



Local Agency Formation Commission  
for the County of Los Angeles

Commission

Jerry Gladbach  
Chair

Donald Dear  
1st Vice-Chair

Gerard McCallum  
2nd Vice-Chair

Kathryn Barger  
Richard Close  
Margaret Finlay  
Janice Hahn  
Vacant  
(City of Los Angeles)  
Vacant  
(Cities in L.A. County)

Alternate Members

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

Staff

Paul Novak  
Executive Officer

Adriana Romo  
Deputy Executive Officer

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

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

**LOCAL AGENCY FORMATION COMMISSION  
MEETING AGENDA**

Wednesday, August 8, 2018  
9:00 a.m.

**Room 381B**

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

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Entrance to the Commission Meetings requires entry through security screening at any of the public entrances to the KHHOA:

- 500 West Temple Street (third floor of KHHOA)
- 225 N. Hill Street (first floor of KHHOA)
- 222 N. Grand Avenue (fourth floor of KHHOA)
- Civic Mall/ Grand Park, between KHHOA and the Civil Court Building (second floor of the KHHOA)

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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**

**6. CONSENT ITEM(S)**

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

- a. Approve Minutes of July 11, 2018.
- b. Approve Operating Account Check Register for the month of July 2018.
- c. Receive and file update on pending proposals.
- d. Annexation No. 2018-02 to Los Angeles County Waterworks District No. 40, Antelope Valley, and Mitigated Negative Declaration.

**7. PUBLIC HEARING(S)**

- a. Establishment No. 2018-05 of the Sphere of Influence for the Wrightwood Community Service District (Los Angeles County Portion), and California Environmental Quality Act (CEQA) exemption.

**8. PROTEST HEARING(S)**

None.

**9. OTHER ITEMS**

- a. Outside Employment Request of Executive Officer
- b. Santa County Water District Status Report

**10. LEGISLATION**

- a. Legislative Update

**11. MISCELLANEOUS CORRESPONDENCE RECEIVED**

None.

**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**

September 12, 2018

October 10, 2018

November 14, 2018

December 12, 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**



Local Agency Formation Commission  
for the County of Los Angeles

Item 6.a.

**DRAFT**

Commission

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Chair

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1st Vice-Chair

Gerard McCallum  
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**REGULAR MEETING**

**MINUTES OF THE LOCAL AGENCY FORMATION COMMISSION**

**FOR THE COUNTY OF LOS ANGELES**

**July 11, 2018**

**Present:**

**Jerry Gladbach, Chair**

**Kathryn Barger  
Donald Dear  
Margaret Finlay  
Janice Hahn  
Gerard McCallum  
John Mirisch**

**Joe Ruzicka, Alternate  
Greig Smith, Alternate**

**Paul Novak, Executive Officer  
Lillian Salinger, Legal Counsel**

**Absent:**

**Richard Close  
Mitch Englander**

**Lori Brogin-Falley, Alternate  
Marqueece Harris-Dawson, Alternate  
Sheila Kuehl, Alternate  
Judith Mitchell, Alternate**

**1 CALL MEETING TO ORDER**

The meeting was called to order at 9:07 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.

**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 to 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 (None).

**4 SWEARING-IN OF SPEAKER(S)**

The EO swore in seven (7) members of the audience who planned to testify.

The EO thanked the Commissioners, Legal Counsel, and LAFCO staff for sending sympathy notes of his mother's passing.

The EO and Chair Gladbach thanked Adriana Romo (Deputy Executive Officer) for providing exemplary assistance, on short notice, serving in the EO's place at last month's meeting.

**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 June 13, 2018.
- b. Approved Operating Account Check Register for the month of June 2018.
- c. Received and filed update on pending proposals.

MOTION: Dear                      SECOND: Finlay                      APPROVED: 7-0-0  
AYES:        Barger, Dear, Finlay, Hahn, McCallum, Mirisch, Gladbach

NOES: None.  
ABSTAIN: None.  
ABSENT: Close, Englander

7 PUBLIC HEARING(S)

None.

8 PROTEST HEARING(S)

None.

9 OTHER ITEMS

The following item was called up for consideration:

- a. Proposed Commission-Initiated Resolution of Application for Dissolution of the Sativa County Water District (Dissolution No. 2018-09 of the Sativa County Water District).

The EO noted that each of the Commissioners were provided copies of two documents: a letter dated July 9, 2018 from Thomas Martin, Interim General Manager of the Sativa County Water District (Sativa or District) to LAFCO; and a letter dated July 10, 2018 from the Los Angeles County Board of Supervisors Mark Ridley-Thomas to Eileen Sobeck, Executive Director of the State Water Resources Control Board (Water Boards).

The EO summarized the staff report on the Proposed Commission-Initiated Resolution of Application for Dissolution of the Sativa County Water District (Dissolution No. 2018-09 of the Sativa County Water District).

The Commission opened the item to provide an opportunity for public testimony.

The EO swore in fourteen (14) additional member of the audience who planned to testify.

Twenty-one (21) members of the public testified before the Commission, as follows:

- Thomas Martin (Interim General Manager, Sativa County Water District) requested that the Commission continue Agenda Item No. 9.a. for another 60-90 days.
- Mark Ravis (Attorney at Law) stated that the District is not providing competent service or clean water to the community, expressed support for dissolution of the Sativa County Water District and thanked the Commission.
- Fifteen (15) residents who reside within the boundaries of the Sativa County Water District expressed support for dissolution of the District. Residents provided testimony expressing concerns about discolored water, impacts of the water on their health, and lack of transparency of the District's board, including potential Ralph M. Brown Act violations and financial impropriety. They indicated that the District had not addressed

their concerns to their satisfaction.

- Representatives of three (3) private water purveyors (California American Water, Golden State Water Company, and Liberty Utilities) stated that they have the expertise to provide potable water to the residents of the Sativa service area.
- Jeff O'Keefe (Regional Field Manager, State Water Resources Control Board) provided an overview of the Water Board's authority to seek a receivership or to appoint a State Administrator.

Chair Gladbach thanked the members of the public for being professional and orderly.

Commissioner Hahn stated that the District has been plagued with mismanagement for years. She stated that the District board members have abused their positions and mistreated their customers and that it is now the time to start the dissolution process of the Sativa County Water District. Commissioners Hahn and Barger requested that the EO draft a letter to the State Water Resources Control Board recommending that the Los Angeles County Department of Public Works temporarily manage the Sativa County Water District, as an administrator or receiver.

Commissioner Barger indicated that the testimony of the residents was disturbing and recommended that it be provided to the Los Angeles County District Attorney's Office for review.

Commissioner Mirisch stated that he would like the residents of the Sativa County Water District to be included in the decision-making process of selecting a private investor-owned utility, if a private investor-owned utility is identified as the most viable option. He requested that the District provide LAFCO with Maria Garza's employment resignation letter.

There being no further public testimony, the item was closed.

**As amended**, the Commission took the following additional actions:

- Found that the proposed actions are exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15061 because it can be seen with certainty that there is no possibility that the proposed actions will have a significant effect on the environment; and that the proposed actions are not a project for purposes of CEQA because they are an organizational activity of government with no direct nor indirect effects on the physical environment, pursuant to Section 15378(b) of the State CEQA Guidelines;
- Adopted the Resolution of Application for Commission-initiated proceedings to Dissolve the Sativa County Water District: Resolution No. 2018-11RMD;
- Directed the Executive Officer to draft a letter to the State Water Resources Control Board recommending that the Los Angeles County Department of Public Works temporarily manage the Sativa County Water District, as an administrator or receiver, and urge the State Water Resources Control Board to provide funding, as necessary; and

- Directed the Executive Officer to draft a letter to the Los Angeles County District Attorney's Office regarding possible Ralph M. Brown Act violations by the Sativa County Water District board.

MOTION: Hahn                      SECOND: Barger                      APPROVED: 7-0-0  
AYES: Barger, Dear, Finlay, Hahn, McCallum, Mirisch, Gladbach  
NOES: None.  
ABSTAIN: None.  
ABSENT: Close, Englander

[Commissioner Finlay left at 11:03 a.m.]

## 10 LEGISLATION

The following item was called up for consideration:

- a. Legislative Update.

The EO summarized the staff report on the Legislative Update.

The Commission took the following actions:

- Received and filed the Legislative Report.

MOTION: McCallum                      SECOND: Dear                      APPROVED: 6-0-0  
AYES: Barger, Dear, Hahn, McCallum, Mirisch, Gladbach  
NOES: None.  
ABSTAIN: None.  
ABSENT: Close, Englander, Finlay

## 11 MISCELLANEOUS CORRESPONDENCE RECEIVED

None.

## 12 COMMISSIONERS' REPORT

None.

## 13 EXECUTIVE OFFICER'S REPORT

None.



14 PUBLIC COMMENT

None.

15 FUTURE MEETINGS

August 8, 2018

September 12, 2018

October 10, 2018

November 14, 2018

16 FUTURE AGENDA ITEMS

None.

17 ADJOURNMENT MOTION

On motion of Chair Gladbach, the meeting was adjourned at 11:04 a.m.

Respectfully submitted,

Paul Novak, AICP  
Executive Officer

1:04 PM

07/31/18

Accrual Basis

# LA LAFCO NEW FILE

## Register Report

### July 2018

Type	Date	Num	Name	Amount	Balance
Jul 18					
Check	07/02/2018	10067	CALAFCO'	-8,926.00	-8,926.00
Check	07/02/2018	10068	County of Los Angel...	-31,692.30	-40,618.30
Check	07/02/2018	10069	Delta Dental*	-2,958.36	-43,576.66
Check	07/02/2018	10070	Deltacare	-187.85	-43,764.51
Check	07/02/2018	10071	Kaiser*	-15,422.40	-59,186.91
Check	07/02/2018	10072	Motor Parks	-630.00	-59,816.91
Check	07/02/2018	10073	SDRMA	-20,057.72	-79,874.63
Check	07/02/2018	10074	The Lincoln National	-285.48	-80,140.11
Check	07/09/2018	WIRE	TRPF 80 South Lak...	-8,341.77	-88,481.88
Check	07/12/2018	8762	LAFCO-LA	0.00	-88,481.88
Check	07/12/2018	8763	LAFCO-LA	55,372.81	-33,109.27
Check	07/12/2018	10075	CoreLogic	-28.80	-33,138.07
Check	07/12/2018	10076	LACERA-OPEB	-1,372.48	-34,510.55
Check	07/12/2018	10077	Mail Finance	-380.23	-34,890.78
Check	07/12/2018	10078	Office Depot*	-274.86	-35,165.64
Check	07/12/2018	10079	Platinum Consulting	-1,520.50	-36,686.14
Check	07/12/2018	10080	Promac Image Syst...	-202.78	-36,888.92
Check	07/12/2018	10081	CALAFCO'	-2,850.00	-39,738.92
Check	07/12/2018	10082	Charter Communica...	-524.22	-40,263.14
Check	07/12/2018	10083	Daily Journal	-18.00	-40,281.14
Check	07/12/2018	10084	Deltacare	-37.57	-40,318.71
Check	07/12/2018	10085	Lievano, The Print ...	-149.24	-40,467.95
Check	07/12/2018	10086	Los Angeles County...	-40.00	-40,507.95
Check	07/12/2018	10087	Wells Fargo	-383.25	-40,891.20
Check	07/13/2018	DD	Ambar De La Torre	-1,870.18	-42,761.38
Check	07/13/2018	DD	Michael E Henderson	-5,280.51	-48,041.89
Check	07/13/2018	DD	Patricia Knoebel-Wood	-1,352.92	-49,394.81
Check	07/13/2018	DD	Paul A Novak	-5,030.10	-54,424.91
Check	07/13/2018	DD	Alisha O'Brien	-2,181.78	-56,606.69
Check	07/13/2018	DD	Adriana Romo	-3,090.03	-59,696.72
Check	07/13/2018	DD	Douglass S Dorado	-2,804.53	-62,501.25
Check	07/13/2018	DD	Federal Tax Deposit	-5,013.31	-67,514.56
Check	07/13/2018	DD	State Income Tax	-1,588.81	-69,113.37
Check	07/20/2018	ADP	ADP	-135.39	-69,248.76
Check	07/30/2018	DD	Ambar De La Torre	-1,870.19	-71,118.95
Check	07/30/2018	DD	Douglass S Dorado	-2,804.53	-73,923.48
Check	07/30/2018	DD	Michael E Henderson	-2,207.44	-76,130.92
Check	07/30/2018	DD	Patricia Knoebel-Wood	-1,352.92	-77,483.84
Check	07/30/2018	DD	Paul A Novak	-5,030.11	-82,513.95
Check	07/30/2018	DD	Alisha O'Brien	-2,181.79	-84,695.74
Check	07/30/2018	DD	Adriana Romo	-3,090.03	-87,785.77
Check	07/30/2018	DD	Federal Tax Deposit	-4,059.48	-91,845.23
Check	07/30/2018	DD	State Income Tax	-1,218.03	-93,063.26
Check	07/30/2018	DD	Federal Tax Deposit	-148.44	-93,209.70
Check	07/30/2018	32160...	Kathryn Barger	-134.08	-93,343.78
Check	07/30/2018	32160...	Brogan-Falley Lori	-62.32	-93,406.10
Check	07/30/2018	32160...	Richard Close	-74.12	-93,480.22
Check	07/30/2018	DD	Donald Dear	-212.63	-93,692.85
Check	07/30/2018	32160...	Margaret E Finlay	-260.03	-93,952.88
Check	07/30/2018	32160...	Edward G Gladbach	-305.92	-94,258.80
Check	07/30/2018	DD	Gerard McCallum II	-183.18	-94,441.98
Check	07/30/2018	DD	Janice K Hahn	-135.37	-94,577.35
Check	07/30/2018	32160...	John A Mirisch	-150.86	-94,738.21
Check	07/30/2018	32160...	Judith M Mitchell	-28.77	-94,766.98
Check	07/30/2018	32160...	Greig L Smith	-304.60	-95,071.58
Bill Pmt -Check	07/30/2018	10088	ATT	-308.39	-95,379.97
Bill Pmt -Check	07/30/2018	10089	Bank of America*	-2,202.59	-97,582.56
Bill Pmt -Check	07/30/2018	10090	CALAFCO'	-1,660.00	-99,242.56
Bill Pmt -Check	07/30/2018	10091	County Counsel	-35,473.26	-134,715.82
Bill Pmt -Check	07/30/2018	10092	CTS Clouds	-1,275.00	-135,990.82
Bill Pmt -Check	07/30/2018	10093	FedEx	-117.63	-136,108.45
Bill Pmt -Check	07/30/2018	10094	LACERA	-14,183.35	-150,291.80
Bill Pmt -Check	07/30/2018	10095	Motor Parks	-1,035.00	-151,326.80
Bill Pmt -Check	07/30/2018	10096	Office Depot*	-267.90	-151,594.70
Bill Pmt -Check	07/30/2018	10097	The Lincoln National	-265.48	-151,860.18
Bill Pmt -Check	07/30/2018	10098	Tropical Interior Plants	-100.00	-151,960.18

Item 6.b.

1:04 PM

07/31/18

Accrual Basis

LA LAFCO NEW FILE  
Register Report  
July 2018

Type	Date	Num	Name	Amount	Balance
Bill Pmt -Check	07/30/2018	10099	TRPF 80 South Lak...	-400.00	-152,360.18
Jul 18				-152,360.18	-152,360.18

AGENDA ITEM NO. 6c - August 8, 2018							
PENDING PROPOSALS AS OF July 31, 2018							
		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 frw. 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	685 acres of uninhabited territory located east of Browns Canyon Road and northwest of Mason Ave, in the unincorporated area just north of the City of Los Angeles.	Notice of Filing sent 2-15-12. Incomplete filing: property tax transfer resolution, CEQA, pre-zoning ordinance, map of limiting addresses, list of limiting addresses, and approved map and legal.	12/8/2011	Unknown

		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	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 and approved map and legal.	12/10/2014	Unknown
12	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
13	DD	Annexation No. 2015-09 to the City of Pomona	City of Pomona	5.76 acres uninhabited territory. Located south of Valley Blvd approximately 2500' east of Grand Ave, adjacent to the City of Industry and Pomona.	Notice of Filing sent 9-23-15 Incomplete filing: property tax transfer resolution, attachment "A" plan for municipal services, CEQA, party disclosure, pre-zoning, limiting addresses, map of limiting addresses, radius map, registered voter labels within affected territory, registered voters within 300' radius, landowners within affected territory, landowners within 300' radius, map and legal not approved	9/22/2015	Unknown

		<b>LAFCO Designation</b>	<b>Applicant</b>	<b>Description</b>	<b>Status</b>	<b>Date Filed</b>	<b>Est. Date of Completion</b>
<b>14</b>	DD	<b>Annexation No. 2015-10 to the City of Agoura Hills</b>	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
<b>15</b>	DD	<b>Reorganization No. 2016-01 to the Las Virgenes Municipal Water District</b>	Las Virgenes Municipal Water District	Detachment from West Basin Municipal Water District, and annexation to the Las Virgenes Municipal Water District. Both districts require SOI amendments. The territory consists of 26 single-family homes, generally located south of Cairnloch Street, west of Summit Mountain Way, all within the City of Calabasas.	Notice of Filing sent 04-19-16 Incomplete filing: property tax transfer resolution, and map and legal not approved.	2/22/2016	Unknown
<b>16</b>	DD	<b>Reorganization No. 2017-04 to the Las Virgenes Municipal Water District</b>	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	September 12th agenda	4/6/2017	Oct-2018
<b>17</b>	AD	<b>Annexation No. 2017-02 to the Newhall County Water District</b>	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
<b>18</b>	DD	<b>Annexation No. 2017-09 to the Wilmington Cemetery District</b>	Wilmington Cemetery District	inhabited territory around Wilmington	Notice of Filing sent 6-10-17 Incomplete filing: property tax transfer resolution	7/10/2017	Unknown
<b>19</b>	DD	<b>Reorganization No. 2017-10 to the Las Virgenes Municipal Water District</b>	Robert Douglass	5.26 acres of uninhabited territory. The affected territory is generally located northeast of the intersection of Hovenweep Lane and Schuereen Road, in the unincorporated area north of Malibu	Notice of Filing Sent 11-30-17 Incomplete Filing: property tax transfer resolution, approved map and legal	11/8/2017	Unknown
<b>20</b>	AD	<b>Annexation 298 to District No. 15</b>	Sanitation Districts	4.01 acres of uninhabited territory. The affected territory is generally located on Del Valle Avenue west of the terminus of Mentz Street, all within the City of La Puente.	Notice of Filing Sent 01-04-18 Incomplete filing: property tax transfer resolution.	1/3/2018	Unknown
<b>21</b>	AD	<b>Annexation 754 to District No. 21</b>	Sanitation Districts	0.4 acres of uninhabited territory. The affected territory is located on Padua Avenue approximately 100 feet south of Alamosa Drive, all within the City of Claremont.	Notice of Filing Sent 01-04-18 Incomplete filing: property tax transfer resolution.	1/3/2018	Unknown
<b>22</b>	AD	<b>Annexation 755 to District No. 21</b>	Sanitation Districts	2.5 acres of uninhabited territory. The affected territory is located on Via Padova approximately 400 feet west of Mt. Baldy Road, all within unincorporated Los Angeles County.	Notice of Filing Sent 01-04-18 Incomplete filing: property tax transfer resolution.	1/3/2018	Unknown
<b>23</b>	AD	<b>Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1087</b>	Sanitation Districts	0.311 acres of uninhabited territory. The affected territory is located on the northeast corner of Ferguson Drive and Cherry Drive, all within the unincorporated area of Los Angeles County.	Notice of Filing Sent 2-15-18 Incomplete filing: property tax transfer resolution.	2/13/2018	Unknown
<b>24</b>	AD	<b>Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1088</b>	Sanitation Districts	6.796 acres of uninhabited territory. The affected territory is located on Sierra Highway approximately 600 feet south of Quinn Drive, all within unincorporated Los Angeles County.	Notice of Filing Sent 2-15-18 Incomplete filing: property tax transfer resolution.	2/13/2018	Unknown
<b>25</b>	AD	<b>Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1090</b>	Sanitation Districts	0.58 acres of uninhabited territory. Located on Sierra Highway approximately 150 feet south of Sand Canyon Road, all within unincorporated Los Angeles County.	Notice of Filing Sent 2-15-18 Incomplete filing: property tax transfer resolution.	2/13/2018	Unknown

		LAFCO Designation	Applicant	Description	Status	Date Filed	Est. Date of Completion
26	DD	Reorganization No. 2016-33 to the City of Los Angeles	County of Los Angeles	1.34 acres of uninhabited territory located east of the intersection of W 116th St and Isis Avenue in the City of Los Angeles.	Notice of Filing Sent 2-15-18 Incomplete filing: property tax transfer resolution, ceqa, party disclosure, and approved map and legal	2/3/2018	Unknown
27	AD	Annexation 757 to District No. 21	Sanitation Districts	0.566 acres of uninhabited territory. The affected territory is located on the southeast corner of Mountain Avenue and Sage Street, all within the unincorporated Los Angeles County.	Notice of Filing Sent 03-07-18 Incomplete filing: property tax transfer resolution.	3/7/2018	Unknown
28	AD	Annexation 428 to District No. 22	Sanitation Districts	1.67 acres of uninhabited territory. The affected territory is located on Crestglen Road approximately 300 feet east of Vista Bonita Avenue, all within the City of Glendora.	Notice of Filing Sent 03-22-18 Incomplete filing: property tax transfer resolution.	3/21/2018	Unknown
29	AD	Annexation 297 to District No. 15	Sanitation Districts	13.88 acres of uninhabited territory. The affected territory is located on the southwest corner of Loukelton Street and Echelon Avenue, all within the City of Industry.	Notice of Filing Sent 03-22-18 Incomplete filing: property tax transfer resolution.	3/21/2018	Unknown
30	DD	Annexation No. 2018-02 to the Los Angeles County Waterworks District No. 40, Antelope Valley	City of Lancaster	15 acres of uninhabited territory. The affected territory is located at the northeast corner of Avenue I and 32nd Street West, in the City of Lancaster.	August 8th agenda	3/27/2018	Sep-2018
31	DD	Reorganization No. 2018-03 to the City of Arcadia	Los Angeles County	.29 acres of uninhabited territory. Parcel 1 is located at the intersection of Oak Avenue and Duarte Road in the City of Arcadia and Parcel 2 is Located along Standish Street east of the intersection Mayflower Avenue and Standish Street adjacent to the City of Arcadia.	Notice of Filing sent 5-9-18 Incomplete filing: property tax transfer resolution, CEQA, party disclosure, approved map and legal, pre-zoning and labels,	5/8/2018	Unknown
32	DD	Annexation No. 2018-04 to the City of Santa Clarita	City of Santa Clarita	3,118± acres of inhabited territory. The affected territory is generally located south of Basques Canyon Road between Sand Canyon Road and Golden Valley Road in Los Angeles County unincorporated territory adjacent to the City of Santa Clarita.	Notice of Filing sent 6-27-18 Incomplete filing: property tax transfer resolution, approved map and legal, limiting addresses map, party disclosure, and list of limiting addresses, and NOD	6/18/2018	Dec-2018
33	AD	Annexation No. 430 to District No. 22	Sanitation Districts	1.6± acres of uninhabited territory. The affected territory is located at the southwest corner of Baseline Road and Bunnelle Avenue, all within the City of La Verne.	Notice of Filing Sent 07-17-18 Incomplete filing: property tax transfer resolution.	7/16/2018	Unknown
34	AOB	Dissolution No. 2018-09 for the Sativa County Water District	LAFCO	179.80 acres of inhabited territory within the unincorporated community of Willowbrook and three non-contiguous areas located within the City of Compton.	Notice of Intention sent 6-19-18	Commission-Initiated proposal on 07-11-18	Unknown

**Staff Report**

**August 8, 2018**

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

**Annexation No. 2018-02 to the  
Los Angeles County Waterworks District No. 40,  
Antelope Valley 40-151 (04-211)**

**PROPOSAL SUMMARY:**

Size of Affected Territory:	15.00± acres
Inhabited/Uninhabited:	Uninhabited
Applicant:	Steven Eglash
Resolution or Petition:	Petition
Application Filed with LAFCO:	March 27, 2018
Location:	The affected territory is located northeast of the intersection of 32 <sup>nd</sup> Street West and West Avenue I.
City/County:	City of Lancaster
Affected Territory:	The affected territory consists of vacant land. The territory will be developed to include a homeless facilities center. The topography is flat.
Surrounding Territory:	A veterans home, residential, and vacant land surround the affected territory.
Landowner/Real Party/ Parties of Interest:	When Life Hands You Lemons, LP 555 S Flower St #4420 Los Angeles, CA 90071 Steve Eglash, Managing Member
Registered Voters:	0 registered voters as of March 27, 2018
Purpose/Background:	For the District to provide potable water service.
Related Jurisdictional Changes:	There are no related jurisdictional changes.



Within SOI:	Yes
Waiver of Notice/Hearing/Protest:	Yes
CEQA Clearance:	The California Environmental Quality Act (CEQA) clearance is a Mitigated Negative Declaration adopted by the City of Lancaster, as lead agency, on January 12, 2018. An Addendum to the Mitigated Negative Declaration was adopted by the City of Lancaster, as lead agency, on April 23, 2018.
Additional Information:	None

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

***a. Population:***

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

The estimated future population is 102 residents.

The affected territory is 15.00± acres. The affected territory consists of vacant land. The territory will be developed into a homeless facilities center.

The assessed valuation is \$0 as of March 27, 2018.

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

On July 31, 2018, the County adopted a negotiated tax exchange resolution. On July 31, 2018, the County adopted a property tax transfer on behalf of the Sanitation District No. 14 of Los Angeles County pursuant to Revenue and Tax Code 99.1(a)(4), which authorizes a county to act on behalf of a special district to determine the exchange of property tax when the special district involved fails to adopt a tax transfer resolution where services have not been previously provided. All other involved public agencies have adopted a corresponding property tax transfer resolution.

The topography of the affected territory is flat.

There are no natural boundaries within or adjacent to the affected territory.

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

The nearest populated is directly north and west 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 a Homeless Facilities Center which requires organized governmental services. The affected territory will require governmental services indefinitely.

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

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

To the extent that vacant land is being developed, there will be an impact upon the surrounding community. As documented in the Mitigated Negative Declaration, adopted on January 12, 2018 and Addendum to the Mitigated Negative Declaration adopted on April 23, 2018, these impacts have been mitigated to a level that is not significant. 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 City or County.

The effect of alternate actions on mutual social and economic interests and on the local governmental structure of the City and County is minimal.

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

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

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

**e. *Agricultural Lands:***

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

**f. *Boundaries:***

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

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

The Los Angeles County Waterworks District No. 40, Antelope Valley is a county waterworks district. The proposed annexation to the Los Angeles County Waterworks District No. 40, Antelope Valley is therefore subject to the provisions of its principal act, which is the County Waterworks District Law (Water Code Section 55000 *et seq*). Pursuant to Water Code Section 55800, "any portion or portions of a county containing unincorporated territory, or containing the whole or any portion of one or more incorporated cities, and not included in a district, may be added to any district." Water Code Section 55801 imposes additional restrictions:

“Territory within the same county but not contiguous with the district may be annexed to the district if the board determines that the district resulting from the annexation may be more efficiently and economically operated than if a separate district were formed. No parcel of noncontiguous territory which contains less than 10 acres may be annexed to any district.”

The affected territory in this proposed annexation is contiguous to the existing boundaries of the District, and the proposal therefore complies with the contiguity provisions in Water Code Sections 55800 and 55801.

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 Southern California Association of Governments (SCAG) adopted its 2016-2040 Regional Transportation Plan (RTP) and Sustainable Communities Strategy (SCS) pursuant to Government Code Section 65080. The closest highway to the annexation is part of the RTP and SCS's State Highway improved program. 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 Lancaster General Plan designation of Multi-Residential (MR1).

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

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

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

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

***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:***

On March 21, 2018, the Los Angeles County Waterworks District No. 40, Antelope Valley indicated that it has the ability to provide potable water service to the affected territory once the annexation is complete.

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

There are no known issues regarding water supply or delivery. The Antelope Valley - East Kern Water Agency is the current wholesaler to the affected territory and the Los Angeles

County Waterworks District No. 40, Antelope Valley will become the retailer once the annexation is complete.

***m. Regional Housing:***

This proposal will assist the City's ability to achieve its fair share of the regional housing needs since the annexation area is being developed with 102 multi-family units.

***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 Lancaster General Plan designation of Multi-Residential (MR1).

The proposal is consistent with the existing City of Lancaster zoning designation of Moderate Density Residential of 15.1-30 Units/Acre (MDR).

***p. Environmental Justice:***

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

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

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

The CEQA clearance is a Mitigated Negative Declaration adopted by the City of Lancaster, as lead agency, on January 12, 2018 and determined the project will not have a significant effect on the environment and Mitigated Measures were made a condition of the approval. An Addendum to the Mitigated Negative Declaration was adopted by the City of Lancaster, as lead agency, on April 23, 2018 finding there are no substantial changes to the project that would require major revisions of the Initial Study/Mitigated Negative Declaration. The Commission is a responsible agency pursuant to CEQA and State CEQA Guidelines Section 15096.

**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 Los Angeles County Waterworks District No. 40, Antelope Valley, which will be for the interest of landowners and/or present and/or future inhabitants within the District and within the annexation territory.

**RECOMMENDED ACTION:**

1. Adopt the Resolution Making Determinations, including the California Environmental Quality Act determinations, Approving and Ordering Annexation No. 2018-02 to the Los Angeles County Waterworks District No. 40, Antelope Valley 40-151 (04-211).

**RESOLUTION NO. 2018-00RMD  
RESOLUTION OF THE LOCAL AGENCY FORMATION  
COMMISSION FOR THE COUNTY OF LOS ANGELES  
MAKING DETERMINATIONS APPROVING AND ORDERING  
"ANNEXATION NO. 2018-02 TO THE LOS ANGELES COUNTY  
WATERWORKS DISTRICT NO. 40, ANTELOPE VALLEY 40-151 (04-211)"**

WHEREAS, When Life Hands You Lemons, 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. 40, Antelope Valley, all within the City of Lancaster (City); and

WHEREAS, the proposed annexation consists of approximately 15.00 ± acres of uninhabited territory and is assigned the following distinctive short-form designation: "Annexation No. 2018-02 to the Los Angeles County Waterworks District No. 40, Antelope Valley 40-151 (04-211)"; 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 potable water service; and

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

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

WHEREAS, the Executive Officer set the item for consideration for August 8, 2018 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 August 8, 2018, 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. 2018-02 to the Los Angeles County Waterworks District No. 40, Antelope Valley 40-151 (04-211), 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 January 12, 2018 and Addendum to the Mitigated Negative Declaration adopted on April 23, 2018, 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 Addendum to 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. The affected territory consists of 15.00± acres, is uninhabited, and is assigned the following short form designation:

"Annexation No. 2018-02 to the Los Angeles County Waterworks District No. 40, Antelope Valley 40-151 (04-211)".

4. Annexation No. 2018-02 to the Los Angeles County Waterworks District No. 40, Antelope Valley 40-151 (04-211) is hereby approved, subject to the following terms and conditions:

- a. When Life Hands You Lemons, 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.
5. The Commission hereby orders the uninhabited territory described in Exhibits "A" and "B" annexed to the Los Angeles County Waterworks District No. 40, Antelope Valley.
6. 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 08<sup>th</sup> day of August 2018.

MOTION:

SECOND:

AYES:

NOES:

ABSTAIN:

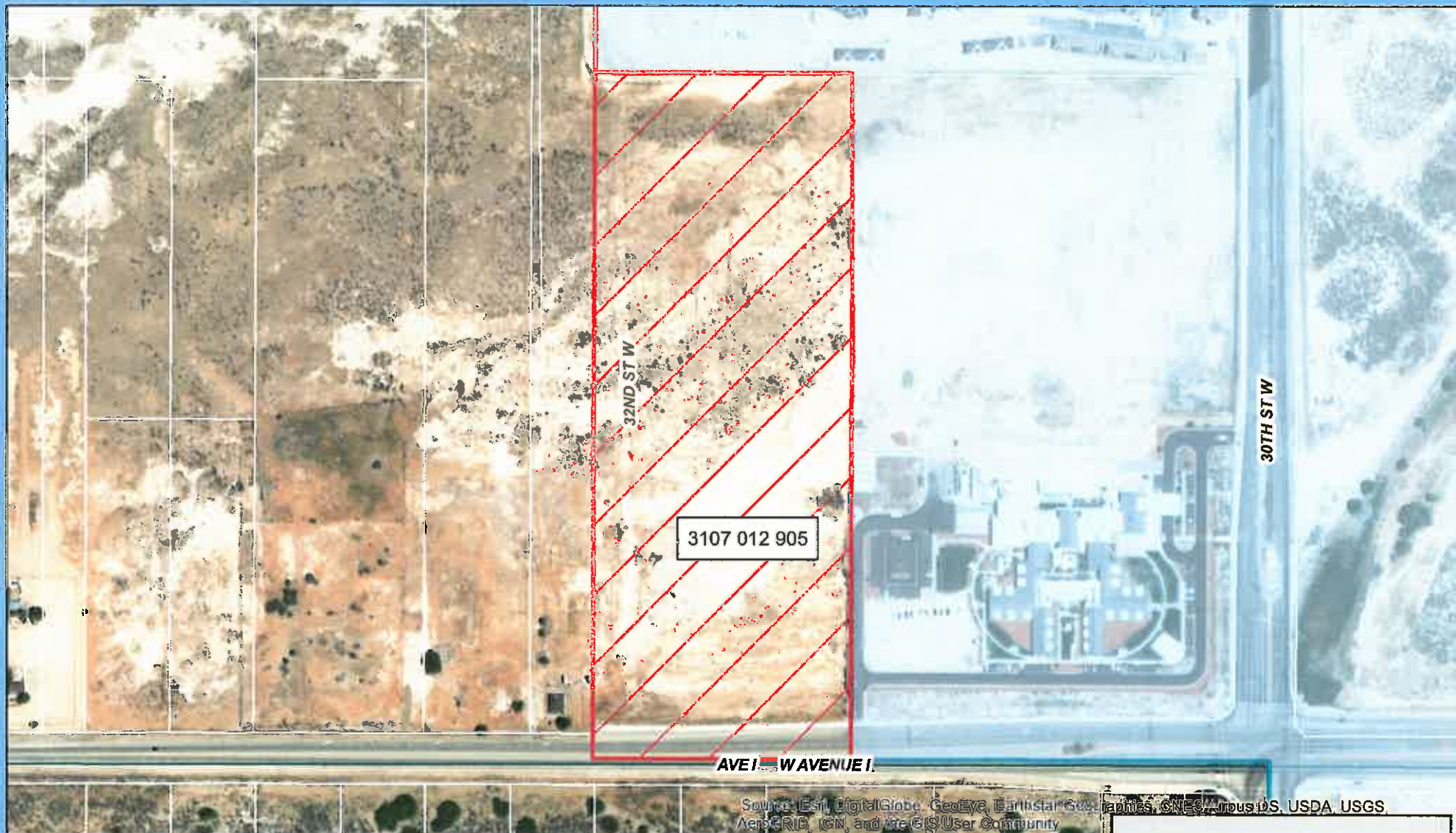
ABSENT:

MOTION PASSES: 0/0/0

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






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



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

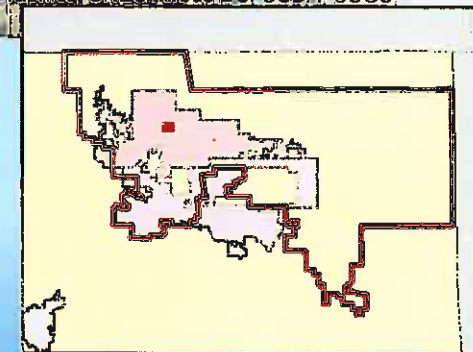
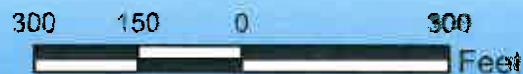
## Legend

-  Annexation 2018-02
-  City of Lancaster
-  City of Palmdale
-  LA Co. Waterworks Districts
-  San County Waterworks Dist. No. 40

## Annexation 2018-02 Los Angeles County Waterworks District 40, Antelope Valley



**LAFCO**  
Los Angeles County  
Waterworks Districts



August 8, 2018

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## **Staff Report**

**August 8, 2018**

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

#### **Establishment No. 2018-05 of the Sphere of Influence for the Wrightwood Community Services District (Los Angeles County portion)**

##### **BACKGROUND:**

Wrightwood is a small unincorporated community with approximately 4,510 residents located in the eastern San Gabriel Mountains in the Counties of Los Angeles and San Bernardino. Wrightwood is located approximately 3 miles southwest of the intersection of California State Route 2 and California State Route 138.

On November 3, 2015, the Board of Supervisors for San Bernardino County initiated proceedings with the Local Agency Formation Commission for San Bernardino County, as principal county, for the formation of a community services district. The proposed district would provide street lighting, solid waste and recycling, parks and recreation, and wastewater services to 10,866± acres of territory in the Counties of Los Angeles (2,100± acres) and San Bernardino (8,766± acres).

“LAFCO 3202 – Reorganization to include Formation of the Wrightwood Community Services District and Dissolution of County Service Area 56” was approved by the Local Agency Formation Commission for San Bernardino County on July 11, 2016. The Formation of the Wrightwood Community Services District (“District”) was subsequently approved by the registered voters on March 7, 2017. The Wrightwood Community Services District was established and became effective July 1, 2017.

The Wrightwood Community Services District is an independent special district. The governing body consists of a five-member Board of Directors elected at-large from within the boundaries of the Wrightwood Community Services District.

At this time, the Local Agency Formation Commission for the County of Los Angeles is determining a Sphere of Influence for the Wrightwood Community Services District (Los Angeles portion) consistent with State Law.

##### **MUNICIPAL SERVICE REVIEW DETERMINATIONS:**

In order to prepare and to update a district Sphere of Influence, the Commission is required, pursuant to Section 56430, to conduct a review of the municipal services in that particular district, and, further, to “consider and prepare a written statement of its determinations.”

The determinations address the following:

*Population Projections*  
*Disadvantaged Unincorporated Communities*  
*Present and Planned Capacity of Public Facilities*  
*Financial Ability of Agencies to Provide Services*  
*Status of, and Opportunities for, Shared Facilities*  
*Accountability for Community Services Needs*  
*Other Matters, as deemed relevant by the Commission*

The Wrightwood Community Services District has been addressing fiscal issues and San Bernardino LAFCO staff has requested additional time for completion of the Municipal Service Review. At its April 18, 2018 meeting, the Local Agency Formation Commission for San Bernardino County directed staff to defer the Municipal Service Review, including making determinations required by Government Code Section 56430, until June 2019, and to move forward to establish the District's Sphere of Influence. This additional time would give San Bernardino LAFCO staff a better understanding of the Wrightwood Community Services District's finances.

Los Angeles LAFCO supports the deferral of the Municipal Service Review to June of 2019 to obtain more complete information and to move forward to establish the District's Sphere of Influence within the Los Angeles portion of the District, consistently with San Bernardino LAFCO's determination.

**SPHERE OF INFLUENCE (SOI) BACKGROUND:**

Since 1971, LAFCOs have been required to develop and adopt a SOI for each city and special District. Government Code Section 56076 defines a SOI as "a plan for the probable physical boundaries and services area of a local agency, as determined by the Commission."

Determining SOIs is central to the Commission's purpose. As Stated in Government Code Section 56425:

"In order to carry out its purposes and responsibilities for planning and shaping the logical and orderly development and coordination of local governmental agencies subject to the jurisdiction of the commission to advantageously provide for the present and future needs of the county and its communities, the Commission shall develop and determine the Sphere of Influence of each city and special district, as defined by Section 56036, within the county and enact policies designed to promote the logical and orderly development of areas within the sphere."

Timing in determining SOIs for newly formed districts. As stated in Government Code Section 56426.5(b):

"Beginning January 1, 2010, at the time when a commission approves a formation or reorganization that includes the formation of a district, the Commission may determine

the Sphere of Influence for the proposed new district. The Commission shall determine sphere of influence for any newly formed district within one year of the effective date of the formation.”

On November 11, 2011 San Bernardino LAFCO and Los Angeles LAFCO entered into a Memorandum of Understanding for Exchange of Principal County Status for Sphere of Influences Changes ("MOU"). Under provisions of the MOU, San Bernardino LAFCO, as the Principal County, will defer to Los Angeles County LAFCO, as the Affected County, for Sphere of Influence determinations within its county territory. The MOU permits the Affected County LAFCO to rely on the service review data and/or determinations made by the Principal County LAFCO.

The Local Agency Formation Commission for San Bernardino County established a coterminous Sphere of Influence for the San Bernardino of the Wrightwood Community Services District County portion on July 18, 2018.

The Local Agency Formation Commission for the County of Los Angeles is required to establish a Sphere of Influence for the Wrightwood Community Services District, Los Angeles County portion. For Wrightwood Community Services District, a coterminous Sphere of Influence is the most appropriate sphere to establish. The Sphere of Influence can be reviewed and amended, if needed, once the Municipal Service Review is completed for the District in 2019.

#### **PUBLIC HEARING REQUIREMENT FOR SOI ESTABLISHMENT:**

The Executive Officer, pursuant to Government Code Section 56427, set August 8, 2018, as the hearing date on this SOI establishment, and gave the required notice of public hearing pursuant to Government Code Section 56427. Notice of the public hearing for the proposed Sphere of Influence establishment was given pursuant to Government Code Sections 56150-56160. The public hearing notice was published in a newspaper of general circulation in the County of Los Angeles on July 6, 2018, 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.

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

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

The present land use is residential, commercial, and vacant land. There are no proposed/future land use changes due to this proposed SOI establishment.

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

The affected territory is located within the County of Los Angeles unincorporated community of Wrightwood. The Wrightwood Community Services District currently



provides street lighting, solid waste and recycling, parks and recreation, and wastewater services.

The affected territory includes residential, commercial, and vacant land which requires organized governmental services. The affected territory will require governmental facilities and services indefinitely.

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

The Wrightwood Community Services District is expected to continue providing those services it has been authorized to provide at formation. No expansion of services will result from this proposed establishment of the Sphere of Influence.

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

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

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

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

**FUNCTIONS AND CLASSES OF SERVICES PURSUANT TO GOVERNMENT CODE 56425(i):**

The Commission has on file a written statement from the District pursuant to Section 56425(j) of the Government Code specifying the functions and classes of service of the Wrightwood Community Services District. The Commission is required to establish the nature, location and extent of the District's functions or classes of service in accordance with Government Code Sections 56425(i). The Wrightwood Community Services District provides the following functions and classes of services pursuant to Government Code Section 61100:

Street lighting – Acquire, construct, improve, maintain, and operate streetlighting and landscaping on public property, public right-of-way, and public easements;

Solid Waste and Recycling – Collect, transfer, and dispose of solid waste and refuse and provide solid waste handling services, including, but not limited to, source reduction, recycling, composting activities, pursuant to Division 30 (commencing with Section 40000), and consistent with Section 41821.2 of the Public Resources Code;

Parks and Recreation – Acquire, construct, improve, maintain, and operate recreation facilities, including, by not limited to, parks and open space, in the same manner as the recreation and park district forms pursuant to the Recreation and Park District Law (commencing with Section 5780) of the Public Resources Code; and

Wastewater – (Collect, treat, or dispose of sewage, wastewater, recycled water, and storm water, in the same manner as sanitary district, is a latent power). Planning and engineering for the potential development of a regional wastewater treatment system should such be required by Lahontan Regional Water Quality Control Board in the same manner as a sanitary district, formed pursuant to Sanitary District Act of 1923 Division 6 (commencing



with Section 6400) of the Health and Safety Code.

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

The Establishment of a Sphere of Influence for the Wrightwood Community Services District is exempt from the provisions of CEQA because it can be seen with certainty that there is no possibility that the recommended establishment of the Sphere of Influence for the Wrightwood Community Services District will have a significant effect on the environment pursuant to State CEQA Guidelines Section 15061(b)(3). In the alternative, this recommendation is not a project for the purposes of CEQA because it is an organizational activity of government with no direct or indirect effects on the physical environment and therefore is excluded from the definition of a project, pursuant to Section 15378(b) of the State CEQA Guidelines.

**CONCLUSION:**

Staff recommends approval of the proposal to establish the Sphere of Influence for the Wrightwood Community Services District (Los Angeles County portion) as coterminous to the current district boundary. This would allow the district to focus its efforts within its current boundaries.

**RECOMMENDED ACTION:**

1. Open the public hearing and receive testimony on the Sphere of Influence establishment;
2. There being no further testimony, close the public hearing; and
3. Adopt the Resolution Making Determinations, including the California Environmental Quality Act determinations, Approving Establishment No. 2018-05 of the Sphere of Influence for the Wrightwood Community Services District (Los Angeles County portion) coterminous to the current district boundary.
4. Direct the Executive Officer to add the words "Established Sphere of Influence (Los Angeles County portion) August 8, 2018" to the official LAFCO SOI map for the Wrightwood Community Services District.

**RESOLUTION NO. 20XX-00RMD  
RESOLUTION OF THE LOCAL AGENCY FORMATION  
COMMISSION FOR THE COUNTY OF LOS ANGELES  
MAKING DETERMINATIONS APPROVING  
"ESTABLISHMENT NO. 2018-05 OF THE SPHERE OF INFLUENCE FOR THE  
WRIGHTWOOD COMMUNITY SERVICES DISTRICT (LOS ANGELES PORTION)"**

WHEREAS, 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), provides that a Local Agency Formation (LAFCO) shall determine a Sphere of Influence (SOI) for any newly formed district within one year of the effective date of the formation (Government Code Section 56426.5(b)); and

WHEREAS, the SOI is the primary planning tool for LAFCO and defines the probable physical boundaries and service area of a local agency as determined by LAFCO; and

WHEREAS, the proposed SOI establishment consists of inhabited territory and assigned the following distinctive short-form designation: "Establishment No. 2018-05 of the Sphere of Influence for the Wrightwood Community Services District (Los Angeles portion)"; and

WHEREAS, a map of the proposal is set forth in Exhibit "A", attached hereto and by this reference incorporated herein; and

WHEREAS, Section 56430 requires that in order to prepare and to update Spheres of Influence, the Commission shall conduct a Municipal Service Review (MSR) prior to or in conjunction with action to update or adopt a Sphere of Influence; and

WHEREAS, the Local Agency Formation Commission for San Bernardino County as principal county, has deferred the Municipal Service Review until June 2019 for Wrightwood

Community Services District while moving forward to establish the SOI for the San Bernardino portion; and

WHEREAS, the Local Agency Formation Commission for San Bernardino County adopted a coterminous SOI for the San Bernardino portion of the Wrightwood Community Service District on July 18, 2018; and

WHEREAS, the Local Agency Formation Commission for the County of Los Angeles supports the principal county's decision to defer the MSR while moving forward to establish the SOI for the Wrightwood Community Services District; and

WHEREAS, the Executive Officer has submitted to the Commission recommendations relative to the establishment of the SOI for the Wrightwood Community Services District (Los Angeles portion); and

WHEREAS, the Executive Officer has recommended that the MSR determinations required by Section 56430 be deferred until June 2019; and

WHEREAS, the Executive Officer set August 8, 2018, as the hearing date on this SOI establishment, and gave notice of public hearing pursuant to Government Code Section 56427, wherein the public hearing notice was published in a newspaper of general circulation in the County of Los Angeles on July 6, 2018, and mailed to all required recipients by first-class mail at least 21 days prior to the public hearing; and

WHEREAS, on August 8, 2018, 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

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The Commission, finds that the Establishment No. 2018-05 of the Sphere of Influence for the Wrightwood Community Services District (Los Angeles portion), is exempt from the provisions of the California Environmental Quality Act ("CEQA") because it can be seen with certainty that there is no possibility that the recommended establishment of the Sphere of Influence of the Wrightwood Community Service District will have a significant effect on the environment pursuant to State CEQA Guidelines Section 15061(b)(3). In the alternative, this recommendation is not a project for the purposes of CEQA because it is an organizational activity of government with no direct or indirect effects on the physical environment and therefore is excluded from the definition of a project, pursuant to Section 15378(b) of the State CEQA Guidelines.
2. The Commission hereby establishes the Sphere of Influence for the Wrightwood Community Services District (Los Angeles portion) as coterminous and makes the following determinations in accordance with Government Code Section 56425(e):

- a. Present and Planned Land Uses in the Area

The present land use is residential, commercial, and vacant land. There are no proposed/future land use changes due to this proposed SOI establishment.

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

The affected territory is located within the County of Los Angeles unincorporated community of Wrightwood. The Wrightwood Community Services District

currently provides street lighting, solid waste and recycling, parks and recreation, and wastewater services.

The affected territory includes residential, commercial, and vacant land 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 Wrightwood Community Services District is expected to continue providing those services it has been authorized to provide at formation. No expansion of services will result from this proposed establishment of the Sphere of Influence.

d. Existence of Any Social or Economic Communities of Interest

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

e. Disadvantaged Unincorporated Communities

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

3. The Commission has on file a written statement of the functions and classes of service of the Wrightwood Community Services District and is required to establish the nature, location and extent of any functions or classes of service and that it provides accordance with Government Code Sections 56425(i). The Wrightwood Community Services District provides the following functions and classes of services pursuant to Government Code Section 61100:

Street lighting – Acquire, construct, improve, maintain, and operate streetlighting and landscaping on public property, public right-of-way, and public easements;

Solid Waste and Recycling – Collect, transfer, and dispose of solid waste and refuse and provide solid waste handling services, including, but not limited to, source reduction, recycling, composting activities, pursuant to Division 30 (commencing with Section 40000), and consistent with Section 41821.2 of the Public Resources Code;

Parks and Recreation – Acquire, construct, improve, maintain, and operate recreation facilities, including, by not limited to, parks and open space, in the same manner as the recreation and park district forms pursuant to the Recreation and Park District Law (commencing with Section 5780) of the Public Resources Code; and

Wastewater – (Collect, treat, or dispose of sewage, wastewater, recycled water, and storm water, in the same manner as sanitary district, is a latent power). Planning and engineering for the potential development of a regional wastewater treatment system should such be required by Lahontan Regional Water Quality Control Board in the same manner as a sanitary district, formed pursuant to Sanitary District Act of 1923 Division 6 (commencing with Section 6400) of the Health and Safety Code.

4. The affected territory is inhabited and is assigned the following short form designation:  
“Establishment No. 2018-05 of the Sphere of Influence for the Wrightwood Community Services District (Los Angeles portion)”

5. A map of the Establishment of the Sphere of Influence for the Wrightwood County Services District, as approved by this Commission, are set forth in Exhibit "A", attached hereto and incorporated by reference herein.
6. The Executive Officer is hereby directed to add the words "Established Sphere of Influence (Los Angeles portion)" to the official LAFCO SOI map for the Wrightwood Community Services District.
7. The Executive Officer is hereby authorized and directed to mail copies of this resolution to the Wrightwood Community Services District and the Local Agency Formation Commission for San Bernardino County.

PASSED AND ADOPTED this 08<sup>th</sup> day of August 2018.

MOTION:

SECOND:

AYES:

NOES:

ABSTAIN:

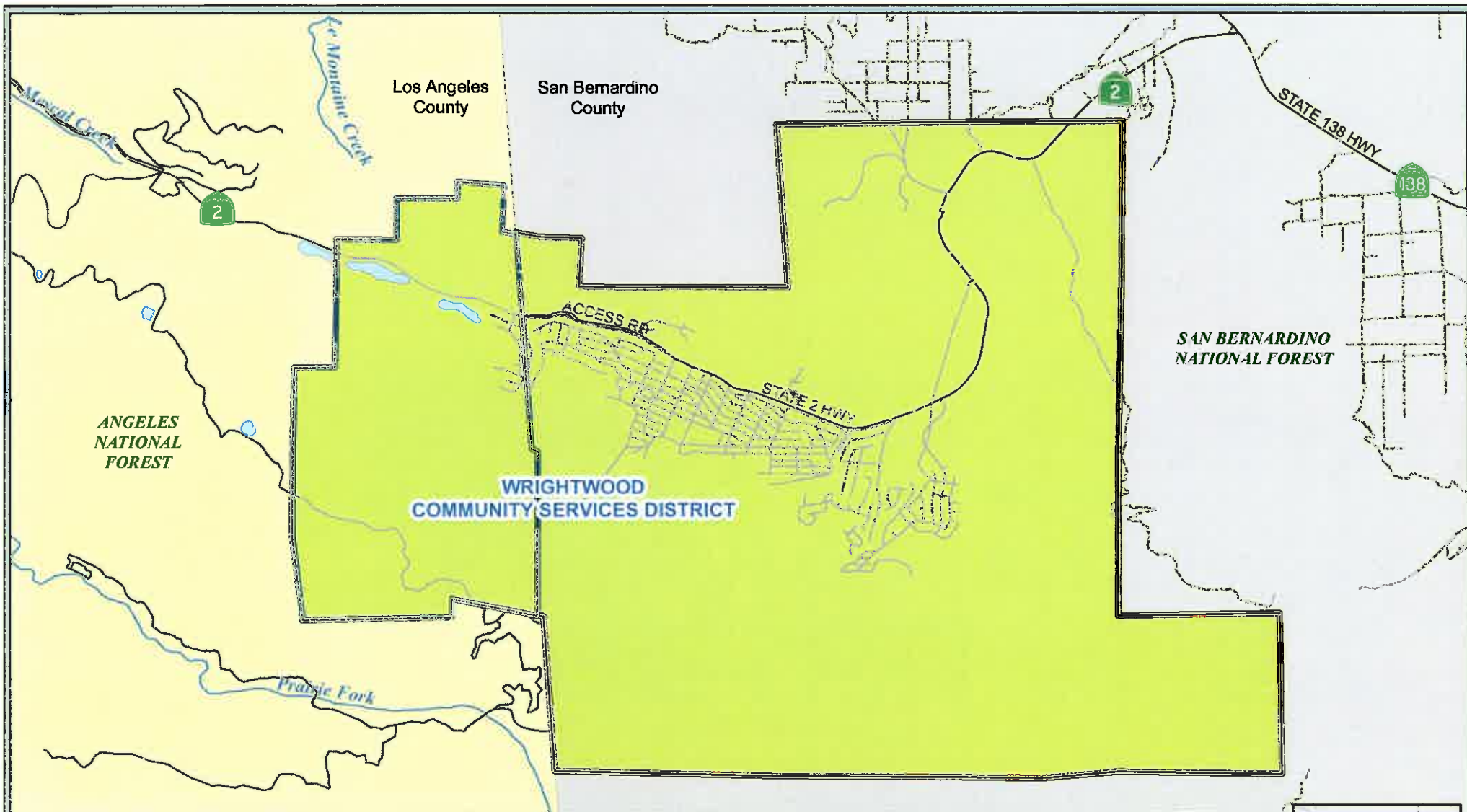
ABSENT:

MOTION PASSES: 0/0/0

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

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



#### Legend

- Wrightwood Community Services District, Sphere of Influence (SOI), Los Angeles County
- Wrightwood Community Services District, Sphere of Influence (SOI), San Bernardino County
- Wrightwood Community Services District

Establishment No. 2018-05 of the Sphere of Influence for the  
**Wrightwood Community Services District**  
 (Los Angeles portion)

1 in = 0.6 miles  
 0 0.6 1.2 miles





## **Staff Report**

**August 8, 2018**

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

#### **Outside Employment Request of Executive Officer**

The Employment Agreement between the Commission and the Executive Officer requires that the Executive Officer consult with Commission counsel, and secure the approval of the Commission, before accepting any new outside employment

The City of Pasadena Fire Department has solicited the Executive Officer to serve as a Hearing Officer (HO) for appeals of Fire Code enforcement citations. The Executive Officer currently serves as a Zoning Hearing Officer (ZHO) for the City of Pasadena Planning & Permitting Department, for which he conducts an average of eleven hearings per year (on Wednesday evenings). Similarly, the Fire Department is seeking to retain a HO to hear appeals of Fire Code enforcement citations; in the last two years, the Fire Department has fielded five appeals to a HO.

Serving as a HO to the City of Pasadena Fire Department is consistent with all of the requirements and limitations set forth in the Employment Agreement between the Commission and the Executive Officer. These include a limitation on all outside employment to a maximum of fifteen hours a week, the absence of conflict with official duties of the Executive Officer or the interests of LAFCO, the absence of any financial interest in any transaction to which LAFCO is a party, and the absence of any work which may be subject to review by LAFCO officials or employees.

The Executive Officer's service as a ZHO to the City of Pasadena Planning Department began in 2002, and it was authorized in his original Employment Agreement when he was hired by the Commission in 2011. His work as a ZHO occurs on Fridays, evenings, and weekends, and it has not presented any conflicts with his on-going LAFCO responsibilities. The Executive Officer indicates that the proposed infrequent, additional work for the Pasadena Fire Department would, similarly, present no issues to LAFCO.

LAFCO Counsel has been consulted as required, and the Executive Officer requests Commission approval.

#### **Recommended Action:**

1. Authorize the Executive Officer to accept outside employment from the City of Pasadena Fire Department to serve as a Hearing Officer, subject to all requirements and limitations set forth in the Employment Agreement between the Commission and the Executive Officer.

## **Staff Report**

**August 8, 2018**

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

#### **Sativa County Water District (“District” or “Sativa”) Status Report**

At the July 11<sup>th</sup> Meeting, the Commission adopted a Resolution of Application for Commission-initiated proceedings to dissolve the Sativa County Water District (Dissolution No. 2018-09 of the Sativa County Water District).

Since the July 11<sup>th</sup> Meeting, LAFCO has:

- On July 12, 2018; at Congresswoman Nanette Barragán’s request, briefed her staff concerning Dissolution No. 2018-09 of the Sativa County Water District;
- On July 19, 2018; sent a letter signed by Commission Chair Jerry Gladbach to State Water Resources Control Board (“SWRCB”) Executive Director Eileen Sobek requesting that the SWRCB appoint the County of Los Angeles Department of Public Works as the state administrator or receiver for the District (copy attached);
- On July 19, 2018; sent a letter from LAFCO Executive Officer Paul Novak to California Public Utilities Commission (“CPUC”) Executive Director Alice Stebbins, requesting that the CPUC “delegate a contact person within the CPUC to assist LAFCO in identifying the appropriate long-term solution for the District” (copy attached);
- On July 26, 2018; sent a letter from LAFCO Executive Officer Paul Novak to Los Angeles County District Attorney Jackie Lacey, forwarding public testimony from the July 11<sup>th</sup> Commission Meeting concerning potential violations of the Ralph M. Brown Act by the Sativa Board of Directors (copy attached);
- On July 30, 2018; pursuant to Revenue and Taxation Code Section 99.(b).(1), issued a Notice of Filing to the Los Angeles County Assessor and the Los Angeles County Auditor-Controller specifying each local agency whose service area or responsibility may be altered by the proposed jurisdictional change (copy attached);
- On August 1, 2018; attended a meeting with representatives from the Offices of Assembly Speaker Anthony Rendon, Assemblyman Mike Gipson, Los Angeles County Supervisor Mark Ridley-Thomas, Los Angeles County Supervisor Janice Hahn, the Los Angeles County Department of Public Works, the Los Angeles County Counsel’s Office, the SWRCB, the Water Replenishment District of Southern California, and the California Association of Local Agency Formation Commissions (CALAFCO) concerning necessary amendments to Assembly Bill 1577 (Gipson) to facilitate LAFCO processing of the Dissolution No. 2018-09 of the Sativa County Water District;

Staff is continuing its on-going discussions with previously-identified public agency representatives as well as additional stakeholders, such as the City of Compton, the California Association of Mutual Water Companies, and counsel for Sativa ratepayers. Staff is also regularly communicating with representatives of other LAFCOs concerning issues associated with dissolving a water district.

Staff is working in collaboration with Los Angeles County representatives on issues associated with the processing of Dissolution No. 2018-09 of the Sativa County Water District. These issues include, but are not limited to: expedited processing of property tax transfer resolutions; research, documentation, and quantification of the District's debt and collateral; identification of all pending lawsuits and claims against the District; and identification of the District's compliance with retirement funding policies for employees.

Staff is compiling information necessary to provide written notice to registered voters and landowners within the District's boundaries in advance of the public hearing for dissolution of the District. This notice will be prepared in English and Spanish. Staff is also developing a plan to provide additional outreach to stakeholders, such as local chambers of commerce, homeowner associations, neighborhood associations, community activists, other governmental agencies, and media outlets.

Staff continues to provide input to Assembly Speaker Rendon and Assemblyman Gipson concerning potential amendments to AB 1577 to facilitate the processing of Dissolution No. 2018-09 of the Sativa County Water District.

**Staff Recommendation:**

Staff recommends that the Commission:

1. Receive and file the Sativa County Water District Status Report.

**Attachments:**

- a) July 19, 2018 Letter from LAFCO Executive Officer Paul Novak to California Public Utilities Commission Executive Director Alice Stebbins.
- b) July 19, 2018 Letter from Commission Chair Jerry Gladbach to State Water Resources Control Board Executive Director Eileen Sobek.
- c) July 26, 2018 Letter from LAFCO Executive Officer Paul Novak to Los Angeles County District Attorney Jackie Lacey.
- d) July 30, 2018 Notice of Filing.

- e) July 30, 2018 Letter from LAFCO Executive Officer Paul Novak to Emilio Solano, Supervising Cadastral Engineer III, Office of the Los Angeles County Assessor.



Local Agency Formation Commission  
for the County of Los Angeles

## Attachment A

July 19, 2018

Alice Stebbins  
Executive Director  
California Public Utilities Commission  
5005 Van Ness Avenue  
San Francisco, CA 94102

*via U.S. Mail*

Re: Sativa County Water District

Dear Ms. Stebbins:

On behalf of the Local Agency Formation Commission for the County of Los Angeles ("LAFCO"), I am writing to seek CPUC's support and direction relative to the Sativa County Water District ("District" or "Sativa"). As a result of a number of serious issues outlined below, on July 11, 2018, LAFCO initiated a dissolution of the District. On several occasions, LAFCO Commissioners have made it abundantly clear that addressing the myriad of challenges facing the District is LAFCO's highest priority.

I believe that LAFCO's collaboration with the CPUC is necessary since a long-term solution for providing water service to District's customers may involve an investor-owned utility ("IOU") providing this service instead of the District. I am providing you with some relevant background, below.

Created in 1938 pursuant to the County Water District Law (Water Code Section 30000 *et seq*), the District is an independent special district governed by a five-member board of directors. The District provides retail water service to approximately 1,667 customers in the unincorporated community of Willowbrook in Los Angeles County, as well as three small non-contiguous areas within the boundaries of the City of Compton. The district is approximately 180 acres in size. All of the unincorporated territory within the District is a Disadvantaged Unincorporated Community (DUC) comprises an unincorporated area, one in which the area median income is at or below 80% of the statewide median income. The population is largely African-American and Hispanic.

In both 2005 and 2012, LAFCO prepared Municipal Service Reviews ("MSRs") of the District. These MSRs document years of mismanagement and inefficiency on the part of the District's board and staff, as well as an inattention to very serious

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nd Vice-Chair

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David Ryu  
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Alternate Members  
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Paul Novak  
Executive Officer

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challenges relative to deferred maintenance, deteriorating infrastructure, insufficient water storage, lack of water meters, and a lack of monetary reserves. In March of 2018, residents began to encounter brown, murky tap water coming from their faucets. Although subsequent testing by County and State officials indicated that the water is safe to consume, the State Water Resources Control Board (“SWRCB”) cited the District for failing two secondary drinking water standards (excessive turbidity and high levels of manganese), insufficient fire flow during flushing operations, and lack of proper equipment to measure water pressure. According to testimony provided to LAFCO, the District has done little to minimize or eliminate the on-going water quality issues.

On July 11, 2018, LAFCO Commissioners voted unanimously to initiate a dissolution of the District. The Commission vote was predicated upon five important conclusions identified in the staff report:

1. Sativa has an insufficient customer base to finance system improvements: a “stand-alone” district of approximately 1,700 ratepayers is not sufficient to finance the short-term and long-term system improvements which are urgently required for the District.
2. There are limitations associated with consolidating Sativa with another public agency: at the present time, there is no feasible opportunity to dissolve and/or consolidate the District into another public agency.
3. There are potential liability concerns related to LAFCO designation of a “successor agency:” any change in service providers may require the introduction—and approval—of State legislation providing liability relief to a future service provider.
4. Exploration of the appointment of a state administrator may be warranted: any change in service providers may require the introduction—and approval—of State legislation providing authority and funding for the State Water Resources Control Board (“SWRCB”) to appoint, immediately, a state administrator for the District. In the alternative, the SWRCB may seek court approval for the appointment of a receiver.
5. Consideration should be given to identifying a future service provider, possibly an IOU: further communication with private water companies (California American Water Company, Liberty Utilities, Golden State Water Company, and Suburban Water Systems, and potentially others) is warranted, as is outreach to representatives of the CPUC and the SWRCB, to further identify the regulatory approval process and ascertain the timing and coordination with LAFCO’s consideration of a dissolution and/or consolidation of the District.

The Commission's initiation of the dissolution process is exactly that—the initiation, or start, of the LAFCO dissolution process. In order to bring the matter back to the Commission for approval, staff must identify both of the following:

- A “successor agency,” tasked with “winding up the affairs of a dissolved district,” as defined in Government Code Section 57451; and
- A future service provider (retail water purveyor) which would incorporate Sativa's assets, infrastructure, and liabilities into the new provider's existing system, and provide on-going retail water service to the District's customers.

Unfortunately, LAFCO is encountering substantial challenges with respect to both of these issues.

With respect to the first issue, and pursuant to Government Code Section 57451, LAFCO may only designate a successor agency that is a public agency. As noted in “2,” above, “there is no feasible opportunity to dissolve and/or consolidate the District into another public agency.” So, while another public agency could serve as an interim operator/manager of Sativa, no public agency is likely to be the long-term future service provider. Further, and based upon our conversations with potential successor agency representatives, each wants an assurance of liability relief for its service.

With respect to the second issue, LAFCO has no authority to name a private water system as the future service provider. The interest from IOUs in being the future service provider presents additional issues:

- Determining a method of evaluating each IOU, in order to identify the best service provider;
- Identifying what public agency has the history, experience, and expertise necessary to evaluate/measure the IOUs;
- Determining a value of the District's assets (primarily its adjudicated water rights, and some infrastructure) versus the District's liabilities (deferred maintenance and urgently-needed infrastructure); and
- Ensuring that the transfer of the District—which, as an independent special district, is a public entity—to an IOU, which is a for-profit, private enterprise—without accruing a financial windfall to the IOU or financial hardship to Sativa customers.

# Attachment A

Ms. Alice Stebbins

July 19, 2018

Page 4 of 4

While LAFCO proceeds with the dissolution of the District, LAFCO would like to coordinate with the CPUC on its process and role in the potential establishment of an IOU as a future service provider. Based upon our conversations with IOU representatives, LAFCO has come to understand that any "expansion" of an IOU's service territory would require CPUC approval. We would like to have a better understanding of this CPUC approval process in the context of the current situation involving the District. In addition, LAFCO Commissioners, as well as other stakeholders, are concerned about the potential for water rate increases upon existing ratepayers, who, again, are an economically disadvantaged community.

It is important to note that LAFCO representatives are collaborating with our colleagues at the SWRCB, the County of Los Angeles, the City of Compton, and other public agencies in a concerted effort to identify the best long-term solution to bringing reliable, affordable, quality water to the District's customers.

**Given the issues raised herein, I am requesting that the CPUC delegate a contact person within the CPUC to assist LAFCO in identifying the appropriate long-term solution for the District.**

I appreciate any assistance you can provide, and I look forward to collaborating with the CPUC to address the existing crises facing the Santa County Water District.

Sincerely,



Paul A. Novak, AICP  
Executive Officer

Copy to: The Honorable Martha Guzman-Aceves, Commissioner, CPUC  
LAFCO Commissioners  
Los Angeles County Board of Supervisors  
Congresswoman Nanette Barragán  
Assembly Speaker Anthony Rendon  
Senator Steven Bradford  
Assemblyman Mike Gipson  
Mr. Jeff O'Keefe, Chief, Southern California Section, California Water Boards





Local Agency Formation Commission  
for the County of Los Angeles

## Attachment B

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

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Marqueece  
Harris-Dawson  
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Judith Mitchell  
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Greig Smith

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Paul Novak  
Executive Officer

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Pasadena, CA 91101  
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July 19, 2018

Ms. Eileen Sobek  
Executive Director  
State Water Resources Control Board  
1001 I Street  
Sacramento, CA 95814


Dear Ms. Sobek:

After years of reports of mismanagement and the current murky water issues, the Local Agency Formation Commission for the County of Los Angeles (LAFCO) unanimously voted to initiate the dissolution of the Sativa County Water District (District) at the July 11, 2018 meeting.

On behalf of the Commission, I am writing to recommend that the State Water Resources Control Board (SWRCB) consider appointing the Los Angeles County Department of Public Works as the state administrator for the District. In the event that the SWRCB receives court approval for a receivership, the Commission would request that the SWRCB support the appointment of the Los Angeles County Department of Public Works as the receiver. LAFCO also recommends that funding be identified and provided to the County. Supervisors Janice Hahn and Mark Ridley Thomas have indicated that the Los Angeles County Department of Public Works is prepared to oversee Sativa until a long-term agency is identified.

Thank you.

Sincerely,

  
Jerry Gladbach  
Chair

Copy to: LAFCO Commissioners  
Los Angeles County Board of Supervisors  
Congresswoman Nanette Barragán  
Assembly Speaker Anthony Rendon  
Senator Steven Bradford  
Assemblyman Mike Gipson  
Mr. Jeff O'Keefe, Chief, Southern California Section, California Water Boards



Local Agency Formation Commission  
for the County of Los Angeles

## Attachment C

### 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

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

### Staff

Paul Novak  
Executive Officer

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July 26, 2018

The Honorable Jackie Lacey  
District Attorney, County of Los Angeles  
Hall of Justice  
211 W. Temple Street  
Los Angeles, CA 90012

*via U.S. Mail*

Dear District Attorney Lacey:

At the request of the Commissioners of the Local Agency Formation Commission for the County of Los Angeles ("LAFCO"), I am writing to alert you to allegations that members of the Board of Directors and staff of the Sativa County Water District ("District" or "Sativa") may have violated the Ralph M. Brown Act (Government Code Section 54950 *et seq.*).

Formed in 1938 pursuant to County Water District Law (Water Code Section 30000 *et seq.*), Sativa is an independent special district governed by a five-member board of directors. The District provides retail water service to approximately 1,700 customers in unincorporated Willowbrook and portions of the City of Compton; the District's service territory comprises approximately 180 acres.

On July 11, 2018, at a recent LAFCO meeting, there was substantial public testimony about Sativa, including allegations that the Board of Directors of Sativa may have routinely violated the Brown Act (I am enclosing an audio CD recording of the meeting).

Below is summary of some of the allegations raised by members of the public who testified under oath at the hearing:

- It was alleged that Sativa Board of Directors meeting minutes are routinely delayed for several months before being posted to the District's website ([www.sativawd.com](http://www.sativawd.com)).
- It was alleged that Sativa Board of Directors meeting minutes are posted to the website, only to be removed for a period of time, and later replaced by minutes with substantive changes.

Please do not hesitate to contact me if I may be of further assistance.

Sincerely,

Paul A. Novak, AICP  
Executive Officer

Enclosure



Local Agency Formation Commission  
for the County of Los Angeles

## Attachment D

### NOTICE OF FILING

Commission

Jerry Gladbach  
Chair

Donald Dear  
1st Vice-Chair

Gerard McCallum  
2nd Vice-Chair

Kathryn Barger  
Richard Close  
Margaret Finlay  
Janice Hahn  
Vacant  
(City of Los Angeles)  
Vacant  
(Cities in L.A. County)

Alternate Members

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

Staff

Paul Novak  
Executive Officer

Adriana Romo  
Deputy Executive Officer

Amber De La Torre  
Doug Dorado  
Michael Henderson  
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Pasadena, CA 91101  
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Fax: 626/204-6507

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

Sativa County Water District  
City of Compton  
Los Angeles County Supervisor Mark Ridley-Thomas  
Los Angeles County Chief Executive Office  
Los Angeles County Office of Education  
Consolidated Fire Protection District of Los Angeles County  
City of Los Angeles Fire Department  
Water Replenishment District of Southern California  
Greater Los Angeles County Vector Control District  
Los Angeles County Sanitation District No. 1  
Firestone Garbage Disposal District  
Compton Unified School District

**LAFCO File: Dissolution No. 2018-09 for the Sativa County Water District**

Pursuant to Government Code Section 56375(a)(2)(B), notice is hereby given that the Local Agency Formation Commission for the County of Los Angeles (LAFCO), on July 11, 2018, initiated a resolution of application to dissolve the Sativa County Water District ("District"). The resolution of application **proposes to dissolve** District territory composed of approximately 180 acres of inhabited territory in the unincorporated community of Willowbrook and three non-contiguous areas located within the City of Compton.

The resolution of application and map of the Sativa County Water District are attached for your review. Please submit comments, if any, to the LAFCO office by August 30, 2018.

If you have any questions about this proposal, please contact this office at (626)204-6500.

Date: July 30, 2018

Alisha O'Brien  
Government Analyst

Enc.

## Attachment D

### RESOLUTION NO. 2018-11RMD

#### A RESOLUTION OF APPLICATION BY THE LOCAL AGENCY FORMATION COMMISSION FOR THE COUNTY OF LOS ANGELES FOR COMMISSION-INITIATED PROCEEDINGS TO DISSOLVE THE SATIVA COUNTY WATER DISTRICT (DISSOLUTION NO. 2018-09)

BE IT RESOLVED by the Local Agency Formation Commission for the County of Los Angeles (the "Commission"), that;

WHEREAS, the Commission desires to initiate proceedings by a resolution of application pursuant to Government Code Section 56375(a)(2)(B), for a change of organization to dissolve the Sativa County Water District ("Sativa" or "District"); and

WHEREAS, the territory within the boundaries of the Sativa County Water District consists of approximately 180 acres with approximately 1,700 water service connections located within a residential area in the unincorporated community of Willowbrook and three small non-contiguous areas within the City of Compton, as depicted in the map attached as Exhibit "A"; and

WHEREAS, the Sativa County Water District was incorporated by the State of California Secretary of State on December 30, 1938, under the County Water District Law; and

WHEREAS, the Sativa County Water District is a legally-established county water district pursuant to Division 12 of the State of California Water Code; and

WHEREAS, the Commission, is required, pursuant to Government Code Section 56000 *et seq* (the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000), to determine and update, as necessary, the Sphere of Influence (SOI) of each local agency; and

WHEREAS, the Commission adopted a Coterminous Sphere of Influence, wherein the boundaries of the District and its SOI are the same, for the Sativa County Water District, on October 24, 1984; and

WHEREAS, the November 2005 Sativa County Water District Municipal Service Review was prepared pursuant to Government Code Sections 56425 and 56430; and

WHEREAS, Dudek and Associates, a consultant to LAFCO, prepared the Final Municipal Service Review (MSR) for Water Services for the Gateway Region in November of 2005, which examined several water districts, including the Sativa County Water District (Round 1 MSR); and

WHEREAS, the Final MSR for Water Services for the Gateway Region in November of 2005 recommended that the Commission adopt a Zero Sphere of Influence for the Sativa County Water District, but based upon public testimony, the Commission approved the November 2005 MSR for the Sativa County Water District and confirmed the District's Coterminous SOI on February 22, 2006; and

WHEREAS, the August 2012 Sativa County Water District Municipal Service Review was prepared pursuant to Government Code Sections 56425 and 56430; and

WHEREAS, Hogle-Ireland, a consultant to LAFCO, prepared a Draft Sativa County Water District Municipal Service Review in August of 2012 (Round 2 MSR); and

WHEREAS, the August 2012 Sativa County Municipal Water District MSR recommended that the Commission adopt a Zero SOI and consolidate or dissolve the Sativa County Water District; and

WHEREAS, on May 14, 2014, the Commission adopted the Round 2 MSR and SOI Update for the Sativa County Water District with a Zero Sphere of Influence for the Sativa County Water District; and

WHEREAS, in accordance with Government Code Section 56375(a)(2)(B), LAFCO may initiate proposals by resolution of application for the dissolution of a district; and

WHEREAS, in accordance with Government Code Section 56375(a)(3), LAFCO may initiate the dissolution of a district if it is consistent with a recommendation or conclusion of a study pursuant to Government Code Sections 56378, 56425, or 56430, and LAFCO makes the determinations specified in Government Code Section 56881(b); and

WHEREAS, the Round 2 MSR and SOI Update for the Sativa County Water District, prepared pursuant to Government Code Sections 56425 and 56430, recommended that the Commission dissolve the District; and

WHEREAS, in accordance with Government Code Section 56375(a)(3), the Commission hereby makes the determinations specified in Government Code Section 56881(b) that the public services costs are likely to be less than or substantially similar to the cost of alternative means of providing the service and that this action will promote public access and accountability for community service needs and financial resources, as determined in Paragraphs 5 and 6 herein; and

WHEREAS, the Commission has initiated studies and requested information from other government agencies, including inventorying those agencies and determining their maximum service area and service capacities, consistent with Government Code Section 56378; and

WHEREAS, Government Code Section 56035 defines dissolution as “the disincorporation, extinguishment, or termination of the existence of a district and the cessation of all its corporate powers, except as the Commission may otherwise provide pursuant to Section 56886 or for the purpose of winding up the affairs of the district;” and

WHEREAS, on July 11, 2018, after being duly and properly noticed, the Commission considered this Resolution of Application for Commission-initiated Proceeding to Dissolve the Sativa County Water District, 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 matter, and the report of the Executive Officer.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The Commission hereby initiates proceedings to dissolve the Sativa County Water District, as authorized pursuant to Government Code Section 56375(a)(2)(B);
2. The Commission initiates this dissolution, which is consistent with and based upon prior studies and information requested from other government agencies, pursuant to Government Code Section 56378;
3. The Commission initiates this dissolution, which is consistent with and based upon prior actions of the Commission pursuant to the Commission’s adoption of a Zero SOI for the District on May 14, 2014, pursuant to Government Code Section 56425.
4. The Commission initiates this dissolution, which is consistent with and based upon prior actions of the Commission relative to the August 2012 Sativa County Water District

(Round 2) Municipal Service Review, which includes a recommendation to consolidate or dissolve the district, pursuant to Government Code Section 56425 and 56430;

5. Pursuant to Government Code Section 56881(b)(1), the Commission hereby determines that the public service costs of a proposal that the Commission is authorizing are likely to be less than or substantially similar to the costs of alternative means of providing the service, in that the Commission will identify a successor agency and/or future service provider that will have extensive and documented financial, technical, and management capabilities relative to providing retail water service consistent with all federal, state, and local water quality standards, and that said successor agency and/or future service provider would bring significant resources to bear in order to address Sativa's infrastructure deficiencies, operational shortcomings, and accounting inconsistencies;
6. Pursuant to Government Code Section 56881(b)(2), the Commission hereby determines that the proposed dissolution will promote public access and accountability for community service needs and financial resources, in that the Commission will identify a successor agency and/or future service provider with a documented history of being accessible to the public, and conducting its affairs in a reliable, fiscally responsible and transparent manner;
7. The Commission hereby initiates the dissolution of the Sativa County Water District based on Staff Reports from 2005 to present, the Municipal Service Reviews and Spheres of Influence adopted in 2006 and in 2014; the State Water Resources Control Board Compliance Order issued on June 1, 2018; the Civiltec engineering study of March



- 2014; the County of Los Angeles Public Health Memorandum of May 3, 2018; as well as several financial audits prepared for Fiscal Years 2005 through 2012;
8. The Commission hereby directs staff to explore options relative to providing subsidies to Sativa ratepayers, and that the issue be fully examined during the dissolution process and presented to the Commission in any future determinations relative to the proposed dissolution.
  9. As set forth in State CEQA Guidelines Section 15061, the Commission finds that the proposed actions are exempt from the California Environmental Quality Act (CEQA) because it can be seen with certainty that there is no possibility that the proposed actions will have a significant effect on the environment.
  10. The Commission finds that the proposed actions are not a project for purposes of CEQA because they are an organizational activity of government with no direct nor indirect effects on the physical environment, pursuant to Section 15378(b) of the State CEQA Guidelines.

PASSED AND ADOPTED this 11<sup>th</sup> Day of July 2018, by the Commission, by the following vote:

Ayes:

Noes:

Absent:

Abstain:

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

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

**PAUL NOVAK, Executive Officer**

The map displays the Sativa County Water District Sphere of Influence (SOI) in a yellow-shaded area. The district is bounded by 130th St to the west, 131st St to the east, 132nd St to the south, and 137th St to the north. Major streets within the district include 131st St, 132nd St, 133rd St, 134th St, 135th St, 136th St, 137th St, 138th St, 139th St, 140th St, 141st St, 142nd St, 143rd St, 144th St, 145th St, 146th St, 147th St, 148th St, 149th St, 150th St, 151st St, 152nd St, 153rd St, 154th St, 155th St, 156th St, 157th St, 158th St, 159th St, 160th St, 161st St, 162nd St, 163rd St, 164th St, 165th St, 166th St, 167th St, 168th St, 169th St, 170th St, 171st St, 172nd St, 173rd St, 174th St, 175th St, 176th St, 177th St, 178th St, 179th St, 180th St, 181st St, 182nd St, 183rd St, 184th St, 185th St, 186th St, 187th St, 188th St, 189th St, 190th St, 191st St, 192nd St, 193rd St, 194th St, 195th St, 196th St, 197th St, 198th St, 199th St, 200th St, 201st St, 202nd St, 203rd St, 204th St, 205th St, 206th St, 207th St, 208th St, 209th St, 210th St, 211th St, 212th St, 213th St, 214th St, 215th St, 216th St, 217th St, 218th St, 219th St, 220th St, 221st St, 222nd St, 223rd St, 224th St, 225th St, 226th 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### Legend

- Satva County Water District  
Boundary, Zero SOI**

### Sphere of Influence History

Action	Effective Date
Coterminous SOI Established	10-24-84
Coterminous SOI Reconfirmed	02-22-06
Zero SOI Adopted	05-14-14

**Exhibit "A"**  
**Sativa County Water District**  
**Sphere of Influence**



**LAFCO**  
Luis Allende Foundation





## Attachment E

Commission  
Jerry Gladbach  
Chair

Donald Dear  
1st Vice-Chair

Gerard McCallum  
2nd Vice-Chair

Kathryn Banger  
Richard Close  
Margaret Finlay  
Janice Hahn  
Vacant  
(City of Los Angeles)  
Vacant  
(Cities in L.A. County)

Alternate Members  
Lori Brogin-Falley  
Marqueece  
Harris-Dawson  
Shella Kuehl  
Judith Mitchell  
Joseph Ruzicka  
Greg Smith

Staff  
Paul Novak  
Executive Officer

Adriana Romo  
Deputy Executive Officer

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

80 South Lake Avenue  
Suite 870  
Pasadena, CA 91101  
Phone: 626/204-6500  
Fax: 626/204-6507

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

July 30, 2018

Mr. Emilio Solano  
Office of County Assessor  
301 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

**Subject: Dissolution No. 2018-09 for the Sativa County Water District**

Dear Mr. Solano:

Pursuant to Revenue and Taxation Code Section 99.1, LAFCO thereby requests that you cause a report to be prepared which identifies the total assessed valuations (secured and unsecured) for the territory outlined on the enclosed map of the Sativa County Water District.

LAFCO further requests, upon completion of said report, that you forward the information to Guy Zelenski of the Auditor-Controller's office for a determination of the amount of property tax revenue generated within the subject territory.

Sincerely,

Alisha O'Brien  
Government Analyst

Enc:

**PROPERTY TAX TRANSFER WORKSHEET**

**Attachment E**

**SECTION I**

**Date:** July 30, 2018

- A. Designation of proposal/affected agency (ies): **Dissolution No. 2018-09 for the Sativa County Water District**
- B. Related jurisdictional changes:
- C. Additional information:

**SECTION 2 (to be completed by Assessor):** **Date:**

- A. Current Year:

- B.
- | Affected TRAs | Net Assessed Value<br>(Current) | Net Assessed Value<br>(Prior) |
|---------------|---------------------------------|-------------------------------|
|---------------|---------------------------------|-------------------------------|


- C. Adjacent TRA:
- D. Please furnish a list of all affected Assessor parcels to LAFCO.
- E. Assessor's Fees:

No. of Parcels: \_\_\_\_\_ Total: \_\_\_\_\_

**SECTION 3 (to be completed by Auditor):** **Date:**

Computation of tax transfer (attached)

Long Form: \_\_\_\_\_ Short Form: \_\_\_\_\_

**Attachment E**  
**RESOLUTION NO. 2018-11RMD**

**A RESOLUTION OF APPLICATION BY  
THE LOCAL AGENCY FORMATION COMMISSION FOR THE COUNTY OF LOS ANGELES FOR  
COMMISSION-INITIATED PROCEEDINGS TO DISSOLVE THE  
SATIVA COUNTY WATER DISTRICT (DISSOLUTION NO. 2018-09)**

**BE IT RESOLVED** by the Local Agency Formation Commission for the County of Los Angeles (the "Commission"), that;

**WHEREAS**, the Commission desires to initiate proceedings by a resolution of application pursuant to Government Code Section 56375(a)(2)(B), for a change of organization to dissolve the Sativa County Water District ("Sativa" or "District"); and

**WHEREAS**, the territory within the boundaries of the Sativa County Water District consists of approximately 180 acres with approximately 1,700 water service connections located within a residential area in the unincorporated community of Willowbrook and three small non-contiguous areas within the City of Compton, as depicted in the map attached as Exhibit "A"; and

**WHEREAS**, the Sativa County Water District was incorporated by the State of California Secretary of State on December 30, 1938, under the County Water District Law; and

**WHEREAS**, the Sativa County Water District is a legally-established county water district pursuant to Division 12 of the State of California Water Code; and

**WHEREAS**, the Commission, is required, pursuant to Government Code Section 56000 *et seq* (the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000), to determine and update, as necessary, the Sphere of Influence (SOI) of each local agency; and

## Attachment E

WHEREAS, the Commission adopted a Coterminous Sphere of Influence, wherein the boundaries of the District and its SOI are the same, for the Sativa County Water District, on October 24, 1984; and

WHEREAS, the November 2005 Sativa County Water District Municipal Service Review was prepared pursuant to Government Code Sections 56425 and 56430; and

WHEREAS, Dudek and Associates, a consultant to LAFCO, prepared the Final Municipal Service Review (MSR) for Water Services for the Gateway Region in November of 2005, which examined several water districts, including the Sativa County Water District (Round 1 MSR); and

WHEREAS, the Final MSR for Water Services for the Gateway Region in November of 2005 recommended that the Commission adopt a Zero Sphere of Influence for the Sativa County Water District, but based upon public testimony, the Commission approved the November 2005 MSR for the Sativa County Water District and confirmed the District's Coterminous SOI on February 22, 2006; and

WHEREAS, the August 2012 Sativa County Water District Municipal Service Review was prepared pursuant to Government Code Sections 56425 and 56430; and

WHEREAS, Hogle-Ireland, a consultant to LAFCO, prepared a Draft Sativa County Water District Municipal Service Review in August of 2012 (Round 2 MSR); and

WHEREAS, the August 2012 Sativa County Municipal Water District MSR recommended that the Commission adopt a Zero SOI and consolidate or dissolve the Sativa County Water District; and

## Attachment E

WHEREAS, on May 14, 2014, the Commission adopted the Round 2 MSR and SOI Update for the Sativa County Water District with a Zero Sphere of Influence for the Sativa County Water District; and

WHEREAS, in accordance with Government Code Section 56375(a)(2)(B), LAFCO may initiate proposals by resolution of application for the dissolution of a district; and

WHEREAS, in accordance with Government Code Section 56375(a)(3), LAFCO may initiate the dissolution of a district if it is consistent with a recommendation or conclusion of a study pursuant to Government Code Sections 56378, 56425, or 56430, and LAFCO makes the determinations specified in Government Code Section 56881(b); and

WHEREAS, the Round 2 MSR and SOI Update for the Sativa County Water District, prepared pursuant to Government Code Sections 56425 and 56430, recommended that the Commission dissolve the District; and

WHEREAS, in accordance with Government Code Section 56375(a)(3), the Commission hereby makes the determinations specified in Government Code Section 56881(b) that the public services costs are likely to be less than or substantially similar to the cost of alternative means of providing the service and that this action will promote public access and accountability for community service needs and financial resources, as determined in Paragraphs 5 and 6 herein; and

WHEREAS, the Commission has initiated studies and requested information from other government agencies, including inventorying those agencies and determining their maximum service area and service capacities, consistent with Government Code Section 56378; and



## Attachment E

WHEREAS, Government Code Section 56035 defines dissolution as “the disincorporation, extinguishment, or termination of the existence of a district and the cessation of all its corporate powers, except as the Commission may otherwise provide pursuant to Section 56886 or for the purpose of winding up the affairs of the district;” and

WHEREAS, on July 11, 2018, after being duly and properly noticed, the Commission considered this Resolution of Application for Commission-initiated Proceeding to Dissolve the Sativa County Water District, 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 matter, and the report of the Executive Officer.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The Commission hereby initiates proceedings to dissolve the Sativa County Water District, as authorized pursuant to Government Code Section 56375(a)(2)(B);
2. The Commission initiates this dissolution, which is consistent with and based upon prior studies and information requested from other government agencies, pursuant to Government Code Section 56378;
3. The Commission initiates this dissolution, which is consistent with and based upon prior actions of the Commission pursuant to the Commission’s adoption of a Zero SOI for the District on May 14, 2014, pursuant to Government Code Section 56425.
4. The Commission initiates this dissolution, which is consistent with and based upon prior actions of the Commission relative to the August 2012 Sativa County Water District

## Attachment E

- (Round 2) Municipal Service Review, which includes a recommendation to consolidate or dissolve the district, pursuant to Government Code Section 56425 and 56430;
5. Pursuant to Government Code Section 56881(b)(1), the Commission hereby determines that the public service costs of a proposal that the Commission is authorizing are likely to be less than or substantially similar to the costs of alternative means of providing the service, in that the Commission will identify a successor agency and/or future service provider that will have extensive and documented financial, technical, and management capabilities relative to providing retail water service consistent with all federal, state, and local water quality standards, and that said successor agency and/or future service provider would bring significant resources to bear in order to address Sativa's infrastructure deficiencies, operational shortcomings, and accounting inconsistencies;
  6. Pursuant to Government Code Section 56881(b)(2), the Commission hereby determines that the proposed dissolution will promote public access and accountability for community service needs and financial resources, in that the Commission will identify a successor agency and/or future service provider with a documented history of being accessible to the public, and conducting its affairs in a reliable, fiscally responsible and transparent manner;
  7. The Commission hereby initiates the dissolution of the Sativa County Water District based on Staff Reports from 2005 to present, the Municipal Service Reviews and Spheres of Influence adopted in 2006 and in 2014; the State Water Resources Control Board Compliance Order issued on June 1, 2018; the Civiltec engineering study of March

## Attachment E

- 2014; the County of Los Angeles Public Health Memorandum of May 3, 2018; as well as several financial audits prepared for Fiscal Years 2005 through 2012;
8. The Commission hereby directs staff to explore options relative to providing subsidies to Sativa ratepayers, and that the issue be fully examined during the dissolution process and presented to the Commission in any future determinations relative to the proposed dissolution.
  9. As set forth in State CEQA Guidelines Section 15061, the Commission finds that the proposed actions are exempt from the California Environmental Quality Act (CEQA) because it can be seen with certainty that there is no possibility that the proposed actions will have a significant effect on the environment.
  10. The Commission finds that the proposed actions are not a project for purposes of CEQA because they are an organizational activity of government with no direct nor indirect effects on the physical environment, pursuant to Section 15378(b) of the State CEQA Guidelines.

## Attachment E

**PASSED AND ADOPTED** this 11<sup>th</sup> Day of July 2018, by the Commission, by the following vote:

**Ayes:**

**Noes:**

**Absent:**

**Abstain:**

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

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

**PAUL NOVAK, Executive Officer**

## Legend

**Salina County Water District  
Boundary Zero 501**

Sphere of Influence / History		Effective Date
Action		
Columnarism SCI Established	10-24-84	
Columnarism SCI Reconfirmed	02-22-00	
Zero SCI Adopted	05-14-11	

**Exhibit "A"**  
**Sativa County Water District**  
**Sphere of Influence**



LAFCO



Attachment E

## Staff Report

August 8, 2018

### Agenda Item No. 10.a. Legislative Update

Staff continues its effort to track and report on bills in the current legislative session in Sacramento that may be of interest to the Commission (new information is in **bold** type, below). As of the drafting of this report, these bills include:

- **AB 3254 Omnibus Bill (Assembly Local Government Committee):** CALAFCO submitted seven (7) proposals for the annual Omnibus Bill—which makes technical corrections to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (“Act”)—to staff of the Assembly Local Government Committee (“ALGC”) on January 23, 2018. Five of CALAFCO’s proposed items made it into the bill, a sixth item is expected to be included in an amendment. The remaining item—an involved item relating to the appointment of LAFCO commissioners—was not included, but it is expected to be incorporated into next year’s (2019) Omnibus Bill. **AB 3254 was signed into law by Governor Brown on July 9, 2018.**

**Commission Position:** SUPPORT (April 11<sup>th</sup> Meeting)

- **AB 2258 (Caballero):** As noted in the introduction to AB 2258, “this bill would require the Strategic Growth Council, until January 1, 2024, to establish and administer a local agency formation commissions grant program for the payment of costs associated with initiating and completing the dissolution of districts listed as inactive by the State Controller, the payment of costs associated with a study of the services provided within a county by a public agency, and for other specified purposes, including the initiation of an action, based on determinations found in the study, as approved by the commission.” CALAFCO is sponsoring AB 2258, in response to an August 2017 report issued by the Little Hoover Commission concerning special districts and the role and responsibilities of LAFCO. CALAFCO agreed to several amendments requested by the California Special Districts Association (“CSDA”), at which time CSDA changed its position from “oppose unless amended” to “support.” AB 2258 was approved by the Senate Governance & Finance Committee (5-1) on June 20<sup>th</sup>, and it was approved by the Senate Natural Resources and Water Committee on June 28<sup>th</sup> (7-2). **AB 2258 is scheduled to be considered by the Senate Appropriations Committee on August 6<sup>th</sup>.**

**Commission Position:** SUPPORT (April 11<sup>th</sup> Meeting)

- **AB 2050 (Caballero):** This bill is sponsored by Eastern Municipal Water District and the California Municipal Utilities Association. The intent is to give the State Water Resources Control Board (SWRCB) authority to mandate the dissolution of existing drinking water systems (public, mutual and private) and authorize the formation of a new public water system. The focus is on non-contiguous systems. The SWRCB already has the authority to mandate consolidation of these systems; AB 2050 would will add the authority to mandate dissolution and formation of new public agencies. In its original form, there were concerns that AB 2050 would undermine LAFCO authority by empowering the SWRCB to perform tasks currently assigned to LAFCO. At the request of CALAFCO, the bill was amended to ensure that

LAFCOs will be responsible for dissolving a public agency under a state-mandated dissolution, and the SWRCB's appointed Administrator will act as the applicant on behalf of the state. LAFCO will have ability to approve with modifications the application, and the new agency will have to report to the LAFCO annually for the first 3 years. AB 2050 was approved by the Assembly (56-19) on May 30<sup>th</sup>. AB 2050 was approved by the Senate Environmental Quality Committee (6-1) on June 20<sup>th</sup>, and it was approved unanimously by the Senate Governance & Finance Committee on June 28<sup>th</sup>. **AB 2050 is scheduled to be considered by the Senate Appropriations Committee on August 8<sup>th</sup>.**

- **SB 1215 (Hertzberg):** This bill would give the SWRCB additional authority to mandate consolidation of or extension of services by wastewater systems. The proposal is similar to SB 88—prior legislation, now law, which empowers the SWRCB to consolidate water systems—which CALAFCO and LA LAFCO opposed because it undermined LAFCO's authority relative to special district consolidations. SB 1215 was approved (30-18) by the Senate on May 29<sup>th</sup>. SB 1215 was approved unanimously by the Assembly Environmental Safety and Toxic Materials Committee on June 27<sup>th</sup> and by the Assembly Local Government Committee (7-1) on June 28<sup>th</sup>. **SB 1215 is pending before the Senate Appropriations Committee.**
- **AB 2179 and AB 2339 (Gipson):** These two bills impose certain requirements upon a city prior to that city's sale or transfer of a municipal utility which provides water or sewer service. The bills were introduced in early February, and they are awaiting assignment to relevant policy committees. AB 2179 was approved (71-2) by the Assembly on May 29<sup>th</sup>; it was approved unanimously by the Senate Energy, Utilities, and Communications Committee on June 19<sup>th</sup>, and it was approved by unanimously the Senate Governance & Finance Committee on June 28<sup>th</sup>. AB 2339 was approved (59-13) by the Assembly on May 31<sup>st</sup>. AB 2339 was approved unanimously by the Senate Governance & Finance Committee on June 27<sup>th</sup>.
- **AB 1577 (Gipson):** AB 1577, as amended on June 6<sup>th</sup>, would require the SWRCB to order the Santa Clara County Water District to accept full management control by an administrator appointed by the SCWRCB. Assemblyman Gipson is also considering amendments which may address related issues (procedural requirements, timing) associated with the appointment of a state administrator for Santa Clara. The assemblyman's legislative and district staff are in regular communications with the Executive Officer. CALAFCO is supporting the bill. AB 1577 was approved unanimously by the Senate Environmental Quality Committee on June 20<sup>th</sup>. **AB 1577 is pending before the Senate Appropriations Committee.**

**Commission Position: SUPPORT (June 13<sup>th</sup> Meeting)**

**Staff Recommendation:**

1. Receive and file the Legislative Report.