

LOCAL AGENCY FORMATION COMMISSION MEETING AGENDA

Wednesday, October 11, 2017
9:00 a.m.

Room 381B

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

Commission
Jerry Gladbach
Chair

Donald Dear
1st Vice-Chair

Gerard McCallum
2nd Vice-Chair

Kathryn Barger
Richard Close
Margaret Finlay
Janice Hahn
David Ryu
David Spence

Alternate Members

Lori Brogin-Falley
Marquee
Harris-Dawson
Sheila Kuehl
Judith Mitchell
Joseph Ruzicka
Greig Smith

Staff
Paul Novak
Executive Officer

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

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1. **CALL MEETING TO ORDER**
2. **PLEDGE OF ALLEGIANCE WILL BE LED BY CHAIR 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 September 13, 2017.
- b. Approve Operating Account Check Register for the month of September 2017.
- c. Receive and file update on pending proposals.
- d. Annexation No. 751 to the County Sanitation District No. 21 of Los Angeles County, and California Environment Quality Act (CEQA) exemption.
- e. Annexation No. 296 to the County Sanitation District No. 15 of Los Angeles County, and California Environment Quality Act (CEQA) exemption.

7. PUBLIC HEARING(S)

- a. Annexation No. 2017-03 to the Antelope Valley Cemetery District, and California Environment Quality Act (CEQA) exemption.
- b. Annexation No. 1084 to the Santa Clarita Valley Sanitation District of Los Angeles County, and Environmental Impact Report.

8. PROTEST HEARING(S)

None.

9. OTHER ITEMS

- a. Proposed Approval of a Memorandum of Understanding Concerning Provision of Health and Medical Benefits by and between the County of Los Angeles and the Local Agency Formation Commission for the County of Los Angeles.
- b. Proposed Cancellation of the December 13th Commission Meeting.
- c. Sativa County Water District – Commission Update.

10. LEGISLATION

- a. Legislative Update.

11. MISCELLANEOUS CORRESPONDENCE RECEIVED

- a. Special District Risk Management Authority: President's Special Acknowledgement Award – Workers' Compensation Program (no written staff report).

12. 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.

13. EXECUTIVE OFFICER'S REPORT

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

14. 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.

15. FUTURE MEETINGS

November 15, 2017 (Moved from November 8, 2017)
December 13, 2017
January 10, 2018
February 14, 2018

16. 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.

17. ADJOURNMENT MOTION

Recommendation by individual Commissioners that the Commission adjourn the meeting in memory of deceased persons and/or commemoration of ceremonial occasions.



Local Agency Formation Commission
for the County of Los Angeles

6.a.

 **DRAFT**

Commission

Voting Members

Jerry Gladbach
Donald Dear
Gerard McCallum
Kathryn Barger
Richard Close
Margaret Finlay
Janice Hahn
David Ryu
David Spence

Alternate Members

Lori Brogin-Falley
Marqueece
Harris-Dawson
Sheila Kuehl
Judith Mitchell
Joseph Ruzicka
Greig Smith

Staff

Paul A. Novak, AICP
Executive Officer

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

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www.lafco.org

REGULAR MEETING

MINUTES OF THE LOCAL AGENCY FORMATION COMMISSION

FOR THE COUNTY OF LOS ANGELES

September 13, 2017

Present:

Jerry Gladbach, Chair

Kathryn Barger
Richard Close
Donald Dear
Margaret Finlay
Janice Hahn
Gerard McCallum

Lori Brogin-Falley, Alternate
Joe Ruzicka, Alternate
Greig Smith, Alternate

Paul Novak, Executive Officer
Helen Parker, Legal Counsel

Absent:

Marqueece Harris-Dawson, Alternate
Sheila Kuehl, Alternate
Judith Mitchell, Alternate

Vacant:

Voting City Member (formerly David Spence)
Voting Los Angeles City Member (formerly David Ryu)

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 by Chair Jerry Gladbach.

2 PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Chair Jerry Gladbach.

Chair Gladbach noted that an envelope was distributed to Commissioners who would like to contribute money for a floral arrangement at former LAFCO Deputy Executive Officer June Savala's funeral services.

3 DISCLOSURE OF CAMPAIGN CONTRIBUTION(S)

The Executive Officer (EO) 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 rise and state for the record the Commissioner to whom such campaign contributions were made and the item of their involvement (None).

The EO read an announcement, asking if any Commissioner had received a campaign contribution that would require disclosure and recusal from any item on today's agenda.

Commissioner Barger recused herself from Agenda Items 7.a. and 9.b.

[Commissioner McCallum arrived at 9:03 a.m.]

4 SWEARING-IN OF SPEAKER(S)

The Executive Officer swore-in three (3) members of the audience who planned to testify (None).

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

None.

6 CONSENT ITEM(S) – OTHER

The Commission took the following actions under Consent Items:

- a. Approved Minutes of August 9, 2017.
- b. Approved Operating Account Check Register for the month of August 2017.
- c. Received and filed update on pending proposals.

- d. Adopted the Resolution Making Determinations, including the California Environmental Quality Act determinations, Approving and Ordering Annexation No. 422 to the County Sanitation District No. 14 of Los Angeles County; Resolution No. 2017-31RMD.

MOTION: DEAR
SECOND: FINLAY
AYES: BARGER, CLOSE, DEAR, FINLAY, McCALLUM,
GLADBACH
NOES: NONE
ABSTAIN: NONE
ABSENT: HAHN
MOTION PASSED: 6/0/0

7 PUBLIC HEARING(S)

The following item was called for consideration:

- a. Annexation No. 2014-09 (36-3) to the Los Angeles County Waterworks District No. 36 – Val Verde, Amendment to the Los Angeles County Waterworks District No. 36 – Val Verde Sphere of Influence (SOI).

The EO summarized the staff report on Annexation No. 2014-09 (36-3) to the Los Angeles County Waterworks District No. 36 – Val Verde, Amendment to the Los Angeles County Waterworks District No. 36 – Val Verde Sphere of Influence (SOI).

The public hearing was opened to receive testimony on the SOI Amendment. 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. 2014-09 (36-3) to the Los Angeles County Waterworks District No. 36 – Val Verde, Amendment to the Los Angeles County Waterworks District No. 36 – Val Verde Sphere of Influence (SOI); Resolution No. 2017-32RMD.

MOTION: DEAR
SECOND: McCALLUM
AYES: CLOSE, DEAR, FINLAY, McCALLUM, GLADBACH
NOES: NONE
ABSTAIN: NONE
ABSENT: HAHN
MOTION PASSED: 5/0/0

As indicated for Agenda Item No. 3, Commissioner Barger recused herself from Agenda Item

No. 7.a.

7 PUBLIC HEARING(S)

The following item was called for consideration:

- b. Annexation No. 2016-34 to the San Gabriel Valley Mosquito and Vector Control District (Entire City of Pasadena), Amendment to the San Gabriel Valley Mosquito and Vector Control District Sphere of Influence (SOI).

The EO summarized the staff report on Annexation No. 2016-34 to the San Gabriel Valley Mosquito and Vector Control District (Entire City of Pasadena), Amendment to the San Gabriel Valley Mosquito and Vector Control District Sphere of Influence (SOI).

The EO acknowledged the support and assistance of the San Gabriel Valley Mosquito and Vector Control District's former General Manager, Kenn Fujioka, and the current General Manager, Jared Dever, as well as the City of Pasadena's Public Health Department staff, Michael Johnson and Rachel Janbek.

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

The Commission took the following actions:

- Adopted the Resolution Making Determinations, including the California Environmental Quality Act determinations, Approving Annexation No. 2016-34 to the San Gabriel Valley Mosquito and Vector Control District (Entire City of Pasadena), Amendment to the San Gabriel Valley Mosquito and Vector Control District Sphere of Influence (SOI); Resolution No. 2017-33RMD.
- Pursuant to Government Code Section 57002, set November 15, 2017, at 9:00 a.m., in Room 381-B of the Kenneth Hahn Hall of Administration, 500 West Temple Street, Los Angeles, California, 90012, as the date, time, and place for Commission protest proceedings.

MOTION:	FINLAY
SECOND:	BARGER
AYES:	BARGER, CLOSE, DEAR, FINLAY, McCALLUM, GLADBACH
NOES:	NONE
ABSTAIN:	NONE
ABSENT:	HAHN
MOTION PASSED:	6/0/0

8 PROTEST HEARING(S)

The following item was called for consideration:

- a. Annexation No. 2016-31 to the San Gabriel Valley Mosquito and Vector Control District (Entire City of South Pasadena).

The E.O. stated that this is the Commission protest hearing pursuant to Government Code Section 57000 *et seq.* and that no written protest(s) have 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 Making Determinations Ordering Annexation No. 2016-31 to the San Gabriel Valley Mosquito and Vector Control District (Entire City of South Pasadena); Resolution No. 2017-02PR.

MOTION:	FINLAY
SECOND:	BARGER
AYES:	BARGER, CLOSE, DEAR, FINLAY, McCALLUM, GLADBACH
NOES:	NONE
ABSTAIN:	NONE
ABSENT:	HAHN
MOTION PASSED:	6/0/0

8 PROTEST HEARING(S)

The following item was called for consideration:

- b. Annexation No. 2016-32 to the San Gabriel Valley Mosquito and Vector Control District (Entire City of Baldwin Park).

The E.O. stated that this is the Commission protest hearing pursuant to Government Code Section 57000 *et seq.* and that no written protest(s) have 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 Making Determinations Ordering Annexation No. 2016-32 to the San Gabriel Valley Mosquito and Vector Control District (Entire City of Baldwin Park); Resolution No. 2017-03PR.

MOTION: FINLAY
SECOND: BARGER
AYES: BARGER, CLOSE, DEAR, FINLAY, McCALLUM,
GLADBACH
NOES: NONE
ABSTAIN: NONE
ABSENT: HAHN
MOTION PASSED: 6/0/0

8 PROTEST HEARING(S)

The following item was called for consideration:

- c. Annexation No. 2017-05 to the Consolidation Fire Protection District of Los Angeles County (Hermosa Beach).

The E.O. stated that this is the Commission protest hearing pursuant to Government Code Section 57000 *et seq.* and that no written protest(s) have 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 Making Determinations Ordering Annexation No. 2017-05 to the Consolidation Fire Protection District of Los Angeles County (Hermosa Beach); Resolution No. 2017-04PR.

MOTION: McCALLUM
SECOND: DEAR
AYES: BARGER, CLOSE, DEAR, FINLAY, McCALLUM,
GLADBACH
NOES: NONE
ABSTAIN: NONE
ABSENT: HAHN
MOTION PASSED: 6/0/0

8 PROTEST HEARING(S)

The following item was called for consideration:

- d. Annexation No. 426 to the County Sanitation District No. 22 of Los Angeles County.

The E.O. stated that this is the Commission protest hearing pursuant to Government Code Section 57000 *et seq.* and that no written protest(s) have 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 Making Determinations Ordering Annexation No. 426 to the County Sanitation District No. 22 of Los Angeles County; Resolution No. 2017-05PR.

MOTION:	FINLAY
SECOND:	BARGER
AYES:	BARGER, CLOSE, DEAR, FINLAY, McCALLUM, GLADBACH
NOES:	NONE
ABSTAIN:	NONE
ABSENT:	HAHN
MOTION PASSED:	6/0/0

9 OTHER ITEMS

The following item was called up for consideration:

- a. Annual Election of Commission Officers.

The Commission took the following action:

- Nominated and elected Commissioner Gladbach as LAFCO Chair for a term of one year and until the election of a successor.

MOTION:	DEAR
SECOND:	BARGER
AYES:	BARGER, CLOSE, DEAR, FINLAY, McCALLUM, GLADBACH
NOES:	NONE
ABSTAIN:	NONE
ABSENT:	HAHN
MOTION PASSED:	6/0/0

The Commission took the following action:

- Nominated and elected Commissioner Dear as LAFCO First Vice-Chair for a term of one year and until the election of a successor.

MOTION: CLOSE
SECOND: McCALLUM
AYES: BARGER, CLOSE, DEAR, FINLAY, McCALLUM,
GLADBACH
NOES: NONE
ABSTAIN: NONE
ABSENT: HAHN
MOTION PASSED: 6/0/0

The Commission took the following action:

- Nominated and elected Commissioner McCallum as LAFCO Second Vice-Chair for a term of one year and until the election of a successor.

MOTION: DEAR
SECOND: FINLAY
AYES: BARGER, CLOSE, DEAR, FINLAY, McCALLUM,
GLADBACH
NOES: NONE
ABSTAIN: NONE
ABSENT: HAHN
MOTION PASSED: 6/0/0

[Commissioner Hahn arrived at 9:19 a.m.]

9 OTHER ITEMS

The following item was called up for consideration:

- b. Hidden Creeks Estates Project – Status Report.

The EO summarized the status report on the Hidden Creeks Estates Project.

The EO noted that there have not been any significant changes on the status of the project and requested that the Hidden Creeks Estates Project – Status Report Item be removed from the Agenda, and for the EO to report back to the Commission, as necessary, regarding the status of the Hidden Creeks Estates Project.

The Commission took the following action:

- Received and filed; and
- Directed the Executive Officer to remove the Hidden Creeks Estates Project – Status Report as a recurring bi-monthly Agenda Item, and report back to the Commission, as necessary, regarding the Hidden Creeks Estates Project.

MOTION: SMITH
SECOND: DEAR
AYES: CLOSE, DEAR, FINLAY, HAHN, McCALLUM, GLADBACH
NOES: NONE
ABSTAIN: NONE
ABSENT: KUEHL (ALT. FOR BARGER)
MOTION PASSED: 6/0/0

As indicated for Agenda Item No. 3, Commissioner Barger recused herself from Agenda Item No. 9.b.

9 OTHER ITEMS

The following item was called up for consideration:

- c. Awarding of Service Pins.

Chair Gladbach presented 5-year LAFCO service pins to LAFCO Administrative Clerk, Patricia Wood and GIS Technician, Michael Henderson. Both were thanked for their great service to LAFCO.

9 OTHER ITEMS

- d. Nomination of Jerry Gladbach to the California Association of Local Agency Formation Commissions (“CALAFCO”) Board of Directors.

The EO summarized the staff report on the Nomination of Jerry Gladbach to the California Association of Local Agency Formation Commissions (“CALAFCO”) Board of Directors.

The Commission took the following action:

- Nominated Jerry Gladbach as a candidate for the Southern Region special district representative on the CALAFCO Board of Directors.

MOTION: FINLAY
SECOND: McCALLUM
AYES: BARGER, CLOSE, DEAR, FINLAY, HAHN, McCALLUM,

GLADBACH
NOES: NONE
ABSTAIN: NONE
ABSENT: NONE
MOTION PASSED: 7/0/0

10 LEGISLATION

a. Legislative Update.

The EO noted that a revised Legislative Update was provided to each of the Commissioners.

The Commission took the following action:

- Received and filed the revised Legislative Update.

MOTION: DEAR
SECOND: FINLAY
AYES: BARGER, CLOSE, DEAR, FINLAY, HAHN, McCALLUM,
GLADBACH
NOES: NONE
ABSTAIN: NONE
ABSENT: NONE
MOTION PASSED: 7/0/0

11 MISCELLANEOUS CORRESPONDENCE RECEIVED

None.

12 COMMISSIONERS' REPORT

13 EXECUTIVE OFFICER'S REPORT (Combined)

Commissioner Hahn stated that at July's meeting, she requested that the Executive Officer report back to the Commission regarding outstanding city and unincorporated territory still not covered by vector control services. Commissioner Hahn noted the urgency since there have been more active cases and two recent deaths related to the West Nile Virus.

The EO noted that two (2) initial maps were provided to the Commissioners. The first map is a general overview of areas that are covered (in green) and not covered (in pink) by a vector control district in Los Angeles County. The second map provides more detail, showing specific areas not covered (in pink) by a vector control district. The EO indicated that most of the urbanized areas in Los Angeles County are covered by a vector control district except where there are small "gaps" in service. The EO stated that he will meet with representatives of the Antelope Valley Mosquito and Vector Control District in November to discuss the areas

indicated on the map as well as remote areas with populations not covered in the Antelope Valley.

Commissioner Hahn inquired about the necessary steps required to close the “gaps” in service. The EO stated that he will report back to the Commission at the October meeting with a comprehensive report, maps, and a plan to address these areas not within a vector control district. The EO indicated that LAFCO cannot initiate an application to annex to a special district. Only a city, district, or county can initiate such an application to LAFCO. The EO stated that he is currently working with the affected vector control districts to gain perspective of the districts’ position for annexation.

The EO indicated to Commissioner Barger that Kagel Canyon and Lopez Canyon, both within Los Angeles County unincorporated territory, are not within a vector control district’s boundary.

Commissioner Barger suggested that education and outreach be conducted so the public is aware of the importance of having vector control services.

Commissioner Hahn requested that a vector control district conduct a presentation at a Commission meeting regarding the mission and purpose of a mosquito and vector control district. The EO stated he will reach out to a vector control district to present at the November 15th Commission meeting.

Commissioner Close asked what is the status of electing a City of Los Angeles representative to LAFCO as a voting member. The EO stated that appointments are awaiting action by the City of Los Angeles Council President, Herb Wesson who is the appointing authority.

14 PUBLIC COMMENT

None.

15 FUTURE MEETINGS

October 11, 2017
November 15, 2017 (moved from November 8, 2017)
December 13, 2017
January 10, 2018

16 FUTURE AGENDA ITEMS

None.

17 ADJOURNMENT MOTION IN HONOR OF FORMER DEPUTY EXECUTIVE OFFICER JUNE SAVALA

On motion of Commissioner Finlay, seconded by Commissioner Dear, the meeting was

adjourned at 9:44 a.m. in honor of former Deputy Executive Officer June Savala.

Respectfully submitted,

Paul Novak, AICP
Executive Officer

11:05 AM
09/28/17
Accrual Basis

LAFCO 03
Register Report
September 2017

6.b.

Type	Date	Num	Name	Memo	Amount	Balance
10000 Cash Unrestricted						
10003 Operating Account						
Check	09/01/2017	4993...	ADP	Processing charges f...	-144.21	-144.21
Bill Pmt -Check	09/07/2017	8563	Certified Records Managment	Storage period 09/01...	-342.97	-487.18
Bill Pmt -Check	09/07/2017	8564	Charter Communications	Acct # 82451001715...	-519.30	-1,006.48
Bill Pmt -Check	09/07/2017	8565	Gina Duche	Bookkeeping: 5.0 Hrs	-125.00	-1,131.48
Bill Pmt -Check	09/07/2017	8566	Promac Imaging Systems Co	Acct#LA07, 07/28/17...	-164.95	-1,296.43
Bill Pmt -Check	09/07/2017	8567	Wells Fargo	Bill ID 90136655707,...	-382.38	-1,678.81
Bill Pmt -Check	09/14/2017	8568	CALAFCO*	Banquet Table Spon...	-1,250.00	-2,928.81
Bill Pmt -Check	09/14/2017	8569	CoreLogic	Acct#200-694038-R...	-28.80	-2,957.61
Bill Pmt -Check	09/14/2017	8570	CTS Clouds		-637.50	-3,595.11
Bill Pmt -Check	09/14/2017	8571	FedEx*	Acct#1244-7035-8	-128.44	-3,723.55
Bill Pmt -Check	09/14/2017	8572	Gina Duche	Bookkeeping: 5.0 Hrs	-125.00	-3,848.55
Bill Pmt -Check	09/14/2017	8573	LACERA	LAFCO OPEB: Aug ...	-1,946.33	-5,794.88
Bill Pmt -Check	09/14/2017	8574	MetLife*	Cert#32429435, P. N...	-480.00	-6,274.88
Bill Pmt -Check	09/14/2017	8575	Office Depot*		-89.10	-6,363.98
Check	09/15/2017	DD	Ambar De La Torre	Salary, September 1...	-1,835.20	-8,199.18
Check	09/15/2017	DD	Douglass Dorado	Salary, September 1...	-2,693.81	-10,892.99
Check	09/15/2017	DD	Michael E. Henderson	Salary, September 1...	-1,979.60	-12,872.59
Check	09/15/2017	DD	Patricia Knoebl-Wood	Salary, September 1...	-1,397.17	-14,269.76
Check	09/15/2017	DD	Paul Novak	Salary, September 1...	-4,598.25	-18,868.01
Check	09/15/2017	DD	Alisha O'Brien	Salary, September 1...	-2,117.21	-20,985.22
Check	09/15/2017	DD	Adriana Romo	Salary, September 1...	-2,860.75	-23,845.97
Check	09/15/2017	DM	Federal Tax Deposit	Payroll Taxes, Septe...	-4,817.84	-28,663.81
Check	09/15/2017	DM	State Income Tax	Payroll Taxes, Septe...	-1,259.22	-29,923.03
Bill Pmt -Check	09/21/2017	8576	ATT	Acct#990566760, 08...	-231.29	-30,154.32
Bill Pmt -Check	09/21/2017	8577	Daily Journal	Cust#1124120362	-20.50	-30,174.82
Bill Pmt -Check	09/21/2017	8578	Gina Duche	Bookkeeping: 5.0 Hrs	-125.00	-30,299.82
Bill Pmt -Check	09/21/2017	8579	James Marta & Company	Acct#LA0002	-1,000.00	-31,299.82
Bill Pmt -Check	09/21/2017	8580	Office Depot*		-102.86	-31,402.68
Bill Pmt -Check	09/21/2017	8581	Tropical Interior Plants	Service: August 2017	-100.00	-31,502.68
Check	09/21/2017	5000...	ADP	Processing charges f...	-128.95	-31,631.63
Check	09/22/2017	5006...	ADP	EZLaborManager: S...	-52.50	-31,684.13
Bill Pmt -Check	09/28/2017	8582	Bank of America*	BoFA 4024 4210 009...	-949.86	-32,633.99
Bill Pmt -Check	09/28/2017	8583	Daily Journal	Cust#1124120362	-22.50	-32,656.49
Bill Pmt -Check	09/28/2017	8584	Gina Duche	Bookkeeping: 5.0 Hrs	-125.00	-32,781.49
Bill Pmt -Check	09/28/2017	8585	LACERA	Employee/Employer...	-12,227.21	-45,008.70
Bill Pmt -Check	09/28/2017	8586	Motor Parks	Cust#025-001, Unre...	-630.00	-45,638.70
Bill Pmt -Check	09/28/2017	8587	Teachers Insurance Annuity Assoc	80 S Lake #870, Oc...	-7,748.17	-53,386.87
Bill Pmt -Check	09/28/2017	8588	The Lincoln National	LALAFCO-BL-15659...	-213.98	-53,600.85
Check	09/29/2017	DD	Ambar De La Torre	Salary, September 2...	-1,835.21	-55,436.06
Check	09/29/2017	DD	Douglass Dorado	Salary, September 2...	-2,693.81	-58,129.87
Check	09/29/2017	DD	Michael Henderson	Salary, September 2...	-1,979.59	-60,109.46
Check	09/29/2017	DD	Patricia Knoebl-Wood	Salary, September 2...	-1,397.16	-61,506.62
Check	09/29/2017	DD	Paul Novak	Salary, September 2...	-4,598.25	-66,104.87
Check	09/29/2017	DD	Alisha O'Brien	Salary, September 2...	-2,117.20	-68,222.07
Check	09/29/2017	DD	Adriana Romo	Salary, September 2...	-2,860.76	-71,082.83
Check	09/29/2017	DM	Federal Tax Deposit	Payroll Taxes, Septe...	-4,817.86	-75,900.69
Check	09/29/2017	DM	State Income Tax	Payroll Taxes, Septe...	-1,259.21	-77,159.90
Check	09/29/2017	3166...	Kathryn Barger	Stipend, September ...	-134.08	-77,293.98
Check	09/29/2017	3166...	Lori W. Brogin	Stipend, September ...	-138.52	-77,432.50
Check	09/29/2017	3166...	Richard Close	Stipend, September ...	-138.53	-77,571.03
Check	09/29/2017	DD	Donald L. Dear	Stipend, September ...	-138.53	-77,709.56
Check	09/29/2017	3166...	Margaret E. Finlay	Stipend, September ...	-138.52	-77,848.08
Check	09/29/2017	3166...	Edward G. Gladbach	Stipend, September ...	-138.53	-77,986.61
Check	09/29/2017	DD	Janice Hahn	Stipend, September ...	-135.36	-78,121.97
Check	09/29/2017	DD	Gerard McCallum II	Stipend, September ...	-138.52	-78,260.49
Check	09/29/2017	3166...	Greig L. Smith	Stipend, September ...	-138.53	-78,399.02
Check	09/29/2017	DM	Federal Tax Deposit	Payroll Taxes, Septe...	-169.40	-78,568.42
Total 10003 Operating Account					-78,568.42	-78,568.42
Total 10000 Cash Unrestricted					-78,568.42	-78,568.42
TOTAL					-78,568.42	-78,568.42

AGENDA ITEM NO. 6c - October 11, 2017

PENDING PROPOSALS AS OF OCTOBER 3, 2017

		LAFCO Designation	Applicant	Description	Status	Date Filed	Est. Date of Completion
1	DD	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	DD	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	DD	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 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.	Need BOE fees to place on agenda for approval. Emailed district for fees on 4-18-17.	9/22/2008	Unknown
5	DD	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
6	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
7	DD	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. Project has changed ownership. Need new application	5/5/2011	Unknown
8	DD	City of Los Angeles Annexation 2011-27	Forestar Group	665 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

		LAFCO Designation	Applicant	Description	Status	Date Filed	Est. Date of Completion
9	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
10	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
11	DD	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	record oct 30th	7/15/2014	Oct-2017
12	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
13	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

		LAFCO Designation	Applicant	Description	Status	Date Filed	Est. Date of Completion
14	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 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
15	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
16	DD	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 Calinloch 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
17	AD	Annexation 422 to District No. 14	Sanitation Districts	40.149 acres of uninhabited territory. Located on the northwest corner of Avenue L and 60th Street West, all within the City of Lancaster.	Agenda September 13, 2017	11/2/2016	Oct-2017
18	DD	Reorganization No. 2016-08 to the City of Bradbury	City of Bradbury	2.96 acres of uninhabited territory located east of the intersection of Wild Rose Ave and Deodar Lan, in the City of Monrovia	Notice of Filing Sent 11-1-16 Incomplete filing: property tax transfer resolution, additional LAFCO fees, pre-zoning, registered voter info. approved map and legal.	10/25/2016	Unknown
19	DD	Annexation No. 2016-34 to the San Gabriel Valley Mosquito and Vector Control District (entire City of Pasadena)	San Gabriel Valley Mosquito and Vector Control District	14,800 acres of inhabited territory. The entire City of Pasadena is bordered by the City of La Canada Flintridge and the unincorporated communities of La Crescenta-Montrose, Altadena, and Kinneloa Mesa to the north, the cities of Sierra Madre and Arcadia to the east, the cities of San Marino and South Pasadena to the south, and the cities of Los Angeles and Glendale to the west.	agenda November 15, 2017	1/25/2017	Nov-2017
20	AD	Annexation 751 to District No. 21	Sanitation Districts	0.545 acres of uninhabited territory. Located on Foothill Boulevard immediately south of Regis Avenue, all within the City of Claremont.	Agenda October 11, 2017	2/2/2017	Nov-2017
21	AD	Annexation 296 to District No. 15	Sanitation Districts	2.84 acres of uninhabited territory. Located on Turnbull Canyon Road approximately 200 feet north of Las Lomas Drive, all within Unincorporated Los Angeles County.	Agenda October 11, 2017	2/6/2017	Nov-2017
22	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1084	Sanitation Districts	236.34 acres of uninhabited territory. Located on The Old road immediately west of Interstate 5, approximately 2,500 feet south of Pico Canyon Road, all within unincorporated Los Angeles County.	Agenda October 11, 2017	2/13/2017	Nov-2017

		LAFCO Designation	Applicant	Description	Status	Date Filed	Est. Date of Completion
23	DD	Annexation No. 2017-03 to the Antelope Valley Cemetery District	Antelope Valley Cemetery District	inhabited territory. Located in and around the City of Palmdale (Parcel 1) and around the unincorporated area of Gorman (Parcel 2)	agenda oct	3/13/2017	Nov-2017
24	DD	Reorganization No. 2017-04 to the Las Virgenes Municipal Water District	Las Virgenes Municipal Water District	uninhabited territory, located east of the intersection of Las Flores Canyon Road and Live Oak Meadow Road north of the City of Malibu	Notice of Filing sent 4-12-17 Incomplete filing: property tax transfer resolution, CEQA, approved map and legal.	4/6/2017	Unknown
25	AD	Annexation No. 2017-02 to the Newhall County Water District	Newhall County Water District	uninhabited territory, located west of the 5 freeway and north of the intersection of The Old Road and Calgrove Blvd.	Notice of Filing sent 06-21-17 Incomplete filing: property tax transfer resolution, CEQA, approved map and legal.	6/15/2017	Unknown
26	DD	Annexation No. 2017-05 to the Consolidated Fire Protection District for Los Angeles County	CFPD	inhabited territory. City of Hermosa Beach	record oct 30th	7/12/2017	Oct-2017
27	DD	Annexation No. 2017-09 to the Wilmington Cemetery District	Wilmington Cemetery District	inhabited territory around Wilmington	Notice of Filing sent 6-10-17 Incomplete filing: property tax transfer resolution	7/10/2017	Unknown
28	AD	Annexation 427 to District No. 22	Sanitation Districts	1.6 acres of uninhabited territory. Located on Mesarica Road approximately 400 feet northeast of Puente Street, all within unincorporated Los Angeles County.	Notice of Filing Sent 8-16-17 Incomplete filing: property tax transfer resolution.	08/10/17	Unknown
29	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1086	Sanitation Districts	1.3 acres of uninhabited territory. Located on Sierra Highway approximately 500 feet south of Fitch Avenue, all within unincorporated Los Angeles County	Notice of Filing Sent 09-20-17 Incomplete filing: property tax transfer resolution.	9/14/2017	Unknown

Staff Report

October 11, 2017

Agenda Item No. 6.d.

Annexation No. 751 to the County Sanitation District No. 21 of Los Angeles County

PROPOSAL SUMMARY:

Size of Affected Territory:	0.545± acres
Inhabited/Uninhabited:	Uninhabited
Applicant:	County Sanitation District No. 21 of Los Angeles County
Resolution or Petition:	January 25, 2017
Application Filed with LAFCO:	February 2, 2017
Location:	The affected territory is located on Foothill Boulevard immediately south of N. Regis Avenue, all within the City of Claremont.
City/County:	City of Claremont
Affected Territory:	The affected territory consists of vacant land. The territory will be developed to include one proposed office building. The topography is flat.
Surrounding Territory:	Surrounding territory is commercial to the north, east, and west and residential to the south.
Landowner(s):	JM Lepe Properties LLC
Registered Voters:	0 registered voters as of February 5, 2016.
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 it is an annexation 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. A Categorical Exemption was adopted by County Sanitation District of Los Angeles County, as lead agency, on January 25, 2017.

Additional Information:

None

FACTORS TO BE CONSIDERED PURSUANT TO GOVERNMENT CODE 56668:

a. Population:

The existing population is 0 residents as of February 5, 2016.

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

The estimated future population is 0 residents (no anticipated change).

The affected territory is 0.545+/- acres. The affected territory consists of vacant land. The territory will be developed to include one office building.

The assessed valuation is \$548,832 as of January 30, 2017.

The per capita assessed valuation issue does not apply because the affected territory is unpopulated.

On May 30, 2017, 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 modest growth in the next ten years.

b. Governmental Services and Controls:

The affected territory will be developed to include one proposed office building which will require 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, there is no other sewer service alternative. The Los Angeles County Department of Public Health prohibits the installation, alteration, or repair of any on-site wastewater treatment systems for any building for which connection to a public sewer system is available within 200 feet. Due to the proposed land uses within the annexation area and its proximity to existing sewer infrastructure, public sewer service is the only viable alternative for development to occur. The cost of sewage disposal by the District is generally minimal since

it is relatively close to an existing public sewer system. Service by the District is environmentally superior in terms of wastewater treatment, effluent discharge, and impacts on surface water bodies and groundwater.

c. *Proposed Action and Alternative Actions:*

The proposed action will have no effect on mutual social and economic interests. The proposal has no impact of the local government structure of the County. There is no alternative to public sewage disposal. Service by the District is considered 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 of Claremont General Plan designation of Mixed Use.

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 County Sanitation District No. 21 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:

Although 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 Joint Outfall System 2010 Master Facilities Plan.

l. Timely Availability of Water Supplies:

There are no known issues regarding water supply or delivery. The Golden State Water Company is the local water provider.

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).

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 City of Claremont General Plan designation of Mixed Use.

The proposal is consistent with the existing City of Claremont zoning designation of General Commercial (C).

p. Environmental Justice:

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

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

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) CLEARANCE:

The proposal is categorically exempt from the provisions of CEQA pursuant to State CEQA Guidelines Section 15319 (b) because it is an annexation 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. In addition, there are no cumulative impacts, unusual circumstances, nor other limiting factors that would make the exemption inapplicable based on the proposal records.

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 County Sanitation District No. 21 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, including the California Environmental Quality Act determinations, Approving and Ordering Annexation No. 751 to the County Sanitation District No. 21 of Los Angeles County.

**RESOLUTION NO. 2017-00RMD
RESOLUTION OF THE LOCAL AGENCY FORMATION
COMMISSION FOR THE COUNTY OF LOS ANGELES
MAKING DETERMINATIONS APPROVING AND ORDERING
"ANNEXATION NO. 751 TO THE COUNTY SANITATION DISTRICT NO. 21
OF LOS ANGELES COUNTY"**

WHEREAS, the County Sanitation District No. 21 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 Claremont; and

WHEREAS, the proposed annexation consists of approximately 0.545± acres of uninhabited territory and is assigned the following distinctive short-form designation: "Annexation No. 751 to the County Sanitation District No. 21 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 to one proposed office building; 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 October 11, 2017 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 October 11, 2017, this Commission considered the Proposal and the report of the Executive Officer.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The Commission, acting in its role as a responsible agency with respect to Annexation No. 751 to the County Sanitation District No. 21 of Los Angeles County, finds that this annexation is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15319(b), because it is an annexation 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. In addition, there are no cumulative impacts, unusual circumstances, nor other limiting factors that would make the exemption inapplicable based on the proposal records.
2. 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.

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

"Annexation No. 751 to the County Sanitation District No. 21 of Los Angeles County ".

5. Annexation No. 751 to the County Sanitation District No. 21 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 County Sanitation District No. 21 of Los Angeles County.

7. The Executive Officer is directed to transmit a copy of this resolution to the District, upon the District's payment of the applicable fees required by Government Code Section 54902.5 and prepare, execute and file a certificate of completion with the appropriate public agencies, pursuant to Government Code Section 57200, *et seq.*

PASSED AND ADOPTED this 11th day of October 2017.

MOTION:

SECOND:

AYES:

NOES:

ABSTAIN:

ABSENT:

MOTION PASSES: 0/0/0

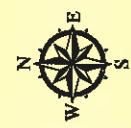
**LOCAL AGENCY FORMATION COMMISSION
FOR THE COUNTY OF LOS ANGELES**

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



Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community

Annexation No. 751 to County Sanitation District No. 21



Legend

- CSD Annexation 21-751
- City of Claremont
- Los Angeles County Sanitation District No. 21
- Sphere of Influence, CSD 21



Staff Report

October 11, 2017

Agenda Item No. 6.e.

Annexation No. 296 to the County Sanitation District No. 15 of Los Angeles County

PROPOSAL SUMMARY:

Size of Affected Territory:	2.84± acres
Inhabited/Uninhabited:	Uninhabited
Applicant:	County Sanitation District No. 15 of Los Angeles County
Resolution or Petition:	January 25, 2017
Application Filed with LAFCO:	February 6, 2017
Location:	The affected territory is located on Turnbull Canyon Road, approximately 200 feet north of Las Lomitas Drive. The City of Industry is to the North, unincorporated Rowland Heights is to the east, unincorporated North Whittier to the west, and the cities of Whittier and La Habra Heights to the south.
City/County:	Los Angeles County unincorporated territory (Hacienda Heights).
Affected Territory:	The affected territory consists of vacant land. The territory will be developed to include one proposed single-family home. The topography is hillside.
Surrounding Territory:	Surrounding territory is residential.
Landowner(s):	Silverstone Investment LLC
Registered Voters:	2 registered voters as of July 25, 2016.
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(a). The proposed development involves new construction of one single-family residence. A Categorical Exemption was adopted by County Sanitation District of Los Angeles County, as lead agency, on January 25, 2017.

Additional Information: None

FACTORS TO BE CONSIDERED PURSUANT TO GOVERNMENT CODE 56668:

a. Population:

The existing population is 0 residents as of July 25, 2016.

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

The estimated future population is 3 residents.

The affected territory is 2.84+/- acres. The affected territory consists of vacant land. The territory will be developed to include one proposed single-family home.

The assessed valuation is \$1,221,928 as of January 30, 2017.

The per capita assessed valuation issue does not apply because the affected territory is unpopulated.

On May 30, 2017, 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 hillside.

There are no natural boundaries.

El Selinda Debris Basin is located 2,400 feet south, west of 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 modest growth in the next ten years.

b. Governmental Services and Controls:

The affected territory will be developed to include one proposed single-family home which will require 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, there is no other sewer service alternative. The Los Angeles County Department of Public Health prohibits the installation, alteration, or repair of any on-site wastewater treatment systems for any building for which connection to a public sewer system is available within 200 feet. Due to the proposed land uses within the annexation area and its proximity to existing sewer infrastructure, public sewer service is the only viable alternative for development to occur. The cost of sewage disposal by the District is generally minimal since

it is relatively close to an existing public sewer system. Service by the District is environmentally superior in terms of wastewater treatment, effluent discharge, and impacts on surface water bodies and groundwater.

c. *Proposed Action and Alternative Actions:*

The proposed action will have no effect on mutual social and economic interests. The proposal has no impact of the local government structure of the County. There is no alternative to public sewage disposal. Service by the District is considered 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 County General Plan designation of Rural Lands (RL10).

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 County Sanitation District No. 15 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:*

Although the affected territory is not currently served 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. Upper San Gabriel Valley Municipal Water District is the water provider.

m. *Regional Housing:*

This proposal will assist the County's ability to achieve its fair share of regional housing needs since the annexation is being developed with a single-family home.

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 Rural Lands (RL10).

The proposal is consistent with the existing County zoning designation of Light Agricultural (A-1-1).

p. *Environmental Justice:*

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

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

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) CLEARANCE:

The proposal is categorically exempt from the provisions of 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(a). The proposed development involves new construction of one single-family residence. In addition, there are no cumulative impacts, unusual circumstances, nor other limiting factors that would make the exemption inapplicable based on the proposal records.

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 County Sanitation District No. 15 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, including the California Environmental Quality Act determinations, Approving and Ordering Annexation No. 296 to the County Sanitation District No. 15 of Los Angeles County.

**RESOLUTION NO. 2017-00RMD
RESOLUTION OF THE LOCAL AGENCY FORMATION
COMMISSION FOR THE COUNTY OF LOS ANGELES
MAKING DETERMINATIONS APPROVING AND ORDERING
"ANNEXATION NO. 296 TO THE COUNTY SANITATION DISTRICT NO. 15
OF LOS ANGELES COUNTY"**

WHEREAS, the County Sanitation District No. 15 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 Los Angeles County unincorporated territory; and

WHEREAS, the proposed annexation consists of approximately 2.84± acres of uninhabited territory and is assigned the following distinctive short-form designation: "Annexation No. 296 to the County Sanitation District No. 15 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 one proposed single-family home; and

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

WHEREAS, the 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 October 11, 2017 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 October 11, 2017, this Commission considered the Proposal and the report of the Executive Officer.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The Commission, acting in its role as a responsible agency with respect to Annexation No. 296 to the County Sanitation District No. 15 of Los Angeles County, finds that this annexation 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(a), The proposed development involves new construction of one single-family residence. In addition, there are no cumulative impacts, unusual circumstances, nor other limiting factors that would make the exemption inapplicable based on the proposal records.
2. 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.

3. A description of the boundaries and map of the proposal, as approved by this Commission, are set forth in Exhibits "A" and "B", attached hereto and by this reference incorporated herein.
4. The affected territory consists of 2.84± acres, is uninhabited, and is assigned the following short form designation:

"Annexation No. 296 to the County Sanitation District No. 15 of Los Angeles County".
5. Annexation No. 296 to the County Sanitation District No. 15 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 County Sanitation District No. 15 of Los Angeles County.

7. The Executive Officer is directed to transmit a copy of this resolution to the District, upon the District's payment of the applicable fees required by Government Code Section 54902.5 and prepare, execute and file a certificate of completion with the appropriate public agencies, pursuant to Government Code Section 57200, *et seq.*

PASSED AND ADOPTED this 11th day of October 2017.

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**



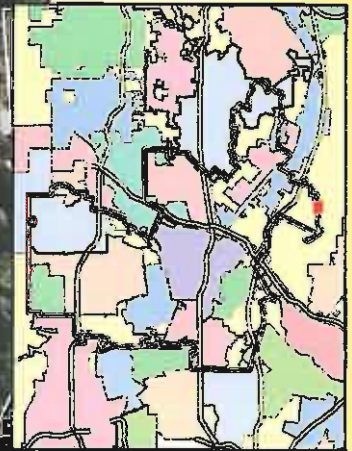
Annexation No. 296 to County Sanitation District No. 15

Legend

-  CSD Annexation 15-296
-  County Unincorporated
-  Los Angeles County Sanitation District No. 15
-  Sphere of Influence, CSD 15



LAFCO
 Local Agency Formation
 Commission
 for the County of Los Angeles



Staff Report

October 11, 2017

Agenda Item No. 7.a.

Annexation No. 2017-03 to the Antelope Valley Cemetery District

PROPOSAL SUMMARY:

Size of Affected Territory:	420,967± acres (657.76± square miles)
Inhabited/Uninhabited:	Inhabited
Applicant:	Antelope Valley Cemetery District (District)
Resolution or Petition:	March 8, 2017
Application Filed with LAFCO:	March 13, 2017
Location:	Parcel 1 is located in and surrounding the City of Palmdale and Parcel 2 is located around the unincorporated area of Gorman.
City/County:	City of Palmdale and Los Angeles County unincorporated territory (Antelope Valley, Acton, and portions of Agua Dulce).
Affected Territory:	Both Parcels consist of residential, commercial, industrial, and vacant land. The topography is generally flat with some mountains.
Surrounding Territory:	The City of Lancaster, unincorporated territory, and the Angeles National Forest surround the affected territory.
Landowner(s):	There are multiple owners of record.
Registered Voters:	301,679 registered voters as of 2013 as per the applicant.
Purpose/Background:	To expand the District boundary to include the entire Antelope Valley, Acton, and portions of Agua Dulce. The District provides burial services at reduced rates for residents within the District boundary.
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 15320 because it consists of a change in the organization or reorganization of local governmental agencies where the changes do not change the geographical area in which previously existing powers are exercised.

Additional Information: On May 10, 2017, the Commission amended the Sphere of Influence (SOI) for the District, thereby adding significant new territory to the District's existing SOI. The affected territory in this annexation comprises the same geographical area as the amended SOI adopted by the Commission

FACTORS TO BE CONSIDERED PURSUANT TO GOVERNMENT CODE 56668:

a. Population:

The existing population is approximately 183,000 residents as of 2010 (census). The population density is 2.3 persons per acre.

The estimated future population is 183,000 residents (no anticipated change).

The affected territory is 420,967± acres. Parcels 1 & 2 consist of residential, commercial, industrial, and vacant land. There are no proposed/future land use changes due to this proposal.

The assessed valuation is \$1,958,873 from the 2015/2016 tax roll.

The per capita assessed valuation is \$10.70.

On September 19, 2017, the County adopted a negotiated tax exchange resolution for the County of Los Angeles. On October 3, 2017, the County adopted a negotiated tax exchange resolution behalf of the Antelope Valley Resource Conservation District, the Los Angeles County Sanitation District No. 14 of Los Angeles County, and Los Angeles County Sanitation District No. 20 of Los Angeles County pursuant to Revenue and Taxation Code 99.01(a)(4), which authorizes a county to act on behalf of a special district to determine the exchange of property tax if the special district involved fails to adopt a tax transfer resolution. All other involved public agencies have adopted a property tax transfer resolution.

The topography of the affected territory is generally flat with some mountains.

The affected territory is generally bounded by the Angeles Forest to the south.

The affected territory includes one drainage basin located in the City of Palmdale just east of the intersection of 47th Street East and Fort Tejon Road.

The affected territory is surrounded by populated and un-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 modest growth in the next ten years.

b. Governmental Services and Controls:

The affected territory includes the remaining portion of the Antelope Valley not currently within the District, Acton, and portions of Agua Dulce which require organized governmental services. The affected territory also includes portions of the Angeles National Forest.

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 residents continue to pay out of agency rates for burial services from the district.

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 prime agricultural land located within Parcels 1 & 2. No development is proposed within any prime agricultural land as a result of the proposed annexation.

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 of Palmdale and County General Plan designations.

The proposal is consistent with all 13 existing City of Palmdale and 6 County Specific Plan (Community Services District) designations.

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 Antelope Valley Cemetery District, as amended by the Commission on May 10, 2017.

j. Comments from Public Agencies:

Staff received comments from the City of Santa Clarita concerning the proposed annexation boundary in unincorporated Agua Dulce. Following a meeting with representatives of the City of Santa Clarita, Antelope Valley Cemetery District, and LAFCO, the southernmost boundary of the proposed annexation was modified in a manner acceptable to all parties.

Staff received comments from the City of Palmdale concerning the potential fiscal impact upon the City of Palmdale. Palmdale staff later communicated that its concerns had been resolved through consultation with representatives of the County's Chief Executive Office and LAFCO.

Other than the City of Santa Clarita and Palmdale, 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 served by the Antelope Valley Cemetery District utilizing out of district service rates for burial services.

l. Timely Availability of Water Supplies:

The proposed annexation will have no impact upon 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).

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 City of Palmdale and County General Plan designations.

The proposal is consistent with the existing City of Palmdale and County zoning designations.

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 Disadvantaged Unincorporated Communities (DUCs) within and adjacent to Parcel 1 of the affected territory. Once the annexation is completed all DUCs within the Antelope Valley will be covered by cemetery district services and any adjacent DUC will still be able to utilize burial services at an out of district rate.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) CLEARANCE:

The proposal is categorically exempt from the provisions of CEQA pursuant to State CEQA Guidelines Section 15320 because it consists of a change in the organization or reorganization of local governmental agencies where the changes do not change the geographical area in which previously existing powers are exercised. In addition, there are no cumulative impacts, unusual circumstances, nor other limiting factors that would make the exemption inapplicable based on the proposal records.

CONCLUSION:

Staff recommends approval of the proposal as a logical and reasonable extension of the Antelope Valley Cemetery District 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 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. 2017-03 to the Antelope Valley Cemetery District; and
4. Pursuant to Government Code Section 57002, set November 15, 2017, at 9:00 a.m., in Room 381-B of the Kenneth Hahn Hall of Administration, 500 West Temple Street, Los Angeles, California, 90012, as the date and time for Commission protest proceedings.

**RESOLUTION NO. 2017-00RMD
RESOLUTION OF THE LOCAL AGENCY FORMATION
COMMISSION FOR THE COUNTY OF LOS ANGELES
MAKING DETERMINATIONS APPROVING
"ANNEXATION NO. 2017-03 TO THE ANTELOPE VALLEY CEMETERY DISTRICT"**

WHEREAS, the Antelope Valley Cemetery District (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 County of Los Angeles (County); and

WHEREAS, the proposed annexation consists of approximately 420,967± acres of inhabited territory and is assigned the following distinctive short-form designation: "Annexation No. 2017-03 to the Antelope Valley Cemetery District"; 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 burial services to the entire Antelope Valley at reduced rates; 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 September

20, 2017, 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 October 11, 2017, 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 November 15, 2017 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, acting in its role as a responsible agency with respect to Annexation No. 2017-03 to the Antelope Valley Cemetery District, finds that this annexation is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15320, because it consists of a change in the organization or reorganization of local governmental agencies where the changes do no change the geographical area in which previously existing powers are exercised. In addition, there are no cumulative impacts, unusual circumstances, nor other limiting factors that would make the exemption inapplicable based on the proposal records.

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 420,967± acres, is inhabited, and is assigned the following short form designation:

"Annexation No. 2017-03 to the Antelope Valley Cemetery District".
4. Annexation No. 2017-03 to the Antelope Valley Cemetery District is hereby approved, subject to the following terms and conditions:
 - a. The District agrees to defend, hold harmless and indemnify LAFCO and/or its agents, officers and employees from any claim, action or proceeding against LAFCO and/or its agents, officers and employees to attack, set aside, void or annul the approval of LAFCO concerning this proposal or any action relating to or arising out of such approval.
 - b. The effective date of the annexation shall be the date of recordation.
 - c. Payment of Registrar-Recorder/County Clerk and State Board of Equalization fees.
 - d. The territory so annexed shall be subject to the payment of such service charges, assessments or taxes as may be legally imposed by the District.
 - e. The regular County assessment roll shall be utilized by the District.
 - f. The affected territory will be taxed for any existing general indebtedness, if any, of the District.

- g. Annexation of the affected territory described in Exhibits "A" and "B" to the District.
 - h. Except to the extent in conflict with "a" through "g", above, the general terms and conditions contained in Chapter 2 of Part 5, Division 3, Title 5 of the California Government Code (commencing with Government Code Section 57325) shall apply to this annexation.
- 5. Pursuant to Government Code Section 57002, the Commission hereby sets the protest hearing for November 15, 2017 at 9:00 a.m., in Room 381-B of the Kenneth Hahn Hall of Administration, 500 West Temple Street, Los Angeles, California, 90012, 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 11th day of October 2017.

MOTION:

SECOND:

AYES:

NOES:

ABSTAIN:

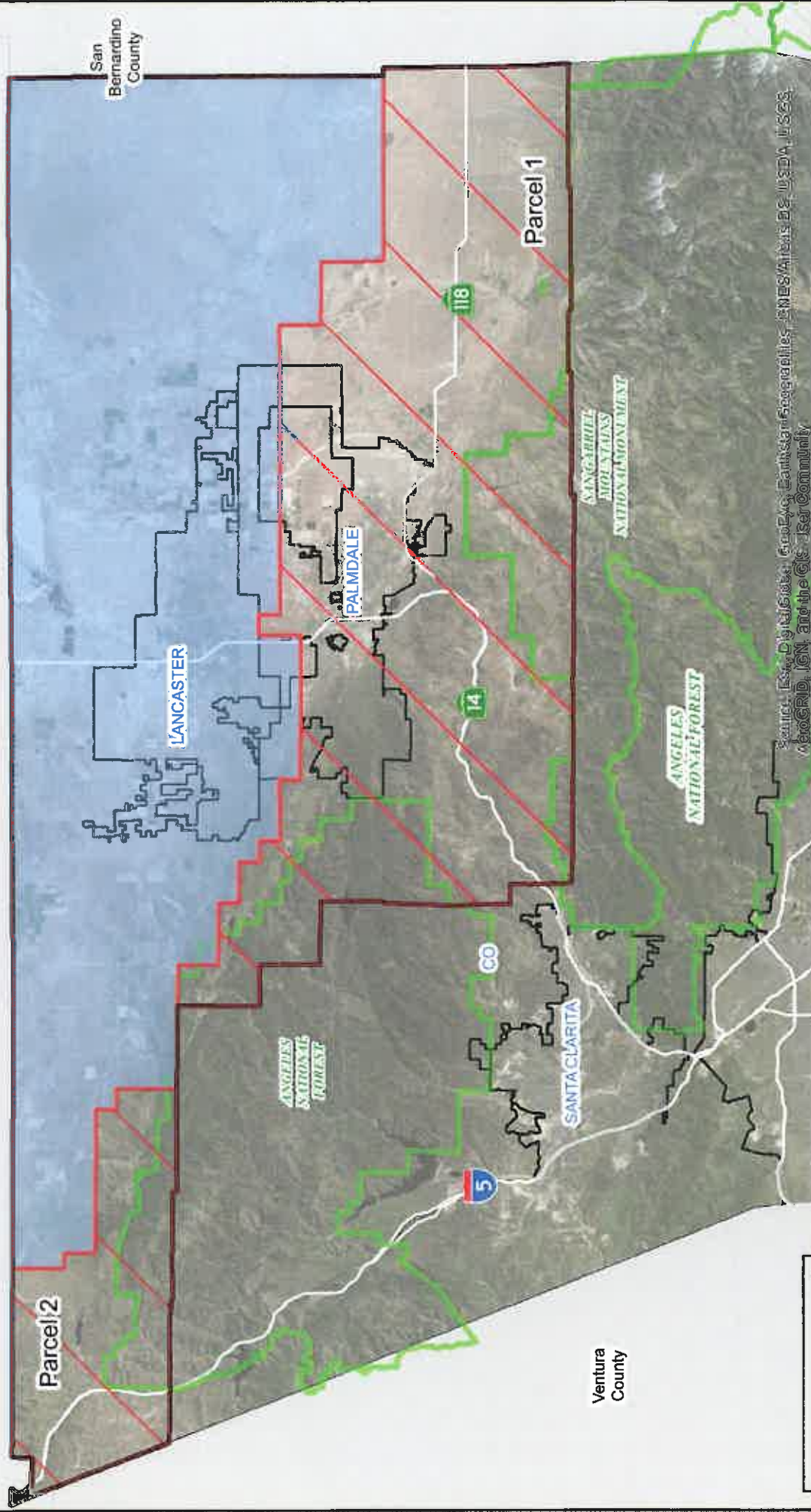
ABSENT:

MOTION PASSES: 0/0/0

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

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

Kern County



Legend

- Annexation 2017-03
- City of Lancaster
- City of Palmdale
- Antelope Valley Cemetery District
- Antelope Valley Cemetery District
- Antelope Valley Cemetery District

Annexation 2017-03 to the Antelope Valley Cemetery District



Staff Report

October 11, 2017

Agenda Item No. 7.b.

Annexation No. 1084 to the Santa Clarita Valley Sanitation District of Los Angeles County

PROPOSAL SUMMARY:

Size of Affected Territory:	236.34± acres
Inhabited/Uninhabited:	Uninhabited
Applicant:	Santa Clarita Valley Sanitation District of Los Angeles County
Resolution or Petition:	February 3, 2017
Application Filed with LAFCO:	February 13, 2017
Location:	The affected territory is located on The Old Road immediately west of Interstate 5, approximately 2,500 feet south of Pico Canyon Road.
City/County:	Los Angeles County unincorporated territory (Santa Clarita)
Affected Territory:	The affected territory is vacant land. The territory will be developed into 93 condominiums, 92 single-family homes, and one fire station. The topography is flat, hillside with a canyon running northeast through the subject area.
Surrounding Territory:	Surrounding territory is vacant to the south and west, and residential to the north and east. The City of Santa Clarita is east of the affected territory.
Landowner(s):	There are 5 landowners.
Registered Voters:	0 registered voters as of February 1, 2016.
Purpose/Background:	For the district to provide off-site sewage disposal service.
Related Jurisdictional Changes:	There are no related jurisdictional changes.

Within SOI: Yes

Waiver of Notice/Hearing/Protest: No

CEQA Clearance: The California Environmental Quality Act (CEQA) clearance is an Environmental Impact Report certified by the County of Los Angeles Department of Regional Planning, as lead agency, on August 25, 2009.

Additional Information: None

FACTORS TO BE CONSIDERED PURSUANT TO GOVERNMENT CODE 56668:

a. Population:

The existing population is 0 residents as of February 1, 2016.

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

The estimated future population is 465 residents.

The affected territory is 236.34+/- acres. The territory will be developed into 93 condominiums, 92 single-family homes, and one fire station.

The assessed valuation is \$9,985,963 as of February 8, 2017.

The per capita assessed valuation issue does not apply because the affected territory is unpopulated.

On May 30, 2017, 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, hillside with a canyon running northeast through the subject area.

There are no natural boundaries.

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

Surrounding territory is vacant to the south and west, and residential to the north and east. The city of Santa Clarita is east 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 modest growth in the next ten years.

b. Governmental Services and Controls:

The affected territory will be developed into 93 condominiums, 92 single-family homes, and one fire station which will require 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, there is no other sewer service alternative. The Los Angeles County Department of Public Health prohibits the installation, alteration, or repair of any on-site wastewater treatment systems for any building for which connection to a public sewer system is available within 200 feet. Due to the proposed land uses within the annexation area and its proximity

to existing sewer infrastructure, public sewer service is the only viable alternative for development to occur. The cost of sewage disposal by the District is generally minimal since it is relatively close to an existing public sewer system. Service by the District is environmentally superior in terms of wastewater treatment, effluent discharge, and impacts on surface water bodies and groundwater.

c. *Proposed Action and Alternative Actions:*

The proposed action will have no effect on mutual social and economic interests. The proposal has no impact on the local governmental structure of the County. There is no alternative to public sewage disposal. 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 County General Plan designation of Non-Urban, Hillside Management Significant Ecological Area -SEA.

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:

Although the affected territory is not currently served 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 Joint Sewerage System Facilities Plan and EIR.

l. Timely Availability of Water Supplies:

The annexation area is not within the boundaries of any water purveyor. The project proponents are currently evaluating which public water purveyor would best serve the affected area.

m. Regional Housing:

This proposal will assist the County's ability to achieve its fair share of regional housing needs since the annexation is being developed with multi-family and single-family homes.

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 Non-Urban, Hillside Management Significant Ecological Area -SEA.

The proposal is consistent with the existing County zoning designation of Unlimited Commercial – Development Program (C-3-DP).

p. Environmental Justice:

The original owners of real property within the affected territory had 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 CEQA clearance is an Environmental Impact Report certified by the County of Los Angeles Department of Regional Planning, as lead agency, on August 25, 2009. 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 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. 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. 1084 to the Santa Clarita Valley Sanitation District of Los Angeles County; and
4. Pursuant to Government Code Section 57002, set November 15, 2017, 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 as the date, time and place for Commission protest proceedings.

**RESOLUTION NO. 2017-00RMD
RESOLUTION OF THE LOCAL AGENCY FORMATION
COMMISSION FOR THE COUNTY OF LOS ANGELES
MAKING DETERMINATIONS APPROVING
"ANNEXATION NO. 1084 TO THE 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 Los Angeles County unincorporated territory; and

WHEREAS, the proposed annexation consists of approximately 236.34± acres of uninhabited territory and is assigned the following distinctive short-form designation: "Annexation No. 1084 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 93 proposed condominiums, 92 proposed single-family homes, and one proposed fire station; 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 September 14, 2017, 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 October 11, 2017, 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 November 15, 2017 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. 1084 to the Santa Clarita Valley Sanitation District of Los Angeles County, pursuant to California Environmental Quality Act (CEQA) Guideline Section 15096, the Commission considered the Final Environmental Impact Report prepared and certified by the County of Los Angeles Department of Regional Planning, as lead agency, on August 25, 2009 for the

project; certifies that the Commission has independently reviewed and considered and reached its own conclusions regarding the environmental effects of the project as shown in the Final Environmental Impact Report; adopts the mitigation monitoring and reporting program, finding that the mitigation monitoring and reporting program is adequately designed to ensure compliance with the mitigation measures during project implementation as applicable to the responsible agency; finds that there are no further feasible alternatives or feasible mitigation measures within the Commission's power that would substantially lessen or avoid any significant effect the project would have on the environment; and determines that the significant adverse effects of the project have either been reduced to an acceptable level or are outweighed by the specific considerations of the project, as outlined in the environmental findings and Statement of Overriding Considerations, which findings and statement are adopted and incorporated as applicable herein by reference.

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

"Annexation No. 1084 to the Santa Clarita Valley Sanitation District of Los Angeles County".

4. Annexation No. 1084 to the 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.

5. Pursuant to Government Code Section 57002, the Commission hereby sets the protest hearing for November 15, 2017 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 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 11th day of October 2017.

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**



Other APNs:
 2826 022 026
 2826 022 034
 2826 038 039
 2826 038 040



Annexation No. 1084 to the Santa Clarita Valley Sanitation District of Los Angeles County

Legend

- CSD Annexation SCV-1084
- City of Santa Clarita
- Santa Clarita Valley Sanitation District of Los Angeles County
- Sphere of Influence, CSD SCV



LAFCO
 Local Agency Formation Commission
 for the County of Los Angeles



Staff Report

October 11, 2017

Agenda Item No. 9.a.

Approval of Proposed Memorandum of Understanding (“MOU”) Concerning Provision of Health and Medical Benefits by and between the County of Los Angeles and the Local Agency Formation Commission for the County of Los Angeles

Background

From the establishment of LAFCO in 1963, and through 2001, LAFCO was provided with office space in the County of Los Angeles Hall of Administration. Concurrently, LAFCO employees were considered to be employees of the County of Los Angeles, and the County provided health and medical benefits, including dental benefits, to LAFCO employees.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (“Act”) directed LAFCOs to separate from County government and establish LAFCOs as independent State agencies. Consistent with this change in State law, LAFCO relocated from space within the County of Los Angeles Hall of Administration to leased office space (in the City Glendale in 2001, and then in the City of Pasadena in 2011).

Notwithstanding this change, the County of Los Angeles has continued to provide health and medical benefits, including dental benefits, to LAFCO employees from 2001 to the present. LAFCO pays for all premiums associated with these benefits; these benefits incur no costs for the County. However, it was recently discovered that there is no formal agreement between the County and LAFCO documenting this arrangement.

Proposed Agreement

LAFCO’s Executive Officer contacted the County’s Chief Executive Officer (CEO) and requested that the County and LAFCO enter into an MOU reflecting the benefits arrangement that would provide assurances and protections for both agencies. The resulting draft MOU is enclosed for the Commission’s consideration.

The MOU supports the continuation of health and medical benefits as well as dental benefits to LAFCO employees. In exchange, LAFCO will continue to reimburse the County for LAFCO’s benefit premiums. Staff notes that there are no new nor additional costs beyond what LAFCO currently incurs for the provision of medical and dental benefits for its employees. The MOU further requires LAFCO to assume responsibility for County administrative fees, if any, for matters related to managing LAFCO employee benefits.

The MOU provides written assurance that LAFCO employees will continue to have access to the County’s medical and dental benefits program, at cost, for the foreseeable future. In the unlikely

event that the County sought to terminate the MOU, the termination clause affords LAFCO with ample time (six months) to secure medical and dental benefits from an alternate provider.

The MOU would be effective for a period of ten years from the date of execution. Six months prior to its expiration, LAFCO is required to notify the County if it intends to extend the MOU.

LAFCO Counsel has approved the MOU as to form.

Should the Commission approve the MOU, staff will alert County representatives, who will place the MOU on the agenda of a future meeting of the Los Angeles County Board of Supervisors. Should the County approve, the MOU would take effect upon execution by the Board Chair.

Recommended Action:

1. Approve and direct the LAFCO Chair to execute the Memorandum of Understanding Concerning Provision of Health and Medical Benefits by and between the County of Los Angeles and the Local Agency Formation Commission for the County of Los Angeles.

**MEMORANDUM OF UNDERSTANDING
CONCERNING PROVISION OF HEALTH AND MEDICAL BENEFITS
BY AND BETWEEN THE
COUNTY OF LOS ANGELES
AND THE
LOCAL AGENCY FORMATION COMMISSION
FOR THE COUNTY OF LOS ANGELES**

WHEREAS, the State of California enacted the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 ("Act") and prior acts to create in each county a local agency formation commission responsible for overseeing urban development;

WHEREAS, in the County of Los Angeles ("County"), there was created the Local Agency Formation Commission for the County of Los Angeles ("LA LAFCO");

WHEREAS, California Government Code sections 56380 and 56385 authorizes LA LAFCO to provide health and medical benefits to LA LAFCO employees;

WHEREAS, the County has historically provided health and medical benefits, including dental benefits ("Benefits"), to LA LAFCO employees, and LA LAFCO has fully reimbursed the County for the County's share of all premiums associated with provision of these Benefits to LA LAFCO employees;

WHEREAS, the County and LA LAFCO desire to continue this arrangement of the County providing Benefits to LA LAFCO employees in exchange for LA LAFCO fully reimbursing the County for all Benefits premiums; and

WHEREAS, the Executive Officer of LA LAFCO has requested the County to memorialize this Benefits arrangement with a written memorandum of understanding ("MOU").

NOW THEREFORE, the County of Los Angeles and LA LAFCO ("Parties" collectively or "Party" individually) mutually agree to the following:

1. The County shall continue to treat LA LAFCO employees as County employees for purposes of providing Benefits to LA LAFCO employees.
2. The County shall provide LA LAFCO employees with access to the County employee benefits hotline, administered by the County Department of Human Resources, for purposes of addressing inquiries into benefit and dependent eligibility, coverage, and other matters related to Benefits.
3. LA LAFCO shall reimburse the County for the County's cost of employer contributions, premiums, and administrative fees, if any, for LA LAFCO employees receiving County Benefits at the same rate as County departments are charged for County employees.

4. This MOU shall not be cause for LA LAFCO employees to claim to be County employees for purposes of claiming any benefit, privilege, or right as a County employee not expressly provided for herein.
5. This MOU shall not obligate the County to enroll LA LAFCO employees into life insurance or accidental death and dismemberment insurance.
6. This MOU shall continue in effect for a period of 10 years from the effective date, at which time the MOU shall expire unless terminated earlier by the Parties. LA LAFCO shall notify the County no less than six (6) months prior to the MOU expiration date in the event LA LAFCO desires to extend the MOU. This MOU may be extended for a period of up to 10 years by mutual approval and execution of a written amendment by the Parties.
7. Termination.
 - a. Mutual Agreement: The Parties may terminate this MOU by mutual agreement at any time.
 - b. Unilateral Termination: Either Party may unilaterally terminate this MOU at any time by delivering written notice of termination to the other party's executive officer. The effective date of such unilateral termination shall be the day before the commencement of the next open enrollment period, unless the next open enrollment period begins less than six months from the written notice of termination delivery date, in which case the termination date shall be the day before the open enrollment date for the next calendar year.
 - c. Ongoing Enrollment: Upon mutual or unilateral termination of this MOU, the County shall continue enrolling LA LAFCO employees, and LA LAFCO shall continue reimbursement for such enrollment, up to and until December 31 following the effective date of the termination, unless otherwise agreed by the Parties.
8. The Parties shall comply with all applicable laws, including, but not limited to, compliance with any applicable voting requirements, such as California Government Code section 56381.6.
9. The Parties shall cooperate and take all steps necessary to carry out the purposes of this MOU.
10. The following signatures indicate agreement by the Parties to the provisions of this MOU.

This MOU is effective as of the ____ day of _____, 2017.

LOCAL AGENCY FORMATION COMMISSION
FOR THE COUNTY OF LOS ANGELES

COUNTY OF LOS ANGELES

By: _____
Chair

By: _____
Chairman, Board of Supervisors

APPROVED AS TO FORM:

MARY C. WICKHAM
County Counsel

By: _____
MICHAEL S. BUENNAGEL
Deputy County Counsel

Staff Report

October 11, 2017

Agenda Item No. 9.b.

Potential Cancellation of the December 13, 2017 Meeting

For the past several years, the Commission has canceled its regular meeting in December due to the winter holidays. Staff has reviewed its workload and determined that existing proposals can be considered in a timely manner at either the November 15th, 2017 meeting or the January 10th, 2018 meeting. Staff therefore recommends canceling the December 13th, 2017 meeting.

Recommended Action:

1. Cancel the December 13, 2017 Commission Meeting; and
2. Direct the Executive Officer to send notice via the LAFCO e-mail alert notification system and post notice on the LAFCO website.

Staff Report

October 11, 2017

Agenda Item No. 9.c.

Sativa County Water District – Commission Update

Background

In May of 2014, the Commission approved a Municipal Service Review (MSR) and Sphere of Influence (SOI) Update for the Sativa County Water District (District), the result of which was to assign a Zero Sphere of Influence (“Zero SOI”) to the Sativa County Water District (a Zero SOI designation is a declaration that an agency is under-performing, and may be a candidate for consolidation or dissolution). The Commission considered an update in September of 2016, and confirmed the Zero SOI designation.

At staff’s request, the District provided a “2017 Progress Report for LAFCO.” The document provides information concerning on-going efforts by the District. A copy is enclosed for consideration by the Commission. A summary of the District’s progress regarding previously-raised issues is included below.

Issues

Construction of a New Well: The interim general manager reports that the “new well is in the final stages of planning and is scheduled to begin construction in the beginning of December 2017. The District issued a \$1.62 million revenue bond to pay for the construction of the new well.

Water Rates: The District completed a water rate increase (from \$55/month to \$65/month). Staff notes that these rates remain substantially lower than what surrounding districts charge. Adoption of a “tiered” rate schedule to encourage conservation—as has been adopted by a number of public and private water agencies—is not possible in the absence of water meters.

Water Conservation/Water Meters: Staff remains concerned that long-term effective water conservation remains difficult if not impossible so long as water service remains un-metered. LAFCO first noted the need for water meters in a 2005 Municipal Service Review (MSR), again in the 2012 MSR, and in the 2016 Commission Update. The District has not made any progress toward installing meters for the last twelve years.

Resignation of General Manager: General Manager Thomas Martin resigned in August. In September, the district appointed an interim general manager (Maria Rachelle Garza) for six months, pending a recruitment process for a new general manager (the recruitment is scheduled for the Board’s October 18th meeting). The District has a history of staffing challenges, such as the board president serving as general manager; long periods without having a general manager; the frequent turnover of District employees; and the frequent turnover of consultants like

accountants, attorneys, auditors, and engineers. In this context, Mr. Martin's departure, after a little over two years with the District, is troubling.

Property Rights for Pipelines: District representatives have made no appreciable progress in identifying what legal rights it has to pipelines underlying public rights-of-way and private properties.

Audit: Sativa representatives provided staff with a copy of the FY 2015-2016 Audit. The audit was prepared by KNL Support Services. The audit shows a relatively small shortfall of \$58,675 more in expenses versus revenues for the year (for the prior year, FY 2014-2015, revenues exceeded expenses by \$15,784). The audit attributes the increased expenses to "an increase in general and administrative expenses, particularly, salaries and expenses" for the general manager and administrative manager. The audit also states that "[t]he District is subject to various claims and legal proceedings covering a wide range of matters that arise in the ordinary course of its business activities." These claims and legal proceedings involve contractors/vendors, former employees, and former and current Directors.

Reserve Funds: According to the District's interim general manager, the District's reserve fund balance is \$407,616. The balance in September of 2016 (the Commission's last review of the District) was approximately \$480,000.

District-Owned Vehicles: The District reports that it owns three vehicles (two trucks for field employees and one van for the interim general manager). Given that the entire District is less than one half mile in size, and the fact that the General Manager is an office employee, staff reiterates its prior concerns relative to the necessity of the District owning and maintaining three vehicles.

State Water Grants/Loans: Over the course of the last several years, District representatives have repeatedly assured LAFCO staff that State water grants are "in progress" or "pending." More recently, the District reported on efforts to enlist the support of the Los Angeles County Department of Public Works and the Water Replenishment District to assist in securing grants. The District's latest report makes the same claims about seeking State grants. According to the interim general manager, the "District has not yet received any grants or low interest loans from the state or any other public agency." The interim general manager reports that the District is working on Federal and state grant and/or low interest loans to pay for the installation of water meters, to relocate pipelines from back yards to front yards, to construct and upgrade a loop system, and to construct additional fire hydrants. Staff notes that the District appears no closer to securing Federal or State grants or loans today than it was when the first MSR of the District was adopted by the Commission in 2005.

Sativa Los Angeles County Water District 2017 Progress Report for LAFCO

The "Summary" section of the District's "Progress Report" states that "Sativa Los Angeles County Water District asks to be released from LAFCO's current sphere of influence." Staff

infers that the District is requesting to have the current Zero Sphere of Influence, adopted by the Commission in 2014, replaced with its former designation of Coterminous Sphere of Influence.

Staff anticipates that District representatives provide additional testimony at the Commission's October 11th meeting.

Conclusions:

While the District has made modest progress on various issues, there remain multiple challenges in certain key areas, such as staffing turnover, the lack of water meters, and the lack of success in securing grants and/or low-interest loans. Staff does not support the implied request from District representatives to change the Zero SOI designation.

Staff Recommendation:

Staff recommends that the Commission:

1. Receive and file the Update.



SATIVA

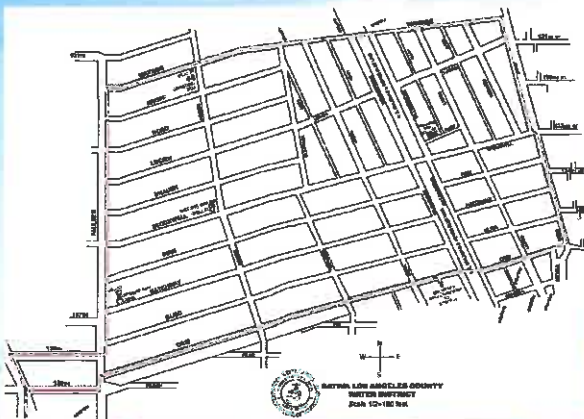
LOS ANGELES COUNTY WATER DISTRICT

**2017 PROGRESS REPORT
FOR LAFCO**



SATIVA – Who We Are

Sativa LA County Water District supplies domestic water services to a portion of the Willowbrook area, an unincorporated area of the County of Los Angeles.



- ✓ Incorporated on December 30, 1938, in the State of California as a special district.
- ✓ 5 elected board of directors
- ✓ Service area is approximately 1.1 square mile and contains approximately 1634 connections.
- ✓ The district charges a flat water rate \$65 per connection.
- ✓ Maintains two active wells at three plant locations with a third well pending construction



Meet Our Board of Directors



Luis Landeros
President



Christina Casillas
Vice President



Juan Aguilar
Director



Roxsana Zepeda
Director



Lucia Castellon
Director



What We've Improved

Sativa Los Angeles County is pleased to report the progress it has made over the past 16 months.



ADMINISTRATIVE

- Improved Customer Service
 - Online Bill Pay
 - Automated
- Streamline Inventory and Recordkeeping
- Ongoing Training for Field & Administrative Staff to keep up with industry requirements
- Clean Audits & Budget Adoption



What We've Improved

Sativa Los Angeles County is pleased to report the progress it has made over the past 12 months.



INFRASTRUCTURE

- Upgraded Hydropneumatic Tank on Well #3 to improve District Zone Pressure.
- Successful Revenue Bond for New Well
- New water to be constructed in 2017



What We've Improved

Sativa Los Angeles County is pleased to report the progress it has made over the past 16 months.



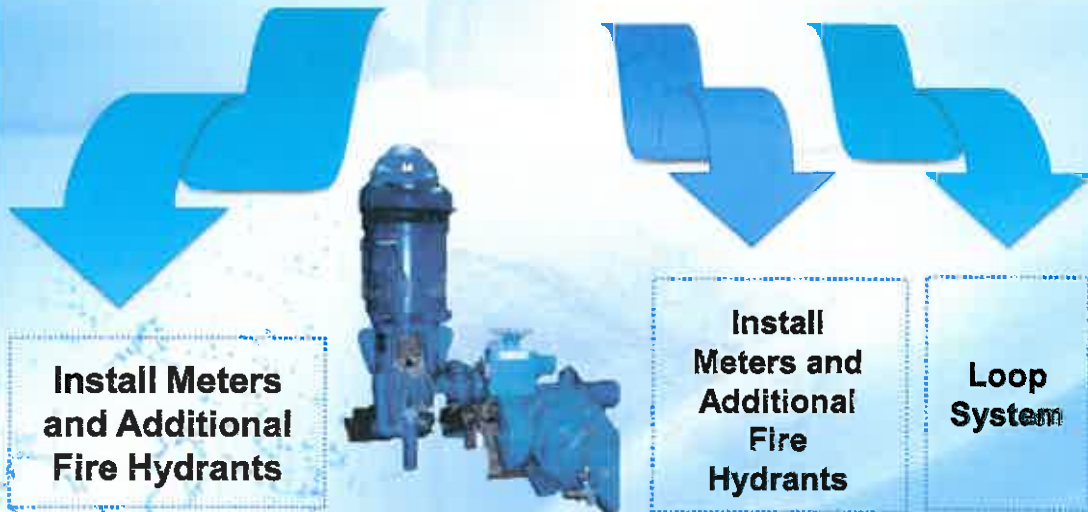
OTHER IMPROVEMENTS

- Applied State funding for a Treatment Plant
- Applying for State funding for water meters
- Conducted engineering studies
- Rate increase \$65 to cover CPI increases until 2020



What We Need to Improve

Sativa plans to repair and upgrade its current infrastructure to better serve its customers. These improvements include:



Capital Improvement Project New Water Well

The District has elected to address the need for a new water well as the first step towards a comprehensive capital improvement program.

- The District currently has **2 functioning water wells**.
 - Well #3 built in 1944
 - Well #5 built in 1993.
- A new water well is scheduled to be constructed this year.



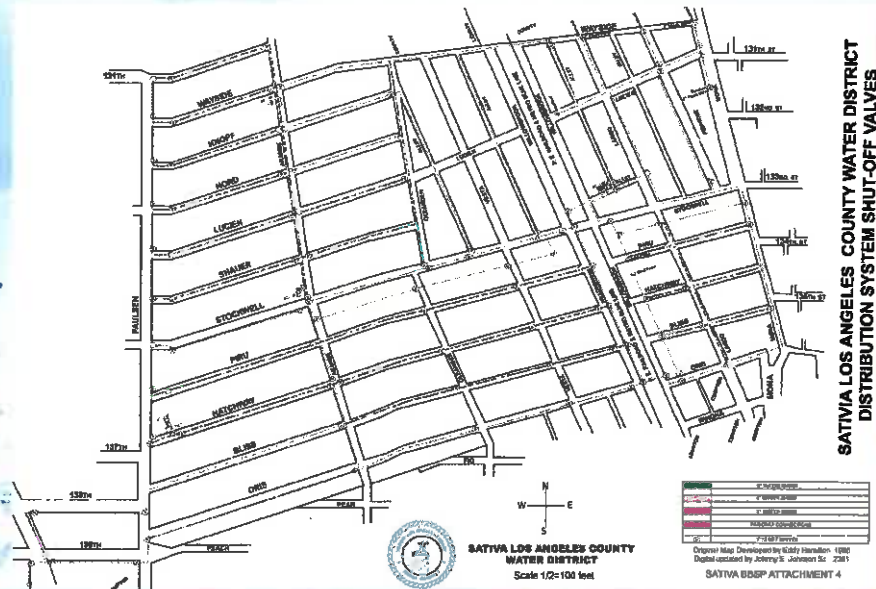
With a new water well, the District will have a more reliable source of water to provide to its residents in the event one of the wells cannot function.



Capital Improvement Project Replace Distribution Pipelines

The District upgraded over 20,000 feet of its 2" pipelines into 6" PVC in 1974.

The District currently needs to replace 30,000 feet of 65+ year old 4" AC pipelines and upgrade it to 6" or 8" PVC.



Capital Improvement Project *Move Service Connections from Backyard to Front*



✓ Abandon existing 4-inch mains in alleyways and along inaccessible property lines

✓ Install over 8,000 feet of new 6-inch pipe

✓ Replace over 2,000 feet of existing 4-inch with new 6-inch pipe for Fire Flow Capacity



Capital Improvement Project Loop System

Figure 8.7 – Map of Primary Loop



- ✓ A loop at or near the service area boundary will assure wide fire flow availability.
- ✓ Remove dead end.



Sativa LA County Water District Capital Improvement Plan 2017

Storage Reservoir Tank with Booster - \$2,100,000

Pipelines from Backyard to Front - \$1,250,000

Water Meters - \$1,500,000

Distribution upgrade and Loop System - \$1,800,000

Additional Fire Hydrants - \$ 800,000



Funding for Projects

- ✓ Currently pursuing grants to help fund capital improvement projects
- ✓ Considering applying for loans to augment project cost.
- ✓ Looking for partners to help with funding



What We Have Improved

Satwa has repaired some of its pipeline and has did major maintenance on its old existing wells:



Upgraded
some
Pipelines

Refurbished
old well
pump motor
to be energy
efficient



Community Involvement



Holiday Toy Drive & Water Education Day

Water Conservation & Education Fair

Community Clean Up Day



Summary



✓ Sativa Los Angeles County Water District continues its path to improvement the last 12 months over all as a District.

✓ Sativa Los Angeles County Water district ask to be released from LAFCO's current sphere of influence.

✓ The Board of Directors for the Sativa Los Angeles County Water District acknowledges that capital improvement projects are of outmost priority to ensure water quality and supply reliability.

**Sativa - Los Angeles County
Water District**

**Financial Statements and
Independent Auditor's Report
Fiscal Year Ended June 30, 2016**

Sativa – Los Angeles County Water District

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For the Year Ended June 30, 2016

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Statement of Cash Flows	8
Notes to Basic Financial Statements	9

Independent Auditor's Report

Board of Directors
Sativa-Los Angeles County Water District
Compton, California

Report on the Financial Statements

We have audited the accompanying financial statements of the Sativa - Los Angeles County Water District (District) as of June 30, 2016 and the related notes to the financial statements, which collectively comprise the District'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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, as well as the *State Controller's Minimum Audit Requirements for California Special Districts*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the 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 auditor's 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 auditor considers internal control relevant to the entity'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 entity'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 District, as of June 30, 2016, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America, as well as the accounting systems prescribed by the State Controller's Office and state regulations governing special districts.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis 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 required supplementary information 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 our 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.

KML Support Services

Los Angeles, California

June 12, 2017

Sativa – Los Angeles County Water District

Management's Discussion and Analysis For the Year Ended June 30, 2016

As management of the Sativa-Los Angeles County Water District (the District), we offer the readers of the District's financial statements this narrative overview and analysis of the financial activities for the District for the fiscal year ended June 30, 2016 as required by the Governmental Accounting Standards Board (GASB). Please read it in conjunction with the District's basic financial statements and note disclosures, which follow this section.

Overview of the Financial Statements

The District operates as a utility enterprise and presents its financial statements using the economic resources measurement focus and the full accrual basis of accounting. The annual report consists of two parts: 1) Management's Discussion and Analysis and 2) Financial Statements. The Management's Discussion and Analysis is intended to serve as an analysis of the District's basic financial statements, which are comprised of the Financial Statements and Notes to the Financial Statements. As an enterprise fund, the District's basic financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position, and a Statement of Cash Flows.

Statement of Net Position

The Statement of Net Position presents information on the District's assets and liabilities, with the difference between the two reported as net position.

Condensed Statement of Net Position June 30, 2015 and June 30, 2016

	<u>2015</u>	<u>2016</u>
ASSETS:		
Current assets	\$ 956,836	\$ 524,274
Capital assets, net	<u>951,754</u>	<u>1,219,308</u>
Total assets	<u>1,908,590</u>	<u>1,743,582</u>
 LIABILITIES:		
Current liabilities	<u>326,728</u>	<u>220,395</u>
 NET POSITION:		
Net investment in capital assets	951,754	1,219,308
Unrestricted	<u>630,108</u>	<u>303,879</u>
Total net position	<u>\$ 1,581,862</u>	<u>\$ 1,523,187</u>

Sativa – Los Angeles County Water District

Management's Discussion and Analysis For the Year Ended June 30, 2016

The District continues to maintain a strong cash position, with \$419,672 in unrestricted cash and investments at June 30, 2016.

The District prepared a Cost of Service Analysis which determined options for bringing the District back to a consistent positive net income. As a result, a series of rate increases were approved by the Board which are projected to bring the District back into positive net income and which will allow the District to both afford a full-time General Manager and set aside reserves to allow it to gradually rebuild its aging water distribution system.

Condensed Statement of Revenues, Expenses, and Changes in Net Position For the years ended June 30, 2015 and June 30, 2016

	<u>2015</u>	<u>2016</u>
REVENUES:		
Water sales and services	\$ 1,051,920	\$ 1,091,345
Other operating revenues	44,230	28,881
Interest income	1,500	2,279
Total revenue	<u>1,097,650</u>	<u>1,122,505</u>
 EXPENSES:		
Operating	1,072,140	1,181,180
Non-operating	9,726	-
Total expenses	<u>1,081,866</u>	<u>1,181,180</u>
 Increase (decrease) in net position	15,784	(58,675)
Net position, beginning of year	1,566,078	1,581,862
Net position, end of year	<u>\$ 1,581,862</u>	<u>\$ 1,523,187</u>

The Statement of Revenues, Expenses, and Changes in Net Position presents information on how the District's Net Position changed during the fiscal year.

For the fiscal years ended 2015 and 2016, the District's total revenues were \$1,097,650 and \$1,122,505 respectively, representing a 0.36% decrease and 2.18% increase over the previous years, respectively. This net increase is consistent with there having been no rate increase for several years and little opportunity for growth due to the District being a fully built out residential neighborhood.

The increase in operating expenses was mainly due an increase in general and administrative expenses, particularly, salaries and expenses. The District hired a General Manager near the end of fiscal year 2015 and an Administrative Manager midway thru fiscal year 2016.

Sativa – Los Angeles County Water District

Management's Discussion and Analysis For the Year Ended June 30, 2016

Capital Assets

Condensed Schedule of Capital Assets June 30, 2015 and June 30, 2016

	2015	2016
Land	\$ 154,511	\$ 154,511
Water utility plant	1,876,542	2,090,291
Office improvements	201,031	201,031
Plant maintenance equipment	69,989	179,389
Office furniture and equipment	57,934	83,422
Vehicles	77,315	77,315
Accumulated depreciation	(1,485,568)	(1,566,651)
Total capital assets, net	<u>\$ 951,754</u>	<u>\$ 1,219,308</u>

Capital asset additions included \$213,749 in water utility plant, \$109,400 in plant maintenance equipment and \$25,488 in office equipment.

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional explanations that are essential to a full understanding of the data reported in the financial statements.

Request for Information

This financial report is designed to provide a general overview of the District's finances for all interested parties. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Sativa - Los Angeles County Water District, 2015 E. Hatchway Street, Compton, California 90222.

Sativa – Los Angeles County Water District

Statement of Net Position
June 30, 2016

ASSETS

Current assets:

Cash and Investments	\$	419,672
Accounts receivable - customers		92,811
Interest receivable		657
Prepaid expenses		<u>11,134</u>

Total current assets		<u>524,274</u>
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Noncurrent assets:

Capital assets, not being depreciated		154,511
Capital assets, being depreciated, net		<u>1,064,797</u>

Total noncurrent assets		<u>1,219,308</u>
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Total assets		<u>1,743,582</u>
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LIABILITIES

Current liabilities:

Accounts payable		33,140
Accrued liabilities		12,541
Customer deposits		142,678
Compensated absences		<u>32,036</u>

Total current liabilities		<u>220,395</u>
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Total liabilities		<u>220,395</u>
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NET POSITION

Net investment in capital assets		1,219,308
Unrestricted		<u>303,879</u>

Total net position	\$	<u>1,523,187</u>
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The accompanying notes are an integral part of these financial statements.

Sativa – Los Angeles County Water District

**Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2016**

OPERATING REVENUES

Water sales and services	\$ 1,091,345
Other operating revenues	<u>28,881</u>
Total operating revenues	<u>1,120,226</u>

OPERATING EXPENSES

Water purchases	94,921
Pumping costs	67,845
Water treatment	11,752
Transmission and distribution	88,461
Customer accounts	22,416
General and Administration	814,702
Depreciation	<u>81,083</u>
Total operating expenses	<u>1,181,180</u>
Operating income	<u>(60,954)</u>

NON-OPERATING REVENUE (EXPENSES)

Interest income	2,279
Other expenses	<u>-</u>
Total nonoperating revenues (expenses)	<u>2,279</u>
Change in net position	(58,675)
Net position, beginning of year	<u>1,581,862</u>
Net position, end of year	<u>\$ 1,523,187</u>

The accompanying notes are an integral part of these financial statements.

Sativa – Los Angeles County Water District

Statement of Cash Flows
For the Year Ended June 30, 2016

CASH FLOWS FROM OPERATING ACTIVITIES

Cash received from customers	\$ 1,102,228
Cash paid to employees for salaries and benefits	(423,226)
Cash paid to vendors and suppliers	<u>(760,841)</u>

Net cash provided by operating activities	<u>(81,839)</u>
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CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Purchase of capital assets	<u>(348,637)</u>
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Net cash used for capital and related financing activities	<u>(348,637)</u>
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CASH FLOWS FROM INVESTING ACTIVITIES

Interest received	<u>2,033</u>
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Net cash provided by investing activities	<u>2,033</u>
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Net increase in cash	(428,443)
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Cash, beginning of year	<u>848,115</u>
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Cash, end of year	<u>\$ 419,672</u>
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**RECONCILIATION OF OPERATING INCOME TO NET CASH
PROVIDED BY OPERATING ACTIVITIES**

Operating Income	\$ (60,954)
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Adjustments:

Depreciation	81,083
Other expenses	466

Changes in assets and liabilities

(Increase) Decrease in:

Accounts receivable - customers	(1,155)
Prepaid expenses	5,054

Increase (Decrease) in:

Accounts payable	(103,788)
Accrued liabilities	(3,751)
Customer deposits	(13,593)
Payments received in advance	(3,250)
Compensated absences	<u>18,049</u>

Net cash provided by operating activities	<u>\$ (81,839)</u>
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The accompanying notes are an integral part of these financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of Reporting Entity

The District was incorporated on December 30, 1938 in the State of California. The District supplies domestic water services to a portion of the Willowbrook area, an unincorporated area of the County of Los Angeles. The service area is approximately one-half square mile, in which the District provides service to approximately 1,600 service connections. The District maintains two active wells and one off-line well at three plant locations.

The District is governed by a five-member elected Board of Directors, which has no oversight responsibility over any other entities, and no component units within its reporting entity structure. The criteria used to determine the reporting entity included, but was not limited to: (a) financial independence, (b) selection of the governing authority, (c) designation of management, (d) ability to significantly influence operations, and (e) accountability for fiscal matters.

B. Basis of Accounting

The District accounts for its operations in an enterprise fund. An enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the governing body is that the costs of providing goods or services to the general public are financed or recovered primarily through user charges.

The basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Enterprise funds are accounted for using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when they are incurred.

C. Use of Estimates

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

D. Uniform Accounting System

The District follows the accounting system for water utility districts prescribed by the State Controller.

E. Cash and Investments

Cash and investments include amounts in demand deposit accounts at financial institutions, cash on hand, and investments in the Local Agency Investment Fund (LAIF) of the State of California. Cash and investments are stated at fair value. For further details see Note 2.

For purposes of its Statement of Cash Flows, the District defines cash and cash equivalents as cash on hand, imprest cash, demand deposits with financial institutions, and investments with the Local Agency Investment Fund (LAIF).

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

F. Receivables and Revenue Recognition

Revenues are recognized on the accrual basis of accounting. There is no provision for uncollectible accounts. The District's billing and customer forfeiture policies are structured so that the customer deposit forfeited will equal or exceed the balance due on the uncollectible account.

G. Prepaid Expenses

Certain payments to vendors reflect costs or deposits applicable to future accounting periods and are recorded as prepaid items in the basic financial statements.

H. Capital Assets

The accounting and reporting treatment applied to the capital assets associated with a fund are determined first by measurement focus. Enterprise funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities associated with their activity are included on the Statement of Net Position. Enterprise fund operating statements present increases and decreases in net position.

Purchases of equipment, tools and vehicles that individually have an original cost of more than \$500, as well as all land and building acquisitions, regardless of cost, and additions or major improvements to the District's service infrastructure are capitalized as capital assets.

Capital assets are valued at historical or estimated historical cost. Depreciation of capital assets used by enterprise funds is charged as an expense against their operations. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Water utility plant and office improvements	10 to 30 years
Plant maintenance equipment, vehicles, office furniture and equipment	5 to 10 years

I. Compensated Absences

Accumulated unpaid employee vacation leave benefits are recognized as liabilities of the District when vested. Full-time employees are granted two to seven weeks of vacation per year depending on length of service. The District's vacation leave policy limits accrued vacation leave to a maximum of 30 days.

District employees are granted one day of sick leave per month. The District's sick leave policy stipulates that each employee can accrue up to a maximum of 12 sick days; any sick time earned after the 12 day accrual shall be lost and no sick leave is payable upon employees leaving the District's employment.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

J. Net Position

The Statement of Net Position utilizes the following net position categories:

- *Net Investment in Capital Assets* – this component of net position consists of capital assets, net of accumulated depreciation and reduced by any debt outstanding against the acquisition, construction or improvement of those assets.
- *Restricted* - this component of net position consists of externally constrained resources imposed by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- *Unrestricted* – this component of net position consists of net position that does not meet the definition of *restricted* or *net investment in capital assets*.

K. Restricted Resources

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

L. Operating and Nonoperating Activities

The District distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with the District's principal ongoing operations. The principal operating revenues of the District are charges to customers for water sales and services. Operating expenses include the cost associated with the purchasing, pumping, and distribution of water, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

M. New Accounting Pronouncements

The District early-implemented Government Accounting Standards Board Statement No. 72 – Fair Value Measurement and Application during fiscal year 2015.

Sativa – Los Angeles County Water District

**Notes to the Financial Statements
For the Year Ended June 30, 2016**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued

N. Contingencies

Certain conditions may exist as of the date the financial statements are issued, which may result in a loss to the District but which will only be resolved when one or more future events occur or fail to occur. The District's management and its legal counsel assess such contingent liabilities, and such assessment inherently involves an exercise of judgment. In assessing loss contingencies related to legal proceedings that are pending against the District or unasserted claims that may result in such proceedings, the District's legal counsel evaluates the perceived merits of any legal proceedings or unasserted claims as well as the perceived merits of the amount of relief sought or expected to be sought therein.

If the assessment of a contingency indicates that it is probable that a material loss has been incurred and the amount of the liability can be estimated, then the estimated liability would be accrued in the District's financial statements. If the assessment indicates that a potentially material loss contingency is not probable, but is reasonably possible, or is probable but cannot be estimated, then the nature of the contingent liability, together with an estimate of the range of possible loss if determinable and material, would be disclosed. Loss contingencies considered remote are generally not disclosed unless they involve guarantees, in which case the nature of the guarantee would be disclosed.

NOTE 2 – CASH AND INVESTMENTS

As of June 30, 2016, cash and investments are comprised of:

Cash on Hand	\$	2,000
Imprest Cash		200
Demand deposit accounts		(65,921)
Local Agency Investment Fund		<u>483,393</u>
Total	\$	<u>419,672</u>

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Information about the sensitivity of the fair values of the District's investments to market interest rate fluctuations is provided by the following table that shows the maturity date of each investment:

	<u>Fair Value</u>	<u>Maturity Date</u>
LAIF Investment Pool	\$483,393	12 months or less

NOTE 2 – CASH AND INVESTMENTS, continued

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. LAIF does not have a rating provided by a nationally recognized statistical rating organization.

Concentration of Credit Risk

The investment policy of the District contains no limitation on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There are no investments in any one issuer that represent 5% or more of total District investments (other than external investment pools).

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local government units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2016, the amount of the District's deposits with financial institutions was not in excess of federal depository insurance limits.

NOTE 2 – CASH AND INVESTMENTS, continued

Investment in State Investment Pool

The District is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

The LAIF is a special fund of the California State Treasury through which local governments may pool investments. Each district may invest up to \$65,000,000 in the Fund. Investments in LAIF are highly liquid, as deposits can be converted to cash within twenty-four hours without loss of interest. Investments in LAIF are secured by the full faith and credit of the State of California. Included in LAIF's investment portfolio are certain derivative securities or similar products in the form of asset-backed securities totaling \$1,448 million. LAIF's (and the District's) exposure to risk (credit, market or legal) is not currently available. Separate LAIF financial statements are available from the California State Treasurer's Office on the internet at www.treasurer.ca.gov.

Fair Value Measurements

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; level 2 inputs are significant other observable inputs; level 3 inputs are significant unobservable inputs.

The District's investment in the Local Agency Investment Fund of \$483,393 is valued using level 2 inputs by the Local Agency Advisory Board as of June 30, 2016.

Sativa – Los Angeles County Water District**Notes to the Financial Statements
For the Year Ended June 30, 2016****NOTE 3 – CAPITAL ASSETS**

The District's changes in capital assets, net of depreciation for the year ended June 30, 2016, were as follows:

	Balance at June 30, 2015	Increases	Decreases	Balance at June 30, 2016
Capital assets, not being depreciated:				
Land	\$ 154,511	\$ -	\$ -	\$ 154,511
Total capital assets, not being depreciated	154,511	-	-	154,511
Capital assets, being depreciated:				
Water utility plant	1,876,542	213,749		2,090,291
Office improvements	201,031	-		201,031
Plant maintenance equipment	69,989	109,400		179,389
Office furniture and equipment	57,934	25,488		83,422
Vehicles	77,315	-		77,315
Total capital assets, being depreciated	2,282,811	348,637	-	2,631,448
Less accumulated depreciation for:				
Water utility plant	(1,192,531)	(58,682)	-	(1,251,213)
Office improvements	(129,552)	(7,994)	-	(137,546)
Plant maintenance equipment	(33,529)	(10,899)	-	(44,428)
Office furniture and equipment	(52,641)	(3,508)	-	(56,149)
Vehicles	(77,315)	-	-	(77,315)
Total accumulated depreciation	(1,485,568)	(81,083)	-	(1,566,651)
Total capital assets, being depreciated, net	797,243	267,554	-	1,064,797
Total capital assets, net	\$ 951,754	\$ 267,554	\$ -	\$ 1,219,308

NOTE 4 – COMPENSATED ABSENCES

Employees accumulate earned but unused vacation time, a portion of which will be paid to employees upon separation from the District. Current period additions to expense totaled \$18,049. Accrued balances at June 30, 2016 totaled \$32,036.

Sativa – Los Angeles County Water District

Notes to the Financial Statements For the Year Ended June 30, 2016

NOTE 5 – EMPLOYEE RETIREMENT PLAN

On August 29, 2000, the District's Board of Directors hired a mutual fund company to begin a retirement plan (408K) for Sativa's full-time employees. The District and its employees began contributing to the plan on August 29, 2000.

To qualify for this plan, an employee must be 21 years old and have worked for the District for a minimum of three years. This is a simplified employee pension (SEP) and does not include employees covered under a collective bargaining agreement, nonresident aliens, or employees whose total compensation during the year is less than \$400.

The plan is currently arranged so the District and each employee will both contribute 5% into an IRA account. The District and the employees may contribute up to 15% of the compensation. They are not required to contribute to the plan each month. The District's matching contributions are based only on the first \$160,000 of compensation and limited annually to the lesser of \$30,000 or 15% of the eligible employee's compensation. The contribution is paid to the employee's IRA trustee, custodian, or insurance company (for an annuity contract).

NOTE 6 – JOINT POWERS INSURANCE AUTHORITY

The District is a member of the Special District Risk Management Authority (SDRMA). The Authority was formed under a joint powers agreement pursuant to California Government Code Sections 6500 et seq. and 900 et seq. to provide a general liability, automotive liability and property damage, and errors and omissions risk financing for the member districts. Contribution development is based on the particular characteristics of the member districts.

The following audited financial data is presented as of and for the fiscal year ended June 30, 2016 for SDRMA (most recent data available):

Total assets	\$ 110,682,834
Total deferred outflows	332,954
Total liabilities	58,754,717
Total deferred inflows	<u>117,687</u>
 Net position	 <u>\$ 52,143,384</u>
 Total revenues	 \$ 64,793,147
Total expenses	<u>61,339,889</u>
 Change in net position	 <u>\$ 3,453,258</u>

The District's precise share of the Authority's assets, liabilities, risk margin and changes therein during the fiscal year are not available.

**Notes to the Financial Statements
For the Year Ended June 30, 2016**

NOTE 6 – JOINT POWERS INSURANCE AUTHORITY, continued

Adequacy of Protection

During the past three fiscal years, none of the above programs of protection have had settlements or judgments that exceeded pooled or insured coverage. There have been no significant reductions in pooled or insured liability coverage from coverage in the prior year.

NOTE 7 – COMMITMENTS AND CONTINGENCIES

Commitments

The District has the following capital commitments for future lease payments relating to office equipment:

<u>Fiscal Year</u>	<u>Amount</u>
2017	\$6,974
2018	\$6,974
2019	\$6,974
2020	\$6,974

Contingencies

The District is subject to various claims and legal proceedings covering a wide range of matters that arise in the ordinary course of its business activities. Management believes that any liability that may ultimately result from the resolution of these matters will not have a material adverse effect on the financial condition or results of operations of the District.

The District initiated a legal action against one of its service providers alleging breach of contract, among other claims. The case was settled on February 6, 2017. The parties entered into a settlement agreement and the case is pending dismissal, in favor of the District.

A former contractor for the District has filed a demand for alleged unpaid services totaling \$6,888. The matter is at the investigative and negotiation stages, and management intends to vigorously defend these allegations. The ultimate outcome of this litigation cannot presently be determined. Accordingly, adjustments, if any, that might result from the resolution of this matter have not been reflected in the financial statements.

A former employee of the District submitted a demand letter in December 2015 alleging unpaid work hours, unpaid vacation, unpaid sick time benefits, and wrongful termination. The plaintiff's estate filed a complaint in August 2016, alleging that the District has failed to pay the former employee accrued vacation time of approximately \$47,725, unpaid accrued sick time of approximately \$29,718, unpaid work hours, and also alleging wrongful termination. The case is at the discovery stage, and management intends to vigorously defend these allegations. The ultimate outcome of this litigation cannot presently be determined. Accordingly, adjustments, if any, that might result from the resolution of this matter have not been reflected in the financial statements.

Sativa – Los Angeles County Water District

**Notes to the Financial Statements
For the Year Ended June 30, 2016**

The District filed a demand letter on January 20, 2015 to twelve prior and current Directors that they were paid Christmas bonuses improperly, dating back to 1991, totaling \$62,181. This litigation is at the demand stage, and management intends to pursue recovery vigorously. The ultimate outcome of this matter cannot presently be determined. Accordingly, adjustments, if any, that might result from the resolution of this matter have not been reflected in the financial statements.

**Staff Report
October 11, 2017**

Agenda Item No. 10.a.

Legislative Update

The Legislature concluded its 2017 Session on September 15, 2017, and subsequently forwarded all approved bills to Governor Brown. The Governor has until October 15, 2017, to sign or veto approved legislation.

Information presented herein is current as of the preparation of this written staff report (Monday, October 2nd); staff will update any changes verbally at the Commission Meeting on October 11th.

Bills signed by Governor Brown, to take effect on January 1, 2018:

- **AB 464 (Gallagher):** This bill amends Government Code Section 56653 to address a holding (adverse to LAFCOs) in *City of Patterson v. Turlock Irrigation District*, concerning plans for services. **Commission Position: SUPPORT**
- **AB 979 (Lackey):** Amends Government Code Section 56332.5 to streamline the process of seating special districts on LAFCO (at present, 30 of the 58 LAFCOs have added special district commissioners). **Commission Position: SUPPORT**
- **AB 1725 (Assembly Local Government Committee):** The annual Omnibus Bill, which makes technical corrections to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 ("Act"). **Commission Position: SUPPORT**

Bills awaiting action by Governor Brown:

- **SB 634 (Wilk):** This bill proposes a legislative consolidation of two independent water districts (the Castaic Lake Water Agency (CLWA) and the Newhall County Water District (NCWD)) into a newly-formed "Santa Clarita Valley Water District." **Commission Position: NEUTRAL**
- **SB 693 (Mendoza):** This bill proposes to establish a new district, the Lower San Gabriel River Recreation and Park District, "by petition or resolution submitted to the Los Angeles County Local Agency Formation Commission." **Commission Position: SUPPORT**

Staff Recommendation:

1. Receive and file the Legislative Report.



SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

1112 I Street, Suite 300

Sacramento, California 95814-2865

T 916.231.4141 or 800.537.7790 * F 916.231.4111

11.a.

Maximizing Protection. Minimizing Risk. • www.sdrma.org

September 19, 2017

Mr. Edward G. Gladbach
Chairman
Local Agency Formation Commission for Los Angeles County
80 S. Lake Avenue, Suite 870
Pasadena, California 91101

Re: President's Special Acknowledgement Award - Workers' Compensation Program

Dear Mr. Gladbach:

This letter and enclosed certificate are to formally acknowledge the dedicated efforts of the Local Agency Formation Commission for Los Angeles County's Governing Body, management and staff towards proactive loss prevention and workplace safety for earning the President's Special Acknowledgement Award! The Award is to recognize members with no "paid" claims during the prior **five consecutive program years** in the Workers' Compensation Program.

A "paid" claim for the purposes of this recognition represents the first payment on an open claim during the prior program year. Your agency's efforts have resulted in no "paid" workers' compensation claims for the prior 5 consecutive program years including 2016-17. This is an outstanding accomplishment that serves as an example for all SDRMA members!

It is through the efforts of members such as Local Agency Formation Commission for Los Angeles County that SDRMA has been able to continue providing affordable workers' compensation coverage to over 439 public agencies throughout California. While 270 members or 61% in the workers' compensation program had no "paid" claims in program year 2016-17, 127 members or 29% had no paid claims for the prior 5 consecutive years.

In addition to this annual recognition, members with no "paid" claims during 2016-17 earned 2 credit incentive points (CIPs) reducing their annual contribution amount and members with no "paid" claims for the prior 5 consecutive program years earned 3 additional bonus CIPs. Also, members without claims receive a lower "experience modification factor" (EMOD) which also reduces their annual contribution amount.

Included with this letter and certificate is your press release template so your agency may showcase this important accomplishment.

On behalf of the SDRMA Board of Directors and staff, it is my privilege to congratulate your Governing Body, management and staff for your commitment to proactive loss prevention and safety in the workplace.

Sincerely,
Special District Risk Management Authority

Jean Bracy, President
Board of Directors

RECEIVED
SEP 25 AM 7:52
LOCAL AGENCY FORMATION COMMISSION FOR LOS ANGELES COUNTY



SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

President's Special Acknowledgement Award

THE PRESIDENT OF THE SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

HEREBY GIVES SPECIAL RECOGNITION TO

Local Agency Formation Commission for Los Angeles County

The President's Special Acknowledgement Award is to recognize members with no "paid" claims during the prior five consecutive program years in the Workers' Compensation Program. A "paid" claim for the purposes of this recognition represents the first payment on an open claim during that same period. Congratulations on your excellent claims record!

Jean Bracy, SDA, SDRMA Board President

September 19, 2017

Date