VENTURA LOCAL AGENCY FORMATION COMMISSION

AGENDA

Wednesday, October 21, 2015

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. Agenda Review
   Consider and approve, by majority vote, minor revisions to Commission items and/or attachments and any item added to, or removed/continued from, the LAFCo agenda and changes to the order of business to accommodate a special circumstance.

   A. Hear Items 16 and 17 before Item 15.

5. Commission Presentations and Announcements

6. Public Comments
   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 Speaker 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 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.

COMMISSIONERS AND STAFF

COUNTY:	CITY:	DISTRICT:	PUBLIC:
Linda Parks	Carl Morehouse, Vice Chair	Bruce Dandy	Lou Cunningham, Chair
John Zaragoza	Janice Parvin	Elaine Freeman	
Alternate:	*Alternate:*	*Alternate:*	*Alternate:*
Steve Bennett	Carmen Ramirez	Mary Anne Rooney	David J. Ross
Executive Officer	**Analyst**	**Office Manager/Clerk**	**Legal Counsel**
Kai Luoma, AICP	Andrea Ozdy	Richelle Beltran	Michael Walker

CONSENT ITEMS

7. Minutes of the Ventura LAFCo September 10, 2015 Special Meeting – Agricultural Mitigation Workshop
8. Minutes of the Ventura LAFCo September 16, 2015 Meeting
9. Ventura LAFCo Meeting Calendar for 2016
10. LAFCo 15-15 Ventura County Waterworks District No. 1 Annexation – Toll Brothers

    Annexation of a vacant parcel (approximately 4.76 acres) and the contiguous portion of Grimes Canyon Road (approximately 1.05 acres) to Ventura County Waterworks District No. 1, to allow water and wastewater service for the development of a new single-family residence.
11. Budget to Actual Reports: August and September 2015

    RECOMMENDED ACTION: Approval of Items 7, 8, 9, and 10; and Receive and File Item 11

PUBLIC HEARING ITEMS

12. Sphere of Influence Reviews/Updates

    Review the sphere of influence for the following agencies, and determine that no sphere of influence update or municipal service review is necessary pursuant to Government Code § 56430(a):

    Ojai Valley Sanitary District
    Ventura County Service Area No. 3

13. Sphere of Influence Review/Update

    LAFCo 15-13S Ventura County Waterworks District No. 1

    Determine that the sphere of influence update for Ventura County Waterworks District No. 1 (VCWD 1) is exempt from the California Environmental Quality Act (CEQA) pursuant to § 15061(b)(3) of the CEQA Guidelines; review and update the sphere of influence for VCWD 1 pursuant to Government Code § 56425(g); determine that no municipal service review is necessary for VCWD 1 pursuant to Government Code § 56430(a); and adopt Resolution LAFCo 15-13S making determinations and updating the sphere of influence for VCWD 1.

    RECOMMENDED ACTION: Approval

PUBLIC HEARING ITEMS, CONTINUED

14. Sphere of Influence Review/Update
LAFCo 15-14S Lake Sherwood Community Services District
Determine that the sphere of influence update for the Lake Sherwood Community Services District (LSCSD) is exempt from the California Environmental Quality Act (CEQA) pursuant to § 15061(b)(3) of the CEQA Guidelines; review and update the sphere of influence for the LSCSD pursuant to Government Code § 56425(g); determine that no municipal service review is necessary for the LSCSD pursuant to Government Code § 56430(a); and adopt Resolution LAFCo 15-14S making determinations and updating the sphere of influence for the LSCSD.
RECOMMENDED ACTION: Approval

CLOSED SESSION

15. Pursuant to Government Code § 54957, the Ventura Local Agency Formation Commission will meet in closed session to consider the following item:
Public Employee Performance Evaluation – Title: LAFCo Executive Officer
Continued from September 16, 2015 Item 12

ACTION ITEM

16. Professional Services Agreement for Audit Services – Vavrinek, Trine, Day & Co., LLP
Adopt a Resolution approving a professional services agreement for audit services for fiscal year ended June 30, 2015, with Vavrinek, Trine, Day & Co., LLP for an amount not to exceed $8,487 and authorizing the Chair to execute the agreement.
Continued from September 16, 2015 Item 9
RECOMMENDED ACTION: Approval

17. Agricultural Mitigation Workshop Follow Up
RECOMMENDED ACTION: Direct Staff as Appropriate

18. Compensation of the Executive Officer
Consideration of granting a merit increase for the LAFCo Executive Officer.
Continued from September 16, 2015 Item 13
MATERIALS WILL BE AVAILABLE AT THE MEETING

19. Cancellation of the November 2015 Regular Meeting
RECOMMENDED ACTION: Approval

EXECUTIVE OFFICER'S REPORT

All apportionment payments have been received.

The next LAFCo meeting will be held on January 20, 2016.

INFORMATIONAL ITEMS

Application Received:

LAFCo 15-17 OASA City of Oxnard – Driscoll Strawberry Association.

COMMISSIONERS' COMMENTS

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
AGRICULTURAL MITIGATION WORKSHOP MINUTES
Thursday, September 10, 2015
9:00 a.m. – 12:00 p.m.
Camarillo Public Library Community Room
4101 E. Las Posas Rd., Camarillo, CA 93010

OPENING

1. Introductions and Pledge of Allegiance

   Chair Cunningham called the meeting to order at 9:00 A.M.

   Chair Cunningham led the Pledge of Allegiance and introduced the following commissioners who were present:

   Commissioner Dandy
   Commissioner Morehouse
   Commissioner Parks
   Commissioner Parvin
   Commissioner Zaragoza
   Alt. Commissioner Rooney
   Alt. Commissioner Ross

   Chair Cunningham announced that this is an opportunity for members of the public to speak on items not on the agenda; there were no public speakers.

2. Purpose of the Workshop – Why are we here?
   Kai Luoma, Executive Officer of Ventura LAFCo, made the presentation.

3. Overview of LAFCo's responsibilities pertaining to preservation of agricultural land
   Kai Luoma, Executive Officer of Ventura LAFCo, made the presentation.

   Alternate Commissioner Ramirez arrived.

4. Overview of CEQA requirements with respect to feasible mitigation for loss or conversion of agricultural land
   Michael Walker, Ventura LAFCo Legal Counsel/Chief Assistant County Counsel, made the presentation.

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5. Agricultural land conversion in Ventura County in recent years
   Henry Gonzales, Ventura County Agricultural Commissioner, made the presentation.

6. Mitigation options
   a. John Lowrie, Assistant Director of the California Department of Conservation, made a presentation on agricultural mitigation tools and effective measures.
   b. E.J. Remson, Senior Program Manager of The Nature Conservancy, made a presentation on agricultural conservation easements.

7. Case Studies: How agricultural mitigation policies have worked for other LAFCos
   a. Marjorie Blom, Executive Officer (ret.) Stanislaus LAFCo, made a presentation on Stanislaus LAFCO's agricultural preservation policy.
   b. Kai Luoma, Executive Officer of Ventura LAFCo, was to make a presentation on case studies of the agricultural mitigation policies of San Luis Obispo LAFCo, Santa Clara LAFCo, Stanislaus LAFCo, and Yolo LAFCo and how their policies have worked; item was not heard due to time constraints.

8. Solicitation of input from stakeholders
   The following persons gave public comment: Fred Ferro and Lynn Jensen.

9. Commission direction to LAFCo staff
   No direction given.

ADJOURNMENT
Chair Cunningham adjourned the meeting at 12:20 P.M.

These Minutes were approved on October 21, 2015

Motion: _____

Second: _____

Yes: _____

No: _____

Abstain: _____

_____ _____
Date Lou Cunningham, Chair, Ventura Local Agency Formation Commission

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VENTURA LOCAL AGENCY FORMATION COMMISSION

MEETING MINUTES

Wednesday, September 16, 2015

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

OPENING

1. Call to Order

   Chair Cunningham called the meeting to order at 9:03 A.M.

2. Pledge of Allegiance

   Commissioner Zaragoza led the Pledge of Allegiance.

3. Roll Call

   The following Commissioners were present:
   Commissioner Dandy
   Commissioner Morehouse
   Commissioner Parks
   Commissioner Parvin
   Commissioner Zaragoza
   Chair Cunningham
   Alternate Commissioner Ramirez
   Alternate Commissioner Rooney

   Alternate Commissioner Rooney sat as a voting member due to the absence of special district member Freeman; and Alternate Commissioner Ramirez sat as a voting member for Item 11 due to city member Morehouse recusing himself.

4. Agenda Review

   The Commission reviewed the agenda and made no changes. Alternate Commissioner Rooney confirmed that today's meeting was being recorded.

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COMMISSIONERS AND STAFF

COUNTY:	CITY:	DISTRICT:	PUBLIC:
Linda Parks	Carl Morehouse, Vice Chair	Bruce Dandy	Lou Cunningham, Chair
John Zaragoza	Janice Parvin	Elaine Freeman	
Alternate:	*Alternate:*	*Alternate:*	*Alternate:*
Steve Bennett	Carmen Ramirez	Mary Anne Rooney	David J. Ross
Executive Officer	**Analyst**	**Office Manager/Clerk**	**Legal Counsel**
Kai Luoma, AICP	Andrea Ozdy	Richelle Beltran	Michael Walker

OPENING, CONTINUED

5. Commission Presentations and Announcements
   Commissioner Morehouse announced that he will recuse himself from Item 11 due the possibility of a perceived monetary conflict of interest.

6. Public Comments
   There were no public comments.

CONSENT ITEMS

Alternate Commissioner Rooney requested Item 9 be heard as a Regular Agenda Item.

7. Minutes of the Ventura LAFCo July 15, 2015 Meeting
   RECOMMENDED ACTION: Approval

Motion: Approve
Moved by Bruce Dandy, seconded by John Zaragoza

Vote: Motion carried 6-0
Yes: Bruce Dandy, Linda Parks, Janice Parvin, Mary Anne Rooney, John Zaragoza, and Lou Cunningham
Abstain: Carl Morehouse

8. Budget to Actual Reports: June and July 2015
   RECOMMENDED ACTION: Receive and File

Motion: Receive and File
Moved by Bruce Dandy, seconded by Carl Morehouse

Vote: Motion carried 7-0
Yes: Bruce Dandy, Carl Morehouse, Linda Parks, Janice Parvin, Mary Anne Rooney, John Zaragoza, and Lou Cunningham

Alternate Commissioner Ross arrived.

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CONSENT ITEMS, CONTINUED

9. Professional Services Agreement for Audit Services – Vavrinek, Trine, Day & Co., LLP
Adopt a Resolution approving a professional services agreement for audit services for fiscal year ended June 30, 2015 with Vavrinek, Trine, Day & Co., LLP for an amount not to exceed $8,487 and authorizing the Chair to execute the agreement.
RECOMMENDED ACTION: Approval

Motion: Reject the contract with Vavrinek, Trine, Day & Co., LLP and enter into a contract with the County of Ventura for audit services; heard as a Regular Agenda Item
Moved by Mary Anne Rooney, motion withdrawn

Motion: Hear Item 9 at the end of today's meeting to allow for staff to investigate the Commission's concerns; heard as a Regular Agenda Item
Moved by Bruce Dandy, seconded by Mary Anne Rooney

Vote: Motion Fails 2-5
Yes: Bruce Dandy, Mary Anne Rooney
No: Carl Morehouse, Linda Parks, Janice Parvin, John Zaragoza, and Lou Cunningham

Motion: Continue to October 21, 2015 with a response from Vavrinek, Trine, Day & Co. LLP addressing the Commission's concerns and if staff is still concerned, provide a suggestion of another firm to hire; heard as a Regular Agenda Item
Moved by Linda Parks, seconded by Mary Anne Rooney

Vote: Motion carried 7-0
Yes: Bruce Dandy, Carl Morehouse, Linda Parks, Janice Parvin, Mary Anne Rooney, John Zaragoza, and Lou Cunningham

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PUBLIC HEARING ITEMS

10. LAFCo 15-11(S1-S2) and 15-11 City of San Buenaventura Sphere of Influence Amendments and Reorganization – Olivas Park Drive Extension
An amendment to the sphere of influence of the City of San Buenaventura to include a 6.65-acre site; an amendment to the sphere of influence of the Montalvo Community Services District to remove the 6.65-acre site; annexation of the 6.65-acre site to the City of San Buenaventura and the Ventura Port District; and detachment of the 6.65-acre site from the Ventura County Resource Conservation District, Ventura County Fire Protection District, Ventura County Service Area (CSA) No. 32, and CSA No. 33.
RECOMMENDED ACTION: Approval

Chair Cunningham opened the public hearing. Andrea Ozdy presented the staff report; the following person was heard: Jeff Lambert; Chair Cunningham closed the public hearing.

Motion: Approve
Moved by Carl Morehouse, seconded by Janice Parvin

Vote: Motion carried 7-0
Yes: Bruce Dandy, Carl Morehouse, Linda Parks, Janice Parvin, Mary Anne Rooney, John Zaragoza, and Lou Cunningham

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PUBLIC HEARING ITEMS, CONTINUED

11. LAFCo 15-08S City of Santa Paula Sphere of Influence Review/Update
Review the sphere of influence for the City of Santa Paula and determine that no update is necessary (Option 1); adopt a Resolution making determinations and updating the sphere of influence for the City of Santa Paula to remove most of the Adams Canyon Expansion Area from the sphere of influence for the City of Santa Paula (Option 2); or adopt a Resolution making determinations and updating the sphere of influence for the City of Santa Paula to remove most of the Adams Canyon and all of the Fagan Canyon Expansion Areas from the sphere of influence of the City of Santa Paula (Option 3).

Continued from May 20, 2015, Item 10

RECOMMENDED ACTION: Approval of Option 1, Option 2, or Option 3

Commissioner Morehouse recused himself due to the possibility of a perceived monetary conflict of interest.

Chair Cunningham opened the public hearing. Kai Luoma presented the staff report; the following persons were heard: John Procter, Ginger Gherardi, Jim Tovias, Fred Robinson, Bob Gonzales, John Wisda, Sandy Smith, Scott Boydstun, Delton Johnson, Lynn Jensen, Michael Piszker, and Andrew Yancey; Chair Cunningham closed the public hearing.

Motion: Extend the meeting to continue beyond noon per policy of the Commissioner's Handbook Section 1.3.3.6
Moved by Linda Parks, seconded by Janice Parvin

Vote: Motion carried 7-0
Yes: Bruce Dandy, Linda Parks, Janice Parvin, Carmen Ramirez, Mary Anne Rooney, John Zaragoza, and Lou Cunningham

Motion: Approve Option 1
Moved by Carmen Ramirez, seconded by Mary Anne Rooney

Vote: Motion carried 4-3
Yes: Janice Parvin, Carmen Ramirez, Mary Anne Rooney, and John Zaragoza
No: Bruce Dandy, Linda Parks, and Lou Cunningham

Commissioner Parks left the meeting prior to the discussion of continuing Items 12 and 13.

CLOSED SESSION

12. Pursuant to Government Code Section 54957, the Ventura Local Agency Formation Commission will meet in closed session to consider the following item:

Public Employee Performance Evaluation – Title: LAFCo Executive Officer

Continued to October 21, 2015

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ACTION ITEMS

13. Compensation of the Executive Officer
Consideration of granting a merit increase for the LAFCo Executive Officer.

Motion: Continue to October 21, 2015
Moved by Mary Anne Rooney, seconded by Janice Parvin

Vote: Motion carried 6-0
Yes: Bruce Dandy, Janice Parvin, Carmen Ramirez, Mary Anne Rooney, John Zaragoza, and Lou Cunningham
Absent: Linda Parks

Commissioner Morehouse returned to the dais.

EXECUTIVE OFFICER'S REPORT
Kai Luoma informed the Commission that at the CALAFCO conference, Ventura LAFCo was awarded the 2015 Achievement Award for Project of the Year for the Formation of Ventura County Waterworks District No. 38. Alternate Commissioner Ross was unsuccessful in his bid for the public member position on the CALAFCO Board of Directors, but did an excellent job, as he was up against a long-serving LAFCo member. The CALAFCO conference in Sacramento was an excellent and beneficial conference. The next LAFCo meeting will be held on October 21, 2015.

COMMISSIONERS' COMMENTS
Commissioner Parvin commented that she would like the Gold Coast Transit District sphere of influence determination to be reconsidered.
No action was taken regarding the comment.

ADJOURNMENT
Chair Cunningham adjourned the meeting at 12:15 P.M.

These Minutes were approved on October 21, 2015

Motion: _____

Second: _____

Yes: _____

No: _____

Abstain: _____

_____ _____
Date Lou Cunningham, Chair, Ventura Local Agency Formation Commission

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VENTURA LOCAL AGENCY FORMATION COMMISSION

STAFF REPORT

Meeting Date: October 21, 2015

(Consent)

TO: LAFCo Commissioners

FROM: Kai Luoma, Executive Officer

SUBJECT: LAFCo Meeting Calendar for 2016

RECOMMENDATION:

Approve the 2016 calendar for meetings of Ventura LAFCo.

DISCUSSION:

Attached is a recommended meeting calendar for Ventura LAFCo for 2016. Adoption is recommended for scheduling and public information purposes. The calendar is consistent with the Commission's by-laws, including scheduling regular meetings on the third Wednesday of the month except for June when the meeting is scheduled for the second Wednesday to accommodate adoption of the budget before June 15 pursuant to Government Code Section 56381(a). The Commission's by-laws also state that there are no regular meetings scheduled for August and December.

No action canceling any meeting or setting any special meetings is proposed at this time. Any scheduled meeting may be cancelled by majority vote of the Commission or by the Commission Chair with the consent of the Vice Chair, if it is determined that there is insufficient business to justify the scheduled meeting. A meeting should not be cancelled less than 72 hours prior to its schedule date. Upon cancellation the Executive Officer shall give public notice of the meeting cancellation in accordance with provisions of the Government Code.

If approved, this 2016 meeting calendar will be posted on the Ventura LAFCo website and otherwise made publicly available.

Attachment:

1. 2016 LAFCo Meeting Calendar

COMMISSIONERS AND STAFF

COUNTY:	CITY:	DISTRICT:	PUBLIC:
Linda Parks	Carl Morehouse, Vice Chair	Bruce Dandy	Lou Cunningham, Chair
John Zaragoza	Janice Parvin	Elaine Freeman	
Alternate:	*Alternate:*	*Alternate:*	*Alternate:*
Steve Bennett	Carmen Ramirez	Mary Anne Rooney	David J. Ross
Executive Officer:	**Analyst**	**Office Manager/Clerk**	**Legal Counsel**
Kai Luoma, AICP	Andrea Ozdy	Richelle Beltran	Michael Walker

VENTURA LOCAL AGENCY FORMATION COMMISSION

2016 LAFCo Regular Meeting Schedule

January

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

February

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29					

March

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

April

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

May

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

June

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

July

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

August

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	DARK			19	20
21	22	23	24	25	26	27
28	29	30	31			

September

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

October

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

November

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

December

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	DARK			16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

VENTURA LOCAL AGENCY FORMATION COMMISSION

STAFF REPORT

Meeting Date: October 21, 2015

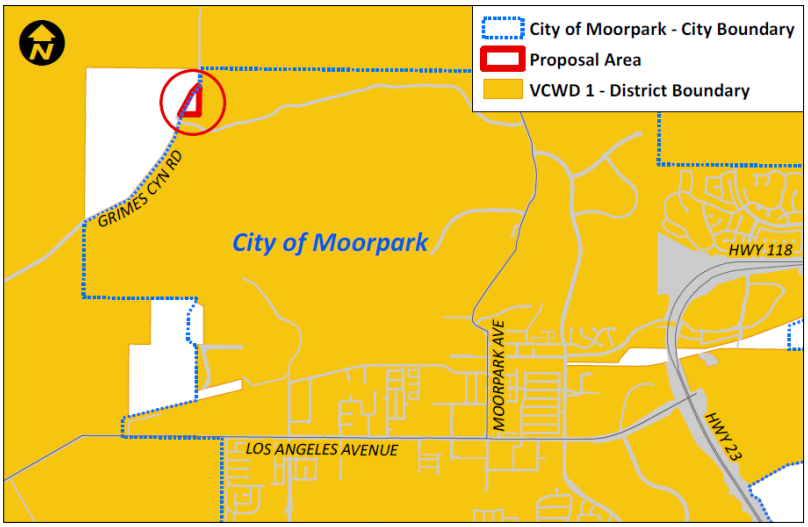
Consent

LAFCo Case: LAFCo 15-15 Ventura County Waterworks District No. 1 Annexation – Toll Brothers

Project: Annexation of a vacant parcel (approximately 4.76 acres) and the contiguous portion of Grimes Canyon Road (approximately 1.05 acres) to Ventura County Waterworks District No. 1 (VCWD 1), to allow water and wastewater service for the development of a new single-family residence.

Size: Approximately 5.81 acres.

Location: The proposal area (Assessor's Parcel Number 502-0-140-290 within the City of Moorpark, and the contiguous portion of Grimes Canyon Road in the unincorporated area) is located generally northeast of the intersection of Grimes Canyon Road and Championship Drive.



Proponent: VCWD 1, by resolution.

Notice: This matter has been noticed as prescribed by law.

Recommendations:

A. Determine that the action to approve the change of organization request is exempt under California Environmental Quality Act (CEQA) Guidelines § 15319; and

B. Adopt resolution LAFCo 15-15 making determinations and approving a change of organization for VCWD 1 (Attachment 2).

COMMISSIONERS AND STAFF

COUNTY:	CITY:	DISTRICT:	PUBLIC:
Linda Parks	Carl Morehouse, Vice Chair	Bruce Dandy	Lou Cunningham, Chair
John Zaragoza	Janice Parvin	Elaine Freeman	
Alternate:	*Alternate:*	*Alternate:*	*Alternate:*
Steve Bennett	Carmen Ramirez	Mary Anne Rooney	David J. Ross
Executive Officer:	**Analyst**	**Office Manager/Clerk**	**Legal Counsel**
Kai Luoma, AICP	Andrea Ozdy	Richelle Beltran	Michael Walker

Project Description:

Background:

In December 2006, the City Council of the City of Moorpark approved a Tentative Tract Map for the development of 49 single-family residences north of Championship Drive and east of Grimes Canyon Road, located within the City of Moorpark's municipal boundaries. While the subject residential lot was not a part of the subdivision (it already existed as a separate legal lot within the City), it was included as part of the Residential Planned Development Permit for the subdivision project.

The lot is designated and zoned for single-family residential development in the City. However, development of the property requires annexation to VCWD 1 in order for it to receive public water and sewer service. VCWD 1 provides potable, retail water and sanitary sewer collection and treatment services to the City of Moorpark and areas to the north and west of the City. The subject territory is located within the VCWD 1 sphere of influence.

In July 2015, the Ventura County Board of Supervisors (which serves as the governing board of VCWD 1) adopted a Resolution of Application, requesting that LAFCo annex the subject territory to VCWD 1 so that the parcel may be provided public water and sewer service and be developed with a single-family residence.

Request:

In August 2015, VCWD 1 submitted an application to LAFCo, requesting the annexation of the subject territory to VCWD 1. The territory is located within the City of Moorpark, except for the segment of Grimes Canyon Road immediately west of the vacant residential lot proposed to receive service from VCWD 1. The road segment is proposed for annexation to VCWD 1 as well, as the portions of Grimes Canyon Road to the north and south of the residential property are within the VCWD 1 service boundary.

No sphere of influence amendments or other changes of organization are necessary in order to accommodate the proposed annexation.

General Analysis:

Government Code § 56668 identifies several factors that the Commission must consider as part of its review of a change of organization proposal. These factors are discussed as follows.

1. Land Use and Population [Government Code §§ 56668(a), 56668(g), and 56668(n)]

Land Area, Land Use, and Consistency with Plans

The residential lot within the proposal area has a City General Plan designation of *RL [Rural Low Density Residential (1 DU/ac)]* and a City zoning designation of *RE 5 ac (Rural, 5 acre minimum parcel size)*. The contiguous portion of Grimes Canyon Road that is included in the proposal area has a County General Plan designation of *Agricultural* and a County zoning designation of *AE-40 ac (Agricultural Exclusive, 40 acre minimum parcel size)*.

The surrounding properties consist of the specified uses, and are designated and zoned as follows:

	Current Use	Jurisdiction	General Plan	Zoning
North	Undeveloped open space	County	Agricultural	AE - 40 ac (Agricultural Exclusive, 40 acre minimum parcel size)
South	Orchard and undeveloped open space	City	Medium Low Density Residential (2 dwelling units per acre)	RPD – 1.73U (Residential Planned Development, 1.73 dwelling units per acre)
East	Residential development under construction	City	Medium Low Density Residential (2 dwelling units per acre)	RPD – 1.73U (Residential Planned Development, 1.73 dwelling units per acre)
West	Undeveloped open space	County	Agricultural	AE - 40 ac (Agricultural Exclusive, 40 acre minimum parcel size)

The subject proposal will not affect surrounding zoning or General Plan designations. The City of Moorpark establishes the allowable land uses for territory within its jurisdiction. Based on application materials submitted, it appears that the proposed development in the City is consistent with the City's General Plan.

Likelihood of Growth in the Area

Other than a portion of Grimes Canyon Road, the proposal area is already located within the City. Except for the residential development of the site, there are no opportunities for additional growth within this area.

Topography, Natural Features and Drainage

The residential lot within the proposal area contains a relatively flat area for proposed development, and slopes downward toward Grimes Canyon Road along its western boundary. No natural features or drainage channels are located within the proposal area.

Population

According to the County Registrar of Voters, there are no registered voters in the proposal area. As such, the annexation proposal area is considered to be uninhabited, pursuant to Government Code § 56046.

Regional Transportation Plan

The 2012 "Nine Ventura County Cities" Municipal Service Review (MSR) accepted by the Commission documents that the City's population as of January 1, 2012 was 34,826. The *Growth Forecast* appendix of the *2012-2035 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS)* (adopted by the Southern California Association of Governments in 2012) estimates that the City's population will reach 39,300 by 2020 and 41,500 by 2035. LAFCo staff did not identify any conflicts of the proposal (specifically, the addition of a new residence on land planned for residential use within the City) with the *RTP/SCS.*

2. Services and Controls – Need, Cost, Adequacy and Availability [Government Code §§ 56668(b), 56668(j), and 56668(k)]

As discussed above, the District provides potable, retail water and sanitary sewer collection and treatment services to the City of Moorpark and areas to the north and west of the City. The proposal area involves the annexation of land to VCWD 1 that is either already within the City of Moorpark's city limits or consists of an existing road segment. VCWD 1 has indicated that it has the capacity to serve the site. No other services would be affected.

3. Effect of Proposed Action and Alternative Actions [Government Code § 56668(c)]

Staff has not identified any effects of the proposal on adjacent areas, mutual social and economic interests, or the local government structure of the County.

4. Conformity with Adopted Commission Policies [Government Code § 56668(d)]

The proposal is consistent with all the Commission policies for changes of organization that are contained in the Ventura LAFCo Commissioner's Handbook.

5. Impact on Prime Agricultural Land and Agriculture and Open Space [Government Code §§ 56668(d), 56668(e), and 56377]

In evaluating impacts to agricultural and open space resources, LAFCo must apply the definition of prime agricultural land found in LAFCo law (Government Code § 56064) and the definition of open space found in LAFCo law (Government Code § 56059). The majority

of the proposal area consists of a single residential lot that is located within the City of Moorpark city limits. The remaining portion of the proposal area is designated and zoned for agriculture, and is developed as a segment of Grimes Canyon Road. Therefore, the proposed annexation to VCWD 1 would not consist of the conversion of agricultural or open space land.

6. Boundaries and Lines of Assessment [Government Code § 56668(f)]

Map Review by County Surveyor

County Surveyor review and certification of the map and legal description are required in order to record the Certificate of Completion (pursuant to Government Code § 57201) and to file the statement of boundary change with the State Board of Equalization (pursuant to Government Code § 57204). As such, the draft resolution for the reorganization (Attachment 2) includes a condition that predicates recordation of a Certificate of Completion upon the approval of a map and legal description by the County Surveyor.

Legal Lot and Lines of Assessment

Handbook Sections 3.1.4.2 and 3.1.4.3 provide that the boundaries of a proposal shall follow lines of assessment or ownership, and that a proposal shall involve only legal lots. The proposal boundaries follow lines of assessment and ownership, and staff has no information to indicate that the lot was not legally created. These provisions do not apply to roads within the public road network.

7. Applicable Spheres of Influence [Government Code § 56668(h)]

The majority of the territory proposed for annexation to VCWD 1 is located within the City of Moorpark city limits, and the entire territory is located within the VCWD 1 sphere of influence. The annexation of the proposal area to VCWD 1 would not result in any changes to the spheres of influence of VCWD 1, the City of Moorpark, or any other local agency.

8. Regional Housing Needs [Government Code § 56668(l)]

The proposal does not involve the creation of any parcels for residential use. Additionally, pursuant to the application materials submitted, the City's General Plan Housing Element does not identify the residential lot within the proposal area as being necessary in order for the City to meet its regional housing needs obligation.

9. Environmental Justice [Government Code § 56668(o)]

Approval of the proposal would not result in the unfair treatment of any person based on race, culture or income with respect to the provision of municipal services to the proposal area. Staff did not identify any issues regarding environmental justice.

10. Comments and Additional Information [Government Code §§ 56668(i) and 56668(m)]

As of the date of this report, no information or comments have been submitted by any affected local agency or other public agency, landowners, voters, or residents of the affected territory.

California Environmental Quality Act (CEQA):

Staff recommends that the Commission find that the requested annexation to VCWD 1 to accommodate development of the proposal area in the City is exempt from CEQA pursuant to CEQA Guidelines § 15319 (Annexations of Existing Facilities and Lots for Exempt Facilities). The proposal area contains a residential parcel located within the City of Moorpark that has the potential to be developed to the density allowed by the City. Extension of utility services will have the capacity to serve only development of the subject residential parcel [§ 15319(b)]. The draft resolution contains a finding that the proposed action is exempt from CEQA pursuant to CEQA Guidelines § 15319.

Commission Proceedings – Process Considerations:

Pursuant to Government Code § 56662(a), the Commission may make determinations on the change of organization proposal without notice and a hearing and can waive protest proceedings entirely if the following criteria are met:

(1) The territory is uninhabited.
(2) An affected local agency has not submitted a written demand for notice and hearing during the 10-day period following the issuance of the notice of Receipt of Application.
(3) The proposal is accompanied by proof, satisfactory to the Commission, that all the owners of land within the affected territory have given their written consent to the proposal.

According to the County Registrar of Voters, there are no registered voters who reside within the proposal area. As such, the proposal area is considered to be uninhabited (Government Code § 56046). No affected agency has submitted a written demand for notice and hearing. The owners of the land within the proposal area have consented to the annexation. Therefore, staff recommends that the Commission consider the proposal without notice and a hearing, and waive protest proceedings entirely. The resolution approving the reorganization contains the appropriate language to waive protest proceedings (see Attachment 2).

Alternative Actions Available:

A. If the Commission, following public testimony and review of the materials submitted, determines that further information is necessary, an action to continue the hearing should include the specific information desired and specify a date certain for further consideration.

B. If the Commission, following public testimony and review of the materials submitted, determines that the proposal should be approved subject to any changes or additions to the terms and conditions recommended, an action to approve should clearly specify any changes or additions to the terms and conditions of approval.

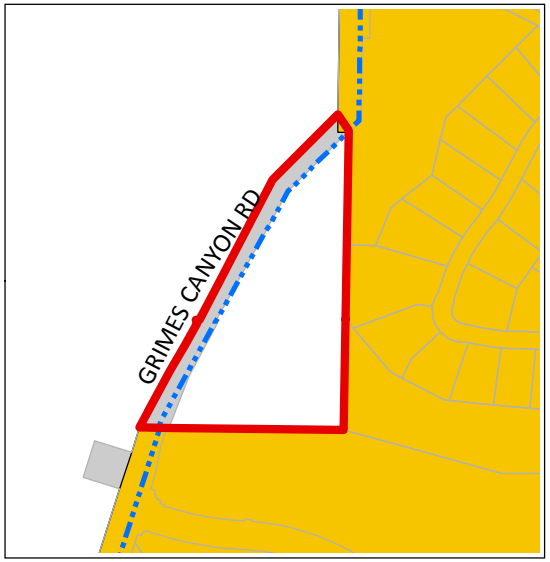
C. If the Commission, following public testimony and review of materials submitted, wishes to deny or modify the proposal, the action should include direction that the matter be continued to the next meeting and that staff prepare a new report consistent with the evidence submitted and the anticipated decision.

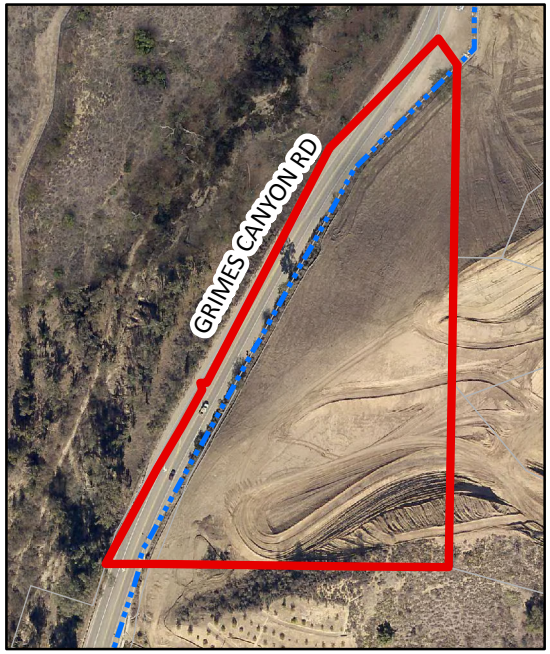
BY: Andrea Ozdy

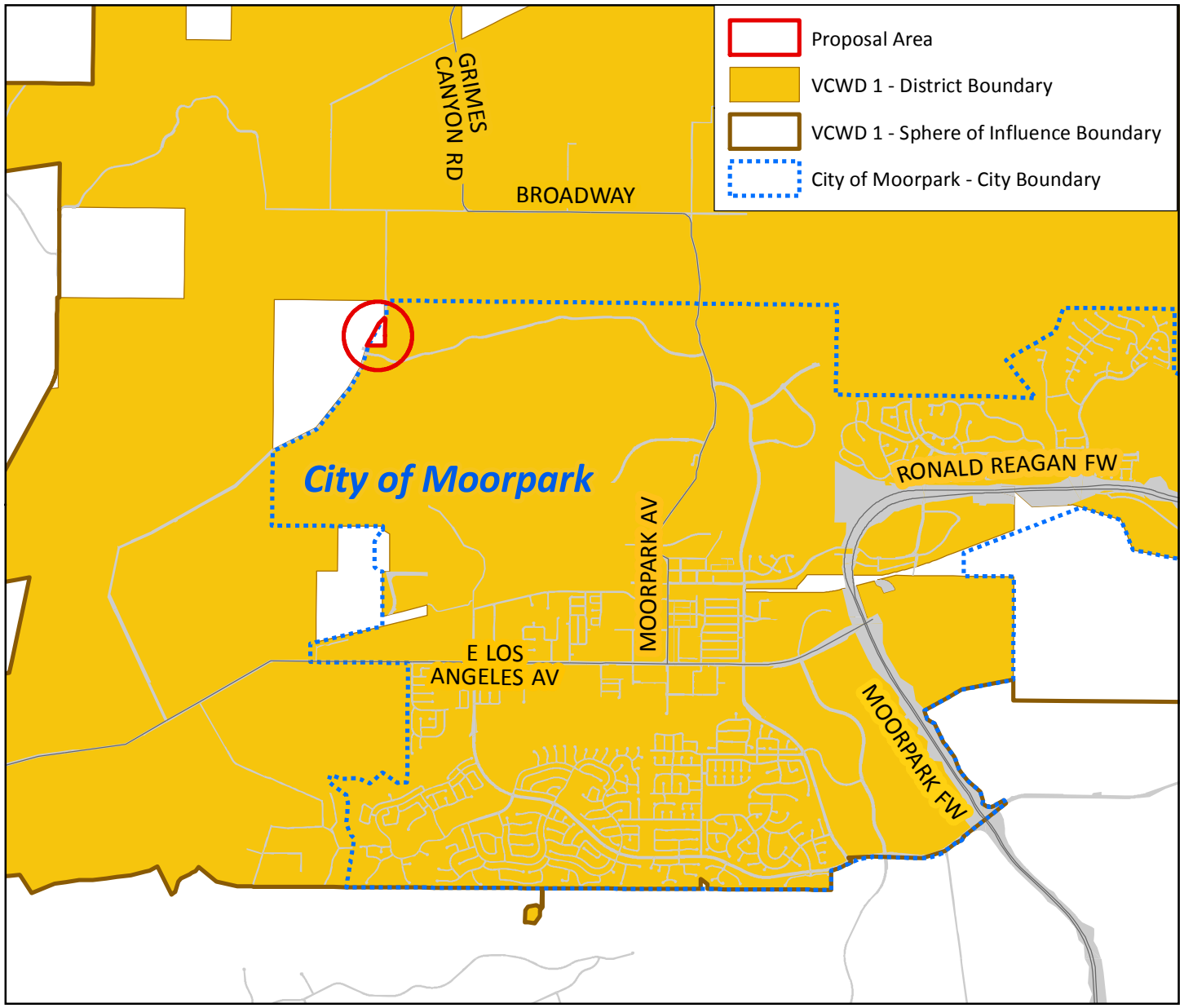
Andrea Ozdy
Analyst

Attachments:
1. Proposal Area Location Map/Aerial Photo
2. LAFCo 15-15 Resolution

LAFCo makes every effort to offer legible map files with the online and printed versions of our reports; however, occasionally the need to reduce oversize original maps and/or other technological/software factors can compromise readability. Original maps are available for viewing at the LAFCo office by request.







0 2 Miles

LAFCo 15-15
Ventura County Waterworks District No. 1 (VCWD 1) Annexation
Toll Brothers
October 21, 2015

Attachment 1

LAFCO 15-15

RESOLUTION OF THE VENTURA LOCAL AGENCY FORMATION COMMISSION MAKING DETERMINATIONS AND APPROVING THE VENTURA COUNTY WATERWORKS DISTRICT NO. 1 ANNEXATION – TOLL BROTHERS

WHEREAS, the above-referenced proposal has been filed with the Executive Officer of the Ventura Local Agency Formation Commission (LAFCo or Commission) pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (§ 56000 et seq. of the California Government Code); and

WHEREAS, notice was provided at the times and in the manner required by law; and

WHEREAS, the proposal was duly considered on October 21, 2015; and

WHEREAS, the Commission heard, discussed and considered all oral and written testimony for and against the proposal 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, all landowners within the affected territory have consented to the proposal; and

WHEREAS, the affected territory has fewer than twelve registered voters and is considered uninhabited; and

WHEREAS, information satisfactory to the Commission has been presented that no subject or affected agencies have submitted written opposition to the proposal; and

WHEREAS, the Commission finds the proposal to be in the best interest of the landowners and present and future inhabitants within the County of Ventura and within the affected territory, and the organization of local governmental agencies within Ventura County; and

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

(1) The LAFCo Staff Report dated October 21, 2015 and recommendation for approval of the proposal are adopted.

(2) The change of organization is hereby approved, and the boundaries are established as generally set forth in the attached Exhibit A.

(3) The boundaries of the proposal are found to be definite and certain as approved.

(4) The subject proposal is assigned the following distinctive short form designation: **LAFCO 15-15 VENTURA COUNTY WATERWORKS DISTRICT NO. 1 ANNEXATION – TOLL BROTHERS.**

(5) In accordance with staff's recommendation that the subject proposal is exempt from the California Environmental Quality Act (CEQA) pursuant to § 15319 of the CEQA Guidelines, the Commission hereby finds the change of organization to be categorically exempt.

(6) The Commission directs staff to file a Notice of Exemption under § 15062 of the CEQA Guidelines.

(7) The affected territory is uninhabited as defined by Government Code § 56046.

(8) Pursuant to Government Code § 56662(a), the territory is uninhabited, no affected local agency has submitted a written demand for notice and hearing, and all the owners of land within the affected territory have given their written consent to the proposal. The Commission hereby makes determinations upon the proposal without notice and hearing, and waives protest proceedings entirely.

(9) The affected territory shall be liable for all taxes, charges, fees or assessments that are levied on similar properties within Ventura County Waterworks District No. 1.

(10) **This change of organization shall not be recorded until all LAFCo fees have been paid and until fees necessary for filing with the State Board of Equalization have been submitted to the LAFCo Executive Officer.**

(11) **This change of organization shall not be recorded until a map and legal description consistent with this approval and suitable for filing with the State Board of Equalization have been submitted to the LAFCo Executive Officer.**

This resolution was adopted on October 21, 2015.

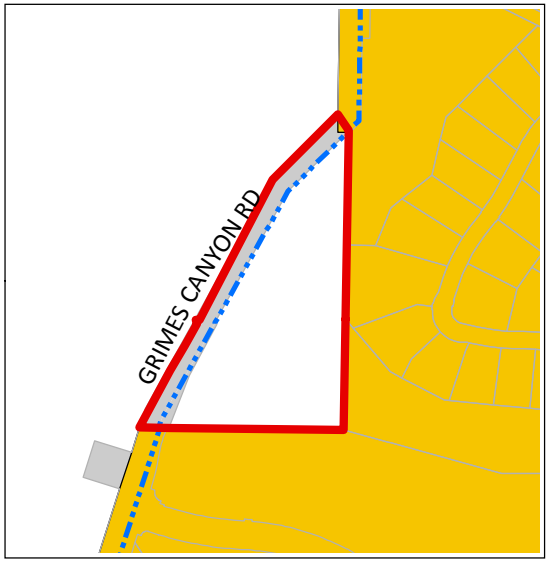
	AYE	NO	ABSTAIN	ABSENT
Commissioner Cunningham	☐	☐	☐	☐
Commissioner Dandy	☐	☐	☐	☐
Commissioner Freeman	☐	☐	☐	☐
Commissioner Morehouse	☐	☐	☐	☐
Commissioner Parks	☐	☐	☐	☐
Commissioner Parvin	☐	☐	☐	☐
Commissioner Zaragoza	☐	☐	☐	☐
Alt. Commissioner Bennett	☐	☐	☐	☐
Alt. Commissioner Ramirez	☐	☐	☐	☐
Alt. Commissioner Rooney	☐	☐	☐	☐
Alt. Commissioner Ross	☐	☐	☐	☐

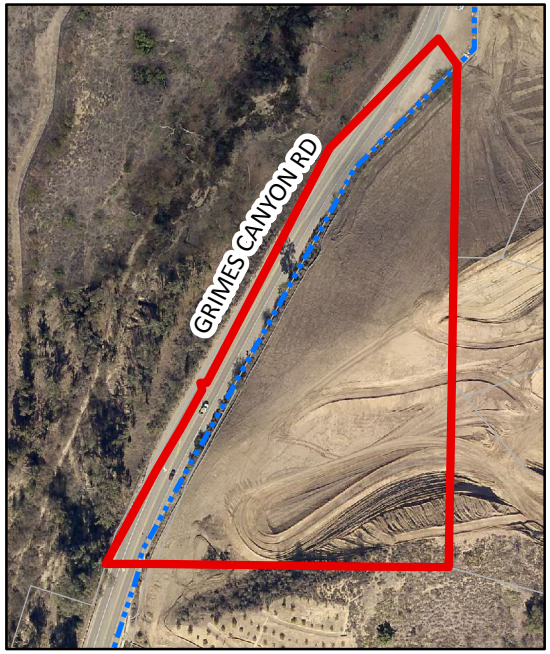
_____ _____

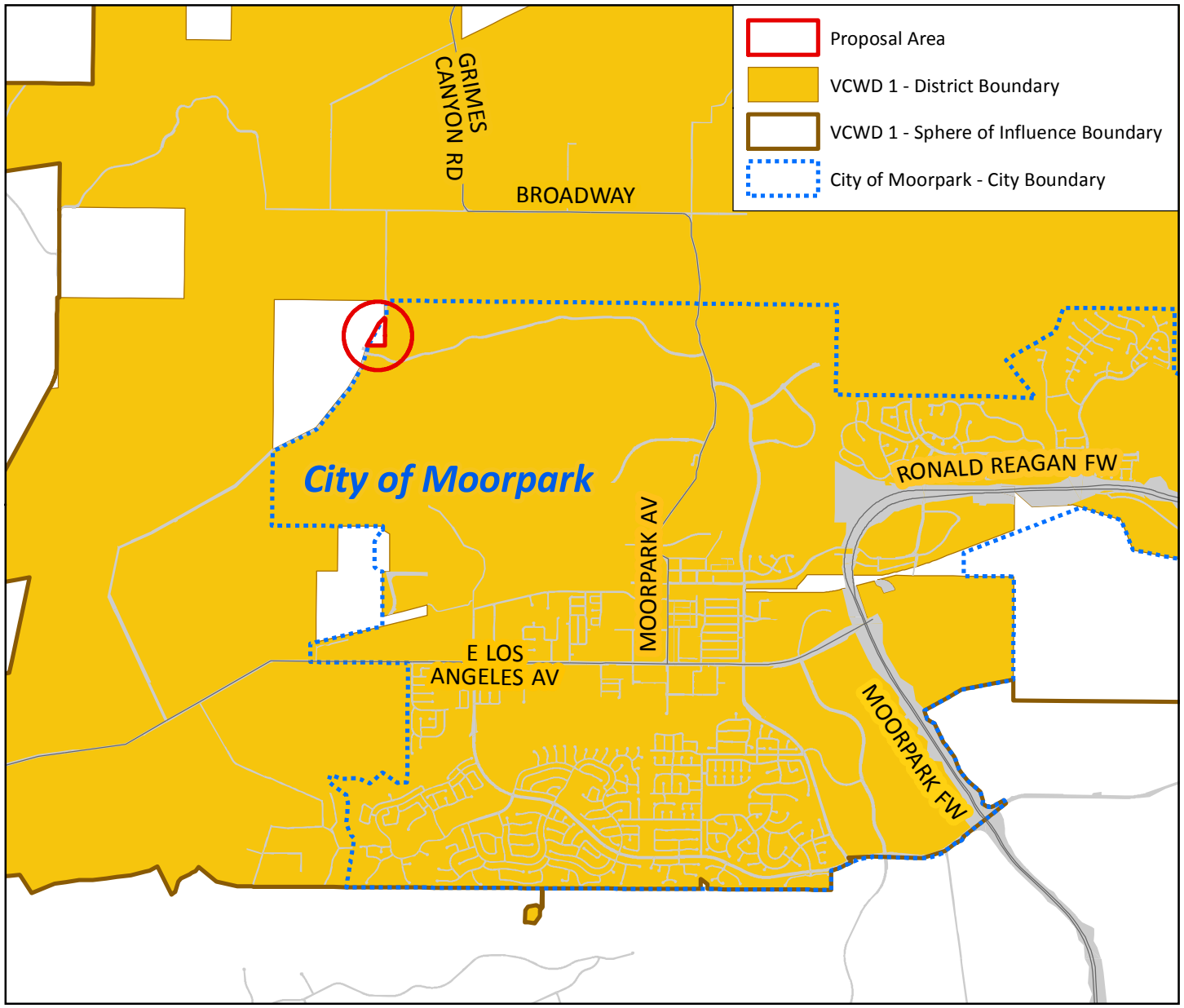
Date **Lou Cunningham, Chair, Ventura Local Agency Formation Commission**

Attachment: Exhibit A

Copies: Ventura County Waterworks District No. 1
City of Moorpark
Ventura County Assessor's Office
Ventura County Auditor/Controller
Ventura County Planning Division
Ventura County Surveyor
Ventura County GIS Officer







LAFCo 15-15
Ventura County Waterworks District No. 1 (VCWD 1) Annexation
Toll Brothers
October 21, 2015

Exhibit A

VENTURA LOCAL AGENCY FORMATION COMMISSION

STAFF REPORT

Meeting Date: October 21, 2015

(Consent)

TO: LAFCo Commissioners

FROM: Kai Luoma, Executive Officer

SUBJECT: Budget to Actual Reports – August and September 2015

RECOMMENDATION:

Receive and file the Budget to Actual Reports for August and September of the 2015-16 Fiscal Year.

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 reports have been prepared with the assistance of the County Auditor-Controller staff. No adjustments to the budget are being recommended at this time.

Attachments:

1. Budget to Actual Report, August 2015
2. Budget to Actual Report, September 2015

COMMISSIONERS AND STAFF

COUNTY:	CITY:	DISTRICT:	PUBLIC:
Linda Parks	Carl Morehouse, Vice Chair	Bruce Dandy	Lou Cunningham, Chair
John Zaragoza	Janice Parvin	Elaine Freeman	
Alternate:	*Alternate:*	*Alternate:*	*Alternate:*
Steve Bennett	Carmen Ramirez	Mary Anne Rooney	David J. Ross
Executive Officer:	**Analyst**	**Office Manager/Clerk**	**Legal Counsel**
Kai Luoma, AICP	Andrea Ozdy	Richelle Beltran	Michael Walker

VENTURA LOCAL AGENCY FORMATION COMMISSION

LAFCo
October 21, 2015
Item 11, Attachment 1

BUDGET TO ACTUAL FY 2015-16
YEAR TO DATE ENDING AUGUST 31, 2015 (16.67% of year)
Fund O720, Division/Unit 6170

Summary	Budget	Adj.Budget	To Date
Estimated Sources	678,977	678,977	368,080
Appropriations	678,977	678,977	75,833

		BUDGET			ACTUAL YTD				
Account Number	Title	Budget	Proposed Adjustments	Adjusted Budget	Actual	Encumbered	Total Revenue/ Obligation	Variance Favorable (Unfavorable)	
FUND BALANCE									
	Beginning Balance	437,204		437,204	437,204.43		437,204.43	0.00	
5700	Committed	100,000		100,000	100,000.00		100,000.00	0.00	
5995	Unassigned	262,204		262,204	262,204.43		262,204.43	0.00	
5995	Unassigned - Appropriated	75,000		75,000	75,000.00		75,000.00	0.00	
REVENUE									
8911	Investment Income	2,500		2,500	(490.91)		(490.91)	(2,990.91)	-20%
9371	Other Governmental Agencies	576,477		576,477	290,699.00		290,699.00	(285,778.00)	50%
9790	Miscellaneous Revenue	25,000		25,000	2,871.98		2,871.98	(22,128.02)	11%
	Total Revenue	**603,977**	**0**	**603,977**	**293,080.07**		**293,080.07**	**(310,896.93)**	49%
	TOTAL SOURCES	678,977	0	678,977	368,080.07		368,080.07	(310,896.93)	54%
EXPENDITURES									
1101	Regular Salaries	320,000		320,000	37,473.83		37,473.83	282,526.17	12%
1106	Supplemental Payments	13,000		13,000	1,508.86		1,508.86	11,491.14	12%
1107	Terminations (Buydowns)	15,000		15,000	0.00		0.00	15,000.00	0%
1121	Retirement Contribution	66,500		66,500	7,252.49		7,252.49	59,247.51	11%
1122	OASDI Contribution	20,500		20,500	2,394.59		2,394.59	18,105.41	12%
1123	FICA Medicare	5,500		5,500	560.03		560.03	4,939.97	10%
1128	Retiree Health Payment 1099	14,500		14,500	2,894.40		2,894.40	11,605.60	20%
1141	Group Insurance	23,500		23,500	2,931.38		2,931.38	20,568.62	12%
1142	Life Insurance for Department Heads and Management	150		150	17.07		17.07	132.93	11%
1143	State Umeployment Insurance	400		400	45.42		45.42	354.58	11%
1144	Management Disability Insurance	2,500		2,500	277.70		277.70	2,222.30	11%
1165	Worker Compensation Insurance	2,900		2,900	289.05		289.05	2,610.95	10%
1171	401K Plan	12,500		12,500	607.02		607.02	11,892.98	5%
	Salaries and Benefits	**496,950**	**0**	**496,950**	**56,251.84**	**0.00**	**56,251.84**	**440,698.16**	**11%**
2032	Voice Data ISF	2,500		2,500	291.24		291.24	2,208.76	12%
2071	General Insurance Allocation ISF	2,000		2,000	0.00		0.00	2,000.00	0%
2114	Facillities and Materials Sq. Ft. Allocation ISF	15,000		15,000	0.00		0.00	15,000.00	0%
2116	Other Maintenance ISF	1,000		1,000	0.00		0.00	1,000.00	0%
2131	Memberships and Dues	7,100		7,100	6,160.00		6,160.00	940.00	87%
2158	Cost Allocation Plan Charges	15,800		15,800	0.00		0.00	15,800.00	0%
2163	Books and Publications	500		500	277.48		277.48	222.52	56%
2164	Mail Center ISF	2,500		2,500	0.00		0.00	2,500.00	0%
2165	Purchasing Charges ISF	100		100	0.00		0.00	100.00	0%
2166	Graphics Charges ISF	500		500	0.00		0.00	500.00	0%
2167	Copy Machine Charges ISF	500		500	0.00		0.00	500.00	0%
2168	Stores ISF	50		50	0.00		0.00	50.00	0%
2179	Miscellaneous Office Expenses	5,500		5,500	1,466.71		1,466.71	4,033.29	27%
2181	Board and Commission Member Compensation 1099	5,000		5,000	350.00		350.00	4,650.00	7%
2185	Attorney Services (County Counsel)	22,500		22,500	5,024.75		5,024.75	17,475.25	22%
2199	Other Professional and Specialized Non ISF	15,000		15,000	(3,200.00)		(3,200.00)	18,200.00	-21%
2202	Information Tech ISF	2,500		2,500	274.96		274.96	2,225.04	11%
2203	County Geographical Information Systems Expense ISF	21,500		21,500	1,546.63		1,546.63	19,953.37	7%
2205	Public Works ISF Charges	3,000		3,000	0.00		0.00	3,000.00	0%
2206	Special Services ISF	100		100	0.00		0.00	100.00	0%
2221	Publications and Legal Notices	5,000		5,000	655.11		655.11	4,344.89	13%
2244	Storage Charges ISF	500		500	0.00		0.00	500.00	0%
2261	Computer Equipment < $5,000	3,100		3,100	332.14		332.14	2,767.86	11%
2262	Furniture and Fixtures < $5,000	2,000		2,000	0.00		0.00	2,000.00	0%
2272	Conferences / Seminars ISF (Training ISF)	500		500	0.00		0.00	500.00	0%
2273	Education Training Conferences and Seminars	2,000		2,000	0.00		0.00	2,000.00	0%
2291	Private Vehicle Mileage	7,000		7,000	1,009.80		1,009.80	5,990.20	14%
2292	Travel Expenses (Conferences / Seminars)	19,000		19,000	5,392.32		5,392.32	13,607.68	28%
2303	Motorpool ISF	500		500	0.00		0.00	500.00	0%
	Services and Supplies	**162,250**	**0**	**162,250**	**19,581.14**	**0.00**	**19,581.14**	**142,668.86**	**12%**
6101	Contingency	19,777		19,777	0.00		0.00	19,777.00	0%
	TOTAL EXPENDITURES	**678,977**	**0**	**678,977**	**75,832.98**	**0.00**	**75,832.98**	**603,144.02**	**11%**
							0.00		

Note: Amounts with "( )" in the ACTUAL column reflect FY15 accruals in excess of actual expenditures to date

VENTURA LOCAL AGENCY FORMATION COMMISSION

LAFCo
October 21, 2015
Item 11, Attachment 2

BUDGET TO ACTUAL FY 2015-16
YEAR TO DATE ENDING SEPTEMBER 30, 2015 (25% of year)
Fund O720, Division/Unit 6170

Summary	Budget	Adj.Budget	To Date
Estimated Sources	678,977	678,977	591,214
Appropriations	678,977	678,977	113,881

		BUDGET			ACTUAL YTD				
Account Number	Title	Budget	Proposed Adjustments	Adjusted Budget	Actual	Encumbered	Total Revenue/ Obligation	Variance Favorable (Unfavorable)	
FUND BALANCE									
	Beginning Balance	437,204		437,204	437,204.43		437,204.43	0.00	
5700	Committed	100,000		100,000	100,000.00		100,000.00	0.00	
5995	Unassigned	262,204		262,204	262,204.43		262,204.43	0.00	
5995	Unassigned - Appropriated	75,000		75,000	75,000.00		75,000.00	0.00	
REVENUE									
8911	Investment Income	2,500		2,500	(206.96)		(206.96)	(2,706.96)	-8%
9371	Other Governmental Agencies	576,477		576,477	513,099.00		513,099.00	(63,378.00)	89%
9790	Miscellaneous Revenue	25,000		25,000	3,321.98		3,321.98	(21,678.02)	13%
	Total Revenue	**603,977**	**0**	**603,977**	**516,214.02**		**516,214.02**	**(87,762.98)**	85%
	TOTAL SOURCES	678,977	0	678,977	591,214.02		591,214.02	(87,762.98)	87%
EXPENDITURES									
1101	Regular Salaries	320,000		320,000	61,098.89		61,098.89	258,901.11	19%
1106	Supplemental Payments	13,000		13,000	2,453.82		2,453.82	10,546.18	19%
1107	Terminations (Buydowns)	15,000		15,000	0.00		0.00	15,000.00	0%
1121	Retirement Contribution	66,500		66,500	11,742.63		11,742.63	54,757.37	18%
1122	OASDI Contribution	20,500		20,500	3,899.32		3,899.32	16,600.68	19%
1123	FICA Medicare	5,500		5,500	911.94		911.94	4,588.06	17%
1128	Retiree Health Payment 1099	14,500		14,500	4,341.60		4,341.60	10,158.40	30%
1141	Group Insurance	23,500		23,500	4,713.38		4,713.38	18,786.62	20%
1142	Life Insurance for Department Heads and Management	150		150	27.45		27.45	122.55	18%
1143	State Umeployment Insurance	400		400	74.09		74.09	325.91	19%
1144	Management Disability Insurance	2,500		2,500	451.98		451.98	2,048.02	18%
1165	Worker Compensation Insurance	2,900		2,900	472.02		472.02	2,427.98	16%
1171	401K Plan	12,500		12,500	991.86		991.86	11,508.14	8%
	Salaries and Benefits	**496,950**	**0**	**496,950**	**91,178.98**	**0.00**	**91,178.98**	**405,771.02**	**18%**
2032	Voice Data ISF	2,500		2,500	601.70		601.70	1,898.30	24%
2071	General Insurance Allocation ISF	2,000		2,000	0.00		0.00	2,000.00	0%
2114	Facillities and Materials Sq. Ft. Allocation ISF	15,000		15,000	0.00		0.00	15,000.00	0%
2116	Other Maintenance ISF	1,000		1,000	0.00		0.00	1,000.00	0%
2131	Memberships and Dues	7,100		7,100	6,160.00		6,160.00	940.00	87%
2158	Cost Allocation Plan Charges	15,800		15,800	0.00		0.00	15,800.00	0%
2163	Books and Publications	500		500	387.23		387.23	112.77	77%
2164	Mail Center ISF	2,500		2,500	0.00		0.00	2,500.00	0%
2165	Purchasing Charges ISF	100		100	0.00		0.00	100.00	0%
2166	Graphics Charges ISF	500		500	0.00		0.00	500.00	0%
2167	Copy Machine Charges ISF	500		500	0.00		0.00	500.00	0%
2168	Stores ISF	50		50	0.00		0.00	50.00	0%
2179	Miscellaneous Office Expenses	5,500		5,500	1,520.47		1,520.47	3,979.53	28%
2181	Board and Commission Member Compensation 1099	5,000		5,000	1,050.00		1,050.00	3,950.00	21%
2185	Attorney Services (County Counsel)	22,500		22,500	5,024.75		5,024.75	17,475.25	22%
2199	Other Professional and Specialized Non ISF	15,000		15,000	(3,200.00)		(3,200.00)	18,200.00	-21%
2202	Information Tech ISF	2,500		2,500	412.44		412.44	2,087.56	17%
2203	County Geographical Information Systems Expense ISF	21,500		21,500	2,226.01		2,226.01	19,273.99	10%
2205	Public Works ISF Charges	3,000		3,000	0.00		0.00	3,000.00	0%
2206	Special Services ISF	100		100	0.00		0.00	100.00	0%
2221	Publications and Legal Notices	5,000		5,000	855.11		855.11	4,144.89	17%
2244	Storage Charges ISF	500		500	0.00		0.00	500.00	0%
2261	Computer Equipment < $5,000	3,100		3,100	332.14		332.14	2,767.86	11%
2262	Furniture and Fixtures < $5,000	2,000		2,000	0.00		0.00	2,000.00	0%
2272	Conferences / Seminars ISF (Training ISF)	500		500	0.00		0.00	500.00	0%
2273	Education Training Conferences and Seminars	2,000		2,000	175.00		175.00	1,825.00	9%
2291	Private Vehicle Mileage	7,000		7,000	1,585.46		1,585.46	5,414.54	23%
2292	Travel Expenses (Conferences / Seminars)	19,000		19,000	5,571.72		5,571.72	13,428.28	29%
2303	Motorpool ISF	500		500	0.00		0.00	500.00	0%
	Services and Supplies	**162,250**	**0**	**162,250**	**22,702.03**	**0.00**	**22,702.03**	**139,547.97**	**14%**
6101	Contingency	19,777		19,777	0.00		0.00	19,777.00	0%
	TOTAL EXPENDITURES	**678,977**	**0**	**678,977**	**113,881.01**	**0.00**	**113,881.01**	**565,095.99**	**17%**
							0.00		

Note: Amounts with "( )" in the ACTUAL column reflect FY15 accruals in excess of actual expenditures to date

VENTURA LOCAL AGENCY FORMATION COMMISSION
STAFF REPORT
Meeting Date: October 21, 2015

TO: LAFCo Commissioners

FROM: Andrea Ozdy, Analyst Andrea Ozdy

SUBJECT: Sphere of Influence Reviews – No Updates Necessary:
- Ojai Valley Sanitary District
- Ventura County Service Area No. 3

Recommendation:

Review the sphere of influence for each of the following agencies, and determine that no sphere of influence updates or municipal service review reports are necessary pursuant to Government Code § 56430(a):

- Ojai Valley Sanitary District (OVSD)
- Ventura County Service Area No. 3 (CSA 3)

Background:

Pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code § 56000 et seq.), the Commission was required to determine and adopt a sphere of influence for each city and special district on or before January 1, 2008 (a sphere of influence is defined in Government Code § 56076 as the probable physical boundary and service area of a local agency). Every five years thereafter, the Commission must, as necessary, review and update each sphere of influence [Government Code § 56425(g)].

In compliance with Government Code § 56425(g), since 2003 the Commission accepted municipal service review (MSR) reports that provided analysis for several special districts, including but not limited to the following:

- *Water and Wastewater Municipal Service Review Report*
  Accepted by LAFCo on December 12, 2003 for the OVSD
- *Municipal Service Review – Ventura County Service Area No. 3*
  Accepted by LAFCo on July 21, 2010

COMMISSIONERS AND STAFF

COUNTY:	CITY:	DISTRICT:	PUBLIC:
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John Zaragoza	Janice Parvin	Elaine Freeman	
Alternate:	*Alternate:*	*Alternate:*	*Alternate:*
Steve Bennett	Carmen Ramirez	Mary Anne Rooney	David J. Ross
Executive Officer	**Analyst**	**Office Manager/Clerk**	**Legal Counsel**
Kai Luoma, AICP	Andrea Ozdy	Richelle Beltran	Michael Walker

In 2005, the Commission reviewed, but did not update, the sphere for CSA 3. However, the Commission did update the sphere for the OVSD in 2005. The Commission updated the spheres for both the OVSD and CSA 3 in 2010. A summary of the Commission's actions during the districts' sphere reviews is contained in the following table:

District	Sphere Reviews/Updates (2005)	Sphere Reviews/Updates (2010)
OVSD	Updated in 2005	Updated in 2010
CSA 3	Reviewed in 2005	Updated in 2010

Discussion:

Throughout 2015, LAFCo staff consulted with the staffs of the subject districts to discuss whether they have experienced any changes to their service needs or areas since LAFCo's previous review of the spheres, and to determine if they anticipate any service changes that would warrant adjustment of the sphere boundaries. Based on LAFCo staff's comprehensive review of the existing boundaries and spheres, the existing sphere boundaries appear to accurately reflect the current and anticipated service areas for the subject districts over the next five years. Therefore, it is recommended that the Commission review, but not update, the subject spheres of influence.

LAFCo law requires that a MSR be conducted prior to, or in conjunction with, any sphere of influence update [Government Code §56430(a)]. If the Commission determines that sphere updates are not necessary for the subject districts, the preparation of MSRs will not be required.

California Environmental Quality Act (CEQA)

A project is defined in CEQA Guidelines § 21065, in part, as "an activity which may cause either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment." A sphere of influence review is not considered to be a project subject to CEQA because it involves only a confirmation of an existing sphere boundary, without any changes to the potential service area of a district. Therefore, if the Commission determines that no updates to the subject spheres of influence are necessary, no environmental documents are required to be prepared.

Notice of Public Hearing

This matter has been noticed as a public hearing pursuant to Government Code § 56427. Additionally, all affected agencies have been notified of the public hearing.

Analysis

The following discussion includes details about each of the subject districts and the explanations for leaving the subject sphere of influence boundaries in their current configurations.

Ojai Valley Sanitary District (OVSD)

District Information

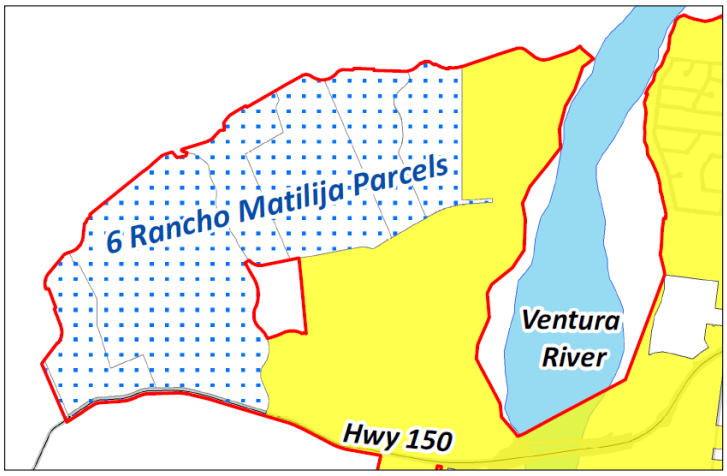
The District was formed in 1985 as an independent special district, and is governed by a seven-member Board of Directors. The District provides wastewater collection and treatment services to the Ojai Valley north of the City of San Buenaventura. Its service area includes the City of Ojai, and the unincorporated areas of Meiners Oaks, Oak View, Casitas Springs, and the North Ventura Avenue area within the City of San Buenaventura's sphere of influence. The OVSD was formed as a result of the consolidation of the Ventura Avenue Sanitary District, Oak View Sanitary District, Meiners Oaks Sanitary District, and City of Ojai Sanitation Department. Its sphere of influence covers about 9,579 acres (approximately 15 square miles), and its service area totals about 8,599 acres (nearly 13.5 square miles) (see Attachment 1).

In 2003, the Commission accepted the MSR report that provided analysis regarding several special districts (including the OVSD), resulting in: (1) the identification of inconsistencies between the District's service area and the boundaries of the District and sphere of influence, and (2) the recommendation for further study and potential modifications to the OVSD sphere of influence.

In 2005, the Commission updated the OVSD sphere of influence, determining generally that all parcels designated for some type of urban use by the City of San Buenaventura's General Plan and the City of Ojai's General Plan (for territory within the spheres of influence of each of the two cities) or the County's General Plan and Ojai Valley Area Plan were to be included within the OVSD's sphere of influence. The Commission also determined that all parcels that were not designated for urban-type uses (i.e., parcels designated for agricultural or open space uses) were to be removed from the sphere of influence, unless they were already receiving service from the OVSD. As a result of the update, approximately 2,000 acres were removed from the OVSD's sphere of influence.

In 2010, the Commission again updated the District's sphere. The update involved the reconciliation of the sphere with the District's boundary for one parcel in the Oak View community in order to reflect that the parcel contained residential development, was receiving service from the OVSD, and was within the OVSD's service boundary.

Sphere of Influence Review



Six properties in the unincorporated area of Rancho Matilija, generally west of the Ventura River and north of Baldwin Road (Highway 150), as shown in the map to the right, are included in the OVSD sphere although they do not meet the criteria outlined by the Commission in 2005 (i.e., they are designated by the Ventura County General Plan and Area Plan as *Open Space*). According to OVSD staff, the owners of these properties have been paying annual stand-by fees to the OVSD since at least 1985 in anticipation of eventual connection to the OVSD. While the continued inclusion of these parcels in the OVSD sphere of influence reflects historical arrangements between the OVSD and several property owners, the policies of the Ventura LAFCo Commissioner's Handbook (Handbook) pertaining to changes of organization would apply to any request for the annexation of this area to the OVSD (specifically, Section 3.3.5 relating to the preservation of open space).

Based on information provided by OVSD staff, the District's existing sphere of influence boundary continues to reflect its current and probable service area. Given the discussion above, no changes to the sphere of influence for the OVSD are recommended.

Ventura County Service Area No. 3 (CSA 3)

District Information

CSA 3, governed by the Ventura County Board of Supervisors, is a dependent special district formed in 1965 that provides road maintenance services for Camp Chaffee Road in the Foster Park community north of the City of Ventura and south of Lake Casitas. According to the MSR accepted by the Commission on July 21, 2010, CSA 3 is funded primarily through property taxes and service charges. The District's sphere of influence covers approximately 18.6 acres, and its boundary is coterminous with its sphere of influence boundary (see Attachment 2).

In 2005, the Commission reviewed but did not update the CSA 3 sphere. In 2010, the Commission updated the CSA sphere, which resulted not in a change in the location of the boundary, but rather in the designation of the existing sphere boundary as provisional. Handbook Section 4.2.2.1 states that "A provisional sphere of influence is intended to delineate

territory within which the subject service provider should pursue restructuring or reorganization option as recommended in the most recent MSR prepared by LAFCo."

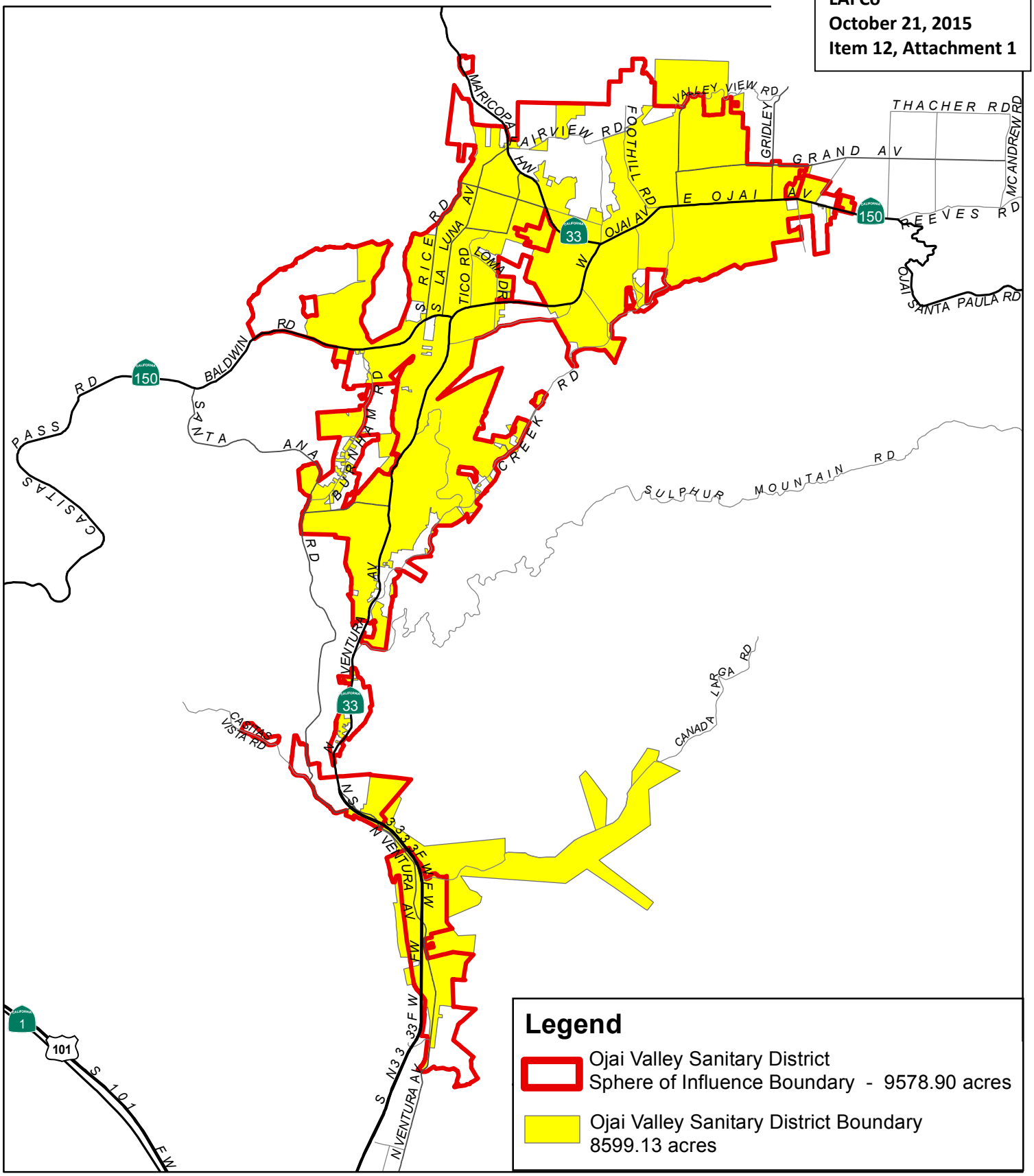
The Commission's 2010 resolution to update the sphere documented that the basis for the provisional sphere of influence was "to ensure that road maintenance services are adequately funded and provided over the long term either by a public entity or a private homeowners association" and that "the sphere of influence update is intended to encourage the County to address the ongoing service deficiencies within CSA No. 3 by resolving its financial limitations."

Sphere of Influence Review

County staff reports that each year over the last five years, CSA 3 has maintained a positive fund balance (ranging from about $2,500 to $5,500 annually). The current fund balance for CSA 3 is approximately $60,000. However, based on information provided by County staff, CSA 3 continues to have only a limited ability to provide road maintenance services within its service boundary. Despite this, the District's existing provisional sphere of influence boundary continues to reflect its current and probable service area. Therefore, no changes to the sphere of influence for CSA 3 are recommended.

Attachments:

1. OVSD Sphere of Influence Map
2. CSA 3 Sphere of Influence Map



Legend

Ojai Valley Sanitary District Sphere of Influence Boundary - 9578.90 acres

Ojai Valley Sanitary District Boundary 8599.13 acres

Ojai Valley Sanitary District

Current as of August 6, 2012

Prepared by County of Ventura - IT Services Department - GIS Division
State Plane Coordinate System California Zone V - NAD 27
This map was compiled from records and computations

0 3,750 7,500 15,000 Feet

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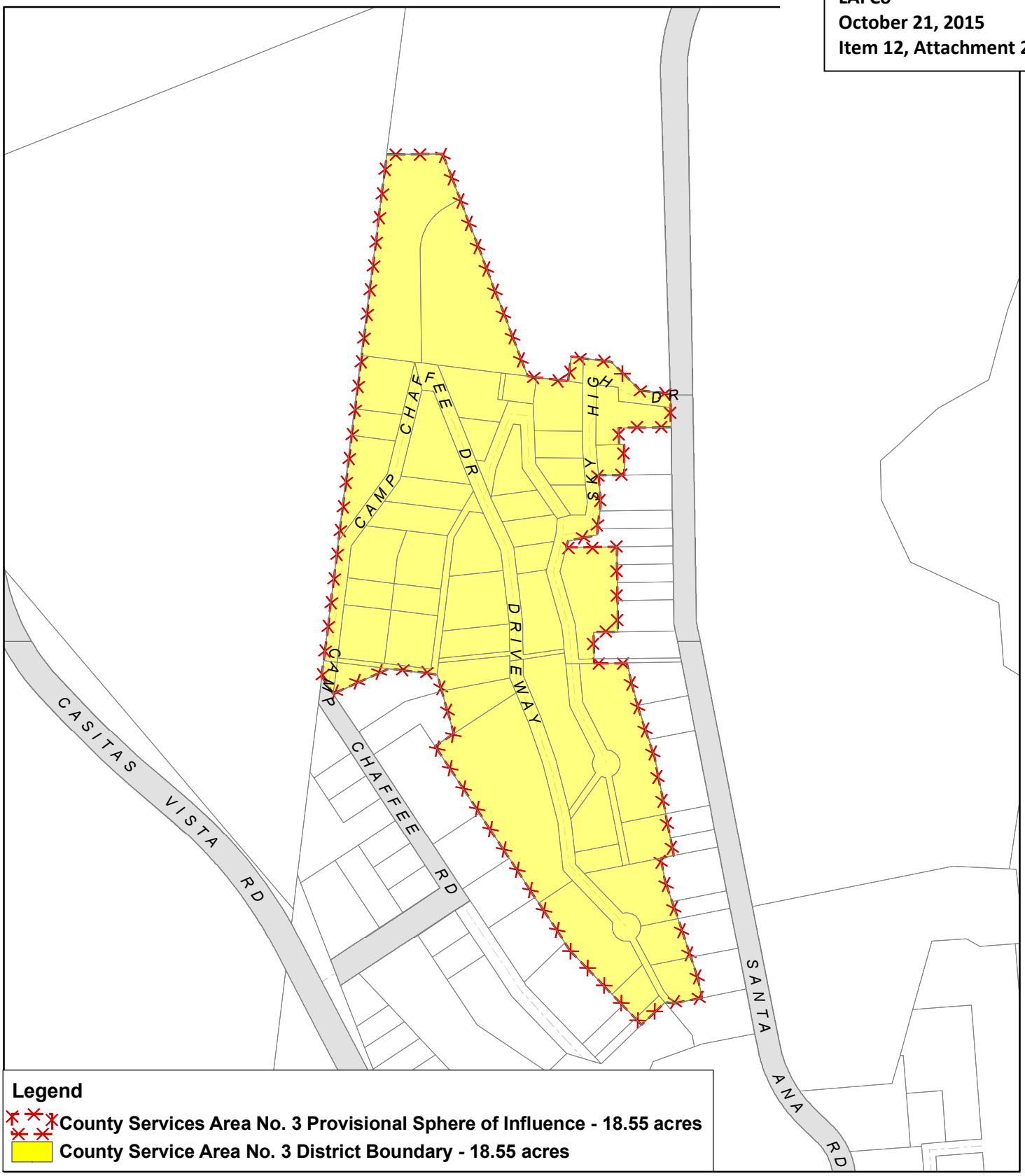
LAFCo
October 21, 2015
Item 12, Attachment 2



Ventura County Service Area No. 3

Provisional Sphere of Influence

As Updated by the Ventura LAFCo - July 21, 2010

Prepared by County of Ventura - IT Services Department - GIS Services

State Plane Coordinate System California Zone V - NAD 27

This map was compiled from records and computations

Published: September, 2010

0 150 300 600 Feet

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VENTURA LOCAL AGENCY FORMATION COMMISSION
STAFF REPORT
Meeting Date: October 21, 2015

TO: LAFCo Commissioners

FROM: Andrea Ozdy, Analyst Andrea Ozdy

SUBJECT: Sphere of Influence Review and Update:
LAFCo 15-13S Ventura County Waterworks District No. 1

Recommendations:

A. Determine that the sphere of influence update for Ventura County Waterworks District No. 1 (VCWD 1) is exempt from the California Environmental Quality Act (CEQA) pursuant to § 15061(b)(3) of the CEQA Guidelines.
B. Review and update the sphere of influence for VCWD 1 pursuant to Government Code § 56425(g).
C. Determine that no municipal service review is necessary for VCWD 1 pursuant to Government Code § 56430(a) and Ventura LAFCo Commissioner's Handbook Section 4.1.4(c).
D. Adopt Resolution LAFCo 15-13S (Attachment 4) making determinations and updating the sphere of influence for VCWD 1.

Background:

Pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code § 56000 et seq.), the Commission was required to determine and adopt a sphere of influence for each city and special district on or before January 1, 2008. Every five years thereafter, the Commission must, as necessary, review and update each sphere of influence [Government Code § 56425(g)].

The District was formed in 1921 as a dependent special district, governed by the Ventura County Board of Supervisors, and staffed by the Ventura County Water and Sanitation Department. The District provides retail potable water and wastewater services to the City of Moorpark and unincorporated areas to the west, north, and east of the City. Its sphere of influence covers about 29,325 acres (approximately 46 square miles), and its service area totals about 21,521 acres (nearly 34 square miles) (Attachment 1).

COMMISSIONERS AND STAFF

COUNTY:	CITY:	DISTRICT:	PUBLIC:
Linda Parks	Carl Morehouse, Vice Chair	Bruce Dandy	Lou Cunningham, Chair
John Zaragoza	Janice Parvin	Elaine Freeman	
Alternate:	*Alternate:*	*Alternate:*	*Alternate:*
Steve Bennett	Carmen Ramirez	Mary Anne Rooney	David J. Ross
Executive Officer	**Analyst**	**Office Manager/Clerk**	**Legal Counsel**
Kai Luoma, AICP	Andrea Ozdy	Richelle Beltran	Michael Walker

In 2003, the Commission accepted the municipal service review (MSR) report that provided analysis regarding several special districts (including VCWD 1), resulting in no changes to the sphere of influence for VCWD 1. In 2005, the Commission updated the District's sphere, reducing its area to eliminate overlap with the sphere of Ventura County Waterworks District No. 8, in the area where the Cities of Moorpark and Simi Valley meet. In 2010, the Commission again updated the sphere of influence for VCWD 1 to eliminate overlap of the District's sphere with the sphere and boundary of the United Water Conservation District, in the area north of the City of Moorpark.

Discussion:

LAFCo law requires that a MSR be conducted prior to, or in conjunction with, any sphere of influence update [Government Code § 56430(a)]. Ventura LAFCo Commissioner's Handbook (Handbook) Section 4.1.2(b) defines a sphere of influence update as a "comprehensive review and modification of a sphere of influence that is not associated with a concurrent proposal…" Although staff recommends that the Commission update the subject sphere of influence, the recommended update includes only the removal of territory from the sphere. Handbook Section 4.1.4(c) provides that the preparation of a MSR is not required for updates that only remove territory from a sphere.

Sphere of Influence Analysis and Recommended Update

In February 2015, LAFCo staff consulted with Ventura County Water and Sanitation Department staff to discuss whether the District has experienced any changes to its service needs since LAFCo's 2010 sphere review, and to determine if the District anticipates any changes in service that would warrant modification of its sphere boundary.

Based on information provided by District staff, and LAFCo staff's comprehensive review of the existing boundary and sphere, one change to the sphere boundary is recommended (Attachment 2). The proposed update would reduce the sphere boundary to eliminate unincorporated area located north of the City of Moorpark that is designated by the Ventura County General Plan as *Open Space* and is not designated on the City's General Plan map. The area recommended for removal from the sphere consists of 4,648 acres of unimproved open space. Approximately 2,517 acres of this area is County-owned land (known as Happy Camp Canyon Park) and, according to the Ventura County Parks Department, is not contemplated for park facilities that would require service extensions from the District (Attachment 3).

Written Determinations

Government Code § 56425(e) requires that, in determining the sphere of influence of an agency, the Commission consider and prepare a written statement of its determinations with respect to each of the following:

(1) *The present and planned land uses in the area, including agricultural and open-space lands.* [§ 56425(e)(1)]

The territory to be removed from the District sphere has a County General Plan designation of *Open Space*, is not designated by the City's General Plan, and includes unimproved open space (including Happy Camp Canyon Park which is a public recreational parkland that is owned and operated by the County). Based on the County General Plan designation and absence of a General Plan designation in the City, the existing uses of these properties are to remain unchanged.

(2) *The present and probable need for public facilities and services in the area.* [§ 56425(e)(2)]

None of the properties that are proposed for removal from the District's sphere are being served by the District. No information has been made known to staff to suggest that these areas will be in need of future service by the District. The area is anticipated to remain in its current land uses for the foreseeable future, based on the existing County General Plan designation and the absence of a City General Plan designation. Therefore, there appears to be no need for municipal services from the District within the area in the foreseeable future.

(3) *The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide*. [§ 56425(e)(3)]

The sphere of influence update will result in a reduction in the size of the District's sphere of influence. Therefore, it will not result in new demands on the District that would adversely impact the present capacity of public facilities and adequacy of public services that the District is authorized to provide.

(4) *The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency*. [§ 56425(e)(4)]

The recommended update to the District's sphere does not involve territory that is known to be a community of interest. Therefore, the sphere of influence update would not result in a detrimental impact to any social or economic communities of interest.

(5) *For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection. . . the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.* [§ 56425(e)(5)]

The current sphere of influence of the District does not include either of the two communities that the Commission determined met the definition of a disadvantaged unincorporated community (Commissioner's Handbook Section 3.2.5). Therefore, the recommended sphere update will not result in changes to available service within any disadvantaged unincorporated communities.

CEQA

A project is defined in CEQA Guidelines § 21065, in part, as "an activity which may cause either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment." The subject sphere of influence update is considered to be a project subject to CEQA because it involves a net reduction to the existing sphere boundary, which will reduce the area available to the expansion of municipal services. However, it is recommended that the Commission find that the reduction in the sphere of influence for VCWD 1 is exempt from CEQA pursuant to § 15061(b)(3) of the CEQA Guidelines, because "it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment." No change in regulation, land use, or development will occur as a result of the recommended sphere of influence update.

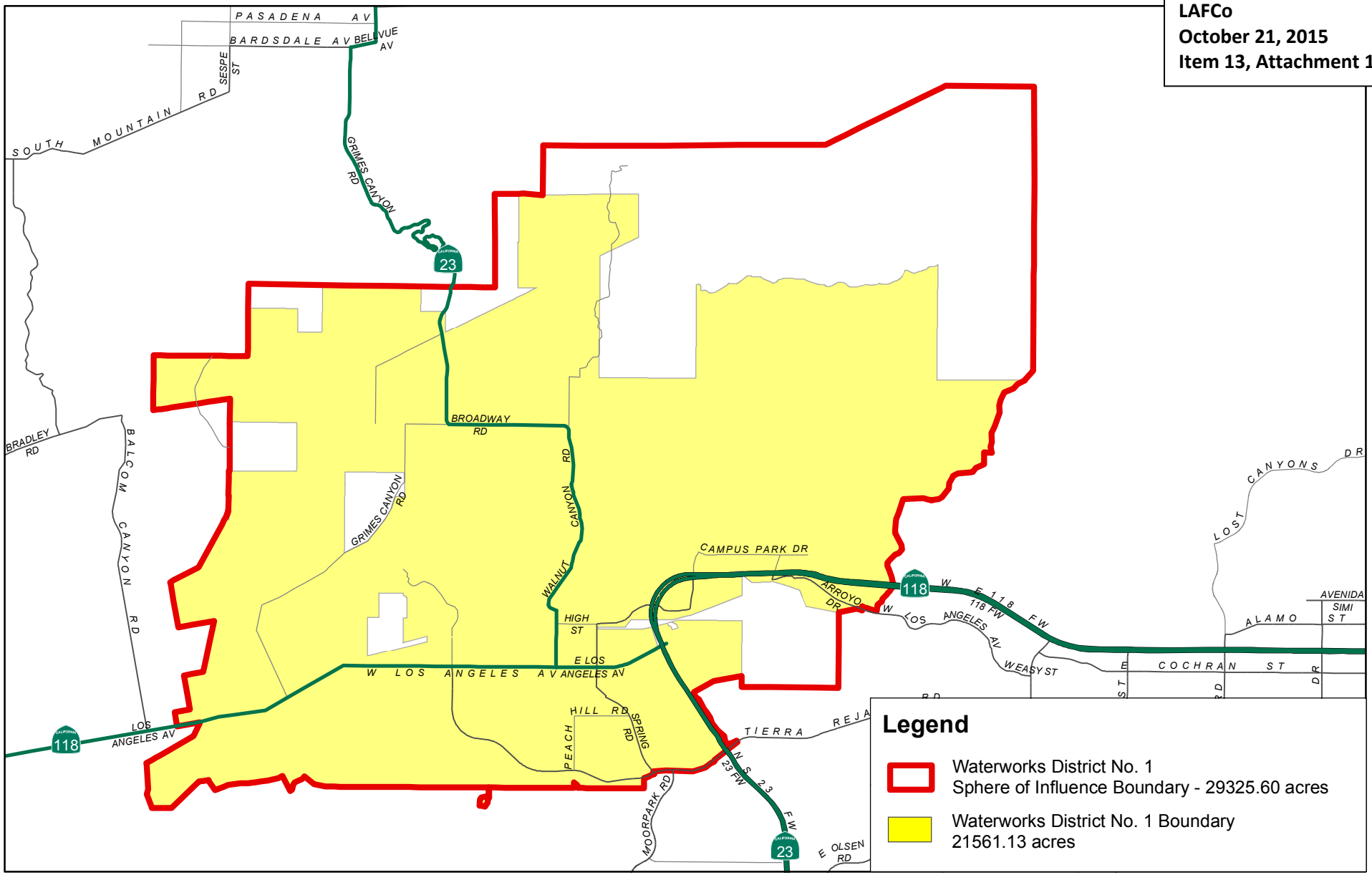
Notice of Public Hearing

This matter has been noticed as a public hearing pursuant to Government Code § 56427. Additionally, all affected local agencies have been notified of the public hearing.

Attachments:

1. Existing Sphere of Influence Map for VCWD 1
2. Proposed Sphere of Influence Update Map for VCWD 1
3. Proposed Sphere of Influence Update Map for VCWD 1 – Close-up
4. LAFCo 15-13S Resolution

LAFCo makes every effort to offer legible map files with the online and printed versions of our reports; however, occasionally the need to reduce oversize original maps and/or other technological/software factors can compromise readability. Original maps are available for viewing at the LAFCo office by request.



Ventura County Waterworks Ditrict No. 1

Current as of November 13, 2012

Prepared by County of Ventura - IT Services Department - GIS Division

State Plane Coordinate System California Zone V - NAD 27

This map was compiled from records and computations

0 3,750 7,500 15,000 Feet

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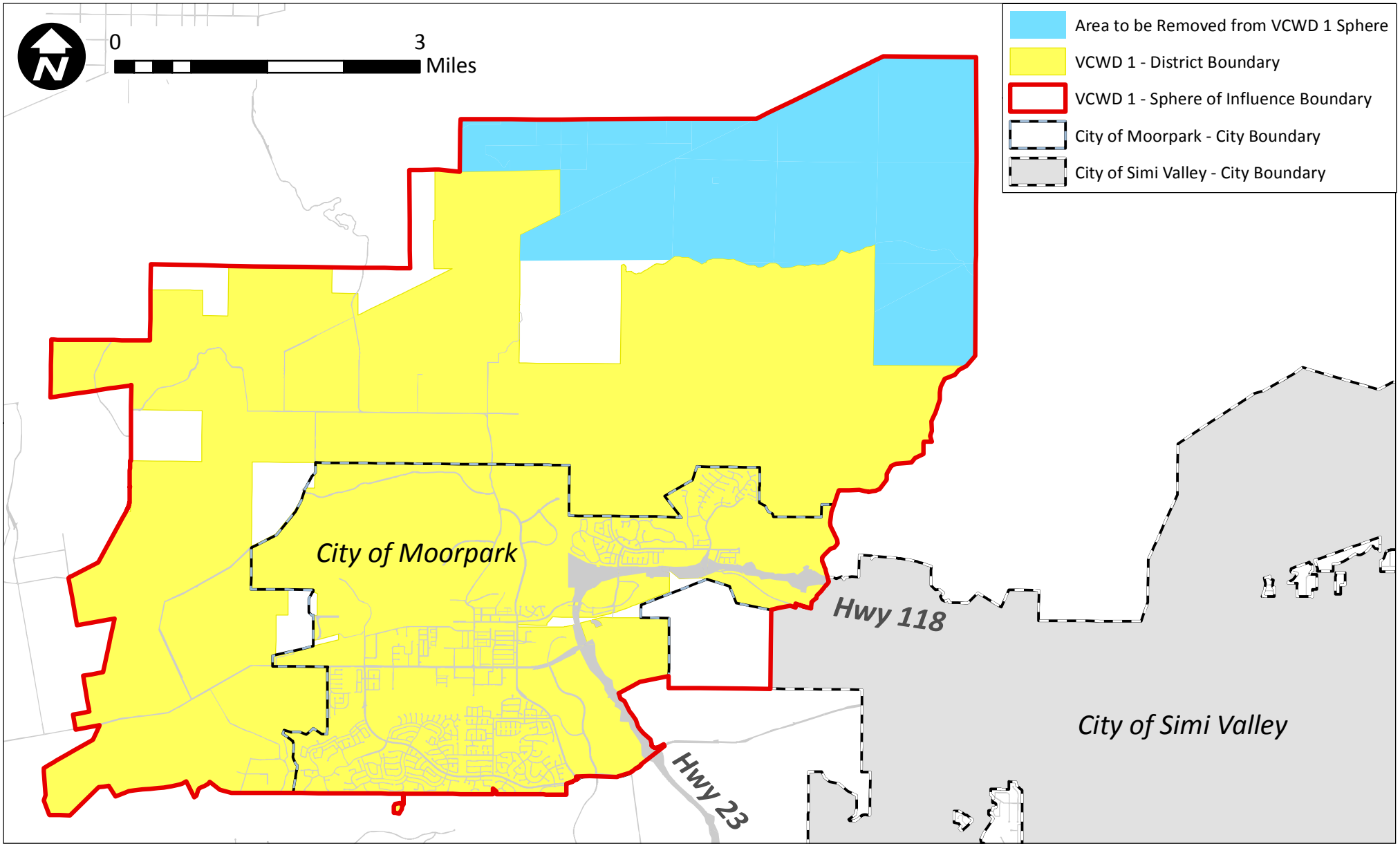
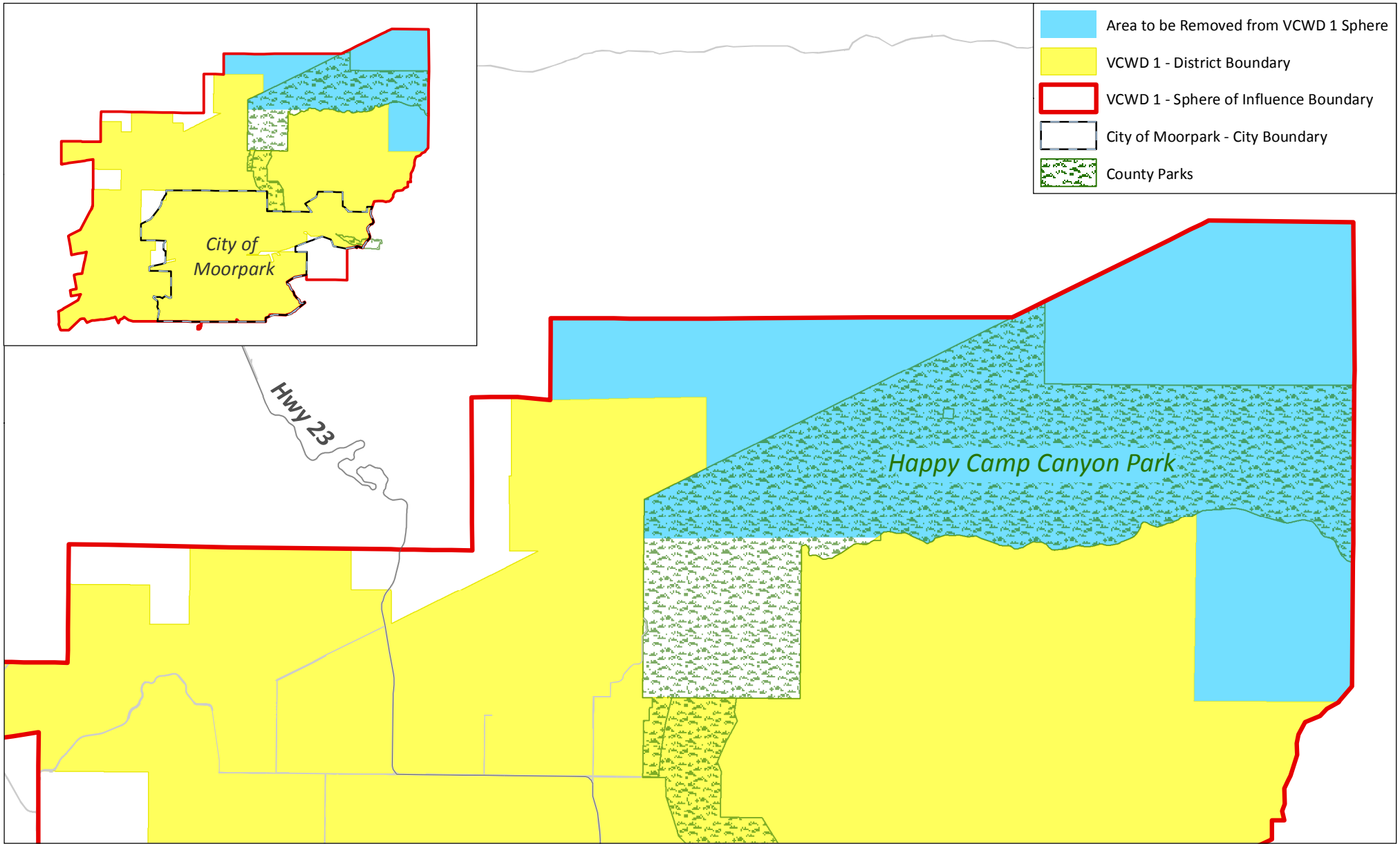


Ventura County Waterworks District No. 1 (VCWD 1)
LAFCo 15-13S
Proposed VCWD 1 Sphere of Influence Update
October 21, 2015

Attachment 2



Ventura County Waterworks District No. 1 (VCWD 1)
LAFCo 15-13S
Proposed VCWD 1 Sphere of Influence Update
October 21, 2015

0 2 Miles

Attachment 3

LAFCO 15-13S

RESOLUTION OF THE VENTURA LOCAL AGENCY FORMATION COMMISSION MAKING DETERMINATIONS AND UPDATING THE SPHERE OF INFLUENCE FOR VENTURA COUNTY WATERWORKS DISTRICT NO. 1

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

WHEREAS, Government Code § 56425(g) requires that LAFCo, as necessary, review and update the adopted sphere of influence boundaries on or before January 1, 2008, and every five years thereafter; and

WHEREAS, the Commission updated the Ventura County Waterworks District No. 1 (VCWD 1 or District) sphere of influence in 2005 and 2010; and

WHEREAS, the Commission desires to update the sphere of influence for VCWD 1; and

WHEREAS, no change in regulation, land use, or development will occur as a result of updating the VCWD 1 sphere of influence; and

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

WHEREAS, the sphere of influence update item was duly considered at a public hearing on October 21, 2015, as specified in the notice of hearing; and

WHEREAS, the Commission heard, discussed, and considered all oral and written testimony for and against the sphere of influence update including, but not limited to, the LAFCo Staff Report dated October 21, 2015 and recommendations.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the Commission as follows:

(1) The LAFCo Staff Report dated October 21, 2015 and recommended update of the sphere of influence are adopted; and

(2) The subject update is assigned the following distinctive short form designation:

LAFCO 15-13S VENTURA COUNTY WATERWORKS DISTRICT NO. 1 SPHERE OF INFLUENCE UPDATE; and

(3) The sphere of influence update for VCWD 1 is exempt from the California Environmental Quality Act (CEQA) pursuant to § 15061(b)(3) of the CEQA Guidelines, and LAFCo staff is directed to file a Notice of Exemption as the lead agency pursuant to § 15062 of the CEQA Guidelines; and

(4) The Commission has considered the criteria set forth in Government Code § 56425(e) and determines as follows:

a. ***The present and planned land uses in the area, including agricultural and open-space lands.*** **[§ 56425(e)(1)]**

The territory to be removed from the District sphere has a County General Plan designation of *Open Space*, is not designated by the City of Moorpark's General Plan, and includes unimproved open space (including Happy Camp Canyon Park which is a public recreational parkland that is owned and operated by the County). Based on the County General Plan designation and absence of a General Plan designation in the City, the existing uses of these properties are to remain unchanged.

b. ***The present and probable need for public facilities and services in the area.*** **[§ 56425(e)(2)]**

None of the properties that are proposed for removal from the District's sphere are being served by the District. No information has been made known to staff to suggest that these areas will be in need of future service by the District. The area is anticipated to remain in its current land uses for the foreseeable future, based on the existing County General Plan designation and the absence of a City General Plan designation. Therefore, there appears to be no need for municipal services from the District within the area in the foreseeable future.

c. ***The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide*****. [§ 56425(e)(3)]**

The sphere of influence update will result in a reduction in the size of the District's sphere of influence. Therefore, it will not result in new demands on the District that would adversely impact the present capacity of public facilities and adequacy of public services that the District is authorized to provide.

d. ***The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency*. [§ 56425(e)(4)]**
The recommended update to the District's sphere does not involve territory that is known to be a community of interest. Therefore, the sphere of influence update would not result in a detrimental impact to any social or economic communities of interest.

e. ***For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection. . . the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.* [§ 56425(e)(5)]**
The current sphere of influence of the District does not include either of the two communities that the Commission determined met the definition of a disadvantaged unincorporated community (Commissioner's Handbook Section 3.2.5). Therefore, the recommended sphere update will not result in changes to available service within any disadvantaged unincorporated communities.

(5) The sphere of influence for VCWD 1 is hereby updated as generally depicted in Exhibit A, "Proposed VCWD 1 Sphere of Influence Update, October 21, 2015," attached hereto; and

(6) No municipal service review is necessary, pursuant to Government Code § 56430(a) and Ventura LAFCo Commissioner's Handbook Section 4.1.4(c); and

(7) LAFCo staff is directed to have the official Geographic Information System (GIS) sphere of influence data maintained for the Ventura LAFCo by the Ventura County Information Technology Services Department as the official sphere of influence record for VCWD 1 updated consistent with this action.

This resolution was adopted on October 21, 2015.

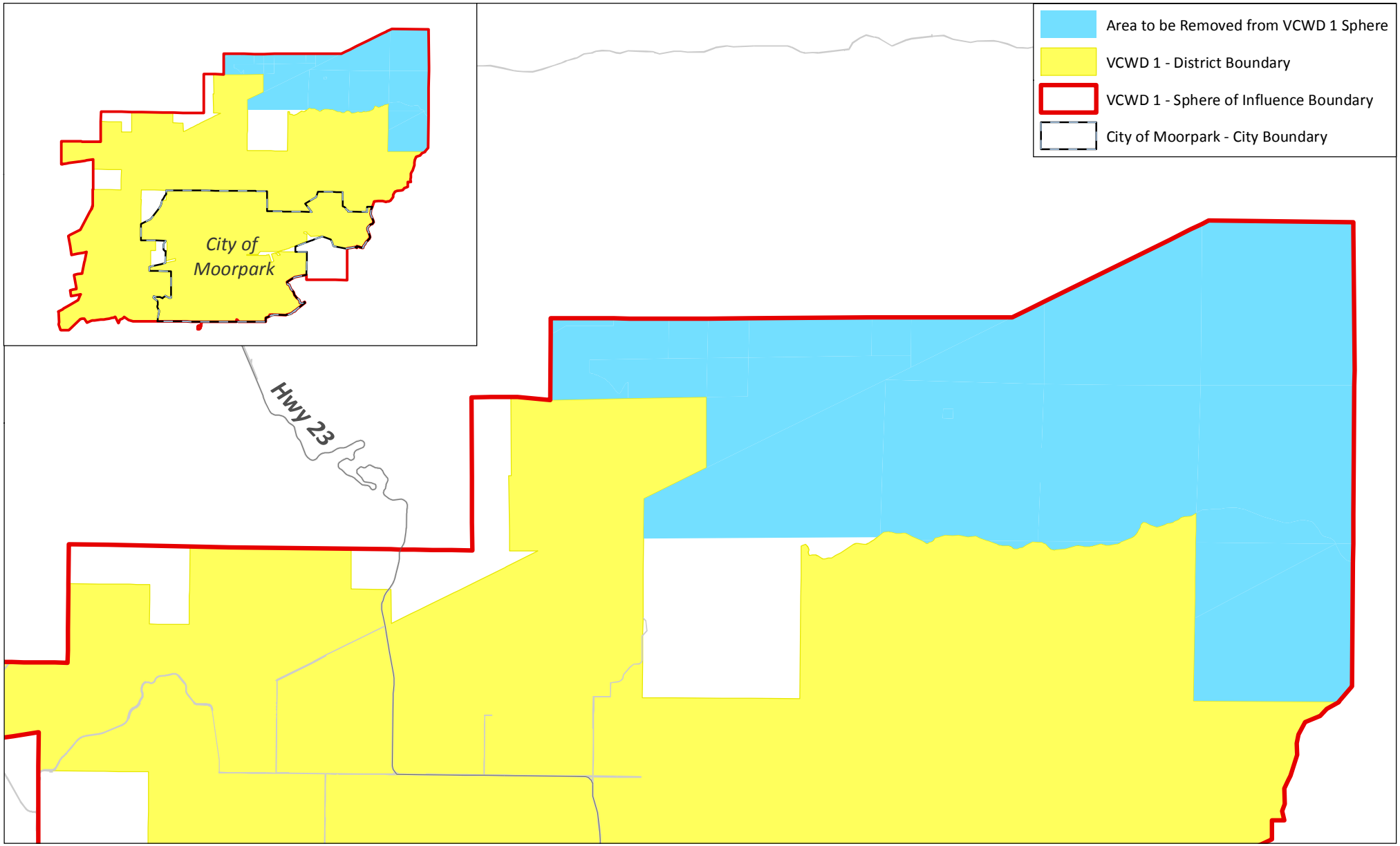
	AYE	NO	ABSTAIN	ABSENT
Commissioner Cunningham	☐	☐	☐	☐
Commissioner Dandy	☐	☐	☐	☐
Commissioner Freeman	☐	☐	☐	☐
Commissioner Morehouse	☐	☐	☐	☐
Commissioner Parks	☐	☐	☐	☐
Commissioner Parvin	☐	☐	☐	☐
Commissioner Zaragoza	☐	☐	☐	☐
Alt. Commissioner Bennett	☐	☐	☐	☐
Alt. Commissioner Ramirez	☐	☐	☐	☐
Alt. Commissioner Rooney	☐	☐	☐	☐
Alt. Commissioner Ross	☐	☐	☐	☐

_____ _____

Date **Lou Cunningham, Chair, Ventura Local Agency Formation Commission**

Attachment: Exhibit A

c: Ventura County Waterworks District No. 1
Ventura County Waterworks District No. 8
Calleguas Municipal Water District
City of Moorpark
City of Simi Valley
Ventura County GIS Officer
Ventura County Planning Division



Ventura County Waterworks District No. 1 (VCWD 1)
LAFCo 15-13S
Proposed VCWD 1 Sphere of Influence Update
October 21, 2015

0 2 Miles

Exhibit A

VENTURA LOCAL AGENCY FORMATION COMMISSION
STAFF REPORT
Meeting Date: October 21, 2015

TO: LAFCo Commissioners

FROM: Andrea Ozdy, Analyst Andrea Ozdy

SUBJECT: Sphere of Influence Review and Update:
LAFCo 15-14S Lake Sherwood Community Services District

Recommendations:

A. Determine that the sphere of influence update for the Lake Sherwood Community Services District (LSCSD) is exempt from the California Environmental Quality Act (CEQA) pursuant to § 15061(b)(3) of the CEQA Guidelines.
B. Review and update the sphere of influence for the LSCSD pursuant to Government Code § 56425(g).
C. Determine that no municipal service review is necessary for the LSCSD pursuant to Government Code § 56430(a) and Ventura LAFCo Commissioner's Handbook Section 4.1.4(c).
D. Adopt Resolution LAFCo 15-14S (Attachment 3) making determinations and updating the sphere of influence for the LSCSD.

Background:

Pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code § 56000 et seq.), the Commission was required to determine and adopt a sphere of influence for each city and special district on or before January 1, 2008. Every five years thereafter, the Commission must, as necessary, review and update each sphere of influence [Government Code § 56425(g)].

The LSCSD, governed by the Ventura County Board of Supervisors, is a dependent special district formed in 1989 that does not currently provide any services. From the time it was formed until July 2015, the LSCSD provided retail domestic water service (the only service it was authorized to provide) to its customers in and contiguous to the Lake Sherwood community as defined in the County's Lake Sherwood/Hidden Valley Area Plan. As of July 2015, and in response to the formation of Ventura County Waterworks District No. 38 as the new water

COMMISSIONERS AND STAFF

COUNTY:	CITY:	DISTRICT:	PUBLIC:
Linda Parks	Carl Morehouse, Vice Chair	Bruce Dandy	Lou Cunningham, Chair
John Zaragoza	Janice Parvin	Elaine Freeman	
Alternate:	*Alternate:*	*Alternate:*	*Alternate:*
Steve Bennett	Carmen Ramirez	Mary Anne Rooney	David J. Ross
Executive Officer	**Analyst**	**Office Manager/Clerk**	**Legal Counsel**
Kai Luoma, AICP	Andrea Ozdy	Richelle Beltran	Michael Walker

purveyor in the Lake Sherwood community, the Commission divested the LSCSD of its power to provide water service. Upon buildout of the Lake Sherwood community, it is possible that the LSCSD will request that LAFCo approve the activation of latent powers to be provided by the LSCSD.

According to the Municipal Service Review (MSR) accepted by the Commission on September 17, 2003, the district is primarily funded by service charges and fees that are directly related to the provision of services. The district's sphere of influence covers approximately 2,037 acres (about 3.2 square miles), and the district boundary covers about 1,939 acres (3 square miles) (see Attachment 1).

In both 2004 and 2009, the Commission reviewed, but did not update, the LSCSD sphere. LAFCo staff deliberately delayed the sphere review for the LSCSD (scheduled for 2014 pursuant to LAFCo's 2013-2017 Sphere of Influence Review/Update Work Plan) until this time, so that the Commission could review the sphere in light of the formation of Ventura Waterworks District No. 38 which has replaced the LSCSD as the local water purveyor.

Discussion:

LAFCo law requires that a MSR be conducted prior to, or in conjunction with, any sphere of influence update [Government Code § 56430(a)]. Ventura LAFCo Commissioner's Handbook (Handbook) Section 4.1.2(b) defines a sphere of influence update as a "comprehensive review and modification of a sphere of influence that is not associated with a concurrent proposal…" Although staff recommends that the Commission update the subject sphere of influence, the recommended update includes only the removal of territory from the sphere. Handbook Section 4.1.4(c) provides that the preparation of a MSR is not required for updates that only remove territory from a sphere.

Sphere of Influence Analysis and Recommended Update

Based on LAFCo staff's comprehensive review of the existing boundary and sphere, one change to the sphere boundary is recommended (Attachment 2). The recommended update would reduce the sphere boundary to eliminate the 0.63-acre property occupied by Ventura County Fire Protection District Fire Station No. 33. The fire station property is the only territory currently located within the LSCSD's sphere of influence that is not within the Lake Sherwood community (as depicted in Figure 2 of the Lake Sherwood/Hidden Valley Area Plan Land Use Map). The LSCSD sphere was amended in 2013, in part to accommodate existing LSCSD water service to the fire station property. However, as water service to the site is now provided by Ventura County Waterworks District No. 38, its inclusion in the LSCSD is no longer necessary.

While the LSCSD does not currently provide any services, it may request that LAFCo approve the activation of latent powers in the future. With the recommended sphere of influence update, the LSCSD's sphere boundary would reflect its probable service area.

Written Determinations

Government Code § 56425(e) requires that, in determining the sphere of influence of an agency, the Commission consider and prepare a written statement of its determinations with respect to each of the following:

(1) *The present and planned land uses in the area, including agricultural and open-space lands.* [§ 56425(e)(1)]

The territory to be removed from the LSCSD sphere has a County General Plan designation of *Open Space*, and contains Ventura County Fire Protection District Fire Station No. 33. Based on the County General Plan designation and established use on the property, the existing use of this territory is to remain unchanged.

(2) *The present and probable need for public facilities and services in the area.* [§ 56425(e)(2)]

The territory that is recommended to be removed from the LSCSD sphere is not being served by the LSCSD, and is not located within the Lake Sherwood community. No information has been made known to staff to suggest that this area will be in need of future service by the LSCSD, a district that was formed to serve the Lake Sherwood community. The area is anticipated to remain in its current land use for the foreseeable future, based on the existing County General Plan designation and established use. Therefore, there appears to be no need for services from the LSCSD within the area in the foreseeable future.

(3) *The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide*. [§ 56425(e)(3)]

The recommended sphere of influence update will result in a reduction in the size of the LSCSD's sphere of influence. It will not result in new demands on the LSCSD because the LSCSD does not currently provide services. Therefore, the recommended LSCSD sphere update would not adversely impact the LSCSD's public facilities and adequacy of public services.

(4) *The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency*. [§ 56425(e)(4)]

The recommended update to the LSCSD's sphere does not involve territory that is known to be a community of interest. Therefore, the sphere of influence update would not result in a detrimental impact to any social or economic communities of interest.

(5) *For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection. . . the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.* [§ 56425(e)(5)]

The current sphere of influence of the LSCSD does not include either of the two communities that the Commission determined met the definition of a disadvantaged unincorporated community (Commissioner's Handbook Section 3.2.5). Therefore, the recommended sphere update will not result in changes to available service within any disadvantaged unincorporated communities.

CEQA

A project is defined in CEQA Guidelines § 21065, in part, as "an activity which may cause either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment." The subject sphere of influence update is considered to be a project subject to CEQA because it involves a net reduction to the existing sphere boundary, which will reduce the area available to the expansion of municipal services. However, it is recommended that the Commission find that the reduction in the sphere of influence for the LSCSD is exempt from CEQA pursuant to § 15061(b)(3) of the CEQA Guidelines, because "it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment." No change in regulation, land use, or development will occur as a result of the recommended sphere of influence update.

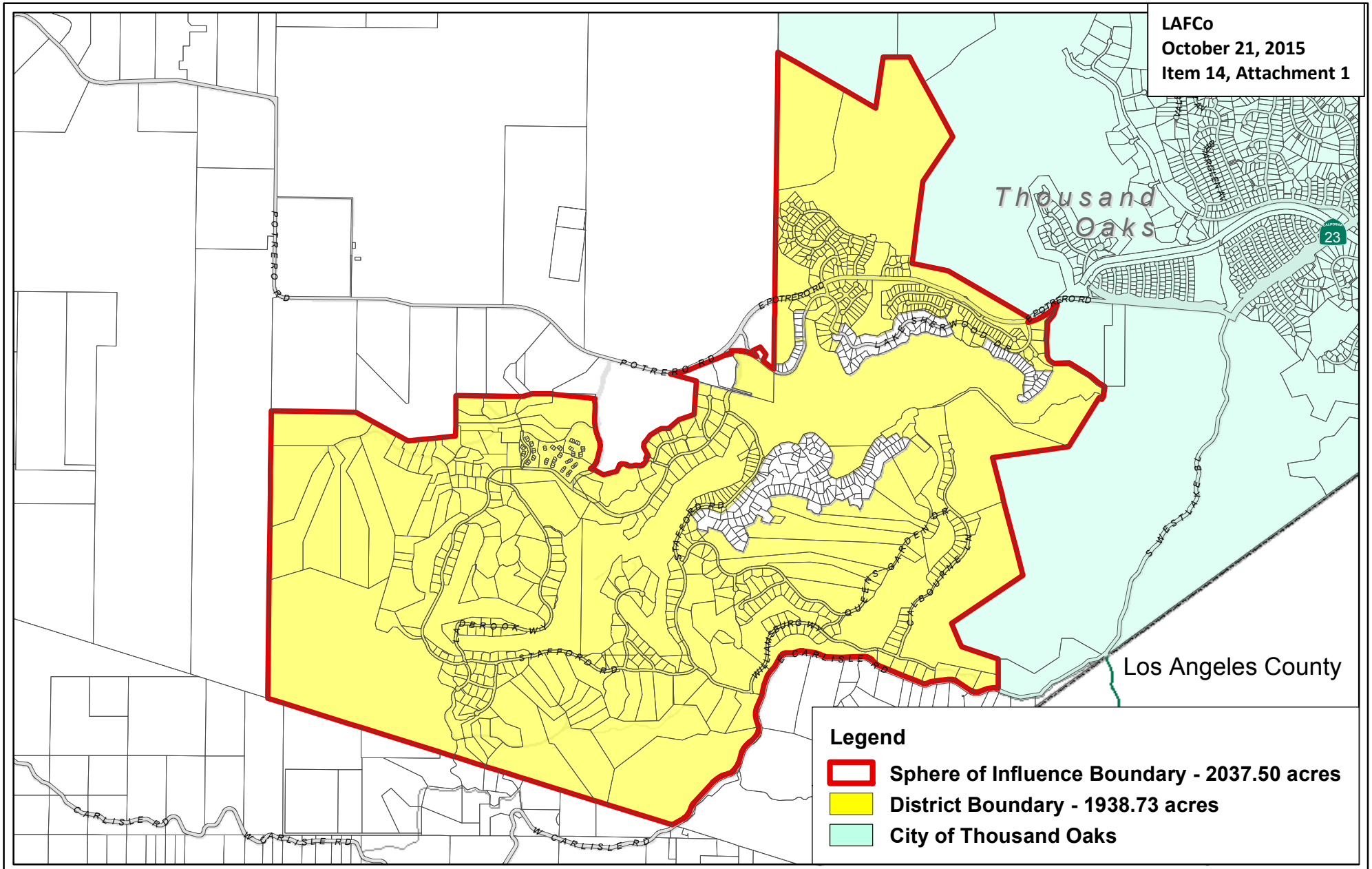
Notice of Public Hearing

This matter has been noticed as a public hearing pursuant to Government Code § 56427. Additionally, all affected local agencies have been notified of the public hearing.

Attachments:

1. Existing Sphere of Influence Map for the LSCSD
2. Proposed Sphere of Influence Update Map for the LSCSD
3. LAFCo 15-14S Resolution

LAFCo makes every effort to offer legible map files with the online and printed versions of our reports; however, occasionally the need to reduce oversize original maps and/or other technological/software factors can compromise readability. Original maps are available for viewing at the LAFCo office by request.



Lake Sherwood Community Services District

Sphere of Influence

As Udated by the Ventura LAFCO - July 17, 2013

0 1,250 2,500 5,000 Feet

N W E S

Prepared by County of Ventura - IT Services Department - GIS Services

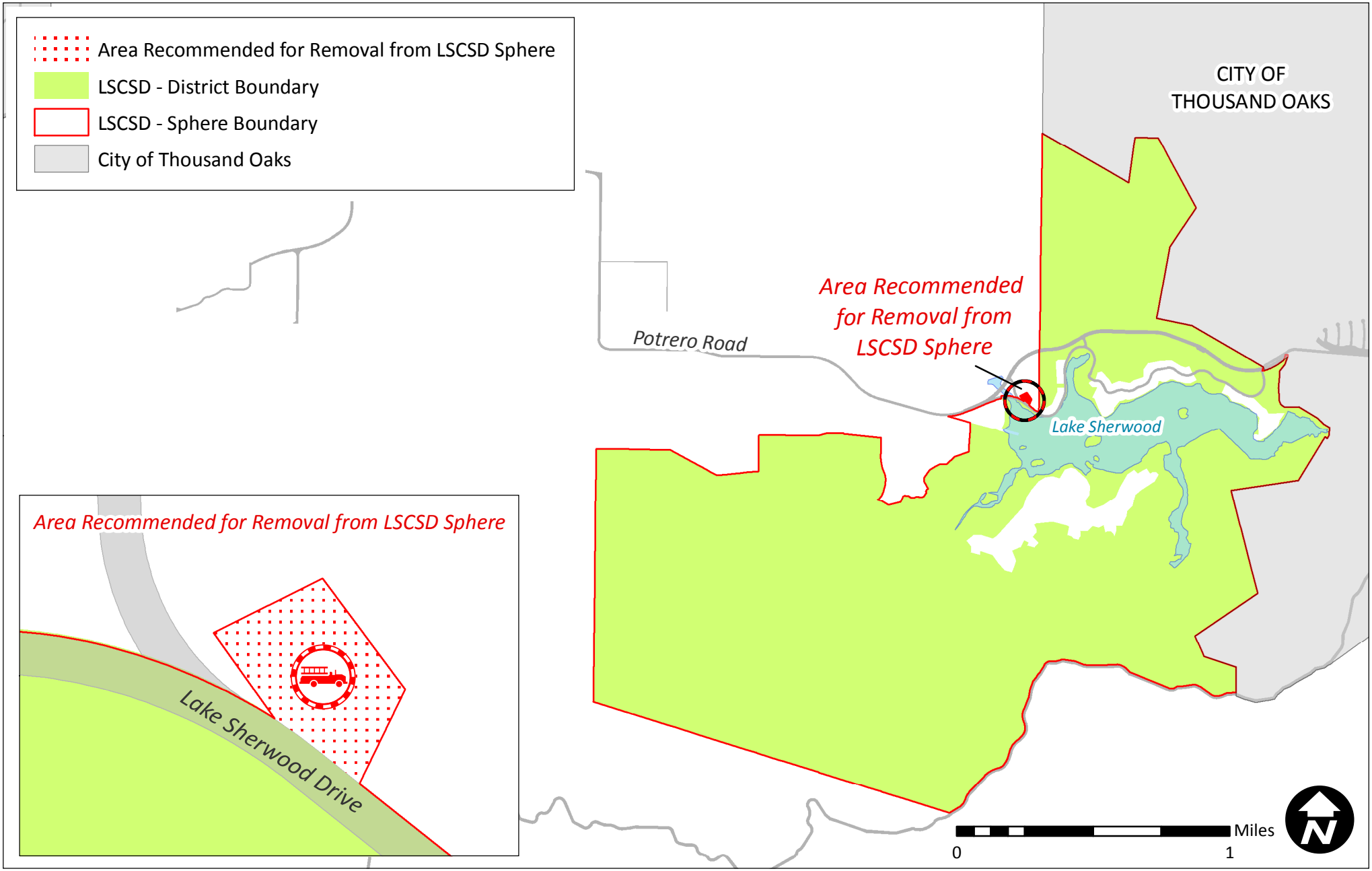
State Plane Coordinate System California Zone V - NAD 27

This map was compiled from records and computations

Published: August, 2013

Copyright 2013 County of Ventura. Design, maps, index and text of this map are copyrighted.
It is unlawful to copy or reproduce, either in digital or paper form, any part thereof for personal use or resale.

WARNING: The information contained hereon was created by the Ventura County Geographic Information System (GIS), which is designed and operated solely for the convenience of the County and related contract entities. The County does not warrant the accuracy of this information, and no decision involving a risk of economic loss or physical injury should be made in reliance thereon.



LAFCo 15-14S
Lake Sherwood Community Services District (LSCSD)
Proposed Sphere of Influence Update
October 21, 2015

Attachment 2

LAFCO 15-14S

RESOLUTION OF THE VENTURA LOCAL AGENCY FORMATION COMMISSION MAKING DETERMINATIONS AND UPDATING THE SPHERE OF INFLUENCE FOR THE LAKE SHERWOOD COMMUNITY SERVICES DISTRICT

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

WHEREAS, Government Code § 56425(g) requires that LAFCo, as necessary, review and update the adopted sphere of influence boundaries on or before January 1, 2008, and every five years thereafter; and

WHEREAS, the Commission reviewed the Lake Sherwood Community Services District (LSCSD) sphere of influence in 2004 and 2009; and

WHEREAS, the Commission desires to update the sphere of influence for the LSCSD; and

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

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

WHEREAS, the sphere of influence update item was duly considered at a public hearing on October 21, 2015, as specified in the notice of hearing; and

WHEREAS, the Commission heard, discussed, and considered all oral and written testimony for and against the sphere of influence update including, but not limited to, the LAFCo Staff Report dated October 21, 2015 and recommendations.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the Commission as follows:

(1) The LAFCo Staff Report dated October 21, 2015 and recommended update of the sphere of influence are adopted; and

(2) The subject update is assigned the following distinctive short form designation: **LAFCO 15-14S LAKE SHERWOOD COMMUNITY SERVICES DISTRICT SPHERE OF INFLUENCE UPDATE**; and

(3) The sphere of influence update for the LSCSD is exempt from the California Environmental Quality Act (CEQA) pursuant to § 15061(b)(3) of the CEQA Guidelines, and LAFCo staff is directed to file a Notice of Exemption as the lead agency pursuant to § 15062 of the CEQA Guidelines; and

(4) The Commission has considered the criteria set forth in Government Code § 56425(e) and determines as follows:

a. ***The present and planned land uses in the area, including agricultural and open-space lands.*** **[§ 56425(e)(1)]**

The territory to be removed from the LSCSD sphere has a County General Plan designation of *Open Space*, and contains Ventura County Fire Protection District Fire Station No. 33. Based on the County General Plan designation and established use on the property, the existing use of this territory is to remain unchanged.

b. ***The present and probable need for public facilities and services in the area.*** **[§ 56425(e)(2)]**

The territory that is recommended to be removed from the LSCSD sphere is not being served by the LSCSD, and is not located within the Lake Sherwood community. No information has been made known to staff to suggest that this area will be in need of future service by the LSCSD, a district that was formed to serve the Lake Sherwood community. The area is anticipated to remain in its current land use for the foreseeable future, based on the existing County General Plan designation and established use. Therefore, there appears to be no need for services from the LSCSD within the area in the foreseeable future.

c. ***The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide*****. [§ 56425(e)(3)]**

The recommended sphere of influence update will result in a reduction in the size of the LSCSD's sphere of influence. It will not result in new demands on the LSCSD because the LSCSD does not currently provide services. Therefore, the recommended LSCSD sphere update would not adversely impact the LSCSD's public facilities and adequacy of public services.

d. ***The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency*. [§ 56425(e)(4)]**
The recommended update to the LSCSD's sphere does not involve territory that is known to be a community of interest. Therefore, the sphere of influence update would not result in a detrimental impact to any social or economic communities of interest.

e. ***For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection. . . the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.* [§ 56425(e)(5)]**
The current sphere of influence of the LSCSD does not include either of the two communities that the Commission determined met the definition of a disadvantaged unincorporated community (Commissioner's Handbook Section 3.2.5). Therefore, the recommended sphere update will not result in changes to available service within any disadvantaged unincorporated communities.

(5) The sphere of influence for the LSCSD is hereby updated as generally depicted in Exhibit A, "Proposed LSCSD Sphere of Influence Update, October 21, 2015," attached hereto; and

(6) No municipal service review is necessary, pursuant to Government Code § 56430(a) and Ventura LAFCo Commissioner's Handbook Section 4.1.4(c); and

(7) LAFCo staff is directed to have the official Geographic Information System (GIS) sphere of influence data maintained for the Ventura LAFCo by the Ventura County Information Technology Services Department as the official sphere of influence record for the LSCSD updated consistent with this action.

This resolution was adopted on October 21, 2015.

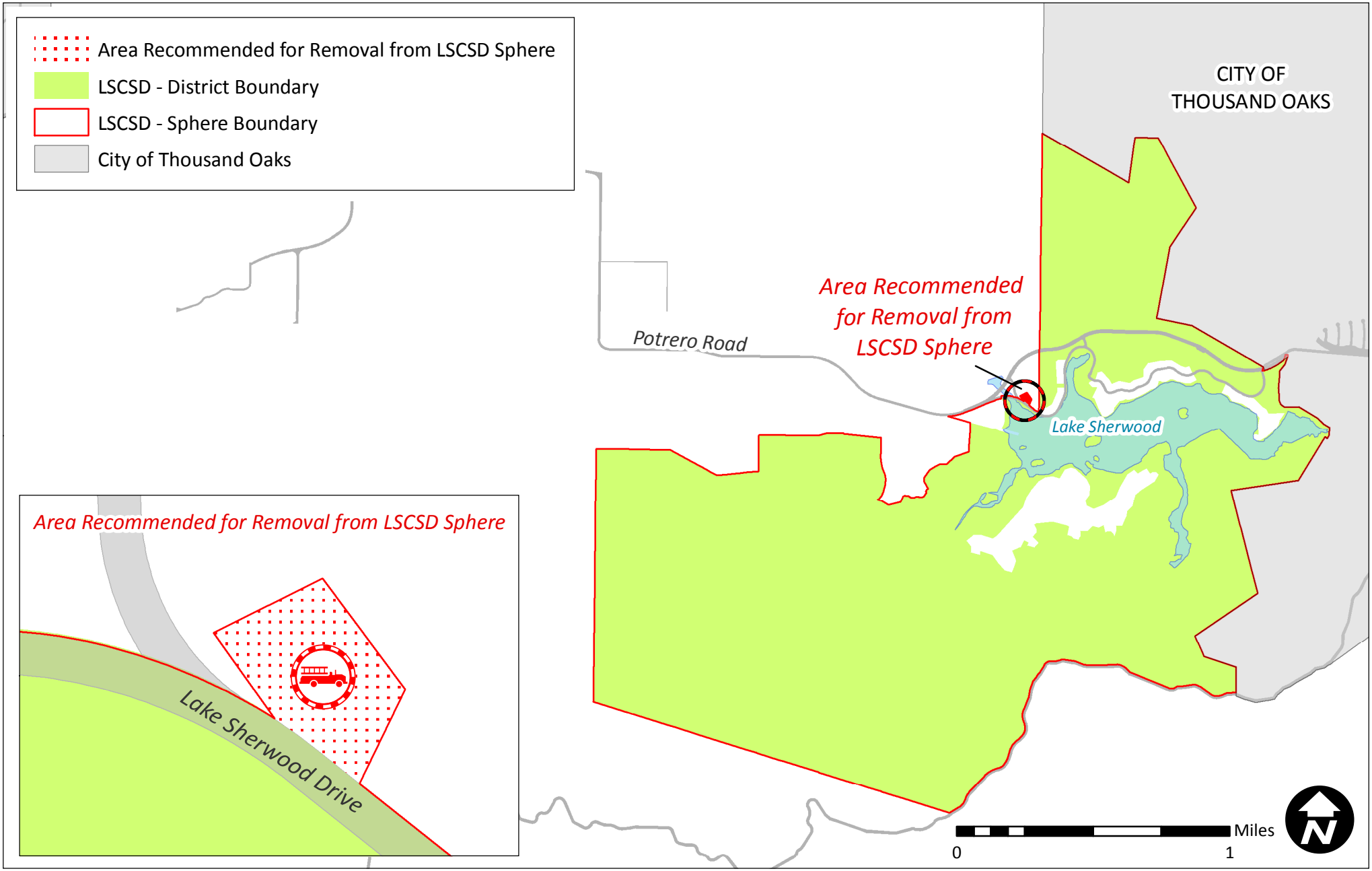
	AYE	NO	ABSTAIN	ABSENT
Commissioner Cunningham	☐	☐	☐	☐
Commissioner Dandy	☐	☐	☐	☐
Commissioner Freeman	☐	☐	☐	☐
Commissioner Morehouse	☐	☐	☐	☐
Commissioner Parks	☐	☐	☐	☐
Commissioner Parvin	☐	☐	☐	☐
Commissioner Zaragoza	☐	☐	☐	☐
Alt. Commissioner Bennett	☐	☐	☐	☐
Alt. Commissioner Ramirez	☐	☐	☐	☐
Alt. Commissioner Rooney	☐	☐	☐	☐
Alt. Commissioner Ross	☐	☐	☐	☐

_____ _____

Date **Lou Cunningham, Chair, Ventura Local Agency Formation Commission**

Attachment: Exhibit A

c: Lake Sherwood Community Services District
Ventura County Waterworks District No. 38
Calleguas Municipal Water District
City of Thousand Oaks
Ventura County GIS Officer
Ventura County Planning Division



LAFCo 15-14S
Lake Sherwood Community Services District (LSCSD)
Proposed Sphere of Influence Update
October 21, 2015

Exhibit A

VENTURA LOCAL AGENCY FORMATION COMMISSION

STAFF REPORT

Meeting Date: October 21, 2015
(Continued from September 16, 2015)

TO: LAFCo Commissioners

FROM: Kai Luoma, Executive Officer

SUBJECT: Professional Services Agreement for Audit Services – Vavrinek, Trine, Day & Co., LLP

RECOMMENDATION:

Adopt the attached resolution approving a professional services agreement for audit services for fiscal year ended June 30, 2015, with Vavrinek, Trine, Day & Co., LLP (VTD) for an amount not to exceed $8,487 and authorizing the Chair to execute the agreement.

BACKGROUND:

This item was initially considered by the Commission at the September 16, 2015 LAFCo meeting. The Commission continued the matter due to concerns that were raised regarding the auditing firm's alleged failure to uncover financial irregularities during an audit of one of its clients.

DISCUSSION:

LAFCo staff was unable to locate any information to substantiate the concerns raised at the September meeting. Though there was a 2014 article in a local San Bernardino County newspaper that reported that a school district board voted to change auditing firms due to concerns that "financial irregularities" were not identified, no information has shown that VTD's audit was incomplete or inconsistent with professional and legal standards.

According to Roger Alfaro, VTD Partner, no lawsuits, complaints, or any other negative actions have been filed against VTD with any regulatory bodies. In addition, the California Board of Accountancy reports VTD with a "clear" status, which indicates that VTD's license to practice public accountancy is current and valid. Also, VTD remains in good standing with the American

COMMISSIONERS AND STAFF

COUNTY:	CITY:	DISTRICT:	PUBLIC:
Linda Parks	Carl Morehouse, Vice Chair	Bruce Dandy	Lou Cunningham, Chair
John Zaragoza	Janice Parvin	Elaine Freeman	
Alternate:	*Alternate:*	*Alternate:*	*Alternate:*
Steve Bennett	Carmen Ramirez	Mary Anne Rooney	David J. Ross

Executive Officer:	Analyst	Office Manager/Clerk	Legal Counsel
Kai Luoma, AICP	Andrea Ozdy	Richelle Beltran	Michael Walker

Institute of Certified Public Accountants (AICPA). VTD has audited the County of Ventura's finances for over the past five years and, according to County Auditor-Controller staff, has performed competently. VTD has audited Ventura LAFCo's finances for the past five years and has performed competently. Mr. Alfaro will be attending the October 21 meeting to address any questions that the Commission may have.

The Agreement has been reviewed by the Ventura County Auditor-Controller's staff, which has agreed to prepare the LAFCo financial statements, and by LAFCo legal counsel. In accordance with the Handbook policies, staff is recommending that the Commission adopt the attached resolution (Attachment 2) approving the Agreement and authorizing the Chair to execute it.

Attachments:
1. September 16, 2015 Staff Report
2. Resolution

VENTURA LOCAL AGENCY FORMATION COMMISSION

STAFF REPORT

Meeting Date: September 16, 2015

(Consent)

TO: LAFCo Commissioners

FROM: Kai Luoma, Executive Officer

SUBJECT: Professional Services Agreement for Audit Services – Vavrinek, Trine, Day & Co., LLP

RECOMMENDATION:

Adopt the attached resolution approving a professional services agreement for audit services for fiscal year ended June 30, 2015, with Vavrinek, Trine, Day & Co., LLP for an amount not to exceed $8,487 and authorizing the Chair to execute the agreement.

BACKGROUND:

Commissioner's Handbook Policy Section 2.3.6.1 (Attachment 1) provides for annual audits of the LAFCo financial statements by an independent accounting firm. Vavrinek, Trine, Day & Co., LLP (VTD) has completed audits of the financial statements for Fiscal Years 2010 - 2013.

In August 2013, staff issued a request for proposals for an outside audit of the LAFCo financial statements for the fiscal year ended June 30, 2013 with an option for extension for the fiscal years ending June 30, 2014 and June 30, 2015. After reviewing all eligible proposals, staff selected VTD as the firm that provided the most advantageous proposal with regard to qualifications, related experience and cost. VTD completed the 2013 and 2014 audits under this proposal and staff decided to exercise the option to extend the proposal to cover the audit for 2015.

In an engagement letter (Agreement) dated August 26, 2015, VTD proposes to audit the LAFCo 2014-15 financial statements at a cost not to exceed $8,487 (Exhibit A of Attachment 2). Work is scheduled to begin in December and final reports would be issued no later than March 2016. Commissioner's Handbook Section 2.5.4 provides that any contract or agreement greater than $5,000 shall be presented to the Commission for approval and execution (Attachment 1).

COMMISSIONERS AND STAFF

COUNTY:	CITY:	DISTRICT:	PUBLIC:
Linda Parks	Carl Morehouse, Vice Chair	Bruce Dandy	Lou Cunningham, Chair
John Zaragoza	Janice Parvin	Elaine Freeman	
Alternate:	*Alternate:*	*Alternate:*	*Alternate:*
Steve Bennett	Carmen Ramirez	Mary Anne Rooney	David J. Ross
Executive Officer:	**Analyst**	**Office Manager/Clerk**	**Legal Counsel**
Kai Luoma, AICP	Andrea Ozdy	Richelle Beltran	Michael Walker

DISCUSSION:

The Agreement has been reviewed by the Ventura County Auditor-Controller's staff, which has agreed to prepare the LAFCo financial statements, and by LAFCo legal counsel. In accordance with the Handbook policies, staff is recommending that the Commission adopt the attached resolution (Attachment 2) approving the Agreement and authorizing the Chair to execute it.

Attachments:
1. ~~Commissioner's Handbook Sections 2.3.6.1 – Independent Auditor Role and 2.5.4 - Contract Approval and Execution~~
2. ~~Resolution to authorize and execute a Professional Services Agreement with Vavrinek, Trine, Day & Co., LLP~~

RESOLUTION OF THE VENTURA LOCAL AGENCY FORMATION COMMISSION TO AUTHORIZE AND EXECUTE A PROFESSIONAL SERVICES AGREEMENT FOR AUDIT SERVICES WITH VAVRINEK, TRINE, DAY & CO., LLP

WHEREAS, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Section 56000 et seq. of the California Government Code) requires each Local Agency Formation Commission to adopt an annual budget; and

WHEREAS, the policies of the Ventura Local Agency Formation Commission provide for independent audits of its annual financial statements; and

WHEREAS, the policies of the Ventura Local Agency Formation Commission provide that any contract or agreement authorizing expenditures greater than $5,000 shall be presented to the Commission for approval and execution; and

WHEREAS, an engagement letter containing the terms of a professional services agreement to audit the LAFCo financial statements for fiscal year ended June 30, 2015 between Vavrinek, Trine, Day & Co., LLP and the Ventura Local Agency Formation Commission dated August 26, 2015 was duly considered on October 21, 2015;

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

(1) The engagement letter containing the terms of a professional services agreement for audit services between Vavrinek, Trine, Day & Co., LLP and the Ventura Local Agency Formation Commission ("Agreement") dated August 26, 2015 as set forth in the attached Exhibit A is approved.

(2) The Chair is directed to execute the Agreement.

This resolution was adopted on October 21, 2015.

	AYE	NO	ABSTAIN	ABSENT
Commissioner Cunningham	☐	☐	☐	☐
Commissioner Dandy	☐	☐	☐	☐
Commissioner Freeman	☐	☐	☐	☐
Commissioner Morehouse	☐	☐	☐	☐
Commissioner Parks	☐	☐	☐	☐
Commissioner Parvin	☐	☐	☐	☐
Commissioner Zaragoza	☐	☐	☐	☐
Alt. Commissioner Bennett	☐	☐	☐	☐
Alt. Commissioner Ramirez	☐	☐	☐	☐
Alt. Commissioner Rooney	☐	☐	☐	☐
Alt. Commissioner Ross	☐	☐	☐	☐

Dated: _____ _____

Chair, Ventura Local Agency Formation Commission

Attachment: Exhibit A

Vavrinek, Trine, Day & Co., LLP
Certified Public Accountants

VALUE THE DIFFERENCE

LAFCo
October 21, 2015
Item 16, Exhibit A

August 26, 2015

Ventura Local Agency Formation Commission
800 S. Victoria Avenue
Ventura, CA 93009-1850

We are pleased to confirm our understanding of the services we are to provide Ventura Local Formation Commission (LAFCo) for the fiscal year ended June 30, 2015. We will audit the financial statements of the governmental activities and the general fund, including the related notes to the financial statements, which collectively comprise the basic financial statements of LAFCo as of and for the fiscal year ended June 30, 2015. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement LAFCo's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to LAFCo's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1) Management's Discussion and Analysis
2) General Fund Budgetary Comparison Schedules

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of LAFCo and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of LAFCo's financial statements. Our report will be addressed to Commissioners of Ventura LAFCo. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

10681 Foothill Blvd., Suite 300 Rancho Cucamonga, CA 91730 Tel: 909.466.4410 www.vtdcpa.com Fax: 909.466.4431

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that LAFCo is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of LAFCo's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Management Responsibilities

Management is responsible for establishing and maintaining effective internal controls, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we report.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites to consider the consistency of other information in the electronic site with the original document.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to LAFCo; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Vavrinek, Trine, Day & Co., LLP (VTD) and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the oversight agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of VTD personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of seven years after the report release date or for any additional period requested by an oversight agency. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the parties contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on approximately December 2015 and to issue our reports no later than March 2016. Roger Alfaro is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed $8,487. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Government Auditing Standards require that we provide you with a copy of our most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comments received during the period of contract. Our most recent peer review accompanies this letter.

Vavrinek, Trine, Day & Co., LLP has owners that are not licensed as certified public accountants as permitted under Section 5079 of the California Business and Professions Code. It is not anticipated that any of the non-licensee owners will be performing audit services for LAFCo.

We appreciate the opportunity to be of service to LAFCo and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Roger Alfaro
Of Vavrinek, Trine, Day & Co., LLP

RA:gbl

150582

Attachment

RESPONSE:

This letter correctly sets forth the understanding of Ventura Local Agency Formation Commission.

By: _____

Title: _____

Date: _____

YANARI WATSON MCGAUGHEY P.C.

DALE M. YANARI (1947-2004) ◆ RANDY S. WATSON ◆ G. LANCE MCGAUGHEY
FINANCIAL CONSULTANTS/CERTIFIED PUBLIC ACCOUNTANTS

System Review Report

May 25, 2012

To the Partners of
Vavrinek, Trine, Day & Co., LLP
and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Vavrinek, Trine, Day & Co., LLP (the firm) applicable to non-SEC issuers in effect for the year ended December 31, 2011. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards* and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of Vavrinek, Trine, Day & Co., LLP applicable to non-SEC issuers in effect for the year ended December 31, 2011, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass, pass with deficiency(ies)* or *fail*. Vavrinek, Trine, Day & Co., LLP has received a peer review rating of pass.

Yanari Watson McGaughey P.C.

Yanari Watson McGaughey P.C.

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VENTURA LOCAL AGENCY FORMATION COMMISSION
STAFF REPORT
Meeting Date: October 21, 2015

TO: LAFCo Commissioners

FROM: Kai Luoma, Executive Officer

SUBJECT: Agricultural Mitigation Workshop – Follow up

RECOMMENDATION:

Direct staff as appropriate.

BACKGROUND:

On September 10, 2015, the Commission held a special meeting/workshop regarding agricultural mitigation. The purpose of the workshop was to receive information regarding LAFCo's role in the preservation of agricultural lands, the conversion of agricultural lands in the County, and the various forms of mitigation that might be available should the Commission consider the development of agricultural mitigation policies.

DISCUSSION:

Following is a brief summary of the discussion that occurred at the workshop.

1. ***Ventura LAFCo Responsibilities Regarding Preservation of Agricultural Land*** (see Attachment 1: Presentation materials from Kai Luoma, Executive Officer, Ventura LAFCo)

   The Ventura LAFCo has adopted policies pertaining to the evaluation of proposals that would result in the conversion of agricultural land, but has not adopted specific agricultural mitigation policies. For example, Ventura LAFCo Commissioner's Handbook (Handbook) Section 3.3.5.1 provides that in order for the Commission to approve a proposal for the conversion of prime agricultural land to other uses, it must find that "the proposal will lead to planned, orderly, and efficient development." To make that finding, the Commission must determine that:

COMMISSIONERS AND STAFF

COUNTY:	CITY:	DISTRICT:	PUBLIC:
Linda Parks	Carl Morehouse, Vice Chair	Bruce Dandy	Lou Cunningham, Chair
John Zaragoza	Janice Parvin	Elaine Freeman	
Alternate:	*Alternate:*	*Alternate:*	*Alternate:*
Steve Bennett	Carmen Ramirez	Mary Anne Rooney	David J. Ross
Executive Officer	**Analyst**	**Office Manager/Clerk**	**Legal Counsel**
Kai Luoma, AICP	Andrea Ozdy	Richelle Beltran	Michael Walker

- the territory is contiguous to other developed land.
- the territory is likely to be developed within five years.
- insufficient non-prime agricultural or vacant land exists within the existing boundaries of the agency.
- the territory involved is not subject to voter approval for the extension of services or for changing of general plan land use designations.
- the proposal will have no significant adverse effects on the physical and economic integrity of other prime agricultural or open space lands.

In addition, the Ventura LAFCo has adopted several general policies pertaining to changes of organization and reorganization that are intended to preserve agricultural land:

- *Consistency With Ordinances Requiring Voter Approval: For cities that have enacted ordinances that require voter approval for the extension of services or for changing general plan designations, LAFCo will not approve a proposal unless it is consistent with such ordinances and voter approval has first been granted, or unless exceptional circumstances are shown to exist.* (Handbook Section 3.2.4.2)

- *Guidelines for Orderly Development: LAFCo encourages proposals that involve urban development or that result in urban development to include annexation to a city wherever possible. In support of this policy LAFCo has adopted Guidelines for Orderly Development, the policies of which are incorporated by reference.* (Handbook Section 3.2.4.3)

- *Greenbelts: The County of Ventura and various cities in the County have adopted Greenbelt Agreements for the purposes of preserving agriculture and/or open space, providing separation between cities, and/or limiting the extension of urban services. The Ventura LAFCo is not a direct party to these Greenbelt Agreements, but has endorsed them as statements of local policy. As such, LAFCo will not approve a proposal from a city that is in conflict with any Greenbelt Agreement unless exceptional circumstances are shown to exist. LAFCo encourages that Greenbelt Agreements be amended by all parties involved prior to the filing of any proposal that may be in conflict with the Agreements.* (Handbook Section 3.2.4.4)

The adopted policies guide the Commission's actions regarding a proposal. However, they provide direction and guidance to applicants or the Commission regarding the *preservation* of, not *mitigation* for expected conversion or loss of, agricultural land.

2. ***California Environmental Quality Act (CEQA) Requirements Regarding Feasible Mitigation for Conversion of Agricultural Land*** (see Attachment 2: Presentation Materials from Michael Walker, Ventura LAFCo Legal Counsel/Chief Assistant County Counsel)

The presentation made by LAFCo legal counsel at the workshop documented that CEQA requires that public agencies are not to approve projects unless feasible (and available) mitigation measures are included to substantially lessen the significant environmental effects of such projects. Pursuant to the CEQA Guidelines, *mitigation* is defined in the CEQA Guidelines to include compensation for an impact by "replacing or providing substitute resources or environments" and *feasible* is defined as "capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, legal, social, and technological factors."

In order to comply with CEQA requirements regarding mitigation for conversion or loss of agricultural land, several mitigation options have been identified as being legitimate forms of mitigation to be evaluated in environmental documents: (1) "no project" alternative to a project, (2) agricultural conservation easements (perpetual limitation on land use for the purpose of retaining land predominantly in its natural, scenic, historical, agricultural, forested, or open-space condition), and (3) in-lieu fees that are paid to an organization that has the primary purpose to preserve land in agricultural use or a purpose to conserve agricultural lands.

Case law has addressed the issue of feasibility and appropriateness of agricultural conservation easements and in-lieu fees.

The presentation included conclusions that:

- Lead agencies must consider agricultural conservation easements and in-lieu fees as potential mitigation measures for a project involving the direct loss of farmland.
- A lead agency's lack of a comprehensive farmland mitigation program is immaterial to the feasibility of in-lieu fees as a potential mitigation measure.
- A lead agency is not necessarily required to adopt agricultural conservation easements or in-lieu fees as mitigation measures for a project involving the direct loss of farmland. Economic feasibility will be a key consideration.
- At best, agricultural conservation easements or in-lieu fees will only partially mitigate the conversion of farmland.

3. ***Agricultural Land Conversion in Ventura County*** (see Attachment 3: Presentation Materials from Henry Gonzales, Ventura County Agricultural Commissioner)

The presentation made by the Ventura County Agricultural Commissioner identified several tools used in Ventura County to preserve agricultural resources:

- Ventura County General Plan policies to preserve agricultural resources.
- 40-acre minimum lot size for *Agricultural-Exclusive* zoned land in the County to maintain agricultural parcels of a commercially viable size.
- Five percent maximum lot coverage for land designated *Agricultural* in the County General Plan.
- Right-to-Farm ordinance to protect agriculturalists from complaints by urban neighbors.
- The Guidelines for Orderly Development to encourage urban development to occur within cities.
- Greenbelt agreements to preserve separation between cities.
- Save Open-Space and Agricultural Resources (SOAR) ordinances to require voter approval prior to conversion of protected land to non-agricultural or non-open space uses.
- LAFCo policies to preserve agricultural resources.
- California Land Conservation Act (also known as the Williamson Act) to provide tax benefits to agriculturalists in exchange for a promise to keep agricultural land in agricultural uses.

<u>Additional discussion regarding farmland conversion</u>

The aforementioned tools are intended to preserve agricultural resources. However, they do not preclude the conversion of agricultural land and, in fact, make allowances for such conversion. Mitigation would apply to land that is subject to conversion. As discussed below, several thousand acres of agricultural land has been converted to non-agricultural uses in recent years.

Total farmland conversion: Based on the discussion at the workshop, the Commission desired additional information regarding the rate of farmland conversion in Ventura County. According the State Department of Conservation's Division of Land Resource Protection, from 1984-2012 a total of 13,588 acres of important farmland and 14,913 acres of grazing land has been converted to non-agricultural uses in Ventura County, as shown in the following table:

Ventura County 1984-2012 Land Use Summary – Farmland Mapping and Monitoring Program – California Department of Conservation		
Type of Farmland	**1984-2012 Net Acreage Changed**	**Average Annual Acreage Change**
Prime	-15,568	-556
Statewide Importance	-6,580	-235
Unique	5,747	205
Local Importance	2,813	100
Important Farmland Subtotal	**-13,588**	**-485**
Grazing Land	-14,913	-533
Agricultural Land Total	**-28,501**	**-1,018**

LAFCo-approved farmland conversion: Since 2000, LAFCo has approved 26 annexations to cities that have, or are anticipated to, result in the conversion of approximately 1,350 acres of prime farmland.

4. ***Mitigation Options*** (see Attachment 4: Materials Presented by John Lowrie, Assistant Director, California Department of Conservation, and Attachment 5: Materials Presented by E.J. Remson, Senior Program Manager, The Natural Conservancy)

The presentation made by the Assistant Director of the California Department of Conservation included information regarding eligibility requirements for entities to receive mitigation land for protection or stewardship of natural resources. In addition, various mitigation methods were discussed, including:

- Agricultural conservation easements.
- Agricultural land mitigation banks and credits.
- In lieu fees.
- Fee title (transfer of ownership to a conservation organization).
- Fee payments or agreements towards future conservation easements or fee title.

The presentation made by the Senior Program Manager of The Nature Conservancy included discussion on how various mitigation methods work and the potential benefits to the landowners.

5. ***Case Studies: How agricultural mitigation policies have worked for other LAFCos*** (see Attachment 6: materials presented by Marjorie Blom, retired Executive Officer for Stanislaus LAFCo. See also Attachment 7 for additional materials regarding the mitigation policies for San Luis Obispo, Santa Clara, and Yolo LAFCos)

   The former Executive Officer for Stanislaus LAFCo discussed that LAFCo's agricultural mitigation policies. Due to time constraints, the materials prepared on the mitigation policies for other LAFCos were not presented at the workshop, but are included in Attachment 7.

Attachments:

1. Kai Luoma PowerPoint Presentation
2. Michael Walker PowerPoint Presentation
3. Henry Gonzales PowerPoint Presentation
4. John Lowrie PowerPoint Presentation
5. E.J. Remson PowerPoint Presentation
6. Marjorie Blom PowerPoint Presentation
7. Kai Luoma PowerPoint Presentation

VENTURA LOCAL AGENCY FORMATION COMMISSION

Overview of LAFCo's Responsibilities Pertaining to Preservation of Agricultural Land

VENTURA LOCAL AGENCY FORMATION COMMISSION

What does LAFCo law say about preserving agricultural lands?

Govt. Code 56301

Among the purposes of a commission are discouraging urban sprawl, preserving open-space and prime agricultural lands, efficiently providing government services, and encouraging the orderly formation and development of local agencies based upon local conditions and circumstances.

Govt. Code 56377

In reviewing and approving or disapproving proposals…development or use of land for other than open-space uses shall be guided away from existing prime agricultural lands in open-space use toward areas containing nonprime agricultural lands…

Govt. Code 56668

Factors to be considered in the review of a proposal shall Include…The effect of the proposal on maintaining the physical and economic integrity of agricultural lands

VENTURA LOCAL AGENCY FORMATION COMMISSION

What is "prime agricultural land"?

Govt. Code 56064

"Prime agricultural land" means an area of land, whether a single parcel or contiguous parcels, that has not been developed for a use other than an agricultural use and that meets any of the following qualifications:

a) Land that qualifies, if irrigated, for rating as class I or class II in the USDA Natural Resources Conservation Service land use capability classification, whether or not land is actually irrigated, provided that irrigation is feasible.

b) Land that qualifies for rating 80 through 100 Storie Index Rating.

Govt. Code 56064 (cont.)

c) Land that supports livestock used for the production of food and fiber and that has an annual carrying capacity equivalent to at least one animal unit per acre as defined by the United States Department of Agriculture in the National Range and Pasture Handbook, Revision 1, December 2003.

Govt. Code 56064 (cont.)

d) Land planted with fruit or nut-bearing trees, vines, bushes, or crops that have a nonbearing period of less than five years and that will return during the commercial bearing period on an annual basis from the production of unprocessed agricultural plant production not less than four hundred dollars ($400) per acre.

e) Land that has returned from the production of unprocessed agricultural plant products an annual gross value of not less than four hundred dollars ($400) per acre for three of the previous five calendar years.

VENTURA LOCAL AGENCY FORMATION COMMISSION

Where is the prime agricultural land in Ventura County?

It could be anywhere…

Any undeveloped area can be Prime Agricultural Land:

- Can be of any size. There is no minimum parcel size.
- Can have any general plan land use designation and zoning.
- Can be in a city or unincorporated area.
- Can be vacant land not being used for agriculture.

VENTURA LOCAL AGENCY FORMATION COMMISSION

How does Ventura LAFCo evaluate proposals that involve the conversion of prime agricultural land?

Govt. Code 56300 (a)

It is the intent of the Legislature that each commission…shall establish written policies and procedures and exercise its powers…in a manner consistent with those policies and procedures and that encourages and provides planned, well-ordered, efficient urban development patterns with appropriate consideration of preserving open-space and agricultural lands within those patterns.

Ventura LAFCo Commissioner's Handbook

Division 4 – Spheres of Influence
- Section 4.3.2 Agricultural and Open Space Preservation

Division 3 – Changes of Organization and Reorganization
- Section 3.3.5 Agricultural and Open Space Preservation

Findings for Ventura LAFCo Sphere of Influence Amendments and Updates

LAFCo will approve sphere of influence amendments…only if the Commission finds that the amendment or update will lead to **planned, orderly, and efficient development**."

- likely to be developed within 5 years and designated for nonagricultural or open space use by applicable general and specific plans
- Insufficient non-prime agricultural or vacant land exists within the sphere of influence of the agency
- no significant adverse effects on the physical and economic integrity of other prime agricultural or existing open space lands
- not within an area subject to a Greenbelt Agreement adopted by a city and the County of Ventura
- consistent with local plan and policies

Handbook Section 4.3.2.1

Findings for Ventura LAFCo Proposals

LAFCo will approve a proposal "which is likely to result in the conversion of prime agricultural or existing open space land use to other uses only if the Commission finds that the proposal will lead to **planned, orderly, and efficient development**."

- contiguous to either lands developed with an urban use or lands which have received all discretionary approvals for urban development
- likely to be developed within 5 years and has been pre-zoned for nonagricultural or open space use
- insufficient non-prime agricultural or vacant land exists within the existing boundaries of the agency
- not subject to voter approval for the extension of services or for changing general plan land use designations
- no significant adverse effects on the physical and economic integrity of other prime agricultural or existing open space lands

Handbook Section 3.3.5.1

VENTURA LOCAL AGENCY FORMATION COMMISSION

Questions?

Ventura Local Agency Formation Commission

Overview of CEQA requirements with respect to feasible mitigation for conversion of agricultural land

Presentation by Michael G. Walker
Ventura LAFCo Legal Counsel
September 10, 2015

2

"[I]t is the policy of the state that public agencies should not approve projects as proposed if there are . . . *feasible mitigation measures* available which would *substantially lessen* the significant environmental effects of such projects . . ." (CEQA, § 21002, italics added.)

3

"An EIR *shall* describe feasible measures which could *minimize* significant adverse impacts . . ." (CEQA Guidelines, § 15126.4, subd. (a)(1), italics added.)

4

"'Mitigation' includes . . . [c]ompensating for the impact by replacing or providing substitute resources or environments." (CEQA Guidelines, § 15370, subd. (e).)

5

"'Feasible' means capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, legal, social, and technological factors." (CEQA Guidelines, § 15364.)

Types of Feasible Mitigation for Conversion of Farmland

6

- No project
- Agricultural conservation easements (ACEs)
- In-lieu fees

Agricultural Conservation Easements (ACEs) under the Civil Code

7

"The Legislature finds and declares that the preservation of land in its natural, scenic, *agricultural*, historical, forested, or open-space condition is *among the most important environmental assets of California*. The Legislature further finds and declares it to be the public policy and in the public interest of this state to *encourage the voluntary conveyance of conservation easements* to qualified nonprofit organizations." (Civ. Code, § 815, italics added.)

Agricultural Conservation Easements (ACEs) under the Civil Code

8

"For the purposes of this chapter, 'conservation easement' means any limitation [perpetual in duration] in a deed, will, or other instrument in the form of an easement, restriction, covenant, or condition, which is or has been executed by or on behalf of the owner of the land subject to such easement and is binding upon successive owners of such land, and *the purpose of which is to retain land predominantly in its natural, scenic, historical, agricultural, forested, or open-space condition*." (Civ. Code, §§ 815.1, italics added, 815.2, subd. (b).)

Agricultural Conservation Easements (ACEs) under the Public Resources Code

9

"Agricultural conservation easement" "means an interest in land . . . *which represents the right to prevent the development or improvement of the land, as specified in Section 815.1 of the Civil Code, for any purpose other than agricultural production*. . . . It shall be granted in perpetuity . . . ." (Pub. Resources Code, § 10211, italics added.)

In-Lieu Fees

10

In lieu of acquiring an ACE, a project proponent, as a mitigation measure, pays a fee to an organization that "has as its primary purpose the preservation . . . of land in its . . . agricultural . . . use" (Civ. Code, § 815.3, subd. (a)) or "has among its purposes the conservation of agricultural lands" (Pub. Resources Code, § 10221).

Issues

11

- In the CEQA process, to what extent should – or must – a public agency *consider* an agricultural conservation easement or in-lieu fee to mitigate conversion of farmland?
- In the CEQA process, to what extent should – or must – a public agency *adopt* an agricultural conservation easement or in-lieu fee as a mitigation measure in approving a project that converts farmland?

Cherry Valley Pass Acres & Neighbors v. City of Beaumont (2010) 190 Cal.App.4th 316

12

Specific plan to build 560 residential units on a 200-acre site "long used for agricultural purposes." EIR challenged under CEQA.

Cherry Valley Pass Acres & Neighbors v. City of Beaumont (2010) 190 Cal.App.4th 316

13

- Challengers contended that there was no evidence to support the EIR determination that the specific plan's adverse impacts on agricultural land uses "could not be feasibly mitigated because such land uses were no longer economically feasible."
- The court of appeal disagreed.

Cherry Valley Pass Acres & Neighbors v. City of Beaumont (2010) 190 Cal.App.4th 316

14

- The court held that substantial evidence supported the EIR's rejection of agricultural conservation easements and similar mitigation measures as economically infeasible because the pace of urban development in the area made long-term farming no longer financially viable.
- "Given these circumstances, the EIR properly treated any offsite land purchases, agricultural easements, Williamson Act contracts, and similar mitigation measures as *facially* infeasible and properly declined to analyze them in any detail."

Citizens for Open Government v. City of Lodi (2012) 205 Cal.App.4th 296

15

- Project for proposed Wal-Mart shopping center involving conversion of approximately 40 acres of prime farmland. EIR challenged under CEQA.

Citizens for Open Government v. City of Lodi (2012) 205 Cal.App.4th 296

16

The EIR stated:

- "[N]o mitigation is available which would reduce [the farmland loss] *to a less-than-significant level* except an outright prohibition of all development on prime agricultural lands." (Italics added.)
- "[I]t is not feasible to *fully* mitigate for the loss of prime farmland, short of denying all proposed development projects." (Italics added.)
- It is not feasible to fully mitigate for the loss of prime farmland because "the land 'once converted, loses its character as agricultural land and is removed from the stock of agricultural land.'"

Citizens for Open Government v. City of Lodi (2012) 205 Cal.App.4th 296

17

- The city adopted a statement of overriding considerations as to the loss of farmland but . . . .
- In the statement of overriding considerations, the city explained that while there were "'no feasible mitigation measures available that would avoid the significant loss of agricultural land if the project wa[s] implemented, . . . *[t]he acquisition of an off-site agricultural conservation easement would provide* ***partial*** *mitigation*.'" (Italics and boldface added.)

Citizens for Open Government v. City of Lodi (2012) 205 Cal.App.4th 296

18

- The city thus required the applicant to obtain an ACE over 40 acres of prime farmland, amounting to a 1:1 ratio.
- The challenger urged the city to require a 2:1 ratio, arguing that the city's rejection of the 2:1 ratio was not supported by substantial evidence.

Citizens for Open Government v. City of Lodi (2012) 205 Cal.App.4th 296

19

- The court of appeal rejected both the challenger's argument and its framing of the issue: "[T]he question is not whether there was 'substantial evidence' to support the rejection of a "heightened [2:1] mitigation ratio,' but rather, whether the finding there were no feasible mitigation measures was supported by substantial evidence."

Citizens for Open Government v. City of Lodi (2012) 205 Cal.App.4th 296

20

- The court of appeal found that "substantial evidence supported the finding there were no feasible mitigation measures."
- "Since the *Lodi* court expressly recognized that the ACE requirement would mitigate a significant impact, it is clear the court intended the phrase 'there were no feasible mitigation measures' to mean there were no feasible mitigation measures that would reduce the project's impact to a level of insignificance." (*Friends of the Kings River v. County of Fresno* (2014) 232 Cal.App.4th 105.)
- Indeed, the court of appeal recognized that the ACE "would minimize and substantially lessen the significant effects of the proposed project."

Masonite Corp. v. County of Mendocino (2013) 218 Cal.App.4th 230

21

- Project for sand and gravel quarry on land zoned industrial but involving conversion of 45 acres of prime farmland. EIR challenged under CEQA. The court opinion addressed both ACEs and in-lieu fees.

Masonite Corp. v. County of Mendocino (2013) 218 Cal.App.4th 230 – ***ACEs***

22

- The EIR – unlike the EIR in *City of Lodi* – did not analyze ACEs as mitigation for the loss of farmland because it concluded that ACEs could not mitigate for the loss because they would "'not replace the on-site resources.'"
- . . . because, "while ACEs can be used to mitigate a project's indirect and cumulative effects on agricultural resources, they do not mitigate its direct effect on those resources."
- The court of appeal disagreed.

Masonite Corp. v. County of Mendocino (2013) 218 Cal.App.4th 230 – ***ACEs***

23

- "We conclude that ACEs may appropriately mitigate the direct loss of farmland when a project converts agricultural land to a nonagricultural use, even though an ACE does not replace the onsite resources."
- "To categorically exclude ACEs as a means to mitigate the conversion of farmland would be contrary to one of CEQA's important purposes ["the preservation of agricultural lands"]. . . . ACEs should not 'be removed from agencies' toolboxes as available mitigation' for this environmental impact."
- "The economic feasibility of offsite ACEs to mitigate [a project's] impact on the loss of . . . prime farmland must be explored."

Masonite Corp. v. County of Mendocino (2013) 218 Cal.App.4th 230 – ***In-Lieu Fees***

24

- The EIR did not consider in-lieu fees – payable to an organization whose purposes include the acquisition and stewardship of ACEs – as a mitigation measure because the County believed "it was legally precluded from accepting in-lieu fees because it does not have a comprehensive farmland mitigation program."
- Again, the court of appeal disagreed.

Masonite Corp. v. County of Mendocino (2013) 218 Cal.App.4th 230 – ***In-Lieu Fees***

25

- "Whether the County lacks a comprehensive farmland mitigation program is immaterial [to the feasibility of in-lieu fees to be paid to a third party involved in acquiring and overseeing ACEs], and does not explain why in-lieu fees are not feasible mitigation. . . . This issue requires further analysis in the EIR."

***Friends of the Kings River v. County of Fresno* (2014) 232 Cal.App.4th 105**

26

- Project for aggregate mine and related processing plants involving permanent conversion of 600 acres of farmland. EIR challenged under CEQA.

***Friends of the Kings River v. County of Fresno* (2014) 232 Cal.App.4th 105**

27

- The EIR considered ACEs as mitigation for the loss of farmland, but the County ultimately selected other mitigation measures:
  - The current agricultural use of the project site was required to continue until the land was prepared for mining activities.
  - The applicant was required to ensure that 602 acres within the project site were maintained as an agricultural buffer zone for the life of the CUP, estimated at 100 years.
  - The applicant was required to reclaim mine cells to farmland as adequate materials were generated to fill the empty mine cells.

***Friends of the Kings River v. County of Fresno* (2014) 232 Cal.App.4th 105**

28

- The challenger argued that these were not mitigation measures and that the "failure to require compensatory mitigation [i.e., ACEs] is a violation of law."
- The court of appeal disagreed.

***Friends of the Kings River v. County of Fresno* (2014) 232 Cal.App.4th 105**

29

- While the *Masonite* court held that "ACEs may mitigate the direct loss of farmland" and that a lead agency errs by failing to consider ACEs as a potential mitigation measure for such a direct loss . . .
- "We do not read *Masonite*, however, to stand for the proposition that CEQA *requires* the use of ACEs as a mitigation measure in every case where ACEs are economically feasible and the project causes the loss of farmland."
- "We decline to hold that County was required to adopt ACEs as a mitigation measure instead of the mitigation measures it did adopt."

***City of Irvine v. County of Orange* (June 12, 2015) 238 Cal.App.4th 526**

30

- Project to expand an Orange County jail facility, formerly an "honor farm," resulting in the conversion of 65 acres of farmland (previously farmed by inmates but no longer farmed because it is cost-prohibitive). EIR challenged under CEQA.

City of Irvine v. County of Orange (June 12, 2015) 238 Cal.App.4th 526

31

- The EIR discussed seven possible mitigation measures for the loss of the agricultural land, including ACEs. None of the proffered measures were found feasible.
- The challenger argued that the EIR "inadequately demonstrated that the loss of agricultural land as part of the project could not be mitigated," including by the purchase of ACEs.
- The court of appeal disagreed.

City of Irvine v. County of Orange (June 12, 2015) 238 Cal.App.4th 526

32

- "Preliminarily," the court noted that "the cost of raw land in Orange County is exorbitant, so finding 65 acres . . . to replace farmland that, up to 2009, was farmed by inmates trying to work off jail time, is cost-prohibitive."
- The EIR "more than adequately documented that the cost of land near the project site was $2 million per acre in 2012, and that was prior to the recovery from the Great Recession. (And the County average exceeds $308,000 per acre.) But agriculture is not competitive if the cost of land exceeds $60,000. Replacing what used to be farmed at the Musick Facility can't be done at anything near a reasonable price."
- "*The proposed mitigation measures must necessarily be viewed in the light of that overarching fact.*" (Italics added.)

City of Irvine v. County of Orange (June 12, 2015) 238 Cal.App.4th 526

33

- "Even in the Central Valley, there are times when agricultural conservation easements or 'ACEs' are not feasible, as recently shown in *Friends of Kings River v. County of Fresno*. . . . And if . . . ACEs do not replace lost farmland in the Central Valley, they certainly are not going to do so in Orange County."

City of Irvine v. County of Orange (June 12, 2015) 238 Cal.App.4th 526

34

- "In Orange County, the sheer astronomical expense of land supports the finding of [the EIR] that *the purchase of ACEs is a non-starter*." (Italics added.)
- "Owners of what little agricultural land is left know the value of that land if developed. The reasonable inference is that the purchase of a conservation easement means paying a large percentage of the market value of the land, so much so that this mitigation measure would be the functional equivalent of trying to buy land not already in agricultural use and convert it to agricultural use."

City of Irvine v. County of Orange (June 12, 2015) 238 Cal.App.4th 526

35

- "[C]onservation easements have historically only worked in counties where the general plan and zoning laws already set aside land for exclusive agricultural use, and Orange County has no land use designations requiring land to be devoted exclusively to agricultural purposes."

So where are we?

36

- Under CEQA, a lead agency must consider ACEs and in-lieu fees as potential mitigation measures for a project involving the direct loss of farmland.
- Under CEQA, a lead agency's lack of a comprehensive farmland mitigation program is immaterial to the feasibility of in-lieu fees as a potential mitigation measure.
- But, under CEQA, a lead agency is not necessarily required to adopt ACEs or in-lieu fees as mitigation measures for a project involving the direct loss of farmland. Economic feasibility will be a key consideration.
- At best, ACEs or in-lieu fees will only partially mitigate the conversion of farmland.

AGRICULTURAL LAND CONVERSION IN VENTURA COUNTY IN RECENT YEARS

Henry S. Gonzales
Ventura County
Agricultural Commissioner

Outline

- Ventura County
- Existing Mitigations
- Impacts on Agriculture
- Rate of Ag Land Conversion
- Recap

Ventura County

- Mediterranean type climate
- "...absolute most desirable place to live..."
- Deep, rich soils
- Variable climate
- Independent water supply

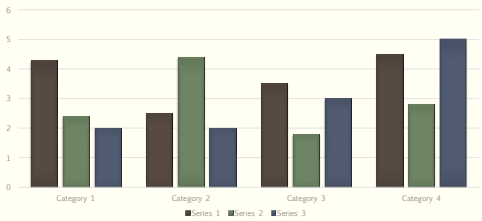
Existing Mitigations

- Ventura County General Plan
- LAFCO Policies
- Right-to-Farm ordinance
- S.O.A.R.
- Guidelines for Orderly Development
- CA Land Conservancy Act
- Mitigated Negative Declaration
- Greenbelts
- 40 acre Ag Exclusive minimum lot size
- 5% maximum lot coverage

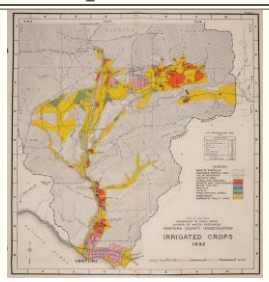
Impacts on Agriculture

- $2,094,915,000 in 2013
- 190,434 acres of cropland
- >50 crops generate over million
- Top Ten County
- Future

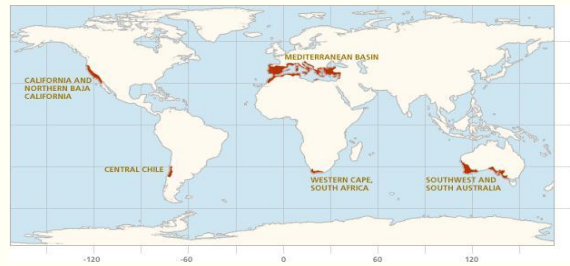
Rate of Ag Land Conversion



Irrigated Crops 1932



Recap



Agricultural Mitigation Tools and Effective Measures

Guiding legislation:

Senate Bill 436 and 1094 (Kehoe)*

- **Any non-profit holding the mitigation land must be qualified under 501 (c)(3) and have its primary purpose be protection or stewardship of natural resources.**
- **Allows selected entities to hold the endowment and title to the mitigation land (e.g., special district)**
- **Authorizes state and local agencies to require endowments to manage mitigation lands.**
- **Requires a state or local agency to exercise due diligence in reviewing the qualifications of a special district or non profit organization to effectively manage and steward land, water, or natural resources, as well as accompanying funds (endowment funds to steward the lands used as mitigation).**

*Government Code Sections 65965 et al

Effective Farmland Mitigation Measures include:

- **Reasoning for the mitigation using enforceable language**
- **Mitigation ratios and required number of acres to be preserved.**
  - **1:1 ratio at a minimum**
- **Specific farmland type to be preserved according to the most current California Farmland Mapping and Monitoring Program Important Farmland Maps (e.g., Prime, Farmland of Statewide Importance, Unique Farmland)**
  - **if multiple types of farmland are to be mitigated for, the required mitigation acreage for each type of farmland needs to be identified**
- **Identification of related resources such as water necessary for agriculture to be protected.**

Effective Farmland Mitigation Measures include:

- **Identification of the mitigation method to be used:**
  - **Agricultural Conservation Easement**
    - **Requires perpetuity(Government Code 65966, Civil Code Section 815,)**
  - **Agricultural Land Mitigation Bank and Credits**
    - **Results in conservation easement or fee-title protected land.**
  - **In Lieu Fees**
    - **Requires formal local government program- policies and ordinance**
  - **Fee Title**
    - **Requires legal mechanism to document intent for conservation of agricultural lands**
  - **Fee Payment or Agreement (MOU) towards a future conservation easement or fee-title conserved in perpetuity.**

Effective Farmland Mitigation Measures include:

- **Identification of the geographic area where mitigation is to be located.**
  - **Consider use of general locations (e.g., county) instead of distinct boundaries (e.g., adjacent to a subdivision) to avoid escalating market value of mitigation lands.**
  - **Consider nexus connection requirements (Dolan/Nollan rules)**
- **Identify roles and responsibilities of county/city/agency, project proponent and mitigation holder for implementing and completing the mitigation.**
- **Identify related costs that need to be included in order to complete the final mitigation method (e.g., stewardship endowments, associated costs to complete conservation easement- appraisals, title policy, closing costs).**
- **Sufficient information to verify that the measure is feasible.**

Agricultural Conservation Easements

Governed by Civil Code Sections 815-816
Have been used in Ventura and many other counties. TNC, AFT, etc.

How do they work?

- Mitigation requirement is determined by lead agency.
- Developer seeks willing landowners to purchase development rights from.
- Price is negotiated between parties.
- Landowner sells development rights but retains fee ownership other rights.
- Development rights are retired.
- Landowner can farm, sell, borrow against the land as they did before.
- An Ag Conservation Easement is recorded on the property.
- 100% voluntary participation by seller.

Benefits to Landowner:

- It is a new market for landowners.
- Cash without debt.
- Solves some estate issues.
- Continue to benefit from rising land values.

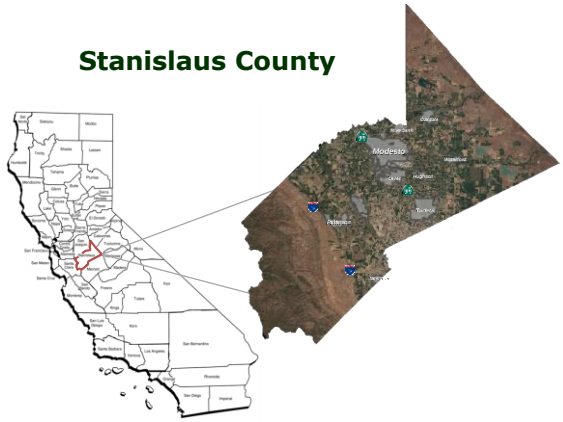
Easement Holders:

- Ventura land trusts. Ag conservation organization?
- Will require funds to monitor easement, insurance, etc. from developer.

Stanislaus LAFCO's Agricultural Preservation Policy

September 10, 2015

Stanislaus County



Setting

- Unincorporated Areas:
  - Measure E: requires vote of the people for change from agricultural to residential zoning
  - County Ag Element requires 1:1 mitigation for conversion of ag to residential designations
- Cities (via the Mayors' Group):
  - Attempted to adopt urban growth boundaries

Policy Development

- Commission was in agreement regarding the following:
  - Applicants needed to better address the loss of agricultural lands in their proposals (beyond a "Statement of Overriding Considerations")
  - A written policy should be adopted to communicate these expectations

Policy Development

- Seeking inspiration: Commission looked at its existing policies, other LAFCOs, & legislative authority
- Commission could not agree on a <u>single</u> method or strategy for ag preservation
- Early interest in a "Plan for Services" concept

Final Product

- Policy requires applicants to prepare a "Plan for Agricultural Preservation"
  - Plan <u>shall</u> include:
    - Detailed analysis of direct/indirect impacts to ag lands
    - Vacant land inventory & absorption study
    - Method or strategy proposed to minimize the loss of ag lands.

(See Section A of the Policy for entire list.)

Menu of Ag Pres. Strategies

- The Commission encourages the use of one or more of the following strategies:
  - For SOIs: removal of ag lands in ex. SOI order to offset an SOI expansion
  - 1:1 mitigation (may select to do 1:1 for residential only)
  - Voter-approved urban growth boundary

Commission's Determinations

- Insufficient alternative land is available & growth has been directed away from prime lands where possible
- For SOIs--additional territory will not exceed the 10 & 20-year timeframes
- For Annexations--that development is imminent

Commission's Determinations

- Loss of ag lands has been minimized based on the selected ag preservation strategy
- Proposal will result in planned, orderly, and efficient use of land & services
- For proposals using ag mitigation lands--minimum criteria must be met

In Practice

Modesto Example:	*Patterson Example:*
▪ 84-acre residential development ▪ Within City's SOI ▪ Majority considered prime farmland ▪ Item continued for revised Plan for Ag Preservation	▪ 1,119-acre SOI expansion & annexation proposal ▪ For 13.47 million sf of industrial / commercial uses ▪ Majority considered prime farmland
▪ Approved w/ revised Plan including 1:1 mitigation	▪ Approved (*without* one of the preferred strategies)

Latest Ag Pres. Efforts

- *City of Hughson* - 2:1 mitigation req. for conversion of ag to residential use
- *City of Newman* - Urban Growth Boundary will go to voters in Nov. 2014
- *City of Modesto* - Group collecting signatures for "Stamp Out Sprawl" initiative (urban limit & residential limit)
- *City of Oakdale* - Two specific plans using 1:1 mitigation for residential
- *Ag pres. policies being incorporated into General Plan Updates*

Policy Development Tips

- Create "defensible space" with the policy language
  - Identify sources (e.g. CKH, existing policies, other "tested" language)
  - Maintain internal consistency

(See "Staff's Notes" handout)

Policy Development Tips

- Include determinations that directly tie to State law & LAFCO's purpose
- Tell the complete "story" in the Commission's actions and resolution

Policy Development Tips

- Stanislaus Policy as a Model
  - Info required in the Plan for Ag Preservation assists Commission with making determinations
  - Policy language can be strengthened ("encourages" vs. "requires")
  - Menu can be altered to meet an individual LAFCO's preferred method(s) of ag preservation

Contact Stanislaus LAFCO:

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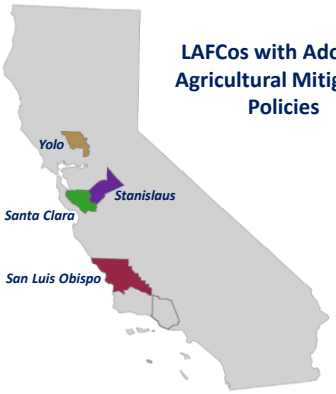
lafco@stancounty.com

VENTURA LOCAL AGENCY FORMATION COMMISSION

Case Studies:
How Agricultural Mitigation Policies
Have Worked for Other LAFCos

LAFCos with Adopted Agricultural Mitigation Policies



San Luis Obispo LAFCo Policy

Mitigation Triggered by:
- Annexation of prime ag land

Mitigation:
- 1:1 mitigation ratio achieved by:
  - Acquisition and dedication of farmlands, development rights, and/or conservation easements
  - In-lieu fee
  - Other

Mitigation Land:
- Permanent protection of similar farmlands
- Within County Planning Area

Santa Clara LAFCo Policy

Mitigation Triggered by:
- Proposals involving conversion of prime ag lands

Mitigation:
- 1:1 mitigation ratio (plus costs) achieved by:
  - Acquisition and dedication of ag land and/or conservation easements
  - In-lieu fee

Mitigation Land:
- Permanent protection of similar prime ag land
- Within County
- Within cities' SOI in area planned for ag

Stanislaus LAFCo Policy

Mitigation Triggered by:
- Proposals involving SOI expansion or annexation to city or special district involving conversion of ag land

Mitigation:
- Plan for Agricultural Preservation:
  - 1:1 mitigation ratio achieved by:
    - Acquisition and dedication of ag land, development rights, and/or conservation easements
    - In-lieu fee
  - Removal of ag lands from existing SOI
  - Voter-approved urban growth boundary

Mitigation Land:
- Permanent protection of similar land
- Irrigation water supply
- Within County
- Not already protected

Yolo LAFCo Policy

Mitigation Triggered by:
- Annexations of prime ag lands

Mitigation:
- 1:1 mitigation ratio (plus costs) achieved by:
  - Acquisition of farmland, development rights, and/or conservation easements
  - In-lieu fee
- Establishment of open space buffers

Mitigation Land:
- Permanent protection of similar prime ag land
- Within County
- Not already protected

Agricultural Mitigation Policy Summary – Comparison of LAFCos

LAFCo	Trigger	Mitigations	Eligibility Criteria for Mitigation Land
San Luis Obispo	**Annexations** of **prime agricultural land**	• **1:1 minimum mitigation ratio** by: ○ **Acquisition/dedication of farmlands, development rights, and/or agricultural conservation easements** ○ **In-lieu fee**	• **Permanent protection of similar farmlands** • **Within the County Planning Area**
Santa Clara	**Proposals** involving the conversion of **prime agricultural lands**	• **1:1 minimum mitigation ratio** (plus costs) by: ○ **Acquisition/dedication of agricultural land, and/or agricultural conservation easements** ○ **In-lieu fee**	• **Permanent protection of prime agricultural land of similar quality and character** • **Within the County** • Within cities' sphere of influence in an area planned for agriculture
Stanislaus	**Proposals** involving a sphere of influence expansion or annexation to a city or special district involving the conversion of **agricultural land**	Plan for Agricultural Preservation: • **1:1 minimum mitigation ratio** by: ○ **Acquisition/dedication of agricultural land, development rights, and/or agricultural conservation easements** ○ **In-lieu fee** • Removal of agricultural lands from existing sphere of influence as an offset • Voter approved urban growth boundary	• **Permanent protection of mitigation land of equal or better soil quality** • **Within the County** • Dependable and sustainable supply of irrigation water • Territory may not be otherwise permanently protected
Yolo	**Annexations** of **prime agricultural land**	• **1:1 minimum mitigation ratio** by: ○ **Acquisition of farmland, development rights, and/or conservation easements** ○ **In-lieu fee** • Establishment of open space buffers	• **Permanent protection of prime agricultural property of reasonably equivalent quality and character** that would otherwise be threatened, in the reasonably foreseeable future, by development and/or other urban uses • **Within the County** • Territory may not already be protected for habitat conservation purposes, or for incompatible purposes

VENTURA LOCAL AGENCY FORMATION COMMISSION

STAFF REPORT

Meeting Date: October 21, 2015

TO: LAFCo Commissioners

FROM: Kai Luoma, AICP, Executive Officer

SUBJECT: Cancellation of the November 18, 2015 Regular Meeting

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RECOMMENDATION:

Cancel the November 18, 2015 regular LAFCo meeting and direct staff to provide notice of cancellation to the County, all cities, independent special districts and other interested parties as required by law.

DISCUSSION:

Due to the fact that there are no pending applications for Commission action as of the date this report was prepared, staff is recommending that the Commission cancel the November meeting. The next scheduled meeting would occur on January 20, 2016.

COMMISSIONERS AND STAFF

COUNTY:	CITY:	DISTRICT:	PUBLIC:
Linda Parks	Carl Morehouse, Vice Chair	Bruce Dandy	Lou Cunningham, Chair
John Zaragoza	Janice Parvin	Elaine Freeman	
Alternate:	*Alternate:*	*Alternate:*	*Alternate:*
Steve Bennett	Carmen Ramirez	Mary Anne Rooney	David J. Ross
Executive Officer:	**Analyst**	**Office Manager/Clerk**	**Legal Counsel**
Kai Luoma, AICP	Andrea Ozdy	Richelle Beltran	Michael Walker