



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

## LOCAL AGENCY FORMATION COMMISSION MEETING AGENDA

Wednesday, February 13, 2019  
9:00 a.m.

### Room 381B

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

#### Commission

Jerry Gladbach  
Chair

Donald Dear  
1st Vice-Chair

Gerard McCallum  
2nd Vice-Chair

Kathryn Barger  
Richard Close  
Margaret Finlay  
Janice Hahn  
John Mirisch  
Greig Smith

#### Alternate Members

Lori Brogin-Falley  
Sheila Kuehl  
Judith Mitchell  
Joseph Ruzicka  
David Ryu  
Vacant  
(Public Member)

#### 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)

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- 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 §56857 NOTICE**

- a. Annexation No. 2018-11 to the Los Angeles County Waterworks District No. 37, Acton.

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 January 9, 2019.
- b. Approve Operating Account Check Register for the months of December 2018 and January 2019.
- c. Receive and file update on pending proposals.
- d. Resolution Making Determinations Disapproving Annexation No. 2014-04 to the City of Calabasas (West Agoura Road).

7. **PUBLIC HEARING(S)**

- a. Dissolution No. 2018-09 of the Santa County Water District and California Environmental Quality Act (CEQA) exemption.

8. **PROTEST HEARING(S)**

None.

9. **OTHER ITEMS**

- a. FY 2018-19 Mid-Year Budget Status Report.
- b. As-Needed Alternate Legal Counsel.
- c. Alternate Public Member.

10. **LEGISLATION**

- a. Legislative Update.

11. **MISCELLANEOUS CORRESPONDENCE RECEIVED**

- a. Letter from Los Angeles City Council President Herb J. Wesson, Jr., appointing City Councilman Greig Smith as a voting member on the Commission representing the City of Los Angeles, dated January 23, 2019; and
- b. Letter from City of Los Angeles City Clerk Holly L. Wolcott informing LAFCO that Los Angeles City Council President Herb J. Wesson, Jr. of the appointment of Councilman Greig Smith as a voting member on the Commission representing the City of Los Angeles, dated January 23, 2019.

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**

March 13, 2019

April 10, 2019

May 8, 2019

June 12, 2019

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**

## **Staff Report**

**February 13, 2019**

### **Agenda Item No. 5.a.**

#### **GOVERNMENT CODE § 56857 NOTICE (For Informational Purposes Only, Receive and File)**

Upon receipt of any proposed change of organization or reorganization that includes the annexation of territory to any district, if the proposal is not filed by the district to which annexation of territory is proposed, Government Code Section 56857(a) requires the Executive Officer to place the proposal on its agenda for informational purposes only, and to transmit a copy of the proposal to any district to which annexation is requested. Pursuant to Government Code Section 56857(b), no more than 60 days after the meeting agenda date, the district to which annexation is being proposed may adopt and submit to the Local Agency Formation Commission ("LAFCO") a resolution requesting termination of the proceedings. The law requires that any such resolution requesting termination must be based upon written findings supported by substantial evidence in the record that the request is justified by a financial or service related concern or the territory is already receiving electrical services under a service area agreement approved by the Public Utilities Commission. Prior to LAFCO's termination of proceedings the resolution is subject to judicial review as provided in Government Code Sections 56857(b).

LAFCO may not hear and consider the proposal until after the 60-day termination period has expired unless the district to which an annexation of territory is requested adopts and submits to LAFCO a resolution supporting the proposal.

The following is a summary of the proposal filed with LAFCO:

#### **Annexation 2018-11 to the Los Angeles County Waterworks District No. 37, Acton**

*Description:* Lester Knox (landowner) filed an application to annex 20.00± acres of vacant land to Los Angeles County Waterworks District No 37, Acton. The project includes future construction of four single-family homes.

*Location:* The project site is located southeast of the intersection of Mountain Springs Road and Hawk Free Court, in the unincorporated area known as Acton.

The Executive Officer will transmit a copy of the proposal to the Los Angeles County Waterworks District No.37, Acton, as required by Government Code Section 56857(a).

**Recommended Action**  
Receive and file.





Local Agency Formation Commission  
for the County of Los Angeles

 **DRAFT**

Commission

Jerry Gladbach  
Chair

Donald Dear  
1st Vice-Chair

Gerard McCallum  
2nd Vice-Chair

Kathryn Barger  
Richard Close  
Mitchell Englander  
Margaret Finlay  
Janice Hahn  
John Mirisch

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

REGULAR MEETING

MINUTES OF THE LOCAL AGENCY FORMATION COMMISSION

FOR THE COUNTY OF LOS ANGELES

January 9, 2019

Present:

Jerry Gladbach, Chair

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

Lori Brogin-Falley, Alternate  
Sheila Kuehl, Alternate  
Judith Mitchell, Alternate  
Joe Ruzicka, Alternate  
Greig Smith, Alternate

Paul Novak, Executive Officer  
Lillian Salinger, Legal Counsel

Absent:

David Ryu, Alternate

Vacant:

Los Angeles City Voting Member

## 1 CALL MEETING TO ORDER

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

## 2 PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Chair Jerry Gladbach.

## ANNOUNCEMENTS

Chair Gladbach wished the Commission and staff a Happy New Year.

Chair Gladbach announced that today is Commissioner Greig Smith's last day as an Alternate Public Member. Mr. Smith anticipates an appointment to serve as the Acting Councilmember in the 12<sup>th</sup> District of the City of Los Angeles (vacated by Councilmember Englander). It is expected Mr. Smith will serve from January to August of 2019 while the City of Los Angeles conducts a special election to replace Councilmember Englander.

The EO indicated that an item will be agendaized at the Commission's February 13<sup>th</sup> meeting to discuss the Alternate Public Member position.

Chair Gladbach requested that Agenda Item 9.a. be taken out of order. The Commission had no objections.

Chair Gladbach announced that he would leave today's meeting early.

## 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).

## 9 OTHER ITEMS

The following item was called up for consideration:

- a. Sativa County Water District Status Report.
  - i. Presentation by Rami Kahlon; Director, Water Division; California Public Utilities Commission (CPUC).

ii. Presentation by Jack Hawks, Executive Director, California Water Association.

Mr. Kahlon and Mr. Hawks made a presentation to the Commission. Mr. Kahlon's presentation summarized the CPUC's role and responsibilities as a regulatory agency for investor-owned utilities (IOU), with an emphasis on the CPUC's authority over retail water rates. Mr. Hawks' presentation summarized how the California Water Associations' member IOUs set water rates pursuant to CPUC review.

Commissioner Hahn asked what can be done so the customers of the Sativa area do not receive a rate increase. Mr. Kahlon indicated that the CPUC has authority to implement a rate freeze or a rate subsidy program under certain circumstances.

[Commissioner Kuehl arrived at 9:45 a.m.]

The Commission took the following action:

- Received and filed the Sativa County Water District Status Report.

MOTION: Finlay                      SECOND: Dear                      APPROVED: 8-0-0  
AYES: Barger, Close, Dear, Finlay, Hahn, McCallum, Mirisch, Gladbach  
NOES: None.  
ABSTAIN: None.  
ABSENT: None.

4 SWEARING-IN OF SPEAKER(S)

The EO swore-in over forty (40) members of the audience who planned to testify.

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

None.

6 CONSENT ITEM(S) – OTHER

The Commission took the following actions under Consent Items:

- a. Approved Minutes of December 12, 2018.
- b. Received and filed update on pending proposals.

MOTION: Finlay                      SECOND: McCallum                      APPROVED: 8-0-0  
AYES: Barger, Close, Dear, Finlay, Hahn, McCallum, Mirisch, Gladbach  
NOES: None.  
ABSTAIN: None.

ABSENT: None.

## 7 PUBLIC HEARING(S)

The following item was called for consideration:

- a. Annexation No. 2014-04 to the City of Calabasas (West Agoura Road) and Amendment to the City of Calabasas Sphere of Influence.

At the recommendation by Legal Counsel, the EO requested that Commissioners disclose communications that occurred outside the hearing room regarding Annexation No. 2014-04.

The following Commissioners disclosed communications: Brogin-Falley, Close, Dear, Finlay McCallum, Mirisch, Ruzicka, and Chair Gladbach.

The EO summarized the staff report concerning Annexation No. 2014-04 to the City of Calabasas (West Agoura Road).

The EO indicated that additional correspondence was received after the posting of the Agenda which was e-mailed to the Commissioners and hard copies were provided at today's meeting.

The public hearing was opened to receive testimony.

Eighteen (18) members of the public testified before the Commission, as follows:

- Dr. Gary J. Lysik (City Manager, City of Calabasas).
- Matthew Summers (Assistant City Attorney, City of Calabasas).
- David J. Shapiro (Mayor, City of Calabasas).
- Mary Sue Maurer (Councilmember, City of Calabasas).
- Dennis Washburn (Founding Mayor of the City of Calabasas).
- Richard Sherman (President, Calabasas Park Homeowners Association).
- Alicia Weintraub (Mayor Pro Tem, City of Calabasas).
- Robert Yalda (Public Works Director/City Engineer, Public Works Department, City of Calabasas).
- Fred Gaines (current Councilmember and former Mayor, City of Calabasas).
- Mark Armbruster (Partner, Armbruster Goldsmith & Delvac, LLC) represented Cypress Land Company (landowner within the proposed annexation).
- Linda Northup (Mayor, City of Agoura Hills).

[Chair Gladbach left at 11:06 a.m.]

Commissioner Dear became First-Vice Chair and conducted the remainder of the meeting in Chair Gladbach's absence.

- Irma Haldane (resident of the City of Agoura Hills).
- Brian Harvey (President, Cypress Land Company) (landowner within the proposed annexation where Spirent Communications is located).
- Mark Levinson (President, Calabasas Chamber of Commerce).
- Jeffrey Springer (Partner, Demetriou, Del Guercio, Springer & Francis, LLP) represented Cypress Land Company (landowner with the proposed annexation).
- Roger Pugliese (Chair, Topanga Association for a Scenic Community).
- Illece Buckley-Weber (Mayor Pro Tem, City of Agoura Hills).
- Deborah Klein Lopez (Councilmember, City of Agoura Hills).

Of the eighteen (18), thirteen (13) members of the public who testified were in support the annexation, and five (5) members of the public who testified were opposed to the annexation.

Commissioner Kuehl stated she believed the territory should remain in the unincorporated County territory, and the proposed annexation is not a critique of the County's stewardship of environmental issues.

[Commissioner McCallum left at 10:29 a.m.]

[Commissioner Brogin-Falley left at 10:45 a.m.]

The Commission recessed at 11:43 a.m.

[Commissioners Kuehl and Mitchell left at 11:43 a.m.]

The Commission reconvened at 11:51 a.m.

Following the recess, nine (9) additional members of the public testified before the Commission, as follows:

- Fran Pavley (former Councilmember, City of Agoura Hills and former first Mayor, City of Agoura Hills; Senator and Assemblymember for the Cities of Agoura Hills and Calabasas; and a resident of Liberty Canyon in the City of Agoura Hills).
- Doug Baron (Manager, Chief Executive Office, County of Los Angeles).
- Lloyd W. "Bill" Pellman (Partner, Nossaman LLP; and served as Special Counsel to Sachi Hami (Chief Executive Officer, County of Los Angeles).
- Mary Wiesbrock (Founder and Chair, Save Open Space, Santa Monica Mountains).
- Joan Yacovone (resident of Liberty Canyon in the City of Agoura Hills; and a member of the Liberty Canyon Townhome Owners).
- Kim Lamorie (President, Las Virgenes Homeowners Federation, Inc.; and resident of the City of Calabasas).
- Ed Corridori (former Mayor and Councilmember of the City of Agoura Hills; and a resident of the City of Agoura Hills).
- Maureen Tamuri (Community Development Director, City of Calabasas).

- Tom Bartlett (City Planner, City of Calabasas).

Of the nine (9), two (2) members of the public who testified were in support of the annexation, and seven (7) members of the public who testified were opposed to the annexation.

Commissioner Ruzicka made a motion to continue Annexation No. 2014-04 to the City of Calabasas until Annexation No. 2018-12 to the City of Agoura Hills is deemed complete, at which time the Commission would consider both proposals simultaneously. Commissioner Finlay seconded the motion for discussion only.

Commissioner Mirisch said that the property would be in “good hands” with the City of Calabasas and also in “good hands” with the City of Agoura Hills. Commissioner Mirisch stated that a landowner’s preference to be annexed to the City Calabasas is not enough to justify the annexation. The County of Los Angeles, Chief Executive Office letter (dated January 9, 2019) makes clear that the issue for the City of Calabasas is monetary gain, which may be a legitimate concern when a business moves out and a city loses money; however this is not a good way or good reason to conduct urban planning.

Commissioner Mirisch noted that the proposed annexation is contiguous to existing homeowners located in the City of Agoura Hills, who experience the most impacts. He added that the purpose of government is to put residents first. He noted that the residents who testified are primarily from the City of Agoura Hills, and one resident who lives within the City of Calabasas spoke in opposition to the proposed annexation. Commissioner Mirisch noted, further, that he had considered testimony from former elected officials of both cities (Agoura Hills and Calabasas). He stated that he was inclined to keep the “status quo”, as the County of Los Angeles does a fine job in balancing interests and equities.

Commissioner Mirisch made a substitute motion to deny Annexation No. 2014-04 to the City of Calabasas. Commissioner Finlay seconded the motion.

Commissioner Smith stated that the City of Agoura Hills has had years to file a proposal to annex the territory, and only did so recently. Continuing Agenda Item 7.a. would be a disservice to the City of Calabasas, which has “played by the rules,” while the City of Agoura Hills waited until the very last minute to file a proposal. Commissioner Smith stated, further, that all cities want more revenue, so that is not an issue to consider.

Commissioner Smith continued, stating that any annexation will not have any impact on what happens to traffic in the area. The City of Calabasas did it the right way, the legal way. The City of Agoura Hills proposal (Annexation No. 2018-12) came in at the last minute, and it should not be given consideration.

Commissioner Finlay discussed a proposed mine in an adjoining city that would impact residents in her city. She noted a concern that city boundary lines drawn decades ago were still impacting residents decades later. Commissioner Finlay indicated that her concern is protecting the existing residents who live adjacent to the proposed annexation. She stated that she did not want

future residents to blame the Commission for making a decision, especially one that is based on financial gain. Commissioner Finlay stated that she must go with the experience she has had, and the inability of her city council to protect residents at the expense of another city's financial gain. Commissioner Finlay indicated that she was inclined to keep the territory as unincorporated County.

Commissioner Barger said that she was looking to the County Supervisor who represents this area, and actions taken by the County of Los Angeles Board of Supervisor's prior to today's hearing. Her inclination was to deny the proposal. As an alternative, and perhaps at another time, the affected territory could be divided down the middle between the two adjoining cities (Agoura Hills and Calabasas). Neither city has made a compelling argument to annex the property, whereas the County has made a compelling argument to keep the territory as County unincorporated.

Commissioner Hahn stated that the County of Los Angeles Chief Executive Office raised good points in the letter, with which she agrees. She stated that she is not concerned about which city filed a proposal first, and that her decision is based on the merits of what is being proposed. Commissioner Hahn agreed that the proposed annexation should remain in County unincorporated. She indicated that County Supervisors devote a lot of time to allocating resources to unincorporated communities, serving as the local government for those unincorporated communities. Commissioner Hahn believes that the County does a good job serving the unincorporated territories.

Commissioner Close said that he supports the motion to postpone Agenda Item No. 7.a. until the City of Agoura Hills proposal (Annexation No. 2018-12) is before the commission, and that he would be inclined to vote for the main motion (to continue).

Legal Counsel stated that a continuation could be for no more than seventy (70) days, pursuant to state law.

There being no additional testimony, the public hearing was closed.

The Commission took the follow action:

- Disapproved Annexation No. 2014-04 to the City of Calabasas (West Agoura Road) and Amendment to the City of Calabasas Sphere of Influence.

MOTION: Mirisch                      SECOND: Finlay                      APPROVED: 7-1-0

AYES: Barger, Close, Finlay, Hahn, Ruzicka (Alt. for Gladbach), Mirisch, Dear

NOES: Smith (Alt. for McCallum)

ABSTAIN: None.

ABSENT: Gladbach

[Commissioners Barger, Finlay, and Hahn left at 12:47 p.m.]

## 8 PROTEST HEARING(S)

The following item was called for consideration:

- a. Annexation No. 2015-09 to the City of Pomona.

The EO summarized the staff report on Annexation No. 2015-09 to the City of Pomona.

The EO stated that this is the Commission protest hearing pursuant to Government Code Section 57000 *et seq.* and staff received two (2) protests that have been received in advance of the hearing.

The protest hearing was opened to receive testimony.

Matthew Rzonca (landowner within the proposed annexation) came before the Commission. Mr. Rzonca stated that he has opposed this annexation. Mr. Rzonca indicated that he desires to have his property be annexed to the City of Walnut.

Andrew Lujan (landowner with the proposed annexation) came before the Commission. Mr. Lujan stated that he owns an auto collision center and towing company within the proposed annexation, and his large customer base are the residents of the City of Walnut. Mr. Lujan asked what the options are if landowners do not want to be included in this annexation.

Lillian Salinger (Legal Counsel) indicated that the Commission cannot reconsider its action approving the annexation in November 2018, and the 30-day reconsideration period has expired.

The EO indicated that the total assessed valuation of the two landowners who submitted written protest is 26.9%. The EO noted that for uninhabited territory, 50% or more of the total assessed valuation is required to overturn a Commission action.

The EO indicated that the landowners can file an application with LAFCO to detach from the City of Pomona and revert back to unincorporated County territory.

There being no further testimony, the protest hearing was closed.

The Commission took the follow actions:

- The Executive Officer, pursuant to Government Code Section 57075, determined that the value of written protests filed and not withdrawn is 26.9%; and
- Based upon the results of the protest hearing, adopted the Resolution Making Determinations Ordering Annexation No. 2015-09 to the City of Pomona since written protests have been filed and not withdrawn by the owners of land who own less than 50 percent of the total assessed of land within the affected territory; Resolution No. 2019-01PR.



MOTION: Close SECOND: Ruzicka (Alt. for Gladbach) APPROVED: 5-0-0  
AYES: Close, Mirisch, Ruzicka (Alt. for Gladbach), Smith (Alt. for McCallum), Dear  
NOES: None.  
ABSTAIN: None.  
ABSENT: Barger, Finlay, Hahn, McCallum, Gladbach

10 LEGISLATION

None.

11 MISCELLANEOUS CORRESPONDENCE RECEIVED

None.

12 COMMISSIONERS' REPORT

None.

13 EXECUTIVE OFFICER'S REPORT

None.

14 PUBLIC COMMENT

None.

15 FUTURE MEETINGS

February 13, 2019

March 13, 2019

April 10, 2019

May 8, 2019

16 FUTURE AGENDA ITEMS

None.

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(continued on Page 10)

17 ADJOURNMENT MOTION

Commissioner Dear adjourned the meeting was adjourned at 12:59 p.m.

Respectfully submitted,

Paul Novak, AICP  
Executive Officer

11:54 AM  
01/30/19  
Cash Basis

# LA LAFCO Register Report December 2018

Type	Date	Num	Name	Paid Amount	Balance
Dec 18					
Check	12/07/2018	ADP	ADP	-159.41	-159.41
Check	12/11/2018	DD	TRPF 80 South Lak...	-8,567.76	-8,727.17
Check	12/11/2018	DD	Wells Fargo	-51.08	-8,778.25
Bill Pmt -Check	12/12/2018	10190	Davis Farr LLP	-6,500.00	-15,278.25
Bill Pmt -Check	12/13/2018	10191	ATT	-292.11	-15,570.36
Bill Pmt -Check	12/13/2018	10192	Certified Records M...	-507.31	-16,077.67
Bill Pmt -Check	12/13/2018	10193	Charter Communica...	-532.27	-16,609.94
Bill Pmt -Check	12/13/2018	10194	CoreLogic	-28.80	-16,638.74
Bill Pmt -Check	12/13/2018	10195	County of Los Angel...	-37,023.90	-53,662.64
Bill Pmt -Check	12/13/2018	10196	Daily Journal	-53.00	-53,715.64
Bill Pmt -Check	12/13/2018	10197	Delta Dental*	-2,958.36	-56,674.00
Bill Pmt -Check	12/13/2018	10198	Deltacare	-156.42	-56,830.42
Bill Pmt -Check	12/13/2018	10199	Kaiser*	-15,467.64	-72,298.06
Bill Pmt -Check	12/13/2018	10200	LACERA	-1,679.04	-73,977.10
Bill Pmt -Check	12/13/2018	10201	Mail Finance	-380.23	-74,357.33
Bill Pmt -Check	12/13/2018	10202	MetLife*	-579.00	-74,936.33
Bill Pmt -Check	12/13/2018	10203	Motor Parks	-630.00	-75,566.33
Bill Pmt -Check	12/13/2018	10204	Office Depot*	-71.62	-75,637.95
Bill Pmt -Check	12/13/2018	10205	Promac Image Syst...	-164.02	-75,801.97
Bill Pmt -Check	12/13/2018	10206	Wells Fargo	-383.25	-76,185.22
Check	12/14/2018	DD	Federal Tax Deposit	-4,332.08	-80,517.30
Check	12/14/2018	DD	State Income Tax	-1,324.39	-81,841.69
Check	12/14/2018	DD	Ambar De La Torre	-1,940.98	-83,782.67
Check	12/14/2018	DD	Douglass S Dorado	-2,905.27	-86,687.94
Check	12/14/2018	DD	Michael E Henderson	-2,293.81	-88,981.75
Check	12/14/2018	DD	Patricia Knoebl-Wood	-1,335.14	-90,316.89
Check	12/14/2018	DD	Paul A Novak	-5,220.00	-95,536.89
Check	12/14/2018	DD	Alisha O'Brien	-2,251.78	-97,788.67
Check	12/14/2018	DD	Adriana Romo	-3,228.17	-101,016.84
Check	12/14/2018	10207	Transamerica Life In...	-180.00	-101,196.84
Check	12/21/2018	ADP	ADP	-135.39	-101,332.23
Bill Pmt -Check	12/27/2018	102208	Allied Universal Sec...	0.00	-101,332.23
Bill Pmt -Check	12/27/2018	102209	ATT	-310.70	-101,642.93
Bill Pmt -Check	12/27/2018	102210	Bank of America*	-139.29	-101,782.22
Bill Pmt -Check	12/27/2018	102211	CTS Clouds	-637.50	-102,419.72
Bill Pmt -Check	12/27/2018	102212	Daily Journal	-21.25	-102,440.97
Bill Pmt -Check	12/27/2018	102213	FedEx	-227.93	-102,668.90
Bill Pmt -Check	12/27/2018	102214	LACERA	-13,693.27	-116,362.17
Bill Pmt -Check	12/27/2018	102215	Neofunds	-300.00	-116,662.17
Bill Pmt -Check	12/27/2018	102216	Platinum Consulting	-925.20	-117,587.37
Bill Pmt -Check	12/27/2018	102217	The Lincoln National	-272.58	-117,859.95
Bill Pmt -Check	12/27/2018	102218	Tropical Interior Plants	-100.00	-117,959.95
Bill Pmt -Check	12/27/2018	102219	Motor Parks	-630.00	-118,589.95
Bill Pmt -Check	12/27/2018	102220	Office Depot*	-86.13	-118,676.08
Check	12/28/2018	DD	Federal Tax Deposit	-4,332.08	-123,008.16
Check	12/28/2018	DD	State Income Tax	-1,324.39	-124,332.55
Check	12/28/2018	DD	Ambar De La Torre	-1,940.98	-126,273.53
Check	12/28/2018	DD	Douglass S Dorado	-2,905.27	-129,178.80
Check	12/28/2018	DD	Michael E Henderson	-2,293.82	-131,472.62
Check	12/28/2018	DD	Patricia Knoebl-Wood	-1,341.84	-132,814.46
Check	12/28/2018	DD	Paul A Novak	-5,220.01	-138,034.47
Check	12/28/2018	DD	Alisha O'Brien	-2,251.77	-140,286.24
Check	12/28/2018	DD	Adriana Romo	-3,201.27	-143,487.51
Check	12/28/2018	DD	Federal Tax Deposit	-169.40	-143,656.91
Check	12/28/2018	58711...	Kathryn Barger	-134.09	-143,791.00
Check	12/28/2018	DD	Richard Close	-231.17	-144,022.17
Check	12/28/2018	DD	Donald Dear	-227.44	-144,249.61
Check	12/28/2018	58711...	Margaret E Finlay	-284.32	-144,533.93
Check	12/28/2018	58711...	Edward G Gladbach	-389.62	-144,923.55
Check	12/28/2018	DD	Janice K Hahn	-135.19	-145,058.74
Check	12/28/2018	DD	Gerard McCallum II	-183.18	-145,241.92
Check	12/28/2018	58711...	John A Mirisch	-321.74	-145,563.66
Check	12/28/2018	58711...	Greig L Smith	-276.92	-145,840.58
Check	12/31/2018	10221	LACERA	-369.93	-146,210.51
Dec 18				-146,210.51	-146,210.51

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01/30/19

Cash Basis

# LA LAFCO

## Register Report

### January 2019

Type	Date	Num	Name	Paid Amount	Balance
Jan 19					
Check	01/04/2019	ADP	ADP	-39.37	-39.37
Check	01/04/2019	ADP	ADP	-159.41	-198.78
Check	01/15/2019	DD	Federal Tax Deposit	-4,304.89	-4,503.67
Check	01/15/2019	DD	State Income Tax	-1,292.11	-5,795.78
Check	01/15/2019	DD	Ambar De La Torre	-1,945.68	-7,741.46
Check	01/15/2019	DD	Douglass S Dorado	-2,916.47	-10,657.93
Check	01/15/2019	DD	Michael E Henderson	-2,297.77	-12,955.70
Check	01/15/2019	DD	Patricia Knoebl-Wood	-1,338.43	-14,294.13
Check	01/15/2019	DD	Paul A Novak	-5,240.66	-19,534.79
Check	01/15/2019	DD	Alisha O'Brien	-2,264.06	-21,798.85
Check	01/15/2019	DD	Adriana Romo	-3,227.46	-25,026.31
Bill Pmt -Check	01/17/2019	10222	Certified Records M...	-507.31	-25,533.62
Bill Pmt -Check	01/17/2019	10223	Charter Communica...	-525.19	-26,058.81
Bill Pmt -Check	01/17/2019	10224	CoreLogic	-28.80	-26,087.61
Bill Pmt -Check	01/17/2019	10225	County Counsel	-33,780.49	-59,868.10
Bill Pmt -Check	01/17/2019	10226	County of Los Angel...	-312.73	-60,180.83
Bill Pmt -Check	01/17/2019	10227	Daily Journal	-1,094.28	-61,275.11
Bill Pmt -Check	01/17/2019	10228	FedEx	-105.75	-61,380.86
Bill Pmt -Check	01/17/2019	10229	Huntington Park Ru...	-32.40	-61,413.26
Bill Pmt -Check	01/17/2019	10230	LACERA-OPEB	0.00	-61,413.26
Bill Pmt -Check	01/17/2019	10231	Mail Finance	-380.23	-61,793.49
Bill Pmt -Check	01/17/2019	10232	Office Depot*	-169.46	-61,962.95
Bill Pmt -Check	01/17/2019	10233	Printing and Copy St...	-671.24	-62,634.19
Bill Pmt -Check	01/17/2019	10234	Promac Image Syst...	-510.98	-63,145.17
Bill Pmt -Check	01/17/2019	10235	Wells Fargo	-383.25	-63,528.42
Bill Pmt -Check	01/17/2019	10236	Western Graphix	-42.42	-63,570.84
Check	01/17/2019	102237	LAFCO-LA	0.00	-63,570.84
Bill Pmt -Check	01/17/2019	10238	LACERA-OPEB	-1,679.04	-65,249.88
Check	01/18/2019	ADP	ADP	-135.39	-65,385.27
Check	01/18/2019	10239	Motor Parks	-405.00	-65,790.27
Check	01/30/2019	ADP	ADP	-173.50	-65,963.77
Check	01/30/2019	ADP	ADP	-39.37	-66,003.14
Bill Pmt -Check	01/30/2019	10240	ATT	-288.80	-66,291.94
Bill Pmt -Check	01/30/2019	10241	Bank of America*	-260.44	-66,552.38
Bill Pmt -Check	01/30/2019	10242	Charter Communica...	-525.19	-67,077.57
Bill Pmt -Check	01/30/2019	10243	County of Los Angel...	-312.73	-67,390.30
Bill Pmt -Check	01/30/2019	10244	Davis Farr LLP	-900.00	-68,290.30
Bill Pmt -Check	01/30/2019	10245	Foothill Lock & Key	-110.00	-68,400.30
Bill Pmt -Check	01/30/2019	10246	Los Angeles County...	-1,100.00	-69,500.30
Bill Pmt -Check	01/30/2019	10247	Motor Parks	-630.00	-70,130.30
Bill Pmt -Check	01/30/2019	10248	Neofunds	-4,176.60	-74,306.90
Bill Pmt -Check	01/30/2019	10249	Office Depot*	-547.45	-74,854.35
Bill Pmt -Check	01/30/2019	10250	Platinum Consulting	-786.54	-75,640.89
Bill Pmt -Check	01/30/2019	10251	The Lincoln National	-272.58	-75,913.47
Bill Pmt -Check	01/30/2019	10252	Tropical Interior Plants	-100.00	-76,013.47
Bill Pmt -Check	01/30/2019	10253	LACERA	-14,203.66	-90,217.13
Check	01/31/2019	DD	Federal Tax Deposit	-4,587.41	-94,804.54
Check	01/31/2019	DD	State Income Tax	-1,404.95	-96,209.49
Check	01/31/2019	DD	Ambar De La Torre	-1,945.68	-98,155.17
Check	01/31/2019	DD	Douglass S Dorado	-2,916.47	-101,071.64
Check	01/31/2019	DD	Michael E Henderson	-3,586.66	-104,658.30
Check	01/31/2019	DD	Patricia Knoebl-Wood	-1,376.88	-106,035.18
Check	01/31/2019	DD	Paul A Novak	-5,240.65	-111,275.83
Check	01/31/2019	DD	Alisha O'Brien	-2,264.05	-113,539.88
Check	01/31/2019	DD	Adriana Romo	-3,227.46	-116,767.34
Check	01/31/2019	DD	Federal Tax Deposit	-242.68	-117,010.02
Check	01/31/2019	58844...	Kathryn Barger	-134.08	-117,144.10
Check	01/31/2019	58844...	Brogin-Falley Lori	-216.42	-117,360.52
Check	01/31/2019	DD	Richard Close	-138.52	-117,499.04
Check	01/31/2019	58844...	Margaret E Finlay	-138.52	-117,637.56
Check	01/31/2019	58844...	Edward G Gladbach	-138.52	-117,776.08
Check	01/31/2019	DD	Janice K Hahn	-135.18	-117,911.26
Check	01/31/2019	58844...	Sheila A Kuehl	-135.18	-118,046.44
Check	01/31/2019	DD	Gerard McCallum II	-138.52	-118,184.96
Check	01/31/2019	58844...	John A Mirisch	-138.52	-118,323.48
Check	01/31/2019	58844...	Judith M Mitchell	-167.29	-118,490.77
Check	01/31/2019	DD	David E Ryu	-138.52	-118,629.29

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01/30/19  
Cash Basis

LA LAFCO  
Register Report  
January 2019

Type	Date	Num	Name	Paid Amount	Balance
Check	01/31/2019	58844...	Greig L Smith	-138.52	-118,767.81
Check	01/31/2019	DD	Donald Dear	-138.52	-118,906.33
Jan 19				<u>-118,906.33</u>	<u>-118,906.33</u>

AGENDA ITEM NO. 6c February 13, 2019							
PENDING PROPOSALS As of February 5, 2019							
		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	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
11	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
12	DD	Annexation No. 2015-10 to the City of Agoura Hills	City of Agoura Hills	117 acres uninhabited territory. Located northeast and southwest of Chesebro Road directly north of the Highway 101	Notice of Filing sent 11-3-15 Incomplete filing: property tax transfer resolution.	11/2/2015	Unknown
13	DD	Reorganization No. 2016-01 to the Las Virgenes Municipal Water District	Las Virgenes Municipal Water District	Detachment from West Basin Municipal Water District, and annexation to the Las Virgenes Municipal Water District. Both districts require SOI amendments. The territory consists of 26 single-family homes, generally located south of 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
14	AD	Annexation No. 2017-02 to the Newhall County Water District	Newhall County Water District	uninhabited territory, located west of the 5 freeway and north of the intersection of The Old Road and Calgrove Blvd.	Notice of Filing sent 06-21-17 Incomplete filing: property tax transfer resolution, CEQA, approved map and legal.	6/15/2017	Unknown
15	DD	Annexation No. 2017-09 to the Wilmington Cemetery District	Wilmington Cemetery District	inhabited territory around Wilmington	Notice of Filing sent 6-10-17 Incomplete filing: property tax transfer resolution	7/10/2017	Unknown
16	DD	Reorganization No. 2017-10 to the Las Virgenes Municipal Water District	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
17	AD	Annexation 298 to District No. 15	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

		LAFCO Designation	Applicant	Description	Status	Date Filed	Est. Date of Completion
18	AD	Annexation 754 to District No. 21	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
19	AD	Annexation 755 to District No. 21	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
20	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1087	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
21	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1088	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
22	AD	Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1090	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
23	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
24	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
25	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
26	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
27	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
28	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
29	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



		<b>LAFCO Designation</b>	<b>Applicant</b>	<b>Description</b>	<b>Status</b>	<b>Date Filed</b>	<b>Est. Date of Completion</b>
<b>30</b>	AD	<b>Annexation 756 to District No. 21</b>	Sanitation Districts	5.07± acres of inhabited territory. The affected territory is located on the south side of Baseline Road between Forbes Avenue and Allegany Court, all within the City of Claremont.	Notice of Filing Sent 09-6-18 Incomplete filing: property tax transfer resolution.	9/5/2018	Unknown
<b>31</b>	AD	<b>Annexation 758 to District No. 21</b>	Sanitation Districts	1.15± acres of uninhabited territory. The affected territory is located on Reedview Drive approximately 300 feet north of Shelyn Drive, all within unincorporated Los Angeles County.	Notice of Filing Sent 11-06-18 Incomplete filing: property tax transfer resolution.	11/5/2018	Unknown
<b>32</b>	AD	<b>Annexation 432 to District No. 22</b>	Sanitation Districts	0.5± acres of uninhabited territory. The affected territory is located on Walnut Avenue at the westerly terminus of Cannon Avenue, all within the City of San Dimas.	Notice of Filing Sent 11-06-18 Incomplete filing: property tax transfer resolution.	11/15/2018	Unknown
<b>33</b>	DD	<b>Annexation No 2018-10 to the Los Angeles County Waterworks District No. 40, Antelope Valley</b>	Robert Sarkissian	80.91± acres of uninhabited territory. The affected territory is located southeast of the intersection of Blackbird Street and 8Th Street West, in the City of Palmdale	Notice of Filing Sent 10-11-18 Incomplete filing: property tax transfer resolution, approved map and legal, CEQA, mailing labels landowners and registered voters	10/1/2018	Unknown
<b>34</b>	DD	<b>Annexation No. 2018-06 to the San Gabriel Valley Mosquito and Vector Control District</b>	San Gabriel Valley Mosquito and Vector Control District	77.55± acres of inhabited territory. The affected territory is located north of the intersection of Mountain Laurel Way and Highwood Court in the City of Azusa.	Notice of Filing Sent 11-1-18 Incomplete filing: property tax transfer resolution, approved map and legal	10/22/2018	Unknown
<b>35</b>	DD	<b>Annexation No. 2018-12 to the City of Agoura Hills</b>	City of Agoura Hills	82.58± acres of inhabited territory to the City of Agoura Hills. Area A of the affected territory is generally located east of the intersection of Liberty Canyon Road and Agoura Road and Area C is generally located west of the intersection of Liberty Canyon Road and Revere Way, in Los Angeles County unincorporated territory adjacent to the City of Agoura Hills	Notice of Filing sent 11-20-18 Incomplete filing: property tax transfer resolution, CEQA, map of limiting addresses, pre-zoning, register voter labels, approved map and geographic description.	11/19/2018	Unknown
<b>36</b>	AD	<b>Annexation 429 to District No. 14</b>	Sanitation Districts	640.07± acres of uninhabited territory. The affected territory is located on the southeast corner of Sierra Highway and Columbia Way, all within the City of Palmdale.	Notice of Filing Sent 11-29-18 Incomplete filing: property tax transfer resolution.	11/28/2018	Unknown
<b>37</b>	AD	<b>Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1093</b>	Sanitation Districts	0.3± acres of uninhabited territory. The affected territory is located on Scherzinger Lane approximately 100 feet southwest of Sierra Cross Avenue, all within the City of Santa Clarita.	Notice of Filing Sent 12-27-18 Incomplete filing: property tax transfer resolution.	12/26/2018	Unknown
<b>38</b>	AD	<b>Santa Clarita Valley Sanitation District of Los Angeles County Annexation 1097</b>	Sanitation Districts	230± acres of uninhabited territory. The affected territory is located south of Pico Canyon Road at the westerly terminus of Verandah Court, all within the unincorporated area of Los Angeles County.	Notice of Filing Sent 12-27-18 Incomplete filing: property tax transfer resolution.	12/26/2018	Unknown
<b>39</b>	DD	<b>Annexation No. 2018-11 to the Los Angeles County Waterworks District No. 40, Antelope Valley</b>	Lester Knox	20± acres of uninhabited territory. Located southeast of the intersection of Mountain Springs Road and Hawk Free Court, in the unincorporated area known as Acton,	Notice of Filing Sent 1-17-18 Incomplete filing: property tax transfer resolution, CEQA, approved map and legal	10-Jan	Unknown
<b>40</b>	AD	<b>Annexation 760 to District No. 21</b>	Sanitation Districts	0.48± acres of uninhabited territory. The affected territory is located north of the Pomona freeway approximately 300 feet west of Hacienda Boulevard, all within the unincorporated area of Los Angeles County.	Notice of Filing Sent 1-30-19 Incomplete filing: property tax transfer resolution.	1/30/2019	Unknown

**RESOLUTION NO. 2019-00RMD  
RESOLUTION OF THE LOCAL AGENCY FORMATION  
COMMISSION FOR THE COUNTY OF LOS ANGELES  
MAKING DETERMINATIONS DISAPPROVING  
"ANNEXATION NO. 2014-04 TO THE CITY OF CALABASAS (WEST AGOURA ROAD)"**

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

WHEREAS, the City requested that the Commission amend the existing Sphere of Influence (SOI) for the City of Calabasas, which is currently a Coterminous SOI (one in which the City's jurisdictional boundary is the same as the SOI boundary), to add the affected territory in the proposed annexation to the City's SOI; and

WHEREAS, the proposed annexation ("Proposal") consists of approximately 57.78± acres of uninhabited territory and is assigned the following distinctive short-form designation: "Annexation No. 2014-04 to the City of Calabasas (West Agoura Road)"; and

WHEREAS, the Executive Officer has reviewed the Proposal and submitted to the Commission a written report, including his recommendations therein, pursuant to Government Code § 56665; and

WHEREAS, the Executive Officer has given notice of the public hearing pursuant to Government Code §§ 56150-56160, 56427, 57025, and 57026, wherein the public hearing notice was published in a newspaper of general circulation in the County on December 6, 2018, which is at least 21 days prior to the public hearing, and said hearing notice was also mailed to all required recipients by first-class mail on or before the date of newspaper publication; and

WHEREAS, on January 9, 2019, after being duly and properly noticed, this Proposal came on for hearing, at which time this Commission heard and received all oral and written testimony, objections, and evidence which were made, presented or filed, and all persons present were given an opportunity to hear and be heard with respect to this Proposal and the report of the Executive Officer; and

WHEREAS, the Commission has carefully considered the Executive Officer's written report, including all factors required by Government Code § 56668; the written testimony submitted in advance of the public hearing; the written testimony submitted during the public hearing on January 9, 2019; and the oral testimony at the public hearing on January 9, 2019;

WHEREAS, the Commission disapproved the proposed annexation and the proposed SOI amendment at its January 9, 2019 meeting; and

WHEREAS, Government Code § 56668 identifies seventeen (17) subsets of factors (identified as subsections (a) through (q)) to be considered in the review of a proposal; and

WHEREAS, Government Code § 56668(a) identifies "topography" as a factor, and the affected territory lies westerly of the existing boundary of the City, and the overwhelming majority of the existing City is on the far (easterly) side of a hill, and therefore somewhat removed from, the affected territory in the proposed annexation; and

WHEREAS, Government Code § 56668(a) identifies “proximity to other populated areas” as a factor, and the nearest existing homes in the City are found in a neighborhood which is located on the other side of a hill from the affected territory, and another neighborhood which is separated from most of the affected territory by the Ventura (U.S. 101) Freeway; and

WHEREAS, Government Code § 56668(b) identifies “the present cost and adequacy of governmental services and controls in the areas,” and nothing was provided in the record to suggest that existing governmental services and controls in the affected territory are, in any way, inadequate, and, during commission deliberations at the public hearing on January 9, 2019, commissioners stated that the county does a good job in providing services to unincorporated communities, and that all five County Supervisors devote extraordinary efforts to allocating resources to unincorporated communities; and

WHEREAS, Government Code § 56668(c) identifies “[t]he effect of the proposed action and of alternative actions, on adjacent areas,” and residents living in the City of Agoura Hills near the affected territory testified at the public hearing, and in writing, that they experience impacts associated with lighting, noise, and traffic from development within the affected territory, and to a degree substantially more significant than is experienced by residents living within the City, all of which were considered by the Commission, as further reflected during the Commission’s deliberations at the public hearing on January 9, 2019, at which time individual commissioners referred to this testimony, noting that the property is contiguous to existing homes in Agoura Hills, whose residents experience these impacts, and that one of the Commission’s purposes is to put residents first; and

WHEREAS, Government Code § 56668(i) identifies “[t]he sphere of influence of any local

agency which may be applicable to the proposal being reviewed,” and the affected territory is outside the boundaries of the City’s SOI; the SOI was originally as an SOI that is coterminous to the City’s existing boundary by the Commission on July 8, 1992; the SOI was reconfirmed by the Commission on August 25, 2004 and October 10, 2012; in the 2004 and 2012 reconfirmations, the Commission adopted an SOI that is coterminous to the City’s existing boundary; and the Commission reconfirmed that the SOI should remain coterminous at the January 9, 2019 Meeting; and

WHEREAS, Government Code § 56668(j) identifies “[t]he comments of any affected local agency or other public agency,” and LAFCO received two letters from the County (dated December 19, 2018; and January 9, 2019) opposing the proposed annexation; four letters from the City of Agoura Hills (dated April 18, 2014; May 6, 2014; April 16, 2018; and January 3, 2019) expressing concerns about and/or opposing the proposed annexation; and four letters from the City (dated June 5, 2014; December 26, 2018; December 28, 2018; and December 27, 2019) supporting the proposed annexation, and addressing concerns raised by opponents of the proposed annexation; all of which were considered by the Commission; and, at the public hearing on January 9, 2019; several individuals spoke on behalf of public agencies; including individuals representing and speaking on behalf of the City (Mayor, Mayor pro Tem, two City Council-Members, City Manager, Assistant City Attorney, Public Works Director/City Engineer, Community Development Director, and City Planner); individuals representing and speaking on behalf of the City of Agoura Hills (Mayor, Mayor pro Tem, City Council-Member); the Senior Manager, Economic Development, in the Chief Executive Office of the County; an attorney representing and speaking on behalf of the County; as well as several individuals who formerly

served on the city councils of the City of Agoura Hills and the City; all of which also were considered by the Commission, as further reflected during the Commission's deliberations at the public hearing on January 9, 2019, at which time individual commissioners referred to specific letters and testimony from various public agency representatives; and

WHEREAS, Government Code § 56668(n) identifies "[a]ny information or comments from the landowner, voters, or residents of the affected territory," and LAFCO received separate letters from two different parties owning land in the affected territory and in support of the proposed annexation (both dated December 11, 2018); separate letters from two different attorneys representing one of the landowners in the affected territory (both dated December 19, 2018); and a letter in support of the proposed annexation from a tenant in an existing office building located in the affected territory (dated December 5, 2018); all of which were considered by the Commission; and, at the public hearing on January 9, 2019; an individual who owns land in the affected territory spoke in support of the proposed annexation; and two different attorneys representing one of the landowners in the affected territory; which also was considered by the Commission; as further reflected during the Commission's deliberations at the public hearing on January 9, 2019, at which time individual Commissioners referred to specific testimony from a landowner within the affected territory, as well as lengthy discussions at the hearing between commissioners and an attorney representing a landowner within the affected territory; and

WHEREAS, the Commission is disapproving the proposed Sphere of Influence amendment to the City associated with the Proposal, the Commission therefore does not make the determinations required in Government Code § 56425(e), subsections (1) through (5); and

WHEREAS, the disapproval of the proposed annexation does not require conducting authority (protest) proceedings pursuant to Government Code § 57000(b), which only requires conducting authority (protest) proceedings when “a proposal is approved by the commission;” and

WHEREAS, pursuant to California Environmental Quality Act (CEQA) Guidelines § 15270, CEQA does not apply to projects which a public agency rejects or disapproves, and, therefore, the Commission’s disapproval of the proposed annexation and SOI amendment is exempt from CEQA.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. This resolution making determinations is made pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, California Government Code § 56000 *et seq*;
2. The affected territory consists of 57.78± acres, is uninhabited, and is assigned the following short form designation:  
  
"Annexation No. 2014-04 to the City of Calabasas (West Agoura Road)",  
  
and it is hereby not annexed to the City of Calabasas;
3. Annexation No. 2014-04 to the City of Calabasas (West Agoura Road) is hereby disapproved;
4. The proposed Sphere of Influence amendment to the City of Calabasas associated with the Proposal is hereby disapproved;

5. In disapproving Annexation No. 2014-04 to the City of Calabasas (West Agoura Road) and associated Sphere of Influence amendment to the City of Calabasas, the Commission makes the following determinations:

- a. Commission proceedings were commenced by the City in 2014;
- b. The affected territory consists of approximately 57.78± acres of unincorporated territory, composed of commercial and vacant land, and it is unpopulated;
- c. The affected territory is located generally westerly of the existing boundary of the City, and generally easterly of the existing boundary of the City of Agoura Hills;
- d. The Commission conducted a public hearing on January 9, 2018, at which time testimony was provided by twenty-seven (27) individuals, including persons representing and speaking on behalf of the County, the City, and the City of Agoura Hills; separate legal counsel to the County, the City, and a landowner in the affected territory; former elected officials of the City and the City of Agoura Hills; residents of the City of Agoura Hills who live near the affected territory; a resident of the City of Calabasas; and others;
- e. In making its decision to disapprove Annexation No. 2014-14 to the City of Calabasas (West Agoura Road) and the associated Sphere of Influence amendment to the City of Calabasas, the Commission considered all evidence, testimony, and documentation submitted to the Commission from all agencies, jurisdictions, landowners, members of the public, proponents,



opponents, and others, all of which was submitted to the Commission prior to and at the January 9, 2019 public hearing;

- f. The Commission exercised independent judgment and discretion in making a reasonable and well-informed decision based on the information provided and, on that basis, determined to disapprove the annexation and associated SOI amendment; and, further, in making its decision, the Commission exercised independent judgment on behalf of the interests of residents, property owners, and the public as a whole;
- g. Annexation of the affected territory to the City will not promote orderly growth and development, discourage urban sprawl, preserve open space and efficiently extend government services, including providing governmental services and housing for persons and families at all incomes in the most efficient manner feasible;
- h. The affected territory lies westerly of the existing boundary of the City, and the overwhelming majority of the existing City is on the far (easterly) side of a hill, and therefore somewhat removed from, the affected territory in the proposed annexation;
- i. The nearest existing homes in the City are found in a neighborhood which is located on the other side of a hill from the affected territory, and another neighborhood which is separated from most of the affected territory by the Ventura (U.S. 101) Freeway, and both neighborhoods are therefore somewhat removed from the affected territory in the proposed annexation;

- j. The County currently allocates resources to provide adequate, reliable, and sound governmental services and controls in the affected territory; and there was no evidence in the record to suggest that existing governmental services and controls in the affected territory are, in any way, inadequate;
- k. The effect of the proposed action, and/or any alternate action, is felt most by residents living in the City of Agoura Hills near the affected territory, from whom substantial testimony was provided at the public hearing, documenting how these residents experience impacts associated with lighting, noise, and traffic from existing development within the affected territory, and to a degree substantially more significant than is experienced by residents living within the City;
- l. The affected territory is not located within the City's SOI; and the Commission reconfirmed the City's SOI in 1992 and 2004 as an SOI that is coterminous to the City's existing jurisdictional boundary;
- m. The record includes substantial correspondence from representatives of affected public agencies, including multiple letters from the County, the City, and the City of Agoura Hills; as well as testimony at the public hearing from a representative of the County and outside legal counsel for the County; three elected officials of the City of Agoura Hills; and several individuals who formerly served as elected officials of the City and the City of Agoura Hills;
- n. The record includes correspondence from two landowners in the affected territory; letters from two attorneys representing a landowner in the affected

territory; and a letter from a tenant in an existing office building located in the affected territory; as well as testimony at the public hearing from an individual who owns land in the affected territory;

6. The Commission finds that, pursuant to CEQA Guidelines section 15270, CEQA does not apply to projects that a public agency rejects or disapproves, and therefore, in disapproving Annexation No. 2014-04 to the City of Calabasas (West Agoura Road) and the proposed SOI amendment, the Commission finds that its actions are exempt from CEQA;
7. The Executive Officer is hereby authorized and directed to mail copies of this resolution as provided in Government Code § 56882; and
8. As allowed under Government Code § 56107, the Commission hereby authorizes the Executive Officer to make non-substantive corrections to this resolution to address any technical defect, error, irregularity, or omission.

PASSED AND ADOPTED this 13<sup>th</sup> day of February 2019.

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**

## **Staff Report**

**February 13, 2019**

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

Dissolution No. 2018-09 of the Sativa County Water District (“District” or “Sativa”)  
(aka “Sativa Los Angeles County Water District”)

#### **PROPOSAL SUMMARY:**

Size of Affected Territory:	180± acres
Inhabited/Uninhabited:	Inhabited
Applicant:	Local Agency Formation Commission for the County of Los Angeles
Resolution:	July 11, 2018
Application Filed with LAFCO:	December 13, 2018 (see attached Exhibit “B”)
Location:	The affected territory is generally adjacent to Wayside Street on the north, Mona Boulevard on the east, Oris Street on the south, and both Wilmington Avenue and Paulsen Avenue on the west (see attached Exhibit “A”). Willowbrook Avenue (a major thoroughfare) and the adjoining Metro Blue Line rail corridor bisect the District in a north-south orientation.
City/County:	A portion of the County unincorporated community of Willowbrook as well as three separate areas within the City of Compton.
Affected Territory:	The area is composed of predominantly residential uses, mostly single-family homes and some multi-family homes.
Surrounding Territory:	The area is surrounded by predominantly residential neighborhoods of mostly-single-family homes and some multi-family homes.
Landowner(s)/Real Party/ Parties of Interest:	There are multiple owners of record (approximately 1,375) as of October 31, 2018.
Registered Voters:	There are 2,788 registered voters as of October 31, 2018.

Purpose/Background:	The purpose of this proposal is to dissolve the existing Sativa County Water District and designate the County of Los Angeles (“County”) as successor agency.
Related Jurisdictional Changes:	There are no related jurisdictional changes.
Within SOI:	The District has a Zero Sphere of Influence (“Zero SOI”), which the Commission adopted on May 14, 2014.
Waiver of Notice/Hearing/Protest:	The proposed dissolution is not subject to protest. Pursuant to Health and Safety Code § 116687 (from Assembly Bill 1577), “any decision by the Commission about the dissolution of the [Sativa County Water] District shall not be subject to the provisions of Government Code § 57113, nor to any other requirement for a protest proceeding or election.”
CEQA Clearance:	The proposal is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines §§ 15061 and 15378.
Additional Information:	<p>The Commission approved Municipal Service Reviews of the District on February 2, 2006 and May 14, 2014. The Commission adopted a Zero SOI for the District on May 14, 2014. The Commission initiated this proposed dissolution of the District on July 11, 2018.</p> <p>Assembly Bill 1577 (“AB 1577”) is a bill concerning the District introduced by Assemblyman Mike Gipson, and in whose Assembly District Sativa is located. AB 1577 was approved by the California State Assembly and the State Senate, and it was signed into law by Governor Brown on September 29, 2018 (see attached Exhibit “C”). Because AB 1577 was an urgency measure, the legislation took effect immediately upon the Governor’s signature. As explained further in the staff report, portions of AB 1577 govern LAFCO actions relative to this proposed dissolution.</p> <p>On October 31, 2018, the State Water Resources Control Board (“SWRCB”) appointed Los Angeles County as the State Administrator for the District (see attached Exhibit “D”).</p>

## **Background**

The Sativa County Water District is a county water district formed in 1938 pursuant to the County Water District Law (Water Code § 30000 *et seq*). The District includes a portion of the County unincorporated community of Willowbrook as well as three separate areas within the City of Compton (see attached Exhibit “A”). Since its formation, and until recently, the District has been governed by an elected, five-member board of directors. The board of directors has oversight authority for the District and appoints staff (including a general manager) to handle the day-to-day operations of the District.

Although the board of directors utilized the name “Sativa Los Angeles County Water District,” staff has no record of any official board resolution adopting this name.

After years of review of the District, and based upon substantial evidence documenting mismanagement of the District’s affairs, the Commission voted, on July 11, 2018, to initiate the dissolution of the Sativa County Water District. The unanimous vote of all Commissioners present follows a lengthy history of LAFCO review of the District, including:

- Gateway Final Water Municipal Service Review (“MSR”), adopted by the Commission (for the District) on February 2, 2006;
- Sativa County Water District MSR, and Zero Sphere of Influence (“Zero SOI”), adopted by the Commission on May 14, 2014; and
- Consideration of status reports and updates at Commission Meetings on October 10, 2012; September 14, 2016; October 11, 2017; May 9, 2018; and June 13, 2018.

Since the vote to initiate proceedings to dissolve the District last July, staff has agendized status reports for every subsequent Commission meeting.

Assemblyman Mike Gipson introduced AB 1577 on February 17, 2017. The final version of the bill was approved by the Assembly and the Senate on August 31, 2018, and it was signed into law by Governor Brown on September 29, 2018. AB 1577 included the following provisions:

- The District was ordered “to accept administrative and managerial services, including full management and control, from an administrator selected by” the SWRCB;
- The SWRCB was directed to appoint a State Administrator for the District;
- Upon the appointment of the State Administrator, the District’s board would “surrender all control to the appointed administrator,” removing the board of directors from any further management, oversight, and involvement in the affairs of the District;

- The District's former board of directors would "have no standing to represent the district's ratepayers," and the board-members "shall have no claim for benefits" going forward;
- The District's board-members were precluded from taking any actions to "divest the district of its assets," noting that any such actions would involve potential criminal penalties;
- The State Auditor was directed to "perform a desk audit or financial review" within ninety (90) days of the appointment of a State Administrator;
- Should LAFCO dissolve the District, the Commission's approval of the dissolution would not be subject to a "protest proceeding or election" as would otherwise be required pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (the "Act");
- Should LAFCO dissolve the District, the Commission was precluded from imposing a condition of approval to require a protest proceeding or election;
- Should LAFCO dissolve the District, the Commission-designated successor agency was authorized to issue a Request for Proposals ("RFP") or equivalent, to "evaluate submittals, and select any public water system to be the receiving water system and provide retail water service to existing and future ratepayers within the former territory of the district;"
- The successor agency was required to conduct its RFP "in consultation with the Commission;" and
- Immunity from liability was provided to the Commission, the successor agency designated by the Commission in an approved dissolution, the State Administrator, and the "operator of a public water system that provides service to the territory of the district" (a future, long-term service-provider).

AB 1577 added § 116687 to the California Health and Safety Code. As an urgency measure, the legislation took effect immediately upon the Governor's signature (the bill otherwise would not have taken effect until January 1, 2019).

Concurrent to the passage of AB 1577, the Legislature and Governor approved a provision in a budget trailer bill which provided \$200,000 in funding to the SWRCB. This funding authorizes the SWRCB to compensate the appointed State Administrator to manage the District during the administrator's stewardship.

On October 31 2018, the SWRCB issued Order No. 04\_22\_18R\_003 appointing Los Angeles County as the State Administrator of the District, pursuant to Health and Safety Code § 116687.

Concurrent to that action, the Sativa County Water District Board of Directors ceased to exist, and the Los Angeles County Department of Public Works (“DPW”), on behalf of the County, assumed full administrative, managerial, and financial control of the District. The former general manager (prior to the SWRCB order) is no longer employed by the District.

On December 18, 2018, the County adopted a property tax transfer on behalf of the Sativa County Water District pursuant to Revenue and Tax Code § 99.01(b)(5) (see attached Exhibit “E”). As noted in the County’s action, because Sativa does not currently receive a share of property taxes, no property taxes are being transferred in connection with the proposed dissolution.

### **Commission-Initiated Proceedings**

Government Code § 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 § 56886 or for the purpose of winding up the affairs of the district.”

The Commission is empowered to initiate a proposal to dissolve a special district pursuant to Government Code § 56375(a)(2)(B) by a resolution of application when a dissolution is consistent with a recommendation or conclusion of a prior special study, adopted Sphere of Influence, or Municipal Service Review. The proposed dissolution of the District is consistent with the recommendation or conclusion in the Municipal Service Review of the District adopted by the Commission on May 14, 2014.

The Commission adopted a Resolution of Application to initiate the dissolution of the District on July 11, 2018 (see attached Exhibit “F”), which included the adoption of required determinations specified in Government Code § 56881(b). In the accompanying staff report, the Commission noted five conclusions about the District:

1. Sativa has an insufficient customer base to finance system improvements: a “stand-alone” district of 1,700 ratepayers is insufficient to finance 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 of California Water Resources Control



Boards (“Water Boards”) to appoint, immediately, a State Administrator for the District; and

5. Consideration should be given to identifying a future service provider, likely a private water company (investor-owned utility): further communication with private water companies (Liberty, Golden State, Suburban, and potentially others)” is warranted, as is outreach to representatives of the California Public Utilities Commission (“CPUC”) and the Water Boards, 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 considered substantial evidence, correspondence, and testimony documenting that more than \$12 million in infrastructure improvements are required, imminently, and that the water system continued to deteriorate and worsen due to mismanagement.

### **Certificate of Filing**

A Certificate of Filing (“COF”) is a determination by the LAFCO Executive Officer that an application has met submission requirements and is accepted for filing (a COF is similar to when a planning department “deems an application complete”).

Upon reviewing the proposal for completeness, and pursuant to the requirements of Government Code § 56658, the Executive Officer issued the COF on December 18, 2018 (see attached Exhibit “G”). In conjunction with the issuance of the COF, the Executive Officer set the public hearing date as Wednesday, February 13, 2019.

The COF was mailed via first-class mail (United States Postal Service) on December 18, 2018. LAFCO received the COF via first-class mail (United States Postal Service) on December 26, 2018.

### **Public Hearing Notice**

LAFCO provided the required public hearing notice as follows:

- Newspaper notice shall be provided “in one or more newspapers of general circulation within each affected county, affected city, or affected district” pursuant to Government Code § 56153 and “shall be commenced at least 21 days prior to the date specified in the notice for the public hearing” pursuant to Government Code § 56154. LAFCO published a hearing notice in the Daily Commerce on December 20, 2018, which is fifty-four (54) days prior to the public hearing on February 13, 2019.
- Written notice to landowners within the affected territory and within three hundred feet (300’) of the boundaries of the affected territory pursuant to Government Code § 56157(d). LAFCO mailed the English/Spanish language version of the public hearing notice to said

landowners via first-class mail (United States Postal Service) on January 7, 2019 (see attached Exhibit “H”).

- Written notice to registered voters within the affected territory and within three hundred feet (300’) of the boundaries of the affected territory pursuant to Government Code § 56157(f). LAFCO mailed the English/Spanish language version of the public hearing notice to said registered voters via first-class mail (United States Postal Service) on January 7, 2019 (see attached Exhibit “H”).

Pursuant to Government Code § 56157(h), “[i]f the total number of notices required to be mailed in accordance with subdivisions (d) and (f) exceeds 1,000, then notice may instead be provided by publishing a display advertisement of at least one-eighth page in a newspaper, as specified in § 56153, at least 21 days prior to the hearing.” Given the high level of interest in the District, staff deliberately chose not to rely solely upon the “one-eight page publication” option—instead, staff mailed a total of 6,243 hearing notices.

LAFCO provided additional public hearing notice as follows:

- Additional newspaper notice of the English language version of the public hearing notice published in the Compton Bulletin on December 26, 2018.
- Additional newspaper notice of the Spanish language version of the public hearing notice published in La Opinión on December 25, 2018.
- Additional notice to stakeholders via first-class mail (United States Postal Service) and/or e-mail delivery of the English language version of the public hearing notice to a stakeholders list maintained by LAFCO staff. Stakeholders include elected officials (federal, state, and local) and their staff; public agencies (state agencies, cities, and water districts); investor-owned utilities which provide retail water service; and community representatives.

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

##### ***a. Population:***

The existing population is 6,837 residents as of June 1, 2018. The population density is approximately 38 persons per acre.

The estimated future population is 6,837 residents (no anticipated change).

The affected territory is approximately 180± acres.

The existing land uses are predominantly residential uses, mostly single-family homes and some multi-family homes. No significant changes to the existing land uses are anticipated.

The assessed valuation is \$244,140,062.00 as of December 11, 2018.

The per capita assessed valuation is \$35,677.34.

On December 18, 2018, the County adopted a property tax transfer on behalf of the Sativa County Water District (see attached Exhibit “E”) pursuant to Revenue and Taxation Code § 99.(b)(5). As noted in the County’s action, because Sativa does not currently receive a share of property taxes, no property taxes are being transferred in connection with the proposed dissolution.

The topography of the affected territory is flat.

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

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

The affected territory is surrounded by populated areas on all sides.

The affected territory is a largely built-out, developed, and populated community, and it is unlikely to experience any significant growth in the next ten years. Similarly, adjacent areas are largely built-out, developed, and populated, and they are unlikely to experience any significant growth in the next ten years.

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

The affected territory includes residential uses which requires organized governmental services.

Other than retail water service, the present cost and adequacy of government services and controls in the area (provided by the County and special districts) are acceptable. The probable effect of the proposed action and of alternative courses of action on the cost and adequacy of those services and controls in the affected territory and adjacent areas is minimal.

Given the lengthy history of mismanagement by previous boards of directors and management (which includes deteriorating infrastructure, deferred maintenance, lack of storage capacity, inadequate financial controls, and the lack of long-term strategic planning), the existing retail water service provided by the District is inadequate. The proposed dissolution, and transfer to a successor agency, is intended to improve retail water service.

Upon approval of the proposed dissolution, the County of Los Angeles, as the designated successor agency, will provide retail water service to the affected territory until responsibility for water service can be transferred to another provider.

For all other governmental services, the County and special districts will continue to provide adequate services and maintain current service levels.

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

While the effect of the proposed action on adjacent areas is minimal, some impacts may depend on the ultimate determination, by the Los Angeles County Board of Supervisors, at a future date, and upon the conclusion of a Request for Proposal (“RFP”) process, or equivalent, to transfer service to a long-term provider. To the extent an outcome may involve consolidating the former District with an adjacent or nearby water agency, there may be impacts upon that existing water agency.

Staff anticipates that the effect of the proposed action on mutual social and economic interests—specifically, Sativa ratepayers living in the affected territory—will be a long-term improvement in the provision of safe, reliable, clean drinking water for the residents of the District.

Staff evaluated several alternative actions:

1. No change (leave the District “as is”). Under normal circumstances, an available alternative would be not to dissolve the district, and to retain existing board of directors and staff. Given the requirements of AB 1577—which removed the board of directors, and transferred management to the County of Los Angeles as State Administrator—this alternative is not an available or viable option relative to Sativa. Additionally, the mismanagement by the former board of directors and management argued, strongly, against this option.
2. Service assumed by another public agency. Staff considered an alternative option of having retail water service taken over by another public agency. Specifically, staff considered several potential providers:
  - City of Compton. Staff contacted representatives of the City of Compton, which operates a municipally-owned utility (Compton Water Division) providing retail water service to customers within City boundaries. After thorough review and interactions with LAFCO, County, and State representatives, Compton representatives declined to assume service to Sativa’s customers.
  - Central Basin Municipal Water District (CMBWD”). The CBMWD was rejected because it is a water wholesaler which does not provide retail water service.
  - Water Replenishment District of Southern California (“WRD”). The WRD was rejected because it is a groundwater management agency which does not provide retail water service.
  - City of Los Angeles Department of Water & Power (“LADWP”). The LADWP was rejected because nearest facilities are approximately one to two

miles from Sativa's boundaries. Additionally, there are significant timing issues associated with securing an agreement with the City of Los Angeles, which would likely include obtaining the approval of the Mayor, the City Council, and the Water & Power Commission, and very likely garnering support from involved organized labor associations.

Above and beyond these public agencies, there are no additional public agencies with the ability to provide water service to the District, given their lack of proximity to the District.

The proposal has no impact on the governmental structure of the County.

The effect of alternate actions on mutual social and economic interests and on the local governmental structure of the County would be the continued provision of retail water service, which, historically, is inadequate in many respects.

**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 §§ 56377(a) and (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 are clearly established, as certified by LAFCO's GIS/Mapping Technician, and as reflected in the map (see attached Exhibit "A").

The boundaries conform to lines of assessment or ownership.

**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 § 65080. The proposal has no significant impact upon, and is therefore consistent with, the Regional Transportation Plan.

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

This proposal is consistent with existing County of Los Angeles and City of Compton General Plan designations for the affected territory.

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

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

The affected territory is the existing jurisdictional boundary of the Santa Monica County Water District. The Commission adopted a Zero SOI for the District on May 14, 2014.

The Commission's adoption of a Zero SOI indicates that the agency should cease to exist and that its public service responsibilities should be re-allocated to another unit of local government through consolidation, dissolution, or establishment of a subsidiary district.

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

Commencing with the preparation of the 2012 MSR for the District, LAFCO has received significant correspondence from public agencies. Most of the significant correspondence associated with the District has been included as attachments to prior staff reports associated with the 2012 MSR, status reports to the Commission after the 2012 MSR, and over several months prior to and after the initiation of the dissolution in July of 2018. All significant correspondence from public agencies has been documented in previous Commission actions and staff reports, copies are maintained in the official project files for this proposal, and it is hereby incorporated by reference.

***k./l. Ability to Provide Services/Timely Availability of Water Supplies:***

The affected territory is currently being served by the District as administered by the Los Angeles County Department of Public Works in its capacity as the State Administrator appointed by the SWRCB pursuant to AB 1577.

Given the lengthy history of mismanagement by previous boards of directors and management, the existing retail water service provided by the District has been inadequate. The proposed dissolution, and transfer to a successor agency, is intended to improve retail water service.

Pursuant to Government Code § 56886(m), staff is proposing that the Commission designate Los Angeles County as the successor agency. The County's Department of Public Works operates five existing "county waterworks districts" (in Acton, Antelope Valley, Kagel Canyon, Malibu, and Val Verde) which, collectively, provide retail water service to nearly 250,000 customers. The Department of Public Works also manages water systems in unincorporated Marina del Rey and at the Rancho Los Amigos National Rehabilitation Center in Downey, and it manages the water quality program at the Peter J. Pitchess Honor Rancho in unincorporated Castaic. These resources, along with resources and support from other County departments, are being drawn upon to address issues associated with providing water service, insuring the availability of water, improving financial controls, improving infrastructure, training and developing staff, and addressing deferred maintenance needs.

***m. Regional Housing:***

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

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

Commencing with the preparation of the 2012 Municipal Service Review for the District, LAFCO has received significant correspondence and comments from landowners, voters, and residents of the affected territory; as well as from other interested parties and stakeholders. Many of the documents received have been included as attachments to prior staff reports associated with the 2012 MSR, status reports to the Commission after the 2012 MSR, and over several months prior to and after the initiation of the dissolution in July of 2018. All significant correspondence from landowners, voters, and residents of the affected territory; as well as from other interested parties and stakeholders; is maintained in the official project files for this proposal; and it is hereby incorporated by reference.

***o. Land Use Designations***

This proposal is consistent with existing County of Los Angeles and City of Compton General Plan designations for the affected territory.

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

***p. Environmental Justice:***

The historically inadequate retail water service provided to residents in the affected territory does raise the issue of environmental justice.

As defined in Government Code § 56033.5 (a portion of the Cortese-Knox-Hertzberg Reorganization Act of 2000), all of the affected territory is a Disadvantaged Unincorporated Community (“DUC”), in which the median household income is less than eighty-percent (80%) of the statewide annual median household income (as are unincorporated areas abutting the District’s boundaries). Separately, and pursuant to California Code of Regulations, Title 22, § 64300(A), the SWRCB has designated the affected territory as a Disadvantaged Community (“DAC”) because the Median Household Income (“MHI”) is sixty-six percent (66%) of the State average MHI (a DAC is an area where the MHI is eighty-percent (80%) of less than the State average).

As has been stated repeatedly during the Commission’s deliberations concerning the District, all residents of the County are entitled to safe, reliable, and quality drinking water, regardless of income, economic status, ethnicity, or other qualifiers. Further, the State of California has determined that access to drinking water is an essential right for all of the state’s citizens.

Historically, the District provided inadequate retail water service to disadvantaged residents. While the SWRCB’s appointment of the Los Angeles County Department of Public Works as the State Administrator has brought positive changes to the District, that does not change the fact that residents received inadequate retail water service for more than a decade.

Given this series of events, it is without question that the proposal will have no adverse effect with respect to the fair treatment of people of all races and incomes, or the location of public facilities or services. The appointment of the Los Angeles County Department of Public Works as the State Administrator, and the proposed designation of Los Angeles County as the successor agency, are actions intended to ensure that, going forward, residents within the affected territory will receive safe, reliable, quality drinking water.

***q. Hazard Mitigation Plan:***

Information contained in the County of Los Angeles All-Hazard Mitigation Plan approved in 2014 has no bearing on the Proposal. The affected territory is not in a very high fire hazard zone, nor in a state responsibility area, pursuant to maps published by the California Department of Forestry and Fire Protection (Cal Fire). Information contained in the Safety Element of the General Plan of the County of Los Angeles (adopted October 6, 2015) has no bearing on the proposed dissolution.

**ADDITIONAL INFORMATION/OTHER MATTERS RELEVANT TO THE PROPOSAL:**

**Prior LAFCO Actions:**

All prior Commission actions concerning Sativa—including, but not limited to, the MSRs in 2006 and 2014, the status reports from 2012 to the present—as well as all associated documents, are hereby referenced and incorporated by reference.

**Plan of Services**

Government Code § 56653 requires that a plan of services be prepared for a change of organization or reorganization (see attached Exhibit “I”). The Plan of Services states that the County of Los Angeles will continue to provide retail water service to Sativa customers until such time that a permanent service provider is selected through a Request for Proposal (“RFP”) process (or equivalent). Condition 9.f of the draft Commission resolution making determinations (attached) requires that the County of Los Angeles, as the successor agency, “shall provide retail water service within the affected territory pursuant to the ‘Sativa County Water District Plan of Services.’”

**Effects of Dissolution and “Successor Agency”**

Once a dissolution is effective, “the district shall be dissolved, disincorporated, and extinguished, its existence shall be terminated, and all of its corporate powers shall cease, except as the commission may otherwise provide pursuant to § 56886 or for the purposes of winding up the affairs of the district,” pursuant to Government Code § 57450.

Pursuant to Government Code §§ 56886(m) and 57451, the Commission designates a “successor agency” to wind up the affairs of the dissolved district upon the dissolution of an independent special district. Government Code § 57451 dictates that the Commission can only designate a successor agency that is a public agency. Staff is recommending that the Commission designate



the County of Los Angeles as the successor Agency, for several reasons:

- most of the affected territory lies within County unincorporated territory;
- the County of Los Angeles has substantial experience—including the managerial, technical, and financial capabilities—to operate water districts, as it manages five waterworks districts (in Acton, Antelope Valley, Kagel Canyon, Malibu, and Val Verde) with approximately 67,979 service connections (as of January 1, 2018), serving an estimated population of nearly 250,000 persons; and
- the County of Los Angeles Department of Public Works currently serves as the State Administrator appointed by the SWRCB.

As the successor agency, the County would “have control over all of the moneys or funds, including cash on hand and moneys due but uncollected, and all property, real or personal, of the dissolved district is vested in the successor for the purpose of winding up the affairs of the district (Government Code § 57452); have the power to “exchange, sell, or otherwise dispose of all property, real and personal, of the dissolved district;” “[t]o compromise and settle claims of every kind and nature;” and “[t]o sue or be sued in the same manner and to the same extent as the dissolved district and the officers and legislative body of the dissolved district” (Government Code § 57453); and be responsible for “any moneys and funds of the dissolved district” and receive any proceeds from the “sale or other disposition of any property, real or personal, of the dissolved district.”

The County has initiated upgrades to the District's water system. The proposed resolution requires the County to provide quarterly reports to the Commission about the status of the work as well as the County's solicitation for a receiving water system which is authorized by §116687 of the Health and Safety Code. The existing District property, facilities, equipment and water rights will be included in the solicitation for ongoing provision of water services to the residents of the District.

### **Protest Proceedings**

Pursuant to Health and Safety Code § 116687 (from Assembly Bill 1577), “any decision by the Commission about the dissolution or consolidation of the [Sativa County water] District shall not be subject to the provisions of Government Code § 57113, nor to any other requirement for a protest proceeding or election.”

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

As set forth in State CEQA Guidelines § 15061, the proposal is not subject to the California Environmental Quality Act (CEQA) because it can be seen with certainty that there is no possibility that the dissolution of the District will have a significant effect on the environment. Further, and as set forth in pursuant to § 15378(b) of the State CEQA Guidelines, the proposal is

not a project for purposes of CEQA because it is an organizational or administrative activity of government that will not result in direct nor indirect physical changes in the environment.

### **SPHERE OF INFLUENCE UPDATES (GOVERNMENT CODE § 56425)**

It was in 2005, while preparing and considering the first round of Municipal Service Reviews, that LAFCO commissioners and staff identified concerns about the management of Sativa. Those concerns were explored in greater detail, and identified comprehensively, in the MSR adopted by the Commission in 2012. Finally, several agendized “updates” about Sativa have been considered by the Commission at multiple hearings over the past several years.

While limited progress was made addressing certain issues—for example, the lack of yearly financial audits was corrected—many issues lingered, unaddressed, or even worsened, due to the overall poor management of the water system. The appearance of brown water—high in manganese, discolored, and negatively impacting pressure for fire-flow requirements—was a defining moment for elected officials at LAFCO, the State, and the County of Los Angeles. The presence of the brown water encouraged the Commission to initiate dissolution of the District in July of 2018, and, further, encouraged Assembly Mike Gipson to introduce legislation to address various Sativa issues and facilitate LAFCO’s proposed dissolution. And while there have been several positive developments—the removal of Sativa’s board of directors, the termination of the general manager’s employment, the commitment of County resources, and the focus of State regulators to providing financial and technical assistance to improve the District’s infrastructure—the public record compiled by LAFCO strongly supports moving forward with this dissolution.

### **CONCLUSION:**

Given that the Commission has exhausted all other feasible alternatives, and pursuant to the Commission’s authority in Government Code § 56375(a)(1), staff recommends the Commission approve the dissolution as a logical determination in the interest of landowners, registered voters, and Sativa ratepayers, as well as future inhabitants within the boundaries of the former Sativa County Water District.

The Commission is empowered to impose “terms and conditions” of a dissolution, pursuant to Government Code § 56886. The terms and conditions associated with the dissolution, found in Section 6 of the attached draft Resolution Making Determinations No. 2019-00 RMD (see attached Exhibit “J”), include the following:

- The dissolution is not subject to protest or election (*Condition 9.a*);
- The County of Los Angeles is designated as the successor agency, and the County shall continue to provide retail water service to Sativa customers (*Conditions 9.e and 9.f*);

- The successor agency assumes all assets, infrastructure, and obligations of the District (*Conditions 9.g through 9.l*);
- The successor agency shall “represent the interests of the public and the ratepayers within the former territory of the district” as directed by the provisions of AB 1577 and consistent with direction provided by the Commission (*Condition 9.p*);
- The successor agency shall issue a Request for Proposals (“RFP”), or equivalent, within one hundred twenty (120) days of the effective date of the dissolution (*Condition 9.q*);
- The successor agency shall appoint a LAFCO representative to the RFP evaluation committee which makes a recommendation to the Los Angeles County Board of Supervisors, unless otherwise prohibited by law (*Condition 9.s*);
- The successor agency shall consider the proposed rate structures submitted in responses by bidders to the RFP, unless otherwise prohibited by law (*Condition 9.t*);
- The successor agency shall convene meetings with the community, no less than four (4) times per year until the RFP process is concluded, and the CPUC approves the successful bidder, if applicable (*Condition 9.v*); and
- The successor agency shall provide the Commission with quarterly reports until the RFP process is concluded, and the CPUC approves the successful bidder, if applicable (*Condition 10*).

Should the Commission approve the dissolution, a thirty (30) day “reconsideration” period is required pursuant to Government Code § 56895. Because the thirtieth (30<sup>th</sup>) day after the hearing is a Friday (March 15<sup>th</sup>), and because LAFCO’s office is closed on Fridays, the reconsideration period will conclude at 5:00 p.m. on Monday, March 18, 2019 (as noted in Condition 9.b of the draft resolution). If a request for reconsideration is not received by the conclusion of the reconsideration period, staff anticipates recording the Certificate of Completion (“C of C”) on or around Tuesday, March 19, 2019. Upon the recording of the C of C, the dissolution would take effect.

**Recommended Action:**

In consideration of information gathered and evaluated for the proposed dissolution of the Sativa County Water District, staff recommends that the Commission:

1. Open the public hearing and receive testimony on the dissolution;
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 and Ordering Dissolution No. 2018-09 of the Sativa County Water District.

**ATTACHMENTS:**

- Exhibit A: Map of the Sativa County Water District
- Exhibit B: Application Filed with LAFCO on December 13, 2018
- Exhibit C: Assembly Bill 1577 (Gipson) adding § 116687 to the State of California Health and Safety Code
- Exhibit D: SWRCB Order No. 04\_22\_18R\_003 appointing the Los Angeles County as the State Administrator of the District issued on October 31, 2018
- Exhibit E: Los Angeles County Board of Supervisors adoption of property tax exchange resolution adopted on December 18, 2018
- Exhibit F: Resolution No. 2018-11 RMD (A resolution of application by the Local Agency Commission for the County of Los Angeles for Commission-initiated proceedings to dissolve the Sativa County Water District (Dissolution No. 2018-09)) adopted July 11, 2018
- Exhibit G: Certificate of Filing (“COF”) issued on December 18, 2018
- Exhibit H: Public Hearing Notice (English and Spanish) mailed to landowners and registered voters within the affected territory and within a 300-foot radius of the affected territory
- Exhibit I: Sativa County Water District Plan of Services
- Exhibit J: Draft Resolution No. 2019-00 RMD (A resolution of the Local Agency Formation Commission for the County of Los Angeles making determinations Approving and Ordering Dissolution No. 2018-09 of the Sativa County Water District)

Dissolution No. 2018-09 of the Sativa County Water District (“District” or “Sativa”)  
(aka “Sativa Los Angeles County Water District”)

**Exhibit A**

**Map of the Sativa County Water District**



Dissolution No. 2018-09 of the Sativa County Water District (“District” or “Sativa”)  
(aka “Sativa Los Angeles County Water District”)

**Exhibit B**

**Application Filed with LAFCO on December 13, 2018**



Local Agency Formation Commission for the County of Los Angeles  
80 South Lake Avenue, Suite 870, Pasadena, CA 91101  
Telephone: (626) 204-6500 Fax: (626) 204-6507

## APPLICATION TO INITIATE PROCEEDING FOR CHANGE OF ORGANIZATION/REORGANIZATION

(Pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000,  
Division 3, Title 5, Commencing with Section 56000, of the Government Code)

1. **LAFCO PROPOSAL DESIGNATION NO.:** 2018-09 of the Sativa County Water District ("District")

### 2. PROPOSAL INITIATED BY:

Identify the party initiating this proposal (please check one).



Public Agency

Name of Public Agency: LAFCO

Resolution Date: July 11, 2018

Name and title: Paul A. Novak; Executive Officer



Landowner / Registered Voter Petition

Name of Chief Petitioner:

Name of Chief Petitioner:

Name of Chief Petitioner:

This party or parties shall be referred to herein as "the Applicant".

### 3. DESIGNATED CONTACT PERSON:

Name: Paul A. Novak

Title: Executive Officer

Address: 80 South Lake Avenue, Suite 870

City: Pasadena

State: CA

Zip Code: 91101

Telephone: 626/204-6500

E-Mail: pnovak@lalafco.org

*The Applicant is requested to notify LAFCO immediately of any changes in the designated contact person.*

### 4. RELATED JURISDICTIONAL CHANGES "Affected Local Agencies" (Cities and/or Special Districts):

a. N/A

Annexation ☐

Detachment ☐

SOI amendment ☐

b. N/A

Annexation ☐

Detachment ☐

SOI amendment ☐

Attach additional sheets if necessary.





- e. Is the affected territory (any territory for which a change of organization, reorganization, or Sphere of Influence change is proposed) within the Sphere of Influence (SOI) of the city or special district into which it is proposed to be annexed? ☐ Yes ☒ No

Note: If the answer is "No," the Applicant must request an SOI amendment (4a-4d, above).

## 5. LANDOWNERS:

- a. Number of landowners within the affected territory: 1,375+/-
- b. If less than 6 landowners, list:
- |       |                         |
|-------|-------------------------|
| Name: | Assessor Parcel Number: |
| Name: | Assessor Parcel Number: |
| Name: | Assessor Parcel Number: |
| Name: | Assessor Parcel Number: |
| Name: | Assessor Parcel Number: |
- c. Do the boundaries of the proposal conform to existing lines of assessment?  
☒ Yes ☐ No

If "No," explain:

- d. Does the proposal create any islands or corridors of unincorporated territory?  
☐ Yes ☒ No

If "Yes," explain:

- e. Total Assessed Land Value:

\$ 244,140,062

Tax Roll Year: 2017-2018

Date: December 11, 2018

## 6. REGISTERED VOTERS:

Number of registered voters: 2,788

As of: October 31, 2018

*Note: State Law defines a proposed change of organization or reorganization as either "Uninhabited," in which case there are fewer than 12 registered voters in the affected territory, or "Inhabited" in which case there are 12 or more registered voters.*

**7. GENERAL INFORMATION:**

- a. Location of affected territory:

The City of Compton

*or AND*

Unincorporated Territory known as Willowbrook

- b. Unified School District(s) name: address:  
Compton Unified School District 501 S. Santa Fe Avenue, Compton, CA  
90221
- c. Elementary School District(s) name: address:
- d. High School District(s) name: address:
- e. Describe the location of the affected territory, including major thoroughfares (freeways, highways, streets, alleys) that border or traverse the territory, natural features (water bodies, mountain ranges, etc.), man-made features (existing development, utility corridors, flood/drainage channels or basins, railroad lines, etc.), and any other characteristics that help identify the affected territory.  
  
The affected territory is generally adjacent to Wayside Street on the north, Mona Boulevard on the east, Oris Street on the south, and both Wilmington Avenue and Paulsen Avenue on the west. Willowbrook Avenue (a major thoroughfare) and the adjoining Metro Blue Line rail corridor bisect the District in a north-south orientation.
- f. Size of affected territory: 180 ± acres
- g. Provide a detailed description of the affected territory and existing land-uses, including, but not limited to: commercial, industrial, multi-family or single-family residential, institutional, active recreational, and/or passive open space.  
  
The area is composed of predominantly residential uses, mostly single-family homes and some multi-family homes.

- h. Provide a detailed description of the land uses surrounding the affected territory.

Surrounding areas are composed of predominantly residential uses, mostly single-family homes and some multi-family homes.

- i. Provide a detailed description of the topography (flat, sloping, mountainous, etc.) of the affected territory.

The topography of the affected territory is flat.

- j. Provide a detailed description of any natural boundaries (rivers, lakes, streambeds, mountain ranges, etc.) within or adjacent to the affected territory.

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

- k. Provide a detailed description of any proposed change of use to the affected territory, including any planned development and/or on-going construction.

N/A

- l. Provide a detailed description of any flood control facilities (dams, reservoirs, flood control channels, debris basins, catch basins, etc.) within or adjacent to the affected territory.

There are no significant flood control facilities within or adjacent to the affected territory.

- m. Explain why the proposal is necessary:

The purpose of this proposal is to dissolve the existing Sativa County Water District and designate a successor agency.

**8. POPULATION AND HOUSING:**

- a. Current Population: **6,837** Source: **SWRCB** Date: **June 1, 2018**
- b. Proposed Population (if development is proposed): **N/A (no development is proposed)**
- c. Proximity to existing populated areas: **Immediately adjacent**
- d. Likelihood of significant growth in the affected territory within the next 10 years (please circle one):  
☒ no growth      ☐ modest growth      ☐ significant growth
- e. Likelihood of significant growth in adjacent areas within the next 10 years (please circle one):  
☒ no growth      ☐ modest growth      ☐ significant growth

**9. GOVERNMENT SERVICES:**

“Government services” refers to governmental services, whether or not those services would be provided by the local agency or agencies subject to the proposal. It also includes public facilities necessary to provide those services.

- a. Estimate the present cost and describe the adequacy of government services and controls in the area:  
 Other than retail water service, the present cost and adequacy of government services and controls in the area (provided by the County and special districts) are acceptable.
- b. Estimate the probable future need for government services (including public facilities) or controls in the area:  
 The existing retail water service provided by the District is inadequate. The proposed dissolution, and transfer to a successor agency, is intended to improve retail water service.
- c. If the proposal includes incorporation, formation, or annexation, what will be the effect of this proposal or exclusion and of alternative courses of action on the cost and adequacy of services and controls in the proposed area and adjacent areas?  
 N/A
- d. If, as a result of this proposal, increased service demand exceeds the existing capacity, describe what will be done by the service provider to increase capacity of services:  
 N/A



- e. List any assessments, fees, or other charges to be levied as part of this proposal and/or that may be levied in the near future:
  
  
  
  
  
  
  
  
  
  
- f. List any Joint Powers Authorities (JPAs) or (equivalent) which may be providing services to the affected territory and/or surrounding territory:

#### **10. EFFECTS OF THE PROPOSED ACTION:**

- a. What will be the effect of the proposed action on adjacent areas?

The County of Los Angeles ("County") was ordered to serve as the Administrator of the Santa Monica County Water District by the State Water Resources Control Board on October 31, 2018, pursuant to Health and Safety Code Section 116687. Under the proposed dissolution, the District will be dissolved and the County appointed as the successor agency. There will be no impact to adjacent areas from the County acting as the successor agency and continuing to operate the District's water system.

- b. What will be the effect of the proposed action on mutual social and economic interests?

There will be no effect on the governmental structure of the County. The County is currently serving as the Administrator of the District. Should the dissolution be approved by the Commission, the County will serve as the successor agency of the District and work, through its Department of Public Works, to ensure ongoing retail water service to the residents of the dissolved District.

- c. What will be the effect of the proposed action on the local governmental structure of the County of Los Angeles?

Given that the State Water Resources Control Board has appointed the County to serve as the Administrator pursuant to Health and Safety Code Section 116687, the impact of a denial of the proposed action is not entirely clear. A denial is inconsistent with the Commission's initiation of this proposed dissolution in July of 2018.

- d. What will be the effect of the alternative action on adjacent areas, on mutual social and economic interests, and the local governmental structure of the County of Los Angeles?

- e. What will be the effect or impact if the proposed action is denied by LAFCO?

Given that Health and Safety Code Section 116687 abolished the District's Board of Directors, and the County is serving in a temporary role as the State Administrator, the effect is not entirely clear. A denial is inconsistent with Health and Safety Code Section 116687 as well as the Commission's initiation of this proposed dissolution in July of 2018.

**11. OPEN SPACE LAND CONVERSION:**

- a. Will the proposal result in the conversion of any open-space lands to other uses?

☐ Yes ☒ No

**12. AGRICULTURAL LANDS:**

- a. Will the proposal have any effect on maintaining the physical and economic integrity of agricultural lands?

☐ Yes ☒ No

- b. Is there any Prime Agricultural Land within the affected territory?

☐ Yes ☒ No

- c. Is any of the land within the affected territory currently utilized for commercial agricultural purposes?

☐ Yes ☒ No

- d. Was any of the land within the affected territory utilized for commercial agricultural purposes within the last ten years?

☐ Yes ☒ No

**13. GENERAL PLAN AND ZONING:**

- a. Existing General Plan land use designation(s):

The existing General Plans of the County of Los Angeles and the City of Compton are not affected by the Proposal.

- b. Is the proposal consistent with the existing General Plan land use designation?

☒ Yes ☐ No

- c. Existing Zoning designation(s):

The existing zoning designations of the County of Los Angeles and the City of Compton are not affected by the Proposal.

- d. Is the proposal consistent with the existing zoning designation?

☒ Yes ☐ No

e. Is the proposal within a Specific Plan?

☐ Yes ☒ No

f. Existing Specific Plan Designation(s):

N/A

g. Is the proposal consistent with the existing Specific Plan designation?

☐ Yes ☐ No

h. If annexation to a city is proposed, what is the City's General Plan designation of the affected territory?

N/A (no city annexation proposed)

i. If annexation to a city is proposed, are the existing land-uses consistent with the City's General Plan designation(s)?

☐ Yes ☐ No

j. If annexation to a city is proposed, what is the City's Pre-Zoning designation of the affected territory?

N/A (no city annexation proposed)

k. If annexation to a city is proposed, is the existing zoning consistent with the City's Pre-Zoning designation(s)?

☐ Yes ☐ No

l. Is the proposal consistent with the most recent Regional Transportation Plan adopted by Southern California Association of Governments?

☒ Yes ☐ No

**14. PLAN TO PROVIDE SERVICES:**

a. Describe services to be extended to the affected territory:

See attached Plan of Services

b. Describe the level and range of those services to be provided:

See attached Plan of Services



- c. Describe any improvements or upgrades of structures, roads, sewer, water facilities, or other public facilities associated with this change of organization/reorganization:  
See attached Plan of Services

- d. How will services be financed?  
See attached Plan of Services

**15. TIMELY AVAILABILITY OF WATER SUPPLIES:**

- a. How will the proposal impact the timely availability of water supplies adequate for projected needs?  
Given the lengthy history of mismanagement by previous boards of directors and management, the retail water service provided by the District has, historically, been inadequate. The proposed dissolution, designation of a successor agency, and future transfer to a long-term service provider, is intended to improve retail water service.
- b. For projects involving a proposed change in land use and/or new development – Please provide a recent will-serve letter, water supply analysis, or equivalent, from the water provider(s) (wholesaler, retailer, private water company, etc.) concerning the current adequacy of water supply for the project:  
N/A (no change is proposed).

**16. REGIONAL HOUSING NEEDS (only for city proposals):**

- a. Identify how the proposal will affect a city or cities and the County of Los Angeles in achieving their respective fair shares of the regional housing needs, as determined by the Southern California Association of Governments (SCAG):  
As a special district dissolution, the proposal will not affect any city, nor the County, in achieving their respective fair shares of the regional housing needs as determined by the Southern California Association of Governments ("SCAG").
- b. Date of most recent approval by the State Department of Housing and Community Development (HCD) of the City's Housing Element:  
N/A

**17. ENVIRONMENTAL JUSTICE:**

Government Code Section 56668(p) defines environmental justice as "the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provisions of public services."



- a. Identify how the proposal will promote environmental justice:

Historically, the District provided inadequate retail water service to disadvantaged residents in the affected territory. The appointment of the Los Angeles County as the State Administrator, and the proposed designation of a successor agency, are actions intended to promote environmental justice by providing competent, qualified, and experienced management committed to providing these residents with safe, reliable, and quality drinking water.

**18. DISADVANTAGED UNINCORPORATED COMMUNITIES (DUCs):**

LAFCO maintains maps of all DUC's within Los Angeles County on the "Disadvantaged Unincorporated Communities" section of LAFCO's website. Please consult these maps to determine if there are DUCs within or adjacent to the affected territory that is the subject of your proposal.

- a. Is the affected territory within a DUC?

☐

NO

☒

YES

Give general location of DUC:

All of the affected territory is within a DUC, and the boundaries of that DUC extend generally northerly and westerly of the affected territory.

- b. Is the affected territory adjacent to a DUC?

☐

NO

☒

YES

Give general location of DUC:

All of the affected territory is within a DUC, and the boundaries of that DUC extend generally northerly and westerly of the affected territory.

**19. BONDED INDEBTNESS:**

- a. Do the agencies whose boundaries are being changed have any existing bonded debt?

☒

YES

☐

NO

- b. Will the proposal area be liable for payment of its fair share of this existing debt?

☒

YES

☐

NO

- c. In the case of detachment requests, does the detaching agency propose that the subject territory continue to be liable for existing bonded debt?

☐

YES

☐

NO



**20. CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) Compliance:**

a. Check one:



Categorical Exemption / Statutory Exemption  
CEQA Guideline Section: *15061*



Negative Declaration (ND)



Mitigated Negative Declaration (MND)



Environmental Impact Report (EIR)

b. Identify the Lead Agency which adopted a CEQA clearance for the proposal: **LAFCO**

c. Date Lead Agency adopted the CEQA clearance for the proposal: **July 11, 2018**

d. Submit complete copies of CEQA compliance documents.

e. Submit complete copies of any Notice of Exemption (NOE) or Notice of Determination (NOD).

**21. CITY PLAN FOR MUNICIPAL SERVICES (only for city proposals):**

Municipal Service	Current Service Provider	Proposed Service Provider
Animal Control		
Fire & Emergency Medical		
Flood Control		
Library		
Mosquito and Vector Control		
Park and Recreation		
Planning		
Police		
Road Maintenance		
Solid Waste		
Street Lighting		
Water		
Wastewater		

**Animal Control**

Describe services to be extended to the affected territory:

Describe the level and range of those services to be provided:

Describe any improvements or upgrades or transfers of facilities:

How will services be financed?

**Fire and Emergency Services**

Describe services to be extended to the affected territory:

Describe the level and range of those services to be provided:

Describe any improvements or upgrades or transfers of facilities:

How will services be financed?

**Flood Control**

Describe services to be extended to the affected territory:

Describe the level and range of those services to be provided:

Describe any improvements or upgrades or transfers of facilities:

How will services be financed?

**Library**

Describe services to be extended to the affected territory:

Describe the level and range of those services to be provided:

Describe any improvements or upgrades or transfers of facilities:

How will services be financed?

**Mosquito & Vector Control**

Describe services to be extended to the affected territory:

Describe the level and range of those services to be provided:

Describe any improvements or upgrades or transfers of facilities:

How will services be financed?

**Parks and Recreation**

Describe services to be extended to the affected territory:

Describe the level and range of those services to be provided:

Describe any improvements or upgrades or transfers of facilities:

How will services be financed?



### **Planning**

Describe services to be extended to the affected territory:

Describe the level and range of those services to be provided:

Describe any improvements or upgrades or transfers of facilities:

How will services be financed?

### **Police**

Describe services to be extended to the affected territory:

Describe the level and range of those services to be provided:

Describe any improvements or upgrades or transfers of facilities:

How will services be financed?

### **Road Maintenance**

Describe services to be extended to the affected territory:

Describe the level and range of those services to be provided:

Describe any improvements or upgrades or transfers of facilities:

How will services be financed?

**Solid Waste Disposal**

Describe services to be extended to the affected territory:

Describe the level and range of those services to be provided:

Describe any improvements or upgrades or transfers of facilities:

How will services be financed?

**Street Lighting**

Describe services to be extended to the affected territory:

Describe the level and range of those services to be provided:

Describe any improvements or upgrades or transfers of facilities:

How will services be financed?

**Water**

Describe services to be extended to the affected territory:

Describe the level and range of those services to be provided:

Describe any improvements or upgrades or transfers of facilities:

How will services be financed?



### **Wastewater**

Describe services to be extended to the affected territory:

Describe the level and range of those services to be provided:

Describe any improvements or upgrades or transfers of facilities:

How will services be financed?

### **INDEMNIFICATION / LEGAL DEFENSE**

As a condition to the Local Agency Formation Commission for the County of Los Angeles' (LAFCO's) evaluation of the Applicant's proposal, the Applicant and, if different, the Real Party In Interest (i.e., the landowner) \_\_\_\_\_ hereby warrant, represent, and agree to defend, indemnify, hold harmless LAFCO and its agents, officers, commissioners, and employees from any claim, action, or proceeding against LAFCO or its agents, officers, commissioners, and employees, relating to or arising out of LAFCO's evaluation or processing of the proposal, including, but not limited to, any action to attack, set aside, void, annul, enjoin, or compel LAFCO's approval, disapproval, evaluation, or processing of the proposal, which indemnification obligation includes, but is not limited to, Applicant/Real Party In Interest being required to pay for any costs and reasonable attorneys' fees incurred or anticipated to be incurred by LAFCO in connection with any such action. This indemnification obligation shall not include intentional or willful misconduct on the part of LAFCO, but shall include passive and/or concurrent active negligence by LAFCO. Applicant/Real Party In Interest agree that LAFCO has the right to appoint its own counsel for its defense and conduct its own defense in the manner it deems in its best interest, and that such actions will not relieve or limit Applicant's/Real Party In Interest's obligations to indemnify and reimburse defense costs. At the discretion of the Executive Officer, a deposit or deposits of funds by the Applicant may be required in an amount or amounts sufficient to cover any anticipated or incurred litigation costs.



## PROPOSAL CERTIFICATION

By my signature below, I hereby certify my understanding that:

- I/We are authorized to make these certifications and file this Proposal with LAFCO on behalf our city, special district, corporation, landowner, and/or other party filing said Proposal, and I/we will provide written evidence of same to LAFCO upon request.
- It is the responsibility of the Applicant to substantiate this Proposal.
- There is no guarantee, expressed or implied, that any Proposal will be approved by LAFCO.
- Each matter must be carefully evaluated by LAFCO staff.
- LAFCO staff's recommendation may change during the course of the review based on the information presented.
- A public hearing may be required, the proposal may be subject to a "protest" process, and the proposal may be subject to an election.
- The environmental review (pursuant to the California Environmental Quality Act) associated with the submittal of this application is preliminary, and, after further evaluation, additional information, reports, studies, applications, and/or fees may be required.
- The required map and geographic description must conform to the "Instructions of Completing Maps and Geographic Descriptions," to the satisfaction of the Executive Officer.
- If my proposal is denied, I am/We are not entitled to any refund of fees paid.
- Submitting inaccurate or incomplete information may result in delays or denial of my Proposal.
- The information I have provided in this Proposal, including all attachments and supplemental information provided, is accurate and correct to the best of my knowledge, subject to penalty of perjury.
- This proposal will not be scheduled for consideration by the Commission (LAFCO) until all required documents are provided, to the satisfaction of the Executive Officer.
- I/We have reviewed and agree to the Indemnification/Legal Defense terms, above.

I have read and understand the foregoing, and agree to the submittal of this Proposal.

### APPLICANT

*onova 12/13/18*

Signature/Date

\_\_\_\_\_  
Name of Applicant

\_\_\_\_\_  
Name & Position of Person Signing  
(if different from Applicant)

### REAL PARTY IN INTEREST

\_\_\_\_\_  
Signature/Date

\_\_\_\_\_  
Name of Real Party In Interest

\_\_\_\_\_  
Name & Position of Person Signing  
(if different from Real Party In Interest)



Dissolution No. 2018-09 of the Sativa County Water District (“District” or “Sativa”)  
(aka “Sativa Los Angeles County Water District”)

**Exhibit C**

**Assembly Bill 1577 (Gipson) adding § 116687 to the  
State of California Health and Safety Code**



## **Assembly Bill No. 1577**

### **CHAPTER 859**

An act to add Section 116687 to the Health and Safety Code, relating to drinking water, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor September 28, 2018. Filed with  
Secretary of State September 28, 2018.]

#### **LEGISLATIVE COUNSEL'S DIGEST**

AB 1577, Gipson. California Safe Drinking Water Act: Sativa-Los Angeles County Water District.

Existing law, the California Safe Drinking Water Act, provides for the operation of public water systems and imposes on the State Water Resources Control Board various responsibilities and duties. The act authorizes the state board to order consolidation with a receiving water system where a public water system or a state small water system, serving a disadvantaged community, consistently fails to provide an adequate supply of safe drinking water. The act authorizes the state board, for the purpose of providing affordable, safe drinking water to disadvantaged communities and preventing fraud, waste, and abuse, to contract with an administrator to provide administrative and managerial services to a designated public water system and to order the designated public water system to accept those administrative and managerial services, including full management and control, if sufficient funding is available and if the state board finds that consolidation with another system or extension of service from another system is either not appropriate or not technically and economically feasible.

This bill would require the state board to order the Sativa-Los Angeles County Water District to accept administrative and managerial services, including full management and control, from an administrator selected by the state board. The bill would require the district's board of directors, upon the appointment of an administrator, to surrender all control to the appointed administrator and would provide that the district shall thereafter cease to exist. The bill would authorize, if the Local Agency Formation Commission for the County of Los Angeles approves a dissolution of the district, a successor agency designated in the dissolution, in consultation with the Local Agency Formation Commission for the County of Los Angeles, to solicit proposals, evaluate submittals, and select any public water system to be the receiving water system and provide retail water service to existing and future ratepayers within the former territory of the district, as provided. The bill would limit the liability of specified entities involved in the dissolution of the Sativa-Los Angeles County Water District and make related changes.

This bill would make legislative findings and declarations as to the necessity of a special statute for the Sativa-Los Angeles County Water District.

This bill would declare that it is to take effect immediately as an urgency statute.

*The people of the State of California do enact as follows:*

SECTION 1. Section 116687 is added to the Health and Safety Code, to read:

116687. (a) For purposes of this section, the following terms have the following meanings:

(1) "District" means the Sativa-Los Angeles County Water District.

(2) "Commission" means the Local Agency Formation Commission for the County of Los Angeles.

(b) To provide affordable, safe drinking water to disadvantaged communities, the state board shall order the district to accept administrative and managerial services, including full management and control, from an administrator selected by the state board, as prescribed in Section 116686, except that the state board is not required to conduct a public meeting as described in paragraph (2) of subdivision (b) of Section 116686.

(c) (1) Upon the appointment of an administrator, all of the following shall apply:

(A) Notwithstanding Article 1 (commencing with Section 30500) of Chapter 1 of Part 3 of Division 12 of the Water Code, the district's board of directors shall surrender all control to the appointed administrator and shall thereafter cease to exist.

(B) The members of the board of directors of the district shall have no standing to represent the district's ratepayers, and a member of the board of directors shall have no claim for benefits other than those he or she actually received while a member of the board of directors.

(C) Any action by the board of directors to divest the district of its assets shall be deemed tampering with a public water system pursuant to Section 116750 and shall be subject to the criminal penalties provided for in that section.

(2) Within 90 days of the appointment of an administrator, the Controller shall perform a desk audit or financial review of the district. The state board shall exercise its legal authority to facilitate the desk audit or financial review, including, but not limited to, its authority to take possession of the district's financial records.

(3) Any decision by the commission about the dissolution or consolidation of the district shall not be subject to the provisions of Section 57113 of the Government Code, nor to any other requirement for a protest proceeding or election. The commission shall not impose any condition on the successor agency that requires a protest proceeding or an election, as described in Part

4 (commencing with Section 57000) and Part 5 (commencing with Section 57300) of Division 3 of Title 5 of the Government Code, respectively.

(4) If the commission approves a dissolution of the district initiated by the commission, a successor agency designated in the dissolution by the commission, in consultation with the commission, may solicit proposals, evaluate submittals, and select any public water system to be the receiving water system and subsume all assets, liabilities, adjudicated water rights, responsibilities, and service obligations to provide retail water service to existing and future ratepayers within the former territory of the district. The successor agency shall represent the interests of the public and the ratepayers in the former territory of the district.

(d) The state board may provide additional funding to the administrator or the Water Replenishment District of Southern California or the successor agency designated by the commission for urgent infrastructure repairs to the public water system of the district without regard to the future ownership of any facilities affected by this funding. For purposes of this section, "urgent infrastructure repairs" are those that are immediately necessary to protect the public health, safety, and welfare of those served by the district.

(e) If the district is consolidated with a receiving water system as prescribed in Sections 116682 and 116684, the subsumed territory of the district may include both unincorporated territory of the County of Los Angeles and incorporated territory of the City of Compton.

(f) (1) Any administrator appointed pursuant to subdivision (b), any successor agency to the district designated by the commission to take over the district, any receiving operator of a public water system that provides service to the territory of the district, any water corporation that acquires the district, and the commission shall not be held liable for claims by past or existing district ratepayers or those who consumed water provided through the district concerning the operation and supply of water from the district during the interim operation period specified in subdivision (g) for any good faith, reasonable effort using ordinary care to assume possession of, to operate, or to supply water to, the ratepayers within the territory of the district.

(2) Any administrator appointed pursuant to subdivision (b), any successor agency to the district designated by the commission to take over the district, any receiving operator of a public water system that provides service to the territory of the district, any water corporation that acquires the district, and the commission shall not be held liable for claims by past or existing district ratepayers or those who consumed water provided through the district for any injury that occurred prior to the commencement of the interim operation period specified in subdivision (g).

(g) (1) Notwithstanding subdivision (d) of Section 116684; for any successor agency to the district designated by the commission to take over the district, any receiving operator of a public water system that provides service to the territory of the district, or any water corporation that acquires the district, the interim operation period shall commence upon the execution of an agreement or designation by the commission to provide water services

to the district and shall end one year later. Upon the showing of good cause, the interim operation period shall be extended by the commission for up to three successive one-year periods at the request of an entity described in this paragraph.

(2) For the administrator appointed pursuant to subdivision (b), the interim operation period shall commence upon being appointed by the state board and shall end when a successor agency has been designated by the commission to provide water service to ratepayers of the district, a receiving water agency is consolidated with or extends service to ratepayers of the district, a water corporation acquires the district with the approval of the Public Utilities Commission, or when the administrator's obligation to provide interim administrative and managerial services has otherwise ended.

SEC. 2. The Legislature finds and declares that a special statute is necessary and that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the unique circumstances in the Sativa-Los Angeles County Water District regarding the need to ensure the residents served by the Sativa-Los Angeles County Water District have access to safe, clean drinking water.

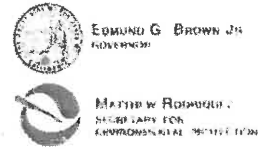
SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the California Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to ensure the ratepayers of the Sativa-Los Angeles County Water District have access to affordable, safe drinking water as soon as possible, it is necessary for this act to take effect immediately.

Dissolution No. 2018-09 of the Sativa County Water District (“District” or “Sativa”)  
(aka “Sativa Los Angeles County Water District”)

**Exhibit D**

**SWRCB Order No. 04\_22\_18R\_003 appointing the Los Angeles County  
as the State Administrator of the District issued on October 31, 2018**



**State Water Resources Control Board**  
Division of Drinking Water

October 31, 2018

System No. 1910147

Mr. Luis Landeros, President  
Board of Directors  
Sativa Los Angeles County Water District  
2015 East Hatchway Street  
Compton, CA 90222

**ORDER NO. 04\_22\_18R\_003**  
**ADMINISTRATOR ORDER FOR SATIVA LOS ANGELES COUNTY WATER DISTRICT**

Enclosed is Order No. 04\_22\_18R\_003 (hereinafter "Order") issued to the Sativa Los Angeles County Water District ("Sativa"). **Please note there are legally enforceable requirements associated with this Order.**

Additionally, please be advised that, as explained in the Order, the State Water Resources Control Board ("State Water Board") has appointed the County of Los Angeles to serve as the administrator ("Administrator") for Sativa. Pursuant to Assembly Bill 1577, which was signed by the Governor on September 28, 2018 and is codified as section 116687 of the Health and Safety Code, the following shall apply upon the appointment of the Administrator:

1. Pursuant to Health and Safety Code section 116687, subd. (c)(1)(A), Sativa's Board of Directors shall immediately surrender all control to the County and shall thereafter cease to exist;
2. Pursuant to Health and Safety Code section 116687, subd. (c)(1)(B), the members of the Board of Directors shall have no standing to represent the district's ratepayers, and a member of the Board of Directors shall have no claim for benefits other than those he or she actually received while a member of the Board of Directors;
3. Pursuant to Health and Safety Code section 116687, subd. (c)(1)(C), any action by the Board of Directors to divest Sativa of its assets shall be deemed tampering with a public water system pursuant to Health and Safety Code section 116750 and shall be subject to the criminal penalties provided for in that section.

Any person who is aggrieved by an order or decision issued under authority delegated to an officer or employee of the State Water Board under Article 8 (commencing with Health and Safety Code, section 116625) or Article 9 (commencing with Health and Safety Code, section 116650), of the Safe Drinking Water Act (Health and Safety Code, Division 104, Part 12, Chapter 4), may file a petition with the State Water Board for reconsideration of the order or decision.

ELLEN MACQUE, CHAIR | ELLEN SOBECK, EXECUTIVE DIRECTOR

1001 I Street, Sacramento, CA 95814 | Mailing Address: P.O. Box 100, Sacramento, CA 95812-0100 | [www.waterboards.ca.gov](http://www.waterboards.ca.gov)


Mr. Luis Landeros  
October 31, 2018

Information regarding filing petitions may be found at:

[http://www.waterboards.ca.gov/drinking\\_water/programs/petitions/index.shtml](http://www.waterboards.ca.gov/drinking_water/programs/petitions/index.shtml)

If you have any questions regarding this matter, please contact Shu-Fang Orr, P.E., Angeles District Engineer, at (818) 551-2045 or Jeff O'Keefe, P.E., Southern California Section Chief, at (818) 551-2068.

Sincerely,



Darrin Polhemus  
Deputy Director  
Division of Drinking Water

Enclosure

cc: (via email, with appendices to the Order delivered by mail on a cd)

Thomas Martin, General Manager  
Sativa Los Angeles County Water District  
2015 East Hatchway Street  
Compton, CA 90222

The Honorable Nanette Diaz Barragan  
Congresswoman for California's 44<sup>th</sup> District  
302 West Fifth Street  
San Pedro, CA 90731

The Honorable Mike A. Gipson,  
Assemblymember, 64<sup>th</sup> California Assembly District  
879 West 190<sup>th</sup> Street, Suite 920  
Gardena, CA 90248

Mark Ridley-Thomas  
Los Angeles County Board of Supervisor  
2<sup>nd</sup> District of Los Angeles County  
Kenneth Hahn Hall of Administration, Room 866  
500 West Temple Street  
Los Angeles, CA 90012

Janice Hahn  
Los Angeles County Board of Supervisor  
4<sup>th</sup> District of Los Angeles County  
Kenneth Hahn Hall of Administration, Room 822  
500 West Temple Street  
Los Angeles, CA 90012



Mr. Luis Landeros  
October 31, 2018

Jerry Gladbach, Chair  
Local Agency Formation Commission for County of Los Angeles  
80 South Lake Avenue, Suite 870  
Pasadena, CA 91101

Paul Novak, Executive Officer  
Local Agency Formation Commission for County of Los Angeles  
80 South Lake Avenue, Suite 870  
Pasadena, CA 91101

Angela George-Moody, Deputy Director, Water Resources  
Los Angeles County Public Works  
900 S. Fremont Avenue  
Alhambra, CA 91803

Russ Bryden, P.E., Principal Engineer  
Los Angeles County Public Works  
900 S. Fremont Avenue  
Alhambra, CA 91803

Jacqueline E. Taylor, Director  
Environmental Protection Branch  
Los Angeles County Department of Public Health  
Environmental Health  
5050 Commerce Drive  
Baldwin Park, California 91706

STATE OF CALIFORNIA  
STATE WATER RESOURCES CONTROL BOARD  
DIVISION OF DRINKING WATER

**Name of Public Water System:** Sativa Los Angeles County Water District

**Water System No:** 1910147

**Attention:** Mr. Luis Landeros, Board President

2015 East Hatchway Street

Compton, CA 90222

**Issued:** October 31, 2018

**ORDER REQUIRING SATIVA LOS ANGELES COUNTY WATER DISTRICT TO  
ACCEPT ADMINISTRATIVE AND MANAGERIAL SERVICES  
FROM THE COUNTY OF LOS ANGELES  
CALIFORNIA HEALTH AND SAFETY CODE SECTIONS 116686 AND 116687**

In order to provide affordable, safe drinking water to disadvantaged communities and to prevent fraud, waste, and abuse, California Health and Safety Code, section 116686<sup>1</sup> authorizes the State Water Resources Control Board ("State Water Board") to issue an order requiring a designated public water system to accept administrative and managerial services, including full management and control, from an administrator selected by the State Water Board.

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<sup>1</sup> Relevant statutes and regulations have been attached hereto as Appendix 1. Due to the number and length of the appendices to this Order, all appendices are included on a cd enclosed with this letter.

Assembly Bill 1577, which was signed into law by the Governor on September 28, 2018, added section 116687 to the Health and Safety Code. Section 116687 directs the State Water Board to order the Sativa Los Angeles County Water District ("Sativa") to accept administrative and managerial services, including full management and control, from an administrator selected by the State Water Board, as prescribed in section 116686, except the State Water Board is not required to conduct a public meeting as described in paragraph (2) of subdivision (b) of section 116686.

The State Water Board, acting by and through its Division of Drinking Water ("Division") and the Deputy Director for the Division, hereby issues Order No. 04\_22\_18R\_003 (hereinafter "Order") pursuant to sections 116686 and 116687 of the Health and Safety Code to Sativa as set forth below.

#### **STATEMENT OF FACTS**

Sativa is classified as a community public water system with a population of approximately 6,837 persons served through 1,643 service connections. Sativa operates the water system under the revised Domestic Water Supply Permit No. 04-22-12P-009, issued by the State Water Board on August 30, 2012. Sativa utilizes two groundwater wells, Wells 3 and 5, as its source of domestic water. The current maximum pumping rates of Well 3 and Well 5 are around 363 gpm and 600 gpm, respectively. Each well is equipped with a gas chlorination system. Well 3 is equipped with two hydropneumatic tanks that typically operate alternately. However, only one hydropneumatic tank is in operation. The other hydropneumatic tank is due for rehabilitation and cleaning. Well 5 is equipped with one hydropneumatic tank. Sativa has one emergency connection with the City of Compton. The distribution system has only one pressure-zone, with no booster station and no storage tank. The distribution system consists of approximately 8.7 miles

of pipelines composed of 6-inch and 4-inch pipes. The service connections are not metered.

In January 2017, as part of a funding application evaluation, the State Water Board's Division of Financial Assistance (DFA) staff utilized the 2015 American Community Survey block group data that best correspond to Sativa's service area boundary to calculate Sativa's median household income (MHI). The calculated MHI was \$45,732, around 74 percent of the statewide MHI (\$61,818). Health and Safety Code section 79505.5 defines "disadvantaged community" as a community with an annual MHI that is less than 80 percent of the statewide annual MHI. Accordingly, Sativa serves a disadvantaged community pursuant to section 79505.5

#### Prior Compliance and Enforcement Orders

Sativa has been subject to the following citations, orders, and other directives issued by the Division:

- October 26, 1994, Citation No. 04-07-94C-058: *failure to comply with the maximum contaminant level (MCL) for total coliform (Appendix 2).*
- December 15, 1999, Citation No. 04-07-99C-018: *(1) failure to collect the required number of repeat samples from the distribution system following a total coliform positive sample; (2) failure to utilize the trained personnel declared in the routine sample siting plan; (3) failure to utilize operators that have been properly certified by the Division; (4) failure to maintain operational records; and (5) failure to monitor Well 5 for compliance with secondary standards (Appendix 3).*
- July 5, 2007, Notice of Violation: *failure to collect the required number of total coliform samples from the distribution system (Appendix 4).*
- September 5, 2007, Notice of Violation: *failure to monitor for lead and copper in the distribution system since 2002 (Appendix 5).*

- September 27, 2007, Citation No. 04-22-07C-011: (1) failure to comply with the total coliform MCL; (2) failure to notify the Division of the total coliform MCL violation; (3) failure to provide the Division with the status of physical works and operating procedures which may cause the elevated bacteriological findings (Appendix 6).
- November 14, 2007, Notice of Violation: failure to monitor for disinfection byproducts in the distribution system since 2004 (Appendix 7).
- December 27, 2007: Citation No. 04-22-07C-016: (1) failure to utilize certified D2 water distribution operators for positions in responsible charge of the distribution system from December 2, 2006; and (2) failure to meet the initial monitoring requirements for radionuclides for Wells 2, 3 and 5 (Appendix 8).
- September 5, 2008: Notice of Violation: failure to collect radionuclides samples from Wells 2, 3 and 5 per Citation No. 04-22-07C-016 (Appendix 9)
- February 9, 2010, Notice of Violation: failure to follow the approved Stage 1 Disinfectants and Disinfection Byproducts Rule (DBPR) Compliance Monitoring Plan while conducting total trihalomethanes (TTHMs) and haloacetic acids (five)(HAA5) monitoring in 2009 (Appendix 10).
- April 1, 2010, Notice of Violation: failure to collect the last set of the Initial Distribution System Evaluation (IDSE) Standard Monitoring samples in April 2009, in accordance with the approved IDSE Standard Monitoring Plan (Appendix 11).
- July 6, 2011, Warning Letter: failure to collect an asbestos sample from the distributions system (Appendix 12).
- September 5, 2014, Warning Letter: failure to monitor in accordance with Sativa's approved Stage 2 DBPR Compliance Monitoring Plan (Appendix 13).
- November 16, 2015, Citation No. 04\_22\_15C\_005: failure to monitor in accordance with Sativa's approved Stage 2 DBPR Compliance Monitoring Plan

*and submit the 2015 Annual Stage 2 TTHMs/HAA5 Summary Form by the due date (Appendix 14).*

- *January 22, 2016, Notice of Violation: failure to collect the required number of the Total Coliform Rule (TCR) compliance samples during the week of November 23, 2015 (Appendix 15).*
- *May 30, 2017, Sanitary Survey Letter and Engineering Report: inadequate water source and no storage facility to provide reserve during emergencies (Appendix 16).*
- *September 25, 2017, Citation No. 04\_22\_17C\_005: failure to submit the February 2017, March 2017 and August 2017 TCR Compliance reports and the first Quarter 2017 DDBP Rule Disinfectant Residual Compliance report by the due dates (Appendix 17).*
- *June 1, 2018, Compliance Order No. 04\_22\_18R\_002: (1) failure to provide a reliable and adequate supply of pure, wholesome and potable water (inadequate water source and presence of significant amounts of particulate matter in the distribution system); (2) failure to maintain the minimum operating pressure in the distribution system; (3) failure to maintain the minimum flushing velocity during flushing (Appendix 18).*
- *July 23, 2018, Warning Letter: potential failure to comply with Directives 3, 4 and 5 of Compliance Order No. 04\_22\_18R\_002 (Appendix 19).*

The enforcement records show that, despite being directed to provide training to staff carrying out the water quality compliance monitoring and reporting duties, and the repeat training provided by Division staff, Sativa has failed to comply with the monitoring and reporting requirements repeatedly.

#### Source Capacity and Water Quality Issues

Sativa was informed by the Division of its inadequate storage capacity and potential fire flow problem as early as January 10, 2008 (Appendix 20). The Division again reminded Sativa about the storage capacity and potential fire flow issues in a letter dated May 18, 2011 (Appendix 21). Finally, the Division directed Sativa to submit a report documenting the evaluation of the District's capacity to provide sufficient flow for fire fighting and maintain the acceptable system pressure (minimum 20 psi) within 120 days of receiving the revised full permit on August 30, 2012 (Appendix 22).

Subsequent to the issuance of the revised full permit, Sativa hired Civiltec Engineering Inc. ("Civiltec") to conduct a hydraulic evaluation of the water system. Civiltec investigated the operation of the water system, surveyed the existing facilities, including Wells 2, 3 and 5, and performed hydraulic analyses of the water system. In a technical memorandum dated June 26, 2013, Civiltec concluded that none of the hydrants within the distribution system is capable of achieving the Los Angeles County Fire Department's fire flow requirement of 1,250 gpm at 20 psi for two hours (Appendix 23). In the Water Master Plan dated May 2014, Civiltec further concluded that Sativa has no excess capacity to meet emergency demand. Sativa has a current storage deficit about 1.7 MG and future deficit of 1.9 MG. Sativa was directed by the Division to submit a plan addressing the storage deficit by August 31, 2017 (Appendix 16). In a response letter dated August 31, 2017, Sativa stated it planned to apply for funding from the State Water Board for a new storage reservoir project (Appendix 24). Sativa has yet to submit a funding application to the State Water Board to address the storage deficit.

As documented in the Division's Sanitary Survey Report dated May 30, 2017 (Appendix 16), the Division directed Sativa to remove Well 2 from service in December 2015 after receiving a laboratory report showing *E. Coli* had been detected in a sample collected in

November 2015. The detection occurred after Sativa had rehabilitated the well in October 2015. On March 30, 2016, the Division met with representatives of Sativa and Layne Christensen, the company involved in the well rehabilitation project. Prior to the meeting, the Division had reviewed documents submitted by Sativa, including the results of well profile testing conducted prior to the rehabilitation (September 2014) and after the rehabilitation (February 22, 2016) and the video log for the inspection performed on September 28, 2015. After viewing the presentation by the representative of Layne Christensen and the follow-up discussions, the Division concluded that Well 2 had reached the end of its useful life.

In addition to the concern over the elevated bacteriological growth and presence of protozoa, as documented in the well profile test letters (see Appendices 2 and 3 to Appendix 16), Well 2 has holes in the casing (September 28, 2015 video log) and is structurally unsound. Toward the end of the meeting, the Division advised Sativa to apply for financial assistance from DFA to install a replacement well.

On August 9, 2016, the Division requested DFA to provide technical assistance to Sativa. DFA contracted with the California Rural Water Association (CRWA) to assist Sativa in preparing the State Revolving Fund (SRF) funding application (Appendix 25). Sativa invited their funding consultant to participate in a telephone conference scheduled between CRWA and Sativa in October 2016 (Appendix 26). On February 24, 2017, Sativa's funding consultant submitted a construction application to the Water Board's FFAST online system (Appendix 27). According to the DFA staff, Sativa declined the technical assistant from CRWA because they had hired a funding consultant (Appendix 28). On March 5, 2017, Sativa's funding consultant revised the SRF construction loan application to incorporate comments provided by the DFA staff. The DFA staff reviewed the revised application package and made repeated requests for supporting technical and



financial documents on March 13, 2017, March 28, 2017, and April 5, 2017. Sativa did not provide documents requested by the DFA staff. In May 2017, the DFA staff learned that Sativa had fired the funding consultant (Appendix 28).

After learning of the firing of Sativa's funding consultant from the DFA staff and knowing Sativa's source capacity deficiency, the Division again requested that DFA provide technical assistance to help Sativa secure funding for the new well. On June 7, 2017, DFA assigned the California State University of San Bernardino (CSUSB) to assist Sativa in preparing environmental documents required by the United States Environmental Protection Agency for SRF funding. According to the same e-mail from DFA, CRWA had also been assigned to assist Sativa in completing the Technical, Managerial and Financial (TMF) Assessment (Appendix 29). On June 26, 2017, DFA staff learned that Sativa had hired their own environmental consultant. On July 5, CSUSB confirmed they were informed that Sativa no longer needed their assistance (Appendix 30).

Subsequently, during a meeting with Sativa on July 6, 2017, the Division learned that Sativa intended to move forward with a revenue bond for the new well project. In a letter dated August 31, 2017, Sativa confirmed they had acquired a bond to finance the construction of the new well (Appendix 31). Then Sativa informed the Division during a meeting on December 15, 2017, that they had changed their plan. Instead of drilling a new well, Sativa intended to pursue an interconnection with Liberty Utilities. Sativa was advised by the Division in the December 2017 meeting and subsequent meetings that if Sativa intended to use the interconnection to comply with the source capacity requirement, it must ensure the new interconnection would be a reliable, uninterruptable source of supply.

As documented in Compliance Order No. 04\_22\_18R\_002, issued on June 1, 2018, the inadequate source capacity has also hindered Sativa from properly performing routine distribution system maintenance, such as flushing. Sativa failed to maintain the minimum flushing velocity of 2.5 ft/s and minimum system pressure of 20 psi during the April 2018 flushing events, severely affecting the quality of water supplied to Sativa's customers (Appendix 18).

Following the numerous complaints from customers after the April 2018 flushing events, in Compliance Order No. 04\_22\_18R\_002, Sativa was directed to prepare for State Water Board's approval a Corrective Action Plan (CAP), identifying improvements to the water system designed to correct the source capacity deficiencies, the general physical water quality issues in the distribution system, and the infrastructure deficiencies hampering effective maintenance of the system, such as flushing activities. Sativa was directed to include in the CAP a time schedule for completion of each phase of the project such as design, construction, and startup, and a date when Sativa would comply the California Waterworks Standards. Further, Sativa was directed to submit and present the CAP on or before August 15, 2018.

On July 23, 2018, the Division issued a warning letter to Sativa, after discovering Sativa had posted on its website a file entitled "Sativa Los Angeles County Water District System Improvements, June 2018", a Notice Inviting Bids for the "Paulsen Avenue Water Main Phase 2- Project No. 106-WTR", and a meeting agenda showing the interconnection and another Paulsen Avenue Water Main Project (Phase 1) identified in the improvement plan document were ready to be awarded. Sativa was warned that they must comply with Directives 3, 4 and 5 of the Compliance Order and not to proceed with projects without first demonstrating to the Division that the projects would help solve the problems listed in Directive 3 and comply with the California Waterworks Standards (Appendix 19).

Following repeated requests by the Division, Sativa submitted the plans and specifications for the Paulsen Avenue Water Main Phase 1 and Phase 2 Projects and the design drawing for the Liberty Utilities Interconnection via e-mail on July 20, 2018. During a meeting on August 2, 2018, the Division notified Sativa that the plans and specifications of both Paulsen Avenue Water Main projects were unacceptable. The agreement with Liberty Utilities submitted by Sativa via e-mail on July 30, 2018 shows that the interconnection with Liberty Utilities is an emergency supply, not a reliable, uninterruptable, source of supply that Sativa can use at any time. The Division also pointed out the hydraulic analysis proposed by Sativa to help develop the CAP was too narrow in scope and only focused on the southwest portion of the water system. As documented in a letter to Sativa dated August 10, 2018 (Appendix 31), Sativa agreed to extend the hydraulic analysis to all the distribution system and requested an extension of the CAP submittal deadline from August 15, 2018 to September 15, 2018, which was approved by the Division.

On August 23, 2018, the Division sent a letter to Sativa listing the documents required by Division to conduct permit investigation for the interconnection with Liberty Utilities (Appendix 32). Sativa has not provided the Division with documents listed in the letter.

On August 31, 2018, Sativa provided via e-mail the first draft Hydraulic Modeling Technical Memorandum prepared by Civiltec and dated August 31, 2018. The hydraulic analysis results again show that none of the fire hydrants in Sativa's distribution system can meet the fire flow requirements (Appendix 33).

On September 10, 2018, Sativa submitted via e-mail the final CAP (Attachment 1 of Appendix 34). As documented in a letter to Sativa dated September 14, 2018, the CAP

was incomplete, unsigned, contains various errors, and could not be accepted as a plan to solve the water system's problems listed in the compliance order (Appendix 34).

On September 27, 2018, Sativa submitted via e-mail the updated version of the CAP dated September 24, 2018 to address the Division's comments dated September 14, 2018 (Appendix 35). Sativa did not fully address the comments provided in the Division's letter dated September 14, 2018 regarding the CAP (Appendix 36).

On September 27, 2018, Sativa also submitted a Standard Operating Procedures (SOP) for the flushing activities and a training plan for the personnel involved in carrying out the flushing activities, as required by the Compliance Order (Appendix 35). The flushing SOP submitted by Sativa is not acceptable. In the flushing SOP, Sativa divided the water system into three sections and provided a table listing the flushing sequences for the existing fire hydrants. However, the SOP does not contain any data demonstrating Sativa will be able to maintain the minimum system pressure of 20 psi while achieving the minimum flushing velocity of 2.5 ft/sec throughout the flushing periods with the proposed flushing sequences. Sativa listed the data to be collected, including the pilot tube pressure, system static pressure and residual pressure, among others during flushing. However, the SOP does not contain information regarding the flow measuring instrument and the measuring and calculation procedures. As documented in Compliance Order No. 04\_22\_18R\_002, Sativa did not use the flowmeter with the proper range of measurement during the April 2018 flushing activities. In the "Purpose" section of the flushing SOP, Sativa indicated a training plan is included in the SOP in a form of presentation attached in the appendix. However, the flushing training plan attached to the SOP only contains three presentation slides, including the cover, purpose and water system background pages. Sativa failed to comply with Directive 6 of the Compliance Order No. 04\_22\_18R\_002.

#### Response to October 2, 2018 Notice

On October 2, 2018, the Division sent a letter to Sativa, informing Sativa of the Division's intent to appoint an administrator pursuant to Assembly Bill 1577<sup>2</sup> and section 116686 of the Health and Safety Code and providing Sativa an opportunity to show: (1) Sativa has not consistently failed to provide an adequate and affordable supply of safe drinking water; and/or (2) Sativa has taken steps to timely address its failure to provide an adequate and affordable supply of drinking water. The deadline for Sativa to respond was October 22, 2018 (Appendix 37). Sativa sent a response letter via e-mail on October 22, 2018.

Regarding Sativa's failure to provide an adequate and affordable supply of safe drinking water, Sativa provided no new or additional information regarding their documented failure to consistently meet both the source and storage capacity issues. As documented in this Order, Sativa's chronic source and storage capacity issues have contributed to the brown water problems experienced by many of its customers and continue to create both reliability and water quality problems for the system. In fact, the manganese concentration in Well 5 has increased since April 2018 and has continued to stay above the secondary MCL of 0.05 mg/L. Although the running annual averages of manganese concentration in Well 5 is currently below the MCL, it is important for Sativa to have the capacity to perform proper flushing, which in turn, will reduce the built up of sediments in the pipeline and the associated colored water problem. Sativa needs to increase the source capacity and the number of fire hydrants to enable proper flushing.

Sativa cites a customer survey conducted in May 2018 showing 80 percent of Sativa's customers were satisfied with the quality of the water that they were receiving.<sup>3</sup> The

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<sup>2</sup> Assembly Bill 1577 has been codified as Health and Safety Code section 116687.

<sup>3</sup> This appears to be the same survey the Local Agency Formation Commission members questioned during a prior public meeting.

survey itself contains no methodology or breakdown of the number of customers/households surveyed—just a packet of customer surveys. Judging by the number of surveys included, it appears that less than half of the customers participated in the survey. Nonetheless, taking the survey at face value, if 20% of the Sativa's customers are dissatisfied with their water quality, Sativa continues have a significant water quality problem.

Regarding the steps Sativa has taken to address its failure to provide an adequate and affordable supply of drinking water, as discussed above, Sativa's response to Compliance Order No. 04\_22\_18R\_002 remains deficient. Additionally, in its response letter, Sativa seems to blame the Division for Sativa's lack of progress in addressing its source and storage capacity issues. Sativa claims that but for revisions requested by the Division, two projects to upgrade major pipelines would have moved forward. While Sativa is correct that the Division provided necessary comments asking Sativa to address deficiencies in its two projects, to date, Sativa has not provided an adequate response. Sativa must revise the plans and specifications of the two pipeline projects to ensure compliance with the California Waterworks Standards.

Sativa also claims the Liberty Utilities Interconnection Project is ready to proceed. However, Sativa had not provided the information requested by the Division to demonstrate Sativa has considered the potential impact of introducing a source with different water quality parameters and a different type of disinfectant and has a plan to reduce the chance of unintended consequences (nitrification, low disinfectant residuals, and corrosion). In addition, the agreement with Liberty Utilities provided by Sativa as the Attachment 3 to the updated CAP still states the interconnection is an emergency interconnection and contains no signatures indicating that it is an executed agreement.

As such, it cannot be relied upon to address the identified source and storage capacity issues.

#### Los Angeles Local Agency Formation Commission Proceedings

On July 11, 2018, the Los Angeles Local Agency Formation Commission ("Commission") adopted Resolution No. 2018-00RMD, which approved the Proposed Commission-Initiated Resolution of Application for Dissolution of the Sativa County Water District (Appendix 38). As part of the dissolution process, 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."

### **FINDINGS**

1. Through the passage of Assembly Bill 1577, codified as Health and Safety Code section 116687, the State Water Board is required to order Sativa to accept administrative and managerial services, including full management and control, from an administrator selected by the State Water Board.
2. Sativa is a disadvantaged community, as defined in section 79505.5 of the Water Code. The calculated MHI utilizing the 2015 American Community Survey block group data that best corresponds to Sativa's service area boundary was \$45,732, approximately 74 percent of the statewide MHI (\$61,818).

3. California Code of Regulations, title 22, section 64554, subdivision (a), requires that at all times, a public water system's water source(s) shall have the capacity to meet the system's maximum day demand. For systems with 1,000 or more service connections, the system shall be able to meet four hours of peak hourly demand with source capacity, storage capacity, and/or emergency source connections. Sativa has consistently failed to meet these requirements.
4. California Code of Regulations, title 22, section 64449.5, subdivision (d), provides that the distribution system water of public water systems shall be free from significant amounts of particulate matter. Sativa has failed to meet this requirement on numerous occasions.
5. California Code of Regulations, title 22, section 64575, subdivision (c), provides that the flushing velocity in the main shall not be less than 2.5 ft/s unless it is determined that conditions do not permit the required flow to be discharged to waste. Sativa has repeatedly failed to meet this requirement.
6. California Code of Regulations, title 22, section 64602, subdivision (a), provides that each distribution system shall be operated in a manner to assure that the minimum operating pressure in the distribution water main at the user service line connection throughout the distributions system is not less than 20 psi at all times. Sativa has repeatedly failed to meet this requirement.
7. Sativa has a serious technical and managerial capacity problem, as demonstrated by the repeated failure to comply with water quality monitoring and reporting regulations and to timely address its source and storage capacity issues, despite the multiple enforcement actions taken and technical assistance provided by the



Division. Routine, periodic monitoring and prompt reporting are vital in ensuring water being supplied to the system is pure, wholesome, healthful, and potable.

8. Based on the above Statement of Facts, Sativa has consistently failed to provide its customers with a reliable and adequate supply of pure, wholesome, healthful, and potable water pursuant to Health and Safety Code, section 116555, subdivision (a)(3), and California Code of Regulations, title 22, section 64449.5, subdivision (d), and failed to comply with the source capacity, minimum flushing velocity, and minimum pressure requirements of the California Waterworks Standards pursuant to California Code of Regulations, title 22, sections 64554, subdivision (a), 64575, subdivision (c) and 64602, subdivision (a).
9. The State Water Board did consider consolidation with another system or extension of service from another system and determined that consolidation or extension of service is not appropriate at this time. The Commission has already initiated the dissolution of Sativa, with the goal of ensuring that Sativa's current customers receive consistently safe and affordable drinking water, which may effectively result in consolidation with another system. Any action by the State Water Board to consolidate Sativa with another system or to extend service to Sativa's customers would duplicate and possibly frustrate the Commission's ongoing dissolution process. Additionally, Sativa does not meet the requirements for consolidation as specified in Health and Safety Code section 116684.
10. The State Water Board has appointed the County of Los Angeles to serve as the administrator ("Administrator") for Sativa, pursuant to sections 116686 and 116687 of the Health and Safety Code (Appendix 39). As directed by section 116687, the Administrator is authorized to exercise full management and control of Sativa.

11. On October 2, 2018, the State Water Board provided Sativa with notice and an opportunity to show, by October 22, 2018, that: (1) Sativa has not consistently failed to provide an adequate and affordable supply of safe drinking water; and/or (2) that Sativa has taken steps to timely address its failure to provide an adequate and affordable supply of drinking water. As discussed above, Sativa's response failed to show that Sativa has not consistently failed, and continues to fail, to provide an adequate and affordable supply of safe drinking water. Sativa's response also failed to show that it has taken adequate steps to timely address its failure to provide an adequate and affordable supply of drinking water.
12. As set forth in California Environmental Quality Act ("CEQA") Guidelines section 15061, this Order is exempt from the provisions of CEQA because it can be seen with certainty that there is no possibility that the Order will have a significant effect on the environment. The Order requires Sativa to accept administrative and managerial services from an administrator selected by the State Water Board. The Order does not propose, or require Sativa to undertake, any specific actions which will have a significant effect on the environment.

### **ORDER**

To ensure that Sativa provides a reliable and affordable supply of safe drinking water, IT IS HEREBY ORDERED:

1. Sativa shall immediately and unconditionally accept administrative and managerial services, including full management and control of all aspects of Sativa's water system, from the Administrator. Sativa's Board of Directors, and anyone employed by Sativa, shall immediately allow the Administrator to exercise full authority and control over Sativa including, but not limited to, all technical, operational,

administrative, and financial aspects of the entire water system and all assets thereof;

2. All employees of Sativa, including the general manager, shall coordinate with the Administrator to ensure an orderly transfer of management and control to the Administrator and shall report for a meeting with the Administrator at 8:00 am on November 1, 2018 at Sativa's administrative office, located at 2015 E. Hatchway Street, Compton, CA 90222;
3. All employees of Sativa, including the general manager, shall continue to be employed by Sativa until otherwise notified by the Administrator;

The State Water Board reserves the right to make modifications to this Order as it may deem necessary to protect public health and safety. Such modifications may be issued as amendments to this Order and shall be effective upon issuance.



Nothing in this Order relieves Sativa of its obligation to meet the requirements of the California Safe Drinking Water Act (Health and Safety Code section, Division 104, Part 12, Chapter 4, commencing with Section 116270), or any regulation, standard, permit or order issued or adopted thereunder.

#### **SEVERABILITY**

The directives of this Order are severable, and Sativa shall comply with each and every provision thereof notwithstanding the effectiveness of any provision.

### FURTHER ENFORCEMENT ACTIONS

The California Safe Drinking Water Act authorizes the State Water Board to issue a citation or order with assessment of administrative penalties to a public water system for violation or continued violation of the requirements of the California Safe Drinking Water Act or any regulation, permit, standard, citation, or order issued or adopted thereunder including. The California Safe Drinking Water Act also authorizes the State Water Board to take action to suspend or revoke a permit that has been issued to a public water system if the public water system has violated applicable law or regulations or has failed to comply with an order of the State Water Board, and to petition the superior court to take various enforcement measures against a public water system that has failed to comply with an order of the State Water Board. The State Water Board does not waive any further enforcement action by issuance of this Order.

  
\_\_\_\_\_  
Darrin Polhemus  
Deputy Director  
State Water Resources Control Board  
Division of Drinking Water  
\_\_\_\_\_  
Date

Appendices

Dissolution No. 2018-09 of the Sativa County Water District ("District" or "Sativa")  
(aka "Sativa Los Angeles County Water District")

**Exhibit E**

**Los Angeles County Board of Supervisors adoption of  
property tax exchange resolution adopted on December 18, 2018**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE  
COUNTY OF LOS ANGELES, CALIFORNIA  
APPROVING AND ACCEPTING NEGOTIATIONS  
THAT THERE WILL BE NO EXCHANGE OF PROPERTY TAX REVENUES FROM  
DISSOLUTION NO. 2018-09 FOR THE SATIVA  
COUNTY WATER DISTRICT**

WHEREAS, pursuant to Section 99 of the Revenue and Taxation Code, prior to the effective date of and jurisdictional change, the governing bodies of all agencies whose service areas or service responsibilities would be altered by such change must determine the amount of property tax revenues to be exchanged between the affected agencies and approve and accept the negotiated exchange of property tax revenue by resolution; and

WHEREAS, the Board of Supervisors of the County of Los Angeles is required to negotiate any exchange of property tax revenues on behalf of special districts located within the County; and

WHEREAS, the Board of Supervisors, acting on behalf of the County of Los Angeles and the Sativa Los Angeles County Water District, has determined the amount of property tax revenues to be exchanged as a result of Dissolution No. 2018-09 for the Sativa County Water District.

NOW, THEREFORE, BE IT RESOLVED, as follows:

1. The negotiated exchange of property tax revenues resulting from Dissolution No. 2018-09 for the Sativa County Water District is approved and accepted.
2. For fiscal years commencing on and after July 1, 2019, no transfer of property tax revenues shall be made as a result of this action.

The foregoing resolution was adopted on the 18<sup>th</sup> day of DECEMBER, 2018,  
by the Board of Supervisors of the County of Los Angeles.



APPROVED AS TO FORM:

MARY C. WICKHAM  
County Counsel

By

Deputy

CELIA ZAVALA  
Executive Officer of the  
Board of Supervisors of the  
County of Los Angeles

By

Deputy

Dissolution No. 2018-09 of the Sativa County Water District (“District” or “Sativa”)  
(aka “Sativa Los Angeles County Water District”)

**Exhibit F**

Resolution No. 2018-11 RMD (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)) adopted  
July 11, 2018

**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:

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

LOCAL AGENCY FORMATION COMMISSION FOR  
THE COUNTY OF LOS ANGELES

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

PAUL NOVAK, Executive Officer

Dissolution No. 2018-09 of the Sativa County Water District (“District” or “Sativa”)  
(aka “Sativa Los Angeles County Water District”)

**Exhibit G**

**Certificate of Filing (“COF”) issued on December 18, 2018**



Local Agency Formation Commission  
for the County of Los Angeles

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## CERTIFICATE OF FILING

### Commission

Jerry Gladbach  
Chair

Donald Dear  
1st Vice-Chair

Gerard McCallum  
2nd Vice-Chair

Kathryn Barger  
Richard Close  
Mitchell Englander  
Margaret Finlay  
Janice Hahn  
John Mirisch

### Alternate Members

Lori Brogin-Falley  
Sheila Kuehl  
Judith Mitchell  
Joseph Ruzicka  
Greig Smith  
Vacant  
(City of Los Angeles)

### 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)

### Designation of Proposal:

#### **Dissolution No. 2018-09 of the Sativa County Water District (aka "Sativa—Los Angeles County Water District")**

I, Paul A. Novak, Executive Officer of the Local Agency Formation Commission for the County of Los Angeles (LAFCO), pursuant to Government Code Section 56658(f), do hereby certify:

1. I have reviewed the application herein above identified and on this date I accepted the subject proposal for filing pursuant to Government Code Section 56658(f), and proceedings shall be deemed initiated on the date of execution of this Certificate of Filing pursuant to Government Code Sections 56020.6 and 56651.
2. LAFCO is scheduled to consider the subject proposal on the Commission meeting date below, or at such date, time, and place as it may be continued at the discretion of the Commission:

Wednesday, February 13, 2019 at 9:00 a.m.  
Room 381, Hall of Administration  
(Board of Supervisors Hearing Room)  
500 West Temple Street, Los Angeles, CA

At the public hearing, any interested person may present testimony or submit written comments prior to the conclusion of the Commission hearing on the proposal. In the event that any written comments are mailed or hand-delivered to LAFCO, rather than being hand-delivered to the hearing location listed herein before the conclusion of the Commission hearing on this Proposal, such mailed or hand-delivered written comments must be received by the LAFCO Office (80 South Lake Avenue, Pasadena, CA 91101) no later than 5:00 p.m. on February 12, 2019 in order for the mailed or hand-delivered comments to be deemed timely and to be considered by the Commission in connection with the noticed hearing. Additional notice of Commission consideration of this proposal will be provided as required by law.

3. This proposal and all related documents are on file in the office of the Local Agency Formation Commission, 80 South Lake Avenue, Suite 870, Pasadena, CA, 91101, and may be examined by any person upon request during normal business hours. LAFCO meeting agendas are posted on-line ([www.lalafco.org](http://www.lalafco.org)). For further information, please contact the LAFCO office at (626) 204-6500. The office hours are Monday—Thursday, 8:00 a.m. to 5:00 p.m., closed Fridays and Holidays.

DATE OF EXECUTION: December 18, 2018

Paul A. Novak, AICP  
Executive Officer



Dissolution No. 2018-09 of the Sativa County Water District (“District” or “Sativa”)  
(aka “Sativa Los Angeles County Water District”)

**Exhibit H**

**Public Hearing Notice (English and Spanish) mailed to  
landowners and registered voters within the affected territory  
and within a 300-foot radius of the affected territory**



**Commission**  
Jerry Gladbach  
Chair

Donald Dear  
1st Vice-Chair

Gerard McCallum  
2nd Vice-Chair

Kathryn Barger  
Richard Close  
Mitchell Englander  
Margaret Finlay  
Janice Hahn  
John Mirtsch

**Alternate Members**  
Lori Brogin-Falley  
Shella Kuehl  
Judith Mitchell  
Joseph Ruzicka  
Greig Smith  
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## Local Agency Formation Commission for the County of Los Angeles

### NOTICE OF PUBLIC HEARING DISSOLUTION NO. 2018-09 OF THE SATIVA COUNTY WATER DISTRICT (AKA "SATIVA - LOS ANGELES COUNTY WATER DISTRICT")

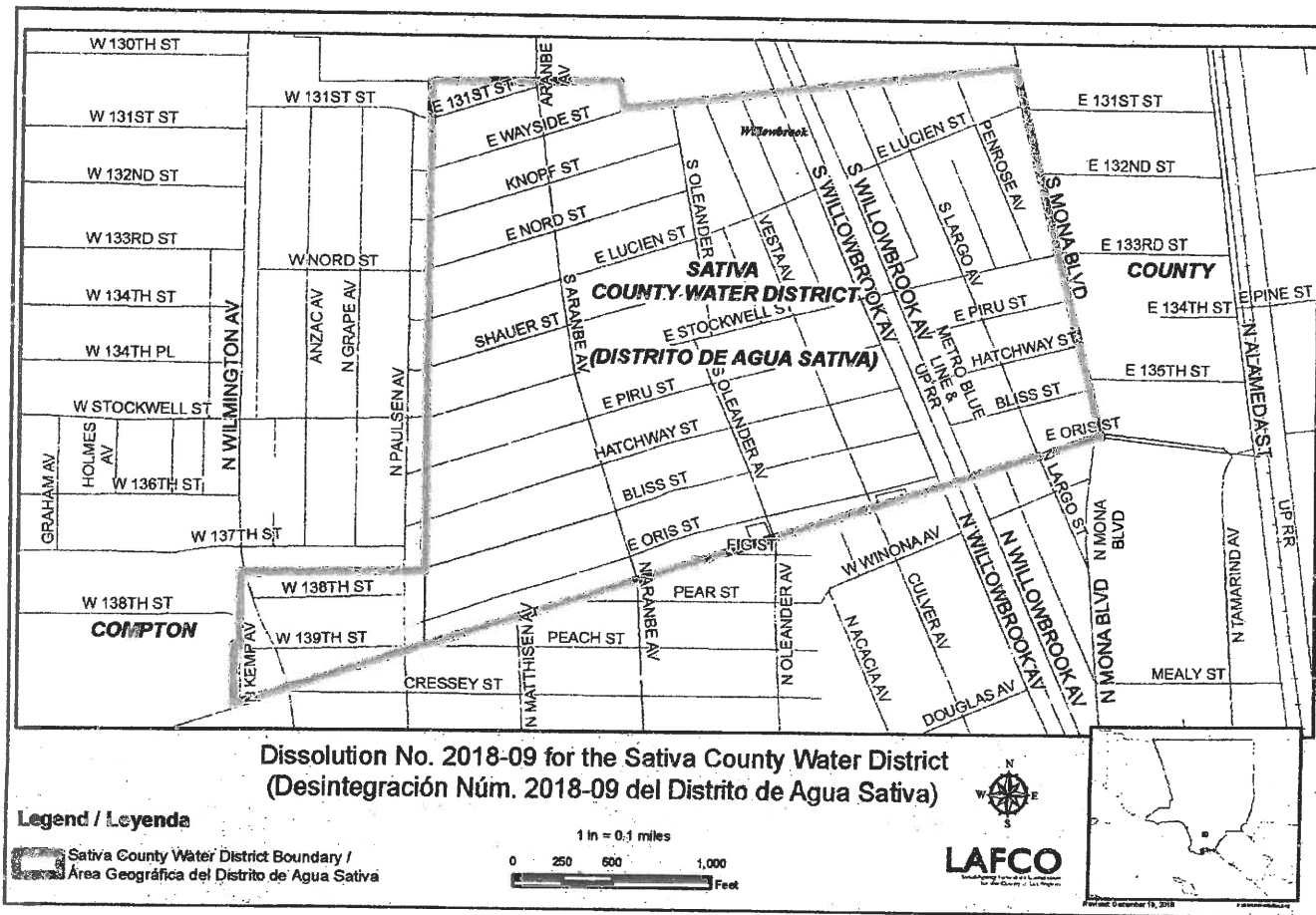
Pursuant to Government Code Sections 56658 and 56660, the Local Agency Formation Commission for the County of Los Angeles ("LAFCO" or "Commission") hereby gives notice as follows:

1. LAFCO will hold a public hearing on Wednesday, February 13, 2019 at 9:00 a.m., to hear and receive any oral or written comments, or evidence that is made, presented, or filed regarding the proposed dissolution of the Sativa County Water District ("Proposal"). The hearing will be held in the Board of Supervisors Hearing Room, Room 381B, Kenneth Hahn Hall of Administration, 500 West Temple Street, Los Angeles, California 90012, or at such date, time, and place as it may be continued at the discretion of the Commission.
2. LAFCO Initiated this Proposal at its regular meeting on July 11, 2018.
3. The Proposal has been assigned the following short form designation:  
"Dissolution No. 2018-09 of the Sativa County Water District".
4. The Proposal consists of the dissolution of the existing Sativa County Water District ("District"), which provides retail water service to approximately 1,300 service connections within the unincorporated community of Willowbrook as well as three separate areas within the City of Compton. The geographic boundary of the District encompasses approximately 180± acres composed of predominantly residential uses, mostly single-family homes and some multi-family homes (see map on the following page).
5. At the public hearing, any interested person may present testimony or submit written comments prior to the conclusion of the Commission hearing on the Proposal. In the event that any written comments are mailed or hand-delivered to LAFCO, rather than being hand-delivered to the hearing location listed herein before the conclusion of the Commission hearing on this Proposal, such mailed or hand-delivered written comments must be received by the LAFCO office, at the different address given below, no later than 5:00 p.m. on February 12, 2019 in order for the mailed or hand-delivered comments to be deemed timely and to be considered by the Commission in connection with the noticed hearing.
6. At the public hearing, in the event this Proposal is approved by the Commission, the Commission would designate a "successor agency" pursuant to Government Code Section 56886(m). The successor agency would assume all of the District's assets, infrastructure, obligations, and responsibilities.
7. Please be advised that, in the event this Proposal is approved by the Commission, the land within the affected territory is potentially subject to the continuation of any previously authorized charge, fee, assessment, or tax by the District.
8. The subject Proposal and all related documents are on file in the office of the Local Agency Formation Commission, 80 South Lake Avenue, Suite 870, Pasadena, California 91101, and may be examined by any person upon request. LAFCO meeting agendas are posted on-line ([www.lalafco.org](http://www.lalafco.org)) and at the meeting location prior to the meeting. For further information, please contact the LAFCO office at (626) 204-6500. The office hours are Monday – Thursday, 8:00 a.m. to 5:00 p.m., closed Fridays and Holidays.
9. Pursuant to Health and Safety Code Section 116687 (from Assembly Bill 1577), "any decision by the Commission about the dissolution or consolidation of the [Sativa County Water] District shall not be subject to the provisions of Government Code Section 57113, nor to any other requirement for a protest proceeding or election."
10. Depending on the application involved, State law requires that LAFCO notify various parties, such as landowners and registered voters, both within and adjacent to the affected territory. For this reason, you may receive multiple copies of this notice.

La Comisión de la Formación de Agencias Locales del Condado de Los Ángeles  
AVISO AL PÚBLICO  
DESINTEGRACIÓN NÚM. 2018-09 DEL DISTRITO DE AGUA SATIVA  
(TAMBIÉN CONOCIDO COMO: SATIVA EL DISTRITO DE AGUA DEL CONDADO)

De acuerdo con las Secciones 56658 y 56660 del Código Gubernamental del Estado de California, la Comisión de la Formación de Agencias Locales para el Condado de Los Ángeles ("LAFCO" o "Comisión") le presenta el siguiente aviso:

1. LAFCO tendrá una audiencia pública el miércoles 13 de Febrero del 2019 a las 9:00 am para escuchar y recibir comentarios orales o escritos, o evidencia para presentar o para archivar sobre la propuesta desintegración del Distrito de Agua Sativa ("Propuesta"). La audiencia se llevará a cabo en la sala de la junta de Supervisores del Condado de Los Ángeles, Sala 381B, en el Centro Gubernamental de Administración Kenneth Hahn, 500 West (Oeste) Temple Street (Calle), Los Ángeles, CA 90012, o a tal fecha, hora y lugar sugerido por la Comisión durante la reunión.
2. LAFCO inició esta Propuesta en su reunión habitual el 11 de Julio del 2018.
3. A la Propuesta se le ha asignado la siguiente designación abreviada:  
"Desintegración Núm. 2018-19 del Distrito de Agua Sativa".
4. La Propuesta incluye la desintegración del Distrito de Agua Sativa ("Distrito"), que provee agua doméstica a aproximadamente 1,300 conexiones de servicio dentro de la comunidad no incorporada de Willowbrook, al igual que a tres áreas distintas dentro de la Ciudad de Compton. La área geográfica del Distrito abarca aproximadamente 180 acres, compuestos principalmente de usos residenciales, en su mayoría hogares unifamiliares y algunos hogares multifamiliares (vea el mapa en la siguiente página).
5. En la audiencia pública, cualquier persona interesada puede testificar o someter comentarios por escrito antes de la conclusión de la reunión de la Comisión sobre la Propuesta. En caso de que comentarios por escrito se envíen por correo o se entreguen personalmente a la oficina de LAFCO, en vez de ser entregados personalmente en el sitio de la dicha audiencia, antes de la conclusión de la dicha audiencia tendrán que ser entregados personalmente en la oficina de LAFCO, a la dirección prevista en los siguientes párrafos no más tardar de las 5:00 pm del 12 de Febrero del 2019, así esos comentarios enviados por correo o entregados personalmente sean considerados por la Comisión en relación a este aviso al público.
6. En la audiencia pública, si la Comisión aprueba esta Propuesta, la Comisión designará una "agencia sucesora" de acuerdo a la Sección 56886(m) del Código Gubernamental. La agencia sucesora asumirá todos los bienes, la infraestructura, las obligaciones y responsabilidades de Distrito.
7. Por favor tenga en cuenta que en caso de que la Comisión apruebe esta Propuesta, el terreno afectado puede ser sujeto a la extensión o continuación de cualquier cargo, tarifa, tasación o impuesto previamente autorizado por el Distrito.
8. La Sujeta Propuesta y todos los documentos relacionados con la Propuesta están archivados en la oficina de la Comisión de la Formación de Agencias Locales, 80 South (Sur) Lake Avenue (Avenida), Suite 870, Pasadena, CA 91101, pueden ser examinados por cualquier persona que lo solicite. Las agendas de las reuniones públicas de LAFCO se publican en línea ([www.lalafco.org](http://www.lalafco.org)) y en el lugar de la reunión antes de la junta. Para más información, comuníquese con la oficina de LAFCO al (626) 204-6500. Las horas de oficina son de lunes a jueves, de 8:00 a.m. a 5 p.m. La oficina esta cerrada los viernes y días feriados.
9. De conformidad con el Código de Salud y Seguridad 11687 (del Proyecto de Ley 1577 de la Asamblea), "cualquier decisión de la Comisión sobre la desintegración o consolidación del Distrito [de Agua Sativa del Condado] no estará sujeto a las disposiciones de la Sección 57113 del Código Gubernamental, ni a cualquier otro requisito para un procedimiento de protesta o elección."
10. Dependiendo en la aplicación de la ley estatal, requiere que LAFCO notifique a varias partes, como los propietarios de terreno y los votantes registrados, tanto dentro como a un lado del territorio afectado. Por este motivo, puede recibir varias copias de este aviso.



**IMPORTANT NOTICE  
FOR CUSTOMERS OF THE  
SATIVA COUNTY WATER DISTRICT**

**(IMPORTANTE AVISO  
PARA LOS CLIENTES  
DEL DISTRITO DE AGUA SATIVA)**

Dissolution No. 2018-09 of the Sativa County Water District (“District” or “Sativa”)  
(aka “Sativa Los Angeles County Water District”)

**Exhibit I**

**Sativa County Water District Plan of Services**

**Sativa County Water District Plan of Services (“Sativa” or “District”)  
(aka “Sativa Los Angeles County Water District”)  
(Pursuant to Government Code Section 56653)**

*(1) An enumeration and description of the services currently provided or to be extended to the affected territory.*

The Sativa County Water District currently provides retail water service to approximately 1,300 service connections primarily within the unincorporated community of Willowbrook and within three small areas within the City of Compton. The affected territory is approximately 0.28 square miles (approximately 180 acres) with approximately 7,000 residents in single-family and multi-family homes.

*(2) The level and range of those services.*

Sativa is authorized to pump 474 Acre-Feet per Year (AFY) of groundwater from the Central Basin. The District pumps this groundwater utilizing two wells to provide water to its customers.

The District can purchase or lease additional groundwater from the Central Basin Municipal Water District. The District can also purchase imported water from the Metropolitan Water District of Southern California. Imported water must be delivered to Sativa through an interconnection Sativa has with the City of Compton (“Compton”). For approximately the last year, the interconnection with Compton has been out of service due to issues with Compton’s water system.

A combination of factors—old pipelines, deferred maintenance, and other issues—has resulted in the deterioration of Sativa’s infrastructure. When faced with particularly challenging pipe breaks, District staff has elected to cap off both ends of the break (“dead-ending” a pipe); this has caused poor circulation in the water system and brown water issues.

The District’s groundwater contains manganese, a common sediment in groundwater, which has settled in the District’s waterlines. In an effort to reduce manganese levels, District officials attempted to flush the water system. The District’s poorly-designed flushing efforts failed to purge the sediment out of the water system; instead, the flushing stirred up sediment, resulting in the delivery of brown water to customers. The State Water Resources Control Board (“SWRCB”) issued a violation to the District for those flushing efforts. The SWRCB also issued violations for failure to meet secondary water standards (turbidity) and for failure to maintain adequate fire flow during flushing.

**Sativa County Water District Plan of Services (“Sativa” or “District”)  
(aka “Sativa Los Angeles County Water District”)  
(Pursuant to Government Code Section 56653)**

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*(3) An indication of when those services can feasibly be extended to the affected territory, if new services are proposed.*

**No extension of service is being proposed at this time.**

**Current efforts are focused on repairing, replacing, and/or improving the District’s infrastructure for the benefit of existing customers.**

*(4) An indication of any improvement or upgrading of structures, roads, sewer or water facilities, or other conditions the local agency would impose or require within the affected territory if the change of organization or reorganization is completed.*

**On November 1, 2018, the SWRCB appointed the Los Angeles County Department of Public Works (“DPW”) as the administrator of the District, pursuant to Health and Safety Code Section 116687. Concurrent to that action, the Sativa County Water District Board of Directors ceased to exist, and DPW assumed full administrative, managerial, and financial control of the District.**

**DPW staff is currently assessing the District’s infrastructure (water pumps, storage capacity, and underground pipelines, etc.), its financial capacity (revenue, expenses, billing systems, accounting controls, vendor obligations, and bonded indebtedness), and staffing levels.**

**DPW is formulating a list of proposed infrastructure improvements to improve water quality and reliability, both in the short-term (six months) and in the longer term thereafter.**

(continued)



**Sativa County Water District Plan of Services (“Sativa” or “District”)  
(aka “Sativa Los Angeles County Water District”)  
(Pursuant to Government Code Section 56653)**

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*(5) Information with respect to how those services will be financed.*

Sativa’s annual revenues from its customers is approximately \$1.2 million per year. From these revenues, the District must pay for expenses associated with extracting, treating, storing, and delivering groundwater to its customers; employee compensation and benefits; debt service; and other miscellaneous expenses. The District does not receive a portion of the ad valorem (one percent) property tax levy.

The County of Los Angeles may provide short-term financing to the District.

Working closely with SWRCB officials, DPW is formulating applications for grants and/or low-interest loans from various State funding sources.

*Additional Information*

Pursuant to California Code of Regulations, Title 22, Section 64300(A), the SWRCB has designated the affected territory as a Disadvantaged Community (“DAC”) because the Median Household Income (“MHI”) is 66% of the State average MHI (a DAC is an area where the MHI is 80% of less than the State average).

Pursuant to Government Code Section 56033.5, LAFCO has designated the affected territory as a Disadvantaged Unincorporated Community (“DUC”), in which the median household income is less than 80% of the statewide annual MHI.

Los Angeles County officials plan to issue a Request for Proposals (RFP) in early 2019 to solicit proposals for the acquisition and operation of the water system. It is expected that the successful buyer will submit a comprehensive, long-term plan for the provision of services, the improvement of the water system, and the financing of those necessary infrastructure improvements.

Dissolution No. 2018-09 of the Sativa County Water District (“District” or “Sativa”)  
(aka “Sativa Los Angeles County Water District”)

**Exhibit J**

Draft Resolution No. 2019-00 RMD (A resolution of the Local Agency Formation Commission  
for the County of Los Angeles making determinations Approving and Ordering Dissolution No.  
2018-09 of the Sativa County Water District)

**RESOLUTION NO. 2019-00RMD**

**A RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION  
FOR THE COUNTY OF LOS ANGELES MAKING DETERMINATIONS APPROVING AND ORDERING  
DISSOLUTION NO. 2018-09 OF THE SATIVA COUNTY WATER DISTRICT**

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

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

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

WHEREAS, the affected territory includes all land within the boundaries of Sativa, the boundaries of which are found to be definite and certain, as depicted in the map attached as Exhibit “A” to the Executive Officer’s staff report dated February 13, 2019 (“staff report”); and

WHEREAS, the affected territory within the boundaries of Sativa is inhabited as defined in Government Code § 56046; and

WHEREAS, the Commission initiated the proposed dissolution of Sativa by adopting a resolution of application pursuant to Government Code § 56375(a)(2)(B) at its meeting of July 11, 2018 for a change of organization to dissolve Sativa (“Proposal”); and

WHEREAS, the proposed dissolution is being considered because, for many years, if not decades, the District has suffered from financial, managerial, operational, and governance challenges; and

WHEREAS, at the July 11, 2018 Meeting, and in accordance with Government Code § 56375(a)(3), the Commission adopted the determinations specified in Government Code § 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; and

WHEREAS, the territory within the boundaries of the Sativa County Water District consists of approximately 180 acres with approximately 1,300 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; and

WHEREAS, the Commission is required, pursuant to Government Code § 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, as provided in Government Code §56425(a), and to review and update each SOI as necessary, every five years thereafter, as provided in Government Code § 56425(g); and

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

WHEREAS, the Final Municipal Services Review (“MSR”) for Water Services for the Gateway Region (in which Sativa is located) in November of 2005 was prepared pursuant to Government Code §§ 56425 and 56430; 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 District, but

based upon public testimony, the Commission approved the November 2005 MSR for Sativa and confirmed the District's Coterminous SOI on February 22, 2006; and

WHEREAS, the August 2012 Sativa County Water District MSR was prepared pursuant to Government Code §§ 56425 and 56430; and

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

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

WHEREAS, the proposed dissolution of the District is consistent with the Zero Sphere of Influence for the District, and, further, implements the Commission's original intent when the Zero SOI designation was adopted; and

WHEREAS, Government Code § 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 § 56886 or for the purpose of winding up the affairs of the district;" and

WHEREAS, on June 1, 2018, the State Water Resources Control Board (SWRCB) issued Compliance Order No. 04\_22\_18R\_003 to the District, wherein the SWRCB determined that the District had violated the California Safe Drinking Water Act by providing water to customers that exceeded secondary drinking water standards for discoloration (turbidity) and by failing to maintain adequate water pressure at four fire hydrants during flushing procedures; and

WHEREAS, on October 31, 2018, the SWRCB appointed Los Angeles County ("County") as the State Administrator for the District, pursuant to § 116687 of the Health and Safety Code; and

WHEREAS, concurrent to the SWRCB appointment of the County as State Administrator, the Sativa County Water District Board of Directors ceased to exist; and

WHEREAS, on November 1, 2018, a representative of the County Department of Public Works staff assumed full administrative, managerial, and financial control of the District, and has been operating the District from that time to the present; and

WHEREAS, Revenue and Taxation Code § 99 requires an agreement for the exchange of property tax revenues in the event of a jurisdictional change of local agencies; and

WHEREAS, the County Board of Supervisors adopted the property tax transfer resolution, determining that there will be no exchange of property tax revenue from the proposed dissolution because the District does not currently receive any share of the ad valorem (1%) property taxes; and

WHEREAS, pursuant to Government Code § 56658(f), the Executive Officer issued the Certificate of Filing on December 18, 2018; and

WHEREAS, pursuant to Government Code § 56658(h), which requires that the public hearing be set within 90 days of issuance of the Certificate of Filing; the Executive Officer set the Proposal for hearing on Wednesday, February 13, 2019, at 9:00 a.m., at the 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, notice of the Commission's review of this Proposal was advertised (English language version) in the Daily Commerce on December 20, 2018; and advertised (English language version) in the Compton Bulletin on December 26, 2018; and advertised in La Opinión (Spanish language version) on December 25, 2018; all of which are newspapers of general circulation within Los Angeles County, pursuant to Government Code § 56153; and that said publication occurred at least twenty-one (21) days prior to the date of the February 13, 2019 public hearing, pursuant to the requirements of Government Code § 56154; and

WHEREAS, notice (English language version and Spanish language version) of the Commission's review of this Proposal was sent first class, and deposited, postage prepaid, in the United States Mail, pursuant to Government Code § 56155; to all landowners within the affected territory, to all landowners within 300 feet of the exterior boundary of the affected territory, to all registered voters within the affected territory, and to all registered voters within 300 feet of the exterior boundary of the affected territory, pursuant to Government Code § 56157 (d) and (f); and that said notice was mailed at least 21 days prior to the date of the February 13, 2019 public hearing, pursuant to the requirements of Government Code § 56156; and

WHEREAS, the Executive Officer has reviewed the Proposal and prepared a report, including recommendations thereon, the Proposal and report having been presented to and considered by the Commission; and

WHEREAS, the Commission called for and held a public hearing on February 13, 2019, the hearing having been held on the date and at the time and place noticed therefore, and,

after all parties wishing to testify before the Commission were sworn in, the Commission heard, received, and considered all oral and written comments and evidence which were made, presented, or filed, and all persons were given an opportunity to hear and be heard with respect to the Proposal and the Executive Officer's report; and

WHEREAS, the Commission has considered all factors pursuant to Government Code § 56668, the staff report, and the "Sativa County Water District Plan of Services (aka 'Sativa Los Angeles County Water District') Pursuant to Government Code § 56653" ("Plan of Services"), attached as Exhibit "I" to the staff report.

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING, BE IT RESOLVED as follows:

1. This resolution making determinations is made pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, California Government Code § 56000 *et seq*;
2. The Proposal is assigned the following short-form designation: "Dissolution No. 2018-09 of the Sativa County Water District;"
3. The boundaries of the District are as they exist on February 13, 2019, and as depicted on the map in Exhibit "A" attached to the staff report;
4. The dissolution is consistent with the Zero Sphere of Influence adopted by the Commission on May 14, 2014;
5. The Commission finds that the proposed dissolution is exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines § 15061, because



it can be seen with certainty that there is no possibility that the dissolution of the District will have a significant effect on the environment;

6. The Commission finds that the dissolution of the District is not a project for purposes of CEQA because it is an organizational activity of government with no direct nor indirect effects on the physical environment, pursuant to § 15378(b) of the State CEQA Guidelines;
7. 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 successor agency has, and a future long-term service provider will have, the necessary 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 the successor agency and future service provider will bring significant resources to bear in order to address the infrastructure deficiencies, operational shortcomings, and accounting inconsistencies formerly perpetrated by Sativa's board of directors and staff;
8. 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 has designated a successor agency, the County, which has a documented history of being accessible to the public, and conducting its affairs in a transparent manner, and the

County as successor agency will require the future long-term service provider to conduct its affairs in a transparent manner, in contrast to the prior practices of Sativa's board of directors and staff;

9. The Commission hereby dissolves the Sativa County Water District, subject to the following terms and conditions:
  - a. The dissolution of the District is not subject to majority protest nor election procedures, pursuant to Health and Safety Code § 116687 (c)(3), which provides that this dissolution "shall not be subject to the provisions of § 57113 of the Government Code, nor to any other requirement for a protest proceeding or election," and "[t]he commission shall not impose any condition on the successor agency that requires a protest proceeding or an election;"
  - b. The dissolution is subject to completion of the 30-day reconsideration period provided under Government Code § 56895, and said reconsideration period ends at 5:00 p.m. on Monday, March 18, 2019;
  - c. In accordance with Government Code §§ 56886(p) and 57202, the effective date of the dissolution of the District is the date of recordation of the Certificate of Completion with the Los Angeles County Registrar-Recorder/County Clerk;
  - d. Upon the effective date, the District will be dissolved, disincorporated, and extinguished, and all of its corporate powers shall cease;
  - e. Upon the effective date, the County shall be the successor agency for the District, for the purposes of succeeding to all of the rights, duties and obligations of the

District with respect to enforcement, performance, or payment of outstanding bonds or other contracts and obligations of the District and winding up the affairs of the District pursuant to Government Code §§ 56886(m) and 57451(c) and subject to Health and Safety Code §116687;

- f. The County shall provide retail water service within the affected territory pursuant to the Plan of Services, until such time as an alternative service provider is identified and service responsibility is transferred to that provider;
- g. All of the moneys or funds, including cash on hand and moneys due but uncollected, and all property, real or personal of the District is vested in the County as the successor agency for the purpose of winding up the affairs of the dissolved District pursuant to Government Code §57452;
- h. As the successor agency, and upon the effective date, and for the sole and exclusive purpose of winding up the affairs of the dissolved District, the County shall have the power to exchange, sell, or otherwise dispose of all property, real and personal, of the District; to compromise and settle claims of every kind and nature; to sue or be sued in the same manner and to the same extent as the District and the officers and legislative body of the dissolved District, to the extent permitted by law pursuant to Government Code § 57453 and subject to Health and Safety Code § 116687(f);
- i. All property tax revenues and voter-approved special tax or special assessment revenues (if any), received or receivable by the District as of the effective date shall

be collected or collectible by the County, to be used for the purposes for which said taxes or special assessments were imposed;

- j. Subject to any authorizations provided in Health and Safety Code § 116687, until payment or provision for payment of amounts owing on account of outstanding bonds, contracts, or other obligations that are outstanding upon the effective date of the dissolution, which are payable in whole or in part from the revenues of a revenue-producing enterprise of the District, the County, prior to distribution, or any city or county, after distribution, shall not sell, encumber or otherwise dispose of all or any part of the revenue-producing enterprise or the revenues derived from that enterprise, except as expressly authorized by the ordinance, resolution, or indenture authorizing or providing for the issuance of any bonds, contracts, or other obligations. Prior to distribution, the County shall succeed to all rights and liabilities of the dissolved District under the ordinance, resolution or indentures authorizing such bonds, contracts or other obligations and may sue or be sued upon those rights and liabilities in the same manner and to the same extent as the dissolved District;
- k. The ownership, possession, and control of all books, records, papers, offices, equipment, supplies, moneys, funds, appropriations, licenses, permits, entitlements, agreements, contracts, claims, judgments, land, infrastructure, and other assets, 474 acre feet of adjudicated water rights in the Central Basin, priorities of use, right of use of water, capacity rights of public improvements or facilities, and property, real or personal, owned or leased by, connected with the administration of, or held for

the benefit or use of, the District, shall be vested in the County as the successor agency, and shall be administered to wind up the affairs of the District;

- I. Said books, records, papers, offices, equipment, supplies, moneys, funds, appropriations, licenses, permits, entitlements, agreements, contracts, claims, judgments, land, infrastructure, and other assets and property, real or personal, owned or leased by, connected with the administration of, or held for the benefit or use of, the District, includes, but is not limited to, the following:

Water Rights:

Four hundred seventy-four (474) acre feet of adjudicated Central Basin water rights;

Real Property:

1. Grant Deed recorded March 21, 1952 as Document No. 94 in Book 38524 Page 35 of Official Records, Lots 1 and 2 in Block D of Tract 4631, as per map recorded in Book 49 page 90 and 91 of Maps, AIN 6152-019-900;
2. Grant Deed recorded June 1, 2009 as Document No. 20090807841 of Official Records, Lots 46 and 47 in Block D of Tract 4631, as per map recorded in Book 49 page 90 and 91 of Maps, AIN 6152-019-901;
3. Grant Deed recorded December 23, 1943 as Document No. 1822 in Book 20440 Page 384 of Official Records, Lots 18 and 19 in Block 8 of the East Richland Tract, as per map recorded in Book 10 Page 1 of Maps, AIN 6154-010-900;
4. Grant Deed recorded July 1, 1992 as Document No. 92-1204743 of Official Records, Lots 58 and 58 in Block M of Tract 4631, as per map recorded in Book 49 page 90 and 91 of Maps, AIN 6155-005-900 and 6155-005-901;

Real Property (continued):

5. Grant Deed recorded October 26, 1940 as Document No. 189 in Book 17899 Page 280 of Official Records, Lots 35 and 36 in Block Q or Tract No. 4631, as per map recorded in Book 49 page 90 and 91 of Maps, AIN 6155-017-900;

Vehicles:

1. 2000 Ford F250 (VIN 1FTNF20L3YBC85558);
  2. 2008 Nissan Frontier (VIN 1N6BD06T78C426127);
  3. 2005 Chrysler Town & Country (VIN 2C4GP44R75R227368);
- m. Consistent with Government Code § 57462, the funds “of a dissolved district which have been impressed with any public trust, use or purpose shall continue to be so impressed;”
- n. Consistent with Government Code § 57463, any funds, money or property of the dissolved District may be used by the County for the purpose of winding up the affairs of the District, and after any distribution to any city, County or district, so far as practicable, the funds, money or property shall be used for the benefit of the lands, inhabitants, and taxpayers within the territory of the dissolved District.
- o. The County shall comply with all existing obligations and commitments to existing employees, consistent with State law, any existing employment agreements or contracts, and any adopted personnel policies, however this condition is not to be construed as creating an employment relationship between the County as the successor agency and any employee(s) of the District;

- p. The County shall “represent the interests of the public and the ratepayers within the former territory of the district,” pursuant to Health and Safety Code § 116687(c)(4);
- q. Within one hundred twenty (120) days of the effective date of the dissolution, and consistent with authority granted in Health and Safety Code § 116687(c)(4), the County as the successor agency shall issue a Request for Proposals (“RFP”), or equivalent, to solicit proposals to provide long-term water service for the customers of the dissolved District;
- r. If additional time is required to comply with Condition 9.q., above, the County shall notify the Commission in advance, in writing, with an anticipated schedule for completion;
- s. Consistent with language in Health and Safety Code § 116687(c)(4), which authorizes the successor agency to solicit proposals “in consultation with the commission,” the County shall appoint a LAFCO representative (or representatives) to the evaluation committee (or equivalent) which reviews all RFP submittals and makes a recommendation to the Los Angeles County Board of Supervisors, unless said appointment is prohibited by law;
- t. Consistent with its efforts to “represent the interests of the public and the ratepayers within the former territory of the district,” and in making its recommendation to the Board of Supervisors, the County shall consider the proposed rate structures submitted in responses by bidders to the RFP, unless said consideration is prohibited by law;

- u. Within the RFP, the County shall require all bidders to include:
  - i. a projection of water rates following acquisition of the system;
  - ii. anticipated schedule for design, funding, and construction of capital projects as described in the RFP;
  - iii. a proposed schedule, identifying key milestones and anticipated completion dates, for submittal, consideration, and approval of the bidder's application to the California Public Utilities Commission (CPUC) to expand the bidder's existing, authorized service territory as currently approved by the CPUC, if applicable, as described in the RFP;
  - iv. a community outreach program, defining how the successful bidder intends to communicate with Sativa ratepayers upon acquisition of the system and thereafter;
- v. The County shall convene meetings with the community no less than four (4) times per year, until the County completes the RFP process, selects a long-term operator of the system, and/or the CPUC provides approval of the bidder's application to the CPUC to expand the bidder's existing, authorized service territory as currently approved by the CPUC, if applicable;
- w. The County shall maintain, and regularly update, a website, which shall contain the following information and documents:
  - i. Staff contact information, including telephone number, e-mail addresses, and hours of operation;



- ii. Information about the District's location, service territory, and contact information for the County Department of Public Works staff overseeing the dissolved District;
- iii. Information about establishing service and paying bills;
- iv. Notice of all upcoming community meetings, with notice posted to the website at least ten (10) days before each community meeting;
- v. Information, schedule (critical dates/milestones), and progress reports concerning the RFP;

10. Upon the effective date of this dissolution, and at the conclusion of each ensuing quarter year (every ninety (90) days) thereafter, the County shall provide the Commission with written reports that contain the following:

- i. Documenting the County's provision of retail water service to customers of the former District;
- ii. the status of capital improvements;
- iii. information concerning any grant applications or awards;
- iv. a summary of recent community meetings;
- v. any actions taken by the Board of Supervisors concerning the former District;
- vi. the status of the RFP process; and
- vii. the status of the successful bidder's application and approval by the CPUC, if applicable;

The County shall provide said written reports until the completion of the RFP process and selection of a long-term operator of the system, and/or the effective date of the CPUC approval of the bidder's application to the CPUC to expand the bidder's existing, authorized service territory as currently approved by the CPUC, if applicable;

11. The Executive Officer is hereby authorized and directed to mail certified copies of this resolution as provided in Government Code § 56882; and

12. As allowed under Government Code § 56107, the Commission hereby authorizes the Executive Officer to make non-substantive corrections to this resolution to address any technical defect, error, irregularity, or omission.

PASSED AND ADOPTED this 13<sup>th</sup> Day of February 2019, by the Commission, by the following vote:

Ayes:

Noes:

Absent:

Abstain:

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

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**PAUL A. NOVAK, AICP, Executive Officer**

## **Staff Report**

**February 13, 2019**

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

### **FY 2018-19 Mid-Year Budget Status Report**

**Summary:** In accordance with Government Code Section 56381, the Commission adopted a budget for FY 2018-19 in May of 2018, prior to the statutory requirement of June 15th. Since the budget's adoption, County Counsel support has increased and the website redesign project has been carried into the current fiscal, resulting in greater than anticipated expenditures.

This budget status report incorporates recent expenditure changes and provides an overview of the projected year-end position in comparison to the adopted budget. Revenues are expected to be slightly above target, and Operating Expenditures are expected to be slightly higher by approximately 4.5%.

Provided herein is a brief description of the budget categories identifying significant variations from the adopted budget.

#### **Expenditures:**

**Salaries and Employee Benefits:** *The Salaries and Employee Benefits are expected to be below budget by 3% as described in more detail below.*

**Employee Salaries (50001):** Cost savings were achieved due to a reduction in administrative support.

**Retirement (50015):** As a LACERA participatory agency, LAFCO is subject to employer contribution rates increases. In October of 2017, employer contribution rates were increased by less than 1% in accordance with LACERA's June 30, 2017 valuation report. Also included is an estimated administrative fee quoted by LACERA for managing existing retirees' health benefits.

**Health Insurance (50019):** Health insurance costs for employee medical and dental benefits are expected to be slightly lower than initially anticipated. This is primarily due to health benefits and premium rates remaining relatively constant.

**OPEB—Existing Retiree (50022):** This account reflects existing LAFCO retirees' post-employment benefits. The portion of employment benefits paid by LAFCO did not change as initially anticipated during the budget preparation process. This will result in cost savings of approximately \$3,500.

**Office Expenses:** *Although a few Office Expenses categories are projected to be greater than budgeted, cost saving were achieved in others, causing Office Expenses projections to be slightly above budgeted levels by 0.60%.*

Rent (50025): The office space lease allows for an annual 3% rent increase escalator. The lease also calls for LAFCO to pay its proportionate share of common area maintenance (CAM). As of the writing of this staff report, the estimated 2019 operating expenses had not been calculated for the common areas. A slight 5% CAM increase is being used as a placeholder for projected year end, increasing rent expenditures by a negligible amount.

Communications (50026): Costs associated with internet, phone and mobile devices are expected to be lower than at budget preparation.

Property/Liability Insurance (50032): Cost savings in property/liability insurance services were achieved by reevaluating coverage and coverage limits.

Agency Membership Dues (50033): Membership dues were slightly higher than budgeted.

Legal Notices (50052)/ Postage (50054)/ Printing/Copy Charges (50056): Increases in these accounts are related to the legal notification for the Commission-initiated dissolution of the Sativa County Water District. In addition to publishing the public hearing notice in the newspaper of general circulation, the notice was published in a local newspaper and a Spanish language newspaper, to provide notice to the affected constituents. Approximately, 6,200 notices were printed, copied, and mailed.

Miscellaneous – Other (50065): Generally nominal routine and miscellaneous unexpected inconsequential expenses are posted to this account. During this fiscal year an unexpected one-time expense for necessary office improvements was incurred, causing projected year end expenditures in this account to be over budget.

**Professional Services:** *Professional Services are also expected to be over budget. This is largely due to increased costs for County Counsel services and the deferral of the website redesign project to the current fiscal year.*

Legal Services (50076): LAFCO has utilized County Counsel services more frequently this fiscal year than initially anticipated. Counsel has provided support for the Commission initiated dissolution of the Sativa County Water District as well as a couple of controversial annexation proposals. In addition, due to the departure of counsel assigned to LAFCO, new counsel has had to manage the recent legal challenges faced by LAFCO. The mid-year budget status table includes expenses incurred by LAFCO for legal services through 33% of the fiscal year and over budget by approximately 3%. The year-end projection for legal services is estimated to be more than double the budgeted amount at approximately \$137,000.

Payroll Service (50077.1): LAFCO uses an outside vendor for payroll services. Charges to this account are for inputting time, processing payroll and generating checks.

Contract Services (50078): During the 2017-18 fiscal year, the LAFCO website was compromised. Under the Commission's direction to eliminate the website's vulnerability to cybercrime, a \$15,000 placeholder was added to the FY 2017-18 budget for a website upgrade. Since that time a Request for Proposals (RFP) was issued, a firm was selected, and a contract was executed. Currently, \$18,000 is being included in this account to fund the website upgrade contract recently approved by the Commission (Nov. 14, 2018 Agenda; Item 9.b.).

Municipal Service Reviews (MSR): The most recent MSR schedule presented to the Commission in December of 2018 calls for five MSRs that would require outside consultant services. A placeholder of \$50,000 has been allocated for those services.

**Expenditure Summary:**

*In summary, it is anticipated that total expenditures will be approximately 4.5% above total budgeted expenditures of \$1,472,400. The apportionment to the local agencies of Los Angeles County may very likely need to be increased in subsequent fiscal years as expenditures (pension, employee medical insurance, retiree health, legal services) beyond the Commission's control continue to increase.*

**Revenues:**

At mid-year, fee revenues are generally on track and interest revenue is at budget. At the close of the fiscal year revenues are expected to exceed budgeted revenues by nearly 8.5%.

**Local Agency Apportionment:**

The local agency apportionments have been maintained at FY 2016-17 levels for the last three fiscal years. The Auditor Controller's Office has reported that most agencies have paid their apportionment. It is expected that by the end of the fiscal year all agencies would have paid their apportionment.

**Recommended Action:**

1. Receive and file the mid-year budget status report for Fiscal Year 2018-19.

FISCAL YEAR 2018-19 MID YEAR BUDGET						
ACCT. #	ACCOUNT NAME	ADOPTED	MID YEAR	PROJECTED	PYE \$ Variance From Adopted	PYE % Variance From Adopted
		FINAL BUDGET 2018-19	BUDGET STATUS 2018-19	YEAR END (PYE) 2018-19		
	<b>EXPENSES</b>					
<b>50000</b>	<b>Salaries and Employee Benefits</b>					
50001	Employee Salaries	\$ 639,600	\$ 313,080	\$ 626,159	-13,441	-2.10%
50015	Employer Paid Pension Contribution	116,200	59,124	118,032	1,832	1.71%
50016	Accrued vacation and sick cashout	10,000	4,700	10,000	0	0.00%
50017	Commissioner Stipends	20,000	8,100	20,000	0	0.00%
50018	Worker's Compensation Insurance	11,800	8,735	8,735	-3,065	-27.36%
50019	Insurance (Health, Disability, Life)	126,000	109,090	111,888	-14,112	-7.98%
50020	Payroll Taxes	9,300	5,189	10,377	1,077	10.07%
50022	OPEB - Existing Retirees	23,364	9,768	19,842	-3,522	-9.78%
New	LACERA OPEB Administratrtion Costs	20,000	-	20,000	0	0.00%
	<b>Total Salaries &amp; Employee Benefits</b>	<b>\$ 976,264</b>	<b>\$ 517,784</b>	<b>\$ 945,033</b>	<b>-31,231</b>	<b>-3.20%</b>
<b>50000A</b>	<b>Office Expense</b>					
50025	Rent	\$ 101,600	\$ 50,677	\$ 102,285	685	0.67%
50026	Communications	11,500	4,919	10,000	-1,500	-13.04%
50027	Supplies	7,400	3,587	7,400	0	0.00%
50029	Computer Software	5,935	4,378	5,935	0	0.00%
50030	Equipment lease	6,100	3,577	6,257	157	2.57%
50031	Employee & Guest Parking Fees	8,781	4,329	8,514	-267	-3.04%
50032	Property/Liability Insurance	27,000	20,058	21,258	-5,742	-21.27%
50033	Agency Membership Dues	11,400	13,236	13,236	1,836	16.10%
50040	Information Technology/Programming	6,600	3,387	6,600	0	0.00%
50052	Legal Notices	4,000	3,482	5,000	1,000	25.00%
50054	Postage	4,000	1,636	7,586	3,586	89.65%
50056	Printing/Copy Charges	4,000	1,788	5,400	1,400	35.01%
50057	Conferences/Travel - Commissioners	13,000	8,626	13,000	0	0.00%
50058	Conference/Travel - Staff	13,000	7,012	13,000	0	0.00%
50060	Auto Reimbursement	6,720	3,354	6,720	0	0.00%
50061	Various Vendors	7,200	3,745	7,491	291	4.04%
50065	Miscellaneous - Other	4,000	13,545	13,545	9,545	238.62%
50067	Computer-Copier-Misc Equipment	500	-	500	0	0.00%
	<b>Total Office Expenses</b>	<b>\$ 242,736</b>	<b>\$ 151,337</b>	<b>\$ 253,726</b>	<b>10,991</b>	<b>4.53%</b>

FISCAL YEAR 2018-19 MID YEAR BUDGET						
ACCT. #	ACCOUNT NAME	ADOPTED	MID YEAR	PROJECTED	PYE \$ Variance From Adopted	PYE % Variance From Adopted
		FINAL BUDGET 2018-19	BUDGET STATUS 2018-19	YEAR END (PYE) 2018-19		
50000C	Professional Services					
50076	Legal services	\$ 65,000	\$ 66,901	\$ 136,901	71,901	110.62%
50077	Accounting & Bookkeeping	25,000	15,378	25,000	0	0.00%
50077.2	Audit/Financial Statements	7,400	6,500	6,500	-900	-12.16%
50077.1	Payroll Service	3,000	2,315	4,385	1,385	46.17%
50078	Contract Services	3,000	-	18,000	15,000	500.00%
50081	Municipal Service Reviews	50,000	-	50,000	0	0.00%
	<b>Total Professional Services</b>	<b>\$ 153,400</b>	<b>\$ 91,094</b>	<b>\$ 240,786</b>	<b>87,386</b>	<b>56.97%</b>
	<b>TOTAL EXPENDITURES</b>	<b>\$ 1,372,400</b>	<b>\$ 760,215</b>	<b>\$ 1,439,546</b>	<b>67,146</b>	<b>5%</b>
20020	OPEB Liability - Reserves	100,000	-	100,000		
	<b>Total Contingencies and Reserves Set Aside</b>	<b>\$ 100,000</b>	<b>\$ -</b>	<b>\$ 100,000</b>	<b>0</b>	<b>0%</b>
	<b>Total Appropriations</b>	<b>\$ 1,472,400</b>	<b>\$ 760,215</b>	<b>\$ 1,539,546</b>	<b>67,146</b>	<b>4.56%</b>
40000	REVENUES					
40005	Filing Fees	\$ 85,500	\$ 43,540	\$ 85,500	0	0.00%
40006	Processing Fees	-	-	-	0	
40007	Interest Income	12,000	12,508	22,000	10,000	83.33%
40008	Other Income	350	40	350	0	0.00%
	<b>Total Revenues</b>	<b>\$ 97,850</b>	<b>\$ 56,088</b>	<b>\$ 107,850</b>	<b>10,000</b>	<b>8.49%</b>
	<b>NET OPERATING COSTS</b>	<b>\$ 1,374,550</b>	<b>\$ 704,127</b>	<b>\$ 1,431,696</b>	<b>57,146</b>	<b>4.16%</b>
	<b>Local Agency Apportionment</b>					
40001	City of Los Angeles	\$ 203,456	\$ 203,456	\$ 203,456	0	0.00%
40002	County of Los Angeles	508,633	508,633	508,633	0	0.00%
40003	Other Cities (87)	305,177	299,955	305,177	0	0.00%
40004	Special Districts	305,177	304,740	305,177	0	0.00%
	<b>Total Local Agency Apportionment</b>	<b>\$ 1,322,443</b>	<b>\$ 1,316,784</b>	<b>\$ 1,322,443</b>	<b>0</b>	<b>0%</b>

## **Staff Report**

**February 13, 2019**

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

#### **As-Needed Alternate Legal Counsel**

Government Code Section 56384 (b) of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 ("Act") provides that the Commission may appoint alternate legal counsel when LAFCO's regularly-appointed legal counsel, the Los Angeles Office of the County Counsel, is subject to a conflict of interest on a matter before the Commission.

On June 12, 2013, the Commission approved separate three-year contracts with five (5) law firms to serve as as-needed alternate legal counsel to the Commission.

The purpose of having alternate legal counsel is to avoid the real or potential conflicts of interest. The Commission approved several alternate legal counsel firms on "stand-by" in the event any of these firms had a potential conflict of interest. None of the firms is authorized to proceed, unless and until directed to do so by the Executive Officer.

On June 8, 2016, the Commission extended the contracts, for three additional years, with four (4) of the law firms.

- Best Best & Krieger (Matthew E. "Mal" Richardson, Irvine office);
- Meyers Nave (Deborah J. Fox, Los Angeles office);
- Nossaman LLP (Lloyd W. "Bill" Pellman, Los Angeles office); and
- Renne Sloane Holtzman Sakai LLP, formerly Miller & Owen (Nancy C. Miller, Sacramento office).

The above as-needed alternate legal counsel contracts will expire on June 13, 2019. For this reason, staff is recommending that the Commission authorize the Executive Director to seek three-year extensions with the four firms currently serving as alternate legal counsel. Other than extending the term of each contract for three years, and adjusting billing rates (to reflect 2019 billing rates as opposed to 2016 billing rates), all other provisions of the contracts would remain the same. Upon concluding negotiations with the four firms, staff would agendize contract extensions for the Commission's approval at a future meeting.

#### **Recommended Action:**

1. Direct the Executive Officer to execute contract amendments, for a new term of three years and adjusting billing rates, with no other changes, with the law firms of Best Best & Krieger; Meyers Nave; Nossaman LLP; and Renne Sloane Holtzman Sakai LLP; and bring back the contracts to the Commission for approval at a future meeting.



## **Staff Report**

**February 13, 2019**

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

### **Alternate Public Member**

Government Code Section 56326(f) of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (the “Act”) requires LAFCO to have a public member. The current Public Member is Gerard McCallum, currently serving a four-year term that will expire in May of 2019.

Government Code Section 56326(f) also states that the “other members of the commission may also appoint one alternate” public member [emphasis added]. The Alternate Public Member may serve and vote in place of the regular Public Member when that member is absent or disqualifies himself or herself from participating in a Commission meeting.

Until recently, the Alternate Public Member was Greig Smith, who was serving a four-year term that would expire in May of 2020. On Tuesday, January 15, 2019, Mr. Smith began service on the Los Angeles City Council. Mr. Smith was appointed to temporarily fill the 12<sup>th</sup> District seat vacated by Mitch Englander.

Government Code Section 56331 prohibits “an officer or employee of the county or any city or district with territory in the county” from serving as a public member or alternate public member

Upon becoming the Acting City Councilman for the City’s 12<sup>th</sup> District, Mr. Smith became an “officer or employee” of the City of Los Angeles. and became ineligible to serve as the Alternate Public Member of the Commission. Mr. Smith will remain on the City Council until a new council person is elected at a special election to be held in June (with the possibility of an August run-off election).

LAFCO’s website now identifies the Alternate Public Member position as “vacant.”

Mid-term vacancies in the membership are usually filled for the unexpired term by appointment by the body that originally appointed that member whose office has become vacant, however, since the appointment of an Alternate Public Member is optional, the Commission can initiate a process to fill the vacancy or leave it vacant.

The Act does not set forth a process for the Los Angeles LAFCO to follow in appointing its Alternate Public Member. Although not applicable to the Los Angeles LAFCO, Government Code Section 56325 provides an example of the process some other LAFCOs are required to follow in selecting an alternate public member. Pursuant to Government Code Section 56325, when a vacancy occurs, commissions subject to section 56325 are required to post a notice of vacancy at or near the doors of the commission's meeting room or upon any official bulletin

board used for the purpose of posting the commission's public notices for at least 21 days before making the final appointment. A copy of the notice must be sent to the clerk or secretary of the legislative body of each local agency within the county served by the commission.

LAFCO has followed a similar process, with additional outreach, for its recent Alternate Public Member appointments.

Recommended Action:

Staff recommends that the Commission provide direction to staff with regard to this vacancy.

## **Staff Report**

**February 13, 2019**

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

This brief report reflects the fact that few bills have been introduced, as the Legislature reconvened recently (January 7, 2019). The California Association of Local Agency Formation Commissions (“CALAFCO”) Legislative Committee (on which Executive Officer Paul Novak serves) is working on the following bill (yet to be introduced):

- **2019 Omnibus Bill (Assembly Local Government Committee):** The CALAFCO Legislative Committee is recommending nine (9) items for the Assembly Local Government Committee’s annual Omnibus Bill amending the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (each item is summarized on the “2019 Omnibus Bill Items Tracking Log,” attached). Executive Officer Paul Novak has submitted two (2) items: one, to add a definition of “service review” (aka “Municipal Service Review” or “MSR”); and two, to recodify a section of the government code to clarify the process of appointing commissioners to LAFCOs. LA LAFCO has taken a “support” position on prior Omnibus Bills; staff anticipates seeking a “support” position once the bill is formally introduced.

**Commission Position: None Requested**

Staff is also tracking the following legislation:

- **AB 213 (Reyes):** Sponsored by the League of California Cities, this bill would reinstate the Educational Revenue Augment Funds (“ERAF”) for city annexations of inhabited territory. (Last year’s version of the bill, also by Assemblyman Reyes, died in the Assembly Appropriations Committee; the Commission did not take a position on last year’s bill).

**Commission Position: None Requested.**

- **SB 99 (Nielsen):** This bill would make non-substantive changes to the Department of Conservation’s bi-annual report concerning implementation of the Williamson Act. (NOTE: The Williamson Act authorizes a city or county to contract with a landowner to limit the use of agricultural land located in an agricultural preserve designated by the city or county; there is no Williamson Act land in Los Angeles County).

**Commission Position: None Requested.**

Given that the deadline to introduce bills is February 22<sup>nd</sup>, staff anticipates a lengthier legislative update for the March 13<sup>th</sup> Commission Meeting.

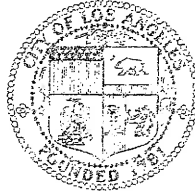
### **Staff Recommendation:**

1. Receive and file the Legislative Update Report.

2019 Omnibus Bill Items Tracking Log					
Item No.	Person Responsible	Section/Change	Actions	Due Date	Status
1	Paul Novak	Add §56056.5 – add definition of Municipal Service Review			Approved as amended at the 12/14/18 leg mtg. Pamela working to confirm actual language approved. Once done, will go to ALGC.
2	Kai Luoma	§56074 – change definition of “service”			Approved as amended at the 12/14/18 leg mtg. Sent to ALGC 1/20/19.
3	Kai Luoma	§56133(b) – add “functions”: “new or extended services or <u>functions</u> .”	REMOVED FROM OMNIBUS FOR 2019		Removed from Omnibus consideration. There was no agreement on language or importance of change. Will be removed from future tracking logs.
4	Carole Cooper	§56133(c) – Delete “If consistent with adopted policy” in first sentence.			Approved at the 12/14/18 leg mtg. Will send to ALGC after receiving member feedback.
5	Keene Simonds et al	§56133(e) – add “as determined by the commission” to the latter part of the sentence.			Approved at the 12/14/18 leg mtg. Will send to ALGC after receiving member feedback.
6	Paul Novak	§56325-56331.3, 56332, and 56335 (amend) and 56331.4 (new) Appointment of commissioners			Approved at the 12/14/18 leg mtg. Sent to ALGC 1/20/19.
7	Kai Luoma	§56375.3 – delete entire section (now outdated)			Approved at the 12/14/18 leg mtg. Sent to ALGC 1/20/19.
8	Carole Cooper	§56663 – add “subsequent to commission approval” to clarify order of process			Approved at the 12/14/18 leg mtg. Sent to ALGC 1/20/19.
9	Carole Cooper	§57077 – add “consolidation of two or more cities”			Approved at the 12/14/18 leg mtg. Sent to ALGC 1/20/19.

~ Last updated 1/20/2019 11:30 AM

10	Lou Ann Texeira	§57103 – add “unless it meets the provisions contained in Section 57077.1(c)” to the end of the section.			Approved at the 12/14/18 leg mtg. Sent to ALGC 1/20/19.
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RECEIVED

2019 JAN 28 AM 8:16

HERB J. WESSON, JR.  
COUNCILMEMBER, 10TH DISTRICT  
PRESIDENT, LOS ANGELES CITY COUNCIL

January 23, 2019


Ms. Holly Wolcott, City Clerk  
200 N. Spring Street, Room 360  
Los Angeles, CA 90012  
M.S. 160-1

Dear Ms. Wolcott:

As President of the Los Angeles City Council, I hereby appoint the Honorable Greig Smith to the Los Angeles Local Agency Formation Commission. He fills the current vacancy.

Thank you for your assistance in this matter. Please let me know if you should have any questions.

Sincerely,

  
HERB J. WESSON, Jr.  
President, Los Angeles City Council  
10<sup>th</sup> Council District

HJW:aw:slw

c: Mayor  
All Councilmembers  
Sharon Tso, Chief Legislative Analyst  
Richard Llewellyn, City Administrative Officer  
Paul Novak, Executive Officer  
Los Angeles Local Agency Formation Commission

HOLLY L. WOLCOTT  
CITY CLERK

SHANNON D. HOPPE  
EXECUTIVE OFFICER

City of Los Angeles  
CALIFORNIA



ERIC GARCETTI  
MAYOR

OFFICE OF THE  
CITY CLERK

Executive Office  
200 N. Spring Street, Room 360  
Los Angeles, CA 90012  
(213) 978-1020  
FAX: (213) 978-1027

[clerk.lacity.org](http://clerk.lacity.org)

January 23, 2019

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

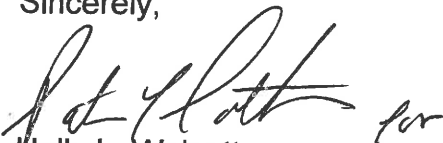
Honorable Members of the Local Agency Formation Commission for the County of Los Angeles:

This is to inform you that Council President Herb J. Wesson, Jr., has appointed Councilmember Greig Smith to fill the current vacancy to represent the City of Los Angeles as a member of the Local Agency Formation Commission for the County of Los Angeles. The member can be reached at Los Angeles City Hall, 200 North Spring Street, Room 405, Los Angeles CA 90012; telephone (213) 473-7012 or by email at [Councilmember.Smith@lacity.org](mailto:Councilmember.Smith@lacity.org).

Council President Wesson has further requested that the member be notified of the meeting dates and times, and all responsibilities and duties expected of him.

Thank you for your assistance in this matter.

Sincerely,

  
Holly L. Wolcott  
City Clerk

HLW/PL:amm

N:\Data-Exec\Council President Appointment Letters\2019\Greig Smith (LAFCO) 01 23 19ltr

RECEIVED  
2019 JAN 28 AM 9:16  
FOR THE CITY CLERK