LAFCO

Local Agency Formation Commission
for the County of Los Angeles

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
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REGULAR MEETING

MINUTES OF THE LOCAL AGENCY FORMATION COMMISSION

FOR THE COUNTY OF LOS ANGELES

March 8, 2017

Present:

Jerry Gladbach, Chair

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

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

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

Absent:

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

1 CALL MEETING TO ORDER

The meeting was called to order at 9:03 a.m. in Room 374-A (Business License Commission) of the County Hall of Administration.

2 PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Chair Jerry Gladbach.

3 DISCLOSURE OF CAMPAIGN CONTRIBUTION(S)

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

The E.O. 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 (None).

4 SWEARING-IN OF SPEAKER(S)

The Executive Officer swore-in two (2) members of the audience who planned to testify.

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 February 8, 2017.

b. Approved Operating Account Check Register for the month of February 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. 424 to the Los Angeles County Sanitation District No. 14; Resolution No. 2017-10RMD.

e. Adopted the Resolution Making Determinations, including the California Environmental Quality Act determinations, Approving and Ordering Annexation No. 425 to the Los Angeles County Sanitation District No. 14; Resolution No. 2017-11RMD.

f. Adopted the Resolution Making Determination, including the California Environmental Quality Act determinations, Approving and Ordering Annexation No. 2008-09 (37-29) to the Los Angeles County Waterworks District No. 37 – Acton; Resolution No. 2017-12RMD

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

[Commissioner Finlay arrived at 9:07 a.m.]

7 PUBLIC HEARING(S)

The following item was called for consideration:

a. Reorganization No. 2015-14 to the City of Pomona (Franciscan Place).

The E.O. summarized the staff report on Reorganization No. 2015-14 to the City of Pomona (Franciscan Place).

The public hearing was opened to receive testimony on the SOI amendments. 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 Reorganization No. 2015-14 to the City of Pomona (Franciscan Place); Amendments to the City of Diamond Bar, City of Pomona, Greater Los Angeles County Vector Control District, and San Gabriel Valley Mosquito and Vector Control District SOI: Detachment from the City of Diamond Bar and Greater Los Angeles County Vector Control District; Annexation to the City of Pomona, San Gabriel Valley Mosquito and Vector Control District, and Los Angeles County Sanitation District No. 21; Resolution No. 2017-13RMD.

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

8 PROTEST HEARING(S)

The following item was called for consideration:

a. Annexation No. 1080 to the Santa Clarita Valley Sanitation District 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. 1080 to the Santa Clarita Valley Sanitation District of Los Angeles County; Resolution No. 2017-01PR.

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

[Commissioner McCallum arrived at 9:11 a.m.]

9 OTHER ITEMS

The following item was called up for consideration:

a. Proposed Budget Fiscal Year 2017-2018.

The E.O. summarized the staff report on Proposed Budget Fiscal Year 2017-2018.

[Commissioner Brogin-Falley arrived at 9:15 a.m.]

Supervisor Hahn asked if there is funding available in the Proposed Budget Fiscal Year 2017-2018 to expand a cemetery district's boundary. The E.O. stated that there is no funding set aside in the budget to expand a city or district boundary. An annexation application with accompanying LAFCO filing fees is usually filed by a special district, city, county, or an outside public agency, (under the law, LAFCO can't initiate an annexation proposal). The Commission adopted a fee waiver policy in 2011, whereby the Commission is required to vote on waiving fees for public agencies. The E.O. stated that he would require a letter requesting the fee waiver, which would agendized for Commission action.

[Commissioner Close arrived at 9:17 a.m.]

Commissioner Spence asked if staff is able to take care of the extra work due to the recent retirement of the Deputy Executive Officer (DEO). The E.O. stated that it has been an adjustment, and he is looking forward to the recruitment and hiring of a new DEO.

Commissioner Spence asked if the Proposal Budget Fiscal Year 2017-2018 includes the new DEO salary. The E.O. said "yes".

Commissioner Finlay asked why is there a 27% rate increases in health insurance – is this due to "bumped-up" insurance plans, or just overall health insurance increases? The E.O. stated that it is an overall increase in health insurance. The E.O. noted that overall increased health insurance also factors in the health insurance for the future hire of the new Deputy Executive Officer. The E.O. stated that, about two years ago, staff worked with a broker to research different health plans, and it was concluded that the County has the best rate and is less expensive compared to other providers.

Commissioner Finlay asked why is there a 20% increase in staff travel and conferences. The E.O. stated that this is due to increased costs associated with workshops, conferences, and lodging itself, and is not due to increased staff attendance.

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

The Commission took the following action:

- Approved the Proposed Budget for Fiscal Year 2017-2018;

- Pursuant to Government Code Section 56381, directed staff to forward the Proposed Budget for Fiscal Year 2017-2018 to the County of Los Angeles, as well as the 88 cities and 53 independent special districts in Los Angeles County, for their comment; and

- Set April 12, 2017, for hearing on adoption of the Final Budget for Fiscal Year 2017-2018.

MOTION:	SPENCE
SECOND:	FINLAY
AYES:	BARGER, CLOSE, DEAR, FINLAY, HAHN, McCALLUM, SPENCE, GLADBACH
NOES:	NONE
ABSTAIN:	NONE
ABSENT:	RYU
MOTION PASSES:	8/0/0

On a separate issue, the E.O. thanked Supervisor Hahn for her staff's assistance in addressing some complicated service delivery issues in the City of Downey and in the City of Rancho Palos Verdes, both of which will be considered in the Municipal Service Reviews on next month's Agenda.

9 OTHER ITEMS

The following item was called up for consideration:

b. Hidden Creeks Estates – Status Report.

The E.O. summarized the staff report on Hidden Creeks Estates.

The Commission took the following action:

- Received and Filed.

MOTION:	DEAR
SECOND:	FINLAY
AYES:	BARGER, CLOSE, DEAR, FINLAY, HAHN, McCALLUM, SPENCE, GLADBACH
NOES:	NONE

ABSTAIN:	NONE
ABSENT:	RYU
MOTION PASSES:	8/0/0

9 OTHER ITEMS

Chair Gladbach recused himself from voting on Agenda Item 9.c. Chair Gladbach announced that First Vice-Chair Dear would conduct the meeting during his absence.

Commissioner Finlay asked why Chair Gladbach is recusing himself. Chair Gladbach stated that the third bullet in the staff report, SB 634 (Wilk), concerns Castaic Lake Water Agency where he serves on the Board of Directors.

The following item was called up for consideration:

c. Legislative Update.

The E.O. summarized the staff report on the Legislative Update.

The E.O. noted that there is a change from what was in the written staff recommendation. It concerns the third bullet point in the staff report, SB 634 (Wilk). SB 634 is a bill authored by Senator Scott Wilk, and it proposes to consolidate two water agencies: Castaic Lake Water Agency (CLWA) and Newhall County Water District (NCWD). This bill represents a proposed "legislative consolidation" of the two water agencies. The State legislature can take the same actions that are under LAFCOs authority. Absent a legislative action, the proposed consolidation would typically involve an application filed with LAFCO, by one or both districts, and consideration and action by the Commission. After the drafting of the staff report and posting of the Agenda for today's meeting, staff learned just yesterday that SB 634 is scheduled to be considered by the Senate Natural Resources and Water Committee (Committee) on Tuesday, March 28th. Given this new information, the E.O. revised the recommendation from the written report.

The E.O. stated that the new recommendation is for the Commission to consider taking a position of "oppose unless amended" to SB 634, and further direct staff to prepare the appropriate letters to the Governor and State legislatures. In addition to State Legislation, the "oppose unless amended" letter would be a request that the two agencies file a proposal with Los Angeles LAFCO, thereby enabling the Commission to consider the proposed consolidation. Typically, such a letter would come from the Commission Chair – in this instance, given Chair Gladbach's recusal from Agenda Item 9.c., the E.O. recommended that the letters be signed by First Vice-Chair Dear or Second Vice-Chair McCallum. Should the Commission decide to take a position, the E.O. stated that he would consider traveling to Sacramento on March 28th to testify before the Committee.

In fairness to the two agencies, the E.O. noted that district representatives recently alerted him that the two water agencies are considering a legislative approach rather than a LAFCO approach. The E.O. was contacted by individuals who are opposed to the consolidation. As a courtesy, all of these parties, both in support of and opposing the consolidation, were alerted that this item would be considered at today's meeting. The E.O. noted that the issue here is not the consolidation itself – where LAFCO staff and the two districts differ is about the process, and how best to consider a proposed consolidation of two districts. The E.O. stated that he remains concerned about any "legislative approaches" to consolidation of special districts, and the potential example it may set for other agencies in Los Angeles County. For this reason, the E.O. recommended that the Commission take an "oppose unless amended" position on SB 634. The E.O. stated that this is not the first time a bill in Sacramento proposes an action that a local LAFCO can execute. The E.O. noted that typically there is heightened sensitivity among the board members of the California Association of Local Agency Formation Commissions (CALAFCO) about anything perceived as a "by-pass" of the local LAFCO process.

Supervisor Barger asked what is the timeline to process the consolidation through State Legislature compared to LAFCO. The E.O. stated that if the consolidation was processed through the end of the Legislature session in September, and signed, the consolidation would take effect on January 1, 2018. The typical time to process a proposal with LAFCO is about 12 months. The E.O. stated that LAFCO could, more or less, mirror what would occur at the Legislature level, and take about the same amount of time. The E.O. stated that there is one complicated factor, CLWA is a Special Act district created by the State Legislature which governs the governing Castaic Lake Water Agency Board of Directors. In this proposed consolidation, CLWA currently has a governing structure different than what is being proposed. LAFCO doesn't specifically have the authority in the law to determine a governing structure, and this would require legislative action. The E.O. stated that this has been done in other instances, where a bill was authored by Senator Lara to create an agency with a specific governing structure; at LAFCO's request, Senator Lara amended the bill to require LAFCO approval.

Supervisor Barger asked if the proposed consolidation would still need to be processed through State Legislature, and then processed through LAFCO. The E.O. said "yes". It would be considered a "hybrid" approach – through both the State Legislature and LAFCO. The E.O. stated that the LAFCO approach will afford an opportunity for the residents within the Santa Clarita Valley to have a local body (LAFCO) to hear their concerns.

Commissioner Finlay stated that when a city councilmember recuses themselves from a meeting, that person is required to leave the room completely and not seat-in as a member of the audience. Commissioner Finlay asked if this would also apply to Chair Gladbach. Legal counsel stated that this is an open public meeting. There is no reason or requirement that Chair Gladbach must leave the room, only that he cannot participate in any discussion. Commissioner Dear stated that when he was Mayor, and when a city councilmember recused themselves, that person left the room. Chair Gladbach volunteered to leave the room for the duration of the discussion.

Commissioner Finlay thanked Chair Gladbach for exiting the room.

Commissioner Finlay asked why the two districts want to consolidate. The E.O. stated that representatives of the two districts in attendance who can answer that question.

[Commissioner Ryu arrived at 9:30 a.m.]

Commissioner McCallum asked what is the purpose of "by-passing" LAFCO if it will take about the same amount time to process the consolidation either through the State Legislature or LAFCO. The E.O. stated that there is a concern regarding timing, but that can be addressed. Further, an action made by the Legislature does not require California Environmental Quality Act (CEQA) clearance, and would not be met with a CEQA challenge. Any LAFCO action is subject to CEQA review, and the CEQA clearance could be challenged.

[Supervisor Barger left at 9:30 a.m.]

[Supervisor Hahn left at 9:31 a.m.]

First Vice-Chair Dear asked the E.O. if the Commission still had a quorum. The E.O. said "yes". The E.O. stated that Commissioner Ryu just arrived and Commissioner Ruzicka is sitting as a voting member, as an alternate for Chair Gladbach.

[Commissioner Brogin-Falley left at 9:33 a.m.]

First Vice-Chair Dear stated that there are five (5) members of the audience who planned to testify.

The E.O. swore-in three (3) additional members of audience who planned to testify.

Lynne Plambeck, President of the Santa Clarita Organization for Planning and the Environment (SCOPE), came before the Commission. Ms. Plambeck stated that she is a 24-year Board member of the Newhall County Water District but she is not representing NCWD, as she is the minority Board member who does not support the consolidation. Ms. Plambeck stated that she is here to support her constituents of the NCWD who also do not agree with the consolidation. Ms. Plambeck noted that the districts conducted "push" polls where the residents could not say no to the consolidation. Ms. Plambeck stated that NCWD is a well-functioning water district that is financially sound, and it is providing good water quality with great customer service. NCWD has served the community very well. This proposal is for the NCWD to consolidate into a water agency (CLWA) that has problems with water quality, including numerous arsenic violations. CLWA has enormous debt. Ms. Plambeck stated that NCWD has good budgeted reserves and debt will be paid off in three years. Ms. Plambeck stated that she is very concerned, and as are her constituents who live with the boundaries of the NCWD. Newhall County Water District is a

60-year old water voter district created by the public, and if NCWD were to be dissolved, it should be dissolved by the public. Ms. Plambeck noted that this consolidation was not rallied by the public but rather was contemplated by upper management of CLWA and NCWD. Ms. Plambeck stated that she believes, as her constituents also believe, that CLWA wants to consolidate with NCWD so Castaic Lake Water Agency can gain control of the groundwater and send the water to the Newhall Ranch project which is not within a groundwater agency.

Ms. Plambeck stated that, back in 2000, through the State Legislature, CLWA acquired a groundwater agency, the Santa Clarita Water Company (SCWC). The public, and a tax payer group, litigated that acquisition, but failed. Ultimately, the Legislature gave CLWA permission to acquire the groundwater agency. Like the Metropolitan Water District of Southern California (MWD or Met), Newhall County Water District is a State Water wholesaler that only serves at wholesale and serves four (4) groundwater agencies, including Los Angeles County Waterworks District No. 36 – Val Verde. Ms. Plambeck noted that when CLWA took over the Santa Clarita Water Company, at that time, CLWA agreed that they would not serve outside the boundaries of the Santa Clarita Water Company (now known as the Santa Clarita Water Division after the CLWA acquisition). In 2012, CLWA acquired Valencia Water Company (VWC) as an owner only but not as a water service provider. The public is upset to the point where a recall has been filed. Ms. Plambeck stated that she is not sure if the recall will be successful, and noted that she is not involved with this recall. In 2005, CLWA tried to acquire the NCWD through a LAFCO Municipal Service Review (MSR) evaluation. The MSR found that NCWD was a well-functioned water district, as NCWD is today. As a result of that evaluation, NCWD and CLWA made agreements to swap portions of territory. Geographically, NCWD is in all these different areas because NCWD acquired mutual water companies that had failed or failing water systems. The only area where there is water service was supposed to get "swapped-out" as a result of the 2005 LAFCO MSR. Unfortunately, that has not come to pass. In 2012, Cameron Smyth (current Mayor of the City of Santa Clarita) was a state legislator. Mr. Smyth created a law that is special to the NCWD, whereby a proposed dissolution of the Newhall County Water District requires 10 % of the number of voters who reside within the district or at least 10 % of the number of landowners within the district who own at least 10 % of the assessed value of the land within the district (Government Code Section 57114.5); the standard threshold is twenty-five percent (25%).

Ms. Plambeck stated that the real reason that Newhall County Water District deserves to exist is because NCWD serves as a system of "checks and balances" on the shenanigans that are occurring in the Santa Clarita Valley. With the amount of development taking place in the Santa Clarita Valley, there are a lot of shenanigans pertaining to water service. Ms. Plambeck stated that it is important to have a small district like NCWD that is accessible to the ratepayers. The NCWD has 10,000 hook-ups with 30,000 voters. Ms. Plambeck stated that many believe that the proposed consolidation will end litigation between the two water agencies. There hasn't been any litigation except that CLWA tried to raise NCWD's water rates for State Water which would have been 80% higher than the two other water companies (SCWC and VWC) that were

acquired by CLWA. Ms. Plambeck stated that the increased water rates attempted by CLWA was a push for the Newhall County Water District to consolidate with Castaic Lake Water Agency. When CLWA acquired the Valencia Water Company, Newhall County Water District sued Castaic Lake Water Agency. CLWA went to the appellate court stating that CLWA was not providing water serve through Valencia Water Company, and that the CLWA only purchased and owns the stock shares of the VWC. Ms. Plambeck noted that CLWA employees are operating the Valencia Water Company. Ms. Plambeck stated that residents within the NCWD are upset, and do not support this consolidation.

Commissioner Close asked if Ms. Plambeck is a former LAFCO Commissioner. Ms. Plambeck said "yes". Commissioner Close asked Ms. Plambeck if she is in favor of the revised recommendation of "oppose unless amended" to SB 634. Ms. Plambeck stated that she agrees to the "oppose as amended" approach, and that the proposed consolidation should be filed with LAFCO, which would then be subject to Government Code Section 57114.5. Ms. Plambeck stated that she is also concerned that CEQA would be avoided if the proposed consolidation is processed through the State Legislature only.

Ms. Plambeck voiced her concern that Agenda Item 9.c. was agendized as a "receive and file" action, and it was not agenized as a voting action item.

Commissioner Close and Commissioner Finlay asked legal counsel if the Commission has the authority to vote the way the item was agendized. Legal counsel said "yes". Under the Brown Act, the Agenda was posted at least 72 hours before the meeting, and included the Legislative Update item on the Agenda, and that's all that is required for this type of item. The Commission does have broad discretion, under the Brown Act, not to accept the staff recommendation or deviate from the staff recommendation.

The E.O. stated that Agenda Item 9.c. was agendized properly, in good faith, with the information that staff had at the time of the written recommendation. The E.O. reiterated that he only received new information yesterday, via e-mail, that SB 634 will be heard by the Committee on March 28th, which would be before the next Commission meeting on April 12th. The E.O. stated that he sent e-mails to Ms. Plambeck, the general managers of both agencies, as well as their respective attorneys. The E.O. stated that his recommendation is different from what was recommended at the time the Agenda was sent out.

Ms. Plambeck thanked the E.O. for his fairness for both the proponents and opponents of this proposed consolidation. Ms. Plambeck stated that she was notified by the E.O. regarding the revised staff recommendation.

Commissioner Finlay asked Ms. Plambeck who would come here to support the consolidation. Ms. Plambeck stated that those who are in support of the consolidation are here in the audience.

Ms. Plambeck mentioned that Castaic Lake Water Agency was meeting behind closed doors for nearly two years. CLWA gave a 24-hour notice for eminent domain proceedings approving an action with a $60 million and $73 expenditure of public funds, respectively. Ms. Plambeck stated that CLWA now has informational meetings after she filed a complaint with the District Attorney for Brown Act violations, where she believed it was inappropriate to have the eminent domain proceedings occur behind closed doors.

Commissioner Finlay asked why is the Legislature involved in this consolidation. Ms. Plambeck stated that both CLWA and NCWD Boards want to process the consolidation through the State Legislature only. Ms. Plambeck stated that she wants to preserve Newhall County Water District, and does not want to have a water monopoly within the Santa Clarita Valley. Commissioner Finlay asked if CLWA boundaries are adjacent to the boundaries of the NCWD. Ms. Plambeck said "yes". Castaic Lake Water Agency is a larger agency compared to Newhall County Water District. Ms. Plambeck stated that CLWA is a State Water wholesaler. Castaic Lake Water Agency is a Special Act district created by the State Legislature in 1962, tasked similar to the Metropolitan Water District of Southern California. MWD provides wholesale water to retail water agencies, which Newhall County Water District is not a member agency of Met. Ms. Plambeck noted that CLWA is a "mini" Metropolitan Water District of Southern California. CLWA was not set up to serve retail water. Met is a State Water wholesaler that provide State Water from Northern California through the California Aqueduct, and down to retailers located in Southern California. The water retailers combine the State Water, put it into groundwater, and then service water customers directly. CLWA was not set up to serve water retailers.

Commissioner Spence asked if Senator Wilk represents the Santa Clarita Valley. Ms. Plambeck said "yes". Ms. Plambeck concluded that there should be a vote and more transparency.

First Vice-Chair Dear thanked Ms. Plambeck for her testimony.

Carmillis "Cam" Noltemeyer (Treasurer, SCOPE) came before the Commission. Ms. Noltemeyer stated that she was at this meeting today representing herself as a Valencia Water Company rate-payer. Ms. Noltemeyer voiced that VWC is not a part of this so-called "valley-wide merger". Ms. Noltemeyer stated that CLWA acquired Valencia Water Company, in 2012, through a stock purchase, an investment, not as a water enterprise of CLWA. Castaic Lake Water Agency has raised our water rates by 20%. CLWA has refused to say if VWC is a private or a public entity. Ms. Noltemeyer stated that she hopes LAFCO opposes the consolidation, and hopefully it's squashed at the Legislative level. VWC is one of the biggest agencies with the most wells. There are wells that are contaminated with perchlorate and volatile organic compounds (VOCs). Ms. Noltemeyer stated that CLWA has an agreement to treat the contaminated wells but CLWA is unwilling to provide information about how much it's costing to clean up the contaminated wells or how long the process will take.

Ms. Noltemeyer stated that she sits on Whittaker Bermite Committee which oversees the Whittaker-Bermite property, an undeveloped 996-acre former munitions testing and manufacturing site that has contamination issues. This "brown field" is in the middle of the City of Santa Clarita. Ms. Noltemeyer stated Valencia Water Company pays dividends to Castaic Lake Water Agency. Commissioner Finlay asked if Ms. Noltemeyer is a ratepayer/customer of the Valencia Water District. Ms. Noltemeyer said "yes".

Commissioner Smith asked how this testimony is relevant to this discussion. Ms. Noltemeyer stated that this is relevant because we are being treated as "purchased stock", and this is why it's relevant. VWC says they are a private company, and not required to give information. Ms. Noltemeyer stated that she obtained information from CLWA. Ms. Noltemeyer stated that Valencia Water Company had paid over $3 million in dividends to Castaic Lake Water Agency. There are no elected representatives with the Valencia Water Company. This is not a "valley-wide" consolidation.

Commissioner Finlay stated that she didn't have enough information to vote on this matter, and suggested that this item be continued to another date for the Commission to have additional time to review this item.

Commissioner McCallum stated that the Commission is being asked to send an "oppose unless amended" letter to Senator Wilk's Office.

The E.O. stated that there are several different ways to accomplish consolidation. The E.O. noted that his preference is that the proposed consolidation should have two components to it – one, resolve governance issues with the Legislature, and two, a proposal should be filed with LAFCO by, one or both districts, for Commission consideration. If two special districts adopt similar resolutions to propose consolidating their agencies, the Commission is obligated, under the law, to approve it. The Commission would still have the ability to hear all testimony and impose reasonable terms and conditions, as it does for all changes of organization that come before the Commission. The E.O. stated that the Commission is in a better position to take an "oppose unless amended" position early rather than later. The next Commission meeting is April 12th, and holding a special meeting before March 28th is not likely, due to scheduling conflicts of the Commissioners. The E.O. stated that the Commission is not harmed by taking the position of "oppose unless amended", and the Commission always has the ability to change their position on this bill later. The E.O. noted that, last year, the Commission took an "oppose unless amended" position on a similar bill. That bill was amended and the Commission removed its opposition. The E.O. stated that the Commission should take a position in advance of the first hearing, rather than waiting until after the Committee considers taking action on March 28th.

Commissioner Finlay stated that the staff recommendation is "receive and file." The E.O. stated that "receive and file" was the original staff recommendation, and did not think the bill would be considered until after the April 12th Commission meeting. The E.O. received an email yesterday

from CALAFCOs Executive Director stating that SB 634 will be heard on March 28th. For that reason, the E.O. stated that he changed his recommendation from "receive and file" to now recommending that an "oppose unless amended" letter be to Senator Wilk's Office. Commissioner Finlay asked if there is a revised written recommendation. The E.O. said "no". It is a verbal recommendation and parties who are here today are aware of this new recommendation.

Motioned by Close, seconded by McCallum to take a position of "oppose unless amended" to SB 634.

First Vice-Chair Dear thanked Ms. Noltemeyer for her testimony.

Joseph Byrne (General Counsel, Castaic Lake Water Agency) came before the Commission. Mr. Byrne stated that it is unusual to have public comment after a motion is made. Mr. Byrne stated that he met with the E.O. over a year ago, and this is not an attempt to circumvent LAFCO. Castaic Lake Water Agency is a Special Act district, whereby, legislative action is required if CLWA wanted to dissolve, incorporate into another agency, or change the governing structure of the agency. Mr. Byrne stated that CLWA has been in communication with the E.O. who has been very helpful and clear on his position with the proposed consolidation. Mr. Byrne noted that CLWA incorporated the E.O.'s comments and suggestions into the legislative bill. Mr. Byrne stated that ligation has been going on for a long time between Castaic Lake Water Agency and Newhall County Water District. This proposed consolidation is a resolution to that litigation. Mr. Byrne noted that 14 out of 15 of the combined Board members of both agencies are in support of the consolidation. Mr. Byrne stated that CLWA has conducted extensive community outreach over the last year. CLWA conducted polling of the residents, who are in support of the consolidation. CLWA also conducted a formation study. This has been a long thought-through process between CLWA and NCWD. Mr. Byrne noted, according to the map prepared in the formation study, as Ms. Plambeck indicated, there are non-contiguous areas, and if a water district was formed from these boundaries, it would not be the best approach. CLWA is a State Water Project wholesale water contractor, but offers retail water service through the Santa Clarita Water Division. NCWD is incorporated into the boundaries of the CLWA – all within the same community and family of water districts. Mr. Byrne stated that the general managers of the Castaic Lake Water Agency and Newhall County Water District would like to give their testimony.

Commissioner Smith asked for clarification that CLWA, as the wholesale water provider, provides water service to a number of other agencies, NCWD, being one of those agencies CLWA services. Mr. Byrne said "yes". Commissioner Smith then asked when did CLWA acquire Valencia Water Company. Mr. Byrne stated that, about 3 years, the CLWA purchased stock from the VWC, which is still a private entity. Commissioner Smith asked if CLWA acquired other agencies. Mr. Byrne stated that CLWA acquired the Santa Clarita Water Company in 1999, which is now part of the public agency (Castaic Lake Water Agency).

CLWA provides both wholesale water and retail water. There are other examples in the State where water wholesalers provide both wholesale and retail water service. There's no law which requires that a water agency can only be a wholesale water provider. MWD is one example where it provides both wholesale and retail water service. First Vice-Chair Dear thanked Mr. Byrne for his testimony.

Matt Stone (General Manager, Castaic Lake Water Agency) and Steve Cole (General Manager, Newhall County Water District) came before the Commission. Mr. Stone stated that he has had many years of experience working with LAFCOs in three different counties, and was very successful in the consolidation of two wholesale water districts. When the voters formed CLWA, the main issue was bringing in imported water, just as West Basin Municipal Water District was formed to bring in imported water through Met. Over time, the circumstances have evolved, and water resources management has changed. In the 1960s, water conservation wasn't an issue, and water agencies were not recycling water. Perchlorate contamination is now an issue in the Santa Clarita Valley. It was CLWA who had the scope that expanded across the individual water retailers who were impacted by the contamination. These water retailers pooled together as a group and entered into litigation against the polluters and ended up with a settlement of over $100 million, a cost-savings to the community which otherwise would have been paid by ratepayers to clean up the contamination at the Whittaker Bermite site. CLWA has an agreement that provides on-going annual payments from the defendants in the case, in a settlement, for perchlorate treatment. That was a group effort. Mr. Stone stated that he believed this case unified "water thinking" in the Santa Clarita Valley.

Mr. Stone stated that we are now in an era where state policies are encouraging watershed basin planning, integrated water management plans, and urban water management plans that are reviewed on a regional and retail level. The newly implemented Sustainability Groundwater Management Act requires basin-wide substantiality planning. All of those water plans previously mentioned are pushing us to work regionally. Mr. Stone noted that when the two Boards of CLWA and NCWD met two years ago to resolve their litigation, and eventually through a facilitator, both agencies reached a common future vision to serve the Santa Clarita Valley. Mr. Stone stated that from a water resources management standpoint, the idea of consolidation makes sense. Mr. Stone stated that Mr. Cole will address efficiency gains by unifying retail water and wholesale water service. Mr. Stone stated that CLWA is not creating a water empire, it is trying to take the next logical step towards good water resources management and great customer service. Mr. Stone stated that CLWA and NCWD would like to expedite their vision.

Mr. Cole stated that an economies-of-scale study was conducted. The study conducted that efficiencies would be gained through the proposed consolidation. In was concluded that in a 10-year process, there would be a cost savings of $14 million between the two agencies through economies-of-scale. The study also includes the governance structure, the integrated water resource planning and analysis, and a proposed service area map. Mr. Cole stated that the

Newhall County Water District conducted community outreach through workshops. Our customers and the public support to move forward with the consolidation. Mr. Cole noted that the Newhall County Water District voted 4-1 in favor of the consolidation.

[First Vice-Chair Dear left at 10:10 a.m.]

Second Vice-Chair McCallum conducted the meeting in the First Vice-Chair Dear's absence.

Commissioner Finlay asked Mr. Cole what will happen to your position as General Manager at the Newhall County Water District if the consolidation is successful. Mr. Cole stated that the previous mentioned study discusses how the economies-of-scale would be achieved. Both agencies have committed that those economies-of-scale would be achieved through attrition. There will not be direct lay-offs in the beginning but through the normal attrition of the agencies, there will be a cost-savings of 7% through staffing resources. Specific positions have not yet been identified.

Commissioner Finlay asked what happens to Newhall County Water District's Board if the consolidation is successful. Mr. Cole stated that the governance portion of the study explains how the new governance structure would be implemented. In the beginning, both Boards would merge, and then transitioned into a smaller Board over time through election cycles. The governance structure is set up in three divisions equally for voting purposes. Currently, NCWD is at-large and CLWA is a mixture of division at-large and appointed board-members. Mr. Cole stated that the California Voters Rights Act requirements will also be addressed.

Commissioner McCallum asked if the Commission had any other questions.

Commissioner Ruzicka asked if 14 of out the 15 Board members of both districts are in-favor of the consolidation. Mr. Cole said "yes".

Commissioner Ruzicka asked what is CLWA's relationship to MWD. Mr. Stone stated that CLWA is not a member agency of MWD.

Commissioner Finlay stated that she would abstain from voting on Item 9.b. due to lack of information, and requested that a comprehensive staff report be available at the April 12th meeting.

[First Vice-Chair Dear returned at 10:20 a.m.]

First Vice-Chair Dear conducted the meeting.

Commissioner Smith stated that it would be helpful to the Commissioners if the E.O. added additional information to the staff report – that LAFCO had requested that the Committee

postpone the hearing with the Committee for a couple of weeks while continuing negotiations.

Commissioner Smith stated that it would be in the best interest of the Commission to find a hybrid solution. Commissioner Smith suggested that in lieu of where the Committee did not postpone the hearing on SB 634, then send an "oppose unless amended" letter to Senator Wilk's Office.

Commissioner Close asked if the revised motion is "oppose as amended" and that LAFCO should have a role in the proposed consolidation. The E.O. said "yes".

The E.O. asked for confirmation that staff should contact Senator Wilk's Office and ask if he would agree to postponing the Committee's consideration of the bill until after the April 12th LAFCO meeting. This would give staff around four weeks to meet and discuss the matter further with both agencies. If the meeting of March 28th with the Committee moves forward, then prepare an "oppose unless amended" letter to Senator Wilk's Office. Commissioner Smith said "yes".

The E.O. noted that Mr. Stone stated that the hearing on SB 634 on March 28th is with the Senate Natural Resources and Water Committee, not the Senate and Governance Finance Committee. The E.O. noted that the "oppose unless amended" letter to be sent out can be applied to any of the two committees: Senate and Governance Finance Committee or the Senate Natural Resources and Water Committee.

Commissioner Finlay rescinded her abstention for Agenda Item 9.c.

The Commission took the following **as amended** action:

- Directed the Executive Officer to contact Senator Wilk's Office to request a postponement, until after the April 12th Commission meeting, on the hearing for the consideration of SB 634 by the Senate Natural Resources and Water Committee scheduled for March 28, 2017;

- Directed the Executive Officer to be in further discussion with Castaic Lake Water Agency and Newhall County Water District;

- If, Senator Wilk does not agree to postpone the hearing on SB 634, directed the Executive Officer to draft an "oppose unless amended" letter for signature by First Vice Chair Dear or Second Vice-Chair McCallum to Senator Wilk's Office, in advance, of the Senate Natural Resources and Water Committee on March 28th.

MOTION:	CLOSE
SECOND:	McCALLUM
AYES:	CLOSE, DEAR, FINLAY, McCALLUM, RUZICKA (ALT. FOR GLADBACH), RYU, SPENCE
NOES:	NONE
ABSTAIN:	NONE
ABSENT:	BARGER, HAHN
MOTION PASSES:	7/0/0

As stated earlier, Chair Gladbach recused himself from Agenda Item 9.c.

[Commissioner Ryu left at 10:21 a.m.]

[Chair Gladbach returned at 10:21 a.m.]

Chair Gladbach returned after discussion of Agenda Item 9.c., and conducted the remainder of the meeting.

10 COMMISSIONERS' REPORT

None.

11 EXECUTIVE OFFICER'S REPORT

The E.O. noted that a copy of a letter (provided to the Commissioners) from CV Communities thanked the E.O. and staff, Alisha O'Brien and Doug Dorado, for their help and attentiveness to an annexation that was recently approved by the Commission.

Commissioner Spence requested an update regarding the City of Vernon annexation into the Greater Los Angeles County Vector Control District (GLACVCD or District). The E.O. stated that he recently attended a meeting with Truc Dever (General Manager, Greater Los Angeles County Vector Control District), GLACVCD Board member who is also a Councilmember with the City of Lakewood, members of the Vernon Chamber of Commerce, and a representative from the City of Vernon. The business community stated that it supports the annexation. It was determined that the business owners within the City of Vernon have agreed to provide the District access to properties when requested by the District. Some business owners have voiced that there are problems with midge flies and mosquitos, since the Los Angeles River is adjacent to those businesses, and are eager to have mosquito and vector control services. The E.O. stated that he plans to agendize an item at next month's meeting regarding vector control services in the City of Vernon.

Commissioner Spence stated that he is pleased that a proposed annexation of the City of Vernon

into the GLACVCD boundary is moving forward. This is a serious health risk that needs to be addressed.

The E.O. stated that Supervisor Barger's Office provided contact person at the Los Angeles County Department of Public Health, and that person is advising LAFCO and the GLACVCD. The E.O. stated that he had encouraged Vernon's elected officials to reach out to elected officials who sit on the GLACVCD Board. The Mayor of Vernon has spoken with the Councilmember of Lakewood who also sits on the GLACVCD Board. The E.O. stated that there will need to be support from the GLACVCD Board members to advocate the annexation.

12 PUBLIC COMMENT

None.

13 FUTURE MEETINGS

April 12, 2017
May 10, 2017
June 14, 2017
July 12, 2017

14 FUTURE AGENDA ITEMS

None.

15 ADJOURNMENT MOTION

Commission Finlay asked if there was a change at the last minute regarding a different meeting room location at today's meeting. The E.O. stated that he was not aware that the room would be moved until he received an e-mail from Supervisor Barger's staff stating the Board of Supervisors (BOS) is holding a meeting on the same day as today's LAFCO meeting. With the election held on Tuesday, the BOS meeting was moved to today (Wednesday). The Agenda package referred to Room 374-A.

Commissioner McCallum stated that he encountered issues regarding parking. The E.O. stated that there have been on-going issues regarding parking, and he apologized for any inconvenience this may have caused.

On motion of Commissioner Finlay, seconded by Commissioner Dear, the meeting was adjourned at 10:30 a.m.

Respectfully submitted,

Paul Novak, AICP, Executive Officer

RESOLUTION NO. 2017-10RMD
RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION FOR THE COUNTY OF LOS ANGELES MAKING DETERMINATIONS APPROVING AND ORDERING "ANNEXATION NO. 424 TO THE LOS ANGELES COUNTY SANITATION DISTRICT NO. 14"

WHEREAS, the Los Angeles County Sanitation District No. 14 (District) adopted a resolution of application to initiate proceedings, which was submitted to the Local Agency Formation Commission for the County of Los Angeles (Commission), pursuant to, Division 3, Title 5, of the California Government Code (commencing with section 56000, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000), for annexation of territory herein described to the District, all within the City of Lancaster; and

WHEREAS, the proposed annexation consists of approximately 20.24± acres of uninhabited territory and is assigned the following distinctive short-form designation: "Annexation No. 424 to the Los Angeles County Sanitation District No. 14"; and

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

WHEREAS, the principal reason for the proposed annexation is for the District to provide off-site sewage disposal to 204 proposed condominium units; 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 March 8, 2017 at 9:00 a.m., at the Business License Commission Hearing Room, Kenneth Hahn Hall of Administration Room 374-A, located at 500 West Temple Street, Los Angeles, California, 90012; and

WHEREAS, on March 8, 2017, this Commission considered the Proposal and the report of the Executive Officer.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. Acting in its role as a responsible agency with respect to Annexation No. 424 to the Los Angeles County Sanitation District No. 14, pursuant to California Environmental Quality Act (CEQA) the Commission considered the Mitigated Negative Declaration prepared and adopted by the City of Lancaster, as lead agency, on October 1, 2008, together with any comments received during the public review process; 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 Mitigated Negative Declaration; and adopts the mitigation monitoring plan for the project, finding that the mitigation monitoring plan is adequately designed to ensure compliance with the mitigation measures during project implementation as applicable to the responsible agency.
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 20.24± acres, is uninhabited, and is assigned the following short form designation:

   "Annexation No. 424 to the Los Angeles County Sanitation District No. 14".

5. Annexation No. 424 to the Los Angeles County Sanitation District No. 14 is hereby approved, subject to the following terms and conditions:

a. The District agrees to defend, hold harmless and indemnify LAFCO and/or its agents, officers and employees from any claim, action or proceeding against LAFCO and/or its agents, officers and employees to attack, set aside, void or annul the approval of LAFCO concerning this proposal or any action relating to or arising out of such approval.

b. The effective date of the annexation shall be the date of recordation.

c. Payment of Registrar-Recorder/County Clerk and State Board of Equalization fees.

d. The territory so annexed shall be subject to the payment of such service charges, assessments or taxes as may be legally imposed by the District.

e. The regular County assessment roll shall be utilized by the District.

f. The affected territory will be taxed for any existing general indebtedness, if any, of the District.

g. 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 herby orders the uninhabited territory described in Exhibits "A" and "B" annexed to the Los Angeles County Sanitation District No. 14.

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 8th day of March 2017.

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

LOCAL AGENCY FORMATION COMMISSION
FOR THE COUNTY OF LOS ANGELES

Paul A. Novak, AICP
Executive Officer

RESOLUTION NO. 2017-11RMD
RESOLUTION OF THE LOCAL AGENCY FORMATION
COMMISSION FOR THE COUNTY OF LOS ANGELES
MAKING DETERMINATIONS APPROVING AND ORDERING
"ANNEXATION NO. 425 TO THE LOS ANGELES COUNTY SANITATION DISTRICT NO. 14"

WHEREAS, the Los Angeles County Sanitation District No. 14 (District) adopted a resolution of application to initiate proceedings, which was submitted to the Local Agency Formation Commission for the County of Los Angeles (Commission), pursuant to, Division 3, Title 5, of the California Government Code (commencing with section 56000, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000), for annexation of territory herein described to the District, all within the City of Lancaster; and

WHEREAS, the proposed annexation consists of approximately 20.26± acres of uninhabited territory and is assigned the following distinctive short-form designation: "Annexation No. 425 to the Los Angeles County Sanitation District No. 14"; and

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

WHEREAS, the principal reason for the proposed annexation is for the District to provide off-site sewage disposal to one proposed warehouse; 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 March 8, 2017 at 9:00 a.m., at the Business License Commission Hearing Room, Kenneth Hahn Hall of Administration Room 374-A, located at 500 West Temple Street, Los Angeles, California, 90012; and

WHEREAS, on March 8, 2017, this Commission considered the Proposal and the report of the Executive Officer.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. Acting in its role as a responsible agency with respect to Annexation No. 425 to the Los Angeles County Sanitation District No. 14, pursuant to California Environmental Quality Act (CEQA) the Commission considered the Mitigated Negative Declaration prepared and adopted by the City of Lancaster, as lead agency, on June 4, 2015, together with any comments received during the public review process; 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 Mitigated Negative Declaration; and adopts the mitigation monitoring plan for the project, finding that the mitigation monitoring plan is adequately designed to ensure compliance with the mitigation measures during project implementation as applicable to the responsible agency.
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 20.26± acres, is uninhabited, and is assigned the following short form designation:

   "Annexation No. 425 to the Los Angeles County Sanitation District No. 14".

5. Annexation No. 425 to the Los Angeles County Sanitation District No. 14 is hereby approved, subject to the following terms and conditions:

a. The District agrees to defend, hold harmless and indemnify LAFCO and/or its agents, officers and employees from any claim, action or proceeding against LAFCO and/or its agents, officers and employees to attack, set aside, void or annul the approval of LAFCO concerning this proposal or any action relating to or arising out of such approval.

b. The effective date of the annexation shall be the date of recordation.

c. Payment of Registrar-Recorder/County Clerk and State Board of Equalization fees.

d. The territory so annexed shall be subject to the payment of such service charges, assessments or taxes as may be legally imposed by the District.

e. The regular County assessment roll shall be utilized by the District.

f. The affected territory will be taxed for any existing general indebtedness, if any, of the District.

g. 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 herby orders the uninhabited territory described in Exhibits "A" and "B" annexed to the Los Angeles County Sanitation District No. 14.

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 8th day of March 2017.

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

LOCAL AGENCY FORMATION COMMISSION
FOR THE COUNTY OF LOS ANGELES

Paul A. Novak, AICP
Executive Officer

RESOLUTION NO. 2017-12RMD
RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION FOR THE COUNTY OF LOS ANGELES MAKING DETERMINATIONS APPROVING AND ORDERING "ANNEXATION NO. 2008-09 (37-29) TO THE LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 37 - ACTON"

WHEREAS, the Watt Enterprises LTD, LP submitted a petition for proceedings, 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 Los Angeles County Waterworks District No. 37, Acton, all within the County of Los Angeles (County); and

WHEREAS, the proposed annexation consists of approximately 272± acres of uninhabited territory and is assigned the following distinctive short-form designation: "Annexation No. 2008-09 (37-29) to the Los Angeles County Waterworks District No. 37, Acton"; and

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

WHEREAS, the principal reason for the proposed annexation is to place the affected territory into the boundary of the Los Angeles County Waterworks District No. 37, Acton; 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 March 8, 2017 at 9:00 a.m., at the Business License Commission Hearing Room, Kenneth Hahn Hall of Administration Room 374-A, located at 500 West Temple Street, Los Angeles, California, 90012; and

WHEREAS, on March 8, 2017, this Commission considered the Proposal and the report of the Executive Officer.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. Acting in its role as a lead agency with respect to Annexation No. 2008-09 (37-29) to the Los Angeles County Waterworks District No. 37, Acton, pursuant to California Environmental Quality Act (CEQA) Guildlines Section 15074(b), the Commission considered the Negative Declaration, together with any comments received during the public review process finds that the proposal will not, have a significant effect on the environment, finds that the Negative Declaration reflects the independent judgment of the Commission, and has adopted the Negative Declaration.
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 272± acres, is uninhabited, and is assigned the following short form designation: " Annexation No. 2008-09 (37-29) to the Los Angeles County Waterworks District No. 37, Acton".
5. Annexation No. 2008-09 (37-29) to the Los Angeles County Waterworks District No. 37, Acton is hereby approved, subject to the following terms and conditions:
    a. Watt Enterprises LTD, LP 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 herby orders the uninhabited territory described in Exhibits "A" and "B" annexed to the Los Angeles County Waterworks District No. 37, Acton.

7. The Executive Officer is directed to transmit a copy of this resolution to the District, upon the landowner'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 08th day of March 2017.

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

LOCAL AGENCY FORMATION COMMISSION
FOR THE COUNTY OF LOS ANGELES

Paul A. Novak, AICP
Executive Officer

RESOLUTION NO. 2017-13RMD
RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION FOR THE COUNTY OF LOS ANGELES MAKING DETERMINATIONS APPROVING AND ORDERING "REORGANIZATION NO. 2015-14 TO THE CITY OF POMONA (FRANCISCAN PLACE); AND AMENDMENTS TO THE CITY OF DIAMOND BAR, CITY OF POMONA, GREATER LOS ANGELES COUNTY VECTOR CONTROL DISTRICT, AND SAN GABRIEL VALLEY MOSQUITO AND VECTOR CONTROL DISTRICT SPHERES OF INFLUENCE"

WHEREAS, the City of Pomona (City) adopted a resolution of application to initiate proceedings, which was submitted to the Local Agency Formation Commission for the County of Los Angeles (Commission), pursuant to, Division 3, Title 5, of the California Government Code (commencing with section 56000, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000), for annexation and sphere of influence amendments of territory herein described to the City of Pomona and San Gabriel Valley Mosquito and Vector Control District, and annexation of said territory to Los Angeles County Sanitation District No. 21, detachment and sphere of influence amendments to the City of Diamond Bar and Greater Los Angeles County Vector Control District; and withdrawal from the County Public Library System, all currently within the City of Diamond Bar; and

WHEREAS, the proposed reorganization consists of approximately 5.10± acres of uninhabited territory and is assigned the following distinctive short-form designation: "Reorganization No. 2015-14 to the City of Pomona (Franciscan Place)"; and

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

WHEREAS, the principal reason for the proposed reorganization is for the City of Pomona to provide services to one proposed single-family residence; and

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

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

WHEREAS, even though a public hearing is not required for the Proposal, a public hearing is nevertheless required for the proposed Sphere of Influence (SOI) amendments, pursuant to Government Code Section 56427; and

WHEREAS, the Executive Officer has given notice of the public hearing for the proposed Sphere of Influence Amendments pursuant to Government Code Sections 56150-56160, wherein the public hearing notice was published in a newspaper of general circulation in the County of Los Angeles on February 13, 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 March 8, 2017, this Commission considered the Proposal and the report of Executive Officer, and heard and received all oral and written testimony, objections, and evidence which were made, presented or filed, and all persons present were given an opportunity to hear and be heard with respect to the Sphere of Influence Amendments.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. Acting in its role as a responsible agency with respect to Reorganization No. 2015-14 to the City of Pomona (Franciscan Place), pursuant to California Environmental Quality Act (CEQA), the Commission considered the Negative Declaration prepared by the City of Pomona, as lead agency, on November 19, 2015, together with any comments received

during the public review process; and certifies that the Commission has independently reviewed and considered and reached its own conclusions regarding the environmental effects of the proposed project as shown in the Negative Declaration.

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

   a. The territory encompassed by the reorganization is uninhabited; and

   b. Pursuant to Government Code Sections 56658(b)(1) and 56662(c), the Executive Officer has given the required mailed notice to each affected agency of the application to initiate proceedings for the proposed reorganization, and no affected local agency has submitted a written demand for notice and hearing during the 10-day period following the notice; and

   c. The reorganization was accompanied by satisfactory proof that all owners of land within the affected territory have given their written consent to the proposal.

   Based thereon, pursuant to Government Code Section 56662(a), the Commission may make determinations upon the proposed reorganization proposal without notice and hearing and may waive protest proceedings relative to the proposed reorganization. However, with respect to the proposed SOI amendment(s), a public hearing is still required pursuant to Government Code Section 56427.

3. The Commission hereby amends the Spheres of Influence of the City of Diamond Bar, City of Pomona, Greater Los Angeles County Vector Control District, and San Gabriel Valley Mosquito and Vector Control District so as to exclude the affected territory described in Exhibit "A" and "B" from the City of Diamond Bar and Greater Los Angeles County Vector

Control District, and so as to include the affected territory described in Exhibit "A" and "B" within the City of Pomona, San Gabriel Valley Mosquito and Vector Control District and makes the following determinations in accordance with Government Code Section 56425:

a. Present and Planned Land Uses in the Area

The affected territory consists of vacant land. The territory is being developed to include one single-family home.

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

The affected territory is currently located within the City of Diamond Bar and is being annexed to the City of Pomona. General government services, including animal control, fire and emergency medical, flood control, library, mosquito and vector control, park and recreation, planning, police, road maintenance, solid waste, street lighting, water, wastewater, and other services are provided by the city, county, and other special districts. The affected territory will be developed to include one single-family home which requires organized governmental services. The affected territory will require governmental facilities and services indefinitely.

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

The City of Pomona and San Gabriel Valley Mosquito and Vector Control District currently provide municipal services to many parcels of land. The reorganization would add one more parcel to the service area. The city and district indicated

that they have the ability to provide service to the affected territory once the reorganization is complete.

d. Existence of Any Social or Economic Communities of Interest

There are no significant social or economic communities of interest within the subject territory. The proposal will have no adverse effect with respect to the fair treatment of people of all races and incomes, or the location of public facilities or services.

e. Disadvantaged Unincorporated Communities

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

f. Determination of the Services of the Existing District

The Commission has on file written statement of the functions and classes of service of the San Gabriel Valley Mosquito and Vector Control District and can establish the nature, location and extent of its classes of service and that it provides mosquito and vector control service within its boundary.

4. A description of the boundaries and map of the proposal, as approved by this Commission, are set forth in Exhibits "A" and "B", attached hereto and by this reference incorporated herein.

5. The affected territory consists of 5.10± acres, is uninhabited, and is assigned the following short form designation: " Reorganization No. 2015-14 to the City of Pomona (Franciscan Place)".

6. Reorganization No. 2015-14 to the City of Pomona (Franciscan Place) is hereby approved, subject to the following terms and conditions:

    a. The City of Pomona agrees to defend, hold harmless and indemnify LAFCO and/or its agents, officers and employees from any claim, action or proceeding against LAFCO and/or its agents, officers and employees to attack, set aside, void or annul the approval of LAFCO concerning this proposal or any action relating to or arising out of such approval.

    b. The effective date of the reorganization shall be the date of recordation.

    c. Payment of Registrar-Recorder/County Clerk and State Board of Equalization fees.

    d. The territory so reorganized shall be subject to the payment of such service charges, assessments or taxes as may be legally imposed by the City of Pomona and/or Districts.

    e. The regular County assessment roll shall be utilized by the City of Pomona and/or Districts.

    f. The affected territory will be taxed for any existing general indebtedness, if any, of the City of Pomona and/or Districts.

    g. Annexation of the affected territory described in Exhibits "A" and "B" to the City of Pomona, San Gabriel Valley Mosquito and Vector Control District, and Los Angeles County Sanitation District No. 21.

    h. Detachment of the affected territory from the City of Diamond Bar and Greater Los Angeles County Vector Control District.

    i. Withdrawal of the affected territory from the County Public Library System.

j. Upon the effective date of the reorganization, all right, title, and interest of the City of Diamond Bar, including but not limited to, the underlying fee title or easement where owned by the City of Diamond Bar, in any and all sidewalks, trails, landscaped areas, street lights, property acquired and held for future road purposes, open space, signals, storm drains, storm drain catch basins, local sanitary sewer lines, sewer pump stations and force mains, water quality treatment basins and/or structures, and water quality treatment systems serving roadways and bridges shall vest in the City of Pomona.

k. Upon the effective date of the reorganization, the City of Pomona shall be the owner of, and responsible for, the operation, maintenance, and repair of all of the following property formerly owned by the City of Diamond Bar: public roads, adjacent slopes appurtenant to the roads, street lights, traffic signals, mitigation sites that have not been accepted by regulatory agencies but exist or are located in public right-of-way and were constructed or installed as part of a road construction project within the reorganization area, storm drains and storm drain catch basins within street right-of-way and appurtenant slopes, medians and adjacent property.

l. Upon the effective date of the reorganization, the City of Pomona shall do the following: (1) assume ownership and maintenance responsibilities for all drainage devices, storm drains and culverts, storm drain catch basins, appurtenant facilities (except regional Los Angeles County Flood Control District (LACFCD) facilities for which LACFCD has a recorded fee or easement interest and which have been accepted into the LACFCD system), site drainage, and all

master plan storm drain facilities that are within the reorganization area and are currently owned, operated and maintained by the County ; (2) accept and adopt the County of Los Angeles Master Plan of Drainage (MPD), if any, which is in effect for the reorganization area. Los Angeles County Department of Public Works Department (LACDPW) should be contacted to provide any MPD which may be in effect for the reorganization area. Deviations from the MPD shall be submitted to the Chief Engineer of LACFCD/Director of LACDPW for review to ensure that such deviations will not result in diversions between watersheds and/or will not result in adverse impacts to LACFCD's flood control facilities; (3) administer flood zoning and Federal Emergency Management Agency floodplain regulations within the reorganization area; (4) coordinate development within the reorganization area that is adjacent to any existing flood control facilities for which LACFCD has a recorded easement or fee interest, by submitting maps and proposals to the Chief Engineer of LACFCD/Director of LACDPW, for review and comment.

m. Except to the extent in conflict with "a" through "l", above, the general terms and conditions contained in Chapter 2 of Part 5, Division 3, Title 5 of the California Government Code (commencing with Government Code Section 57325) shall apply to this reorganization.

7. The Commission herby orders the uninhabited territory described in Exhibits "A" and "B" annexed to the City of Pomona, San Gabriel Valley Mosquito and Vector Control District, and Los Angeles County Sanitation District No. 21 and detached from the City of Diamond Bar and Greater Los Angeles County Vector Control District.

8. The Executive Officer is directed to transmit a copy of this resolution to the Cities and Districts, upon the City of Pomona 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 08th day of March 2017.

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

LOCAL AGENCY FORMATION COMMISSION
FOR THE COUNTY OF LOS ANGELES

Paul A. Novak, AICP
Executive Officer

RESOLUTION NO. 2017-01PR
RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION FOR THE COUNTY OF LOS ANGELES MAKING DETERMINATIONS ORDERING "ANNEXATION NO. 1080 TO SANTA CLARITA VALLEY SANITATION DISTRICT OF LOS ANGELES COUNTY "

WHEREAS, the Santa Clarita Valley Sanitation 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 City of Santa Clarita; and

WHEREAS, the proposed annexation consists of approximately 2.559± acres of uninhabited territory and is assigned the following distinctive short-form designation: "Annexation No. 1080 to Santa Clarita Valley Sanitation District of Los Angeles County"; and

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

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

WHEREAS, on January 11, 2017, the Commission approved Annexation No. 1080 to Santa Clarita Valley Sanitation District of Los Angeles County; and

WHEREAS, pursuant to Government Code Section 57002, the Commission set the protest hearing for March 8, 2017 at 9:00 a.m., at the Business License Commission Hearing Room, Kenneth Hahn Hall of Administration Room 374-A, located at 500 West Temple Street, Los Angeles, California, 90012; and

WHEREAS, the Executive Officer has given notice of the protest hearing pursuant to Government Code Sections 56150-56160, 56660-56661, 57025, and 57026, wherein the protest hearing notice was published in a newspaper of general circulation in the County of Los Angeles on February 6, 2017, which is at least 21 days prior to the protest hearing, and said hearing notice was also mailed to all required recipients by first-class mail on or before the date of newspaper publication; and

WHEREAS, at the time and place fixed in the notice, the hearing was held, and any and all oral or written protests, objections, and evidence were received and considered; and

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

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The Commission finds that the number of property owners is 4, and the total assessed value of land within the affected territory is $761,986.

2. The Commission finds that the number of written protests filed in opposition to Annexation No. 1080 to Santa Clarita Valley Sanitation District of Los Angeles County and not withdrawn is __0__, which, even if valid, represents owners of land who own less than 50 percent of the assessed value of land within the affected territory.
3. A description of the boundaries and map of the proposal, as approved by this Commission, are set forth in Exhibits "A" and "B", attached hereto and by this reference incorporated herein.
4. The affected territory consists of 2.559± acres, is uninhabited, and is assigned the following short form designation:

   "Annexation No. 1080 to Santa Clarita Valley Sanitation District of Los Angeles County"
5. Annexation No. 1080 to Santa Clarita Valley Sanitation District of Los Angeles County is hereby approved, subject to the following terms and conditions:
   a. The District agrees to defend, hold harmless and indemnify LAFCO and/or its agents, officers and employees from any claim, action or proceeding against LAFCO and/or its agents, officers and employees to attack, set aside, void or annul the approval of LAFCO concerning this proposal
      or any action relating to or arising out of such approval.
   b. The effective date of the annexation shall be the date of recordation.
   c. Payment of Registrar- Recorder/County Clerk and State Board of Equalization fees.

d. The territory so annexed shall be subject to the payment of such service charges, assessments or taxes as may be legally imposed by the District.

e. The regular County assessment roll shall be utilized by the District.

f. The affected territory will be taxed for any existing general indebtedness, if any, of the District.

g. Annexation of the affected territory described in Exhibits "A" and "B" to the District.

h. Except to the extent in conflict with "a" through "g", above, the general terms and conditions contained in Chapter 2 of Part 5, Division 3, Title 5 of the California Government Code (commencing with Government Code Section 57325) shall apply to this annexation.

6. The Commission herby orders the uninhabited territory described in Exhibits "A" and "B" annexed to Santa Clarita Valley Sanitation District of Los Angeles County.

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

PASSED AND ADOPTED this 8th day of March 2017.

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

LOCAL AGENCY FORMATION COMMISSION
FOR THE COUNTY OF LOS ANGELES

Paul A. Novak, AICP
Executive Officer