



TULARE COUNTY LOCAL AGENCY FORMATION COMMISSION

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

LAFCO MEETING AGENDA
April 4th, 2012 @ 2:00 P.M.
BOARD OF SUPERVISORS CHAMBERS
COUNTY ADMINISTRATION BUILDING
2800 West Burrel Avenue
Visalia, CA. 93291

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

ALTERNATES:
*Gerald Magoon
Amy Shuklian
Mike Ennis*

EXECUTIVE OFFICER:
Ben Giuliani

I. Call to Order

II. Approval of Minutes from March 7, 2012 (Pages 1-12)

III. Public Comment Period

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

IV. Consent Calendar

There are no items.

V. Continued Action Items

There are no items.

VI. New Action Items

1. Adoption of the City of Dinuba Municipal Service Review. (Pages 13-32)
[Public Hearing].....Recommended Action: Approval

Tulare County LAFCO will consider the adoption of the City of Dinuba Municipal Service Review update. The MSR and its determinations were distributed to the Commission and posted for public review on March 14th. Enclosed is the Executive Summary of the MSR which includes all of the MSR determinations. The complete MSR is posted on the Commission's website at: <http://www.co.tulare.ca.us/laoco/default.asp>. This item is exempt from the California Environmental Quality Act: Section 15061(b) (3).

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

2. Initiate Sphere of Influence Update to City of Dinuba, (Pages 33-34)
[No Public Hearing]Recommended Action: Initiate

With the adoption of the MSR it is recommended that the Commission initiate a Sphere of Influence Update for the City of Dinuba. The SOI Update is currently planned to be brought back to the Commission for action at the May 2nd meeting.

3. A Proposed Amendment to Policy C-1(Page 35-44)
[Public Hearing]Recommended Action: Approval

The recently signed and enrolled SB 244(Wolk) bill regarding disadvantaged communities added a provision in Government Code requiring the annexation of disadvantaged communities (with certain exceptions) when cities annex land of 10 acres or more (or as designated by LAFCO) that is contiguous to the affected disadvantaged community. The enclosed final draft policy and associated forms address these requirements.

4. 2012/2013 Preliminary Budget and Work Program (Pages 45-54).
[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 surplus 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 provides further detail on how these expenditures and revenues will be allotted during the fiscal year. A spreadsheet illustrating different contribution scenarios is also included.

VII. Executive Officer's Report

1. Alternate Public Member Selection (Page 55)

No qualifying applications have been received for the Alternate Public Member position during the initial application period. The application period has been extended to April 12, 2012.

2. Legislative Update (No Page)

The Executive Officer will provide a status update of proposed legislation that will, or potentially could, impact LAFCO's legislative authority and/or administrative responsibility.

3. Upcoming Projects (No Page)

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

VIII. Correspondence

None

IX. Other Business

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.

1. A Commissioner Report (**Page 63**)

At this time, any Commissioner may inform the Commission, Staff, or the public of pertinent LAFCO issues not appearing on the agenda.

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

3. Appreciation to Gerald Magoon

Gerald Magoon has honorably served on the Tulare County Local Agency Formation Commission as a Public Member Alternate since May 2002 and has previously served as a full member representing the County BOS in 1992. Commissioner Magoon is applauded for his excellent service to LAFCO and work on behalf of the citizens of Tulare County. Appreciation and best wishes are extended to him in his future endeavors.

X. Closed Sessions

There are no items.

XI. Setting Time and Place of Next Meeting

May 2, 2012 @ 2:00 P.M. in the Board of Supervisors Chambers in the County Administration Building

XII. Adjournment

<i>Item No.</i>	<i>Agenda Summary</i>
<i>II.</i>	<i>Please see enclosed March 7, 2012 meeting minutes</i>
<i>VI.1.</i>	<i>Please see enclosed Memo and Executive Summary for the Dinuba MSR Update</i>
<i>VI.2.</i>	<i>Please see enclosed Resolution for the initiation of the Dinuba SOI Update</i>
<i>VI.3.</i>	<i>Please see enclosed Memo and Proposed Amendment to Policy C-1 (Factors and standards to be considered in review of proposals)</i>
<i>VI.4.</i>	<i>Please see enclosed Staff Report for 2012/2013 Preliminary Budget and Work Program</i>
<i>VII.1.</i>	<i>Please see enclosed Staff Report for Alternate Public Member</i>
<i>VII.2.</i>	<i>There are no enclosures for this item</i>
<i>VII.3.</i>	<i>There are no enclosures for this item</i>
<i>VIII.</i>	<i>There are no enclosures for this item</i>
<i>IX.1.</i>	<i>There are no enclosures for this item.</i>

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TULARE COUNTY LOCAL AGENCY FORMATION COMMISSION
Minutes of the Meeting
March 7, 2012

Members Present: Julie Allen, Steve Worthley

Members Absent: Rudy Mendoza, Cameron Hamilton, Allen Ishida

Alternates Present: Gerald Magoon, Mike Ennis

Alternates Absent: Amy Shuklian

Staff Present: Ben Giuliani, Cynthia Echavarria, Carrie Perez

Counsel Present: Nina Dong

I. Call to Order

Chair Allen called the Tulare County Local Agency Formation Commission meeting to order at 2:00 p.m. on March 7, 2012

II. Approval of the February 1, 2012 Minutes:

Upon motion by Commissioner Worthley and seconded by Commissioner Ennis, the Commission unanimously approved the February 1, 2012 minutes.

III. Public Comment Period

Chair Allen opened the Public Comment Period

No comments were received; Chair Allen closed the Public Comment Period

IV. Consent Calendar Items

There were no Consent Calendar items.

V. Continued Action Items

There were no Continued Action Items.

VI. New Action Item

1. LAFCO Case 1467 - 1478, Group 4 District SOI Updates

The commission is asked to approve the Sphere of Influence (SOI) updates for the following districts: 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. Staff recommends removing Three Rivers CSD SOI from this update until Three Rivers UDB is completed. Their SOI will be brought back after the SDB is adopted.

Chair Allen asked if any commissioners had any questions of staff.

Chair Allen asked if we remove Three Rivers from this SOI what happens with Three Rivers.

Cynthia Echavarria LAFCO Staff Analyst responded, that the SOI would be adopted after the UDB is adopted. As of now there isn't a County adopted UDB for Three Rivers. The Three

Rivers CSD would like it to be contiguous with the UDB and bring it back after the UDB is adopted. There is someone here from Three Rivers CSD if you have any questions.

Chair Allen opened the public hearing.

Robert Rabor from Three Rivers CSD was present to address any question the commission may have. He stated that the Three Rivers CSD concurs with staff's recommendation to wait until the UDB is adopted.

Chair Allen closed the public comment period.

Commissioner Worthley stated he had a question regarding CSA #1. There's a discussion about Seville Water Infrastructure. Seville is not public but private, why are we analyzing that when the County only administers it but the County is not the owners.

EO Giuliani stated that this language is taken directly from the MSR for CSA #1. In the review it also included information about Seville, so we probably should actually strike that sentence about Seville in the State of Determination. It fit in the MSR discussion but in looking at it, it doesn't fit here.

Commissioner Worthley stated, it very well may be this is a situation where the end result might be to actually expand, if you will, or consolidate the Yetem and Seville systems together. There is some discussion about a study being done that will look at putting another well in that would actually serve both communities. Providing further back up for Yetem and whether that's an exterritorial agreement or actual expansion of the boundaries of Yetem. However, that study will address that issue. It might make sense ultimately to have one CSD for both those communities.

Chair Allen asked if the Three Rivers SOI will be brought back at later date.

EO Giuliani stated yes, after the UDB is adopted. The UDB is part of the Tulare County General Plan.

Upon motion made by Commissioner Worthley and seconded by Commissioner Ennis the Commission unanimously approved LAFCO Case 1467-1478, Group 4 District SOI updates.

2. Initiate Sphere of Influence Updates to Lindmore ID and Lindsay-Strathmore ID LAFCO Case 1488 and 1489

Staff found inconsistencies, at a pre-annexation meeting for proposed Lindmore ID reorganization, between Lindmore's ID boundaries and the current Lindmore ID and Lindsay-Strathmore ID SOI. The SOI for these districts was last updated 7/11/07. While the district didn't request a SOI amendment, the commission has the authority to initiate SOI amendments. If the SOI amendments are initiated, the SOI amendments will be brought back next month on April 4th for action.

Staff recommends that the Commissioner initiate SOI updates for Lindmore and Lindsay-Strathmore ID.

Chair Allen asked if they're any particulars associated with this overlap or is it a drafting error.

Cynthia Echavarria LAFCO staff analyst stated, it most likely is a drafting error.

Chair Allen asked if anyone in the public would like to comment.

Seeing none, Chair Allen closed the public comment period.

Upon motion made by Commissioner Ennis and seconded by Commissioner Worthley the Commission unanimously approved SOI Updates for Lindmore ID and Lindsay-Strathmore ID

3. Alternate Public Member Selection Committee

In February, staff circulated the announcement indicating the appointment for the alternate public member in accordance with Tulare County LAFCO Policies & Procedure. The announcement was posted at all County of Tulare Public Libraries, the Tulare County LAFCO website, LAFCO office and sent to the County of Tulare and each of the eight cities within the County. According to LAFCO policy A-4 (C) the Commission shall appoint a selection committee at least one month prior to the expiration date of the term of Office. The Committee consists of one County Member and one City Member. The recommendation of the selection committee will be presented to the Commission at a regular meeting of the Commission. The Commission will select the successful candidate by a majority vote on a motion to appoint the candidate to the Commission.

It is the recommendation of staff that the Commission initiate action to appoint the members of the selection committee consisting of one County Member and one City Member.

Chair Allen stated, the recommendation is to initiate this action; I assume this means to establish a committee. This is a little awkward situation since neither the city member or the alternate city member is present.

Commissioner Worthley stated, since Commissioner Ishida is not here I will offer my services to be on the committee.

Commissioner Ennis asked who the city members were.

Chair Allen stated, Cameron Hamilton and Rudy Mendoza are the city members.

Commissioner Worthley suggested Rudy Mendoza to be the city representative on the committee.

Upon motion made by Commissioner Ennis and seconded by Chair Allen the Commission unanimously approved Steve Worthley to be the County representative and Rudy Mendoza be the City representative for the Alternate Public Member Selection Committee.

VII. Executive Officer's Report

1. Proposed Amendment to Policy C-1

Policy C-1 was continued from the February LAFCO meeting. . Executive officer Giuliani stated that the commission provided new direction on how to further edit the policy. Included in the agenda is a template survey cover letter E-10 on page 31 Also included is a template survey on page 33 subsection C was added to Policy 1.3 to try to address both the cities and the counties concerns about potential gerrymandering of boundaries to either avoid or to trigger the policy. The issue of determination of what is exactly a disadvantaged/unincorporated community was brought to LAFCO's attention. Reason being, the term "disadvantage/unincorporated community" is used by cities for other purposes besides what we would be using it for at LAFCO To address this issue three (3) options for the commission to consider were drafted. . The options are:

1. To apply this policy simply to all unincorporated communities not to just disadvantaged, similar to what the commission did with the MSR, where the commission decided that we need to look at the services provided to all unincorporated communities within a sphere not just the disadvantage ones.

2. Bring back to the commission a list of disadvantage communities and the evidence used to produce that list. The commission can then adopt that list based off the evidence. One issue that happened to define these communities is the 80% state median income level. We do not have the income data found down to the census block level. The income is down to the block group level which includes pretty large areas and disparities. Staff has looked at the quality of housing, lots, infrastructure, physical attributes, housing values, and rentals.

3. Have staff work with city staff to see where all the disagreements are and to budget money in next years budget to actually do an income survey to definitely find out whether these questionable communities are actually disadvantaged or not.

Commissioner Worthley stated the second option is best because it's the simplest. I don't like the idea of including all areas because there could be some affluent areas outside the cities. If you would come back with a list of disadvantaged communities that fit the criteria of being close enough to the cities to be part of the annexation proposal in the future and make it available to everyone. I don't think it will be a difficult time to come to an agreement to which they qualify as a disadvantage community if we have a list. Anytime there's an annexation issue they could consult the list to determine whether or not they have a disadvantaged community that needs to be addressed.

Chair Allen stated, I like that idea. I would suggest, Commissioner Worthley, that what you are doing is combining 2 & 3 and that's basically where I'm at. Let's start with looking at what staff sees as being a disadvantage community. Staff should include an explicit listing of the criteria by which they make their recommendation. It clearly will need to go to the cities to find out where the issues might be between the cities and LAFCO in regards to the definition of disadvantaged.

Commissioner Magoon asked, is there is a number of how many communities are involved.

EO Giuliani asked Commissioner Magoon, do we have an estimate of how many communities this involves?

Chair Allen asked if there was a "back pocket" estimate.

EO Giuliani, it also depends on how you curve them, we do have some areas like Matheny Tract, which is two different county tracts but we count them as one and there are some areas in Porterville that are separate tracts, but they're clustered together so we count them as one. It is probably in the neighborhood of two dozen.

Commissioner Ennis, This applies only to areas close to the cities?

EO Giuliani responded, yes.

Commission Ennis, in Porterville there is Gold Colony in East Porterville with a mix of disadvantaged and nice housing projects.

EO Giuliani, Porterville has the most.

Commissioner Worthley, if you look at the way they incorporate a city then you have to look at some communities that are close enough to be potentially included. , so I think it will be a lot less then a dozen but larger cities like Porterville and Visalia may have a lot..

EO Giuliani, you have Goshen, Patterson Tract and K St. Island.

Chair Allen, There are a couple of dozen. That's the general size we're talking about. How do you feel about these three particular options?

Commissioner Ennis stated, combine two of them to get a better result.

Chair Allen stated, start with option two where staff brings a list and the criteria by which it is made.

Commissioner Worthley stated, another advantage too, is that by defining this up front, then the cities have the opportunity to review those, and if they have any concerns about them, we can address it. Recognizing that things could change overtime and maybe we'll need to come back and revisit it. At least for the foreseeable future I think we could identify the group.

Chair Allen stated, be specific about the criteria. Indicate it is specifically to deal with how it might change in the future. It could be that additional communities either come in or go out of that category or LAFCO may decide we aren't using the right criteria and need to adjust it. When staff comes forward with the first staff report, have those two things very explicitly done.

EO Giuliani asked to clarify, on option three. The key distinction between 3 and 2, is 3 includes income studies for the communities in question.

Commissioner Worthley stated, do not do that yet.

Chair Allen added, that is another step for the future. I think what we need to do first is to establish a criteria. Apply that and get a list established. Have the cities review and engage that discussion. Get that done and move on.

Commissioner Worthley stated, my goal would be to avoid doing the income study. It is very expensive and not necessary at this point.

Chair Allen stated, given the difficulty of acquiring good income information, staff might do some preliminary thinking on what a proxy indicator might be. Is there another indicator that can reliably point to whether a community is disadvantaged?

EO Giuliani responded, that is why I was looking at the housing values, etc.

Chair Allen asked, and the percent split between owner and median and median rents. You could put together something reasonable along those lines.

Commissioner Worthley responded, what happens is often times the city will be right up to the very front of a disadvantaged community which is sitting on the border of the city. That doesn't always fit with this definition.

EO Giuliani responded, actually it does. If you look at the law, it is supposed to address all disadvantage/unincorporated communities.

Commissioner Worthley stated, I'm saying if the city annexes land with 10 acres or more, generally speaking that's what we are talking about, there is the cities that don't necessarily want to annex developed disadvantaged communities.

EO Giuliani stated, this actually applies to 10 acres where it is undeveloped.

Commissioner Worthley responded, that's my point, you may not have 10 acres between the city limits and a disadvantage community. They may be sitting right there on the border.

EO Giuliani responded, they could start growing around it and it will be triggered if you try to grow around it. At some point the city would have to annex it in order to grow around that community. You could have situations where you have fully surrounded islands, where there isn't anymore developed land. This policy wouldn't be triggered because there isn't anymore annexation. Most of these have been taken care of.

Chair Allen stated, once again this is not a matter for public hearing, but is there anyone wishing to address the Commission on this agenda item?

EO Giuliani stated, one more letter we received from Jake Raper, Agency Director of Tulare County RMA. Commissioner Worthley stated, on the city annexation survey it should indicate acknowledgement that they've received and read the enclosed information.

EO Giuliani responded, the cover letter should explain the survey.

Commissioner Worthley responded, when you look at the survey document itself, it is very abrupt. It just simply says, do you want to be in or do you want to be out.

Chair Allen asked Commissioner Worthley, The commission suggest just a paragraph or a few sentences acknowledging respondents have received and read enclosed information

Commissioner Worthley responded,
EO Giuliani responded, the intent was that the survey would go along with the cover letter and other additional information about the city services. The intent of keeping the survey as tight as possible to be able to fit onto a postcard to save money on postage. We could fit some kind of disclaimer on it that the resident received the information.

Commissioner Worthley responded, if you look at it by itself, people will come in with all kinds of presumptions.

Chair Allen stated, so really, I have every expectation there will be a trial and error, with respect to how this letter and annexation form actually are used and how they are effective. Has everyone had a chance to look at the letter handed out? Is this the letter sent out as an email?

EO Giuliani responded, no. This letter was received today and is about the Policy itself. I just wanted to address a couple of items. One point that was brought up was about registered voters and property owners versus residents. It was suggested adding to the Policy, registered voters and property owners.

Chair Allen asked, as opposed to residents?

EO Giuliani responded, in addition to residents, as residents are required by law. If you look at the last sentence on page 30, under the first paragraph 1.3, I do not have a problem adding at the end, "The majority of residents and/or registered voters and property owners within the effected community are opposed to annexation". That would address the County's concerns and sends the registered voters and property owners who might file a protest. It makes sense to include it in there.

Chair Allen responded, explicitly. This would enlarge the pool of voters to include absentee property owners.

EO Giuliani responded, yes. You could have a situation where residents might fall on one side and registered voters and property owners on the other of the same issue.

Chair Allen stated, as I understand the suggestion it is a matter of defining the pool of voters as including residents, property owners and registered voters as opposed to establishing separate classes of voters.

EO Giuliani stated, no.

Chair Allen stated, it's a single pool of voters and the eligible voters in their pool include the people who reside in the area, people who own property in the area, not that they get two ballots if they live there too, if they're absentee they get a ballot, as well as registered voters and the registered voters must also be residents.

EO Giuliani stated, yes.

Chair Allen stated again, so in fact what we are doing is adding absentee property owners to the pool of eligible voters.

EO Giuliani responded, for the annexation survey, yes.

Chair Allen stated, correct. I'm only talking about the annexation survey here. EO Giuliani stated, another concern in the letter is about County islands as defined in the Policy as seen appropriately by the Commission. The Commission has a responsibility to require annexation and the Commission does have that flexibility already in the state law and in our policy. If the city came in and wanted to annex part of an island the Commission does have that latitude to require the annexation of the whole island.

Chair Allen asked, does this conclude staff's report?

Commissioner Worthley stated, when I'm looking at the actual government code, it says "the majority of the residents", it doesn't say residents and/or. If that is what the code says, I do not believe we can deviate from that.

EO Giuliani responded, the code says residents, but LAFCO does have the flexibility. Just so it does not conflict with other LAFCO statute to include looking at residents/owners and property owners. LAFCO does this in another part of the policy, where we require the annexation survey of registered voters and property owners from the city if they had an annexation that would create a substantial surrounding island. This is two separate issues, we would address that specific government code by having residents in there, but the Commission can also include registered voters and property owners as part of the Commissions mission.

Commissioner Worthley responded, as long as it is not going to deviate from LAFCO statute, I think it's appropriate to give notice to the property owners because it is their property. As long as they can't thwart this effort because if the residents say we want to be annexed, according to code, we would have to go forward with that process, even though the property owners don't. They have to understand that the code says residents and we have to act on the response of the residents even if that is contrary to the wants of the property owners.

Chair Allen stated, this is not a matter for public hearing, but is there anyone who wishes to address the Commission on this item?

Good afternoon, my name is Veronica Garibay with CRLA. We wanted to raise one concern with the policy in section A, subsection 4, information about city services, timing of when the city services would be provided and financing of the services. Our

concern is about some cities making annexation very unattractive to low income families and communities. The other is the cover letter. We suggest changing the second to last sentence which reads, "State law requires annexation of your neighborhood" to be changed to, "State law requires the city to file a petition/application for annexation of your neighborhood. The report reads a version of the survey will be in Spanish. Will that be available for public review before adopted by the Commission?

EO Giuliani stated, yes we can do that.

Veronica Garibay of CRLA responded, thank you.

Chair Allen stated, I didn't understand your questions so please do it again.

Commissioner Worthley stated, let me address the first one. This does say information about city services, the time when services will be provided and financing of the services. This is appropriate. It is giving people information and it is realistic to say, if the city connects this area, it will be provided police protection and fire protection. They may not provide water for a period of time, because there's no funding for which to provide the water but the people of the city are going to figure out how to make this work financially. It may be the result of taxation, assessment of their property. It may be the result of years of planning and fund raising to get it done. The point is, people need to understand, here are the real things to be thinking about, the real implication of you being a part of a city.

Chair Allen stated, why would you not be in favor of this?

Veronica Garibay of CRLA responded, we are in favor as long as it's written and the information is provided in a way that's realistic, as you're mentioning, and when the services will be provided but that it doesn't make annexation unattractive to the low income.

Chair Allen asked, so we can put you down as supporting a fact based presentation of what incorporation might mean to a potentially annexed community.

Veronica Garibay of CRLA asked, put me down as in CRLA supporting the statement you just read?

Chair Allen stated, yes I wasn't referring to you personally. I wanted to make sure what your position might be. I think in this case we are in agreement. You don't want it spun in any direction. You want a fact based presentation made to the community. Is that fair?

Veronica Garibay of CRLA responded, yes it is fair to say that. I would stay away from saying the CRLA supports that until I get the approval from my supervisors.

Chair Allen asked, what is your second point?

Veronica Garibay of CRLA stated, my second point is just a suggested language change on the cover letter. I don't have it in front of me but on the second paragraph of the letter it reads, "State law requires the annexation of your neighborhood", and we were suggesting it change to read, "State law requires the city to file a petition/application for annexation of your neighborhood".

Chair Allen asked EO Giuliani, is there a problem with that?

EO Giuliani responded, no.

Veronica Garibay of CRLA responded, thank you.

Chair Allen asked, is there anyone else?

Good afternoon Chair Allen and Commissioners, Paul Schiebel of the City of Visalia, the city appreciates the LAFCO staffs inserting of language into the policy to address, for the most part, our concerns on what exactly the boundaries would be and it appears people are working cooperatively and fairly.

Chair Allen commented, I want to emphasize that that has been our intentions all along. Collaboration, cooperation and communication, are important, not to mention, in good faith.

Paul Schiebel, City of Visalia responded, correct and as far as the survey form goes, we're fine with the samples. The survey and the cover letter, are both of these bilingual? We think it is obviously a prudent thing to do. Our problem is in the city specific information about municipal services, that's going to change over time. We think that, again, the logistics and the expense of including that in Spanish up front may not be entirely necessary, it's certainly not required under state law. We think that a city just like any governmental entity is required to provide translation services not bilingual materials per se. We think it's important in the survey letter to offer translation services for the materials that are attached as necessary. That would satisfy the requirements of both the letter of the law and the intent of the policy, without having to go to the expense of actually translating those materials.,. Typically, we provide explanation of municipal services in a pre-annexation meeting. ., We think it would be more prudent and logistically feasible for all parties concerned to simply offer the translation services in the body of the letter.

Chair Allen responded, if you're a Spanish speaker and the whole thing is in English, how do you even know there's a translation service available?

Paul Schiebel City of Visalia responded, that would be in Spanish.

Chair Allen stated, clearly in house there is translation capabilities already available.

Commissioner Worthley responded, well, I think the position is that when you're looking at the annexation survey, that's going to be standardized and doesn't change.

Paul Schiebel City of Visalia responded, correct.

Commissioner Worthley responded, is there anything in the statute that requires us to provide the survey in Spanish?

EO Giuliani asked, I do not know that it's required to be in Spanish.

Commissioner Worthley stated, maybe I missed something that says we're required to have it in Spanish.

EO Giuliani stated, the cover letter and the survey have it in Spanish as part of the policy. The question is about all the details from the city. Does that have to be in Spanish? There will be differences over time and location. Whatever the Commissions direction, we could add in to the Spanish version of the cover letter that the technical information can be provided on request.

Commission Worthley stated, I want to encourage the city to provide it in Spanish. However, if it creates a burden, we can.

EO Giuliani responded, we have plenty of Spanish translators in house.

Chair Allen stated, we can help the cities with this part. I would hope we'd go together in good faith to make this information available to all of our residents. Mr. Raper, have we addressed all your concerns in your letter.

Jake Raper, RMA Director of Tulare County responded, yes. I just wanted to make certain because when I saw the verbiage, I knew that registered voters and property owners had a say in terms of annexation. I understand and wanted to convey that to the Commission to make sure they had an opportunity to participate.

Chair Allen asked, is there anyone else here who would like to speak at this time?

Hi, Bonnie Simoes from the City of Tulare. I just wanted to make a personal observation, not to say anything bad about the law, but sometimes laws have unintentional consequences and using Matheny Tract as an example, those of us are going to get services a lot sooner by being a disadvantage community because there is a lot more grant money out there. It might have been 20 years before we had anyone to do anything for them. So as it has turned out, they're going to be better off in the short term because they're going to get services sooner rather than later.

Commissioner Worthley responded, I think you make a good point that we need to look at this holistically because those are issues we need to be cognizant of. Commissioner Worthley stated, let's bring this back for action. There has been some minor changes; the language of the letter and some sort of preamble on the top of the survey sheet, also the registered voters. Make sure we get the notes right.

EO Giuliani responded, that would be the city services. The other issue we need to bring back separately is the list of disadvantage communities.

Commissioner Worthley asked, based on the approval of this Policy C-1?

EO Giuliani responded, it's still a draft. It's not an action.

EO Giuliani stated, the next thing is a Legislative Analyst's issued report on special districts. There were three objectives to the report regarding efficiency of small special districts, accountability of small special districts and LAFCOs effectiveness in relation to special district. What the report ended up really focusing on was the consolidation of special district to create greater cognizance and efficiencies. The report had generally good things to say about LAFCO. It did highlight a couple of concerns about the obstacles that LAFCOs face in process and consolidating special districts. Therefore, the report made a recommendation to the legislature to look at ways to make consolidations easier to achieve and also the report concluded that the municipal service reviews are not focused enough on the financial efficiency of special districts. It recommended that legislature consider establishing statewide regional benchmarks in terms of financial efficiencies. Now the report itself admitted that it will be difficult to do and it will be interesting to see if the state legislature acts upon that. The other point, this information item is in response to the LEOs report, the California Special District Association sent out a survey to all counties that do not have special district representation on their LAFCOs. The survey has recently closed, so I won't have the survey results yet. It should be interesting to see if there is enough generation of interest that our special district might want to have representation.

EO Giuliani stated, here's the legislative update. I've included some of CALAFCOs initial interpretation of the bills that have been introduced to the legislature. Here are a few highlights. The annual LAFCO omnibus bill makes technical corrections

pertaining to CKH. One of the key bills out there, AB 2238. It's a bill sponsored by CRLA. Currently it does two things with LAFCO. It removes discretion on whether to prepare organization efficiency studies when conducting MSR. The other thing was to move discretion on evaluating a water agencies compliance with the Safe Drinking Water Act. It makes LAFCO eligible for certain water grants. Bill Chiat has been holding meetings with CRLA to discuss the enormous costs associated with organization efficiency studies in every MSR. He's working with CRLA to come up with revised language to make all sides happier. There is SB 1498, this bill is sponsored by The League of Cities. This could remove the annexation requirement for disadvantage/unincorporated communities.

EO Giuliani also added, upcoming projects. At our April meeting we should hopefully be able to select an alternate public member. We will have a draft budget for next year and a work plan at the April meeting. As mentioned, we will bring back Policy C-1 for action. We will also have the Dinuba MSR. We will get public notice out for that and Lindmore ID and LSID sphere of influence. Other upcoming projects; recently we met with City of Porterville and the annexations. They are going to be annexing one of their remaining County islands. Also they're looking into the annexation of a mutual water company that encompasses the north side of Porterville and to do that they have to look at another disadvantage community. We are also working with Self-Help Enterprises to annex a disadvantaged community on the south side of Porterville. We should hopefully see those in the next couple of months.

Commissioner Magoon asked, have you received any applications yet?

Cynthia Echavarria LAFCO staff analyst responded, no we have not received any yet, but it does not close until the 14th.

Commissioner Magoon asked, have you distributed it all around?

Cynthia Echavarria LAFCO staff analyst, yes we have posted it within the county, we sent it to the eight cities, it's posted outside the LAFCO building, and all the Tulare County libraries.

VIII. Correspondence

None

IX. Other Business

1. Commissioner Report - At this time, any Commissioner may inform the Commission, Staff, or the public of pertinent LAFCO issues not appearing on the agenda.

Bill Chiat announced his retirement. He has agreed to stay on until the next head of CALAFCO is chosen.

The next CALAFCO conference is being held in Monterey.

Territorial Services Extensions in terms of dues are going to go up.

Transferability of meal tickets will no longer be available at the conference.

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

None

X. Closed Sessions

. There are no items

XI. Setting Time and Place of Next Meeting

April 4, 2012 @ 2:00 P.M. in the Board of Supervisors Chambers in the County Administration Building.

XII. Adjournment



TULARE COUNTY LOCAL AGENCY FORMATION COMMISSION

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

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

ALTERNATES:
*Gerald Magoon
Amy Shuklian
Mike Ennis*

EXECUTIVE OFFICER:
Ben Giuliani

April 4, 2012

TO: LAFCO Commissioners, Alternates, Counsel

FROM: Ben Giuliani, Executive Officer

SUBJECT: Dinuba Municipal Service Review Update

Background

The first Municipal Service Review (MSR) for the City of Dinuba was adopted as part of the Group 2 MSRs by the Commission at the May 2006 meeting. The Sphere of Influence (SOI) for Dinuba was last comprehensively reviewed by the Commission at the April 2007 meeting. Since the adoption of the MSR, the City has updated its General Plan and more recently, in May of 2011, signed a Memorandum of Understanding (MOU) with the County. One of the agreements in the MOU is that the County will adopt a 20-year Urban Development Boundary (UDB) that is coterminous to the LAFCO adopted SOI for the City. The MOU also includes agreements regarding the County General Plan, development impact fees and provisions regarding development and land use within the County adopted UDB and Urban Area Boundary (UAB). Before the Commission can update the SOI, the updated MSR determinations need to be adopted.

Discussion

Since the Dinuba MSR was last updated, government code was modified that combined twelve topic areas into six. Recently, a seventh was added into law relating to disadvantaged unincorporated communities. The Commission is required to prepare a written statement of determinations for the following:

- Growth and population projections for the affected area.
- The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.
- Present and planned capacity of public facilities, adequacy of public services and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.
- Financial ability for agencies to provide services.

- Status of, and opportunities for, shared facilities.
- Accountability for community service needs, including governmental structure and operational efficiencies.
- Any other matter related to effective or efficient service delivery, as required by commission policy.

Note: In the updated MSR, information regarding the location and characteristics of disadvantaged unincorporated communities and services relating to those communities were combined under the last topic area.

Attached is the Executive Summary with determinations for the updated Dinuba MSR. The full version of the MSR was distributed for Commission on March 14th. The full version was also posted for public review on LAFCO's website: <http://www.co.tulare.ca.us/lafco/default.asp>.

Recommendation

Adopt the updated Municipal Service Review and statement of determinations for the City of Dinuba.

Attachments:

Updated Dinuba MSR – Executive Summary
Resolution of Adoption

EXECUTIVE SUMMARY – CITY OF DINUBA MUNICIPAL SERVICE REVIEW

Municipal Service Review Process

The Municipal Service Review (MSR) is a comprehensive assessment of the ability of government agencies to effectively and efficiently provide services to residents and users. The form and content of an MSR is governed by the requirements of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act), the State of California's LAFCo MSR Guidelines (2003, updated 2007), and local LAFCo policy. This MSR considers the operations and management of service providers within the City of Dinuba (City) in Tulare County.

The process for the preparation of this MSR began with a survey delivered to the City seeking information, planning and budgetary documents, and records related to the provision of municipal services. After reviewing the information collected, follow-up consultations were conducted to identify remaining information needs, discuss operational and technical issues, and resolve discrepancies in materials received.

Once all necessary information was collected, an analysis was conducted for each of the service providers. Once each analysis was completed, determinations were made regarding the ability of the City to effectively and efficiently provide services. These determinations correspond to the topic areas set forth in the CKH Act. The determinations represent the conclusions of Tulare County LAFCo regarding each of the service providers, based on the information provided and statements made by the service providers.

The most recent MSR prepared for Tulare County LAFCo to address provision of services within the City of Dinuba was completed in May of 2006. This MSR references and incorporates key information and recommendations presented in the 2006 MSR where applicable.

Topic Areas of Analysis

This MSR contains analysis and conclusions, referred to in this document as determinations, regarding six topic areas as set forth in the CKH Act. These areas of analysis identify the essential operational and management aspects of each service provider, and together constitute a complete review of the ability of the providers to meet the service demands of the residents and businesses within the City of Dinuba. The six topic areas used for analysis in this MSR are as follows:

- Growth and Population Projections
- Present and Planned Capacity of Public Facilities and Adequacy of Public Services, including Infrastructure Needs or Deficiencies
- Financial Ability to Provide Services
- Status of, and Opportunities for, Cost Avoidance and Shared Facilities

- Accountability for Community Service Needs, including Governmental Structure and Operational Efficiencies
- Any other matter related to effective or efficient service delivery, as required by commission policy

An explanation of the specific operational and management aspects considered in each of these topic areas is provided below.

CHAPTER 2 GROWTH AND POPULATION PROJECTIONS

Service efficiency is linked to a service provider's ability to plan for future need while meeting existing service demands. A service provider must meet current customer needs, and also be able to determine where future demand may occur. This section reviews demand projections and service needs based upon existing and anticipated growth patterns and population projections.

CHAPTER 3 PRESENT AND PLANNED CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES, INCLUDING INFRASTRUCTURE NEEDS OR DEFICIENCIES

Infrastructure can be evaluated in terms of condition, capacity, availability, quality and relationship to operations, capital improvement and finance planning. This section assesses the adequacy and quality of the service providers' physical infrastructure, and analyzes whether or not sufficient infrastructure and capital are in place (or planned for) to accommodate planned future growth and expansions.

CHAPTER 4 FINANCIAL ABILITY TO PROVIDE SERVICES

This section analyzes the financial structure and health of the City with respect to the provision of services. Included in this analysis is the consideration of rates, service operations, and the like, as well as other factors affecting the City's financial health and stability, including factors affecting the financing of needed infrastructure improvements and services. Compliance with existing State requirements relative to financial reporting and management is also discussed.

CHAPTER 5 STATUS OF, AND OPPORTUNITIES FOR, COST AVOIDANCE AND SHARED FACILITIES

Practices and opportunities that may help to reduce or eliminate unnecessary costs are examined in this section. Occurrences of facilities sharing are listed and assessed for efficiency, and potential sharing opportunities so as to better deliver services are discussed.

CHAPTER 6 ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS, INCLUDING GOVERNMENTAL STRUCTURE AND OPERATIONAL EFFICIENCIES

This section addresses the adequacy and appropriateness of the City's existing boundary and sphere of influence, and evaluates the ability of the City to meet its service demands under its existing government structure. Also included in this chapter is an evaluation of compliance by the City with public meeting and records laws.

CHAPTER 7 ANY OTHER MATTER RELATED TO EFFECTIVE OR EFFICIENT SERVICE DELIVERY, AS REQUIRED BY COMMISSION POLICY

Commission Policy C-5.11 (Spheres of Influence-Municipal Service Reviews) requires that MSRs identify the location and characteristics, including service and infrastructure needs or deficiencies, of any disadvantaged or other developed communities outside existing agency boundaries but inside or adjacent to the SOI and make recommendations regarding possible ways to address needs and discrepancies. The MSR must also identify the location of existing city and county growth boundaries and determinations shall be made with regard to their continuity/discontinuity to the existing SOI.

Determinations

This Municipal Services Review makes the following Determinations regarding the City of Dinuba:

1. INTRODUCTION

1.6 Background Setting and History

Determination 1.6-1 The City of Dinuba, founded in 1888 and incorporated in 1906, is located in northwestern Tulare County in the heart of the agriculturally rich San Joaquin Valley. The City of Dinuba operates under the Council-Manager form of government, and became a “charter” City in June 1994.

Determination 1.6-2 The City's first Sphere of Influence was established in 1974. The last Dinuba Sphere of Influence Update occurred in April 2007.

Determination 1.6-3 The City's first Municipal Service Review (MSR) was completed in May 2006. This MSR is an update to the 2006 MSR.

2. GROWTH AND POPULATION PROJECTIONS

2.1 Historical Data & Population Projections

Determination 2.1-1 U.S. Census data indicates that Dinuba had a 1990 population of 12,743, a 2000 population of 16,844, and a 2010 population of 21,453. These trends indicate that Dinuba’s population is growing at an average annual rate of approximately 2.64%.

Determination 2.1-2 Based upon historical population trends, at an average annual growth rate of 2.64%, Dinuba’s 2020 and 2030 population are projected to be 27,893 and 36,266, respectively. These projections are slightly less than those contained in the City of Dinuba General Plan Update by 5.0% in 2020 and 6.6% in 2030, which assumed an annual average growth rate of 3.0%.

2.2 Planning Documents

Determination 2.2-1 The City plans for future growth through the implementation of policies and standards set forth in its General Plan. Dinuba's General Plan was updated in 2008, and is a long-range guide for attaining the City's goals within its ultimate service area and accommodating its population growth to the year 2031. The City's General Plan provides a policy base to guide future growth within the City.

Determination 2.2-2 The City also plans for future growth through the preparation and implementation of specific plans and master plans. The City previously adopted the Southwest Dinuba Specific Plan in 1992, the Northeast Dinuba Specific Plan in 2001, and the Northwest Dinuba Specific Plan in 2003. The City is currently preparing the West Dinuba Specific Plan. The City also maintains master plans for public infrastructure systems including water, sewer, and storm drain systems. An update to the Sewer Master Plan was completed in 2010.

2.3 Planning Boundaries

Determination 2.3-1 The Tulare County General Plan contains an Urban Boundaries Element which sets forth policy regarding development within municipal fringe areas surrounding incorporated cities.

Determination 2.3-2 According to adopted plans, urban development is to occur only within the incorporated City Limits, with certain exceptions. Within the 20-year UDB, development proposals are referred to the City for annexation. If the City cannot, or will not, annex, Tulare County considers the proposal on its merits.

Determination 2.3-3 The City adopted a 10-year and a 20-year UDB in its General Plan Update, based upon the capabilities of the City to accommodate new growth. The adoption of tiered UDBs promotes orderly growth by discouraging "leap frog" development from occurring.

Determination 2.3-4 Consistent with City and County General Plan policies, and LAFCo's boundary definitions, a City's SOI should, at a minimum, be coterminous with, or extend beyond an established 20-year UDB. The current SOI is conterminous and extends beyond the County's 20-year UDB, but is significantly smaller than the City's current 20-year UDB. The current SOI is approximately contiguous with the City's former 20-year UDB from the 1997 Dinuba General Plan.

Determination 2.3-5 The Dinuba city limits currently include 4,147 acres. The area inside the City's 10-year UDB comprises 7,061 acres, and includes all the land in the City limits. The 20-year UDB contains 10,413 acres.

Determination 2.3-6 The City's SOI currently contains 6,173 acres. The City's original SOI was established in 1974 with 3,844 acres. Since 1974, 2,334 acres have been added, with 710 of those acres added for the City's Reclamation, Conservation and Recreation (RCR) project. This project combines the City's Wastewater Reclamation Facility (WWRF) with an 18-hole golf course to promote water reclamation and reuse.

Determination 2.3-7 Pursuant to Tulare County LAFCO Policy C-5.2, where differences exist between the County and City adopted 20-year UDB, the Commission shall determine which boundary most closely reflects the statutory requirements or intent of the Cortese-Knox-Hertzberg Act for the setting of SOIs. Should LAFCO determine that no existing Planning Boundary complies with the statutory requirements or intent of the Cortese-Knox-Hertzberg Act, the Commission shall determine the twenty-year growth boundary independently of other agencies. In all cases of conflicting boundaries, the commission shall attempt to reconcile the various boundaries and the Sphere of Influence before adoption.

2.4 Land Use

Determination 2.4-1 The City's updated General Plan contains a number of policies that serve to promote development on vacant and underdeveloped properties, and protect against the premature conversion of agricultural land.

Determination 2.4-2 As prescribed by the General Plan Update, the City should undertake a review of the land use demand and supply no less than once every five years. It is recommended that the City coordinate this process with scheduled SOI updates to determine any modifications that may be necessary.

2.5 Annexations

Determination 2.5-1 Dinuba has annexed approximately 279 acres of land since the last MSR update in 2006. The latest annexation was in 2008.

3. PRESENT AND PLANNED CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES, INCLUDING INFRASTRUCTURE NEEDS OR DEFICIENCIES

3.1 Capital Investment Program

Determination 3.1-1 The City's CIP provides a foundation and planning tool to assist in the orderly acquisition of municipal facilities and to assure that service needs for the future are met.

Determination 3.1-2 The CIP ties the City's physical development to goals and decisions expressed through hearings, citizen advisory groups, City staff, and planning documents, including the City's General Plan.

Determination 3.1-3 The CIP identifies 16 revenue sources from which CIP projects are funded, provides a comprehensive description of each revenue source, and describes how the resources are allocated.

3.2 Domestic Water

Determination 3.2-1 The City's water supply is derived from nine active groundwater wells, which have a total maximum production of approximately 10,250 GPM.

Determination 3.2-2 Average demand on the water system is about 4.2 MGD, and the maximum daily demand is about 7.3 MGD. The maximum supply capacity of the water system is 14.7 MGD, indicating that the City's water system is operating at approximately 50% of its capacity.

Determination 3.2-3 The City's water system supports 5,020 total connections, including 4,580 residential connections, 485 commercial connections, and 5 industrial connections. All connections to the City's water system are metered, which promotes water conservation.

Determination 3.2-4 City staff has indicated that the City has an adopted water conservation ordinance but it has not been necessary to impose restrictions in recent years. It is recommended that the City consider posting the water conservation ordinance on its website as a way of continuing to promote water conservation in the City and potentially increase the level of public participation.

Determination 3.2-5 The City updated its Water Master Plan in 2008. The Plan covers planned growth of the City's water system through the year 2020.

Determination 3.2-6 The City's CIP ensures that Dinuba can continue to provide adequate water supply to the growing community for the next decade. The City's approach to planning for and implementing water system improvements is excellent, and is demonstrated by the City's dedication to aggressively seeking outside grant/loan funding, and ensuring that adequate funding is allocated towards the City's CIP.

Determination 3.2-7 Dinuba has complied with the Urban Water Management Planning Act. They have submitted Urban Water Management Plans for 2000 and 2005. UWMPs are required to be updated every five years in years ending with five and zero. The City's 2010 UWMP is nearing completion and will be submitted to the State Department of Water Resources in April 2012.

3.3 Drainage Infrastructure

Determination 3.3-1 The City's storm drainage infrastructure was evaluated as part of the Storm Drainage Master Plan (Quad Engineering, 1989), and the City's GPU in 1997.

Determination 3.3-2 Most of the storm runoff collected in the City's drainage system is discharged to irrigation ditches operated by the Alta Irrigation District. Discharge limitations are established through an agreement between the City and District.

Determination 3.3-3 The City's CIP ensures that Dinuba can continue to provide storm drainage infrastructure to the growing community in future years. The City's approach to planning for and implementing storm drain system improvements is demonstrated by the City's dedication to aggressively seeking outside grant/loan funding, and ensuring that adequate funding is allocated towards the City's CIP.

3.4 Wastewater Collection, Treatment and Disposal

Determination 3.4-1 Several City sewer collection system studies have been completed in the past. Studies were completed in 1967, 1971, 1973, 1989, and 2010. Although some of the previous studies are over 25 years old, a significant portion of the conclusions and recommendations are still valid according to the City's GPU adopted in 1997. The City continues to upgrade its sewer collection system consistent with the recommendations in these studies.

Determination 3.4-2 A comprehensive "Sewer System Master Plan Update" addressing all areas within the City's 20-year UDB (per the 2008 City General Plan) and the current SOI was completed in 2010.

Determination 3.4-3 The City's Wastewater Reclamation Facility was most recently studied as a part of the "City of Dinuba Master Plan 2003/04", RTW Engineering, 2003/04. The Master Plan recommended exploring the feasibility of the Reclamation, Conservation, and Recreation Project, which would provide for additional wastewater effluent and biosolids disposal through the construction of wetlands, ponds, and irrigation of a new 18-hole golf course.

Determination 3.4-4 The Wastewater Reclamation Facility operates under provisions outlined in Waste Discharge Requirements Order No. 95-200, issued by the RWQCB. The order prescribes that the monthly average dry weather discharge flow shall not exceed 3.0 MGD average daily flow (ADF). A Preliminary Design Report completed in 2008 estimated current treatment capacity to be approximately 2.6 to 2.7 MGD (ADF). A Phase I Improvements Project completed in 2012 now brings treatment capacity to approximately 3.0 MGD (ADF). The average daily flow was last measured at 2.3 MGD (ADF), indicating that the plant is operating at approximately 77% of its capacity.

Determination 3.4-5 The City's CIP ensures that Dinuba can continue to provide sanitary sewer collection, treatment, and disposal services to the growing community in future years. The City's approach to planning for and implementing sewer system improvements is demonstrated by its dedication to aggressively seeking outside grant/loan funding, and ensuring that adequate funding is allocated towards the City's CIP.

3.5 Streets and Roads

Determination 3.5-1 The City constructs transportation improvements through the implementation of goals and policies set forth in the City's General Plan Circulation Element, and other plans, including the Tulare County Regional Transportation Plan, which is updated every three years.

Determination 3.5-2 The City's General Plan policies state that all City streets should operate at LOS "C" or better conditions through the year 2015.

Determination 3.5-3 The Dinuba City Council has established the following goals related to transportation: repair streets citywide; widen Ave. 416/El Monte Way and Road 80/Alta Ave. to four lanes; upgrade public transit system to include trolley; continue sidewalk, curb & gutter program.

Determination 3.5-4 The City's CIP ensures that Dinuba can continue to provide transportation related infrastructure for the efficient movement of people and goods. The continuous implementation of General Plan Circulation Element goals and policies also guides the City in meeting the future transportation needs of the community.

Determination 3.5-5 The City should take the lead in planning for transportation and circulation improvements within the boundary of its 20 year UDB and SOI. Streets within this area should be constructed to City standards, since it is likely that the area will ultimately be incorporated into and become a part of the City of Dinuba.

3.6 Fire and Police Protection Services

Determination 3.6-1 The Dinuba Fire Department operates out of one fire station equipped and staffed 24-hours a day. The fire station is located at the intersection of E. Tulare Street and N. “H” Street.

Determination 3.6-2 The Insurance Services Office (ISO) rates fire departments on a scale of one (best) to ten (unprotected). The Dinuba Fire Department current ISO rating is four (4).

Determination 3.6-3 The City of Dinuba contracts with various agencies to provide the best possible emergency services through mutual aid agreements, including the Tulare County Fire Department, the Tulare County Sheriff’s Department, and the City of Visalia Hazardous Response Team.

Determination 3.6-4 Consistent with the 2003-2005 goals set forth by the Dinuba City Council, a Fire Master Plan was adopted by the City. The Fire Master Plan is a tool for future staffing and facility requirements to accommodate future growth within the City’s SOI.

Determination 3.6-5 The Fire Master Plan states that the City is not able to meet EMS response time goals for its mutual aid areas outside the 20-year boundary in unincorporated areas. The Fire Master Plan recommends that an EMS unit be located in the Cutler-Orosi area, and that it should be financed by County response area revenues.

Determination 3.6-6 The City of Dinuba’s voters passed Measure F, which increased the local sales tax by $\frac{3}{4}$ cent to raise revenue for increased police and fire protection. Measure F’s 10-year expenditure plan includes funding for several projects including a new fire station and joint training facility, and additional equipment and staffing for the department. The passage of Measure F is indicative of the community’s desire to maintain high levels of public safety.

Determination 3.6-7 The Dinuba Police Department operates out of one police station and one sub-station equipped and staffed 24-hours a day, 365 days per year. The City completed the construction of a new Police and State Justice Court Facility in 2000.

Determination 3.6-8 Based upon current staffing levels, the Police Department has a sworn police officer to population ratio of approximately 1.8 officers per 1,000 persons.

Determination 3.6-9 The Police Department offers various programs for citizens to get involved with public safety efforts in the community. The programs generally consist of community volunteers who are dedicated to a safer community.

3.7 Solid Waste

Determination 3.7-1 The City of Dinuba has contracted with a private carrier to provide pickup of solid waste within the City limits. Independent (private contractors) service providers are not subject to SOI determinations, and are therefore exempt from the MSR requirement.

Determination 3.7-2 The City has a disposal/recycling program which operates on a split container system. Recyclables are taken to the Pena's Disposal Material Recovery Facility (MRF) in Cutler where they are sorted and subsequently bailed for sale to recycled material users.

Determination 3.7-3 In 1989, the State of California passed the Integrated Waste Management Act. Assembly Bill 939 (AB 939) required all cities and counties to implement programs to reduce landfill tonnage by 25% by the end of 1995, and 50% by the end of 2000. Dinuba is part of a seven city Joint Powers Authority that is currently at 50% diversion.

4. FINANCIAL ABILITY TO PROVIDE SERVICES

4.1 City Budget

Determination 4.1-1 The total proposed FY 2011-12 Budget (including transfers) is \$55,533,387. This is a 12.8% decrease from expenditures in 2010-11.

Determination 4.1-2 The City has received a Certificate of Award for their "Excellence in Operating Budget" for the last 12 years from the California Society of Municipal Finance Officers.

Determination 4.1-3 The City's budgetary funds are segregated into enterprise and non-enterprise financing functions. One of the five Enterprise Funds (Health Insurance) fell short of meeting the projected minimum required operating reserves at the end of FY 2011-12. City staff continues to monitor this fund closely to bring it to within their required operating reserve limits.

Determination 4.1-4 The City's ability to obtain financing in addition to typical General Fund and Proprietary Fund revenues is demonstrated by the numerous grants the City has been successful in obtaining to implement capital projects. Revenues for capital funds are non-recurring revenues that are anticipated (such as forthcoming grant, or one-time fees) and are forecast separately and scheduled only for the year or years in which they are anticipated, and they are limited in their use by local City policy.

Determination 4.1-5 City funds had a total outstanding debt of \$ 41,737,680 as of July 1, 2011, and the Redevelopment Agency had a total outstanding obligation of \$57,220,744 as of July 1, 2011.

4.2 Rates and Fees

Determination 4.2-1 The City levies a series of development impact fees (sewer, stormwater drainage, water, streets, parks & recreation, and fire protection facilities) to offset the impacts of new development. The updated fee schedule went into effect on July 1, 2011, the beginning of the 2011-2012 fiscal year.

Determination 4.2-2 There is no evidence suggesting that the City would not be able to provide services to the SOI areas for fees consistent with citywide fees for such services.

5. STATUS OF, AND OPPORTUNITIES FOR, COST AVOIDANCE AND SHARED FACILITIES

5.1 Budgetary Processes

Determination 5.1-1 The City's budget process is designed to screen out unnecessary costs through the implementation of a program performance budget format. The program performance budgeting system encourages creativity, effectiveness, broad participation in decision making, and accountability.

Determination 5.1-2 The City also avoids unnecessary spending through the establishment of an Appropriations Limit (Gann Limit), consistent with the requirements imposed by Propositions 4 and 111. The FY 2011-2012 appropriations limit was \$13,676,940.

Determination 5.1-3 The City avoids unnecessary costs by sharing insurance premiums within all departments of the City. With increasing insurance, workers compensation, and other liability costs increasing, keeping insurance premiums reasonable has become more and more challenging. The City should continue to explore opportunities to implement methods to keep such costs within reason, including shared insurance coverage for joint agency practices.

5.2 Cost Avoidance Strategies

Determination 5.2-1 The City avoids unnecessary costs through the implementation of infrastructure Master Plans and the General Plan, which assist in eliminating overlapping or duplicative services.

Determination 5.2-2 The City has opportunities to increase its cost effectiveness and revenue raising efforts by including the use of assessment districts, tracking savings and interest on reserves, maintaining a balanced budget including maintaining a General Fund budget that grows each year, and emphasizing performance measurement practices.

Determination 5.2-3 The City can avoid unnecessary costs associated with the operation and maintenance of the street lighting system by researching and implementing funding options as it relates to Proposition 218 limitations.

Determination 5.2-4 The City can avoid unnecessary costs by implementing smart growth practices that promote development in infill areas and areas where infrastructure is already in place (and has excess capacity). It can be expected that the City will avoid unnecessary costs that may be caused by the annexation of proposed SOI areas through comprehensive analysis of the costs and benefits of a proposed development in those areas.

Determination 5.2-5 The City could also avoid unnecessary costs through the construction of joint use facilities, including but not limited to recreational sports fields, parks, or other facilities that could be used by multiple agencies. It is a goal of the City Council to continue partnerships with the local School District and the Chamber of Commerce, an indication of the City's ongoing efforts to work with outside agencies to promote joint use projects.

5.3 Opportunities for Shared Facilities

Determination 5.3-1 The City utilizes interdepartmental staff resource sharing to the extent practicable, which in turn allows joint utilization of facility space as well.

5.4 Current Share Facilities

Determination 5.4-1 Some examples of the City's interagency cooperation efforts include the establishment of mutual aid agreements with the Tulare County Sheriff's Department, the Tulare County Fire Department, and the City of Visalia Hazardous Response Team, to coordinate public safety efforts.

Determination 5.4-2 The City works with Tulare County Association of Governments and Tulare County Resource Management Agency on regional planning issues including transportation, solid waste, and coordinating applications to request State and/or Federal funding for joint projects.

Determination 5.4-3 The City worked with Alta Irrigation District on a joint project that constructed a groundwater recharge facility that dedicated approximately 40 acres to drainage and groundwater recharge.

Determination 5.4-4 The City has an ongoing partnership with the Alta Irrigation District to coordinate storm water runoff related issues with the City. The City has agreements with the Alta Irrigation District on the amount of storm water that may be discharged into streams and ditches. This has resulted in a cost savings to the City as these ditches form a major component in the City Storm Drainage Master Plan.

Determination 5.4-5 The City continues to work with the Dinuba Unified School District to communicate effectively on issues of shared interest. The City should continue its partnership with the school district to coordinate recreational resources and efforts for the betterment of the community.

5.5 Future Opportunities

Determination 5.5-1 The City should continue groundwater recharge efforts by continuing its partnership with the Alta Irrigation District. As groundwater levels in the County continue to dwindle, the importance of groundwater recharge projects correspondingly increase.

Determination 5.5-2 The City should continue to work with the County on efforts to preserve prime agricultural land and discourage development that would result in the loss of such lands. The City can accomplish this through utilization of “smart growth” planning principles, including and promoting higher density developments.

6. ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS, INCLUDING GOVERNMENTAL STRUCTURE AND OPERATIONAL EFFICIENCIES

6.1 Organizational Structure

Determination 6.1-1 The City of Dinuba, which operates under the council-manager form of government, became a “Charter City” in June of 1994. The Chief Executive Officer is the City Manager who is appointed by the City Council and carries out City policies.

Determination 6.1-2 The City consists of seven departments which include the City Manager’s Office, Administrative Services, Community Services, Development and Engineering Services, Fire Services, Police Services, and Public Works Services.

Determination 6.1-3 There are eight appointed advisory commissions and committees who assist the City Council in making policy decisions.

Determination 6.1-4 The City has an established governmental structure that efficiently meets the needs of the community.

6.2 Practices and Performance

Determination 6.2-1 The Mayor presides over Council meetings, which are held on the second Tuesday of each month at 6:30 p.m. (5:30 p.m. when work sessions are needed) and the fourth Tuesday of each month at 6:30 p.m. in the City Hall located at 405 East El Monte Way.

Determination 6.2-2 Ample opportunities exist for public involvement and input at regularly scheduled City Council meetings. An average of 15 to 20 members of the public attend a typical meeting of the Council while many more attend when a specific neighborhood issue is on the agenda.

7. ANY OTHER MATTER RELATED TO EFFECTIVE OR EFFICIENT SERVICE DELIVERY, AS REQUIRED BY COMMISSION POLICY

7.1 Disadvantaged or Other Developed Unincorporated Communities

Determination 7.1-1 The Commission should include the El Monte Mobile Village in the City of Dinuba's SOI as an identified community of interest.

Determination 7.1-2 Pursuant to State law and local policy, the City will need to address annexation of the El Monte Mobile Village in relation to any annexation that would be adjacent to the community.

7.2 Location of Existing City and County Growth Boundaries

Determination 7.2-1 The City and County signed an MOU which includes the statement, "*the identified 20-year UDB shall be conterminous with the SOI set by LAFCO*" and provisions regarding development and land use within the UDB/SOI.

Determination 7.2-2 LAFCO shall determine the SOI for the City of Dinuba pursuant to State law and Tulare County LAFCO Policy C-5 and shall give great weight to the City/County proposed SOI location.

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

In the Matter of the Adoption of the)
Municipal Service Review Update)
For the City of Dinuba)

RESOLUTION NO. 12-00#

WHEREAS, the Commission is authorized by Government Code Section 56430 to conduct a service review of the municipal services provided in the county or other appropriate area designated by the Commission and prepare a written statement of its determinations; and

WHEREAS, Government Code Section 56425(g) requires the commission to review and update all spheres of influence (SOI), as necessary, every five years; and

WHEREAS, a service review must be completed before the Commission can consider an update to a SOI for a city or a district which provides municipal services as defined by Commission policy; and

WHEREAS, on May 3, 2006, the Commission adopted the first Municipal Service Review (MSR) and statement of determinations for the City of Dinuba (Resolution 06-021); and

WHEREAS, the Dinuba MSR and its determinations have been updated to allow for the Commission's consideration of a comprehensive update to the City's SOI; and

WHEREAS, on April 4, 2012 this Commission heard, received, and considered testimony, comment, recommendations and reports from all persons present and desiring to be heard in this matter.

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

1. The information, material and facts set forth in the report of the Executive Officer and updated MSR Report for the City of Dinuba including any corrections have been received and considered.

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

3. 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.

4. The Commission hereby finds the updated Dinuba MSR:

(a) Includes a subregion of the county appropriate for an analysis of the services to be reviewed;

(b) Contains a written statement of the Commissions' determination of the subjects required to be analyzed in an MSR, and

(c) Reviews all of the agencies that provide the service or services within the designated geographic area as set forth in LAFCO policy C-5.

5. The Municipal Service Review Report, including statement of determinations, for the City of Dinuba is hereby adopted.

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 April 2012, by the following vote:

AYES:

NOES:

ABSTAIN:

PRESENT:

ABSENT:

Ben Giuliani, Executive Officer

bg

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

In the Matter of Initiating a Sphere of)

Influence Update for the City of Dinuba)

RESOLUTION NO. **12-00#**

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

WHEREAS, the last SOI Update for the City of Dinuba was adopted by the Commission on April 4, 2007 (Resolution 07-022); and

WHEREAS, the Commission has adopted a Municipal Service Review (MSR) for the City of Dinuba on May 3, 3006 (Resolution 06-021; and

WHEREAS, the Commission has adopted an updated MSR for the City of Dinuba on <date> (Resolution 12-0##); and

WHEREAS, the City and County have signed a Memorandum of Understanding which, in part, the County has agreed to adjust its Urban Development Boundary (UDB) for the City of Dinuba to be conterminous with the LAFCO adopted SOI.

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

1. The Commission hereby initiates the Sphere of Influence Update for the City of Dinuba.

The foregoing resolution was adopted upon motion of Commissioner x, seconded by Commissioner x, at a regular meeting held on this 4th day of April 2012, by the following vote:

AYES:

NOES:

ABSTAIN:

PRESENT:

ABSENT:

Ben Giuliani, Executive Officer



TULARE COUNTY LOCAL AGENCY FORMATION COMMISSION

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

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

April 4, 2012

ALTERNATES:
Gerald Magoon
Amy Shuklian
Mike Ennis

TO: LAFCO Commissioners and Alternates

FROM: Ben Giuliani

EXECUTIVE OFFICER:
Ben Giuliani

SUBJECT: Proposed Amendment to Policy C-1 (Factors and standards to be considered in review of proposals)

Background

The recently signed and enrolled SB 244(Wolk) bill regarding disadvantaged communities added a provision in Government Code requiring the annexation of disadvantaged communities (with certain exceptions) when cities annex land of 10 acres or more (or as designated by LAFCO) that is contiguous to the affected disadvantaged community. The Commission has previously adopted policy regarding the definition of a disadvantaged community and requirements regarding disadvantaged and other unincorporated communities in municipal service reviews. However, the portion of the bill regarding contiguous city annexations has not yet been addressed in Commission policy.

A draft policy was reviewed by the Commission at the February 1st meeting. The Commission had concerns regarding the consistency of annexation surveys and accompanying information regarding annexations. At the March 7th meeting, draft templates for both the annexation survey and a cover letter to accompany the survey were reviewed by the Commission. Further amendments were also made to the policy itself to specify the requirements of what needs to be sent as part of the annexation survey.

Discussion

Attached is the final draft policy with a few more edits (highlighted) based on additional direction from the Commission and other concerns that were discussed at the March 7th meeting. The changes include adding an explanatory line at the beginning of the template annexation survey, editing a couple of lines in the template survey cover letter to more closely match wording from state law and noting the applicability of the survey to registered voters and property owners in the policy itself. The updated draft policy, along with Spanish translations of the form and letter templates, was redistributed to the County and cities for review on March 14th.

Also, based on Commission direction, a draft list of disadvantaged communities and data used as the basis for the list has been distributed to the city and county staff and other interested parties for review and input. This list will be brought back for review by the Commission at the May 2nd meeting.

Recommendation

Adopt the attached amendment to Policy C-1 and related Forms E-10 and E-11.

Attachments:

Resolution of Adoption

Policy C-1.3

Survey Cover Letter (English and Spanish)

Annexation Survey (English and Spanish)

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

In the Matter of the Amendment)
Of Policy and Procedure C-1)
Factors to be Considered in)
Review of Proposals)

RESOLUTION NO. 12-00x

Upon motion of Commissioner x, seconded by Commissioner x, Tulare County LAFCO Policy C-1 (Factors to be Considered in Review of Proposals) is hereby amended and Forms E-10 (survey cover letter) and E-11 (survey) adopted to address Government Code section 56375(a)(8) regarding annexations neighboring unincorporated disadvantaged communities, at a regular meeting held on this 4th day of April 2012, by the following vote:

AYES:

NOES:

ABSTAIN:

PRESENT:

ABSENT:

Ben Giuliani, Executive Officer

bg

1.3. City annexations contiguous to disadvantaged unincorporated communities

An annexation of greater than 10 acres can not be approved if there exists a disadvantaged unincorporated community (as defined in Policy C-5.11(C)) that is contiguous to the area of proposed annexation, unless an application to annex the disadvantaged unincorporated community has been filed with the executive officer. An application for annexation of the disadvantaged community shall not be required if an application for the community has been made in the preceding five years or the Commission finds, based on written evidence, that a majority of the residents, **registered voters and property owners** within the affected community are opposed to annexation. *[GC §56375(a)(8)]*

- A. “Written evidence” may be in the form of annexation survey results from residents of the disadvantaged unincorporated community. The survey mailing list should also be provided to the Commission. The survey must be completed no longer than two years before the filing of the annexation proposal. The following must be included as part of the survey:
 - I. Survey cover letter [Form E-10]
 - II. Survey [Form E-11]
 - III. Map of proposed annexation area and disadvantaged community in relation to existing city boundaries
 - IV. Information about city services (a review of the types of services, timing of when the services would be provided and financing of the services), effects of city zoning/land use and city elections. (Specific examples are listed on Form E-10)
- B. If the annexation is contiguous to a disadvantaged unincorporated community that is served by a special district that provides urban services, the provisions listed in this sub-section are only applicable to annexations that are at least one-third the size of the neighboring special district.
- C. The boundaries of a proposed annexation should be logical and be consistent with all applicable state laws and local policies and should not be gerrymandered in a way to either avoid or trigger this specific policy.
- D. **Cities are encouraged to send annexation information in both English and Spanish (Forms E-10b and E-11b are Spanish translations of Forms E-10 and E-11).**

<City Letterhead>

(Form E-10)

<Date>

Dear <name of resident, registered voter and/or property owner>

You are receiving this letter because your neighborhood is next to a proposed annexation to the City of <name of City>. The City is proposing to annex <insert description of annexation – size, purpose, etc.>. A map of the proposed annexation area is enclosed. The City would like to know your interest in also being annexed.

You are currently residing in what is called unincorporated Tulare County. This means that the County of Tulare is responsible for services to your community. Annexation to the City of <name of City> would mean that the City would become responsible for many of the services to your community. Please see the enclosed information regarding the services that the City provides, how the services are paid for and the timing of when you could expect those services to be provided if your neighborhood is annexed into the City.

Enclosed is an annexation survey and postage paid envelope <or postage paid post card if the survey can fit>. Please return it by <date>. The return of this survey is important because State law requires the City to file an application to annex your neighborhood unless the majority of residents are against it. If you have any additional questions or would like more information, please contact <city contact name, phone number, e-mail>. For Spanish translation services for the enclosed City service information, please contact <city contact name, phone number, e-mail>.

<Ending salutation>

Enclosures:

Proposed Annexation Map

City Services and Other Information

City Annexation Survey and Return Envelope <or City Annexation Survey Postcard>

Cover Letter Notes:

-The second sentence in the second paragraph will need to be modified depending on ESAs or if the area is within a District that provides urban services.

Map Notes:

-The map should show the proposed annexation area and the disadvantaged community in context with the existing City boundaries.

City Information Enclosure:

-The City information enclosure should review all the types of urban-level services that would be provided including timing and financing. For example, police services would

be provided immediately while other services would not (solid waste collection would transition after 5 years). Some services would be provided, like street-sweeping, that the County does not currently provide. Some cities have utility taxes that would need to be explained. Cities may use a variety of ways to finance services, like lighting and maintenance districts or have certain requirements when properties need to be hooked into the sewer system.

-Zoning and land use should be discussed. For example, cities typically will grandfather-in existing legal County uses.

-Information about City Council elections should be included. For example, while their address may say "City of X" that they are not currently part of the City and do not currently have a voice in City government. Also, one city already elects their council by wards while others are currently moving in that direction.

City of X Annexation Survey

Please fill out this survey after reading the enclosed information regarding City services and potential annexation into the City of X.

Would you like to be annexed to the City of X?

- _____ **Yes**, I would like my property/residence to be annexed.
- _____ **No**, I do not want my property/residence to be annexed.
- _____ **I don't care**, it doesn't matter to me if my property/residence is in the City or County.
- _____ **I don't know**, I would like more information regarding annexation.

Would you be interested in attending a public meeting to hear more about what annexation means?

- _____ **Yes**
- _____ **No**

How many people (18 years or older) reside in your household?

Contact information of the person(s) filling out this survey:

Name: _____

Address: _____

Phone or E-mail: _____

<I included a question regarding the number of people in the household because of the wording in the legislation. The opinion of "residents" is what is required in GC section 56375(a)(8) even though it is registered voters and property owners that have the power of protest. For this reason, the survey needs to be sent to all three groups – residents, registered voters and property owners.>

<City Letterhead>

(Form E-10b)

<Date>

Estimado <name of resident, registered voter and/or property owner>

Ha recibido esta carta porque su vecindario esta cerca de una anexión propuesta en la Ciudad de <name of City>. La ciudad esta proponiendo anexar <insert description of annexation – size, purpose, etc.>. Un mapa de la anexión propuesta esta adjunto con esta carta. La ciudad también quiere saber su interés en ser anexado.

Actualmente esta viviendo en lo que es llamado la área no incorporada de el Condado de Tulare. Por esta razón el Condado de Tulare es responsable por servicios a su comunidad. Anexión a la ciudad <name of City> resultara en que la ciudad se haga responsable por muchos de los servicios a su comunidad. Por favor mire la información incluida acerca de los servicios que la ciudad pueda proveer y como estos servicios son pagados y cuando debe de esperar que estos servicios sean proveídos si su vecindario es anexado.

Incluido esta una encuesta de anexión y un sobre pre pagado <or postage paid post card if the survey can fit>. Por favor devuelva antes de el <date>. El regreso de esta encuesta es importante porque las leyes del estado requieren que la ciudad archive una aplicación para anexar su vecindario a menos que la mayoría de los residentes estén contra la anexión. Si tiene preguntas adicionales o quiere mas información, por favor contacte a <city contact name, phone number, e-mail>. Para servicios de traducción en español sobre los servicios de la ciudad, contacte a <city contact name, phone number, e-mail>.

<Ending salutation>

Documentos:

Mapa Propuesta de Anexión

Servicios de la Ciudad y Otra información

Encuesta de Anexión y Sobre de Regreso <or City Annexation Survey Postcard>

Ciudad de X Encuesta De Anexión

Por favor llene esta encuesta después de leer la información incluida sobre los servicios de la ciudad y la posibilidad de anexión a la Ciudad de X.

Le gustaría ser anexado a la Ciudad de X?

- _____ **Si**, Me gustaría que mi propiedad/residencia sea anexada.
- _____ **No**, No me gustaría que mi propiedad/residencia sea anexada.
- _____ **No me importa**, no me importa que mi propiedad/residencia este en la ciudad o el condado.
- _____ **No Se**, Me gustaría más información sobre la anexión.

Estará interesado en atender una ausencia publica para aprender mas sobre la anexión?

- _____ **Si**
- _____ **No**

Cuántas personas (18 años o mayor) residen en su vivienda?

Información de contacto de las persona(s) llenando la encuesta:

Nombre: _____

Dirección: _____

Teléfono o E-mail: _____

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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:

*Juliet Allen, Chair
Cameron Hamilton, V. Chair
Steve Worthley
Rudy Mendoza
Allen Ishida*

ALTERNATES:

*Gerald Magoon
Amy Shuklian
Mike Ennis*

EXECUTIVE OFFICER:

Ben Giuliani

April 4, 2012

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

FROM: Cynthia Echavarria, LAFCO Staff Analyst

SUBJECT: FY 2012/13 Preliminary Budget and Work Program

Enclosed for your review are the Fiscal Year 2012/13 Preliminary Budget and Work Program. LAFCO is required to adopt its preliminary budget by May and its final budget by June of each year.

BUDGET 794

REVENUES

5900 Income from Other Agencies - \$230,256 is the amount estimated for FY 2012/13 as income from the eight cities and the County as required by Government Code Section 56381. For 2011/12, \$100,000 of surplus funds was designated to help offset the contribution amount from the cities and the County. It is estimated that there is currently \$117,000 currently in the LAFCO account.

The Commission may wish to again use the surplus funds to offset some of the cost to the cities and County in FY 2012/13. Attached is a spreadsheet showing different contribution scenarios utilizing different amounts of surplus funds.

6120 Planning and Engineering Services – As of this date, staff has processed a total of 5 cases (annexations, detachments, sphere of influence amendments and extension of services agreements) and anticipates 1 new case to be submitted by the end of this fiscal year (June 15). The total estimated revenue is \$34,796. For fiscal year 2012/13 staff has estimated processing 8 standard fee cases and 3 half-fee cases (island and disadvantaged community annexations) for a total estimated revenue of \$21,677.

EXPENDITURES- Services and Supplies

1018 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. No expense claims for FY 2012/13 have been submitted as of yet.

Estimated expenditure for current FY - \$0

2120 Memberships – This primarily includes the 2011 CALAFCO membership which is estimated to be \$2,932 for FY 12/13.

Estimated expenditure for current FY - \$2,869

2140 Office Expenses - \$3,520 were allocated for office supplies and other office equipment expenses. Include supplies, equipment, and the maintenance. This is a shared cost with TCAG based on full time equivalent positions (FTEs).

Estimated expenditure for current FY - \$1600

2150 Professional Services –Funds used to contract with outside vendors, such as the Auditors office or consultants. Thus, \$348 for the Auditor’s Office has been budgeted. The need for consultant services is likely to remain low in FY 12/13 as the reduced projected workload is expected to continue.

Estimated expenditure for current FY - \$348

2170 Publications and Notices - Staff estimates spending \$4,000 of the budgeted amount for FY 20012/13. The caseload is expected to be similar in FY 2012/13 so the same amount is proposed.

Estimated expenditure for current FY - \$4000

2210 Staff and Commission Member Training – Training costs of \$3,500 are proposed for FY 2012/13 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 - \$3200

2220 Staff and Commission Transportation / Travel – Transportation/Travel costs of \$5,750 are proposed for FY 2012/13 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 \$3,625 has been spent on transportation and travel.

Estimated expenditure for current FY - \$4500

Expenditures – Other Charges

3309 Worker’s Compensation – A total of \$945 has been budgeted for FY 2012/13 to cover expenses for general liability insurance.

Estimated expenditure for current FY - \$900

3312 Property – \$0 is proposed for FY 2012/13.

Estimated expenditure for current FY - \$77

3313 Liability Insurance – A total of \$856 has been budgeted for FY 2012/13 to cover expenses for general liability insurance.

Estimated expenditure for current FY - \$815

3315 Telecomm – A total of \$465 has been budgeted for FY 2012/13 to cover expenses for telephone service.

Estimated expenditure for current FY - \$200

3318 Distributed Administration – This line reflects the distributed administrative costs for RMA labor and materials. No expenditures proposed for FY 2012/13 since RMA will no longer be providing these services.

Estimated expenditure for current FY - \$0

3324 Maintenance – A total of \$0 is budgeted for 2012/13 for LAFCO's prorated share of costs related to maintenance activities at the RMA building. No expenditures proposed for FY 2012/13 since RMA will no longer be providing these services.

Estimated expenditure for current FY - \$250

3326 Utilities -\$0 is budgeted for utility expenses for FY 2012/13. Utilities are now included in 3530.

Estimated expenditure for current FY - \$827

3327 Custodial- \$522 is budgeted for custodial services during FY 2012/13.

Estimated expenditure for current FY - \$450

3328 Grounds- \$0 is budgeted for FY 2012/13. Grounds are now included in 3530.

Estimated expenditure for current FY - \$230

3341 RMA Printing Services – \$2,000 is budgeted for FY 2012/13. This covers costs associated with duplication of LAFCO documents such as the special district inventory, policy and procedure manual, municipal service reviews and assistance with public hearing notice mail outs.

Estimated expenditure for current FY - \$1000

3342 RMA Mail Services - \$800 is budgeted for FY 2012/13. This covers costs for processing mail for LAFCO public hearing notices and other correspondence.

Estimated expenditure for current FY - \$400

Expenditures – Agency Charges

3329 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. \$7,000 is proposed for FY 2012/13.

Estimated expenditure for current FY - \$6,500

3330 Services from Other Departments- This charge includes services provided by other County departments such as the County Auditor, Surveyor, Elections, etc. The charges predominately stem from review of LAFCO proposals by County departments. \$2,310 has been allotted for FY 2012/13.

Estimated expenditure for current FY - \$2,200

3331 COWCAP Charges - The amount budgeted for FY 2012/13 is \$4,687.

Estimated expenditure for current FY- \$8,200

3644 G.I.S.-Arcview Services - The budgeted amount for 2012/13 is \$4,500. This expenditure includes license of GIS software.

Estimated expenditure for current FY - \$4,375

8125 O/T Insys - The budgeted amount for 2012/13 is \$0.

Estimated expenditure for current FY - \$172

3795 Intra Agency Services Received- This item reflects Staff salaries, insurance, rent and utilities. Staffing services are provided by the Tulare County Association of Governments. \$165,000 in salaries is estimated for FY 2012/13. This includes a half-time Executive Officer, an extra help position for the retired E.O., a 25% Secretary III, and a full-time Staff Analyst. The estimated cost of insurance, rent, and utilities is \$18,728. Insurance, rent and utilities are a shared cost with TCAG based on FTEs (LAFCO has 2.25 FTEs). Total amount budgeted for 2012/12 is 183,728.

Estimated expenditure for current FY – \$125,000

CONTINGENCY/CARRYOVER

8508 Contingency - A contingency of 10% of the expenses is proposed for 2012/13 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 amount for FY 2011/12 was \$21,630. The contingency for FY 2012/13 is \$22,903.

Budget Surplus – Carryover – The budget surplus 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 surplus numbers. For FY 2011/12, \$100,000 was designated to be used to offset the cities and County contribution. Staff estimates that the LAFCO account currently has \$117,000. Some of this will be used to fund LAFCO activities for the remainder of this fiscal year. The surplus 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 surplus for the coming year. Attached is a spreadsheet showing different contribution amounts based on differing amounts of surplus funds being used. Also attached, is a table showing city and County contributions and applied surplus 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 surplus 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. The existence of the surplus provides a source to repay the loan without increasing contributions from other agencies.

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

		Adopted Budget FY 11/12	Final Budget FY 11/12	As of 3/22/12	Projected Actual FY 11/12	Proposed Budget FY 12/13
EXPENDITURES						
Services and Supplies						
Board Director's Fees	1018	1,000	1,000	0	0	1,000
Memberships	2120	3,967	3,967	2,869	2,869	3,100
Office Expenses	2140	1,000	1,000	1,493	1,600	3,520
Professional and Specialized	2150	348	348	200	348	348
Publication - Public Hearing Notices	2170	4,000	4,000	2,938	4,000	4,000
Training	2210	4,500	4,500	2,038	3,200	3,500
Transportation and Travel	2220	5,000	5,000	3,625	4,500	5,750
Total Services and Supplies		\$19,815	\$19,815	\$13,164	\$16,517	\$21,218
Other Charges						
I/F Workers Compensation	3309	900	900	336	900	945
I/F Expenses - Property	3312	77	77	0	77	0
I/F Expenses - General Liability Insurance	3313	815	815	323	815	856
I/F Telecomm	3315	0	443	167	200	465
Distributed Administrative	3318	0	0	0	0	0
I/F DP Proc	3320	315	0	0	0	0
I/F ADP Payroll	3323	128	0	0	0	0
I/F Maintenance	3324	215	721	222	250	0
I/F Utilities	3326	369	827	600	827	0
I/F Custodial Services	3327	167	497	333	450	522
I/F Grounds	3328	100	230	187	230	0
I/F Motor PI	3335	0	350	0	0	0
I/F RMA - Printing	3341	3,000	3,000	237	1,000	2,000
I/F RMA - Mail	3342	1,000	1,000	240	400	800
Total Other Charges		\$7,086	\$8,860	\$2,646	\$5,149	\$5,588
Agency Charges						
County Counsel Charges	3329	12,000	12,000	0	6,500	7,000
Services from Other Dpts.	3330	2,200	2,200	1,811	2,200	2,310
COWCAP Charges	3331	8,200	4,464	4,464	8,200	4,687
GIS Services	3344	2,000	4,375	4,100	4,375	4,500
O/T Invsys	8125	0	172	172	172	0
Intra - Agency Service Received*	3530	165,000	164,415	73,709	125,000	183,728
Total Agency Charges		\$189,400	\$187,626	\$84,256	\$146,447	\$202,225
Contingencies	8508	\$21,630	\$21,630	\$0	\$0	\$22,903
TOTAL EXPENDITURES		\$237,931	\$237,931	100,065	\$168,113	\$251,934
Other - Government Agency Contributions	5900	98,195	98,395	98,395	98,395	230,257
Planning and Engineering Services	6120	39,736	39,736	34,796	34,796	21,677
Prior Year Revenue Accruals Adjustment	9999					
TOTAL REVENUES		\$137,931	\$138,131	\$133,191	\$133,191	251,934
NET COST		\$100,000	\$99,800	-\$33,126	\$34,922	\$0
Intra - Agency Services*						
Staff Time	165,000					
Insurance	960					
Rent	16,648					
Utilities	1,120					
Intra - Agency Services	183,728					

Insurance, rent and utility costs are LAFCO's portion of building costs based on 2.25 FTEs (full time equivalent positions)

AGENCY CONTRIBUTIONS
CARRYOVER SCENARIOS

Contribution Scenerios

Carryover applied: \$0

	POPULATION (Census 1/1/2011)	PERCENT OF POPULATION	PROPOSED 12/13 CONTRIBUTION	FY 2011/2012 CONTRIBUTION	DIFFERENCE
CITY OF DINUBA	21,950	4.91%	\$11,179	\$4,764	\$6,415
CITY OF EXETER	10,395	2.33%	\$5,294	\$2,295	\$2,999
CITY OF FAMERSVILLE	10,796	2.42%	\$5,498	\$2,351	\$3,147
CITY OF LINDSAY	12,020	2.69%	\$6,122	\$2,613	\$3,509
CITY OF PORTERVILLE	54,843	12.27%	\$27,932	\$12,028	\$15,903
CITY OF TULARE	59,926	13.41%	\$30,521	\$13,164	\$17,357
CITY OF VISALIA	125,770	28.15%	\$64,055	\$27,635	\$36,420
CITY OF WOODLAKE	7,331	1.64%	\$3,734	\$1,616	\$2,117
COUNTY OF TULARE	143,806	32.18%	\$73,241	\$31,728	\$41,513

TOTAL 446,837 100.00% \$227,576 \$98,195 \$129,381

(794) LINE 5900 \$227,576

Carryover applied: \$15000

	POPULATION (Census 1/1/2011)	PERCENT OF POPULATION	PROPOSED 11/12 CONTRIBUTION	FY 2010/2011 CONTRIBUTION	DIFFERENCE
CITY OF DINUBA	21,950	4.91%	\$10,442	\$4,764	\$5,678
CITY OF EXETER	10,395	2.33%	\$4,945	\$2,295	\$2,650
CITY OF FAMERSVILLE	10,796	2.42%	\$5,136	\$2,351	\$2,785
CITY OF LINDSAY	12,020	2.69%	\$5,718	\$2,613	\$3,105
CITY OF PORTERVILLE	54,843	12.27%	\$26,091	\$12,028	\$14,062
CITY OF TULARE	59,926	13.41%	\$28,509	\$13,164	\$15,345
CITY OF VISALIA	125,770	28.15%	\$59,833	\$27,635	\$32,198
CITY OF WOODLAKE	7,331	1.64%	\$3,488	\$1,616	\$1,871
COUNTY OF TULARE	143,806	32.18%	\$68,414	\$31,728	\$36,686

TOTAL 446,837 100.00% \$212,576 \$98,195 \$114,381

(794) LINE 5900 \$212,576

Carryover applied FY : \$25000

	POPULATION (Census 1/1/2011)	PERCENT OF POPULATION	PROPOSED 11/12 CONTRIBUTION	FY 2010/2011 CONTRIBUTION	DIFFERENCE
CITY OF DINUBA	21,950	4.91%	\$9,951	\$4,764	\$5,187
CITY OF EXETER	10,395	2.33%	\$4,713	\$2,295	\$2,418
CITY OF FAMERSVILLE	10,796	2.42%	\$4,894	\$2,351	\$2,543
CITY OF LINDSAY	12,020	2.69%	\$5,449	\$2,613	\$2,836
CITY OF PORTERVILLE	54,843	12.27%	\$24,863	\$12,028	\$12,835
CITY OF TULARE	59,926	13.41%	\$27,168	\$13,164	\$14,004
CITY OF VISALIA	125,770	28.15%	\$57,019	\$27,635	\$29,384
CITY OF WOODLAKE	7,331	1.64%	\$3,324	\$1,616	\$1,707
COUNTY OF TULARE	143,806	32.18%	\$65,195	\$31,728	\$33,468

TOTAL 446,837 100.00% \$202,576 \$98,195 \$104,381

(794) LINE 5900 \$202,576

AGENCY CONTRIBUTIONS
CARRYOVER SCENARIOS

Carryover applied: \$50000

	POPULATION (Census 1/1/2011)	PERCENT OF POPULATION	PROPOSED 11/12 CONTRIBUTION	FY 2010/2011 CONTRIBUTION	DIFFERENCE
CITY OF DINUBA	21,950	4.91%	\$8,723	\$4,764	\$3,959
CITY OF EXETER	10,395	2.33%	\$4,131	\$2,295	\$1,836
CITY OF FAMERSVILLE	10,796	2.42%	\$4,290	\$2,351	\$1,939
CITY OF LINDSAY	12,020	2.69%	\$4,777	\$2,613	\$2,164
CITY OF PORTERVILLE	54,843	12.27%	\$21,795	\$12,028	\$9,767
CITY OF TULARE	59,926	13.41%	\$23,815	\$13,164	\$10,651
CITY OF VISALIA	125,770	28.15%	\$49,982	\$27,635	\$22,347
CITY OF WOODLAKE	7,331	1.64%	\$2,913	\$1,616	\$1,297
COUNTY OF TULARE	143,806	32.18%	\$57,149	\$31,728	\$25,422

TOTAL 446,837 100.00% \$177,576 \$98,195 \$79,381

(794) LINE 5900 \$177,576

Carryover applied: \$75000

	POPULATION (Census 1/1/2011)	PERCENT OF POPULATION	PROPOSED 11/12 CONTRIBUTION	FY 2010/2011 CONTRIBUTION	DIFFERENCE
CITY OF DINUBA	21,950	4.91%	\$7,495	\$4,764	\$2,731
CITY OF EXETER	10,395	2.33%	\$3,549	\$2,295	\$1,255
CITY OF FAMERSVILLE	10,796	2.42%	\$3,686	\$2,351	\$1,335
CITY OF LINDSAY	12,020	2.69%	\$4,104	\$2,613	\$1,491
CITY OF PORTERVILLE	54,843	12.27%	\$18,727	\$12,028	\$6,698
CITY OF TULARE	59,926	13.41%	\$20,462	\$13,164	\$7,298
CITY OF VISALIA	125,770	28.15%	\$42,945	\$27,635	\$15,310
CITY OF WOODLAKE	7,331	1.64%	\$2,503	\$1,616	\$887
COUNTY OF TULARE	143,806	32.18%	\$49,104	\$31,728	\$17,376

TOTAL 446,837 100.00% \$152,576 \$98,195 \$54,381

(794) LINE 5900 \$152,576

Carryover applied: \$100,000

	POPULATION (Census 1/1/2011)	PERCENT OF POPULATION	PROPOSED 11/12 CONTRIBUTION	FY 2010/2011 CONTRIBUTION	DIFFERENCE
CITY OF DINUBA	21,950	4.91%	\$6,267	\$4,764	\$1,503
CITY OF EXETER	10,395	2.33%	\$2,968	\$2,295	\$673
CITY OF FAMERSVILLE	10,796	2.42%	\$3,082	\$2,351	\$731
CITY OF LINDSAY	12,020	2.69%	\$3,432	\$2,613	\$818
CITY OF PORTERVILLE	54,843	12.27%	\$15,658	\$12,028	\$3,630
CITY OF TULARE	59,926	13.41%	\$17,109	\$13,164	\$3,946
CITY OF VISALIA	125,770	28.15%	\$35,908	\$27,635	\$8,274
CITY OF WOODLAKE	7,331	1.64%	\$2,093	\$1,616	\$477
COUNTY OF TULARE	143,806	32.18%	\$41,058	\$31,728	\$9,330

TOTAL 446,837 100.00% \$127,576 \$98,195 \$29,381

(794) LINE 5900 \$127,576

Contribution History

AGENCY CONTRIBUTIONS
CARRYOVER SCENARIOS

	FY					FY	FY	FY	FY	FY	FY
	FY 2001/02	2002/03	FY 2003/04	FY 2004/05	FY 2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
CITY OF DINUBA	\$9,838	\$6,716	\$4,325	\$3,455	\$0	\$6,584	\$8,929	\$6,904	\$6,068	\$5,235	\$4,764
CITY OF EXETER	\$5,404	\$3,627	\$2,336	\$1,873	\$0	\$3,534	\$4,850	\$3,704	\$2,788	\$2,629	\$2,295
CITY OF FAMERSVILLE	\$4,827	\$3,467	\$2,229	\$1,802	\$0	\$3,494	\$4,751	\$3,613	\$2,747	\$2,655	\$2,351
CITY OF LINDSAY	\$5,681	\$4,064	\$2,566	\$2,052	\$0	\$3,764	\$5,101	\$3,857	\$3,071	\$2,880	\$2,613
CITY OF PORTERVILLE	\$23,626	\$15,675	\$10,133	\$8,177	\$0	\$15,181	\$20,624	\$17,765	\$15,790	\$12,833	\$12,028
CITY OF TULARE	\$26,235	\$17,408	\$11,192	\$9,020	\$0	\$16,881	\$23,478	\$19,308	\$17,610	\$14,423	\$13,164
CITY OF VISALIA	\$60,715	\$36,375	\$23,674	\$19,274	\$0	\$36,694	\$50,702	\$40,643	\$37,780	\$30,487	\$27,635
CITY OF WOODLAKE	\$4,042	\$2,666	\$1,691	\$1,350	\$0	\$2,453	\$3,332	\$2,552	\$1,785	\$1,915	\$1,616
COUNTY OF TULARE	\$90,577	\$55,677	\$35,561	\$28,291	\$0	\$51,257	\$70,071	\$49,113	\$43,361	\$35,779	\$31,728
TOTAL	\$230,945	\$145,675	\$93,707	\$75,294	\$0	\$139,841	\$191,838	\$147,459	\$131,000	\$108,834	\$98,195
Surplus Applied	\$0	\$0	\$100,000	\$150,000	\$150,000	\$30,000	\$40,000	\$60,000	\$70,000	\$100,000	\$100,000

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

In The Matter of the 2012/13)
Proposed Budget for the Tulare County) RESOLUTION NO. **12-005**
Local Agency Formation Commission)

WHEREAS, Government Code Section 56381 requires that on or before the 1st day of May, 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 proposed budget for the following fiscal year.

WHEREAS, in accordance with Section 56381, this Local Agency Formation Commission on April 4, 2012, considered the Fiscal Year 2012/13 proposed budget as recommended by the Executive Officer.

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

1. The proposed Fiscal Year 2012/13 budget, attached hereto as Exhibit "A", is hereby adopted.
2. The Executive Officer is hereby authorized and directed to forward said proposed budget to the Board of Supervisors; to each city; and to the clerk and chair of the city selection committee, if any, in accordance with the requirements of Government Code Section 56381.

The foregoing resolution was adopted upon the motion by Commissioner XXXX, and seconded by Commissioner XXXXXX, at a regular meeting held on this 4th day of April 2012, by the following vote:

AYES:

NOES:

ABSTAIN:

PRESENT:

ABSENT:

Ben Giuliani, Executive Officer

ce



**TULARE COUNTY
LOCAL AGENCY FORMATION COMMISSION**

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

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

ALTERNATES:
*Gerald Magoon
Amy Shuklian
Mike Ennis*

EXECUTIVE OFFICER:
Ben Giuliani

April 4, 2012

TO: LAFCO Commissioners, Alternates, Counsel

FROM: Cynthia Echavarria, Staff Analyst

SUBJECT: Alternate Public Member Selection-Extension of Application
Deadline

In February, staff circulated the vacancy announcement for the Alternate Public Member in accordance with Tulare County LAFCO Policies & Procedure. The announcement was posted at all County of Tulare Public Libraries, the Tulare County LAFCO website, LAFCO office, and sent to the County of Tulare and each of the eight cities within the County. In accordance with LAFCO Policy A-4.4(C), the Commission appointed the selection committee at the March 2012 LAFCO meeting. Tulare County LAFCO staff has not received applications that qualify as the Public Member Alternate Member according to Government Code 56331. The deadline has been extended to April 12, 2012. Notice is reposted at the various agencies throughout the County.