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SLO LAFCO - Serving the Area of San Luis Obispo County

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TO: MEMBERS, FORMATION COMMISSION

FROM: DAVID CHURCH, AICP, EXECUTIVE OFFICER

DATE: FEBRUARY 18, 2016

SUBJECT: CALAFCO Quarterly Report-Legislative Update

Recommendation. It is respectfully recommended that the Commission receive and file this report.

The CALAFCO Quarterly Report is attached and provides more details on the following topics. A brief Legislative Update is also included in the Quarterly Report.

2016 ANNUAL CONFERENCE UPDATE

The 2016 CALAFCO Annual Conference is set for October 26 – 28 in Santa Barbara at the Fess Parker DoubleTree. Our host, Santa Barbara LAFCo, and the program planning committee are already hard at work developing a great program with some very unique experiences for all who attend. Our theme this year is ***Orchards to Oceans: Balancing California's Diversity***. Mark your calendars! More conference information will be made available later this spring.



2016 STAFF WORKSHOP UPDATE

Plans are being finalized for the 2016 Staff Workshop. Our host this year is Los Angeles LAFCo and we will be at the Hilton Universal City. The Workshop is set for March 30 – April 1. The theme is ***JEOPARDY: What is the Evolving Role of LAFCo?*** Topics being covered include;

CALAFCO Board Actions

The Board met on February 5 and took a number administrative actions, including: The quarterly financial reports were reviewed. The budget is on track for the year with no changes anticipated. Contingency fund usage is aligned with previous Board approval. All financial reports are located on the website. The Board considered the 2016-17 dues. CALAFCO Bylaws call for the dues to automatically increase annually by the state CPI, unless the Board takes action otherwise. Given the decision last year to raise LAFCo member dues by seven (7) percent each year for the next two years, the Board took action to not increase the dues by the CPI. All Executive Officers received the approved dues for FY 2016-17.

CALAFCO Legislative Update

2016 is the second year of the two year legislative cycle. The Legislative Committee (Committee) has met monthly since November. All meeting packets and minutes can be found on the CALAFCO website in the Members/ Legislation Section. It looks like another busy legislative year. The Board limited the number of items to be included in this year's Omnibus bill. The Committee thoroughly vetted all of the proposed items and ultimately seven (7) items were submitted to the Assembly Local Government Committee (ALGC) for inclusion. Currently the draft bill is being circulated through the review team and should be introduced soon. These are minor changes to the CKH Act that do not have significant policy implications.

CALAFCO is also sponsoring **SB 1266 (McGuire)**, which is the legislation that creates the direct communication link between LAFCos and JPAs. The scope of the bill has been narrowed considerably as a result of CALAFCO's work with stakeholders. While amendments are pending, the intention is that stand-alone JPAs meeting the definition found in GC Section 56047.7 (CKH Act) that were formed to provide municipal services and have at least one member who is a public agency shall file a copy of their agreement or amendment to that agreement with the LAFCo. RCRC has been opposed to this bill as has the

There are a number of significant bills of concern to CALAFCO, and several subcommittees of the full Committee have been formed to thoroughly review and recommend positions/comments back to the full Committee, including:

- **AB 2032 (Linder)** regarding disincorporations. While introduced as a spot bill, amendments are pending that would dismantle much of what was accomplished last year in our sponsored bill AB 851.
- **SB 1318 (Wolk)** regarding local agencies and water infrastructure. This bill creates new mandates for LAFCo in terms of annexations, extension of service and MSRs.

- **SB 1262 (Pavley)** regarding permitting new water systems and water supply planning.

Additionally, CALAFCO has taken a SUPPORT position on the following bills:

- **SB 817 (Roth)** regarding local government finance. This Bill would restore the Vehicle License Fee revenues to newly incorporated Cities. It was taken away during the great recession to help balance the State's ledgers.
- **SB 971** , **SB 972** and **SB 973** (Senate Gov & Finance Comm) regarding the annual validating acts. These are routine spending bills passed by the State Legislature.

All LAFCOs are encouraged to write letters of Support for these bills as well as **SB 1266**.

A full detailed legislative tracking report can be found on the CALAFCO website in the Members Only section.

Legislation Implemented in 2016

Just a reminder that the following bills are now law and LAFCO will be responsible for implementing these laws.

SB 239 (Hertzberg D)

Summary: This bill would, with certain exceptions, permit a public agency to exercise new or extended fire/emergency services outside the public agency's jurisdictional boundaries pursuant to a fire protection contract, only if the public agency receives written approval from the local agency formation commission in the affected county. This bill contains other related provisions and other existing laws and took effect on January 1, 2016. Cambria CSD recently decided not to pursue a service contract with CALFIRE. This proposal will not be submitted to LAFCO review in the foreseeable future.

SB 88

Summary: Authorizes the State Water Resources Control Board to order consolidation with a receiving water system where a public water system, or a state small water system within a disadvantaged unincorporated community, consistently fails to provide an adequate supply of safe drinking water. This bill would authorize the state board to order the extension of service to an area that does not have access to an adequate supply of safe drinking water so long as the extension of service is an interim extension of service in preparation for consolidation.

The SWRCB has notified the owner of the Higuera Apartments, which is located adjacent to the City of San Luis Obispo, that the water system contains high nitrate levels. The SWRCB has advised the owner to voluntarily pursue consolidation with the City or further enforcement actions will be taken by the State of California. This could lead to LAFCO actions: either an annexation or outside user agreement based on a threat to public health and safety. The SWRCB representative called SLO LAFCO to discuss these options prior to sending the letter.

News from the Board of Directors

CALAFCO QUARTERLY

February 2016



Conferences and Workshops Update

2016 ANNUAL CONFERENCE UPDATE

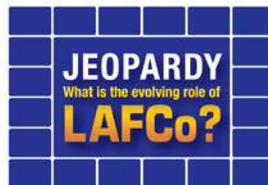


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Evolving Role of LAFCo? A special Mobile Workshop panel and tour is planned at Universal Studios to learn about the NBC Universal Evolution Plan, Alt. No. 10: No Residential Alternative, and the program planning committee and host LAFCo are planning a fun surprise for our luncheon and dinner entertainment!

CALAFCO U UPDATE

Staff will be announcing the two 2016 CALAFCO U sessions very soon. Watch the website and your email for details!



CALAFCO Board Actions

The Board met on February 5 and took the following administrative actions:



- ◆ The quarterly financial reports were reviewed. The budget is on track for the year with no changes anticipated. Contingency fund usage is aligned with previous Board approval. All financial reports are located on the website.
- ◆ The Board considered the 2016-17 dues. CALAFCO Bylaws call for the dues to automatically increase annually by the state CPI, unless the Board takes action otherwise. Given the decision last year to raise LAFCo member dues by seven (7) percent each year for the next two years, the Board took action to not increase the dues by the CPI. All Executive Officers received the approved dues for FY 2016-17.
- ◆ The Legislative Policies for 2016 were adopted.
- ◆ For the first time, the Board did a full annual review of the organization's performance based on the objectives set in the 2015-16 Strategic Plan.

Additionally, several changes were made to the 2016 objectives. A full dashboard review and updated Strategic Plan can be found on the CALAFCO website.

- ◆ Received a full legislative update (details below).
- ◆ Accepted the annual Conflict of Interest Reports.
- ◆ Accepted the CALAFCO 2015 Annual Survey results report.

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Anticipating another busy legislative year, the Board limited the number of items to be included in this year's Omnibus bill. The Committee thoroughly vetted all of the proposed items and ultimately seven (7) items were submitted to the Assembly Local Government Committee (ALGC) for inclusion. One has been removed by ALGC staff and another added at their request (and ultimately approved by the Committee). Currently the draft bill is being circulated through the review team and should be introduced soon.

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CALAFCO Associate Members' Corner



This section highlights our Associate Members. The information below is provided to CALAFCO by the Associate member upon joining the Association. All Associate member information can be found in the CALAFCO Member Directory.

County Sanitation Districts of Los Angeles County

LA County Sanitation Districts has been a Silver Associate Member since July, 2005. The District provides sewer service to 78 cities and unincorporated areas of LA County. Before a district can provide sewage service to a territory, it must be within its jurisdictional boundaries. Further, District staff administers the annexation program, including processing applications for annexation. For more information, visit their website at www.lacsd.org.



Dudek

Dudek has been a Silver Associate Member since June, 2005. They provide a full range of services to assist LAFCoS, cities and special districts including: Municipal Services Reviews, sphere reviews and updates, reorganization and annexation applications, service plans and related CEQA work. Their staff include specialists in LAFCo procedures, district management, water/wastewater engineering, CEQA compliance, GIS and environmental studies. For more information, visit them at www.dudek.com.



Rancho Mission Viejo

Rancho Mission Viejo has been a Silver Associate Member since June, 2005. They are responsible for the development and management of a governance structure for a 23,000-acre, 14,000 home planned community. For more information, visit them at www.ranchomissionviejo.com.



RANCHO MISSION VIEJO

CALAFCO wishes to thank all of our Associate Members for your support and partnership. We look forward to continuing to highlight our Associate Members in each Quarterly Report.



Tracks Around the State

Santa Cruz

Approximately 200 Santa Cruz County residents recently attended an educational water forum co-sponsored by Santa Cruz LAFCo. The presenters were the water supply and resource management agencies from around the county. The theme was that the agencies are working together to address major water resource challenges. For more info: <http://www.santacruzrwp.org/DROPS>.

Marin

Marin LAFCo will be moving its administrative office effective April 1, 2016 to 1401 Los Gatos Drive, Suite 220, San Rafael, California 94903. We are going from 300 square feet to 1300 square feet and will now get to have more than one visitor at a time!!

Sonoma

Sonoma LAFCo recently endorsed the formation of the North Sonoma Coast FPD and the dissolution of an inactive reclamation district, and will be adjudicating the dissolution of a park district and a major detachment from a health care district. Potential boundary changes and consolidations of fire service agencies in the County are also forthcoming, as are a variety of issues related to water districts that want to expand in order to provide groundwater management services to meet goals set forth by SGMA.



Los Angeles

LA LAFCo continues to make progress on a comprehensive program to insure that mosquito and vector control services are provided in all areas of Los Angeles County. Within the last two years, the City of La Canada-Flintridge, as well as the unincorporated communities of La Crescenta and Montrose, were successfully annexed into vector control districts. Staff is working to convince representatives of the two cities in the county which have no mosquito and vector control programs to annex into existing vector control districts.

Nevada

After 15 years of service, Commissioner Paul Norsell retired from the Public Member seat. Commissioner Norsell was the recipient of CALAFCO's Outstanding Commissioner Award in 2014. Commissioner Josh Susman, who is currently serving on the CALAFCO Board as Treasurer, succeeds Mr. Norsell. Our newest Commissioner, Gloria Glenn, was seated as Alternate Public Member in September, 2015.

Riverside

Riverside LAFCo is commencing two deferred housekeeping projects. We have just started a complete overhaul of our website. The current website is built on an older, minimally supported platform and the design has not been updated since 2003. The new site will have a more modern look, more efficient navigation and be mobile device-friendly. We will also be electronically archiving case files from 2007 forward, as well as other documents. Case files from 1964-2006 were scanned several years ago. Budget constraints during the recession caused the deferral of both of these important projects.

Contra Costa

Contra Costa LAFCo is currently developing an agriculture & open space preservation policy. In July, we hosted a workshop to kick-off the effort. The workshop drew over 60 participants and featured a range of guest speakers including the American Farmland Trust, local land trust organizations, local farmers and ranchers, the County Agricultural Commissioner, representatives from several environmental and open space groups, the building industry association, economic development and realtor organizations.

The Commission's Policies & Procedures Committee is currently drafting the policy, the purpose of which is to provide guidance to the applicant on how to address agricultural and open space mitigation for LAFCo proposals, and to provide a framework for LAFCo to evaluate and process in a consistent manner, LAFCo proposals that involve or impact agricultural and/or open space lands.

Contra Costa County has over 90,000 acres of cropland and 168,000 acres of rangeland; however, since 1990, Contra Costa County has lost over 40% of its prime farmland. The 2015 *Economic Contributions of Contra Costa County Agriculture* report notes that Contra Costa County agriculture is critical to the County's economic stability within the agriculture industry and the broader county economy. Agriculture in Contra

Costa County contributes \$225 million to the local economy, and provides 2,277 jobs.

Local LAFCo policies are critical to preserving and protecting agricultural and open space lands. Agricultural land is an irreplaceable natural resource that provides a host of ecosystem benefits, including groundwater recharge, open space, habitat and protection from climate change.

We wish to thank those LAFCos that shared their local policies, including Calaveras, Colusa, Kings, Lake, Lassen, Madera, Mariposa, Modoc, Monterey, Plumas, San Joaquin, San Luis Obispo, Santa Clara, Stanislaus, Tuolumne, Ventura, Yolo and Yuba.

Mark Your Calendars For These Upcoming CALAFCO Events

- ❖ CALAFCO Legislative Committee meeting, March 18, Ontario
- ❖ CALAFCO Staff Workshop, March 30 - April 1, Universal City
- ❖ CALAFCO Legislative Committee meeting, April 22, conference call
- ❖ CALAFCO Board of Directors meeting, May 6, Sacramento



Upcoming CALAFCO Conferences and Workshops

2016 STAFF WORKSHOP

March 30 - April 1
Hilton Los Angeles at Universal City
Universal City, CA
Hosted by Los Angeles LAFCo

2016 ANNUAL CONFERENCE

October 26 - 28
Fess Parker DoubleTree by Hilton
Santa Barbara, CA
Hosted by Santa Barbara LAFCo

2017 STAFF WORKSHOP

April 5 - 7
DoubleTree by Hilton Fresno Convention Center
Fresno, CA
Hosted by Fresno LAFCo

2017 ANNUAL CONFERENCE

October 25 - 27
Bahia Mission Bay
San Diego, CA
Hosted by CALAFCO