



Local Agency Formation Commission
for the County of Los Angeles

Commission
Jerry Gladbach
Chair

Richard H. Close
Donald L. Dear
Margaret Finlay
Tom LaBonge
Gloria Molina
Henri F. Pellissier
David Spence
Zev Yaroslavsky

Alternates
Lori Brogin
Don Knabe
Paul Krekorian
Gerard McCallum
Judith Mitchell
Joseph Ruzicka

Staff
Paul A. Novak, AICP
Executive Officer

June D. Savala
Deputy
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LOCAL AGENCY FORMATION COMMISSION MEETING AGENDA

Wednesday, June 11, 2014
9:00 a.m.

Room 381B
Kenneth Hahn Hall of Administration
500 West Temple Street, Los Angeles 90012

A person with a disability may contact the LAFCO office at (626) 204-6500 at least 72 hours before the scheduled meeting to request receipt of an agenda in an alternative format or to request disability-related accommodations, including auxiliary aids or services, in order to participate in the public meeting. Later requests will be accommodated to the extent feasible.

The entire agenda package and any meeting related writings or documents provided to a majority of the Commissioners after distribution of the agenda package, unless exempt from disclosure pursuant to California Law, are available at the LAFCO office and at www.lalafco.org.

1. **CALL MEETING TO ORDER**
2. **PLEDGE OF ALLEGIANCE WILL BE LED BY CHAIRMAN GLADBACH**
3. **DISCLOSURE OF CAMPAIGN CONTRIBUTION(S)**
4. **SWEARING-IN OF SPEAKER(S)**
5. **INFORMATION ITEM(S) – GOVERNMENT CODE §§ 56751 & 56857
NOTICE**

Upon receipt of any proposed change of organization or reorganization that includes the annexation of territory to any district, if the proposal is not filed by the district to which annexation of territory is proposed, Government Code Section 56857(a) requires LAFCO to place the proposal on its agenda for informational purposes only.

- a. Reorganization No. 2014-06 to Los Angeles County Waterworks District No. 29, Malibu (Amendment to Las Virgenes Municipal Water District and Los Angeles County Waterworks District No. 29, Malibu, SOIs; Detachment from Las Virgenes Municipal Water District and Annexation to Los Angeles County Waterworks District No. 29, Malibu)

6. **CONSENT ITEM(S)**

All matters are approved by one motion unless held by a Commissioner or member(s) of the public for discussion or separate action.

- a. Annexation No. 418 to Los Angeles County Sanitation District No. 22 and California Environmental Quality Act exemption.
- b. Approve Minutes of May 14, 2014.
- c. Operating Account Check Register for the month of May 2014.
- d. Receive and file update on pending applications.

7. **PUBLIC HEARING(S)**

- a. Annexation No. 2 to Los Angeles County Sanitation District No. 1 (Amendment to Los Angeles County Sanitation District No. 1 Sphere of Influence) and California Environmental Quality Act exemption.
- b. Annexation No. 417 to Los Angeles County Sanitation District No. 22 and California Environmental Quality Act exemption.
- c. Fiscal Year 2014-15 Final Budget.

8. **PROTEST HEARING(S)**

None

9. **OTHER ITEMS**

- a. Santa County Water District MSR and SOI Update
- b. Public Member Vacancy

10. **COMMISSIONERS' REPORT**

Commissioners' questions for staff, announcements of upcoming events and opportunity for Commissioners to briefly report on their LAFCO-related activities since last meeting.

11. EXECUTIVE OFFICER’S REPORT

Executive Officer’s announcement of upcoming events and brief report on activities of the Executive Officer since the last meeting.

12. PUBLIC COMMENT

This is the opportunity for members of the public to address the Commission on items not on the posted agenda, provided that the subject matter is within the jurisdiction of the Commission. Speakers are reminded of the three-minute time limitation.

13. FUTURE MEETINGS

July 9, 2014

August 13, 2014

September 10, 2014

October 8, 2014

14. FUTURE AGENDA ITEMS

Items not on the posted agenda which, if requested, will be referred to staff or placed on a future agenda for discussion and action by the Commission.

15. ADJOURNMENT MOTION

Staff Report

June 11, 2014

Agenda Item No. 5.a.

GOVERNMENT CODE § 56857 NOTICE

(For Informational Purposes Only, Receive and File)

Upon receipt of any proposed change of organization or reorganization that includes the annexation of territory to any district, if the proposal is not filed by the district to which annexation of territory is proposed, Government Code section 56857(a) requires LAFCO to place the proposal on its agenda for informational purposes only, and to transmit a copy of the annexation proposal to any district to which an annexation of territory is requested. Pursuant to Government Code section 56857(b), no later than 60 days after the meeting date, the annexing district may adopt and submit to LAFCO a resolution requesting termination of the annexation proceedings. The law requires that any such resolution requesting termination must be "based upon written findings supported by substantial evidence in the record that the request is justified by a financial or service related concern." Prior to the Commission's termination of proceedings the resolution is subject to judicial review as provided in Government Code sections 56857(b) and (c).

60-Day Termination Period

LAFCO may not hear and consider the proposed annexation until after the 60-day termination period has expired. The Code provides, however, that the Commission may waive the 60-day termination period if the annexing district adopts and submits to LAFCO a resolution supporting the change of organization or reorganization.

The following is a summary of the annexation proposal filed with LAFCO:

- a. *Project Description* – Reorganization No. 2014-06 to Los Angeles County Waterworks District No. 29, Malibu (Amendments to Las Virgenes Municipal Water District and Los Angeles County Waterworks District No. 29, Malibu, SOIs; Detachment from Las Virgenes Municipal Water District and Annexation to Los Angeles County Waterworks District No. 29, Malibu).

Proposed detachment of two acres from Las Virgenes Municipal Water District and annexation of said territory to the Los Angeles County Waterworks District No. 29, Malibu.

Project Location - The project site is located on 23347 Palm Canyon Lane in the unincorporated territory.

The Executive Officer will transmit a copy of the annexation proposal to Los Angeles County Waterworks District No. 29, Malibu, as required by Government Code section 56857(a).

Recommended Action Receive and file.

Staff Report

June 11, 2014

Agenda Item No. 6.a.

Annexation No. 418 to Los Angeles County Sanitation District No. 22.

PROPOSAL SUMMARY:

Size of Affected Territory:	0.585± acres
Inhabited/Uninhabited:	Uninhabited
Applicant:	Los Angeles County Sanitation District No. 22.
Resolution or Petition:	February 27, 2013
Application Filed with LAFCO:	March 11, 2013
Location:	The affected territory is located on Hicrest Road approximately 200 feet north of Yucca Ridge Road.
City/County:	City of Glendora
Affected Territory:	The affected territory consists of one single-family home located within a residential area. The topography is flat.
Surrounding Territory:	Surrounding territory is residential.
Landowner(s):	David L. Nichols
Registered Voters:	1 registered voter as of February 26, 2014
Purpose/Background:	For the District to provide off-site sewage disposal service.
Related Jurisdictional Changes:	There are no related jurisdictional changes.
Within SOI:	Yes
Waiver of Notice/Hearing/Protest:	Yes

CEQA Clearance:

The proposal is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15319(a) because the annexation consists of areas containing existing structures developed to the density allowed by the current zoning. The categorical exemption was adopted by Los Angeles County Sanitation District No. 22, as lead agency, on February 27, 2013.

Additional Information:

None

FACTORS TO BE CONSIDERED PURSUANT TO GOVERNMENT CODE 56668:

a. Population:

The existing population is 1 resident as of March 1, 2013. The population density is 1.71 persons per acre.

The estimated future population is 1 resident.

The affected territory is 0.585+/- acres. The existing land use is one single-family home.

The assessed valuation is \$207,991 as of April 22, 2014. The per capita assessed valuation is \$207,991. On August 6, 2013, the County adopted a negotiated tax exchange resolution; all other involved public agencies have adopted a property tax transfer resolution.

The topography of the affected territory is flat.

To the north of the affected territory is Angeles National Forest. There are no drainage basins on or near the affected territory.

The affected territory is surrounded by populated areas to the east, south, and west. Angeles National Forest is to the north. The affected territory is likely to experience no growth in the next ten years. The adjacent areas are likely to experience no growth in the next ten years.

b. Governmental Services and Controls:

The affected territory includes one single-family home which requires organized governmental services. The affected territory will require governmental services indefinitely.

The present cost and adequacy of governmental services and controls in the area are acceptable. With respect to sanitary sewage disposal, other than service provided by the District, the only alternative is private septic systems. The cost of sewage disposal by the District versus the cost by septic system is subject to multiple factors and varies widely. Service by the District is considered to be more reliable than septic systems. Service by the District is environmentally superior in terms of wastewater treatment, effluent discharge, and impacts on surface water bodies and groundwater.

c. Proposed Action and Alternative Actions:

The proposed action will have no effect on mutual social and economic interests. The proposal has no impact on the local governmental structure of the County.

The only alternate action for sewage disposal is a private septic system. Service by the District is considered to be more reliable than septic systems. Service by the District is environmentally superior in terms of wastewater treatment, effluent discharge, and impacts on surface water bodies and groundwater.

d. *Conformity with Commission Policies on Urban Development and Open Space Conversion Policies:*

There are no conformance issues because the Commission has not adopted any policies relative to providing planned, orderly, efficient patterns of urban development.

There is no prime agricultural land within or adjacent to the affected territory. The proposal conforms with the objectives in Government Code Sections 56377(a) and 56377(b).

e. *Agricultural Lands:*

There are no effects on agricultural lands. None of the land within the affected territory is currently used for the purpose of producing an agricultural commodity for commercial purposes. According to the California Department of Conservation, Division of Land Resource Protection, none of the land within the affected territory is subject to a Land Conservation Act (aka "Williamson Act") contract nor in a Farmland Security Zone (California Land Conservation Act 2012 Status Report).

f. *Boundaries:*

The boundaries of the affected territory have been clearly defined by the applicant, and these boundaries have been reviewed and approved by LAFCO's GIS/Mapping Technician.

The boundaries conform to lines of assessment or ownership, and these boundaries have been reviewed and approved by LAFCO's GIS/Mapping Technician.

As a special district annexation, the proposal has no impact on existing city-county boundaries, nor does it create islands or corridors of unincorporated territory.

g. *Consistency with Plans:*

The proposal has no significant impact upon, and is therefore consistent with, the Regional Transportation Plan.

The proposal is consistent with the existing City's General Plan designation of Low Density.

The affected territory is not within the boundaries of any Specific Plan.

Pre-zoning is not a requirement for a special district proposal.

h. *Sphere of Influence:*

The affected territory is within the Sphere of Influence of the Los Angeles County Sanitation District No. 22.

i. *Comments from Public Agencies:*

Staff did not receive any significant comments from public agencies or any resolutions raising objections from any affected agency.

j. *Ability to Provide Services:*

The affected territory is already being serviced by the District. The area was included in the future service area that might be served by the District. The District's future wastewater management needs were addressed in the Joint Outfall System 2010 Master Facilities Plan.

k. *Timely Availability of Water Supplies:*

There are no known issues regarding water supply or delivery.

l. *Regional Housing:*

As a special district annexation, the proposal will not affect any city, nor the county, in achieving their respective fair shares of the regional housing needs as determined by the Southern California Association of Governments (SCAG).

m. *Comments from Landowners, Voters, or Residents:*

Staff did not receive any significant comments from landowners, voters, or residents.

n. *Land Use Designations*

The proposal is consistent with the existing City's General Plan designation of Low Density.

The proposal is consistent with the existing City's zoning designation of Single-Family Residential.

o. *Environmental Justice:*

All of the owners of real property within the affected territory have requested, in writing, that the District provide off-site sewage disposal service. Property-owners in adjacent areas did not request such service, and/or were contacted by Sanitation District staff and were not interested in securing such service or did not respond. The proposal promotes environmental justice, in that there is fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services.

There are no Disadvantaged Unincorporated Communities (DUCs) within or adjacent to the affected territory.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) CLEARANCE:

The proposal is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15319(a) because the annexation consists of areas containing existing structures developed to the density allowed by the current zoning. The Categorical Exemption was adopted by Los Angeles County Sanitation District No. 22, as lead agency, on February 27, 2013.

DETERMINATIONS WITHOUT NOTICE AND HEARING, AND WAIVER OF PROTEST PROCEEDINGS:

Pursuant to Government Code Section 56662(a), the Commission may make determinations upon the proposed annexation without notice and hearing and may waive protest hearings for the reasons set forth herein. The territory is uninhabited. To date, no affected local agency has submitted a written demand for notice and hearing during the 10-day period referenced in Government Code Section 56662(c). Furthermore, the proposal was accompanied by satisfactory proof that all of the landowners within the affected territory have given their written consent to the proposed annexation. Based thereon, the Commission may make determinations on the proposed annexation without notice and hearing, and the Commission may waive protest proceedings.

CONCLUSION:

Staff recommends approval of the proposal as a logical and reasonable extension of the Los Angeles County Sanitation District No.22, which will be for the interest of landowners and/or present and/or future inhabitants within the district and within the annexation territory.

Recommended Action:

1. Adopt the Resolution Making Determinations Approving and Ordering Annexation No. 418 to Los Angeles County Sanitation District No. 22.

**RESOLUTION NO. 2014-00RMD
RESOLUTION OF THE LOCAL AGENCY FORMATION
COMMISSION FOR THE COUNTY OF LOS ANGELES
MAKING DETERMINATIONS APPROVING AND ORDERING
"ANNEXATION NO. 418 TO THE LOS ANGELES COUNTY SANITATION DISTRICT NO. 22"**

WHEREAS, the Los Angeles County Sanitation District No. 22 (District) adopted a resolution of application to initiate proceedings, which was submitted to the Local Agency Formation Commission for the County of Los Angeles (Commission), pursuant to Division 3, Title 5, of the California Government Code (commencing with section 56000, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000), for annexation of territory herein described to the District, all within the City of Glendora; and

WHEREAS, the proposed annexation consists of approximately 0.585± acres of uninhabited territory and is assigned the following distinctive short-form designation: "Annexation No. 418 to Los Angeles County Sanitation District No. 22"; and

WHEREAS, a description of the boundaries and map of the proposal are set forth in Exhibits "A" and "B", attached hereto and by this reference incorporated herein; and

WHEREAS, the principal reason for the proposed annexation is for the District to provide off-site sewage disposal to one single-family home; and

WHEREAS, the Executive Officer has reviewed the proposal and submitted to the Commission a written report, including his recommendations therein; and

WHEREAS, the Commission has determined that the Proposal meets all of the criteria for the Commission to make a determination without notice and hearing and waive protest proceedings entirely, pursuant to Government Code Section 56662; and

WHEREAS, the Executive Officer set the item for consideration for June 11, 2014 at 9:00 a.m., at the Los Angeles County Board of Supervisors Hearing Room, Kenneth Hahn Hall of Administration Room 381-B, located at 500 West Temple Street, Los Angeles, California, 90012; and

WHEREAS, on June 11, 2014, this Commission considered the Proposal and the report of the Executive Officer.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. Pursuant to Government Code Section 56662(a), the Commission hereby finds and determines that:

- a. The territory encompassed by the annexation is uninhabited; and
- b. Pursuant to Government Code Sections 56658(b)(1) and 56662(c), the Executive Officer has given the required mailed notice to each affected agency of the application to initiate proceedings for the proposed annexation, and no affected local agency has submitted a written demand for notice and hearing during the 10-day period following the notice; and
- c. The annexation was accompanied by satisfactory proof that all owners of land within the affected territory have given their written consent to the proposal.

Based thereon, pursuant to Government Code Section 56662 (a), the Commission may, and hereby does, make determinations on the proposal without notice and hearing, and the Commission may, and hereby does, waive protest proceedings entirely.

2. The Commission finds that this annexation is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15319(a), because the annexation consists of areas containing existing structures developed to the density allowed by the current zoning.
3. A description of the boundaries and map of the proposal, as approved by this Commission, are set forth in Exhibits "A" and "B", attached hereto and by this reference incorporated herein.
4. The affected territory consists of 0.585± acres, is uninhabited, and is assigned the following short form designation:

" Annexation No. 418 to Los Angeles County Sanitation District No. 22".
5. Annexation No. 418 to Los Angeles County Sanitation District No. 22 is hereby approved, subject to the following terms and conditions:
 - a. The District agrees to defend, hold harmless and indemnify LAFCO and/or its agents, officers and employees from any claim, action or proceeding against LAFCO and/or its agents, officers and employees to attack, set aside, void or annul the approval of LAFCO concerning this proposal or any action relating to or arising out of such approval.
 - b. The effective date of the annexation shall be the date of recordation.
 - c. Payment of Registrar-Recorder/County Clerk and State Board of Equalization fees.

- d. The territory so annexed shall be subject to the payment of such service charges, assessments or taxes as may be legally imposed by the District.
 - e. The regular County assessment roll shall be utilized by the District.
 - f. The affected territory will be taxed for any existing general indebtedness, if any, of the District.
 - g. Annexation of the affected territory described in Exhibits "A" and "B" to the District.
 - h. Except to the extent in conflict with "a" through "g", above, the general terms and conditions contained in Chapter 2 of Part 5, Division 3, Title 5 of the California Government Code (commencing with Government Code Section 57325) shall apply to this annexation.
6. The Commission hereby orders the uninhabited territory described in Exhibits "A" and "B" annexed to Los Angeles County Sanitation District No. 22.
7. The Executive Officer is directed to transmit a copy of this resolution to the District, upon the District's payment of the applicable fees required by Government Code Section 54902.5 and prepare, execute and file a certificate of completion with the appropriate public agencies, pursuant to Government Code Section 57200, *et seq.*

PASSED AND ADOPTED this 11th day of June 2014.

MOTION:

SECOND:

AYES:

NOES:

ABSTAIN:

ABSENT:





MOTION PASSES: 0/0/0

**LOCAL AGENCY FORMATION COMMISSION
FOR THE COUNTY OF LOS ANGELES**

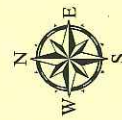
**Paul A. Novak, AICP
Executive Officer**



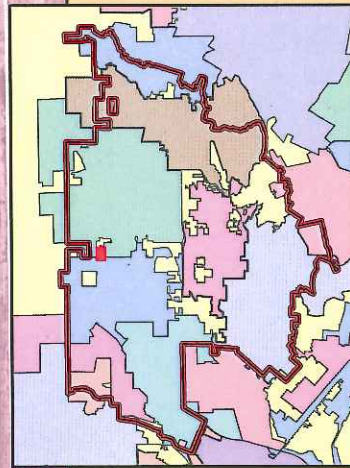
Legend

-  CSD Annexation 22-418
-  City of Glendora
-  Los Angeles County Sanitation District No. 22
-  Sphere of Influence, CSD 22

Annexation No. 418 to County Sanitation District No. 22



LAFCO
Local Agency Formation Commission
for the County of Los Angeles



LAFCO

Local Agency Formation Commission
for the County of Los Angeles

 **DRAFT**

Commission

Jerry Gladbach
Chair

Richard H. Close
Donald L. Dear
Margaret Finlay
Tom LaBonge
Gloria Molina
Henri F. Pellissier
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Amber De La Torre
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Alisha O'Brien
Patricia Wood

MINUTES OF THE LOCAL AGENCY FORMATION COMMISSION FOR THE COUNTY OF LOS ANGELES

May 14, 2014

Present:

Jerry Gladbach, Chair

Richard H. Close
Donald L. Dear
Margaret Finlay
Tom LaBonge
Gloria Molina
Henri F. Pellissier
David Spence
Zev Yaroslavsky

Lori Brogin-Falley, Alternate
Paul Krekorian, Alternate
Gerard McCallum, Alternate
Judith Mitchell, Alternate
Joe Ruzicka, Alternate

Paul A. Novak, AICP; Executive Officer
Helen Parker, Legal Counsel

Absent:

Don Knabe, Alternate

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Suite 870
Pasadena, CA 91101
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www.lalafco.org

1 CALL MEETING TO ORDER

The meeting was called to order at 9:00 a.m. in Room 374-A of the County Hall of Administration.

2 PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Chair Jerry Gladbach.

3 DISCLOSURE OF CAMPAIGN CONTRIBUTION(S)

The Executive Officer (E.O.) read an announcement, asking that persons who made a campaign contribution of more than \$250 to any member of the Commission during the past twelve (12) months to rise and state for the record the Commissioner to whom such campaign contributions were made and the item of their involvement (None).

4 SWEARING-IN OF SPEAKER(S)

The Executive Officer swore in two members of the audience who planned to testify.

[Commissioner LaBonge left at 9:05 a.m.]

5 INFORMATION ITEM(S) – GOVERNMENT CODE § 56751 & 56857 NOTICE

(None.)

6 CONSENT ITEM(S) – OTHER

The Commission took the following actions under Consent Items:

- a. Adopted the Resolution Making Determinations Approving and Ordering Annexation No. 734 to Los Angeles County Sanitation District No. 21, Resolution No. 2014-16RMD.
- b. Adopted the Resolution Making Determinations Approving and Ordering Annexation No. 1064 to Santa Clarita Valley Sanitation District of Los Angeles County, Resolution No. 2014-17RMD.
- c. Approved Minutes of April 9, 2014.
- d. Approved Operating Account Check Register for the month of April 2014.
- e. Received and filed update on pending applications.

MOTION:	FINLAY
SECOND:	PELLISSIER
AYES:	CLOSE, DEAR, FINLAY, PELLISSIER, SPENCE, GLADBACH
ABSTAIN:	NONE

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May 14, 2014
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ABSENT: LaBONGE, MOLINA, YAROSLAVSKY
MOTION PASSES: 6/0/0

Chair Gladbach asked the E.O. if any of the Supervisors will attend today's meeting. The E.O. stated that Supervisor Knabe will not be at today's meeting and that Supervisor's Molina and Yaroslavsky are expected to arrive shortly. Chair Gladbach requested that the E.O. proceed with the regular Agenda.

7 PUBLIC HEARING(S)

The following item was called up for consideration:

- a. Reorganization No. 2012-02 (14-415) to Los Angeles County Sanitation District No. 14 (Amendment to the Los Angeles County Sanitation District No. 14 and Los Angeles County Sanitation District No. 20 Spheres of Influence, Detachment from Los Angeles County Sanitation District No. 20, and Annexation to Los Angeles County Sanitation District No. 14).

The public hearing was opened to receive testimony. There being no testimony, the public hearing was closed.

The Commission took the following action:

- Approved and Ordered Reorganization No. 2012-02 (14-415) to Los Angeles County Sanitation District No. 14 (Amendment to the Los Angeles County Sanitation District No. 14 and Los Angeles County Sanitation District No. 20 Spheres of Influence, Detachment from Los Angeles County Sanitation District No. 20, and Annexation to Los Angeles County Sanitation District No. 14), Resolution No. 2014-18RMD.

MOTION: PELLISSIER
SECOND: FINLAY
AYES: CLOSE, DEAR, FINLAY, PELLISSIER, SPENCE, GLADBACH
NOES: NONE
ABSTAIN: NONE
ABSENT: LaBONGE, MOLINA, YAROSLAVSKY
MOTION PASSES: 6/0/0

Due to timing issues, the E.O. suggested that the Commission move to Item 9.a. Chair Gladbach agreed to move to Item 9.a.

9 OTHER ITEMS

a. Presentation to Commissioner Henri Pellissier.

[Supervisor Molina arrived at 9:08 a.m.]

Chair Gladbach stated he had mixed feelings with Commissioner Pellissier leaving LAFCO. Chair Gladbach said he is very happy that Commissioner Pellissier and his wife Diane are moving closer to their family but unhappy that Commissioner Pellissier is leaving Southern California. Chair Gladbach stated that Commissioner Pellissier offered great service to LAFCO. Commissioner Pellissier joined LAFCO in 1980 and he is the second longest-serving LAFCO Commissioner in the State of California. Chair Gladbach stated that Commissioner Pellissier played a dynamic role with LAFCO issues. Commissioner Pellissier was actively involved with three city incorporations within the last three decades: Malibu, Calabasas, and Santa Clarita. Commissioner Pellissier also played an active role in various proposals, such as the Hollywood, San Pedro, and San Fernando Valley Special Reorganization. Commissioner Pellissier is a "founding father" of the Coalition of California LAFCOs (CCL). As a Public Member, Commissioner Pellissier always expressed concern for the public, was not unduly swayed by cities, counties, or special districts. Chair Gladbach stated Commissioner Pellissier has great insight and vision. Commissioner Pellissier is a man of wisdom, honor, and integrity and is greatly respected. As a thank you for Commissioner Pellissier's exceptional service, Chair Gladbach presented Commissioner Pellissier with a Castaic Lake Water Agency Resolution.

[Supervisor Yaroslavsky arrived at 9:11 a.m.]

Commissioner Close stated that during the San Fernando Valley Special Reorganization, Commissioner Pellissier was fair and impartial in handling the process. Commissioner Close thanked Commissioner Pellissier for his time, effort, and work.

Supervisor Molina, on behalf of the Board of Supervisors Office, presented a Commendation Scroll to Commissioner Pellissier. Supervisor Molina thanked Commissioner Pellissier for his 30 years of service with LAFCO.

Supervisor Yaroslavsky stated that Commissioner Pellissier has a wealth of knowledge and wisdom. It is a great loss to LAFCO and to the region.

Pamela Miller, CALAFCO Executive Director, presented a Certificate of Recognition to Commissioner Pellissier. Ms. Miller thanked Commissioner Pellissier for his dedication to LAFCO.

Commissioner Dear stated that he admires Commissioner Pellissier for his wisdom and experience. Commissioner Dear voiced that Commissioner Pellissier is a role model among his

peers and appreciated his advice.

Commissioner Spence stated that Commissioner Pellissier will be greatly missed. Commissioner Spence wished Commissioner Pellissier and his wife all the best in Northern California.

[Commissioner Krekorian arrived at 9:25 a.m.]

Commissioner Finlay stated Commissioner Pellissier has a tremendous sense of humor and it's been a great pleasure working with him. It is rare to work with a colleague with integrity and honor in the political arena.

Commissioner Krekorian thanked Commissioner Pellissier for his contribution to LAFCO and the region. Commissioner Krekorian stated that Commissioner Pellissier has handled many contentious LAFCO issues with grace and elegance. Commissioner Krekorian thanked Commissioner Pellissier for his work in Southern California.

Larry Calemine, former LAFCO Executive Officer, stated that Commissioner Pellissier has always been interested in giving back to the community. Commissioner Pellissier immersed himself in every case. Mr. Calemine described Commissioner Pellissier as effective, fair, and even-handed.

The E.O. stated that former LAFCO Executive Sandy Winger was out of town and could not attend today's meeting. The E.O. noted that Mr. Winger had said that Commissioner Pellissier "utilized a common sense approach" and "brought wisdom and order" to Commission deliberations.

Commissioner Pellissier stated after working 33 years with LAFCO, it has been wonderful working with staff and Commissioners.

Chair Gladbach thanked Commissioner Pellissier for his dedicated service and great leadership.

7 PUBLIC HEARING(S)

The following item was called up for consideration:

- b. Municipal Service Review (MSR) and Sphere of Influence (SOI) Update for the Sativa County Water District.

The E.O. swore in one additional member of the audience who planned to testify.

Chair Gladbach asked if the newly sworn member of the audience had made a \$250 campaign contribution to the Commission within the last year. Sworn in member, John Mundy, stated that

he had not made a campaign contribution to any member of the Commission.

Supervisor Molina asked who has governance or oversight over water districts. The E.O. stated that LAFCO only has jurisdiction over district boundaries and Sphere of Influence (SOI) boundaries of cities and special districts. The E.O. stated that these are independent special districts that answer to their own boards, who are elected officials. State law requires public agencies, including all special districts, to prepare annual audits. The E.O. stated that he is recommending that a copy of the Staff Report and Sativa Municipal Service Review (MSR) Report be sent to the State Controller's Office and the Los Angeles County District Attorney.

Chair Gladbach also addressed Supervisor Molina's question. Chair Gladbach stated that cities have a similar organizational structure as special district, and are accountable to elected officials.

Supervisor Yaroslavsky asked what the staff recommendation is. The E.O. stated that the staff recommendation is a Zero SOI, which is a public declaration that the agency is underperforming and at some point it may be appropriate to consolidate or dissolve the district. The E.O. stated the challenge being faced right now is that there is not a logical service provider who can assume the responsibilities of the Sativa County Water District (District). There are current issues involving the Central Basin Municipal Water District, and the City of Compton is facing budgetary challenges. The E.O. indicated that he has strong concerns with the District being taken over by a private water company.

The E.O. gave an example of the Huntington Municipal Water District (Huntington) which the Commission dissolved last year after the Commission had given Huntington a Zero SOI in 2004. A dissolution or consolidation is subject to protest by the registered voters of both districts. The Sativa County Water District has approximately 2,300 registered voters. At the last election, 200-300 people voted. If it went to the point of protest to dissolve or consolidate, the proposed change could be overturned by protest.

Supervisor Yaroslavsky asked who the other service providers in the area are, besides Central Basin Municipal Water District. The E.O. stated there are three other service providers in the area: City of Compton Water Division, Park Water Company, and Golden State Water Company. The E.O. stated that LAFCO shared the Sativa MSR Report with Central Basin Municipal Water District, City of Compton Water Division, and the two private water companies.

Supervisor Yaroslavsky asked what area does the District service. The E.O. stated most of the Sativa County Water District service area is unincorporated territory with small areas within the City of Compton.

Chair Gladbach stated that one of the purposes of conducting a MSR is to bring issues to light and that those reports are given to the appropriate governing agencies.

Supervisor Molina asked if LAFCO is scheduled to prepare an MSR and SOI Update for the Central Basin Municipal Water District. The E.O. stated that that the Commission had approved a list of cities and special districts, in early 2011, for which MSR and SOI Updates are being prepared, and that Central Basin Municipal Water District is not on that list.

Commissioner Krekorian stated he supports the staff recommendation of a Zero SOI.

[Supervisor Molina left at 9:56 a.m.]

The public hearing was opened to receive testimony.

John Mundy, acting interim General Manager for the Sativa County Water District, addressed the Commission. Mr. Mundy stated he worked with the District as a consultant and was asked by the Board to act as interim General Manager. Chair Gladbach stated that John Mundy is retired General Manager of Las Virgenes Municipal Water District (Las Virgenes). John Mundy stated he was with Las Virgenes 16 years and has a total of 39 years in municipal water/wastewater.

Mr. Mundy stated that the District is concerned that if the Commission adopts a Zero SOI, it can have a significant impact on the District's future. Mr. Mundy agrees that there is a significant amount of work needed to address the issues identified in the Staff Report. Mr. Mundy stated that the District does not support the staff recommendation. The District has a long history servicing its customers, established in 1938, and through the years the District has continued to provide reliable service, irrespective of limitations noted in the Staff Report.

Mr. Mundy's comments relative to the Staff Report are provided below.

Audits:

Mr. Mundy stated that Sativa County Water District has completed all audits. The District will continue to do so annually on a regular basis.

Annual Budgets:

Mr. Mundy stated that the District's accounting system is antiquated and does not allow easy preparation of budget documents. On May 20th, Mr. Mundy will request from the Board to hire an accountant to review the accounting needs of the District and provide a report of recommendations to improve budget reporting and documentation.

Board-Member Compensation (Meetings):

The Board has reduced the number of monthly meetings it attends. The Board now meets once a

month and special meetings are only called when deemed appropriate.

Mr. Mundy stated stipends may be higher than other public agencies of similar size but the stipends are not near the top compensation provided by other water districts. The Board compensation is reasonable for the work that will be required for the next few years.

Board Member compensation and travel will be addressed and reviewed within accounting practices and procedures.

Christmas Bonuses to the Board of Directors:

The District has eliminated Christmas bonuses to its Board members. The District is looking into retrieving past compensation paid.

Employment of Relatives:

There is currently no Board policy regarding employment of relatives, nor is there a legal policy that forbids employment of relatives. However, the Board has taken action to remove one employee who is related to a current Board Director as part of a reorganizational structure. In the future, appropriate actions will require a recusal of an appointed Board Director.

Extraordinary Payments to Staff:

Policies are in place to prohibit additional payments to exempt employees other than their salaries. Non-exempt employees will continue receiving payments over a period of time, as required by law.

Sale of District Automobile to Staff:

Board approval is now required for the sale or disposal of District assets.

Sole-Source Contract:

Mr. Mundy recently requested that the Board create a policy regarding purchasing, bids, and contracts.

Missing Payroll Deductions:

Sativa County Water District has contacted Automatic Data Processing to process payroll services.

Credit Card Expenses and Documentation:

Mr. Mundy submitted a request to the Board regarding implementation of credit card documentation and authorization. This procedure will certainly be implemented after the accounting system is up and running.

Telephone Expenses:

The number of cell phones issued to employees or Board members has been reduced.

Lack of Water Meters:

Mr. Mundy stated that under California water law, meters are only required for agencies with more than 3,000 service connections. Sativa County Water District has approximately 1,600 service connections. The Board agrees that the implementation of water meters is appropriate and will help facilitate the District with its conservation activities and proper allocation of costs to high water users. It would cost the District approximately \$1,000,000 to install water meters. Because of that cost, the District has applied for grants through the State's revolving Fund Program.

Location of Pipelines:

Mr. Mundy stated that the majority of pipelines are located in public right-of-way including alleys. Due to the lack of County enforcement, many residents have encroached on those alleys and have impacted the District's ability to access those pipes. The District recently completed a Water Master Plan which identifies facilities to be improved or relocated, which is an expensive endeavor and will take time to resolve. Until that time, Sativa County Water District has requested that the County enforce the right-of-way for those areas that have been encroached upon.

Emergency Preparedness:

Sativa County Water District does have an emergency water connection with the City of Compton. Mr. Mundy was recently informed by staff that an upgraded interconnection was established to include an automated control valve and water meter. The emergency water connection will be tested within the next several weeks.

Water Rates:

Sativa County Water District currently has a flat rate for water usage, as the District does not have meters. The District will have a consultant conduct a cost-of-service study that will determine changes of rates to improve operating expenses. A rate increase would require public

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notice.

No Significant Water Conservation Measures:

Within the last 10 years, water usage by its customers has declined due to rate increases over the years and current economic factors. The District will implement a conservation outreach program to its customers.

Reserves:

The District has placed excess operating revenue into a local agency investment fund in the amount of \$800,000.

General Manager:

Mr. Mundy suggests a part-time General Manager or contracting with another agency for management oversight.

Website:

The District's website has been implemented but the website is still being populated to include agendas, minutes, and budgetary information.

Computer Systems:

Mr. Mundy will make a suggestion to the Board for the implementation of a computer system.

In conclusion, Mr. Mundy stated that being consolidated into a private water company is a bad idea. Private water companies are investor-owned utilities and those companies can mark-up water rates to have a high rate of return on investment. The Sativa County Water District services a primarily disadvantaged, low-income community. Consolidation into a private water company would result in substantial rate increases. The District is doing everything it can to maintain reasonable water rates. The Board does recognize that rates will need to increase to make improvements to the system. The Board does not support the staff recommendation and requests the Commission to allow additional time for the District to make those improvements as previously noted. The Board is committed to regular reporting to LAFCO. The Board is also committed to improving the District by servicing its customers.

[Brogin-Falley left at 10:08 a.m.]

Commissioner Dear asked Mr. Mundy how much time is the District suggesting they would

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need. Mr. Mundy stated it will take time to implement infrastructure upgrades but he is not advocating reporting back to the Commission in 5 years. There is a long-term approach where the District will need 3-5 years to implement system upgrades and a short-term approach of 1-2 years for the implementation of the accounting system.

Commissioner Close wanted the E.O. to confirm that the next MSR process for Sativa County Water District would not be for 5 years. The E.O. stated the next review would be in 2018 but the Commission can certainly recommend a review before 2018.

The E.O. stated that a Zero SOI is a public declaration that the District is under-performing and the District can be dissolved or consolidated in the future. The E.O. stated that staff is not recommending a dissolution or consolidation today.

Commissioner Spence asked Mr. Mundy if the pipes failed how residents will receive water. Mr. Mundy stated if a failure would occur, new pipelines would have to be installed. If there was a catastrophic event, the District would need to hire contractors to do major repairs to the pipelines.

Commissioner Spence asked if the residents can get a copy of the Sativa MSR Report. The E.O. stated that LAFCO can mail the Sativa MSR Report but it would not be cost effective. Mr. Mundy suggested that if the report is mailed to residents to include a bilingual letter in both English and Spanish.

Commissioner Mitchell asked if significant resources would be spent to upgrade the District's accounting and water systems, would those expenditures or resources be wasted if the District would be dissolved or consolidated at a later date. The E.O. stated that those resources would be transferable to the newly consolidated agency. The District still needs to modernize and upgrade their system, regardless of the Commission's action.

The E.O. stated that if at a later date and the District has made progress, the Commission can certainly give the District a coterminous SOI. If the District has not made any substantial progress, the Commission can then recommend dissolution or consolidation at that time.

Commissioner Mitchell asked what the composition of the Board of Directors is and can the District find a competent General Manager. Mr. Mundy stated that three out of five are new Directors on the Board. The District would need to establish the best way to recruit a new General Manager. Mr. Mundy stated he would be eventually phased out and has other commitments.

Commissioner Dear stated that there are a lot of comments and suggestions but the Commission has not received completed testimony from all 3 speakers. Commissioner Dear stated that the District is on the right track and should be encouraged to remain so. Commissioner Dear stated

he needed to leave the meeting to attend another event.

[Commissioner Dear left at 10:25 a.m.]

Commissioner Finlay asked Mr. Mundy to describe the District's structure. Mr. Mundy stated that there are five Board members with a 4-year alternating terms. There are two employees related to a Board Director. Mr. Mundy stated that the related Board member has recused himself from issues involving these two employees.

Commissioner Spence asked Mr. Mundy if the District has an action plan specifically with timelines in place with a signature from the Board President. Mr. Mundy stated that there is an action plan but not at that level of detail. The Board would need to revisit and revise the plan as necessary.

Anthony Willoughby, an attorney for Sativa County Water District, stated that the District has made tremendous progress. The District started as a "mom and pop" operation. Mr. Willoughby stated that with his short tenure with the District, he has seen a lot of new policies. The new Board has been more responsive and has moved the District in the right direction. Mr. Willoughby asked the Commission not to approve the staff recommendation. He suggested that the District present a progress report to the Commission within 1-2 years.

Supervisor Yaroslavsky stated that the Commission can't ignore these issues and problems with the District, and supports the staff recommendation. Supervisor Yaroslavsky suggested that the recommendation be modified to state a Zero SOI for a specific amount of time and review the District's progress.

Mr. Willoughby stated there are several new Board members and a new Board President who are determined to get the District back on track and undo 30 years of mismanagement.

Chair Gladbach asked Mr. Mundy if the District would have trouble receiving financing if the District has a Zero SOI. Mr. Mundy stated he is not sure of the potential to receive funding if the District has a Zero SOI.

The E.O. swore in one additional member of the audience who planned to testify.

Chair Gladbach asked if the sworn in member of the audience had made a \$250 campaign contribution to the Commission within the last year. Sworn in member, Luis Landaros, stated that he had not made a contribution to any member of the Commission.

Luis Landaros, Board President for Sativa County Water District, stated he has seen great progress with the District in the 2 years he has served on the Board. Mr. Landaros stated he and other Board members are dedicated to see the District improve its management team and system

upgrades. Mr. Landaros asked the Commission to give the District more time and present the District's accomplishments.

Commissioner Close asked Mr. Landaros, an elected official, how much did he receive in compensation in 2013. Mr. Landaros stated Board members receive a \$150 stipend per meeting plus travel and believes it to be approximately \$6,500 for 2013. Commissioner Close asked what type of professional experience Mr. Landaros has. Mr. Landaros stated that he has been in customer service for the last 17 years and currently became the liaison to Isaac Galvan, Councilman for the City of Compton.

Commissioner Close commented that nepotism sends the wrong message. It may not be illegal and the District does not have a policy that prohibits nepotism. It still sends the wrong message.

Chair Gladbach stated he would like to get to the same place as Supervisor Yaroslavsky, but by a different route. He would support Sativa County Water District having a coterminous SOI and hopes the District has gotten the message that the Commission is serious. Chair Gladbach stated he does not support the Zero SOI, because it may hurt the District financially while obtaining loans or grants.

Commissioner Pellissier asked Legal Counsel, Helen Parker, how much authority does the Commission have to place pressure on the District and how often can the Commission ask for progress updates. Ms. Parker stated there is no legal limitation as long as the Commission is reasonable under the circumstances. The circumstances are quite unusual with this case before the Commission. Ms. Parker also stated that the Commission has broad discretion to set a schedule.

Chair Gladbach requested the Executive Officer's input regarding the recommended Zero SOI. The E.O. stated that in 2004 staff recommended a Zero SOI and but the Commission approved a conterminous SOI at that time. The E.O. acknowledges the District's progress is much better than in previous years, but there remain many issues that the District still needs to address. The E.O. stated the District's lack of continuity concerns him. The District has had three different attorneys within the last couple of years and one of the District's consultants resigned. The E.O. stated he concurs with Supervisor Yaroslavsky's approach to giving the District a Zero SOI and have the Commission revisit Sativa County Water District in 18-24 months and encourage the District to submit quarterly reports to the Commission.

Supervisor Yaroslavsky suggested that it would not be an issue with the District obtaining financing with a Zero SOI, but suggested a revised resolution to include language regarding the purpose and context of the Zero SOI.

Commissioner Pellissier stated that it is unfortunate that residents have had poor representation from the District and believes the District needs to be monitored.

There being no further testimony, the public hearing was closed.

Commissioner Krekorian stated he is hesitant about sending a letter to all the residents within the District. He believes that sending out a letter to residents is ineffective and a waste of resources.

Commissioner Spence stated that he agrees with Supervisor Yaroslavsky and the Executive Officer's approach to modify the staff recommendation.

As a non-voting member, Commissioner Mitchell supports the recommendation of a Zero SOI but does not support the idea of the District submitting quarterly reports to the Commission.

Commissioner Ruzicka supports the recommendation of a Zero SOI and supports the idea of the District submitting quarterly reports.

Chair Gladbach stated he would like to see included in the quarterly reports, any change of attorney or General Manager of the Sativa County Water District and include a reason for that change.

Chair Gladbach stated that if Sativa County Water District has trouble obtaining loans or grants because of the Zero SOI, he suggested that the District come before the Commission for further discussion.

The Commission took the following action:

- Adopted the staff recommendations for the Municipal Service Review (MSR) and Sphere of Influence (SOI) Update for the Sativa County Water District, Resolution No. 2014-19RMD;
- Adopted a Zero Sphere of Influence for the Sativa County Water District, as identified in the Agenda map titled "Sativa County Water District"; and
- Directed the Executive Officer to report back to Commission in 18 months to revisit and review the Zero Sphere of Influence for the Sativa County Water District; and
- Directed the Executive Officer to revise the Resolution to explain the purpose and context of the Zero Sphere of Influence; and
- Directed the Executive Officer to mail copies of the resolution as provided in Government Code Section 56882; and

- Requested the Sativa County Water District to submit quarterly written updates to the Executive Officer and notification of any change in District counsel or General Manager and the reasons for that change.

MOTION: YAROSLAVSKY
SECOND: FINLAY
AYES: CLOSE, FINLAY, KREKORIAN (ALT. FOR LaBONGE),
PELLISSIER, RUZICKA (ALT. FOR DEAR), SPENCE,
YAROSLAVSKY, GLADBACH
NOES: NONE
ABSTAIN: NONE
ABSENT: DEAR, LaBONGE, MOLINA
MOTION PASSES: 8/0/0

Chair Gladbach stated there are three options to inform the public about the Sativa MSR Report: one, send the MSR Report to all residents of the District; two, send a summary letter to all residents of the District; or three, make the MSR Report available on the LAFCO website.

The Commissioners agreed that most people will not read the MSR Report or go to the website.

Commissioner Krekorian suggested that LAFCO send out a press-release to inform the public.

Commissioner Pellissier asked Legal Counsel, Helen Parker, is it LAFCO's duty to inform the public of the District's mismanagement. Ms. Parker stated that the Sativa MSR Report is a public document. This type of public outreach, to Ms. Parker's knowledge, has never occurred. She advised that there is broad discretion for the Commission. Ms. Parker believes the goal that the Commission wants to convey to the public is that the District is working on getting back on track. Ms. Parker suggested encouraging the District to agendaize an item stating the improvements and upgrades LAFCO has requested, but there are likely multiple ways to accomplish this objective.

[Commissioner Close left at 11:05 a.m.]

Commissioner Pellissier asked the E.O. what would be the best way to inform the public. The E.O. stated he favors sending out a cover letter summarizing the action the Commission took today with an attached summary of no more than three pages stating the determinations in the Staff Report and the Sativa MSR Report. The cover letter and summary would be in both English and Spanish. The E.O. stated that he can draft a cover letter and summary and present that at the next Commission meeting.

Commissioner Krekorian stated that he believes it would be difficult to draft a summary report to be comprehensive and to the point, given that there are a lot of factors involved. Commissioner

Krekorian stated that he does not want staff time and resources wasted. Commissioner Krekorian again suggested sending out a press-release to a local press and a Spanish-speaking press.

Mr. Mundy offered and suggested that the District can work with staff to include a letter in the District's monthly bill notice.

The E.O. suggested that the Commission can make a decision at next month's meeting. Chair Gladbach agreed to wait and make a decision at next month's meeting regarding the options to inform the residents of the District.

[Supervisor Yaroslavsky left at 11:13 a.m.]

7 PUBLIC HEARING(S)

The following item was called up for consideration:

- c. Fiscal Year 2014-15 Proposed Budget.

The E.O. stated that LAFCO has received inquiries from three cities. The inquiries merely wanted to know the exact amount of the proposal assessment for next year. Unfortunately, in review of the draft budget, staff encountered two unanticipated expenses associated with next year's budget. It will require a change to the proposed budget. Staff requested to continue this item until the June 11th meeting.

The Commission took the following action:

- Continued the Proposed Budget for Fiscal Year 2014-15 to the June 11, 2014 meeting.

MOTION:	KREKORIAN (ALT. FOR LaBONGE)
SECOND:	RUZICKA (ALT. FOR DEAR)
AYES:	FINLAY, KREKORIAN (ALT. FOR LaBONGE), PELLISSIER, RUZICKA (ALT. FOR DEAR), SPENCE, GLADBACH
NOES:	NONE
ABSTAIN:	NONE
ABSENT:	CLOSE, DEAR, LaBONGE, MOLINA, YAROSLAVSKY
MOTION PASSES:	6/0/0

8 PROTEST HEARING(S)

The following items were called up for consideration:

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- a. Annexation No. 1062 to Santa Clarita Valley Sanitation District of Los Angeles County.
- b. Annexation No. 82 to Los Angeles County Sanitation District No. 20.
- c. Annexation No. 2011-07 (2008-02) to the City of Palmdale.

The protest hearings were opened to receive testimony. There being no testimony, the protest hearings were closed.

The Commission took the following actions under Protest Hearings:

- Ordered Annexation No. 1062 to Santa Clarita Valley Sanitation District of Los Angeles County; Resolution No. 2014-07PR.
- Ordered Annexation No. 82 to Los Angeles County Sanitation District No. 20; Resolution No. 2014-08PR.
- Ordered Annexation No. 2011-07 (2008-02) to the City of Palmdale; Resolution No. 2014-09PR.

MOTION:	PELLISSIER
SECOND:	FINLAY
AYES:	FINLAY, KREKORIAN (ALT. FOR LaBONGE), PELLISSIER, RUZICKA (ALT. FOR DEAR), SPENCE, GLADBACH
NOES:	NONE
ABSTAIN:	NONE
ABSENT:	CLOSE, DEAR, LaBONGE, MOLINA, YAROSLAVSKY
MOTION PASSES:	6/0/0

9 OTHER ITEMS

- b. Public Member Vacancy.

The E.O. stated given the retirement of Commissioner Pellissier, at the conclusion of today's meeting there will a vacancy for the Commission's Public Member seat. LAFCO is required to post a 21-day notice of vacancy regarding this position before taking any action to fill the position.

The Commission took the following action:

- Directed the Executive Officer to post the notice of vacancy for the Public Member, and send copies to the clerk or secretary of the legislative body of each local agency within the county, no later than May 20, 2014; and
- Directed the Executive Officer to place the Public Member vacancy on the agenda for the June 11, 2014 meeting.

MOTION: KREKORIAN (ALT. FOR LaBONGE),
SECOND: FINLAY
AYES: FINLAY, KREKORIAN (ALT. FOR LaBONGE),
PELLISSIER, RUZICKA (ALT. FOR DEAR), SPENCE,
GLADBACH
NOES: NONE
ABSTAIN: NONE
ABSENT: CLOSE, DEAR, LaBONGE, MOLINA, YAROSLAVSKY
MOTION PASSES: 6/0/0

[Commissioner Finlay left at 11:18 a.m.]

Commissioner Close asked who can apply for the Public Member position. The E.O. stated that the only persons who are disqualified are employees or officials of a county, city, or special district. Since the Public Member is intended to be independent and represent the public at-large, the law does not permit employees or members of a legislative body to serve on the Commission.

10 COMMISSIONER'S REPORT

Commissioner Pellissier thanked everyone for being pleasant to him during his service to LAFCO. Commissioner Pellissier thanked his wife of 63 years.

11 EXECUTIVE OFFICER'S REPORT

The E.O. congratulated Commissioner Close, whom the Board of Supervisors appointed for another 4-year term as LAFCO San Fernando Valley Member.

The E.O. also congratulated Commissioner Ruzicka, who ran unopposed, and is now serving a full 4-year term as LAFCO Alternate Special District Member.

The E.O. thanked Doug Dorado and Patricia Wood of LAFCO staff, who prepared sessions for the CALAFCO Staff Workshop this past April. They served diligently on the workshop programs for the last several months. Both separately moderated panel discussions and were well received by attendees. Los Angeles LAFCO was represented well by both Doug and

Patricia.

The E.O. stated that included the Agenda Package is the CALAFCO Quarterly Report.

Chair Gladbach asked what panels Doug and Patricia sat on. The E.O. stated that Doug's panel was how staff presents Staff Reports and sample Staff Reports where presented from four LAFCOs. Patricia's panel discussed procedures and how to set up LAFCO files when taking in applications. Chair Gladbach congratulated them both for serving on a panel.

Chair Gladbach thanked Pamela Miller for attending today's meeting and also thanked Pamela for mailing out the thank you letters to Staff members who attended the Workshop.

12 PUBLIC COMMENT

(None).

13 FUTURE MEETINGS

June 11, 2014

July 9, 2014

August 13, 2014

September 10, 2014

14 FUTURE AGENDA ITEMS

(None).

15 ADJOURNMENT MOTION

On motion of Commissioner Gladbach, the meeting was adjourned at 11:21a.m.

Respectfully submitted,

Paul A. Novak, AICP
Executive Officer

3:07 PM

06/03/14

Accrual Basis

LAFCO 03 REGISTER REPORT May 2014

Type	Date	Num	Name	Memo	Amount	Balance
10000 Cash Unrestricted						
10003 Operating Account						
Bill Pmt -Check	5/1/2014	7107	80 South Lake LLC	NO000758-1	-6,693.11	-6,693.11
Bill Pmt -Check	5/1/2014	7108	Accountemps	Cust#00490-001923000, ...	-112.28	-6,805.39
Bill Pmt -Check	5/1/2014	7109	Office Depot*		-747.72	-7,553.11
Bill Pmt -Check	5/1/2014	7110	Patricia Knoebl-Wood*	Reimbursement: CALAFC...	-189.87	-7,742.98
Deposit	5/7/2014			Deposit	414.00	-7,328.98
Bill Pmt -Check	5/8/2014	7111	Accountemps	Cust#00490-001923000, ...	-112.28	-7,441.26
Bill Pmt -Check	5/8/2014	7112	Alisha O'Brien*	Reimbursement: Subdivisi...	-33.30	-7,474.56
Bill Pmt -Check	5/8/2014	7113	County Counsel	Legal Services: March 2014	-4,011.53	-11,486.09
Bill Pmt -Check	5/8/2014	7114	LACERA		-11,658.03	-23,144.12
Bill Pmt -Check	5/8/2014	7115	Los Angeles County ...	Annexation No: 2014-04, c...	-100.00	-23,244.12
Bill Pmt -Check	5/8/2014	7116	Patricia Knoebl-Wood*		-47.47	-23,291.59
Bill Pmt -Check	5/8/2014	7117	Paul A. Novak	Reimbursement: CALAFC...	-69.00	-23,360.59
Check	5/15/2014	DM	Ambar De La Torre	Salary, May 15, 2014	-1,659.36	-25,019.95
Check	5/15/2014	DM	Douglass Dorado	Salary, May 15, 2014	-2,462.05	-27,482.00
Check	5/15/2014	DM	Michael E. Henderson	Salary, May 15, 2014	-1,937.45	-29,419.45
Check	5/15/2014	DM	Patricia Knoebl-Wood	Salary, May 15, 2014	-1,258.42	-30,677.87
Check	5/15/2014	DM	Paul Novak	Salary, May 15, 2014	-4,178.76	-34,856.63
Check	5/15/2014	DM	Alisha O'Brien	Salary, May 15, 2014	-1,844.63	-36,701.26
Check	5/15/2014	DM	June D. Savala	Salary, May 15, 2014	-3,720.81	-40,422.07
Check	5/15/2014	DM	Federal Tax Deposit	Payroll, May 15, 2014	-4,266.74	-44,688.81
Check	5/15/2014	DM	State Income Tax	Payroll, May 15, 2014	-1,040.99	-45,729.80
Bill Pmt -Check	5/15/2014	7118	Accountemps	Cust#00490-001923000, ...	-112.28	-45,842.08
Bill Pmt -Check	5/15/2014	7119	Certified Records Ma...	Cust#00271, 05/01/14-05/...	-225.65	-46,067.73
Bill Pmt -Check	5/15/2014	7120	CoreLogic	Acct #200-694038-RR657...	-213.04	-46,280.77
Bill Pmt -Check	5/15/2014	7121	Daily Journal		-40.50	-46,321.27
Bill Pmt -Check	5/15/2014	7122	FedEx*	Acct#1244-7035-8	-47.98	-46,369.25
Bill Pmt -Check	5/15/2014	7123	MetLife*	Cert#0003242935, 01/01/1...	-828.00	-47,197.25
Bill Pmt -Check	5/15/2014	7124	Patricia Knoebl-Wood*	Reimbursement: Commisi...	-18.99	-47,216.24
Bill Pmt -Check	5/15/2014	7125	Ricoh Americas Corp	036-0027688-000	-1,566.39	-48,782.63
Bill Pmt -Check	5/15/2014	7126	Ricoh USA, Inc.	Cust#13725307, 02/01/14-...	-671.78	-49,454.41
Bill Pmt -Check	5/15/2014	7127	TelePacific Communi...	Acct#120143, 05/09/14-06...	-555.27	-50,009.68
Transfer	5/16/2014		Transfer To Operating	T4-A funds transfer	100,000.00	49,990.32
Check	5/16/2014	4361...	ADP	Processing Charges for pe...	-122.70	49,867.62
Bill Pmt -Check	5/22/2014	7128	Accountemps	Cust#00490-001923000, ...	-112.28	49,755.34
Bill Pmt -Check	5/22/2014	7129	ATT	Acct#990566760, 04/10/1...	-339.32	49,416.02
Bill Pmt -Check	5/22/2014	7130	Daily Journal		-26.75	49,389.27
Bill Pmt -Check	5/22/2014	7131	Incrementum	Laserfiche Reconfiguration-...	-300.00	49,089.27
Bill Pmt -Check	5/22/2014	7132	Mail Finance	Lease#N07061692D, 12-J...	-126.42	48,962.85
Bill Pmt -Check	5/22/2014	7133	Miller & Owen	File#LA945, Special Coun...	-2,877.22	46,085.63
Bill Pmt -Check	5/22/2014	7134	Motor Parks	Cust#025-001, Unreserve...	-510.00	45,575.63
Bill Pmt -Check	5/22/2014	7135	Neofunds	Acct#7900 0445 2259 129...	-300.00	45,275.63
Bill Pmt -Check	5/22/2014	7136	Office Depot*		-249.07	45,026.56
Bill Pmt -Check	5/22/2014	7137	Tropical Interior Plants	Service: April 2014	-100.00	44,926.56
Check	5/23/2014	4367...	ADP	EZ Labor Manager- May 2...	-52.50	44,874.06
Deposit	5/28/2014			Deposit	5,069.00	49,943.06
Bill Pmt -Check	5/29/2014	7138	80 South Lake LLC	NO000758-1	-6,693.11	43,249.95
Bill Pmt -Check	5/29/2014	7139	Accountemps	Cust#00490-001923000, ...	-112.28	43,137.67
Bill Pmt -Check	5/29/2014	7140	Bank of America*		-1,317.47	41,820.20
Bill Pmt -Check	5/29/2014	7141	Huntington Park Rub...	00-0568730	-23.19	41,797.01
Bill Pmt -Check	5/29/2014	7142	LACERA	May 2014- Employer/Empl...	-11,117.64	30,679.37
Bill Pmt -Check	5/29/2014	7143	Office Depot*	Acct#32368442	-52.79	30,626.58
Check	5/30/2014	DM	Ambar De La Torre	Salary, May 30, 2014	-1,659.36	28,967.22
Check	5/30/2014	DM	Douglass Dorado	Salary, May 30, 2014	-2,462.05	26,505.17
Check	5/30/2014	DM	Michael E. Henderson	Salary, May 30, 2014	-1,937.46	24,567.71
Check	5/30/2014	DM	Patricia Knoebl-Wood	Salary, May 30, 2014	-1,095.82	23,471.89
Check	5/30/2014	DM	Paul Novak	Salary, May 30, 2014	-4,178.77	19,293.12
Check	5/30/2014	DM	Alisha O'Brien	Salary, May 30, 2014	-1,844.62	17,448.50
Check	5/30/2014	DM	June D. Savala	Salary, May 30, 2014	-3,720.81	13,727.69
Check	5/30/2014	DM	Federal Tax Deposit	Payroll, May 30, 2014	-4,261.94	9,465.75
Check	5/30/2014	DM	State Income Tax	Payroll, May 30, 2014	-1,040.99	8,424.76
Check	5/30/2014	DM	ADP	Processing charge ending ...	-151.70	8,273.06
Check	5/30/2014	8926...	Lori W. Brogin	Stipend, May 14, 2014	-147.83	8,125.23
Check	5/30/2014	8926...	Richard Close	Stipend, May 14, 2014	-147.82	7,977.41
Check	5/30/2014	DM	Donald L. Dear	Stipend, May 14, 2014	-147.82	7,829.59
Check	5/30/2014	8926...	Margaret E. Finlay	Stipend, May 14, 2014	-147.82	7,681.77
Check	5/30/2014	8926...	Edward G. Gladbach	Stipend, May 14, 2014	-147.83	7,533.94

Type	Date	Num	Name	Memo	Amount	Balance
Check	5/30/2014	DM	Paul Krekorian	Stipend, May 14, 2014	-147.82	7,386.12
Check	5/30/2014	DM	Thomas J LaBonge	Stipend, May 14, 2014	-147.82	7,238.30
Check	5/30/2014	DM	Gerard McCallum II	Stipend, May 14, 2014	-147.83	7,090.47
Check	5/30/2014	8926...	Judith Mitchell	Stipend, May 14, 2014	-147.82	6,942.65
Check	5/30/2014	8926...	Gloria Molina	Stipend, May 14, 2014	-147.82	6,794.83
Check	5/30/2014	DM	Joseph Ruzicka*	Stipend, May 14 2014	-147.83	6,647.00
Check	5/30/2014	8926...	Henri F. Pellissier	Stipend May 14, 2014 - LA...	-147.83	6,499.17
Check	5/30/2014	DM	David Spence	Stipend, May 14, 2014	-147.83	6,351.34
Check	5/30/2014	8926...	Zev Yaroslavsky	Stipend, May 14, 2014	-147.82	6,203.52
Check	5/30/2014	DM	Federal Tax Deposit	May 14, 2014 Stipend Pay...	-60.96	6,142.56
Total 10003 Operating Account					6,142.56	6,142.56
Total 10000 Cash Unrestricted					6,142.56	6,142.56
TOTAL					6,142.56	6,142.56

AGENDA ITEM NO. 6d - June 11, 2014
PENDING APPLICATIONS AS OF June 4, 2014

		LAFCO Designation	Applicant	Description	Status	Date Filed	Est. Date of Completion
1	DD	Annexation No. 2007-04 City of Industry	City of Industry	Annexation of 14.8 acres to the City of Industry. The subject territory consists principally of a street right-of-way along Valley Blvd., between Morningside Drive and the City of Industry and City of Pomona boundary line.	The City and County have been involved in ongoing negotiations. There has been no agreement to date. 7-29-12 Troy Helling indicated the City Engineer wants to move forward. Working with Industry, Pomona, and County to amend application	1/4/2007	Unknown
2	AAO	Annexation No. 2003-08(40-23/4-103) to Los Angeles County Waterworks District No. 40	LA County Waterworks District 40	Annex 19.69 acres of land located at the NE corner of Ave N and 55th St W in the City of Palmdale. 43 single family homes have been constructed.	Received tax transfer reso on 09/18/12. Map & Legal pending review	11/4/2003	Unknown
3	AAO	Annexation 2006-12 to Los Angeles County Waterworks District No. 40	Land Resource Investors	Annex 20 acres of vacant land located at the northeast corner of Avenue J and 37th Street East, City of Lancaster. Will be developed into 80 single family homes.	Missing "will serve" letter. Pending tax transfer resolution.	5/15/2006	Unknown
4	AAO	Annexation No. 2006-46 to Los Angeles County Waterworks District No. 40	New Anaverde, LLC	Annex 1.567 acres of vacant land located near Lake Elizabeth Road and Avenue S in the city of Palmdale. Will be developed into 313 single family home.	Missing "will serve" letter. Pending tax transfer resolution.	10/5/2006	Unknown
5	AAO	Annexation No. 2011-17 (2006-50) to Los Angeles County Waterworks District No. 40	Behrooz Haverim/Kanyar Lashgari	Annex 20.62 acres of vacant land located south of Avenue H between 42nd Street West and 45th Street West in the City of Lancaster. To be developed into single family homes	Missing "will serve" letter. Pending tax transfer resolution.	12/1/2006	Unknown
6	AAO	Annexation No. 2007-18 to Los Angeles County Waterworks District No. 40	Michael Roach/ LACWD	Annex 130.29 acres of inhabited located between Avenue K & K-8 and between 30th and 35th Streets East, in the City of Lancaster.	District has been serving area since 90's. Have tax resolution. Deemed Categorical Exemption. Map & Legal pending review.	8/10/2007	Unknown
7	AAO	Annexation No. 2007- 29 to Quartz Hill Water District - SOI amendment	Kimberly Juday	Annex 5.08 acres of vacant land located at NEC of Avenue L-12 & 37th Street West, in the City of Lancaster. Future development of 7 single family homes	Applicant working on CEQA with city, pending approval of tax resolution, in redevelopment area.	1/4/2008	Unknown
8	AAO	Annexation 2008-13 to Los Angeles County Waterworks District No. 40	Lancaster School Dist	Annex 20.47 acres of vacant land located 2 miles west of the Antelope Valley fw. And the nearest paved major streets are ave. H. And Ave. I, in the City of Lancaster. For future construction of a school.	Pending approval of tax resolution. Missing "will serve" letter. Sent email to M.Roach re: status of tax resolution 12/17/12.	9/22/2008	Unknown
9	AAO	Annexation No. 2008-09 to Los Angeles County Waterworks District No. 37	Watt Enterprises LTD	Annex 272 Acres vacant land located on Escondido Canyon Road (area B) and Hubbard Road (area A) Angeles Forest Highway and Vincent Road	Missing CEQA. Missing "will serve" letter. Sent email to M. Roach re: status of tax resolution 12/31/13.	12/5/2008	Unknown

		LAFCO Designation	Applicant	Description	Status	Date Filed	Est. Date of Completion
10	AAO	Reorganization 2009-16 to County Waterworks District No. 29	M.H.A.B. Trust/ Water works Dist. 29	Detach 56 acres of uninhabited territory from Las Virgenes Municipal Water District and annex same said territory to Los Angeles County Waterworks District No. 29 and West Basin Municipal Water District. The project includes future construction of 5 homes. The project site is located north of Palm Canyon Lane between Cross Creek Road and Serra Road, in unincorporated county territory, adjacent to Malibu.	Missing "will serve" letter. Pending approval of tax resolution.	12/28/2009	Unknown
11	AAO	Reorganization 2010-04 Los Angeles County Waterworks District No. 29	Malitex Partners, LLC	Detach 88 acres of vacant land from the Las Virgenes Municipal Water District and annex same said territory to Los Angeles County Waterworks District No. 29 and West Basin Municipal Water District. The project includes future construction of three homes and dedicates open space. The project site is located north of Pacific Coast Highway at the end of Murphy Way, in the unincorporated area adjacent to Malibu.	Missing "will serve" letter. Received Tax Resolution 12-29-11. Regional Planning is working on Draft EIR 04/29/14.	6/9/2010	Unknown
12	DD	City of Palmdale Annexation 2010-06	City of Palmdale	49.6 acres located adjacent to residential properties to the southwest, southeast, and separated by the Amargosa Creek to the north.	Pending approval of tax resolution	10/25/2010	Unknown
13	AAO	Reorganization 2011-16 (Tesoro del Valle)	NCWD/CLWA	801.53 acres regional access is provided via Interstate 5 (1-5) for north/south travelers from the east, and State Route 126 (SR-126) for travelers from the west. The existing local thoroughfare that provides access to the proposed area is Copper Hill Drive, which can be accessed directly from Tesoro del Valle Drive or Avenida Rancho Tesoro.	Pending approval of tax resolution. NCWD/CLWA are still in negotiations. No agreement yet. 09/19/12	5/5/2011	Unknown
14	DD	City of Los Angeles Annexation 2011-27	Forestar Group	685 acres of uninhabited territory located east of Browns Canyon Road and northwest of Mason Ave, in the unincorporated area just north of the City of Los Angeles.	Received incomplete application 12-8-11, received more 2-13-12, sent out notice 2-15-12. City of LA is working on CEQA.	12/8/2011	Unknown
15	DD	City of Carson Annexation 2011-25 (Rancho Dominguez)	City of Carson	1,710 acres located south of the 91 Freeway, west of the 710 Freeway, north of Del Amo Blvd., and east of Wilmington Ave.	New application.	12/27/2011	Unknown
16	DD	City of Palmdale Annexation 2011-19	City of Palmdale	405 acres of uninhabited territory located between Palmdale Blvd and Ave S and 80th and 85th Street East.	Sent out Notice 3-22-12, pending approval of tax resolution.	3/8/2012	Unknown
17	AD	Annexation 2 District No. 1	Sanitation Districts	0.0152 acres located on 93rd street approximately 200 feet East of Broadway in the City of Los Angeles. (H)	June Agenda	11/29/2012	Jul-2014
18	AAO	Annexation 2012-19 Walnut Valley Water District	Walnut Valley Water District	550.52 acres: Northwestern portion of City of Walnut. Recently developed hillside surrounded by housing developments to the North and East, fronted by Amar Rd on the South and an existing closed landfill on the West.	Pending approval of tax resolution	1/3/2013	Unknown
19	AD	Annexation 417 District No. 22	Sanitation Districts	1.158 acres located on Via Romales approximately 200 feet south of Camino Del Sur, all within the city of San Dimas. (H)	June Agenda	1/9/2013	Jul-2014
20	AAO	Annexation 2012-10 County Waterworks District No. 40	LA County Waterworks District 40	The area is bordered on the North, South and West by existing residential tracts comprised of single family residences. Directly to the east is a corridor of vacant land.	Pending approval of tax resolution	1/31/2013	Unknown
20	AAO	Annexation 2012-12 County Waterworks District No. 40	LA County Waterworks District 40	The proposed annexation areas consists of residential tracts of single family homes, are bordered by other residential tracts and by vacant land.	Pending approval of tax resolution	1/31/2013	Unknown
21	AAO	Annexation 2012-13 County Waterworks District No. 37	LA County Waterworks District 37	The proposed annexation areas consists of residential tracts of single family homes on large lots, are bordered by other residential tracts and by vacant land.	Pending approval of tax resolution	1/31/2013	Unknown

		LAFCO Designation	Applicant	Description	Status	Date Filed	Est. Date of Completion
22	AAO	Annexation 2012-01 County Waterworks District No. 40 (Antelope Valley Christian Ctr)	LA County Waterworks District 40	Southwest corner of 30th St. East and Avenue K-8, APN 3170-008-001. Also known as the North 1/2 of the Southeast 1/4 of Section 30, Township 7 North, Range 11 West, San Bernardino Meridian.	Pending approval of tax resolution	2/20/2013	Unknown
23	AD	Annexation 418 District No. 22	Sanitation Districts	Located on Hicrest Road approximately 200 feet North of Yucca Ridge Road, all within the City of Glendora. (C)	June Agenda	3/11/2013	Jul-2014
24	AAO	Reorganization No. 2013-01 to Newhall County Water District (Castaic High School)	Newhall County Water District	Detach from Los Angeles County Waterworks District No. 36, Val Verde and annex to Newhall County Water District. Located at the northwest corner of Romero Canyon Road and Canyon Hill Road, in the unincorporated community of Castaic.	Pending approval of tax resolution	4/3/2013	Unknown
25	AD	Annexation 736 District No. 21	Sanitation Districts	475.28 acres located on Stephens Ranch Road north of the intersection with Golden Hills Road, all within unincorporated Los Angeles County. (H)	Pending	4/15/2013	Unknown
26	AD	Annexation 737 District No. 21	Sanitation Districts	1.491 acres has two parcels. Parcel 1 is located on the northeast corner of Moraine Avenue and Lamorlette Street; Parcel 2 is located at the terminus of Moraine Avenue, all within the City of Claremont. (C)	Pending	5/16/2013	unknown
27	DD	City of Santa Clarita Annexation 2013-03 (North Saugus)	City of Santa Clarita	The application involves approximately 826.23 acres of uninhabited, unincorporated territory. The subject territory is generally located north of Copperhill Drive, and adjacent to Blue Cloud Road with a portion of the site within the Angeles National Forest.	July Agenda	5/7/2013	Aug-2014
28	DD	Reorganization No. 2013-04 City of Rolling Hills	City of Rolling Hills	The application involves approximately .54 acres of uninhabited territory. The subject territory is generally located at the intersection of Silver Spur Road and Crenshaw Blvd in the City of Rolling Hills.	Sent out notice 6-27-13, pending approval of tax resolution.	6/26/2013	unknown
29	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation No. 1066	Sanitation Districts	197.956 Acres located south of Harp Canyon Road at the east and west sides of Romero Canyon Road, all within unincorporated area of Los Angeles County. (C)	Pending	7/3/2013	Unknown
30	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation No. 1036	Sanitation Districts	7.392 acres has two parcels. Parcel 1 is on Sand Canyon Road at its intersection with Comet Way, Parcel 2 is located on Sand Canyon Road approximately 400 feet south of Comet Way, all within the City of Santa Clarita. (C)	Pending	7/3/2013	Unknown
31	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation No. 1058	Sanitation Districts	3.043 acres located on Sand Canyon Road approximately 400 feet north of Comet Way, all within the City of Santa Clarita. (C)	Pending	7/3/2013	Unknown
32	AD	Annexation 738 District No. 21	Sanitation Districts	4.035 acres located at the southwest intersection of Baseline Road and Monte Vista Avenue, all within the City of Claremont. (H)	Pending	7/9/2013	Unknown
33	DD	Annexation No. 2013-05 to the City of Covina	City Ventures	.07 acres located west of Citrus Ave, between Covina Blvd. and Cypress Ave, adjacent to the City of Covina.	received tax resolution 10-23-13. application missing; revised application, plan for municipal services, resolution to initiate application, pre-zoning, CEQA, map of limiting addresses, list of limiting addresses.	7/8/2013	Unknown
34	DD	Annexation No. 2013-06 to the City of Los Angeles (Jordan Downs)	City of Los Angeles	41.72 acres located along Alameda St between East 97th Street and East 103rd Street, adjacent to the City of Los Angeles.	Sent out notice 9-3-13	8/28/2013	Unknown
35	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation No. 1065	Sanitation Districts	5.539 acres located at the northwest corner of Magic Mountain Parkway and Bouquet Canyon Road, all within the City of Santa Clarita.	Pending	11/5/2013	Unknown

		LAFCO Designation	Applicant	Description	Status	Date Filed	Est. Date of Completion
36	AD	Annexation 293 to District No. 15	Sanitation Districts	0.650 acres located on Highland Oaks Drive approximately 500 feet southeast of its intersection with Highland Vista Drive, all within the City of Arcadia.	Pending	11/5/2013	Unknown
37	AD	Annexation 739 to District No. 21	Sanitation Districts	27.050 acres located west of the extended Wheeler Avenue between Arrow Highway and Puddingstone Drive, all within the City of La Verne.	Pending	11/5/2013	Unknown
38	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation No. 1067	Sanitation Districts	1.998 acres located on Newhall Avenue at its intersection with Valle Del Oro, all within the City of Santa Clarita.	Pending	2/6/2014	Unknown
39	DD	Reorganization No. 2014-01	Universal Studios LLC,	Annex and detach approximately 32 acres of uninhabited territory to and from the City of Los Angeles. The project site is located northeast of the intersection of Lankershim Blvd. and US 101 Hollywood Freeway, in and adjacent to Los Angeles County unincorporated territory of Universal City.	Sent out notice 2-20-14	2/18/2014	Unknown
40	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation No. 1070	Sanitation Districts	12.24 acres located approximately 1,000 feet west of Whites Canyon Road and approximately 500 feet south of Sidani Lane, all within unincorporated Los Angeles County.	Pending	3/3/2014	Unknown
41	DD	Annexation 2014-04 to the City of Calabasas	City of Calabasas	annex approximately 43.31± acres of uninhabited territory to the City of Calabasas. The affected territory is generally located along Agoura Road between Liberty Canyon Road and Malibu Hills Road, in Los Angeles County unincorporated territory adjacent to the City of Agoura Hills and Calabasas.	sent out Notice of Filing march 20, 2014	3/18/2014	Unknown
42	AAO	Annexation No. 2014-02 to Greater Los Angeles County Vector Control District	Greater Los Angeles County Vector Control District	Annex the entire City of La Canada Flintridge (approx. 5,440 ± acres) into the Greater Los Angeles County Vector Control District.	Sent out Notice of Filing on April 22, 2014	4/16/2014	Unknown
43	AAO	Reorganization No. 2014-06 to Los Angeles County Waterworks District No. 29, Malibu	NSRS Trust	Detach 2 acres located on Palm Canyon Lane, unincorporated territory, from Las Virgenes Municipal Water District and annex said territory to Los Angeles County Waterworks District No. 29, Malibu.	Pending approval of tax resolution. Missing Map and Legal. Missing CEQA.	5/21/2014	Unknown
44	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation No. 1072	Sanitation Districts	0.342 acres located at the southeast corner of Church Street and Cherry Drive, all within unincorporated Los Angeles County.	Pending	5/27/2014	Unknown

Staff Report

June 11, 2014

Agenda Item No. 7.a.

Annexation No. 2 to Los Angeles County Sanitation District No. 1, Amendment to the Los Angeles County Sanitation District No. 1 Sphere of Influence (SOI)

PROPOSAL SUMMARY:

Size of Affected Territory:	0.152± acres
Inhabited/Uninhabited:	Uninhabited
Applicant:	Los Angeles County Sanitation District No.1
Resolution or Petition:	November 14, 2012
Application Filed with LAFCO:	November 29, 2012
Location:	The affected territory is located on 93 rd Street approximately 200 feet east of Broadway.
City/County:	City of Los Angeles
Affected Territory:	The affected territory consists of one duplex and is located within a residential area. The topography is flat.
Surrounding Territory:	Surrounding territory is residential
Landowner(s):	Shelveen Singh
Registered Voters:	2 registered voters as of March 6, 2014
Purpose/Background:	For the District to provide off-site sewage disposal service.
Related Jurisdictional Changes:	Amendment to the Los Angeles County Sanitation District No. 1 Sphere of Influence (SOI).
Within SOI:	No, a Sphere of Influence amendment to Los Angeles County Sanitation District No. 1 is required.
Waiver of Notice/Hearing/Protest:	No

CEQA Clearance:

The proposal is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15319(a) the annexation consists of areas containing existing structures developed to the density allowed by the current zoning. The Categorical Exemption was adopted by Los Angeles County Sanitation District No. 1, as lead agency, on November 14, 2012.

Additional Information:

None

FACTORS TO BE CONSIDERED PURSUANT TO GOVERNMENT CODE 56668:

a. Population:

The existing population is 6 residents as of November 16, 2012. The population density is 39.47 persons per acre.

The estimated future population is 10 residents.

The affected territory is 0.152+/- acres. The existing land use consists of 1 duplex.

The assessed valuation is \$255,000 as of April 23, 2014. The per capita assessed valuation is \$42,500. On February 19, 2013, the County adopted a negotiated tax exchange resolution; all other involved public agencies have adopted a property tax transfer resolution.

The topography of the affected territory is flat.

There are no natural boundaries. There are no drainage basins on or near the affected territory.

The affected territory is surrounded by populated areas on all sides. The affected territory is likely to experience no growth in the next ten years. The adjacent areas are likely to experience no growth in the next ten years.

b. Governmental Services and Controls:

The affected territory includes 1 duplex which requires organized governmental services. The affected territory will require governmental services indefinitely.

The present cost and adequacy of governmental services and controls in the area are acceptable. With respect to sanitary sewage disposal, other than service provided by the District, the only alternative is private septic systems. The cost of sewage disposal by the District versus the cost by septic system is subject to multiple factors and varies widely. Service by the District is considered to be more reliable than septic systems. Service by the District is environmentally superior in terms of wastewater treatment, effluent discharge, and impacts on surface water bodies and groundwater.

c. Proposed Action and Alternative Actions:

The proposed action will have no effect on mutual social and economic interests. The proposal has no impact on the local governmental structure of the County.

The only alternate action for sewage disposal is a private septic system. Service by the District is considered to be more reliable than septic systems. Service by the District is environmentally superior in terms of wastewater treatment, effluent discharge, and impacts on surface water bodies and groundwater.

d. *Conformity with Commission Policies on Urban Development and Open Space Conversion Policies:*

There are no conformance issues because the Commission has not adopted any policies relative to providing planned, orderly, efficient patterns of urban development.

There is no prime agricultural land within or adjacent to the affected territory. The proposal conforms with the objectives in Government Code Sections 56377(a) and 56377(b).

e. *Agricultural Lands:*

There are no effects on agricultural lands, as defined. None of the land within the affected territory is currently used for the purpose of producing an agricultural commodity for commercial purposes. According to the California Department of Conservation, Division of Land Resource Protection, none of the land within the affected territory is subject to a Land Conservation Act (aka "Williamson Act") contract nor in a Farmland Security Zone (California Land Conservation Act 2012 Status Report).

f. *Boundaries:*

The boundaries of the affected territory have been clearly defined by the applicant, and these boundaries have been reviewed and approved by LAFCO's GIS/Mapping Technician.

The boundaries conform to lines of assessment or ownership, and these boundaries have been reviewed and approved by LAFCO's GIS/Mapping Technician.

As a special district annexation, the proposal has no impact on existing city-county boundaries, nor does it create islands or corridors of unincorporated territory.

g. *Consistency with Plans:*

The proposal has no significant impact upon, and is therefore consistent with, the Regional Transportation Plan.

The proposal is consistent with the existing City's General Plan designation of Low Medium Residential.

The affected territory is not within the boundaries of any Specific Plan.

Pre-zoning is not a requirement for a special district proposal.

h. *Sphere of Influence:*

The affected territory is not within the Sphere of Influence of the Los Angeles County Sanitation District No. 1, but a concurrent Sphere of Influence Update is being processed with this application.

i. *Comments from Public Agencies:*

Staff did not receive any significant comments from public agencies or any resolutions raising objections from any affected agency.

j. *Ability to Provide Services:*

The affected territory is already being serviced by the District. The area was included in the future service area that might be served by the District. The District's future wastewater management needs were addressed in the Joint Outfall System 2010 Master Facilities Plan.

k. *Timely Availability of Water Supplies:*

There are no known issues regarding water supply or delivery.

l. *Regional Housing:*

As a special district annexation, the proposal will not affect any city, nor the county, in achieving their respective fair shares of the regional housing needs as determined by the Southern California Association of Governments (SCAG).

m. *Comments from Landowners, Voters, or Residents:*

Staff did not receive any significant comments from landowners, voters, or residents.

n. *Land Use Designations*

The proposal is consistent with the existing City's General Plan designation of Low Medium Residential.

The proposal is consistent with the existing City's zoning designation of Single-Family Residential.

o. *Environmental Justice:*

The previous landowner of real property within the affected territory requested, in writing, that the District provide off-site sewage disposal service. Property-owners of adjacent areas did not request such service, and/or were contacted by Sanitation District staff and were not interested in securing such service or did not respond. The proposal promotes environmental justice, in that there is fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services.

There are no Disadvantaged Unincorporated Communities (DUCs) within or adjacent to the affected territory.

The SOI Amendment involves one parcel within a developed area. There are several DUCs within Los Angeles County Sanitation District No. 1's SOI. These DUCs, however, are several miles away to the east and south and are in no way impacted by the proposed SOI Amendment. The affected territory is entirely within and adjacent to land that is within the boundaries of the City of Los Angeles, and the proposal was initiated with Los Angeles County Sanitation District No. 1 by the previous landowner.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) CLEARANCE:

The proposal is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15319(a) the annexation consists of areas containing existing structures developed to the density allowed by the current zoning. The Categorical Exemption was adopted by Los Angeles County Sanitation District No. 1, as lead agency, on November 14, 2012.

SPHERE OF INFLUENCE AMENDMENT DETERMINATIONS PURSUANT TO GOVERNMENT CODE 56425(e):

1. Present and Planned Land Uses in the Area

The present land use is 1 duplex. There is no proposed future change.

2. Present and Probable Need for Public Facilities and Services in the Area

The affected territory is located within the City of Los Angeles. The affected territory is already being serviced by the District. The area was included in the future service area that might be served by the District. The District's future wastewater management needs were addressed in the Joint Outfall System 2010 Master Facilities Plan.

The affected territory includes 1 duplex which requires organized governmental services. The affected territory will require governmental facilities and services indefinitely.

The present cost and adequacy of governmental services and controls in the area are acceptable. With respect to sanitary sewage disposal, other than service provided by the District, the only alternative is private septic systems. The cost of sewage disposal by the District versus the cost by septic system is subject to multiple factors and varies widely. Service by the District is considered to be more reliable than septic systems. Service by the District is environmentally superior in terms of wastewater treatment, effluent discharge, and impacts on surface water bodies and groundwater

3. Present Capacity of Public Facilities and Services:

The current permitted capacity of the JOS is 592.7 million gallon per day (mgd). On July 12, 1995, the Board of Directors of District No. 2 approved the 2010 Master Facilities Plan and certified the associated EIR. The 2010 plan addresses the sewerage needs of the JOS service area through the year 2010 and the services planned to meet those needs. The 2010 plan allows the capacity of the JOS to increase to 630.2 mgd by 2010.

4. Social of Economic communities of interest

All of the owners of real property within the affected territory have requested, in writing, that the District provide off-site sewage disposal service. Property-owners of adjacent areas did not request such service, and/or were contacted by Sanitation District staff and were not interested in securing such service or did not respond. The proposal promotes environmental

justice, in that there is fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services.

5. *Disadvantaged Unincorporated Communities:*

There are no Disadvantaged Unincorporated Communities (DUCs) within or adjacent to the affected territory.

The SOI Amendment involves one parcel within a developed area. There are several DUCs within Los Angeles County Sanitation District No. 1's SOI. These DUCs, however, are several miles away to the east and south and are in no way impacted by the proposed SOI Amendment. The affected territory is entirely within and adjacent to land that is within the boundaries of the City of Los Angeles, and the proposal was initiated with Los Angeles County Sanitation District No. 1 by the previous landowner.

SPHERE OF INFLUENCE AMENDMENT DETERMINATIONS PURSUANT TO GOVERNMENT CODE 56425(i):

The Commission has on file written statement of the functions and classes of service of the Los Angeles County Sanitation District No. 1 and can establish the nature, location and extent of its classes of service and that it provides services within its boundary.

CONCLUSION:

Staff recommends approval of the proposal as a logical and reasonable extension of Los Angeles County Sanitation District No. 1, which will be for the interest of landowners and/or present and/or future inhabitants within the district and annexation territory.

Recommended Action:

1. Open the public hearing and receive testimony on the proposed Sphere Of Influence Amendment;
2. There being no further testimony, close the public hearing;
3. Adopt the Resolution Making Determinations Amending the Sphere Of Influence and Approving Annexation No. 2 to Los Angeles County Sanitation District No. 1.
4. Pursuant to Government Code Section 57002, Set August 13, 2014, at 9:00 a.m., as the date and time for Commission protest proceedings.

**RESOLUTION NO. 2014-00RMD
RESOLUTION OF THE LOCAL AGENCY FORMATION
COMMISSION FOR THE COUNTY OF LOS ANGELES
MAKING DETERMINATIONS APPROVING
"ANNEXATION NO. 2 TO THE LOS ANGELES COUNTY SANITATION DISTRICT NO. 1,
AMENDMENT TO THE LOS ANGELES COUNTY SANITATION DISTRICT NO. 1
SPHERE OF INFLUENCE (SOI)"**

WHEREAS, the Los Angeles County Sanitation District No. 1 (District) adopted a resolution of application to initiate proceedings, which was submitted to the Local Agency Formation Commission for the County of Los Angeles (Commission), pursuant to Division 3, Title 5, of the California Government Code (commencing with section 56000, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000), for annexation of territory herein described to the District, all within the City of Los Angeles.

WHEREAS, the proposed annexation consists of approximately 0.152± acres of uninhabited territory and is assigned the following distinctive short-form designation: "Annexation No. 2 to the Los Angeles County Sanitation District No. 1 "; and

WHEREAS, a description of the boundaries and map of the proposal are set forth in Exhibits "A" and "B", attached hereto and by this reference incorporated herein; and

WHEREAS, the principal reason for the proposed annexation is for the District to provide off-site sewage disposal service for one existing duplex; and

WHEREAS, the Executive Officer has reviewed the proposal and submitted to the Commission a written report, including his recommendations therein; and

WHEREAS, the Executive Officer has given notice of the public hearing pursuant to Government Code Sections 56150-56160, 56427, 57025, and 57026, wherein the public hearing

notice was published in a newspaper of general circulation in the County of Los Angeles on May 12, 2014, which is at least 21 days prior to the public hearing, and said hearing notice was also mailed to all required recipients by first-class mail on or before the date of newspaper publication; and

WHEREAS, on June 11, 2014, after being duly and properly noticed, this proposal came on for hearing, at which time this Commission heard and received all oral and written testimony, objections, and evidence which were made, presented or filed, and all persons present were given an opportunity to hear and be heard with respect to this proposal and the report of the Executive Officer.

WHEREAS, pursuant to Government Code Section 57002, the Commission set the protest hearing for August 13, 2014 at 9:00 a.m., at the Los Angeles County Board of Supervisors Hearing Room, Kenneth Hahn Hall of Administration Room 381-B, located at 500 West Temple Street, Los Angeles, California, 90012.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The Commission hereby amends the Sphere of Influence of Los Angeles County Sanitation District No. 1 and makes the following determinations in accordance with Government Code Section 56425:

- a. Present and Planned Land Uses in the Area

- The present land use consists of one duplex. There is no proposed future planned land use.

b. Present and Probable Need for Public Facilities and Services in the Area

The affected territory is located within the City of Los Angeles and receives general government services, including land use planning and regulation, law enforcement, fire protection, road maintenance and other services from the City of Los Angeles and other special districts. The duplex will require these services indefinitely.

c. Present Capacity of Public Facilities and Adequacy of Public Services that the Agency Provides or is Authorized to Provide

The current permitted capacity of the JOS is 592.7 million gallons per day (mgd). On July 12, 1995, the Board of Directors of District No. 2 approved the 2010 Master Facilities Plan and certified the associated EIR. The 2010 plan addresses the sewerage needs of the JOS service area through the year 2010 and the services planned to meet those needs. The 2010 plan allows the capacity of the JOS to increase to 630.2mgd by 2010.

d. Existence of Any Social or Economic Communities of Interest

There are no significant social or economic communities of interest within the subject territory.

e. Disadvantaged Unincorporated Communities

There are no Disadvantaged Unincorporated Communities (DUCs) within or adjacent to the affected territory. The SOI Amendment involves one parcel within a developed area. There are several DUCs within Los Angeles County Sanitation District No. 1's SOI. These DUCs, however, are several miles away to the east and south and are in no way impacted by the proposed SOI Amendment. The affected territory is entirely within and adjacent to land that is within the boundaries of the City of Los Angeles, and the proposal was initiated with Los Angeles County Sanitation District No. 1 by the property-owner.

f. Determination of the Services of the Existing District

The Commission has on file written statement of the functions and classes of service of the Los Angeles County Sanitation District No. 1 and can establish the nature, location and extent of its classes of service and that it provides water service within its boundary.

2. The Commission finds that this annexation is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15319(a), because it consists of areas containing existing structures developed to the density allowed by the current zoning. The Categorical Exemption was adopted by Los Angeles County Sanitation District No. 1, as lead agency, on November 14, 2012.

3. A description of the boundaries and map of the proposal, as approved by this Commission, are set forth in Exhibits "A" and "B", attached hereto and by this reference incorporated herein.
4. The affected territory consists of 0.152± acres, is uninhabited, and is assigned the following short form designation:

"Annexation No. 2 to Los Angeles County Sanitation District No. 1".

5. Annexation No. 2 to Los Angeles County Sanitation District No. 1 is hereby approved, subject to the following terms and conditions:
 - a. The District agrees to defend, hold harmless and indemnify LAFCO and/or its agents, officers and employees from any claim, action or proceeding against LAFCO and/or its agents, officers and employees to attack, set aside, void or annul the approval of LAFCO concerning this proposal or any action relating to or arising out of such approval.
 - b. The effective date of the annexation shall be the date of recordation.
 - c. Payment of Registrar-Recorder/County Clerk and State Board of Equalization fees.
 - d. The territory so annexed shall be subject to the payment of such service charges, assessments or taxes as may be legally imposed by the District.
 - e. The regular County assessment roll shall be utilized by the District.
 - f. The affected territory will be taxed for any existing general indebtedness, if any, of the District.

- g. Annexation of the affected territory described in Exhibits "A" and "B" to the District.
 - h. Except to the extent in conflict with "a" through "g", above, the general terms and conditions contained in Chapter 2 of Part 5, Division 3, Title 5 of the California Government Code (commencing with Government Code Section 57325) shall apply to this annexation.
6. Pursuant to Government Code Section 57002, the Commission hereby sets the protest hearing for August 13, 2014 at 9:00 a.m. and directs the Executive Officer to give notice thereof pursuant to Government Code Sections 57025 and 57026.
7. The Executive Officer is hereby authorized and directed to mail copies of this resolution as provided in Government Code Section 56882.

PASSED AND ADOPTED this 11th day of June 2014.

MOTION:

SECOND:

AYES:

NOES:

ABSTAIN:

ABSENT:

MOTION PASSES: 0/0/0

**LOCAL AGENCY FORMATION COMMISSION
FOR THE COUNTY OF LOS ANGELES**

**Paul A. Novak, AICP
Executive Officer**



W 93RD ST

APN: 6040 039 019





LOS ANGELES

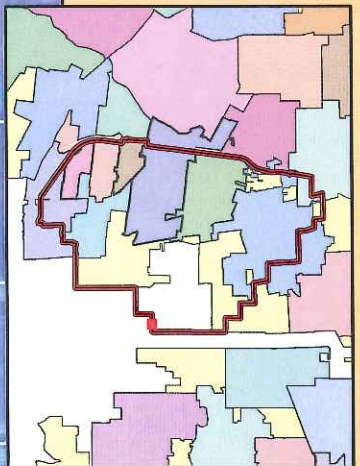
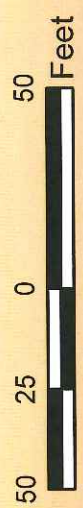
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Annexation No. 2 to County Sanitation District No. 1 with SOL Amendment

- Legend**
-  CSD Annexation 1-2
 -  City of Los Angeles
 -  Los Angeles County Sanitation District No. 1
 -  Sphere of Influence, CSD 1



Staff Report

June 11, 2014

Agenda Item No. 7.b.

Annexation No. 417 to Los Angeles County Sanitation District No. 22.

PROPOSAL SUMMARY:

Size of Affected Territory:	1.158± acres
Inhabited/Uninhabited:	Uninhabited
Applicant:	Los Angeles County Sanitation District No. 22.
Resolution or Petition:	December 18, 2012
Application Filed with LAFCO:	January 9, 2013
Location:	The affected territory is located on Via Romales approximately 200 feet south of Camino Del Sur.
City/County:	City of San Dimas
Affected Territory:	The subject territory consists of a small portion of a lot developed with one existing single-family home and vacant land within a residential area. The vacant land is being developed to include 1 proposed single-family home. The topography is slightly sloped.
Surrounding Territory:	Surrounding territory is residential.
Landowner(s):	Rene Bobadilla; Arturo & Patricia Garcia
Registered Voters:	1 registered voters as of March 11, 2014
Purpose/Background:	For the District to provide off-site sewage disposal service.
Related Jurisdictional Changes:	There are no related jurisdictional changes.
Within SOI:	Yes
Waiver of Notice/Hearing/Protest:	No

CEQA Clearance:

The proposal is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15319(a) because the annexation consists of areas containing existing structures developed to the density allowed by the current zoning for the portion of the lot containing the existing single-family home.

The proposal is also categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15319(b) Annexation of small parcels of the minimum size for facilities exempted by Section 15303, New Construction or Conversion of Small structures for the portion containing the proposed single-family home. The categorical exemption was adopted by Los Angeles County Sanitation District No. 22, as lead agency, on December 18, 2012.

Additional Information:

None

FACTORS TO BE CONSIDERED PURSUANT TO GOVERNMENT CODE 56668:

a. Population:

The existing population is 0 resident as of December 20, 2012. The population density issue does not apply because the affected territory is unpopulated.

The estimated future population is 1 resident.

The affected territory is 1.158+/- acres. The existing land use consists of one existing single-family home and vacant land within a residential area. The vacant land is being developed to include 1 proposed single-family home.

The assessed valuation is \$418,200 as of April 23, 2014. The per capita assessed valuation issue does not apply because the affected territory is unpopulated. On February 19, 2013, the County adopted a negotiated tax exchange resolution; all other involved public agencies have adopted a property tax transfer resolution.

The topography of the affected territory is slightly sloped.

There are no natural boundaries. There are no drainage basins on or near the affected territory.

The affected territory is surrounded by populated areas to the east, south, and west. The affected territory is likely to experience modest growth in the next ten years. The adjacent areas are likely to experience modest growth in the next ten years.

b. Governmental Services and Controls:

The affected territory will be developed to include 1 proposed single-family home which requires organized governmental services. The affected territory will require governmental services indefinitely.

The present cost and adequacy of governmental services and controls in the area are acceptable. With respect to sanitary sewage disposal, other than service provided by the District, the only alternative is private septic systems. The cost of sewage disposal by the District versus the cost by septic system is subject to multiple factors and varies widely. Service by the District is considered to be more reliable than septic systems. Service by the District is environmentally superior in terms of wastewater treatment, effluent discharge, and impacts on surface water bodies and groundwater.

c. Proposed Action and Alternative Actions:

The proposed action will have no effect on mutual social and economic interests. The proposal has no impact on the local governmental structure of the County.

The only alternate action for sewage disposal is a private septic system. Service by the District is considered to be more reliable than septic systems. Service by the District is environmentally superior in terms of wastewater treatment, effluent discharge, and impacts on surface water bodies and groundwater.

d. *Conformity with Commission Policies on Urban Development and Open Space Conversion Policies:*

There are no conformance issues because the Commission has not adopted any policies relative to providing planned, orderly, efficient patterns of urban development.

There is no prime agricultural land within or adjacent to the affected territory. The proposal conforms with the objectives in Government Code Sections 56377(a) and 56377(b).

e. *Agricultural Lands:*

There are no effects on agricultural lands. None of the land within the affected territory is currently used for the purpose of producing an agricultural commodity for commercial purposes. According to the California Department of Conservation, Division of Land Resource Protection, none of the land within the affected territory is subject to a Land Conservation Act (aka "Williamson Act") contract nor in a Farmland Security Zone (California Land Conservation Act 2012 Status Report).

f. *Boundaries:*

The boundaries of the affected territory have been clearly defined by the applicant, and these boundaries have been reviewed and approved by LAFCO's GIS/Mapping Technician.

The boundaries conform to lines of assessment or ownership, and these boundaries have been reviewed and approved by LAFCO's GIS/Mapping Technician.

As a special district annexation, the proposal has no impact on existing city-county boundaries, nor does it create islands or corridors of unincorporated territory.

g. *Consistency with Plans:*

The proposal has no significant impact upon, and is therefore consistent with, the Regional Transportation Plan.

The proposal is consistent with the existing City's General Plan designation of Single-Family Very Low.

The affected territory is not within the boundaries of any Specific Plan.

Pre-zoning is not a requirement for a special district proposal.

h. Sphere of Influence:

The affected territory is within the Sphere of Influence of the Los Angeles County Sanitation District No. 22.

i. Comments from Public Agencies:

Staff did not receive any significant comments from public agencies or any resolutions raising objections from any affected agency.

j. Ability to Provide Services:

Although the present area is not currently serviced by the District, the area was included in the future service area that might be served by the District. The District's future wastewater management needs were addressed in the Joint Outfall system 2010 Master Facilities Plan.

k. Timely Availability of Water Supplies:

There are no known issues regarding water supply or delivery.

l. Regional Housing:

As a special district annexation, the proposal will not affect any city, nor the county, in achieving their respective fair shares of the regional housing needs as determined by the Southern California Association of Governments (SCAG).

m. Comments from Landowners, Voters, or Residents:

Staff did not receive any significant comments from landowners, voters, or residents.

n. Land Use Designations

The proposal is consistent with the existing City's General Plan designation of Single-Family Very Low.

The proposal is consistent with the existing City's zoning designation of Single Family Residential.

o. Environmental Justice:

A landowner of real property within the affected territory has requested, in writing, that the District provide off-site sewage disposal service. Property-owners of adjacent areas did not request such service, and/or were contacted by Sanitation District staff and were not interested in securing such service or did not respond. The proposal promotes environmental justice, in that there is fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services.

There are no Disadvantaged Unincorporated Communities (DUCs) within or adjacent to the affected territory.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) CLEARANCE:

The proposal is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15319(a) because the annexation consists of areas containing existing structures developed to the density allowed by the current zoning for the portion of the lot containing the existing single-family home.

The proposal is also categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15319(b) Annexation of small parcels of the minimum size for facilities exempted by Section 15303, New Construction or Conversion of Small structures for the portion containing the proposed single-family home. The categorical exemption was adopted by Los Angeles County Sanitation District No. 22, as lead agency, on December 18, 2012

CONCLUSION:

Staff recommends approval of the proposal as a logical and reasonable extension of the Los Angeles County Sanitation District No. 22, which will be for the interest of landowners and/or present and/or future inhabitants within the district and the annexation territory.

Recommended Action:

1. Open the public hearing and receive testimony on the annexation;
2. There being no further testimony, close the public hearing;
3. Adopt the Resolution Making Determinations Approving Annexation No. 417 to Los Angeles County Sanitation District No. 22.
4. Pursuant to Government Code Section 57002, Set August 13, 2014, at 9:00 a.m., as the date and time for Commission protest proceedings.

**RESOLUTION NO. 2014-00RMD
RESOLUTION OF THE LOCAL AGENCY FORMATION
COMMISSION FOR THE COUNTY OF LOS ANGELES
MAKING DETERMINATIONS APPROVING
"ANNEXATION NO. 417 TO LOS ANGELES COUNTY SANITATION DISTRICT NO. 22."**

WHEREAS, the Los Angeles County Sanitation District No. 22 (District) adopted a resolution of application to initiate proceedings, which was submitted to the Local Agency Formation Commission for the County of Los Angeles (Commission), pursuant to Division 3, Title 5, of the California Government Code (commencing with section 56000, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000), for annexation of territory herein described to the District, all within the City of San Dimas; and

WHEREAS, the proposed annexation consists of approximately 1.158± acres of uninhabited territory and is assigned the following distinctive short-form designation: "Annexation No. 417 to Los Angeles County Sanitation District No. 22"; and

WHEREAS, a description of the boundaries and map of the proposal are set forth in Exhibits "A" and "B", attached hereto and by this reference incorporated herein; and

WHEREAS, the principal reason for the proposed annexation is for the District to provide off-site sewage disposal to 1 proposed single-family home; and

WHEREAS, the Executive Officer has reviewed the proposal and submitted to the Commission a written report, including his recommendations therein; and

WHEREAS, the Executive Officer has given notice of the public hearing pursuant to Government Code Sections 56150-56160, 57025, and 57026, wherein the public hearing notice was published in a newspaper of general circulation in the County of Los Angeles on

May 12, 2014, which is at least 21 days prior to the public hearing, and said hearing notice was also mailed to all required recipients by first-class mail on or before the date of newspaper publication; and

WHEREAS, on June 11, 2014, after being duly and properly noticed, this proposal came on for hearing, at which time this Commission heard and received all oral and written testimony, objections, and evidence which were made, presented or filed, and all persons present were given an opportunity to hear and be heard with respect to this proposal and the report of the Executive Officer.

WHEREAS, pursuant to Government Code Section 57002, the Commission set the protest hearing for August 13, 2014 at 9:00 a.m., at the Los Angeles County Board of Supervisors Hearing Room, Kenneth Hahn Hall of Administration Room 381-B, located at 500 West Temple Street, Los Angeles, California, 90012; and

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The Commission finds that this annexation is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15319(a), because the annexation consists of areas containing existing structures developed to the density allowed by the current zoning for the portion of the lot containing the existing single-family home.

The proposal is also categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15319(b) Annexation of small parcels of the minimum size for facilities exempted by Section

15303, New Construction or Conversion of Small structures for the portion containing the proposed single-family home. The Categorical Exemption was adopted by Los Angeles County Sanitation District No. 22, as lead agency, on December 18, 2012

2. A description of the boundaries and map of the proposal, as approved by this Commission, are set forth in Exhibits "A" and "B", attached hereto and by this reference incorporated herein.
3. The affected territory consists of 1.158± acres, is uninhabited, and is assigned the following short form designation:

"Annexation No. 417 to Los Angeles County Sanitation District No. 22".

4. Annexation No. 417 to Los Angeles County Sanitation District No. 22 is hereby approved, subject to the following terms and conditions:

- a. The District agrees to defend, hold harmless and indemnify LAFCO and/or its agents, officers and employees from any claim, action or proceeding against LAFCO and/or its agents, officers and employees to attack, set aside, void or annul the approval of LAFCO concerning this proposal or any action relating to or arising out of such approval.
- b. The effective date of the annexation shall be the date of recordation.
- c. Payment of Registrar-Recorder/County Clerk and State Board of Equalization fees.
- d. The territory so annexed shall be subject to the payment of such service charges, assessments or taxes as may be legally imposed by the District.

- e. The regular County assessment roll shall be utilized by the District.
 - f. The affected territory will be taxed for any existing general indebtedness, if any, of the District.
 - g. Annexation of the affected territory described in Exhibits "A" and "B" to the District.
 - h. Except to the extent in conflict with "a" through "g", above, the general terms and conditions contained in Chapter 2 of Part 5, Division 3, Title 5 of the California Government Code (commencing with Government Code Section 57325) shall apply to this annexation.
5. Pursuant to Government Code Section 57002, the Commission hereby sets the protest hearing for August 13, 2014 at 9:00 a.m. and directs the Executive Officer to give notice thereof pursuant to Government Code Sections 57025 and 57026.

PASSED AND ADOPTED this 11th day of June 2014.

MOTION:

SECOND:

AYES:

NOES:

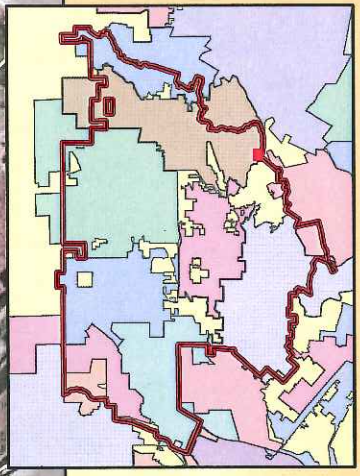
ABSTAIN:

ABSENT:

MOTION PASSES: 0/0/0

**LOCAL AGENCY FORMATION COMMISSION
FOR THE COUNTY OF LOS ANGELES**


**Paul A. Novak, AICP
Executive Officer**





LAFCO
Local Agency Formation Commission
for the County of Los Angeles

Annexation No. 417 to County Sanitation District No. 22

Legend

 CSD Annexation 22-417

 City of San Dimas

 Los Angeles County Sanitation District No. 22

 Sphere of Influence, CSD 22



Staff Report

June 11, 2014

Agenda Item No. 7.c.

Fiscal Year 2014-15 Final Budget (Amended)

Background

In accordance with Government Code Section 56381, LAFCO must conduct a second noticed public hearing and approve its final budget by June 15th of each year. At a minimum, the proposed and final budget shall be equal to the budget adopted for the previous fiscal year, unless the commission finds that reduced staffing or program costs will nevertheless allow the commission to fulfill its statutory purposes and programs.

Subsequent to approval of the proposed budget, on April 9, 2014, staff identified \$17,500 in unanticipated expenses in the Salaries and Benefits Account - specifically, increased OPEB and retirement liability. The amended budget also corrects a miscalculation in the total net operating costs.

Final Budget

As amended, the Fiscal Year 2014-15 Final Budget identifies expenditures totally \$1,276,831. Revenue generated will consist of \$1,161,831 in apportionments from the 88 cities, the County of Los Angeles, and the 53 Independent Special Districts; an estimated \$65,000 from filing fees and \$50,000 from FY 2013-14 carryover funds.

Comments from funding agencies

The amended budget was re-circulated to the funding agencies for review and comment. As of the writing of the report staff has not received any inquiries relating to the amended budget.

Recommended action:

1. Open budget hearing; close hearing after receiving public comments.
2. Approve the Final Budget, as amended, for Fiscal Year 2014-15.
3. Pursuant to Government Code Section 56381.6, request the Los Angeles County Auditor-Controller to apportion the net operating expenses of the commission among the classes of public agencies represented on the Commission.

LAFCO FINAL BUDGET - FISCAL YEAR 2014-15 (AMENDED)

Acct No.	EXPENSES	Budget 2013-14	Budget 2014-15	Budget Difference
50000 Salaries & Employee Benefits				
50001-12	Employee Salaries	\$ 547,826.00	\$ 558,782.00	\$ 10,956.00
50015	Retirement	\$ 87,550.00	\$ 124,332.00	\$ 36,782.00
50016	Benefits Cashout	\$ 17,000.00	\$ 17,000.00	\$ -
50017	Stipends	\$ 31,500.00	\$ 27,000.00	\$ (4,500.00)
50018	Worker's Compensation Insurance	\$ 6,802.00	\$ 15,971.00	\$ 9,169.00
50019	Health Insurance	\$ 96,000.00	\$ 115,500.00	\$ 19,500.00
50020	Payroll Taxes	\$ 9,000.00	\$ 9,000.00	\$ -
50022	OPEB - Existing Retirees	\$ 6,600.00	\$ 10,080.00	\$ 3,480.00
50023	OPEB - Trust	\$ 50,000.00	\$ 50,000.00	\$ -
	Total Salaries & Employee Benefits	\$ 852,278.00	\$ 927,665.00	\$ 75,387.00
50000A Office Expense				
50025	Rent	\$ 70,000.00	\$ 70,000.00	\$ -
50026	Communications	\$ 9,500.00	\$ 8,500.00	\$ (1,000.00)
50027	Supplies	\$ 8,500.00	\$ 7,500.00	\$ (1,000.00)
50029	Equipment Maintenance and Supplies	\$ 6,500.00	\$ 6,500.00	\$ -
50030	Equipment lease	\$ 22,000.00	\$ 25,000.00	\$ 3,000.00
50031	Employee / Other Parking Fees	\$ 8,000.00	\$ 8,000.00	\$ -
50032	Other Insurance	\$ 42,000.00	\$ 45,000.00	\$ 3,000.00
50033	Agency Membership Dues	\$ 8,925.00	\$ 7,550.00	\$ (1,375.00)
50040	Information Technology/Programming	\$ 7,100.00	\$ 7,100.00	\$ -
50052	Legal Notices	\$ 9,000.00	\$ 3,000.00	\$ (6,000.00)
50053	Publications	\$ 100.00	\$ 100.00	\$ -
50054	Postage	\$ 7,000.00	\$ 3,500.00	\$ (3,500.00)
50055	Audio/Visual Services	\$ 4,400.00	\$ 3,200.00	\$ (1,200.00)
50056	Printing	\$ 1,200.00	\$ 1,200.00	\$ -
50057	Conferences/Travel - Commissioners	\$ 10,500.00	\$ 15,000.00	\$ 4,500.00
50058	Conferences/Travel - Staff	\$ 5,000.00	\$ 13,500.00	\$ 8,500.00
50060	Auto - Reimbursement	\$ 12,480.00	\$ 12,480.00	\$ -
50061	Various Vendors	\$ 5,500.00	\$ 5,000.00	\$ (500.00)
50065	Miscellaneous - Other	\$ 4,000.00	\$ 4,000.00	\$ -
50067	Computer/Copier/Misc Equipment	\$ 2,500.00	\$ 3,000.00	\$ 500.00
	Total Miscellaneous Expense	\$ 244,205.00	\$ 249,130.00	\$ 4,925.00
50000C PROFESSIONAL SERVICES				
50076	Legal services	\$ 50,000.00	\$ 45,000.00	\$ (5,000.00)
50077	Accounting & Bookkeeping	\$ 22,000.00	\$ 22,000.00	\$ -
50078	Contract Services	\$ 6,000.00	\$ 3,000.00	\$ (3,000.00)
50081	Municipal Service Reviews	\$ 5,000.00	\$ 5,000.00	\$ -
	Total Professional Services	\$ 83,000.00	\$ 75,000.00	\$ (8,000.00)
50137 CONTINGENCY				
		\$ 35,384.49	\$ 25,035.90	\$ (10,348.59)
Subtotal Expense (Accounts 50000 - 50000C)		\$ 1,214,867.49	\$ 1,276,830.90	\$ 61,963.41

LAFCO FINAL BUDGET - FISCAL YEAR 2014-15

<u>Acct No.</u>		<u>Budget 2013-14</u>	<u>Budget 2014-15</u>	<u>Budget Difference</u>
40000	REVENUE			
40005	Filing Fees	\$ 82,500.00	\$ 65,000.00	\$ (17,500.00)
40012	Prior Year Fund Balance Carryover	\$ 85,000.00	\$ 50,000.00	\$ (35,000.00)
40013	Investment Pool Transfer	\$ 115,000.00	\$ -	\$ (115,000.00)
	Total Revenue	<u><u>\$ 282,500.00</u></u>	<u><u>\$ 115,000.00</u></u>	<u><u>\$ (167,500.00)</u></u>
	Net Operating Cost	<u><u>\$ 932,367.49</u></u>	<u><u>\$ 1,161,830.90</u></u>	<u><u>\$ 229,463.41</u></u>
LOCAL AGENCY APPORTIONMENT				
40001	City of L.A. : 15.385%	\$ 143,444.74	\$ 178,747.68	\$ 35,302.94
40002	County of L.A.: 38.462%	\$ 358,607.18	\$ 446,863.40	\$ 88,256.22
40003	87 Other Cities: 23.077%	\$ 215,162.45	\$ 268,115.72	\$ 52,953.27
40004	53 Ind.Spec.Dist: 23.077%	\$ 215,162.45	\$ 268,115.72	\$ 52,953.27
	Total Allocated Costs 100%	<u><u>\$ 932,376.82</u></u>	<u><u>\$ 1,161,842.52</u></u>	<u><u>\$ 229,465.70</u></u>

h:\document\budget\FY 2014-15 Final Budget (Amended)

Staff Report

June 11, 2014

Agenda Item No. 9.a.

Sativa County Water District Municipal Service Review (MSR) and Sphere of Influence (SOI) Update

Background:

At your May 14th meeting, the Commission closed the public hearing and took several actions relative to the MSR and SOI Update for the Sativa County Water District.

At your May 14th meeting, staff was asked to address two issues and agendize for today's meeting:

- **Revised Commission Resolution.** Staff was directed to provide additional narrative to the draft Commission resolution to discuss the 2005 MSR, identify the progress or lack thereof by District officials in addressing various issues raised by LAFCO staff and others, and to provide a context which more appropriately identifies the context in which the Commission adopted a Zero Sphere of Influence (Zero SOI) for the District at this time.

A revised Commission resolution is attached for your consideration. An "underline" version is also provided, in which the underlined text reflects language added to last month's draft resolution.

- **Public Outreach Options.** Staff was asked to explore, in more detail, various options for alerting Sativa's ratepayers relative to LAFCO's conclusions about the Sativa County Water District. The Commission has a number of options, including, but not limited to, the following:
 - A. Issue a press release (bilingual English and Spanish) describing the Commission's determination (Zero SOI) as well as the issues identified in the preparation of the MSR and SOI Update as documented in the Draft MSR and staff report; or
 - B. Mail a hard copy of the August 2012 Draft MSR and the Staff Report to all mailing addresses within the boundaries of the Sativa County Water District (roughly 1,700 properties); or

- C. Send a letter (bilingual English and Spanish) describing the Commission's determination (Zero SOI) as well as the issues identified in the preparation of the MSR and SOI Update as documented in the Draft MSR and staff report, including a paragraph offering to mail a complete hard copy of the Draft MSR and the Staff Report upon request; or
- D. Provide the letter noted in "C," above, to Sativa staff to include in the monthly invoices sent to ratepayers; or
- E. Work with District representatives on a joint mailer to include in the monthly invoices sent to ratepayers; or
- F. Conduct no public outreach above the usual practice of posting action on LAFCO's website and quarterly reports when submitted by the District;

Staff is unaware of LAFCO ever utilizing the approach outlined in Alternatives "A" through "E," above; in that regard, such actions would be unprecedented. Alternative "B" is cost-prohibitive due to reproduction and mailing expenses, and there is no available budget to translate both the Draft MSR and the Staff Report into Spanish.

Staff Recommendation:

Staff recommends that the Commission:

- 1) Approve the draft of the revised Resolution 2014-00RMD; and
- 2) Direct staff concerning public outreach.

**RESOLUTION NO. 2014-00RMD
RESOLUTION OF THE LOCAL AGENCY FORMATION
COMMISSION FOR THE COUNTY OF LOS ANGELES ADOPTING A
MUNICIPAL SERVICE REVIEW (MSR) AND SPHERE OF INFLUENCE (SOI)
UPDATE FOR THE SATIVA COUNTY WATER DISTRICT**

WHEREAS, the Cortese-Knox-Hertzberg Local Governmental Reorganization Act of 2000 (California Government Code Section (Section) 56000 et seq) provides that a Local Agency Formation Commission (LAFCO) must adopt Spheres of Influence (SOIs) of each local governmental agency within its jurisdiction (Section 56425(a)) and that it must update, as necessary, each Sphere every five years (Section 56425(g));

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

WHEREAS, Section 56430 requires that in order to prepare and to update Spheres of Influence, the Commission shall conduct a Municipal Service Review prior to or in conjunction with action to update or adopt a Sphere of Influence;

WHEREAS, in December of 2005, in the "Round One" of preparation of MSRs and SOI Updates, staff presented a Draft MSR for the Commission, which included a staff recommendation "that the Commission adopt a zero sphere of influence for the agency [Sativa County Water District] . . . with possible future dissolution of the agency to be considered by the Commission" and noting, further, that the "District has been highly uncooperative in providing staff with any information and has refused to provide any financial accounting statements other than their budget for 2003-2004;"

WHEREAS, the 2005 Draft MSR identified a multitude of deficiencies at the Sativa County Water District, including limited reserves, a "pay-as-you-go approach" for

infrastructure improvements, limited financial resources, the lack of water meters, the location of water mains at the rear of properties, and the lack of a water conservation program, and, noted further that “there may be efficiencies and economies by reorganizing with another service provider;”

WHEREAS, in February of 2006, and based upon additional input and testimony, the Commission did not adopt the staff recommendation and provided the District with additional time to address these deficiencies, and adopted a Coterminous Sphere of Influence (Coterminous SOI) for the District;

WHEREAS, in the “Round Two” of preparation of MSRs and SOI Updates, the Commission has undertaken the MSR and SOI Update for the Sativa County Water District (District);

WHEREAS, the Executive Officer has submitted to the Commission a Draft MSR and SOI Update, prepared by Hogle-Ireland, Inc., a consultant to LAFCO, dated August of 2012, including recommendations relative to any potential changes to the existing SOI for the Sativa County Water District (“Sativa” or “District”);

WHEREAS, the consultant identified numerous operational deficiencies at the District, including concerns about a “pay as you financial approach, the fact that the “[d]istrict does not have the present financial ability to fund major replacements that will be required for an aging system,” and the “District’s management deficiencies [which] have been adequately documented” in the Draft MSR, and further, based upon these concerns, the consultant recommended that the District be consolidated with the Central Basin Municipal Water District;

WHEREAS, many of the deficiencies noted in the 2012 Draft MSR represent issues raised by the Los Angeles County Department of Auditor-Controller in a report issued on August 3, 2005, which specifically identified the “lack of separation of duties over the cash receipts and disbursements function performed by office staff” and the fact that there “are only three office employees, two of whom are related to each other and to the President of the District’s Board of Directors,” and, further, went on to recommend that “the District hire an outside consultant, either an expert bookkeeper or an account, to assist the District with its recordkeeping.”

WHEREAS, many of the deficiencies noted in the 2012 Draft MSR represent issues raised by LAFCO staff and its previous outside consultant in the Draft MSR prepared and presented to the Commission in December of 2005;

WHEREAS, many of the deficiencies noted in the 2012 Draft MSR represent issues raised by the District’s independent auditor in his Forensic Audit presented to the District’s Board of Directors on October 1st, 2013;

WHEREAS, the Commission notes serious concerns that many of the continuing deficiencies at the District have been publicly documented and known to the District’s Board of Directors, managers, and staff for several years, and, in some instances, more than a decade;

WHEREAS, in August of 2012, staff transmitted a copy of the Draft MSR to the Santa Clara County Water District, and has considered input from Santa Clara representatives as it prepared the draft MSR and staff report presented to the Commission;

WHEREAS, staff has communicated frequently with District representatives since the release of the Draft MSR in August of 2012, and has analyzed significant

additional documentation submitted by the District, including, but not limited to, several years of financial audits, budget documents, District-adopted policies, and an engineering study prepared for the District;

WHEREAS, LAFCO staff notes that the District has made significant progress over the last two years since the release of the 2012 Draft MSR relative to commissioning and adopting several years of financial audits as well as a forensic audit, rectifying missing payroll deductions, accounting for cash receipts and credit card expenses, ceasing the payment of Christmas bonuses to members of the District's board of directors, addressing conflicts of interest, eliminating extraordinary payments to staff, and creating a District website;

WHEREAS, despite the progress in some areas, the Commission remains concerned that the District has made limited progress in other important areas in terms of creating long-term and emergency plans, establishing reserve funds, producing comprehensive annual budgets, moderating board-member compensation, and hiring a general manager,

WHEREAS, the Commission also remains concerned that the District has made no progress towards installing water meters, establishing reserve funds, adopting appropriate water rates based on periodic water rate analyses, re-locating pipelines, establishing rights-of-way and easement rights for pipelines, adopting water conservation measures, purchasing modern computer systems and hardware, and limiting the use of District-owned vehicles;

WHEREAS, based upon the entirety of the information contained in the public record, staff is recommending that the Commission adopt a Zero Sphere of Influence for

the Sativa County Water District;

WHEREAS, given the seriousness of deficiencies at the District, and, in many instances, the fact that these deficiencies have continued, unabated, for years, despite the fact that numerous parties have publicly documented these deficiencies and presented them, in writing, to the District's Board of Directors, managers, and staff;

WHEREAS, the overwhelming majority of customers of the District live in a designated Disadvantaged Unincorporated Community (DUC), wherein the median income of these residents is at or below 80% of the median area income for the State of California;

WHEREAS, during the Commission's deliberation, it was noted by Commissioners that the District's customers have been ill-served by the District's Board of Directors, managers, and staff based upon a record going back to the original 2005 Draft MSR; that the members of the Board of Directors and managers have made poor decisions that are bad for residents and constitute poor representation of the District's customers; and further, that the members of the Board of Directors and staff appear to have continued to engage in self-serving actions in a community which meets the definition of a Disadvantaged Unincorporated Community (DUC) and which is predominantly minority and Spanish-speaking;

WHEREAS, while the Commission did acknowledged the District's progress in some areas, the Commission also noted serious concerns about the District's failure to address many issues identified by LAFCO staff and its consultant, the District's auditor, as well as other outside agencies, including, notably, several issues that were first raised by LAFCO in the MSR prepared for the District in 2005;

WHEREAS, although the Commission expressed a desire to provide the District's board of directors and staff an opportunity to take additional steps to remedy deficiencies over the next 18 months, the Commission nevertheless felt it was important to adopt a Zero Sphere of Influence for the District at this time in the hope that the Board of Directors and staff of the District would seriously address on-going concerns;

WHEREAS, during this 18-month period, the District is requested to provide LAFCO with quarterly updates that identify the District's progress in remedying deficiencies; document any changes to the District's management, staff, and consultants; and identify funding sources for needed infrastructure improvements;

WHEREAS, the Commission felt it was critically important to re-visit the District's progress on a relatively short schedule—no more than 18 months—as opposed to waiting for the next five-year cycle of preparation of MSRs and SOI Updates;

WHEREAS, during the Commission's deliberation, Commissioners noted the importance of sending a message—that the Commission considers the issues raised in the Draft MSR and staff report to be of a very serious matter of public policy for LAFCO—and, further, that these on-going and serious deficiencies at the District now warrant the recommended action by the Commission, which, in this case, is the Commission's adoption of the Zero SOI as recommended by staff, but coupled with a subsequent review in 18 months, significantly shorter than the regular five-year cycle for MSR reviews, as necessary, and quarterly updating to LAFCO by District representatives;

WHEREAS, the staff report for the MSR and SOI Update for the Sativa County Water District contains the determinations required by Section 56425 relative to the Municipal Service Review for the Sativa County Water District, incorporated into

Section 2 of this resolution;

WHEREAS, the staff report for the MSR and SOI Update for the Sativa County Water District contain the determinations required by Section 56430 for the Sphere of Influence Update for the Sativa County Water District, incorporated into Section 3 of this resolution;

WHEREAS, a map of the updated SOI of the Sativa County Water District is attached as Exhibit "A," attached hereto and incorporated by reference herein;

WHEREAS, the Executive Officer, pursuant to Government Code Section 56427, set May 14th, 2014, as the hearing date on this MSR and SOI study proposal, and gave the required notice of public hearing pursuant to Section 56427;

WHEREAS, after being duly and proper noticed, the Commission held a public hearing on the proposal on May 14th, 2014, and at the hearing the Commission heard and received all oral and written protests, objections, and evidence which were made, presented, or filed, and all persons present were given an opportunity to hear and be heard with respect to this proposal and the report of the Executive Officer;

WHEREAS, for the Sativa County Water District, and pursuant to Section 56425(d)(5), the Commission has considered the impacts of the proposed MSR and SOI Update relative to Disadvantaged Unincorporated Communities (DUCs) that are within or adjacent to the Sativa County Water District's SOI;

WHEREAS, based upon staff review and the feasibility of governmental reorganization identified in Section 56425(h), staff is recommending that any such reorganization will not further the goals of orderly development and affordable service

delivery, and therefore does not recommend reorganization of the Sativa County Water District at this time;

WHEREAS, the proposed action consists of the adoption of the MSR and Update of an SOI for the Sativa County Water District; and

WHEREAS, the preparation and adoption of the MSR is statutorily exempt from the provisions of the California Environmental Quality Act (CEQA), as MSRs are feasibility and planning studies for possible future actions that have not been approved, adopted, or funded, pursuant to State CEQA Guidelines Section 15262; and

WHEREAS, as set forth in State CEQA Guidelines section 15061, approval of the SOI Update is not subject to the California Environmental Quality Act (CEQA) because it can be seen with certainty that there is no possibility that the Sphere of Influence Update will have a significant effect on the environment; additionally, in that the staff is recommending that the Commission adopt an SOI for the Sativa County Water District that is less than the existing SOI, these recommendations are not a project for purposes of CEQA because they are organizational activities of governments with no direct nor indirect effects on the physical environment, pursuant to Section 15378 of the State CEQA Guidelines.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The recommended actions are exempt from CEQA as set out herein.
2. The Commission adopts the following written determinations, as required pursuant to Government Code Section 56425, and as stated in the staff report, relative to the Municipal Service Review for the Sativa County Water District:

- A. Growth and population projections for the affected area. The District's service area is primarily built out with an estimated population of 6,320 persons and 1,631 active service connections, and 12 vacant lots. There are no plans for future redevelopment within the service area, and the existing population of 6,320 persons is not anticipated to increase or decrease significantly over the next 20 years.
- B. The location and characteristics of any Disadvantaged Unincorporated Communities (DUCs) within or contiguous to the Sphere of Influence. Three small areas, along and within the southwesterly and southerly boundaries of the District, are located within the City of Compton; collectively, these areas represent a very small portion of the territory within Sativa's boundaries. Most of the territory within the boundaries of the Sativa County Water District is within County unincorporated territory. All of this unincorporated territory—more or less bound by Mona Boulevard on the East, Oris Street on the south, Paulsen Avenue on the west, and Wayside Street/130th Street on the north—is a DUC. The area, which is less than one-third of a square mile in size, is almost entirely single-family residential homes, with some multi-family residential (primarily duplex units), and a handful of non-residential uses. Streets tend to be somewhat narrow with a significant amount of on-street parking. The area is bisected in a north-south direction by the Metro Blue Line near Willowbrook Avenue, and the Alameda Corridor is just outside the district's eastern boundary. The DUC within Sativa continues to the north of Sativa, and is also predominantly residential in nature, with the exception of commercial/retail uses along El Segundo Boulevard.
- C. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any DUCs within or contiguous to the Sphere of Influence. The District is currently able to meet its water demands through a combination of three active ground water wells and purchasing leased water. The District also has an emergency water interconnection with the City of Compton. The District, formed in 1938, has an aging infrastructure that will require costly improvements over time. The District has done a poor job of planning for future infrastructure needs, including the installation of water meters, relocation of water lines to the front of properties, and construction of a replacement water well to increase water supply and pressure.
- D. Financial ability of agencies to provide services. The District operates on a "pay as you go" approach, and has failed to conduct any meaningful long-term planning efforts. Funds have not been set aside

for improvements to an aging infrastructure, the District's rate structure is inconsistent with the rates charged by surrounding service providers, and the District has yet to develop a strategic plan to continue to provide service in the future.

- E. Status of, and opportunities for shared facilities. In 2007 the District installed an emergency connection (a 4" one-way water line) to the Compton Municipal Water Department, to be utilized in the event that the District had an interruption of its water supply. As far as LAFCO staff is aware, the emergency connection has never been utilized. A contract with the City of Compton, dated March 19, 2007, enables Compton to supply water to Sativa in an emergency. There do not appear to be any additional opportunities for shared facilities with other service providers in the vicinity of the District.
- F. Accountability for community service needs, including governmental structure and operational efficiencies. In some respects, the District is accountable to the community it serves: members of the Board of Directors live in the community, the District maintains an office that is available to the public during normal business hours, and staff maintains customer complaint logs which document incoming complaints and their resolution. In most other respects, the District does a poor job of conveying information to the public: failure to adopt and follow annual budgets, failure to commission financial audits prepared and made available to the public in a timely manner, and a website that is woefully lacking in concrete, substantive information that would be useful to the general public.
- G. Any other matter related to effective or efficient service delivery, as required by Commission policy. Many of the issues raised herein—lack of water meters, location of water lines, no adopted annual budgets, little or no apparent comprehensive long-term planning—go back several years. Some of these issues have been brought the District's attention by outside parties (LAFCO and others). The District's Board of Directors and employees have been slow to implement necessary changes or have ignored these issues altogether.

3. The Commission adopts the following written determinations, required pursuant to Government Code Section 56430, and approves the Sphere of Influence Update for the Sativa County Water District:

- A. The present and planned land uses in the area, including agricultural and open-space lands. The present and planned land uses are predominantly

low-density residential uses. There are no agricultural and open space uses within the boundaries of the District.

- B. The present and probable need for public facilities and services in the area. Residents within the boundaries of the Sativa County Water District will continue to need water service indefinitely.
- C. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide. The District is currently able to meet its water demands through a combination of three active ground water wells and purchasing leased water. The District also has an emergency water interconnection with the City of Compton. The District, formed in 1938, has an aging infrastructure that will require costly improvements over time. The District has done a poor job of planning for future infrastructure needs, including the installation of water meters, relocation of water lines to the front of properties, and construction of a replacement water well to increase water supply and pressure.
- D. The existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency. Given the very small size of the area—less than one third of a square mile—there are no social or economic communities of interest that are relevant to the agency.
- E. The present and probable need for sewers, municipal and industrial water, or structural fire protection services and facilities of any DUC within the existing Sphere of Influence. Sativa has an existing Coterminous SOI, which means that the boundaries of the District and its SOI are the same. Most of the territory within the boundaries of the District is within County unincorporated territory. All of this unincorporated territory—more or less bound by Mona Boulevard on the East, Oris Street on the south, Paulsen Avenue on the west, and Wayside Street/130th Street on the north—is a Disadvantaged Unincorporated Community, or DUC. Residents within Sativa's boundary will continue to need sewer, water, and structural fire protection indefinitely.

- 4. Based upon the recommendations in the staff report, and all other information contained in the public record, relative to the feasibility of governmental reorganization identified in Section 56425(h), the Commission hereby determines that any such reorganization will not further the goals of orderly

development and affordable service delivery, and therefore does not recommend reorganization of the Sativa County Water District at this time;

5. The Commission hereby adopts a Zero Sphere of Influence for the Sativa County Water District, pursuant to and consistent with the recommendations contained in the staff report.
6. The District is requested to provide written reports to LAFCO, at a minimum of every three months, for the next 18 months, addressing the District's progress resolving issues raised in the Draft MSR and staff report, and, further, identifying any changes in the composition of the District's Board of Directors, management, staff, consultants, and/or legal counsel; the schedule for quarterly reports shall be determined by the Executive Officer in coordination with District representatives.
7. The Executive Officer's staff report and recommendations for adoption of the MSR and adoption of an SOI Update for the Sativa County Water District are hereby incorporated by reference and adopted.
8. The Executive Officer is hereby directed to add the words "Zero SOI Adopted May 14, 2014" to the official LAFCO SOI map for the Sativa County Water District.
9. The Executive Officer is hereby authorized and directed to mail copies of this resolution as provided in Section 56882 of the Government Code.
10. The Executive Officer is directed to agendize for the Commission a review of the Sativa County Water District no later than 18 months from the effective date of this determination.

PASSED AND ADOPTED this 11th day of June, 2014.

MOTION:

SECOND:

AYES:
NOES:
ABSTAIN:
ABSENT:
MOTION PASSES:

PAUL A. NOVAK, Executive Officer

**RESOLUTION NO. 2014-00RMD
RESOLUTION OF THE LOCAL AGENCY FORMATION
COMMISSION FOR THE COUNTY OF LOS ANGELES ADOPTING A
MUNICIPAL SERVICE REVIEW (MSR) AND SPHERE OF INFLUENCE (SOI)
UPDATE FOR THE SATIVA COUNTY WATER DISTRICT**

WHEREAS, the Cortese-Knox-Hertzberg Local Governmental Reorganization Act of 2000 (California Government Code Section (Section) 56000 et seq) provides that a Local Agency Formation Commission (LAFCO) must adopt Spheres of Influence (SOIs) of each local governmental agency within its jurisdiction (Section 56425(a)) and that it must update, as necessary, each Sphere every five years (Section 56425(g));

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

WHEREAS, Section 56430 requires that in order to prepare and to update Spheres of Influence, the Commission shall conduct a Municipal Service Review prior to or in conjunction with action to update or adopt a Sphere of Influence;

WHEREAS, in December of 2005, in the "Round One" of preparation of MSRs and SOI Updates, staff presented a Draft MSR for the Commission, which included a staff recommendation "that the Commission adopt a zero sphere of influence for the agency [Sativa County Water District] . . . with possible future dissolution of the agency to be considered by the Commission" and noting, further, that the "District has been highly uncooperative in providing staff with any information and has refused to provide any financial accounting statements other than their budget for 2003-2004;"

WHEREAS, the 2005 Draft MSR identified a multitude of deficiencies at the Sativa County Water District, including limited reserves, a "pay-as-you-go approach" for

infrastructure improvements, limited financial resources, the lack of water meters, the location of water mains at the rear of properties, and the lack of a water conservation program, and, noted further that “there may be efficiencies and economies by reorganizing with another service provider;”

WHEREAS, in February of 2006, and based upon additional input and testimony, the Commission did not adopt the staff recommendation and provided the District with additional time to address these deficiencies, and adopted a Coterminous Sphere of Influence (Coterminous SOI) for the District;

WHEREAS, in the “Round Two” of preparation of MSRs and SOI Updates, the Commission has undertaken the MSR and SOI Update for the Sativa County Water District (District);

WHEREAS, the Executive Officer has submitted to the Commission a Draft MSR and SOI Update, prepared by Hogle-Ireland, Inc., a consultant to LAFCO, dated August of 2012, including recommendations relative to any potential changes to the existing SOI for the Sativa County Water District (“Sativa” or “District”);

WHEREAS, the consultant identified numerous operational deficiencies at the District, including concerns about a “pay as you financial approach, the fact that the “[d]istrict does not have the present financial ability to fund major replacements that will be required for an aging system,” and the “District’s management deficiencies [which] have been adequately documented” in the Draft MSR, and further, based upon these concerns, the consultant recommended that the District be consolidated with the Central Basin Municipal Water District;

WHEREAS, many of the deficiencies noted in the 2012 Draft MSR represent issues raised by the Los Angeles County Department of Auditor-Controller in a report issued on August 3, 2005, which specifically identified the “lack of separation of duties over the cash receipts and disbursements function performed by office staff” and the fact that there “are only three office employees, two of whom are related to each other and to the President of the District’s Board of Directors,” and, further, went on to recommend that “the District hire an outside consultant, either an expert bookkeeper or an account, to assist the District with its recordkeeping.”

WHEREAS, many of the deficiencies noted in the 2012 Draft MSR represent issues raised by LAFCO staff and its previous outside consultant in the Draft MSR prepared and presented to the Commission in December of 2005;

WHEREAS, many of the deficiencies noted in the 2012 Draft MSR represent issues raised by the District’s independent auditor in his Forensic Audit presented to the District’s Board of Directors on October 1st, 2013;

WHEREAS, the Commission notes serious concerns that many of the continuing deficiencies at the District have been publicly documented and known to the District’s Board of Directors, managers, and staff for several years, and, in some instances, more than a decade;

WHEREAS, in August of 2012, staff transmitted a copy of the Draft MSR to the Santa Clara County Water District, and has considered input from Santa Clara representatives as it prepared the draft MSR and staff report presented to the Commission;

WHEREAS, staff has communicated frequently with District representatives since the release of the Draft MSR in August of 2012, and has analyzed significant

additional documentation submitted by the District, including, but not limited to, several years of financial audits, budget documents, District-adopted policies, and an engineering study prepared for the District;

WHEREAS, LAFCO staff notes that the District has made significant progress over the last two years since the release of the 2012 Draft MSR relative to commissioning and adopting several years of financial audits as well as a forensic audit, rectifying missing payroll deductions, accounting for cash receipts and credit card expenses, ceasing the payment of Christmas bonuses to members of the District's board of directors, addressing conflicts of interest, eliminating extraordinary payments to staff, and creating a District website;

WHEREAS, despite the progress in some areas, the Commission remains concerned that the District has made limited progress in other important areas in terms of creating long-term and emergency plans, establishing reserve funds, producing comprehensive annual budgets, moderating board-member compensation, and hiring a general manager,

WHEREAS, the Commission also remains concerned that the District has made no progress towards installing water meters, establishing reserve funds, adopting appropriate water rates based on periodic water rate analyses, re-locating pipelines, establishing rights-of-way and easement rights for pipelines, adopting water conservation measures, purchasing modern computer systems and hardware, and limiting the use of District-owned vehicles;

WHEREAS, based upon the entirety of the information contained in the public record, staff is recommending that the Commission adopt a Zero Sphere of Influence for

the Sativa County Water District;

WHEREAS, given the seriousness of deficiencies at the District, and, in many instances, the fact that these deficiencies have continued, unabated, for years, despite the fact that numerous parties have publicly documented these deficiencies and presented them, in writing, to the District's Board of Directors, managers, and staff;

WHEREAS, the overwhelming majority of customers of the District live in a designated Disadvantaged Unincorporated Community (DUC), wherein the median income of these residents is at or below 80% of the median area income for the State of California;

WHEREAS, during the Commission's deliberation, it was noted by Commissioners that the District's customers have been ill-served by the District's Board of Directors, managers, and staff based upon a record going back to the original 2005 Draft MSR; that the members of the Board of Directors and managers have made poor decisions that are bad for residents and constitute poor representation of the District's customers; and further, that the members of the Board of Directors and staff appear to have continued to engage in self-serving actions in a community which meets the definition of a Disadvantaged Unincorporated Community (DUC) and which is predominantly minority and Spanish-speaking;

WHEREAS, while the Commission did acknowledged the District's progress in some areas, the Commission also noted serious concerns about the District's failure to address many issues identified by LAFCO staff and its consultant, the District's auditor, as well as other outside agencies, including, notably, several issues that were first raised by LAFCO in the MSR prepared for the District in 2005;

WHEREAS, although the Commission expressed a desire to provide the District's board of directors and staff an opportunity to take additional steps to remedy deficiencies over the next 18 months, the Commission nevertheless felt it was important to adopt a Zero Sphere of Influence for the District at this time in the hope that the Board of Directors and staff of the District would seriously address on-going concerns;

WHEREAS, during this 18-month period, the District is requested to provide LAFCO with quarterly updates that identify the District's progress in remedying deficiencies; document any changes to the District's management, staff, and consultants; and identify funding sources for needed infrastructure improvements;

WHEREAS, the Commission felt it was critically important to re-visit the District's progress on a relatively short schedule—no more than 18 months—as opposed to waiting for the next five-year cycle of preparation of MSRs and SOI Updates;

WHEREAS, during the Commission's deliberation, Commissioners noted the importance of sending a message—that the Commission considers the issues raised in the Draft MSR and staff report to be of a very serious matter of public policy for LAFCO—and, further, that these on-going and serious deficiencies at the District now warrant the recommended action by the Commission, which, in this case, is the Commission's adoption of the Zero SOI as recommended by staff, but coupled with a subsequent review in 18 months, significantly shorter than the regular five-year cycle for MSR reviews, as necessary, and quarterly updating to LAFCO by District representatives;

WHEREAS, the staff report for the MSR and SOI Update for the Sativa County Water District contains the determinations required by Section 56425 relative to the Municipal Service Review for the Sativa County Water District, incorporated into

Section 2 of this resolution;

WHEREAS, the staff report for the MSR and SOI Update for the Sativa County Water District contain the determinations required by Section 56430 for the Sphere of Influence Update for the Sativa County Water District, incorporated into Section 3 of this resolution;

WHEREAS, a map of the updated SOI of the Sativa County Water District is attached as Exhibit "A," attached hereto and incorporated by reference herein;

WHEREAS, the Executive Officer, pursuant to Government Code Section 56427, set May 14th, 2014, as the hearing date on this MSR and SOI study proposal, and gave the required notice of public hearing pursuant to Section 56427;

WHEREAS, after being duly and proper noticed, the Commission held a public hearing on the proposal on May 14th, 2014, and at the hearing the Commission heard and received all oral and written protests, objections, and evidence which were made, presented, or filed, and all persons present were given an opportunity to hear and be heard with respect to this proposal and the report of the Executive Officer;

WHEREAS, for the Sativa County Water District, and pursuant to Section 56425(d)(5), the Commission has considered the impacts of the proposed MSR and SOI Update relative to Disadvantaged Unincorporated Communities (DUCs) that are within or adjacent to the Sativa County Water District's SOI;

WHEREAS, based upon staff review and the feasibility of governmental reorganization identified in Section 56425(h), staff is recommending that any such reorganization will not further the goals of orderly development and affordable service

delivery, and therefore does not recommend reorganization of the Sativa County Water District at this time;

WHEREAS, the proposed action consists of the adoption of the MSR and Update of an SOI for the Sativa County Water District; and

WHEREAS, the preparation and adoption of the MSR is statutorily exempt from the provisions of the California Environmental Quality Act (CEQA), as MSRs are feasibility and planning studies for possible future actions that have not been approved, adopted, or funded, pursuant to State CEQA Guidelines Section 15262; and

WHEREAS, as set forth in State CEQA Guidelines section 15061, approval of the SOI Update is not subject to the California Environmental Quality Act (CEQA) because it can be seen with certainty that there is no possibility that the Sphere of Influence Update will have a significant effect on the environment; additionally, in that the staff is recommending that the Commission adopt an SOI for the Sativa County Water District that is less than the existing SOI, these recommendations are not a project for purposes of CEQA because they are organizational activities of governments with no direct nor indirect effects on the physical environment, pursuant to Section 15378 of the State CEQA Guidelines.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The recommended actions are exempt from CEQA as set out herein.
2. The Commission adopts the following written determinations, as required pursuant to Government Code Section 56425, and as stated in the staff report, relative to the Municipal Service Review for the Sativa County Water District:

- A. Growth and population projections for the affected area. The District's service area is primarily built out with an estimated population of 6,320 persons and 1,631 active service connections, and 12 vacant lots. There are no plans for future redevelopment within the service area, and the existing population of 6,320 persons is not anticipated to increase or decrease significantly over the next 20 years.
- B. The location and characteristics of any Disadvantaged Unincorporated Communities (DUCs) within or contiguous to the Sphere of Influence. Three small areas, along and within the southwesterly and southerly boundaries of the District, are located within the City of Compton; collectively, these areas represent a very small portion of the territory within Sativa's boundaries. Most of the territory within the boundaries of the Sativa County Water District is within County unincorporated territory. All of this unincorporated territory—more or less bound by Mona Boulevard on the East, Oris Street on the south, Paulsen Avenue on the west, and Wayside Street/130th Street on the north—is a DUC. The area, which is less than one-third of a square mile in size, is almost entirely single-family residential homes, with some multi-family residential (primarily duplex units), and a handful of non-residential uses. Streets tend to be somewhat narrow with a significant amount of on-street parking. The area is bisected in a north-south direction by the Metro Blue Line near Willowbrook Avenue, and the Alameda Corridor is just outside the district's eastern boundary. The DUC within Sativa continues to the north of Sativa, and is also predominantly residential in nature, with the exception of commercial/retail uses along El Segundo Boulevard.
- C. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any DUCs within or contiguous to the Sphere of Influence. The District is currently able to meet its water demands through a combination of three active ground water wells and purchasing leased water. The District also has an emergency water interconnection with the City of Compton. The District, formed in 1938, has an aging infrastructure that will require costly improvements over time. The District has done a poor job of planning for future infrastructure needs, including the installation of water meters, relocation of water lines to the front of properties, and construction of a replacement water well to increase water supply and pressure.
- D. Financial ability of agencies to provide services. The District operates on a "pay as you go" approach, and has failed to conduct any meaningful long-term planning efforts. Funds have not been set aside

for improvements to an aging infrastructure, the District's rate structure is inconsistent with the rates charged by surrounding service providers, and the District has yet to develop a strategic plan to continue to provide service in the future.

- E. Status of, and opportunities for shared facilities. In 2007 the District installed an emergency connection (a 4" one-way water line) to the Compton Municipal Water Department, to be utilized in the event that the District had an interruption of its water supply. As far as LAFCO staff is aware, the emergency connection has never been utilized. A contract with the City of Compton, dated March 19, 2007, enables Compton to supply water to Sativa in an emergency. There do not appear to be any additional opportunities for shared facilities with other service providers in the vicinity of the District.
- F. Accountability for community service needs, including governmental structure and operational efficiencies. In some respects, the District is accountable to the community it serves: members of the Board of Directors live in the community, the District maintains an office that is available to the public during normal business hours, and staff maintains customer complaint logs which document incoming complaints and their resolution. In most other respects, the District does a poor job of conveying information to the public: failure to adopt and follow annual budgets, failure to commission financial audits prepared and made available to the public in a timely manner, and a website that is woefully lacking in concrete, substantive information that would be useful to the general public.
- G. Any other matter related to effective or efficient service delivery, as required by Commission policy. Many of the issues raised herein—lack of water meters, location of water lines, no adopted annual budgets, little or no apparent comprehensive long-term planning—go back several years. Some of these issues have been brought the District's attention by outside parties (LAFCO and others). The District's Board of Directors and employees have been slow to implement necessary changes or have ignored these issues altogether.

3. The Commission adopts the following written determinations, required pursuant to Government Code Section 56430, and approves the Sphere of Influence Update for the Sativa County Water District:

- A. The present and planned land uses in the area, including agricultural and open-space lands. The present and planned land uses are predominantly

low-density residential uses. There are no agricultural and open space uses within the boundaries of the District.

- B. The present and probable need for public facilities and services in the area. Residents within the boundaries of the Sativa County Water District will continue to need water service indefinitely.
- C. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide. The District is currently able to meet its water demands through a combination of three active ground water wells and purchasing leased water. The District also has an emergency water interconnection with the City of Compton. The District, formed in 1938, has an aging infrastructure that will require costly improvements over time. The District has done a poor job of planning for future infrastructure needs, including the installation of water meters, relocation of water lines to the front of properties, and construction of a replacement water well to increase water supply and pressure.
- D. The existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency. Given the very small size of the area—less than one third of a square mile—there are no social or economic communities of interest that are relevant to the agency.
- E. The present and probable need for sewers, municipal and industrial water, or structural fire protection services and facilities of any DUC within the existing Sphere of Influence. Sativa has an existing Coterminous SOI, which means that the boundaries of the District and its SOI are the same. Most of the territory within the boundaries of the District is within County unincorporated territory. All of this unincorporated territory—more or less bound by Mona Boulevard on the East, Oris Street on the south, Paulsen Avenue on the west, and Wayside Street/130th Street on the north—is a Disadvantaged Unincorporated Community, or DUC. Residents within Sativa's boundary will continue to need sewer, water, and structural fire protection indefinitely.

- 4. Based upon the recommendations in the staff report, and all other information contained in the public record, relative to the feasibility of governmental reorganization identified in Section 56425(h), the Commission hereby determines that any such reorganization will not further the goals of orderly

development and affordable service delivery, and therefore does not recommend reorganization of the Sativa County Water District at this time;

5. The Commission hereby adopts a Zero Sphere of Influence for the Sativa County Water District, pursuant to and consistent with the recommendations contained in the staff report.
6. The District is requested to provide written reports to LAFCO, at a minimum of every three months, for the next 18 months, addressing the District's progress resolving issues raised in the Draft MSR and staff report, and, further, identifying any changes in the composition of the District's Board of Directors, management, staff, consultants, and/or legal counsel; the schedule for quarterly reports shall be determined by the Executive Officer in coordination with District representatives.
7. The Executive Officer's staff report and recommendations for adoption of the MSR and adoption of an SOI Update for the Sativa County Water District are hereby incorporated by reference and adopted.
8. The Executive Officer is hereby directed to add the words "Zero SOI Adopted May 14, 2014" to the official LAFCO SOI map for the Sativa County Water District.
9. The Executive Officer is hereby authorized and directed to mail copies of this resolution as provided in Section 56882 of the Government Code.
10. The Executive Officer is directed to agendize for the Commission a review of the Sativa County Water District no later than 18 months from the effective date of this determination.

PASSED AND ADOPTED this 11th day of June, 2014.

MOTION:

SECOND:

AYES:
NOES:
ABSTAIN:
ABSENT:
MOTION PASSES:

PAUL A. NOVAK, Executive Officer

Staff Report

June 11, 2014

Agenda Item No. 9.b.

Public Member Vacancy

Government Code Section 56326(g) provides that LAFCO shall have a member “representing the general public appointed by the other members of the commission.” Commissioner Henri Pellissier, who was serving as the Public Member, resigned at the conclusion of the May 14, 2014 meeting; this action creates a vacancy for the balance of the Public Member’s four-year term, which expires on May 4, 2015.

Pursuant to Government Code Section 56325(d), staff posted a notice of vacancy regarding the Public Member position and sent copies of the notice of vacancy to the legislative body of each local agency within the county. The Executive Officer received one inquiry from a city representative about the vacancy.

Pursuant to Government Code Section 56331, the Public Member may not be an officer or employee of the County of Los Angeles or any city or special district within the County. Government Code Section 56325(d) provides that selection of the Public Member requires the affirmative vote of at least one of the members selected by each of the other appointing authorities. Selection of the Public Member will therefore require a majority vote which includes the affirmative vote of at least one of each of the following groups of Commissioners (or their respective alternates):

<u>Appointing Authority</u>	<u>Commissioner(s)</u>	<u>Alternate</u>
Los Angeles County Board of Supervisors	Gloria Molina Zev Yaroslavsky Richard Close	Don Knabe Lori Brogin
City Selection Committee	Margaret Finlay Dave Spence	Judy Mitchell
Council President of the Los Angeles City Council	Tom LaBonge	Paul Krekorian
Independent Special District Selection Committee	Donald L. Dear Jerry Gladbach	Joe Ruzicka

In the absence of any nominee receiving a majority vote, a new round (or rounds) of voting would continue until a nominee received a majority.

The Commission has the following options:

1. Nominate and elect a Public Member to serve out the remaining term of former Commissioner Henri Pellissier, which expires on May 4th, 2015, in which case it would be appropriate for the Chair to entertain a motion (or motions) from the Commission to nominate an individual (or individuals) for the position of Public Member, followed by a vote of the Commission;

OR

2. Provide alternate direction to the Executive Officer.