



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
Executive Officer

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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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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

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.

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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 Santa Clara 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 Santa Clara 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. Santa Clara 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, Santa Clara County Water District has requested that the County enforce the right-of-way for those areas that have been encroached upon.

Emergency Preparedness:

Santa Clara 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:

Santa Clara 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

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 Saticum County Water District and include a reason for that change.

Chair Gladbach stated that if Saticum 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 Saticum County Water District, Resolution No. 2014-19RMD;
- Adopted a Zero Sphere of Influence for the Saticum County Water District, as identified in the Agenda map titled "Saticum 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 Saticum 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:

- 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

**RESOLUTION NO. 2014-16RMD
RESOLUTION OF THE LOCAL AGENCY FORMATION
COMMISSION FOR THE COUNTY OF LOS ANGELES
MAKING DETERMINATIONS APPROVING AND ORDERING
"ANNEXATION NO. 734 TO LOS ANGELES COUNTY
SANITATION DISTRICT NO 21"**

WHEREAS, the Los Angeles County Sanitation District No. 21 (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 56650, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000), for annexation of territory herein described to the District, all within the City of Claremont; and

WHEREAS, the proposed annexation consists of approximately 1.376± acres of uninhabited territory and is assigned the following distinctive short-form designation: "Annexation No. 734 to the Los Angeles County Sanitation District No. 21"; 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 existing 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 May 14, 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 May 14, 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 it 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 1.376± acres, is uninhabited, and is assigned the following short form designation:

"Annexation No. 734 to Los Angeles County Sanitation District No. 21".
5. Annexation No. 734 to Los Angeles County Sanitation District No. 21 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. 21.
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 14th day of May 2014.

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

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



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

**RESOLUTION NO. 2014-17RMD
RESOLUTION OF THE LOCAL AGENCY FORMATION
COMMISSION FOR THE COUNTY OF LOS ANGELES
MAKING DETERMINATIONS APPROVING AND ORDERING
"ANNEXATION NO. 1064 TO SANTA CLARITA VALLEY SANITATION DISTRICT
OF LOS ANGELES COUNTY"**

WHEREAS, the Santa Clarita Valley Sanitation District of Los Angeles County (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 Santa Clarita; and

WHEREAS, the proposed annexation consists of approximately 2.660± acres of uninhabited territory and is assigned the following distinctive short-form designation: "Annexation No. 1064 to Santa Clarita Valley Sanitation District of Los Angeles County"; 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 offsite sewage disposal for one existing 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 May 14, 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 May 14, 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 2.660± acres, is uninhabited, and is assigned the following short form designation:

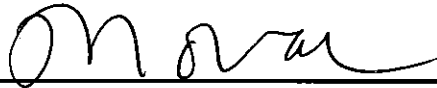
"Annexation No. 1064 to Santa Clarita Valley Sanitation District of Los Angeles County".
5. Annexation No. 1064 to Santa Clarita Valley Sanitation District of Los Angeles County is hereby approved, subject to the following terms and conditions:
 - a. The District agrees to defend, hold harmless and indemnify 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 the District.
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 14th day of May 2014.

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

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

A handwritten signature in black ink, appearing to read "Novak", is written over a horizontal line.

Paul A. Novak, AICP
Executive Officer

**RESOLUTION NO. 2014-18RMD
RESOLUTION OF THE LOCAL AGENCY FORMATION
COMMISSION FOR THE COUNTY OF LOS ANGELES
MAKING DETERMINATIONS APPROVING AND ORDERING
"REORGANIZATION NO. 2012-02 (14-415) TO
LOS ANGELES COUNTY SANITATION DISTRICT NO. 14"
(AMENDMENTS TO THE LOS ANGELES COUNTY SANITATION DISTRICT NO. 14 AND LOS
ANGELES COUNTY SANITATION DISTRICT NO. 20 SPHERES OF INFLUENCE (SOI), DETACHMENT
FROM LOS ANGELES COUNTY SANITATION DISTRICT NO. 20, AND ANNEXATION TO LOS
ANGELES COUNTY SANITATION DISTRICT NO. 14)**

WHEREAS, the Los Angeles County Sanitation District No. 14 (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 reorganization of territory herein described to the District, all within the City of Palmdale; and

WHEREAS, the proposed reorganization consists of approximately 15.298± acres of uninhabited territory and is assigned the following distinctive short-form designation: "Reorganization 2012-02 (14-415) to Los Angeles County Sanitation District No. 14"; 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 reorganization is for the District to provide off-site sewage disposal service; 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, even though a public hearing is not required for the Proposal, a public hearing is nevertheless required for the proposed SOI amendment(s), pursuant to Government Code Section 56427; and

WHEREAS, the Executive Officer has given notice of the public hearing for the proposed Sphere of Influence Amendment(s) pursuant to Government Code Sections 56150-56160, wherein the public hearing notice was published in a newspaper of general circulation in the County of Los Angeles on April 17, 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 May 14, 2014, this Commission considered the Proposal and the report of Executive Officer, and 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 the Sphere of Influence Amendment(s).

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 reorganization 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 reorganization, 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 reorganization 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 make determinations upon the proposed reorganization proposal without notice and hearing and may waive protest proceedings relative to the proposed reorganization. However, with respect to the proposed SOI amendment(s), a public hearing is still required pursuant to Government Code Section 56427.

2. The Commission hereby amends the Spheres of Influence of Los Angeles County Sanitation District No. 14 and Los Angeles County Sanitation District No. 20 so as to exclude the subject territory described in Exhibit "A" and "B" from Los Angeles County Sanitation District No. 20, and include the subject territory described in Exhibit "A" and "B" within Los Angeles County Sanitation District No. 14 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 is vacant land. The future planned land use is a church and school.

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

The affected territory is located within the City of Palmdale and receives general government services, including land use planning and regulation, law enforcement, fire protection, road maintenance and other services from the City of Palmdale and other special districts. The affected territory 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 LWRP is 18 million gallon per day (mgd).

On June 16, 2004, the Board of Directors of District No. 14 approved the

Lancaster Water Reclamation Plan 2020 Facilities Plan and certified the associated EIR. The 2020 plan addresses the sewerage needs of the LWRP service area through the year 2020 and the services planned to meet those needs. The 2020 plan allows the capacity of the LWRP to increase to 26 mgd by 2020.

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. There are DUCs within the Sphere of Influence for District No. 14, the nearest of which is more than three miles southeast of the affected territory. In this regard, the proposed action will have no impact upon the present and probable need for sewers in these areas.

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 District and can establish the nature, location and extent of its classes of service and that it provides water service within its boundary.

3. The Commission, acting in its role as a responsible agency with respect to Reorganization 2012-02 (14-415) to Los Angeles County Sanitation District No. 14, pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15096, certifies that it has independently considered and reached its own conclusions regarding the environmental effects of the proposed project and the Mitigated Negative Declaration adopted on July 27, 2011 by the City of Palmdale, as lead agency, and has determined that the document adequately addresses the environmental impacts of the proposed project. The Commission finds that it has complied with the requirements of CEQA with respect to the process for a responsible agency, and hereby adopts by reference the environmental findings, including the Mitigation Monitoring Plan, previously adopted by the lead agency in connection with its approval of the project.
4. 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.
5. The affected territory consists of 15.298± acres, is uninhabited, and is assigned the following short form designation:

"Reorganization 2012-02 (14-415) to Los Angeles County Sanitation District No. 14".
6. Reorganization 2012-02 (14-415) to Los Angeles County Sanitation District No. 14 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. Reorganization 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 reorganization.
7. The Executive Officer is hereby authorized and directed to mail copies of this resolution as provided in Government Code Section 56882.

8. The Commission hereby orders the uninhabited territory described in Exhibits "A" and "B" annexed to Los Angeles County Sanitation District No. 14.
9. 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 14th day of May 2014.

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

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



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

RESOLUTION NO. 2014-19RMD
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, 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.

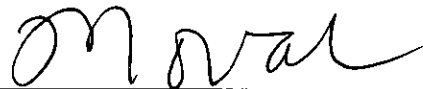
- B. The present and probable need for public facilities and services in the area. Residents within the boundaries of the Sativa County Water District will continue to need water service indefinitely.
 - C. The present capacity of public facilities and adequacy of public services that the agency provides 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:	KNABE (ALT. FOR MOLINA)
SECOND:	SPENCE
AYES:	CLOSE, DEAR, FINLAY, KNABE (ALT. FOR MOLINA), McCALLUM, RUZICKA (ALT. FOR GLADBACH), SPENCE, YAROSLAVSKY
NOES:	NONE
ABSTAIN:	NONE
ABSENT:	LaBONGE, MOLINA, GLADBACH
MOTION PASSES:	8/0/0



PAUL A. NOVAK, Executive Officer

**RESOLUTION NO. 2014-07PR
RESOLUTION OF THE LOCAL AGENCY FORMATION
COMMISSION FOR THE COUNTY OF LOS ANGELES
MAKING DETERMINATIONS ORDERING
"ANNEXATION NO. 1062 TO SANTA CLARITA VALLEY SANITATION DISTRICT
OF LOS ANGELES COUNTY"**

WHEREAS, the Santa Clarita Valley Sanitation District of Los Angeles County (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 Part 3, 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 Santa Clarita; and

WHEREAS, the proposed annexation consists of approximately 1.394± acres of uninhabited territory and is assigned the following distinctive short-form designation: "Annexation No. 1062 to Santa Clarita Valley Sanitation District of Los Angeles County "; 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 for two warehouses; and

WHEREAS, on April 9, 2014, the Commission approved Annexation No. 1062 to Santa Clarita Valley Sanitation District of Los Angeles County; and

WHEREAS, pursuant to Government Code Section 57002, the Commission set the protest hearing for May 14, 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, the Executive Officer has given notice of the protest hearing pursuant to Government Code Sections 56150-56160, 56660-56661, 57025, and 57026, wherein the protest hearing notice was published in a newspaper of general circulation in the County of Los Angeles on April 17, 2014, which is at least 21 days prior to the protest 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, at the time and place fixed in the notice, the hearing was held, and any and all oral or written protests, objections, and evidence were received and considered; and

WHEREAS, the Commission, acting as the conducting authority, has the ministerial duty of tabulating the value of protests filed and not withdrawn and either terminating these proceeding if a majority protest exists or ordering the annexation directly; and the Commission has received a report and recommendations on adoption of a conforming resolution from its Executive Officer.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The Commission finds that the number of property owners is 2, and the total assessed value of land within the affected territory is \$842,005.
2. The Commission finds that the number of written protests filed in opposition to Annexation No. 1062 to Santa Clarita Valley Sanitation District of Los Angeles County and not withdrawn is ____, which, even if valid, represents owners of land who own less than 50 percent of the assessed value of land within the affected territory.

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 1.394± acres, is uninhabited, and is assigned the following short form designation:

"Annexation No. 1062 to Santa Clarita Valley Sanitation District of Los Angeles County"

5. Annexation No. 1062 to Santa Clarita Valley Sanitation District of Los Angeles County is hereby approved, subject to the following terms and conditions:

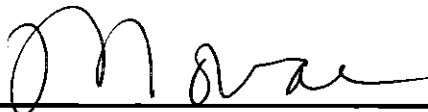
- a. The District agrees to defend, hold harmless and indemnify LAFCO and/or its agents, officers and employees from any claim, action or proceeding against LAFCO and/or its agents, officers and employees to attack, set aside, void or annul the approval of LAFCO concerning this proposal or any action 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 Santa Clarita Valley Sanitation District of Los Angeles County.
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 14th day of May 2014.

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

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



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

RESOLUTION NO. 2014-08PR
RESOLUTION OF THE LOCAL AGENCY FORMATION
COMMISSION FOR THE COUNTY OF LOS ANGELES
MAKING DETERMINATIONS ORDERING
"ANNEXATION NO. 82 TO LOS ANGELES COUNTY SANITATION DISTRICT NO. 20"

WHEREAS, the Los Angeles County Sanitation District No. 20 (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, Part 3, 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 Palmdale; and

WHEREAS, the proposed annexation consists of approximately 240.860± acres of inhabited territory and is assigned the following distinctive short-form designation: "Annexation No. 82 to the Los Angeles County Sanitation District No. 20"; 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 175 single-family homes and an additional 677 proposed single-family homes; and

WHEREAS, on March 12, 2014, the Commission approved Annexation No. 82 to Los Angeles County Sanitation District No. 20; and

WHEREAS, pursuant to Government Code Section 57002, the Commission set the protest hearing for May 14, 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, the Executive Officer has given notice of the protest hearing pursuant to Government Code Sections 56150-56160, 56660-56661, 57025, and 57026, wherein the protest hearing notice was published in a newspaper of general circulation in the County of Los Angeles on April 17, 2014, which is at least 21 days prior to the protest 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, at the time and place fixed in the notice, the hearing was held, and any and all oral or written protests, objections, and evidence were received and considered; and

WHEREAS, the Commission, acting as the conducting authority, has the ministerial duty of tabulating the value of protests filed and not withdrawn and either terminating these proceedings if a majority protest exists or ordering the annexation directly or subject to confirmation by the registered voters.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The Commission finds that the number of property owners is 184, and the number of registered voters is 241, and the total assessed value of land within the affected territory is \$42,829,938.

a) The Commission finds that the number of property owners who filed written protests in opposition to Annexation No. 82 to Los Angeles County Sanitation District No. 20 and not withdrawn is ___, which, even if valid, represents less than 25 percent of the

number of owners of land who own at least 25 percent of the assessed value of land within the affected territory; and

b) The Commission finds that the number of registered voters who filed written protests in opposition to Annexation No. 82 to Los Angeles County Sanitation District No. 20 and not withdrawn is _____, which, even if valid, represents less than 25 percent of the number of registered voters residing within boundaries of the affected territory.

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 240.860± acres, is inhabited, and is assigned the following short form designation:

"Annexation No. 82 to Los Angeles County Sanitation District No. 20"

5. Annexation No. 82 to Los Angeles County Sanitation District No. 20 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 inhabited territory described in Exhibits "A" and "B" annexed to Los Angeles County Sanitation District No. 20.
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 14th day of May 2014.

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

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

A handwritten signature in black ink, appearing to read "Novak", is written over a horizontal line.

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

**RESOLUTION NO. 2014-09PR
RESOLUTION OF THE LOCAL AGENCY FORMATION
COMMISSION FOR THE COUNTY OF LOS ANGELES
MAKING DETERMINATIONS ORDERING
"ANNEXATION NO. 2011-07 (2008-02) TO THE CITY OF PALMDALE"**

~~WHEREAS, the City of Palmdale (City) 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 City, and detachment of said territory from County Road District No. 5 and withdrawal from County Lighting Maintenance District 1687 and County Public Library System, and exclusion from County Lighting District LLA-1, unincorporated zone, all within the County of Los Angeles (County); and

WHEREAS, the proposed annexation consists of approximately 20.00± acres of uninhabited territory and is assigned the following distinctive short-form designation: "Annexation No. 2011-07 (2008-02) to the City of Palmdale"; 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, per a City report, is that a majority of the landowners within the affected territory desires the services provided by the City and local government representation; and

WHEREAS, on April 9, 2014, the Commission approved Annexation No. 2011-07 (2008-02) to the City of Palmdale; and

WHEREAS, pursuant to Government Code Section 57002, the Commission set the protest hearing for May 14, 2014 at 9:00 a.m., at the Los Angeles County Board of Supervisors Hearing Room, Kenneth Hahn Hall of Administration Room 374-A, located at 500 West Temple Street, Los Angeles, California, 90012; and

WHEREAS, the Executive Officer has given notice of the protest hearing pursuant to Government Code Sections 56150-56160, 56660-56661, 57025, and 57026, wherein the protest hearing notice was published in a newspaper of general circulation in the County of Los Angeles on April 14, 2014, which is at least 21 days prior to the protest 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, at the time and place fixed in the notice, the hearing was held, and any and all oral or written protests, objections, and evidence were received and considered; and

WHEREAS, the Commission, acting as the conducting authority, has the ministerial duty of tabulating the value of protests filed and not withdrawn and either terminating these proceeding if a majority protest exists or ordering the annexation directly; and the Commission has received a report and recommendations on adoption of a conforming resolution from its Executive Officer.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The Commission finds that the number of property owners is 6, and the total assessed value of land within the affected territory is \$3,271,652.
2. The Commission finds that the number of written protests filed in opposition to Annexation No. 2011-07 (2008-02) to the City of Palmdale and not withdrawn is 0, which, even if valid, represents owners of land who own less than 50 percent of the assessed value of land within the affected territory.
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 20.00± acres, is uninhabited, and is assigned the following short form designation:

"Annexation No. 2011-07 (2008-02) to the City of Palmdale"
5. Annexation No. 2011-07 (2008-02) to the City of Palmdale is hereby approved, subject to the following terms and conditions:
 - a. The City 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 City.
- e. The regular County assessment roll shall be utilized by the City.
- f. The affected territory will be taxed for any existing general indebtedness, if any, of the City.
- g. Annexation of the affected territory described in Exhibits "A" and "B" to the City.
- h. Detachment of the affected territory from County Road District No. 5
- i. Withdrawal of affected territory from County Lighting Maintenance District 1687 and County Public Library System.
- j. Exclusion from County Lighting District LLA-1, Unincorporated Zone.
- k. Upon the effective date of the annexation, all right, title, and interest of the County, including but not limited to, the underlying fee title or easement where owned by the County, in any and all sidewalks, trails, landscaped areas, street lights, property acquired and held for future road purposes, open space, signals, storm drains, storm drain catch basins, local sanitary sewer lines, sewer pump stations and force mains, water quality treatment basins and/or structures, and water quality treatment systems serving roadways and bridges shall vest in the City.

- l. Upon the effective date of the annexation, the City shall be the owner of, and responsible for, the operation, maintenance, and repair of all of the following property owned by the County: public roads, adjacent slopes appurtenant to the roads, street lights, traffic signals, mitigation sites that have not been accepted by regulatory agencies but exist or are located in public right-of-way and were constructed or installed as part of a road construction project within the annexed area, storm drains and storm drain catch basins within street right-of-way and appurtenant slopes, medians and adjacent property.
- m. Upon the effective date of the annexation, the City shall do the following: (1) assume ownership and maintenance responsibilities for all drainage devices, storm drains and culverts, storm drain catch basins, appurtenant facilities (except regional Los Angeles County Flood Control District (LACFCD) facilities for which LACFCD has a recorded fee or easement interest and which have been accepted into the LACFCD system), site drainage, and all master plan storm drain facilities that are within the annexation area and are currently owned, operated and maintained by the County ; (2) accept and adopt the County of Los Angeles Master Plan of Drainage (MPD), if any, which is in effect for the annexation area. Los Angeles County Department of Public Works Department (LACDPW) should be contacted to provide any MPD which may be in effect for the annexation area. Deviations from the MPD shall be submitted to the Chief

Engineer of LACFCD/Director of LACDPW for review to ensure that such deviations will not result in diversions between watersheds and/or will not result

in adverse impacts to LACFCD's flood control facilities; (3) administer flood zoning and Federal Emergency Management Agency floodplain regulations within the annexation area; (4) coordinate development within the annexation area that is adjacent to any existing flood control facilities for which LACFCD has a recorded easement or fee interest, by submitting maps and proposals to the Chief Engineer of LACFCD/Director of LACDPW, for review and comment.

- n. Except to the extent in conflict with "a" through "m", 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 City.
 - 7. The Executive Officer is directed to transmit a copy of this resolution to the City, upon the City'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 14th day of May 2014.

MOTION: PELLISSIER

SECOND: FINLAY

AYES: FINLAY, KERKORIAN (ALT. FOR LaBONGE), PELLISSIER, RUZICKA (ALT. FOR
DEAR),

SPENCE, GLADBACH

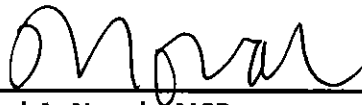
NOES: NONE

ABSTAIN: NONE

ABSENT: CLOSE, DEAR, LaBONGE, MOLINA, YAROSLAVSKY

MOTION PASSES: 6/0/0

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



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