

# **Lake Local Agency Formation Commission**

## **Regular Meeting Agenda**

**September 20, 2017 -- 9:30 am**

**City of Clearlake** – City Council Chambers

14050 Olympic Dr. Clearlake, California

Website: [www.lakelafco.org](http://www.lakelafco.org)

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

### **Commissioners**

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

### **Commission Alternate Members**

Victoria Brandon (Spec. District Alternate)  
Suzanne Lyons (Public Alternate)  
Jeff Smith (County Alternate)  
Bruno Sabatier (City 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** – July 19, 2017 minutes.

#### **4. 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.

#### **5. Consent Agenda**

*Action: Review and authorize payment of expenses for July and August 2017*

## PUBLIC HEARING:

6. **PUBLIC HEARING** regarding a Service Review and Sphere of Influence update for the Hidden Valley Lake Community Services District.
  - a. *Receive Executive Officer's report, conduct hearing regarding a Service Review and Sphere of Influence update for the Hidden Valley Lake Community Services District.*
  - b. *Consider Resolution 2017-0007 approving the Service Review for services provided by the Hidden Valley Lake CSD*
  - c. *Consider Resolution 2017-0008 approving a Sphere of Influence update for the Hidden Valley Lake CSD.*

## OTHER BUSINESS

7. **Executive Officer's report.**

*Little Hoover Commission Final Report  
Legislation  
Update re: Cobb Area Service Review  
Hodges Annexation to Finley – November 15, 2017  
Calafco Conference Update*

8. **LAFCo Counsel's report**

9. **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.*

10. **Correspondence**

11. **Adjourn to LAFCO's next regular meeting: Wednesday November 15<sup>th</sup>, 2017 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 [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  
July 19, 2017  
REGULAR MEETING

**Members Present:**

Stacey Mattina, City Member, Chair  
Gerry Mills, Vice-Chair, Special Districts  
Moke Simon, County Member  
Tina Scott, County Member  
Victoria Brandon, Special District Alternate  
Ed Robey, Public Member  
Suzanne Lyons, Public Alternate  
Bruno Sabatier, City Alternate

**Staff Present:**

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

Absent: Joyce Overton, City Member, Jeff Smith, County Alternate

**1. Call to Order**

Chair Mattina called the meeting to order at 9:30 a.m. in the Lakeport City Council Chambers.

**2. Election of Chair and Vice-Chair for FY 2017-2018.**

Motion by Commissioner Gott, seconded by Commissioner Robey to nominate Commissioner Mills as Lake LAFCo Chair for FY 2017-18. Motion carried.

Motion by Commissioner Robey, seconded by Commissioner Mills to nominate Commissioner Gott as of Lake LAFCo Vice-Chair for FY 2017-18. Motion carried.

**3. Approval of Minutes**

Motion by Commissioner Simon, seconded by Commissioner Robey to approve the Minutes of the May 17, 2017 Regular Meeting. Motion carried.

**4. Public Comment – None.**

**5. Consent Agenda**

Motion by Commissioner Robey, seconded by Commissioner Simon to authorize payment of expenses for May and June 2017. Motion carried.

**6. Workshop regarding a Service Review and Sphere of Influence update for the Hidden Valley Lake Community Services District.**

EO opens workshop by introducing Kirk Cloyd, General Manager of the Hidden Valley Lake CSD. EO reviewed the information and data used for the report and emphasized that Hidden Valley Lake CSD is an outstanding district in terms of performance.

Commissioner Mills asked about the State Water Resources Control Board order, EO clarified it was a Curtailment Order, not a Compliance Order (pg 12 of the Report) and that a correction will be made.

Mr. Cloyd stated that the State Water Board placed a meter moratorium on the District itself. District Units 4 and 5 have Riparian Rights, Valley Oaks Subdivision and anyone else with property located within the areas that have Riparian Rights can obtain meters, can build and have water rights. The State is not curtailing anyone with Riparian Rights, only those that came afterwards and do not have Riparian Rights. The Regional Board will be asking the State to lift the moratorium which has been in place since 2014 and that a letter making the request will be going out this week.

Commissioner Lyons asked about a typo or mathematical error on Page 30, Statement of Revenues and Expenses. EO will correct and do an addendum for this and any other corrections.

EO stated that until the moratorium is lifted the Commission should not be considering approval of any annexations to the District. Mr. Cloyd stated that the areas with Riparian Rights are not subject to the moratorium and they have a right to build.

Commissioner Lyons asked about who is in control of determining the connection fees and which costs are covered by the fees. Mr. Cloyd stated that as a Special District they are obligated to ensure the new construction pays its fair share if something needs to be upsized to accommodate the new development. Commissioner Mills asked about how Riparian Rights are awarded with Mr. Cloyd responding that determination is made by the state and it is set out in the deed for those parcels.

Commissioner Robey asked about the status of the Valley Oaks Project. Mr. Ken Porter of Valley Oaks Development estimated construction would begin by Spring of 2018 with product on line by 2019. On the matter of Riparian Water Rights, he stated that he has a letter from the State of California that recognizes the development's Riparian Water Rights and spells out the hook ups for the subdivision. He stated that he will provide EO a copy of the letter.

Commissioner Brandon suggested that Mr. Porter look at report Section 2.4.1, Valley Oaks Development, to verify the information. She also noted the following errors: page 5, Hidden Valley Lake is either 4.5 or 6 miles from Middletown, not 9 miles as stated and in the second to the last paragraph reference to a large Marina should be Clear Lake, not Clearlake. On page 7 re: fire evacuation 2015, should specify "Valley Fire". EO to incorporate all new, corrected or updated information into the report and set a Public Hearing for the September meeting.

**7. Consider third amendment to agreement for LAFCo Legal Services as recommended at the May 17, 2017 LAFCo Meeting**

Motion by Commissioner Simon, seconded by Commissioner Robey to approve Third Amendment to the Agreement for Legal Services between the Lake Local Agency Formation Commission and P. Scott Browne and authorize chair to sign the amended agreement. Motion carried.

**8. Consider fourth amendment to agreement for LAFCo Staff Services as recommended at the May 17, 2017 LAFCo Meeting.**

Motion by Commissioner Robey, seconded by Commissioner Simon to approve

Fourth Amendment to Agreement for LAFCo Staff Services between the Lake Local Agency Formation Commission and John Benoit and authorize chair to sign the amended agreement. Motion carried.

**9. Authorize Commissioners and Staff to attend the Calafco Annual Conference in San Diego October 24-27, 2017.**

Discussion was held on which members would be available to attend the Conference and it was determined that Commissioners Overton and Mills would attend. Commissioner Robey stated that he would be available to attend if needed.

**10. Calafco Achievement Award Nominations.**

The Commission reviewed Calafco information regarding nominations for a Calafco Achievement Award. Commissioner Mills suggested nominating Clerk Moran. The Commission concurred and Commissioner Mattina directed EO to submit the nomination. The Clerk expressed appreciation to the Commission for their support.

**11. Nominations for 2017-18 Calafco Board of Directors.**

Brief discussion was held. No nominations were offered.

**12. Designate voting member and alternate voting member to vote on behalf of Lake LAFCo at the Annual Calafco Conference in San Diego.**

Commissioner Sabatier nominated Commissioner Mills to serve as voting member and Commissioner Overton as Alternate voting member. Commissioner Robey seconded. No objections or other nominations were heard. Approved.

**13. Executive Officer's report.**

1. EO spoke to the Little Hoover Commission's recommendations currently under consideration, i.e., that the Legislature provide one-time grant funding for specified LAFCo activities, such as MSR preparation. Another recommendation calls for incentives for smaller special districts to develop or implement dissolution or consolidation plans, and a recommendation for funding augmentation for LAFCo's based on a percentage of local property taxes. This recommendation was based on the testimony provided by representatives of CALAFCo. There were several other LAFCo related recommendations, including proposals addressing the issue of inactive districts.

2. EO reported on the progress of the Cobb Area MSR/SOI and ultimate annexation of the Cobb Area County Water District. EO is working with various state agencies, using grant funding provided because of the Valley Fire.

**14. LAFCo Counsel's Report**

- Governor signed AB 464 on July 10.
- SB 448 by Senator Wieckowski This bill authorizes LAFCo to dissolve inactive districts (after determining they meet the criteria set forth in the statute) by

holding one hearing, without conducting a special study and with the waiver of protest proceedings. The Special District Association expressed concerns as did CALAFCo and both have been working with the Senator to make some necessary changes to achieve the elimination of paper districts.

- AB 1361, Municipal water districts: water service: Indian tribes. Amends Section 71611.5 of the Water Code - upon the request of an Indian tribe and the satisfaction of the conditions stated in subdivision (b), a district shall provide service of water at substantially the same terms applicable to the customers of the district to an Indian tribe's lands that are not within a district as if the lands had been fully annexed into the district and into any other public agencies required for the provision of water service if the Indian tribe's lands meet certain requirements.

CALAFCo is opposing.

Commissioner Simon noted that tribes statewide support the bill and spoke to preservation of sovereign rights. He stated that the bill would allow tribes to contract with water districts to provide service to tribal communities and businesses. Discussion was held on the recent unsuccessful attempt to annex into the Calyomi WD. Mr. Browne stated that annexation died because of the District, not LAFCo. Mr. Browne made explanatory statement in opposition to the bill noting LAFCo has no authority over the tribes or the federal government only the districts and their ability to provide services, and this bill would compromise LAFCo's watchdog role.

## **15. Commissioner Reports**

Commissioner Brandon reported that the State Water Board will hold a public workshop in Clearlake at 1:00 pm on August 28 on the Clearlake Nutrient TMDL.

Commissioner Lyons asked about the status of the Storm Water Commission, if Commissioners Simon or Scott had been able to obtain any information as discussed at the last meeting. Commissioner Simon stated that he attempted to obtain information, but does not have an answer yet, and will continue to follow-up and let Commissioner Lyons and the rest of the Commissioners know as soon as he gets an answer.

Commissioner Mattina reported that the City of Lakeport and the County have been negotiating a tax share agreement for annexation and it is moving along well and that information should be making its way to LAFCo.

## **16. Correspondence**

Flyer for the Calif Special District Assn Conference  
10:48 a.m. Meeting adjourned.

**Next regular meeting:** Wednesday September 20, 2017 in Clearlake.

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

# Lake Local Agency Formation Commission

## CLAIMS

July and August 2017

<u>Date of Claim</u>	<u>Description</u>	<u>Amount</u>
6.16.17-7.15.17	Browne Legal	\$ 525.00
Aug 1, 2017	Staff Services July 2017	\$ 5,103.17
Aug 1, 2017	HVLCSD MSR and SOI	\$ 2,047.00
Aug 1, 2017	Travel Reimb Calafco Oct	\$ 385.92
7.16. 2017-8.15.17	Browne Legal	\$ 1,837.50
July 19, 2017	Meeting Stipend	\$ 600.00
Sept 1, 2017	Staff Svcs August 2017	\$ 5,047.67
Sept 1, 2017	HVLCSD MSR and SOI	\$ 2,300.00
Sept 1, 2017	Cobb Area MSR and SOI	\$ 4,500.00
July 1, 2017	Calafco Conf Regis	\$ 1,470.00
TOTAL:		\$ 24,791.76

DATED: September 20, 2017

APPROVED: September 20, 2017

---

Gerry Mills, Chair or Allen Gott, Vice-Chair  
Lake Local Agency Formation Commission

Attest:

---

John Benoit  
Executive Officer



Amount Budgeted	Comm Stipend	Supplies	Memberships	Books	Public	Attorney Service	LAFco Clerk	Office Support	Staff	Legal Notices	Trans Travel	Conf Regis	Gen Reserve	Contingency Insurance	GIS Mapping	Webpage	Auditor
2017-2018 Adopted Budget	880.00	22.70	880.00	20.00	880.00	22.72	880.23	79	880.23	79	880.23	50	880.00	880.90	81	880.23	80
JB June 1-30, 2017	\$ 3,280.00	\$ 250.00	\$ 899.00	\$ 200.00	\$ 18,633.00	\$ 4,000.00	\$ 7,000.00	\$ 48,468.00	\$ 1,000.00	\$ 5,500.00	\$ 2,500.00	\$ 40,000.00	\$ 10,000.00	\$ 1,400.00	\$ 6,000.00	\$ 150.00	\$ 2,500.00
Browne ending 6.15.17																	
17-18 Calafco Dues																	
Browne ending 7.15.17																	
JB July 1-31, 2017																	
Calafco Cont Reg Overton, Moran and Mills																	
JB Calafco Airfare reimb Moran and JB																	
Comm Payroll July 18, 2017																	
JB staff Svcs August 1-31-2017																	
Browne Ending 8.15.17																	
Remaining in Account	\$ 4,680.00	\$ 250.00	\$ -	\$ 200.00	\$ 15,745.00	\$ 3,187.50	\$ 5,350.00	\$ 38,358.98	\$ 1,000.00	\$ 5,114.08	\$ 1,030.00	\$ 1,400.00	\$ 6,000.00	\$ 150.00	\$ 2,500.00	\$ 0.00	\$ 0.00
Expended	\$ (800.00)	\$ -	\$ (899.00)	\$ 0.00	\$ (2,887.00)	\$ (512.50)	\$ (1,850.00)	\$ (12,129.01)	\$ -	\$ (385.92)	\$ (1,470.00)	\$ -	\$ 0.00	\$ 0.00	\$ -	\$ -	\$ 0.00



**Memorandum**  
**September 20, 2017**

**TO:** Lake LAFCo Commissioners

**FROM:** John Benoit, Executive Officer

**SUBJECT:** Hidden Valley Lake Service Review and Sphere of Influence  
and Valley Oaks Development Environmental Information

In July you received a copy of the MSR-SOI for the Hidden Valley Lake Community Services District (CSD). A revised MSR-SOI HEARING DRAFT document has been prepared largely because the 2014-2015 Audit and Budget as well as other financial information have been replaced by the 2016-2017 Budget and the 2015-2016 Audit for the period ending June 30, 2016. In addition, several editing changes were made throughout the document based on changes proposed by the Hidden Valley Lake CSD and others at the July LAFCo meeting.

An EIR was prepared for the Valley Oaks Development. The Valley Oaks Development EIR includes an expanded Sphere of Influence area to be part of the Hidden Valley Lake Sphere. The environmental information including the EIR and Notice of Determination for the Valley Oaks Development supporting this Sphere of Influence addition is located on LAFCo's website at [www.lakelafco.org](http://www.lakelafco.org) under the heading "Hidden Valley Lake CSD MSR and SOI". Commissioners should read the information posted prior to approval. An annexation of this expanded sphere area including the Valley Oaks Development will be taking place in the near future.

Along with the EIR is a Notice of Exemption for the existing Sphere of Influence area since this area is largely developed and any growth to take place would be infill development.

**Recommendation:**

Staff recommends the Commission adopt the following:

- a. *Consider Resolution 2017-0007 adopting a Service Review for the Hidden Valley Lake CSD.*
- b. *Consider Resolution 2017-0008 updating a Sphere of Influence for the Hidden Valley Lake CSD.*

- 2) The previously adopted Municipal Service Review is hereby superceeded in favor of this September 2017 service review.
- 3) LAFCO staff is further ordered to forward copies of this resolution containing the adopted Municipal Service Review to the Hidden Valley Lakes Community Services District.

The foregoing resolution was duly passed by the Lake Local Agency Formation Commission at a regular meeting held on September 20, 2017, by the following roll call vote:

Ayes:

Noes:

Absentions:

Absent:

Signed and approved by me after its passage this 20th day of September, 2017.

\_\_\_\_\_  
Gerry Mills, Chair or Allen Gott Vice-Chair, Lake LAFCO

Attest:

\_\_\_\_\_  
John Benoit, Executive Officer  
LAKE LOCAL AGENCY FORMATION COMMISSION,

## **Resolution 2017-0007 of the**

### **Lake Local Agency Formation Commission**

*Approving a Municipal Service Review of Services Provided by the Hidden Valley Lakes Community Services District and Adopting Written Determinations Thereon*

WHEREAS, California Government Code Section 56425 requires that a Local Agency Formation Commission ("LAFCO") adopt and periodically review Sphere of Influence Plans for all agencies in its jurisdiction; and,

WHEREAS, California Government Code Section 56430 requires that a LAFCO conduct a review of the municipal services provided by and within an agency prior to updating or adopting its Sphere of Influence Plan; and,

WHEREAS, the Sphere of Influence Plan is the primary planning tool for LAFCO and defines the probable physical boundaries and service area of a local agency as determined by LAFCO; and,

WHEREAS, on April 17, 2002, the Commission adopted its Work Plan and included a schedule for initiation of Municipal Service Reviews (MSRs) and Spheres of Influence; and

WHEREAS, the Commission adopted guidelines for conducting MSRs, which applies to this MSR for services provided by the Hidden Valley Lakes Community Services District; and,

WHEREAS, at the time and in the manner provided by law, the Executive Officer gave notice of the date, time, and place of a public hearing by the Commission for water and wastewater services provided by the Hidden Valley Lakes Community Services District, including approval of the report and adoption of the written determinations contained therein; and,

WHEREAS, the Commission hereby determines that the hearing draft of the Municipal Service Review for water and wastewater services provided by the Hidden Valley Lakes Community Services District and written determinations contained therein will provide information for updating the Sphere of Influence for the Hidden Valley Lakes Community Services District, and is otherwise consistent with the purposes and responsibility of the Commission for planning the logical and orderly development and coordination of local governmental agencies so as to advantageously provide for the present and future needs of the county and its communities; and,

WHEREAS, in making this determination, the Commission has considered the documentation on file in this matter; and,

WHEREAS, the Commission has heard all interested parties desiring to be heard and has considered the proposal and report by the Executive Officer and all other relevant evidence and information presented at said hearing;

NOW, THEREFORE, the Lake Local Agency Formation Commission hereby resolves, orders and determines the following:

- 1) The Municipal Service Review for Services provided by the Hidden Valley Lakes Community Services District, attached hereto as Exhibit A, is approved and the written determinations presented in the Municipal Service Review report are hereby adopted.

LAKE LOCAL AGENCY FORMATION COMMISSION

*A Resolution Making Determinations and Approving A Sphere  
of Influence Update for the Hidden Valley Lake Community Services District*

**WHEREAS**, Government Code Section 56425 requires each Local Agency Formation Commission to adopt and periodically review and update a sphere of influence for each local governmental agency within its jurisdiction; and

**WHEREAS**, the Lake Local Agency Formation Commission, in compliance with the aforementioned requirement, is providing a “plan for the probable physical boundaries and service area” for the Hidden Valley Lake Community Services District; and

**WHEREAS**, the Commission has set the initial hearing date of September 20, 2017 for the update of the sphere of influence for the Hidden Valley Lake Community Services District and has noticed this hearing at the times and as otherwise prescribed by Government Code Section 56150, *et seq.*; and

**WHEREAS**, the Commission has heard and adopted a Municipal Services Review of services provided by the Hidden Valley Lake Community Services District in accordance with Gov. Code section 56430; and

**WHEREAS**, the Commission has reviewed and considered the proposed Sphere of Influence update report and the proposed Sphere of Influence Update Map which are attached hereto and incorporated herein; and

**WHEREAS**, The County of Lake has prepared and certified and adopted findings of fact as the Lead Agency an Environmental Impact Report including mitigation measures for the Valley Oaks Project General Plan of Development (SCH No. 2007032030) for its General Plan of Development on June 25, 2015 pursuant to the requirements of the California Environmental Quality Act (Section 21000 *et seq* of the Public Resources Code); and

**WHEREAS**, the Commission has considered those factors determined by it to be relevant to the proposed sphere of influence update, including, but not limited to, those factors specified in Government Code Section 56425, *et seq.*, and has heard from interested parties and considered requests for amendment and/or revision of the proposed updated sphere boundary, if any;

**NOW, THEREFORE, BE IT RESOLVED** that the Lake Local Agency Formation Commission does hereby find and determine as follows:

1. That the proposed sphere of influence update with respect to the Hidden Valley Lake Community Services District complies with the provisions of Government Code Section 56000, *et seq.*
2. That no significant protests have been received regarding the establishment of this Sphere of Influence update.
3. That, pursuant to Government Code Section 56425, the Commission makes and adopts those determinations set forth in the Sphere of Influence Study are attached hereto and incorporated herein.
4. Pursuant to Section 15096 of the State CEQA Guidelines, The Commission has reviewed and considered the information contained in the Certified Environmental Impact Report (EIR) for the County of Lake for the Valley Oaks General Plan of Development SCH No. 2007032030

prepared and certified by the County of Lake for the Valley Oaks General Plan of Development and has exercised its independent judgment and reached its own conclusions considering the EIR. The Commission hereby finds that there has been and could not have been any changes in circumstances warranting any supplemental or additional environmental review to this EIR and makes a specific determination that the issues and mitigation measures as adopted by the County of Lake adequately address this Sphere of Influence and hereby affirms this EIR and its findings of fact as a responsible agency as approved by the County on June 25, 2015.

5. That pursuant to the California Environmental Quality Act, the Commission adopts a Notice of Exemption under Class 20 since with the exception of the Valley Oaks development for which an EIR prepared the proposed remaining sphere will not change as a result of this update, which is consistent with the adopted Lake County General Plan.
6. Pursuant to Government Code Section 56425 (i) the Hidden Valley Lake Community Services District is authorized to provide domestic water and wastewater collection and treatment services within the territory set forth in Attachment "A". Other services a Community Services District may provide shall be considered a new service and LAFCO approval shall be required.
7. All previously adopted Sphere of Influence updates and (or) amendments are hereby repealed in favor of this Sphere of Influence Update.
8. That the Sphere of Influence Update Report, Executive Officer's Report, and Map for the Hidden Valley Lake Community Services District updated Sphere are hereby adopted and approved as set forth in Attachment "A".

The foregoing resolution was duly passed by the Lake Local Agency Formation Commission at a regular meeting held on September 20, 2017, by the following roll call vote:

Ayes:

Noes:

Absentions:

Absent:

Signed and approved by me after its passage this 20th day of September 2017

\_\_\_\_\_  
Gerry Mills, Chair or Allen Gott Vice-Chair, Lake LAFCO

Attest:

\_\_\_\_\_  
John Benoit, Executive Officer  
LAKE LOCAL AGENCY FORMATION COMMISSION

## NOTICE OF EXEMPTION

**TO:** County Clerk  
County of Lake  
Lakeport, CA

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

**PROJECT TITLE:** Sphere of Influence Update: *Hidden Valley Lake CSD*

**PROJECT LOCATION:** Coyote Valley in Lake County

**DESCRIPTION OF PROJECT:**

The proposed project involves the determination of a Sphere of Influence Update for the Sphere of Influence Update: *Hidden Valley Lake CSD*.

**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:**

Class 20 Categorical Exemption, "Changes in Organization of Local Agencies," CEQA Guidelines 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 Section 15320 of the CEQA Guidelines (Class 20) as the Sphere of Influence Update would not result in any change in services since these districts already serve respective Sphere of Influence territory 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 Sphere of Influence Update is only affirming existing functions (domestic water and wastewater) into an existing Sphere of Influence, there is no possibility that this activity may have a significant effect on the environment since the services are already provided and no conditions have changed nor could be changed as a result of affirming the existing Sphere of Influence.

**CONTACT PERSON:**  
John Benoit  
LAFCO Executive Officer

**TELEPHONE NUMBER:**  
(707) 592-7528

By: \_\_\_\_\_

Date: September 20, 2017