



VENTURA LOCAL AGENCY FORMATION COMMISSION

AGENDA

Wednesday July 17, 2013

9:00 A.M.

Hall of Administration, Board of Supervisors Hearing Room
800 S. Victoria Avenue, Ventura CA

1. Call to Order
2. Pledge of Allegiance
3. Roll Call
4. Commission Presentations and Announcements

PUBLIC COMMENTS

5. This is an opportunity for members of the public to speak on items not on the agenda.

(The Ventura Local Agency Formation Commission encourages all interested parties to speak on any issue on this agenda in which they have an interest; or on any matter subject to LAFCo jurisdiction. It is the desire of LAFCo that its business be conducted in an orderly and efficient manner. All speakers are requested to fill out a Speakers Card and submit it to the Clerk before the item is taken up for consideration. All speakers are requested to present their information to LAFCo as succinctly as possible. Members of the public making presentations, including oral and audio/visual presentations, may not exceed five minutes unless otherwise increased or decreased by the Chair, with the concurrence of the Commission, based on the complexity of the item and/or the number of persons wishing to speak. Speakers are encouraged to refrain from restating previous testimony.)

CONSENT ITEMS

6. Minutes of the Ventura LAFCo June 12, 2013 Meeting
7. FY 2012-13 Budget to Actual Report – May 2013

RECOMMENDED ACTION: Approval Item 6 and
Receive and File Item 7

COMMISSIONERS AND STAFF

COUNTY: Kathy Long Linda Parks, Vice Chair <i>Alternate:</i> Steve Bennett Executive Officer: Kim Uhlich	CITY: Carl Morehouse Janice Parvin <i>Alternate:</i> Carol Smith Dep. Exec. Officer Kai Luoma	DISTRICT: Bruce Dandy Gail Pringle, Chair <i>Alternate:</i> Elaine Freeman Office Mgr/Clerk Debbie Schubert	PUBLIC: Linda Ford-McCaffrey <i>Alternate:</i> Lou Cunningham Legal Counsel Michael Walker
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PUBLIC HEARING ITEMS

8. Sphere of Influence Amendment and Waiver of Commissioner's Handbook Policies Relating to Territory Subject to Pending Change of Organization Proposal LAFCo 12-09 Lake Sherwood Community Services District – Annexation #2:
- A. Adopt the attached resolution (LAFCo 12-09S) making determinations and approving the Lake Sherwood Community Services District Sphere of Influence Amendment – Annexation # 2.
 - B. Determine whether to adopt the attached resolution waiving Commissioner's Handbook policies for territory subject to pending change of organization proposal LAFCo 12-09 Lake Sherwood Community Services District – Annexation #2.
 - C. Should the Commission take action to approve the policy waivers in anticipation that a waterworks district will be formed to assume responsibility for the provision of water from the Lake Sherwood Community Services District, direct staff to revise the attached resolution waiving Commissioner's Handbook policies to include the following condition as further confirmation that a change of organization is anticipated:
The waivers shall not become effective until a signed resolution of application from the Lake Sherwood Community Services District (LSCSD) and the Ventura County Board of Supervisors initiating the formation of a waterworks district to assume responsibility for water provision from the LSCSD is submitted to the Executive Officer.

RECOMMENDED ACTION: Approval (A) and Provide Staff Direction (B and C)

ACTION ITEMS

9. CALAFCO Board of Directors Nominations
Authorize the Chair to submit nominations for the CALAFCO Board of Directors as may be approved by the Commission.
- RECOMMENDED ACTION: Authorize the Chair to submit nominations
10. CALAFCO Board of Directors Election – Voting Delegates
Designate a voting delegate and an alternate voting delegate for the 2013 CALAFCO Board of Directors election.
- RECOMMENDED ACTION: Select a voting delegate and an alternate voting delegate

CLOSED SESSION

11. Pursuant to Government Code Section 54957, a closed session will be held to consider the following item:
Public Employee Performance Evaluation – Title: LAFCo Executive Officer

ACTION ITEMS (Continued)

12. Compensation of the Executive Officer
Consideration of granting a merit increase for the LAFCo Executive Officer
(Materials will be available at the meeting.)

EXECUTIVE OFFICER'S REPORT

CALAFCO Annual Conference
Next LAFCo meeting September 18, 2013

COMMISSIONER COMMENTS

CALAFCO Executive Board Meeting report - Board Member Cunningham

INFORMATIONAL ITEMS

Applications Received:
LAFCo 13-06 City of Oxnard Reorganization – Ventura Boulevard

ADJOURNMENT

WEB ACCESS:

**LAFCo Agendas, Staff Reports
and Adopted Minutes can be found at:**

www.ventura.lafco.ca.gov

Written Materials - Written materials relating to items on this Agenda that are distributed to the Ventura Local Agency Formation Commission within 72 hours before they are scheduled to be considered will be made available for public inspection at the LAFCo office, 800 S. Victoria Avenue, Administration Building, 4th Floor, Ventura, CA 93009-1850, during normal business hours. Such written materials will also be made available on the Ventura LAFCo website at www.ventura.lafco.ca.gov, subject to staff's ability to post the documents before the meeting.

Public Presentations - Except for applicants, public presentations may not exceed five (5) minutes unless otherwise increased or decreased by the Chair, with the concurrence of the Commission. Any comments in excess of this limit should be submitted in writing at least ten days in advance of the meeting date to allow for distribution to, and full consideration by, the Commission. Members of the public who wish to make audio-visual presentations must provide and set up their own hardware and software. Set up of equipment must be complete before the meeting is called to order. All audio-visual presentations must comply with the applicable time limit for oral presentations and thus should be planned with flexibility to adjust to any changes to the time limit established by the Chair. For more information about these policies, please contact the LAFCo office.

Quorum and Voting – The bylaws for the Ventura LAFCo Commissioner's Handbook provide as follows:

1.1.6.1 Quorum: Four (4) members shall constitute a quorum for the transaction of business, but a lesser number may adjourn from time to time.

1.1.6.2 Voting: Unless otherwise provided by law or these By-Laws, four affirmative votes are required to approve any proposal or other action. A tie vote, or any failure to act by at least four affirmative votes, shall constitute a denial.

Americans with Disabilities Act - In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the LAFCo office (805) 654-2576. Notification 48 hours prior to the meeting will enable LAFCo to make reasonable arrangements to ensure accessibility to this meeting.

Disclosure of Campaign Contributions - LAFCo Commissioners are disqualified and are not able to participate in any proceeding involving an "entitlement for use" if, within the 12 months preceding the LAFCo decision, the Commissioner received more than \$250 in campaign contributions from the applicant, an agent of the applicant, or any financially interested person who actively supports or opposes the LAFCo decision on the matter. Applicants or agents of applicants who have made campaign contributions totaling more than \$250 to any LAFCo Commissioner in the past 12 months are required to disclose that fact for the official record of the proceeding.

Disclosures must include the amount of the contribution and the recipient Commissioner and may be made either in writing to the Clerk of the Commission prior to the hearing or by an oral declaration at the time of the hearing.

The foregoing requirements are set forth in the Political Reform Act of 1974, specifically Government Code, section 84308.



VENTURA LOCAL AGENCY FORMATION COMMISSION

MEETING MINUTES

Wednesday June 12, 2013

Agenda Item 6

Hall of Administration, Board of Supervisors Hearing Room
800 S. Victoria Avenue, Ventura

1. Call to Order

Chair Pringle called the meeting to order at 9:00 AM.

2. Pledge of Allegiance

Chair Pringle led the pledge of allegiance.

3. Roll Call

The clerk called the roll. The following Commissioners were present:

- Commissioner Dandy, Commissioner Pringle, Commissioner Ford-McCaffrey, Alternate Commissioner Cunningham, Commissioner Long, Alternate Commissioner Freeman, Commissioner Parks, Alternate Commissioner Smith, Commissioner Parvin

Note: City Member Alternate Commissioner Smith sat as a voting member in the absence of Commissioner Morehouse.

4. Commission Presentations and Announcements

There were no announcements.

PUBLIC COMMENTS

5. This is an opportunity for members of the public to speak on items not on the agenda.

There were no public comments.

CONSENT ITEMS

6. Minutes of the Ventura LAFCo May 17, 2013 Meeting

7. FY 2012-13 Budget to Actual Report – April 2013

MOTION: Approve item 6 and receive and file item 7 as recommended:

Dandy

SECOND: Parvin

AYES: Dandy, Ford-McCaffrey, Long, Parks, Parvin, Pringle, Smith

NOES: None

ABSTAINED: None

MOTION PASSES 7/0/0

COMMISSIONERS AND STAFF

Table with 4 columns: COUNTY, CITY, DISTRICT, PUBLIC. Lists names of commissioners and staff members.

ACTION ITEMS

8. Waiver of Commissioner's Handbook Policies for Territory Subject to Pending Change of Organization Proposal LAFCo 12-09 Lake Sherwood Community Services District – Annexation #2

Kim Uhlich presented the staff report. The following persons gave public comments: Steve Perlman, property owner representative; Robert Liberman, Lake Sherwood Community Association; Michael Frankfurter, Lake Sherwood Community Association; Dick Hibma, Lake Sherwood Community Services District Citizens Advisory Committee.

1ST MOTION: Adopt the LAFCo resolution waiving Commissioner's Handbook policies (Attachment 6 of the June 12, 2013 staff report) and direct staff to provide a biennial progress report regarding the formation of a county waterworks district: Parks

SECOND: None
MOTION: Failed

2ND MOTION: Adopt the LAFCo resolution waiving Commissioner's Handbook policies (Attachment 6 of the June 12, 2013 staff report) conditioned on the initiation of a county waterworks district within six months from the date of adoption and direct staff to provide semi-annual progress reports on the effort to form such a waterworks district: Parks

SECOND: Long
MOTION: Withdrawn

3rd MOTION: For the July 17, 2013 LAFCo meeting, direct staff to take the following actions: 1) Provide additional information regarding the process required to form a county waterworks district; 2) Include an item on the agenda to consider an amendment to the sphere of influence for the Lake Sherwood Community Services District to include the 11 Assessor parcels which are the subject of the sphere of influence amendment proposal titled "LAFCo 12-09S Lake Sherwood Community Services District - Annexation #2"; and 3) Include an item on the agenda to consider a resolution waiving Commissioner's Handbook policies (Attachment 6 of the June 12, 2013 staff report), including options to make adoption of the resolution contingent on the formation of a county waterworks district: Dandy

SECOND: Parks
AYES: Dandy, Ford-McCaffrey, Long, Parks, Parvin, Pringle, Smith
NOES: None
ABSTAINED: None
MOTION PASSES 7/0/0

EXECUTIVE OFFICER'S REPORT

Noting that the LAFCo meeting scheduled for September 18, 2013 conflicts with conferences to be held by the League of Cities and the California Special Districts Association, Kim Uhlich conducted a poll of the Commissioners to determine how many would be available to attend the LAFCo meeting. She further noted that the next LAFCo meeting is scheduled for July 17, 2013.

These Minutes were approved on July 17, 2013.

Motion:

Second:

Ayes:

Nos:

Abstains:

Date: **Chair, Ventura Local Agency Formation Commission**

DRAFT



VENTURA LOCAL AGENCY FORMATION COMMISSION

STAFF REPORT

Meeting Date: July 17, 2013

(Consent)

Agenda Item 7

TO: LAFCo Commissioners
FROM: Kim Uhlich, Executive Officer *KU*
SUBJECT: FY 2012-13 Budget to Actual Report – May 2013

RECOMMENDATION:

Receive and file the Budget to Actual report for May 2013.

DISCUSSION:

Pursuant to the Commissioner’s Handbook policies, the Executive Officer is to provide monthly budget reports to the Commission as soon as they are available. The attached report, which has been prepared with the assistance of the County Auditor-Controller staff, reflects revenue and expenditures through May of the 2012-13 Fiscal Year.

Attachment: (1) Budget to Actual Report, May 2013

COMMISSIONERS AND STAFF

COUNTY:
Kathy Long
Linda Parks, Vice Chair
Alternate:
Steve Bennett

CITY:
Carl Morehouse
Janice Parvin
Alternate:
Carol Smith

DISTRICT:
Bruce Dandy
Gail Pringle, Chair
Alternate:
Elaine Freeman

PUBLIC:
Linda Ford-McCaffrey
Alternate:
Lou Cunningham

Executive Officer:
Kim Uhlich

Dep. Exec. Officer
Kai Luoma, AICP

Office Mgr/Clerk
Debbie Schubert

Legal Counsel
Michael Walker



**BUDGET TO ACTUAL FY 2012-13
YEAR TO DATE ENDING May 31, 2013 (91.7% of year)
Fund 7920, Organization 8950**

Summary	Budget	Adj. Budget	To Date
Estimated Sources	659,706	659,706	668,416
Appropriations	659,706	659,706	534,793

Account Number	Title	BUDGET			ACTUAL YTD			Variance Favorable (Unfavorable)	
		Budget	Proposed Adjustments	Adjusted Budget	Actual	Encumbered	Total Revenue/Obligation		
FUND BALANCE									
	Beginning Balance	385,219		385,219	385,218.80		385,218.80	0.00	
5331	Committed	100,000		100,000	100,000.00		100,000.00	0.00	
5395	Unassigned	200,028		200,028	200,027.80		200,027.80	0.00	
5395	Unassigned - Appropriated	85,191		85,191	85,191.00		85,191.00	0.00	
REVENUE									
8911	Interest Earnings	4,000		4,000	1,468.01		1,468.01	2,531.99	37%
9372	Other Governmental Agencies	550,515		550,515	550,515.00		550,515.00	0.00	100%
9772	Other Revenue - Miscellaneous	20,000		20,000	31,242.21		31,242.21	(11,242.21)	156%
	Total Revenue	574,515	0	574,515	583,225.22		583,225.22	(8,710.22)	102%
	TOTAL SOURCES	659,706	0	659,706	668,416.22	0.00	668,416.22	(8,710.22)	101%
EXPENDITURES									
1101	Regular Salaries	323,550		323,550	288,218.57		288,218.57	35,331.43	89%
1106	Supplemental Payments	12,400		12,400	11,003.33		11,003.33	1,396.67	89%
1107	Term/Buydown	22,500		22,500	14,165.30		14,165.30	8,334.70	63%
1121	Retirement Contribution	72,000		72,000	62,524.48		62,524.48	9,475.52	87%
1122	OASDI Contribution	18,300		18,300	16,481.66		16,481.66	1,818.34	90%
1123	FICA - Medicare	5,000		5,000	4,529.73		4,529.73	470.27	91%
1124	Safe Harbor	0		0	(33.02)		(33.02)	33.02	0%
1141	Group Insurance	21,400		21,400	19,154.50		19,154.50	2,245.50	90%
1142	Life Ins/Dept. Heads & Mgmt.	150		150	121.08		121.08	28.92	81%
1143	State Unempl	700		700	437.90		437.90	262.10	63%
1144	Management Disability Ins.	820		820	706.15		706.15	113.85	86%
1165	Worker Compensation Ins	2,850		2,850	2,510.96		2,510.96	339.04	88%
1171	401K Plan	12,000		12,000	9,399.52		9,399.52	2,600.48	78%
	Salaries and Benefits	491,670	0	491,670	429,220.16	0.00	429,220.16	62,449.84	87%
2033	Voice/Data ISF	3,500		3,500	2,219.87		2,219.87	1,280.13	63%
2071	General Insurance Alloca - ISF	2,250		2,250	1,843.00		1,843.00	407.00	82%
2125	Facil/Matls Sq. Ft. Alloc. - ISF	15,500		15,500	13,596.00		13,596.00	1,904.00	88%
2128	Other Maint	500		500	80.48		80.48	419.52	16%
2141	Memberships & Dues	6,500		6,500	6,416.00		6,416.00	84.00	99%
2154	Education Allowance	1,350		1,350	1,320.00		1,320.00	30.00	98%
2158	Indirect Cost Recovery	3,000		3,000	2,967.00		2,967.00	33.00	99%
2172	Books & Publications	500		500	407.87		407.87	92.13	82%
2174	Mail Center - ISF	3,000		3,000	1,846.13		1,846.13	1,153.87	62%
2176	Purchasing Charges - ISF	500		500	91.10		91.10	408.90	18%
2177	Graphics Charges - ISF	4,000		4,000	231.10		231.10	3,768.90	6%
2178	Copy Machine Charges - ISF	1,000		1,000	375.57		375.57	624.43	38%
2179	Miscellaneous Office Expense	6,000		6,000	5,553.43		5,553.43	446.57	93%
2181	Stores ISF	50		50	41.08		41.08	8.92	82%
2191	Board Members Fees	5,000		5,000	2,500.00		2,500.00	2,500.00	50%
2192	Information Technology - ISF	3,000		3,000	1,604.45		1,604.45	1,395.55	53%
2195	Specialized Services/Software	1,500		1,500	737.50		737.50	762.50	49%
2197	Public Works - Charges	5,000		5,000	1,050.55		1,050.55	3,949.45	21%
2199	Other Prof & Spec Service	9,000		9,000	7,957.00		7,957.00	1,043.00	88%
2203	Accounting and Auditing Services	5,500		5,500	0.00		0.00	5,500.00	0%
2205	GSA Special Services ISF	100		100	207.60		207.60	(107.60)	208%
2214	County GIS Expenses	25,000		25,000	10,379.20		10,379.20	14,620.80	42%
2261	Public & Legal Notices	5,000		5,000	1,594.92		1,594.92	3,405.08	32%
2283	Records Storage Charges	350		350	253.65		253.65	96.35	72%
2293	Computer Equipment <5000	4,000		4,000	3,710.15		3,710.15	289.85	93%
2304	County Legal Counsel	22,500		22,500	22,987.00		22,987.00	(487.00)	102%
2522	Private Vehicle Mileage	7,000		7,000	5,862.58		5,862.58	1,137.42	84%
2523	Conf. & Seminars Expense	13,000		13,000	9,109.51		9,109.51	3,890.49	70%
2526	Conf. & Seminars Expense ISF	500		500	161.00		161.00	339.00	32%
2528	County Motor Pool	1,000		1,000	468.96		468.96	531.04	0%
	Services and Supplies	155,100	0	155,100	105,572.70	0.00	105,572.70	49,527.30	68%
6101	Contingency	12,936		12,936	0.00		0.00	12,936.00	0%
	TOTAL EXPENDITURES	659,706	0	659,706	534,792.86	0.00	534,792.86	124,913.14	81%

0.00

Note: Amounts with "()" in the ACTUAL column reflect FY12 accruals in excess of actual expenditures to date



VENTURA LOCAL AGENCY FORMATION COMMISSION

STAFF REPORT

Meeting Date: July 17, 2013

Agenda Item 8

TO: LAFCo Commissioners

FROM: Kim Uhlich, Executive Officer *KU*

SUBJECT: Sphere of Influence Amendment and Waiver of Commissioner’s Handbook Policies Relating to Territory Subject to Pending Change of Organization Proposal LAFCo 12-09 Lake Sherwood Community Services District – Annexation #2

RECOMMENDATIONS:

- A. Adopt the attached resolution (LAFCo 12-09S) making determinations and approving the Lake Sherwood Community Services District Sphere of Influence Amendment – Annexation # 2.
- B. Determine whether to adopt the attached resolution waiving Commissioner’s Handbook policies for territory subject to pending change of organization proposal LAFCo 12-09 Lake Sherwood Community Services District – Annexation #2.
- C. Should the Commission take action to approve the policy waivers in anticipation that a waterworks district will be formed to assume responsibility for the provision of water from the Lake Sherwood Community Services District (LSCSD or District), direct staff to revise the attached resolution waiving Commissioner’s Handbook policies to include the following condition as further confirmation that a change of organization is anticipated:
 The waivers shall not become effective until a signed resolution of application from the LSCSD and the Ventura County Board of Supervisors initiating the formation of a waterworks district to assume responsibility for water provision from the LSCSD is submitted to the Executive Officer.

COMMISSIONERS AND STAFF

COUNTY: Kathy Long Linda Parks, Vice Chair <i>Alternate:</i> Steve Bennett	CITY: Carl Morehouse Janice Parvin <i>Alternate:</i> Carol Smith	DISTRICT: Bruce Dandy Gail Pringle, Chair <i>Alternate:</i> Elaine Freeman	PUBLIC: Linda Ford-McCaffrey <i>Alternate:</i> Lou Cunningham
Executive Officer: Kim Uhlich	Dep. Exec. Officer Kai Luoma, AICP	Office Mgr/Clerk Debbie Schubert	Legal Counsel Michael Walker

BACKGROUND:

Lake Sherwood Community Services District

The LSCSD is a dependent special district that provides domestic water to the Lake Sherwood community. The Ventura County Board of Supervisors acts as the governing board for the District. The District obtains its water from the State Water Project, supplied by the Metropolitan Water District through its local member agency, Calleguas Municipal Water District.

On August 6, 2012 LAFCo received an application from the LSCSD requesting approval of a sphere of influence amendment to include 11 Assessor parcels and portions of the Potrero Road and Lake Sherwood Drive rights of way and requesting approval of a change of organization proposal to annex the same territory plus another 208 Assessor parcels which are currently within the existing sphere of influence for the District (referred to as LAFCo 12-09S/12-09 - Lake Sherwood Community Services District Sphere of Influence Amendment and Annexation #2). Attachment 1 is a map of the territory subject to the proposal. Of the 219 parcels within the proposed annexation area, 159 are currently receiving domestic water service from the LSCSD. The remaining 60 parcels are undeveloped. Attachment 2 shows the location of the undeveloped parcels (depicted in green) as well as the parcels which are currently developed and receiving water service (depicted in red or white).

As evident in Attachment 1, the proposal includes the lots in the historic Lake Sherwood neighborhoods which remain outside of the LSCSD boundary. As reflected in Attachment 2, some of the lots within the LSCSD proposal area first received water service on or prior to January 1, 2001 and others first received water service after that date. Based on the provisions of Government Code section 56133 and due to the fact that LAFCo has no record of receiving or granting any requests to approve any agreements for such services after January 1, 2001, the water service connections initiated after January 1, 2001 do not appear to be legally authorized. With regard to the lots that first received water service on or prior to January 1, 2001, the continued provision of water services by the LSCSD to these lots is consistent with state law and will continue to be so even if they remain outside of the LSCSD boundary. Although there is no legal requirement to do so, these parcels were included in the LSCSD annexation as a means to avoid the creation of an illogical boundary. Attachment 3 is a summary of the parcels included in the LSCSD annexation proposal by water service status and consistency with Government Code section 56133.

The intent of the LSCSD annexation proposal, which was developed as a joint effort by LSCSD and LAFCo staff, is to accomplish the following objectives in the most time- and cost-efficient manner possible: 1) resolve the legal inconsistency relating to the current water service connections initiated by the LSCSD after January 1, 2001; 2) avoid ad hoc, single lot annexation proposals as the owners of the undeveloped lots seek to develop

their lots in the future; 3) resolve the illogical boundary of the LSCSD by eliminating the islands; and 4) comply with state law and LAFCo policies.

Comments by Affected Landowners

Consideration of the LSCSD annexation by the Commission has been continued since September 2012 in response to concerns expressed by a small group of residents whose water service was initiated prior to January 1, 2001 and whose lots are subject to the pending change of organization. Although the members of the group apparently do not object to the annexation proposal as long as the LSCSD continues to exercise its current authority solely as provider of domestic water service, their opposition is based on a concern that they and other landowners in the historic tracts could be forced to pay for additional services which the LSCSD may choose to provide in the future but that they do not wish to receive. On the other hand, staff has also heard from several owners of undeveloped lots and other interested parties who are supportive of annexation as a means to receive future water service from the LSCSD.

State Law and Ventura LAFCo Preference for Annexation

Under state law, a city or district may provide new or extended services by contract or agreement to territory outside its jurisdictional boundaries if it first requests and receives written approval from LAFCo (Gov. Code, section 56133, subd. (a)). LAFCo may authorize such services outside of a service provider's jurisdictional boundary but within its sphere of influence in anticipation of a later change of organization (Gov. Code, section 56133, subd. (b)). Subdivision (e) of section 56133 sets forth certain exemptions from the limitations on the provision of extraterritorial services by providing, in part, that the section does not apply to any extended service that a city or district was providing on or before January 1, 2001.

Notwithstanding the statutory authority granted to LAFCos to approve contracts or agreements for the provision of new or extended services outside of the jurisdictional boundaries of a city or special district, the policies of the Ventura LAFCo provide that "[a]nnexations to cities and special districts are always preferred to out of agency service agreements" (Commissioner's Handbook, § 5.1.2). First adopted by the Ventura LAFCo in December 2001, this policy embodies one of the fundamental purposes of LAFCo, which is to discourage urban sprawl and encourage the orderly formation and development of local agencies. The primary means through which LAFCos fulfill this purpose is by regulating where cities and districts provide services by changing their boundaries (namely annexation in the case of section 5.1.2). The alternative -- allowing local agencies to provide extraterritorial services by entering into agreements with landowners -- is not preferred because it allows local agencies to essentially circumvent the annexation process. The effect of Handbook section 5.1.2 in the case of the LSCSD, absent waiver of the policy, is that annexation is the only means through which the owners of the undeveloped lots may obtain water "will serve letters" from the LSCSD for the purpose of obtaining building permits.

May 15, 2013 LAFCo Meeting

At the May 15, 2013 LAFCo meeting, staff recommended the adoption of a resolution waiving section 5.1.2 of the Commissioner's Handbook to allow for the LSCSD to file a request for approval of an out of agency service agreement (OASA) for the provision of water service for up to six months to any lot currently located within the sphere of influence of the LSCSD and described in the Annexation #2 proposal. This recommendation was designed as an interim measure to assist landowners with an immediate need for water will serve letters and was based on an expectation that the LSCSD would authorize LAFCo to resume processing the current Annexation #2 proposal (or a scaled back version thereof) within the next six months. Instead, the Commission directed staff to return to the next meeting with a resolution approving a waiver of Handbook section 5.1.2 with no expiration date for the lots subject to the pending Annexation #2 proposal and which are currently within the LSCSD sphere of influence. The Commission further directed that the resolution should include approval of a waiver of Handbook section 5.1.8, which provides as follows:

Whenever the affected territory may ultimately be annexed to the service agency, a standard condition of approval for an OASA shall be the recordation of an agreement by the landowner consenting to annex the territory. Said agreement shall be binding on future owners of the property.

June 12, 2013 LAFCo Meeting

At the June 12, 2013 LAFCo meeting the Commission considered a resolution approving the waiver of Handbook sections 5.1.2 and 5.1.8 as well as 5.1.3.1, 5.1.9.1, 5.1.9.2 and 5.1.9.3 to allow for LAFCo to consider a subsequent request from the LSCSD for approval of one or more OASAs authorizing the provision of water service to certain parcels located outside of the LSCSD boundary with no time restrictions and no requirement to consent to annex in the future. Ultimately the Commission directed staff to take the following actions for the July 17, 2013 LAFCo meeting: 1) Provide additional information regarding the process required to form a county waterworks district; 2) Provide the required public notice and take any other procedural steps necessary to allow the Commission to consider an amendment to the sphere of influence for the LSCSD to include the 11 Assessor parcels which are the subject of the sphere of influence amendment proposal titled "LAFCo 12-09S Lake Sherwood Community Services District - Annexation #2"; and 3) Bring back the policy waiver resolution discussed at the June 12, 2013 LAFCo meeting (Attachment 6 of the June 12, 2013 staff report), including options to make adoption of the resolution contingent on the formation of a county waterworks district (or the commencement of the process to form such a district).

The Commission also discussed a letter from Eric Bergh, Manager of Resources for the Calleguas Municipal Water District (Calleguas), which identifies eight lots which are receiving water service from the LSCSD and for which Calleguas could find no record of the payment of the Calleguas Capital Construction Charge. As a result, the letter

requested that the recordation of Annexation #2, if approved, be conditioned upon the payment of any delinquent charges owed to Calleguas. Since that time, LAFCo staff received a letter from Mr. Bergh indicating that additional information has been provided to satisfy Calleguas that there are no outstanding Capital Construction Charges on the parcels subject to the Annexation #2 proposal (Attachment 4).

DISCUSSION:

Sphere of Influence Amendment

The attached resolution LAFCo 12-09S (Attachment 5) would amend the sphere of influence for the LSCSD to include the 11 Assessor parcels which are the subject of the sphere of influence amendment proposal titled "LAFCo 12-09S Lake Sherwood Community Services District - Annexation #2." Approval of this resolution would allow for these parcels to be annexed to the LSCSD or, if the Commission approves the waiver resolution, would allow for the LSCSD to request approval from LAFCo to provide water service through an OASA in lieu of annexation.

Government Code section 56425(e) requires that in determining the sphere of influence of each local agency the Commission shall consider and prepare a written statement of its determinations with respect to certain factors prior to making a decision:

The present and planned land uses in the area, including agricultural and open space lands.

The area subject to the sphere of influence amendment includes 11 parcels, one of which contains a fire station. Three of the remaining 10 parcels are developed with single family residences and 7 are vacant. The 7 vacant parcels are planned for single family residential development.

The present and probable need for public facilities and services in the area.

The four developed parcels currently receive water services from the LSCSD. Water service to the remaining 7 undeveloped parcels will be needed when anticipated residential development occurs.

The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

The LSCSD has represented that it has the capacity to provide water service to the affected parcels.

The existence of any social or economic communities of interest in the area that the Commission may determine are relevant to the agency.

Staff has received no information to indicate that the sphere of influence amendment would adversely affect any social or economic communities of interest.

Policy Waiver

The attached resolution (Attachment 6) waiving Commissioner's Handbook sections 5.1.2, 5.1.8, 5.1.3.1, 5.1.9.1, 5.1.9.2 and 5.1.9.3 would allow the LSCSD to file a subsequent request (or requests) for approval of OASAs by the LAFCo Executive Officer, in lieu of annexation, for the provision of water service initiated after January 1, 2001 to as many as 27 developed parcels and for the provision of future water service to as many as 60 undeveloped parcels.

As noted in the June staff report, subdivision (b) of section 56133 of the Government Code provides that LAFCo may authorize a city or district to provide new or extended services outside of its jurisdictional boundary but within its sphere of influence "*in anticipation of a later change of organization*" (emphasis added). A later change of organization would typically entail the annexation of the affected territory to the service provider but the adoption of the waiver resolution would eliminate any requirement or expectation on the part of the LSCSD or landowner to do so. However, it has been suggested that a county waterworks district could be formed to provide water service in lieu of the LSCSD as a way to address concerns regarding the potential of the LSCSD to seek future approval of the exercise of latent powers which may be unwanted by some residents. As special district formations are considered to be changes of organization under LAFCo law, the possibility that a waterworks district may be formed could be a basis for LAFCo to find that a later change of organization is anticipated under subdivision (b) of section 56133 of the Government Code.

Additional analysis relating to the policy waivers is included in the staff report of June 12, 2013. Should the Commission wish to adopt the waiver resolution, it is recommended that the June staff report be adopted as part of the action. The attached resolution includes such language.

Process for Forming a County Waterworks District

By law, any local agency that contains, or would contain, or whose sphere of influence contains or would contain, any territory for which a county waterworks district may be proposed is authorized to initiate formation proceedings through the adoption of a resolution of application. In the subject case, both the LSCSD and the County of Ventura (in that the Board of Supervisors functions as the governing body of all waterworks districts), among others, are eligible agencies.

Staff estimates that the total cost to the applicant to complete the process to form a waterworks district, including the fees to process the LAFCo application, prepare a municipal service review and establish a sphere of influence, would be \$30,000 - \$60,000. It should also be noted that the formation of any new district would result in future costs to LAFCo to comply with the mandate to review and, as necessary, update spheres of influence every five years.

If the waterworks district is ultimately formed, the authority of the LSCSD to supply water could not be transferred to the new district unless LAFCo were to approve a request by the LSCSD for the divestiture of its power to do so. Therefore, the formation application would likely include a request to approve a divestiture of power, which must include certain information as required by law including, but not limited to, cost estimates, fiscal impact to customers and alternatives. Staff estimates that the costs to the applicant for processing this request would range from \$10,000 - \$15,000. (Such a divestiture would leave the LSCSD without any authorized powers, unless the LSCSD concurrently requested and LAFCo granted authority to exercise a latent power.)

Although not part of the current policy waiver matter, one of the determinations that must be made regarding any proposal to form a new district is whether existing agencies can feasibly provide the needed service in a more efficient and accountable manner. If a new single-purpose agency (such as a waterworks district) is proposed, the Commission must also consider reorganization with other single-purpose agencies that provide related services (Gov. Code, § 56886.5). As such, the possibility of annexing the affected territory to an existing waterworks district in lieu of forming a new waterworks district will need to be considered as part of the Commission's deliberations on any future proposal to form a new waterworks district. A total of five waterworks districts currently exist in the county. Although all waterworks districts are governed by the Board of Supervisors, each must be operated as separate governmental entities. A map of their locations is shown in Attachment 7.

Section 3.1.5 of the Handbook provides the following:

LAFCo shall consider, and approve, where appropriate and feasible, the provision of new or consolidated services in the following order of preference:

- (1) Annexation to an existing city.
- (2) Annexation to an existing multiple purpose special district.
- (3) Annexation to an existing single purpose district.
- (4) Consolidation of existing districts.
- (5) Annexation to a subsidiary district or County Service Area of which the Board of Supervisors is the governing body.
- (6) Formation of a new County Service Area.
- (7) Incorporation of a new city.
- (8) Formation of a new multiple purpose district.
- (9) Formation of a new single purpose district.

As evident in the above policy language, the formation of a new single-purpose special district is the least preferred means through which the provision of new or consolidated services is to be considered. Although not necessary as part of the current policy waiver matter, the Commission will need to consider Handbook section 3.1.5 as part of the Commission's deliberations on any future proposal to form a new waterworks district.

A reorganization proposal involving the formation of a waterworks district and a request for a divestiture of power would be subject to confirmation of the voters residing within the affected area should LAFCo find that protests have been signed by either of the following: 1) at least 25 percent of the number of landowners within the affected territory who own at least 25 percent of the assessed value of land within the territory; or 2) at least 25 percent of the voters residing within the affected territory.

Contingent Waivers

Should the Commission decide to approve the policy waivers in anticipation that a waterworks district will be formed to assume responsibility for water provision from the LSCSD, it is recommended that the following condition be included in the attached resolution as further confirmation that a change of organization (or reorganization) is anticipated:

The waivers shall not become effective until a signed resolution of application from the LSCSD and the Ventura County Board of Supervisors initiating the formation of a waterworks district to assume responsibility for water provision from the LSCSD is submitted to the Executive Officer.

Encouraging the direct participation of both agencies to adopt resolutions of application would maximize flexibility with regard to potential cost sharing arrangements as well as simplify the LAFCo process. Given that the formation of a waterworks district could take at least a year to complete, tying the effectiveness of the waivers to the completion of the initial step of the formation process rather than the completion of the proceedings would minimize the amount of time that vacant land owners would have to wait before they could obtain water service.

In the event that an effort to form a waterworks district is not successful, the disadvantage of this approach would be that there would be little or no incentive for owners to agree to the annexation of their land to the LSCSD once they receive water service through an OASA.

Alternative Options

Should the Commission wish to consider alternatives other than the adoption of the attached resolution waiving various Handbook policies, four potential options are detailed below. For ease of reference, Attachment 8 contains a table summarizing the policy waiver action and the alternatives.

1. One alternative would be to approve the policy waivers to become effective immediately and to direct that the associated OASA or OASAs include an expiration date or a stipulation requiring future land owners to consent to annexation upon purchase in the event that an effort to form a waterworks district is not successful. The advantage of this option would be that the LSCSD could immediately file requests to provide water service to the undeveloped parcels through OASAs in lieu of annexation while potentially

preserving LAFCo's leverage to compel annexation to the LSCSD in the future if a waterworks district is not formed. As a practical matter, however, both approaches raise potential legal and enforcement issues. For example, depending on the nature of the condition, legal research may be required to determine the extent of the Commission's authority to impose it. In addition, for any OASA condition to be enforceable, written evidence of each landowner's consent to the condition or conditions would be needed. Obtaining such consent from all of the landowners who currently receive water service may not be possible. Further, research also may be necessary to determine what authority, if any, the Commission would have to require the LSCSD to terminate service as a means to enforce the condition once an OASA is approved and service is initiated. If a condition were imposed such that the future sale of each parcel triggered a requirement for the LSCSD to initiate annexation of that parcel, it is unclear how such a condition could be monitored by LAFCo.

2. A second alternative, as discussed in the June staff report, would be for the Commission to consider the Annexation #2 proposal at the September 18, 2013 LAFCo meeting. This option would achieve the following purposes: 1) avoid the need to waive LAFCo policies; 2) resolve the legal status of the existing water service connections initiated by the LSCSD since January 1, 2001; 3) enable the LSCSD to provide water service to all of the undeveloped lots in an expedient manner; 4) avoid the cost of a separate individual annexation process for each landowner at a cost of approximately \$20,000 per annexation; 5) increase consistency between the LSCSD boundary and its actual ultimate service area; and 6) leave the LSCSD free to pursue a proposal to form a waterworks district. If both the annexation and the formation of a waterworks district become effective, the issues raised by the concerned residents would be resolved. It should also be noted that the completion of the pending annexation proposal would require LAFCo to conduct protest proceedings. However, if the Commission approves the annexation proposal at a future meeting and that approval is terminated due to protest, the LSCSD would retain the option to request the policy waivers at that time.

3. A third alternative would be for the Commission to exercise its authority to consider a modification of the boundary of the Annexation #2 proposal at the September 18, 2013 LAFCo meeting. The boundary could include only those parcels that are currently undeveloped plus two recently developed parcels located outside of the historic tracts and the site of Ventura County Fire Station #33 (Attachment 9). A total of 60 lots would be affected if the sphere of influence amendment is approved (Recommendation "A" of this report) and 54 lots if the sphere of influence amendment is not approved. It would exclude all of the parcels that began receiving water service on or prior to January 1, 2001 and thus exclude all parcels owned by those known by LAFCo to be opposed to the annexation. This option would achieve the same purposes as the full annexation alternative except that it would not resolve the legal status of 19 of the 21 existing water service connections initiated by the LSCSD since January 1, 2001. These parcels would continue to receive the existing water service but would remain outside of the boundary of

the LSCSD and thereby would not be subject to any property-based assessments to finance unwanted services that the LSCSD may be authorized to provide in the future. Staff also believes that a proposal involving the annexation of only the vacant parcels would also significantly reduce the potential of an approval being terminated due to protest. If the Commission were to pursue this alternative, staff believes that little benefit would be obtained from waiving policies solely for the purpose of authorizing the existing water service connections initiated by the LSCSD since January 1, 2001. As such, this alternative represents the best compromise among all of the options because it would avoid the establishment of an adverse policy precedent, exclude territory owned by individuals who have expressed opposition to annexation, and would preclude the provision of additional water service connections to lots outside of the LSCSD boundary.

4. It is important to note that LAFCo has received no formal request from the LSCSD or any other party requesting approval to form a waterworks district or to waive LAFCo policies. Moreover, no request has been received from the LSCSD to resume processing of the Annexation #2 proposal. As such, a fourth alternative would be for the Commission to take no further action at this time. The result of this option would be that the owners of undeveloped parcels would have to file individual applications for annexation in conjunction with the development process. It would eliminate the need for any policy waivers but would delay any potential resolution of the legal status of the existing water service connections initiated by the LSCSD since January 1, 2001 until such time that the LSCSD might file a future application to annex the territory on which the connections are located.

Comments Received

Attachment 10 is a comment letter received from Mr. Michael Frankfurter requesting that the Commission adopt the resolution waiving Commissioner's Handbook policies.

- Attachments:
- 1) LSCSD Annexation #2 Vicinity Map
 - 2) LSCSD Annexation #2 Service Area Map
 - 3) Table Showing Number of Parcels Relative to Development and Water Service Status – LSCSD Annexation #2
 - 4) June 24, 2013 letter from Eric Bergh to Kim Uhlich
 - 5) LAFCo Resolution 12-09S
 - 6) LAFCo Resolution Waiving Commissioner's Handbook Policies
 - 7) Map of Waterworks Districts in Ventura County
 - 8) Summary Table of Alternatives
 - 9) Map of Alternative #3: Annexation #2 Proposal Modified Boundary
 - 10) July 10, 2013 letter from Michael Frankfurter to Kim Uhlich

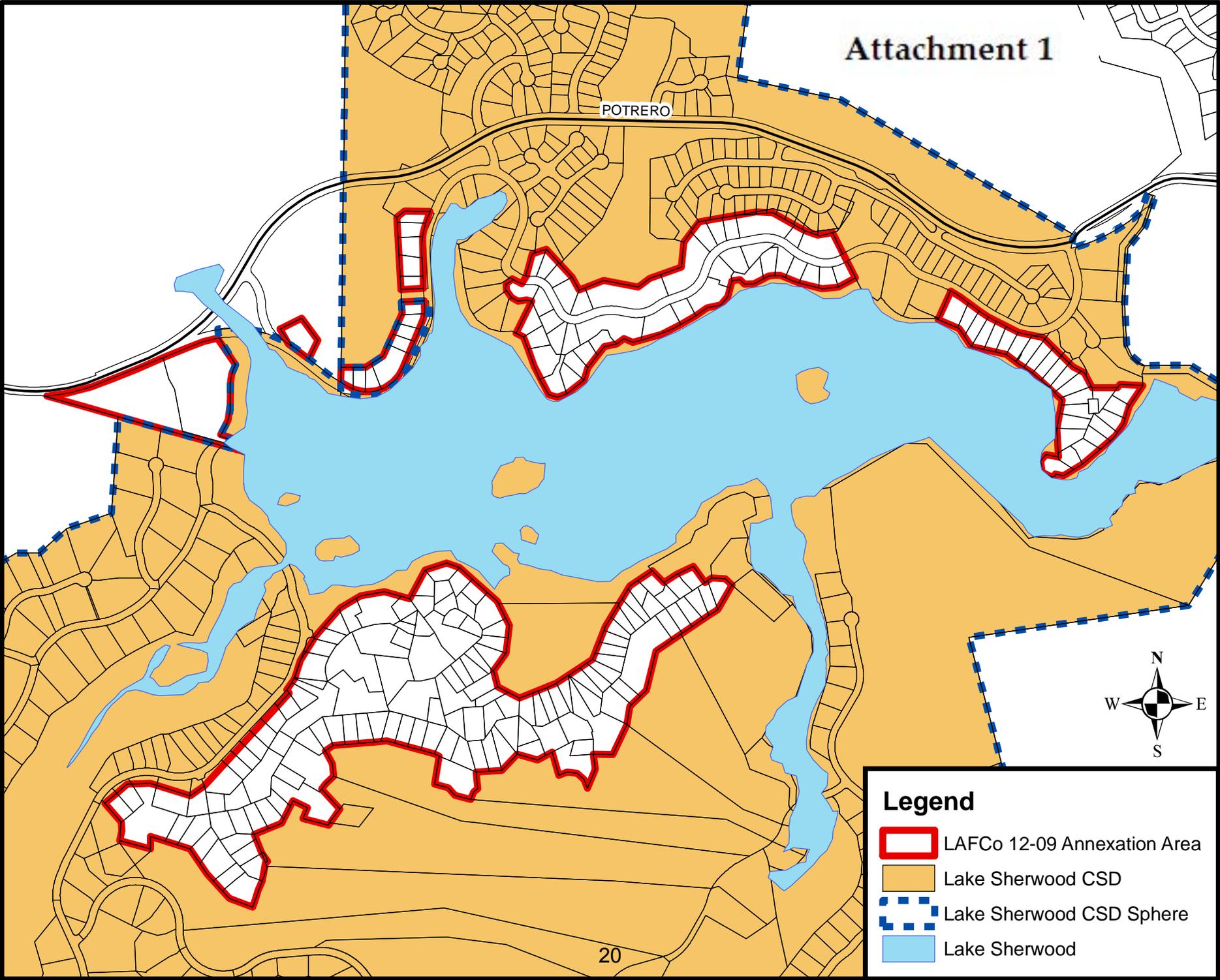
Attachment 1

POTRERO



Legend

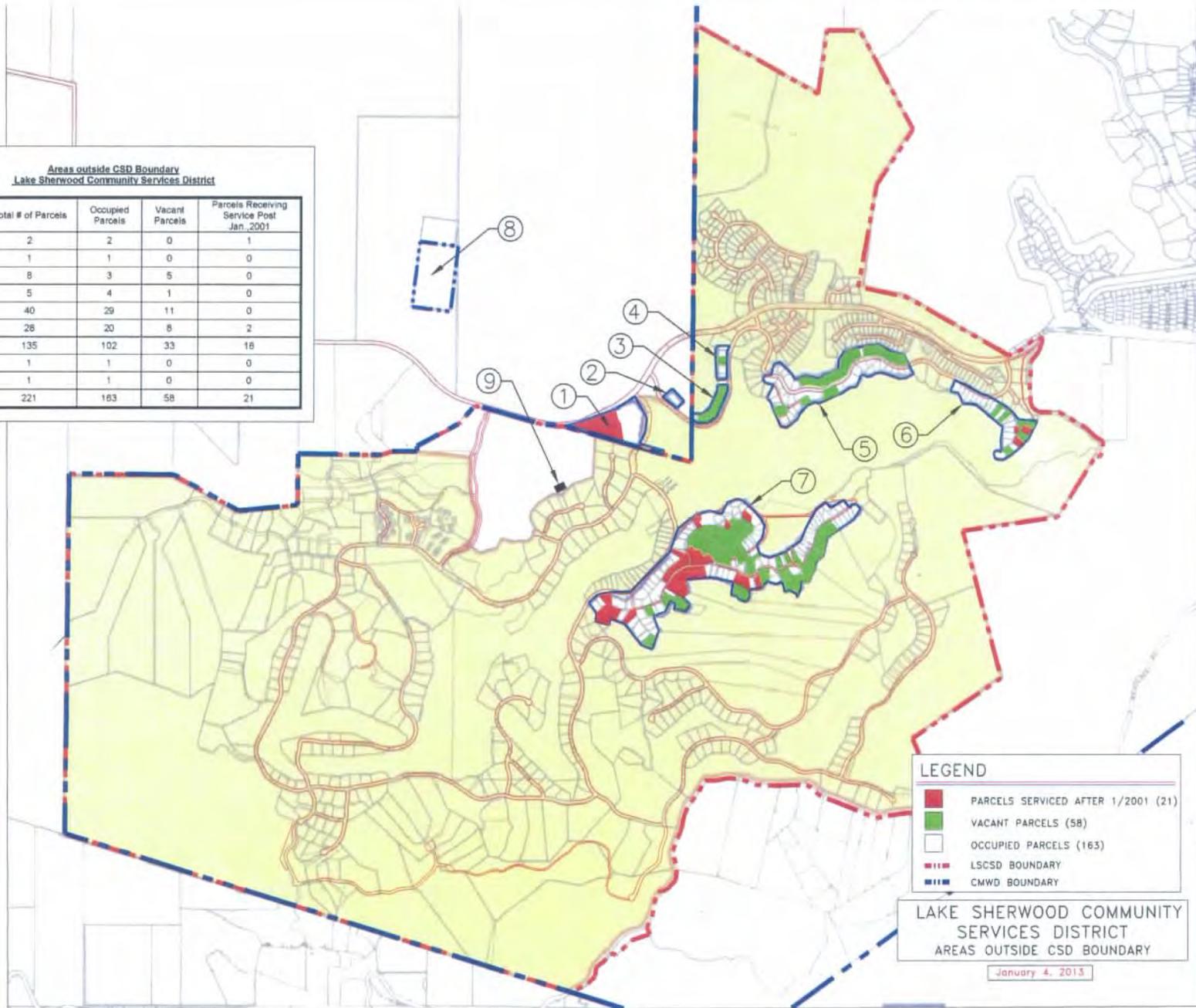
-  LAFCo 12-09 Annexation Area
-  Lake Sherwood CSD
-  Lake Sherwood CSD Sphere
-  Lake Sherwood



Attachment 2

Areas outside CSD Boundary
Lake Sherwood Community Services District

Areas	Total # of Parcels	Occupied Parcels	Vacant Parcels	Parcels Receiving Service Post Jan. 2001
①	2	2	0	1
②	1	1	0	0
③	8	3	5	0
④	5	4	1	0
⑤	40	29	11	0
⑥	28	20	8	2
⑦	135	102	33	18
⑧	1	1	0	0
⑨	1	1	0	0
Total	221	163	58	21



LEGEND

- PARCELS SERVICED AFTER 1/2001 (21)
- VACANT PARCELS (58)
- OCCUPIED PARCELS (163)
- LSCSD BOUNDARY
- CMWD BOUNDARY

LAKE SHERWOOD COMMUNITY SERVICES DISTRICT
AREAS OUTSIDE CSD BOUNDARY
January 4, 2013

LAFCo 12-09 Lake Sherwood Annexation #2

Status of Parcels Relative to Development, Water Connection & Government Code §56133

Parcels	Water Service Status	Government Code §56133
138	Developed/Connected	Consistent with Law (Connected <u>Prior</u> to 1/1/2001)
21	Developed/Connected	Inconsistent with Law (Connected <u>After</u> 1/1/2001) **19 eligible for LAFCo approved OASA under law but disallowed under Ventura LAFCo policies
60*	Undeveloped/Not Connected	Will Serve Letter required for development **51 eligible for LAFCo approved OASA under law but disallowed under Ventura LAFCo policies

*14 Parcels owned by LSR Limited Partnership

**** 2 Developed Parcels and 9 Undeveloped Parcels outside the Sphere of Influence**

SCOTT H. QUADY, PRESIDENT
DIVISION 2

THOMAS L. SLOSSON, TREASURER
DIVISION 1

GAIL L. PRINGLE, DIRECTOR
DIVISION 4



WILLIAM R. SEAVER, VICE PRESIDENT
DIVISION 5

ANDY WATERS, SECRETARY
DIVISION 3

SUSAN B. MULLIGAN
GENERAL MANAGER

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June 24, 2013

Ms. Kim Uhlich
Executive Officer
Ventura Local Agency Formation Commission
800 South Victoria Avenue
Ventura, CA 93009-1850

Attachment 4

**RE: LAFCO 12-9
Lake Sherwood Community Services District – Annexation #2**

Dear Ms. Uhlich,

Thank you for LAFCO's support on the question of potentially delinquent Capital Construction Charge (CCC) payments referenced in my letter to you dated June 3, 2013. As you recall, Calleguas was concerned about the legal standing of eight lots that either presently receive delivery of Calleguas water or may receive such water in the future.

Information provided in recent days by the Ventura County Building and Safety Department has resolved the issue for all of the properties in question. Two were established to have had original construction prior to the adoption of Ordinance No. 14, effectively exempting them from the CCC. Proof of CCC payments for the other six was subsequently located following the submittal of clarifying property information. Changes in property descriptions can make it difficult to locate proof of payments when addresses, Assessor's Parcel Numbers, and/or legal descriptions are revised after CCC payment transactions.

As such, Calleguas is satisfied that there are no outstanding Capital Construction Charge fees on the parcels proposed for annexation to Lake Sherwood Community Services District or for service through out-of-area service agreements.

Should any more questions arise on this matter, please call me at 805-579-7128 or Cy Johnson at 805-579-7129.

Sincerely,

A handwritten signature in black ink that reads "Eric Bergh".

Eric Bergh
Manager of Resources

cc: Reddy Pakala, VCWWD
Cy Johnson, CMWD

LAFCo 12-09S

**RESOLUTION OF THE VENTURA LOCAL AGENCY
FORMATION COMMISSION MAKING DETERMINATIONS
AND APPROVING THE LAKE SHERWOOD COMMUNITY
SERVICES DISTRICT SPHERE OF INFLUENCE
AMENDMENT – ANNEXATION # 2**

WHEREAS, Government Code Section 56425 et seq. requires the Ventura Local Agency Formation Commission (LAFCo or Commission) to develop and determine the sphere of influence of each local governmental agency within Ventura County; and

WHEREAS, a written request has been filed with the Executive Officer of LAFCo pursuant to Government Code Section 56428 for the amendment of the Lake Sherwood Community Services District (LSCSD or District) sphere of influence; and

WHEREAS, the Commission heard, discussed and considered all oral and written testimony for and against the sphere of influence amendment including, but not limited to, testimony at the public hearing on July 17, 2013 and the LAFCo Staff Report and recommendation; and

WHEREAS, no change in regulation, land use or development will occur as a result of amending the sphere of influence for the District; and

WHEREAS, at the times and in the manner required by law, the Executive Officer gave notice of the consideration of this action by the Commission;

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the Ventura Local Agency Formation Commission as follows:

- (1) The LAFCo Staff Report and recommendation for approval dated July 17, 2013 are adopted.
- (2) The Commission has considered the criteria set forth in Government Code §56425(e) and determines as follows:

The present and planned land uses in the area, including agricultural and open space lands.

The area subject to the sphere of influence amendment includes 11 parcels, one of which contains a fire station. Three of the remaining 10 parcels are developed with single family residences and 7 are vacant. The 7 vacant parcels are planned for single family residential development.

The present and probable need for public facilities and services in the area.

The four developed parcels currently receive water services from the LSCSD. Water service to the remaining 7 undeveloped parcels will be needed when anticipated residential development occurs.

The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

The LSCSD has represented that it has the capacity to provide water service to the affected parcels.

The existence of any social or economic communities of interest in the area that the Commission may determine are relevant to the agency.

Staff has received no information to indicate that the sphere of influence amendment would adversely affect any social or economic communities of interest.

- (3) The sphere of influence amendment for the District is hereby approved to include the area shown as generally depicted on Exhibit A attached hereto.
- (4) The Commission directs staff to have the official sphere of influence geographic information system data maintained for the Ventura LAFCo by the County of Ventura as the official sphere of influence record for the District amended consistent with this action.
- (5) In accordance with staff's determination that the sphere amendment is exempt from the California Environmental Quality Act (CEQA) pursuant to sections 15301 and 15303(d) of the CEQA Guidelines, the Commission hereby finds the sphere of influence amendment to be categorically exempt.
- (6) The Commission directs staff to file a Notice of Exemption pursuant to Section 15062 of the CEQA Guidelines.

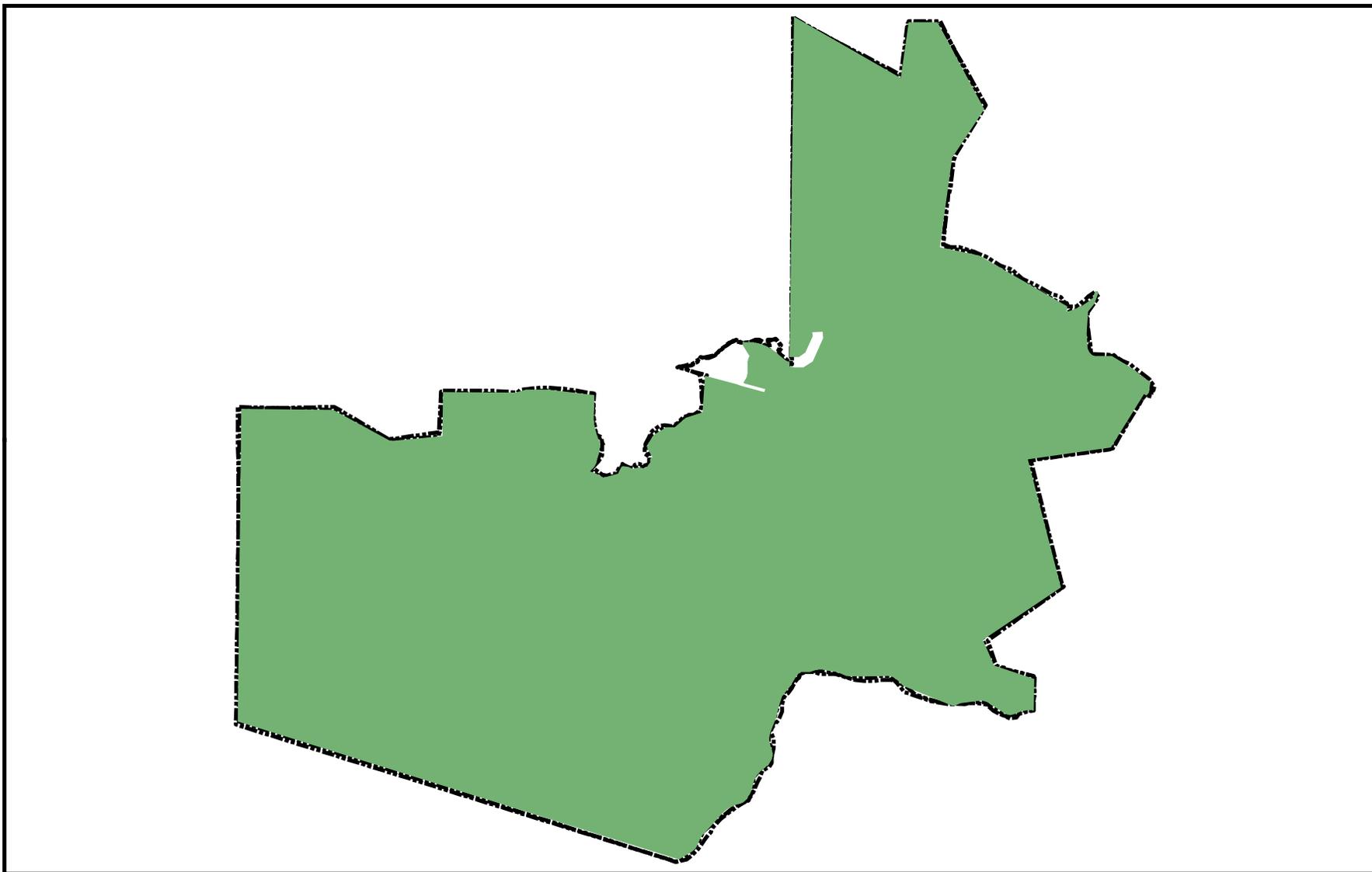
This resolution was adopted on July 17, 2013.

	AYE	NO	ABSTAIN	ABSENT
Commissioner Dandy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Ford-McCaffrey	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Long	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Morehouse	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Parks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Parvin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Pringle	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Bennett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Cunningham	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Freeman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Smith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Dated: _____
Chair, Ventura Local Agency Formation Commission

Attachment: Exhibit A

Copies: Lake Sherwood Community Services District
Ventura County Surveyor
Ventura County Planning



LAFCo 12-09S
Lake Sherwood Community Services District
Sphere of Influence Amendment
Annexation No. 2

Legend

-  Lake Sherwood CSD Sphere of Influence
-  Proposed Sphere of Influence



**RESOLUTION OF THE VENTURA LOCAL AGENCY
FORMATION COMMISSION WAIVING SECTIONS
5.1.2, 5.1.3.1, 5.1.8, 5.1.9.1, 5.1.9.2 and 5.1.9.3 OF
CHAPTER 1 OF DIVISION 5 OF THE
COMMISSIONER'S HANDBOOK**

WHEREAS, section 5.1.1.2 of Chapter 1 of Division 5 of the Ventura Local Agency Formation Commission (LAFCo or Commission) Commissioner's Handbook (Handbook) provides that the Commission's policies and standards relating to out of agency service agreements (OASAs) shall be given great weight as a part of the Commission's consideration of proposals and are general guidelines for the Commission to follow, but they are not mandatory or binding, and further provides that the Commission can and will consider each proposal upon its merits within the parameters set forth in state law and, should the Commission elect not to follow a policy, it shall, as a part of any resolution on the matter and as part of the written record, set forth the specific waiver, and the reason for it; and

WHEREAS, the Commission received an application on August 6, 2012 from the Lake Sherwood Community Services District (District) requesting approval of a sphere of influence amendment to include 11 Assessor parcels and portions of the Potrero Road and Lake Sherwood Drive rights of way (LAFCo 12-09S) and requesting approval of a proposal to annex the same territory plus another 208 Assessor parcels (LAFCo 12-09) which are currently within the existing sphere of influence for the District; and

WHEREAS, on November 14, 2012, the Commission continued the consideration of LAFCo 12-09S and LAFCo 12-09 to an unspecified date; and

WHEREAS, consideration of LAFCo 12-09 has been delayed due to a lack of support from some of the affected landowners and it is uncertain at this time when or if the District will authorize further consideration; and

WHEREAS, some of the affected landowners support an effort by the District to request LAFCo authorization for the provision of new or extended water service to certain lots within the affected territory through the approval of OASAs; and

WHEREAS, on May 15, 2013 the Commission directed staff to return to the June 12, 2013 meeting with a resolution waiving Handbook sections 5.1.2, with no expiration

date, and 5.1.8 for those properties currently within the sphere of influence for the District and described in the annexation proposal titled “LAFCo 12-09 Lake Sherwood Community Services District - Annexation #2”; and

WHEREAS, on June 12, 2013 the Commission directed staff as follows: 1) return to the July 17, 2013 meeting with additional information regarding the process required to form a county waterworks district; 2) provide the required public notice and take any other procedural steps necessary to allow the Commission to consider an amendment to the sphere of influence for the District to include the 11 Assessor parcels which are the subject of the proposal titled “LAFCo 12-09S Lake Sherwood Community Services District Sphere of Influence Amendment- Annexation #2”; and 3) bring back the policy waiver resolution discussed at the June 12, 2013 LAFCo meeting (Attachment 6 of the June 12, 2013 staff report), including options to make adoption of the resolution contingent on the formation of a county waterworks district (or the commencement of the process to form such a district); and

WHEREAS, on July 17, 2013, the Commission heard, discussed and considered all oral and written testimony for and against the waivers including, but not limited to, the LAFCo Staff Report and recommendation, the environmental determination, spheres of influence and applicable local plans and policies; and

WHEREAS, the Commission has determined that the actions taken herein are in the best interests of the owners of land subject to the pending “LAFCo 12-09 Lake Sherwood Community Services District Annexation #2”; and

WHEREAS, section 5.1.2 of Chapter 1 of Division 5 of the Handbook provides that annexation to cities and special districts is always preferred to OASAs; and

WHEREAS, the Commission has determined that annexation of the territory subject to the pending “LAFCo 12-09 Lake Sherwood Community Services District Annexation #2” is not preferred to OASAs in consideration of concerns expressed by some landowners in the historic tracts that they and other landowners could be required to pay for unwanted services that the LSCSD may be authorized to provide in the future; and

WHEREAS, the Commission has determined that annexation to the District may not be necessary based on indications from District representatives that the District may

file a future application requesting approval of a proposal to form a county waterworks district to include the territory subject to the pending “LAFCo 12-09 Lake Sherwood Community Services District Annexation #2”; and

WHEREAS, section 5.1.8 of Chapter 1 of Division 5 of the Handbook provides that whenever the affected territory may ultimately be annexed to the service agency, a standard condition of approval for an OASA shall be the recordation of an agreement by the landowner consenting to annex the territory and that said agreement shall be binding on future owners of the property; and

WHEREAS, the Commission supports the provision of new or extended water services by the District via contract or agreement to certain territory outside of its jurisdictional boundary but within its sphere of influence in anticipation of a later change of organization involving the formation of a county waterworks district rather than annexation of the territory to the District; and

WHEREAS, the Commission has therefore determined that section 5.1.8 of Chapter 1 of Division 5 of the Handbook would be inapplicable to any associated OASA and should thus be waived; and

WHEREAS, section 5.1.3.1 of Chapter 1 of Division 5 of the Handbook provides that applications for OASAs must include a service agreement signed by all parties; and

WHEREAS, the Commission has determined that section 5.1.3.1 of Chapter 1 of Division 5 of the Handbook should be waived in consideration of the potential logistical difficulties that would be involved in obtaining signatures from each of the affected landowners, particularly from current District customers who may be reluctant to sign such an agreement; and

WHEREAS, sections 5.1.9.1, 5.1.9.2 and 5.1.9.3 of Chapter 1 of Division 5 of the Handbook provide that an OASA must be recorded (to be effective) and that, where a building permit is needed to authorize construction of the improvement for which the service is to be provided, the agreement must contain language that limits the time period in which to obtain the building permit to no more than one year after the agreement is recorded; and

WHEREAS, after consideration of sections 5.1.9.1, 5.1.9.2 and 5.1.9.3 of Chapter 1 of Division 5 of the Handbook, the Commission has determined that their

application to a blanket service agreement necessary to allow for the approval of an OASA for up to 76 parcels of territory would be unworkable and inconsistent with the intent of this resolution and has therefore determined that these sections should be waived; and

WHEREAS, this resolution will not affect any territory meeting the definition of prime agricultural land found in LAFCo law (Govt. Code § 56064) or subject to a contract under the California Land Conservation Act of 1965 (also known as the Williamson Act);

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED that the Ventura Local Agency Formation Commission takes the following actions:

- (1) Waives Division 5 – Out of Agency Service Agreements, Chapter 1 – General Policies, sections 5.1.2, 5.1.3.1, 5.1.8, 5.1.9.1, 5.1.9.2, and 5.1.9.3 of the Commissioner’s Handbook with respect to any request from the Lake Sherwood Community Services District for approval of an out of agency service agreement for the provision of water service to any lot described in the pending proposal referred to as LAFCo 12-09 Lake Sherwood Community Services District – Annexation #2. This waiver is further limited to only those lots within the District sphere of influence.
- (2) Determines that the territory subject to the waivers is generally set forth in the attached Exhibit A.
- (3) Determines in accordance with staff’s determination that the action is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to sections 15301 and 15303(d) of the CEQA Guidelines.
- (4) Directs staff to file a Notice of Exemption under section 15062 of the CEQA Guidelines.
- (5) Establishes the effective date of this resolution as July 17, 2013.

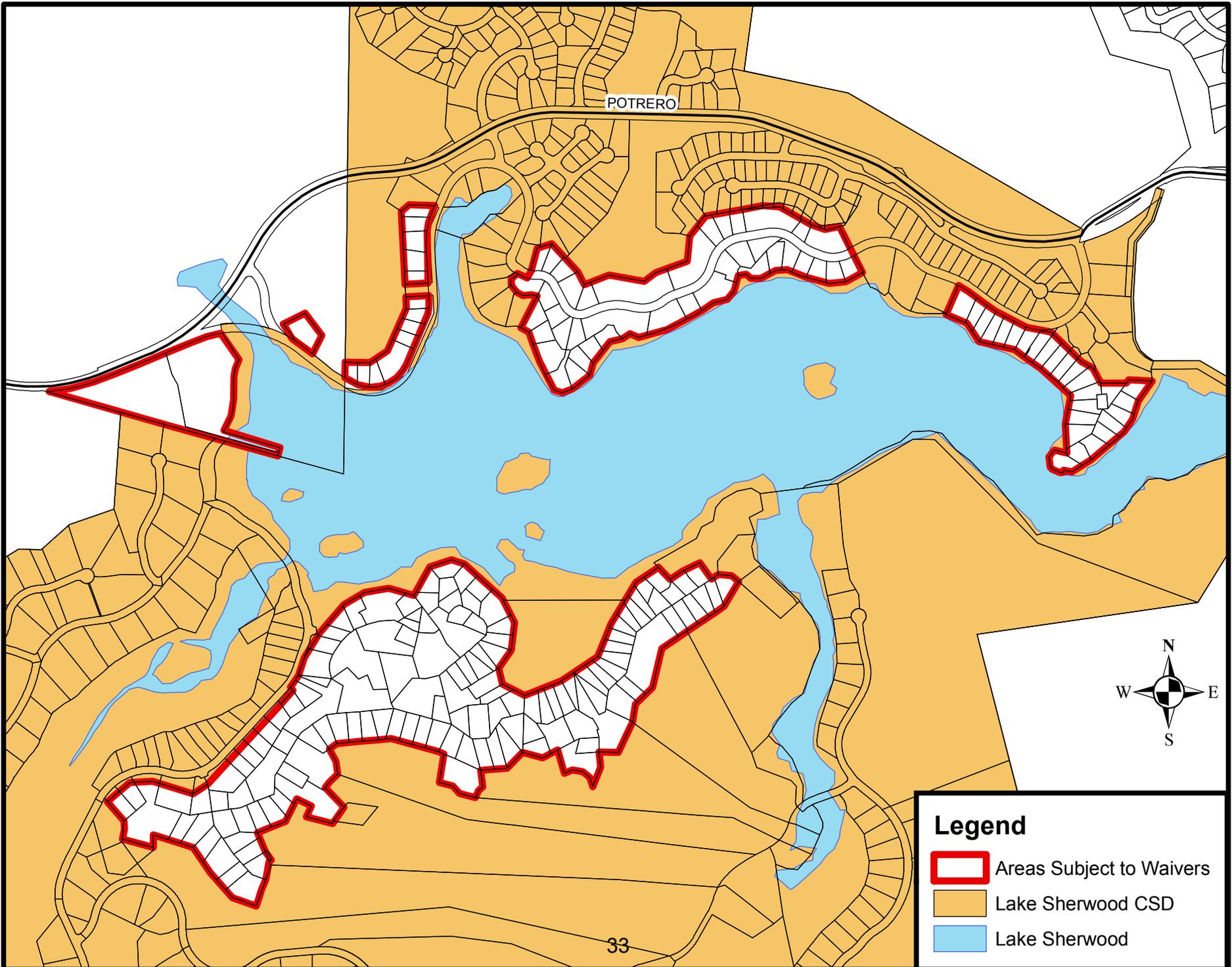
This resolution was adopted on July 17, 2013.

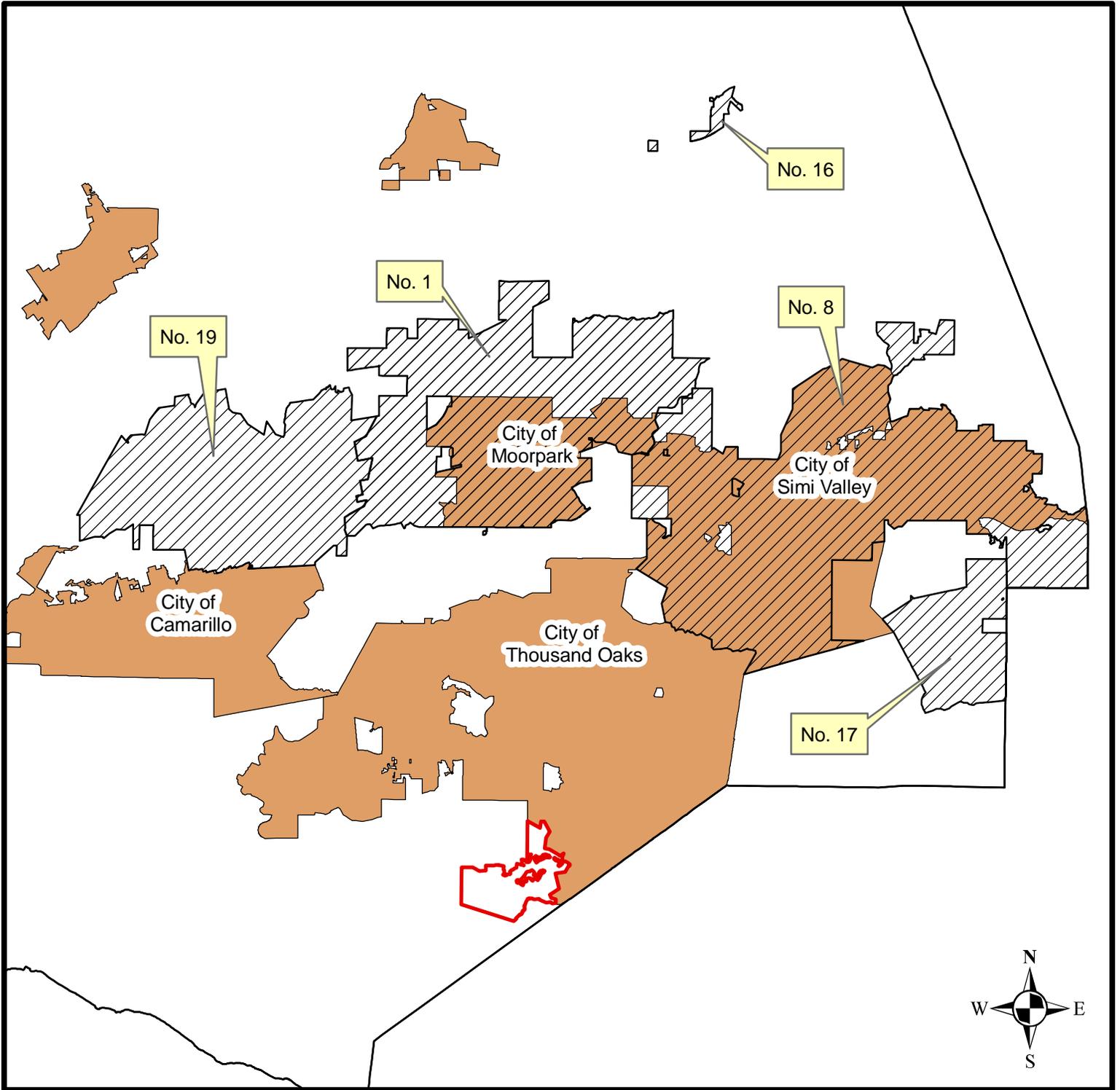
	AYE	NO	ABSTAIN	ABSENT
Commissioner Dandy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Ford-McCaffrey	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Long	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Morehouse	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Parks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Parvin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Pringle	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Bennett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Cunningham	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Freeman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Smith	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Dated: _____
Chair, Ventura Local Agency Formation Commission

Attachment: Exhibit A

Copies: Lake Sherwood Community Services District
Supervisor Linda Parks





County Waterworks Districts

Legend

-  Lake Sherwood CSD
-  County Waterworks Districts
-  Cities

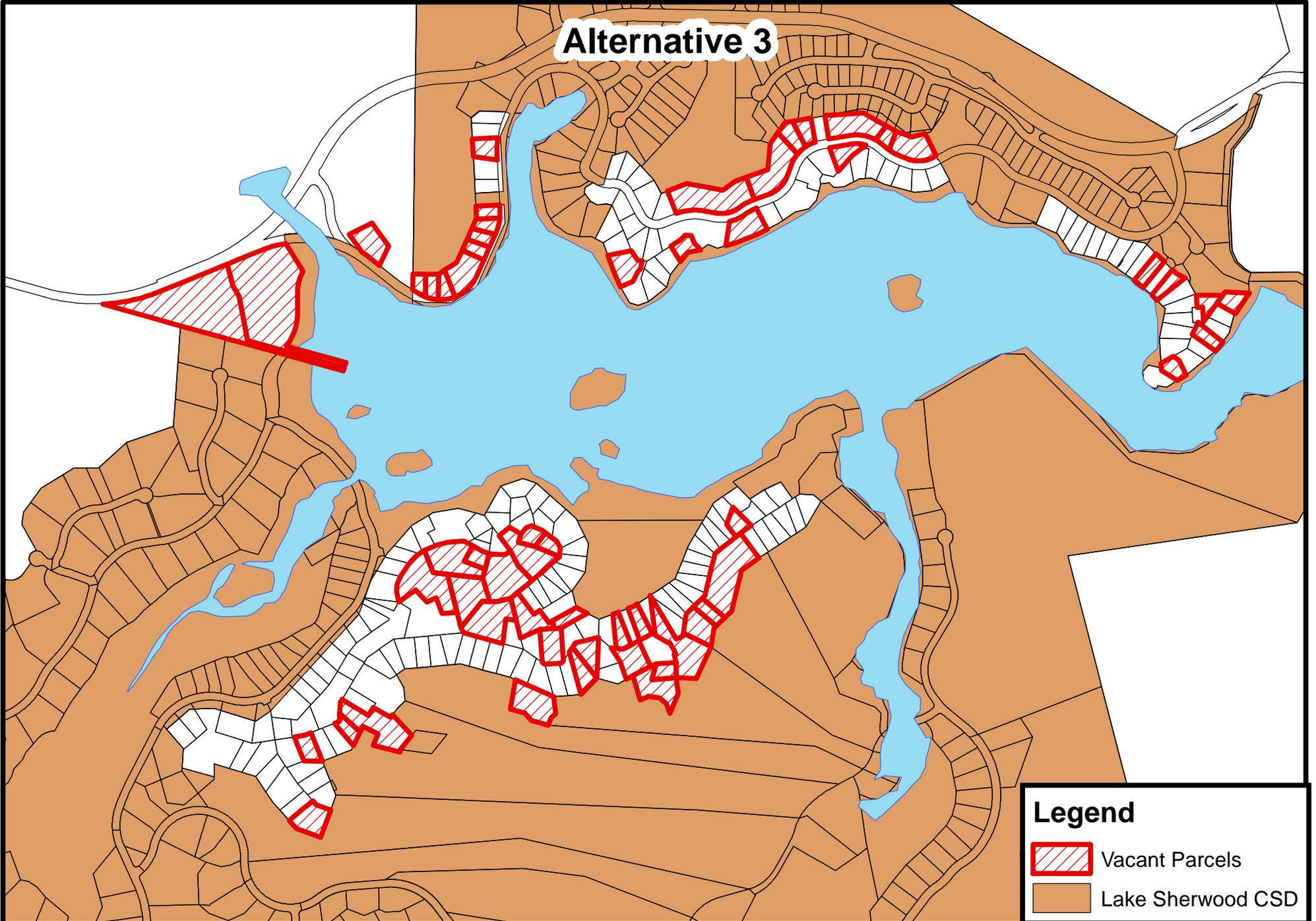


- **Resolution Attached to Staff Report - Policy Waiver with Optional Additional Condition to Delay Effectiveness Until Formation of Waterworks District is Initiated**
Waive Handbook sections 5.1.2, 5.1.8, 5.1.3.1, 5.1.9.1, 5.1.9.2, and 5.1.9.3 to allow for LAFCo to consider approval of a subsequent request from the LSCSD to provide water service to as many as 27 developed parcels and for the provision of future water service to as many as 60 undeveloped parcels located outside of the LSCSD boundary through an OASA in lieu of annexation with no time restrictions and no requirement to consent to annex in the future. Includes recommendation to impose the following condition:
The waivers shall not become effective until a signed resolution of application from the LSCSD and the Ventura County Board of Supervisors initiating the formation of a waterworks district to assume responsibility for water provision from the LSCSD is submitted to the Executive Officer.
- **Alternative 1: Policy Waiver Effective Immediately with OASA Limitations if Waterworks District Not Formed**
Waive Handbook sections 5.1.2, 5.1.8, 5.1.3.1, 5.1.9.1, 5.1.9.2, and 5.1.9.3 to allow for LAFCo to consider approval of a subsequent request from the LSCSD to provide water service to as many as 27 developed parcels and for the provision of future water service to as many as 60 undeveloped parcels located outside of the LSCSD boundary through an OASA in lieu of annexation with an expiration date or a stipulation requiring future land owners to consent to annexation upon purchase in the event that an effort to form a waterworks district is not successful.
- **Alternative 2: Consider the Annexation #2 Proposal at the September 18, 2013 LAFCo Meeting**
Consider approval of Annexation #2 proposal, which includes annexation of all 219 parcels.
- **Alternative 3: Consider a Modification of the Boundary of the Annexation #2 Proposal at the September 18, 2013 LAFCo Meeting**
Consider approval of Annexation #2 proposal with boundary modification to include only undeveloped parcels plus two recently developed parcels located outside of the historic tracts and the site of Ventura County Fire Station #33. A total of 60 lots would be affected if the sphere of influence amendment is approved. All of the parcels that began receiving water service on or prior to January 1, 2001 would be excluded and thus not involve any of territory owned by those known by LAFCo to be opposed to the annexation.
- **Alternative 4: Take No Further Action at this Time**
This option would maintain the current status quo. Landowners would have to file individual applications for annexation as development occurs and new water service is needed.

	Resolution	Alternative 1	Alternative 2	Alternative 3	Alternative 4
Requires waiver of local LAFCo policies to allow for OASAs in lieu of annexation?	Yes	Yes	No	No	No
Consistent with Govt Code section 56133?	Yes, in anticipation that a waterworks district will be formed	Yes, in anticipation that a waterworks district will be formed	Not applicable	Not applicable	Not applicable
Resolves legal status of water service connections initiated on or after January 1, 2001?	Yes, assuming blanket OASA covers this territory*	Yes, assuming blanket OASA covers this territory*	Yes*	No	No
Allows for water service to all undeveloped lots in an expedient manner?	Yes*	Yes*	Yes*	Yes*	No
Avoids cost of individual annexation process for landowners?	Yes	Yes for current owners. No for future owners	Yes	Partially, primarily for parcels that are currently undeveloped	No
Increases or decreases consistency between the LSCSD boundary and its actual ultimate service area?	Decreases	Decreases	Increases	Increases	No effect – status quo
Accommodates residents' stated opposition to annexation?	Yes	Yes	No in short term unless approval terminated due to protests. Yes in long term if waterworks district is formed	Yes	Yes
Allows for protest proceedings?	Not applicable	Not applicable	Yes, all registered voters and landowners within area to be annexed have protest rights	Yes, all registered voters and landowners within area to be annexed have protest rights	Not applicable
Allows access to additional services that LSCSD may be authorized to provide in the future?	No, annexation or OASA(s) would first be required. Not applicable if waterworks district formed	No, annexation or OASA(s) would first be required. Not applicable if waterworks district formed	Yes. Not applicable if waterworks district formed	Yes for the owners of the annexed parcels. Not applicable if waterworks district formed	No effect – status quo
Leaves LSCSD free to pursue formation of a waterworks district?	Yes	Yes	Yes	Yes	Yes, but probably not necessary
What happens if no waterworks district is formed?	LAFCo-approved out-of-agency-service would continue despite absence of anticipated change of organization	OASA(s) would expire on expiration date. Alternatively, future landowners would be bound to consent to annexation to LSCSD	No effect	No effect	No effect – status quo

* Assumes approval of LSCSD sphere of influence amendment

Alternative 3



Attachment 10

July 10, 2013

Kim Uhlich, Executive Officer
Ventura Local Agency Formation Commission
800 S. Victoria Avenue
Mail Stop 1850
Ventura, Ca 93009-1850

Subject: Change of Organization Proposal LAFCo 12-09 Lake Sherwood Community Services District

Dear Ms Uhlich,

I am writing in regards to the Ventura LAFCo matter, Lake Sherwood Community Services District Sphere of Influence Amendment and Annexation (Resolutions LAFCo 12-09 and LAFCo 12-09S). Please include this letter and related exhibits in the agenda packet for the July 17th LAFCo Hearing.

Background on My Involvement

My family moved to Lake Sherwood in 1973, and I currently reside in one of the original tracts, known as the Thistleberry/Sherwood-765. Please note that while I am a Board Member of the Lake Sherwood Community Association (LSCA), today I am writing to represent my personal views on this matter.

On September 15, 2012, I submitted a letter of written opposition in response to a Notice of Public Hearing for September 19, 2012 (Exhibit A). Since that time, I have participated in meetings with other members of the Lake Sherwood community, County Supervisor Linda Parks, Mr. Reddy Pakala, Director of the Lake Sherwood Community Services District (LSCSD), and yourself. I applaud you and everyone's time and effort in hearing the community's concerns and working with us to find a solution.

Support for the Resolution of Waiver

I am under the assumption that the LAFCo Commission is concerned foremost with bringing the areas under the LSCSD's sphere of influence, and properties outside the sphere of influence into a common jurisdiction for the purpose of providing water service to the Lake Sherwood community as a whole.

As a Board Member of the LSCA and individual resident, I am in support of "Resolution of Waiver" presented at the June 12, 2013 LAFCo Hearing, with respect to any request from the Lake Sherwood Community Services District for approval of an out of agency service agreement for the provision of water service to any lot described in the pending proposal referred to as LAFCo 12-09 Lake Sherwood Community Services District – Annexation #2.

Further, I understand at such Hearing that the LAFCo Commission wanted to amend the Resolution in order to impose certain conditions to ensure that the matter would ultimately be resolved in the creation of a Waterworks District (WWD). Without having yet seen the conditions in writing, I am in principle supportive of such conditions. I believe that the establishment of a WWD in lieu of the LSCSD providing water service is the best option given various interests and constraints.

Procedural Matters and Logical Course of Action

As mentioned, on September 15, 2012, I submitted a letter of written opposition in response to a Notice of Public Hearing for September 19, 2012 regarding the LSCSD's proposal to annex Lake Sherwood Community Services District Sphere of Influence (Resolutions LAFCo 12-09 and LAFCo 12-09S).

I will provide my reasons below, but first think it is important to review potential procedural outcomes.

It is my understanding that:

Should the LAFCo Commission decide to approve LSCSD's current proposal (Resolutions LAFCo 12-09 and LAFCo 12-09S), this would trigger a protest proceeding (see Exhibit B). My understanding is that if 25% of the residents petition against the proposal that would force the matter to a vote. Further, if 51% of the residents petition against the proposal that would nullify the proposal. Should a majority of residents vote against the proposal, the situation would continue in its current unresolved state.

It should be noted that after I submitted my written opposition, I personally initiated a petition and collected sixty-one signatures in opposition from October 5, 2012 to November 5, 2012. However, as you explained at the time, since such petition was signed prior to the protest proceedings being actually initiated, it is invalid. Since that time, however, the LSCA has also voiced its opposition, and I believe it is prepared to mobilize an effort to collect sufficient protest signatures to terminate the annexation.

This outcome, however, would not be in the best interest of our community, nor of the LAFCo Commission, if my assumption about the Commission's desire for a single jurisdiction is correct.

The reason why is that further delay in this matter would likely result in the Sherwood Development Company (SDC) taking unilateral steps to initiate annexation of undeveloped properties they own, as well as undeveloped properties they have sold. This would result in further "balkanization" of the original tracts as LAFCo Staff documented occurred in 1992 with certain Murdock owned properties.

The way I understand this would procedurally happen is as follows. Assuming Mr. Pakala of the LSCSD has the support of the LSCSD Board, he may either withdraw the current proposal, and the SDC would annex the properties working directly with LAFCo. Or, the LSCSD would amend its current proposal to only include the undeveloped properties — this may only include the SDC properties, or all undeveloped properties in question. Regardless, if the proposal is amended, the following should be noted.

Assuming that the proposal is amended to include undeveloped properties and properties developed after the 2001 "grandfather date," it is my understanding that certain residents in these properties are prepared to provide written opposition, further delaying the matter. And even if only undeveloped properties are included, I know of one such property owner who would submit written opposition.

As you can see, the end result of this procedural process would result in further delays, and not achieve what I believe is the Commission's goal — to bring Lake Sherwood water service under one jurisdiction.

Unless there is an alternative which I am unaware of, it would seem that the logical course of action given procedural constraints is for the Commission to vote in favor of the “Resolution of Waiver” with respect to any request from the Lake Sherwood Community Services District for approval of an out of agency service agreement for the provision of water service to any lot described in the pending proposal referred to as LAFCo 12-09 Lake Sherwood Community Services District – Annexation #2.

There is one other alternative that was not discussed at the June 12, 2013 LAFCo Hearing, which I think would be prudent for the Commission to review. As reasoned in Mr. Pakala’s letter dated March 12, 2013, which was an item attached to the LAFCo Hearing Agenda of June 12, 2013, Mr. Pakala argues that water service for all properties within the pre-existing tracts, including undeveloped properties, should fall under the “grandfather” exception since LSCSD has contemplated service to all parcels since 1992.

Consideration of the Matter on its Merits

The LSCSD was born into controversy from the very beginning. In fact, Mr. Braitman, former Director of LAFCo stated in a 1990 letter regarding the Grand Jury Report that “The Grand Jury doubts the correctness of forming a CSD without the majority vote of the people who currently live ... at Lake Sherwood. If followed, however, this recommendation would provide existing residents with a veto over the proposed LSR development since the CSD is required as a condition for the General Plan Amendment.” (See Exhibit C). As a result, in order to avoid such veto, the LSCSD was formed excluding pre-existing properties, but with the obligation to provide pre-existing properties with water service.

This forms the basis of the argument that service has already been provided to the undeveloped properties as noted in Mr. Pakala’s mentioned above. However, I will leave that argument aside.

More recently, the Advisory Committee to the LSCSD, which is made up of three members from the new community and three members from the original community, gave its support for a proposal to annex properties within and outside its sphere of influence as a way to resolve bureaucratic issues resulting from new State Law, and now enforced by LAFCo, as a way of mitigating issues related to undeveloped properties. It should be noted, however, that the Advisory Committee to the LSCSD does not speak for residents within the original community, or the LSCA, or the SVHOA for that matter.

As mentioned above, the LSCA does not support annexation to the LSCSD. This position was established at the June 2013 Hearing in testimony by Dr. Liberman, President of the LSCA.

Why? Because Lake Sherwood is two distinct communities, and despite Mr. Braitman’s view twenty years ago that both communities be eventually governed by the LSCSD, the reality as it has evolved is far from that vision. One has only to drive old Potrero Road, now Lake Sherwood Drive to visually see where the LSCSD begins and where the LSCSD ends—it starts and ends with ugly urban sidewalks!

But more importantly, the fact that Lake Sherwood is two very different and distinct communities is memorialized in the two agreements that represent each community’s interests.

The original community is represented by the Bruder Agreement (see Exhibit D), resulting from a 1960s court judgment that gave certain rights to the residents in the original community.

The new community, on the other hand, is represented by the SVHOA CCR (see Exhibit E). This heavily documented is the antithesis of the Bruder Agreement.

In the intervening twenty years since the creation of the LSCSD, the two communities have worked together on the basis of multiple agreements. The relationship is cordial, if sometimes adversarial.

The underlying concern then, is LSCSD's latent powers and how to achieve balanced representation between the two communities. A review of various agreements including the Declaration of Restrictions and Reservation of Easements dated July 12, 1990, and the Agreement and Conveyance of Lake Property dated July 12, 1990, reveals that conveyance of the legal title of P.U.10 to the LSCSD has already been contemplated. Exhibit F reveals the extent of various services that were contemplated to be provided by the LSCSD. If the SVHOA dissolves, then the LSCSD would become responsible for the SVHOA's services currently provided to the new neighborhood. This would cause a conflict between the communities.

The creation of a Waterworks District separates the many undesired latent powers of the LSCSD from the communal interest of sustainable water service. Likewise, it will allow both communities to continue to work together on other matters independently, as it has for the last twenty-plus years.

I am confident that eventually the two communities will come together and form a governance structure that has balanced representation, oversees communal interests, but also allows each community to best preserve the character of its respective neighborhood and respective services.

Again I ask for the LAFCo Commission to support the "Resolution of Waiver" presented at the June 12, 2013 LAFCo Hearing, with respect to any request from the Lake Sherwood Community Services District for approval of an out of agency service agreement for the provision of water service to any lot described in the pending proposal referred to as LAFCo 12-09 Lake Sherwood Community Services District – Annexation #2. Such Resolution would pave the way for the formation of a Waterworks District. The separation of LSCSD's latent powers from water services provided by a Waterworks District, while a circuitous solution, will help us eventually achieve Mr. Braitman's vision of two communities residing under common governance. It would also achieve LAFCo Commission's goal of bringing all properties currently being provided water service by the LSCSD under one jurisdiction.

Thank you for your consideration of my position in this matter.

Very truly yours,



Michael "Mack" Frankfurter
2170 Thorsby Road
Lake Sherwood, CA 91361

Exhibits to Attachment 10 – July 10, 2013 letter from Michael Frankfurter to Kim Uhlich

Note: Based on technical limitations to posting large agenda packet files on the LAFCo website, and in an effort to conserve paper, the 146 pages of exhibits to this letter are not included in the hard copy or electronic versions of the July 17, 2013 LAFCo agenda packet. Anyone wishing to view or receive copies of the exhibits may contact the LAFCo office for assistance at (805) 654-2576 or Debbie.schubert@ventura.org.



VENTURA LOCAL AGENCY FORMATION COMMISSION

STAFF REPORT

Meeting Date: July 17, 2013

Agenda Item 9

TO: LAFCo Commissioners

FROM: Kim Uhlich, Executive Officer *KU*

SUBJECT: 2013 Nominations for CALAFCO Board of Directors

RECOMMENDATION:

Authorize the Chair to submit nominations for the CALAFCO Board of Directors, as approved by the Commission.

DISCUSSION:

Each year at the annual CALAFCO conference, elections are held for the CALAFCO Board of Directors based on nominations received from individual LAFCos. To participate in the nomination process, the Commission will need to make nominations by the close of the July LAFCo meeting for submittal to CALAFCO by the July 29, 2013 deadline.

The CALAFCO Executive Board consists of 16 voting members (4 from each of the 4 regions and each region comprised of one city member, one county member, one public member and one special district member). This year there are 8 seats up for election, (2 from each region) including one city member and one public member in the Coastal Region. The terms are for two years and members of the Board must be members of a local LAFCo at all times. Please note that alternate commissioners are also eligible for election to the CALAFCO Board.

The Commission must approve each of its nominations to the Board of Directors, and the Chair of the Commission sign a "Recommendation Form" and the nominee must complete a "Candidate Resume" form. Nominees must be able to attend at least four meetings a year between August 2013 and September 2014.

Information and forms related to the nomination process are attached for reference.

COMMISSIONERS AND STAFF

COUNTY: Kathy Long Linda Parks, Vice Chair <i>Alternate:</i> Steve Bennett	CITY: Carl Morehouse Janice Parvin <i>Alternate:</i> Carol Smith	DISTRICT: Bruce Dandy Gail Pringle, Chair <i>Alternate:</i> Elaine Freeman	PUBLIC: Linda Ford-McCaffrey <i>Alternate:</i> Lou Cunningham
Executive Officer: Kim Uhlich	Dep. Exec. Officer Kai Luoma, AICP	Office Mgr/Clerk Debbie Schubert	Legal Counsel Michael Walker

30 April 2013

CALAFCO



**2013
Board of Directors**

Chair

THEODORE NOVELLI
Amador LAFCo

Vice Chair

MARY JANE GRIEGO
Yuba LAFCo

Secretary

JOHN LEOPOLD
Santa Cruz LAFCo

Treasurer

STEPHEN TOMANELLI
Riverside LAFCo

JULIE ALLEN
Tulare LAFCo

MATTHEW BEEKMAN
Stanislaus LAFCo

ROBERT BERGMAN
Nevada LAFCo

LOUIS CUNNINGHAM
Ventura LAFCo

LARRY R. DUNCAN
Butte LAFCo

JERRY GLADBACH
Los Angeles LAFCo

JULIANA INMAN
Napa LAFCo

GAY JONES
Sacramento LAFCo

MICHAEL KELLEY
Imperial LAFCo

MICHAEL R. MCGILL
Contra Costa LAFCo

EUGENE MONTANEZ
Riverside LAFCo

JOSH SUSMAN
Nevada LAFCo

Staff

PAMELA MILLER
Executive Director

LOU ANN TEXEIRA
Executive Officer

CLARK ALSOP
Legal Counsel

MARJORIE BLOM
Deputy Executive Officer

STEPHEN LUCAS
Deputy Executive Officer

SAMUEL MARTINEZ
Deputy Executive Officer

JENI TICKLER
Executive Assistant

To: Local Agency Formation Commission
Members and Alternate Members

From: Jerry Gladbach, Chair
Board Recruitment Committee
CALAFCO Board of Directors

RE: Nominations for 2014 CALAFCO Board of Directors

Nominations are now open for the fall elections of the Board of Directors. Serving on the CALAFCO Board is a unique opportunity to work with other commissioners throughout the state on legislative, fiscal and operational issues that affect us all. The Board meets four times each year at alternate sites around the state. Any LAFCo commissioner or alternate commissioner is eligible to run for a Board seat.

The following offices on the CALAFCO Board of Directors are open for nominations.

<u>Northern Region</u>	<u>Central Region</u>	<u>Coastal Region</u>	<u>Southern Region</u>
County Member	City Member	City Member	County Member
District Member	Public Member	Public Member	District Member

The election will be conducted during regional caucuses at the CALAFCO annual conference prior to the Annual Membership Meeting on Thursday, August 29th, 2013 at the Resort at Squaw Creek in North Lake Tahoe, CA.

Please inform your Commission that the CALAFCO Recruitment Committee is accepting nominations for the above-cited offices until Monday, July 29th, 2013. Incumbents are eligible to run for another term. Nominations received by July 29th will be included in the Recruitment Committee's Report, copies of which will be available at the Annual Conference. Nominations received after this date will be returned; however, nominations will be permitted from the floor during the Regional Caucuses or during at-large elections, if required, at the Annual Membership Meeting.

For those member LAFCos who cannot send a representative to the Annual Meeting an electronic ballot will be made available if requested in advance.

Should your Commission nominate a candidate, the Chair of your Commission must complete the attached Nomination Form and the Candidate's Resume Form, or provide the specified information in another format other than a resume. Commissions may also include a letter of recommendation or resolution in support of their nominee. **The nomination forms and materials must be received by the CALAFCO Executive Director no later than Monday, July 29th, 2013.**

Please forward nominations to:

CALAFCO Recruitment Committee c/o Executive Director
California Association of Local Agency Formation Commissions
1215 K Street, Suite 1650
Sacramento, California 95814
FAX: 916-442-6535

Electronic filing of nomination forms and materials is encouraged to facilitate the recruitment process. Please send e-mails with forms and materials to info@calafco.org. Alternatively, nomination forms and materials can be mailed or faxed to the above address.

Attached please find a copy of the CALAFCO Board of Directors Nomination and Election Procedures. Members of the 2014 CALAFCO Recruitment Committee are:

Chair - Jerry Gladbach, Los Angeles LAFCo (Southern Region)
jgladbach@calafco.org 626-204-6500

Robert Bergman, Nevada LAFCo (Northern Region)
rbergman@calafco.org 530-265-7180

Gay Jones, Sacramento LAFCo (Central Region)
gjones@calafco.org 916-874-6458

Mike McGill, Contra Costa LAFCo (Coastal Region)
mmcgill@calafco.org 925-335-1094

Elliot Mulberg, Associate Member and former CALAFCO Board Member
Mulberg@gmail.com 916-217-8393

Former CALAFCO Board Member and Associate Member Elliot Mulberg has agreed to once again assist CALAFCO with the election process. We appreciate and value his expertise. Questions about the election process can be directed to him at elliott@mulberg.com or 916-217-8393.

Please consider joining us!

Enclosures

Board of Directors Nomination and Election Procedures and Forms

The procedures for nominations and election of the CALAFCO Board of Directors [Board] are designed to assure full, fair and open consideration of all candidates, provide confidential balloting for contested positions and avoid excessive demands on the time of those participating in the CALAFCO Annual Conference.

The Board nomination and election procedures shall be:

1. APPOINTMENT OF A RECRUITMENT COMMITTEE

- a. Following the Annual Membership Meeting the Board shall appoint a Committee of four members of the Board. The Recruitment Committee shall consist of one member from each region whose term is not ending.
- b. The Board shall appoint one of the members of the Recruitment Committee to serve as Chairman. The CALAFCO Executive Officer shall appoint a CALAFCO staff member to serve as staff for the Recruitment Committee in cooperation with the CALAFCO Executive Director.
- c. Each region shall designate a regional representative to serve as staff liaison to the Recruitment Committee.
- d. Goals of the Committee are to encourage and solicit candidates by region who represent member LAFCoS across the spectrum of geography, size, and urban-suburban-rural population, and to provide oversight of the elections process.

2. ANNOUNCEMENT TO ALL MEMBER LAFCoS

- a. No later than three months prior to the Annual Membership Meeting, the Recruitment Committee Chair shall send an announcement to each LAFCo for distribution to each commissioner and alternate. The announcement shall include the following:
 - i. A statement clearly indicating which offices are subject to the election.
 - ii. A regional map including LAFCoS listed by region.
 - iii. The dates by which all nominations must be received by the Recruitment Committee. The deadline shall be no later than 30 days prior to the opening of the Annual Conference. Nominations received after the closing date shall be returned to the proposing LAFCo marked "Received too late for Nominations Committee action."
 - iv. The names of the Recruitment Committee members with the Committee Chair's LAFCo address and phone number, and the names and contact information for each of the regional representatives.
 - v. The address to send the nominations forms.
 - vi. A form for a Commission to use to nominate a candidate and a candidate resume form of no more than one page each to be completed for each nominee.
- b. No later than four months before the annual membership meeting, the Recruitment Committee Chair shall send an announcement to the Executive Director for distribution to each member LAFCo and for publication in the newsletter and on the website. The announcement shall include the following:

Key Timeframes for Nominations Process	
<u>Days*</u>	
90	Nomination announcement
30	Nomination deadline
14	Committee report released
<small>*Days prior to annual membership meeting</small>	

- i. A statement clearly indicating which offices are subject to the election.
 - ii. The specific date by which all nominations must be received by the Recruitment Committee. Nominations received after the closing dates shall be returned to the proposing LAFCo marked "Received too late for Recruitment Committee action."
 - iii. The names of the Recruitment Committee members with the Committee Chair's LAFCo address and phone number, and the names and contact information for each of the regional representatives.
 - iv. Requirement that nominated individual must be a commissioner or alternate commissioner from a member in good standing within the region.
- c. A copy of these procedures shall be posted on the web site.

3. THE RECRUITMENT COMMITTEE

- a. The Recruitment Committee and the regional representatives have the responsibility to monitor nominations and help assure that there are adequate nominations from each region for each seat up for election. No later than two weeks prior to the Annual Conference, the Recruitment Committee Chair shall distribute to the members the Committee Report organized by regions, including copies of all nominations and resumes, which are received prior to the end of the nomination period.
- b. At the close of the nominations the Recruitment Committee shall prepare regional ballots. Each region will receive a ballot specific to that region. Each region shall conduct a caucus at the Annual Conference for the purpose of electing their designated seats. Caucus elections must be held prior to the annual membership meeting at the conference. The Executive Director or assigned staff along with a member of the Recruitment committee shall tally ballots at each caucus and provide the Recruitment Committee the names of the elected Board members and any open seats. In the event of a tie, the staff and Recruitment Committee member shall immediately conduct a run-off ballot of the tied candidates.
- c. Make available sufficient copies of the Committee Report for each Voting Member by the beginning of the Annual Conference.
- d. Make available blank copies of the nomination forms and resume forms to accommodate nominations from the floor at either the caucuses or the annual meeting (if an at-large election is required).
- e. Advise the Annual Conference Planning Committee to provide "CANDIDATE" ribbons to all candidates attending the Annual Conference.
- f. Post the candidate statements/resumes organized by region on a bulletin board near the registration desk.
- g. Regional elections shall be conducted as described in Section 4 below. The representative from the Recruitment Committee shall serve as the Presiding Officer for the purpose of the caucus election.
- h. Following the regional elections, in the event that there are open seats for any offices subject to the election, the Recruitment Committee Chair shall notify the Chair of the Board of Directors that an at-large election will be required at the annual membership meeting and to provide a list of the number and category of seats requiring an at-large election.

4. ELECTRONIC BALLOT FOR LAFCO IN GOOD STANDING NOT ATTENDING ANNUAL MEETING

Limited to the elections of the Board of Directors

- a. Any LAFCo in good standing shall have the option to request an electronic ballot if there will be no representative attending the annual meeting.
- b. LAFCos requesting an electronic ballot shall do so in writing no later than 30 days prior to the annual meeting.
- c. The Executive Director shall distribute the electronic ballot no later than two weeks prior to the annual meeting.
- d. LAFCo must return the ballot electronically to the executive director no later than three days prior to the annual meeting.
- e. LAFCos voting under this provision may discard their electronic ballot if a representative is able to attend the annual meeting.
- f. LAFCos voting under this provision may only vote for the candidates nominated by the Recruitment Committee.

5. AT THE TIME FOR ELECTIONS DURING THE REGIONAL CAUCUSES OR ANNUAL MEMBERSHIP MEETING

- a. The Recruitment Committee Chairman, another member of the Recruitment Committee, or the Chair's designee (hereafter called the Presiding Officer) shall:
 - i. Review the election procedure with the membership.
 - ii. Present the Recruitment Committee Report (previously distributed).
 - iii. Call for nominations from the floor by category for those seats subject to this election:
 1. For city member.
 2. For county member.
 3. For public member.
 4. For special district member.
- b. To make a nomination from the floor, a LAFCo, which is in good standing, shall identify itself and then name the category of vacancy and individual being nominated. The nominator may make a presentation not to exceed two minutes in support of the nomination.
- c. When there are no further nominations for a category, the Presiding Officer shall close the nominations for that category.
- d. The Presiding Officer shall conduct a "Candidates Forum". Each candidate shall be given time to make a brief statement for their candidacy.
- e. The Presiding Officer shall then conduct the election:
 - i. For categories where there are the same number of candidates as vacancies, the Presiding Officer shall:
 1. Name the nominees and offices for which they are nominated.
 2. Call for a voice vote on all nominees and thereafter declare those unopposed candidates duly elected.
 - ii. For categories where there are more candidates than vacancies, the Presiding Officer

shall:

1. Poll the LAFCoS in good standing by written ballot.
2. Each LAFCo in good standing may cast its vote for as many nominees as there are vacancies to be filled. The vote shall be recorded on a tally sheet.
3. With assistance from CALAFCO staff, tally the votes cast and announce the results.

iii. Election to the Board shall occur as follows:

1. The nominee receiving the majority of votes cast is elected.
2. In the case of no majority, the two nominees receiving the two highest number of votes cast shall face each other in a run-off election.
3. In case of tie votes:
 - a. A second run-off election shall be held with the same two nominees.
 - b. If there remains a tie after the second run-off, the winner shall be determined by a draw of lots.
4. In the case of two vacancies, any candidate receiving a majority of votes cast is elected.
 - a. In the case of no majority for either vacancy, the three nominees receiving the three highest number of votes cast shall face each other in a run-off election.
 - b. In the case of no majority for one vacancy, the two nominees receiving the second and third highest number of votes cast shall face each other in a run-off election.
 - c. In the event of a tie, a second run-off election shall be held with the tied nominees. If there remains a tie after the second run-off election the winner shall be determined by a draw of lots.

6. ADDITIONAL PROCEDURES

- a. For categories where there are more candidates than vacancies, names will be listed in the order nominated.
- b. The Recruitment Committee Chair shall announce and introduce all Board Members elected at the Regional Caucuses at the annual business meeting.
- c. In the event that Board seats remain unfilled after a Regional Caucus, an election will be held immediately at the annual business meeting to fill the position at-large. Nominations will be taken from the floor and the election process will follow the procedures described in Section 4 above. Any commissioner or alternate from a member LAFCo may be nominated for at-large seats.
- d. Seats elected at-large become subject to regional election at the expiration of the term. Only representatives from the region may be nominated for the seat.
- e. As required by the Bylaws, the members of the Board shall meet as soon as possible after election of new board members for the purpose of electing officers, determining meeting places and times for the coming year, and conducting any other necessary business.

7. LOSS OF ELECTION IN HOME LAFCO

Board Members and candidates who lose elections in their home office shall notify the Executive

Director within 15 days of the certification of the election.

8. FILLING BOARD VACANCIES

Vacancies on the Board of Directors may be filled by appointment by the Board for the balance of the unexpired term. Appointees must be from the same category as the vacancy, and should be from the same region.

These policies and procedures were adopted by the CALAFCO Board of Directors on 12 January 2007 and amended on 9 November 2007, 8 February 2008, 13 February 2009, 12 February 2010, 18 February 2011, and 29 April 2011. They supersede all previous versions of the policies.

CALAFCO Regions



The counties in each of the four regions consist of the following:

Northern Region

Butte
Colusa
Del Norte
Glenn
Humboldt
Lake
Lassen
Mendocino
Modoc
Nevada
Plumas
Shasta
Sierra
Siskiyou
Sutter
Tehama
Trinity
Yuba

CONTACT: Steve Lucas, Butte LAFCo
slucas@buttecounty.net

Southern Region

Orange
Los Angeles
Imperial
Riverside
San Bernardino
San Diego

CONTACT: Sam Martinez,
San Bernardino LAFCo
smartinez@lafco.sbcounty.gov

Coastal Region

Alameda
Contra Costa
Marin
Monterey
Napa
San Benito
San Francisco
San Luis Obispo
San Mateo
Santa Barbara
Santa Clara
Santa Cruz
Solano
Sonoma
Ventura

CONTACT: Lou Ann Texeira, Contra Costa
LAFCo
ltexe@lafco.cccounty.us

Central Region

Alpine
Amador
Calaveras
El Dorado
Fresno
Inyo
Kern
Kings
Madera
Mariposa
Merced
Mono
Placer
Sacramento
San Joaquin
Stanislaus
Tulare
Tuolumne
Yolo

CONTACT: Marjorie Blom, Stanislaus LAFCo
blomm@stancounty.com

Board of Directors 2013 Nominations Form

Nomination to the CALAFCO Board of Directors

In accordance with the Nominations and Election Procedures of CALAFCO,

_____ LAFCo of the _____ Region

Nominates _____

for the (check one) City County Special District Public

Position on the CALAFCO Board of Directors to be filled by election at the next Annual
Membership Meeting of the Association.

LAFCo Chair

Date

NOTICE OF DEADLINE

Nominations must be received by **July 29, 2013**
to be considered by the Recruitment Committee.
Send completed nominations to:
CALAFCO Recruitment Committee
CALAFCO
1215 K Street, Suite 1650
Sacramento, CA 95814

Board of Directors Candidate Resume Form

Nominated By: _____ LAFCo Date: _____

Region (please check one): Northern Coastal Central Southern

Category (please check one): City County Special District Public

Candidate Name _____

Address _____

Phone Office _____ Mobile _____

e-mail _____ @ _____

Personal and Professional Background:

LAFCo Experience:

CALAFCO or State-level Experience:

Availability:

Other Related Activities and Comments:

NOTICE OF DEADLINE

Nominations must be received by **July 29, 2013** to be considered by the Recruitment Committee. Send completed nominations to:
CALAFCO Recruitment Committee
CALAFCO
1215 K Street, Suite 1650
Sacramento, CA 95814



VENTURA LOCAL AGENCY FORMATION COMMISSION

STAFF REPORT

Meeting Date: July 17, 2013

Agenda Item 10

TO: LAFCo Commissioners

FROM: Kim Uhlich, Executive Officer *KU*

SUBJECT: CALAFCO Board of Directors Election –Voting Delegates

RECOMMENDATION:

Designate a voting delegate and an alternate voting delegate for the 2012 CALAFCO Board of Directors election.

DISCUSSION:

Each year at the annual CALAFCO Conference a business meeting is held that includes elections for the CALAFCO Board of Directors. Each member LAFCo is eligible to vote through a pre-designated voting delegate. In addition, an alternate voting delegate is selected in the event that the voting delegate becomes unavailable. Typically the Commission Chair serves as the voting delegate and the Vice Chair as the alternate voting delegate. As neither the Chair nor the Vice Chair is able to attend the Conference this year, it is recommended that the Commission select a voting delegate and an alternate voting delegate from among those who are planning to attend: Commissioners Dandy, Long, Morehouse and Alternate Commissioner Cunningham.

COMMISSIONERS AND STAFF

COUNTY:
Kathy Long
Linda Parks, Vice Chair
Alternate:
Steve Bennett

CITY:
Carl Morehouse
Janice Parvin
Alternate:
Carol Smith

DISTRICT:
Bruce Dandy
Gail Pringle, Chair
Alternate:
Elaine Freeman

PUBLIC:
Linda Ford-McCaffrey
Alternate:
Lou Cunningham

Executive Officer:
Kim Uhlich

Dep. Exec. Officer
Kai Luoma, AICP

Office Mgr/Clerk
Debbie Schubert

Legal Counsel
Michael Walker



VENTURA LOCAL AGENCY FORMATION COMMISSION

STAFF REPORT

Meeting Date: July 17, 2013

Agenda Item 11

TO: LAFCo Commissioners

FROM: Kim Uhlich, Executive Officer *KU*

SUBJECT: CLOSED SESSION: Pursuant to Government Code Section 54957, a closed session will be held to consider the following item: Public Employee Performance Evaluation – Title: LAFCo Executive Officer

Information will be provided in the closed session.

COMMISSIONERS AND STAFF

COUNTY:
Kathy Long
Linda Park, Vice Chairs
Alternate:
Steve Bennett

CITY:
Carl Morehouse
Janice Parvin
Alternate:
Carol Smith

DISTRICT:
Bruce Dandy
Gail Pringle, Chair
Alternate:
Elaine Freeman

PUBLIC:
Linda Ford-McCaffrey
Alternate:
Lou Cunningham

Executive Officer:
Kim Uhlich

Dep. Exec. Officer
Kai Luoma, AICP

Office Mgr/Clerk
Debbie Schubert

Legal Counsel
Michael Walker



VENTURA LOCAL AGENCY FORMATION COMMISSION

STAFF REPORT

Meeting Date: July 17, 2013

Agenda Item 12

TO: LAFCo Commissioners
FROM: Kim Uhlich, Executive Officer
SUBJECT: Compensation of Executive Officer

RECOMMENDATION:

Consider a merit increase for the LAFCo Executive Officer, and if granted, determine whether to make the increase retroactively effective to July 7, 2013.

BACKGROUND:

The employment agreement for the LAFCo Executive Officer provides for a performance and salary review process in accordance with specified provisions of the County of Ventura Management, Confidential Clerical and Other Unrepresented Employees Resolution ("Management Resolution").

In conjunction with the adoption of the FY 2013-14 Final Budget on May 15, 2013 and as provided for under the terms of the individual employment contracts and the County of Ventura Management, Confidential Clerical and Other Unrepresented Employees Resolution, the Commission appropriated an amount to allow for the option to award five percent (5%) merit increases to those LAFCo staff members whose current rate of pay is less than the top of the range for his/her respective job classification (the LAFCo Executive Officer).

DISCUSSION:

The previous Executive Officer performance review was completed by the Commission on July 18, 2012. This review was the basis for granting a three percent (3%) salary increase, which was made retroactively effective to July 9, 2012. As of approximately July 6, 2013, the Executive Officer completed another 2,080 hours of service.

COMMISSIONERS AND STAFF

COUNTY: Kathy Long, Linda Parks, Vice Chair, Alternate: Steve Bennett

CITY: Carl Morehouse, Janice Parvin, Alternate: Carol Smith

DISTRICT: Bruce Dandy, Gail Pringle, Chair, Alternate: Elaine Freeman

PUBLIC: Linda Ford-McCaffrey, Alternate: Lou Cunningham

Executive Officer: Kim Uhlich

Dep. Exec. Officer: Kai Luoma, AICP

Office Mgr/Clerk: Debbie Schubert

Legal Counsel: Michael Walker