 Staff Person Month)
Total:	\$0	
Revenue (source):		(Reserve Funds)
Revenue (source):		(County & Cities Contribution)
Revenue (source):	\$0	(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: Special District Financial Analysis

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. It is possible that LAFCO will be required to provide Staff time for the preparation of such a study.

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:	\$13,750	(1.5 Staff Person Month)
Total:	\$13,750	
Revenue (source):		(Reserve Funds)
Revenue (source):	\$13,750	(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 2013/14 (as of April 4), staff has processed 6 cases (annexations, detachments, sphere of influence amendments and extension of services agreements)

PRODUCTS: This is an ongoing work element. Staff will continue to process case applications as they are submitted. For fiscal year 2014/15, based on feedback from local agencies, staff is estimating processing 6 cases.

BUDGET:

Estimated staff costs:	\$13,750	(1.5 Staff Person Months)
Total:	\$13,750	

Revenue (source):		(Reserve Funds)
Revenue (source):	\$13,750	(County & Cities Contribution)
Revenue (source):	\$13,750	(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	\$25,000	\$64,091	\$0		\$89,091
Office Expenses / Fixed Assets	100.02	\$0	\$9,367	\$0		\$9,367
Training and Travel	100.03	\$0	\$8,750	\$0		\$8,750
Municipal Service Reviews	101.02	\$15,000	\$40,000	\$0		\$55,000
Cities & Special District Inventory Update	101.03	\$0	\$9,167	\$0		\$9,167
Sphere of Influence Updates	101.04	\$10,000	\$6,011	\$2,322		\$18,333
Island Annexation Program	101.05	\$0	\$0	\$0		\$0
Special Projects	101.06	\$0	\$13,750	\$0		\$13,750
LAFCO Case Processing	102.01	\$0	\$0	\$13,750		\$13,750
Subtotals	NA	\$50,000	\$151,136	\$16,072	NA	\$217,208
Contingency	NA	\$0	\$21,721	\$0	NA	\$21,721
TOTALS		\$50,000	\$172,857	\$16,072	NA	\$238,929

Total Staff Person Months = 18.0

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

TULARE CO. LAFCO- 7-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>
2013/14	Tulare, Porterville, Exeter			<i>Possible Future Projects</i> <ul style="list-style-type: none"> • Levee Districts • Traver, Seville CSD formations • Formation of Yokohl CSD & CWD • Incorporations: Goshen, Earlimart, Allensworth • Ag Mitigation Policy • Implementation of MSR's <i>Annual Work Elements</i> <ul style="list-style-type: none"> • Case Processing • Island Annexations • SOI Amendments • City-Special Districts Inventory • SOI Policy Update
2014/15	Woodlake, Farmersville, Lindsay	Cities (except Dinuba)		
2015/16	Group 1 and 2 Districts	Group 1 and 2 Districts		
2016/17	Group 3 and 4 Districts	Group 3 and 4 Districts		
2017/18	Visalia, Dinuba			
2018/19	Tulare, Porterville, Exeter			
2019/20	Woodlake, Lindsay, Farmersville			

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

In The Matter of the 2014/15)

Final Budget for the Tulare County)

RESOLUTION NO. **14-007**

Local Agency Formation Commission)

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

WHEREAS, LAFCO Policy D-3.3 (Staff Services Agreement), requires the preparation of a work program for each fiscal year indicating the services to be provided in that fiscal year; and

WHEREAS, this Local Agency Formation Commission on June 4, 2014, considered the fiscal year 2014/15 final budget and work program as recommended by the Executive Officer.

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

1. The final budget for fiscal year 2014/15, attached hereto as Exhibit "A", is hereby adopted.

2. The work program for fiscal year 2014/15, attached hereto as Exhibit "B", is hereby adopted.

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

The foregoing resolution was adopted upon motion of Commissioner _____, and seconded by Commissioner _____ at a regular meeting held on this 4th day of June 2014, by the following vote:

AYES:

NOES:

ABSTAIN:

PRESENT:

ABSENT:

Ben Giuliani, Executive Officer

ce

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

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

RESOLUTION NO. 14-008

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

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

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

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

WHEREAS, an Ad-Hoc committee composed of Commissioners Worthley and Ishida recommends compensation changes for the LAFCO Executive Officer of 5%, from \$92,400 annually to \$97,020 annually (Band Width: \$71,240 - \$106,860) with an effective date of July 13, 2014.

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

1. The Executive Officer salary compensation is increased, as recommended by the Ad-Hoc committee, by 5% from \$92,400 annually to \$97,020 (Band Width: \$71,240 - \$106,860).

2. The effective date of the compensation change is July 13, 2014.

The foregoing resolution was adopted upon motion of Commissioner x, and seconded by Commissioner x, at a regular meeting held on this 4th day of June, 2014, by the following vote:

AYES:

NOES:

ABSTAIN:

PRESENT:

ABSENT:

Benjamin Giuliani, Executive Officer

CALAFCO Daily Legislative Report as of Tuesday, May 27, 2014

AB 453 (Mullin D) Sustainable communities.

Introduced: 2/19/2013

Last Amended: 7/3/2013

Status: 8/30/2013-Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. SUSPENSE FILE on 8/12/2013)

Summary: The Strategic Growth Council is required to manage and award grants and loans to a council of governments, metropolitan planning organization, regional transportation planning agency, city, county, or joint powers authority for the purpose of developing, adopting, and implementing a regional plan or other planning instrument to support the planning and development of sustainable communities. This bill would make a local agency formation commission eligible for the award of financial assistance for those planning purposes.

Position: Watch

Subject: Sustainable Community Plans

CALAFCO Comments: This would allow LAFcos to apply directly for grants that support the preparation of sustainable community strategies and other planning efforts. CALAFCO has removed its support of the bill given the nature of the amendment and the potential impact to LAFcos.

AB 678 (Gordon D) Health care districts: community health needs assessment.

Introduced: 2/21/2013

Last Amended: 4/15/2013

Status: 8/30/2013-In committee: Held under submission.

Summary: Would require that the health care district conduct an assessment, every 5 years, of the community's health needs and provide opportunities for public input. Commencing January 1, 2019, the bill would require the annual reports to address the progress made in meeting the community's health needs in the context of the assessment. This bill contains other related provisions and other existing laws.

Position: Support

Subject: LAFCo Administration, Service Reviews/Spheres

CALAFCO Comments: This bill requires Health Care Districts that do not operate their own hospital facilities to create every 5 years, an assessment of the community health needs with public input. The bill requires LAFcos to include in a Municipal Service Review (MSR) the Health Care District's 5-year assessment.

AB 1521 (Fox D) Local government finance: property tax revenue allocations: vehicle license fee adjustments.

Introduced: 1/16/2014

Status: 5/23/2014-Joint Rule 62(a), file notice suspended. From committee: Do pass. (Ayes 16. Noes 0.) (May 23). Read second time. Ordered to third reading.

Calendar: 5/27/2014 #212 ASSEMBLY ASSEMBLY THIRD READING FILE

Summary: Beginning with the 2004-05 fiscal year, current law requires that each city, county, and city and county receive additional property tax revenues in the form of a vehicle license fee adjustment amount, as defined, from a vehicle license fee property tax compensation fund that exists in each county treasury. Current law requires that these additional allocations be funded from ad valorem property tax revenues otherwise required to be allocated to educational entities. This bill would modify these reduction and transfer provisions, for the 2014-15 fiscal year and for each fiscal year thereafter, by providing for a vehicle license fee adjustment amount calculated on the basis of changes in assessed valuation.

Position: Support

Subject: Financial Viability of Agencies, Tax Allocation

AB 1527 (Perea D) Public water systems: drinking water.

Introduced: 1/17/2014

Last Amended: 4/9/2014

Status: 5/27/2014-Action From SECOND READING: Read second time.To THIRD READING.

Calendar: 5/27/2014 #124 ASSEMBLY ASSEMBLY SECOND READING FILE

Summary: Would require the State Department of Public Health, in administering programs to fund improvements and expansions of small community water systems and other water systems, as specified, to

promote service delivery alternatives that improve efficiency and affordability of infrastructure and service delivery, as specified. This bill contains other related provisions and other existing laws.

Position: Support if Amended

Subject: Disadvantaged Communities, Municipal Services, Service Reviews/Spheres, Sustainable Community Plans

CALAFCO Comments: As amended, this bill promotes the consolidation of public water systems when appropriate. The bill would require the DPH to promote service delivery alternatives that improve efficiency, affordability of infrastructure, and service delivery in the administration of their programs funding improvement and expansion of public water systems. It also requires the DPH to consider LAFCo studies as part of their funding and alternative services considerations. Finally, the bill adds LAFCo to the list of eligible entities to receive sustainable community grant funding. CALAFCO has requested several minor amendments to the current language.

AB 1729 (Logue R) Local government: agricultural land: subvention payments.

Introduced: 2/14/2014

Last Amended: 3/20/2014

Status: 3/24/2014-Re-referred to Com. on APPR.

Summary: Would appropriate \$40,000,000 to the Controller from the General Fund for the 2014-15 fiscal year to make subvention payments to counties to reimburse counties for property tax revenues not received as a result of these contracts. The bill would make legislative findings and declarations related to the preservation of agricultural land.

Position: Support

Subject: Ag Preservation - Williamson

CALAFCO Comments: As amended, the bill will appropriate \$40 million from the General Fund in fiscal year 2014/2015 for subvention payments to counties for Williamson Act contracts.

AB 1961 (Eggman D) Land use: planning: sustainable farmland strategy.

Introduced: 2/19/2014

Last Amended: 4/22/2014

Status: 5/23/2014-In committee: Set, second hearing. Held under submission.

Summary: Would require each county to develop, on or before January 2, 2018, a sustainable farmland strategy. The bill would require the sustainable farmland strategy to include, among other things, a map and inventory of all agriculturally zoned land within the county, a description of the goals, strategies, and related policies and ordinances, to retain agriculturally zoned land where practical and mitigate the loss of agriculturally zoned land to nonagricultural uses or zones, and a page on the county's Internet Web site with the relevant documentation for the goals, strategies, and related policies and ordinances, as specified.

Position: Watch

Subject: Ag/Open Space Protection, CKH General Procedures, LAFCo Administration

CALAFCO Comments: As amended, the bill requires counties with 4% or more of its land zoned as agricultural to create a sustainable farmland strategy (sfs) effective January 1, 2018, in consultation with cities and LAFCo, and to update the sfs as necessary. The bill also requires OPR to create best practices that support ag land retention and mitigation. The bill creates an unfunded mandate for counties.

AB 2156 (Achadjian R) Local agency formation commissions: studies.

Introduced: 2/20/2014

Last Amended: 3/24/2014

Status: 5/23/2014-In Assembly. Ordered to Engrossing and Enrolling.

Summary: Would include joint powers agencies and joint powers authorities among the entities from which a local agency formation commission is authorized to request land use information, studies, and plans, for purposes of conducting the studies described above, and also would include joint powers agreements in the list of items the commission may request in conducting those studies. The bill would specifically define "joint powers agency" and "joint powers authority" for purposes of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

Position: Support

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

CALAFCO Comments: As amended, the bill will specifically define "joint powers agency" and "joint powers authority" for purposes of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (C-K-H), and include joint powers agencies and joint powers authorities (JPAs) among the entities from which a local agency formation commission (LAFCo) is authorized to request information in order to conduct required studies.

AB 2762 (Committee on Local Government) Local government.

Introduced: 3/24/2014

Last Amended: 5/6/2014

Status: 5/23/2014-In Senate. Read first time. To Com. on RLS. for assignment.

Summary: The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 does not apply to pending proceedings for a change or organization or reorganization for which the application was accepted for filing prior to January 1, 2001, as specified. The act authorizes these pending proceedings to be continued and completed under, and in accordance with, the law under which the proceedings were commenced. This bill would repeal those provisions relating to pending proceedings for a change or organization or reorganization for which an application was accepted for filing prior to January 1, 2001, and make other conforming changes.

Position: Sponsor

Subject: CKH General Procedures

SB 56 (Roth D) Local government finance: property tax revenue allocation: vehicle license fee adjustments.

Introduced: 1/7/2013

Last Amended: 6/11/2013

Status: 2/3/2014-Returned to Secretary of Senate pursuant to Joint Rule 56.

Summary: Beginning with the 2004-05 fiscal year and for each fiscal year thereafter, existing law requires that each city, county, and city and county receive additional property tax revenues in the form of a vehicle license fee adjustment amount, as defined, from a Vehicle License Fee Property Tax Compensation Fund that exists in each county treasury. Current law requires that these additional allocations be funded from ad valorem property tax revenues otherwise required to be allocated to educational entities. This bill would modify these reduction and transfer provisions, for the 2013-14 fiscal year and for each fiscal year thereafter, by providing for a vehicle license fee adjustment amount calculated on the basis of changes in assessed valuation. This bill contains other related provisions and other existing laws.

Position: Support

Subject: Financial Viability of Agencies, Tax Allocation

CALAFCO Comments: This bill reinstates revenues through ERAF (backfilled by the state general Fund) for cities incorporating after 2005 and annexations of inhabited territories.

SB 69 (Roth D) Local government finance: property tax revenue allocation: vehicle license fee adjustments.

Introduced: 1/10/2013

Last Amended: 5/6/2014

Status: 5/6/2014-From committee with author's amendments. Read second time and amended. Re-referred to Com. on RLS.

Summary: Current property tax law requires the county auditor, in each fiscal year, to allocate property tax revenue to local jurisdictions in accordance with specified formulas and procedures, and generally provides that each jurisdiction shall be allocated an amount equal to the total of the amount of revenue allocated to that jurisdiction in the prior fiscal year, subject to certain modifications, and that jurisdiction's portion of the annual tax increment, as defined. This bill would modify these reduction and transfer provisions for a city incorporating after January 1, 2004, for the 2014-15 fiscal year and for each fiscal year thereafter, by providing for a vehicle license fee adjustment amount calculated on the basis of changes in assessed valuation.

Position: Support

Subject: Tax Allocation

AB 1739 (Dickinson D) Groundwater basin management: sustainability.

Introduced: 2/14/2014

Last Amended: 4/22/2014

Status: 5/27/2014-Action From SECOND READING: Read second time.To THIRD READING.

Calendar: 5/27/2014 #133 ASSEMBLY ASSEMBLY SECOND READING FILE

Summary: Would require a sustainable groundwater management plan to be adopted, except as provided, for each high or medium priority groundwater basin by any groundwater management agency, defined as a special district authorized to provide water for beneficial uses or with specific authority to conduct groundwater management, a city, a county, a city and county, or certain joint powers authorities. This bill would require a sustainable groundwater management plan to meet certain requirements. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: Water

AB 543 (Campos D) California Environmental Quality Act: translation.

Introduced: 2/20/2013

Last Amended: 5/24/2013

Status: 5/19/2014-In committee: Set, second hearing. Hearing canceled at the request of author. **Calendar:** 6/18/2014 9:30 a.m. - Room 3191 SENATE ENVIRONMENTAL QUALITY, HILL, Chair

Summary: Would require a lead agency to translate, as specified, certain notices required by the California Environmental Quality Act and a summary of any negative declaration, mitigated negative declaration, or environmental impact report when a group of non-English-speaking people, as defined, comprises at least 25% of the population within the lead agency's jurisdiction and the project is proposed to be located at or near an area where the group of non-English-speaking people comprises at least 25% of the residents of that area. By requiring a lead agency to translate these notices and documents, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: CEQA

CALAFCO Comments: As amended, requires a lead agency to translate certain notices, summary of a negative declaration, mitigated negative declaration, or environmental impact report when the impacted community has 25% or more non-English speaking people affected by the project. The requirement is to translate these notices and summaries in the native language of those impacted. This is an unfunded mandate. While LAFCo is not typically the lead agency, there may be an occasion when they are, and this could have significant resource implications.

AB 642 (Rendon D) Publication: newspaper of general circulation: Internet Web site.

Introduced: 2/20/2013

Status: 1/24/2014-Failed Deadline pursuant to Rule 61(b)(2). (Last location was JUD. on 3/11/2013) **Summary:** Current law requires that various types of notices are provided in a newspaper of general circulation. Current law requires a newspaper of general circulation to meet certain criteria, including, among others, that it be published and have a substantial distribution to paid subscribers in the city, district, or judicial district in which it is seeking adjudication. This bill would provide that a newspaper that is available on an Internet Web site may also qualify as a newspaper of general circulation, provided that newspaper meets certain criteria.

Position: Watch

Subject: LAFCo Administration

CALAFCO Comments: Allows for posting of agendas and meeting material on newspaper websites.

AB 677 (Fox D) Local government finance: property tax revenue allocation: vehicle license fee adjustments.

Introduced: 2/21/2013

Last Amended: 1/6/2014

Status: 1/17/2014-Failed Deadline pursuant to Rule 61(b)(1). (Last location was L. GOV. on 1/7/2014) **Summary:** Would modify specified reduction and transfer provisions, for the 2013-14 fiscal year and for each fiscal year thereafter, by providing for a vehicle license fee adjustment amount calculated on the basis of changes in assessed valuation. This bill would also modify these reduction and transfer provisions, for the 2013-14 fiscal year and for each fiscal year thereafter, by providing for a vehicle license fee adjustment amount for certain cities incorporating after a specified date, as provided. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: Financial Viability of Agencies, Tax Allocation

AB 1593 (Dahle R) Public cemetery districts: Auburn Public Cemetery District.

Introduced: 2/3/2014

Status: 5/9/2014-Failed Deadline pursuant to Rule 61(b)(6). (Last location was L. GOV. on 2/14/2014) **Summary:** Would authorize the Auburn Public Cemetery District in Placer County to use their cemeteries for up to a total of 400 interments each, not to exceed 40 interments each per calendar year, to inter nonresidents and nonproperty taxpayers, if specified conditions are met. This bill contains other related provisions.

Position: Watch

Subject: Other

AB 2455 (Williams D) The Santa Rita Hills Community Services District.

Introduced: 2/21/2014

Last Amended: 4/10/2014

Status: 5/15/2014-Referred to Com. on GOV. & F.

Summary: The Community Services District Law specifies the procedures for district formation, procedures for the selection of district governing board members, the powers and duties of the board, and the procedures for changing those powers and duties. Current law requires the board of directors of each district to consist of 5 members. This bill would authorize, until January 1, 2035, the board of directors of the Santa Rita Hills Community Services District to consist of 3 members , as specified . This bill contains other related provisions.

Position: Watch

Subject: Special District Principle Acts

CALAFCO Comments: This bill as amended reduces the size of the governing Board of this district from five to three members.

AB 2480 (Yamada D) Local government finance: cities: annexations.

Introduced: 2/21/2014

Last Amended: 3/28/2014

Status: 4/23/2014-In committee: Set, first hearing. Hearing canceled at the request of author.

Summary: Would, beginning on January 10, 2015, and on the 10th of each month thereafter, require the Controller to pay to each city that incorporated before August 5, 2004, an amount equal to an amount determined by a specified formula. This bill would continuously appropriate to the Controller an amount sufficient to make those payments from the General Fund.

Position: Watch

Subject: Financial Viability of Agencies, Tax Allocation

SB 633 (Pavley D) CEQA.

Introduced: 2/22/2013

Last Amended: 8/6/2013

Status: 8/30/2013-Failed Deadline pursuant to Rule 61(a)(11). (Last location was APPR. on 8/6/2013) **Summary:** Would, for purposes of the new information exception to the prohibition on requiring a subsequent or supplemental EIR, specify that the exception applies if new information that becomes available was not known and could not have been known by the lead agency or any responsible agency at the time the EIR was certified as complete. The bill would authorize the office, by July 1, 2015, to draft and transmit to the secretary revisions to the guidelines to include as a categorical exemption projects involving minor temporary uses of land and public gatherings that have been determined not to have a significant effect on the environment. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: CEQA

SB 731 (Steinberg D) Environment: California Environmental Quality Act.

Introduced: 2/22/2013

Last Amended: 9/9/2013

Status: 9/13/2013-Failed Deadline pursuant to Rule 61(a)(14). (Last location was L. GOV. on 9/11/2013)

Summary: Would provide that aesthetic and parking impacts of a residential, mixed-use residential, or employment center project, as defined, on an infill site, as defined, within a transit priority area, as defined, shall not be considered significant impacts on the environment. The bill would require the Office of Planning and

Research to prepare and submit to the Secretary of the Natural Resources Agency, and the secretary to certify and adopt, revisions to the guidelines for the implementation of CEQA establishing thresholds of significance for noise and transportation impacts of projects within transit priority areas. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: CEQA

SB 772 (Roth D) Drinking water: County Water Company of Riverside water system: liability.

Introduced: 2/22/2013

Last Amended: 1/6/2014

Status: 2/3/2014-Returned to Secretary of Senate pursuant to Joint Rule 56.

Summary: Would exempt the Elsinore Valley Municipal Water District and the Eastern Municipal Water District from liability for claims by past or existing County Water Company of Riverside customers or those consuming water provided through the County Water Company of Riverside water system concerning the operation and supply of water from the County Water Company of Riverside water system during the interim operation period, as specified, for any good faith, reasonable effort using ordinary care to assume possession of, and to operate and supply water to , the County Water Company of Riverside water system. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: Water

CALAFCO Comments: As amended, this bill would exempt the Elsinore Valley Municipal Water District and the Eastern Municipal Water District from liability for injuries or damages arising out of the delivery of water to County Water Company of Riverside customers, as specified. As amended this bill no longer references Local Agency Formation Commissions (LAFCo) to take on the responsibility of monitoring private water companies. As a result of removing any and all references to LAFCo, CALAFCO has removed its opposition to the bill and now has a Watch position.

SB 1122 (Pavley D) Sustainable communities: Strategic Growth Council.

Introduced: 2/19/2014

Last Amended: 5/5/2014

Status: 5/23/2014-Held in committee and under submission.

Summary: Current law authorizes moneys from the Greenhouse Gas Reduction Fund to be allocated for the purpose of reducing greenhouse gas emissions in this state through specified investments, including funding to reduce greenhouse gas emissions through strategic planning and development of sustainable infrastructure projects. This bill would additionally authorize the council to manage and award financial assistance for the purpose of supporting the implementation of sustainable communities strategies or alternative planning strategies, to be funded from moneys from the Greenhouse Gas Reduction Fund, upon appropriation by the Legislature. The bill would require the council to adopt guidelines for the use of the funds by recipients.

Position: Watch

Subject: Sustainable Community Plans

2014 Staff Workshop Report

The CALAFCO annual Staff Workshop was held April 23 - 25 in Berkeley at the DoubleTree Berkeley Marina. The theme was *Building Bridges to the Future: Collaboration and Cooperation*. Final workshop financial reports will be available during the final year-end budget report, as invoices and some receivables are still being processed. There were 106 attendees (127 total including speakers), with 42 LAFCoS represented, along with 6 Associate Members. There was a total of \$5,000 in sponsorships, including 5 Supporting Sponsors (\$500 each), and 10 Honorary Sponsors (\$250 each), with one in-kind donation.



From a program perspective, preliminary feedback indicates a highly successful program. Thank you to Steve Lucas (CALAFCO DEO) for taking the lead as program chair, as well as all of the members of the program committee. Thanks also to Alameda LAFCo, Mona Palacios and Sandy Hou for hosting the event, and the Bay area LAFCoS for their support.

A detailed financial and program evaluation report will be provided at the next Board meeting and distributed to the membership.

2014 Annual Conference Update

The 2014 Annual Conference Program Committee has had 3 conference calls over the past several months. A Call for Presentations was done, and on May 6 the Program Committee reviewed a number of presentation proposals. Initial indications are that we will have a very strong and diverse program to offer this year. The theme and logo have been created, with the theme this year being: *LAFCo: The Next 50 Years. Shaping Communities for Tomorrow With Innovative Ideas Today*. Registration for the conference will be made available very soon, and will be posted online at the CALAFCO website.



CALAFCO U Update

The next CALAFCO U is set in Sacramento on June 16 and is *LAFCo Greatest Hits: 2013 Projects of the Year*. This session will feature 5 LAFCo project of the year nominations from the 2013 CALAFCO Achievement Awards, including the recipient of the award. The session is open to all LAFCo staff, commissioners, and associate members. Registration is available through the CALAFCO website.

The remaining 2014 sessions will be held at the CALAFCO offices in Sacramento. Mark your calendars:

- ◆ June 16 - *LAFCo Best Practices*
- ◆ August 11 - *Ag Mitigation*
- ◆ December 8 - *Legal Interpretations of C-K-H*

CALAFCO Board Actions

During their regular meeting on May 2, the Board addressed several administrative issues including:

- ◆ Accepted the 3rd quarter financial reports;
- ◆ Accepted the current FY end-of-year projections;
- ◆ Adopted the Association's 2014/2015 budget;
- ◆ Approved the ongoing trial use of absentee LAFCo ballots for the purposes of run-off elections for the CALAFCO Board of Directors at the upcoming caucuses, along with an action plan to present the information to the membership; and
- ◆ Received a comprehensive legislative update.

Legislative Activities

Bills are moving quickly through committees to meet deadlines. May 9 is the deadline for committees to hear non-fiscal bills, and May 23 for fiscal bills. CALAFCO continues to track a number of bills, and the Leg Committee's next meeting is May 9. CALAFCO tracked bills are all located on the CALAFCO website and the report is updated daily. May 9 is the next CALAFCO Leg meeting date. Top bills being tracked are:

- **AB 1521** - VLF - (Fox) *CALAFCO Support* - This bill addresses inhabited annexations, making whole those addressed currently in SB 69 (Roth) and future annexations. Eventually SB 69 was to be amended to address only incorporations, and at some point both bills will be joined. AB 1521 passed ALGC and is now in Assembly Appropriations awaiting a hearing date.
- **AB 1527** - Drinking Water - (Perea) *CALAFCO Oppose Unless Amended* - This bill has gone through a number of amendments to address CALAFCO concerns. Although we are still working with the author's office on further amendments, the bill has significantly changed since taking this position. CALAFCO will look at its current position at the next Leg. meeting. Passed the ALGC and ESTM and now in Appropriations.
- **AB 1961** - Sustainable Farmland Strategy - (Eggman) *CALAFCO Watch* - this bill requires counties with at least 4% of their land designated as ag land to create a sustainable farmland strategy (SFS), and requires these counties to work with LAFCoS to assure plans/policies are compatible to the SFS. All of CALAFCO's concerns have been removed from the bill, and the Leg committee will reconsider its position. In the Appropriations Suspense File as an unfunded mandate for Counties.
- **AB 2156** - JPAs - (Achadjian) *CALAFCO Support* - This bill would include JPAs among the agencies that LAFCo can obtain information from and include in MSRs. Passed through Assembly and set for hearing in the Senate Gov & Finance committee on 5/14.
- **SB 69** - VLF - (Roth) *CALAFCO Support* - This bill contains the same language as SB 56 which stalled in the Senate in 2013. The bill reinstates VLF (ERAF) funding to cities who have incorporated since 2004, and reinstates that funding for future incorporations. Awaiting committee assignment in the Assembly.
- **AB 1729** (Logue) *CALAFCO Support*. Allocates \$4 million in Williams Act subvention payments. In Appropriations.
- **AB 2762** (C-K-H Omnibus) *CALAFCO Sponsored*. Makes minor and non-substantive changes to C-K-H. Passed ALGC and now set for Appropriations on 5/14.