



Local Agency Formation Commission  
for the County of Los Angeles

## LOCAL AGENCY FORMATION COMMISSION MEETING AGENDA

Wednesday, January 14, 2015  
9:00 a.m.

### Room 381B

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

#### Commission

Jerry Gladbach  
Chair

Richard H. Close  
Donald L. Dear  
Margaret Finlay  
Don Knabe  
Sheila Kuehl  
Tom LaBonge  
Gerard McCallum  
David Spence

#### Alternates

Michael D. Antonovich  
Lori Brogin  
Paul Krekorian  
Judith Mitchell  
Joseph Ruzicka  
Greig Smith

#### Staff

Paul A. Novak, AICP  
Executive Officer

June D. Savala  
Deputy  
Executive Officer

Amber De La Torre  
Doug Dorado  
Michael Henderson  
Alisha O'Brien  
Patricia Wood

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[www.lalafco.org](http://www.lalafco.org)

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

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

None

**6. CONSENT ITEM(S)**

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

- a. Approve Minutes of November 19, 2014 (Special Meeting).
- b. Operating Account Check Register for the months of November and December 2014.
- c. Receive and file update on pending applications.
- d. Annexation No. 293 to Los Angeles County Sanitation District No. 15 and California Environmental Quality Act exemption.
- e. Annexation No. 1065 to Santa Clarita Valley Sanitation District of Los Angeles County and California Environmental Quality Act exemption.

**7. PUBLIC HEARING(S)**

- a. Out-of-Agency Service Agreement between the Ventura Regional Sanitation District and Malibu Associates, LLC (Government Code Section 56133(c)) No. 2014-05 (Malibu Institute) and Environmental Impact Report.
- b. Reorganization No. 2009-16 to Los Angeles County Waterworks District No. 29, Malibu (Amendments to the Los Angeles County Waterworks District No. 29, Malibu, Las Virgenes Municipal Water District, and West Basin Municipal Water District SOIs; Detachment from Las Virgenes Municipal Water District and Annexation to Los Angeles County Waterworks District No. 29, Malibu, and West Basin Municipal Water District) and Mitigated Negative Declaration and California Environmental Quality Act exemptions.
- c. Annexation No. 2013-06 to the City of Los Angeles (Jordan Downs) and Environmental Impact Report.

**8. PROTEST HEARING(S)**

- a. Annexation No. 2012-12 to Los Angeles County Waterworks District No. 40, Antelope Valley, and California Environmental Quality Act exemption.

**9. OTHER ITEMS**

- a. Fiscal Year 2013-2014 Independent Auditor's Report

**10. COMMISSIONERS' REPORT**

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

11. **EXECUTIVE OFFICER’S REPORT**

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

12. **PUBLIC COMMENT**

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

13. **FUTURE MEETINGS**

February 11, 2015

March 11, 2015

April 8, 2015

14. **FUTURE AGENDA ITEMS**

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

15. **ADJOURNMENT MOTION**



Local Agency Formation Commission  
for the County of Los Angeles

 **DRAFT**

Commission

Jerry Gladbach  
Chair

Richard H. Close  
Donald L. Dear  
Margaret Finlay  
Tom LaBonge  
Gerard McCallum  
Gloria Molina  
David Spence  
Zev Yaroslavsky

Alternates

Lori Brogin  
Don Knabe  
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SPECIAL MEETING

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

November 19, 2014

Present:

Jerry Gladbach, Chair

Richard H. Close  
Donald L. Dear  
Margaret Finlay  
Gloria Molina  
David Spence  
Zev Yaroslavsky

Don Knabe, Alternate  
Judith Mitchell, Alternate  
Greig Smith, Alternate

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

Absent:

Tom LaBonge  
Gerard McCallum

Lori Brogin-Falley, Alternate  
Paul Krekorian, Alternate  
Joe Ruzicka, Alternate



1 CALL MEETING TO ORDER

The meeting was called to order at 9:01 a.m. in Room 381-B of the County Hall of Administration.

2 PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Chair Jerry Gladbach.

Chair Gladbach welcomed Commissioner Greig Smith to his first meeting as Alternate Public Member.

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.

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

- a. Annexation No. 2014-09 to Los Angeles County Waterworks District No. 36, Val Verde.
- b. Annexation No. 2014-13 to Los Angeles County Waterworks District No. 40, Antelope Valley.

The Commission voted to receive and file both notices.

MOTION:	DEAR
SECOND:	FINLAY
AYES:	CLOSE, DEAR, FINLAY, MOLINA, SMITH (ALT. FOR McCALLUM), SPENCE, GLADBACH
NOES:	NONE
ABSTAIN:	NONE
ABSENT:	LaBONGE, McCALLUM, YAROSLAVSKY
MOTION PASSES:	7 /0/0

6 CONSENT ITEM(S) – OTHER

The Commission took the following actions under Consent Items:

- a. Approved Minutes of October 8, 2014.
- b. Approved Minutes of October 22, 2014 (Special Meeting).
- c. Approved Operating Account Check Register for the month of October 2014.
- d. Received and filed update on pending applications.

MOTION:	FINLAY
SECOND:	SPENCE
AYES:	CLOSE, DEAR, FINLAY, MOLINA, SMITH (ALT. FOR McCALLUM), SPENCE, GLADBACH
NOES:	NONE
ABSTAIN:	NONE
ABSENT:	LaBONGE, McCALLUM, YAROSLAVSKY
MOTION PASSES:	7 /0/0

7 PUBLIC HEARING(S)

The following item was called up for consideration:

- a. Annexation No. 2012-12 to Los Angeles County Waterworks District No. 40, Antelope Valley.

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

The Commission took the following action:

- Adopted the Resolution No. 2014-34RMD Making Determinations Approving Annexation No. 2012-12 to Los Angeles County Waterworks District No. 40, Antelope Valley.

MOTION:	FINLAY
SECOND:	DEAR
AYES:	CLOSE, DEAR, FINLAY, MOLINA, SMITH (ALT. FOR McCALLUM), SPENCE, GLADBACH
NOES:	NONE

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ABSTAIN: NONE  
ABSENT: LaBONGE, McCALLUM, YAROSLAVSKY  
MOTION PASSES: 7/0/0

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

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

## 7 PUBLIC HEARING(S)

The following item was called up for consideration:

- b. Reorganization No. 2014-10 to the City of Torrance (Rolling Hills Country Club) Amendments to the City of Torrance, City of Rolling Hills Estates, Palos Verdes Library District, and the Consolidated Fire Protection District Spheres of Influence.

The E.O. thanked the City of Rolling Hills Estates, City of Torrance, Rolling Hills Country Club, and the Chandler Ranch properties for their cooperation in this reorganization. The E.O. also thanked Supervisor Knabe for expediting the tax transfer resolution. The E.O. thanked Doug Dorado, LAFCO staff, who processed the proposal.

Chair Gladbach noted Chandler Ranch sent a letter thanking the E.O. and Doug Dorado for their help in this reorganization.

Paul Loubet with Chandler Ranch properties thanked Mayor Judith Mitchell of Rolling Hills Estates, Supervisor Knabe, Paul Novak, and Doug Dorado for their work in processing this reorganization.

The Commission took the following action:

- Adopted the Resolution No. 2014-35RMD Making Determinations Approving and Ordering Reorganization No. 2014-10 to the City of Torrance (Rolling Hills Country Club) Amendments to the City of Torrance, City of Rolling Hills Estates, Palos Verdes Library District, and Consolidated Fire Protection District Spheres of Influence.

MOTION: YAROSLASKY  
SECOND: FINLAY  
AYES: CLOSE, DEAR, FINLAY, MOLINA, SMITH (ALT. FOR  
McCALLUM, SPENCE, YAROSLAVSKY, GLADBACH  
NOES: NONE  
ABSTAIN: NONE  
ABSENT: LaBONGE, McCALLUM

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MOTION PASSES: 8/0/0

Commissioner Mitchell stated this project started in the mid 1990s, when she worked in the City of Rolling Hills Estates Planning Department. She stated the project site is an old quarry and glad to see the territory redeveloped. Commissioner Mitchell stated the area is an asset to the Cities of Torrance, Rolling Hills Estates, and Lomita.

Chair Gladbach thanked everyone for all their efforts.

COMMISSIONERS' RECOGNITION

Chair Gladbach re-ordered the agenda to honor Supervisor Molina and Supervisor Yaroslavsky's retirement from the commission and the County Board of Supervisors.

Chair Gladbach thanked both Supervisors Molina and Yaroslavsky for their service as Board of Supervisors members and as LAFCO commissioners. Both Supervisors were given gift certificates as a token of appreciation. Supervisors Molina and Yaroslavsky thanked the Commission.

Commissioner Close stated that he has known Supervisor Yaroslavsky for 31 years, and that Supervisor Yaroslavsky is a knowledgeable person who is prepared and concerned about various issues.

Chair Gladbach and Commissioner Spence both thanked Commissioners Molina and Yaroslavsky for their service to LAFCO.

8 PROTEST HEARING(S)

The following item was called up for consideration:

- a. Annexation No. 2012-10 to Los Angeles County Waterworks District No. 40, Antelope Valley.

The E.O. noted that no written protest(s) had been received in advance of the hearing.

The protest hearing was opened to receive testimony and/or written protest(s). There being no testimony or written protest(s) submitted, the protest hearing was closed.

The Commission took the following action:

- Adopted the Resolution No. 2014-13PR Making Determinations Ordering Annexation No. 2012-10 to Los Angeles County Waterworks District No. 40 Antelope Valley.

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

## 9 OTHER ITEMS

The following item was called up for consideration:

a. Revision to Written Protests Valuation Policy.

The E.O. reported that he had reviewed the Commission's request to add e-mail and fax delivery of written protests to the new written protests policy and now recommended that the policy be revised to permit those forms of delivery.

As part of his report, the E.O. indicated that at least eight other LAFCO Executive Officers indicated they would allow e-mail and fax protests, but did not address this in a policy, and one, Amador Executive Officer, indicated she would not accept them.

Commissioner Finlay asked what the Amador LAFCO Executive Officer's reason for not allowing written protests via fax or e-mail. The E.O. stated that the Amador LAFCO Executive Officer stated she prefers to receive "wet" signatures for written protest.

Commissioner Spence asked if legal counsel has any concerns about receiving written protests via fax or e-mail. Helen Parker, Legal Counsel, stated she has reviewed the policy. Ms. Parker stated that the policy is consistent with the LAFCO statute and she has no concerns.

The Commission took the following action:

- Adopted the revision to the Written Protests Valuation Policy; and
- Directed the Executive Officer to post the revised Written Protests Valuation Policy on the Commission website.

MOTION: FINLAY  
SECOND: DEAR  
AYES: CLOSE, DEAR, FINLAY, MOLINA, SMITH (ALT. FOR  
McCALLUM, SPENCE, YAROSLAVSKY, GLADBACH



NOES: NONE  
ABSTAIN: NONE  
ABSENT: LaBONGE, McCALLUM  
MOTION PASSES: 8/0/0

#### 10 COMMISSIONERS' REPORT

Chair Gladbach thanked the E.O. for all his work contributing to the 2014 CALAFCO Annual Conference.

#### 11 EXECUTIVE OFFICER'S REPORT

The E.O. stated that a copy of the CALAFCO Sphere publication was provided to Commissioners in the agenda package. Also included in the agenda was a letter from CALAFCO thanking Los Angeles LAFCO for their support of the Annual Conference.

The E.O. noted that also included in the packet was an article from the California Policy Center, an independent non-profit organization, which conducted a study of cities within the state that are more likely to go bankrupt. Out of the thirteen cities, three cities are located within Los Angeles County: Compton, Maywood, and San Fernando.

The E.O., on behalf of staff, wished everyone a wonderful holiday and happy new year.

#### 12 PUBLIC COMMENT

(None).

#### 13 FUTURE MEETINGS

At the October 22<sup>nd</sup> meeting, the Commission canceled the December 10<sup>th</sup> meeting.

January 14, 2015  
February 11, 2015  
March 11, 2015

#### 14 FUTURE AGENDA ITEMS

(None).

Commissioner Finlay asked if the May 13, 2015 meeting will be moved to a different room or date. The E.O. stated that he is waiting to hear from the Board of Supervisors regarding budget hearings and that the completed 2015 LAFCO meeting schedule will be available in January.

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15 ADJOURNMENT MOTION

Chair Gladbach adjourned the meeting at 9:36 a.m.

Chair Gladbach wished everyone happy holidays.

Respectfully submitted,

Paul A. Novak, AICP  
Executive Officer

2:38 PM

01/05/15

Accrual Basis

# LAFCO 03 REGISTER REPORT November 2014

Type	Date	Num	Name	Memo	Amount	Balance
<b>10000 Cash Unrestricted</b>						
<b>10003 Operating Account</b>						
Bill Pmt -Check	11/4/2014	7337	Accountemps	Cust#00490-001923000, G. D...	-112.28	-112.28
Bill Pmt -Check	11/4/2014	7338	California Special Di...	7986	-1,081.00	-1,193.28
Bill Pmt -Check	11/4/2014	7339	Charter Communicati...	Acct#8245100171576933	-333.59	-1,526.87
Bill Pmt -Check	11/4/2014	7340	Chris S. Grant CPA	Accounting Services: Audit	-425.00	-1,951.87
Bill Pmt -Check	11/4/2014	7341	Daily Journal		-81.75	-2,033.62
Bill Pmt -Check	11/4/2014	7342	Helen Parker	Reimbursement: Mileage	-94.50	-2,128.12
Deposit	11/5/2014			Deposit	8,000.00	5,871.88
Deposit	11/6/2014			Deposit	140.00	6,011.88
Deposit	11/13/2014			Deposit	24.85	6,036.73
Bill Pmt -Check	11/13/2014	7343	Accountemps	Cust#00490-001923000, G. D...	-112.28	5,924.45
Bill Pmt -Check	11/13/2014	7344	CALAFCO"	CKH 2014 Edition	-12.50	5,911.95
Bill Pmt -Check	11/13/2014	7345	Certified Records Ma...	Cust#00271, 11/01/14-11/30/14	-197.22	5,714.73
Bill Pmt -Check	11/13/2014	7346	CoreLogic	Acct#200694038RR6575412, ...	-28.92	5,685.81
Bill Pmt -Check	11/13/2014	7347	LACERA	LAFCO OPEB: Oct 2014, Cale...	-833.52	4,852.29
Bill Pmt -Check	11/13/2014	7348	Office Depot*	Acct#32368442	-566.55	4,285.74
Bill Pmt -Check	11/13/2014	7349	Paul A. Novak	Reimbursement	-15.00	4,270.74
Bill Pmt -Check	11/13/2014	7350	Ricoh Americas Corp	036-0027688-000	-1,568.36	2,702.38
Bill Pmt -Check	11/13/2014	7351	Ricoh USA, Inc.	Cust#13725307, 08/01/14-10/3...	-489.75	2,212.63
Bill Pmt -Check	11/13/2014	7352	White Nelson Diehl ...	Audit: FYE June 30, 2014	-4,750.00	-2,537.37
Check	11/13/2014	DM	Ambar De La Torre	Salary, November 15, 2014	-1,690.83	-4,228.20
Check	11/13/2014	DM	Douglass Dorado	Salary, November 15, 2014	-2,505.53	-6,733.73
Check	11/13/2014	DM	Michael E. Henderson	Salary, November 15, 2014	-1,939.79	-8,673.52
Check	11/13/2014	DM	Patricia Knoebl-Wood	Salary, November 15, 2014	-1,097.66	-9,771.18
Check	11/13/2014	DM	Paul Novak	Salary, November 15, 2014	-4,445.78	-14,216.96
Check	11/13/2014	DM	Alisha O'Brien	Salary, November 15, 2014	-1,874.30	-16,091.26
Check	11/13/2014	DM	June D. Savala	Salary, November 15, 2014	-3,656.57	-19,747.83
Check	11/13/2014	DM	Federal Tax Deposit	Payroll Taxes, November 15, 2...	-4,500.91	-24,248.74
Check	11/13/2014	DM	State Income Tax	Payroll Taxes, November 15, 2...	-1,194.43	-25,443.17
Check	11/14/2014	444762011	ADP	Processing Charges for period ...	-180.08	-25,623.25
Check	11/17/2014	DM	Bank of America*	Account Analysis Fee-October ...	-46.83	-25,670.08
Deposit	11/18/2014			Deposit	2,000.00	-23,670.08
Bill Pmt -Check	11/20/2014	7353	Accountemps	Cust#00490-001923000, G. D...	-112.28	-23,782.36
Bill Pmt -Check	11/20/2014	7354	David Spence*	Reimbursement: Mileage	-96.06	-23,878.42
Bill Pmt -Check	11/20/2014	7355	Donald Dear*		-132.28	-24,010.70
Bill Pmt -Check	11/20/2014	7356	Edward J. Gladbach	Reimbursement: Mileage	-247.26	-24,257.96
Bill Pmt -Check	11/20/2014	7357	Greig Smith	Reimbursement: Mileage	-28.48	-24,286.44
Bill Pmt -Check	11/20/2014	7358	Joseph Ruzicka	Reimbursement: Mileage	-164.65	-24,451.09
Bill Pmt -Check	11/20/2014	7359	Judith Mitchell*	Reimbursement: Mileage	-114.24	-24,565.33
Bill Pmt -Check	11/20/2014	7360	Lori Brogin*	Reimbursement: Mileage	-33.60	-24,598.93
Bill Pmt -Check	11/20/2014	7361	Mail Finance	Cust#416653, 12-Dec-14 to 11...	-126.42	-24,725.35
Bill Pmt -Check	11/20/2014	7362	Margaret Finlay	Reimbursement: Mileage	-149.82	-24,875.17
Bill Pmt -Check	11/20/2014	7363	Motor Parks	Cust#025-001, Unreserved (7) ...	-630.00	-25,505.17
Bill Pmt -Check	11/20/2014	7364	Office Depot*		-89.01	-25,594.18
Bill Pmt -Check	11/20/2014	7365	Richard Close*	Reimbursement: Mileage	-101.35	-25,695.53
Bill Pmt -Check	11/20/2014	7366	TelePacific Commun...	Acct#120143	-9.51	-25,705.04
Bill Pmt -Check	11/20/2014	7367	Tropical Interior Plants	Service: October 2014	-100.00	-25,805.04
Check	11/21/2014	445358814	ADP	EZ Labor Manager- November ...	-52.50	-25,857.54
Bill Pmt -Check	11/24/2014	7368	Los Angeles County ...	NOD filing, Reorg No. 2014-10...	-75.00	-25,932.54
Transfer	11/25/2014		Transfer To Operating	T4-A Funds Transfer	100,000.00	74,067.46
Bill Pmt -Check	11/25/2014	7369	80 South Lake LLC	NO000758-1	-6,893.91	67,173.55
Bill Pmt -Check	11/25/2014	7370	Accountemps	Cust#00490-001923000, G. D...	-112.28	67,061.27
Bill Pmt -Check	11/25/2014	7371	ATT	Acct#990566760, 10/10/14-11/...	-352.06	66,709.21
Bill Pmt -Check	11/25/2014	7372	Bank of America*		-2,492.71	64,216.50
Bill Pmt -Check	11/25/2014	7373	County Counsel	Legal Services: October 2014	-3,321.87	60,894.63
Bill Pmt -Check	11/25/2014	7374	LACERA	November 2014 Employee/Em...	-12,362.25	48,532.38
Check	11/28/2014	DM	Ambar De La Torre	Salary, November 30, 2014	-1,690.84	46,841.54
Check	11/28/2014	DM	Douglass Dorado	Salary, November 30, 2014	-2,505.53	44,336.01
Check	11/28/2014	DM	Michael E. Henderson	Salary, November 30, 2014	-1,939.79	42,396.22
Check	11/28/2014	DM	Patricia Knoebl-Wood	Salary, November 30, 2014	-1,097.66	41,298.56
Check	11/28/2014	DM	Paul Novak	Salary, November 30, 2014	-4,445.77	36,852.79
Check	11/28/2014	DM	Alisha O'Brien	Salary, November 30, 2014	-1,874.31	34,978.48
Check	11/28/2014	DM	June D. Savala	Salary, November 30, 2014	-3,656.57	31,321.91
Check	11/28/2014	89467725	Richard Close	Stipend, November 19, 2014	-147.83	31,174.08
Check	11/28/2014	DM	Donald L. Dear	Stipend, November 19, 2014	-147.82	31,026.26

Type	Date	Num	Name	Memo	Amount	Balance
Check	11/28/2014	89467726	Margaret E. Finlay	Stipend, Oct. 22 and Novemb...	-295.65	30,730.61
Check	11/28/2014	89467727	Edward G. Gladbach	Stipend, November 19, 2014	-147.83	30,582.78
Check	11/28/2014	89467728	Donald Knabe	Stipend, November 19, 2014	-147.83	30,434.95
Check	11/28/2014	89467729	Judith Mitchell	Stipend, November 19, 2014	-147.82	30,287.13
Check	11/28/2014	89467730	Gloria Molina	Stipend, November 19, 2014	-134.62	30,152.51
Check	11/28/2014	89467731	Greig L. Smith	Stipend, November 19, 2014	-147.82	30,004.69
Check	11/28/2014	DM	David Spence	Stipend, November 19, 2014	-147.82	29,856.87
Check	11/28/2014	89467732	Zev Yaroslavsky	Stipend, November 19, 2014	-133.76	29,723.11
Check	11/28/2014	445573097	ADP	Processing charges for period ...	-147.24	29,575.87
Check	11/28/2014	DM	Federal Tax Deposit	Payroll Taxes, November 30, 2...	-4,500.90	25,074.97
Check	11/28/2014	DM	State Income Tax	Payroll Taxes, November 30, 2...	-1,194.43	23,880.54
Check	11/28/2014	DM	Federal Tax Deposit	Payroll Taxes, November 30, 2...	-47.89	23,832.65
Total 10003 Operating Account					23,832.65	23,832.65
Total 10000 Cash Unrestricted					23,832.65	23,832.65
<b>TOTAL</b>					<b>23,832.65</b>	<b>23,832.65</b>

7:57 AM

12/31/14

Accrual Basis

# LAFCO 03 REGISTER REPORT December 2014

Type	Date	Num	Name	Memo	Amount	Balance
<b>10000 Cash Unrestricted</b>						
<b>10003 Operating Account</b>						
Bill Pmt -Check	12/4/2014	7375	Accountemps	Cust#00490-001923000, G. D...	-112.28	-112.28
Bill Pmt -Check	12/4/2014	7376	County of Los Angel...		-56,707.98	-56,820.26
Bill Pmt -Check	12/4/2014	7377	CTS Glendale		-1,308.19	-58,128.45
Bill Pmt -Check	12/4/2014	7378	LACERA	December 2014 Employee/Em...	-12,244.31	-70,372.76
Bill Pmt -Check	12/4/2014	7379	Office Depot*		-158.84	-70,531.60
Bill Pmt -Check	12/4/2014	7380	Printing and Copy St...	Project: Letterhead	-206.01	-70,737.61
Transfer	12/10/2014		Transfer To Operating	T4-A Funds Transfer	100,000.00	29,262.39
Deposit	12/10/2014			Deposit	10,600.00	39,862.39
Check	12/12/2014	446122222	ADP	Processing Charges for period ...	-127.16	39,735.23
Bill Pmt -Check	12/15/2014	7381	Accountemps	Cust#00490-001923000, G. D...	-112.28	39,622.95
Bill Pmt -Check	12/15/2014	7382	Alisha O'Brien*	Reimbursement: CALAFCO U...	-142.83	39,480.12
Bill Pmt -Check	12/15/2014	7383	Certified Records Ma...	Cust#00271, 12/01/14-12/31/14	-243.72	39,236.40
Bill Pmt -Check	12/15/2014	7384	Charter Communicati...	Acct#1576933, 12/05/14-01/04...	-464.74	38,771.66
Bill Pmt -Check	12/15/2014	7385	CoreLogic	Acct#200-694038-RR657541-2...	-28.92	38,742.74
Bill Pmt -Check	12/15/2014	7386	Gerard McCallum II*	Reimbursement: LAFCO meeti...	-45.90	38,696.84
Bill Pmt -Check	12/15/2014	7387	Huntington Park Rub...	00-0568730	-41.69	38,655.15
Bill Pmt -Check	12/15/2014	7388	LACERA	LAFCO OPEB: Nov 2014, Cal...	-833.52	37,821.63
Bill Pmt -Check	12/15/2014	7389	MetLife*	Cert#0003242935, P. Novak	-441.00	37,380.63
Bill Pmt -Check	12/15/2014	7390	Metropolitan Water D...	Cust#8284	-500.00	36,880.63
Bill Pmt -Check	12/15/2014	7391	Office Depot*		-112.87	36,767.76
Bill Pmt -Check	12/15/2014	7392	Ricoh Americas Corp	036-0027688-000	-1,568.36	35,199.40
Bill Pmt -Check	12/15/2014	7393	S.D.R.M.A.	7352	-4,666.00	30,533.40
Check	12/15/2014	DM	Ambar De La Torre	Salary, December 15, 2014	-1,690.83	28,842.57
Check	12/15/2014	DM	Douglass Dorado	Salary, December 15, 2014	-2,505.54	26,337.03
Check	12/15/2014	DM	Michael E. Henderson	Salary, December 15, 2014	-1,939.79	24,397.24
Check	12/15/2014	DM	Patricia Knoebl-Wood	Salary, December 15, 2014	-1,097.66	23,299.58
Check	12/15/2014	DM	Patricia Knoebl-Wood	Salary, December 15, 2014-2n...	-162.60	23,136.98
Check	12/15/2014	DM	Paul Novak	Salary, December 15, 2014	-4,445.78	18,691.20
Check	12/15/2014	DM	Alisha O'Brien	Salary, December 15, 2014	-1,874.30	16,816.90
Check	12/15/2014	DM	June D. Savala	Salary, December 15, 2014	-3,656.57	13,160.33
Check	12/15/2014	DM	Federal Tax Deposit	Payroll Taxes, December 15, 2...	-4,505.69	8,654.64
Check	12/15/2014	DM	State Income Tax	Payroll Taxes, December 15, 2...	-1,194.43	7,460.21
Bill Pmt -Check	12/18/2014	7394	Accountemps	Cust#00490-001923000, G. D...	-112.28	7,347.93
Bill Pmt -Check	12/18/2014	7395	Daily Journal		-84.25	7,263.68
Bill Pmt -Check	12/18/2014	7396	Los Angeles County ...	Svc Agreement No. 2014-05	-75.00	7,188.68
Bill Pmt -Check	12/18/2014	7397	Mail Finance	Cust#416653, 12-Jan-15 to 11-...	-126.42	7,062.26
Bill Pmt -Check	12/18/2014	7398	Office Depot*		-75.84	6,986.42
Bill Pmt -Check	12/18/2014	7399	Tropical Interior Plants	Service: November 2014	-100.00	6,886.42
Bill Pmt -Check	12/18/2014	7400	White Nelson Diehl ...	LOS0006, Audit FYE June 30, ...	-1,000.00	5,886.42
Check	12/19/2014	446776200	ADP	EZ Labor Management: Dece...	-52.50	5,833.92
Bill Pmt -Check	12/23/2014	7401	Accountemps	Cust#00490-001923000, G. D...	-112.28	5,721.64
Bill Pmt -Check	12/23/2014	7402	ATT	Acct#990566760, 11/10/14-12/...	-164.43	5,557.21
Bill Pmt -Check	12/23/2014	7403	Thomas Denton Eng...	2 Vinyl letters	-131.43	5,425.78
Check	12/26/2014	446905792	ADP	Processing Charges for period ...	-127.16	5,298.62
Bill Pmt -Check	12/30/2014	7404	80 South Lake LLC	NO000758-1	-47.02	5,251.60
Bill Pmt -Check	12/30/2014	7405	Accountemps	Cust#00490-001923000, G. D...	-112.28	5,139.32
Bill Pmt -Check	12/30/2014	7406	Bank of America*		-1,338.71	3,800.61
Bill Pmt -Check	12/30/2014	7407	County Counsel	Legal Services: November 2014	-2,592.97	1,207.64
Bill Pmt -Check	12/30/2014	7408	Daily Journal	Cust#1124120362	-22.75	1,184.89
Bill Pmt -Check	12/30/2014	7409	Los Angeles County ...	Annexation No. 2014-11, LA Ct...	-1,500.00	-315.11
Bill Pmt -Check	12/30/2014	7410	Motor Parks	Cust#025-001, Unreserved (7) ...	-630.00	-945.11
Total 10003 Operating Account					-945.11	-945.11
Total 10000 Cash Unrestricted					-945.11	-945.11
<b>TOTAL</b>					<b>-945.11</b>	<b>-945.11</b>



**AGENDA ITEM NO. 6c - January 14, 2015  
PENDING APPLICATIONS AS OF JANUARY 6, 2015**

		LAFCO Designation	Applicant	Description	Status	Date Filed	Est. Date of Completion
1	DD	Annexation No. 2007-04 City of Industry	City of Industry	Annexation of 14.8 acres to the City of Industry. The subject territory consists principally of a street right-of-way along Valley Blvd., between Morningside Drive and the City of Industry and City of Pomona boundary line.	The City and County have been involved in ongoing negotiations. There has been no agreement to date. 7-29-12 Troy Helling indicated the City Engineer wants to move forward. Working with Industry, Pomona, and County to amend application	1/4/2007	Unknown
2	AAO	Annexation No. 2003-08(40-23/4-103) to Los Angeles County Waterworks District No. 40	LA County Waterworks District 40	Annex 19.69 acres of land located at the NE corner of Ave N and 55th St W in the City of Palmdale. 43 single family homes have been constructed.	Received tax transfer reso on 09/18/12. Map & Legal pending review.	11/4/2003	Unknown
3	AAO	Annexation 2006-12 to Los Angeles County Waterworks District No. 40	Land Resource Investors	Annex 20 acres of vacant land located at the northeast corner of Avenue J and 37th Street East, City of Lancaster. Will be developed into 80 single family homes.	Missing "will serve" letter. Pending tax transfer resolution.	5/15/2006	Unknown
4	AAO	Annexation No. 2006-46 to Los Angeles County Waterworks District No. 40	New Anaverde, LLC	Annex 1,567 acres of vacant land located near Lake Elizabeth Road and Avenue S in the city of Palmdale. Will be developed into 313 single family home.	Missing "will serve" letter. Pending tax transfer resolution.	10/5/2006	Unknown
5	AAO	Annexation No. 2011-17 (2006-50) to Los Angeles County Waterworks District No. 40	Behrooz Haverim/Kamyar Lashgari	Annex 20.62 acres of vacant land located south of Avenue H between 42nd Street West and 45th Street West in the City of Lancaster. To be developed into single family homes	Missing "will serve" letter. Pending tax transfer resolution.	12/1/2006	Unknown
6	AAO	Annexation No. 2007-18 to Los Angeles County Waterworks District No. 40	Michael Roach/ LACWD	Annex 130.29 acres of inhabited located between Avenue K & K-8 and between 30th and 35th Streets East, in the City of Lancaster.	District has been serving area since 90's. Have tax resolution. Deemed Categorical Exemption. Map & Legal pending review.	8/10/2007	Unknown
1		Annexation No. 2007-04 City of Industry	Applicant City of Industry	Description Annexation of 14.8 acres to the City of Industry. The subject territory consists principally of a street right-of-way along Valley Blvd., between Morningside Drive and the City of Industry and City of Pomona boundary	Status The City and County have been involved in ongoing negotiations. There has been no agreement to date. 7-29-12 Troy Helling indicated the City	Date Filed 1/4/2007	Est. Date of Completion Unknown

		LAFCO Designation	Applicant	Description	Status	Date Filed	Est. Date of Completion
9	AAO	Annexation No. 2008-09 to Los Angeles County Waterworks District No. 37	Watt Enterprises LTD	Annex 272 Acres vacant land located on Escondido Canyon Road (area B) and Hubbard Road (area A) Angeles Forest Highway and Vincent Road	Missing CEQA. Missing "will serve" letter. Sent email to M. Roach re: status of tax resolution 12/31/13.	12/5/2008	Unknown
10	AAO	Reorganization 2009-16 to County Waterworks District No. 29	M.H.A.B. Trust/ Water works Dist. 29	Detach 56 acres of uninhabited territory from Las Virgenes Municipal Water District and annex same said territory to Los Angeles County Waterworks District No. 29 and West Basin Municipal Water District. The project includes future construction of 5 homes. The project site is located north of Palm Canyon Lane between Cross Creek Road and Serra Road, in unincorporated county territory, adjacent to Malibu.	Jan agenda	12/28/2009	Unknown
11	AAO	Reorganization 2010-04 Los Angeles County Waterworks District No. 29	Malitex Partners, LLC	Detach 88 acres of vacant land from the Las Virgenes Municipal Water District and annex same said territory to Los Angeles County Waterworks District No. 29 and West Basin Municipal Water District. The project includes future construction of three homes and dedicates open space. The project site is located north of Pacific Coast Highway at the end of Murphy Way, in the unincorporated area adjacent to Malibu.	Missing "will serve" letter. Received Tax Resolution 12-29-11. Regional Planning is working on Draft EIR 04/29/14.	6/9/2010	Unknown
12	DD	City of Palmdale Annexation 2010-05	City of Palmdale	49.6 acres located adjacent to residential properties to the southwest, southeast, and separated by the Amargosa Creek to the north.	Pending approval of tax resolution	10/25/2010	Unknown
13	AAO	Reorganization 2011-16 (Tesoro del Valle)	NCWD/CLWA	801.53 acres regional access is provided via Interstate 5 (1-5) for north/south travelers from the east, and State Route 126 (SR-126) for travelers from the west. The existing local thoroughfare that provides access to the proposed area is Copper Hill Drive, which can be accessed directly from Tesoro del Valle Drive or Avenida Rancho Tesoro.	Pending approval of tax resolution. NCWD/CLWA are still in negotiations. No agreement yet. 09/19/12	5/5/2011	Unknown
14	DD	City of Los Angeles Annexation 2011-27	Forestar Group	685 acres of uninhabited territory located east of Browns Canyon Road and northwest of Mason Ave, in the unincorporated area just north of the City of Los Angeles.	Received incomplete application 12-8-11, received more 2-13-12, sent out notice 2-15-12, City of LA is working on CEQA,	12/8/2011	Unknown
15	DD	City of Carson Annexation 2011-25 (Rancho Dominguez)	City of Carson	1,710 acres located south of the 91 Freeway, west of the 710 Freeway, north of Del Amo Blvd., and east of Wilmington Ave.	New application.	12/27/2011	Unknown
16	DD	City of Palmdale Annexation 2011-19	City of Palmdale	405 acres of uninhabited territory located between Palmdale Blvd and Ave S and 80th and 85th Street East.	Sent out Notice 3-22-12, pending approval of tax resolution.	3/8/2012	Unknown
17	AAO	Annexation 2012-19 Walnut Valley Water District	Walnut Valley Water District	550.52 acres. Northwestern portion of City of Walnut, Recently developed hillside surrounded by housing developments to the North and East, fronted by Amar Rd on the South and an existing closed landfill on the West.	Pending approval of tax resolution	1/3/2013	Unknown
18	AAO	Annexation 2012-12 County Waterworks District No. 40	LA County Waterworks District 40	The proposed annexation areas consists of residential tracts of single family homes, are bordered by other residential tracts and by vacant land.	Protest Hearing Jan Agenda	1/31/2013	Unknown

		LAFCO Designation	Applicant	Description	Status	Date Filed	Est. Date of Completion
19	AAO	Annexation 2012-13 County Waterworks District No. 37	LA County Waterworks District 37	The proposed annexation areas consists of residential tracts of single family homes on large lots, are are bordered by other residential tracts and by vacant land.	Pending approval of tax resolution	1/31/2013	Unknown
20	AAO	Annexation 2012-01 County Waterworks District No. 40 (Antelope Valley Christian Ctr)	LA County Waterworks District 40	Southwest corner of 30th St. East and Avenue K-8, APN 3170-008-001. Also known as the North 1/2 of the Southeast 1/4 of Section 30, Township 7 North, Range 11 West, San Bernardino Meridian.	Pending approval of tax resolution	2/20/2013	Unknown
21	AAO	Reorganization No. 2013-01 to Newhall County Water District (Castaic High School)	Newhall County Water District	Detach from Los Angeles County Waterworks District No. 36, Val Verde and annex to Newhall County Water District. Located at the northwest corner of Romero Canyon Road and Canyon Hill Road, in the unincorporated community of Castaic.	Pending approval of tax resolution	4/3/2013	Unknown
22	DD	Reorganization No. 2013-04 City of Rolling Hills	City of Rolling Hills	The application involves approximately .54 acres of uninhabited territory. The subject territory is generally located at the intersection of Silver Spur Road and Crenshaw Blvd in the City of Rolling Hills.	Sent out notice 6-27-13, pending approval of tax resolution.	6/26/2013	unknown
23	DD	Annexation No. 2013-06 to the City of Los Angeles (Jordan Downs)	City of Los Angeles	41.72 acres located along Alameda St between East 97th Street and East 103rd Street, adjacent to the City of Los Angeles.	January Agenda	8/28/2013	Mar-2015
24	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation No. 1065	Sanitation Districts	5.539 acres located at the northwest corner of Magic Mountain Parkway and Bouquet Canyon Road, all within the City of Santa Clarita.	January Agenda	11/5/2013	Feb-2015
25	AD	Annexation 293 to District No. 15	Sanitation Districts	0.650 acres located on Highland Oaks Drive approximately 500 feet southeast of its intersection with Highland vista Drive, all within the City of Arcadia.	January Agenda	11/5/2013	Feb-2015
26	AD	Annexation 739 to District No. 21	Sanitation Districts	27.050 acres located west of the extended Wheeler Avenue between Arrow Highway and Puddingstone Drive, all within the City of La Verne.	Pending approval of tax resolution.	11/5/2013	Unknown
27	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation No. 1067	Sanitation Districts	1.998 acres located on Newhall Avenue at its intersection with Valle Del Oro, all within the City of Santa Clarita.	Pending approval of tax resolution.	2/6/2014	Unknown
28	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation No. 1070	Sanitation Districts	12.24 acres located approximately 1,000 feet west of Whites Canyon Road and approximately 500 feet south of Sidani Lane, all within unincorporated Los Angeles County.	Pending approval of tax resolution.	3/3/2014	Unknown
29	DD	Annexation 2014-04 to the City of Calabasas	City of Calabasas	annex approximately 43.31± acres of uninhabited territory to the City of Calabasas. The affected territory is generally located along Agoura Road between Liberty Canyon Road and Malibu Hills Road, in Los Angeles County unincorporated territory adjacent to the City of Agoura Hills and Calabasas.	Sent out Notice of Filing march 20, 2014	3/18/2014	Unknown
30	AAO	Anexation No. 2014-02 to Greater Los Angeles County Vector Control District	Greater Los Angeles County Vector Control District	Annex the entire City of La Canada Flintridge (approx. 5,440 ± acres) into the Greater Los Angeles County Vector Control District.	February Agenda	4/16/2014	Unknown
31	AAO	Reorganization No. 2014-06 to Los Angeles County Waterworks District No. 29, Malibu	NSRS Trust	Detach 2 acres located on Palm Canyon Lane, unincorporated territory, from Las Virgenes Municipal Water District and annex said territory to Los Angeles County Waterworks District No. 29, Malibu.	Pending approval of tax resolution. Missing CEQA. Sent Notice of Filing on 06/19/14.	5/21/2014	Unknown

		LAFCO Designation	Applicant	Description	Status	Date Filed	Est. Date of Completion
32	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation No. 1072	Sanitation Districts	0.342 acres located at the southeast corner of Church Street and Cherry Drive, all within unincorporated Los Angeles County.	Pending approval of tax resolution.	5/27/2014	Unknown
33	AD	Annexation 743 to District No. 21	Sanitation Districts	1.5 acres located on Mt. Baldy Road approximately 250 feet north of the terminus of New Hampshire Avenue, all within the unincorporated Los Angeles County.	Pending approval of tax resolution.	6/23/2014	Unknown
34	AD	Annexation 742 to District No. 21	Sanitation Districts	8,380 acres. Two parcels. Parcel 1 is located on Summer Avenue approximately 100 feet south of Baseline Road; Parcel 2 is located at the southeast intersection of Towne Avenue and Baseline Road, all within the City of Claremont	Pending approval of tax resolution	7/15/2014	Unknown
35	AD	Annexation 741 to District No. 21	Sanitation Districts	1.8 acres located on Baseline Road approximately 200 feet west of Oxford Avenue, all within the City of Claremont.	Pending approval of tax resolution	7/15/2014	Unknown
36	AAO	Annexation No. 2014-09 to Los Angeles County Waterworks District No. 36, Val Verde (Los Valles Development)	SFI Los Valles LLC	SOI Amendmnt and Annexation of 10± acres located north of Halsey Canyon Road and Los Valles Drive, all within unincorporated territory of Castaic	Pending approval of tax resolution. Missing CEQA.	7/15/2014	Unknown
37	AD	Annexation 744 to District No. 21	Sanitation Districts	0.75 acres located on Pomello Drive approximately 300 feet west of Padua Avenue, all within the City of Claremont.	Pending approval of tax resolution	8/13/2014	Unknown
38	AD	Annexation 419 to District No. 22	Sanitation Districts	1.8 acres located on Ranch Road approximately 1,500 feet north of Sierra Madre Avenue, all within the City of Azusa.	Pending approval of tax resolution	8/13/2014	Unknown
39	AAO	Annexation No. 2014-13 to Los Angeles County Waterworks District No. 40, Antelope Valley	Lebata, Inc.	310.96 acres located near Avenue T and 126th Street East, in unincorporated County territory, near the community of Pearblossom. Install and operate a new sand and gravel mining operation.	Pending approval of tax resolution. Missing CEQA.	9/29/2014	Unknown
40	AD	Annexation 740 to District No. 21	Sanitation Districts	6,591 acres located on Rio Rancho Road directly north of the 60 Freeway, all within the City of Pomona.	Pending approval of tax resolution	10/6/2014	Unknown
41	AD	Annexation 417 to District No. 14	Sanitation Districts	0.76 acres located on Avenue M-4 approximately 300 feet west of 55th Street West, all within unincorporated Los Angeles County.	Pending approval of tax resolution	10/21/2014	Unknown
42	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation No. 1071	Sanitation Districts	0.921 acres located on Placeritos Boulevard between Meadowview Avenue and Aden Avenue, all within the City of Santa Clarita.	pending approval of tax resolution	10/27/2014	Unknown
43	AAO	Annexation No. 2014-11 to Greater Los Angeles County Vector Control District	Greater Los Angeles County Vector Control District	Annex the entire unincorporated County territory of La Crescenta-Montrose (3.4 square miles) into Greater Los Angeles County Vector Control District	pending approval of tax resolution	11/4/2014	Unknown
44	AAO	Out-of-Agency Service Agreement No. 2014-05 (Mailbu Institute)	Ventura Regional Sanitation District	650± acres. 450± acres will be dedicated open space and 20± acres will be developed as a sports-oriented educational retreat serviced by the Ventura Regional Sanitation District.	Jan agenda	11/18/2014	Jan-2015
45	AAO	Reorganization No. 2014-03 to the City of Calabasas	City of Calabasas	176± acres immediately north of and adjacent to the 101 freeway between the City of Calabasas and Hidden Hills.	Sent out 12-30-14	12/10/2014	Unknown

**Staff Report**

**January 14, 2015**

**Agenda Item No. 6.d.**

**Annexation No. 293 to Los Angeles County Sanitation District No. 15**

**PROPOSAL SUMMARY:**

Size of Affected Territory:	0.650± acres
Inhabited/Uninhabited:	Uninhabited
Applicant:	Los Angeles County Sanitation District No. 15
Resolution or Petition:	October 23, 2013
Application Filed with LAFCO:	November 5, 2013
Location:	The affected territory is located on Highland Oaks Drive approximately 500 feet southeast of its intersection with Highland Vista Drive.
City/County:	City of Arcadia
Affected Territory:	The affected territory consists of one single-family home within a residential area. The topography is flat.
Surrounding Territory:	Surrounding territory is residential and open space.
Landowner(s):	Hung T & Van K Tran
Registered Voters:	0 registered voters as of October 2, 2014
Purpose/Background:	For the District to provide off-site sewage disposal service.
Related Jurisdictional Changes:	There are no related jurisdictional changes.
Within SOI:	Yes
Waiver of Notice/Hearing/Protest:	Yes



**CEQA Clearance:**

The proposal is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15319(a) because the annexation consists of areas containing existing structures developed to the density allowed by the current zoning. The Categorical Exemption was adopted by Los Angeles County Sanitation District, as lead agency, on October 23, 2013.

**Additional Information:**

None

**FACTORS TO BE CONSIDERED PURSUANT TO GOVERNMENT CODE 56668:**

***a. Population:***

The existing population is 4 residents as of October 25, 2013. The population density is 6.15 persons per acre.

The estimated future population is 4 residents.

The affected territory is 0.650+/- acres. The existing land use consists of a single-family home.

The assessed valuation is \$637,059 as of October 1, 2014. The per capita assessed valuation is 159,264.75. On October 7, 2014, the County adopted a negotiated tax exchange resolution; all other involved public agencies have adopted a property tax transfer resolution.

The topography of the affected territory is flat.

Angeles National Forest is located to the North of the affected territory. There are no drainage basins on or near the affected territory.

The affected territory is in a residential area surrounded by the Angeles National Forest to the North. The affected territory is likely to experience no growth in the next ten years. The adjacent areas are likely to experience no growth in the next ten years.

***b. Governmental Services and Controls:***

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

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

***c. Proposed Action and Alternative Actions:***

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

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

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

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

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

**e. *Agricultural Lands:***

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

**f. *Boundaries:***

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

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

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

**g. *Consistency with Regional Transportation Plan:***

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

**h. *Consistency with Plans:***

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

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

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

**i. *Sphere of Influence:***

The affected territory is within the Sphere of Influence of the Los Angeles County Sanitation District No. 15.

**j. *Comments from Public Agencies:***

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

**k. *Ability to Provide Services:***

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

**l. *Timely Availability of Water Supplies:***

There are no known issues regarding water supply or delivery.

**m. *Regional Housing:***

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

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

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

**n. *Land Use Designations***

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

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

**o. *Environmental Justice:***

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

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

**CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) CLEARANCE:**

The proposal is categorically exempt from CEQA pursuant to CEQA Guidelines Section 15319(a) because the annexation consists of areas containing existing structures developed to the density allowed by the current zoning. The Categorical Exemption was adopted by Los Angeles County Sanitation District, as lead agency, on October 23, 2013

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

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

**CONCLUSION:**

Staff recommends approval of the proposal as a logical and reasonable extension Los Angeles County Sanitation District No. 15 which will be for the interest of landowners and/or present and/or future inhabitants within the district and within the annexation territory.

**Recommended Action:**

1. Adopt the Resolution Making Determinations Approving and Ordering Annexation No. 293 to Los Angeles County Sanitation District No. 15.



**RESOLUTION NO. 2015-00RMD  
RESOLUTION OF THE LOCAL AGENCY FORMATION  
COMMISSION FOR THE COUNTY OF LOS ANGELES  
MAKING DETERMINATIONS APPROVING AND ORDERING  
"ANNEXATION NO. 293 TO THE LOS ANGELES COUNTY SANITATION DISTRICT NO. 15"**

WHEREAS, the Los Angeles County Sanitation District No. 15 (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 Arcadia; and

WHEREAS, the proposed annexation consists of approximately 0.650± acres of uninhabited territory and is assigned the following distinctive short-form designation: "Annexation No. 293 to the Los Angeles County Sanitation District No. 15"; and

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

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

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

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

WHEREAS, the Executive Officer set the item for consideration for January 14, 2015 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 January 14, 2015, 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 0.650± acres, is uninhabited, and is assigned the following short form designation:

"Annexation No. 293 to the Los Angeles County Sanitation District No. 15".
5. Annexation No. 293 to the Los Angeles County Sanitation District No. 15 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. 15.
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 14<sup>th</sup> day of January 2015.

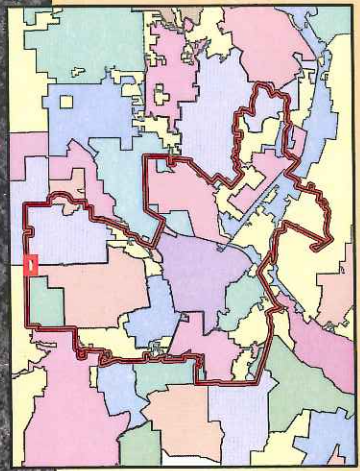
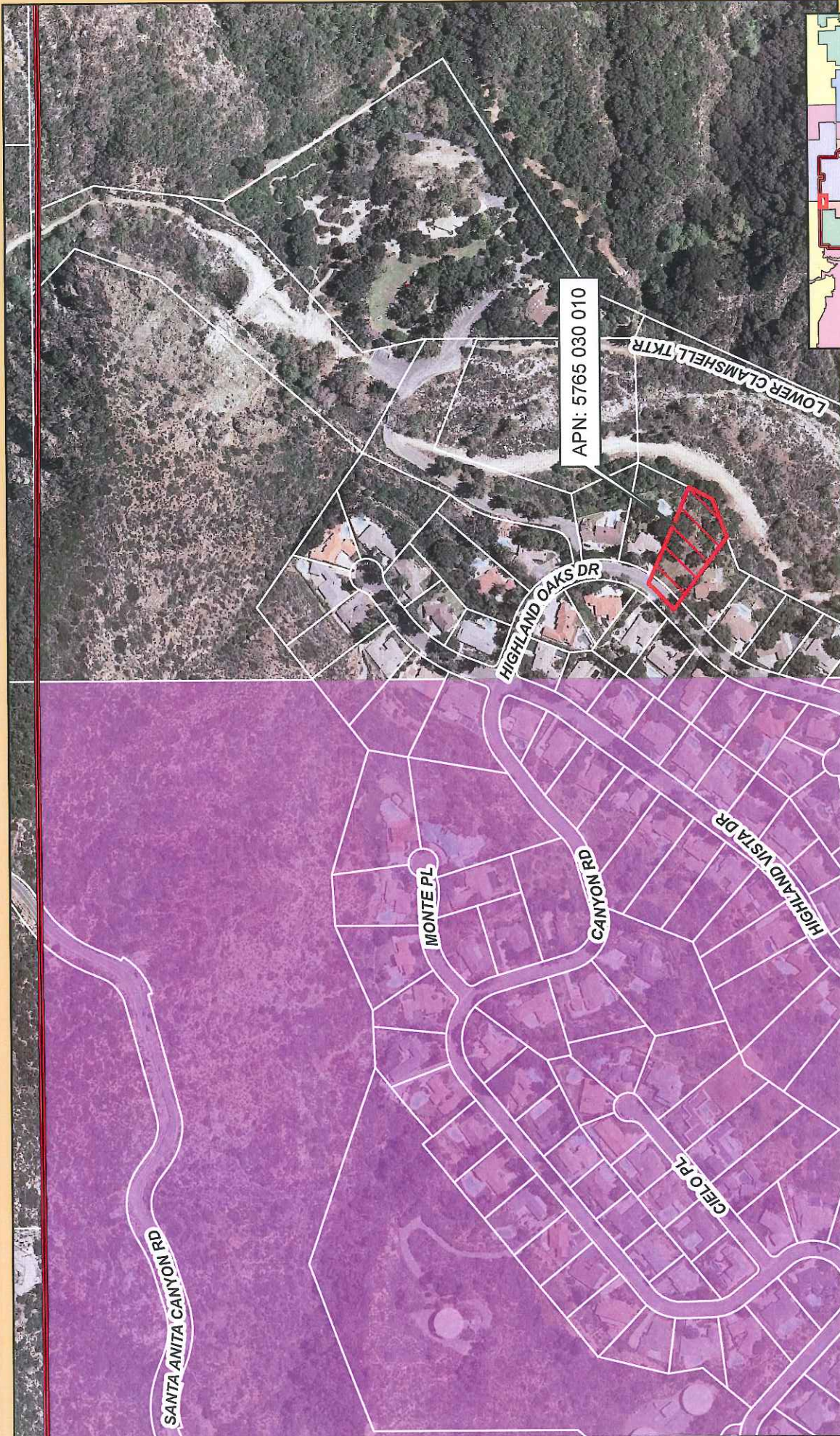
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SECOND:  
AYES:  
NOES:  
ABSTAIN:  
ABSENT:  
MOTION PASSES: 0/0/0

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

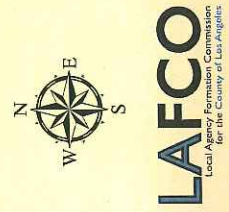
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**Paul A. Novak, AICP  
Executive Officer**





# **Annexation No. 293 to County Sanitation District No. 15**



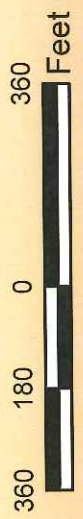
## **Legend**

CSD Annexation 15-293

City of Arcadia

Los Angeles County Sanitation District No. 15

Sphere of Influence, CSD 15





**Staff Report**

**January 14, 2015**

**Agenda Item No. 6.e.**

**Annexation No. 1065 to Santa Clarita Valley Sanitation District of Los Angeles County**

**PROPOSAL SUMMARY:**

Size of Affected Territory:	5.539± acres
Inhabited/Uninhabited:	Uninhabited
Applicant:	Santa Clarita Valley Sanitation District of Los Angeles County
Resolution or Petition:	October 21, 2013
Application Filed with LAFCO:	November 5, 2013
Location:	The affected territory is located at the northwest corner of Magic Mountain Parkway and Bouquet Canyon Road.
City/County:	City of Santa Clarita
Affected Territory:	The affected territory consists of vacant land. The territory is being developed to include a proposed car wash. The topography is flat.
Surrounding Territory:	Surrounding territory is commercial.
Landowner(s):	Magic/Bouquet LLC
Registered Voters:	0 registered voters as of October 15, 2014
Purpose/Background:	For the District to provide off-site sewage disposal service.
Related Jurisdictional Changes:	There are no related jurisdictional changes.
Within SOI:	Yes
Waiver of Notice/Hearing/Protest:	Yes

**CEQA Clearance:**

The proposal is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15319(b) because the annexation consists of an individual small parcel of the minimum size for facilities exempted by Section 15303(c). The proposed development involves new construction of a commercial building not exceeding 10,000 square feet in floor area and not involving the use of significant amounts of hazardous substances. The Categorical Exemption was adopted by Santa Clarita Valley Sanitation District of Los Angeles County, as lead agency, on October 21, 2013.

**Additional Information:**

None



**FACTORS TO BE CONSIDERED PURSUANT TO GOVERNMENT CODE 56668:**

***a. Population:***

The existing population is 0 residents as of October 15, 2014. The population density issue does not apply because the affected territory is unpopulated.

The estimated future population is 0 residents.

The affected territory is 5.539+/- acres. The existing land use consists of vacant land. The territory is being developed to include a proposed car wash.

The assessed valuation is \$1,309,368 as of December 10, 2014. The per capita assessed valuation issue does not apply because the affected territory is unpopulated. On October 7, 2014, the County adopted a negotiated tax exchange resolution; all other involved public agencies have adopted a property tax transfer resolution.

The topography of the affected territory is flat.

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

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

***b. Governmental Services and Controls:***

The affected territory will be developed to include a proposed car wash which requires organized governmental services. The affected territory will require governmental services indefinitely.

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

***c. Proposed Action and Alternative Actions:***

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

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

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

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

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

**e. *Agricultural Lands:***

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

**f. *Boundaries:***

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

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

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

**g. *Consistency with Regional Transportation Plan:***

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

**h. *Consistency with Plans:***

The proposal is consistent with the existing City's General Plan designation of Mixed Use (MX-C).

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

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

**i. *Sphere of Influence:***

The affected territory is within the Sphere of Influence of the Santa Clarita Valley Sanitation District of Los Angeles County.

**j. *Comments from Public Agencies:***

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

**k. *Ability to Provide Services:***

The affected territory is not currently serviced by the District. The area was included in the future service area that might be served by the District. The District's future wastewater management needs were addressed in the 2015 Santa Clarita Valley Joint Sewerage System Facilities Plan and EIR.

**l. *Timely Availability of Water Supplies:***

There are no known issues regarding water supply or delivery.

**m. *Regional Housing:***

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

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

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

**n. *Land Use Designations***

The proposal is consistent with the existing City's General Plan designation of Mixed Use (MX-C).

The proposal is consistent with the existing City's zoning designation of Community Commercial (CC).

**o. *Environmental Justice:***

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

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

**CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) CLEARANCE:**

The proposal is categorically exempt from CEQA pursuant to CEQA Guidelines Section 15319(b) because the annexation consists of an individual small parcel of the minimum size for facilities exempted by Section 15303(c). The proposed development involves new construction of a commercial building not exceeding 10,000 square feet in floor area and not involving the use of significant amounts of hazardous substances. The Categorical Exemption was adopted by Santa Clarita Valley Sanitation District of Los Angeles County, as lead agency, on October 21, 2013

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

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

**CONCLUSION:**

Staff recommends approval of the proposal as a logical and reasonable extension of the Santa Clarita Valley Sanitation District of Los Angeles County which will be for the interest of landowners and/or present and/or future inhabitants within the district and within the annexation territory.

**Recommended Action:**

1. Adopt the Resolution Making Determinations Approving and Ordering Annexation No. 1065 to Santa Clarita Valley Sanitation District of Los Angeles County.

**RESOLUTION NO. 2015-00RMD  
RESOLUTION OF THE LOCAL AGENCY FORMATION  
COMMISSION FOR THE COUNTY OF LOS ANGELES  
MAKING DETERMINATIONS APPROVING AND ORDERING  
"ANNEXATION NO. 1065 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 5.539± acres of uninhabited territory and is assigned the following distinctive short-form designation: "Annexation No. 1065 to the 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 a proposed car wash; 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 January 14, 2015 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 January 14, 2015, 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 an individual small parcel of the minimum size for facilities exempted by Section 15303(c). The proposed development involves new construction of a commercial building not exceeding 10,000 square feet in floor area and not involving the use of significant amounts of hazardous substances.
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 5.539± acres, is uninhabited, and is assigned the following short form designation:  
  
"Annexation No. 1065 to Santa Clarita Valley Sanitation District of Los Angeles County".
5. Annexation No. 1065 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 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.*



Resolution No. 2015-00RMD  
Page 5

PASSED AND ADOPTED this 14<sup>th</sup> day of January 2015.

MOTION:

SECOND:

AYES:

NOES:

ABSTAIN:

ABSENT:

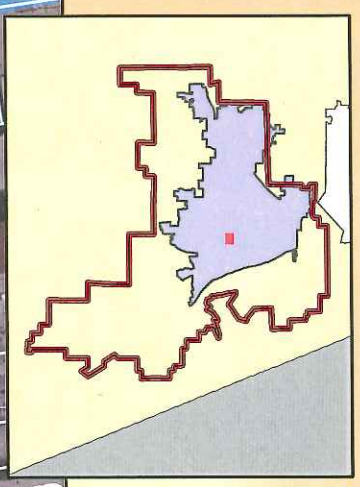
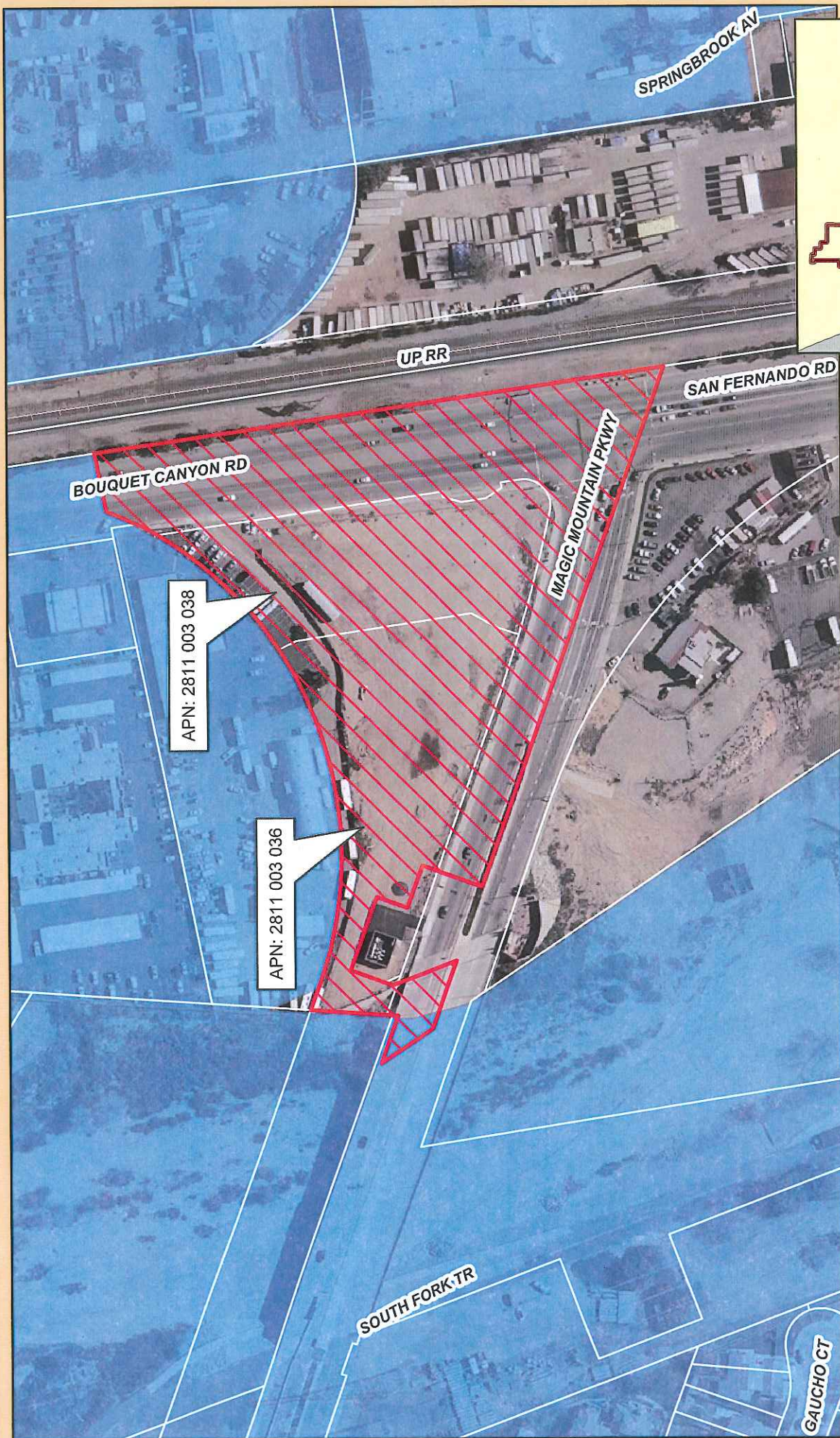
MOTION PASSES: 0/0/0

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

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





**LAFCO**  
Local Agency Formation Commission  
for the County of Los Angeles

# **Annexation No. 1065 to the Santa Clarita Valley Sanitation District of Los Angeles County**

- Legend**
- CSD Annexation SCV-1065
  - City of Santa Clarita
  - Santa Clarita Valley Sanitation District of Los Angeles County
  - Sphere of Influence, CSD SCV





## **Staff Report**

**January 14, 2015**

### **Agenda Item No. 7.a.**

#### **Out-of-Agency Service Agreement between the Ventura Regional Sanitation District and Malibu Associates, LLC (Government Code Section 56133(c)) No. 2014-05 (Malibu Institute)**

This is a proposal for the Commission to approve a request by the Ventura Regional Sanitation District (VRSD or District) to provide new service outside its jurisdictional boundaries by an out-of-agency service agreement between the District and Malibu Associates, LLC (Malibu Institute) for the provision of wastewater service pursuant to Government Code Section 56133.

The general rule that services are to be provided by a district within its Sphere of Influence (SOI) and its jurisdictional boundaries has two general exceptions if authorized by the Commission. New or extended services may be provided by contract outside of district boundaries with Commission approval either 1) in the case of a contract for service within the SOI, but outside the jurisdiction in anticipation of a later annexation or other change of organization; or 2) in the case of an existing or impending threat to public health or safety. This request is based on the public health and safety grounds for an out-of-agency service agreement.

Pursuant to subdivision (c) of Government Code Section 56133, an out-of-agency service agreement requires approval from the Commission for a district to provide new service outside its jurisdictional boundaries and outside its SOI to respond to an existing or impending threat to the public health or safety. Under this provision, the proposal must meet both of the following requirements:

- The applicant must provide the Commission with documentation of a threat to the health and safety of the public or affected residents; and
- The Commission must notify any alternate service provider or providers that have filed a statement of service capabilities and map with the Commission.

**Purpose / Background:** Developers of the Malibu Institute propose to renovate the 1970s-era Malibu Golf Club to provide continued public access to golfing facilities, improve water quality, and offer new education, conference, and retreat space. The current 4,500 gallon septic tank is potentially leaking untreated wastewater into groundwater supplies and the Trancas Creek, a portion of which runs through the project site. There are no records of routine maintenance and cleaning of the tank. Currently, there is no public sanitary sewer system in reasonable proximity to the project site, and it is currently on a septic tank and leach field dispersal system.

The Malibu Institute is composed of a total of 650± acres; 30± acres will be developed as a sports-oriented educational retreat affiliated with the University of Southern California, 155± acres for a redesigned 18-hole golf course, and 465± acres will be dedicated as permanent open

space. Of the total 650± acres, 185± acres (educational retreat and golf course) will be serviced by the VRSD.

The VRSD, a public waste management agency, currently provides wastewater services to eight cities and eight special districts within Ventura County. The proposal contemplates that VRSD will provide wastewater service to the Malibu Institute, located within Los Angeles County. The project would include the construction of an advanced on-site wastewater treatment system. The VRSD has operated similar systems in Ventura County and has the capacity to provide service to the affected territory. VRSD is the applicant and is willing to provide these services to the Malibu Institute by contract. A copy of the contract is attached as Exhibit "A".

**Location:** The affected territory is located north of Encinal Canyon Road, at the terminus of Clubhouse Drive and Trancas Lakes Drive, located within unincorporated Los Angeles County territory. The affected territory, located in the Santa Monica Mountains, consists of 650± acres of uninhabited territory.

**Sphere of Influence:** No Sphere of Influence amendment is required. This approval authorizes service beyond the district's SOI in accordance with the state law provisions on out-of-agency service agreements.

**CEQA:** The California Environmental Quality Act (CEQA) clearance is an Environmental Impact Report adopted by the County of Los Angeles, as lead agency, on August 19, 2014. Acting in its role as a responsible agency, and with respect to Out-of-Agency Service Agreement No. 2014-05, and under State CEQA Guidelines Section 15096, the Commission certifies that it has independently considered and reached its own conclusions regarding the environmental effects of the project and the Environmental Impact Report adopted by the County of Los Angeles, and has determined that the document adequately addresses the environmental impacts of the project. The Commission also 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 Program previously adopted by the lead agency in connection with its approval of the project.

**Analysis:** For the Commission to approve of district service outside of its jurisdiction and sphere of influence by an out-of-agency service agreement under subdivision (c) of Government Code Section 56133, there are two requirements:

- The applicant requesting out of agency service approval must provide the Commission with documentation of a threat to the health and safety of the public or the affected residents. Government Code Section 56133(c)(1).

To meet this requirement, EPD Consultants, Inc. prepared a technical memorandum to document the reduction of threat to public health and safety from the construction and operation of the proposed Onsite Wastewater Reuse System at the subject property, as compared to the existing conventional septic system.

A technical memorandum titled "Technical Memorandum 1: Proposed Onsite Wastewater Reuse System", dated September 16, 2014, is attached as Exhibit "B". The Summary and Conclusions, section states in part as follows:

"The Los Angeles RWQCB [Regional Water Quality Control Board] recently completed a number of technical studies documenting the adverse impacts of poorly managed septic systems in the Malibu area. These studies conclude that pathogens and nitrogen in wastewater released from conventional septic systems impair underlying groundwater as a potential source of drinking water. This may be occurring at the property. Accordingly, it is critical that the existing septic tanks be replaced immediately to ensure public health and safety and prevent environmental degradation. By replacing the existing septic systems at the subject property with an AOWTS [Advanced Onsite Wastewater Treatment System] that includes nitrogen removal and disinfection, and reusing the treated effluent as irrigation, the potential adverse impact upon the underlying groundwater will be significantly reduced if not completely eliminated. . . . The resultant AOWTS and water reuse system at the site will ensure that the protection to the public and environmental health over the conventional septic system that currently exists." [Emphasis Added]

Geosyntec Consultants, a consultant to the applicant, prepared the water quality evaluation for the Environment Impact Report. A letter dated October 1, 2014, from Geosyntec to the applicant (attached as Exhibit "C"), includes the following statement:

"Currently, the leach field [on the Malibu Institute property] is located just upgradient from the lower golf course pond, which flows into Trancas Creek, and given its current condition and gradient, it likely is contributing to the elevated nutrient concentrations, including phosphorus and nitrogen compounds observed in the available data from the site in collected samples of pond water and samples of downstream water collected from Trancas Creek. The leach field would not be allowed in its current location or configuration if it were to be rebuilt today." [Emphasis Added]

- The Commission must notify any alternate service provider. Government Code Section 56133(c)(2).

Staff notified the following alternate service providers by mail: Sanitation Districts of Los Angeles County (Exhibit "D"), Las Virgenes Municipal Water District (Exhibit "E"), and Los Angeles County Department of Public Works (Exhibit "F").

To date, staff has not received any comments from these alternate service providers.

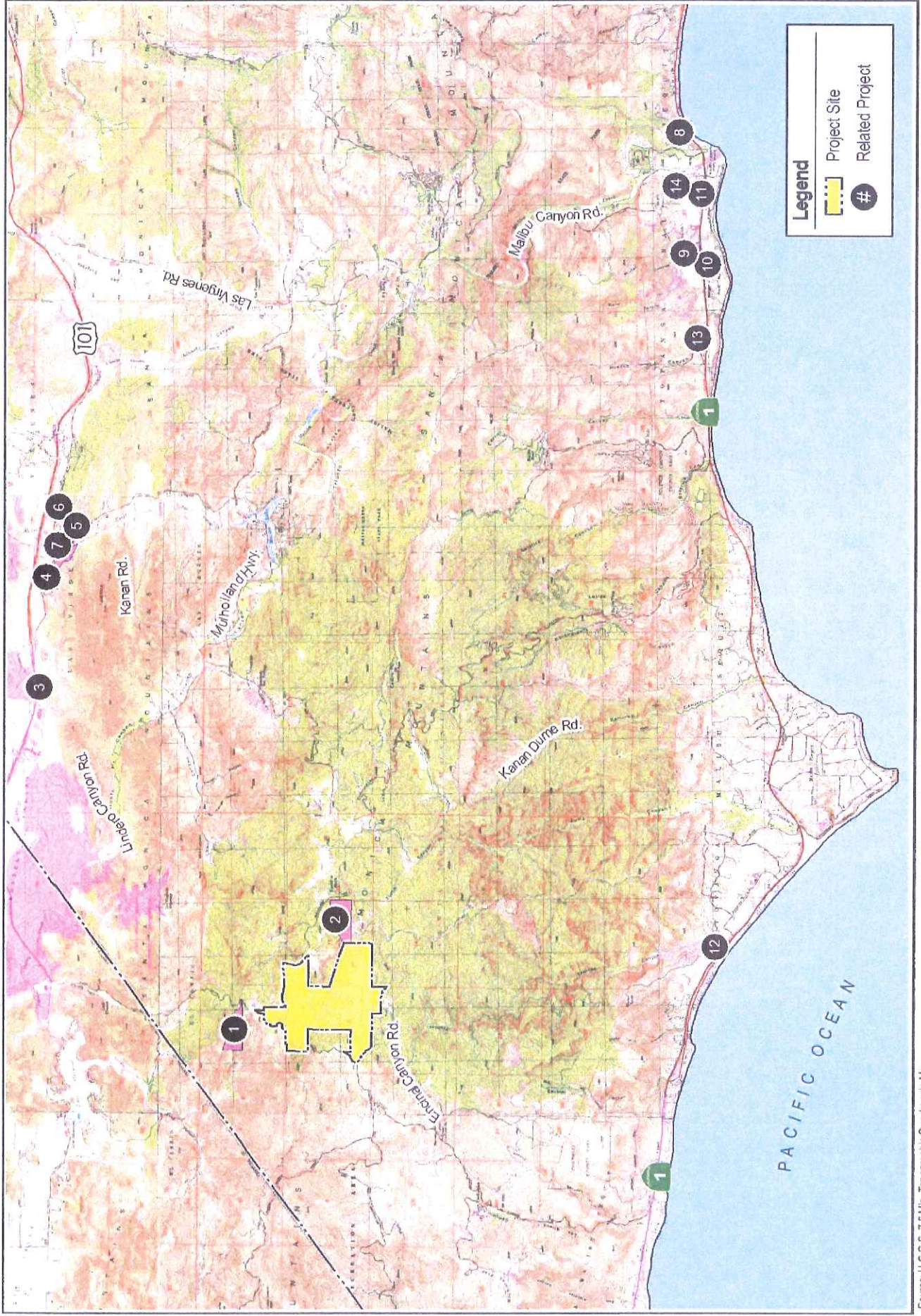
**Conclusion:** Staff has reviewed documentation relating to a threat to public health and safety provided by Malibu Institute and the District and concludes that it supports a finding that it meets

the criteria for an approval from the Commission as set forth in Government Code Sections 56133(c).

**Recommended Action:**

1. Open the public hearing and receive testimony on the proposed Out-of-Agency Service Agreement;
2. There being no further testimony, close the public hearing;
3. Find that the proposal is subject to the California Environment Quality Act (CEQA); certify that the Commission has independently considered and reached its own conclusions regarding the environmental effects of the proposed project and the Environmental Impact Report adopted on August 19, 2014, by the County of Los Angeles, as lead agency; and determine that the document adequately addresses the environmental impacts of the proposed project; and adopt by reference the environmental findings, including the Mitigation Monitoring Program previously adopted by the lead agency in connection with its approval of the project;
4. Find that there is a documented threat to the health and safety of the public or the affected residents;
5. Find that the Commission has notified all alternate services providers and received no comments;
6. Approve Ventura Regional Sanitation District's proposal to provide wastewater service to the affected territory; and
7. Revise LAFCO's Las Virgenes Municipal Water District Map to indicate that the affected territory is serviced by the Ventura Regional Sanitation District.





**Legend**

	Project Site
	Related Project

Source: U.S.G.S. 7.5 Min. Topographic Quadrangle Map.

THE MALIBU INSTITUTE PROJECT EIR

## Related Projects



0 4,000 8,000 Feet

**4-1**

Sheet







## **Staff Report**

**January 14, 2015**

### **Agenda Item No. 7.b.**

**Reorganization No. 2009-16 to Los Angeles County Waterworks District No. 29, Malibu (Amendments to the Los Angeles County Waterworks District No. 29, Malibu; Las Virgenes Municipal Water District; and West Basin Municipal Water District Spheres of Influence (SOIs); Detachment from Las Virgenes Municipal Water District and Annexations to Los Angeles County Waterworks District No. 29, Malibu; and to West Basin Municipal Water District)**

#### **PROPOSAL SUMMARY:**

Size of Affected Territory:	48.71± acres
Inhabited/Uninhabited:	Uninhabited
Applicant:	M.H.A.B Trust
Resolution or Petition:	December 28, 2009
Application Filed with LAFCO:	December 28, 2009
Location:	The affected territory is located north of Palm Canyon Drive, between Cross Creek Road and Serra Road.
City/County:	Los Angeles County unincorporated community of Serra Canyon, just north of the City of Malibu.
Affected Territory:	The affected territory includes five vacant parcels, as well as, one parcel with an existing single-family dwelling. Due to an existing boundary line on this last parcel, a portion of this parcel is within Los Angeles County Waterworks District No. 29, Malibu; and the remaining portion of the property is with Las Virgenes Municipal Water District. The vacant parcels will be developed to include five single-family homes. The affected territory includes a small tributary that empties into Malibu Creek. The topography is generally flat with the northerly portion of the affected territory being at the base of Malibu Creek State Park.
Surrounding Territory:	The surrounding land is residential to the south, east, and west and Malibu State Park to the north.

Landowner(s):	Six landowners.
Registered Voters:	0 registered voters as of December 1, 2014
Purpose/Background:	<p>Los Angeles County Waterworks District No. 29 is already serving the existing single-family dwelling. The proposed annexation will detach the portion of this parcel that is currently within the Las Virgenes Municipal Water District and annex it into District No. 29, at which point the entire parcel will be within the boundaries of District No. 29.</p> <p>Although the five vacant parcels are currently located within the Las Virgenes Municipal Water District, the District is unable to provide water service without substantial new extensions of water system facilities. Because these five vacant parcels are located near an existing water main currently owned and operated by Los Angeles County Waterworks District No. 29, Malibu. District No. 29 is in a better position to serve the proposed single-family dwellings in a more cost-efficient manner. The detachment from Las Virgenes Municipal Water District and concurrent annexation into District No. 29 will enable District No. 29 to serve the proposed single-family dwellings on each of the five vacant lots.</p>
Related Jurisdictional Changes:	Annexations to Los Angeles County Waterworks District No. 29, Malibu; and West Basin Municipal Water District; and detachment from Las Virgenes Municipal Water District. Sphere of Influence (SOI) amendments are required for Los Angeles County Waterworks District No. 29, Malibu; Las Virgenes Municipal Water District; and West Basin Municipal Water District.
Within SOI:	No. SOI amendments are required for Los Angeles County Waterworks District No. 29, Malibu; Las Virgenes Municipal Water District; and West Basin Municipal Water District.
Waiver of Notice/Hearing/Protest:	Yes on the basis of the reorganization. Although the Commission may make a determination without public notice and hearing, and waive protest proceedings relative to the proposed reorganization, as described below, a noticed public hearing is required for the proposed SOI amendments, pursuant to Government Code Section 56427.

**CEQA Clearance:**

The California Environmental Quality Act (CEQA) clearance for the four vacant parcels is a Mitigated Negative Declaration adopted by the County of Los Angeles, as lead agency, on July 12, 1995 and October 2, 2006.

The remaining (fifth) vacant parcel is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15303(a) because the property is proposed to be developed with one single-family home.

The parcel with an existing single-family dwelling is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15319 because the property includes an existing structure developed to the density allowed by the current zoning.

**Additional Information:**

None

**FACTORS TO BE CONSIDERED PURSUANT TO GOVERNMENT CODE 56668:**

***a. Population:***

The population density issue does not apply because the affected territory is unpopulated.

The estimated future population is 15 residents.

The affected territory is 48.71+/- acres. The existing land use is vacant and residential. The proposed/future land use is residential.

The assessed valuation is \$533,703 as of December 2, 2014. The per capita assessed valuation issue does not apply because the affected territory is unpopulated. On November 5, 2014, the County adopted a negotiated tax exchange resolution; all other involved public agencies have adopted a property tax transfer resolution.

The topography of the affected territory is generally flat with the northerly portion being at the base of Malibu Creek State Park.

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

The nearest populated areas are immediately south of the affected territory. The affected territory is likely to experience modest growth in the next ten years. The adjacent areas are likely to experience no growth in the next ten years.

***b. Governmental Services and Controls:***

The affected territory will be developed to include five single-family homes which require organized governmental services. The affected territory will require governmental services indefinitely.

The present cost and adequacy of government services and controls in the area are acceptable. The probable effect of the proposed action and of alternative courses of action on the cost and adequacy of services and controls in the affected territory and adjacent areas is for the property to remain vacant.

***c. Proposed Action and Alternative Actions:***

The proposed five single-family homes will not impact the surrounding areas. There is no affect of the proposed action on mutual social and economic interests. As a special district reorganization, the proposal has no impact on the local government structure of the County.

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

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

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

***e. Agricultural Lands:***

According to a letter provided by the landowner, annual harvesting of the avocados is required to maintain the health of the trees. Given the relatively small harvest, and the fact that harvesting is necessary for the health of the trees, the avocado grove is not considered a commercial operation. There are, therefore, no effects on agricultural lands, as defined in Government Code Section 56016. None of the land within the affected territory is currently used for the purpose of producing an agricultural commodity for commercial purposes, land left fallow under a crop rotational program, or land enrolled in an agricultural subsidy or set-aside program.

According to the California Department of Conservation, Division of Land Resource Protection, none of the land within the affected territory is subject to a Land Conservation Act (aka "Williamson Act") contract nor in a Farmland Security Zone (California Land Conservation Act 2012 Status Report).

***f. Boundaries:***

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

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

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

***g. Consistency with Plans:***

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

The proposal is consistent with the existing County General Plan designation of RL20 (Rural Land).

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

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

***h. Sphere of Influence:***

The affected territory is not within the Sphere of Influence of the Los Angeles County Waterworks District No. 29, Malibu, but a concurrent Sphere of Influence Update is being processed with this application. A concurrent Sphere of Influence Update will also be

processed for Las Virgenes Municipal Water District and West Basin Municipal Water District.

**i. *Comments from Public Agencies:***

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

**j. *Ability to Provide Services:***

Los Angeles County Waterworks District No. 29, Malibu, will be able to provide the water service to the affected territory.

**k. *Timely Availability of Water Supplies:***

There are no known issues regarding water supply or delivery.

**l. *Regional Housing:***

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

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

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

**n. *Land Use Designations***

The proposal is consistent with the existing County General Plan designation of RL20 (Rural Land).

The proposal is consistent with the existing County zoning designation of R-C-20 (rural costal with one dwelling unit per 20 acres).

**o. *Environmental Justice:***

The proposal will have no adverse effect with respect to the fair treatment of people of all races and incomes, or the location of public facilities or services.

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

**CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) CLEARANCE:**

The CEQA clearance for the four vacant parcels is a Mitigated Negative Declaration adopted by the County of Los Angeles, as lead agency, on July 12, 1995 and October 2, 2006. Acting in its role as a responsible agency, and with respect to Reorganization No. 2009-16, and under State CEQA Guidelines Section 15096, the Commission certifies that it has independently considered and reached its own conclusions regarding the environmental effects of the project and the Mitigated Negative Declaration adopted by the County of Los Angeles, and has determined that

the document adequately addresses the environmental impacts of the project. The Commission also 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 and the Mitigation Monitoring Program previously adopted by the lead agency in connection with its approval of the project.

The remaining (fifth) vacant parcel is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15303(a) because the property is proposed to be developed with one single-family home.

The parcel with an existing single-family dwelling is exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15319 because the property includes an existing structure developed to the density allowed by the current zoning.

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

Pursuant to Government Code Section 56662(a), the Commission may make determinations upon the proposed reorganization consisting solely of both annexations and detachments without notice and hearing and may waive protest hearings for the reasons set forth herein. The territory is uninhabited. To date, no affected local agency has submitted a written demand for notice and hearing during the 10-day period referenced in Government Code Section 56662(c).

Furthermore, the proposal was accompanied by satisfactory proof that all the landowners within the affected territory have given their written consent to the proposed reorganization. Based thereon, the commission may make determinations on the proposed reorganization without notice and hearing, and the Commission may waive protest proceedings.

**PUBLIC HEARING REQUIREMENT FOR SOI AMENDMENT(S):**

Although the Commission may waive the public notice, hearing, and protest relative to the proposed reorganization, as described above, a public hearing is still required for the proposed SOI amendments pursuant to Government Code Section 56427.

Therefore, the recommended actions include a public hearing on the SOI amendments and a waiver of the protest proceedings for the reorganization.

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

***1. Present and Planned Land Uses in the Area***

The present land use is vacant and residential. The future planned land use is residential.

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

The affected territory is located within an unincorporated area, north of the City of Malibu and receives general government services, including land use planning and regulation, law enforcement, fire protection, road maintenance and other services from the County and other special districts. The five proposed single-family homes will require these services indefinitely.

The present cost and adequacy of government services and controls in the area are acceptable. The probable effect of the proposed action and of alternative courses of action on the cost and adequacy of services and controls in the affected territory and adjacent areas is for the property to remain vacant.

**3. *Present Capacity of Public Facilities and Services:***

Los Angeles County Waterworks District No. 29, Malibu, has adequate capacity and infrastructure to meet demands. The District has planned improvements to accommodate the five proposed single-family homes.

**4. *Social of Economic communities of interest***

The proposal will have no adverse effect with respect to the fair treatment of people of all races and incomes, or the location of public facilities or services.

**5. *Disadvantaged Unincorporated Communities:***

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

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

The Commission has on file written statement of the functions and classes of service of the Los Angeles County Waterworks District No. 29, Malibu, and can establish the nature, location and extent of its classes of service and that it provides water services within its boundary.

**CONCLUSION:**

Staff recommends approval of the proposal as a logical and reasonable extension of Los Angeles County Waterworks District No. 29, Malibu, which will be for the interest of landowners and/or present and/or future inhabitants within the district and within the annexation territory.

**Recommended Action:**

1. Open the public hearing and receive testimony on the SOI amendments;
2. There being no further testimony, close the public hearing; and



3. Adopt the Resolution Making Determinations Approving and Ordering Reorganization No. 2009-16 to Los Angeles County Waterworks District No. 29, Malibu (Amendments to the Los Angeles County Waterworks District No. 29, Malibu; Las Virgenes Municipal Water District; and West Basin Municipal Water District SOIs; Detachment from Las Virgenes Municipal Water District and Annexations to Los Angeles County Waterworks District No. 29, Malibu; and to West Basin Municipal Water District).

**RESOLUTION NO. 2015-00RMD  
RESOLUTION OF THE LOCAL AGENCY FORMATION  
COMMISSION FOR THE COUNTY OF LOS ANGELES  
MAKING DETERMINATIONS APPROVING AND ORDERING  
"REORGANIZATION NO. 2009-16 TO LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 29,  
MALIBU (AMENDMENTS TO THE LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 29,  
MALIBU; LAS VIRGENES MUNICIPAL WATER DISTRICT; AND WEST BASIN MUNICIPAL WATER  
DISTRICT SOIs; DETACHMENT FROM LAS VIRGENES MUNICIPAL WATER DISTRICT AND  
ANNEXATIONS TO LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 29, MALIBU; AND TO  
WEST BASIN MUNICIPAL WATER DISTRICT)"**

WHEREAS, the M.H.A.B. Trust submitted a petition for proceedings, 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 reorganization of territory herein described to the Los Angeles County Waterworks District No. 29, Malibu (District), and annexation to West Basin Municipal Water District, detachment of said territory from Las Virgenes Municipal Water District, all unincorporated community of Serra Canyon, just north of the City of Malibu (County); and

WHEREAS, the proposed reorganization consists of approximately 48.71± acres of uninhabited territory and is assigned the following distinctive short-form designation:

"Reorganization No. 2009-16 to Los Angeles County Waterworks District No. 29, Malibu"; 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 reorganization is for the District to provide water service to five proposed single-family homes; 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 amendments, pursuant to Government Code Section 56427; and

WHEREAS, the Executive Officer has given notice of the public hearing for the proposed Sphere of Influence Amendments 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 December 11, 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 January 14, 2015, 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 Amendments.

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 amendments, 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 Waterworks District No. 29, Malibu; Las Virgenes Municipal Water District; and West Basin Municipal Water District so as to exclude the subject territory described in Exhibit "A" and "B" from Las Virgenes Municipal Water District, and include the subject territory described in Exhibit "A" and "B" within Los Angeles County Waterworks District No. 29, Malibu; and West Basin Municipal Water District 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 and residential. The future planned land use of the territory is residential.

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

The affected territory is located within the an unincorporated area of Serra Canyon, just north of the City of Malibu, and receives general government services, including land use planning and regulation, law enforcement, fire protection, road maintenance and other services from the County and other special districts. The five proposed single-family homes 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

Los Angeles County Waterworks District No. 29, Malibu, has adequate capacity and infrastructure to meet current demands. The District has planned improvements to accommodate the five proposed single-family homes.

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.

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 the four vacant parcels, 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 12, 1995 and October 2, 2006 by the County of Los Angeles, 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.

3. The Commission finds that the remaining (fifth) vacant parcel is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15303(a), because the property is proposed to be developed with one single-family home.
4. The Commission finds that the parcel consisting with an existing single-family dwelling is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15319, because the exemption allows for an existing structure developed to the density allowed by the current zoning.
5. 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.
6. The affected territory consists of 48.71± acres, is uninhabited, and is assigned the following short form designation:  
  
"Reorganization No. 2009-16 to Los Angeles County Waterworks District No. 29, Malibu".
7. Reorganization No. 2009-16 to Los Angeles County Waterworks District No. 29, Malibu; is hereby approved, subject to the following terms and conditions:
  - a. The M.H.A.B Trust 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 reorganization shall be the date of recordation.
  - c. Payment of Registrar-Recorder/County Clerk and State Board of Equalization fees.
  - d. The territory so reorganized 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.
8. 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.*



Resolution No. 2015-00RMD

Page 8

PASSED AND ADOPTED this 14<sup>th</sup> day of January 2015.

MOTION:

SECOND:

AYES:

NOES:

ABSTAIN:

ABSENT:

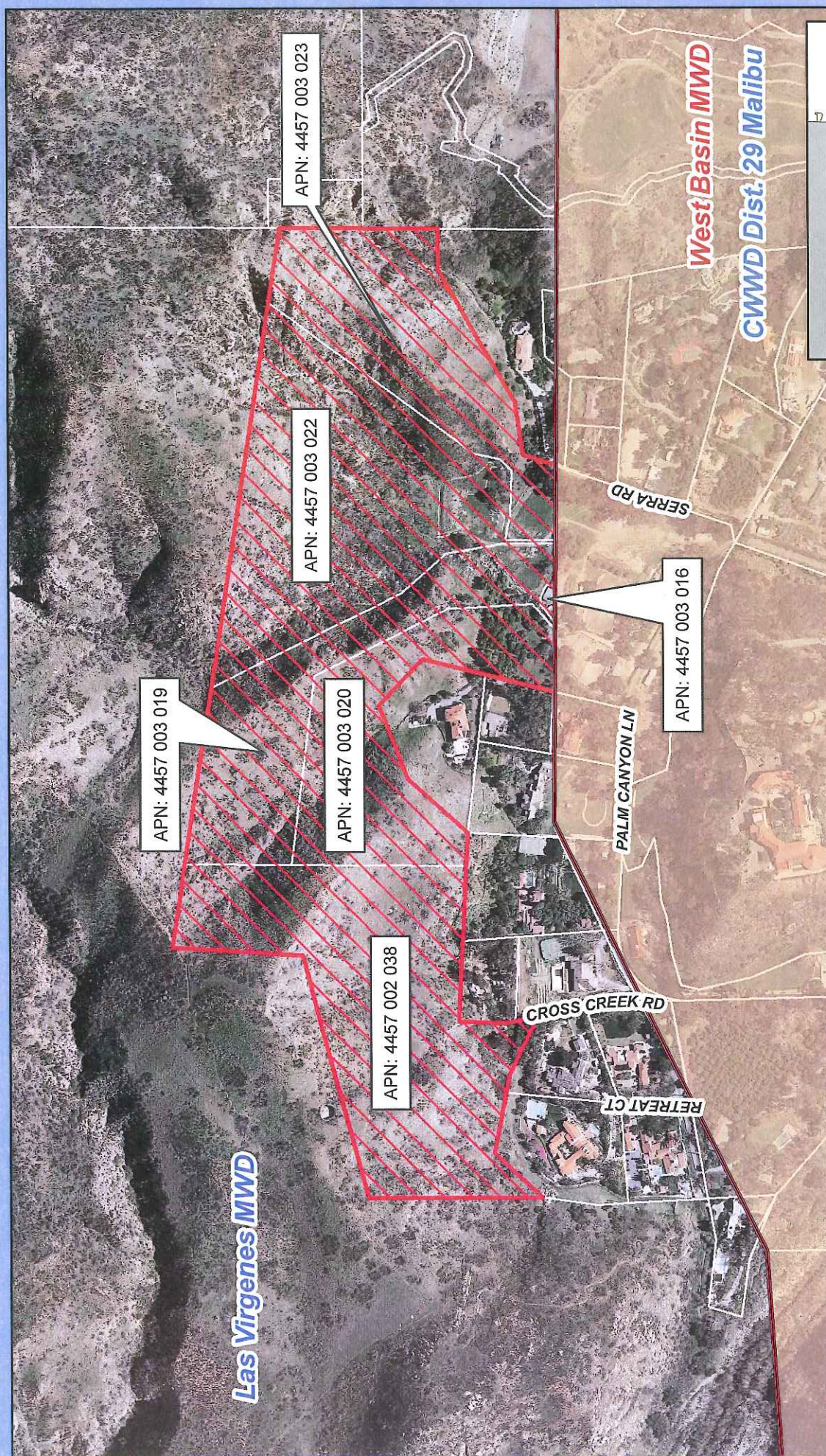
MOTION PASSES: 0/0/0

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

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










**Las Virgenes MWD**

**West Basin MWD**  
**CWWD Dist. 29 Malibu**

**Legend**

-  Reorganization 2009-16
-  County Unincorporated
-  City of Malibu
-  Los Angeles County Waterworks District 29, Malibu
-  Sphere of Influence, CWWD 29

**Reorganization 2009-16 to  
Los Angeles County Waterworks  
District 29, Malibu  
(Annex to CWWD No. 29  
Detach from Las Virgenes MWD  
Annex to West Basin MWD)**



**LAFCO**  
Local Agency Formation Commission  
for the County of Los Angeles





## **Staff Report**

**January 14, 2015**

### **Agenda Item No. 7.c**

**Annexation No. 2013-06 to the City of Los Angeles (Jordan Downs);  
Amendments to the Consolidated Fire Protection District, Firestone Garbage Disposal  
District, and Central Basin Municipal Water District Spheres of Influence; and  
Detachment from Consolidated Fire Protection District, Firestone Garbage Disposal  
District, and Central Basin Municipal Water District**

#### **PROPOSAL SUMMARY:**

Size of Affected Territory:	41.72± acres
Inhabited/Uninhabited:	Uninhabited
Applicant:	City of Los Angeles
Resolution or Petition:	April 28, 2010
Application Filed with LAFCO:	August 27, 2013
Location:	The affected territory is located west of Alameda Street between East 97 <sup>th</sup> Street and 103 <sup>rd</sup> Street
City/County:	Los Angeles County unincorporated territory (Firestone).
Affected Territory:	The affected territory consists of commercial, industrial and vacant land. Portions of the affected territory will be developed to include commercial development and up to 400 residential units. The topography is flat.
Surrounding Territory:	Surrounding the affected territory are commercial and residential uses.
Landowner(s):	9 landowners
Registered Voters:	0 registered voters as of August 27, 2013

**Purpose/Background:**

The City of Los Angeles proposes to redevelop a total of 118 acres of existing public housing, commercial, and industrial properties. A significant portion of this area includes the existing public housing at Jordan Downs, located within the City of Los Angeles. The 41.72 acres of affected territory, located in unincorporated Los Angeles County, is adjacent to Jordan Downs. The affected territory is being annexed into the City of Los Angeles in order to facilitate the redevelopment plan contemplated by the Jordan Downs Urban Village Specific Plan.

**Jurisdictional and Related  
Jurisdictional Changes:**

The jurisdictional and related jurisdictional changes as a result of this proposal include annexation to the City of Los Angeles; amendments to reduce the Spheres of Influence of the Consolidated Fire Protection District, Firestone Garbage Disposal District, and Central Basin Municipal Water District Spheres of Influence; detachment from Consolidated Fire Protection District, Firestone Garbage Disposal District, and Central Basin Municipal Water District; withdrawal from County Lighting Maintenance District 1687 County Road District No. 2, and County Public Library System; and exclusion from County Lighting District LLA-1, Unincorporated Zone.

**Within SOI:**

The affected territory is within the SOI for the City of Los Angeles, Consolidated Fire Protection District, Firestone Garbage Disposal District, and Central Basin Municipal Water District. Amendments to reduce the Spheres of Influence are required for Consolidated Fire Protection District, Firestone Garbage Disposal District, and Central Basin Municipal Water District Spheres of Influence due to detachment of these special districts.

**Waiver of Notice/Hearing/Protest:** No

**CEQA Clearance:** The California Environmental Quality Act (CEQA) clearance is an Environmental Impact Report (EIR) adopted by the City of Los Angeles, as lead agency, on August 19, 2013.

**Additional Information:** None

**FACTORS TO BE CONSIDERED PURSUANT TO GOVERNMENT CODE 56668:*****a. Population:***

The existing population is 0 residents as of August 27, 2013. The population density issue does not apply because the affected territory is unpopulated.

The estimated future population is 1,388 residents.

The affected territory is 41.72+/- acres. The existing land uses are commercial, industrial and vacant land. The proposed/future land uses are commercial, industrial and residential.

The assessed valuation is \$1,813,473 as of 2011/2012 tax roll. The per capita assessed valuation issue does not apply because the affected territory is unpopulated. On November 18, 2014, the County adopted a negotiated tax exchange resolution; all other involved public agencies have adopted a property tax transfer resolution.

The topography of the affected territory is flat.

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

The nearest populated areas are directly north of the affected territory. The affected territory is likely to experience significant growth in the next ten years. The adjacent areas are unlikely to experience significant growth in the next ten years.

***b. Governmental Services and Controls:***

The affected territory includes commercial, industrial and vacant land. A portion of affected territory will be developed to include commercial and up to 400 residential units which requires organized governmental services. The affected territory will require governmental services indefinitely.

The present cost and adequacy of government services and controls in the area are acceptable. The probable effect of the proposed action and of alternative courses of action on the cost and adequacy of services and controls in the affected territory and adjacent areas is minimal.

	Current Service Provider	Proposed Service Provider
Animal Control	County	City of Los Angeles
Fire and Emergency Medical	Consolidated Fire Protection Dist.	Los Angeles Fire Department
Flood Control	County	Same
Library	County Public Library System	City of Los Angeles Public Library

Mosquito & Vector Control	Greater Los Angeles County Vector Control District	Same
Park and Recreation	County	City of Los Angeles
Planning	County	City of Los Angeles
Police	County Sheriff	Los Angeles Police Department
Road Maintenance	County Road District No. 2	City of Los Angeles
Solid Waste	Firestone Garbage Disposal District	City of Los Angeles-Private hauler
Street Lighting	County Lighting Maintenance District 1687 & County Lighting District LLA-1, Unincorporated Zone	City of Los Angeles
Water	Los Angeles Department of Public Works	Same
Wastewater	Sanitation District No. 1	Same

The County will continue to provide flood control services, Greater Los Angeles County Vector Control District will continue to provide vector control services, and Sanitation District No. 1 will continue to provide wastewater services to the annexation area.

Upon approval of the annexation request, the City of Los Angeles will provide animal control, fire and emergency medical, library, park and recreation, planning, police, road maintenance, and street lighting services.

Solid waste service is currently provided by the Firestone Garbage Disposal District through contract with a private hauler; upon approval of this annexation, the City of Los Angeles will provide this service through contract with a private hauler.

**c. *Proposed Action and Alternative Actions:***

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

The only known alternative action is for the existing unincorporated territory to remain as unincorporated territory. The effect of alternate action on mutual social and economic interests and on the local governmental structure of the County is minimal.

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

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

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

***e. Agricultural Lands:***

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

***f. Boundaries:***

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

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

The proposal does not create islands or corridors of unincorporated territory

***g. Consistency with Regional Transportation Plan:***

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

***h. Consistency with Plans:***

The proposal is consistent with the existing County General Plan designation of Major Industrial (MI) and Transportation Corridor (TC).

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

Pursuant to the requirements of Government Code Section 56375(a)(7), Pre-Zoning Ordinance No. 182682 was adopted by the City of Los Angeles City Council on August 19, 2013. The pre-zoning designation of Commercial Manufacturing-Urban Village (CM-UV), Residential/Accessory Services-Urban Village (RAS3-UV), Residential/Accessory Services-Urban Village (RAS4-UV), Public Facilities -Urban Village (PF-UV), and open Space-Urban Village (OS-UV) is consistent with the City of Los Angeles General Plan.

***i. Sphere of Influence:***

The affected territory is within the Sphere of Influence of the City of Los Angeles. The affected territory is within the Sphere of Influence of the Consolidated Fire Protection District, Firestone Garbage Disposal District, or Central Basin Municipal Water District, but amendments to reduce the Spheres of Influence are being processed with this application due to detachment of these special districts.

**j. *Comments from Public Agencies:***

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

**k. *Ability to Provide Services:***

The City of Los Angeles currently provides municipal services to almost 800,000 parcels of land. The annexation would add approximately 16 more parcels to the service area. The City indicated that it has the ability to provide service to the affected territory once the annexation is complete. The City is already providing retail water service to the affected territory.

**l. *Timely Availability of Water Supplies:***

There are no known issues regarding water supply or delivery.

**m. *Regional Housing:***

The proposed annexation has no impact on the achievement of a fair share of regional housing needs of the City or County. The County and City have agreed to a Regional Housing Needs Assessment (RHNA) allocation transfer of 0 units from the County to the City of Los Angeles.

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

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

**o. *Land Use Designations***

The proposal is consistent with the existing County General Plan designation of Major Industrial (MI) and Transportation Corridor (TC).

The proposal is consistent with the existing County zoning designation of Heavy Manufacturing (M-2).

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

Pursuant to the requirements of Government Code Section 56375(a)(7), Pre-Zoning Ordinance No. 182682 was adopted by the City of Los Angeles City Council on August 19, 2013. The pre-zoning designation of Commercial Manufacturing-Urban Village (CM-UV), Residential/Accessory Services-Urban Village (RAS3-UV), Residential/Accessory Services-Urban Village (RAS4-UV), Public Facilities –Urban Village (PF-UV), and open Space-Urban Village (OS\_UV) is consistent with the City of Los Angeles General Plan.

**p. *Environmental Justice:***

The proposal will have no adverse effect with respect to the fair treatment of people of all races and incomes, or the location of public facilities or services. The massive redevelopment associated with this proposal (as envisioned in the Jordan Downs



Redevelopment Master Plan) will result in the development of newer, modern residences for the existing tenants in Jordan Downs, who currently live in units that were constructed decades ago and have significant deferred maintenance issues.

The affected territory and surrounding areas received municipal and industrial sewer, water, and structural fire protection services from local service providers. While the redevelopment associated with this proposed reorganization will involve the adjustment of jurisdictional boundaries, the service delivery to affected landowners and registered voters will either be comparable to, or superior to, the existing services provided.

The proposal complies with the requirement set forth in Government Code Section 56375(a)(8) regarding annexations of more than ten acres contiguous to Disadvantaged Unincorporated Communities (DUCs). Although the affected territory is uninhabited, it falls within a larger Census Tract which is inhabited. This Census Tract meets the definition of a DUC, which is based on a determination that the annual median household income is less than 80 percent of the statewide annual median household income. The proposal, therefore, involves the proposed annexation by the City of Los Angeles of a portion of a DUC. The proposal complies with the statutory requirements and will result in the annexation of a portion of a DUC and improved services for disadvantaged communities in the City of Los Angeles and the unincorporated areas. The proposal is also consistent with the legislative findings of this law's enacting legislation, SB 244, which took effect on January 1, 2012. Section (1)(a)(3) states the following:

“It is the intent of the Legislature to encourage investment in these communities [Disadvantaged Unincorporated Communities, or DUCs] and address the complex legal, financial, and political barriers that contribute to regional inequity and infrastructure deficits within disadvantaged unincorporated communities.”

#### **CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) CLEARANCE:**

The CEQA clearance is an Environmental Impact Report adopted by the City of Los Angeles, as lead agency, on August 19, 2013. Acting in its role as a responsible agency, and with respect to Annexation No. 2013-06, and under State CEQA Guidelines Section 15096, the Commission certifies that it has independently considered and reached its own conclusions regarding the environmental effects of the project and the Environmental Impact Report adopted by the City of Los Angeles, and has determined that the document adequately addresses the environmental impacts of the project. The Commission also 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 Statement of Overriding Considerations, and the Mitigation Monitoring Program previously adopted by the lead agency in connection with its approval of the project.

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

NOTE: The affected territory is within the Sphere of Influence of the City of Los Angeles. The annexation requires concurrent amendments to exclude the territory from the Consolidated Fire Protection District, Firestone Garbage Disposal District, and Central Basin Municipal Water District SOIs

***1. Present and Planned Land Uses in the Area***

The existing land uses are commercial, industrial and vacant land. The proposed/future land uses are commercial, industrial, and up to 400 residential units.

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

The affected territory is located within the County of Los Angeles unincorporated community of Firestone. General government services, including land use planning and regulation, law enforcement, fire protection, road maintenance and other services are provided by either the County or a special district.

The affected territory includes commercial, industrial and vacant land. A portion of affected territory will be developed to include commercial and up to 400 residential units which requires organized governmental services. The affected territory will require governmental services indefinitely.

***3. Present Capacity of Public Facilities and Services:***

The Consolidated Fire Protection District, Firestone Garbage Disposal District, and Central Basin Municipal Water District currently provide municipal service to many parcels of land. The annexation will detach 16 parcels from these districts as a related jurisdictional change and concurrently annex to the City of Los Angeles. The City indicated that it has the ability to provide service to the affected territory once the annexation is complete.

***4. Social or Economic communities of interest***

The proposal will have no adverse effect with respect to the fair treatment of people of all races and incomes, or the location of public facilities or services.

***5. Disadvantaged Unincorporated Communities:***

The affected territory is a Disadvantaged Unincorporated Community (DUC).

**CONCLUSION:**

Staff recommends approval of the proposal as a logical and reasonable extension of City of Los Angeles which will be for the interest of landowners and/or present and/or future inhabitants within the city and within the annexation territory.

**Recommended Action:**

1. Open the public hearing and receive testimony on the annexation, detachments, and SOI amendments;
2. There being no further testimony, close the public hearing;
3. Adopt the Resolution Making Determinations Approving Annexation No. 2013-06 to the City of Los Angeles (Jordan Downs); Amendments to the Consolidated Fire Protection District, Firestone Garbage Disposal District, and Central Basin Municipal Water District Spheres of Influence; and Detachment from Consolidate Fire Protection District, Firestone Garbage Disposal District, and Central Basin Municipal Water District.
4. Pursuant to Government Code Section 57002, Set March 11, 2015, at 9:00 a.m., as the date and time for Commission protest proceedings.

**RESOLUTION NO. 2015-00RMD  
RESOLUTION OF THE LOCAL AGENCY FORMATION  
COMMISSION FOR THE COUNTY OF LOS ANGELES  
MAKING DETERMINATIONS APPROVING  
"ANNEXATION NO. 2013-06 TO THE CITY OF LOS ANGELES (JORDAN DOWNS); AMENDMENTS  
TO THE CONSOLIDATED FIRE PROTECTION DISTRICT, FIRESTONE GARBAGE DISPOSAL  
DISTRICT, AND CENTRAL BASIN MUNICIPAL WATER DISTRICT SPHERES OF INFLUENCE,  
DETACHMENT FROM CONSOLIDATED FIRE PROTECTION DISTRICT, FIRESTONE GARBAGE  
DISPOSAL DISTRICT, AND CENTRAL BASIN MUNICIPAL WATER DISTRICT"**

WHEREAS, the City of Los Angeles (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; detachment of said territory from Consolidate Fire Protection District, Firestone Garbage Disposal District, and Central Basin Municipal Water District, County Road District No. 5; withdrawal from County Lighting Maintenance District 1687 County Road District No. 2, 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 41.72± acres of uninhabited territory and is assigned the following distinctive short-form designation: "Annexation No. 2013-06 to the City of Los Angeles (Jordan Downs)"; 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 to accommodate the future uses proposed to be developed; and

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

WHEREAS, the Executive Officer has given notice of the public hearing pursuant to Government Code Sections 56150-56160, 56427, 57025, and 57026, wherein the public hearing notice was published in a newspaper of general circulation in the County of Los Angeles on December 22, 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 January 14, 2015, after being duly and properly noticed, this proposal came on for hearing, at which time this Commission heard and received all oral and written testimony, objections, and evidence which were made, presented or filed, and all persons present were given an opportunity to hear and be heard with respect to this proposal and the report of the Executive Officer.

WHEREAS, pursuant to Government Code Section 57002, the Commission set the protest hearing for March 11, 2015 at 9:00 a.m., at the Los Angeles County Board of Supervisors Hearing Room, Kenneth Hahn Hall of Administration Room 381-B, located at 500 West Temple Street, Los Angeles, California, 90012.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The Commission hereby amends to reduce the Spheres of Influence of The Consolidated Fire Protection District, Firestone Garbage Disposal District, and Central Basin Municipal Water District and makes the following determinations in accordance with Government Code Section 56425:

- a. Present and Planned Land Uses in the Area

The existing land uses are commercial, industrial and vacant land. The proposed/future land uses are commercial, industrial, and up to 400 residential units.

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

The affected territory is located within the County of Los Angeles unincorporated community of Firestone. General government services, including land use planning and regulation, law enforcement, fire protection, road maintenance and other services are provided by either the County or a special district.

The affected territory includes commercial, industrial and vacant land. A portion of affected territory will be developed to include commercial and up to 400 residential units which requires organized governmental services. The affected territory will require governmental services indefinitely.

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

The Consolidated Fire Protection District, Firestone Garbage Disposal District, and Central Basin Municipal Water District currently provide municipal service to many parcels of land. The annexation will detach 16 parcels from these districts as a related jurisdictional change and concurrently annex to the City of Los Angeles. The City indicated that it has the ability to provide service to the affected territory once the annexation is complete.

d. Existence of Any Social or Economic Communities of Interest

The proposal will have no adverse effect with respect to the fair treatment of people of all races and incomes, or the location of public facilities or services.

e. Disadvantaged Unincorporated Communities

The affected territory is a Disadvantaged Unincorporated Community (DUC).

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

2. The Commission, acting in its role as a responsible agency with respect to Annexation No. 2013-06 to the City of Los Angeles (Jordan Downs), 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 Environmental Impact Report adopted on August 19, 2013 by the City of Los Angeles, 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, and Statement of Overriding Considerations previously adopted by the lead agency in connection with its approval of the project.
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 41.72± acres, is uninhabited, and is assigned the following short form designation:

"Annexation No. 2013-06 to the City of Los Angeles (Jordan Downs)".



5. Annexation No. 2013-06 to City of Los Angeles (Jordan Downs) 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 Consolidated Fire Protection District, Firestone Garbage Disposal District, and Central Basin Municipal Water District.
- i. Withdrawal of the affected territory from County Lighting Maintenance District 1687 County Road District No. 2, and County Public Library System.

- j. Exclusion of the affected territory 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. Pursuant to Government Code Section 57002, the Commission hereby sets the protest hearing for March 11, 2015 at 9:00 a.m. and directs the Executive Officer to give notice thereof pursuant to Government Code Sections 57025 and 57026.
7. The Executive Officer is hereby authorized and directed to mail copies of this resolution as provided in Government Code Section 56882.

PASSED AND ADOPTED this 14<sup>th</sup> day of January 2015.

MOTION:

SECOND:

AYES:

NOES:

ABSTAIN:

ABSENT:

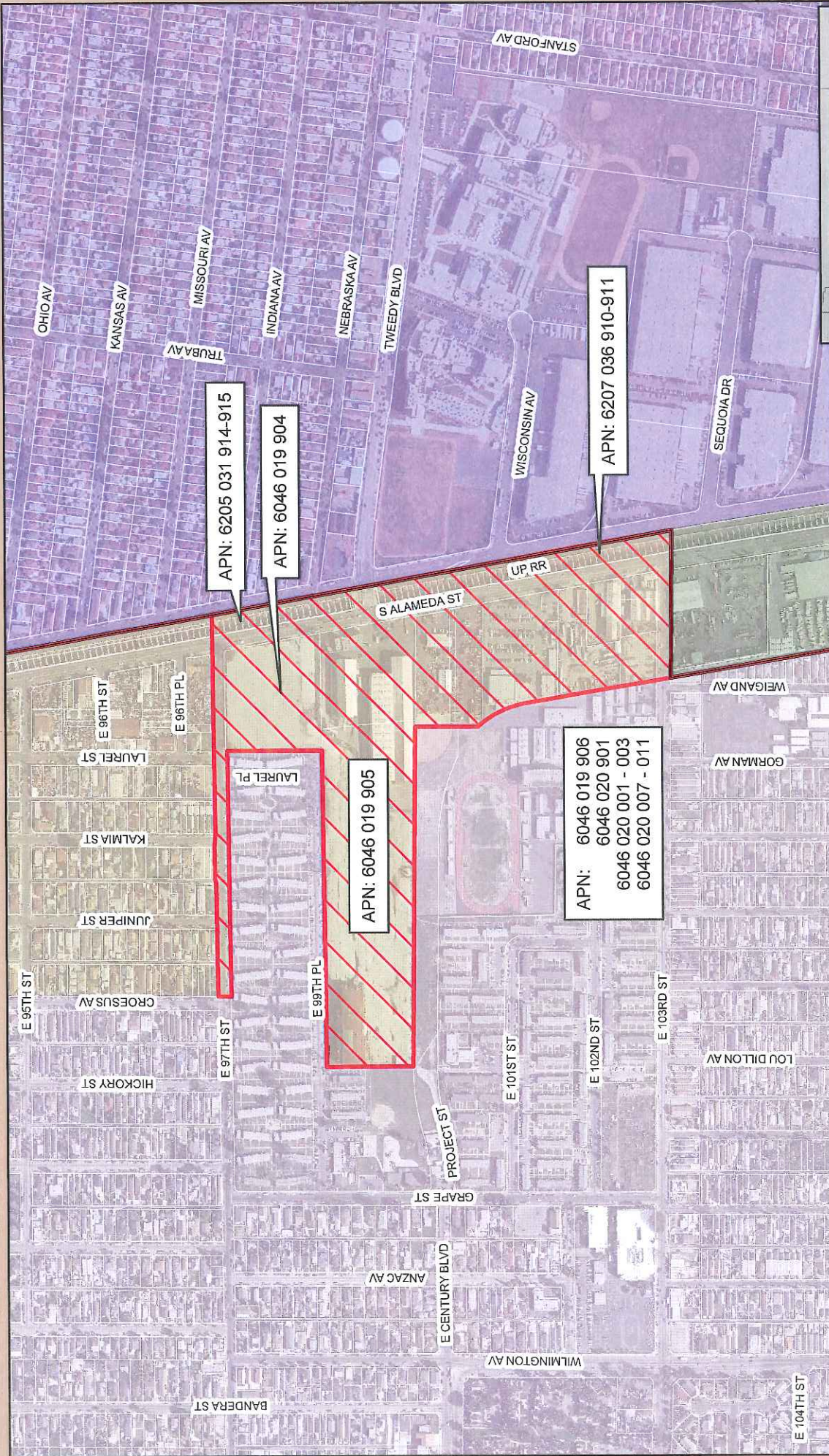
MOTION PASSES: 0/0/0

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





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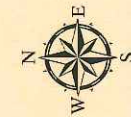
**Paul A. Novak, AICP  
Executive Officer**





# Legend

-  Annexation 2013-06
-  County Unincorporated
-  City of Los Angeles
-  City of Los Angeles Sphere of Influence (SOI)



**LAFCO**  
Local Agency Formation Commission  
for the County of Los Angeles

## Annexation No. 2013-06 to the City of Los Angeles (Jordan Downs)





## **Staff Report**

**January 14, 2015**

### **Agenda Item No. 8.a.**

#### **Annexation No. 2012-12 to Los Angeles County Waterworks District No. 40, Antelope Valley**

On November 19, 2014, your Commission approved a request for the annexation of approximately 106.11 ± acres of inhabited territory into the boundaries of Los Angeles County Waterworks District No. 40, Antelope Valley. The Protest Hearing before you today will satisfy the requirements of Government Code Section 57000, *et seq.*

The number of written protests received and not withdrawn is \_\_\_\_.

#### **PROPOSAL SUMMARY:**

Size of Affected Territory:	106.11± acres
Inhabited/Uninhabited:	Inhabited
Applicant:	Los Angeles County Waterworks District No. 40, Antelope Valley (District)
Resolution or Petition:	June 6, 2012
Application Filed with LAFCO:	January 31, 2013
Location:	The affected territory consists of 4 non-contiguous parcel areas. Parcel 1 is located at the southeast corner of Avenue I and 20 <sup>th</sup> Street East. Parcel 2 is located at the northeast corner of Avenue J-8 and 27 <sup>th</sup> Street East. Parcel 3 is located at the northeast corner of Avenue K and 25 <sup>th</sup> Street East. Parcel 4 is generally located between Avenue K and K-8, and between 30 <sup>th</sup> and 32 <sup>nd</sup> Street East.
City/County:	City of Lancaster.
Affected Territory:	The affected territory consists of 419 existing single-family homes and 9 vacant lots.
Surrounding Territory:	Surrounding land is residential and vacant land.
Landowner(s):	There are multiple owners of record.

Registered Voters:	1,089 registered voters as of October 23, 2014
Purpose/Background:	The purpose of this annexation is to bring the Los Angeles County Waterworks District No. 40, Antelope Valley, customers who are currently being serviced by the District into the District's boundaries.
Related Jurisdictional Changes:	There are no related jurisdictional changes.
Within SOI:	Yes
Waiver of Notice/Hearing/Protest:	No
CEQA Clearance:	The proposal is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15319(a) because it consists of an annexation with existing structures developed to the density allowed by current zoning. A Categorical Exemption was adopted by the Los Angeles County Waterworks District No. 40, Antelope Valley, as lead agency, on February 26, 2013.
Additional Information:	None

**FACTORS TO BE CONSIDERED PURSUANT TO GOVERNMENT CODE 56668:**

***a. Population:***

The existing population is 1,545 residents as of January 31, 2013. The population density is 15 persons per acre.

The estimated future population is 1,545 residents (no anticipated change).

The affected territory is 106.11+/- acres. The existing land use is residential and vacant.

The assessed valuation is \$64,541,187 as of October 23, 2014. The per capita assessed valuation is \$41,774. On October 21, 2014, the County adopted a negotiated tax exchange resolution; all other involved public agencies have adopted a property tax transfer resolution.

The topography of the affected territory is generally flat with gently sloped terrain.

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

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

***b. Governmental Services and Controls:***

The affected territory includes 419 existing single-family homes and 9 vacant lots which require organized governmental services. The affected territory will require governmental services indefinitely.

The present cost and adequacy of government services and controls in the area are acceptable. The probable effect of the proposed action and of alternative courses of action on the cost and adequacy of services and controls in the affected territory and adjacent areas is for residents to pay lower rates than they would if they were to remain outside the District boundary and pay out-of-district rates.

***c. Proposed Action and Alternative Actions:***

The 419 existing single-family homes and 9 vacant lots will not impact the surrounding areas. There is no effect of the proposed action on mutual social and economic interest. As a special district annexation, the proposal has no impact on the local governmental structure of the County.



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

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

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

**e. *Agricultural Lands:***

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

**f. *Boundaries:***

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

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

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

**g. *Consistency with Plans:***

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

The proposal is consistent with the existing City of Lancaster General Plan designation of UR (Urban Residential).

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

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

**h. *Sphere of Influence:***

The affected territory is within the Sphere of Influence of the Los Angeles County Waterworks District No. 40, Antelope Valley.

**i. *Comments from Public Agencies:***

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

***j. Ability to Provide Services:***

The affected territory is already being serviced by the Los Angeles County Waterworks District No. 40, Antelope Valley.

***k. Timely Availability of Water Supplies:***

There are no known issues regarding water supply or delivery.

***l. Regional Housing:***

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

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

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

***n. Land Use Designations***

The proposal is consistent with the existing City of Lancaster General Plan designation of UR (Urban Residential).

The proposal is consistent with the existing City of Lancaster zoning designation of R-7,000 (single-family residential with a minimum lot size of 7,000 square feet).

***o. Environmental Justice:***

The proposal will have no adverse effect with respect to the fair treatment of people of all races and incomes, or the location of public facilities or services.

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

**CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) CLEARANCE:**

The proposal is categorically exempt from CEQA pursuant to CEQA Guidelines Section 15319(a) because it consists of an annexation with existing structures developed to the density allowed by current zoning.

**CONCLUSION:**

Staff recommends approval of the proposal as a logical and reasonable extension of the Los Angeles County Waterworks District No. 40, Antelope Valley, which will be for the interest of landowners and/or present and/or future inhabitants within the District and within the annexation territory.

**Recommended Action:**

1. Open the protest hearing and receive written protests;
2. Close the protest hearing;
3. Instruct the Executive Officer, pursuant to Government Code Section 57075, to determine the value of written protests filed and not withdrawn and report back to the Commission with the results; and
4. Based upon the results of the protest hearing, either adopt a resolution terminating the annexation proceedings if a majority protest exists pursuant to Government Code Section 57078, or ordering Annexation No. 2012-12 to Los Angeles County Waterworks District No. 40, Antelope Valley, directly or ordering the annexation subject to confirmation by the registered voters of the affected territory.

**RESOLUTION NO. 2015-00PR  
RESOLUTION OF THE LOCAL AGENCY FORMATION  
COMMISSION FOR THE COUNTY OF LOS ANGELES  
MAKING DETERMINATIONS ORDERING  
"ANNEXATION NO. 2012-12 TO LOS ANGELES COUNTY WATERWORKS  
DISTRICT NO. 40, ANTELOPE VALLEY"**

WHEREAS, the Los Angeles County Waterworks District No. 40, Antelope Valley, (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 Lancaster; and

WHEREAS, the proposed annexation consists of approximately 106.11± acres of inhabited territory and is assigned the following distinctive short-form designation: "Annexation No. 2012-12 to the Los Angeles County Waterworks District No. 40, Antelope Valley"; 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 water service to 419 existing single-family homes and 9 vacant lots; and

WHEREAS, on November 19, 2014, the Commission approved Annexation No. 2012-12 to Los Angeles County Waterworks District No. 40, Antelope Valley; and

WHEREAS, pursuant to Government Code Section 57002, the Commission set the protest hearing for January 14, 2015 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 December 11, 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 577, and the number of registered voters is 1,089, and the total assessed value of land within the affected territory is \$64,541,187.
  - a) The Commission finds that the number of property owners who filed written protests in opposition to Annexation No. 2012-12 to Los Angeles County Waterworks District No. 40, Antelope Valley, 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. 2012-12 to Los Angeles County Waterworks District No. 40, Antelope Valley, 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 106.11± acres, is inhabited, and is assigned the following short form designation:

"Annexation No. 2012-12 to Los Angeles County Waterworks District No. 40,

Antelope Valley"

5. Annexation No. 2012-12 to Los Angeles County Waterworks District No. 40, Antelope Valley, 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 the Los Angeles County Waterworks District No 40, Antelope Valley.
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.*

Resolution No. 2015-00PR

Page 5

PASSED AND ADOPTED this 14<sup>th</sup> day of January 2015.

MOTION:

SECOND:

AYES:

NOES:

ABSTAIN:

ABSENT:

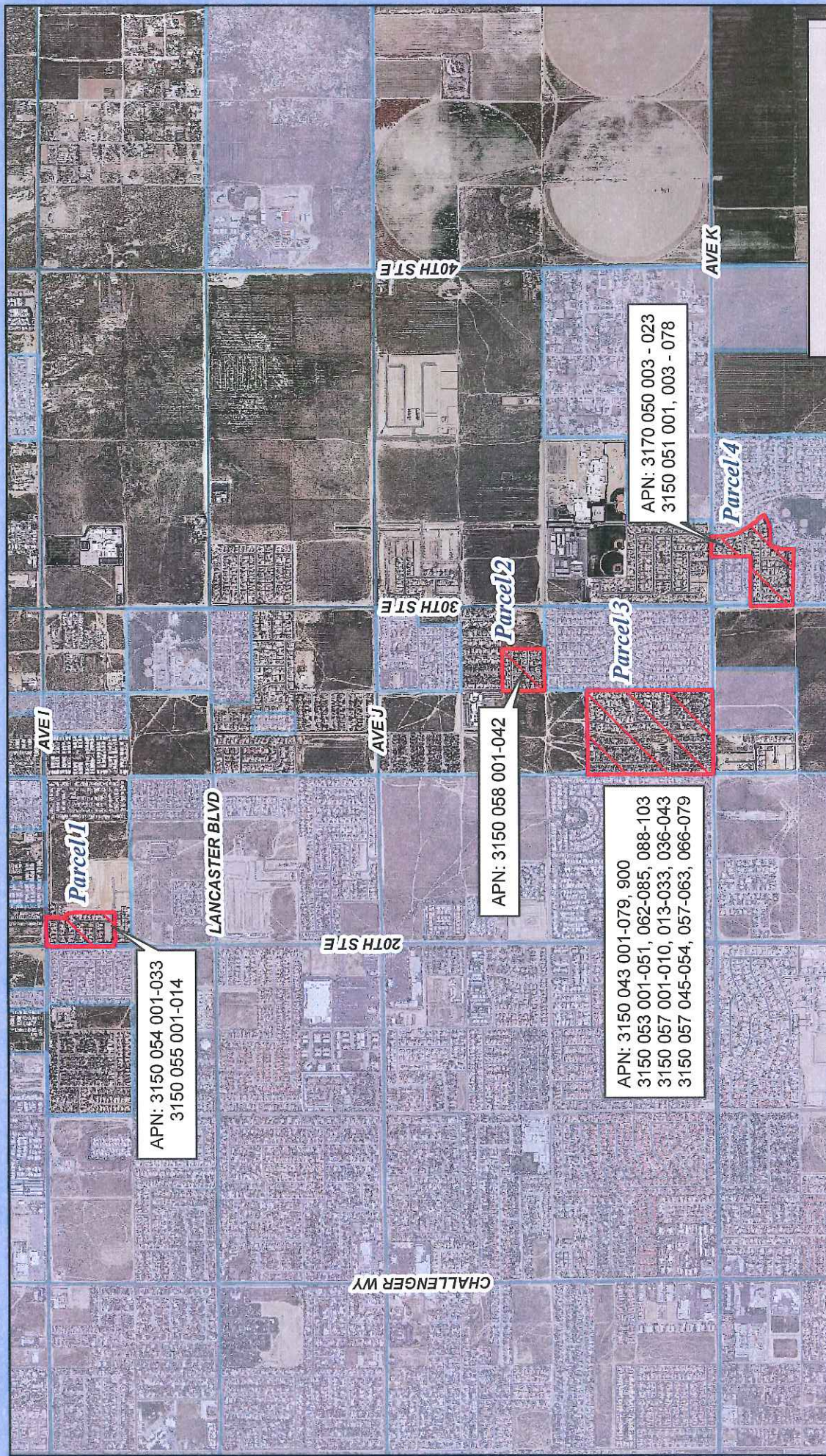
MOTION PASSES: 0/0/0

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

---

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





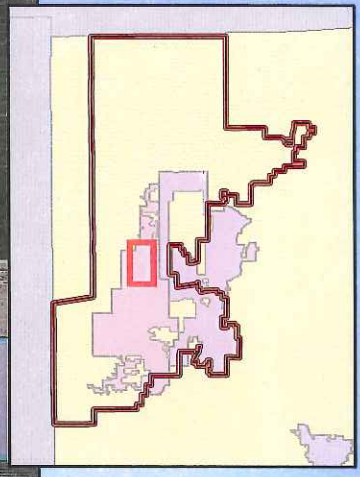
# **Legend**

- Annexation 2012-12
- City of Lancaster
- City of Palmdale
- LA Co. Waterworks Districts
- SOI County Waterworks Dist. No. 40

## **Annexation 2012-12 Los Angeles County Waterworks District 40, Antelope Valley**



**LAFCO**  
Local Agency Formation Commission  
for the County of Los Angeles





## **Staff Report**

### **Independent Auditor's Report Fiscal Year 2013-14**

#### **Agenda Item No. 9.a.**

**January 14, 2015**

Each year, LAFCO conducts a financial audit of the books of the Commission. The independent auditing firm of White Nelson Diehl Evans LLP prepared a financial audit for FY 2013-14. The audit was conducted in accordance with generally accepted auditing standards, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the U.S. Comptroller General. The auditor's report does not propose any changes in how the Commission or staff account for or manage financial resources.

The audited financial statement for fiscal year ending June 30, 2014 is attached for your information.

#### **Internal Control Over Financial Reporting**

In planning and performing the audit of the financial statements the auditors considered the Commission's internal control over financial reporting to determine the audit procedures that were appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the agency's internal controls. As such, the audit was not designed to identify all deficiencies in internal controls that might be a material weakness or, significant deficiencies. Given these limitations, the audit did not identify any deficiencies in internal control that could be considered a material weakness.

#### **Compliance and Other Matters**

In order to obtain reasonable assurance that the Commission's financial statements are free from material misstatements, the auditors performed tests on compliance with certain provisions of laws, regulations, contracts, and grant agreements, whereas noncompliance could have a direct and material effect on the financial statement. The result of the audit procedures did not disclose any instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

#### **Recommendation**

Staff recommends that the Commission receive and file the attached audited financial statements for fiscal year ending June 30, 2014.

WHITE NELSON DIEHL EVANS LLP  
Certified Public Accountants & Consultants

2 AM 6:42

To the Commission Members  
Local Agency Formation Commission for  
the County of Los Angeles  
Pasadena, California

We have audited the financial statements of the Local Agency Formation Commission for the County of Los Angeles (the Commission) for the year ended June 30, 2014. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter dated July 11, 2014. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

*Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Commission are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2014. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- a. Management's estimate of the fair market value of investments which is based on market values provided by outside sources.
- b. The estimated useful lives of capital assets for depreciation purposes which are based on industry standards.
- c. The annual required contribution for the Commission's Other Post-Employment Benefits was prepared by an outside consultant.
- d. The annual required contribution for the Pension Plan was prepared by an outside consultant

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements were reported in Note 7 and Note 8 to the financial statements regarding the annual required contribution and the actuarial liability for the Commission's Pension and Other Post-Employment Benefits Plans.

The financial statement disclosures are neutral, consistent, and clear.

#### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

#### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached "adjusting journal entries report" summarizes misstatements of the financial statements that have been corrected by management. The attached "passed adjusting journal entries report" summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole

#### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

#### *Management Representations*

We have requested certain representations from management that are included in the management representation letter dated December 10, 2014.

#### *Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Commission Members of the  
Local Agency Formation Commission  
for County of Los Angeles  
December 10, 2014  
Page 3

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to management's discussion and analysis, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Restriction on Use

This information is intended solely for the use of the Commission Members and management of the Commission and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

*White Nelson Dick Evans LLP*  
Irvine, California  
December 10, 2014

Client: **LOS006 - LAFCO - Los Angeles County**  
Engagement: **2014 AUD - Los Angeles Local Agency Formation Commission**  
Period Ending: **6/30/2014**  
Trial Balance: **3100.01 - Trial Balance**  
Workpaper: **3220.01 - Adjusting Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
<b>Adjusting Journal Entries JE # 100</b>				
To adjust Fund Balance to actual per PY FS.		<b>6000.01</b>		
30002	Retained Earnings		76.00	
50065	Miscellaneous - Other			76.00
<b>Total</b>			<b>76.00</b>	<b>76.00</b>
<b>Adjusting Journal Entries JE # 101</b>				
To adjust compensated absences to actual for 6/30/14.		<b>5200.03</b>		
50024	PTO Expense		1,689.00	
20050	PTO Liability			1,689.00
<b>Total</b>			<b>1,689.00</b>	<b>1,689.00</b>
<b>Adjusting Journal Entries JE # 102</b>				
To record deferred rent expense on building lease.		<b>1150.01</b>		
50025	Rent		16,242.00	
20060	Deferred Rent			16,242.00
<b>Total</b>			<b>16,242.00</b>	<b>16,242.00</b>

Client: **LOS006 - LAFCO - Los Angeles County**  
Engagement: **2014 AUD - Los Angeles Local Agency Formation Commission**  
Period Ending: **6/30/2014**  
Trial Balance: **3100.01 - Trial Balance**  
Workpaper: **3210.01 - Passed Adjusting Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
<b>Passed Adjusting Journal Entries JE # 300</b>				
Known Misstatement: to accrue for legal expenses at year end.		<b>5100.04</b>		
50076	Legal Services		7,872.00	
20001	A Accounts Payable			7,872.00
<b>Total</b>			<b>7,872.00</b>	<b>7,872.00</b>
<b>Passed Adjusting Journal Entries JE # 301</b>				
Known Misstatement: To adjust pooled cash to market rate (Including effect of PY PAJE).		<b>4100.03</b>		
30002	Retained Earnings		6,885.00	
10002	Investment Pool Account			249.00
10004	Reserve Account			3,348.00
40007	Interest Inc			3,288.00
<b>Total</b>			<b>6,885.00</b>	<b>6,885.00</b>
<b>Passed Adjusting Journal Entries JE # 302</b>				
Known Misstatement: To record interest receivable at 6/30/14		<b>4100.03</b>		
10002	Investment Pool Account		1,779.00	
40007	Interest Inc			1,779.00
<b>Total</b>			<b>1,779.00</b>	<b>1,779.00</b>

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

**BASIC FINANCIAL STATEMENTS**

**WITH REPORT ON AUDIT  
BY INDEPENDENT  
CERTIFIED PUBLIC ACCOUNTANTS**

**JUNE 30, 2014 AND 2013**



LOCAL AGENCY FORMATION COMMISSION  
FOR THE COUNTY OF LOS ANGELES

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**WHITE NELSON DIEHL EVANS LLP**  
Certified Public Accountants & Consultants

**INDEPENDENT AUDITORS' REPORT**

The Commission Members  
Local Agency Formation Commission  
for the County of Los Angeles  
Pasadena, California

**Report on the Financial Statements**

We have audited the accompanying statements of net position of the Local Agency Formation Commission for the County of Los Angeles (the Commission) as of June 30, 2014 and 2013, and the related statements of revenues, expenses and changes in net position and cash flows, for the years then ended, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these basic financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the basic financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Commission's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Commission, as of June 30, 2014 and 2013, and the respective changes in financial position, and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and the schedule of funding progress, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the management's discussion and analysis and the schedule of funding progress in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during the audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2014, on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control over financial reporting and compliance.

*White Nelson Reed Evans LLP*

Irvine, California  
December 10, 2014

# LOS ANGELES COUNTY LOCAL AGENCY FORMATION COMMISSION

## MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Fiscal Year Ended June 30, 2014

The following discussion and analysis of the financial performance of the Los Angeles County Local Agency Formation Commission (the Commission) provides an overview of the Commission's financial activities for the fiscal year ended June 30, 2014. Please read it in conjunction with the financial statements identified in the accompanying table of contents.

### Using the Accompanying Financial Statements

This annual report consists of a series of financial statements. The statement of Net Position and the Statement of Activities provide information about the activities of the Commission as a whole and present a longer-term view of the Commission's finances.

## OVERVIEW OF THE FINANCIAL STATEMENTS

The annual report consists of two parts -- *management's discussion and analysis* (this section), and the *basic financial statements*.

The *government-wide financial statements* provide both *long-term* and *short-term* information about the Commission's overall financial status. The financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data.

### Reporting the Commission as a Whole

The accompanying **government-wide financial statement** presents financial data for the Commission as a whole. One of the most important questions asked about the Commission's finances is, "Is the Commission as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the Commission as a whole and about its activities in a way that helps answer this question. These statements include *all* assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Commission's net position and changes in them. You can think of the Commission's net position -- the difference between assets and liabilities -- as one way to measure the Commission's financial health, or *financial position*. Over time, *increases and decreases* in the Commission's net position are one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other nonfinancial factors, such as changes in the Commission's revenues, to assess the *overall health* of the Commission. Indeed, a reduction in net position is assumed in the budget process. The prior year end fund balance is relied on as a funding source for the current year budget.

**LOS ANGELES COUNTY  
LOCAL AGENCY FORMATION COMMISSION**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
(CONTINUED)**

**For the Fiscal Year Ended June 30, 2014**

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

A summary of the government-wide *Statement of Net Position* follows:

Table 1

Net Position – Governmental Activities

June 30, 2014 and 2013

	2014	2013	Change
<b>Assets:</b>			
Current Assets	\$ 849,908	\$ 977,950	\$ (128,042)
Non-Current Assets	\$ 20,855	\$ 21,732	\$ (877)
Security Deposits	\$ 8,232	\$ 8,232	\$ 0
<b>Total Assets</b>	<b>\$ 878,995</b>	<b>\$ 1,007,914</b>	<b>\$ (128,919)</b>
<b>Liabilities:</b>			
Current Liabilities	\$ 45,878	\$ 49,985	\$ (4,107)
Long-term Liabilities	\$ 433,531	\$ 340,634	\$ 92,897
<b>Total Liabilities</b>	<b>\$ 479,409</b>	<b>\$ 390,619</b>	<b>\$ 88,790</b>
<b>Net Position:</b>			
Invested in Capital Assets	\$ 20,855	\$ 21,732	\$ (877)
Unrestricted	\$ 378,731	\$ 595,563	\$ (216,832)
<b>Net Position</b>	<b>\$ 399,586</b>	<b>\$ 617,295</b>	<b>\$ (217,709)</b>

See independent auditors' report.

**LOS ANGELES COUNTY  
LOCAL AGENCY FORMATION COMMISSION**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
(CONTINUED)**

**For the Fiscal Year Ended June 30, 2014**

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

A summary of the government-wide *Statement of Activities* follows:

Table 2

Changes in Net Position – Governmental Activities

Years ended June 30, 2014 and 2013

	2014	2013	Change
Revenues:			
Program Revenues:	\$ 932,376	\$ 850,666	\$ 81,710
Intergovernmental			
Charges for Services	\$ 72,380	\$ 121,300	\$ (48,920)
General Revenues:			
Interest	\$ 5,691	\$ 7,641	\$ (1,950)
Other	\$ 142	\$ 0	\$ 142
Total Revenues	<u>\$ 1,010,589</u>	<u>\$ 979,607</u>	<u>\$ 30,982</u>
Expenses			
Program Expenses:			
Salaries and Benefits	\$ 898,719	\$ 824,003	\$ 54,716
Services and Supplies	\$ 329,579	\$ 426,051	\$ (96,472)
Total Expenses	<u>\$ 1,228,298</u>	<u>\$ 1,250,054</u>	<u>\$ (21,756)</u>
Change in Net Position	\$ (217,709)	\$ (270,447)	\$ 52,738
Net Position, Beginning of Year	<u>\$ 617,295</u>	<u>\$ 887,742</u>	<u>\$ (270,447)</u>
Net Position, End of Year	<u><u>\$ 399,586</u></u>	<u><u>\$ 617,295</u></u>	<u><u>\$ (217,709)</u></u>

The increase or decrease in net position can provide an indication as to whether the overall financial position of the Commission improved or deteriorated during the year. Net position of the Commission decreased by \$217,709.

See independent auditors' report.

**LOS ANGELES COUNTY  
LOCAL AGENCY FORMATION COMMISSION**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
(CONTINUED)**

**For the Fiscal Year Ended June 30, 2014**

**MAJOR FUNDS**

**Major Governmental Funds.** The **General Fund** is the only fund of the Commission, and is considered to be a proprietary fund for financial reporting purposes. The end of the year Net Position was \$399,586 compared to \$617,295 in the fiscal year ended June 30, 2013.

**GENERAL FUND BUDGET**

Major deviations between the budget of the General Fund and its operating results are as follows:

**Revenues**

- Revenues related to local agency apportionment contributions were increased by 9.6% to compensate for the decrease in proposal activity, and declining availability of funds to carryover from prior years.
- 14% shortfall in fee revenue due to lower than expected proposal activities.
- Overall, total revenues increased by \$30,982 over the prior year.

**Expenses**

- Salaries and Benefits:
  - Reconciliation of the annual accrued liability relating to Other Post Employment Benefits.
  - Unanticipated expenditure of funds to reconcile unpaid retirement contributions for County commissioners, covering the period of January 1999 through June 30, 2014.
- Services and Supplies:
  - Savings were achieved through and reduction in professional fees related to municipal service reviews; and a reduction in contracted CPA services.
- Overall, total expenses decreased by \$21,756, over the prior year.

See independent auditors' report.

**LOS ANGELES COUNTY  
LOCAL AGENCY FORMATION COMMISSION**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
(CONTINUED)**

**For the Fiscal Year Ended June 30, 2014**

**CAPITAL ASSETS**

Capital Assets – Governmental Activities  
(net of depreciation)

Years ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>	<u>Change</u>
Office Equipment	\$ 6,749	\$ 3,247	\$ 3,502
Furniture and Fixtures	\$ 5,870	\$ 9,116	\$ (3,246)
Tenant Improvements	\$ 8,236	\$ 9,369	\$ (1,133)
Total	<u>\$ 20,855</u>	<u>\$ 21,732</u>	<u>\$ (877)</u>

At the end of fiscal year 2014, the Commission's investment in capital assets amounted to \$20,855 (net of accumulated depreciation). This investment in capital assets includes equipment, furniture & fixtures and tenant improvements. (See Note 4 for further information)

**LONG-TERM LIABILITIES**

Long-term Liabilities  
Years ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>	<u>Change</u>
Compensated Absences	<u>\$ 41,467</u>	<u>\$ 39,938</u>	<u>\$ 1,529</u>

Long-term liabilities, such as *Compensated Absences* are not due and payable in the current period. Additional information on long-term liabilities may be found in Note 6 of the Notes to Financial Statements.

**CONDITIONS AFFECTING CURRENT FINANCIAL POSITION**

Management is unaware of any conditions, which could have a significant impact on the Commission's current financial position, net position or operating results in terms of past, present and future.

See independent auditors' report.



**LOS ANGELES COUNTY  
LOCAL AGENCY FORMATION COMMISSION**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
(CONTINUED)**

**For the Fiscal Year Ended June 30, 2014**

**CONTACTING THE COMMISSION'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers and creditors with a general overview of the Commission's finances and to show the Commission's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Executive Officer, Paul Novak at 80 South Lake Avenue, Suite 870, Pasadena, CA 91101.

LOCAL AGENCY FORMATION COMMISSION  
FOR THE COUNTY OF LOS ANGELES

STATEMENTS OF NET POSITION

June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
ASSETS:		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 837,756	\$ 952,894
Accounts receivable	-	650
Prepaid expenses	<u>12,152</u>	<u>24,406</u>
TOTAL CURRENT ASSETS	<u>849,908</u>	<u>977,950</u>
NONCURRENT ASSETS:		
Capital assets, net of accumulated depreciation	20,855	21,732
Security deposits	<u>8,232</u>	<u>8,232</u>
TOTAL NONCURRENT ASSETS	<u>29,087</u>	<u>29,964</u>
TOTAL ASSETS	<u>878,995</u>	<u>1,007,914</u>
LIABILITIES:		
CURRENT LIABILITIES:		
Accounts payable	18,528	19,930
Advances from government agencies	-	2,865
Compensated absences due within one year	<u>27,350</u>	<u>27,190</u>
TOTAL CURRENT LIABILITIES	<u>45,878</u>	<u>49,985</u>
LONG-TERM LIABILITIES:		
Compensated absences payable	41,467	39,938
Accrued rent obligation	50,811	34,569
OPEB obligation	<u>341,253</u>	<u>266,127</u>
TOTAL LONG-TERM DEBT	<u>433,531</u>	<u>340,634</u>
TOTAL LIABILITIES	<u>479,409</u>	<u>390,619</u>
NET POSITION:		
Net investment in capital assets	20,855	21,732
Unrestricted	<u>378,731</u>	<u>595,563</u>
TOTAL NET POSITION	<u>\$ 399,586</u>	<u>\$ 617,295</u>

See independent auditors' report and notes to financial statements.

LOCAL AGENCY FORMATION COMMISSION  
FOR THE COUNTY OF LOS ANGELES

STATEMENTS OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION

For the years ended June 30, 2014 and 2013

	<u>2014</u>	<u>2013</u>
REVENUES:		
Contributions received	\$ 932,376	\$ 850,666
Fees and other charges	72,380	121,300
Interest	5,691	7,641
Miscellaneous	142	-
	<u>1,010,589</u>	<u>979,607</u>
TOTAL REVENUES		
EXPENSES:		
Salaries and employee benefits	898,719	824,003
Office expense	255,314	267,299
Professional fees	67,980	154,517
Depreciation	6,285	9,695
	<u>1,228,298</u>	<u>1,255,514</u>
TOTAL EXPENSES		
OPERATING LOSS	(217,709)	(275,907)
NONOPERATING EXPENSE:		
Gain (loss) in disposal of fixed asset	-	5,460
	<u>(217,709)</u>	<u>(270,447)</u>
CHANGES IN NET POSITION		
NET POSITION, BEGINNING OF YEAR	617,295	887,742
NET POSITION, END OF YEAR	<u>\$ 399,586</u>	<u>\$ 617,295</u>

See independent auditors' report and notes to financial statements.

LOCAL AGENCY FORMATION COMMISSION  
FOR THE COUNTY OF LOS ANGELES

STATEMENTS OF CASH FLOWS

For the years ended June 30, 2014 and 2013

	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES:		
Contributions, fees and other revenues received	\$ 1,008,374	\$ 950,985
Cash paid to suppliers for goods and services	(296,200)	(432,754)
Cash paid to employees for services	(821,904)	(747,833)
NET CASH USED BY OPERATING ACTIVITIES	<u>(109,730)</u>	<u>(229,602)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of furniture and equipment	-	5,460
Purchase of furniture and equipment	(5,408)	(3,226)
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	<u>(5,408)</u>	<u>2,234</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(115,138)	(227,368)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>952,894</u>	<u>1,180,262</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u><u>\$ 837,756</u></u>	<u><u>\$ 952,894</u></u>
RECONCILIATION OF CHANGES IN OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES:		
Operating loss	\$ (217,709)	\$ (275,907)
Adjustments to reconcile operating loss to net cash used by operating activities:		
Depreciation	6,285	9,695
Changes in operating assets and liabilities:		
(Increase) decrease in accounts receivable	650	(650)
(Increase) decrease in prepaid expenses	12,254	(18,097)
Increase (decrease) in accounts payable	(1,402)	(11,005)
Increase (decrease) in advances from government agencies	(2,865)	(27,972)
Increase (decrease) in compensated absences payable	1,689	11,447
Increase (decrease) in accrued rent obligation	16,242	18,164
Increase (decrease) in OPEB obligation	75,126	64,723
NET CASH USED BY OPERATING ACTIVITIES	<u><u>\$ (109,730)</u></u>	<u><u>\$ (229,602)</u></u>

See independent auditors' report and notes to financial statements.

LOCAL AGENCY FORMATION COMMISSION  
FOR THE COUNTY OF LOS ANGELES

NOTES TO FINANCIAL STATEMENTS

June 30, 2014 and 2013

1. DESCRIPTION OF THE ENTITY:

The Local Agency Formation Commission for the County of Los Angeles (the Commission) was established by state law, "*The Knox-Nisbet Act of 1963*", to discourage urban sprawl and encourage the orderly formation and development of local government agencies. The Commission is responsible for coordinating logical and timely changes in local governmental boundaries, including annexations and detachments of territory, incorporation of cities, formation of special districts as well as consolidations, mergers, and dissolutions of districts, among others.

The Commission is governed by Commissioners composed of nine regular members: two members from the County Board of Supervisors, two city representatives, one City of Los Angeles representative, two special district representatives and two public members, one of which represents the San Fernando Valley Statistical area. Since implementation of the *Cortese-Knox-Hertzberg Local Government Reorganization Act* in 2001, the Commission has operated as a legally separate and independent entity from the County government. This means it can incur debt, set and modify its own budget and fees, enter into contracts, and sue and be sued in its own name.

The accompanying financial statements reflect the financial activities of the Commission. The Commission has no component units.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A summary of the Commission's significant accounting policies follows:

a. Basic Financial Statements:

The Commission's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

LOCAL AGENCY FORMATION COMMISSION  
FOR THE COUNTY OF LOS ANGELES

NOTES TO FINANCIAL STATEMENTS  
(CONTINUED)

June 30, 2014 and 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

b. Basis of Accounting and Measurement Focus:

The Commission is considered a proprietary fund for financial reporting purposes. The accompanying financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting. Under this basis of accounting and measurement focus, revenues are recognized when they are earned and expenses are recognized when they are incurred.

c. Revenue Recognition:

The Commission's major source of revenue is the contributions received from the County of Los Angeles, its 88 cities and 54 special districts pursuant to an apportionment formula set forth in *California Government Code Section 56381*, as applied to its annual operating budget. The contributions are recognized as revenue when the apportionment formula is received from the County of Los Angeles.

Fees and other charges relating to municipal service reviews are recognized when money is spent for specific projects. All other fees and other charges are recognized when received.

d. New Accounting Pronouncements:

**Current Year Standards:**

GASB 66 - "*Technical Corrections, an amendment of GASB Statement No. 10 and Statement No. 62*", required to be implemented in the current fiscal year did not impact the Commission.

GASB 70 - "*Accounting and Financial Reporting for Nonexchange Financial Guarantees*", required to be implemented in the current fiscal year did not impact the Commission.

LOCAL AGENCY FORMATION COMMISSION  
FOR THE COUNTY OF LOS ANGELES

NOTES TO FINANCIAL STATEMENTS  
(CONTINUED)

June 30, 2014 and 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

d. New Accounting Pronouncements (Continued):

**Pending Accounting Standards:**

GASB has issued the following statements which may impact the Commission's financial reporting requirements in the future:

- GASB 68 - "*Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27*", effective for the fiscal years beginning after June 15, 2014.
- GASB 69 - "*Government Combinations and Disposals of Government Operations*", effective for periods beginning after December 15, 2013.
- GASB 71 - "*Pension Transition for Contributions Made Subsequent to the Measurement Date, an Amendment of GASB Statement No. 68*", effective for the periods beginning after June 15, 2014.

e. Deferred Outflows/Inflows of Resources:

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense) until then. The Commission does not have any deferred inflows of resources to report.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. The Commission does not have any deferred outflows of resources to report.

f. Cash and Cash Equivalents:

For purposes of the statements of cash flows, the Commission considers all highly liquid investments with maturities of three months or less when purchased to be cash equivalents.

LOCAL AGENCY FORMATION COMMISSION  
FOR THE COUNTY OF LOS ANGELES

NOTES TO FINANCIAL STATEMENTS  
(CONTINUED)

June 30, 2014 and 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

g. Capital Assets:

Capital assets are stated at cost. The provision for depreciation is computed using the straight-line method over the estimated useful lives of the assets. When assets are sold or otherwise disposed of, related costs are removed from the accounts and any gain or loss is reported in the statements of revenues, expenses and changes in net position. Estimated useful lives of the assets are as follows:

Office equipment	3 - 5 years
Furniture and fixtures	3 - 5 years
Automotive equipment	5 years
Tenant improvements	5 years

h. Accrued Rent:

The Commission's policy is to average any defined rental escalations or rent concessions over the term of the related lease in order to provide a level recognition of rent expense. The Commission's total accrued rent obligation was \$50,811 and \$34,569 at June 30, 2014 and 2013, respectively.

i. Net Position:

Net position is classified into three components - net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

- *Net Investment in capital assets* - This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.
- *Restricted net position* - This component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

See independent auditors' report.



LOCAL AGENCY FORMATION COMMISSION  
FOR THE COUNTY OF LOS ANGELES

NOTES TO FINANCIAL STATEMENTS  
(CONTINUED)

June 30, 2014 and 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

i. Net Position (Continued):

- *Unrestricted net position* - This component of net position consists of net position that does not meet the definition of "net investment in capital assets" or "restricted".

When an expenditure is incurred for purposes for which both restricted and unrestricted net position is available, the Commission's policy is to apply restricted net position first.

j. Use of Estimates:

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that effect certain reported amounts and disclosures. Accordingly, actual results could differ from the estimates.

3. CASH AND CASH EQUIVALENTS:

The Commission's cash balances are either deposited with a bank or pooled and invested by the Los Angeles County Treasurer for the purpose of increasing interest earnings through investment activities. Interest earned on pooled investments is deposited to participating funds based upon each fund's average daily balance during the allocation period.

Statutes authorize the County of Los Angeles to invest pooled investments in obligations of the United States Treasury, federal agencies, municipalities, commercial paper rated A-1 by Standard and Poor's Corporation and P-1 by Moody's Commercial Paper Record, banker's acceptances, negotiable certificates of deposit, floating rate notes, repurchase agreements and reverse repurchase agreements.

Funds voluntarily deposited in the Los Angeles County Treasury Pool that are presented as cash and cash equivalents in the statements of net position amounted to \$819,847 and \$881,779 as of June 30, 2014 and 2013, respectively.

At June 30, 2014 accounts deposited with the bank are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000 at each institution. At June 30, 2014 and 2013, the Commission had no cash balances in excess of federally insured limits.

The Commission's cash and cash equivalents may be exposed to certain risks:

See independent auditors' report.

LOCAL AGENCY FORMATION COMMISSION  
FOR THE COUNTY OF LOS ANGELES

NOTES TO FINANCIAL STATEMENTS  
(CONTINUED)

June 30, 2014 and 2013

3. CASH AND CASH EQUIVALENTS (CONTINUED):

a. Interest Rate Risk:

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. As of June 30, 2014 and 2013, the Commission's funds are held as short-term deposits in the Los Angeles County Treasury Pool.

b. Credit Risk:

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. As of June 30, 2014 and 2013, the Commission had no outstanding investments.

c. Concentration of Credit Risk:

Concentration of credit risk is the risk of loss attributable to the magnitude of the Commission's investment in a single issuer.

d. Custodial Credit Risk:

Custodial credit risk as the risk that the Commission will not be able to (a) recover deposits if the depository financial institution fails, or (b) recover the value of investments or collateral securities that are in the possession of an outside party if the counterparty to the investment or deposit transaction fails.

The Los Angeles County Treasury Pool is a pooled investment fund program governed by the Los Angeles County Board of Supervisors, and is administered by the County Treasurer. Investments in the pool are highly liquid as deposits and withdrawals can be made at any time without penalty. The Commission's fair value of its share in the pool is the same value of the pool shares, which amounted to \$819,847 and \$881,779 as of June 30, 2014 and 2013, respectively. Information on the pool's use of derivative securities in its investment portfolio is not available.

As of June 30, 2014 and 2013, the Los Angeles County Treasury Pool's and the Commission's exposure to risk (credit, market or legal) is not available.

LOCAL AGENCY FORMATION COMMISSION  
FOR THE COUNTY OF LOS ANGELES

NOTES TO FINANCIAL STATEMENTS  
(CONTINUED)

June 30, 2014 and 2013

4. CAPITAL ASSETS:

Capital asset activity for the year ended June 30, 2014 was as follows:

	Balance at July 1, 2013	Additions	Deletions	Balance at June 30, 2014
Capital Assets:				
Office equipment	\$ 80,571	\$ 5,408	\$ (36,556)	\$ 49,423
Furniture and fixtures	65,957	-	-	65,957
Tenant improvements	11,328	-	-	11,328
Total capital assets	157,856	5,408	(36,556)	126,708
Less accumulated depreciation for:				
Office equipment	(77,324)	(1,906)	36,556	(42,674)
Furniture and fixtures	(56,841)	(3,246)	-	(60,087)
Tenant improvements	(1,959)	(1,133)	-	(3,092)
Total accumulated depreciation	(136,124)	(6,285)	36,556	(105,853)
Total capital assets, net	\$ 21,732	\$ (877)	\$ -	\$ 20,855

Capital asset activity for the year ended June 30, 2013 was as follows:

	Balance at July 1, 2012	Additions	Deletions	Balance at June 30, 2013
Capital Assets:				
Office equipment	\$ 77,345	\$ 3,226	\$ -	\$ 80,571
Furniture and fixtures	65,957	-	-	65,957
Auto equipment	22,818	-	(22,818)	-
Tenant improvements	11,328	-	-	11,328
Total capital assets	177,448	3,226	(22,818)	157,856
Less accumulated depreciation for:				
Office equipment	(76,093)	(1,231)	-	(77,324)
Furniture and fixtures	(49,510)	(7,331)	-	(56,841)
Auto equipment	(22,818)	-	22,818	-
Tenant improvements	(826)	(1,133)	-	(1,959)
Total accumulated depreciation	(149,247)	(9,695)	22,818	(136,124)
Total capital assets, net	\$ 28,201	\$ (6,469)	\$ -	\$ 21,732

See independent auditors' report.

LOCAL AGENCY FORMATION COMMISSION  
FOR THE COUNTY OF LOS ANGELES

NOTES TO FINANCIAL STATEMENTS  
(CONTINUED)

June 30, 2014 and 2013

5. ADVANCES FROM GOVERNMENTAL AGENCIES:

Advances represent amounts provided to the Commission for the expenses to be incurred in preparation of a Comprehensive Fiscal Analysis to determine feasibility of incorporation of a new governmental entity or for or Municipal Service Reviews for specific municipalities.

6. COMPENSATED ABSENCES PAYABLE:

Compensated absences payable activity for the year ended June 30, 2014 and 2013, was as follows:

	<u>2014</u>	<u>2013</u>
Compensated absences payable at beginning of year	\$ 67,128	\$ 55,681
Compensated absences payable earned	27,350	27,190
Compensated absences payable used	<u>(25,661)</u>	<u>(15,743)</u>
Compensated absences payable at end of year	\$ <u>68,817</u>	\$ <u>67,128</u>

There is no fixed payment schedule for earned but unpaid compensated absences. Compensated absences expected to be paid within one year is \$27,350 and \$27,190 at June 30, 2014 and 2013, respectively.

7. PENSION PLAN:

a. Plan Description:

The Commission's pension plan is administered by the Los Angeles County Employees Retirement Association (LACERA) which was established under the County Employees Retirement Law of 1937. It provides benefits to employees of the County of Los Angeles as well as four other entities, including LAFCO, that are not part of the County's reporting entity. Benefits are authorized in accordance with the County Employees Retirement Law, the by-laws and procedures adopted by LACERA's Boards of Retirement and Investments and County Board of Supervisors' resolutions.

LACERA is a cost sharing, multi-employer defined benefit plan that provides retirement, disability, death benefits and cost of living adjustments to eligible employees. Eligibility to participate in the retirement plan is determined by having completed thirty days of credited service. Based on employment position the date of entry into the LACERA, the employees are enrolled in Plan D, general employees hired before January 1, 2013, Plan G, general employees hired after January 1, 2013, or Plan E, non-contributory plan for employees hired before January 1, 2013.

See independent auditors' report.

LOCAL AGENCY FORMATION COMMISSION  
FOR THE COUNTY OF LOS ANGELES

NOTES TO FINANCIAL STATEMENTS  
(CONTINUED)

June 30, 2014 and 2013

7. PENSION PLAN (CONTINUED):

b. Funding Policy:

Members and the Commission contribute to LACERA based on unisex rates recommended by an independent consulting actuary and adopted by the Board of Investments and the Los Angeles County Board of Supervisors. Contributory plan members are required to contribute between 5.39% and 9.38% of their annual covered salary. The Commission is required to contribute the remaining amounts necessary to finance the coverage of their employees through monthly or annual prefunded contributions at actuarially determined rates. As determined by LACERA, the Commission contributes 18.24% of employees' covered salary for Plan D members, 17.81% for Plan G members, and 19.09% for Plan E members.

c. Contributions:

The Commissions contributions to LACERA for the past three years, which were equal to the required contribution for each year, were as follows:

Fiscal Year	General Risk Pool		
	Plan D	Plan E	Plan G
6/30/12	\$ 63,239	\$ 14,417	\$ -
6/30/13	77,030	10,757	4,496
6/30/14	80,639	29,518	4,978

For the funded status of the Plan refer to the 2013 Annual Report of LACERA available at 300 N. Lake Boulevard, Pasadena, California.

8. OTHER POST-EMPLOYMENT BENEFITS (OPEB):

a. Plan Description:

In addition to the retirement plan described in Note 7, the Commission provides a defined benefit healthcare plan to retirees in accordance with the benefits provided by the Los Angeles County Retirement Association. Spouses are also covered throughout their lives. The Commission pays 4% of the annual premiums for each year of service of the retiree. The retiree is responsible for payment of the remaining premiums. Retirees must have worked a minimum of 10 years with the Commission in order to be eligible for these benefits.

See independent auditors' report.

LOCAL AGENCY FORMATION COMMISSION  
FOR THE COUNTY OF LOS ANGELES

NOTES TO FINANCIAL STATEMENTS  
(CONTINUED)

June 30, 2014 and 2013

8. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED):

b. Funding Policy:

As of June 30, 2014, the Commission has not established a trust account or equivalent that contains an irrevocable transfer of assets dedicated to providing benefits to retirees in accordance with the terms of the plan and that are legally protected from creditors. The Commission's contribution is currently based on a projected pay-as-you-go funding method, that is, benefits are payable when due. For the fiscal years ended June 30, 2014, 2013 and 2012, those costs totaled \$6,561, \$6,474, and \$5,208, respectively.

c. Annual OPEB Cost and Net OPEB Obligation:

The Annual Required Contribution (ARC) was calculated based on the Alternative Measurement Method which is applicable to employers with fewer than 100 plan members. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed 30 years. The Commission uses a 30 year amortization period.

The following table shows the components of the Commission's annual OPEB, the cost amount of benefits and/or insurance premiums paid, and the changes in the Commission's Net OPEB obligation for the two years ended June 30, 2014 and 2013:

	2014	2013
Annual required contribution	\$ 81,470	\$ 71,033
Interest on net OPEB obligation	13,307	10,070
Adjustment to annual required contribution	(13,090)	(9,906)
Annual OPEB cost	81,687	71,197
Pay-as-you-go cost	(6,561)	(6,474)
Increase in net OPEB obligation	75,126	64,723
Net OPEB obligation - beginning of year	266,127	201,404
Net OPEB obligation - end of year	<u>\$ 341,253</u>	<u>\$ 266,127</u>

See independent auditors' report.

LOCAL AGENCY FORMATION COMMISSION  
FOR THE COUNTY OF LOS ANGELES

NOTES TO FINANCIAL STATEMENTS  
(CONTINUED)

June 30, 2014 and 2013

8. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED):

d. Three-Year Trend Information:

The Commission's annual OPEB cost, the percentage of annual OPEB costs contributed to the plan and the net OPEB obligation for 2014 and the preceding two years are as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Percentage of Annual OPEB Costs Contributed</u>	<u>Net OPEB Obligation</u>
6/30/12	\$ 72,761	7.16%	\$ 201,404
6/30/13	71,197	9.09%	266,127
6/30/14	81,687	8.03%	341,253

e. Funded Status and Funding Progress:

As of July 1, 2013, the most recent actuarial valuation date, the plan is not funded. The actuarial accrued liability for benefits was \$711,231, and the actuarial value of assets was zero, resulting in an unfunded actuarial accrued liability (UAAL) of \$711,231. The covered payroll (annual payroll of active employees covered by the plan) was \$545,832 and the ratio of the UAAL to the covered payroll was 130.30%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about rates of employee turnover, retirement, mortality, as well as economic assumptions regarding claim costs per retiree, healthcare inflation and interest rates. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

LOCAL AGENCY FORMATION COMMISSION  
FOR THE COUNTY OF LOS ANGELES

NOTES TO FINANCIAL STATEMENTS  
(CONTINUED)

June 30, 2014 and 2013

8. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONTINUED):

f. Methods and Assumptions:

The following statistics and assumptions were used in the actuarial valuation:

No. of active employees	7
Average age of active, eligible employees	45
Assumed retirement age	65
Actuarial cost method	Entry age
Amortization method	Level percentage of payroll over a 30-year period
Discount rate	5%
Payroll growth rate	2%
Healthcare cost trend	3%

9. COMMITMENTS:

The Commission has entered into office space and equipment leases under long-term lease agreements expiring through November 2021. Future minimum rental payment under non-cancelable leases are as follows:

<u>Year Ending June 30</u>	<u>Amount</u>
2015	\$ 92,032
2016	101,379
2017	86,700
2018	89,301
2019	91,980
Thereafter	<u>233,479</u>
Total	<u>\$ 694,871</u>

Total rent expense for the years ended June 30, 2014 and 2013 amounted to \$107,807 and \$105,598, respectively.

10. SUBSEQUENT EVENTS:

Events occurring after June 30, 2014 have been evaluated for possible adjustments to the financial statements or disclosure as of December 10, 2014, which is the date these financial statements were available to be issued.

See independent auditors' report.



## **REQUIRED SUPPLEMENTARY INFORMATION**

LOCAL AGENCY FORMATION COMMISSION  
FOR THE COUNTY OF LOS ANGELES

REQUIRED SUPPLEMENTARY INFORMATION

For the years ended June 30, 2014 and 2013

OTHER POST-EMPLOYMENT BENEFITS (OPEB)

SCHEDULE OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Accrued Liability (AAL) Entry Age (a)	Actuarial Value of Assets (AVA) (b)	Unfunded Actuarial Accrued Liability (UAAL) (a) - (b)	Funded Ratio AVA (b)/(a)	Annual Covered Payroll (c)	UAAL as a % of Covered Payroll [(a)-(b)]/c]
7/1/2009	\$ 680,973	\$ -	\$ 680,973	0.00%	\$ 531,926	128.02%
7/1/2012	\$ 748,249	\$ -	\$ 748,249	0.00%	\$ 423,900	176.52%
7/1/2013	\$ 711,231	\$ -	\$ 711,231	0.00%	\$ 545,832	130.30%

See independent auditors' report.

WHITE NELSON DIEHL EVANS LLP  
Certified Public Accountants & Consultants

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
*GOVERNMENT AUDITING STANDARDS*

The Commission Members  
Local Agency Formation Commission  
for the County of Los Angeles  
Pasadena, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Local Agency Formation Commission for the County of Los Angeles (the Commission), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated December 10, 2014.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Commission's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of Commission's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Commission's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

## **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Commission's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Commission's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Commission's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*White Nelson Dick Evans LLP*

Irvine, California  
December 10, 2014