

**Lake Local Agency Formation Commission**

**Regular Meeting Agenda**

**March 15, 2017 -- 9:30 am**

**City of Lakeport – City Council Chambers**

**225 Park Street, Lakeport , California**

**Website: www.lakelafco.org**

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

**Commissioners**

Ed. Robey, (Public Member)  
Allen Gott (Special District Member)  
Joyce Overton , (City Member)  
Stacey Mattina, Chair (City Member)  
Gerry Mills, Vice Chair (Special Dist.  
Member)  
Tina Scott County Member)  
Moke Simon (County Member)

**Alternate Members**

Jeff Smith (County Alternate)  
Bruno Sabatier (City Alternate)  
Victoria Brandon, (Spec. District  
Alternate)  
Suzanne Lyons (Public Alternate)

**Staff**

John Benoit, Executive Officer  
P. Scott Browne, Legal Counsel  
Kathleen Moran, Clerk-Analyst

**1. Call to Order – Roll Call**

**2. Approval of Minutes – Jan 18, 2017 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**

***Action: Review and authorize payment of expenses for January and February 2017***

**Public Hearings:**

5. **Public Hearing regarding the Dissolution of RD 2070 –Edmands Reclamation District**
  - a. *Review Executive Officer's report, conduct public hearing, and consider proposed Resolution 2017-0004 dissolving Reclamation District 2070 (Edmands Reclamation District) subject to recommended terms and conditions and designating the Lake County Watershed Protection District as the successor agency.*
6. **Public Hearing regarding the 2017-2018 Proposed LAFCo Budget.**
  - a. *Review Executive Officer's Report, conduct public hearing, review proposed budget figures, discuss and consider Resolution 2017-0005*

**Action and Other Items:**

7. **Staff update regarding LAFCo file scanning project**
  - a. *Receive update regarding the LAFCo File Scanning project*
8. **Letter mailed to Assemblywoman Aguilar Curry regarding the City of Patterson v. the Turlock Irrigation District**
  - a. *Discussion regarding the letter mailed to Assemblywoman Aguilar Curry regarding the City of Patterson v. Turlock Irrigation District mailed on February 6, 2016*
9. **Executive Officer' s report**
  - a. *Adams Springs and Cobb Service Review and Sphere of Influence*
  - b. *Hidden Valley Lake Service Review and Sphere of Influence*
10. **LAFCo Counsel's report**
11. **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.
12. **Correspondence**
13. **"All About LAFCo" - An overview of LAFCo's Law, Policy and Practice, An Interactive Discussion - Part 2**
14. **Closed Session**

<i>Subject: Performance Evaluation March 2016 – March 2017</i> <i>Title: LAFCO Executive Officer</i>
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**15. Adjourn to LAFCO's next regular meeting: Wednesday May 17, 2017 in Clearlake**

*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:

- Items not appearing on the agenda must be of interest to the public and within the Commission's subject 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 [johnbenoit@surewest.net](mailto:johnbenoit@surewest.net) or by fax at (916) 797-7631. Agenda items are located on the Lake LAFCo Webpage at [www.lakelafco.org](http://www.lakelafco.org)

LAKE LOCAL FORMATION COMMISSION  
MINUTES  
January 18, 2017  
REGULAR MEETING

**Present:**

Stacey Mattina, City Member, Chair  
Moke Simon, County Member  
Tina Scott, County Member  
Jeff Smith, County Alternate  
Joyce Overton, City Member  
Bruno Sabatier, City Alternate  
Allen Gott, Special District Member  
Gerry Mills, Special District Member, Vice-Chair  
Victoria Brandon, Special District Alternate  
Ed Robey, Public Member

**Staff Present:**

John Benoit, Executive Officer  
P. Scott Browne, Legal Counsel  
Kathleen Moran, Clerk-Analyst

**Absent:** Suzanne Lyons, Public Alternate.

Also present: Jan Coppinger, Administrator, Lake County Special Disticts, CSA #16  
Alan Gardner, General Manager, Clearlake Oaks County Water District

**1. Call to Order – Roll Call**

Chair Mattina called the meeting to order at 9:30 a.m. in the City of Clearlake Council Chambers. EO introduced newly elected County Representatives as follows: Commissioner Simon Moke, District 1 Supervisor and Commissioner Tina Scott, District 4 Supervisor.

The Chair welcomed the new Commissioners. The Chair announced that Commissioner Overton is on her way.

**2. Approval of Minutes**

Motion by Commissioner Robey, seconded by Commissioner Sabatier to approve the Minutes of the November 16, 2016 Regular Meeting. All yes.

**3. Public Comment – None.**

**4. Consent Agenda**

Motion by Commissioner Robey, seconded by Commissioner Sabatier to authorize payment of expenses for November and December 2016. Motion carried.

**5. Public Hearing:** Spring Valley Distribution Sphere of Influence Amendment and Annexation of 17.086 acres of territory to be annexed into Spring Valley CSA #2.

EO reviewed Lake County Special Districts request to annex 17.086 acres to CSA #2-Spring Valley including one Assessor's Parcel: 620-131-01 for improving water quality and reliability to the entire district. The annexation would also unite district boundaries and result in one coterminous area. The owner of the parcel will grant an easement to the County in exchange for one water connection in CSA #2 which will be billed at the same rate and manner as all other water connections in the CSA.

Commissioner Smith pointed out that page 3 of the EO's Report and Recommendations dated January 18, 2017, under Section "K. Existing and Proposed Service Agencies", the School District provider is incorrectly listed as Clearlake and should read Konocti Unified School District. EO to make correction.

EO also informed Commissioners that the acreage in question is actually 17.3 acres and the documents will be corrected to reflect that amount.

Chair Mattina opened the Public Hearing. No comments were heard and the Hearing was closed.

After brief discussion EO recommended adoption of the proposed resolutions.

Motion by Commissioner Robey, seconded by Commissioner Simon to adopt *Resolution 2017-0001*, as corrected, approving a minor sphere of influence amendment to include 17.3 acres into the Sphere of Influence of CSA #2 Spring Valley. Resolution passed and adopted by the following vote:

AYES: Commissioners Gott, Mills, Simon, Scott, Mattina, Sabatier and Robey.

NOES: None.

ABSENT: Commissioner Overton.

Motion by Commissioner Sabatier seconded by Commissioner Scott to adopt *Resolution 2017-0002*, as corrected, consisting of an annexation of 17.3 acres to CSA #2 – Spring Valley subject to recommended terms and conditions. Resolution passed and adopted by the following vote:

AYES: Commissioners Gott, Mills, Simon, Scott, Mattina, Sabatier and Robey.

NOES: None.

ABSENT: Commissioner Overton.

10:00 a.m. Ms. Overton is present.

**6. Extension of time to complete the reorganization of CSA #16 and the Clear Lake Oaks County Water District (LAFCo file 2015-0005)**

EO stated that the Commission approved the annexation of the Paradise Valley CSA #16 to the Clearlake Oaks County Water District in January of 2016. The terms of approval state the proceedings shall be concluded within one year after adoption of the resolution approving the annexation and concurrent dissolution of CSA #16. On November 28, 2016 staff received a request from the County for a 12-month extension on behalf of the CSA and the Clear Lake Oaks CWD to complete the reorganization.

Mr. Gardner and Ms. Coppinger spoke to the progress made thus far in consolidating the districts and noted that the project is going well despite some delays which resulted in a mutually agreed upon change involving the placement of a new tank, along with required easements and right of ways. These items have been secured and approved and the project is moving forward. During this time, they have also been able to obtain grants which were used for the pipeline.

Motion by Commissioner Sabatier, seconded by Commissioner Robey to approve a one-year extension ending January 20, 2018 for Lake County on behalf of Paradise Valley (CSA #16) and the Clear Lake Oaks CWD to complete the Reorganization including annexation of the territory within Paradise Valley (CSA #16) to the Clear Lake Oaks CWD and the dissolution of CSA #16. Motion carried: All yes.

**7. Peschon Annexation to the Callayomi Co. Water District (LAFCo File 2016-0003).**

EO stated request is from Adrienne Peschon to annex 22.95 acres to the Callayomi County Water District to receive domestic water services. The property is comprised to two parcels located on Santa Clara Road in Middletown and is contiguous to the District. Commissioner Sabatier asked if there were plans to develop the area, with EO responding that to his knowledge there are no current plans.

Motion by Commissioner Simon, seconded by Commissioner Robey to **adopt** Resolution 2017-0003, A Resolution Making Determinations and Approving the Annexation of 22.95 acres more or less to the Callayomi County Water District – LAFCO File 2016-0003 and authorize the Chairman to sign. Resolution passed and adopted by the following vote:

AYES: Commissioners Gott, Mills, Simon, Scott, Mattina, Sabatier and Robey.

NOES: None.

ABSENT: None.

**8. Authorize Staff to attend the CALAFCo annual staff workshop April 4-7, 2017 in Fresno, CA.** Motion by Commissioner Mills, seconded by Commissioner Gott to authorize Lake County LAFCo staff to attend the Calafco Staff Workshop April 4-7, 2017 in Fresno, CA. Motion carried: All yes.

**9. Executive Officer' s report**

- a. Adams Springs and Cobb Service Review and Sphere of Influence: EO met with Cobb Area Water Representatives to discuss Adams Springs, Cobb Area, three CSAs, and some Mutuals re: consolidation of several water districts to prepare for SB 88 compliance. Districts have been formally requested to provide information for a Service Review. EO is waiting for information from the Districts.
- b. Hidden Valley Lake Service Review and Sphere of Influence: Information has been requested.
- c. Meeting with the State Water Resources Control Board- Division of Drinking water re: Cobb Area annexations and other small water district safe drinking water matters. EO to update at future Commission meeting.

Mr. Browne again requested Lake LAFCo's support in pursuing legislation to amend CA Government Code §56653. Current law prohibits annexation of an area that is already receiving services. Mr. Browne has been working to get CALAFCo involved to correct this issue and they have agreed to make it a priority. He stated that Assemblymember Cecilia Aguiar-Curry (D – Winters) chairs the Local Govt. Committee. She is familiar with the issue as Commissioner Brandon has had previous discussions with her on the matter. Mr. Browne stated that he will be meeting with Assemblymember

Aguilar-Curry this week and would like the Commission to bring the matter on today's agenda to approve an updated letter of support.

The Clerk reminded the Commission of their recently amended Bylaws (Resolution 2016-0009 July 20, 2016) re: Legislative Process Policy, authorizing such action.

The Commission authorized Mr. Browne and EO to update their previous letter to request Assembly-member Aguilar-Curry to sponsor or co-author the bill. Commissioner Brandon will send an email to the Assembly Member to notify her of the proposed action. Mr. Browne also encouraged individual members to send letters of support.

Chair Mattina requested the addition of a standing "Legal Counsel Report" to future agendas.

EO Report continued:

- d. Dissolution of Recreation District 2070. EO will put on next agenda.
- e. Meeting with Lakeport County Fire -Researching previous actions on Tax Sharing Agreement.

EO asked Commissioners if they would like to receive Meeting Packets by email. Those responding affirmative: Commissioners Mattina, Scott, Simon, Robey, Brandon, Sabatier, Overton and Smith.

The Public Alternate seat held by Ms. Lyons term expires in May. EO to post Notice.

#### **8. Commissioner Reports**

Commissioner Mills reported that he attended the meeting with EO, Commission Clerk and the Lakeport County FPD Chief to discuss concerns on a Tax Sharing Agreement and was appreciative of the helpfulness of staff.

Commissioner Sabatier asked about an MSR for Lake County Special Districts Sanitation, specifically when it was done for the Clearlake area. EO responded it was within the last three years or so and that he would forward a copy.

#### **11. Correspondence EO**

Letter from State Water Resources Control Board regarding the small water districts.

The Chair called for a break at 10:45 a.m. and reconvened in Regular Session at 11:05 a.m. for presentation by EO re: All About LAFCo, and Overview of Law, Policy and Practice. All those previously noted were present, except for Commissioner Smith.

Meeting adjourned at 11:25 a.m.

Next regular meeting: Wednesday March 15, 2017 in Lakeport.

By: \_\_\_\_\_  
Kathleen Moran, Clerk

# Lake Local Agency Formation Commission

# 4

## CLAIMS

January and February 2017

<u>Date of Claim</u>	<u>Description</u>	<u>Amount</u>
Feb 1, 2017	Staff Services Feb 2017	\$ 5,828.17
12.16. 2016-1.15.17	Browne Legal	\$ 525.00
Jan 18, 2017	Meeting Stipend 1.18.17	\$ 540.00
Feb 17, 2017	RB and CLO Legal Bud-RD 2070	\$ 190.40
Feb 17, 2017	RB&CLO Legal Public Mem Alt	\$ 225.65
12.31.16	RB & CLO Spring Valley Dist anx	\$ 91.51
12.31.16	CSA #2 SOI and MSR	\$ 91.51
1.16-17 to 2.15.2017	Browne- Legal	\$ 1,837.00
Mar 1, 2017	Staff Svcs Feb 2017	\$ 4,915.67
Mar 1, 2017	Staff Scanning Files	\$ 2,325.00
Mar 1, 2017	MSR and SOI Cobb-HVL	\$ 1,815.00
TOTAL:		\$ 18,400.91

DATED: March 15, 2017

APPROVED: March 15, 2017

\_\_\_\_\_  
Stacey Mattina, Chair or Gerry Mills, Vice-Chair  
Lake Local Agency Formation Commission

Attest:

\_\_\_\_\_  
John Benoit  
Executive Officer



Amount Budgeted	Comms Stipend	Supplies	Memberships	Books & Periodic	Attorney Services	LAFCO Clerk	Office Stipend	Staff Svcs	Legal Notices	Trans Travel	Conf Regia	Gen Reserve	Contingency Insurance	GIS Mapping	Webpage	Auditor	
2016-2017 Adopted Budget	880,011.42	880,227.70	880,204.00	880,227.70	880,237.98	880,237.79	880,237.79	880,237.79	880,244.00	880,237.50	880,292.60	880,000.00	880,900.91	880,237.79	880,237.50	880,237.50	
JB June 1-30, 2017	\$ 5,280.00	\$ 250.00	\$ 840.00	\$ 840.00	\$ 16,000.00	\$ 3,000.00	\$ 7,000.00	\$ 43,468.00	\$ 1,000.00	\$ 1,000.00	\$ 3,500.00	\$ 20,000.00	\$ 10,000.00	\$ 7,500.00	\$ 150.00	\$ 80,237.50	
Browne ending 6.15.16																	
16-17 Calafco Dues																	
July 20-2018 Mtg. Stipend																	
Browne Ending 7.15.2016																	
JB July 1-31 Staff Svcs																	
CLO and RB Vcd. Controll mstr-sol																	
Browne Ending 8.15.16																	
Revenue File 2016-0002 CSA #6																	
Calafco Conference Reg Sabalier and Gott																	
Staff Sept 1-30, 2016 Staff Svcs																	
Meeting Stipend Sept 21, 2016																	
Browne Ending 9.15.16																	
JB Oct 1-31 2016 #0079																	
Browne Ending 10.15.16																	
Revenue 2016-0003 Preschon Annex																	
Revenue Dissolv RD 2070 16-05																	
Allan Gott Conf. Reimbursemt																	
Ed Robey Conf. Reimbursement																	
JB reimb Calafco Conf																	
JB reimb transp for Bruno and Ed Robey																	
Meeting Stipend November 16, 16																	
Staff Svcs November 2016																	
Browne Ending 11.15.16																	
Auditor's charge for FY 16-17																	
Browne Ending 12.15.16																	
Staff Svcs December 2016																	
Browne Ending 1.15.17																	
Staff Svcs January 2017																	
Meeting Stipend January 18, 2017																	
RB & CLO Spring Valley Dist																	
CSA #2 SOI and MSR 12.31.16																	
Browne Ending 2.15.17																	
JB Feb 1-28 17 Staff Services																	
RB CLO Pub Mem. Alt Recruit																	
RB CLO Pre Budget & RD 2070																	
Remaining in Account	\$ 3,900.00	\$ 250.00	\$ -	\$ (840.00)	\$ 200.00	\$ 4,715.00	\$ 1,650.00	\$ 2,050.00	\$ 12,121.97	\$ 314.59	\$ 1,000.00	\$ 28.80	\$ 10,000.00	\$ 1,400.00	\$ 4,140.00	\$ 150.00	\$ 0.00
Expended	\$ (2,280.00)	\$ -	\$ -	\$ (840.00)	\$ 0.00	\$ (11,285.00)	\$ (1,350.00)	\$ (4,850.00)	\$ (38,386.03)	\$ (685.41)	\$ -	\$ (3,471.20)	\$ 0.00	\$ (3,360.00)	\$ -	\$ -	\$ -
															</		



# LAKE LOCAL AGENCY FORMATION COMMISSION

ITEM #6

## MEMORANDUM

March 15, 2017

TO: Local Agency Formation Commission

FROM: John Benoit, Executive Officer

RE: Proposed Budget for FY 2017-2018

### Work Program for 2017-2018

#### Direct Projects – Projected

1. Small and medium reorganizations - For the 2017-2018 fiscal year staff anticipates two or three small and medium reorganizations (i.e., annexations and detachments involving districts). For example this year we had , a proposal to dissolve one of the Reclamation Districts and a reorganization between CSA #16 and the Clearlake Oaks County Water. Next year we will be involved in a complex reorganization of the Cobb Area water districts including the Adams Springs and Cobb Water Districts, three CSA's and three mutual water districts. Costs include working with agencies and (or) individuals prior to application submittal, legal counsel, staff time, public inquiries, public hearing requirements including noticing (300 ft from site –voters and landowners), preparation of notices, staff reports and resolutions, LAFCO protest requirements (public noticing), incidental travel, office supplies (copying), webpage posting, seeking comment from county departments (assessor, clerk and auditor), and general accounting.

Significant Municipal Annexations - Activity is anticipated for a significant city proposals in 2017-2018. The City of Lakeport may file an application to LAFCO for an annexation since Sphere update was completed two years ago. Also a water service area is being contemplated by the County in South Lakeport. Additionally, LAFCO may be participating in the environmental review for various proposals with both Cities and County as a responsible agency.

Costs include working with agencies prior to application submittal, legal counsel, staff time, public inquiries, public hearing requirements including noticing (300 ft from site –voters and landowners), preparation of notices, staff reports and resolutions, LAFCO protest requirements (public noticing), incidental travel, office supplies (copying), webpage posting, seeking comment from county departments (assessor, clerk and auditor), and general accounting).

2. District Consolidations – Staff has heard of no district consolidations at this time although the districts in Cobb may effectively be consolidated.
3. Dissolution of Districts –LAFCO anticipates the dissolution of three CSA's in the Cobb Area (Starview, Mt. Hannah and Bonanza Springs) as well as the Adams Springs County Water District.

#### Administrative Projects and Operational Provisions

Ongoing administrative activities include:

Budget Justification Report

Lake LAFCO

March 15, 2017

### **Budget Development and Control**

Budget development and control is currently handled by the Executive Officer. During the year, day-to-day administrative tasks (e.g., invoicing, and bill paying) are provided by the Executive Officer. Work with City and County offices on these issues.

Preparation of the budget and budget justification documents and resolutions are included in these activities. Legal advice when needed is required regarding expenditure requests. The preparation of claim forms for both the Commission and the County Auditor's office is included to ensure proper control. Public inquires regarding expenditures and expenditure priorities are handled by the Executive Officer. Incidental office supplies and communication resources are needed to perform this function.

Special administrative projects such as coordinating agreements i.e. agreements for the provision of insurance or responding to a Commission directive or minute order and Proposal Requests. Insurance is estimated to be about the same next year since LAFCO has had no claims.

### **Communications**

This budget includes conducting annual organizational LAFCO workshops. This should occur at a separate meeting with the Commission and staff and should be part of the Commissions annual work program.

LAFCO needs to continue communication efforts with the County, Cities and Districts. The budget includes a session with these entities as well as an appearance various meetings. One of the legislative intents of LAFCO is to serve as neutral party or "legislature's watchdog" with regards to organizational issues. The budget for these activities includes preparation and meeting with staff and boards and incidental office supplies, legal advice, travel and communication.

Conduct project-oriented workshops, as appropriate. This activity may occur this year for the Community of Lakeport where a major project may be occurring. Other workshops regarding the role of LAFCO may be required.

Work with potential applicants seeking reorganization. This activity requires research and meeting with project proponents to determine approaches to solving service issues. This activity is time consuming. Costs include legal, staff time, incidental travel, office supplies and communication resources. An example is to discuss LAFCO with the grand jury to assist them in their role and taking correct action.

Responding to public inquires. Public inquires regarding service issues are common involving a member of the public who is in need of a service or has a question about a service. This activity includes legal, staff time and communication resources. The LAFCO webpage provides an outlet for LAFCO information. Responding to the public is necessary for informing individuals of LAFCO requirements to facilitate the process. There is no one else who will provide the public with correct and unbiased information about LAFCO. This may cause substantial cost savings for the public by having correct information to make business decisions.

Brown Act, Public Records Act and Political Reform Act compliance. Staff and legal time is required to comply with these laws. Including noticing, Form 700's, public records disclosure, citizen's inquires, general compliance and written responses to records request. These are state laws and must be followed. If not substantial costs could occur.

Grand Jury. LAFCo staff has met with the Grand Jury five years ago, which involved several information requests, numerous conversations with members and responses to reports. This activity is anticipated to continuously occur.

Calafco Dues. The Calafco Executive Board voted for a rate increase this year for members. Calafco dues will be increased this year from \$840.00 to \$899.00.

Environmental Reviews: CEQA is required for all LAFCO discretionary projects. Applicants pay direct project costs; Spheres of Influence are LAFCO's responsibility. LAFCO will be a lead agency in this respect. LAFCO is also required and should want to comment on Environmental Reviews from various agencies. These costs include legal, communication, advertising, staff time. It is estimated the cost of this activity will be significant including required fees to pay Fish and Wildlife. This item is necessary to promote better customer service and comply with the CEQA law and CKH act with regard to the role of a responsible agency. Development requiring reorganization will take much longer if LAFCO is not involved in this process as well as cost project applicants significantly more amounts of money. LAFCo Staff has commented on several CEQA reviews this year.

### **Public Education**

Utilize media and speaking opportunities and submit articles about LAFCO to journals and newspapers. This activity is fairly minimal. However, there is a cost of staff time and office supplies to perform this function.

Submit press releases on substantive actions; encourage agencies to request regular LAFCO meeting agendas and update agencies on LAFCO Commission membership.

These activities are important to inform the public and agencies about LAFCO. Numerous inquiries come from citizens needing one service or another. These activities promote better customer service for all agencies by informing the public about what is going on with regards to LAFCO.

### **Resource Development**

Monitor new and proposed relevant legislation. Although LAFCO relies on CALAFCO for this activity, it is important that new legislation reflects our needs. This activity involves communication, staff time, and legal time. Legislation of importance to Lake LAFCO impacts budget process and permit processes.

### **Special Reports and Projects for the Commission**

The CKH act and the Commission's bylaws allow the Commission to undertake special projects. Special projects may include being involved in a General Plan update, assisting in the development agriculture conservation policies, being involved in water planning throughout the County, serving as a neutral party with regards to service issues, assisting the public and agencies with LAFCO applications and processes, developing annexation strategies for cities or

districts and (or) any other proactive activity of benefit to the citizens and agencies as deemed necessary by the Commission.

### **Commissioner Development – CALAFCO Conference**

The Commission's budget in 2016-2017 budget included funding three attendees at the Annual CALAFCO Conference in Santa Barbara. This year the conference is in San Diego California. Costs for 4 Commissioners to attend will be about \$1,500 each. Since the passage of AB 2838, the Commission and our bylaws have held that the education afforded by the Conferences is necessary to assure Commissioners have the tools needed to carry out their responsibilities. Funds in the amount of \$8,000 have been set aside for staff and commissioner training and staff to attend the staff workshop. If the Commission does not understand the CKH act or does not have experiences related by other LAFCO's, decisions made will be merely staff recommendations without an understanding of why these decisions are being made in a particular manner. Informed decision makers better serve the public. Should the Commission desire to send more than one of its members to the annual conference this year, additional funds will need to be budgeted.

### **Municipal Service Reviews and Sphere of Influence Updates**

#### **Cortese-Knox-Hertzberg (§ 56430)**

LAFCO must update all spheres of influence every 5 years, as necessary and must prepare a review of each municipal service before or in conjunction with a sphere of influence update.

The purpose of a MSR is to support preparation and update of Spheres of Influence, in accordance with the provisions of the Cortese-Knox-Hertzberg Act. The objective of a Municipal Service Review (MSR) is to develop recommendations that will promote more efficient and higher quality service patterns; identify areas for service improvement; and assess the adequacy of service provision as it relates to determination of appropriate sphere boundaries based on a specific growth period and a realistic growth rate adopted for that period.

For a MSR to be of value, the Commission needs to review services comprehensively, on a service-by-service basis within logical sub-regions, given consistent and specific target growth periods and a realistic estimate of growth adopted for that period.

Reviews are largely based on information provided to LAFCO by the districts and (or) city or county. A new procedure to be used is for staff to meet twice with district Board of Directors during the data discovery phase and to review a draft prior to the MSR going to the LAFCO Commission.

A service review is required prior to preparing a Sphere of Influence Update. The Sphere of Influence is LAFCO's planning document for the ultimate service boundary for a service provider. Prior to adopting a Sphere of Influence Map and Sphere Policies, the Commission must make determinations based on supporting evidence with regard to the following:

- a. "The present and planned land uses in the area.
- b. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence (for fire, domestic water and wastewater districts).

- c. The present and probable need for public facilities and services in the area.
- d. The present capacity of public facilities and adequacy of public services, which the agency provides or is, authorized to provide.
- e. The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.”

In the past the cost figures assumed performing these studies were prepared by the Executive Officer. The Executive Officer oversees the process. This component costs include legal costs, copying, mileage, postage, meetings and incidental administrative costs related to a project.

For the 2017-2018 budget year, I suggest the following work schedule to either complete or initiate the following:

1. **Continue the Service Review and Sphere of Influence for the Hidden Valley Lake CSD**
2. **Initiate the Service Review and SOI for the Kelseyville Co. Water District**
3. **Continue with the Cobb Area Service Review and Sphere of Influence.**
4. **Review LAFCo's Bylaws and Policies, Standards and Procedures**

The total cost of many of the above projects and activities may exceed the actual budget amount to be requested especially in light of increasing expectations regarding MSR Content. It is unlikely the above activities will be funded by private parties. However, there is a possibility some of the costs associated with the Cobb Area Water MSR and SOI may be paid by a grant. The Commission may wish to circulate Requests for Proposals for various service reviews and Sphere of Influence updates, for example, the Kelseyville Co. Water District. Most likely, the cost would increase significantly. The costs of a MSR are directly related to the content expectations of the Commission.

### **Budget Justification Report**

Since the passage of AB-2838 in 2000, LAFCO has become independent from the County. Operational costs of LAFCO were entirely paid by the County including staff time, legal services, miscellaneous office expenses, and insurance. The Legislature took the recommendation of the Commission on Local Governance for the 21<sup>st</sup> century and concluded that LAFCO costs were to be paid by both the City and County and LAFCO's were to become independent. Many costs are more apparent since LAFCO's costs are separated from a larger agency.

**The overall goal of this budget is to conduct LAFCO business publicly in a proactive independent manner involving the Community to meet the overall requirements of the Cortese-Knox-Hertzberg Act given the financial resources LAFCo has.**

### **SUMMARY OF PROPOSED EXPENSES:**

**Commissioner Stipends** A Commissioner Stipend includes time for the meeting and mileage and related expenses. The monthly stipend is \$60.00 per Commissioner and Alternate in attendance. Staff estimates there will be 8 meetings in 2017-2018 and a budget is needed for 11 commissioners at \$60.00 each per meeting. Assuming the Commission will have 8 meetings

this upcoming year, this budget is recommended to be \$5,280.00. In the event project activity requires additional meetings, any additional cost can be attributed directly to a specific project.

**Office Supplies** This category includes supplies needed by commissioners and the LAFCO Clerk for meetings. Most of these supplies are included in the Office Stipend for staff. This item is for the LAFCO Clerk to have adequate supplies for her duties. This budget remains the same as last year at \$250.00.

**Memberships** It is important LAFCO remain in its statewide professional organization as does the County and the Cities and participate in LAFCO issues of common concern for the benefit of Lake LAFCO and its agencies. Dues for CALAFCO for rural LAFCO's this year (2017-2018) will \$899.00.

**Books and Periodicals** I am recommending \$200 for this budget. This budget is in place in the event the Commission would be required to purchase LAFCO Law books or any other periodical necessary for LAFCO's operation.

**Legal Services** I am recommending this budget the same as last year at \$18,633.00 for this item, which assumes LAFCO will meet 8 times during the next fiscal year. Since LAFCO has become independent, separate LAFCO Counsel is necessary to represent LAFCO's interest as a neutral party. This cost is fixed rate for normal legal services. This cost is based on an average rate of \$1,837.00 per month for the months LAFCO meet and \$525 for the months LAFCO does not. LAFCO Counsel is needed to provide legal direction at meetings of the Commission and to protect LAFCO's interests where required. Project related legal costs would be billed to the project proponent through LAFCO's fee structure. Other LAFCO's have Counsel in attendance at their meetings. Based on my experience with the exception of workshops, it is important to have Counsel attend LAFCO meetings. I recommend this continue to be the practice in Lake LAFCO. In the event of Litigation, additional appropriations will become necessary.

**Clerk Services** I am recommending \$4,000 for clerk services assuming up to 8 meetings will occur in the next fiscal year. A LAFCO Clerk is necessary to record meetings to produce an accurate record and provide other miscellaneous duties. In the event project activity requires additional work, additional cost would be attributed directly to a specific project.

**Office Expenses:** This category includes ongoing communication, Internet, copies and reproductions, computers, software, toner, and maintenance of equipment, mileage for LAFCO related business, phone and fax, postage, paper and misc. office supplies and insurance costs. An additional Supplies budget is in place for miscellaneous supplies needed by the Clerk. The amount is proposed to remain the same at \$7,000. Copy and postage costs continue to rise.

**Executive Officer - Staff Services** This item funds ongoing LAFCO general administrative, pre-project planning with districts/cities/county, Brown and Public Record's Act compliance, CKH Act compliance and updates, public outreach, responding to Grand Jury complaints and inquiries, letters from the public, and inquires from the county/cities/special districts/state, working on the MSR's and SOI's and financial and accounting duties, as required, commenting on land use plans and specific projects and processing LAFCO applications and inquiries and representing Lake LAFCO at CALAFCO events. This would provide a continuing maintenance of effort and presence of LAFCO in Lake County. It is anticipated that if additional appropriation

Budget Justification Report

Lake LAFCO

March 15, 2017



were required in this category, it would be funded through an application or funded through a special project if revenue estimates are exceeded.

A job description was requested in previous years. The following represents the tasks performed by the Executive Officer:

- ☐ Administrative duties; including development, oversight, and review of an annual work plan; assignment of work activities, projects and programs; monitoring work flow and the day to day business of the Commission; personnel management, including oversight of consultants; preparation and management of contracts, subject to the review of the Commission.
- ☐ Scheduling and preparing for regular and special meetings of the Commission, including preparation and timely transmittal of the meeting agenda and related reports and recommendations, and presentation of the reports at the meetings.
- ☐ Update Policies and Procedures, Spheres of Influence, MSR's, office files, etc.
- ☐ Processes applications for city and district formation, annexation, reorganization, consolidation, detachments, and extension of services by contract.
- ☐ Prepares notices, filings, agreements, and reports consistent with the requirements of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.
- ☐ Preparing special reports and studies to the Commission as mandated by statute, such as municipal services reviews and spheres of influence.
- ☐ Preparation of the LAFCO budget, including preparation and implementation of the budget, forecasting revenue and expenses, and identifying and recommending alternatives for implementation of the budget subject to the review of the Commission, as well as scheduling and noticing all budget hearings and communication. Administration of the adopted LAFCO budget by maintaining budget controls, records, files, and making timely payments of claims and deposits of revenues.
- ☐ Planning, assigning, and coordinating the work of support staff.
- ☐ Outreach and Liaison Duties: includes representing the Commission before public and private policy making agencies and community groups, coordinating the LAFCO processes with discretionary actions of other agencies. Facilitates workshops and attends meetings as directed by the Commission to understand community concerns so LAFCO policies, municipal service reviews, and spheres of influence reflect the needs and desires of the community.
- ☐ Prepare necessary California Environmental Quality Act (CEQA) documents (Notices of Exemption, Initial Studies, Negative Declarations, and Mitigation Monitoring Plans) for those actions in which Lake LAFCO is the lead agency. Reviews and prepares comments on CEQA documents prepared by other agencies which affect the responsibilities of the Commission.
- ☐ Monitoring new and proposed State and local legislation that pertains to LAFCO, and preparing reports to the Commission that includes a recommendation of support or

opposition to proposed legislation. Actively participates in related organizations, such as the California Association of LAFCO's and professional associations.

- ☐ Coordinating with LAFCO Counsel on legal issues and other matters that may require an oral or written interpretation or opinion from legal counsel.
- ☐ At the direction of the Commission, representing LAFCO before other local governmental agencies, at community meetings, at Calafco, and at other public forums.

**Legal Notices/Publications** I am recommending \$1,000.00 for this item. Notices are required by state law for most projects and must be prepared for Municipal Service Reviews and Sphere of Influence Updates, all public hearings before the Commission and protest hearings. Public hearing notices are required for most all LAFCO actions including MSR's and SOI's. Cost overruns in this category will be fee supported through a budget augmentation.

**Transportation/Travel & Training** I am recommending \$8,000 combined for these two items, a substantial reduction from years past. This represents funding for one commissioner to attend the annual conference. Estimated costs for each Commissioner to attend the Calafco Annual Conference on October 25-27 in San Diego is approximately \$1,500 each including transportation, lodging, and conference registration. The justification for this expense is LAFCO Commissioners need to be informed decision makers. Commissioners need the tools to carry out their statutory responsibilities in a responsible manner. Training and interaction with Commissioners from other LAFCO's will assist those Commissioners in attendance to bring back ideas to be shared with the remainder of the Commission. Training is necessary to remain informed of changes in LAFCO law and procedures. This item also includes funds for a portion of Staff's expense to represent Lake LAFCO at CALAFCO Activities.

Note: A decision as to the actual number of Commissioners anticipating attendance at the conference is needed before the final budget is approved. This budget includes enough funds for one Commissioner and a portion of Staff costs to attend the Annual Conference. This budget includes a portion of staff costs for attendance at the annual staff workshop and provide monies for incidental mileage expenses related to LAFCO operations.

**Municipal Service Reviews** I am recommending \$21,000 for the costs to continue preparation of Municipal Service Reviews for the upcoming fiscal year.

**Sphere of Influence Updates:** Sphere of Influence Updates include continuing the Spheres of Influence for the Kelseyville Co. Water District, the Hidden Valley Lake CSD, and Cobb area MSR and SOI.

**Contingency** If LAFCO has a cost overrun or unanticipated expense during the fiscal year. I am recommending a contingency fund of \$10,000 this year, the same as last year.

**Insurance:** LAFCO is required to have insurance as an independent agency. The CSAC EIA has indicated the Board of Supervisors must approve LAFCO being covered under CSAC's program. The Lake Board of Supervisors has an agreement that LAFCO could be covered under the County's insurance program. \$1,400.00 is in the budget for this purpose.

**Mapping:** I am recommending \$6,000 for this activity, for both mapping of district boundaries and for MSR's and sphere of influence updates. Several scenarios could be required for Sphere of Influence updates. Development of an electronic map book for all

agencies is also necessary. All maps will be in GIS format compatible with the Cities and the County. This category may also include creating electronic lafco records.

**Webpage Maintenance:** AB 2838 requires LAFCOs to have a webpage. We no longer have a webpage maintained by County staff. LAFCo staff has taken a more pro-active role in the website and the amount to be budgeted should be \$150.00.

**Auditor:** The Auditor's office charges LAFCO \$2,500 for this service.

**Carryover:** It is unknown exactly how much carryover will occur in this year's budget at this time. Staff estimates a carryover of approximately \$60,000, which includes dollars for items initiated but not yet completed and to fund an additional \$10,000 in LAFCo's reserve fund.

**Anticipated Revenue** I am recommending anticipated revenue of \$10,000. LAFCO may increase its appropriations in various budgets if unanticipated revenue is realized. This year so far \$9,000.00 in revenue was realized. Should there be less than \$10,000 in revenue, other categories will need to be reduced to make up for the shortfall.

**Amount to be apportioned per government Code Section 56381:**

The amount to be apportioned between the Cities, the Districts and the County is proposed to be \$114,800.00 which is significantly less than this year which was, \$132,741.00. This figure included increases in Calafco Dues and an increase in the reserve fund to \$40,000.00. Last year, the Commission expressed a desire to increase the reserve fund and did so by adding \$10,000.00. This year the amount should be increased \$10,000 due to an increase anticipated in the FY 16-17 carryover balance.

**RECOMMENDATION**

1. Conduct Public Hearing.
2. Consider the above budget justification report, discuss and amend report and (or) the proposed budget as necessary.
3. Adopt LAFCO Resolution 2017-0005 approving a proposed budget for fiscal year 2017-2018.

**Resolution 2017-0005**  
**of the**  
**Lake Local Agency Formation Commission**

*Resolution of Lake Local Agency Formation Commission Adopting  
a Proposed Budget for 2017-2018*

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

WHEREAS, the Commission has prepared a proposed budget for public review; and,

WHEREAS, the Executive Officer has given notice of hearing in the form and manner specified by law for adoption of the proposed 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 2017-2018 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, the Lake Local Agency Formation Commission does hereby determine, resolve, and order the following:

1. That Lake LAFCO hereby adopts the attached proposed 2017-2018 proposed budget (Exhibit A).
2. Directs the Executive Officer to transmit the proposed budget to the Auditor and all parties specified in Government Code Section 56381 (a) as promptly as possible.

PASSED AND ADOPTED by the Lake Local Agency Formation Commission at a regular meeting of said Commission held on March 15, 2017 by the following roll call vote:

AYES: -

NOES: -

ABSTAINS: -

ABSENT: -

Signed and approved by me after its passage this 15<sup>th</sup> day of March, 2017.

\_\_\_\_\_  
Stacey Mattina, Chair or Gerry Mills, Vice-Chair  
Lake LAFCO

Attest:

\_\_\_\_\_  
John Benoit, Executive Officer  
Lake LAFCO

**Exhibit A - Proposed Budget**  
**FY. 2017-2018**  
**Lake LAFCo**

**BUDGET: 419-8803**

**LAFCo Resolution 2017-0005**

A	B	C	D	E	F	G	H
		2013-2014 Final Budget	2014-2015 Final Budget	2015-2016 Final Budget	2016-2017 Final Budget	Exp. Through Feb-17	2017-2018 Proposed Budget
	<b>Expenditure Classification</b>						
	8803-880.01-12 COMMISSIONERS STIPEND	\$ 5,280.00	\$ 5,280.00	\$ 5,280.00	\$ 5,280.00	\$ 2,280.00	\$ 5,280.00
	8803-840 22-70 SUPPLIES	\$ 250.00	\$ 250.00	\$ 250.00	\$ 250.00		\$ 250.00
	8803-840 20-00 MEMBERSHIPS	\$ 758.00	\$ 769.00	\$ 785.00	\$ 840.00	\$ 840.00	\$ 899.00
	8803-840 22-72 BOOKS AND PERIODICALS	\$ 200.00	\$ 200.00	\$ 200.00	\$ 200.00		\$ 200.00
	8803-840 23-98 ATTORNEY CONTRACTS	\$ 16,000.00	\$ 16,000.00	\$ 16,000.00	\$ 18,633.00	\$ 11,285.00	\$ 18,633.00
	8803-840 23-79 Lafo Clerk Svcs.	\$ 2,000.00	\$ 2,000.00	\$ 3,000.00	\$ 4,000.00	\$ 1,350.00	\$ 4,000.00
	8803-840 23-79 Office Expenses	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 7,000.00	\$ 4,950.00	\$ 7,000.00
	8803-840 23-79 Staff Off. Svcs	\$ 48,488.00	\$ 48,488.00	\$ 48,488.00	\$ 48,488.00	\$ 36,366.03	\$ 48,488.00
	8803-880 24-00 LEGAL NOTICES/PUBLICATIONS	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 269.36	\$ 1,000.00
	8803-840 29-50 TRANS AND TRAVEL (CALAFCO)	\$ 2,400.00	\$ 2,400.00	\$ 2,000.00	\$ 3,500.00	\$ 3,471.20	\$ 5,000.00
	8803-880 29-50 CONF REGISTRATION	\$ 1,500.00	\$ 1,500.00	\$ 1,000.00	\$ 1,000.00		\$ 2,500.00
	8803-840 23-79 MSR and SOI	\$ 12,000.00	\$ -	\$ -	\$ -		\$ 0.00
	8803-880 23-78 - INSURANCE	\$ 1,658.00	\$ 1,400.00	\$ 1,400.00	\$ 1,400.00		\$ 1,400.00
	8803-840 23-80 Records Retention and Mapping	\$ 7,500.00	\$ 3,500.00	\$ 7,500.00	\$ 7,500.00	\$ 3,360.00	\$ 6,000.00
	8803-880 23-18 Web Page	\$ 250.00	\$ 250.00	\$ 150.00	\$ 150.00		\$ 150.00
	8803-880 23-80 AUDITOR-Agreement	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00
	8803-840 23-79 City SOI	\$ -	\$ 4,000.00	\$ -	\$ -		
	8803-840 23-79 Spheres of Influence	\$ 12,000.00	\$ 4,000.00	\$ 10,000.00	\$ 10,000.00		\$ 10,000.00
	8803-840 23-79 Municipal Service Reviews	\$ 13,000.00	\$ 8,000.00	\$ 25,000.00	\$ 21,000.00	\$ 9,552.19	\$ 21,000.00
	<b>Total General Services and Supplies Expenditures</b>	\$ 133,784.00	\$ 108,537.00	\$ 131,553.00	\$ 132,741.00	\$ 76,223.78	\$ 134,800.00
	8803-880 90-91 Contingency	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00		\$ 10,000.00
	0000 General Reserve	\$ 10,000.00	\$ 15,000.00	\$ 20,000.00	\$ 30,000.00		\$ 40,000.00
	<b>TOTAL Expenditure Budget &amp; contingency &amp; reserve</b>	\$ 153,784.00	\$ 133,537.00	\$ 131,553.00	\$ 172,741.00		\$ 184,800.00
	Est Carryover Balance July 1, 2017	\$ (50,000.00)	\$ (25,000.00)	\$ (20,000.00)	\$ (30,000.00)		\$ -60,000.00
	8803-461.66-10 Est. OTHER REVENUE	\$ (10,000.00)	\$ (10,000.00)	\$ (10,000.00)	\$ (10,000.00)		\$ -10,000.00
	<b>Total exp less anticipated carryover and revenues</b>	\$ 93,784.00	\$ 98,537.00	\$ 131,553.00	\$ 132,741.00		\$ 114,800.00
	<b>456.56-30 City/County and Ind. Spec District Contrib.</b>	\$ 93,784.00	\$ 98,537.00	\$ 131,553.00	\$ 132,741.00		\$ 114,800.00
	0000 General Reserve	\$ 10,000.00	\$ 15,000.00	\$ 20,000.00	\$ 30,000.00		\$ 40,000.00

LAKE COUNTY LAFCO  
DOCUMENT SCANNING PROJECT  
Status Report March 15, 2017

Description

- Review the contents of each document box of Lake LAFCo records in storage at the City of Clearlake. Review and discard duplicate documents if necessary.
- Using Records Retention Policy determine retention status of record and scan, refile or dispose of accordingly.
- Create a records list.
- The records in storage total 15 or so boxes.

Completed to date:

- Agendas and Minutes  
March 1965 through June 2000  
All scanned and placed in file folders by year for permanent storage.
- Resolutions 1964-2000  
All scanned (where a physical copy exists) and placed in file folders by year. Some early Resolutions are referenced in minutes by calling them a resolution and assigning a resolution number but there is no actual Resolution. It is more of a "formal motion" but without an actual document, other than the Minutes. I believe the process was for the Clerk to create a "Minute Order" from the Minutes which was used in place of a Resolution.

Further, Resolutions were often pre-numbered and if the project went through the process and a Resolution was not passed, the approved resolutions simply take on the next number so that creates a gap in continuity. Making an Index of all Resolutions will help in locating this type of information. I am reviewing the Minutes making the Resolution list from that record and noting void if a number was skipped over. Also if a hard copy does not exist, I am noting MRO which means Minute Reference Only.

I will continue to update the Commission on the scanning project which I am working to complete by June 30.

Kathleen Moran, Clerk

Item #8

# Lake Local Agency Formation Commission

February 12, 2017

Honorable Cecilia Aguilar Curry  
State Capitol  
P.O. Box 942849  
Sacramento, CA 94249-0004

SUBJECT: City of Patterson v. Turlock Irrigation District

Dear Assemblyperson Curry:

As authorized by the Lake Local Agency Formation Commission, Lake LAFCo strongly supports CALAFCo's efforts to pursue legislation this year with respect to amending §56653 to overcome the ruling in a recent case involving the City of Patterson and the Turlock Irrigation District (TID). We believe the holding of this case presents significant difficulties and risks for LAFCo's throughout the state and that amendment of the statute should be one of the highest legislative priorities for CALAFCo.

As it has been explained by our legal counsel, the 5<sup>th</sup> District Court of Appeal in the recent case of City of Patterson v. Turlock Irrigation District ((2014) 227 Cal.App.4th 484, held that the language of section §56653 only permits applications for annexation or other reorganizations which include a plan to extend services to the area to be annexed. If no extension of services is proposed than no valid application for the change of organization can be made. Based on this, the Court invalidated the City of Patterson's request for annexation to the Turlock Irrigation District because the area was already being served under contract by TID and no new extension of services was being proposed. The Court itself apparently reached this result reluctantly. It noted that the language could be easily modified to allow such extensions for areas already being served, but as written, the plain meaning of the existing language compelled invalidation of the annexation application.

The Patterson court's interpretation of §56653 is in a published court of appeal decision, making it applicable law throughout California, thus impacting all 58 LAFCos and perhaps hundreds of individual annexation proposals. Consequently, if the holding is followed, no annexation to a special district or city of areas already being served is permitted unless the application includes a plan to extend additional services to the area beyond what is already being provided. This would preclude annexations particularly to single-purpose special districts of areas they are already serving under contract. This poses a significant problem for Lake LAFCo as there are several outstanding Out of Area Agreements.

The decision also has implications for LAFCo approval of out-of-agency contracts under §56133. Section 56133 only allows approval of contracts to extend services outside an agency's boundaries "in anticipation of annexation". The Patterson ruling precludes such later annexations. If no such annexation can occur, than §56133's requirement cannot be

C/O John Benoit, Executive Officer P.O. Box 2694, Granite Bay, CA  
(916) 797-7631 fax. (707) 592-7528 ph.



# Lake Local Agency Formation Commission

met and LAFCo should not be approving any such contracts for extension of services in the first place. If this were the case, hundreds of individual parcel owners in need of backbone services would be in a serious bind and local LAFCo's would have their hands tied by the court's actions.

We know of no LAFCo in the state that is complying with the Patterson decision as it runs directly contrary the legislative intent of the Cortese Knox Act as well to normal practice and policy. Consequently, it is only a matter of time before some smart attorney notices the Patterson ruling and successfully challenges such non-complying LAFCo actions.

We should not wait until one of our member agencies loses and faces a big attorney's fee bill. A legislative fix is needed as soon as possible as the clock is ticking on this legal time bomb. We therefore ask for your support for CALAFCO's proposed legislation.

Very Truly Yours,

A handwritten signature in cursive script that reads "Stacey Mattina". The signature is fluid and extends across the width of the text area.

Stacey Mattina  
Chair, Lake LAFCo

cc: Pamela Miller, Calafco

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

Due to an expiring term of office, the Lake Local Agency Formation Commission (LAFCO) has an opening on the Commission and is providing notice for one Lake County citizen to serve as its Public Member Alternate. 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](http://www.lakelafco.org)

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

The appointment is for a public member alternate 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 2021. A public member alternate 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 alternate on the Commission. A Public Alternate 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 Alternate to serve on the Lake Local Agency Formation Commission no later than Wednesday, April 26<sup>th</sup>, 2017. If you have any questions, please do not hesitate to call John Benoit, Executive Officer at (707) 592-7528 or email [johnbenoit@surewest.net](mailto:johnbenoit@surewest.net). 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 [johnbenoit@surewest.net](mailto:johnbenoit@surewest.net). Potential applicants will be invited to the May 17, 2017 LAFCO meeting for an interview with the Commission.

Dated: February 15, 2017

Lake LAFCO  
John Benoit  
EXECUTIVE OFFICER

# 14

LAKE LAFCO  
REPORT OF PERFORMANCE EVALUATION

Date: March 15, 2017

Position: LAFCO Executive Officer

Name : John Benoit

Rating Period: March 2016 through March 2017

A= Superior B = Very Good C = Satisfactory D = Needs Improvement F = Unacceptable

Item	Rating	Comments
Accuracy of Work	_____	_____
Knowledge of LAFCO	_____	_____
Adaptability	_____	_____
Resourcefulness	_____	_____
Organization of Work	_____	_____
Leadership	_____	_____
Professional Interest	_____	_____
Knowledge of County	_____	_____
Other	_____	_____

**In light of fiscal constraints, what would the Commission desire staff to do during the upcoming year?**

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

Signature (Chairperson) \_\_\_\_\_

Signature of person being evaluated \_\_\_\_\_