LAFCO

TULARE COUNTY LOCAL AGENCY FORMATION COMMISSION

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

LAFCO MEETING AGENDA

October 10, 2018 @ 2:00 P.M.
BOARD OF SUPERVISORS CHAMBERS
COUNTY ADMINISTRATIVE BUILDING
2800 West Burrel Avenue
Visalia CA 93291

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

ALTERNATES:
Mike Ennis
Carlton Jones
Dennis Mederos

EXECUTIVE OFFICER: Ben Giuliani

- I. Call to Order
- II. Approval of Minutes from July 11, 2018

(Pages 1-2)

III. Public Comment Period

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

IV. New Action Items

There are no action items scheduled for the November 7th, 2018 meeting. If the Commission elects to cancel the November 7th meeting, the next regularly scheduled meeting would be December 5th, 2018. This cancellation is contingent on a public hearing not being required for the proposed amendment of Policy D-1 Conflict of Interest (see Item V.1).

V. Executive Officer's Report

1. Proposed Amended Policy D-1, Conflict of Interest

(Pages 03-12)

Enclosed is the proposed amended Conflict of Interest policy. The policy will be brought back for action by the Commission at the December 5th meeting.

2. <u>Legislative Update</u> (Page 13-20)

Enclosed is the CALAFCO Legislative Report

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

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting

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

3. Agricultural Report (Page 21-26)

This report reviews data from Agriculture Commission reports for Tulare County and other southern San Joaquin Valley counties including recently released 2017 data.

4. <u>Upcoming Projects</u> (No Page)

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

VI. Correspondence

1. Public Meeting Notice for potential consolidation of East Orosi/Orosi water systems (Page 27)

VII. Other Business

1. <u>CALAFCO Annual Conference Update</u> (No Page)

2. Commissioner Report (No Page)

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

VIII. <u>Setting Time and Place of Next Meeting</u>

1. November 7, 2018 @ 2:00 P.M. or December 5, 2018 @ 2:00 P.M. in the Board of Supervisors Chambers in the County Administration Building.

IX. Adjournment

after distribution of the Agenda packet are available for public inspection at 210 N Church Ste. B Visalia CA 93291

TULARE COUNTY LOCAL AGENCY FORMATION COMMISSION

2800 W. Burrel Ave., Visalia, CA 93291 – Tulare County Administrative Building July 11, 2018 – Meeting Minutes

Members Present: Allen, Mendoza, Vander Poel

Members Absent: Hamilton, Worthley

Alternates Present:

Alternates Absent: Mederos, Ennis, Jones

Staff Present: Giuliani, Ingoldsby, & Kane recording

Counsel Present: Erickson

I. Call to Order: Chair Allen called the meeting to order at 2:02 p.m.

II. Approval of the June 6, 2018 Meeting Minutes:

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

III. Public Comment Period:

Chair Allen opened/closed the Public Comment Period at 2:04 p.m. No public comments received.

IV. New Action Items:

1. Case 1536-W-23 City of Woodlake Annexation 18-001

Staff Analyst Ingoldsby outlined the proposed annexation of 17.9 acres to the City of Woodlake and Woodlake Fire Protection District. An overview of boundaries, land use, and environmental impacts were presented.

Chair Allen opened the public hearing for additional comments.

Byron Taylor, a local resident spoke in support of the annexation

Jason Waters, Community Services Director for the City of Woodlake, spoke in support of the annexation

Chair Allen closed the public hearing.

Upon motion by Commissioner Mendoza, and seconded by Commissioner Vander Poel the Commission approved the proposed annexation as recommended.

2. LAFCO Executive Officer Compensation

Closed Session: Commissioners met to consider Public Employee Performance Evaluation for the Position of LAFCO Executive Office.

Commissioner Allen reported that the Ad-Hoc Committee for the Executive Officer review recommended an increase of 3% for the EO's salary to begin the first pay period of the 18/19 Fiscal Year.

Upon motion by Commissioner Vander Poel and seconded by Commissioner Mendoza, the Commission unanimously approved the Executive Officers Compensation.

1

3. Cancellation of August 1st Meeting

Staff recommended cancellation of the August meeting due to no action items.

Upon motion by Commissioner Vander Poel and seconded by Commissioner Mendoza, the Commission unanimously approved to cancel the August meeting.

V. <u>Executive Officer's Report</u>

1. Legislative Update:

EO Giuliani reviewed the status of current legislative bills and the effects it will have on Tulare County LAFCO. Commissioner Allen requested updates to the Commission on any significant changes regarding AB 2050.

2. **Upcoming Projects**:

EO Giuliani stated that no scheduled action items or annexations were currently being prepared. The City of Lindsay Municipal Service Review (MSR), and Goshen Community Services District (CSD) MSR are currently being updated and will be presented at a future meeting.

VI. Correspondence: None

VII. Other Business:

1. Commissioner Report:

Commissioner Mendoza thanked all for the annexation approval for the City of Woodlake, adding that it would be a great asset to City and provide additional infrastructure opportunities.

Chair Allen stated additional support of the City of Woodlake and the annexation to facilitate cannabis cultivation.

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

None

VIII. CLOSED SESSION

1. Held during the LAFCO Executive Officer Compensation portion of the meeting.

IX. Setting Time and Place of Next Meeting:

The next Local Agency Formation Commission (LAFCO) meeting is scheduled for **September 5, 2018 at 2:00 p.m.** in the Board of Supervisors Chambers in the County Administration Building

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

LAFCO

TULARE COUNTY LOCAL AGENCY FORMATION COMMISSION

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

COMMISSIONERS:
Julie Allen, Chair
Cam Hamilton, V. Chair
Steve Worthley
Rudy Mendoza
Pete Vander Poel

ALTERNATES: Mike Ennis Dennis Mederos Carlton Jones

EXECUTIVE OFFICER: Ben Giuliani

October 10, 2018

TO: LAFCO Commissioners, Alternates

FROM: Ben Giuliani, Executive Officer

SUBJECT: Draft Amendment to Policy D-1 (Conflict of Interest and

Disclosure Requirements)

Background

Local government agencies are required to conduct a review of their conflict of interest codes at least every even-numbered year and report to their code reviewing body whether amendments are necessary (GC §81000, et seq). If amendments are necessary, the agency also must submit the amendments for approval to the applicable code reviewing body. The Tulare County Board of Supervisors is the code-reviewing body for all local government agencies within Tulare County.

Discussion

Tulare County LAFCO's current conflict of interest policy (Policy D-1) has been reviewed by County Counsel and some minor amendments are needed (attached). A 45-day public review period from 9/25/18 to 11/9/18 has been established and a copy of the proposed amended policy has been posted on the LAFCO website pursuant to government code. A public hearing regarding the amendment can be requested by 10/25/18. This amendment will be brought back to the Commission for approval at the December 5th meeting.

Attachment:

Draft Amended Policy D-1

Policies and Procedures

Tulare County Local Agency Formation Commission

Policy Number: *D-1*

Effective Date: October 19, 1977; amended ______, 201_

Authority: Government Code §81000 et seq., LAFCO Resolutions 77-94, 02-006, 10-030

Title: Conflict of Interest and Disclosure Requirements

Policy: This Conflict of Interest Code (hereinafter referred to as the "Code") is

adopted pursuant to the provisions of the Political Reform Act of 1974, set forth in California Government Code §81000 et seq. (hereinafter referred to as the "Act"), for the purpose of requiring designated employees to file statements disclosing financial interests that may be materially affected by their official actions and for the purpose of providing that designated

employees must disqualify themselves from acting in their official capacity in

order to avoid a conflict of interest.

Purpose: The purpose of this policy is to outline the procedure by which designated

employees of Tulare County LAFCO are to file statements disclosing their financial interests that may be materially affected by their official actions and for the purpose of providing that designated employees must disqualify themselves from acting in their official capacity in order to avoid a conflict of

interest.

Scope: This policy applies to all designated employees of Tulare County LAFCO.

For the purposes of this policy, designated employees shall be defined as "a

member of the Commission."

History: This was a pre-existing policy that was adopted into the original Manual on

2/6/02. Exhibits A and B were updated to match TCAG disclosure requirements on 12/8/10. Form 700 filing deadline updated 6/10/15.

Procedure:

1.1. Definitions

Addition

The Fair Political Practices Commission has adopted a regulation that contains the terms of a model conflict-of-interest code. Therefore, the terms of 2 Cal. Code of Regs., Section 18730, and any amendments to it duly adopted by the Fair Political Practices Commission, are hereby incorporated by this reference and, together with the attached **APPENDIX A** (DESIGNATED POSITIONS), and **APPENDIX B** (DISCLOSURE CATEGORIES), constitutes the conflict-of-interest code of this agency.

Unless otherwise provided, the definitions of words and phrases used in this Code shall be consistent with the definitions of the same words and phrases contained in the Act and contained in the Regulations of the Fair Political Practices Commission set forth in Title 2 of the California Administrative Code. and such definitions are incorporated into this Code by reference. Definitions as of adoption of this Code are set forth in Exhibit "C" for guidance, and reference must be had to the Act and Regulations for current definitions.

Deletion

1.2. Application: Designated Employees

The provisions of this Code are applicable to the designated employees of this local government agency. Designated employees are those persons who are deemed to make or to participate in the making of decisions which may foreseeably have a material effect on a financial interest. Designated employees are those persons who hold the positions (referred to hereinafter as "designated position") that are enumerated in Exhibit "A" attached hereto.

1.3. Disclosure Statements: Designated Employees

Each designated employee shall file statements, in accordance with the provisions of this Code, disclosing such employee's interest in investments, real property and income. The types of financial interest subject to disclosure are set forth in Exhibit "B" attached hereto; and the specific types which are applicable to a designated employee are expressed by number opposite the designated positions enumerated in Exhibit "A."

1.4. Place of Filing

Each designated employee shall file one original statement disclosing financial interests with the Executive Officer of this agency. If the designated employee is the head of this agency, or a member of a board or commission not under a department of state government or not under the jurisdiction of a local legislative body, the agency shall make and retain a copy of such person's statement and forward the original to the code reviewing body. The originals of all other statements shall be retained by the agency.

1.5. Time of Filing

- A. All designated employees shall submit an initial statement within thirty (30) days after the effective date of this Code.
- B. Merit system employees appointed, promoted or transferred to designated employee positions shall file initial statements within thirty (30) days after the date of assuming such position.
- C. All other persons assuming designated employee positions shall file initial statements not less than ten (10) days before assuming such position or, if subject to confirmation, not less than ten (10) days before being confirmed,

- unless an earlier assumption of the position is required by emergency circumstances, in which case said statement shall be filed within thirty (30) days after the date of assuming such position.
- D. All designated employees shall file annual statements by the date determined by the California Fair Political Practices Commission. Such annual statements shall cover the period of the preceding calendar year.
- E. Each person who leaves a designated employee position shall file a leaving office statement within thirty (30) days after leaving such position.
- F. When a designated employee is required to file with another agency a statement disclosing financial interests, and such statement contains, at a minimum, all of the items required to be reported by this Code, and such other agency has at least the same territorial jurisdiction as this agency, then such designated employee may comply with the filing provisions of this Code by filing with this agency a duplicate copy of the statement filed with the other agency, in lieu of an entirely separate statement.

1.6. Contents

- A. The initial statement required to be filed by a designated employee shall contain only such person's investments and interests in real property.
- B. Statements required to be filed by designated employees subsequent to the initial statement shall contain such person's investments, interest in real property, and income.
- C. Statements required to be filed by designated employees leaving office shall contain such person's investments, interests in real property, and income during the period since the closing date of the previous statement filed pursuant to this code.
- D. When an investment or an interest in real property is required to be reported under this Code, the statement shall contain:
 - I. A statement of the nature of the investment or interest;
 - II. The name of the business entity in which each investment is held, and a general description of the business activity in which the business entity is engaged;
 - III. The address or other precise location of the real property;
 - IV. A statement whether the fair market value of the investment or interest in real property exceeds \$10,000, and whether it exceeds \$100,000. This information need not be provided with respect to an interest in real property which is used principally as the residence of the filer;

- V. In the case of an investment which constitutes fifty (50) percent or more of the ownership interest in a business entity, disclosure of the investments and interests in real property of the business entity;
- VI. In the case of a statement filed under subsections (b) or (c) of this section, if the investment or interest in real property was partially or wholly acquired or disposed of during the period covered by the statement, the date of acquisition or disposal.
- E. When income is required to be reported under this Code, the statement shall contain, except as provided in subsection (e) of this section:
 - I. The name and address of each source of income aggregating two hundred fifty dollars (\$250) or more in value, or twenty-five dollars (\$25) or more in value if the income was a gift, and a general description of the business activity, if any, of each source;
 - II. A statement whether the aggregate value of income from each source was greater than one thousand dollars (\$1000), and whether it was greater than ten thousand dollars (\$10,000);
 - III. A description of the consideration, if any, for which the income was received;
 - IV. In the case of a gift, the amount and the date on which the gift was received.
- F. When income of a business entity, including income of a sole proprietorship, is required to be reported under this Code, the statement shall contain:
 - I. The name, address, and a general description of the business activity of the business entity;
 - II. In the case of a business entity which provides legal or brokerage services, the name of every person who paid fees to the business entity if the filer's pro rata share of fees from such person was equal to or greater than one thousand dollars (\$1,000);
 - III. In the case of a business entity not covered by paragraph (2) the name of every person from whom the business entity received payments if the filer's pro rata share of gross receipts from such person was equal to or greater than ten thousand dollars (\$10,000) during a calendar year.

1.7. Disqualification

A designated employee must disqualify himself or herself from making or participating in the making of any governmental decision when it is reasonably foreseeable that such decision may have a material financial effect, distinguishable from its effect on the public generally, upon any business entity in which such designated employee holds a position of management or is a

director, officer, partner, trustee or employee, or upon any financial interest required to be reported by such designated employee, except sources of gifts less than two hundred fifty dollars (\$250).

1.8. <u>Disqualification Exception</u>

No designated employee shall be required to disqualify himself or herself with respect to any matter which could not legally be acted upon or decided without his or her participation. The fact that such person's vote is needed to break a tie does not make the participation legally required for purposes of this section.

1.9. Manner of Disqualification

If a designated employee is to disqualify himself or herself from acting, the following is recommended:

- A. If a member of a board or commission, announce the existence of a conflict to such board or commission.
- B. If a consultant, report the existence of a conflict to the chief executive officer of this agency.
- C. Any other designated employee, report the existence of a conflict to such person's immediate supervisor.

1.10. Effective Date of Code

This code shall become effective thirty (30) days after the same has been approved by the Board of Supervisors of the County of Tulare.

1.11. Penalties

California GC §87300 provides, in part: "A Conflict of Interest Code shall have the force of law and any violation of a Conflict of Interest Code by a designated employee shall be deemed a violation of this chapter." Your attention is directed to the civil and criminal penalties set forth in the Act that may be imposed for a violation of this Code.

1.12. Statute of Limitations

No action based on a disqualification provision of this Code shall be brought pursuant to Government Code Section 91009(b) to restrain the execution of or to set aside official action of the agency unless commenced within 90 days following the official action.

1.13. Opinions of the Commission and Counsel

- A. <u>Opinion Requests:</u> Any designated employee who is unsure of any right or obligation arising under this code may request a formal opinion or letter of advice from the FPPC or an opinion from the attorney of this agency.
- B. Evidence of Good Faith: If an opinion is rendered by the attorney of this agency stating in full the facts and the law upon which the opinion is based, compliance by the designated employee with such opinion may be evidence of good faith in any civil or criminal proceeding brought pursuant to the Act or this Code. The designated employee's good faith compliance with the opinion of this agency's attorney shall also act as a complete defense to any disciplinary action that this agency may bring under Section 91003.5 of the Act or this Code.

Exhibit "A"

DESIGNATED EMPLOYEES

<u>Designated Positions</u>	Types of Interests required <u>To be disclosed</u>
Members of the Commission	1, 2, 3
Alternate Members of the Commission	1, 2, 3
Executive Officer	1, 2, 3
Consultants*	1

^{*}Consultants are included as designated employees and shall disclose pursuant to the broadest disclosure category, subject to the following limitation:

The Executive Officer of this local agency may determine in writing whether a particular consultant is a "designated employee" or whether the consultant is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements required by this Code. Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent of disclosure requirements. The determination of the Executive Officer is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code.

Exhibit "B"

TYPES OF FINANCIAL INTERESTS

REQUIRED TO BE DISCLOSED

Disclosure Category: 1

All investments, business positions and sources of income located in or doing business in the jurisdiction of the local agency.

All interests in real property located in the jurisdiction, including property located within a two mile radius of any property owned or used by the local agency

(Intended for officials and employees whose duties are broad and indefinable.)

Disclosure Category: 2

All investments, business positions and sources of income of the type which provide services, supplies, materials, machinery or equipment utilized by the local agency.

(Intended for employees whose duties and decisions involve contracting and purchasing.)

Disclosure Category: 3

All investments, business positions and sources of income of the type which engage in land development, construction or the acquisition or sale of real property.

All interests in real property located in the jurisdiction, including property located within a two mile radius of any property owned or used by the local agency.

(Intended for employees whose duties and decisions may affect real property interests.)

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CALAFCO Daily Legislative Report as of Monday, October 01, 2018

AB 2050 (Caballero D) Small System Water Authority Act of 2018.

Current Text: Vetoed: 9/28/2018 html pdf

Introduced: 2/6/2018 Last Amended: 8/6/2018

Status: 9/28/2018-Vetoed by Governor.

Summary:

Would create the Small System Water Authority Act of 2018 and state legislative findings and declarations relating to authorizing the creation of small system water authorities that will have powers to absorb, improve, and competently operate noncompliant public water systems. The bill, no later than March 1, 2019, would require the state board to provide written notice to cure to all public agencies, private water companies, or mutual water companies that operate a public water system that has either less than 3,000 service connections or that serves less than 10,000 people, and are not in compliance, for 4 consecutive quarters, with one or more state or federal primary drinking water standard maximum contaminant levels as of December 31, 2018, as specified.

Position: Support

Subject: LAFCo Administration, Municipal Services, Water

CALAFCO Comments: This bill is sponsored by Eastern Municipal Water District and the CA Municipal Utilities Assoc. The intent is to give the State Water Resources Control Board (SWRCB) authority to mandate the dissolution of existing drinking water systems (public, mutual and private) and authorize the formation of a new public water authority. The focus is on non contiguous systems. The SWRCB already has the authority to mandate consolidation of these systems, this will add the authority to mandate dissolution and formation of a new public agency. LAFCo will be responsible for dissolving any state mandated public agency dissolution, and the formation of the new water authority. The SWRCB's appointed Administrator will act as the applicant on behalf of the state. LAFCo will have ability to approve with modifications the application, and the new agency will have to report to the LAFCo annually for the first 3 years.

AB 2238 (Aguiar-Curry D) Local agency formation: regional housing need allocation: fire

hazards: local health emergencies: hazardous and medical waste.

Current Text: Chaptered: 9/30/2018 html pdf

Introduced: 2/13/2018 Last Amended: 8/24/2018

Status: 9/30/2018-Signed by the Governor

Summary

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 provides the authority and procedures for the initiation, conduct, and completion of changes of organization and reorganization of cities and districts. The act specifies the factors that a local agency formation commission is required to consider in the review of a proposal for a change of organization or reorganization, including, among other things, per capita assessed valuation and the proposal's consistency with city or county general and specific plans This bill would require the commission to consider the assessed valuation rather than per capita assessed valuation.

Position: Support

Subject: Climate Change, Growth Management

CALAFCO Comments: This bill seeks to add another factor for LAFCo consideration in the review of a proposal. That factor is information contained in a local hazard mitigation plan, information contained in a safety element of a general plan, and any maps that identify land as a very high fire hazard zone pursuant to Section 51178 or maps that identify land determined to be in a state responsibility area pursuant to Section 4102 of the Public Resources Code, if it is determined that such information is relevant to the area that is the subject of the proposal. The bill also adds two non-LAFCo-related sections pertaining to the update of a housing element. This bill is in response to the rash of wildfires throughout the state over the past several years and the ongoing threat of same as a result of climate change.

AB 2258 (Caballero D) Local agency formation commissions: grant program.

Current Text: Vetoed: 9/18/2018 html pdf

Introduced: 2/13/2018 **Last Amended:** 8/24/2018

Status: 9/18/2018-Vetoed by Governor.

Summary:

Would require the Strategic Growth Council, until July 31, 2024, to establish and administer a local agency formation commissions grant program for the payment of costs associated with initiating and completing the dissolution of districts listed as inactive, the payment of costs associated with a study of the services provided within a county by a public agency to a disadvantaged community, as defined, and for other specified purposes, including the initiation of an action, as defined, that is limited to service providers serving a disadvantaged community and is based on determinations found in the study, as approved by the commission.

Position: Sponsor **Subject:** Other

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

The bill also changes the protest threshold for LAFCo initiated actions, solely for the purposes of actions funded pursuant to this new section. It allows LAFCo to order the dissolution of a district (outside of the ones identified by the SCO) pursuant to Section 11221 of the Elections code, which is a tiered approach based on registered voters int he affected territory (from 30% down to 10% depending). Amendments taken in Senate Governance & Finance and Natural Resources & Water narrow the scope of the bill to focus on service providers serving disadvantaged communities; requires LAFCo pay back grant funds in their entirety if the study is not completed within two years; and requires the SGC to give preference to LAFCOs whose decisions have been aligned with the goals of sustainable communities strategies. Recent amendments remove the fiscal portion of the bill, which was \$1.5 million over 5 years. The bill is now based on an appropriation in the annual Budget Act. CALAFCO will attempt again next year to get the funding into the budget. The grant program will be in place pending the funding.

AB 2600 (Flora R) Regional park and open space districts.

Current Text: Chaptered: 8/28/2018 httml pdf

Introduced: 2/15/2018 **Last Amended:** 6/26/2018

Status: 8/27/2018-Approved by the Governor. Chaptered by Sec of State- Chapter 218, Statutes of 2018.

Summary:

Current law authorizes proceedings for the formation of a regional park, park and open-space, or open-space district to be initiated pursuant to a petition signed by at least 5,000 electors residing within the proposed district territory and presented to the county board of supervisors, as specified. Existing law also authorizes proceedings for district formation in specified counties to be initiated by resolution of the county board of supervisors adopted after a noticed hearing, and specifies the contents of the resolution. This bill would, in lieu of the petition described above, authorize the formation of a district by the adoption of a resolution of application by the legislative body of any county or city that contains the territory proposed to be included in the district.

Position: Support

CALAFCO Comments: This bill would expand the process of initiating the formation of a regional pack and open space district by adding that a local governing body may adopt a resolution proposing to form a new district. This would be in lieu of having a 5,000 signature petition. The LAFCo process remains intact.

The intent of this bill is to create an easier way (not to replace but in addition to existing process) to proposed the formation of these types of districts, thereby removing the need for special legislation to do so. The bill is author-sponsored.

AB 3254 (Committee on Local Government) Local government organization: omnibus.

Current Text: Chaptered: 7/9/2018 httml pdf

Introduced: 3/14/2018 Last Amended: 5/17/2018

Status: 7/9/2018-Approved by the Governor. Chaptered by Sec of State - Chapter 86, Statutes of 2018.

Summary:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (the Act) provides the authority and procedure for the initiation, conduct, and completion of changes of organization, reorganization, and sphere of influence changes for cities and districts, as specified. Current law defines various terms for purposes of that Act, including the terms "affected territory" and "inhabited territory." This bill would revise those definitions to include territory that is to receive extended services from a local agency, and additionally define the term "uninhabited territory" for purposes of the Act.

Position: Sponsor

CALAFCO Comments: This is the annual Assembly Local Government Committee Omnibus bill, sponsored by CALAFCO. Amendments are pending to add several items.

SB 1215 (Hertzberg D) Provision of sewer service: disadvantaged communities.

Current Text: Chaptered: 9/30/2018 httml pdf

Introduced: 2/15/2018 Last Amended: 8/24/2018

Status: 9/30/2018-Signed by the Governor

Summary:

The Porter-Cologne Water Quality Control Act requires each California regional water quality control board to adopt water quality control plans and to establish water quality objectives in those plans, considering certain factors, to ensure the reasonable protection of beneficial uses and the prevention of nuisance. This bill would, except as provided, authorize the regional board to order the provision of sewer service by a special district, city, or county to a disadvantaged community, as defined, under specified circumstances. By authorizing the regional board to require a special district, city, or county to provide sewer service, this bill would impose a state-mandated local program.

Position: Oppose

Subject: Disadvantaged Communities, Water

CALAFCO Comments: As amended, this bill authorizes the State Water Resources Control Board (SWRCB) to mandate extension of service or consolidation of wastewater systems - both public and private, under certain circumstances. The process mirrors the process set forth in SB 88 giving the SWRCB authority to mandate the same for drinking water systems. However, the bill allows for an extension up to 3 miles with no requirements for annexation of the territory; does not provide a definitive source of funding; does not require those will failing systems to connect to the new system; and charges opt-out fees to those who do not. CALAFCO attempted to work with the author's office on the primary issues of annexation and the allowable extension limit, but were unsuccessful in securing those amendments. As a result, we joined with CASA, CSDA, CSCA, RCRC and the League to oppose.

SB 1496 (Committee on Governance and Finance) Validations.

Current Text: Chaptered: 6/1/2018 html pdf

Introduced: 3/1/2018

Status: 6/1/2018-Approved by the Governor. Chaptered by Sec of State. Chapter 23, Statutes of 2018.

Summary:

This bill would enact the Second Validating Act of 2018, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

Position: Support

SB 1497 (Committee on Governance and Finance) Validations.

Current Text: Chaptered: 6/1/2018 html pdf

Introduced: 3/1/2018

Status: 6/1/2018-Approved by the Governor. Chaptered by Sec of State. Chapter 24, Statutes of 2018.

Summary:

This bill would enact the First Validating Act of 2018, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill contains other related provisions.

Position: Support

Subject: LAFCo Administration

SB 1499 (Committee on Governance and Finance) Validations.

Current Text: Chaptered: 6/1/2018 html pdf

Introduced: 3/1/2018

Status: 6/1/2018-Approved by the Governor. Chaptered by Sec of State. Chapter 25, Statutes of 2018.

Summary:

This bill would enact the Third Validating Act of 2018, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

Position: Support

Subject: LAFCo Administration

AB 2268 (Reyes D) Local government finance: property tax revenue allocations: vehicle license

fee adjustments.

Current Text: Amended: 4/16/2018 html pdf

Introduced: 2/13/2018 Last Amended: 4/16/2018

Status: 5/25/2018-Failed Deadline pursuant to Rule 61(b)(8). (Last location was A. APPR. SUSPENSE

FILE on 5/2/2018)

Summary:

for the 2018–19 fiscal year, would require the vehicle license fee adjustment amount to be the sum of the vehicle license fee adjustment amount in the 2017–18 fiscal year, the product of that sum and the percentage change in gross taxable assessed valuation within the jurisdiction of that entity between the 2017–18 fiscal year to the 2018–19 fiscal year, and the product of the amount of specified motor vehicle license fee revenues that the Controller allocated to the applicable city in July 2010 and 1.17.

Position: Support **Subject:** Tax Allocation

CALAFCO Comments: Sponsored by the League, this bill would have reinstated ERAF funding for

inhabited annexations.

AB 2491 (Cooley D) Local government finance: vehicle license fee adjustment amounts.

Current Text: Amended: 4/2/2018 html pdf

Introduced: 2/14/2018 Last Amended: 4/2/2018

Status: 5/25/2018-Failed Deadline pursuant to Rule 61(b)(8). (Last location was A. APPR. SUSPENSE

FILE on 4/25/2018)

Summarv:

Would establish a separate vehicle license fee adjustment amount for a city incorporating after January 1, 2012, including an additional separate vehicle license fee adjustment amount for the first fiscal year of incorporation and for the next 4 fiscal years thereafter. This bill contains other related provisions and other existing laws.

Position: Support
Subject: Tax Allocation

CALAFCO Comments: Sponsored by the League, this bill would have reinstated ERAF funding for cities

incorporating after 2017.

AB 2501 (Chu D) Drinking water: state administrators: consolidation and extension of service.

Current Text: Chaptered: 9/28/2018 httml pdf

Introduced: 2/14/2018 Last Amended: 8/24/2018

Status: 9/28/2018-Approved by the Governor. Chaptered by Sec of State- Chapter 871, Statutes of 2018.

Summary:

The California Safe Drinking Water Act requires the State Water Resources Control Board, before ordering consolidation or extension of service, to fulfill certain requirements, including, among other things, to hold a public meeting, and to establish a reasonable deadline, as prescribed, for a potentially receiving water system and a potentially subsumed water system to negotiate consolidation or another means of providing an adequate supply of affordable, safe drinking water. The act requires the state board to conduct a public hearing at the expiration of the reasonable deadline, as specified. This bill would revise and recast these provisions.

Position: Watch With Concerns

Subject: Disadvantaged Communities, Water

AB 1577 (Gipson D) California Safe Drinking Water Act: Sativa-Los Angeles County Water

District.

Current Text: Chaptered: 9/28/2018 html pdf

Introduced: 2/17/2017 Last Amended: 8/24/2018

Status: 9/28/2018-Approved by the Governor. Chaptered by Sec of State- Chapter 859, Statutes of 2018.

Summary:

The California Safe Drinking Water Act provides for the operation of public water systems and imposes on the State Water Resources Control Board various responsibilities and duties. The act authorizes the state board to order consolidation with a receiving water system where a public water system or a state small water system, serving a disadvantaged community, consistently fails to provide an adequate supply of safe drinking water. This bill would require the state board to order the Sativa-Los Angeles County Water District to accept administrative and managerial services, including full management and control, from an administrator selected by the state board.

Position: Support

Subject: Disincorporation/dissolution, Water

AB 1889 (Caballero D) Santa Clara Valley Water District.

Current Text: Chaptered: 9/5/2018 html pdf

Introduced: 1/18/2018 **Last Amended:** 7/3/2018

Status: 9/5/2018-Approved by the Governor. Chaptered by Sec of State - Chapter 251, Statutes of 2018.

Summary:

The Santa Clara Valley Water District Act authorizes the district to impose special taxes at minimum rates according to land use category and size. The district act authorizes the district to provide an exemption from these taxes for residential parcels owned and occupied by one or more taxpayers who are at least 65 years of age, or who qualify as totally disabled, if the household income is less than an amount approved by the voters of the district. This bill would authorize the district to require a taxpayer seeking an exemption from these special taxes to verify his or her age, disability status, or household income, as prescribed.

Position: Watch

AB 2019 (Aguiar-Curry D) Health care districts.

Current Text: Chaptered: 9/5/2018 html pdf

Introduced: 2/5/2018 **Last Amended:** 8/15/2018

Status: 9/5/2018-Approved by the Governor. Chaptered by Sec of State - Chapter 257, Statutes of 2018.

Summary:

The Local Health Care District Law provides for local health care districts that govern certain health care

facilities. Each health care district has a board of directors with specific duties and powers respecting the creation, administration, and maintenance of the district. Current law requires the board of directors to establish and maintain an Internet Web site that may include specified information, such as a list of current board members and recipients of grant funding or assistance provided by the district, if any, and to adopt annual policies for providing assistance or grant funding, as specified. This bill would require the board of directors to include specified information, such as the district's policy for providing assistance or grant funding, on the district's Internet Web site.

Position: Watch

CALAFCO Comments: This bill places a number of statutory requirements on healthcare districts (HCDs). One provision that directly affects LAFCo is the HCDs will be required to notify their respective LAFCo when they file for bankruptcy.

AB 2179 (Gipson D) Municipal corporations: public utility service: water and sewer service.

Current Text: Chaptered: 9/28/2018 html pdf

Introduced: 2/12/2018 Last Amended: 8/15/2018

Status: 9/28/2018-Approved by the Governor. Chaptered by Sec of State- Chapter 863, Statutes of 2018.

Summary:

Current law authorizes a municipal corporation to sell or dispose of any public utility it owns. Current law requires that a resolution authorizing the sale of a public utility be passed by 2/3 of the members of the legislative body of the municipal corporation and be passed by a 2/3 vote of all voters voting at an election to authorize the sale in the ordinance calling the election. Current law establishes an alternative procedure whereby a municipal corporation can lease, sell, or transfer that portion of a water utility used for furnishing water service outside the boundaries of the municipal corporation. This bill would additionally authorize a municipal corporation to utilize the alternative procedures to lease, sell, or transfer that portion of a municipal utility used for furnishing sewer service outside the boundaries of the municipal corporation.

Position: Watch

Subject: Municipal Services

AB 2262 (Wood D) Coast Life Support District Act: urgent medical care services.

Current Text: Amended: 4/16/2018 html pdf

Introduced: 2/13/2018 Last Amended: 4/16/2018

Status: 8/31/2018-Failed Deadline pursuant to Rule 61(b)(18). (S. INACTIVE FILE on 8/31/2018)

Summarv:

Current law, the Coast Life Support District Act, establishes the Coast Life Support District and specifies the powers of the district. The district is authorized, among other things, to supply the inhabitants of the district emergency medical services, as specified. This bill would additionally authorize the district to provide urgent medical care services.

Position: Support

Subject: LAFCo Administration, Special District Powers

CALAFCO Comments: This is a single district bill in which the district is seeking to add the power of providing urgent care (actually to codify powers they have been performing for a number of years). As amended, the bill cleans up the outdated reference to the Act and adds a provision requiring the district to seek LAFCo approval to activate the new power. As a result of these amendments, CALAFCO has removed our opposition and now supports the bill.

AB 2339 (Gipson D) Water utility service: sale of water utility property by a city.

Current Text: Chaptered: 9/28/2018 html pdf

Introduced: 2/13/2018 Last Amended: 8/15/2018

Status: 9/28/2018-Approved by the Governor. Chaptered by Sec of State- Chapter 866, Statutes of 2018.

Summarv:

Would authorize the City of El Monte, the City of Montebello, and the City of Willows, until January 1, 2022, to sell its public utility for furnishing water service for the purpose of consolidating its public water

system with another public water system pursuant to the specified procedures, only if the potentially subsumed water system is wholly within the boundaries of the city, if the city determines that it is uneconomical and not in the public interest to own and operate the public utility, and if certain requirements are met. The bill would prohibit the city from selling the public utility for one year if 50% of interested persons, as defined, protest the sale.

Position: Watch Subject: Water

SB 522 (Glazer D) West Contra Costa Healthcare District.

Current Text: Chaptered: 7/18/2018 html pdf

Introduced: 2/16/2017 **Last Amended:** 1/3/2018

Status: 7/18/2018-Approved by the Governor. Chaptered by Sec of State. Chapter 133, Statutes of 2018.

Summary:

Current law provides for the formation of local health care districts and specifies district powers. Under existing law, the elective officers of a local health care district consist of a board of hospital directors consisting of 5 members, each of whom is required to be a registered voter residing in the district and whose term shall be 4 years, except as specified. This bill would dissolve the existing elected board of directors of the West Contra Costa Healthcare District, effective January 1, 2019, and would require the Board of Supervisors of the County of Contra Costa, at its election, to either serve as the district board or appoint a district board, as specified.

Position: Watch

Subject: Special Districts Governance

SB 561 (Gaines R) Fallen Leaf Lake Community Services District: State audit.

Current Text: Amended: 6/26/2018 html pdf

Introduced: 2/17/2017 Last Amended: 6/26/2018

Status: 8/17/2018-Failed Deadline pursuant to Rule 61(b)(15). (Last location was A. APPR. on 6/28/2018)

Summary

Current law requires the county auditor to either perform an audit, or contract with a certified public accountant or public accountant to perform an audit, of the accounts and records of every special district within the county, as specified. Current law authorizes a special district, by unanimous request of its governing board and unanimous approval by the board of supervisors, to replace the annual audit with an audit over a longer period of time or with a financial review, as specified. This bill would require, by August 1, 2019, the California State Auditor to complete an audit of the Fallen Leaf Lake Community Services District that includes, among other things, an analysis of the district's financial condition and ongoing financial viability.

Position: Watch

Subject: Special Districts Governance

SB 623 (Monning D) Water quality: Safe and Affordable Drinking Water Fund.

Current Text: Amended: 8/21/2017 html pdf

Introduced: 2/17/2017 Last Amended: 8/21/2017

Status: 8/31/2018-Failed Deadline pursuant to Rule 61(b)(18). (Last location was A. RLS. on 9/1/2017)

Summary:

Would establish the Safe and Affordable Drinking Water Fund in the State Treasury and would provide that moneys in the fund are continuously appropriated to the State Water Resources Control Board. The bill would require the board to administer the fund to secure access to safe drinking water for all Californians, while also ensuring the long-term sustainability of drinking water service and infrastructure. The bill would authorize the state board to provide for the deposit into the fund of federal contributions, voluntary contributions, gifts, grants, bequests, and settlements from parties responsible for contamination of drinking water supplies.

Position: Watch Subject: Water

SB 778 (Hertzberg D) Water systems: consolidations: administrative and managerial services.

Current Text: Amended: 7/13/2017 httml pdf

Introduced: 2/17/2017 Last Amended: 7/13/2017

Status: 8/17/2018-Failed Deadline pursuant to Rule 61(b)(15). (Last location was A. 2 YEAR on

9/1/2017) **Summary:**

Would require, on or before March 1, 2018, and regularly thereafter, as specified, the State Water Resources Control Board to track and publish on its Internet Web site an analysis of all voluntary and ordered consolidations of water systems that have occurred on or after July 1, 2014. The bill would require the published information to include the resulting outcomes of the consolidations and whether the consolidations have succeeded or failed in providing an adequate supply of safe drinking water to the communities served by the consolidated water systems.

Position: Watch

Subject: Municipal Services

SB 929 (McGuire D) Special districts: Internet Web sites.

Current Text: Chaptered: 9/15/2018 html pdf

Introduced: 1/25/2018 Last Amended: 8/16/2018

Status: 9/14/2018-Approved by the Governor. Chaptered by Sec of State. Chapter 408, Statutes of 2018.

Summary:

The California Public Records Act requires a local agency to make public records available for inspection and allows a local agency to comply by posting the record on its Internet Web site and directing a member of the public to the Internet Web site, as specified. This bill would, beginning on January 1, 2020, require every independent special district to maintain an Internet Web site that clearly lists contact information for the special district, except as provided. Because this bill would require local agencies to provide a new service, the bill would impose a state-mandated local program.

Position: Support

SB 1498 (Committee on Governance and Finance) Local Government Omnibus Act of 2018.

Current Text: Chaptered: 9/17/2018 html pdf

Introduced: 3/1/2018 **Last Amended:** 8/6/2018

Status: 9/17/2018-Approved by the Governor. Chaptered by Sec of State. Chapter 467, Statutes of 2018.

Summary:

Current law sets forth various provisions governing cities that reference various officers and employees.

This bill would make these references gender neutral.

Position: Watch

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

LAFUO

TULARE COUNTY LOCAL AGENCY FORMATION COMMISSION

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

COMMISSIONERS:
Julie Allen, Chair
Cam Hamilton, V. Chair
Steve Worthley
Rudy Mendoza
Pete Vander Poel

ALTERNATES: Mike Ennis Dennis Mederos Carlton Jones

EXECUTIVE OFFICER:
Ben Giuliani

October 10, 2018

TO: LAFCO Commissioners, Alternates

FROM: Ben Giuliani, Executive Officer

SUBJECT: Agriculture Report

Background

A report regarding agriculture was last provided to the Commission at the October 2016 meeting. The report reviewed farmed crop land and overall agricultural production value in Tulare County and the south San Joaquin Valley between 1980 and 2015. The 2017 Tulare County Annual Crop and Livestock Report along with the other San Joaquin Valley crop reports were released recently. The new information from the 2016 and 2017 crop reports is included in this report.

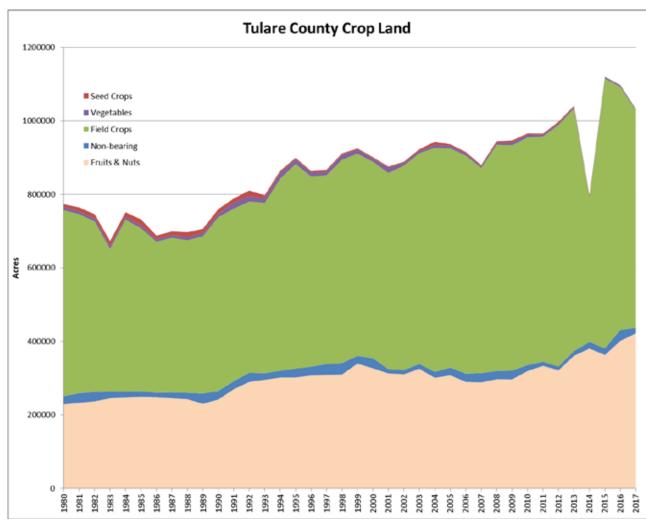
Discussion

Tulare County Crop Land

The following chart shows farmed acreage in Tulare County as reported by the Tulare County Agricultural Commissioner from 1980 to 2017. While overall farmed acreage has decreased the last couple of years, it's still well above the depth of the drought in 2014. Permanent crop acreage (tree crops and vineyards) has continued to increase. Permanent crops represented 42% of total farmed acreage in 2017 compared to 31% in 1980. This is mostly due to significant acreage increases in almonds and pistachios in the last 10 years.

As a comparison, the amount of acreage inside the 8 incorporated cities in Tulare County is 59,979. Note, there still is a significant amount of active agriculture inside the cities. Especially cropland associated with effluent irrigation from city wastewater treatment facilities. If cities were a crop, they would rank 6th when compared to individual Tulare County crops, behind pistachios and just ahead of grapes.

The acreage amount for field crops includes multiple crop yields from the same land (an acre of crop land as listed in the Ag Reports does not exactly equal an acre of physical land). The acreage amounts shown in the chart on the next page does not include non-irrigated pastureland, fallow land, nurseries, animal confinement facilities or associated agricultural uses such as creameries or packing houses.

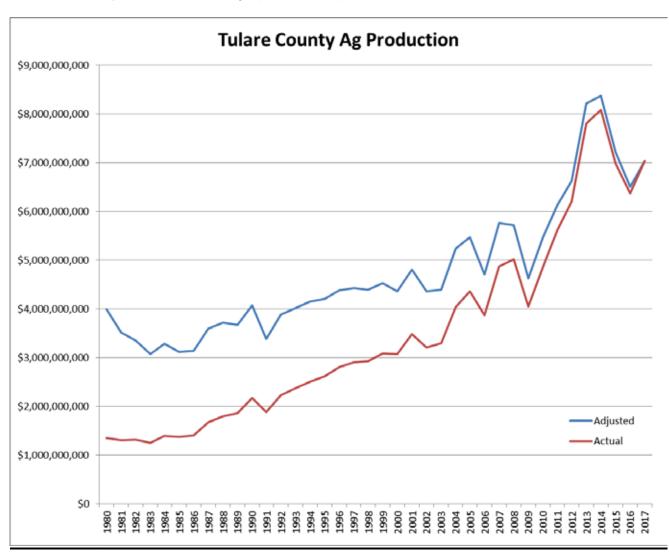


Note: "Non-bearing" is planted permanent crops (orchard and vineyard crops) that are not yet producing.

Tulare County Agricultural Production

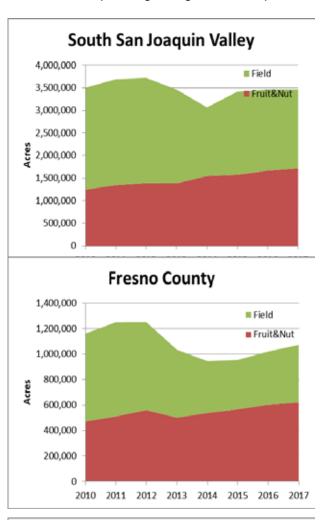
The following chart shows gross agricultural production in Tulare County as reported by the Tulare County Agricultural Commissioner from 1980 to 2017. This includes crops produced on the land shown in the prior chart and also includes dairy production and livestock. The "Adjusted" amounts shown below are adjusted for inflation to 2017 dollars. After adjusting for inflation, agricultural production has increased from \$3.8 billion in 1980 to \$7.0 billion in 2017, an increase of 84%. Even with an increasing population in the County (245,738 in 1980 to 475,834 in 2018) and increased urbanization, the value of production has still increased significantly during this time period.

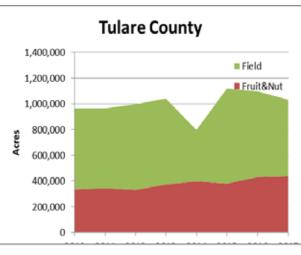
The decrease in overall value from 2014 to 2015 was mostly due to declining milk prices. The decrease from 2015 to 2016 was mostly due to declining silage value. The increase from 2016 to 2017 was mostly due to increased grape and milk prices.

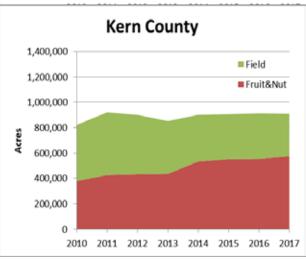


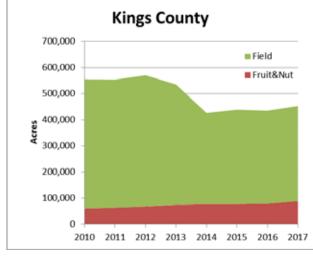
South San Joaquin Valley Crop Land

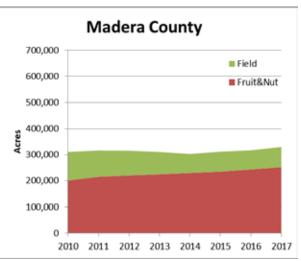
The following charts compare crop land between the five southern San Joaquin Valley counties and the region as a whole. The trends show a rebound and levelling off of farmed agricultural land since the recent drought. Permanent crop acreage is continuing to increase due mainly to the increased planting of high value crops such as almonds and pistachios.





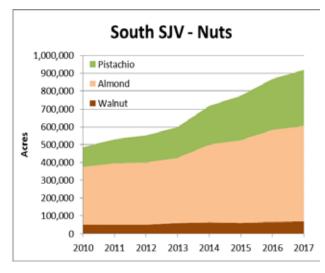


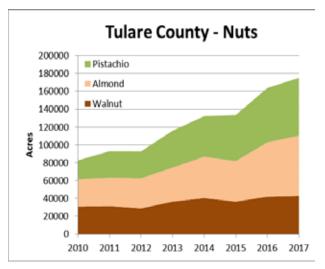


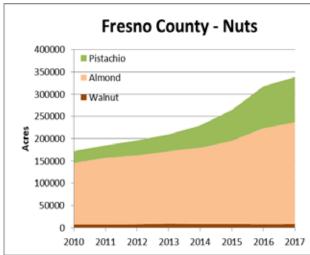


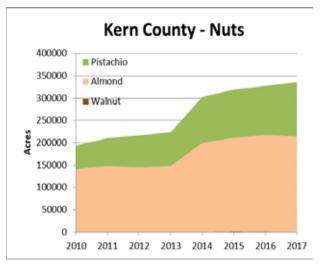
Permanent Crops

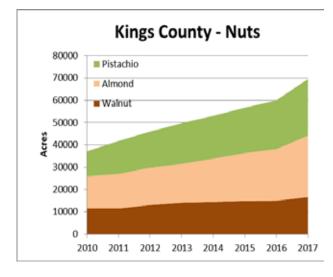
Permanent crops include tree crops and vineyards. Permanent crop acreage has significantly increased in Tulare County and across the southern San Joaquin Valley mainly due to almonds and pistachios. In Tulare County, almond acreage over doubled from 30,500 acres in 2010 to 67,400 acres in 2017 and pistachio acreage tripled from 21,200 acres in 2010 to 64,800 in 2017.

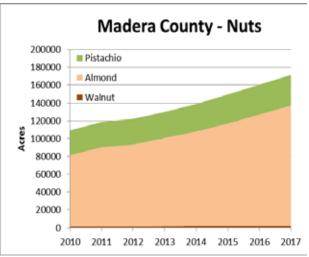












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State Water Resources Control Board

Division of Drinking Water

NOTICE OF PUBLIC MEETING

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

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

Background:

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

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

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

Public Meeting:

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

Dates: Monday, October 22, 2018 from 6:00 p.m. – 8:00 p.m.

Location: Orosi High School, Multi-Purpose Room

41815 Road 128 Orosi, CA 93647

*Spanish language interpretation services will be available.

Public Comments/Information

Public comments will be received through October 30, 2018 and can be sent to:

Mail: Chad Fischer, P.E., Tulare District Engineer

State Water Resources Control Board, Division of Drinking Water

265 W. Bullard Avenue, Suite 101, Fresno, CA 93704

Email: Chad.Fischer@waterboards.ca.gov or Fax: (559) 447-3300