

Lake Local Agency Formation Commission

Regular Meeting Agenda

May 15, 2019 -- 9:30 am

City of Clearlake – City Council Chambers

14050 Olympic Dr. Clearlake, California

Website: www.lakelafco.org

“Lake LAFCo oversees orderly development and protects natural resources and agricultural lands”

Commissioners

Commission Alternate Members

Dirk Slooten, (City)

Victoria Brandon (Spec. District Alternate)

Stan Archacki, (Special Dist.)

Suzanne Lyons (Public Alternate)

Jim Scholz (Special District)

Tina Scott (County Alternate)

Ed Robey, (Public Member)

Kenneth Parlet (City Alternate)

Moke Simon, Vice Chair (County)

Bruno Sabatier Chair (County Member)

Stacey Mattina (City)

Staff

John Benoit, Executive Officer

P. Scott Browne, Legal Counsel

Kathleen Moran, Clerk-Analyst

1. **Call to Order – Roll Call**
2. **Approval of Minutes** – March 20, 2019

Action: Approve March 20, 2019 minutes

3. **Public Comment.**

This is the time for the public to address the Commission on any matter not on the agenda. Testimony related to an item on the agenda should be presented at the time that item is considered.

4. **Consent Agenda**

a. *Review and authorize payment of expenses for March and April 2019*

5. **Lake LAFCo Public Member Selection for a term ending in May 2023**
 - a. *Select the Public Member for a term ending in May 2023*
6. **A request from Carol McDowell has requested annexation of 10.72 acres more or less to the Callayomi County Water District (Assessor's Parcel: 014-131-330) to receive domestic water services on property located at 21653 SR 29 in Middletown.**
 - a. *Consider Resolution 2019-0005 a resolution approving an annexation of 10.72-acres to the Callayomi County Water District for domestic water services*

PUBLIC HEARINGS:

7. **PUBLIC HEARING: Continue Public Hearing for the Valley Oaks Annexation to the Hidden Valley Lake CSD until LAFCo's July 17, 2019 meeting in Lakeport City Hall at 9:30 AM**
 - a. *Open and Continue Public Hearing until July 17, 2019 at 9:30 a.m. at Lakeport City Hall.*
8. **PUBLIC HEARING: Review and Consider Lake LAFCo's final Budget for FY 2019-2020**
 - a. *Conduct Public Hearing*
 - b. *Consider LAFCo Resolution 2019-0006, a resolution adopting a final LAFCo budget for Fiscal Year 2019-2020.*

OTHER BUSINESS

9. **Review Service Review requirements and conduct a goal-setting workshop for Lake LAFCO with regards to Lake LAFCO's role in orderly growth in Lake County and discuss the need and methods of achieving consolidations of various services.**
 - a) *An item continued from the January 16th and March 20th, 2019 LAFCo meetings to seek further input from LAFCo Commissioners regarding this matter.*
10. **Legislation: Oppose AB-600, a repeat of SB 1318 which Calafco opposed in 2016 re: Disadvantaged Communities and water and wastewater facilities.**
 - a. *Authorize the Chair to sign a letter in opposition to the proposed AB-600*
11. **Consider a two-months extension until July 17, 2019 for LAFCo Project 2015-0005 (LAFCo Resolution 2016-0003) Paradise Valley Annex to the CLOCWD**

- a. Consider a two month's extension for LAFCo project 2015-0005 ending July 17, 2019.

12. Executive Officer' s report.

- a. Lake County Lighting Districts MSR and SOI
- b. Policy Update
- c. Upcoming LAFCo applications: Upper Lake Mobilehome park, So. Lakeport & Middletown Rancheria
- d. LAFCo applications received: Valley Oaks annex to the Hidden Valley Lake CSD & McDowell Annex to the Callayomi Co. Water District
- e. Status of transition of LAFCo finances from the County to the City of Clearlake
- f. Calafco Staff Workshop in San Jose

13. LAFCo Counsel's report

14 LAFCo 101 presentation by LAFCo Staff- Part 1 (a general overview of LAFCo)

15. Commissioner Reports

This item is placed on the agenda for Commissioners to discuss items and issues of concern to their constituency, LAFCO, and legislative matters.

16. Correspondence:

17. Closed Session

<p>18. Subject: Employee Performance Evaluation March 2018 – May 2019 Title: LAFCO Executive Officer</p>

19. Adjourn to LAFCO's next regular meeting: Wednesday July 17, 2019 in Lakeport.

The Commission may take action upon any item listed on the agenda. Unless otherwise noted, items may be taken up at any time during the meeting.



Any member appointed on behalf of local government shall represent the interests of the public as a whole and not solely the interest of the appointing authority Government Code Section 56325.1

Public Comment

Members of the public may address the Commission on items not appearing on the agenda, as well as any item that does appear on the agenda, subject to the following restrictions:
matter jurisdiction.

- No action shall be taken on items not appearing on the agenda unless otherwise authorized by Government Code Section 54954.2 (known as the Brown Act, or California Open Meeting Law).
- The total amount of time allotted for receiving public comment may be limited to 15 minutes.
- Any individual's testimony may be limited to 5 minutes. Time to address the Commission will be allocated on the basis of the number of requests received.

Public Hearings

Members of the public may address the Commission on any item appearing on the agenda as a Public Hearing. The Commission may limit any person's input to 5 minutes. Written statements may be submitted in lieu of or to supplement oral statements made during a public hearing.

Agenda Materials

Materials related to an item on this agenda submitted to the Commission after distribution of the agenda are available for review for public inspection at the City of Lakeport and City of Clearlake Community Development Departments office located at City Hall in Lakeport and Clearlake [such documents are also available on the Lake LAFCO website as noted below to the extent practicable and subject to staff's ability to post the documents prior to the meeting].

Accessibility

An interpreter for the hearing-impaired may be made available upon request to the Executive Officer 72 hours before a meeting. The location of this meeting is wheelchair-accessible.

Disclosure & Disqualification Requirements

Any person or group of persons acting in concert who directly or indirectly contribute \$1,000 or more in support of or in opposition to a change of organization or reorganization that has been submitted to Lake LAFCO must comply with the disclosure requirements of the Political Reform Act of 1974 applicable to local initiative measures to be submitted to the electorate. These requirements contain provisions for making disclosures of contributions and expenditures at specified intervals; they may be reviewed at Government Code §§56700.1 and 81000 *et seq.* Additional information about the requirements pertaining to local initiative measures to be presented to the electorate can be obtained by calling the Fair Political Practices Commission at (916) 322-5660.

A LAFCO Commissioner must disqualify herself or himself from voting on an application involving an "entitlement for use" (such as an annexation or sphere amendment) if, within the last twelve months, the Commissioner has received \$250 or more in campaign contributions from the applicant, any financially interested person who actively supports or opposes the application, or an agency (such as an attorney, engineer, or planning consultant) representing the applicant or an interested party. The law (Government Code Section 84308) also requires any applicant or other participant in a LAFCO proceeding to disclose the contribution amount and name of the recipient Commissioner on the official record of the proceeding.

Contact LAFCO Staff LAFCO staff may be contacted at (707) 592-7528 or by mail at Lake LAFCO c/o John Benoit, Executive Officer P.O. Box 2694, Granite Bay, CA 95746 or by email at j.benoit4@icloud.com. Agenda packets are located on the Lake LAFCO Webpage at www.lakelafco.org

LAKE LOCAL FORMATION COMMISSION
MINUTES
March 20, 2019 Regular Meeting

Members Present

Bruno Sabatier, Chair, County Representative
Moke Simon, Vice-Chair, County Member
Stan Archacki, Special Districts
Jim Scholz, Special Districts
Stacy Mattina, City Member
Dirk Slooten, City Member
Ed Robey, Public Member
Suzanne Lyons, Public Member Alternate
Kenneth Parlet, City Alternate
Victoria Brandon, Special District Alternate

Staff Present

John Benoit, Executive Officer
Marsha Birch, Legal Counsel
Kathleen Moran, Clerk

Absent: Tina Scott, County Alternate

Present: Kevin Ingram, Community Development Coordinator, City of Lakeport
Scott De Leon, County Public Works Director

1. Call to Order

Chairman Sabatier called meeting to at 9:30 a.m. in the Council Chambers, City of Lakeport.

2. Approval of Minutes - Motion by Commissioner Simon, seconded by Commissioner Robey to approve the Minutes of the January 16, 2019 Regular Meeting. Motion carried.

3. Public Comment - Chair called for a period of public comment. None were heard.

4. Consent Agenda

Motion by Commissioner Robey, seconded by Commissioner Mattina to approve Consent Agenda Items as follows: Review and authorize payment of expenses for January and February 2019. Motion carried.

5. Chairman declared time for Public Hearing re: Consideration of Service Review and Sphere of Influence Update for Kelseyville County Waterworks District #3.

Mr. Ingram requested clarification, referring to the map of KCWD #3 Sphere Addition and Finley Service Area #6 (in agenda packet), noting the areas are not contiguous. He asked if the physical area where the pipelines connect is to be a part of the District. EO responded no, that the CSA #6 portion is only for water, not sewer. Mr. Ingram stated that the City is aware that the County is looking at a potential USDA application that would include provision of water from this area to serve the South Main Street area. He asked the Commission to clarify that the action before the Commission today does not place the South Main area in the Sphere of Influence or involve those boundaries and that any such action would be considered under separate action. EO confirms

Motion by Commissioner Robey, seconded by Commissioner Simon to adopt Resolution No. 20019-0001, a Resolution Approving a Municipal Service Review of Services Provided by Kelseyville County Waterworks District #3 and Adopting Written Determinations Thereon and authorize the Chairman to sign. Resolution passed and adopted by the following vote:

AYES: Commissioners Mattina, Robey, Simon, Slooten, Scholz, Archacki, and Sabatier.

NOES: None.

ABSENT: None.

Motion by Commissioner Slooten, seconded by Commissioner Simon to adopt Resolution No. 2019-0002, A Resolution Making Determinations and Approving a Sphere of Influence Update for the Kelseyville County Waterworks District #3 and authorize the Chairman to sign. Resolution passed and adopted by the following vote:

AYES: Commissioners Mattina, Robey, Simon, Slooten, Scholz, Archacki, and Sabatier.

NOES: None.

ABSENT: None.

6. Chairman declared time for Public Hearing to consider a Resolution of Initiation for the Dissolution of CSA 4 (Lake Pillsbury Lakes), 9 (Gifford Springs Road), 11 (Hodges Tract), 12 (Lucerne Riviera Heights) and 19 (Park Water) as required in Chapter 334, Statutes of 2017 (Senate Bill 448).

EO made opening statement that this action is the first step in the process of officially dissolving inactive districts. EO is working with various entities to verify there are no outstanding district assets or liabilities. EO will continue to update the Commission on the process as it moves forward. Chairman Sabatier asked if CSA #19 has been passed over to Golden State Water. EO stated that he did contact City staff to ask about that, but he has not received a response.

It was noted that there is an error in the title of the Resolution and that it will be corrected to reflect the district designations as shown on the Agenda.

Motion by Commissioner Simon, seconded by Commissioner Slooten to adopt Resolution 2019-0003, A Resolution of the Lake Local Agency Formation Commission Initiating Proceedings for the Dissolution of the County Service Areas CSA 4 (Lake Pillsbury Lakes), 9 (Gifford Springs Road), 11(Hodges Tract), 12 (Lucerne Riviera Heights) and 19 (Park Water) and authorize the Chairman to sign. Resolution passed and adopted by the following vote:

AYES: Commissioners Mattina, Robey, Simon, Slooten, Scholz, Archacki, and Sabatier.

NOES: None.

ABSENT: None.

7. Chairman declares time for Public Hearing to Review and Consider Lake LAFCo's Proposed Budget for FY 2019-2020.

EO reviewed proposed budget, which is nearly the same as last years, with the exception of two increases, as follows:

1. Increase in memberships of \$151.
2. Increase General Reserve by the previously approved annual amount of \$10,000.

Discussion was held on the Calafco Annual Conference which will be held in Sacramento this year. All agreed that as many members as possible should attend since it's close to home this year.

Chair opened the Public Hearing. There were no comments from the public. Chair closed hearing.

Motion by Commissioner Slooten, seconded by Commissioner Mattina to adopt Resolution No. 2019-0004, A Resolution of the Lake Local Agency Formation Commission Adopting a Proposed Budget for FY 2019-2020 and authorize the Chairman to sign. Resolution passed and adopted by the following vote:

AYES: Commissioners Mattina, Robey, Simon, Slooten, Scholz, Archacki, and Sabatier.

NOES: None.

ABSENT: None.

Commission to consider Final FY 2019-2020 budget at the May meeting.

EO again expressed concern that the Lake LAFCo budget/finance administrative responsibilities have yet to be transferred from the County to the City of Clearlake as approved by the Commission on September 19, 2018, despite repeated requests to the County Auditor. EO will continue to report on the status of the transfer. EO to submit claim to the County Auditor to try to expedite the transfer.

8. Consider a two-month extension until May 15, 2019 for LAFCo Project 2015-0005 (LAFCo Resolution 2016-0003) Paradise Valley Annex to the Clearlake Oaks County Water District.

EO explained that there are still a couple items to be finished and an extension is needed to complete them.

Motion by Commissioner Archacki, seconded by Commissioner Scholz to approve extension until May 15, 2019 for LAFCo Project 2015-0005 (LAFCo Resolution 2016-0003) Paradise Valley Annex to the Clearlake Oaks County Water District. Motion carried.

9. Request from the Callayomi County Water District for an Out of Area Service Agreement to provide domestic water from the Callayomi County Water District for the Middletown Rancheria of Pomo Indians of California in order that the Tribe may construct an additional 15 housing Units (LAFCo file 019-OASA-001).

Present: Josh Nelson, Counsel for the Middletown Rancheria
Sally Peterson, Tribe Council Vice-Chair

Commissioner Simon recused himself and left the Chambers stating that he is affiliated with the Middletown Rancheria.

EO briefly explained that Out of Area Service Agreements are authorized under GC 56133. The Rancheria is within the Sphere of Influence and has an existing agreement with CCWD to provide water services to 30 housing units at the Middletown Rancheria. The tribe is requesting CCWD to provide additional water service for 15 additional housing units.

EO stated that the Rancheria had previously filed an application with LAFCo, but it terminated or expired in November of 2015 before all steps were completed. A new application by the Rancheria or the CCWD for reorganization/annexation to the CCWD is required. EO expects the application to be filed within 90 days.

Commissioner Robey asked if the District has provided any documentation that they have the capacity to serve the existing lots. Chairman speaks to the need for adequate water supply for fire suppression.

Commissioner Brandon asked about the acreage, potential expansion, and anticipated land use. Mr. Nelson responded that the District does have the capacity and when the application comes forward it will include documentation for the adequacy. Ms. Peterson stated that the request is for hookups within the existing boundaries, and not an expansion.

Motion by Commissioner Slooten, seconded by Commissioner Robey to approve request from the Callayomi County Water District for approval of an Out of Area Service Agreement to provide domestic water from the Callayomi County Water District for the Middletown Rancheria of Pomo Indians of California in order that the Tribe may construct an additional 15 housing units (LAFCo File 019-OASA-001). Further, to authorize the Chair to sign the Order Approving the Out of Area Service Agreement and the Lake LAFCo approval page of the "Out of Area Limited Service Agreement for Provision of Municipal Water Service". Motion carried.

10:17 a.m. Commissioner Simon returned to chambers.

10. Review Service Review requirements and conduct a goal-setting workshop for Lake LAFCO with regards to Lake LAFCO's role in orderly growth in Lake County and discuss the need and methods of achieving consolidations of various services.

EO opened discussion. He stated that Lake County has done a good job at consolidating districts. There is a need for Lake LAFCo to set goals, establish needs and determine the methods necessary to accomplish that. Discussion of LAFCo's role in the General Plan. The role of LAFCo is to promote orderly growth, efficiency in services and awareness of the financial health of districts or agencies, noting that LAFCo performs not as the separate entities it is comprised of, but as an entity itself.

Commissioner Mattina suggested better community education and communication, that many entities/agencies are not aware of LAFCo or its purpose. Discussion is held on Area Plans, the need to update them and the importance of LAFCo being involved in that. This item is a continuing discussion and will be placed on future agendas.

11. Consider authorizing the Chair to sign letters of Support for AB-213 (Reyes) LF revenue backfill for inhabited annexations and AB-1253 (Rivas) regarding Grants for LAFCo's with Disadvantaged or Severely Disadvantaged Communities.

Motion by Commissioner Mattina, seconded by Commissioner Slooten to approve letters of Support for AB 213 (Reyes) re: VLF revenue backfill for inhabited annexations, and AB 1253 (Rivas) regarding grants for LAFCo's with Disadvantaged or Severely Disadvantaged Communities and authorize the Chairman to sign. Motion carried.

10:35 a.m. Chairman declares a recess.

10:45 a.m. Call to order.

12. Commissioner Brandon gave an informational power point presentation on the Lake County Resource Conservation District. The presentation contained an overview of District Projects, including:

- Ongoing Programs such as Meisenbach Scholarship, Kids in the Creek, Field Day in the Creek, Annual Invasive Weed Tour and Trout in the Classroom.
- Special Projects such as Goats Rue Eradication.
- Reforestation Projects
- Mendocino Complex Erosion Project
- Native Plant Project

13. Executive Officer's Report

- a. Lake County Lighting Districts MSR and SOI – in process.
- b. Policy Update
- c. Upcoming LAFCo applications: Upper Lake Mobile Home Park, So. Lakeport, Middletown Rancheria/CCWD.
- d. LAFCo applications received: Valley Oaks Annex to the Hidden Valley Lake CSD & McDowell Annex to the Callayomi Co. Water District.
- e. Status of transition of LAFCo finances from County to the City of Clearlake.
- f. Public Member Recruitment. Appointment set for May meeting.

14. LAFCo Counsel's Report - No new information.

15. Commissioner Reports – No reports given.

16. Correspondence.

Letter from the California Special Districts Association regarding Leadership Training Sessions available through the Association.

11:30 a.m. Meeting adjourned. Next regular meeting Wednesday May 15, 2019 in Clearlake.

By: _____
Kathleen Moran, Clerk

Lake Local Agency Formation Commission

4

CLAIMS

March and April 2019

Expenses

<u>Date of Claim</u>	<u>Description</u>	<u>Amount</u>
2.16.19-3.15.19	Browne Legal	\$ 525.00
March 20, 2019	Meeting Stipend	\$ 540.00
Apr 1, 2019	Staff Svcs March 2019	\$ 6,497.67
3.16. 2019- 4.15.19	Browne Legal	\$ 1,854.70
May 1, 2019	Staff Svcs April 2019	\$ 8,140.05
Feb 19, 2019	Record Bee Legal Notice	\$ 443.54
TOTAL:		\$ 17,460.96

DATED: May 15, 2019

APPROVED: May 15, 2019

Bruno Sabatier, Chair or Moke Simon, Vice Chair
Lake Local Agency Formation Commission

Attest:

John Benoit
Executive Officer

**OPENING FOR A CITIZEN TO SERVE AS THE
PUBLIC MEMBER ON
THE LAFCO COMMISSION**

The Lake Local Agency Formation Commission (LAFCO) has an opening on the Commission and is providing notice for Lake County citizens to serve as the Public Member. LAFCO is a distinct agency created by state legislation to ensure that changes in governmental organization occur in a manner, which provides efficient, quality services and preserves open space and agricultural land resources. LAFCO is charged with applying the policies and provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 in its decisions regarding annexations, incorporations, reorganizations, and other changes of local government. LAFCO's webpage is www.lakelafco.org

LAFCO meets on the third Wednesday of every other month at City Hall in Lakeport or at the City Hall in Clearlake. LAFCO members receive a \$60.00 monthly meeting stipend.

The appointment is for a public member who resides anywhere within Lake County including the territory in the city limits of Lakeport and Clearlake to sit as a public member or alternate on the Commission to complete a four-year term ending in May 2023. A public member must be able and available to regularly attend Commission meetings and (or) hearings or otherwise will be removed after absence of three consecutive meetings. No officer or employee of the county or any city or special district within Lake County is allowed to sit as a public member on the Commission. A Public Commission member, as are all other Commissioners, is required to file an annual Statement of Economic Interest.

If you are interested, we invite you to send a letter describing your background and reasons for wanting to become the selected Public Member to serve on the Lake Local Agency Formation Commission no later than **Friday May 3rd, 2019**. If you have any questions, please do not hesitate to call John Benoit, Executive Officer at (707) 592-7528 or email j.benoit4@icloud.com. Please send your letter of interest describing your background to Lake LAFCO, P.O. Box 2694 Granite Bay, CA 95746 or email a letter of interest to j.benoit4@icloud.com. All applicants will be invited to the **Wednesday, May 15th, 2019** LAFCO meeting for an interview with the Commission.

Dated: April 1, 2019

Lake LAFCO
John Benoit
EXECUTIVE OFFICER

04/17/2019

Lake LAFCO
P. O. Box 2694
Granite Bay, CA 95746

Dear Lake LAFCO,

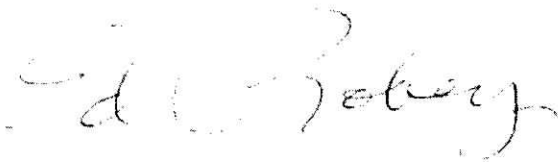
Please accept this letter expressing my interest in serving as the Public Member on Lake LAFCO.

I have served on Lake LAFCO for many years, as a City member, when serving on the Clearlake City Council, a County member when I served on the Board of Supervisors, and as the Public Member for the last eight years. I have also served on the CALAFCO Board of Directors representing rural counties.

I understand the purpose and function of LAFCO in local government, protecting open space and agricultural lands, ensuring orderly growth and producing Service Reviews as required by state law.

I would very much like to continue to serve as Public Member, especially with the challenging issues that LAFCO much address in the near future, such as the proposed South Main Street annexation.

Sincerely,

A handwritten signature in cursive script, appearing to read "Ed Robey". The signature is written in dark ink and is positioned above the printed name.

Ed Robey

Lake LAFCO
Executive Officer's Report
May 15, 2019

TO: Lake Local Agency Formation Commission
From: John Benoit, Executive Officer
SUBJECT: LAFCO 2019-01 - McDowell Annexation to the Callayomi County Water District (CCWD)

Carol McDowell has requested annexation of 10.72 acres more or less to the Callayomi County Water District (Assessor's Parcel: 014-131-330) to receive domestic water services from the Callayomi County Water District for the annexation territory located at 21653 State Highway (SR) 29 in Middletown. This property is located between Santa Clara Road and SR 29 and currently is receiving Callayomi County Water District water.

EXECUTIVE OFFICER'S RECOMMENDATIONS: Adopt the proposed Resolution 2019-0005 (see Attachment #1) approving an annexation of 10.72 acres more or less to the Callayomi County Water District (Assessor's Parcel: 014-131-330) to receive domestic water services from the Callayomi County Water District for the annexation territory located at 21653 State Highway 29 in Middletown subject to the recommended terms and conditions (LAFCO project 2019-0001).

Suggested Motions:

Adopt proposed Resolution 2019-0005 approving an Annexation consisting of 10.72 acres more or less into the Callayomi County Water District.

I. BACKGROUND:

A. Summary:

Carol McDowell requested annexation of 10.72 acres more or less to the Callayomi County Water District (Assessor's Parcel: 014-131-330) to receive in district domestic water services from the Callayomi County Water District.

The purpose of this annexation is to provide in-district domestic water to the property, which is currently available by CCWD. Two houses are being served out of agency by the Callayomi County Water District.

The Callayomi County Water District has agreed to provide water services to the territory and the territory is located within and consistent with the CCWD Sphere of Influence as adopted on July 17th, 2013.

The proposed annexation is located within the Middletown Urban Development Area of the 2008 General Plan Update as well as Community Growth Boundary in the Middletown

Area plan adopted in 2010. The site for the proposed annexation territory is zoned and planned for Suburban Residential. One of the two homes on the property was burned during the Valley Fire in 2015 and has since been rebuilt. This property is not contiguous to the district. The County Water District Act allows non-contiguous properties to be annexed to the district.

Government Code Section 56662 allows the Commission to make determinations for uninhabited territory without notice and hearing provided there is 100 percent landowner consent. This proposal qualifies since Carol McDowell owns 100 percent of the land to be annexed and LAFCo has not received any written demand for a public hearing. In addition the parcel is in the Callayomi County Water District (CCWD) sphere of influence and water conveyance infrastructure is available to the site.

Staff recommends the Local Agency Formation Commission approve this Annexation bringing the 10.72 acres of territory into the CCWD boundary subject to the terms and conditions stated in proposed Resolution 2019-0005.

B. Proposal and Justification

The purpose of the proposed project is to annex a total of 10.72 acres more or less into the Callayomi County Water District for reliable domestic water service. The annexation territory is currently uninhabited meaning there is less than 12 registered voters.

The South Lake County Protection District is the area's structural fire service provider. Other services such as law enforcement, road maintenance and wastewater are provided by Lake County.

Annexing this parcel into the CCWD will provide safe and adequate reliable domestic water for structures and most importantly fire protection for the site from a public water system.

This annexation is exempt from CEQA Classes 19 and 20 Annexation of Existing Facilities for lots for exempt facilities and Changes in Organization of Local Agencies and 15061b (3) General Rule Exemption.

According to the CCWD MSR Adopted on July 17, 2013, The Callayomi County Water District provides the primary source of potable water consumed by the community of Middletown. The district owns, operates and maintains the water system facilities, which include a water treatment plant, three water supply wells, two storage tanks, and a booster station with two pumps, transmission and distribution mains, 70 fire hydrants (1), and 450 metered water services both inside and outside the District boundary (366 active accounts and 84 inactive accounts)(2). The district has an excess of 243,057 gpd. However, exceeds capacity for Peak Demand based on 477 active accounts of which 366 were active at the time (CCWD Water System Master Plan 2007).

C. Location

The property is generally located east of Santa Clara Road and west of SR 29

¹ Callayomi County Water District, Water System Master Plan, October 2007, Prepared by Coastland Civil Engineering-Construction Management-Building Department Services, Page 1-1.

² Callayomi County Water District, General Manager/ Board members, June 13, 2013.

D. Purpose

The purpose of this annexation is to provide for a safe and reliable domestic water supply for the two parcels.

II. ANALYSIS

- A. Accepted for filing: April 15, 2019
- B. Publication and Posting: N/A Exempt from Hearing Requirement
- C. Compliance with CEQA: Exempt (Gov. Code Sec 56662)
 - Lead Agency: LAFCo
 - Responsible Agency:
 - Environmental Finding: Notice of Exemption Classes 19 and 20 and General Rule
 - Date of Finding: April 15, 2019

D. Compliance with applicable Plans:

The proposed annexation conforms to the Lake County General Plan, Zoning Ordinance and Middletown Area Plan, as amended by the County in 2008 and 2010.

E. Compliance with applicable Spheres of Influence:

The Sphere of Influence for the CCWD was recently updated (July 2013) and includes the annexation area.

F. Existing Land Use and Zoning:

- LAND USE DESIGNATION: Suburban Residential (SRe)
- ZONING: Suburban Residential
- DWELLINGS: 2
- POPULATION: 3
- REGISTERED VOTERS: LESS THAN 12.

G. LANDOWNER (S): Carol McDowell

H. Existing Land Use and Zoning for Surrounding Territory:

The current land use for the annexation area is one dwelling

- North: Suburban Residential
- South: Resource Conservation and Rural Residential
- East: SR 29 & Suburban Residential
- West: Santa Clara Road and large lot residential (Suburban Residential)

I. Proposed Development: No development proposed

J. Fiscal Data: According to Resolution 2019-32 adopted on March 12, 2019, Board of Supervisors Resolution Pertaining to Tax Revenue Exchange For Annexation to the Callayomi County Water District, there will be no property tax exchange for base property tax and incremental property tax for the territory to be annexed.

K. Existing and Proposed Service Agencies:

Service:	Existing Provider:	Proposed Provider:
School Districts	Middletown Unified School District	Same
Fire Protection	South Lake County Fire Protection District	Same
General Government	Lake County	Same
Police Protection	Lake County Sheriff	Same
Off-site Drainage and Flood Control	Lake County	Same
Water	Well	Callayomi County Water District
Wastewater	Septic	Septic
Street Lighting	Lake County	Same
Roads	Lake County	Same
Emergency Services	South Lake County Fire Protection District	Same

III. POLICY ANALYSIS - Annexation

1. GOVERNING LAW

LAFCO is charged with applying the policies and provisions of the Cortese-Knox-Hertzberg Act to its decisions regarding annexations, incorporations, reorganizations, and other changes of government. Section 56668 of the Government Code states the following:

Factors to be considered in the review of a proposal shall include, but not be limited to, all of the following:

- (a) Population, and population density; land area and land use; per capita assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; the likelihood of significant growth in the area, and in adjacent

incorporated and unincorporated areas, during the next 10 years.

- (b) Need for organized community services; the present cost and adequacy of governmental services and controls in the area; probable future needs for those services and controls; probable effect of the proposed incorporation; formation, annexation, or exclusion and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas. "Services," as used in this subdivision, refers to governmental services whether or not the services are services, which would be provided by local agencies subject to this division, and includes the public facilities necessary to provide those services.
- (c) The effect of the proposed action and of alternative actions, on adjacent areas, on mutual social and economic interests, and on the local governmental structure of the county.
- (d) The conformity of both the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns, of urban development, and the policies and priorities set forth in Section 56377.
- (e) The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by Section 56016.
- (f) The definiteness and certainty of the boundaries of the territory, the nonconformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of unincorporated territory, and other similar matters affecting the proposed boundaries.
- (g) Consistency with city or county general and specific plans.
- (h) The sphere of influence of any local agency which may be applicable to the proposal being reviewed.
- (i) The comments of any affected local agency.
- (j) The ability of the newly formed or receiving entity to provide the services which are the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change.
- (k) Timely availability of water supplies adequate for projected needs as specified in Section 65352.5
- (l) The extent to which the proposal will affect a city or cities and the county in achieving their respective fair shares of the regional housing needs as determined by the appropriate council of governments consistent with Article 10.6 (commencing with section 65580) of Chapter 3 of Division 1 of Title 7.
- (m) Any information or comments from the landowner or owners.
- (n) Any information relating to existing land use designations.

- (o) The extent to which the proposal will promote environmental justice. As used in this subdivision, "environmental justice" means the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services.

These factors will be reviewed with regard to the McDowell Annexation to the Callayomi County Water District.

- (a) Population, and population density; land area and land use; per capita assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; the likelihood of significant growth in the area, and in adjacent incorporated and unincorporated areas, during the next 10 years.

This annexation area consists of two dwelling units prior to the fire and one was burned and rebuilt since.

- (b) Need for organized community services; the present cost and adequacy of governmental services and controls in the area; probable future needs for those services and controls; probable effect of the proposed incorporation; formation, annexation, or exclusion and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas. "Services," as used in this subdivision, refers to governmental services whether or not the services are services, which would be provided by local agencies subject to this division, and includes the public facilities necessary to provide those services.

This project includes the provision of adequate and reliable water supply to serve the parcels when homes are reconstructed.

- (c) The effect of the proposed action and of alternative actions, on adjacent areas, on mutual social and economic interests, and on the local governmental structure of the county.

The CCWD serves the Community of Middletown. Growth of the District depends upon growth in and around the community of Middletown.

- (d) The conformity of both the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development, and the policies and priorities set forth in (Government Code) Section 56377.

The annexation is not contiguous with the district boundary.

- (e) The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by Section 56016.

There should be no impact since the annexation area is located in the Middletown Community Development Area and currently served by the CCWD and is not agricultural in nature.

- (f) The definiteness and certainty of the boundaries of the territory, the nonconformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of unincorporated territory, and other similar matters affecting the proposed boundaries.

The boundaries are definite and certain and follow assessment boundaries.

- (g) Consistency with city or county general and specific plans.

The proposed annexation is consistent with the Lake County General Plan and Zoning Ordinance and the Middletown Area Plan.

- (h) The sphere of influence of any local agency, which may be applicable to the proposal being reviewed.

The proposed annexation is within the near term Sphere Horizon for the Callayomi County Water District. The annexation does not conflict with the Sphere of Influence of any other district.

- (i) The comments of any affected local agency.

No comments received.

- (j) The ability of the newly formed or receiving entity to provide the services which area the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change.

The CCWD has the ability to provide the annexation area with municipal water service.

- (k) Timely availability of water supplies adequate for projected needs as specified in Section 65352.5

The CCWD provides domestic water service this area.

- (l) The extent to which the proposal will affect a city or cities and the county in achieving their respective fair shares of the regional housing needs as determined by the appropriate council of governments consistent with Article 10.6 (commencing with section 65580) of Chapter 3 of Division 1 of Title 7.

N/A

- (m) Any information or comments from the landowner or owners.

The landowner is in favor of the annexation to the Callayomi County Water District and has proposed this annexation.

- (n) Any information relating to existing land use designations.

The proposed project conforms to the Lake County General Plan, Zoning Ordinance and Middletown Area Plan. The land use designation is Suburban Residential.

(o) The extent to which the proposal will promote environmental justice. As used in this subdivision, "environmental justice" means the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services.

There are no issues associated with environmental justice with this proposal.

Lake LAFCO General Policies

Policy		Comment
Communication between local agencies is encouraged.	N/A	N/A
Urban development proposals shall include annexation to a city where possible.	N/A	
LAFCO will normally deny proposals that result in urban sprawl.	N/A	This project does not induce growth.
Environmental consequences (CEQA) shall be considered.	Consistent	Exemption Class 19/20
LAFCO will consider the impact of a proposal on the regional supply of housing for all income levels.	N/A	
LAFCO will favor proposals that promote compact urban form and infill development.	N/A	
Government structure should be simple, accessible, and accountable.	Consistent	There is no indication of unnecessary complexity or lack of accessibility or accountability.
Agencies must provide documentation that they can provide service within a reasonable period of time.	N/A	The CCWD supports this annexation and has and will have the capacity to serve.
Efficient services are obtained when proposals: Utilize existing public agencies. Consolidate activities and services. Restructure agency boundaries to provide more logical, effective, and efficient services.	N/A	
Adverse impacts on adjacent areas, social and economic interests and the local government structure must be mitigated.	N/A	
Conformance with general & specific plans required.	Consistent	

<p>Boundaries: Definite boundaries are required. Boundaries that are favored: Create logical boundaries & eliminate islands or illogical boundaries. Follow natural or man-made features and include logical service areas.</p> <p>Boundaries that are disfavored: Split neighborhoods or communities. Result in islands, corridors, or peninsulas. Drawn for the primary purpose of encompassing revenue-producing territories. Create areas where it is difficult to provide services.</p>	Consistent	
Revenue neutrality required for all proposals.	Consistent	
<p>Agricultural and Open Space Land Conservation Standards: Must lead to planned, orderly & efficient development. Approved Sphere of Influence Plan required. Findings with respect to alternative sites required. Impact on adjacent agricultural/open space lands assessed.</p> <p>Agricultural Buffers</p>	Consistent	
<p>Need for services exists when: Public health and safety threat exists. The residents have requested extension of non-growth-inducing community services. Subject area is likely to be developed for urban use within 5 years.</p>	Consistent	
<p>Exceptions are justified on the following grounds: Unique. Standards Conflicts. Quality/Cost. No Alternative.</p>	Consistent	No policy exceptions are needed or requested.

Annexation and Detachment Policies—Lake LAFCO General

Policy		Comment
Proposals must be consistent with LAFCO general policies.	Consistent	This annexation contiguous with the district bounds
A proposal must be consistent with the agency's Sphere Plan and Master Service Element.	Consistent	The proposal is within the CCWD sphere of Influence
Plan for Services required.	N/A	
Subject territory must be contiguous to the	Yes	This territory is

agency's boundaries if required by law, or if necessary for efficient service delivery.		contiguous with the existing district boundary.
The detachment is necessary to ensure delivery of services essential to Health and Safety.	N/A	
The Successor provider will be the most efficient service provider	N/A	
The service plans for districts, which lie within a City's Sphere of Influence should provide for orderly detachment of territory from the district or merger of the district as district territory is annexed to the City.	N/A	
Detachment from a City or Special District shall not relieve the landowners within the detaching territory from existing obligations for bonded indebtedness or other indebtedness previously incurred.	N/A	
Adverse impact of detachment on other agencies or service recipients is cause for denial.	N/A	
Action options include: Approval. Conditional approval to require only a portion of the area to be detached. Denial.		

IV. Comments from the public and public agencies (see Attachment #3).

Lake County Special Districts

South Lake County Fire

V. Staff Recommendations

Staff recommends the Commission approve this annexation of 10.72 acres more or less and adopt Resolution 2019-0005 including terms and conditions.

Respectfully Submitted,

John Benoit,
Executive Officer

Attachments:

Attachment #1 Proposed LAFCo Resolution 2019-0005
Attachment #2 Notice of Exemption
Attachment #3 Comment Letters

Resolution # 2019-0005

**LAKE LOCAL AGENCY FORMATION
COUNTY OF LAKE,
STATE OF CALIFORNIA**

A Resolution Making Determinations and Approving the Annexation of 10.72 acres more or less to the Callayomi County Water District –LAFCO File 2019-0001

WHEREAS, McDowell has filed an application to annex 10.72 acres into the Callayomi County Water District (CCWD) known as LAFCO File 2019-0001, McDowell Annexation to the CCWD.

WHEREAS, The annexation include 10.72 acres more or less and is described and depicted in Exhibits “A” and “B”, attached hereto and incorporated herein and filed with the Executive Officer of the Lake Local Agency Formation Commission pursuant to the requirements of the Cortese-Knox-Hertzberg Local Government Reorganization Act (Section 56000 et seq of the Government Code); and

WHEREAS, the CCWD was formed in 1977 to provide domestic water services as provided for in section 30000 et seq. of the California Water Code; and

WHEREAS, this Commission has authority to approve this annexation to said County Water District without notice and without an election where all property owners in said uninhabited territory have consented to said annexation, is within the Sphere of Influence and when no agency has requested a public hearing; and

WHEREAS, the Executive Officer has waived notice and hearing as allowed under Government Code Section 56662; and

WHEREAS, the Executive Officer reviewed the application and determined its completeness within 30 days of their submission and prepared and filed his report with this Commission at least five days prior to the regularly scheduled meeting during which this application is to be considered; and

WHEREAS, the Lake County Board of Supervisors adopted Resolution 2019-32 on March 12, 2019 pertaining to the Tax Revenue Exchange for this annexation; and

WHEREAS, this Commission has considered the application, the report of the Executive Officer, the Notice of Exemption for the two parcels currently receiving domestic water services for existing development, applicable General and Area Plans, LAFCO’s policies and each of the factors required by Government Code Section 56668 to be considered in the review of a proposal; and

WHEREAS, information satisfactory to this Commission has been presented that all the owners of land have consented to this proposal in accordance with Government Code Section 56662; and

WHEREAS, all interested parties and proponents of the proposal were heard at a public meeting held on March 15, 2019.

WHEREAS, it is desired that the proposed annexation to the Callayomi County Water District be subject to the following terms and conditions:

NOW, THEREFORE IT IS HEREBY RESOLVED, DETERMINED AND ORDERED by the Lake Local Agency Formation Commission as follows:

1. The foregoing recitals are true and correct.
2. In reviewing this application, the Commission finds that all property owners and registered voters in said territory have consented to this annexation into the Callayomi County Water District.
3. In reviewing this application, the Commission finds that water service to be provided by the Callayomi County Water District is necessary and that there will not be a duplication of other powers provided by any other service provider.
4. In reviewing this application, this Commission has considered each of the factors required by Government Code Section 56668 and LAFCO's adopted policies.
5. The LAFCO Executive Officer's Staff Report including attachments and recommendation for approval of the proposal is hereby incorporated by reference and hereby adopted.
6. The Boundary Description and Map submitted for this annexation have been reviewed and approved by the Lake County Surveyor prior to recordation of the Certificate of Completion.
7. Notwithstanding the effective date, the boundary description and map, if rejected by the State Board of Equalization or amended by LAFCO, will be revised at the expense of the applicant. The applicants shall be responsible for any associated costs.
8. The boundaries as recommended by staff or as amended by action of the Commission, are hereby approved as submitted and are as described in Exhibits "A" Boundary Description and "B" Map attached hereto and by this reference incorporated herein subject to the terms and conditions included.
9. As stated in the LAFCO Staff Report of May 15, 2019, the amount of base property tax and tax increment transferred shall be in accordance with Lake County Resolution 2019-32 attached hereto as Exhibit "C."
10. Said annexation territory is found to be uninhabited.
11. The subject proposal is assigned the following short form designation: **McDowell Annexation to the CCWD (LAFCO File 2019-0001).**
12. The boundaries of the affected territory are found to be definite and certain.

13. The application for the annexation to the Callayomi County Water District (LAFCO 2019-0001) is hereby approved to provide domestic water services within the territory subject to the terms and conditions herein.
14. Further protest proceedings are waived and the Commission orders the 10.72-acre more or less annexation to the Callayomi County Water District pursuant to Part 4 of Division 3 of the California Government Code commencing with Section 57000. Satisfactory proof has been given that the subject territory is uninhabited, that all landowners within the affected territory have given their written consent to the proposal and all affected agencies have not objected in writing to the waiver of conducting authority proceedings (Section 56663 of Government Code). Therefore, The Commission does hereby approve and authorize the conducting authority to annex the territory described in Exhibits "A" and "B" , as amended to the Callayomi County Water District without notice and election.
15. All CCWD previously authorized assessments; taxes, fees and charges shall apply to this annexed territory upon recordation of the Certificate of Completion.
16. All LAFCO, Lake County and State of California fees must be paid in full prior to filing the Certificate of Completion. LAFCO will forward invoices and (or) a list of estimated required fees or deposits to the agency prior to filing the Certificate of Completion.
17. The effective date shall be the date the Certificate of Completion is recorded.
18. One electronic copy (PDF), three large copies (18 by 24 minimum) and two 8 1/2 x 11 reductions of all maps along with an electronic copy (PDF) and two copies of the final boundary description shall be submitted to LAFCO prior to recordation of the Certificate of Completion.
19. Approval of this annexation is conditioned upon the applicant's obligation to defend, indemnify, and hold harmless the Lake Local Agency Formation Commission and its agents, officers and employees from any claim, action or proceeding against the Commission or its agents, officers, and employees; including all costs, attorney's fees, expenses and liabilities incurred in the defense of such claim, action, or proceeding to attack, set aside, or void the approval or determinations of this Commission concerning this annexation. The Lake Local Agency Formation Commission shall promptly notify the applicant of any such claim, action, or proceeding and be entitled to representation by counsel of its choosing.
20. The Executive Officer of this Commission is instructed to mail a certified copy of this resolution to those persons so indicated on the application and as required by Government Code Section 56882.
21. The Commission hereby adopts the Notice of Exemption included as part of the Executive Officer's report for this annexation the applicant shall be responsible for payment of any documentary handling fees required by the Lake County Clerk/Auditor.

22. The Executive Officer is directed to record a Certificate of Completion for this proposal upon completion of all proceedings and compliance with the terms and conditions.
23. Completion of proceedings shall be concluded within one year after adoption of this resolution. If the proceedings are not concluded within one year after passage of this resolution, all proceedings shall be terminated.

PASSED AND ADOPTED at a regular meeting of the Lake Local Agency Formation Commission, State of California, on the 15th day of May 2019 by the following votes:

AYES:
NOES:
ABSTAINS:
ABSENT:

Bruno Sabatier, Chair Lake Local
Agency Formation Commission

LAKE LOCAL AGENCY
FORMATION COMMISSION

ATTEST:

JOHN BENOIT
Executive Officer

EXHIBIT "A"

LAKE LAFCO FILE 2019-0001
MCDOWELL ANNEXATION TO THE CALLAYOMI COUNTY WATER DISTRICT

ALL THAT CERTAIN REAL PROPERTY, SITUATE IN THE UNINCORPORATED AREA OF THE COUNTY OF LAKE, STATE OF CALIFORNIA, BEING A PORTION OF THE CALLAYOMI RANCHO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST SOUTHERLY CORNER OF PARCEL, 1 AS SHOWN ON A MAP FILED IN THE OFFICE OF THE COUNTY RECORDER OF LAKE COUNTY ON AUGUST 29, 1985, IN BOOK 27 OF PARCEL MAPS AT PAGE 7; THENCE ALONG THE SOUTHWESTERLY LINE OF SAID PARCEL 1, THE FOLLOWING COURSES AND DISTANCES:

- 1) THENCE NORTH 45°49'24" WEST 611.13 FEET;
- 2) THENCE NORTH 43°01'17" WEST 4.31 FEET;
- 3) THENCE NORTH 43°57'36" WEST 65.48 FEET;
- 4) THENCE NORTH 45°02'27" WEST 19.80 FEET;
- 5) THENCE NORTH 47°14'30" WEST 37.40 FEET;
- 6) THENCE NORTH 46°00'07" WEST 37.00 FEET;
- 7) THENCE NORTH 46°11'34" WEST 78.06 FEET;
- 8) THENCE NORTH 45°53'51" WEST 218.94 FEET;
- 9) THENCE NORTH 46°05'14" WEST 210.10 FEET, MORE OR LESS, TO THE MOST WESTERLY CORNER OF SAID PARCEL 1;
- 10) THENCE ALONG THE NORTHWESTERLY LINE OF SAID PARCEL 1 NORTH 33°54'01" EAST 397.19 FEET, MORE OR LESS, TO THE MOST NORTHERLY CORNER OF SAID PARCEL 1;
- 11) THENCE ALONG THE NORTHEASTERLY LINE OF SAID PARCEL 1 SOUTH 43°32'59" EAST 1292.00 FEET, MORE OR LESS, TO THE MOST SOUTHERLY CORNER OF SAID PARCEL 1;
- 12) THENCE ALONG THE SOUTHEASTERLY LINE OF SAID PARCEL 1 SOUTH 33°49'00" WEST 345.00 FEET, MORE OR LESS, TO THE POINT OF BEGINNING AND CONTAINING 10.73 ACRES MORE OR LESS (CALCULATED)..

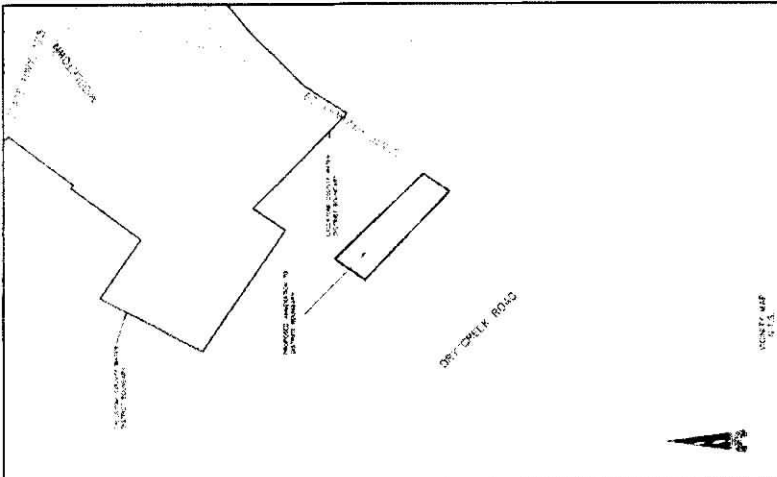
FOR ASSESSMENT PURPOSES ONLY. THIS DESCRIPTION OF LAND IS NOT A LEGAL PROPERTY DESCRIPTION AS DEFINED IN THE SUBDIVISION MAP ACT AND MAY NOT BE USED AS THE BASIS FOR AN OFFER FOR SALE OF THE LAND DESCRIBED.

A.P.N. 014-131-33


MICHAEL S. CONSER, LS 8383

2/5/19
DATE: _____





ANNEXATION AREA
77.4 ACRES (CALCULATED)

PREPARED BY:
C. C. CROOK, ENGINEER & SURVEYOR
DATE: 11/15/78

PROFESSIONAL LAND SURVEYOR
STATE OF CALIFORNIA
NO. 10283
EXPIRES 12/31/80



LINE	BEARING	LENGTH
1	N 85° 49' 27.4" W	81.11
2	S 43° 57' 17.4" E	117.4
3	S 43° 57' 17.4" E	117.4
4	N 85° 50' 27.4" W	117.4
5	N 85° 50' 27.4" W	117.4
6	N 85° 50' 27.4" W	117.4
7	N 85° 50' 27.4" W	117.4
8	N 85° 50' 27.4" W	117.4
9	N 85° 50' 27.4" W	117.4
10	N 85° 50' 27.4" W	117.4
11	N 85° 50' 27.4" W	117.4
12	N 85° 50' 27.4" W	117.4

LEGEND:

① COURSE (BEARING AND DISTANCE)

P.O.B. POINT OF BEGINNING

PROPOSED ANNEXATION TO THE CALLAYOMI WATER DISTRICT

DISCLAIMER:
FOR PURPOSES OF THIS DESCRIPTION OF LAND IS NOT A
WARRANTY OF TITLE OR A GUARANTEE OF ACCURACY. THE SURVEYOR HAS BEEN
ADVISED THAT THE ABOVE IS AN UNLAWFUL SALE OF THE LAND
DESCRIBED.

MIDDLETOWN

MCCDOWELL ANNEXATION TO CALLAYOMI COUNTY WATER DISTRICT



EXHIBIT 'B'

CAROL MCCDOWELL

25 PINE STREET
MIDDLETOWN, CALIFORNIA 94642
PHONE (707) 263-0455

ANNEXATION TO THE CALLAYOMI COUNTY WATER DISTRICT, MIDDLETOWN, CALIFORNIA



MAP NO. 18-152
4/26/78 16-157-8725
REVISED 03
200 00 00
DATE 11-15-78
SHEET 1 OF 1 SHEET 23

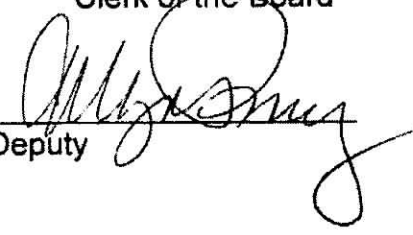
1 This Resolution was passed and adopted by the Board of Supervisors of the County of
2 Lake at a regular meeting thereof on March 12, 2019 by the following vote:

3 AYES: Supervisors Simon, Sabatier, Crandell and Scott

4 NOES: None

5 ABSENT OR NOT VOTING: Supervisor Brown

6 ATTEST: Carol J. Huchingson
7 Clerk of the Board

8
9 By: 
10 Deputy


Chairman, Board of Supervisors

11 APPROVED AS TO FORM:
12 ANITA L. GRANT
13 County Counsel

14 
15



NOTICE OF EXEMPTION

TO: County Clerk
County of Lake
Lakeport, CA

FROM: Lake LAFCO
P.O. Box 2694
Granite Bay, CA 95746

PROJECT TITLE: Annexation of 10.72 acres more or less of territory currently receiving water service to the CCWD (LAFCo File 2019-0001)

PROJECT LOCATION: 21653 State Highway 29 in Middletown

DESCRIPTION OF PROJECT:

The proposed project involves the annexation of 10.72 acres of territory to the CCWD currently receiving district water services.

NAME OF PUBLIC AGENCY APPROVING PROJECT:

Lake Local Agency Formation Commission

NAME OF PERSON OR AGENCY CARRYING OUT THE PROJECT:

Lake Local Agency Formation Commission

EXEMPT STATUS:

Categorical Exemption, Section 15319 "Annexations of existing facilities and lots for exempt facilities," CEQA Guidelines and Section 15320, Changes in Organization of Local Agencies and 15061b (3) General Rule Exemption.

REASONS WHY THIS PROJECT IS EXEMPT:

This action is Exempt from the California Environmental Quality Act pursuant to Sections 15319 and 15320 of the CEQA Guidelines (Classes 19 and 20) as the Annexation would not result in any change in services since the district already serves the territory which is used for two existing single family residences as allowed under the General Plan and is within the Middletown Community Development Area and 15061 b (3) whereby this activity is covered by the general rule that CEQA applies only to project which have the potential for causing a significant effect on the environment. Since this action is to affirm an existing district service (domestic water). This annexation will not result in further land divisions, there is no possibility that this activity may have a significant effect on the environment since the services are already provided to a portion of the and no conditions have changed nor could be changed as a result. There are no unusual circumstances associated with this annexation.

CONTACT PERSON:
John Benoit
LAFCO Executive Officer

TELEPHONE NUMBER:
(707) 592-7528

By: _____

Date: May 15, 2019



South Lake County Fire Protection District
— in cooperation with —
California Department of Forestry and Fire Protection

P.O. Box 1360 Middletown, CA 95461 - (707) 987-3089

January 14, 2019

Lake Local Agency Formation Commission
C/O John Benoit
P.O. Box 2694
Granite Bay, CA 95746

RE: LAFCO 2019-01 NOTICE OF ANNEXATION REQUEST McDowell Annex to the Callayomi County Water District (CCWD)

On behalf of South Lake County Fire Protection District, please accept this letter of support in favor of the McDowell annexation request. The only recommendation from South Lake County Fire is if the water main is extended a hydrant should be installed.

Please do not hesitate to call me at (707) 987-3089 ext. 1 should you have any questions.

Sincerely,

Mike Wink
Battalion Chief



COUNTY OF LAKE
SPECIAL DISTRICTS ADMINISTRATION
230 Main Street
Lakeport, California 95453
Telephone (707) 263-0119
Fax (707)263-3836

Janet Coppinger
Special Districts Administrator

TO: John Benoit, Executive Officer

FROM: Lori Baca, Customer Service Coordinator

RESPONSE TO: 2019-01 – Notice of Annexation Request McDowell Annex to the Callayomi
County Water District (CCWD)

DATE: 1/07/2019

COMMENTS:

Subject Parcel is within Middletown Sewer service area. however, the proposed annexation will not impact the district or its ability to continue to provide service.

Sincerely,

Lori Baca

LAKE LAFCO
EXECUTIVE OFFICER'S REPORT

Item # 7

May 15, 2019

TO: Local Agency Formation Commission
FROM: John Benoit, Executive Officer
RE: Final Budget for FY 2019-2020

A proposed budget and Budget Justification Report were submitted for consideration at the March 20, 2019 budget hearing. The proposed budget was adopted and there have been no events requiring changes during that time.

Please refer to the aforementioned Budget Justification Report for detailed information on each of the items below.

SUMMARY OF EXPENSES:

Commission Stipend Commission allocated \$5,280 for this item. This is adequate to cover Commissioner stipends at \$60.00 per member, per attended meeting for 8 regularly scheduled meetings during fiscal year 2018-2019. No change from prior year.

Supplies \$250 allocated. No change from prior year.

Memberships The Commission recommended in its proposed budget \$1,077.00 for Calafco dues, a 16.25% increase over this year.

Books and Periodicals \$200.00 allocation to cover the cost of incidental publications, when needed. No change from prior year.

Attorney Contracts The Commission recommended in its proposed budget \$18,633.00 for this item. This figure assumes LAFCO Counsel can attend up to 8 LAFCO meetings.

Clerk/Analyst Support The Commission recommended in its proposed budget \$4,000.00 for this item. This is assuming the Commission meets up to 8 times next fiscal year.

Office Expenses \$7,000 allocation, same as prior year. Amount based on \$550 per month. Includes communications, computer, phones, most copy and postage costs (notwithstanding changes of organization requiring multiple public notices, mileage and misc. office expenses.) No change from last year.

Staff Office Services [Executive Officer Services] The Commission recommended in its proposed budget \$48,488.00 for this item. Notwithstanding a very complex

reorganization or incorporation project for Lake LAFCO, this amount should cover LAFCO administration. Complex projects would be fee supported thereby increasing revenue to LAFCO to offset an increase in this expenditure. No change from last year.

Legal Notices/Publications Commission recommended \$1,000 based on number of anticipated projects and related publication costs. No change from last year.

Transportation/travel \$5,500 This includes miscellaneous mileage and travel, lodging for the Calafco Annual Conference in Sacramento on October 30-November 1st, 2019, and is based on attendance by three or four Lake LAFCo representatives as discussed at the March 20th 2019 meeting.

Conference Registration \$2,500 Registration for four attendees for Calafco conference in Sacramento, CA and LAFCo staff workshops

Insurance \$1,400 allocated. No change from prior year.

Records Retention and Mapping As discussed at the March 20, 2019 meeting \$6,000 was allocated for mapping and for processing and scanning Lake County's LAFCo files, to be conducted in accordance with LAFCo's adopted Records Retention Policy.

Web Site Maintenance Commission recommended \$150 for site maintenance, updates, and changes. No change from prior year.

Finance Agreement Commission recommended \$2,500 for this item per agreement with the County Auditor. This year, the full amount will be paid to the City of Clearlake for being LAFCo's banker. No change from prior year.

Sphere of Influence Updates Commission allocated \$10,000 for Sphere of Influence updates as required by the LAFCO Act. No change from prior year.

Municipal Service Reviews Commission allocated \$21,000 to initiate and continue Service Reviews for the upcoming year.

Contingency Fund \$10,000.00

General Reserve \$60,000 allocated to General Fund Reserves. An increase of \$10,000 from prior year.

SUMMARY OF ANTICIPATED REVENUE

The Commission recommended in its proposed budget anticipated revenue of \$10,000. To help reduce general fund contributions by the Cities, Districts and the County unanticipated revenues have been placed into expenditures for municipal service reviews and sphere updates.

The Final Expenditure Budget will be \$204,978.00 (including a \$60,000 reserve and \$10,000 contingency), the amount to be requested from the Cities, the County and the Independent Special Districts will be \$124,978.00. The apportionment will be: Cities – 33%, County – 33%, and Independent Special Districts – 33%.

Recommendation:

- a. Review, discuss, amend, and consider the 2019-2020 Final Budget. A budget justification report for FY 2019-2020 including a Service Review and Sphere of Influence work plan was prepared by staff for the adopted proposed budget at the March 2019 meeting.
- b. Adopt LAFCO Resolution 2019-06 approving a final budget for Fiscal Year 2019-2020.

Resolution 2019-0006

of the

Lake Local Agency Formation Commission

Resolution of the Lake Local Agency Formation Commission of Adopting

its Final Budget for 2019-2020

WHEREAS, Lake LAFCO is required by Government Code Section 56381(a) to adopt annually, following a noticed public hearing, a proposed budget by May 1st and a final budget by June 15th; and,

WHEREAS, the Commission has prepared a proposed budget for public review which was adopted on March 20, 2019; and,

WHEREAS, the Executive Officer has prepared a final budget including a budgeted carryover, and contingency; and

WHEREAS, the Executive Officer has given notice of hearing in the form and manner specified by law for adoption of the final budget and upon the date, time and place specified in said notice of hearing, the Commission heard, discussed and considered all oral and written testimony submitted including, but not limited to, the approved budget priorities for Fiscal Year 2019-2020 and the Executive Officer's report and recommendations; and

WHEREAS, the Commission has considered the attached Budget in light of the requirements of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000;

NOW THEREFORE, Lake Local Agency Formation Commission does hereby determine, resolve, and order the following:

1. That Lake LAFCO hereby adopts the attached final 2019-2020 budget totaling \$204,978.00 in which \$134,978.00 are operational expenditures for LAFCO and \$70,000.00 to consist of carryovers and encumbrances from the FY 2018-2019 budget as shown in Exhibit A.
2. Directs the Executive Officer to transmit the final budget to the Auditor and all parties specified in Government Code Section 56381 (a) as promptly as possible.
3. To implement a Commission directive, establish a reserve account and direct the Executive Officer to deposit 20% of any unallocated rollover into said reserve account up to \$100,000 once the final rollover (carryover from previous budgets) once the audited carryover balance is determined.
4. Request the Lake County Auditor collect the funds as required in Section 56381 of the

government code in the amount of \$124,978.00 to be apportioned as per Government Code 56381 and to transfer said funds to the City of Clearlake on behalf of LAFCo.

5. In the event of non-payment of LAFCO funds by any agency subject to the LAFCO's apportionment, the Commission hereby requests and authorizes the Auditor to collect the funds from property tax revenues or any other revenue source and deposit the funds into the LAFCO account for transfer to the City of Clearlake.

PASSED AND ADOPTED by the Lake Local Agency Formation Commission at a regular meeting of said Commission held on May 15, 2019 by the following roll call vote:

AYES: -

NOES: -

ABSTAINS: -

ABSENT: -

Signed and approved by me after its passage this 15th day of May 2019.

Bruno Sabatier, Chair
Lake LAFCO

Attest:

John Benoit, Executive Officer
Lake LAFCO

Exhibit A - Final Budget
 F.Y. 2019-2020
 Lake LAFCo
 May 15, 2019

BUDGET: 419-8803

LAFCo Resolution 2019-000E

A	B	C	D	E	F	G	H	I
		2015-2016 Final Budget	2016-2017 Final Budget	2017-2018 Final Budget	2018-2019 Proposed Budget	2018-2019 FINAL Budget	2018-2019 PROPOSED Budget	2018-2019 Final Budget
4								
5								
6								
7								
8								
9	8803-880 01-12 COMMISSIONERS STIPEND	\$ 5,280.00	\$ 5,280.00	\$ 5,280.00	\$ 5,280.00	\$ 5,280.00	\$ 5,280.00	\$ 5,280.00
10	8803-840 22-70 SUPPLIES	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00
11	8803-840 20-00 MEMBERSHIPS	\$ 785.00	\$ 840.00	\$ 899.00	\$ 926.00	\$ 926.00	\$ 1,077.00	\$ 1,077.00
12	8803-840 22-72 BOOKS AND PERIODICALS	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00
13	8803-840 23-98 ATTORNEY CONTRACTS	\$ 16,000.00	\$ 18,633.00	\$ 18,633.00	\$ 18,633.00	\$ 18,633.00	\$ 18,633.00	\$ 18,633.00
14	8803-840 23-79 LAFco Clerk Svcs.	\$ 3,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00
15	8803-840 23-79 Office Expenses	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00
16	8803-880 23 80 BOE Filings							
17	8803-840 23-79 Staff Off Svcs	\$ 48,488.00	\$ 48,488.00	\$ 48,488.00	\$ 48,488.00	\$ 48,488.00	\$ 48,488.00	\$ 48,488.00
18	8803-880 24-00 LEGAL NOTICES/PUBLICATIONS	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
19	8803-840 29-50 TRANS AND TRAVEL (CALAFCCO)	\$ 2,000.00	\$ 3,500.00	\$ 5,500.00	\$ 5,500.00	\$ 5,500.00	\$ 5,500.00	\$ 5,500.00
20	8803-880 29-50 CONF REGISTRATION	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
21	8803-880 23-78 - INSURANCE	\$ 1,400.00	\$ 1,400.00	\$ 1,400.00	\$ 1,400.00	\$ 1,400.00	\$ 1,400.00	\$ 1,400.00
22	8803-840 23-80 Records Retention and Mapping	\$ 7,500.00	\$ 7,500.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00	\$ 6,000.00
23	8803-880 23-18 Web Page	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00
24	8803-880 23-80 AUDITOR/CITY Agreement	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00
25	8803-840 23-79 Spheres of Influence	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
26	8803-840 23-79 Municipal Service Reviews	\$ 25,000.00	\$ 21,000.00	\$ 21,000.00	\$ 21,000.00	\$ 21,000.00	\$ 21,000.00	\$ 21,000.00
27	Total General Services and Supplies Expenditures	\$ 137,553.00	\$ 132,741.00	\$ 134,800.00	\$ 134,827.00	\$ 134,827.00	\$ 134,978.00	\$ 134,978.00
28								
29	8803-880 90-91 Contingency	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
30	0000 General Reserve	\$ 20,000.00	\$ 30,000.00	\$ 40,000.00	\$ 50,000.00	\$ 50,000.00	\$ 60,000.00	\$ 60,000.00
31								
32	TOTAL Expenditure Budget & contingency & reserve	\$ 131,553.00	\$ 172,741.00	\$ 184,800.00	\$ 194,827.00	\$ 194,827.00	\$ 204,978.00	\$ 204,978.00
33								
34	Est Carryover Balance July 1, 2019	\$ (20,000.00)	\$ (30,000.00)	\$ -60,000.00	\$ -70,000.00	\$ -70,000.00	\$ -70,000.00	\$ -70,000.00
35	8803-461 66-10 Est. OTHER REVENUE	\$ (10,000.00)	\$ (10,000.00)	\$ -10,000.00	\$ -10,000.00	\$ -10,000.00	\$ -10,000.00	\$ -10,000.00
36	8803-456-56 30 BOE FEES (Other Govt Agencies)							
37								
38	Total exp less anticipated carryover and revenues	\$ 131,553.00	\$ 132,741.00	\$ 114,800.00	\$ 114,827.00	\$ 114,827.00	\$ 124,978.00	\$ 124,978.00
39								
40								
41	456-56-30 City/County and Ind. Spec District Contrib.	\$ 131,553.00	\$ 132,741.00	\$ 114,800.00	\$ 114,827.00	\$ 114,827.00	\$ 124,978.00	\$ 124,978.00
42								
43								
44								
45	0000 General Reserve	\$ 20,000.00	\$ 30,000.00	\$ 40,000.00	\$ 50,000.00	\$ 50,000.00	\$ 60,000.00	\$ 60,000.00

LAKE LOCAL AGENCY FORMATION COMMISSION

May 15, 2019

The Honorable Kansen Chu
California State Assembly
State Capital Room 3126
Sacramento, CA 95814

Subject: **Oppose AB 600 (as amended April 11, 2019)**

Dear Assembly Member Chu:

The Lake Local Agency Formation Commission (LAFCo) joins the California Association of Local Agency Formation Commissions (CALAFCO) to oppose your bill **AB 600**. LAFCos are aware of and concerned about the disparity of local public services, especially for residents and properties located within disadvantaged unincorporated communities (DUCs). All Californians deserve adequate and safe drinking water and wastewater facilities. We support your efforts to address these problems, which persist in many counties, however **AB 600** in its current version does not represent a collective stakeholder dialogue with reasonable and systemic solutions to the problem.

Annexations concerns and changes proposed to Government Code Section 56375 pose several problems. First, the proposed changes in §56375(a)(8)(A) and (B) seem to confuse the annexation of territory into an incorporated city and the annexation of territory into a special district. When the Legislature created LAFCos in 1963, one of LAFCos' primary missions was and still is to ensure orderly growth and development. This is done in a variety of ways including the authority to adopt spheres of influence for local agencies and approve annexations. To ensure orderly growth, when the LAFCo approves a service extension outside the jurisdictional boundary but within the sphere of influence, they do so in anticipation of a later change of organization (annexation), pursuant to §56133(b). Changes to §56375(a)(8)(A) add the exclusion of annexation into a qualified special district.

Further, changes to §56375(a)(8)(B) create an inconsistent exception for protest proceedings which takes away rights that have been long-established in governmental reorganizations in California. The residents of the DUC are afforded the right to file protests for boundary changes but other residents living within a larger annexation boundary that are not part of the DUC would lose their right to protest.

Removes LAFCo discretion. When considering a change of organization pursuant to §56133, LAFCo has the discretion to consider the unique local circumstances and conditions that exist. This is an important and basic construct within the legislatively stated purpose of LAFCos. This bill removes that discretion and authority through proposed changes to §56375(a)(9), §56425(k)(1) and (2), and §56425 (l).

Lack of clarity. The bill proposes changes to §56301 by adding "considerations of equity" as an additional basis upon which LAFCos fulfill their purposes. Yet the bill does not define

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LAKE LOCAL AGENCY FORMATION COMMISSION

“considerations of equity”, which leads to a wide open interpretation. Each LAFCo will create their own local policies related to “considerations of equity”.

Accessibility plans. The bill requires LAFCo, within five years of the approval of an accessibility plan (pursuant to §56440), to hold a noticed public hearing for the purposes of reviewing the status of every DUC that is subject to an accessibility plan. This has the potential of being a vast number of public hearings and comprehensive reviews without the necessary resources to execute such a requirement.

Additionally, the bill requires LAFCo to initiate a change of organization, reorganization or service extension should the commission determine the needs of the DUC remain unaddressed. LAFCo-initiated actions are costly to the LAFCo (as there is no funding source to support the action) and like all other changes of organization or reorganization, are subject to protest proceedings. Further, a service extension without annexation would not be a likely LAFCo-initiated action.

The required contents of the accessibility plan are confusing. First, §56440(a)(5)(A) states: *“Any actions and alternatives necessary to be taken by the commission, if any, to enable the entity determined pursuant to paragraph (2) to provide services to the affected territory.”* How is a county, city or special district best positioned and informed to prescribe to the LAFCo commission what actions the LAFCo should be taking?

Second, §56440(a)(6)(B) requires the commission to approve or approve with conditions the accessibility plan. Once again there is a divestiture in LAFCo authority. Further, we fail to see LAFCos’ authority to enforce any conditions that may be applied to the accessibility plan.

Third, §56440(a)(2) requires the commission to determine which entity is best positioned to provide adequate water or wastewater services to the affected territory. Without a thorough study of surrounding service providers, this may be difficult to determine.

One size does not fit all. We are concerned that the bill has unintended consequences in the ability to provide necessary services to an existing DUC. For example, if it is reasonable to extend services to a particular DUC but not to others, this bill prevents the extension of services to the area that can reasonably be serviced. The same is true for those areas currently contained within a city’s sphere, where it may make better sense to have another service provider providing the service. These changes are complicated by the fact the bill interchangeably uses the term “disadvantaged community” and “disadvantaged unincorporated community”.

Creates a significant unfunded mandate to LAFCo and local agencies. The studies, analysis, preparation of recommendations regarding underserved disadvantaged communities and public hearings on all accessibility plans and potential subsequent actions initiated by LAFCo that would be required, all impose unfunded mandates on counties, cities, qualified special districts and LAFCos. By law LAFCo is forced to pass their costs on to cities, counties – and in 30 counties – special districts, which fund the commissions.

C/O John Benoit, Executive Officer P.O.Box 2694 Granite Bay, California 95746 - ph. 707.592.7528 email: j.benoit4@icloud.com

LAKE LOCAL AGENCY FORMATION COMMISSION

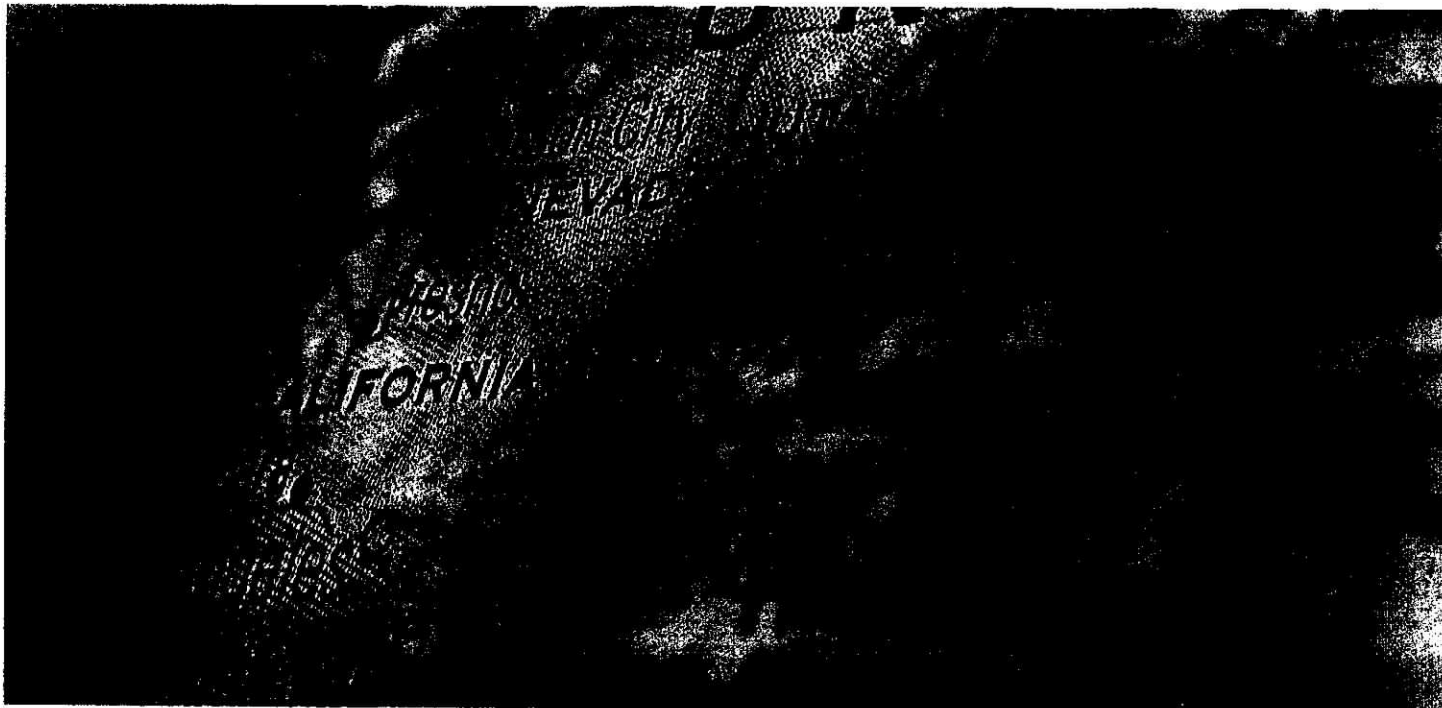
We support workable and sustainable policy solutions to the disparities in service delivery to disadvantaged communities. However a major obstacle remains the infrastructure and operational funding for these services. We believe that addressing the needs of disadvantaged communities through the planning process and finding tools to support the infrastructure deficiencies and implementation actions remain a very important part of the solution.

For all of the reasons noted above, Lake LAFCo is opposed to **AB 600**. Please contact me should you have any questions.

Sincerely,

Bruno Sabatier
Lake LAFCo Chair

Cc: Members, Assembly Local Government Committee
Jimmy MacDonald, Consultant, Assembly Local Government Committee
William Weber, Consultant, Assembly Republican Caucus
Pamela Miller, Executive Director, CALAFCO



LAFCOs & Involuntary Dissolutions and Consolidations – Strategies for Responding and Staying Engaged

By Gary B. Bell and Matthew T. Summers, Colantuono, Highsmith & Whatley, PC

Across the state, Local Agency Formation Commissions are increasing their oversight of special districts and have even initiated or pursued involuntary dissolutions or consolidations of several districts. District Boards and Managers should be prepared for this possibility and consider strategies to respond to these efforts.

Local Agency Formation Commissions (“LAFCOs”), created under the Cortese-Knox-Hertzberg Local Government Reorganization Act, are tasked by the Legislature with ensuring orderly growth and rational organization of local governments. Special Districts have not been an area of focus for some LAFCOs. That changed following a 2017 Little Hoover Commission report that called on LAFCOs to complete municipal service reviews for all special districts to specifically identify candidate districts for involuntary dissolutions or consolidations.

Every five years, each LAFCO must complete a municipal service review and evaluate the sphere of influence for every

special district. (Government Code, §§ 56425 & 56430.) This includes reviewing the scope and quality of services provided by the district and how those services integrate into the community and other agencies’ services. Districts are well-served to participate in this process, as it provides an opportunity to demonstrate to LAFCO and other observers the strength and depth of the district’s programs and stewardship of its financial resources.

Recently, several LAFCOs and counties have taken up the Little Hoover Commission’s charge and initiated involuntary dissolutions of special districts, including healthcare

districts lacking hospitals and fire protection districts with volunteer firefighters. Civil grand juries have also sparked several involuntary dissolution attempts, citing perceived inefficiencies. It begins with a concern that a district is not serving its community well. A proactive approach to help avoid this, besides providing high quality services, is to try to ensure that residents and community members understand which agency provides those services. Websites, board meetings, and community events all are opportunities to improve direct connections between a district's residents and its services, board members, and staff. Resident support is critical for a district fighting an involuntary dissolution, as sufficient resident protests can block a dissolution.

An involuntary dissolution formally begins in two ways. First, LAFCO itself can adopt a resolution initiating a dissolution. (Government Code, § 56375.) A LAFCO initiated proposal must stem from a municipal service review or other evaluation of local governments and their organization. In the resolution, LAFCO must find involuntary dissolution or consolidation will cause lower or similar costs of providing public services and will promote greater public accountability and stewardship of taxpayer resources. (Government Code, § 56881.) Effective participation in the municipal service review process and strong special district representation on the LAFCO, for those counties with special district representatives, can avoid surprise resolutions initiating dissolutions.

Second, a county, city, or other local government can adopt a resolution of application, asking LAFCO to approve the involuntary dissolution. (Government Code, § 56654.) The resolution must include a comprehensive plan for providing services via successor entities.

(Government Code, § 56653.) The other agency must provide at least twenty-one days' notice to LAFCO and the affected agencies before adopting the resolution. (Government Code, § 56654.)

Next, the affected agencies, including the county and any other proposed successor agencies, negotiate a property tax exchange agreement. (Revenue and Taxation Code, § 99.) Under this section, the county assessor and county auditor-controller provide information about existing property tax allocations and revenues to the affected agencies. The County is then empowered to negotiate with those agencies to determine how the agencies will exchange property tax revenues among themselves. However, when "a jurisdictional change would affect the service area or service responsibility of one or more special districts, the board of supervisors shall, on behalf of the district or districts, negotiate any exchange of property tax revenues." (Id., § 99, subd. (b)(5).) If the affected parties cannot agree, then the dissolution cannot proceed. (Greenwood Addition Homeowners Ass'n. v. City of San Marino (1993) 14

Cal.App.4th 1360, 1377.) However, the county resolution binds a special district, so the district has no veto, unlike a city. (Revenue and Taxation Code, § 99, subd. (b)(5).)

Once the property tax exchange agreement is approved and any remaining elements of the application are complete, LAFCO must issue a certificate of filing and set the matter for a public hearing within ninety days. (Government Code, § 56658.) LAFCO has broad discretion to approve or reject the dissolution. (Government Code, § 56881.) If approved, LAFCO may impose terms on a broad range of subjects listed in Government Code section 56886, including how a district's assets should be distributed; whether any special fees, assessments, and taxes it imposes will continue; how its employees will be treated; and how and by whom successor services will be provided to the public. (Government Code, § 56886.)

LAFCO approval is not the final step. Instead, LAFCO approval sets the stage for a protest hearing. During this noticed, public hearing, LAFCO accepts

continued on page 38



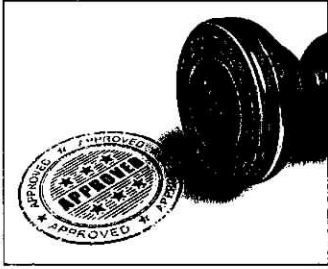
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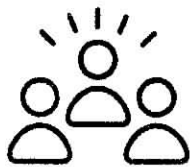
written protests against dissolution by voters and property owners in the District. The rules for the protest hearing vary depending on who initiated the dissolution. The default rule is written protests by 25% of voters or 25% of landowners owning

at least 25% of the area's assessed value force an election to confirm the dissolution in inhabited areas. (Government Code, § 57077.1, subd. (b).) However, a special statute designed to ease district dissolution requires a majority protest by 50% of voters to force an election if an affected local agency, such as the county, initiated the dissolution and it follows a prior LAFCO determination under Government Code sections 56378 (special study), 56425 (sphere of influence change), or 56430 (municipal service review). (Government Code, § 57077.1, subd. (c).) If the protest threshold is met or exceeded, then the dissolution is dead; if not then LAFCO may dissolve the district without an election. This special statute is one of the key reasons districts need to be vigilant in participating in LAFCO service reviews, to prevent misinformation and avoid early determinations that could facilitate easier dissolutions.

Districts should expect more oversight and scrutiny by LAFCOs in the future, through municipal service reviews and possible dissolutions and consolidations. Districts wishing to prevent the possibility of an involuntary dissolution have several tools available to stay engaged with their community and their local LAFCO. Most important, visibly providing high-quality services to their residents helps ensure that communities understand the value of their special districts and the benefits of locally elected control of services and associated revenues — creating a basis to call on those residents to submit a majority protest to stop the dissolution. Participating in LAFCO, including by working with LAFCO staff during municipal service reviews and by serving on the commission to ensure a special district vote regarding the proposal, allows districts to ensure their voices are heard in the process. However, once a dissolution or consolidation is confirmed through the protest procedures or an election, challenging the LAFCO decision in court may be an uphill battle, steep to climb.

For more information, please attend CSDA's webinar on April 3, 2019 at 10AM, "Cradle to Grave: Special District LAFCO Involvement."

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**LAKE LAFCO
EXECUTIVE OFFICER PERFORMANCE EVALUATION**

Date: May 15, 2019 **Name:** JOHN BENOIT

Rating Period: MARCH 2018-MAY 2019

A=Superior B=Very Good C=Satisfactory D=Needs Improvement F=Unacceptable
(Please note the "Superior" should not be viewed as a "perfect" rating since no one is perfect. It simply means the individual is superior to most in similar positions.)

Item	Rating	Comments
Communication Skills	_____	_____
Organization of Work	_____	_____
Accuracy of Work	_____	_____
Resourcefulness	_____	_____
Knowledge of LAFCO	_____	_____
Knowledge of County	_____	_____
Willingness to Learn and Adapt	_____	_____
Leadership	_____	_____
Other	_____	_____

ESTABLISH GOALS FOR UPCOMING YEAR (use reverse side for additional goals)

1. _____
 2. _____
 3. _____
-
-

Signature (Chairperson) _____

Signature of person being evaluated _____

Explanation of Terms

Communication Skills: How well does the Executive Officer (EO) communicate verbally and orally? Are staff reports clear and well written? Does the EO speak clearly and to the point? Can the EO react quickly and appropriately to new issues and questions?

Organization of Work: How well organized is the EO? Is the EO good at prioritizing tasks? Does the work get done in a timely manner? Does the EO appropriately delegate tasks to others to assist in getting the work done?

Accuracy of Work: Are the documents prepared by the EO accurate and complete, taking into account limitations on time and access to information? Are oral statements accurate?

Resourcefulness: Given the limitations on LAFCo staffing and funding, is the EO good at stretching those resources to achieve his or her objectives?

Knowledge of LAFCO: How well does the EO know how LAFCo's are supposed to operate? Does the EO demonstrate knowledge of the Cortese-Knoz-Hertzberg Local Government Reorganization Act? Does the EO know about the technical details needed to complete a change of organization?

Knowledge of County: How familiar is the EO with the county, its communities, agencies and leaders.

Willingness to Learn and Adapt: Given that LAFCo has to deal with so many different issues, is the EO good at quickly learning the essentials needed to address a new issue? Can the EO adapt to new personalities and problems?

Leadership: Because of the limited nature of Commission member participation, for LAFCo to be effective, the EO must lead the agency. How well does the EO work with the Commission in strengthening the agency and its effectiveness? How well does the EO manage staff and consultants? Is the EO proactive in informing the Commission of issues, developing LAFCo policies and addressing community issues?

Other: What other qualities of the EO or performance concerns does the Commission want to address.