



Local Agency Formation Commission  
for the County of Los Angeles

Commission

Jerry Gladbach  
Chair

Richard H. Close  
Donald L. Dear  
Margaret Finlay  
Don Knabe  
Sheila Kuehl  
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)

**LOCAL AGENCY FORMATION COMMISSION  
MEETING AGENDA**

Wednesday, August 10, 2016  
9:00 a.m.

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

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

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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**

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 July 13, 2016.
- b. Operating Account Check Register for the month of July 2016.
- c. Receive and file update on pending proposals.

**7. PUBLIC HEARING(S)**

- a. Annexation No. 2016-07 to the City of Santa Clarita (West Creek), and Negative Declaration.

**8. PROTEST HEARING(S)**

None.

**9. OTHER ITEMS**

- a. Appointment of Voting Representative – CALAFCO Annual Conference
- b. Contract with Davis Farr Certified Public Accountants
- c. Legislative Update

**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**

September 14, 2016  
October 12, 2016  
November 16, 2016  
December 14, 2016

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  
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REGULAR MEETING

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

July 13, 2016

Present:

Donald L. Dear, First Vice-Chair

Richard H. Close  
Margaret Finlay  
Don Knabe  
Sheila Kuehl  
David Spence

Michael D. Antonovich, Alternate  
Lori Brogin-Falley, Alternate  
Joe Ruzicka, Alternate

Paul A. Novak, AICP; Executive Officer  
Erik Conard, Legal Counsel

Absent:

Jerry Gladbach, Chair

Gerard McCallum

Paul Krekorian, Alternate  
Judith Mitchell, Alternate  
Greig Smith, Alternate



1 CALL MEETING TO ORDER

The meeting was called to order at 9:00 a.m. in Room 381-B of the County Hall of Administration.

2 PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by First Vice-Chair Donald L. Dear.

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 one (1) member of the audience who planned to testify.

[Supervisor Antonovich arrived at 9:01 a.m.]

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

- a. Annexation No. 2016-03 (formerly known as Annexation No. 2004-08) to the Los Angeles County Waterworks District No. 40 – Antelope Valley (Joshua Ranch).

The Commission voted to receive and file the notice.

MOTION:	FINLAY
SECOND:	RUZICKA (ALT. FOR GLADBACH)
AYES:	CLOSE, FINLAY, KNABE, KUEHL, RUZICKA (ALT. FOR GLADBACH), SPENCE, DEAR (FIRST VICE-CHAIR)
NOES:	NONE
ABSTAIN:	NONE
ABSENT:	KREKORIAN, McCALLUM
MOTION PASSES:	7/0/0

6 CONSENT ITEM(S) – OTHER

The Commission took the following actions under Consent Items:

- a. Approved Minutes of June 8, 2016.
- b. Approved Operating Account Check Register for the month of June 2016.
- c. Received and filed update on pending proposals.

MOTION: KNABE  
SECOND: RUZICKA (ALT. FOR GLADBACH)  
AYES: CLOSE, FINLAY, KNABE, KUEHL, RUZICKA (ALT. FOR  
GLADBACH), SPENCE, DEAR (FIRST VICE-CHAIR)  
NOES: NONE  
ABSTAIN: NONE  
ABSENT: KREKORIAN, McCALLUM  
MOTION PASSES: 7/0/0

7 PUBLIC HEARING(S)

The following item was called up for consideration:

- a. Annexation No. 2007-29 to the Quartz Hill Water District, Amendment to the Quartz Hill Water District Sphere of Influence (SOI).

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 Making Determinations, including the California Environmental Quality Act determinations, Approving and Ordering Annexation No. 2007-29 to the Quartz Hill Water District, Amendment to the Quartz Hill Water District Sphere of Influence (SOI); Resolution No. 2016-37RMD.

MOTION: RUZICKA (ALT. FOR GLADBACH)  
SECOND: KUEHL  
AYES: CLOSE, FINLAY, KNABE, KUEHL, RUZICKA (ALT. FOR  
GLADBACH), SPENCE, DEAR (FIRST VICE-CHAIR)  
NOES: NONE  
ABSTAIN: NONE

ABSENT: KREKORIAN, McCALLUM  
MOTION PASSES: 7/0/0

## 8 PROTEST HEARING(S)

The following items were called up for consideration as a Combined Protest Hearing:

- a. i. thru x.i.x.  
Exercise of New or Different Functions or Classes of Services for Los Angeles County Sanitation District Nos. 1, 2, 3, 4, 5, 8, 9, 15, 16, 17, 18, 19, 21, 22, 23, 28, 29, 30 (South Bay Cities), and 34.

The E.O. stated that this is the Commission protest hearings pursuant to Government Code Section 57000 *et seq.* and that no written protest(s) have been received in advance of the hearing.

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

The Commission took the following combined actions:

- Adopted the Resolution Making Determinations Ordering Exercise of New or Different Functions or Classes of Services No. 2016-11 for Los Angeles County Sanitation District No. 1; Resolution No. 2016-04PR.
- Adopted the Resolution Making Determinations Ordering Exercise of New or Different Functions or Classes of Services No. 2016-12 for Los Angeles County Sanitation District No. 2; Resolution No. 2016-05PR.
- Adopted the Resolution Making Determinations Ordering Exercise of New or Different Functions or Classes of Services No. 2016-13 for Los Angeles County Sanitation District No. 3; Resolution No. 2016-06PR.
- Adopted the Resolution Making Determinations Ordering Exercise of New or Different Functions or Classes of Services No. 2016-14 for Los Angeles County Sanitation District No. 4; Resolution No. 2016-07PR.
- Adopted the Resolution Making Determinations Ordering Exercise of New or Different Functions or Classes of Services No. 2016-15 for Los Angeles County Sanitation District No. 5; Resolution No. 2016-08PR.

- Adopted the Resolution Making Determinations Ordering Exercise of New or Different Functions or Classes of Services No. 2016-16 for Los Angeles County Sanitation District No. 8; Resolution No. 2016-09PR.
- Adopted the Resolution Making Determinations Ordering Exercise of New or Different Functions or Classes of Services No. 2016-17 for Los Angeles County Sanitation District No. 9; Resolution No. 2016-10PR.
- Adopted the Resolution Making Determinations Ordering Exercise of New or Different Functions or Classes of Services No. 2016-18 for Los Angeles County Sanitation District No. 15; Resolution No. 2016-11PR.
- Adopted the Resolution Making Determinations Ordering Exercise of New or Different Functions or Classes of Services No. 2016-19 for Los Angeles County Sanitation District No. 16; Resolution No. 2016-12PR.
- Adopted the Resolution Making Determinations Ordering Exercise of New or Different Functions or Classes of Services No. 2016-20 for Los Angeles County Sanitation District No. 17; Resolution No. 2016-13PR.
- Adopted the Resolution Making Determinations Ordering Exercise of New or Different Functions or Classes of Services No. 2016-21 for Los Angeles County Sanitation District No. 18; Resolution No. 2016-14PR.
- Adopted the Resolution Making Determinations Ordering Exercise of New or Different Functions or Classes of Services No. 2016-22 for Los Angeles County Sanitation District No. 19; Resolution No. 2016-15PR.
- Adopted the Resolution Making Determinations Ordering Exercise of New or Different Functions or Classes of Services No. 2016-23 for Los Angeles County Sanitation District No. 21; Resolution No. 2016-16PR.
- Adopted the Resolution Making Determinations Ordering Exercise of New or Different Functions or Classes of Services No. 2016-24 for Los Angeles County Sanitation District No. 22; Resolution No. 2016-17PR.
- Adopted the Resolution Making Determinations Ordering Exercise of New or Different Functions or Classes of Services No. 2016-25 for Los Angeles County Sanitation District No. 23; Resolution No. 2016-18PR.

- Adopted the Resolution Making Determinations Ordering Exercise of New or Different Functions or Classes of Services No. 2016-26 for Los Angeles County Sanitation District No. 28; Resolution No. 2016-19PR.
- Adopted the Resolution Making Determinations Ordering Exercise of New or Different Functions or Classes of Services No. 2016-27 for Los Angeles County Sanitation District No. 29; Resolution No. 2016-20PR.
- Adopted the Resolution Making Determinations Ordering Exercise of New or Different Functions or Classes of Services No. 2016-28 for Los Angeles County Sanitation District No. 30 (South Bay Cities); Resolution No. 2016-21PR.
- Adopted the Resolution Making Determinations Ordering Exercise of New or Different Functions or Classes of Services No. 2016-29 for Los Angeles County Sanitation District No. 34; Resolution No. 2016-22PR.

MOTION: SPENCE  
SECOND: FINLAY  
AYES: CLOSE, FINLAY, KNABE, KUEHL, RUZICKA (ALT. FOR  
GLADBACH), SPENCE, DEAR (FIRST VICE-CHAIR)  
NOES: NONE  
ABSTAIN: NONE  
ABSENT: KREKORIAN, McCALLUM  
MOTION PASSES: 7/0/0

## 9 OTHER ITEMS

The following item was called up for consideration:

- a. Hidden Creeks Estates Status Report.

The E.O. summarized the Hidden Creeks Estates Status Report.

Commissioner Close asked if the Los Angeles City Council (City) took a position on the Hidden Creeks Estates Project. The E.O. stated that the City had not taken a position, as the project will not be considered by the City Council until 2017. The E.O. noted that the City has directed staff to conduct additional research regarding the gas leak at the Aliso Canyon Storage Facility.

The Commission took the following action:

- Received and Filed.

MOTION: RUZICKA (ALT. FOR GLADBACH)  
SECOND: KUEHL  
AYES: CLOSE, FINLAY, KNABE, KUEHL, RUZICKA (ALT. FOR  
GLADBACH), SPENCE, DEAR (FIRST VICE-CHAIR)  
NOES: NONE  
ABSTAIN: NONE  
ABSENT: KREKORIAN, McCALLUM  
MOTION PASSES: 7/0/0

## 9 OTHER ITEMS

The following item was called up for consideration:

- b. Nomination of Gerard McCallum and David Spence to the CALAFCO Board of Directors.

The E.O. summarized the staff report on the proposed nomination of Gerard McCallum and David Spence to the CALAFCO Board of Directors.

The Commission took the following action:

- Nominated Commissioners Gerard McCallum and David Spence as candidates for the CALAFCO Board of Directors.

MOTION: FINLAY  
SECOND: KUEHL  
AYES: CLOSE, FINLAY, KNABE, KUEHL, RUZICKA (ALT. FOR  
GLADBACH), SPENCE, DEAR (FIRST VICE-CHAIR)  
NOES: NONE  
ABSTAIN: NONE  
ABSENT: KREKORIAN, McCALLUM  
MOTION PASSES: 7/0/0

## 9 OTHER ITEMS

The following item was called up for consideration:

- c. Legislative Update.

The E.O. noted that when the Legislative Update staff report was drafted last week, staff had concerns about the provisions relating to SB 1374. CALAFCO representatives and the E.O. had conversations with Senator Lara's legislative director, and it appears that the Senator is

supportive of amendments suggested by CALAFCO. The E.O. stated that the State Legislature is currently in recess until August 1<sup>st</sup>, so any draft amendments to SB 1374 would not become official until early August. The E.O. requested that the Commission refer back to staff the proposal to take a position on SB 1374.

The Commission took the following action:

- Received and Filed the Legislative Report.
- Directed the Executive Officer to refer back to staff regarding a formal position on SB 1374.

MOTION:	KUEHL
SECOND:	FINLAY
AYES:	CLOSE, FINLAY, KNABE, KUEHL, RUZICKA (ALT. FOR GLADBACH), SPENCE, DEAR (FIRST VICE-CHAIR)
NOES:	NONE
ABSTAIN:	NONE
ABSENT:	KREKORIAN, McCALLUM
MOTION PASSES:	7/0/0

#### 10 COMMISSIONERS' REPORT

None.

#### 11 EXECUTIVE OFFICER'S REPORT

The E.O. noted sample "thank you" letters, included in the Agenda package, will be finalized and mailed out to five other LAFCO's who assisted Los Angeles LAFCO relating to the Sanitation Districts of Los Angeles County Exercise of New or Different Functions or Classes of Services, consistent with a motion at last month's meeting.

The E.O. stated that each of the Commissioners received a flyer regarding the CALAFCO Annual Conference, October 26-28, 2016. The E.O. asked the Commissioners to notify staff if they plan to attend the conference, so staff can start booking registration and hotel rooms, as this conference will be well attended.

#### 12 PUBLIC COMMENT

Thomas Martin, General Manager with the Santa Clara County Water District (District), introduced himself to the Commission. Mr. Martin stated he started with the Santa Clara County Water District in March of 2015. Mr. Martin congratulated Supervisor Kuehl as a newly appointed LAFCO

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Commissioner. He also thanked Paul Novak and June Savala for their assistance.

Mr. Martin stated he wanted to formally introduce himself to the Commission, as an item regarding the Santa County Water District will appear on next month's Agenda in August. Commissioner Close asked what Mr. Martin's background is. Mr. Martin stated he previously worked in the Public Affairs division of the Water Replenishment District of Los Angeles County, and is a former assistant to the General Manager of the Orange County Cemetery District. Mr. Martin stated he is also currently a Councilmember in the City of Maywood. The Commission thanked him for his introduction.

### 13 FUTURE MEETINGS

August 10, 2016  
September 14, 2016  
October 12, 2016  
November 16, 2016

### 14 FUTURE AGENDA ITEMS

None.

### 15 ADJOURNMENT MOTION

On motion of Commissioner Finlay, seconded by Commissioner Ruzicka (Alt. for Gladbach), the meeting was adjourned at 9:16 a.m.

Respectfully submitted,

Paul A. Novak, AICP, Executive Officer



3:39 PM

08/01/16

Accrual Basis

# LAFCO 03 Register Report July 2016

Type	Date	Num	Name	Memo	Amount	Balance
<b>10000 Cash Unrestricted</b>						
<b>10003 Operating Account</b>						
Check	07/01/2016	DM	Bank of America*	Account Analysis Fee: ...	-26.75	-26.75
Bill Pmt -Check	07/07/2016	8057	80 South Lake LLC	NO000758-1	-7,331.22	-7,357.97
Bill Pmt -Check	07/07/2016	8058	Alliant Insurance Inc.		-21,306.03	-28,664.00
Bill Pmt -Check	07/07/2016	8059	CALAFCO"	CALAFCO Member du...	-8,107.00	-36,771.00
Bill Pmt -Check	07/07/2016	8060	Certified Records Managment	Storage period 07/01/1...	-241.52	-37,012.52
Bill Pmt -Check	07/07/2016	8061	Charter Communications	Acct # 8245100171576...	-501.96	-37,514.48
Bill Pmt -Check	07/07/2016	8062	CoreLogic	Acct#200-694038-RR6...	-52.32	-37,566.80
Bill Pmt -Check	07/07/2016	8063	County of Los Angeles*	July-Dec 2016: Anthe...	-43,136.52	-80,703.32
Bill Pmt -Check	07/07/2016	8064	CTS Glendale		-637.50	-81,340.82
Bill Pmt -Check	07/07/2016	8065	Delta Dental*	July-December 2016	-4,111.20	-85,452.02
Bill Pmt -Check	07/07/2016	8066	Gina Duche	Bookkeeping: 5.0 Hrs	-125.00	-85,577.02
Bill Pmt -Check	07/07/2016	8067	Kaiser*	July-December 2016	-15,679.02	-101,256.04
Bill Pmt -Check	07/07/2016	8068	LACERA	LAFCO OPEB: June 2...	-1,906.49	-103,162.53
Bill Pmt -Check	07/07/2016	8069	Mail Finance	Cust#416653, 12-Jul-1...	-126.42	-103,288.95
Bill Pmt -Check	07/07/2016	8070	MetLife*	Cert#32429435, P. Nov...	-495.00	-103,783.95
Bill Pmt -Check	07/07/2016	8071	Motor Parks	Cust#025-001, Unreser...	-630.00	-104,413.95
Bill Pmt -Check	07/07/2016	8072	Office Depot*		-53.63	-104,467.58
Bill Pmt -Check	07/12/2016	8073	Ricoh Americas Corp	036-0027688-000	-1,570.57	-106,038.15
Bill Pmt -Check	07/14/2016	8074	County Counsel	Legal services: May 2016	-3,591.56	-109,629.71
Bill Pmt -Check	07/14/2016	8075	CTS Glendale	LAFCO - Wireless Acc...	-190.75	-109,820.46
Bill Pmt -Check	07/14/2016	8076	Digitronix One*	Project#Canon IR3380	-216.88	-110,037.34
Bill Pmt -Check	07/14/2016	8077	FedEx*	Acct#1244-7035-8	-172.31	-110,209.65
Bill Pmt -Check	07/14/2016	8078	Gina Duche	Bookkeeping: 6.5 Hrs	-162.50	-110,372.15
Bill Pmt -Check	07/14/2016	8079	Office Depot*	Acct#32368442	-39.22	-110,411.37
Bill Pmt -Check	07/14/2016	8080	Platinum Consulting	LA LAFCO	-641.25	-111,052.62
Bill Pmt -Check	07/14/2016	8081	Respond Tech	Acct#0000LA01-01	-100.00	-111,152.62
Check	07/15/2016	DD	Ambar De La Torre	Salary, July 15, 2016	-1,695.57	-112,848.19
Check	07/15/2016	DD	Douglass Dorado	Salary, July 14, 2016	-2,514.79	-115,362.98
Check	07/15/2016	DD	Michael E. Henderson	Salary, July 14, 2016	-1,896.69	-117,259.67
Check	07/15/2016	DD	Patricia Knoebl-Wood	Salary, July 14, 2016	-1,099.58	-118,359.25
Check	07/15/2016	DD	Paul Novak	Salary, July 14, 2016	-4,262.38	-122,621.63
Check	07/15/2016	DD	Alisha O'Brien	Salary, July 14, 2016	-1,972.20	-124,593.83
Check	07/15/2016	DD	June D. Savala	Salary, July 14, 2016	-3,669.50	-128,263.33
Check	07/15/2016	DM	Federal Tax Deposit	Payroll Taxes, July 14, ...	-4,732.15	-132,995.48
Check	07/15/2016	DM	State Income Tax	Payroll Taxes, July 14, ...	-1,187.43	-134,182.91
Check	07/15/2016	47652...	ADP	Processing charges for ...	-135.53	-134,318.44
Bill Pmt -Check	07/21/2016	8082	ATT	Acct#990566760, 06/1...	-267.52	-134,585.96
Bill Pmt -Check	07/21/2016	8083	County Counsel	Legal services: June 20...	-3,648.88	-138,234.84
Bill Pmt -Check	07/21/2016	8084	Gina Duche	Bookkeeping: 5.0 Hrs	-125.00	-138,359.84
Bill Pmt -Check	07/21/2016	8085	LA County Chief Administrative Office	Cust#C000766, Jun 2016	-226.03	-138,585.87
Bill Pmt -Check	07/21/2016	8086	Mail Finance	Cust#416653, 12-Aug-...	-126.42	-138,712.29
Bill Pmt -Check	07/21/2016	8087	Office Depot*		-113.63	-138,825.92
Bill Pmt -Check	07/21/2016	8088	Patricia Knoebl-Wood*	Reimbursement: Cart	-129.95	-138,955.87
Bill Pmt -Check	07/21/2016	8089	Tropical Interior Plants	Service: June 2016	-100.00	-139,055.87
Bill Pmt -Check	07/26/2016	8090	80 South Lake LLC	NO000758-1	-7,331.22	-146,387.09
Bill Pmt -Check	07/26/2016	8091	Bank of America*	Acct#4024 4210 0091 ...	-280.96	-146,668.05
Bill Pmt -Check	07/26/2016	8092	CALAFCO"	CALAFCO 2016 Confe...	-920.00	-147,588.05
Bill Pmt -Check	07/26/2016	8094	Daily Journal	Cust#1124120362	-23.25	-147,611.30
Bill Pmt -Check	07/26/2016	8095	Gina Duche	Bookkeeping: 5.0 Hrs	-125.00	-147,736.30
Bill Pmt -Check	07/26/2016	8096	LACERA	Employee/Employer c...	-11,608.43	-159,344.73
Bill Pmt -Check	07/26/2016	8097	Printing and Copy Store	Classic Crest Letterhead	-206.01	-159,550.74
Bill Pmt -Check	07/26/2016	8098	LACERA	Employee/Employer c...	-10,863.36	-170,414.10
Bill Pmt -Check	07/26/2016	8099	Motor Parks	Cust#025-001, Unreser...	-630.00	-171,044.10
Check	07/29/2016	30807...	Michael D. Antonovich		-105.20	-171,149.30
Check	07/29/2016	30807...	Lori W. Brogin	Stipend, July 29, 2016	-147.82	-171,297.12
Check	07/29/2016	30807...	Richard Close	Stipend, July 29, 2016	-147.82	-171,444.94
Check	07/29/2016	DD	Donald L. Dear	Stipend, July 29, 2016	-147.83	-171,592.77
Check	07/29/2016	30807...	Margaret E. Finlay	Stipend, July 29, 2016	-147.82	-171,740.59
Check	07/29/2016	30807...	Edward G. Gladbach	Stipend, July 29, 2016	-147.83	-171,888.42
Check	07/29/2016	30807...	Donald Knabe	Stipend, July 29, 2016	-147.83	-172,036.25
Check	07/29/2016	30807...	Sheila A Kuehl	Stipend, July 29, 2016	-136.40	-172,172.65
Check	07/29/2016	DD	David Spence	Stipend, July 29, 2016	-147.82	-172,320.47
Check	07/29/2016	DD	Ambar De La Torre	Salary, July 29, 2016	-1,731.42	-174,051.89
Check	07/29/2016	DD	Douglass Dorado	Salary, July 29, 2016	-2,566.03	-176,617.92
Check	07/29/2016	DD	Michael E. Henderson	Salary, July 29, 2016	-1,896.68	-178,514.60
Total 10003 Operating Account					-178,514.60	-178,514.60
Total 10000 Cash Unrestricted					-178,514.60	-178,514.60
<b>TOTAL</b>					<b>-178,514.60</b>	<b>-178,514.60</b>

**AGENDA ITEM NO. 6c - August 10, 2016**

**PENDING PROPOSALS AS OF August 2, 2016**

		LAFCO Designation	Applicant	Description	Status	Date Filed	Est. Date of Completion
1	AOB	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.	Incomplete filing: property tax transfer resolution, registered voter and landowner labels.	5/16/2006	Unknown
2	AOB	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.	Incomplete filing: CEQA, registered voter labels, landowner labels, and approved map and legal.	10/5/2006	Unknown
3	AOB	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	Incomplete filing: property tax transfer resolution, registered voter and landowner labels.	12/1/2006	Unknown
4	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.	Notice of Filing sent 6-6-07 Incomplete filing: property tax transfer resolution, registered voter and landowner labels, map of limiting addresses, and list of limiting addresses. Waiting for a withdraw letter from city.	1/4/2007	Unknown
5	AOB	Annexation 2008-13 to Los Angeles County Waterworks District No. 40	Lancaster School Dist.	Annex 20.47 acres of vacant land located 2 miles west of the Antelope Valley fw. And the nearest paved major streets are ave. H. And Ave. I, in the City of Lancaster. For future construction of a school.	Notice of Filing sent 04/22/09. Incomplete filing: property tax transfer resolution, and CEQA.	9/22/2008	Unknown
6	AOB	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	Notice of Filing sent 02/24/09. Incomplete filing: property tax transfer resolution and CEQA	12/5/2008	Unknown
7	AOB	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.	Notice of Filing sent 07-15-10. Incomplete filing: CEQA. EIR on hold 4-14-15. Applicant requested to keep this file open, pending details how to proceed with the project 04/29/15.	6/9/2010	Unknown
8	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.	Notice of Filing sent 1-3-11 Incomplete filing: property tax transfer resolution, insufficient CEQA, unclear pre-zoning ordinance, approved map and legal. Need to include DUC.	10/25/2010	Unknown

		LAFCO Designation	Applicant	Description	Status	Date Filed	Est. Date of Completion
9	AOB	Reorganization 2011-16 (Tesoro del Valle)	Montalvo Properties LLC	Annexation to NCWD and CLWA SOI Amendments for both districts. 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.	Notice of Filing sent 05-31-11. Incomplete filing: property tax transfer resolution.	5/5/2011	Unknown
10	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.	Notice of Filing sent 2-15-12. Incomplete filing: property tax transfer resolution, CEQA, pre-zoning ordinance, map of limiting addresses, list of limiting addresses, and approved map and legal.	12/8/2011	Unknown
11	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.	Notice of Filing sent 3-22-12. Incomplete filing: property tax transfer resolution, inadequate CEQA, maps of limiting addresses, list of limiting addresses, and approved map and legal. DUC adjacent	3/8/2012	Unknown
12	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.	Notice of Filing sent 3-20-14. Incomplete filing: property tax transfer resolution, CEQA, pre-zoning ordinance, radius map, landowner and registered voter labels, landowner consent letter, approved map and legal	3/18/2014	Unknown
13	AOB	Annexation No. 2014-09 to Los Angeles County Waterworks District No. 36, Val Verde (Los Valles Development)	SFI Los Valles LLC	SOI Amendment and Annexation of 10± acres located north of Halsey Canyon Road and Los Valles Drive, all within unincorporated territory of Castaic	Notice of Filing sent 10-02-14. Incomplete filing: property tax transfer resolution, CEQA, and approved map and legal.	7/15/2014	Unknown
14	AOB	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 Pearlblossom. Install and operate a new sand and gravel mining operation.	Notice of Filing sent 09-30-14. Incomplete filing: property tax transfer resolution, CEQA, radius labels, mailing labels of landowners and registered voters, approved map and legal.	9/29/2014	Unknown



		LAFCO Designation	Applicant	Description	Status	Date Filed	Est. Date of Completion
15	DD	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.	Notice of Filing sent 1-8-15. Incomplete filing: property tax transfer resolution, CEQA, pre-zoning ordinance, radius map, mailing labels of landowners and registered voters, approved map and legal.	12/10/2014	Unknown
16	DD	Annexation No. 2015-11 to the City of Palmdale (Desert View Highlands)	City of Palmdale	284 acres inhabited territory. Generally located north and south of Elizabeth Lake Road between Amargosa Creek and 10th street west, in Los Angeles County unincorporated territory surrounded by the City of Palmdale	Notice of Filing sent 9-22-15. Incomplete filing: property tax resolution, attachment 'A' plan for municipal services, CEQA (NOD), party disclosure, pre-zoning, map of limiting addresses, registered voter info	9/15/2015	Unknown
17	DD	Annexation No. 2015-09 to the City of Pomona	City of Pomona	5.76 acres uninhabited territory. Located south of Valley Blvd approximately 2500' east of Grand Ave. adjacent to the City of Industry and Pomona.	Notice of Filing sent 9-23-15. Incomplete filing: property tax transfer resolution, attachment "A" plan for municipal services, CEQA, party disclosure, pre-zoning, limiting addresses, map of limiting addresses, radius map, registered voter labels within affected territory, registered voters within 300' radius, landowners within affected territory, landowners within 300' radius, map and legal not approved	9/22/2015	Unknown
18	AOB	Annexation No. 2015-06 to the Newhall County Water District	Newhall County Water District	0.10 acres uninhabited territory. Located south of Newhall Ranch Road, west of Copper Hill Drive, in the City of Santa Clarita. Existing booster station facility.	Notice of Filing sent 10-14-15. Incomplete filing: property tax transfer resolution, map and legal not approved.	9/24/2015	Unknown
19	AOB	Annexation No. 2015-07 to the Newhall County Water District	Newhall County Water District	2.43 acres uninhabited territory. Located south of the Antelope Valley Freeway (SR-14), east of Sand Canyon Road, in the City of Santa Clarita. Construction of a water well.	Notice of Filing sent 10-14-15. Incomplete filing: property tax transfer resolution, map and legal not approved.	9/24/2015	Unknown
20	DD	Annexation No. 2015-10 to the City of Agoura Hills	City of Agoura Hills	117 acres uninhabited territory. Located northeast and southwest of Chesebro Road directly north of the Highway 101	Notice of Filing sent 11-3-15. Incomplete filing: property tax transfer resolution.	11/2/2015	Unknown

		LAFCO Designation	Applicant	Description	Status	Date Filed	Est. Date of Completion
21	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1077	Sanitation Districts	1.96 acres. Located on Sierra Highway at American Beauty Drive, all within the City of Santa Clarita.	Notice of Filing sent 12-22-15 Incomplete filing: property tax transfer resolution.	12/21/2015	Unknown
22	AD	Annexation 747 to District No. 21	Sanitation Districts	0.78 acres. Located on Glen Way approximately 400 feet north of Baseline Road, all within unincorporated Los Angeles County.	Notice of Filing sent 01-06-16 Incomplete filing: property tax transfer resolution.	1/4/2016	Unknown
23	AD	Annexation 748 to District No. 21	Sanitation Districts	0.8 acres. Located on the northwest corner of Towne avenue and Richbrook Drive, all within the City of Pomona.	Notice of Filing sent 01-06-16 Incomplete filing: property tax transfer resolution.	1/4/2016	Unknown
24	AD	Annexation 423 to District No. 22	Sanitation Districts	0.91 acres. Located at the terminus of Via Romales, all within the City of San Dimas.	Notice of Filing sent 01-06-16 Incomplete filing: property tax transfer resolution.	1/4/2016	Unknown
25	AD	Annexation 424 to District No. 22	Sanitation Districts	14.96 acres. Located on San Dimas Canyon Road south of Caballo Ranch Road, all within the City of La Verne.	Notice of Filing sent 01-06-16 Incomplete filing: property tax transfer resolution.	1/4/2016	Unknown
26	DD	Reorganization No. 2015-14 to the City of Pomona	City of Pomona	5.1 acres uninhabited territory. Located south of Valley Blvd approximately 2500' east of Grand Ave. adjacent to the City of Industry and Pomona.	Notice of Filing sent 2-2-15 Incomplete filing: property tax transfer resolution. attachment "A" plan for municipal services, party disclosure, map of limiting addresses, registered voter labels within affected territory, registered voters within 300' radius, landowners within affected territory, landowners within 300' radius, map and legal not approved	1/28/2016	Unknown
27	AOB	Reorganization No. 2016-01 to the Las Virgenes Municipal Water District	Las Virgenes Municipal Water District	Detachment from West Basin Municipal Water District, and annexation to the Las Virgenes Municipal Water District. Both districts require SOI amendments. The territory consists of 26 single-family homes, generally located south of Cairnloch Street, west of Summit Mountain Way, all within the City of Calabasas.	Notice of Filing sent 04-19-16 Incomplete filing: property tax transfer resolution, and map and legal not approved.	2/22/2016	Unknown
28	AD	Annexation 294 to District No. 15	Sanitation Districts	0.4 Acres of uninhabited territory. Located on Turnbull Canyon Road approximately 100 feet south of Jantu Avenue, all within unincorporated Los Angeles County.	Notice of Filing sent 03-08-16 Incomplete filing: property tax transfer resolution.	3/3/2016	Unknown
29	AD	Annexation 295 to District No. 15	Sanitation Districts	1.268 Acres of uninhabited territory. Located on Hacienda Boulevard approximately 200 feet south of West Francisquito Avenue, all within the City of La Puente.	Notice of Filing sent 03-08-16 Incomplete filing: property tax transfer resolution.	3/3/2016	Unknown
30	AD	Annexation 749 to District No. 21	Sanitation Districts	0.389 Acres of uninhabited territory. Located on Mountain Avenue approximately 300 feet north of Baseline Road, all within unincorporated Los Angeles County.	Notice of Filing sent 03-08-16 Incomplete filing: property tax transfer resolution.	3/3/2016	Unknown

		LAFCO Designation	Applicant	Description	Status	Date Filed	Est. Date of Completion
31	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1080	Sanitation Districts	2.559 Acres of uninhabited territory. Located on Lost Canyon Road approximately 300 feet east of Sand Canyon Road, all within the City of Santa Clarita.	Notice of Filing sent 03-09-16 Incomplete filing: property tax transfer resolution.	3/8/2016	Unknown
32	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1082	Sanitation Districts	3.995 Acres of uninhabited territory. Located on Santa Clara Street at the terminus of Oak Avenue, all within the City of Santa Clarita.	Notice of Filing sent 03-09-16 Incomplete filing: property tax transfer resolution.	3/8/2016	Unknown
33	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1083	Sanitation Districts	82.233 Acres of uninhabited territory. Located at the northerly terminus of Phantom Trail, all within the City of Santa Clarita.	Notice of Filing sent 03-09-16 Incomplete filing: property tax transfer resolution.	3/8/2016	Unknown
34	AD	Annexation 420 to District No. 14	Sanitation Districts	1.76 Acres of uninhabited territory. Located on Avenue M-2 approximately 200 feet west of 50th Street West, all within unincorporated Los Angeles County.	Notice of Filing sent 04-07-16 Incomplete filing: property tax transfer resolution.	4/6/2016	Unknown
35	DD	Annexation No. 2016-07 to the City of Santa Clarita (West Creek)	City of Santa Clarita	1,018.39 acres of inhabited territory. Located north, west, and southwest of the intersection of Copperhill Drive and McBean Parkway in unincorporated Los Angeles County adjacent to the City of Santa Clarita	August 10th agenda.	4/14/2016	Sep-2016
36	AD	Annexation 750 to District No. 21	Sanitation Districts	4.36 acres of uninhabited territory. Located on Mountain Avenue approximately 300 feet south of Valparaiso Drive, all within unincorporated Los Angeles County.	Notice of Filing sent 06-14-16 Incomplete filing: property tax transfer resolution.	6/8/2016	Unknown
37	AOB	Annexation No. 2016-03 to the Los Angeles County Waterworks District No. 40 - Antelope Valley	CV Communities LLC	Planned development of 535 single-family homes, open space, and landscaping and drainage facilities. 587± acres of uninhabited territory, generally located north of Elizabeth Lake Road, south and west of the California Aqueduct, east of 50th Street West and west of 30th street West, all within the City of Palmdale.	Notice of Filing sent 06-28-16 Incomplete filing: property tax transfer resolution, and map and legal not approved.	5/22/2016	Unknown

**Staff Report**

**August 10, 2016**

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

**Annexation No. 2016-07 to the City of Santa Clarita (West Creek)**

**PROPOSAL SUMMARY:**

Size of Affected Territory:	1,018.39± acres
Inhabited/Uninhabited:	Inhabited
Applicant:	City of Santa Clarita
Resolution or Petition:	April 12, 2016
Application Filed with LAFCO:	April 14, 2016
Location:	The affected territory is generally located north, west, and southwest of the intersection of Copper Hill Drive and McBean Parkway, in Los Angeles unincorporated territory adjacent to the City of Santa Clarita.
City/County:	Los Angeles County unincorporated territory.
Affected Territory:	The affected territory consists of a park, commercial, residential, and vacant land. The territory is being developed to include more residential units and a commercial/retail center. The topography is hilly.
Surrounding Territory:	Surrounding the territory is residential and vacant land.
Landowner(s):	There are multiple owners of record.
Registered Voters:	1,719 registered voters as of May 2, 2016.

Purpose/Background:	The purpose is to annex the communities of West Creek and West Hills into the City of Santa Clarita. The property owners living within the affected territory approached the City of Santa Clarita requesting annexation, citing the quality of services provided by the City and the desire for local government representation as the reasons for the annexation.
Related Jurisdictional Changes:	Annexation to Santa Clarita Streetlight Maintenance District No. 1; detachment from County Road District No. 5; withdrawal from County Lighting Maintenance District 1687 and the County Public Library System; and exclusion from County Lighting District LLA-1, Unincorporated Zone.
Within SOI:	Yes
Waiver of Notice/Hearing/Protest:	No
CEQA Clearance:	The California Environmental Quality Act (CEQA) clearance is a Negative Declaration adopted by the City of Santa Clarita, as lead agency, on April 26, 2016.
Additional Information:	None



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

***a. Population:***

The existing population is 5,151 residents as of April 14, 2016. The population density is 5.06 persons per acre.

The affected territory is 1,018.39+/- acres. The affected territory consists of a park, commercial, residential, and vacant land. The territory is being developed to include more residential units and a commercial/retail center.

The assessed valuation is \$872,114,616 as of November 2015.

The per capita assessed valuation is \$169,310.

On July 19, 2016, 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 hilly.

The affected territory is bounded by San Francisquito Creek, located adjacent to the property to the east. There are no drainage basins on or near the affected territory

The nearest populated area is adjacent to the affected territory. The affected territory is likely to experience modest growth in the next ten years. The adjacent areas are likely to experience modest growth in the next ten years.

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

The affected territory includes and will be developed to include residential and commercial areas 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 minimal.

	Current Service Provider	Proposed Service Provider
Animal Control	County	Same- under contract with County Animal Care and Control
Fire and Emergency Medical	Consolidated Fire Protection District	Same
Flood Control	County	Same
Library	County Library	City of Santa Clarita

Mosquito & Vector Control	Greater Los Angeles County Vector Control District	Same
Park and Recreation	County	City of Santa Clarita
Planning	County	City of Santa Clarita
Police	County Sheriff	Same- under contract with County Sheriff
Road Maintenance	County	City of Santa Clarita
Solid Waste	County-Private hauler	City of Santa Clarita-Private hauler
Street Lighting	County	City of Santa Clarita
Water	Castaic Lake Water Agency (Santa Clarita Water Division), Newhall County Water District, and Valencia Water Co.	Same
Wastewater	Santa Clarita Valley Sanitation District	Same

The County will continue to provide animal control and flood control to the annexation area. Upon approval of the annexation request, the City of Santa Clarita will provide library services, park and recreation, planning, road maintenance, and street lighting services as well as police and solid waste services directly or through contracts. The City will continue to provide adequate services and maintain current service levels. Enhanced service levels will be financed through city general fund revenues or developer fees.

There are no changes in fire and emergency medical, mosquito and vector control, police, water, and wastewater service providers and in levels of service. Solid waste service is currently provided by the County through contract with a private hauler; upon approval of the annexation, the City of Santa Clarita will provide service through contract with a private hauler. No change in service level is anticipated.

The County manages several special assessment districts within the proposed annexation area. As part of this annexation request, the affected territory will be detached from County Road Maintenance District No. 5; withdrawal from County Lighting Maintenance District 1687 and County Public Library System; exclusion from County Lighting District LLA-1, Unincorporated Zone, and the City of Santa Clarita will assume responsibility for funding and providing the services. The following special district assessments would be applied upon annexation: Open Space Preservation District - \$31.50 per single-family residence per year, Stormwater Facility Maintenance District- \$23.00 per single-family residence per year, Landscape Maintenance District \$62.86 per single-family residence per year, and annexation to Santa Clarita Street Light Maintenance District No. 1 - \$75.80 per single-family residence per year.

**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 governmental structure of the County.

The effect of alternate actions 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 OS C&W Open Space Conservation and Water, P Public and Semi-Public, H 2&18 Residential, GC General Commercial.

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

The proposal is consistent with the existing County zoning designation of OS Open Space, RPD Residential Planned Development, R Residential, and C Commercial.

Pursuant to the requirements of Government Code Section 56375(a)(7), Pre-Zoning Ordinance No. 16-05 was adopted by the City of Santa Clarita City Council on April 26, 2016. The pre-zoning designation of OS Open Space, CN Neighborhood Commercial, PI Public Institutional, and UR Urban Residential the affected territory is consistent with the City of Santa Clarita General Plan.

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

The affected territory is within the Sphere of Influence of the City of Santa Clarita.

***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 Santa Clarita currently provides municipal services to almost 62,000 parcels of land. The annexation would add approximately 1,900 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.

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

There are no known issues regarding water supply or delivery. Existing water providers are the same before and after annexation.

***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 186 of very low, 113 low, 122 moderate, and 306 above moderate income units from the County to the City.

***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 OS C&W Open Space Conservation and Water, P Public and Semi-Public, H 2&18 Residential, GC General Commercial.

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

The proposal is consistent with the existing County zoning designation of OS Open Space, RPD Residential Planned Development, R Residential, and C Commercial.

Pursuant to the requirements of Government Code Section 56375(a)(7), Pre-Zoning Ordinance No. 16-05 was adopted by the City of Santa Clarita City Council on April 26, 2016. The pre-zoning designation of OS Open Space, CN Neighborhood Commercial, PI Public Institutional, and UR Urban Residential the affected territory is consistent with the City of Santa Clarita 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.

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

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

The CEQA clearance is a Negative Declaration adopted by the City of Santa Clarita, as lead agency, on April 26, 2016. The Commission is a responsible agency pursuant to CEQA and State CEQA Guidelines Section 15096.

**CONCLUSION:**

Staff recommends approval of the proposal as a logical and reasonable extension of City of Santa Clarita 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;
2. There being no further testimony, close the public hearing;
3. Adopt the Resolution Making Determinations, including the California Environmental Quality Act determinations, Approving Annexation No. 2016-07 to the City of Santa Clarita (West Creek); and
4. Pursuant to Government Code Section 57002, set September 14, 2016, at 9:00 a.m., as the date and time for Commission protest proceedings.

**RESOLUTION NO. 2016-00RMD  
RESOLUTION OF THE LOCAL AGENCY FORMATION  
COMMISSION FOR THE COUNTY OF LOS ANGELES  
MAKING DETERMINATIONS APPROVING  
"ANNEXATION NO. 2016-07 TO THE CITY OF SANTA CLARITA (WEST CREEK)"**

WHEREAS, the City of Santa Clarita (City) adopted a resolution of application to initiate proceedings, which was submitted to the Local Agency Formation Commission for the County of Los Angeles (Commission), pursuant to, Division 3, Title 5, of the California Government Code (commencing with section 56000, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000), for annexation of territory herein described to the City and Santa Clarita Streetlight Maintenance District No. 1; detachment of said territory from County Road District No. 5; withdrawal from County Lighting Maintenance District 1687 and County Public Library System, and exclusion from County Lighting District LLA-1, Unincorporated Zone, all within the County of Los Angeles (County); and

WHEREAS, the proposed annexation consists of approximately 1,018.39± acres of inhabited territory and is assigned the following distinctive short-form designation:

"Annexation No. 2016-07 to the City of Santa Clarita (West Creek)"; 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 to the City is that a majority of the landowners within the affected territory desire the services provided by the City and local government representation; and

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

WHEREAS, the Executive Officer has given notice of the public hearing pursuant to Government Code Sections 56150-56160, 57025, and 57026, wherein the public hearing notice was published in a newspaper of general circulation in the County of Los Angeles on July 21, 2016, 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 August 10, 2016, 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; and

WHEREAS, pursuant to Government Code Section 57002, the Commission set the protest hearing for September 14, 2016 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. Acting in its role as a responsible agency with respect to Annexation No. 2016-07 to the City of Santa Clarita (West Creek), pursuant to California Environmental Quality Act (CEQA), the Commission considered the Negative Declaration prepared by the City of Santa Clarita, as lead agency, on April 26, 2016, together with any comments received during the public review process; and certifies that the Commission has independently reviewed and considered and reached its own conclusions regarding the environmental effects of the proposed project as shown in the Negative Declaration.
2. A description of the boundaries and map of the proposal, as approved by this Commission, are set forth in Exhibits "A" and "B", attached hereto and by this reference incorporated herein.
3. The affected territory consists of 1,018.39± acres, is inhabited, and is assigned the following short form designation:  
  
"Annexation No. 2016-07 to the City of Santa Clarita (West Creek)".
4. Annexation No. 2016-07 to the City of Santa Clarita (West Creek) 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 and Santa Clarita Streetlight Maintenance District No. 1.
- h. Detachment of the affected territory from County Road District No. 5.
- i. Withdrawal of affected territory from County Lighting Maintenance District 1687 and the County Public Library System.
- j. Exclusion of 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
5. Pursuant to Government Code Section 57002, the Commission hereby sets the protest hearing for September 14, 2016 at 9:00 a.m. and directs the Executive Officer to give notice thereof pursuant to Government Code Sections 57025 and 57026.
6. 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 10<sup>th</sup> day of August 2016.

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**





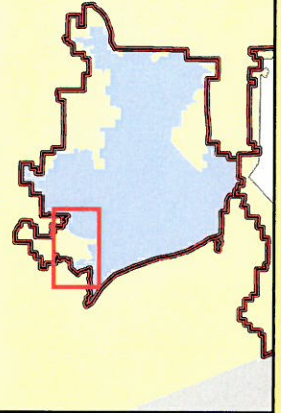
# Legend

-  Santa Clarita Sphere of Influence
-  Annexation 2016-07 to Santa Clarita
-  City of Santa Clarita

## Annexation No. 2016-07 to the City of Santa Clarita (West Creek)



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





**Staff Report**

**August 10, 2016**

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

**Appointment of Voting Representative  
California Association of Local Agency Formation  
Commissions (“CALAFCO”) Annual Conference**

CALAFCO is hosting its annual conference in Santa Barbara from October 26 through October 28, 2016. CALAFCO requires each member LAFCO to appoint a voting member and an alternate for voting purposes, primarily for the selection of members of CALAFCO’s Board of Directors.

**Recommended Action:**

1. Designate First Vice-Chair Don Dear and Second Vice-Chair Gerard McCallum as the voting Member and Alternate, respectively, for the CALAFCO 2016 Annual Conference in Sacramento.

## **Staff Report**

**August 10, 2016**

### **Agenda Item No. 9.b.**

#### **Award of Contract for Financial Audit Services Fiscal Years 2015-2016, 2016-2017, 2017-2018, and 2018-2019**

##### Background

For the last four fiscal years (Fiscal Year 2011-2012 through Fiscal Year 2014-2015), and consistent with a contract the commission awarded in June of 2012, the accounting firm of White Nelson Diehl Evans LLP has prepared LAFCO's annual audits. Having concluded the 2014-2015 audit, White Nelson's contract with LAFCO has ended.

Prior to White Nelson, the accounting firm of Vasquez & Associates completed the preceding four fiscal year audits, ending in Fiscal Year 2010-2011.

Although the Commission has not adopted a policy on rotating auditors, staff has worked diligently to retain new auditors a minimum of every five years.

##### RFP Process

As was done previously, when the Commission awarded the contract to White Nelson in 2012, LAFCO partnered with five other Southern Region LAFCOs (Imperial, Orange, Riverside, and San Bernardino) to solicit proposals from qualified Certified Public Accountant (CPA) firms to perform audits for the next four years. Firms receiving an RFP were those identified as Certified Public Accountant (CPA) firms, or CPA firms recommended by other LAFCOs with experience in preparing similar audits for local governments.

On March 21, 2016 a notice of availability of a Request for Proposals was mailed to 59 firms inviting them to submit proposals to perform an audit of LAFCO's financial records for Fiscal Years ending June 30, 2016; 2017; 2018; and 2019. At the close of business on May 2, 2016, twelve firms submitted proposals.

The evaluation criteria that were used to score proposals included, but were not limited to, the firm's licensing; independence with respect to LAFCO and results of most recent peer review; qualifications and related experience of the audit team who will serve LAFCO (Partner, Manager and Senior Auditors); experience of the firm auditing California agencies; prior experience of the engagement team in implementation of GASB #34 and other GASB pronouncements; reference of local government clients; thoroughness of approach to conducting the audit of LAFCO; demonstration of the understanding of the objectives and scope of the audit; commitment to timeliness in the conduct of the audit; and maximum fees to conduct the audit.

On May 24<sup>th</sup>, representatives of the five LAFCOs conferred by conference call, and narrowed the proposals to four finalists. Those firms were Brown Armstrong Accountancy Corporation; Chavan & Associates, LLP; Davis Farr, LLP; and Eadie & Payne, LLP. On June 16<sup>th</sup>, representatives of the five LAFCOs met at Orange LAFCO to interview the four finalists. Your Executive Officer and Deputy Executive Officer participated in both the conference call and the interviews of the four finalists. After evaluation and discussion, representatives of all five LAFCOs selected Davis Farr, LLP.

The four finalists selected were in the middle range of most firms which submitted proposals (roughly \$6,000 to \$12,000 per year). The following table shows the annual and aggregate proposal amounts submitted by each of the four finalists to perform the financial audits for LA LAFCO.

<b>FIRM</b>	<b>2015-2016</b>	<b>2016-2017</b>	<b>2018-2019</b>	<b>2019-2020</b>	<b>Totals</b>
Brown Armstrong	\$10,000	\$10,000	\$10,000	\$10,000	\$40,000
Chavan & Associates, LLP	\$6,300	\$6,300	\$6,300	\$6,300	\$25,200
Davis Farr, LLP	\$7,200	\$7,300	\$7,400	\$7,500	\$29,400
Eadie & Payne, LLP	\$8,030	\$8,270	\$8,520	\$8,780	\$33,600

Staff notes that Davis Farr, based in Irvine, specializes in providing accounting, bookkeeping, and auditing services to local governments in Southern California. Davis Farr has performed recent audits for San Diego LAFCO and has provided bookkeeping services to Orange LAFCO. The references provided, as well as our counterparts at Orange LAFCO and San Diego LAFCO, were all very positive in their assessment of Davis Farr. In addition to being a CPA, the firm's lead partner, Jennifer Farr, holds Bachelor of Arts in Business Administration and English and a Masters of Business Administration from California State University at Fullerton; she has been practicing accounting and auditing since 1997.



**Recommended Action**

1. Award contract for auditing services to Davis Farr, LLP, at a total cost of \$29,400, to perform an audit of the Commission's financial statements for fiscal years ending June 30, 2016; 2017; 2018; and 2019.
2. Authorize the Executive Officer to finalize negotiations with Vasquez & Company LLP; and execute the contract, in substantially similar form to the attached, subject to approval as to form by County Counsel.



**Davis Farr LLP**  
2301 Dupont Drive | Suite 200 | Irvine, CA 92612  
Main: 949.474.2020 | Fax: 949.263.5520

**July 11, 2016**

**Local Agency Formation Commission for the County of Los Angeles**  
**Attn: Mr. Paul Novak**  
**80 South Lake Avenue, Suite 870**  
**Pasadena, CA 91101**

Dear Mr. Novak,

We are pleased to confirm the arrangements of our engagement and the nature of the services we will provide the Local Agency Formation Commission for the County of Los Angeles (the "Entity").

**ENGAGEMENT OBJECTIVES**

We will audit the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information, which collectively comprise the Entity's basic financial statements, as of June 30, 2016, 2017, 2018 and 2019, and for the years then ended, and the related notes to the financial statements.

Also, accounting principles generally accepted in the United States of America ("US GAAP") provide for certain required supplementary information ("RSI"), such as management's discussion and analysis ("MD&A"), to supplement the Entity's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government 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. As part of our engagement, we will apply certain limited procedures to the Entity's RSI in accordance with auditing standards generally accepted in the United States of America ("US GAAS"). These limited procedures will consist 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 will 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. The following RSI is required by US GAAP and will be subjected to certain limited procedures, but will not be audited.

1. Management's Discussion and Analysis
2. Schedule of Proportionate Share of the Net Pension Liability
3. Schedule of Contributions – Defined Benefit Pension Plan
4. Schedule of Proportionate Share of the Net OPEB Liability (June 30, 2018 and 2019)
5. Schedule of Contributions – Defined Benefit OPEB Plan (June 30, 2018 and 2019)

## **OUR RESPONSIBILITIES**

The objective of our audit is the expression of an opinion as to whether the financial statements are fairly presented, in all material respects, in conformity with US GAAP and to report on the fairness of the additional information referred to above when considered in relation to the financial statements taken as a whole.

We will also provide a report, which does not include an opinion, on internal controls related to the financial statements and compliance with the provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The reports on internal control and compliance will each include a paragraph that states the report is solely to describe the scope and testing of internal control over financial reporting and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance and that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance and that the report is not suitable for any other purpose.

### **Audit**

Our audit will be conducted in accordance with US GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records and other procedures we consider necessary to enable us to express such an opinion. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add an emphasis-of-matter or other-matter paragraph. If our opinion on the financial statements is other than unmodified, we will fully discuss the reasons with management in advance. If, for any reason, we are unable to complete the audit, or are unable to form or have not formed an opinion, we may decline to express an opinion or withdraw this engagement.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts (e.g., tests of the physical existence of inventories, direct confirmation of certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions, etc.). We may also request written representations from the Entity's attorneys as part of the engagement, and they may bill the Entity for responding to this inquiry.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. 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 will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations that are attributable to the Entity or to acts by management or employees acting on behalf of the Entity. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal controls, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with US GAAS. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. We will inform the appropriate level of management and those charged with governance of any

material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management and those charged with governance of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. Our responsibility, as auditors, is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

### **Internal Control**

Our audit will include obtaining an understanding of the Entity and its environment, including internal controls sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures.

We will obtain an understanding of the design of the relevant controls and whether they have been placed in operation, and we will assess control risk. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Tests of controls relative to the financial statements are required only if control risk is assessed below the maximum level. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal controls or to identify control deficiencies. However, we will inform management and those charged with governance of internal control matters that are required to be communicated under professional standards.

### **Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the Entity's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The services described above do not relieve management or those charged with governance of their responsibilities.

### **THOSE CHARGED WITH GOVERNANCE**

The preparation and presentation of the financial statements of the Entity are the responsibility of management with oversight from those charged with governance. Those charged with governance are also responsible for overseeing the strategic direction of the Entity and any obligations related to its accountability, resolving disagreements between management and us regarding financial reporting, appointing us to perform the services described above, and informing us about all known or suspected fraud involving the Entity. In turn, we will provide those charged with governance with any communications required by the professional standards described above.

### **MANAGEMENT'S RESPONSIBILITIES**

Management is responsible for all management decisions and performing all management functions, and for designating an individual, preferably from senior management, with suitable skill, knowledge, or experience to oversee these services, any bookkeeping services, tax services, or other services we provide. Management is responsible for evaluating the adequacy and results of the services performed and accepting responsibility for them.

Management is responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. Management is also responsible for providing us with (a) access to all information they are aware of that is relevant to the preparation and fair presentation of the financial statements, (b) additional information that we may request for the purpose of this engagement, and (c) unrestricted access to persons within the Entity from whom we determine it necessary to obtain information.

Management is responsible for establishing and maintaining internal controls, including monitoring ongoing activities, for the selection and application of accounting principles, for the safeguarding of assets, and for the preparation and fair presentation of the financial statements in conformity with US GAAP even though we may assist management with their preparation. Accordingly, management may be required to acknowledge in the written representation letter our assistance with preparation of the financial statements and that management has reviewed and approved the financial statements and related notes prior to their issuance and has accepted responsibility for them.

Management is responsible for adjusting the financial statements to correct material misstatements and for confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Management is responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Entity involving (a) management, (b) employees who have significant roles in internal controls, and (c) others where the fraud could have a material effect on the financial statements. Management is also responsible for informing us of any known allegations of fraud or suspected fraud affecting the Entity received in communications from employees, former employees, regulators, or others. In addition, management is also responsible for identifying and ensuring that the Entity complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy any fraud, illegal acts, violations of contracts or grant agreements, or abuse that we may report.

During the course of our engagement, we will request information and explanations from management regarding the Entity. At the conclusion of our engagement, we will require, as a precondition to the issuance of our report, that management provide certain representations in a written representation letter. The procedures we will perform in our engagement and the conclusions we reach as a basis for our report will be heavily influenced by the written and oral representations that we receive from management. In view of the foregoing, the Entity agrees to release our firm, its shareholders, and other personnel from any liability and costs relating to our services under this letter resulting from false or misleading representations made to us by any member of the Entity's management.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us previous financial audits, attestation engagements, performance audits or other related studies. This responsibility includes relaying to

us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. Management is responsible for providing its views on our current findings, conclusions, and recommendations, as well as management's planned corrective actions, for the report, and for the timing and format for providing that information.

#### **OTHER SERVICES**

The Entity must obtain our written consent before including its financial statements and our report in an offering or other document, or otherwise distributing our report or referencing our Firm in connection with an offering. Management agrees to provide reasonable notice to allow sufficient time for us to perform certain additional procedures. Management will also provide us with a copy of the final reproduced material for our approval before it is distributed. Our fees for such services are in addition to those discussed elsewhere in this letter, and the specific terms of any such future services will be determined at the time the services are to be performed.

As a result of our prior or future services, we might be requested to provide information or documents to the Entity or a third party in a legal, administrative, or arbitration or similar proceeding in which we are not a party. If this occurs, our efforts in complying with such requests will be deemed billable to the Entity as a separate engagement. We shall be entitled to compensation for our time and reasonable reimbursement for our expenses (including legal fees) in complying with the request. For all requests, we will observe the confidentiality requirements of our profession and will notify management promptly of the request.

#### **ENGAGEMENT FEES**

Our fees for the services previously outlined per our Proposal for Professional Auditing Services dated April 28, 2016 are presented below.

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
\$7,200	\$7,300	\$7,400	\$7,500

Our fees are dependent on the availability, quality, and completeness of the Entity's records and, where applicable, upon the Entity's personnel providing the level of assistance identified in the "prepared by client" request list distributed at the end of our planning work (e.g., Entity employees preparing confirmations and schedules we request, locating documents selected by us for testing, etc.).

Should our assumptions with respect to these matters be incorrect, or should the condition of the records, degree of cooperation, or other matters beyond our reasonable control require additional commitments by us beyond those upon which our estimated fees are based, we may adjust our fees and planned completion dates. If significant additional time is necessary, we will discuss it with management and arrive at a new fee estimate as soon as reasonably practicable. In addition, fees for any related projects, such as proposed business combinations or research and/or consultation on special business or financial issues, will be billed separately from the fee referred to above and will be subject to separate arrangements.

We consider telephone calls and meetings on accounting and reporting matters to be an integral part of the engagement and no additional fees are charged for these services. If, however, there is a significant transaction or new accounting issue that requires us to spend a substantial amount of time that was not anticipated in our fees, there may be additional billings.



The fee estimate above assumes no adjustments will be necessary for routine accounting entries normally made before the beginning of the engagement. If, for any reason, we are asked to assist in the preparation of these entries, before beginning this service, we will provide an estimate of the time required to perform such services and the additional fees to be billed.

Invoices will be submitted as the work progresses and a final invoice will be submitted upon completion of the services. Invoices are payable upon receipt. If our invoices for this, or any other engagements the Entity may have with us, are not paid within 30 days, we may suspend or terminate our services for this and any other engagements. In the event our work is suspended or terminated as a result of nonpayment, the Entity agrees we will not be responsible for any consequences.

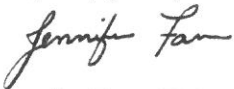
**OTHER ENGAGEMENT MATTERS**

This letter sets forth the rights and responsibilities of the parties with respect to the services to be provided. This engagement is being undertaken solely for the benefit of the parties to this agreement and no other person shall be entitled to enforce the terms of this agreement.

The undersigned is the engagement partner responsible for supervising the engagement and signing the report.

We appreciate the opportunity to provide these services and believe this letter accurately summarizes the significant terms of our engagement. Please sign the enclosed copy of this letter and return it to us.

Very truly yours,



Jennifer Farr, CPA  
Davis Farr LLP

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The services and arrangements described in this letter are in accordance with our understanding and are acceptable to us.

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

By \_\_\_\_\_  
Paul Novak, Executive Officer

Date \_\_\_\_\_

Date contract approved by Commission: \_\_\_\_\_

White Nelson Diehl Evans  
Michael Ludin, Partner  
2875 Michelle Drive  
Irvine, CA 92606

Dear Mr. Ludin,

We have engaged Davis Farr LLP to audit our financial statements for the year ended June 30, 2016. In connection with their audit, they would like to make certain inquiries and may request to examine your workpapers for the audit of our financial statements for the year ended June 30, 2015. We hereby authorize you to respond fully and without limitation to their requests.

Should our auditors make requests to examine your workpapers, please allow them to copy any information needed from files related to our financial statements (unless proprietary in nature).

We have represented to our auditors that we are not involved with your firm in any disputes about accounting principles, auditing procedures, or similarly significant items and that we have paid in full for all services rendered by you to date. You will be contacted by Jennifer Farr of Davis Farr LLP concerning these matters.

Very truly yours,

Paul Novak  
Executive Officer



## **Staff Report**

**August 10, 2016**

### **Agenda Item No. 9.c.**

#### **Legislative Update**

#### Legislative Update:

Staff notes the following developments in the Legislature:

- AB 2910 (Assembly Local Government Committee): CALAFCO's annual Omnibus Bill passed in the Assembly, and is scheduled for third reading in the Senate on Monday, August 1<sup>st</sup>.
- AB 2032 (Linder): This bill would "clean up" several provisions in last year's AB 851 (Mayes), which completely overhauled portions of state law concerning city disincorporations. Although CALAFCO originally opposed the bill, the author addressed all issues raised, and CALAFCO has now issued a letter in support. Although AB 2032 passed both houses, the amended Senate version has been sent back to the Assembly for concurrence.
- SB 1318 (Wolk): Senator Wolk informed CALAFCO in mid-June that she is dropping the bill, based on the inability of the bill's sponsor to reach agreement with several stakeholders, including CALAFCO. The legislation would have imposed additional, burdensome requirements for LAFCOs relative to Disadvantaged Unincorporated Communities (DUCs), and prevented certain annexations without first annexing DUCs.
- SB 1266 (McGuire): This bill would require certain public agencies creating a Joint Powers Authority (JPA) formed to provide municipal services to file a copy of the JPA or amendment with the LAFCO for the county (or counties) in which the JPA exercises authority. AB 1266, which is sponsored by CALAFCO, passed in the Senate, passed the Assembly Local Government Committee, and is scheduled for first reading in the Assembly on Monday, August 1<sup>st</sup>.
- SB 1374 (Lara): The existing draft of this bill would establish the "Lower Los Angeles River Recreation and Park District" independent of LA LAFCO. The proposed district would be governed by an eleven-member board (appointees from nine cities and two appointees from the Los Angeles County Board of Supervisors). The Senator's Legislative Director has assured CALAFCO staff, and your staff, that Senator Lara will support amendments wherein the bill would enable formation of the district, upon application to LA LAFCO. Given this assurance, staff is not requesting that the Commission take any position at this time.

Certain legislative actions may occur after the writing of this staff report (July 28<sup>th</sup>) and prior to the Commission meeting (August 10<sup>th</sup>). Staff will, therefore, provide an update at the Commission meeting.

Staff Recommendation:

1. Receive and file the Legislative Report.