



VENTURA LOCAL AGENCY FORMATION COMMISSION
AGENDA

Wednesday, May 18, 2016

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

CONSENT ITEMS

7. Minutes of the Ventura LAFCo April 20, 2016 Meeting
8. Budget to Actual Report: April 2016

RECOMMENDED ACTION: Approval of Item 7 and Receive and File Item 8

PUBLIC HEARING ITEMS

9. LAFCo 15-10S Ventura County Waterworks District No. 38 (VCWD 38) Municipal Service Review (MSR) and Determination of a Sphere of Influence (SOI)
 - A. Regarding the MSR for VCWD 38, it is recommended that the Commission take the following actions:
 1. Accept the MSR report prepared for VCWD 38, authorize the Executive Officer to make any necessary non-substantive changes to the report, and direct staff to prepare and distribute a final VCWD 38 MSR report to all affected local agencies.
 2. Adopt a Resolution making findings that acceptance of the VCWD 38 MSR report is exempt from the California Environmental Quality Act (CEQA) pursuant to § 15061(b)(3) of the CEQA Guidelines, and approving statements of determinations as required under Government Code § 56430.
 - B. Regarding the determination of the SOI for VCWD 38, it is recommended that the Commission take the following action:
 1. Adopt Resolution LAFCo 15-10S making findings that the determination of the VCWD 38 SOI is exempt from CEQA pursuant to § 15061(b)(3) of the CEQA Guidelines, determining the SOI subject to Government Code § 56426.5(b), and making written statements of its determinations pursuant to Government Code § 56425(e).

RECOMMENDED ACTION: Approval

10. LAFCo Recommended Final Budget and Work Plan for Fiscal Year (FY) 2016-17

Adopt a Resolution approving the Recommended Final Budget as the Final Budget for FY 2016-17 and directing staff to transmit the Final Budget to the County, each city, and each independent special district; and adopting the work plan for FY 2016-17 set forth in the Final Budget.

RECOMMENDED ACTION: Approval

ACTION ITEMS

11. LAFCo 16-04 Out of Agency Service Agreement (OASA) – City of San Buenaventura – RDK Land, LLC

A request for approval of an OASA for water service from the City of San Buenaventura, to be provided outside the City's municipal boundaries for six contractor service and storage yards and an associated caretaker's residence. Certify that the Commission has reviewed and considered the information contained in the Mitigated Negative Declaration prepared by the County as the lead agency; and Adopt Resolution LAFCo 16-04 approving the OASA for the City of San Buenaventura – RDK Land, LLC.

RECOMMENDED ACTION: Approval

12. Commissioner's Handbook Section 1.4.3 – LAFCo as a Responsible Agency

RECOMMENDED ACTION: Direct Staff as appropriate

13. Cancellation of the June 8, 2016 Regular Meeting

RECOMMENDED ACTION: Approval

EXECUTIVE OFFICER'S REPORT

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

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
MEETING MINUTES
 Wednesday, April 20, 2016
 Hall of Administration, Board of Supervisors Hearing Room
 800 S. Victoria Avenue, Ventura CA

OPENING

1. **Call to Order**

Chair Morehouse called the meeting to order at 9:00 a.m.

2. **Pledge of Allegiance**

Chair Morehouse led the pledge of allegiance.

3. **Roll Call**

The following Commissioners were present:

- Commissioner Cunningham
- Commissioner Freeman
- Commissioner Parks
- Commissioner Parvin
- Commissioner Zaragoza
- Chair Morehouse
- Alternate Commissioner Rooney

Alternate member Rooney sat as a voting member due to the absence of special district member Dandy.

4. **Agenda Review**

The Commission reviewed the agenda and made no changes.

5. **Commission Presentations and Announcements**

Chair Morehouse commented that Southern California Association of Governments' General Assembly will be held May 5th and 6th, and urges the Commissioners to attend.

6. **Public Comments**

There were no public comments.

COMMISSIONERS AND STAFF

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

CONSENT ITEMS

Alternate Commissioner Ramirez arrived.

7. Minutes of the Ventura LAFCo March 16, 2016 Regular Meeting
8. Minutes of the Ventura LAFCo March 24, 2016 Special Meeting – Agricultural Mitigation Workshop – Part Two
9. Budget to Actual Report: March 2016

Motion: Approve Items 7 and 8, and Receive and File Item 9
Moved by Elaine Freeman, seconded by John Zaragoza

Vote: Motion carried 7-0

Yes: Lou Cunningham, Elaine Freeman, Linda Parks, Janice Parvin, Mary Anne Rooney, John Zaragoza, and Carl Morehouse

PUBLIC HEARING ITEMS

10. Review and Readopt the LAFCo Fee Schedule for Fiscal Year (FY) 2016-17
Determine that no changes to the current LAFCo Fee Schedule are necessary, and adopt a Resolution to readopt the existing LAFCo Fee Schedule for FY 2016-17.
The Commission held a public hearing.
Kai Luoma presented the Staff Report.

Motion: Approve
Moved by John Zaragoza, seconded by Janice Parvin

Vote: Motion carried 7-0

Yes: Lou Cunningham, Elaine Freeman, Linda Parks, Janice Parvin, Mary Anne Rooney, John Zaragoza, and Carl Morehouse

11. LAFCo Proposed Budget for Fiscal Year (FY) 2016-17
Adopt a Resolution approving the Proposed Budget for FY 2016-17 and directing staff to transmit the Proposed Budget to the County, each city, and each independent special district.
The Commission held a public hearing.
Kai Luoma presented the staff report.

Motion: Approve as Modified: with a notation that the Commission's budget providing for contingencies equaling 10%, per policy, has been adjusted to 5% to reduce the amount of revenue necessary from other governmental agencies
Moved by Elaine Freeman, seconded by John Zaragoza

Vote: Motion carried 7-0

Yes: Lou Cunningham, Elaine Freeman, Linda Parks, Janice Parvin, Mary Anne Rooney, John Zaragoza, and Carl Morehouse

Ventura LAFCo Minutes

April 20, 2016

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ACTION ITEMS

12. Audited Financial Statements for Fiscal Year (FY) Ended June 30, 2015

Receive and File the auditor's Annual Financial Report for FY ended June 30, 2015.

Kai Luoma presented the Staff Report.

Kinnaly Soukhaseum commented.

Motion: Receive and File

Moved by Janice Parvin, seconded by John Zaragoza

Vote: Motion carried 7-0

Yes: Lou Cunningham, Elaine Freeman, Linda Parks, Janice Parvin, Mary Anne Rooney, John Zaragoza, and Carl Morehouse

13. Commissioner's Handbook Section 1.4.3 - LAFCo as a Responsible Agency

Consider options revising the Commission's Administrative Supplement to the California Environmental Quality Act Guidelines (Chapter 4 of Division 1 - Operational Rules & Regulations, of the Commissioner's Handbook) that would encourage lead agencies to consider in their environmental documents mitigation measures for the conversion of prime agricultural land to non-agricultural uses.

Kai Luoma presented the Staff Report.

Henry Gonzales and Lynn Jensen gave public comment.

Motion: Reject all three options

Moved by Mary Anne Rooney, seconded by Elaine Freeman

Vote: Motion failed 1-6

Yes: Mary Anne Rooney

No: Lou Cunningham, Elaine Freeman, Linda Parks, Janice Parvin, John Zaragoza, and Carl Morehouse

Motion: Approve Option 3 as modified: remove "and evaluate"; and return to the Commission with a list of potential mitigation measures to be considered, but not required, by lead agencies to update the Commissioner's Handbook.

Moved by Linda Parks, seconded by John Zaragoza

Motion withdrawn

Motion: Approve Option 3 as modified: remove "and evaluate"

Moved by Elaine Freeman, seconded by Mary Anne Rooney

Vote: Motion carried 7-0

Yes: Lou Cunningham, Elaine Freeman, Linda Parks, Janice Parvin, Mary Anne Rooney, John Zaragoza, and Carl Morehouse

INFORMATIONAL ITEMS

Applications Received:

LAFCo 16-03 OASA City of Thousand Oaks - 115 Acacia Road

LAFCo 16-04 OASA City of San Buenaventura - RDK Land, LLC

EXECUTIVE OFFICER’S REPORT

Kai Luoma informed the Commission that LAFCo 16-04 OASA City of San Buenaventura - RDK Land, LLC application is based on a Mitigated Negative Declaration and requires the Commission's action; and the next LAFCo meeting is May 18, 2016.

COMMISSIONERS’ COMMENTS

Commissioner Freeman commented that she will be attending the California Special Districts Association state conference on May 17 and 18 therefore will not be attending the May 18 LAFCo meeting.

Commissioner Rooney commented that she will be available to attend the May 18 LAFCo meeting in Commissioner Freeman's absence.

ADJOURNMENT

Chair Morehouse adjourned the meeting at 11:00 a.m.

These Minutes were approved on May 18, 2016

Motion: _____

Second: _____

Yes: _____

No: _____

Abstain: _____

Date Carl Morehouse, Chair, Ventura Local Agency Formation Commission



VENTURA LOCAL AGENCY FORMATION COMMISSION

STAFF REPORT

Meeting Date: May 18, 2016

(Consent)

TO: LAFCo Commissioners
FROM: Kai Luoma, Executive Officer
SUBJECT: Budget to Actual Report – April 2016

RECOMMENDATION:

Receive and file the Budget to Actual Report for April 2016 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.

Attachment:

1. Budget to Actual Report, April 2016

COMMISSIONERS AND STAFF

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



BUDGET TO ACTUAL FY 2015-16
YEAR TO DATE ENDING APRIL 30, 2016 (83.33% of year)
Fund O720, Division/Unit 6170

Summary	Budget	Adj. Budget	To Date
Estimated Sources:	678,977	678,977	670,373
Appropriations	678,977	678,977	474,910

Account Number	Title	BUDGET			ACTUAL YTD			Variance Favorable (Unfavorable)	
		Budget	Proposed Adjustments	Adjusted Budget	Actual	Encumbered	Total Revenue/Obligation		
FUND BALANCE									
	Beginning Balance	440,869		440,869	440,868.82		440,868.82	0.00	
5700	Committed	100,000		100,000	100,000.00		100,000.00	0.00	
5950	Unassigned	265,869		265,869	265,868.82		265,868.82	0.00	
5950	Unassigned - Appropriated	75,000		75,000	75,000.00		75,000.00	0.00	
REVENUE									
8911	Investment Income	2,500		2,500	1,166.75		1,166.75	(1,333.25)	47%
9371	Other Governmental Agencies	576,477		576,477	576,477.00		576,477.00	0.00	100%
9790	Miscellaneous Revenue	25,000		25,000	17,729.65		17,729.65	(7,270.35)	71%
	Total Revenue	603,977	0	603,977	595,373.40		595,373.40	(8,603.60)	99%
	TOTAL SOURCES	678,977	0	678,977	670,373.40		670,373.40	(8,603.60)	99%
EXPENDITURES									
1101	Regular Salaries	320,000		320,000	255,674.41		255,674.41	64,325.59	80%
1106	Supplemental Payments	13,000		13,000	10,292.26		10,292.26	2,707.74	79%
1107	Terminations (Buydowns)	15,000		15,000	495.70		495.70	14,504.30	3%
1121	Retirement Contribution	66,500		66,500	48,667.52		48,667.52	17,832.48	73%
1122	OASDI Contribution	20,500		20,500	13,636.82		13,636.82	6,863.18	67%
1123	FICA Medicare	5,500		5,500	3,797.99		3,797.99	1,702.01	69%
1128	Retiree Health Payment 1099	14,500		14,500	15,036.40		15,036.40	(536.40)	104%
1141	Group Insurance	23,500		23,500	18,969.38		18,969.38	4,530.62	81%
1142	Life Insurance for Department Heads and Management	150		150	110.49		110.49	39.51	74%
1143	State Unemployment Insurance	400		400	309.20		309.20	90.80	77%
1144	Management Disability Insurance	2,500		2,500	1,846.22		1,846.22	653.78	74%
1165	Worker Compensation Insurance	2,900		2,900	1,976.13		1,976.13	923.87	68%
1171	401K Plan	12,500		12,500	4,070.58		4,070.58	8,429.42	33%
	Salaries and Benefits	496,950	0	496,950	374,883.10	0.00	374,883.10	122,066.90	75%
2032	Voice Data ISF	2,500		2,500	2,619.58		2,619.58	(119.58)	105%
2071	General Insurance Allocation ISF	2,000		2,000	941.00		941.00	1,059.00	47%
2114	Facilities and Materials Sq. Ft. Allocation ISF	15,000		15,000	12,590.00		12,590.00	2,410.00	84%
2115	Facilities Projects ISF	0		0	545.85		545.85	(545.85)	0%
2116	Other Maintenance ISF	1,000		1,000	144.28		144.28	855.72	14%
2131	Memberships and Dues	7,100		7,100	6,830.00		6,830.00	270.00	96%
2158	Cost Allocation Plan Charges	15,800		15,800	15,761.00		15,761.00	39.00	100%
2163	Books and Publications	500		500	387.23		387.23	112.77	77%
2164	Mail Center ISF	2,500		2,500	1,424.12		1,424.12	1,075.88	57%
2165	Purchasing Charges ISF	100		100	53.40		53.40	46.60	53%
2166	Graphics Charges ISF	500		500	0.00		0.00	500.00	0%
2167	Copy Machine Charges ISF	500		500	18.48		18.48	481.52	4%
2168	Stores ISF	50		50	18.00		18.00	32.00	36%
2179	Miscellaneous Office Expenses	5,500		5,500	4,994.34		4,994.34	505.66	91%
2181	Board and Commission Member Compensation 1099	5,000		5,000	2,800.00		2,800.00	2,200.00	56%
2185	Attorney Services (County Counsel)	22,500		22,500	13,482.25		13,482.25	9,017.75	60%
2199	Other Professional and Specialized Non ISF	15,000		15,000	5,287.00		5,287.00	9,713.00	35%
2202	Information Tech ISF	2,500		2,500	1,446.50		1,446.50	1,053.50	58%
2203	County Geographical Information Systems Expense ISF	21,500		21,500	8,015.99		8,015.99	13,484.01	37%
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	2,236.17		2,236.17	2,763.83	45%
2244	Storage Charges ISF	500		500	270.08		270.08	229.92	54%
2261	Computer Equipment < \$5,000	3,100		3,100	735.13		735.13	2,364.87	24%
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	4,792.89		4,792.89	2,207.11	68%
2292	Travel Expenses (Conferences / Seminars)	19,000		19,000	14,150.29		14,150.29	4,849.71	74%
2303	Motorpool ISF	500		500	308.28		308.28	191.72	62%
	Services and Supplies	162,250	0	162,250	100,026.86	0.00	100,026.86	62,223.14	62%
6101	Contingency	19,777		19,777	0.00		0.00	19,777.00	0%
	TOTAL EXPENDITURES	678,977	0	678,977	474,909.96	0.00	474,909.96	204,067.04	70%

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: May 18, 2016

TO: LAFCo Commissioners
FROM: Andrea Ozdy, Analyst *Andrea Ozdy*
SUBJECT: Ventura County Waterworks District No. 38
 • Municipal Service Review Report
 • Determination of Sphere of Influence (LAFCo 15-10S)

Recommendations:

- A. Regarding the Municipal Service Review for Ventura County Waterworks District No. 38, it is recommended that the Commission take the following actions:
1. Accept the Municipal Service Review report prepared for Ventura County Waterworks District No. 38 (Attachment 1) (with any modifications made by the Commission at the public hearing), authorize the Executive Officer to make any necessary non-substantive changes to the report, and direct staff to prepare and distribute a final Ventura County Waterworks District No. 38 Municipal Service Review report to all affected local agencies.
 2. Adopt a Resolution (Attachment 2) making findings that acceptance of the Ventura County Waterworks District No. 38 Municipal Service Review report is exempt from the California Environmental Quality Act (CEQA) pursuant to § 15061(b)(3) of the CEQA Guidelines, and approving statements of determinations as required under Government Code § 56430.
- B. Regarding the determination of the sphere of influence for Ventura County Waterworks District No. 38, it is recommended that the Commission take the following action:
1. Adopt Resolution LAFCo 15-10S (Attachment 3) making findings that the determination of the Ventura County Waterworks District No. 38 sphere of influence is exempt from CEQA pursuant to § 15061(b)(3) of the CEQA Guidelines, determining the sphere of influence subject to Government Code § 56426.5(b), and making written statements of its determinations pursuant to Government Code § 56425(e).

Background:

In accordance with Water Code § 55330, a county waterworks district may “provide for the supplying of the inhabitants of the district with water for irrigation, domestic, industrial, or fire protection purposes, through facilities of the district or other facilities, including but not limited

COMMISSIONERS AND STAFF

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to facilities of private water companies, mutual water companies, and private water systems within the district, and may provide for the development and conservation of water supplies for those purposes.”

Ventura County Waterworks District No. 38 (VCWD 38 or District) is a dependent special district that was formed upon confirmation by the voters at a special election held on May 5, 2015, following the Commission’s approval of the district formation on November 19, 2014. The effective date of the formation was June 3, 2015. In July 2015, VCWD 38 began providing retail domestic water service to its customers in and surrounding the community of Lake Sherwood (Attachment 4). The Lake Sherwood community is described as the area mapped in Figure 2 of the Ventura County Lake Sherwood/Hidden Valley Area Plan [“Lake Sherwood/Hidden Valley Area Plan Land Use Map” (Attachment 5)]. Prior to the formation of the District, the Lake Sherwood Community Services District (LSCSD) provided water service to the area now served by VCWD 38.

Discussion:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code § 56000 et seq., known as LAFCo law) mandates that LAFCo determine the sphere of influence for any newly formed district within one year of the effective date of the formation [Government Code § 56426.5(b)]. LAFCo law defines a sphere of influence as the probable physical boundary and service area of a local agency (Government Code § 56076). A sphere of influence was not determined for VCWD 38 when its formation became effective in June 2015.

In order for LAFCo to determine an agency’s sphere of influence, it must conduct a municipal service review (MSR) [Government Code § 56430(e)]. Every five years thereafter, the Commission must, as necessary, review and update the sphere of influence [Government Code § 56425(g)].

MSR Report

Following formation of VCWD 38, LAFCo staff consulted with District staff to discuss VCWD 38’s services and plans for future changes in service. The draft MSR (Attachment 1) was prepared with the support and collaboration of VCWD 38 staff. The final draft of the MSR has been reviewed by VCWD 38 staff. Pursuant to LAFCo law, the MSR process requires that the Commission prepare written determinations with respect to the factors identified in Government Code § 56430(a).

The draft MSR includes analysis to support the recommended written determinations, as well as draft language for the written determinations. A summary of the recommended written determinations included in the MSR is provided below; however, the full discussion is contained in the MSR. If the Commission makes any changes to the draft MSR or written determinations,

it is recommended that the Commission incorporate those changes into its action as well as the resolution accepting the MSR.

Written Determinations:

1. *Growth and population projections for the affected area.* [Government Code § 56430(a)(1)]

United States Census data documents that the population of the Lake Sherwood community in 2014 was estimated to be 1,526, which represents a growth of 10% since 2010 (the Lake Sherwood community is Ventura County Census Designated Place No. 39735 within Census Tract No. 73). VCWD 38 serves the Lake Sherwood community, as well as two residential parcels and Ventura County Fire Protection District Station No. 33 located outside the community (the fire station is within the VCWD 38 service boundary, but the residential parcels are not). Based on the number of vacant residential parcels (approximately 197) within the community and the average household size (2.8 persons per household), the population of Lake Sherwood is expected to grow by about 552, or about 36%, to 2,078 upon buildout of the community.

2. *The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.* [Government Code § 56430(a)(2)]

According to Ventura LAFCo Commissioner's Handbook Section 3.2.5, Ventura LAFCo has identified the communities of Nyeland Acres (located north of the City of Oxnard) and Saticoy (located east of the City of San Buenaventura) as the two unincorporated communities in Ventura County that qualify to be disadvantaged unincorporated communities. Neither of these communities is located in the vicinity of the Lake Sherwood community.

3. *Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs and deficiencies.* [Government Code § 56430(a)(3)]

VCWD 38 provides domestic water service to the Lake Sherwood community, as well as to Ventura County Fire Protection District Station No. 33 and two residential parcels that are adjacent to the community. The recommended sphere of influence for VCWD 38 is identical to that of its predecessor, LSCSD, at the time of service transfer in July 2015 (the LSCSD sphere has since been reduced to eliminate the parcel occupied by the fire station). However, in contrast to LSCSD, VCWD 38 is authorized to provide new and extended service connections to historical residential neighborhoods within the Lake Sherwood community that are not within the LSCSD's service boundary. Although the recommended VCWD 38 sphere of influence is identical to its service boundary, approximately 197 parcels within the community have yet to be developed and they

therefore do not currently receive service from VCWD 38. According to District staff, the total water demand for the VCWD 38 service area, including demand upon buildout of the community, is expected to be 1,665.7 acre-feet per year. Existing infrastructure and pipes are sized and located to accommodate future development within the community; however, infrastructure will not be fully in place until buildout of the community. The District has demonstrated that it has the capacity to provide additional service and facilities, as needed.

4. *Financial ability of agencies to provide services.* [Government Code § 56430(a)(4)]

The adopted budget for Fiscal Year (FY) 2015-16 is \$3.1 million (revenues and additional available funds). Revenue sources include water sales, plan check fees, meter sales and installation fees. Based on a review of the adopted FY 2015-16 budget and information supplied by District staff, it appears that VCWD 38 has the financial ability to provide potable water service to its customers.

5. *Status of, and opportunities for, shared facilities.* [Government Code § 56430(a)(5)]

VCWD 38 is the sole retail domestic water provider in the Lake Sherwood community. There are no apparent opportunities for VCWD 38 to combine and/or coordinate service efforts with other agencies for retail water service within the VCWD 38 service area boundary or recommended sphere of influence boundary.

6. *Accountability for community service needs, including governmental structure and operational efficiencies.* [Government Code § 56430(a)(6)]

VCWD 38 is accountable through an elected legislative body (i.e., the Ventura County Board of Supervisors), adherence to applicable government code sections, and open and accessible Board of Directors meetings (i.e., Ventura County Board of Supervisors meetings). It is recommended that VCWD 38 maintain a website that includes easily accessible information regarding VCWD 38 and its staff; contains the VCWD 38 budget, meeting agendas and minutes; and encourages public input. VCWD 38 achieves operational efficiencies by way of being staffed through the Ventura County Water and Sanitation Department.

7. *Any other matter related to effective or efficient service delivery, as required by commission policy.* [Government Code § 56430(a)(7)]

No other matters were identified.

Sphere of Influence Boundary

Pursuant to LAFCo law, in determining a sphere of influence of an agency, the Commission shall prepare written determinations with respect to the factors identified in Government Code § 56425(e).

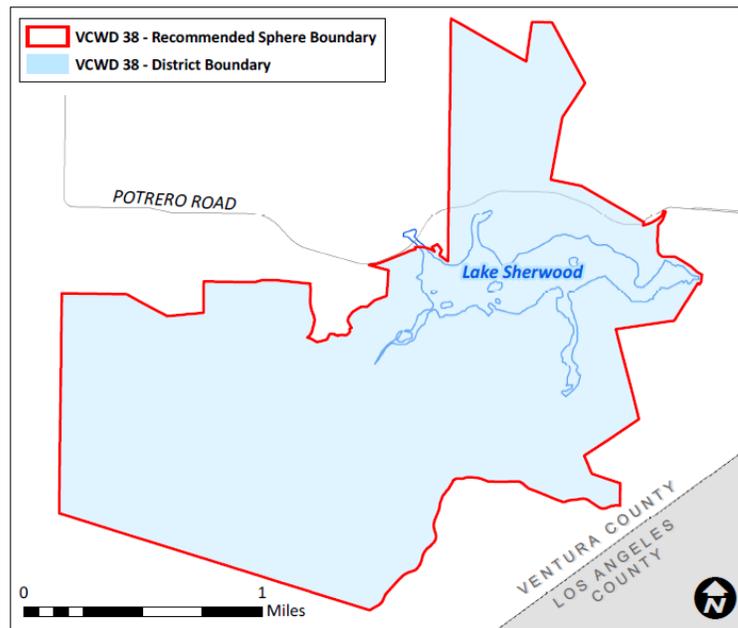
VCWD 38 was formed to provide water to the Lake Sherwood community, including all of the historical neighborhoods within Lake Sherwood that were not included in the LSCSD service area. The Ventura County Lake Sherwood/Hidden Valley Area Plan contains stated goals to:

- *Ensure that adequate water supplies are available to serve all existing and future residents* (Water Supply Goal No. 4.2.1-1); and
- *Ensure that water lines are constructed to serve all existing and future development in the Lake Sherwood Community, and are sized so as not to facilitate future development outside of the Lake Sherwood Community* (Water Supply Goal No. 4.2.1-3)

Additionally, the Area Plan contains the following water supply policies:

- *The water system serving the Lake Sherwood Community shall only serve the Lake Sherwood Community and existing or replacement single-family dwellings outside the Lake Sherwood Community which will be directly connected by a private lateral water line* (Water Supply Policy No. 4.2.2-3)
- *The water distribution system for the Lake Sherwood Community shall be sized to be no larger than necessary to serve the community* (Water Supply Policy No. 4.2.2-5)

Because the VCWD 38 service area encompasses the entire Lake Sherwood community and Ventura County Fire Protection District Station No. 33, the recommended sphere contains the same area. And, in order to comply with the constraints of the Ventura County Lake Sherwood/Hidden Valley Area Plan goals and policies provided above, the recommended sphere is limited to only those areas that are contained within the Lake Sherwood community, plus the fire station. The recommended sphere of influence boundary is depicted in the map to the right.



Written Determinations:

It is recommended that the Commission consider the following draft written statements of its determinations with respect to each of the required factors identified in Government Code § 56425(e), and determine a sphere of influence boundary for VCWD 38 that encompasses the Lake Sherwood community and the Ventura County Fire Protection District Station No. 33 (Exhibit A of Attachment 3). If the Commission makes changes to either the recommended sphere of influence or written determinations regarding the sphere of influence that are not addressed through approval of the recommended sphere of influence, it is recommended that the Commission incorporate those changes into its action as well as the resolution determining the sphere of influence.

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

The territory recommended to be included in the VCWD 38 sphere has County General Plan designations of *Existing Community, Rural, and Open Space*, and Ventura County Lake Sherwood/Hidden Valley Area Plan designations of *Urban, Rural Residential, Open Space, Lake, and Parks and Recreation*. The community surrounds a private recreational lake, and is developed with approximately 708 single family residences, a golf course, and a country club. The majority of the community is developed; however, approximately 197 of the residential parcels remain vacant. The determination of a sphere of influence that reflects the existing service area of VCWD 38 will not result in any impacts on the present and planned land uses within its service area, new development, changes in land use, or impacts to agricultural and open space lands.

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

VCWD 38 currently provides water to the majority of the parcels that are within its service area. There is no probable need for new water service outside the existing service area, as the service area includes all of the Lake Sherwood community. While two parcels located outside of the VCWD 38 service boundary receive water service from the District, new or expanded service to these parcels is not contemplated. Therefore, the sphere of influence of VCWD 38 is recommended to be coterminous with its service boundary.

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

VCWD 38 provides service to the territory previously served by the LSCSD, and is authorized to provide service to the historical neighborhoods within the Lake Sherwood community that were not within the boundaries of the LSCSD. Based on information

provided by VCWD 38, it will continue to meet the current demand, and has the ability to provide additional service within its boundaries (which are coterminous with its recommended sphere of influence).

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. [Government Code § 56425(e)(4)]*

The recommended VCWD 38 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. [Government Code § 56425(e)(5)]*

No sphere of influence boundary exists for VCWD 38. Neither of the two communities that LAFCo has identified as qualifying to be disadvantaged unincorporated communities is located in the vicinity of the Lake Sherwood area.

The recommended written determinations are included in Attachment 3.

CEQA:

The acceptance of a MSR and the determination of a sphere of influence for VCWD 38 must comply with CEQA. The Ventura LAFCo is the lead agency under CEQA for the acceptance of the MSR and the determination of the sphere of influence.

A project is defined in Public Resources Code § 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”. Although the Commission’s actions are subject to CEQA, it is recommended that the Commission find that the actions (as recommended) are 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.”

The Commission’s acceptance of the MSR and determination of the sphere of influence would not alter the District’s current operations or service area. It would not have the possibility to affect future growth patterns, land use, or regulations in a way that would impact the environment. Additionally, the recommended sphere of influence would be coterminous with

the District's current service boundary. Therefore, staff recommends that the Commission determine that the acceptance of the MSR and the determination of the sphere of influence are exempt from CEQA. The recommended resolutions relating to the MSR (Attachment 2) and the determination of the sphere of influence (Attachment 3) each contain a finding that the action is exempt from CEQA pursuant to § 15061(b)(3) of the CEQA Guidelines.

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.

Public Comments:

As of the date of this report, no information or comments have been received regarding the draft MSR and sphere of influence determination.

Preparation of a Final MSR Report:

If the Commission accepts the MSR, LAFCo staff will prepare a final MSR report that reflects any modifications made by the Commission, as well as any non-substantive changes made by the Executive Officer (e.g., correction of typographical errors).

Attachments:

1. Municipal Service Review Report for VCWD 38
2. Resolution for Acceptance of Municipal Service Review Report for VCWD 38
3. Resolution LAFCo 15-10S for Determination of VCWD 38 Sphere of Influence
4. Lake Sherwood Location Map
5. Lake Sherwood/Hidden Valley Area Plan Land Use Map

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 Local Agency Formation Commission

Ventura County

Waterworks District No. 38

Municipal Service Review

Prepared By:
Ventura Local Agency Formation Commission
800 S. Victoria Avenue
Ventura, CA 93009-1850
May 18, 2016 draft



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INTRODUCTION

Local Agency Formation Commissions (LAFCo) exist in each county in California and were formed for the purpose of administering state law and local policies relating to the establishment and revision of local government boundaries. As provided by what is now known as the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (California Government Code § 56000 et seq.), known as CKH, LAFCo's purposes are to:

- discourage urban sprawl;
- preserve open space and prime agricultural land;
- ensure efficient provision of government services; and
- encourage the orderly formation and development of local agencies.

To achieve its purposes, LAFCos are responsible for coordinating logical and timely changes in local government boundaries, conducting special studies that identify ways to reorganize and streamline governmental structure, and determining a sphere of influence for each city and special district over which they have authority.

A [sphere of influence](#) is a plan for the probable physical boundaries and service area of a local agency, as determined by LAFCo (Government Code § 56076). Pursuant to Government Code § 56426.5(b), LAFCo shall determine the sphere of influence for any newly formed district within one year of the effective date of formation. Every five years, the Commission shall, as necessary, review and update the sphere of influence, pursuant to Government Code § 56425(g). Government Code § 56430(a) provides that in order to determine or update a sphere of influence, LAFCo shall prepare a [Municipal Service Review \(MSR\)](#) and make written determinations relating to the following seven factors:

1. Growth and population projections for the affected area.
2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.
3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.
4. Financial ability of agencies to provide services.
5. Status of, and opportunities for, shared facilities.
6. Accountability for community service needs, including governmental structure and operational efficiencies.
7. Any other matter related to effective or efficient service delivery, as required by Commission policy.

MSRs may include studies of private providers of public services, such as private water companies or public utilities regulated by the state Public Utilities Commission. MSRs, however, are not applicable to counties (except for special districts governed by a county Board of Supervisors). Additionally, while LAFCos are authorized to prepare studies relating to their role as boundary agencies, LAFCos have no investigative authority.

This MSR examines Ventura County Waterworks District No. 38 (VCWD 38 or District), which was formed on May 5, 2015 (effective June 3, 2015), in order to evaluate the District's services and to provide the Commission with information to establish a sphere of influence for the District. This is VCWD 38's first MSR.

The information used to prepare this service review report was obtained from several sources, including:

- **District Budget:** Information regarding services and funding levels was obtained from the Fiscal Year (FY) 2015-16 budget of VCWD 38, adopted on June 15, 2015;
- **Other District Documents:** Various VCWD 38 documents were used to obtain supplementary information relating to service provision [e.g., Sherwood Development Co. Water Master Plan (October 2006) and the VCWD 38 Water Production Report (September 2015)]; and
- **District Staff:** District staff provided information that was not available in the documents described above.

This report is divided into four subsections:

- **VCWD 38 Profile:** This subsection contains a summary profile of information about the District, including contact information, the governing body, financial information, and staffing levels;
- **Growth and Population Projections:** This subsection provides current and projected population for the area served by the District. As necessary, a discussion of future anticipated development is provided;
- **Review of Municipal Services:** This subsection contains a discussion of the services provided by the District; and
- **Written Determinations:** This subsection contains the recommended determinations for each of the seven mandatory factors used to determine an agency's sphere of influence.

The Commission's acceptance of this MSR and adoption of written determinations will be memorialized through the adoption of a resolution that addresses each of the seven mandatory factors based on the Written Determinations subsection of the MSR. All other material contained in this report should be considered background information.

VENTURA COUNTY WATERWORKS DISTRICT NO. 38 PROFILE

Governance Information

Formation Date	May 5, 2015
Effective Date	June 3, 2015
Form of Government	Board of Directors and General Manager
Board of Directors	Board of Directors consists of the Ventura County Board of Supervisors.
Board Meetings	Regular meetings are regularly held on Tuesdays at 8:30 AM, in the Board of Supervisors Hearing Room located at 800 S. Victoria Avenue, Ventura, CA 93009.

Type of Service Potable retail water service

Staff 57 employees¹:
(1) Executive Management
(19) Professional and Support
(37) Operations

Primary Revenue Sources

Water Sales
Planning/Engineering Service Fees
Other Sales (e.g., fire protection)
Other Revenue (e.g., late charges, NSF fees)
Meter Sales and Installation Fees

Primary Expenditures

Water Purchases
Public Works Charges (e.g., labor)
Water System Improvements
Improvements/Maintenance
Depreciation Expenses

Contact Information

District Office 6767 Spring Road, Moorpark, CA 93021
Mailing Address P.O. Box 250, Moorpark, CA 93021-0250
Phone Number (805) 378-3000
Website <http://pwa.ventura.org/water-sanitation-department/water-and-sanitation-services>
E-mail david.sasek@ventura.org

¹ VCWD 38 is staffed by the Ventura County Water and Sanitation Department (VCWSD or Department). The duties associated with each of the positions listed involves all of the projects and facilities managed by the VCWSD including those associated with VCWD 38. Therefore, the number of employees identified above does not reflect full-time positions assigned to VCWD 38.

District Formation and Powers

VCWD 38 was formed by means of a mailed ballot special election that occurred on May 5, 2015. The District became effective on June 3, 2015 upon recordation of a Certificate of Completion, and it began providing service in July 2015. VCWD 38 is authorized to provide potable water service within its service boundary and to additional territory that has been served since prior to January 1, 2001.

VCWD 38 is a dependent special district that is subject to LAFCo authority, pursuant to Government Code § 56036, and is authorized to provide services described in its principal act (Water Code § 55000 et seq.) within its boundaries. Any change in the District's boundaries or sphere of influence is subject to LAFCo approval. Additionally, any change in the authorized services provided by VCWD 38 is subject to LAFCo approval.

History

The historical Lake Sherwood community was originally developed in the early 1900s as a rural residential community surrounding a private lake constructed in 1904. The lake was named Lake Sherwood in the 1920s when the surrounding areas were dubbed "Sherwood Forest" and "Maid Marian Park" after being featured in the 1921 film "Robin Hood." The community is located immediately west of the City of Thousand Oaks and north of the Santa Monica Mountains, near the county line between the counties of Ventura and Los Angeles. In 1984, the Murdock Development Company (MDC) purchased much of the surrounding area and began to further develop the community into an affluent, gated residential community oriented around a golf course.

Until the 1990s, the community received water service from a mutual water company. In 1989, the Lake Sherwood Community Services District (LSCSD) was formed. The County Board of Supervisors served as the LSCSD Board of Directors and County staff served as CSD staff. The purpose of the formation of the LSCSD was to initially provide the new development with potable water service, and then various other services in the future once the new community was built out. At the time the LSCSD was formed, LAFCo, the County of Ventura and the MDC agreed to exclude the pre-existing residential areas from the LSCSD's boundaries. The reason for this action was to prevent existing residents' lots from being assessed for repayment of the bonds that were sold to finance the construction of the new water system. Though these historical neighborhoods were excluded, MDC agreed to install water infrastructure throughout the Lake Sherwood community, including the historical neighborhoods, allowing for the historical neighborhoods to receive water service from the LSCSD.

In 2000, Government Code § 56133 became effective requiring LAFCo approval in order for a district to extend service outside its boundaries. Prior to 2000 (and prior to Government Code § 56133 being enacted), several properties in the historical neighborhoods were connected to LSCSD's water system although they remained outside the LSCSD boundaries. Between 2000 and 2009, the LSCSD permitted several additional properties in the historical neighborhoods to be connected to the water system without LAFCo approval because the LSCSD believed that it was obligated to do so as part of its takeover of the mutual water company. In 2009, LAFCo informed

the LSCSD that Government Code § 56133 applied to all new service connections in the historical neighborhoods and that, pursuant to local policies, annexation to the LSCSD would be required for future service connections. There were several undeveloped parcels that remained in the historical neighborhoods, many of which were being contemplated for development.

The matter was considered by LAFCo multiple times in 2011 and 2012 as several owners of vacant properties in the historical neighborhoods sought building permits. Some landowners viewed the requirement to annex portions of their neighborhood to the LSCSD as a threat to their community's character, as the purpose of the LSCSD was primarily to provide water and other future services to the recently-developed gated community. The gated community is a much larger and distinctly separate community from the historical neighborhoods. Moreover, some argued that the requirement to annex was inconsistent with the original agreement from 1989 that excluded the historical neighborhoods from the LSCSD in the first place. The Commission considered the concerns of the residents and took various actions that would preserve the character of the historical neighborhoods while ensuring that efficient water service continued to be provided to the entire community.

The Commission was faced with a situation that included:

- An agreement made before Government Code § 56133 was enacted that allowed for water service in the historical neighborhoods without the requirement to annex to the LSCSD;
- Several unauthorized water service connections in the historical neighborhoods that occurred after Government Code § 56133 became effective;
- Several owners of vacant properties in the historical neighborhoods who were seeking building permits and were in need of water service;
- An active community desiring to preserve the character of the community; and
- A CSD that was intended to provide future services to the more recently-developed community.

The Commission resolved the multi-faceted dilemma in a way that appeased every stakeholder: it encouraged the LSCSD Board of Directors (i.e., the Board of Supervisors) to submit an application to form a county waterworks district to provide potable water service to the entire community. This approach would resolve the issues as follows:

- The new district would provide potable water service to the historical neighborhoods without the need to annex to the LSCSD, meeting the intent of the 1989 agreement;
- It would legalize the several unauthorized service connections by including them within the boundaries of the new district;
- In the meantime, it would allow for the approval of extraterritorial water service agreements with the LSCSD for those owners of vacant properties seeking building permits, as Government Code § 56133 allows for such agreements to be approved "in anticipation of a later change of organization," which includes a district formation;
- It would recognize and accommodate the desires of the community to preserve the community's character; and
- It would retain the LSCSD in order for it to potentially provide services to the more recently-developed community in the future.

In November 2014, the Commission approved the proposal to form VCWD 38 to provide water service in the Lake Sherwood community and divest the LSCSD of its power to provide water service, subject to confirmation by the voters within the entire Lake Sherwood community. In May 2015, a special election was held and the formation was approved by the voters, with 81% of the votes in favor of the proposal. The new district began providing water service in July 2015.

Population and Service Area Information

VCWD 38’s service area includes the 2,048-acre Lake Sherwood community located west of the City of Thousand Oaks, as well as Ventura County Fire Protection District Station No. 33. Two residential properties (totalling 67 acres) located outside of the VCWD 38 service area have also been receiving water service from the LSCSD since prior to January 1, 2001.

Based on United States Census data, the population of the Lake Sherwood community in 2014 was estimated to be 1,526 (Ventura County Census Designated Place No. 39735 within Census Tract 73). The average household population in this area is 2.8 people. Therefore, the combined population for areas served by VCWD 38 is estimated as shown in Figure 1 below:

Figure 1: Lake Sherwood Size, Household, and Population Information

Area of Lake Sherwood	Size in Acres	Number of Households	Estimated Population (2014)	Estimated Population (at Build-Out)
Within VCWD 38 Service Boundary	2,048	708	1,526	2,078
Outside VCWD 38 Service Boundary	67	2	6	6
Total	2,115	710	1,532	2,084

The District currently has 774 service connections, including the golf course. During the 2015 calendar year, VCWD 38 served 1,265.7 acre-feet of water.

Public Agencies with Overlapping Jurisdiction

The following public agencies have overlapping jurisdiction with VCWD 38:

- | | |
|---|---|
| Calleguas Municipal Water District | Ventura County Fire Protection District |
| Conejo Recreation and Park District | Ventura County Resource Conservation District |
| Conejo Valley Unified School District | Ventura County Service Area No. 14 |
| County of Ventura | Ventura County Service Area No. 32 |
| Gold Coast Transit District | Ventura County Service Area No. 33 |
| Lake Sherwood Community Services District | Ventura County Transportation Commission |
| Triunfo Sanitation District | Ventura County Watershed Protection District |
| Ventura County Community College District | Ventura Regional Sanitation District |

Of the agencies listed above, only the Calleguas Municipal Water District (a wholesale water provider) provides water service within the jurisdictional boundaries of VCWD 38. VCWD 38 is a retail water provider, and all of the water it serves is provided by the Calleguas Municipal Water District.

Summary Financial Information²

As shown in Figure 2 below, the majority of VCWD 38’s budget and revenue (about 95%) consists of water sales. Other revenue sources include Planning/Engineering Service Fees, Other Sales (e.g., fire protection), Other Revenue (e.g., late charges, NSF fees), and Meter Sales and Installation Fees.

Figure 2: Operating Revenues

Operating Revenues	2015-16 Budget
Water Sales	\$2,391,800
Planning/Engineering Services Fees	\$30,000
Other Sales (e.g., Fire Protection)	\$28,000
Other Revenue (e.g., Late Charges, NSF Checks, Door Hanger Charges)	\$25,000
Meter Sales and Installation Fees	\$20,000
Interest Earnings	\$15,800
Other (breakdown available in VCWD 38 Budget)	\$1,800
Rate Stabilization Fund ³	\$628,400
Total Operating Revenues	\$3,140,800

As demonstrated below in Figure 3, most of VCWD 38’s expenses (about 65%) are related to the purchase of water. Other top expenditures are for Public Works charges (e.g., labor), water system improvements, improvements/maintenance, and depreciation expenses.

Figure 3: Operating Expenses

Operating Expenses	2015-16 Budget
Water Purchases	\$2,053,800
Public Works Charges	\$337,600
Water System Improvements	\$175,000
Improvements/Maintenance	\$123,000
Depreciation Expenses	\$114,300
Other (breakdown available in VCWD 38 Budget)	\$337,100
Total Operating Expenses	\$3,140,800

² Financial information was collected from VCWD 38 FY 2015-16 Budget.

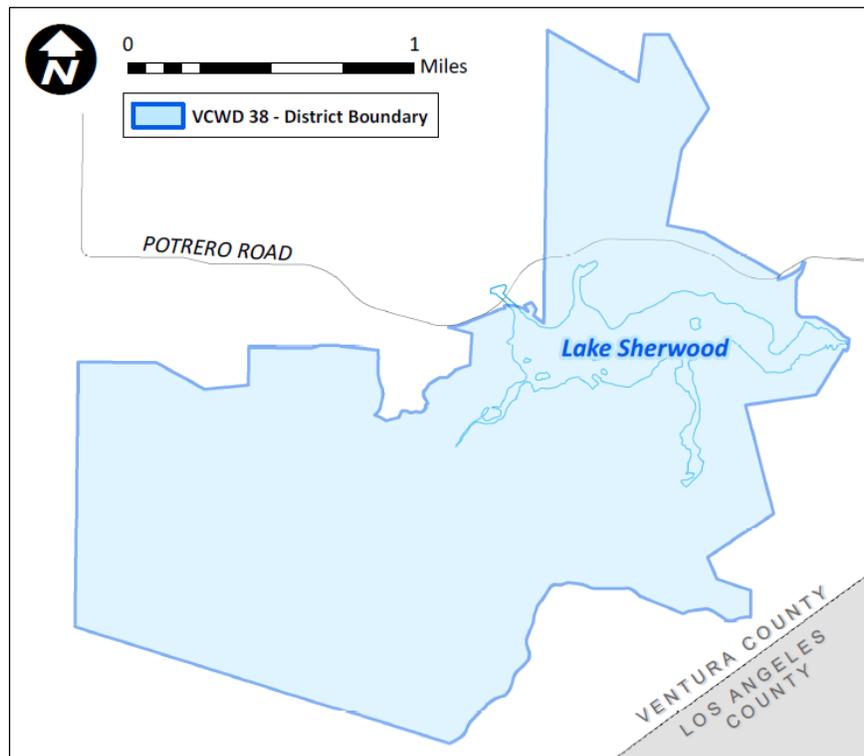
³ Revenue from water sales is assigned at the lowest rate (i.e., Tier 1). Additional revenue collected at higher rates (e.g., Tier 2) is deposited into a Rate Stabilization Fund. The Rate Stabilization Fund revenue is used to balance the budget at the end of each fiscal year.

GROWTH AND POPULATION PROJECTIONS

LAFCo is required to project the growth and population for the affected area [Government Code § 56430(a)(1)].

United States Census data documents that the population of the Lake Sherwood community in 2014 was estimated to be 1,526, which represents a growth of 10% since 2010 (the Lake Sherwood community is Ventura County Census Designated Place No. 39735 within Census Tract No. 73). VCWD 38 serves the Lake Sherwood community, as well as two residential parcels and Ventura County Fire Protection District Station No. 33 located outside the community (the fire station is within the VCWD 38 service boundary, but the residential parcels are not). The District currently has 774 service connections. Based on the number of vacant residential parcels (approximately 197) within the community and the average household size (2.8 persons per household), the population of Lake Sherwood is expected to grow by about 552, or about 36%, to 2,078 upon build-out of the community. The combined estimated population for areas served by VCWD 38 is shown in the final column of Figure 1 above. The service boundary is depicted below in Figure 4:

Figure 4: VCWD 38 Service Boundary



REVIEW OF MUNICIPAL SERVICES

The review of District services is based on provisions of state law which require LAFCo to make determinations regarding the present and planned capacity of public facilities, the adequacy of public services, infrastructure needs and deficiencies, and the District's financial ability to provide these services [Government Code § 56430(a)(3)].

District Services

Since FY 2005-06, VCWD 38 (previously providing water service as the LSCSD) has purchased retail water from the Calleguas Municipal Water District ranging from approximately 1,140 to 1,582 acre-feet per year (AFY), and sold approximately 1,122 to 1,498 AFY. The adopted budget for FY 2015-16 anticipates retail water purchases from the Calleguas Municipal Water District of 1,470 acre-feet and sales of 1,276 acre-feet. Additionally, Calleguas Municipal Water District rates (Tier 1 and Tier 2) range from \$1,210 per acre-foot to \$1,340 per acre-foot, with an estimated water purchase cost of \$1,807,593 for the estimated 1,470 acre-feet. Additional estimated charges by the Calleguas Municipal Water District are itemized in the District's budget document, for a water purchase total budgeted at \$2,053,758.

District Facilities

The District's water system consists of three pressure zones:

- Pressure Zone 1: Supplies water from a 3.4 million-gallon above-ground water storage tank.
- Pressure Zone 2: Supplies water from a 1.64 million-gallon subterranean water storage tank.
- Pressure Zone 3: Supplies water during low demand periods with minimal pump operation.

The existing facilities and infrastructure are adequate to provide service at the current level of development. Upgrades to the District's facilities and installation of new infrastructure (e.g., main lines and lateral lines) will be funded by the developer of new development within the community, as needed to support the new development and maintain existing levels of service for existing development. Planned improvement projects include a pressure-reducing station, replacement of a radio and programmable logic controller, and general water system improvements.

Staffing Levels

VCWD 38 is staffed by the VCWSD. It achieves management, administrative, and operational efficiencies, as the Department is responsible for staffing four water districts, seven sewer districts and service areas, and one recycled water system within the County. The Department does not have specific staff designated to the operation of VCWD 38 and support and maintenance of its facilities. Instead, Department staff is assigned to VCWD 38, generally at a cost to VCWD 38 based on total Department staffing costs multiplied by the percentage of Department customer accounts dedicated to VCWD 38. Currently, 57 employees support the Department. According to District staff, the expected increase in the number of water connections as the Lake Sherwood community continues to be developed is not expected to result in any notable changes in total staffing of the Department or the Department workload assigned to the District.

WRITTEN DETERMINATIONS

The Commission is required to prepare a written statement of its determinations with respect to each of the subject areas provided below [Government Code § 56430(a)].

1. Growth and population projections for the affected area.

VCWD 38's service area includes the Lake Sherwood community located west of the City of Thousand Oaks, as well as Ventura County Fire Protection District Station No. 33. Two residential properties located outside of the VCWD 38 service area have also been receiving water service from the LSCSD since prior to January 1, 2001. Based on United States Census data, the population of the Lake Sherwood community in 2014 was estimated to be 1,526 (Ventura County Census Designated Place No. 39735 within Census Tract 73). The average household population in this area is 2.8 people. Therefore, the combined population for areas served by VCWD 38 is estimated as shown in Figure 1 above.

2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence.

A *Disadvantaged Unincorporated Community* (DUC) is defined as a community with an annual median household income that is less than 80% of the statewide annual median household income (Government Code § 56033.5). According to Ventura LAFCo Commissioner's Handbook Section 3.2.5, Ventura LAFCo has identified two unincorporated communities that qualify to be DUCs:

- Nyeland Acres: the developed territory located north of the City of Oxnard and generally bounded by Santa Clara Avenue, Friedrich Road, Almond Drive and State Route 101; and
- Saticoy: the area east of the City of San Buenaventura generally described as being within the boundaries of the Ventura County Saticoy Area Plan.

VCWD 38's sphere of influence has not yet been determined by the Commission. However, its current service area and boundary are not contiguous to and do not include either of the DUCs identified above.

3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies.

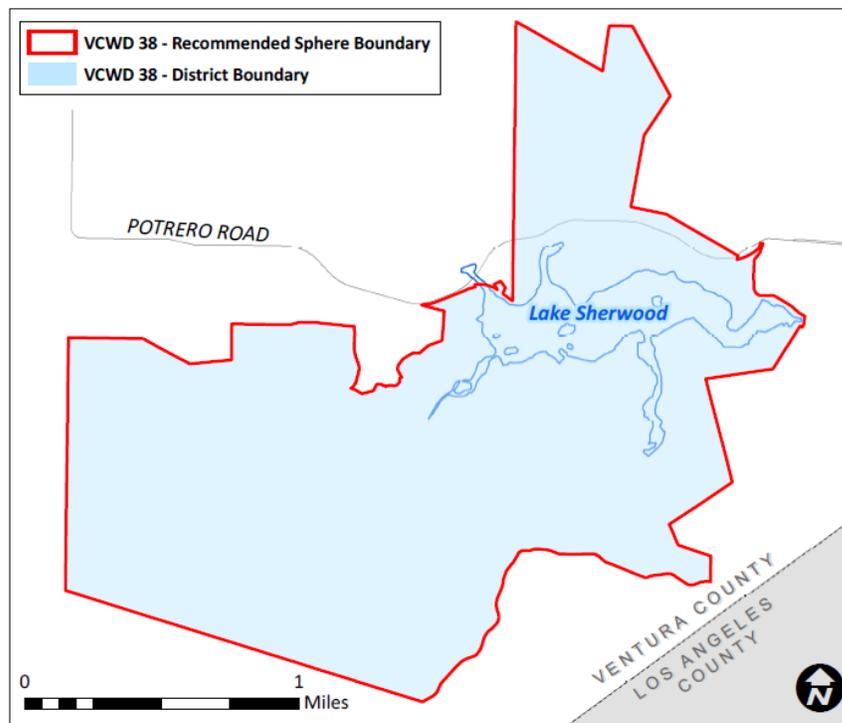
VCWD 38 operates a public water system that provides domestic water service to the Lake Sherwood community, as well as to three properties that are adjacent to the community [i.e., Assessor's Parcel Number (APN) 695-0-062-01 (Ventura County Fire Protection District Station No. 33) and residential parcels APN 695-0-031-17 and 664-0-020-10]. It

plans to continue serving existing customers as well as provide service to new customers located within its service boundary.

The recommended sphere of influence for VCWD 38 is identical to that of its predecessor, LSCSD, at the time of service transfer in July 2015 (the LSCSD sphere has since been reduced to eliminate the parcel occupied by the fire station). However, in contrast to LSCSD, VCWD 38 is authorized to provide new and extended service connections to historical residential neighborhoods within the Lake Sherwood community that are not within the LSCSD’s service boundary.

Although the recommended VCWD 38 sphere of influence is identical to its service boundary, approximately 197 parcels within the community have yet to be developed and they therefore do not currently receive service from VCWD 38. According to District staff, the total water demand for the VCWD 38 service area, including demand upon buildout of the community, is expected to be 1,665.7 AFY. Existing infrastructure and pipes are sized and located to accommodate future development within the community; however, infrastructure will not be fully in place until buildout of the community.

Figure 5: VCWD 38 Recommended Sphere of Influence



VCWD 38 is staffed by the VCWSD, which employs 57 staff members. VCWSD staff resources are proportionally distributed among water districts and sewer districts and service areas served by the VCWSD.

The District has demonstrated that it has the capacity to provide additional service and facilities, as needed.

4. Financial ability of agencies to provide services.

The adopted VCWD 38 Operating Budget for FY 2015-16 is \$3.1 million, the majority of which is water sales (\$2.4 million). Most of VCWD 38's operating expenses are for water purchases (about \$2.1 million). Based on a review of the adopted FY 2015-16 budget and information supplied by District staff, it appears that VCWD 38 has the financial ability to provide potable water service to its existing and future customers.

5. Status of, and opportunities for, shared facilities.

VCWD 38 is the sole retail domestic water provider in the Lake Sherwood community. There are no apparent opportunities for VCWD 38 to combine and/or coordinate service efforts with other agencies for retail water service within the VCWD 38 service area boundary or recommended sphere of influence boundary.

6. Accountability for community service needs, including governmental structure and operational efficiencies.

VCWD 38 is accountable through an appointed legislative body, adherence to applicable government code sections, open and accessible Board of Directors meetings (i.e., Ventura County Board of Supervisors meetings), public dissemination of information, and encouragement of public participation. VCWD 38 could improve its public reach and transparency through updates to the VCWSD website to reflect current and past budgets and the current and recent Board of Directors agendas and meeting minutes. VCWD 38 achieves operational efficiencies by way of being staffed through the VCWSD.

7. Any other matter related to effective or efficient service delivery, as required by Commission policy.

No other matters were identified.

RESOLUTION OF THE VENTURA LOCAL AGENCY FORMATION COMMISSION DETERMINING THAT THE MUNICIPAL SERVICE REVIEW FOR VENTURA COUNTY WATERWORKS DISTRICT NO. 38 IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT AND APPROVING THE MUNICIPAL SERVICE REVIEW, INCLUDING STATEMENTS OF DETERMINATION, FOR VENTURA COUNTY WATERWORKS DISTRICT NO. 38

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 § 56430(e) requires each LAFCo to conduct a municipal service review before, or in conjunction with, but no later than the time it is considering an action to establish a sphere of influence; and

WHEREAS, LAFCo has prepared a report titled “Ventura County Waterworks District No. 38 – Municipal Service Review” that reviews the services provided by the Ventura County Waterworks District No. 38 (VCWD 38 or District); and

WHEREAS, the “Ventura County Waterworks District No. 38 – Municipal Service Review” report contains recommended statements of determinations as required by Government Code § 56430 for VCWD 38; and

WHEREAS, the municipal service review for VCWD 38 and the related recommended statements of determination were duly considered at a public hearing on May 18, 2016; and

WHEREAS, the Commission heard, discussed and considered all oral and written testimony for and against the recommended exemption from California Environmental Quality Act (CEQA), the “Ventura County Waterworks District No. 38 – Municipal Service Review” report and the written determinations for VCWD 38, including, but not limited to, the LAFCo staff report dated May 18, 2016 and recommendations.

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

- (1) The municipal service review report titled “Ventura County Waterworks District No. 38 – Municipal Service Review,” including the related statements of determination, are determined to be exempt from 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
- (2) The Commission accepts the “Ventura County Waterworks District No. 38 – Municipal Service Review” report as presented to the Commission on May 18, 2016, including any modifications approved by a majority of the Commission as a part of this action. The Executive Officer is authorized to make minor edits to this report for accuracy and completeness; and
- (3) The LAFCo staff report dated May 18, 2016 and recommendation for approval of the “Ventura County Waterworks District No. 38 – Municipal Service Review” report are hereby adopted; and
- (4) Pursuant to Government Code § 56430(a) the following statements of determination are hereby adopted for VCWD 38:

a. *Growth and population projections for the affected area. [§ 56430(a)(1)]*

United States Census data documents that the population of the Lake Sherwood community in 2014 was estimated to be 1,526, which represents a growth of 10% since 2010 (the Lake Sherwood community is Ventura County Census Designated Place No. 39735 within Census Tract No. 73). VCWD 38 serves the Lake Sherwood community, as well as two residential parcels and Ventura County Fire Protection District Station No. 33 located outside the community (the fire station is within the VCWD 38 service boundary, but the residential parcels are not). Based on the number of vacant residential parcels (approximately 197) within the community and the average household size (2.8 persons per household), the population of Lake Sherwood is expected to grow by about 552, or about 36%, to 2,078 upon buildout of the community.

b. *The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence. [§ 56430(a)(2)]*

According to Ventura LAFCo Commissioner’s Handbook Section 3.2.5, Ventura LAFCo has identified the communities of Nyeland Acres (located north of the City of Oxnard) and Saticoy (located east of the City of San Buenaventura) as the two unincorporated communities in Ventura County that qualify to be disadvantaged unincorporated communities. Neither of these communities is located in the vicinity of the Lake Sherwood area.

c. *Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs and deficiencies. [§ 56430(a)(3)]*

VCWD 38 provides domestic water service to the Lake Sherwood community, as well as to three properties that are adjacent to the community [i.e., Assessor’s Parcel Number (APN) 695-0-062-01 (Ventura County Fire Protection District Station No. 33) and residential parcels APN 695-0-031-17 and 664-0-020-10]. The recommended sphere of influence for VCWD 38 is identical to that of its predecessor, LSCSD, at the time of service transfer in July 2015 (the LSCSD sphere has since been reduced to eliminate the parcel occupied by the fire station). However, in contrast to LSCSD, VCWD 38 is authorized to provide new and extended service connections to historical residential neighborhoods within the Lake Sherwood community that are not within the LSCSD’s service boundary. Although the recommended VCWD 38 sphere of influence is identical to its service boundary, approximately 197 parcels within the community have yet to be developed and they therefore do not currently receive service from VCWD 38. According to District staff, the total water demand for the VCWD 38 service area, including demand upon buildout of the community, is expected to be 1,665.7 acre-feet per year. Existing infrastructure and pipes are sized and located to accommodate future development within the community; however, infrastructure will not be fully in place until buildout of the community. The District

has demonstrated that it has the capacity to provide additional service and facilities, as needed.

d. *Financial ability of agencies to provide services. [§ 56430(a)(4)]*

The adopted budget for Fiscal Year (FY) 2015-16 is \$3.1 million (revenues and additional available funds). Revenue sources include water sales, plan check fees, meter sales and installation fees. Based on a review of the adopted FY 2015-16 budget and information supplied by District staff, it appears that VCWD 38 has the financial ability to provide potable water service to its customers.

e. *Status of, and opportunities for, shared facilities. [§ 56430(a)(5)]*

VCWD 38 is the sole retail domestic water provider in the Lake Sherwood community. There are no apparent opportunities for VCWD 38 to combine and/or coordinate service efforts with other agencies for retail water service within the VCWD 38 service area boundary or recommended sphere of influence boundary.

f. *Accountability for community service needs, including governmental structure and operational efficiencies. [§ 56430(a)(6)]*

VCWD 38 is accountable through an elected legislative body (i.e., the Ventura County Board of Supervisors), adherence to applicable government code sections, and open and accessible Board of Directors meetings (i.e., Ventura County Board of Supervisors meetings). It is recommended that VCWD 38 maintain a website that includes easily accessible information regarding VCWD 38 and its staff; contains the VCWD 38 budget, meeting agendas and minutes; and encourages public input. VCWD 38 achieves operational efficiencies by way of being staffed through the Ventura County Water and Sanitation Department.

g. *Any other matter related to effective and efficient service delivery, as required by commission policy. [§ 56430(a)(7)]*

No other matters were identified.

This resolution was adopted on May 18, 2016.

	AYE	NO	ABSTAIN	ABSENT
Commissioner Cunningham	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Dandy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Freeman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Morehouse	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Parks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Parvin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Zaragoza	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Bennett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Ramirez	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Rooney	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Ross	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date **Carl Morehouse, Chair, Ventura Local Agency Formation Commission**

c: Ventura County Waterworks District No. 38
 Lake Sherwood Community Services District
 Ventura County GIS Officer

LAFCO 15-10S

**RESOLUTION OF THE VENTURA LOCAL AGENCY FORMATION
COMMISSION MAKING DETERMINATIONS AND DETERMINING
THE SPHERE OF INFLUENCE FOR VENTURA COUNTY
WATERWORKS DISTRICT NO. 38**

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, LAFCo approved the formation of Ventura County Waterworks District No. 38 (VCWD 38 or District) on November 19, 2014; and

WHEREAS, the District was formed by means of a special election on May 5, 2015 pursuant to Water Code § 55180 et seq; and

WHEREAS, the formation of Ventura County Waterworks District No. 38 became effective upon recordation of a Certificate of Completion on June 3, 2015; and

WHEREAS, initiation of service by the District began in July 2015; and

WHEREAS, Government Code § 56426.5(b) requires that LAFCo determine the sphere of influence for any newly formed district within one year of the effective date of formation; and

WHEREAS, no change in regulation, land use, or development will occur as a result of determining the sphere of influence for VCWD 38; and

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

WHEREAS, the sphere of influence determination action was duly considered at a public hearing on May 18, 2016, as specified in the notice of hearing; and

WHEREAS, the Commission heard, discussed, and considered all oral and written testimony for and against determination of the sphere of influence including, but not limited to, the LAFCo Staff Report dated May 18, 2016 and recommendations; and

WHEREAS, the Commission accepted the Municipal Service Review report for VCWD 38, dated May 18, 2016.

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

- (1) The LAFCo Staff Report dated May 18, 2016, and recommended determination of the sphere of influence for VCWD 38 are adopted; and
- (2) The subject proposal is assigned the following distinctive short form designation: **LAFCo 15-10S – DETERMINATION OF A SPHERE OF INFLUENCE FOR VENTURA COUNTY WATERWORKS DISTRICT NO. 38**; and
- (3) The sphere of influence determination for VCWD 38 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 recommended to be included in the VCWD 38 sphere has County General Plan designations of *Existing Community, Rural, and Open Space*, and Ventura County Lake Sherwood/Hidden Valley Area Plan designations of *Urban, Rural Residential, Open Space, Lake, and Parks and Recreation*. The community surrounds a private recreational lake, and is developed with approximately 708 single family residences, a golf course, and a country club. The majority of the community is developed; however, 197 of the residential parcels remain vacant. The determination of a sphere of influence that reflects the existing service area of VCWD 38 will not result in any impacts on the present and planned land uses within its service area, new development, changes in land use, or impacts to agricultural and open space lands.

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

VCWD 38 currently provides water to the majority of the parcels that are within its service area. There is no probable need for new water service outside the existing service area, as the service area includes all of the Lake Sherwood community. While two parcels located outside of the VCWD 38 service boundary receive water service from the District, new or expanded service to these parcels is not contemplated. Therefore, the sphere of influence of VCWD 38 is recommended to be coterminous with its service boundary.

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

VCWD 38 provides service to the territory previously served by the Lake Sherwood Community Services District, and is authorized to provide service to the historical neighborhoods within the Lake Sherwood community. Based on information provided by VCWD 38, it will continue to meet the current demand, and has the ability to provide additional service within its boundaries (which are coterminous with its recommended sphere of influence).

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 VCWD 38 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)]

No sphere of influence boundary exists for VCWD 38. Neither of the two communities that LAFCo has identified as qualifying to be disadvantaged unincorporated communities is located in the vicinity of the Lake Sherwood area.

- (5) The sphere of influence for VCWD 38 is hereby determined to be the area as generally depicted in Exhibit A, “Ventura County Waterworks District No. 38 – Recommended Sphere of Influence, May 18, 2016,” attached hereto; and
- (6) 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 District updated consistent with this action.

This resolution was adopted on May 18, 2016.

	AYE	NO	ABSTAIN	ABSENT
Commissioner Cunningham	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Dandy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Freeman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Morehouse	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Parks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Parvin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Zaragoza	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Bennett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Ramirez	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Rooney	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Ross	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

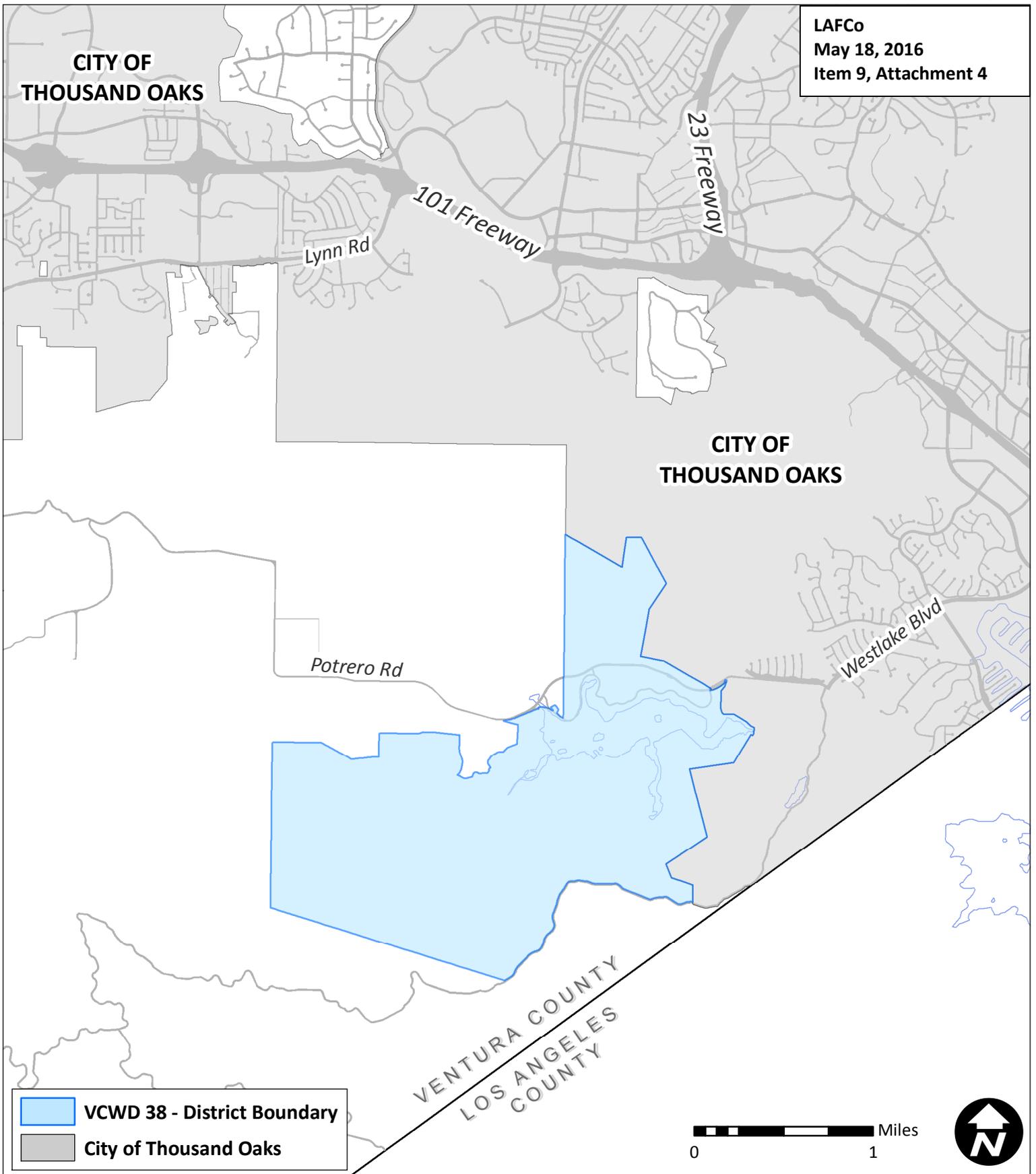
Date **Carl Morehouse, Chair, Ventura Local Agency Formation Commission**

Attachment: Exhibit A

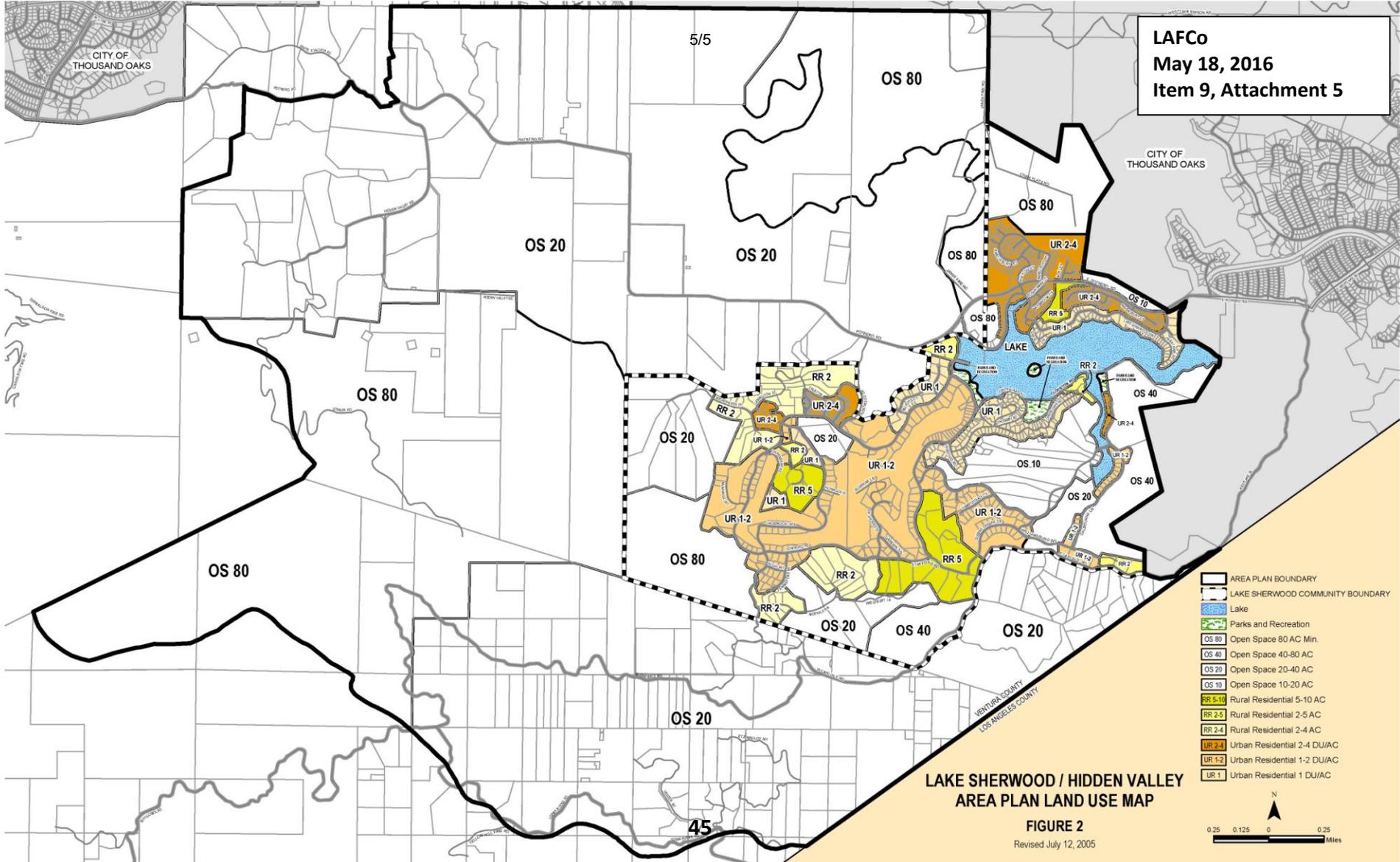
c: Ventura County Waterworks District No. 38
Lake Sherwood Community Services District
Ventura County GIS Officer

-  VCWD 38 - Recommended Sphere Boundary
-  VCWD 38 - District Boundary





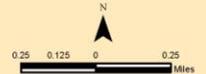
LAFCo
May 18, 2016
Item 9, Attachment 5



- AREA PLAN BOUNDARY
- LAKE SHERWOOD COMMUNITY BOUNDARY
- Lake
- Parks and Recreation
- OS 80 Open Space 80 AC Min.
- OS 40 Open Space 40-80 AC
- OS 20 Open Space 20-40 AC
- OS 10 Open Space 10-20 AC
- RR 5-10 Rural Residential 5-10 AC
- RR 2.5 Rural Residential 2.5 AC
- RR 2.4 Rural Residential 2.4 AC
- UR 2.4 Urban Residential 2.4 DUJAC
- UR 1.2 Urban Residential 1.2 DUJAC
- UR 1 Urban Residential 1 DUJAC

**LAKE SHERWOOD / HIDDEN VALLEY
 AREA PLAN LAND USE MAP**

FIGURE 2
 Revised July 12, 2005





VENTURA LOCAL AGENCY FORMATION COMMISSION

STAFF REPORT

Meeting Date: May 18, 2016

TO: LAFCo Commissioners
FROM: Kai Luoma, Executive Officer
SUBJECT: Recommended Final Budget and Work Plan – Fiscal Year (FY) 2016-17

RECOMMENDATION:

Adopt the attached resolution:

- A. Approving the Recommended Final Budget as the Final Budget for FY 2016-17 and directing staff to transmit the Final Budget to the County, each city, and each independent special district; and
- B. Adopting the work plan for FY 2016-17 set forth in the Final Budget.

BACKGROUND:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH) requires each LAFCo to adopt annually a Proposed Budget by May 1 and a Final Budget by June 15. The enclosed Recommended Final Budget consists of a Budget Message and the line item budget of expenditures and revenue. With the exception of non-substantive language revisions in the Budget Message, the Recommended Final Budget is unchanged from the Proposed Budget adopted by the Ventura LAFCo on April 20, 2016.

DISCUSSION:

The FY 2016-17 Final Budget being recommended by staff reflects an overall expenditure increase of approximately 3.5% compared to the FY 2015-16 Adopted Final Budget. This is due to increases in projected costs for both Salaries and Employee Benefits and an increase in Contingencies as outlined in the attached Budget Message (Exhibit A of Attachment 1) and discussed below.

COMMISSIONERS AND STAFF

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

The Recommended Final Budget includes a recommended contingency appropriation of \$33,478 which is equivalent to 5% of total expenditures. The Commission’s budget policies indicate that the budget should provide for contingencies equaling 10% of total expenditures, unless the Commission deems that a different amount is appropriate. Staff believes that a lower amount is appropriate for two reasons: 1) it will reduce the amount of revenue to be collected from other governmental agencies; and 2) Unassigned Fund Balance can be used as a financing source in the event it is needed. The projected unassigned fund balance at the end of this fiscal year is \$254,071.

The Recommended Final Budget reflects an increase of approximately 7%, or \$40,551, in total revenue from other government agencies compared to the FY 2015-16 Adopted Final Budget. When divided equally among the three governmental funding categories (County, cities, and independent special districts), 7% represents an increase of approximately \$13,500 for each category, as indicated in the following table:

Other Government Agency Revenue	FY 2014-15 Adopted Budget	FY 2015-16 Adopted Budget	FY 2016-17 Proposed Budget
County	\$173,083	\$192,159	\$205,676
Cities	\$173,083	\$192,159	\$205,676
Independent Special Districts	\$173,083	\$192,159	\$205,676
Total Other Gov. Agency Revenue	\$519,249	\$576,477	\$617,028

Included with the Recommended Final Budget are the estimated allocation percentages for the 10 cities and 30 independent special districts that together with the County are responsible for the majority of LAFCo’s revenue. The estimated allocation percentages are based on the FY 2013-14 State Controller Reports, which will be used by the County Auditor-Controller as the basis for collecting revenue from the cities and independent special districts for FY 2016-17. These are the most current Reports available at this time. Should the State issue updated Reports for FY 2014-15 before the end of June, the County Auditor-Controller will use those Reports as the basis for collecting revenue from the cities and special districts for FY 2016-17.

The Recommended Final Budget has been transmitted to the County and each city and independent special district for review and comment at any time prior to the adoption of a Final Budget.

Attachment:

1. Resolution Adopting the Final Budget for FY 2016-17

**RESOLUTION OF THE
VENTURA LOCAL AGENCY FORMATION COMMISSION
ADOPTING A FINAL BUDGET FOR FISCAL YEAR 2016-17**

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

WHEREAS, at a minimum, the proposed and final budget must be equal to the budget adopted for the previous fiscal year unless the Commission finds that reduced staffing or program costs will nevertheless allow the Commission to fulfill the purposes and programs of the Cortese-Knox-Hertzberg Local Government Reorganization Act; and

WHEREAS, on April 20, 2016 the Commission adopted a Proposed Budget for Fiscal Year 2016-17; and

WHEREAS, the Recommended Final Budget was made available to the public and transmitted to other governmental agencies which had an opportunity to comment prior to the adoption of the Final Budget for Fiscal Year 2016-17 on May 18, 2016.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED that pursuant to Government Code Section 56381, the Ventura Local Agency Formation Commission hereby:

- (1) Adopts the Recommended Final Budget as the Final Budget for the 2016-17 Fiscal Year as set forth in Exhibit A attached hereto; and
- (2) Finds that the Recommended Final Budget as set forth in Exhibit A attached hereto will not result in reductions in staffing or program costs that the Commission would be impeded from fulfilling the purpose and programs of the Cortese-Knox-Hertzberg Local Government Reorganization Act; and
- (3) Adopts the work plan for the 2016-17 Fiscal Year set forth in the Recommended Final Budget; and
- (4) Directs the Executive Officer to forward the Final Budget, as adopted, to all the independent special districts, cities and the County.

This resolution was passed and adopted on May 18, 2016.

	AYE	NO	ABSTAIN	ABSENT
Commissioner Cunningham	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Dandy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Freeman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Morehouse	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Parks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Parvin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Zaragoza	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Bennett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Ramirez	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Rooney	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Ross	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date _____ Carl Morehouse, Chair, Ventura Local Agency Formation Commission

Attachment: Exhibit A

- c: County of Ventura
- Ventura County Cities
- Ventura County Independent Special Districts



VENTURA LOCAL AGENCY FORMATION COMMISSION

BUDGET MESSAGE

Recommended Final Budget - Fiscal Year 2016-2017¹

Hearing Date: May 18, 2016

Introduction

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Section 56000 *et seq.*) (CKH) requires each Local Agency Formation Commission (LAFCo) to adopt a Proposed Budget by May 1 of each year and a Final Budget by June 15 of each year. The Ventura LAFCo adopted a Proposed Budget for Fiscal Year (FY) 2016-17 on April 20, 2016 and will consider this Recommended Final Budget for FY 2016-17 on May 18, 2016. The adopted Final Budget will be used by the County Auditor-Controller's Office to collect revenues as necessary from the County, cities and independent special districts.

The Ventura LAFCo Commissioner's Handbook, the compendium of the Ventura LAFCo's policies and procedures, contains budget policies in Section 2.3.1 *et seq.* The Recommended Final Budget for FY 2016-17 was prepared in accordance with these policies. Budget goals continue to be minimizing expenditures while fulfilling basic functions, and providing for effective and efficient compliance with mandates.

LAFCo and the County of Ventura entered into a Memorandum of Agreement effective July 1, 2001. While LAFCo is an independent agency, the Memorandum of Agreement provides for the County to provide personnel, support services, offices and materials as requested by LAFCo. All of the personnel, support services, offices and materials to be requested of the County for FY 2016-17 are part of this Recommended Final Budget. Budget information is formatted using County of Ventura account descriptions and codes.

This Budget Message highlights LAFCo's key responsibilities, reviews the notable work accomplishments and budget information for the first three quarters of FY 2015-16, sets forth a basic work plan for FY 2016-17, and provides background and explanatory information about the anticipated expenditures and revenues in this Recommended Final FY 2016-17 Budget.

¹ With the exception of non-substantive language revisions in the Budget Message, the Recommended Final Budget is unchanged from the Proposed Budget adopted by the Ventura LAFCo on April 20, 2016.

Major LAFCo Responsibilities

- Act on proposals for incorporation of cities; formation, dissolution, consolidation and merger of special districts; and annexation and detachment of territory to and from cities and special districts.
- Determine and establish spheres of influence for cities and special districts.
- Review and, as necessary, update spheres of influence for cities and special districts every five years.
- Conduct municipal service reviews prior to or in conjunction with the determination or update of spheres of influence.
- Perform special studies relating to services and make recommendations about consolidation, mergers or other governmental changes to improve services and reduce operational costs.
- Serve as the conducting authority for the determination of protests relating to proposals for incorporation, formation, and subsequent boundary changes.
- Act on requests for out-of-agency contracts for extensions of services.
- Function as either a responsible or lead agency pursuant to the California Environmental Quality Act (CEQA).
- Review and comment on draft changes/updates to city and county general plans.
- Review and comment on draft environmental documents prepared pursuant to CEQA.
- Provide public information about LAFCo and public noticing of pending LAFCo actions.
- Maintain a website.
- Adopt and update, as necessary, written policies and procedures.
- Adopt an annual budget.

FY 2015-16 in Review

Based on information through the end of February 2016, total projected actual expenditures for FY 2015-16 are expected to be approximately:

Description	FY 15-16 Adopted	FY 15-16 Projected	Estimated Savings
Total Salaries and Benefits	\$ 496,950	\$ 474,950	\$ 22,000
Total Services and Supplies	162,250	145,825	16,425
Contingencies	19,777	0	19,777
Total Expenditures	678,977	620,775	58,202

As shown above, staff does not anticipate the need to use the Contingency appropriation of \$19,777. The anticipated savings in Salaries and Benefits, Services/Supplies and Contingency is projected to be \$58,202 for FY 2015-16.

Actual revenue for FY 2015-16 is projected to be approximately:

Account Code	Description	FY 15-16 Adopted	FY 15-16 Projected	Estimated Savings/ (Deficit)	Percent Change
8911	Interest Earnings	\$ 2,500	\$ 2,500	\$ 0	0
9790	Other Revenue (from Fees)	25,000	20,000	(5,000)	-20%
9371	Other Govt. Agencies	576,477	576,477	0	0
	Total Revenue	603,977	598,977	(5,000)	- 0.8%

As noted in the table above, a projected total revenue shortfall of \$5,000 is anticipated as part of the current budget.

The projected \$58,202 savings in Salaries/Benefits and Services/Supplies and Contingency along with the projected \$5,000 of revenue shortfall results in a total projected unappropriated Fund Balance of \$53,202, which is \$21,798 less than the appropriated Fund Balance adopted as a part of the FY 2015-16 Final Budget (\$75,000).

The following bullet points are the work plan that was adopted as a part of the FY 2015-16 Adopted Final Budget. Substantial progress has been made on each of these work plan items, as discussed below:

- *Continue municipal service reviews and sphere of influence reviews/updates in accordance with the approved 2013-2017 work plan.*

In May 2013, LAFCo approved a Work Plan for the 2013-2017 sphere of influence review/update and municipal service review cycle. The spheres of influence for 18 special districts were scheduled to be reviewed by the end of 2016. All 18 reviews were completed by March 2016. Though not formally part of the Work Plan, for the current fiscal year, LAFCo has also:

- Completed, or is currently processing, seven reorganizations and out of agency service agreements.
- Determined, or is in the process of determining, spheres of influence for the Gold Coast Transit District, County Waterworks District No. 38, and the Blanchard/Santa Paula Library District.
- Prepared, or is in the process of preparing, three municipal service reviews for the aforementioned three special districts.
- Reaffirmed the sphere of influence for the City of Santa Paula.

- *Continue to review and comment on draft environmental documents and general plan updates as they may be prepared by the cities and the County.*

Over the course of the current fiscal year, LAFCo staff has thus far reviewed and/or commented on a total of six CEQA notices/documents, general plan updates, and development proposals, several of which have required multiple reviews/comments. These include development proposals within cities and the unincorporated County area.

- *Maintain and enhance operations with a focus on communication with the Commission, the County, cities, districts and the public; budget monitoring and information; staff training and development; and enhanced records management.*

Staff continues to keep the Commission informed of notable events/items through monthly update memos, email correspondence, and regularly scheduled meetings. Positive communications and working relationships have been maintained with all cities and districts. Staff continues to attend and participate in meetings with staff and consultants representing cities, special districts and other local public agencies as well as individual members of the public and community groups. As time allows, staff continues to attend meetings of the Ventura Special Districts Association, the Association of Water Agencies, the City and County Planning Association and other local and regional associations.

Staff routinely monitors the budget. An external audit of LAFCo's financial statements for the year ended June 30, 2015 was performed.

This fiscal year, staff attended the CALAFCO Annual Conference in September and the CALAFCO Staff Workshop in late March. The Executive Officer attended a communication workshop in November. LAFCo staff continues to participate in training sessions offered by the County.

- *Update and revise the Commissioner's Handbook and consider policy additions consistent with the mission and purpose of LAFCo.*

Policies pertaining to the recordation of Commission meetings and the terms of the public member and alternate public member were added to the Commissioner's Handbook this fiscal year. Development of potential policies pertaining to agricultural mitigation (which included holding two special meetings/workshops) and the Joint Land Use Study Naval Base Ventura County are progressing. In addition, preparation to allow for Commission meetings to be live-streamed on the LAFCo website is nearly complete. The Commission also considered the advantages/disadvantages of moving the LAFCo office. On an ongoing basis, staff identifies potential policy updates/revisions for Commission consideration, as needed.

- *Increase public awareness about the mission, purpose and function of LAFCo.*

In August, staff made a presentation to the Civil Grand Jury regarding the purposes and functions of LAFCo. Staff has made two presentations to the County's Agricultural Policy Advisory Committee. Staff routinely meets with the staff of the County, cities, and special districts.

Work Plan

The Ventura LAFCo Commissioner’s Handbook provides that LAFCo will annually review and adopt a work plan as a part of the budget development process. For FY 2016-17, the recommended work plan maintains the focus on municipal service reviews and sphere of influence reviews/updates and is otherwise similar to the work plan for this fiscal year.

FY 2016-17 Work Plan

- Continue municipal service reviews and sphere of influence reviews/updates in accordance with the approved 2013-2017 work plan.
- Continue to review and comment on draft environmental documents and general plan updates as they may be prepared by the cities and the County.
- Maintain and enhance operations with a focus on communication with the Commission, the County, cities, districts, and the public; budget monitoring and information; staff training and development; and enhanced records management.
- Update and revise the Commissioner’s Handbook and consider policy additions that are consistent with the mission and purpose of LAFCo.
- Increase public awareness about the mission, purpose and function of LAFCo.

Staff believes that the items listed above are realistic provided the number and/or complexity of proposals filed do not increase significantly.

RECOMMENDED FINAL BUDGET

Expenditures

The expense portion of the budget is divided into three main sections, the Salary and Employee Benefits section (1000 series account codes), the Services and Supplies section (2000 series account codes), and Contingencies (account code 6101). Including a 5% contingency, the Recommended Final Budget reflects an overall expenditure increase of approximately 3.5% compared to the FY 2015-16 Adopted Final Budget, as indicated in the following table:

Description	FY 15-16 Adopted	FY 16-17 Proposed	Increase / (Decrease)	Percent Change
Total Expenditures	\$ 678,977	\$ 703,028	\$ 24,051	3.5%

Salary and Employee Benefits (1000 series of account codes)

Salaries and Employee Benefits continue to be the greatest expense, comprising approximately 72% of the total expenditures (more if contingencies are not included). Expenditures for Salaries and Benefits are to increase by approximately 2.0% as compared to FY 2015-16 as indicated in the following table:

Description	FY 15-16 Adopted	FY 16-17 Proposed	Increase / (Decrease)	Percent Change
Total Salaries and Benefits	\$ 496,950	\$ 506,750	\$ 9,800	2.0%

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Recommended Final Budget FY 2016-17

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The increase comes primarily from an anticipated increase to regular salaries (account code 1101) and related increases in the various benefit accounts (especially account code 1121, Retirement Contribution). The increase in salary reflects anticipated merit increases for LAFCo staff as provided for under the terms of the Executive Officer employment contract and the County of Ventura Management, Confidential Clerical and Other Unrepresented Employees Resolution.

Description	Acct Code	FY 15-16 Adopted	FY 16-17 Proposed	Increase / (Decrease)	Percent Change
Regular Salaries	1101	\$ 320,000	\$ 330,000	\$ 10,000	3.1%

The increase in regular salaries is partially offset by a decrease to Management Retiree Health Benefit (account code 1128). Pursuant to the County Management Resolution, this benefit is provided to retired staff who were employed by the County prior to July 2005. One year of the retirement benefit is provided for each five years of County employment. Though this benefit will continue for the previous Office Manager/Clerk to the Commission through 2017, the benefit is no longer provided to the previous Executive Officer, resulting in the following decrease:

Description	Acct Code	FY 15-16 Adopted	FY 16-17 Proposed	Increase / (Decrease)	Percent Change
Management Retiree Health Benefit	1128	14,500	10,000	(4,500)	-31%

The currently authorized and proposed classifications are reflected in the following table:

Title	FY 2015-16	FY 2016-17
Executive Officer	1	1
Analyst/Deputy Executive Officer	1	1
Office Manager/Clerk of the Commission	1	1
Total Authorized Positions	3	3

Services and Supplies (2000 series of account codes)

The Recommended Final Budget for Services and Supplies is essentially equal to that in the Adopted Final Budget for the current fiscal year, as indicated in the following table:

Description	FY 15-16 Adopted	FY 16-17 Proposed	Increase / (Decrease)	Percent Change
Total Services and Supplies	\$ 162,250	\$ 162,800	\$ 550	0.3%

Though two account codes reflect substantial increases from the current fiscal year adopted budget, these increases are offset by reductions in others, as follows:

- An increase in Cost Allocation Plan Charges (account code 2158). These charges are set by the County and pertain to costs for County services provided primarily by the General Services Agency, the Auditor-Controller's Office and the County Executive Office, including Human Resources. The current fiscal year charge is \$15,800. For FY 2016-17 the total charges for this account will be approximately \$18,250.
- An increase in County Geographical Information Systems (GIS) Expense (account code 2203). The increase from \$21,500 for the current fiscal year to \$24,500 for FY 2016-17 is to partially cover a substantial increase (approximately \$5,300) in the amount that the County's Information Technology Services Department charges for GIS services. The remainder of the increase is offset by an anticipated reduction in the amount of mapping services and related GIS staff time.
- A decrease in Furniture and Fixtures (account code 2262) and Education and Conference and Seminars (account code 2273) of \$1,000 each.
- A decrease in the Travel Expense (account code 2292) associated with conferences and seminars from \$19,000 in the current fiscal year to \$15,500 for FY 2016-17. This decrease is primarily due to lower anticipated travel costs to attend the 2016 CALAFCO Annual Conference to be held in Santa Barbara (the 2015 conference was held in Sacramento resulting in higher travel expenses). Due to the proximity of the Annual Conference to Ventura County, it is anticipated that most, if not all, commissioners and staff may desire to attend. The amount budgeted would allow for all commissioners, alternate commissioners, and staff to attend.

Contingencies

In accordance with the Commission's budget policies, the budget should provide for contingencies equaling 10% of total expenditures, unless the Commission deems that a different amount is appropriate. To reduce the amount of revenue necessary from other governmental agencies, it is recommended that the FY 2016-17 Recommended Final Budget include a contingency appropriation of \$33,478 which is equivalent to approximately 5.0% of total expenditures of \$669,550. Should there be a need for any unanticipated expenditures which might exceed the contingency amount, an appropriation could be made from the unassigned fund balance (which is estimated to be \$254,071 at the beginning of FY 2016-17 and includes \$103,463 to cover 60 days working capital and \$150,608 unassigned).

Financing Sources

Potential financing sources consist of Fund Balance and Miscellaneous Revenues, including interest earnings and application filing fees (e.g. account codes 8911 and 9790), and Other Governmental Agencies, the revenue to be collected from the County, cities and independent special districts (account code 9371).

Fund Balance

Section 56381(c) of the CKH Act provides, "If, at the end of the fiscal year, the commission has funds in excess of what it needs, the commission may retain those funds and calculate them into the following fiscal year's budget." As indicated in the "FY 2015-16 in Review" section above, approximately \$53,202 is projected to be available at the end of the current fiscal year to appropriate for the FY 2016-17 Budget. However, because this is only a projection, the Recommended Final budget includes an appropriated fund balance of \$65,000.

The Commission's budget policies provide for the maintenance of a Litigation Reserve Account balance in the amount of \$100,000 with the intent of limiting its use for unanticipated expenditures resulting from litigation against the Commission that does not occur routinely and would not be reimbursed by another party. This amount is classified as "committed" fund balance with respect to the Governmental Accounting Standards Board (GASB) requirements and the Commission's fund balance policies.

The policies also provide that excess fund balance remaining over and above the committed and assigned fund balances should be classified as unassigned. Currently the LAFCo General Fund does not include any assigned fund balance. Further, the policies provide that an unassigned (and unappropriated) fund balance of approximately 60 days working capital must be maintained. Based on the Projected Actual Expenditures for FY 2015-16 (\$620,775), 60 days' working capital would be approximately \$103,463. The total unassigned fund balance for the current year is \$254,071, which is equivalent to approximately 147 days' working capital.

Miscellaneous Revenue

Miscellaneous revenue includes interest earnings and other revenue, primarily application filing fees. The Recommended Final Budget for Miscellaneous Revenue is \$21,000, which is approximately 23.6% less than the Adopted Budget amount for the current fiscal year (\$27,500). This decrease is reflected in the \$1,000 budgeted for Investment Income (account code 8911), which is lower than the \$2,500 budgeted for the current year, and in the \$20,000 budgeted for Miscellaneous Revenue (account 9790), which is lower than the \$25,000 budgeted for the current fiscal year.

The Commission has a policy to annually review the LAFCo fee schedule as a part of the budget process. The existing fee schedule has been in effect since July 2010. It was updated and adopted by the Commission in April 2015 as part of the budget process for the current fiscal year. No changes to the fee schedule are recommended as part of this budget process.

Revenues from Other Governmental Agencies (the County, Cities and Independent Special Districts)

Pursuant to the CKH, the LAFCo net operating expenses are to be apportioned one-third to the County, one-third to the cities, and one-third to the independent special districts. The Ventura LAFCo determines net operating expenses as the cost for LAFCo operations net of those funds appropriated for budget purposes plus Miscellaneous Revenue. The CKH describes how the County Auditor-Controller is to make this apportionment and collect revenues once LAFCo adopts a Final Budget.

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The revenue projected to be collected from the County, cities and independent special districts is proposed to increase from \$576,477 to \$617,028 for the next year (\$40,551 or 7.0%). The table below shows how the amount of revenue from Other Governmental Agencies (the County, cities and independent special districts) has fluctuated since LAFCo first adopted an independent budget in June, 2001. As shown in the table, the amount of projected total revenue from Other Governmental Agencies for FY 2016-17 is higher than it has been in the previous eight years. This is due to an overall anticipated increase of \$24,051 in expenditures, a \$6,500 decrease in application fees/interest earnings, and a \$10,000 decrease in the appropriated fund balance for FY 2016-17.

Year	Adopted Budget –Total Finance Sources	Amount of Revenue from Other Governmental Agencies	Percent of Total Revenue from Other Governmental Agencies
FY 2001-02	\$548,737	\$468,737	85%
FY 2002-03	\$719,130	\$568,502	79%
FY 2003-04	\$641,215	\$390,699	61%
FY 2004-05	\$702,503	\$473,067	67%
FY 2005-06	\$723,226	\$361,874	50%
FY 2006-07	\$830,154	\$621,617	75%
FY 2007-08	\$949,269	\$715,957	75%
FY 2008-09	\$735,422	\$488,684	66%
FY 2009-10	\$783,101	\$587,084	75%
FY 2010-11	\$772,892	\$590,055	76%
FY 2011-12	\$766,598	\$570,285	74%
FY 2012-13	\$659,706	\$550,515	83%
FY 2013-14	\$675,769	\$573,636	85%
FY 2014-15	\$641,949	\$519,249	81%
FY 2015-16	\$678,977	\$576,477	85%
FY 2016-17 ²	\$703,028	\$617,028	88%

Not formally part of the budget, but included for general information are the percentage shares of the Other Governmental Agencies revenue for each of the cities (Attachment 1) and the independent special districts (Attachment 2). City revenues and Special District revenues are based on the FY 2013-14 State Controller Reports. These are the most current Reports available at this time. Should the State issue updated Cities and Special District Reports for FY 2014-15 before the end of June, the County Auditor-Controller’s Office will use those Reports as the basis for collecting revenue from the cities for FY 2016-17. As a further means of comparison, Attachment 3 shows individual agency revenue allocation amounts as a percentage of each agency’s total revenue. Attachment 4 is a comparison of each city’s and district’s allocation that was adopted for FYs 2013-14, 2014-15, 2015-16 and proposed for FY 2016-17.

² Based on FY 2016-17 Recommended Final Budget

The CKH Act continues to provide the ability for the cities and independent special districts in each County to determine an alternate apportionment method. To date, however, neither the cities nor the special districts have agreed on any alternate apportionment methodology. This means that the City of Oxnard, as the city with the highest gross revenue, and Calleguas Municipal Water District, the largest special district in terms of gross revenue, will continue to pay the largest respective shares of the city and special district portion of LAFCo revenue.

Conclusion

The Ventura LAFCo is continuing to exercise fiscal prudence. The Commission and its staff understand the economic realities of the time and the constraints on local government revenues. The Commission's budgeting process has improved in the last 15 years. Systems and policies are in place to ensure best practices and proper oversight. Mandates are being met and basic services provided with a highly trained staff that seeks to limit discretionary expenditures. The Recommended Final Budget for FY 2016-17 was prepared and is being recommended consistent with the Commission's policies and the knowledge and experience gained from prior years.

Respectfully submitted,



Kai Luoma
Executive Officer

ATTACHMENTS:

1. Other Governmental Agencies-Cities Allocation Amounts
2. Other Governmental Agencies-Independent Special District Allocation Amounts
3. Agency Revenue Allocation Percentages
4. Agency Allocations for FYs 2013-14, 2014-15, 2015-16, and 2016-17

Glossary of Terms

ANNUAL (OPERATING) BUDGET: A financial plan that outlines proposed expenditures for the coming fiscal year and estimated revenues which will be used to finance them.

APPROPRIATED FUND BALANCE: A portion of existing fund balance that is incorporated into the subsequent year's budget to "balance" expected expenditures in excess of expected revenues.

ASSET: Resources with present service capacity that the government presently controls; for example, money, investments and property.

ASSIGNED FUND BALANCE: Comprises amounts intended to be used by the government for specific purposes; for example, appropriated fund balance. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority to assign amounts to be used for specific purposes.

AUDIT: A systematic collection of the sufficient, competent evidential matter needed to attest to the fairness of management's assertions in its financial statements or to evaluate whether management has efficiently and effectively carried out its responsibilities.

BALANCE SHEET: Also known as a statement of net position, a basic financial statement, and presentation of an entity's net assets and liabilities on a specified date. A balance sheet is usually accompanied by appropriate disclosures that describe the basis of accounting used in its preparation.

BUDGET: A plan of financial operation including an estimate of proposed expenditures for a given period and the proposed means of financing them.

BUDGET MESSAGE: A written overview of the budget from the LAFCo Executive Officer that discusses the major budget items and LAFCo's present and future financial condition.

COMMITTED FUND BALANCE: Includes amounts that can be used only for the specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority. Commitments may be changed or removed only by the same decision-making authority taking the same formal action that imposed the constraint originally.

CONTINGENCY: A budgetary expenditure allowance (appropriation) to cover unanticipated expenditures or revenue shortfalls during the fiscal year (LAFCo Budget Account Code 6101). The Ventura LAFCo Commissioner's policies provide that the annual budget include an allocation of 10% of total operating expenses for contingencies, unless the Commission deems a different amount appropriate. Transfers from the contingency account require prior approval of the Commission.

DEFICIT: An excess of expenditures or expenses over revenues.

EXPENDITURES: Under the current financial resources measurement focus, decreases in net financial resources not property classified as *other financing uses*; for example, disbursements of cash for the cost of salaries, benefits, services or supplies.

FINANCIAL STATEMENT: Presentation of financial data including balance sheets, income statements or any supporting statement that is intended to communicate an entity's financial position at a point in time and its results of operations for a period then ended.

FISCAL YEAR: The 12-month period to which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operations.

FUND BALANCE: The difference between a fund's assets and its liabilities. With regard to a LAFCo budget, Government Code Section 56381(c) provides, "If, at the end of the fiscal year, the commission has funds in excess of what it needs, the commission may retain those funds and calculate them into the following fiscal year's budget."

FUND: A complete accounting entity reflecting financial transactions, both receipts and expenditures, of money that is set up to carry out a special function or attain objectives in accordance with established laws, policies, and regulations. The fund concept also applies to budget activities.

GASB: The Governmental Accounting Standards Board (GASB) is the ultimate authoritative accounting and financial reporting standard-setting body for state and local governments. The GASB was established in June 1984 to replace the NCGA (National Council on Governmental Accounting).

GIS: Geographic Information System.

INCOME STATEMENT: Summary of the effect of revenues and expenses over a period of time.

INTEREST: Interest income earned as idle funds are invested with a goal of protecting each investment while achieving the highest rate of return.

INTERNAL CONTROL: Process designed to provide reasonable assurance regarding achievement of various management objectives such as the reliability of financial reports.

INTERNAL SERVICE FUND: A fund that accounts for the provision of services by various County departments on a cost reimbursement basis.

LIABILITIES: Present obligations to sacrifice resources that the government has little or no discretion to avoid; for example, amounts owed for items received, services rendered, expenses incurred and assets acquired.

LINE-ITEM BUDGET: A budget that lists each expenditure category (salary, materials, telephone service, travel, etc.) separately, along with the dollar amount budgeted for each.

OBJECT: An individual expenditure account.

FINANCING SOURCES: Total amounts available during the fiscal year for appropriation including estimated revenues and appropriated fund balances.

UNAPPROPRIATED FUND BALANCE: The portion of fund balance remaining, following an approved budget appropriation of fund balance and any commitments.

UNASSIGNED FUND BALANCE: The difference between total fund balance in a governmental fund and its non-spendable, restricted, committed and assigned components.

UNRESTRICTED FUND BALANCE: The difference between total fund balance in a governmental fund and its non-spendable and restricted components.

**VENTURA LOCAL AGENCY FORMATION COMMISSION
EXPENDITURES AND REVENUE DETAIL
RECOMMENDED FINAL BUDGET
FY 2016 - 2017**

	Acct Code	Final Adopted/ Adjusted FY 15-16	Projected Actuals FY 15-16	Recommended Proposed Budget FY 16-17 4/20/16	Recommended Final Budget FY 16-17 5/18/16	Final Budget FY 16-17 Adopted MM/DD/YY
EXPENDITURES						
Salaries and Employee Benefits						
Regular Salaries	1101	320,000	320,000	330,000	330,000	
Supplemental Payments	1106	13,000	13,000	13,500	13,500	
Terminations (Buydowns)	1107	15,000	500	15,500	15,500	
Retirement Contribution	1121	66,500	66,500	70,500	70,500	
OASDI Contribution	1122	20,500	20,500	20,000	20,000	
FICA Medicare	1123	5,500	5,500	5,500	5,500	
Retiree Health Payment 1099 (Mgmt. Retiree Health)	1128	14,500	14,500	10,000	10,000	
Group Insurance	1141	23,500	23,500	23,500	23,500	
Life Insurance for Department Heads and Management	1142	150	150	150	150	
State Unemployment Insurance	1143	400	400	350	350	
Management Disability Insurance	1144	2,500	2,500	2,750	2,750	
Workers Compensation Insurance	1165	2,900	2,900	2,500	2,500	
401k Plan	1171	12,500	5,000	12,500	12,500	
Total Salaries and Employee Benefits		496,950	474,950	506,750	506,750	-

**VENTURA LOCAL AGENCY FORMATION COMMISSION
EXPENDITURES AND REVENUE DETAIL
RECOMMENDED FINAL BUDGET
FY 2016 - 2017**

	Acct Code	Final Adopted/ Adjusted FY 15-16	Projected Actuals FY 15-16	Recommended Budget FY 16-17 4/20/16	Recommended Final Budget FY 16-17 5/18/16	Final Budget FY 16-17 Adopted MM/DD/YY
EXPENDITURES						
Services and Supplies						
Voice Data ISF	2032	2,500	3,100	2,500	2,500	
General Insurance Allocation ISF	2071	2,000	2,000	2,000	2,000	
Facilities and Materials SQ FT Allocation ISF	2114	15,000	15,000	15,600	15,600	
Facilities Projects ISF	2115	0	550	0	0	
Other Maintenance ISF	2116	1,000	150	500	500	
Memberships and Dues	2131	7,100	7,000	7,300	7,300	
Cost Allocation Plan Charges	2158	15,800	15,800	18,250	18,250	
Books and Publications	2163	500	500	500	500	
Mail Center ISF	2164	2,500	2,500	2,500	2,500	
Purchasing Charges ISF	2165	100	100	100	100	
Graphics Charges ISF	2166	500	500	500	500	
Copy Machine Chgs ISF	2167	500	0	500	500	
Stores ISF	2168	50	25	50	50	
Miscellaneous Office Expenses	2179	5,500	5,500	5,500	5,500	
Board and Commission Member Compensation 1099	2181	5,000	4,600	5,000	5,000	
Attorney Services (County Counsel)	2185	22,500	22,500	22,500	22,500	
Other Professional and Specialized Non ISF (VTD Auditors and County Accounting Services)	2199	15,000	16,200	16,000	16,000	
Information Tech ISF	2202	2,500	1,500	1,800	1,800	
County Geographical Information Systems Expense ISF	2203	21,500	17,000	24,500	24,500	
Public Works ISF Charges	2205	3,000	1,000	3,000	3,000	
Special Services ISF	2206	100	100	100	100	
Publications and Legal Notices	2221	5,000	5,000	5,000	5,000	
Storage Charges ISF	2244	500	500	500	500	
Computer Equipment < \$5,000	2261	3,100	1,000	3,100	3,100	
Furniture and Fixtures < \$5,000	2262	2,000	0	1,000	1,000	
Conferences/ Seminars ISF (Training ISF)	2272	500	500	500	500	
Education Conference and Seminars	2273	2,000	200	1,000	1,000	
Private Vehicle Mileage	2291	7,000	7,000	7,000	7,000	
Travel Expense (Conferences / Seminars)	2292	19,000	15,500	15,500	15,500	
Motorpool ISF	2303	500	500	500	500	
Total Services and Supplies		162,250	145,825	162,800	162,800	-
*Contingencies	6101	19,777	0	33,478	33,478	
Total Contingencies		19,777	0	33,478	33,478	-
TOTAL EXPENDITURES		678,977	620,775	703,028	703,028	-

* Pursuant to the Ventura LAFCo Commissioner's Handbook Section 2.3.1.4(a), the annual budget shall include a contingency appropriation of 10% of total operating expenses, unless the Commission deems a different amount appropriate. The recommended final budget for FY 16-17 includes a contingency appropriation of 5% of total operating expenses.

**VENTURA LOCAL AGENCY FORMATION COMMISSION
EXPENDITURES AND REVENUE DETAIL
RECOMMENDED FINAL BUDGET
FY 2016 - 2017**

	Acct Code	Final Adopted/ Adjusted FY 15-16	Projected Actuals FY 15-16	Recommended Proposed Budget FY 16-17 4/20/16	Recommended Final Budget FY 16-17 5/18/16	Final Budget FY 16-17 Adopted MM/DD/YY
FINANCING SOURCES						
Appropriation of Fund Balance		75,000	-	65,000	65,000	
Investment Income (Interest Earnings)	8911	2,500	2,500	1,000	1,000	
Miscellaneous Revenue (LAFCo application fees)	9790	25,000	20,000	20,000	20,000	
Total Miscellaneous Revenue		27,500	22,500	21,000	21,000	-
Other Governmental Agencies						
Other Government Agencies (County of Ventura)	9371	192,159	192,159	205,676	205,676	-
Other Government Agencies (Cities)	9371	192,159	192,159	205,676	205,676	-
Other Government Agencies (Ind. Special Districts)	9371	192,159	192,159	205,676	205,676	-
Total Other Government Agencies Revenue		576,477	576,477	617,028	617,028	-
TOTAL REVENUE		603,977	598,977	638,028	638,028	-
TOTAL FINANCING SOURCES		678,977	598,977	703,028	703,028	-
NET INCOME / (LOSS) [PROJECTED USE OF APPROPRIATED FUND BALANCE]			(21,798)			

**Preliminary Fund Balance and Estimated Ending Fund
Balance at June 30, 2016**

FUND BALANCES	Actual Fund Balance 6/30/15	Projected Fund Balance 6/30/16	Estimated Fund Balance 06/30/17
Assigned:			
Appropriated	75,000	65,000	0
Committed:			
Litigation	100,000	100,000	100,000
Unassigned:			
60 Days' Working Capital	97,497	103,463	117,172
Unassigned	168,372	150,608	136,899
TOTAL UNASSIGNED	265,869	254,071	254,071
TOTAL FUND BALANCE	440,869	419,071	354,071

**LAFCO NET OPERATING EXPENSES
 GOV'T CODE 56381 (b) (1) (A) & (B)¹**

RECOMMENDED FINAL BUDGET FOR FISCAL YEAR 2016 - 2017

ALLOCATION - CITIES

SOURCE: STATE OF CALIFORNIA, CITIES ANNUAL REPORT, FY 13/14

CITY	TOTAL REVENUE PER REPORT	PERCENTAGE	ALLOCATION
			\$ 205,676
1 Camarillo	\$ 84,904,927	8.61%	\$ 17,709
2 Fillmore	20,893,957	2.12%	\$ 4,360
3 Moorpark	34,998,771	3.55%	\$ 7,301
4 Ojai	11,283,424	1.14%	\$ 2,345
5 Oxnard	316,575,281	32.11%	\$ 66,043
6 Port Hueneme	38,043,408	3.86%	\$ 7,939
7 San Buenaventura	163,542,179	16.59%	\$ 34,122
8 Santa Paula	38,049,722	3.86%	\$ 7,939
9 Simi Valley	94,871,037	9.62%	\$ 19,786
10 Thousand Oaks	182,816,341	18.54%	\$ 38,132
TOTAL	\$ 985,979,047	100.00%	\$ 205,676

(1) In counties in which there is city and independent special district representation on the commission, the county, cities, and independent special districts shall each provide a one-third share of the commission's operational costs. The cities' share shall be apportioned in proportion to each city's total revenues, as reported in the most recent edition of the Cities Annual Report published by the Controller, as a percentage of the combined city revenues within a county, or by an alternative method approved by a majority of cities representing the majority of the combined cities' populations.

LAFco NET OPERATING EXPENSES
GOV'T CODE 56381 (b) (1) (A) & (C)¹, (F)²

RECOMMENDED FINAL BUDGET FOR FY 2016- 2017
ALLOCATION - SPECIAL DISTRICTS
SOURCE: STATE OF CALIFORNIA, SPECIAL DISTRICTS ANNUAL REPORT, FY 13/14

	NAME	TOTAL		ALLOCATION
		REVENUE PER REPORT	PERCENTAGE (See Note 2)	
				\$ 205,676
1	Bardsdale Cemetery District	\$ 175,481	0.053%	\$ 109
2	Bell Canyon Comm. Services District	460,949	0.138%	284
3	Blanchard / Santa Paula Public Library District	810,839	0.244%	502
4	Calleguas Municipal Water District	155,437,134	46.699%	96,049
5	Camarillo Health Care District	3,362,698	1.010%	2,077
6	Camrosa Water District	20,385,855	6.125%	12,598
7	Casitas Municipal Water District	17,947,050	5.392%	11,090
8	Channel Islands Beach Comm. Serv. Dist.	4,121,764	1.238%	2,546
9	Conejo Recreation & Park District	19,656,487	5.905%	12,145
10	El Rancho Simi Pioneer Cemetery District	145,377	0.044%	91
11	Fillmore-Piru Memorial District	201,069	0.060%	123
12	Fox Canyon Groundwater Mgmt. Agency	1,304,731	0.392%	806
13	Hidden Valley Municipal Water District	8,115	0.002%	4
14	Meiners Oaks Water District	1,424,391	0.428%	880
15	Montalvo Comm. Services District	670,748	0.202%	416
16	Ojai Valley Sanitary District	9,191,639	2.762%	5,681
17	Ojai Water Conservation District	7,943	0.002%	4
18	Oxnard Drainage District No. 1	48,241	0.014%	29
19	Oxnard Drainage District No. 2	163,234	0.049%	101
20	Oxnard Harbor District	14,293,866	4.294%	8,832
21	Piru Public Cemetery District	44,068	0.013%	27
22	Pleasant Valley Co. Water District	3,994,544	1.200%	2,468
23	Pleasant Valley Rec & Park District	7,758,482	2.331%	4,794
24	Rancho Simi Rec & Park District	19,777,749	5.943%	12,223
25	Saticoy Sanitary District	446,061	0.134%	276
26	Triunfo Sanitation District	16,442,322	4.940%	10,160
27	United Water Conservation District	24,211,586	7.274%	14,961
28	Ventura Co. Resource Conserv. District	17,985	0.005%	10
29	Ventura Port District	8,216,843	2.469%	5,078
30	Ventura River County Water District	2,123,416	0.638%	1,312
	TOTAL	\$ 332,850,667	100.000%	\$ 205,676

- (1) In counties in which there is city and independent special district representation on the commission, the county, cities, and independent special districts shall each provide a one-third share of the commission's operational costs. The independent special districts' share shall be apportioned in proportion to each district's total revenues as a percentage of the combined total district revenues within a county. An independent special district's total revenue shall be calculated for nonenterprise activities as total revenues for general purpose transactions less aid from other governmental agencies and for enterprise activities as total operating and nonoperating revenues less revenue category other governmental agencies, as reported in the most recent edition of the "Special Districts Annual Report" published by the Controller, or by an alternative method approved by a majority of the agencies representing a majority of their combined populations.
- (2) No independent special district shall be apportioned a share of more than 50 percent of the total independent special districts' share of the commission's operational costs, without the consent of the district. The share of the remaining districts shall be increased on a proportional basis so that the total amount for all districts equal the share apportioned by the auditor to independent special districts.

Ventura LAFCo Budget FY 2016-17

Apportionment of Net Operating Expenses Expressed As Percentage Of Each Agency's Total Revenue

NAME	TOTAL REVENUE PER REPORT*	ALLOCATION	PERCENTAGE OF TOTAL REVENUE
COUNTY OF VENTURA			
	\$ 1,052,973,082	\$ 205,676	0.02%
CITIES			
Camarillo	\$ 84,904,927	\$ 17,709	0.02%
Fillmore	20,893,957	4,360	0.02%
Moorpark	34,998,771	7,301	0.02%
Ojai	11,283,424	2,345	0.02%
Oxnard	316,575,281	66,043	0.02%
Port Hueneme	38,043,408	7,939	0.02%
San Buenaventura	163,542,179	34,122	0.02%
Santa Paula	38,049,722	7,939	0.02%
Simi Valley	94,871,037	19,786	0.02%
Thousand Oaks	182,816,341	38,132	0.02%
TOTAL	\$ 985,979,047	205,676	0.02%
SPECIAL DISTRICTS			
Bardsdale Cemetery District	\$ 175,481	\$ 109	0.06%
Bell Canyon Comm. Services District	460,949	284	0.06%
Blanchard / Santa Paula Public Library Dist.	810,839	502	0.06%
Calleguas Municipal Water District	155,437,134	96,049	0.06%
Camarillo Health Care District	3,362,698	2,077	0.06%
Camrosa Water District	20,385,855	12,598	0.06%
Casitas Municipal Water District	17,947,050	11,090	0.06%
Channel Islands Beach Comm. Serv. Dist.	4,121,764	2,546	0.06%
Conejo Recreation & Park District	19,656,487	12,145	0.06%
El Rancho Simi Pioneer Cemetery District	145,377	91	0.06%
Fillmore-Piru Memorial District	201,069	123	0.06%
Fox Canyon Groundwater Mgmt. Agency	1,304,731	806	0.06%
Hidden Valley Municipal Water District	8,115	4	0.05%
Meiners Oaks Water District	1,424,391	880	0.06%
Montalvo Comm. Services District	670,748	416	0.06%
Ojai Valley Sanitary District	9,191,639	5,681	0.06%
Ojai Water Conservation District	7,943	4	0.05%
Oxnard Drainage District No. 1	48,241	29	0.06%
Oxnard Drainage District No. 2	163,234	101	0.06%
Oxnard Harbor District	14,293,866	8,832	0.06%
Piru Public Cemetery District	44,068	27	0.06%
Pleasant Valley Co. Water District	3,994,544	2,468	0.06%
Pleasant Valley Rec & Park District	7,758,482	4,794	0.06%
Rancho Simi Rec & Park District	19,777,749	12,223	0.06%
Saticoy Sanitary District	446,061	276	0.06%
Triunfo Sanitation District	16,442,322	10,160	0.06%
United Water Conservation District	24,211,586	14,961	0.06%
Ventura Co. Resource Conserv. District	17,985	10	0.06%
Ventura Port District	8,216,843	5,078	0.06%
Ventura River County Water District	2,123,416	1,312	0.06%
TOTAL	\$ 332,850,667	\$ 205,676	0.06%

Source: State of California Annual Reports FY 13/14.

For special districts, total revenue excludes aid from other governments.

Ventura LAFCo Budget FY 2016-17
City and District Allocations

CITIES	FY 13-14	FY 14-15	FY 15-16	FY 16-17
Camarillo	\$ 17,305	\$ 14,338	\$ 14,085	\$ 17,709
Fillmore	4,130	2,807	3,324	4,360
Moorpark	4,819	4,869	5,227	7,301
Ojai	2,983	2,042	2,191	2,345
Oxnard	71,647	61,496	61,126	66,043
Port Hueneme	7,438	7,553	6,706	7,939
San Buenaventura	30,479	27,338	43,178	34,122
Santa Paula	7,515	7,361	7,321	7,939
Simi Valley	16,750	16,031	18,121	19,786
Thousand Oaks	28,146	29,248	30,880	38,132
TOTAL	\$ 191,212	\$ 173,083	\$ 192,159	\$ 205,676

SPECIAL DISTRICTS	FY 13-14	FY 14-15	FY 15-16	FY 16-17
Bardsdale Cemetery District	\$ 128	\$ 104	\$ 131	\$ 109
Bell Canyon Comm. Services District	333	280	307	284
Blanchard / Santa Paula Library District	n/a	n/a	n/a	502
Calleguas Municipal Water District	81,397	76,281	88,562	96,049
Camarillo Health Care District	2,610	2,217	2,252	2,077
Camrosa Water District	11,387	9,933	11,816	12,598
Casitas Municipal Water District	11,184	9,604	10,084	11,090
Channel Islands Beach Comm. Serv. Dist	2,721	2,442	2,231	2,546
Conejo Recreation & Park District	13,371	11,957	11,593	12,145
El Rancho Simi Pioneer Cemetery District	86	80	90	91
Fillmore-Piru Memorial District	119	106	108	123
Fox Canyon Groundwater Mgmt. Agency	583	765	811	806
Hidden Valley Municipal Water District	17	5	0	4
Meiners Oaks Water District	801	730	824	880
Montalvo Comm. Services District	528	441	430	416
Ojai Valley Sanitary District	6,325	5,423	5,796	5,681
Ojai Water Conservation District	6	5	6	4
Oxnard Drainage District No. 1	36	30	33	29
Oxnard Drainage District No. 2	119	100	102	101
Oxnard Harbor District	7,823	7,486	8,467	8,832
Piru Public Cemetery District	11	21	35	27
Pleasant Valley Co. Water District	2,013	1,954	2,579	2,468
Pleasant Valley Rec & Park District	6,092	4,755	4,800	4,794
Rancho Simi Rec & Park District	13,436	11,380	11,489	12,223
Saticoy Sanitary District	216	203	221	276
Triunfo Sanitation District	9,735	8,644	9,556	10,160
United Water Conservation District	13,366	12,178	13,714	14,961
Ventura Co. Resource Conserv. District	46	38	25	10
Ventura Port District	5,759	5,009	4,942	5,078
Ventura River County Water District	964	912	1,155	1,312
TOTAL	\$ 191,212	\$ 173,083	\$ 192,159	\$ 205,676



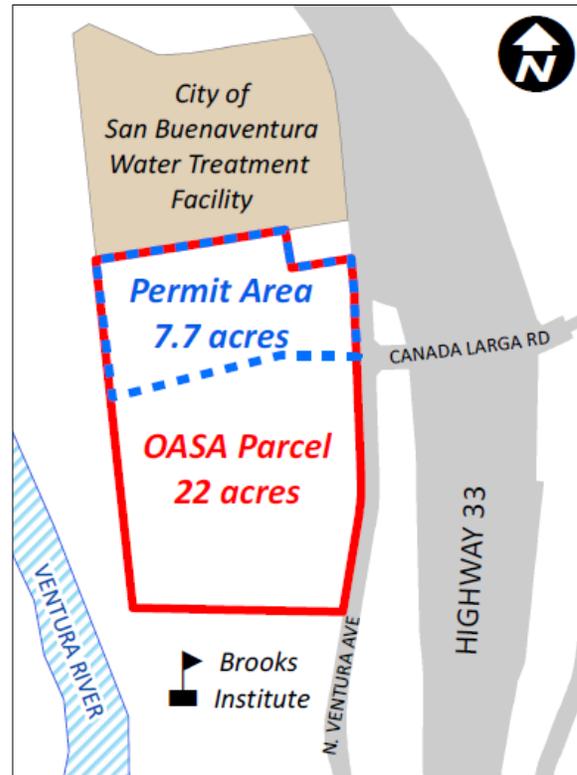
VENTURA LOCAL AGENCY FORMATION COMMISSION
STAFF REPORT
 Meeting Date: May 18, 2016

LAFCo Case: LAFCo 16-04 OASA – City of San Buenaventura - RDK Land, LLC

Request: The request is for approval of an extraterritorial service agreement (known as an Out of Agency Service Agreement, or OASA) for water service from the City of San Buenaventura, to be provided outside the City’s municipal boundaries for six contractor service and storage yards and an associated caretaker’s residence.

Size: The proposed development and water service would occur on an approximately 7.7-acre portion of an approximately 22-acre parcel.

Location: The property is located at 5721 North Ventura Avenue, north of the City of San Buenaventura (but immediately south of the City’s water treatment plant) (see Attachments 1 and 2). The parcel is within the sphere of influence of the City and is known as Assessor’s Parcel Number 063-0-040-160.



Proponent: City of San Buenaventura

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

Recommendations:

- A. Certify that the Commission has reviewed and considered the information contained in the Mitigated Negative Declaration prepared by the County of Ventura as the lead agency; and
- B. Adopt the attached resolution LAFCo 16-04 approving the OASA for the City of Buenaventura – RDK Land, LLC.

COMMISSIONERS AND STAFF

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

Description of Proposal:

The City’s request is for LAFCo approval of an OASA (Exhibit A of Attachment 5) that would allow the City to provide water service to six contractor service and storage yards and an associated caretaker’s residence in the northernmost approximately 7.7-acre area of an approximately 22-acre currently-vacant parcel. The subject development was approved by the County in 2015. The proposed OASA would allow the installation and use of a 6-inch fire line and a 2-inch domestic line, and would be limited to City water service within the County-established 7.7-acre permit boundary.

Decision-Making Authority:

The Commission has delegated the authority to review and act on most OASA applications to the Executive Officer, pursuant to Government Code § 56133(d) [see Ventura LAFCo Commissioner’s Handbook Section 2.5.2.1(c)]. However, the Executive Officer is not authorized to review and act on OASA applications for which a Mitigated Negative Declaration (MND) was prepared as the environmental document under the California Environmental Quality Act (CEQA). The County of Ventura, the CEQA lead agency, prepared and adopted a MND for the subject project, and therefore the Commission is the decision-maker for this application.

Analysis of OASA Request:

In general, LAFCo law requires that services by a local agency be provided within the jurisdictional boundaries of that agency. However, the law also recognizes that there are instances where annexation of territory to that agency is not feasible or appropriate, and it has provided an alternative for such exceptional circumstances. In furtherance of LAFCo law, the Ventura LAFCo has adopted specific local policies that pertain to OASAs. A discussion of LAFCo law and local policies is provided below:

LAFCo Law – Government Code § 56133

Government Code § 56133 allows for new or extended services to be provided by a city or district, outside the jurisdictional boundaries of that city or district, if approved by the Commission. For OASA requests within the proposed service provider’s sphere of influence, as is the case for the subject request, Government Code § 56133(b) applies:

The Commission may authorize a city or district to provide new or extended services outside its jurisdictional boundary but within its sphere of influence in anticipation of a later change of organization.

A sphere of influence is defined in LAFCo law as “a plan for the probable physical boundaries and service area of a local agency, as determined by the commission.” With approval of the subject OASA, it is anticipated that the property would eventually be annexed to the City.

Ventura LAFCo Commissioner's Handbook (Handbook) – Division 5

Division 5 of the Handbook provides policies that apply to the approval of OASAs. These policies are discussed as follows:

1. Handbook Section 5.1.3.2 – Land Use Approvals Required

No OASA application should be accepted by LAFCo prior to approval of a map, parcel map waiver, or land-use entitlement by the agency with jurisdiction over the project.

The proposed 6-inch fire line and 2-inch domestic line will provide water service for fire protection and domestic purposes to the northernmost approximately 7.7 acres of an existing vacant 22-acre parcel that has been approved by the County for the development of six contractor service and storage yards and the associated caretaker's residence. The subject property is zoned *Industrial*, a zone in which the approved use is allowed. Therefore, no new land use entitlements or other discretionary actions are necessary before the requested water service can be provided.

2. Handbook Section 5.1.4.1(a) – Capacity to Provide Proposed Service and Consistency with Adopted Service Plans

The City has demonstrated that there is adequate capacity to provide the proposed service and the service is consistent with the City's adopted service plans.

The City does not currently provide water service to the subject property. The parcel fronts on North Ventura Avenue, and the existing water line infrastructure is located approximately 20 feet from the parcel. The City has indicated that it has sufficient water supply capacity to provide the requested service.

3. Handbook Section 5.1.4.1(b) – Consistency with Applicable General Plan and Specific Plan

The existing or proposed land use is consistent with the applicable general plan and any applicable specific plan.

The property is designated by the County's General Plan as *Existing Community - Urban Reserve*, and the North Ventura Avenue Area Plan designates the land use of the property as *Industrial* (see Attachment 3). Therefore, the proposed industrial use of the site is consistent with the County General Plan and Area Plan land use designations.

4. Handbook Section 5.1.4.1(c) – Legal Lot

The territory to which the service is proposed to be extended involves only legal lots.

No information has been made available to indicate that the lot is not a legal lot.

5. Handbook Section 5.1.4.2 – Factors Unfavorable to Approval

Factors unfavorable to LAFCo approval of an OASA are that: (a) a more cost efficient alternative for providing the service is available; (b) the service would be provided in a hazardous area and the hazard cannot be adequately mitigated; and (c) the basis for the proposed service is solely to accommodate the creation of a new lot or lots without a corresponding development proposal.

A more cost efficient means of providing service is not known to be available; the lot to be served is not within a hazardous area designated by a federal, state, or local public agency; and the basis for the service is not to accommodate the creation of a new lot or lots.

6. Handbook Section 5.1.5.1 – Agriculture and Open Space Preservation

LAFCo will approve OASAs which are 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 OASA will lead to planned, orderly, and efficient development.

Based on the underlying soils of the property, the project site meets the definition of “prime agricultural land” provided in LAFCo law (Government Code § 56064). Development of the site as proposed will result in the conversion of prime agricultural land to the non-agricultural use described in the proposal. The surrounding land does not meet the definition of “open space” provided in LAFCo law (Government Code § 56059), as it is not designated by the County General Plan or North Ventura Avenue Area Plan as *Open Space*. The following discussion includes the policy language of Handbook Section 5.1.5.1 (in *italic* font) and an analysis of the proposed OASA as it relates to each policy section (in regular font):

For the purposes of this policy, an out of agency service agreement leads to planned, orderly, and efficient development only if all of the following criteria are met:

- a. The territory is already developed or will be developed immediately upon the connection of the requested out of agency service and has been designated for non-agricultural use by applicable general and specific plans.*

Analysis: The 7.7-acre permit area is currently vacant and would be developed with an industrial use upon connection to the City’s water system. The County General Plan land use designation of the territory is *Existing Community - Urban Reserve*, its North Ventura Avenue Area Plan land use designation of *Industrial*, and the parcel is zoned for industrial use [*M2-10,000 sq.ft. (General Industrial, 10,000 square feet minimum parcel size)*] (see Attachment 3).

- b. *Provision of the service would not result in a premature intrusion of urbanization into a predominantly agricultural or rural area.*

Analysis: According to the historical information supplied by the County Planning Division, the subject property was used as an orange grove from 1938 through 1975 or later. Since 1989 (or possibly earlier), the property has been vacant, and has not been actively cultivated or used for agriculture. The project site is surrounded on all sides by non-agricultural and non-rural uses:

- the Ojai Valley Sanitary District's wastewater treatment plant to the northwest;
- the City's water treatment plant to the north;
- North Ventura Avenue, industrial land, and Highway 33 to the east;
- the Brooks Institute photography and film school to the south; and
- vacant land and the Ventura River to the west.

The land nearest the subject parcel that is currently used for agriculture consists of orchards located on the far (west) side of the Ventura River and grazing land located on the far (east) side of Highway 33. Therefore, the provision of City water service to the subject property would not result in a premature intrusion of urbanization into a predominantly agricultural or rural area.

- c. *The out of agency service agreement will have no significant adverse effects on the physical and economic integrity of other prime agricultural or existing open space lands.*

Analysis: As discussed above in the analysis for Handbook Section 5.1.5.1(b), the subject property is surrounded by non-agricultural uses despite the characteristics of the underlying soils qualifying the surrounding land as "prime agricultural land" under LAFCo law, and is not defined as "open space" pursuant to LAFCo law. The project site is not located adjacent to any land designated, zoned, or used for agriculture, and the proposed development would not result in the displacement of any existing agricultural operation. The surrounding vacant land consists of the remaining portion of the subject parcel (approximately 14.3 acres), a portion of which has been approved for parking related to the Brooks Institute, and a 6.63-acre parcel immediately to the west that is currently proposed for industrial development. The infrastructure serving the proposed development would be limited to that development. The proposed project does not include any changes to the Ventura County General Plan land use designations or zoning designations. Therefore, the approval of the requested OASA would have no significant adverse effects on the physical and economic integrity of other existing prime agricultural or open space lands.

- d. *The use or proposed use of the territory involved is consistent with local plans and policies.*

Analysis: Use of the site as proposed would be in conformance with the zoning standards for projects located within the *M2-10,000 sq.ft.* zone. The proposed development is consistent with the applicable policies of the County General Plan and the North Ventura Avenue Area Plan. The parcel is located entirely within the City of San Buenaventura's sphere of influence, and has a City General Plan land use designation of *Industry*. Therefore, the proposed use of the territory involved is consistent with local plans and policies.

7. Handbook Section 5.1.6 – Determination of No Other Service Provider

In order to approve an OASA, LAFCo shall determine that no other public agency can provide the same service and the same level of service.

No public agency can provide water service to the property at the same level of service as the City of San Buenaventura.

8. Handbook Section 5.1.7(a) – Lack of Contiguity Given Current Boundaries

In order to approve an OASA, LAFCo must make favorable determinations that lack of contiguity makes annexation infeasible given current boundaries, and the requested public service is justified based on applicable general and specific plans, LAFCo policies, and other entitlements for use.

Lack of contiguity to City boundaries makes annexation infeasible given current boundaries¹. Additionally, the requested public service is justified based on the County's land use designation, Commission policies, and the approved use of the site.

9. Handbook Section 5.1.8 – Agreements Consenting to Annex

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

The requested OASA contains language that the agreement will be recorded, as well as language requiring landowner consent to annex the territory and that such consent shall be binding on future owners of the property.

¹ Territory shall be contiguous to a city in order to be annexed to the city (Government Code § 56741). While the subject parcel is contiguous to the parcel containing the City's water treatment facility to the north (which is within the City's jurisdiction), the City parcel is not contiguous to any other part of the City. That parcel is within Ventura County, is owned by the City and is used for municipal purposes, and therefore it is not required to be contiguous to the City (Government Code § 56742). This exception regarding contiguity does not extend to the privately-owned, privately-used subject parcel.

10. Handbook Section 5.1.9 – Time Limit on Service Initiation

LAFCo approval of an application for an OASA will not become effective until the agreement is recorded by the Ventura County Recorder, no later than six months following the date of approval. Unless exceptional circumstances exist, whenever a building permit is required to authorize construction of a property improvement to which the requested service is intended to be provided, LAFCo will not approve an OASA application unless the service agreement contains language which expressly limits the time period for obtaining a building permit to no more than one year following the date of recordation, and requests to exceed the one-year deadline shall state what facts are claimed to warrant exceptional circumstances.

The subject property has been approved for the development of six contractor service and storage yards and an associated caretaker's dwelling. The OASA, if approved by the Commission, will not become effective until it is recorded by the Ventura County Recorder, and must be recorded no later than six months following the date of approval (i.e., by November 18, 2016). Additionally, the developer must obtain related building permits within one year of the date of recordation. No additional entitlements are required in order for the requested water service to be provided.

California Environmental Quality Act (CEQA):

When the Ventura County Planning Director approved the development on the subject property on August 13, 2015, she adopted a MND under CEQA (see Attachment 4). The MND together with the Initial Study was provided to the Commission under separate cover on April 20, 2016. The MND identified that in order for environmental impacts of the project to be considered less than significant, mitigations are necessary to address potentially significant environmental impacts to biological resources.

This OASA request is also subject to CEQA. Staff recommends that the Commission, as part of its actions related to the OASA request, adopt the findings provided in the County's MND. If approved by the Commission as recommended, LAFCo staff will file a Notice of Determination in accordance with § 15096(i) of the CEQA Guidelines.

Commission Proceedings – Process Considerations:

Pursuant to Government Code § 56133(d), the Commission shall approve, disapprove, or approve with conditions the extended services.

Alternative Actions Available:

- A. Continuance: The Commission may decide to continue the matter to a future meeting, pursuant to Government Code § 56133(d). An action to continue the matter should

include the specific information desired and specify a date certain for further consideration.

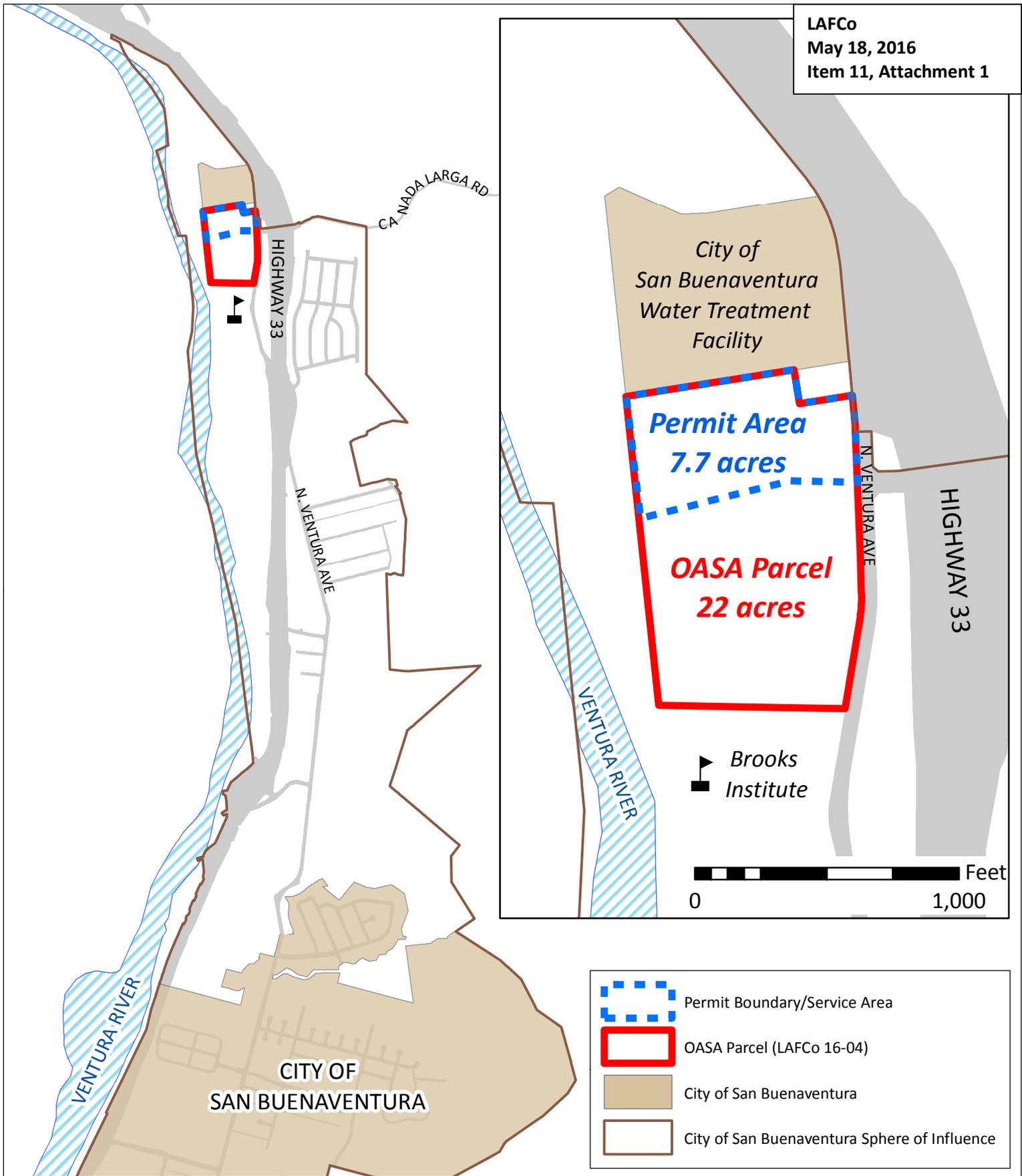
- B. Approval with conditions: The Commission may decide to approve the proposal subject to any changes or additions to the recommended terms or conditions, pursuant to Government Code § 56133(d). Any action to approve with modifications should clearly specify any such modifications and changes.
- C. Disapproval: The Commission may decide to disapprove the proposal, pursuant to Government Code § 56133(d). Such action should include direction that the matter be continued to the next LAFCo meeting and that staff prepare a new report and resolution consistent with the anticipated decision.

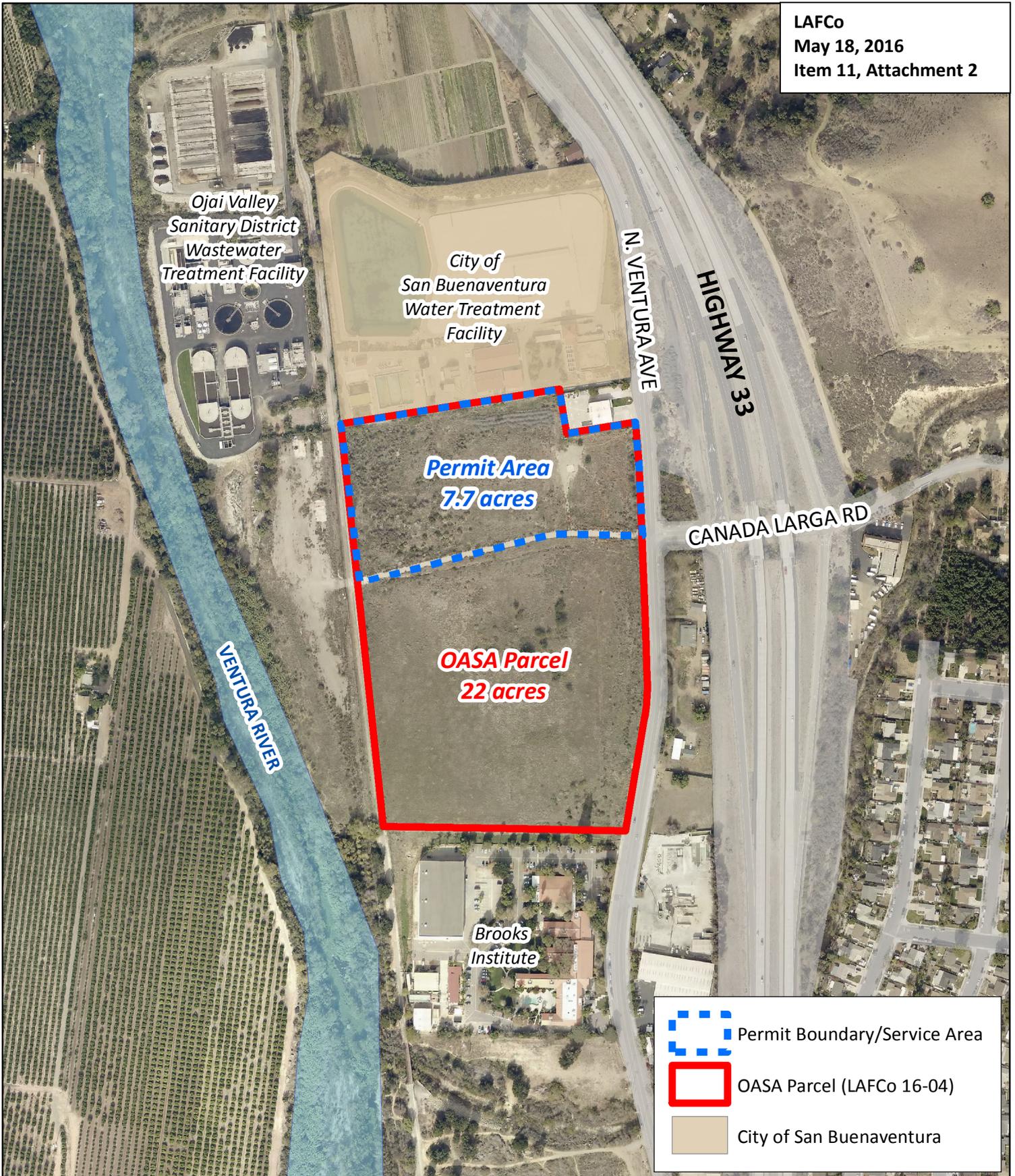
BY: Andrea Ozdy
Andrea Ozdy
Analyst

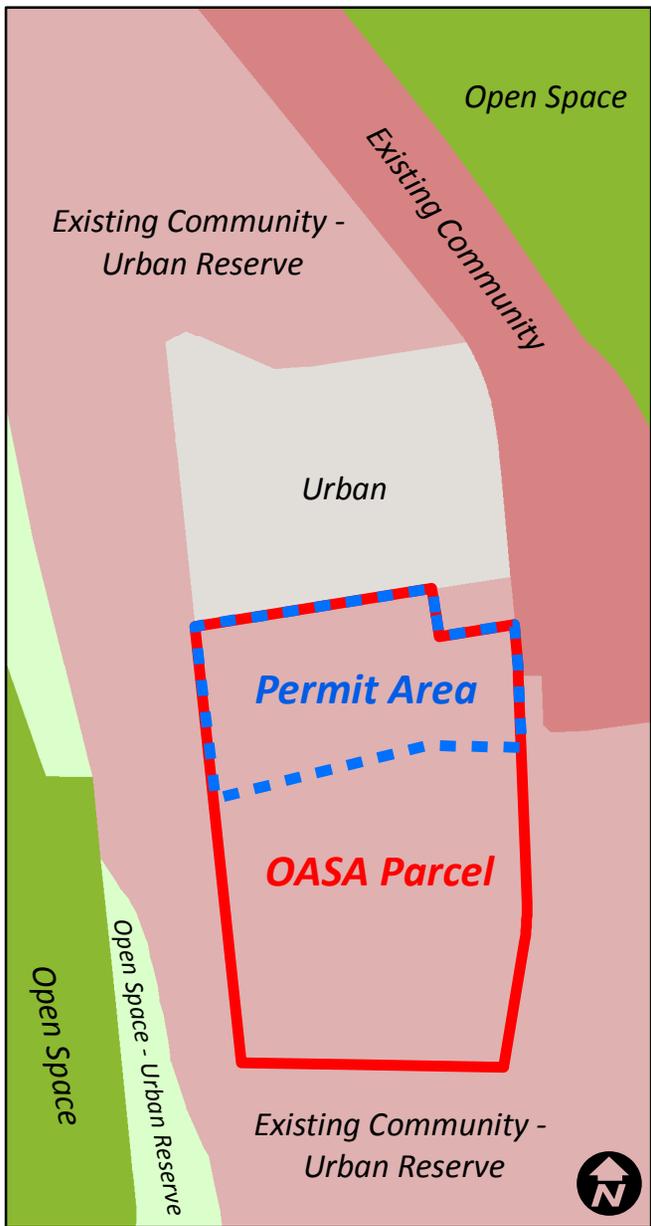
Attachments:

1. OASA Area Map/Vicinity Map
2. OASA Area – Aerial Photo
3. OASA Area – General Plan/Area Plan/Zoning Designations Map
4. CEQA Document – Mitigated Negative Declaration
5. LAFCo 16-04 Resolution

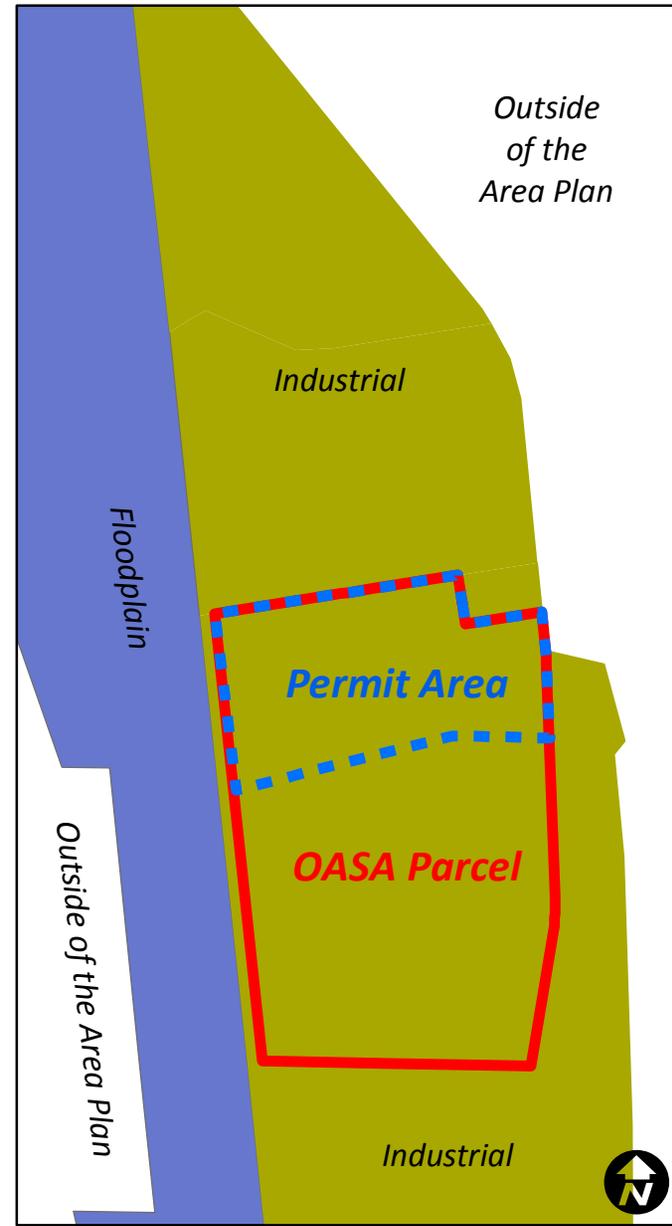
LAFCo makes every effort to offer legible map files with the online and printed versions of our reports; however, occasionally the need to reduce oversize original maps and/or other technological/software factors can compromise readability. Original maps are available for viewing at the LAFCo office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



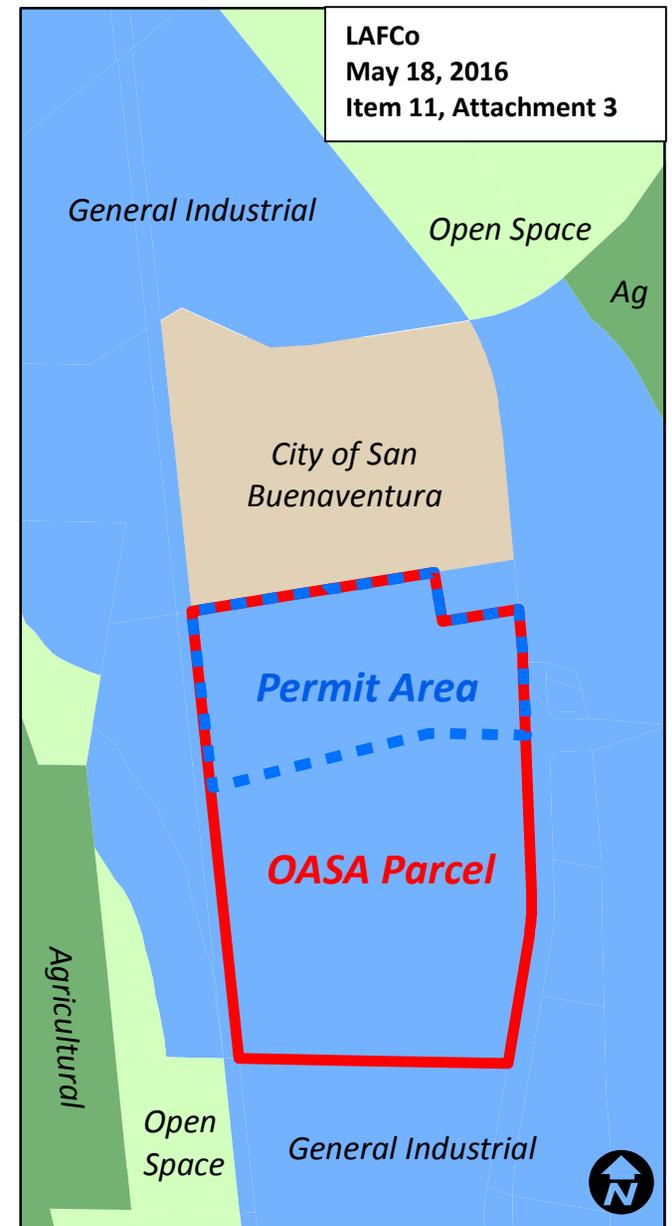




**Ventura County General Plan
 Land Use Designations**



**North Ventura Avenue Area Plan
 Land Use Designations**



**Ventura County
 Zoning Designations**



LAFCo 16-04
 OASA - City of San Buenaventura
 RDK Land, LLC
 May 18, 2016

county of ventura

MITIGATED NEGATIVE DECLARATION

A. PROJECT DESCRIPTION:

Entitlement: PL12-0152

Applicant: RDK Land, LLC, 2870 Los Feliz Place, Los Angeles, CA 90039

Location: The project site is located at 5721 N Ventura Avenue, Ventura, CA

Assessor's Parcel No.: 063-0-040-160

Parcel Size: 22-acre parcel

General Plan Designation: Existing Community-Urban Reserve.

Zoning Designation: M2-10,000 sq. ft. (Limited Industrial, 10,000 sq. ft. parcel size)

Responsible and/or Trustee Agencies: Californian Department of Fish and Game

Project Description: The applicant requests that a Planned Development permit be granted to authorize the development and operation of a contractor service and storage yard. The proposed facility would include six individual tenant spaces. Each yard will include a pre-fabricated office, parking spaces, and trash containers. The facility will operate from 6:00 am to 7:00 pm, Monday through Saturday and be closed on Sunday. The project site would be graded to create level pads with earth movement estimated at 2,670 cubic yards of cut and 13,430 cubic yards of fill. The fill is anticipated to come 100% from the bio swale and other drainage conveyance areas on the southerly portion of the parcel.

Stormwater will be collected by proposed vegetated swales located along the northern and western perimeters of the project site and located in the central area of the proposed service and storage yard. The proposed swales will deliver stormwater to an existing swale located at the northwest corner of the Brooks Institute Parcel (John Kular Consulting 2012). The existing swale on the Brooks Institute Parcel currently conveys water through a culvert under the Ventura River Trail and into the Ventura River. A portion of the fill material used to construct the level pad for the storage yard will be obtained from the excavation of the swales. The remaining fill would be imported to the site. A 3-foot high



berm will be constructed around the perimeter of the storage yard and each tenant space.

An 8-foot high chain-link fence with wood slats would be installed on the perimeter berms. The landscaped area of the site will encompass 8,613 square feet. Water will be provided by the City of Ventura and waste water disposal will be provided by the Ojai Valley Sanitation District. Access to the site will be provided by a new 24-foot wide private paved driveway connected to North Ventura Avenue.

B. STATEMENT OF ENVIRONMENTAL FINDINGS:

State law requires the Resource Management Agency, Planning Division, as the lead agency for the proposed project, to prepare an Initial Study (environmental analysis) to determine if the proposed project could significantly affect the environment. Based on the findings contained in the attached Initial Study, it has been determined that the proposed project may have a significant effect on the environment; however, mitigation measures are available that would reduce the impacts to less than significant levels. Therefore, a Mitigated Negative Declaration has been prepared and the applicant has agreed to implement the mitigation measures.

C. LISTING OF POTENTIALLY SIGNIFICANT ENVIRONMENTAL IMPACTS IDENTIFIED:

4A. - Biological Resources, Species:

In order to prevent impacts on nesting birds including Bell's vireo (LBV), protected under the Migratory Bird Treaty Act and Californian Department of Fish and Game Code (3503, 3503.5, 3511, 3513 and 3800), land clearing activities shall be regulated.

Mitigation Measure MM1 and MM2 require the Permittee to conduct all demolition, tree removal/trimming, vegetation clearing, and grading activities (collectively, "land clearing activities") in such a way as to avoid nesting native birds including LBV. This would be accomplished through one of the two options: 1 - Timing of construction or 2 - Surveys and avoidance of occupied nests. The Planning Division shall review the Survey Report and signed contract for adequacy prior to issuance of a Zoning Clearance for construction.

In order to minimize sediment transport into sensitive habitat located along the Ventura River, grading activities shall be timed to occur within the dry season.

Mitigation Measure MM-3 requires the Permittee to conduct grading activities during the dry season (April 15 to October 31). The Permittee shall retain the services of a County-approved qualified biologist to monitor the effects of grading activities on sensitive riparian habitat. County staff will review the biologist contract and monitoring report for adequacy.

4C. – Ecological Communities, Waters and Wetlands:

In accordance with *General Plan Policy 1.5.2-4*, all development, except ground disturbances and vegetation removal associated with the drainage swales, shall be prohibited in a 100-foot setback from either side of the top-of-bank of the Ventura River or the edge of the riparian vegetation (whichever is greater) as shown in the hearing exhibits in support of the project.

The Ventura County General Plan *Goals, Policies and Programs Policy 1.5.2-4* also requires a 100-foot setback buffer from significant wetland and riparian and vegetation, although this buffer can be increased or decreased based on the recommendation of the biologist. The construction footprint of the proposed project overlaps with the 100-foot wetland buffer in the southwest corner of the project site for construction of the vegetated drainage swales. The Planning Division biologist has determined that the installation of the vegetated swales is acceptable within the 100 foot buffer. There are no permanent developments proposed within the 100 feet buffer. The temporary grading impacts within the buffer will not significantly impact the riparian corridor of the Ventura River channel with the perimeter fencing around the construction area required by mitigation measure MM-4.

Mitigation Measure MM-4 would require that the Permittee demonstrate to the satisfaction of the Planning Division that the temporary fencing is installed prior to any vegetation removal, ground disturbance activities, or construction activities (whichever occurs first). The Planning Division maintains the grading and site plan with the fencing illustrated provided by the Permittee in the project file.

4E. – Habitat Connectivity, Outdoor lighting and Glare:

Nighttime lighting and glare onto adjacent land could cause adverse, indirect impacts as most wildlife movement occurs at night. Application of a standard mitigation measure to reduce nighttime lighting and glare (MM-5) will reduce indirect lighting impacts from the proposed project (specific and cumulative) to less than significant.

Mitigation Measure MM-5 would require the Permittee to prepare and implement a lighting plan that includes the following components:

- All outdoor light sources shall be hooded to direct light downward onto buildings, structures, driveways, or yards in order to prevent the illumination of surrounding habitat, consistent with the conceptual lighting plan (Attachment 2).
- Floodlights must not be used to illuminate outdoor areas.
- All glass and other materials used on building exteriors and structures must be selected to minimize reflective glare.
- A photometric plan and manufacturer's specifications for each exterior light fixture type (e.g., light standards, bollards, and wall mounted packs) in the lighting plan.
- Illumination information within parking areas, pathways, streetscapes, and open spaces proposed throughout the development.

D. PUBLIC REVIEW:

Legal Notice Method: Direct mailing to property owners within 300 feet of the property on which the proposed project is located, and a legal notice in the *Ventura County Star*.

Document Posting Period: March 10, 2014 through April 9, 2014

Public Review: The Initial Study/Mitigated Negative Declaration is available for public review on-line at www.ventura.org/rma/planning (select "CEQA Environmental Review") or at the County of Ventura, Resource Management Agency, Planning Division, 800 South Victoria Avenue, Ventura, California, from 8:00 am to 5:00 pm, Monday through Friday.

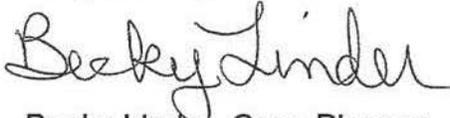
Comments: The public is encouraged to submit written comments regarding this Initial Study/Mitigated Negative Declaration no later than 5:00 p.m. on the last day of the document posting period to [insert your name], the case planner, at the County of Ventura Resource Management Agency, Planning Division, 800 South Victoria Avenue L#1740, Ventura, CA 93009. The Planning Division's FAX number is (805) 654-2509. You may also e-mail the case planner at becky.linder@ventura.org.

D. CONSIDERATION AND APPROVAL OF THE MITIGATED NEGATIVE DECLARATION:

Prior to approving the project, the decision-making body of the Lead Agency must consider this Mitigated Negative Declaration and all comments received on the Mitigated Negative Declaration. That body may approve the Mitigated

Negative Declaration if it finds that all the significant effects have been identified and that the proposed mitigation measures will reduce those effects to less than significant levels.

Prepared by:



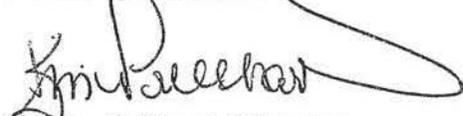
Becky Linder, Case Planner
(805) 654-2469

Reviewed for Release to the Public by:



Brian R. Baca, Manager
Commercial and Industrial Permits Section

**Recommended for Approval by
Lead Agency by:**



Kim L. Prillhart, Director
Ventura County Planning Division

LAFCO 16-04

**RESOLUTION OF THE VENTURA LOCAL AGENCY FORMATION
COMMISSION APPROVING THE EXTRATERRITORIAL SERVICE
AGREEMENT FOR WATER SERVICE – CITY OF SAN
BUENAVENTURA – RDK LAND, LLC**

WHEREAS, the above-referenced request 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 request was duly considered on May 18, 2016; and

WHEREAS, the Commission heard, discussed and considered all oral and written testimony for and against the request including, but not limited to, the LAFCo Staff Report (which contains the recommendations, and a discussion of the applicable sphere of influence and local plans and policies); and

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

- (1) The LAFCo Staff Report dated May 18, 2016, and recommendation to approve the requested Extraterritorial Water Service Agreement (Exhibit A) are adopted.
- (2) Approval of the request will lead to planned, orderly, and efficient development.
- (3) The subject request is assigned the following distinctive short form designation: **LAFCO 16-04 OASA – CITY OF SAN BUENAVENTURA – RDK LAND, LLC**
- (4) The Commission certifies that it has reviewed and considered the information contained in the Mitigated Negative Declaration prepared by the County of Ventura as lead agency, as well as all comments received, and determines that there are no potentially significant environmental impacts that cannot be mitigated to less than significant levels [CEQA Guidelines § 15096(g)].
- (5) The Commission hereby adopts the lead agency's findings (Attachment 4 of the Staff Report) and Mitigation Monitoring and Reporting Program.

- (6) The Commission directs staff to File a Notice of Determination in accordance with § 15094 and § 15096(i) of the CEQA Guidelines.
- (7) This resolution shall serve as notice to alternate water service providers of LAFCo's authorization of the City's request for new water service.
- (8) The documented site address on the Extraterritorial Water Service Agreement shall be modified to reflect the correct property address as 5721 North Ventura Avenue.
- (9) The approval of the Extraterritorial Water Service Agreement shall not become effective until it has been recorded, and a copy containing complete recording information has been filed with LAFCo.
- (10) The approval of the Extraterritorial Water Service Agreement will expire unless the Agreement is recorded within six months of the date of this resolution (Commissioner's Handbook Section 5.1.9.1).

This resolution was adopted on May 18, 2016.

	AYE	NO	ABSTAIN	ABSENT
Commissioner Cunningham	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Dandy	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Freeman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Morehouse	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Parks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Parvin	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Zaragoza	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Bennett	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Ramirez	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Rooney	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Alt. Commissioner Ross	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Dated: _____
Carl Morehouse, Chair, Ventura Local Agency Formation Commission

Attachment: Exhibit A

Copies: City of San Buenaventura
Ventura County Planning Division
Ventura County Assessor
Ventura County Auditor/Controller
Ventura County GIS Officer

RECORDED AT THE REQUEST OF
City Clerk
City of San Buenaventura
A California Charter Municipal Corporation

WHEN RECORDED RETURN TO
City Clerk
City of San Buenaventura
P.O. Box 99
Ventura, California 93002-0099

(Space Above Line for Recorder's Use)

Exempt Recording per
Government Code §6103

**AGREEMENT
FOR EXTRATERRITORIAL WATER SERVICE
BETWEEN
THE
CITY OF SAN BUENAVENTURA
AND
RDK Land, LLC
063-0-040-160, 5379 N. Ventura Avenue**

This Agreement is made and executed on the dates set forth below by and between the City of San Buenaventura, a municipal corporation of the state of California (hereinafter the "City"), and RDK Land, LLC a owner of certain property located in the unincorporated territory of the county of Ventura (hereinafter "Owner")

Whereas, Owner owns the property located in the unincorporated territory of the county of Ventura that is described and depicted in the legal description and plat attached hereto marked Exhibits "A" and "B" and by this reference incorporated herein (hereinafter "the Property"); and,

Whereas, [the Property is currently improved with six contractor's service storage yards located on 7.8 acres of the northerly portion of an approximately 21 acre parcel. Owner is proposing to improve the Property by constructing a 6-inch fire line and a 2-inch domestic line on the Property (hereinafter "the Property Improvements");

A16-00061

Whereas, Owner has applied to City for authorization to connect the Property Improvements to the potable water system that is owned and operated by City for the benefit of property located within the incorporated territory of the City; and,

Whereas, in accordance with the extraterritorial water service policy set forth in chapter 22.110 of the San Buenaventura Municipal Code (hereinafter “the Code”), City is authorized to provide potable water service to property located outside of the incorporated territory of the City only where the property is or will be used in a manner that conforms to the water service criteria set forth therein; and,

Whereas, City has determined that Owner’s use of the Property for the Property Improvements described herein conforms to the extraterritorial water service criteria set forth in the Code in that:

- The use is a residential, commercial or industrial use located on property within the North Avenue Community, as defined and delineated in the City’s General Plan, that:
 - a. Meets the zoning and land use requirements of the County of Ventura; and
 - b. Meets all appropriate policies of the City’s General Plan, including zoning and subdivision requirements; and

Whereas, by this Agreement, Owner undertakes to comply with all other requirements and agrees to all other covenants provided for in the Code and other policies of the City that constitute further conditions on the provision of city water service to property located outside of the incorporated territory of the City.

Now, therefore, City agrees to provide potable water service to the Property, and Owner agrees to accept potable water service on the Property from City subject to all of the conditions set forth herein.

1. Owner’s Use of Water

The city water service provided pursuant to this Agreement shall be used on the Property for the Property Improvements described herein and for no other purpose.

In the event the Property Improvements as described herein consist of one or more residential dwelling units, Owner shall not expand such use by increasing the number of residential units on the Property that are connected to the city water system unless Ventura Water’s General Manager has determined

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that such expanded use complies with City's extraterritorial water policy and has approved water connections to the new dwelling units in writing.

In the event the Property Improvements as described herein consist of a commercial or industrial use, Owner shall not change such use to a different use that is connected to the City water system, unless Ventura Water's General Manager has determined that such new use complies with City's extraterritorial water policy and has approved water connections to the new use in writing.

2. Water Main Extensions and Other Public Facilities

Connection of the Property Improvements to the city water system shall be made in conformance with the applicable plumbing standards set forth in chapter 12.120 of the Code, and in accordance with any other city policies or requirements applicable thereto. In the event a water main extension (may be approved for property located within the North Avenue Community) or other public facilities are required in order to connect the Property Improvements to the city water system, Owner shall cause such main extension or other facilities to be constructed and installed at Owner's sole cost and expense, and in accordance with plans and specifications approved by Ventura Water's General Manager. No on-site storage will be allowed.

3. Water Meter and Fixture Requirements

The size of the water supply system for the Property and Property Improvements shall not exceed the size of a system that can be connected to and metered by a ¾" water meter, except where the Property is located within the North Avenue Community as defined and delineated in City's Comprehensive Plan. In addition, all plumbing fixtures connected to the water supply system shall comply with the water conservation requirements set forth in Section 402 of the Uniform Plumbing Code, adopted by reference and incorporated into the Code by Chapter 12.120 of the Code.

4. Water Connection Fees and Water Service Fees

Concurrently with the execution of this Agreement, Owner will pay to City any and all connection fees required by the provisions of Division 22 of the Code at the time of initially connecting the property to the city water system.

In addition, at all times that the Property and/or Property Improvements remain connected to the city water system, Owner will pay to City all bi-monthly or other periodic rates and charges for on-going water service required by Division 22 of the Code, or any other duly adopted ordinance or regulation of the City.

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5. Additional Conditions of Water Service

Owner agrees to comply with all system wide regulations now or hereafter adopted by City bearing on the provision of potable water to property and improvements connected to city water system, specifically including, but not limited to, the system wide regulations adopted in Division 22 of the Code.

In addition, Owner agrees that the water service provided pursuant to this Agreement is being provided on an "as-available" basis. Owner understands that in a time of water shortages, City will be entitled to reduce or even interrupt such water service, all as determined by City in its sole discretion.

Water service to said property is conditioned on the approval by the Ventura County Local Agency Formation (hereinafter LAFCO) in the manner required by Section 56133 of the California Government Code.

6. Annexation of the Property to the City

In the event the Property is contiguous to incorporated boundaries of City on the date this Agreement is executed and meets all other statutory standards required to annex the Property to the incorporated territory of City, Owner will commence proceedings before City and LAFCO that are necessary to annex the Property to the incorporated territory of City. Upon commencement of such proceedings, Owner will cooperate with City and LAFCO in carrying out the annexation proceedings, and will pay all of City and LAFCO's fees or costs as indicated in Section 22.110.055 (B) (5) of the Code associated with the proceedings.

In the event the Property becomes contiguous to the incorporated boundaries of City subsequent to the date this Agreement is executed and meets all other statutory standards required to annex the property to the incorporated territory of City, Owner will not oppose nor protest any proceedings commenced by City, either before City or LAFCO, to annex the Property to the incorporated territory of City.

Owner understands and agrees that this Agreement, and the covenants contained herein, is intended to be and shall act as a complete and irrevocable waiver of all rights to protest annexation of the Property to the incorporated territory of City pursuant to the provisions of the Cortese-Knox Local Government Reorganization Act of 1985 (commencing with Section 56000 of the California Government Code), or any other law of the state of California pertaining to city annexation proceedings, whether or not such protest rights are sought to be exercised as an owner of property that is the subject of annexation proceedings or as a registered voter residing on property that is the subject of annexation proceedings.

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Owner also agrees that any lease, rental agreement or other agreement, including a deed, hereafter executed by Owner, or any person succeeding to Owner's interest in the fee title to the Property or any part thereof, that grants to a natural person or persons the right to possess and occupy the Property or any part thereof as a personal residence, shall contain the following covenant:

"This agreement and the right of lessee or tenant to possess and occupy the property leased or rented pursuant to this agreement shall be subject to the provisions of the Extraterritorial Water Service Agreement that was executed and recorded against this property at the time of and as a condition of connecting the property to the water system owned and operated by the city of San Buenaventura. That agreement contains a complete and irrevocable waiver of any legal right to protest annexation of the property leased or rented pursuant to this agreement to the incorporated territory of the city of San Buenaventura, and is binding on all persons possessing or occupying such property. That Agreement will preclude any person possessing and occupying the property leased or rented pursuant to this agreement from protesting annexation of such property to the incorporated territory of the city of San Buenaventura either before the Ventura Local Agency Formation Commission, the city council of the city of San Buenaventura, or in any other manner authorized by the laws of the state of California pertaining to city annexation proceedings."

7. Violations

In the event city water service is being utilized on the Property or for the Property Improvements in violation of the provisions of this Agreement, including any condition on the provision of water service to the Property or the Property Improvements incorporated by reference into this Agreement, City shall cause notice of the violation to be served on the Owner, the person(s) succeeding to Owner's interest in the Property or that portion of the Property in violation of this Agreement, or the occupant(s) of the Property or portion of the Property in violation of this Agreement.

The notice of violation shall be served by first class mail addressed to such person(s) at their last know address, as evidenced by the mailing address of the last paid city water service bill. The notice shall describe the nature of the violation and provide such person(s) with at least 15 days from the date of the notice to cure the violation.

In the event, such person(s) fails to cure the default within the time set forth in the notice of violation, Ventura Water's General Manager shall discontinue water service to the Property or portion of the Property in violation of the provisions of this Agreement without further notice until such time as the violation has been cured.

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A waiver by City of a violation of any provision of this Agreement shall not be deemed a waiver of any subsequent violation of the same or a similar provision, regardless of whether the violation is of the same or a similar character.

8. Agreement Recordation / Covenant Running with the Land

Owner understands and agrees that the City shall record this Agreement against the Property and this Agreement will run with the Property and each part thereof until terminated in the manner provided herein, and shall be binding on all persons or legal entities succeeding to Owner's interest in and to the Property or any part thereof.

9. Agreement Termination

This Agreement and all of Owner's rights to city water service pursuant to the provisions of this Agreement shall terminate in the event a building permit authorizing construction of the Property Improvements has not been issued within one year following the date of this Agreement, or if a building permit issued for the Property Improvements has expired by reason of the fact that Owner has not diligently proceeded with construction of the improvements authorized by the permit or any extension thereof.

In addition, this Agreement and all of owner's duties and obligations hereunder shall terminate upon annexation of the Property to the incorporated territory of City, in that at such time, Owner shall become entitled to receive city water service on the Property subject to the same terms and conditions as any other owner of property located within the incorporated territory of City.

10. Entire Agreement

This Agreement represents the entire agreement between City and Owner regarding the provision of city water service to the Property and/or Property Improvements. No verbal agreement or representation regarding this Agreement or city water service provided pursuant to this Agreement shall be held to vary the provisions of this Agreement.

11. Representations and Warranty of Capacity and Authority

The individuals who have executed this Agreement on behalf of Developer each represent and warrant that Developer is a limited liability company organized and existing under the laws of the State of California, and that each person who has executed this Agreement on behalf of Developer has been duly authorized to execute this Agreement on behalf of Developer, has the authority to bind Developer to this Agreement, and by executing this Agreement has bound Developer to this Agreement.

A16-00061

Or

The individuals who have executed this Agreement on behalf of Owner each represent and warrant that each person who has executed this Agreement on behalf of Owner has been duly authorized to execute this Agreement on behalf of Owner, has the authority to bind Owner to this Agreement, and by executing this Agreement has bound Owner to this Agreement.

12. Indemnity

The Owner agrees to indemnify, protect, defend with counsel selected by the City, hold harmless, and release the City of San Buenaventura, its officers, employees, attorneys, or agents from any claim, action, or proceeding brought against any of them, the purpose of which is to attack, set aside, void, or annul, in whole or in part, City's actions in approving this Agreement, taking any of the implementing action authorized by this Agreement, or on the environmental documents submitted to support it. This indemnification obligation shall include, but not be limited to damages, costs, expenses, attorney fees, and expert witness fees that may be asserted by any person or entity, including the Owner, arising out of or in connection with this Agreement and the City's LAFCO application. This provision shall survive the termination of this Agreement.

13. Counterparts

This Agreement may be executed in multiple counterparts, each of which so fully executed counterpart shall be deemed an original. No counterpart shall be deemed to be an original or presumed delivered unless and until the counterpart executed by the other party to this Agreement is in the physical possession of the party seeking enforcement thereof.

14. Binding or all Transferees

This Agreement shall be binding on all future owners, successors, heirs, and/or transferees of the property irrespective of how such owners, successors, heirs, executors, assignees, or transferees obtained title to the property.

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A16-00061

In witness whereof, City and Owner have executed this Agreement in the County of Ventura, State of California on the dates set forth below.

3/31/16
Date

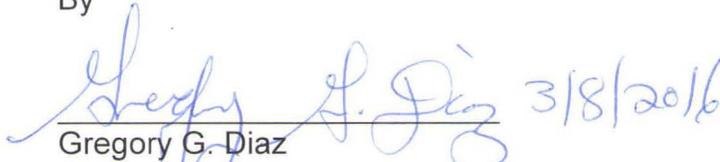
CITY

Mark D. Watkins
City Manager

ATTEST
Deborah A. Harrington


Interim City Clerk

APPROVED AS TO FORM
Gregory G. Diaz City Attorney
By


Gregory G. Diaz
City Attorney

OWNER



John Dewey
Co-Managing Member
RDK LAND, LLC,
A California Limited Liability
Company, Owner

3/16/16

Date

- * Notarized signature of City Manager
- ** Notarized signatures of all persons holding an interest in fee title to the Property

A16-00061

VERSION March 2016

9

96

A notary public or other officer completing this Certificate verifies only the identity of the individual who signed the document to which this Certificate is attached, and not the truthfulness, accuracy, or validity of that document.

ACKNOWLEDGMENT

State of California

County of orange

On March 16, 2016 before me, I. Corona, Notary Public
(here insert name and title of officer)

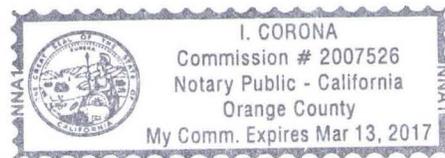
personally appeared John Dewey

Who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature [Signature]



A16-00061

A notary public or other officer completing this Certificate verifies only the identity of the individual who signed the document to which this Certificate is attached, and not the truthfulness, accuracy, or validity of that document.

ACKNOWLEDGMENT

State of California

County of Ventura

On March 31, 2016 before me, Ann Forney, Notary Public
(here insert name and title of officer)

personally appeared Mark D. Watkins

Who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Signature [Handwritten Signature]

OWNER'S-SUBDIVIDER'S STATEMENT:

THE UNDERSIGNED HEREBY STATE THAT THEY ARE THE SUBDIVIDERS AND RECORD TITLE OWNERS AS DEFINED IN SECTION 66445(a) OF THE SUBDIVISION MAP ACT OF THE REAL PROPERTY INCLUDED WITHIN THE SUBDIVISION SHOWN ON THIS MAP AND THAT THEY AS SUBDIVIDERS CONSENT TO THE MAKING AND RECORDATION OF SAID MAP.

ROK LAND, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, OWNER

BY: [Signature]
NAME: JOHN DEWEY
TITLE: CO-MANAGING MEMBER

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

STATE OF CALIFORNIA }
COUNTY OF ORANGE } SS

ON April 14, 2015 BEFORE ME, I. Corona
A NOTARY PUBLIC, PERSONALLY APPEARED JOHN DEWEY, WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE EXECUTED THE SAME IN HIS AUTHORIZED CAPACITY, AND THAT BY HIS SIGNATURE ON THE INSTRUMENT THE PERSON, OR THE ENTITY UPON BEHALF OF WHICH THE PERSON ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND

I. Corona
NOTARY NAME (PRINT)

[Signature]
NOTARY'S SIGNATURE

Orange
COUNTY IN WHICH COMMISSIONED

20075280
COMMISSION NO.

March 13, 2017
COMMISSION EXPIRATION DATE



SURVEYOR'S STATEMENT:

THIS MAP WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS BASED UPON A FIELD SURVEY IN CONFORMANCE WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCE AT THE REQUEST OF ROK LAND, LLC ON JUNE 11, 2014. I HEREBY STATE THAT ALL THE MONUMENTS ARE OF THE CHARACTER AND OCCUPY THE POSITIONS INDICATED AND ARE SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED, AND THAT THIS PARCEL MAP SUBSTANTIALLY CONFORMS TO THE APPROVED OR CONDITIONALLY APPROVED TENTATIVE MAP, IF ANY.

DATE: 04/11/2015

[Signature]
DAVID R. GRAY, P.L.S. NO. 5239
EXPIRATION DATE: 06-30-15



SIGNATURE OMISSIONS:

- THE SIGNATURE OF THE FOLLOWING PRESENT BENEFICIARY AND OPTIONEES HAVE BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66445(a) OF THE SUBDIVISION MAP ACT.
- 1. AMERICAN BUSINESS BANK, AS PRESENT BENEFICIARY UNDER DEED OF TRUST, RECORDED MARCH 16, 2015, AS DOCUMENT NO. 20150316-37275 OF OFFICIAL RECORDS.
 - 2. ROK.VV CAMPUS LLC, AS PRESENT OPTIONEE UNDER OPTION TO PURCHASE, RECORDED DECEMBER 28, 2006, AS DOCUMENT NO. 20061228-271607 OF OFFICIAL RECORDS.

THE SIGNATURES OF THE FOLLOWING PRESENT OWNERS OF EASEMENTS HAVE BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66445(b) OF THE SUBDIVISION MAP ACT AS THEIR INTERESTS ARE SUCH THAT THEY CANNOT RIPEN INTO A FEE TITLE AND SAID SIGNATURES ARE NOT REQUIRED BY THE GOVERNING BODY:

- 1. STATE OF CALIFORNIA, PRESENT OWNER OF AN EASEMENT FOR PUBLIC UTILITIES, RECORDED AUGUST 15, 1987 IN BOOK 3181 PAGE 389 OF OFFICIAL RECORDS.
- 2. SOUTHERN CALIFORNIA EDISON COMPANY, PRESENT OWNER OF AN EASEMENT FOR PUBLIC UTILITIES, RECORDED JUNE 12, 1992 AS DOCUMENT NO. 92-104154 OF OFFICIAL RECORDS.
- 3. OJAI VALLEY SANITATION DISTRICT, PRESENT OWNER OF AN EASEMENT FOR SANITARY SEWER, RECORDED OCTOBER 2, 2014 AS DOCUMENT NO. 20141002-124536 AND AS DOCUMENT NO. 20141002-124537 BOTH OF OFFICIAL RECORDS.

THE SIGNATURES OF RUSSELL KINGSTON, ET AL., PRESENT OWNER OF ALL OIL, GAS, MINERALS AND OTHER HYDROCARBON SUBSTANCES, WITHOUT THE RIGHT OF SURFACE ENTRY TO A DEPTH OF 500 FEET BELOW THE SURFACE OF SAID LAND, AS RESERVED IN DEEDS RECORDED APRIL 4, 1977 IN BOOK 4809 PAGES 432 THROUGH 451, INCLUSIVE OF OFFICIAL RECORDS, HAVE BEEN OMITTED UNDER THE PROVISIONS OF SECTION 66436(a)(3)(C) OF THE SUBDIVISION MAP ACT.

CONDITIONAL CERTIFICATE OF COMPLIANCE STATEMENT:

THERE MAY HAVE BEEN CONDITIONS PLACED OF THIS CONDITIONAL CERTIFICATE OF COMPLIANCE WHICH MUST BE SATISFIED PRIOR TO THE ISSUANCE OF ANY PERMIT FOR DEVELOPMENT ON THE PROPERTY. THESE CONDITIONS MAY BE FOUND IN THE FILES FOR THIS CERTIFICATE LOCATED IN THE OFFICE OF THE VENTURA COUNTY PLANNING DIVISION.

COUNTY SURVEYOR'S STATEMENT:

I HEREBY STATE THAT I HAVE EXAMINED THE MAP ENTITLED PARCEL MAP NO. 5936, THAT THE SUBDIVISION AS SHOWN IS SUBSTANTIALLY THE SAME AS IT APPEARED ON THE TENTATIVE MAP, IF REQUIRED, AND ANY APPROVED ALTERATIONS THEREOF, THAT ALL PROVISIONS OF THE SUBDIVISION MAP ACT OF THE STATE OF CALIFORNIA AND OF ANY LOCAL ORDINANCES APPLICABLE AT THE TIME OF APPROVAL OF THE TENTATIVE MAP, IF REQUIRED, HAVE BEEN COMPLIED WITH AND THAT I AM SATISFIED THAT THE MAP IS TECHNICALLY CORRECT.

DATE: June 10, 2015

WAYNE E. BATTLESON
P.L.S. NO. 5918
EXPIRATION DATE: 09-30-2015
COUNTY SURVEYOR
COUNTY OF VENTURA

[Signature]



TAX COLLECTOR'S CERTIFICATE:

I HEREBY CERTIFY THAT ALL CERTIFICATES AND SECURITY REQUIRED UNDER THE PROVISIONS OF SECTIONS 66492 AND 66493 OF THE SUBDIVISION MAP ACT HAVE BEEN FILED AND DEPOSITED WITH ME.

DATE: 5/21/15

STEVEN HINTZ
COUNTY TAX COLLECTOR
COUNTY OF VENTURA

BY: [Signature]
DEPUTY COUNTY TAX COLLECTOR

COUNTY RECORDER'S CERTIFICATE:

FILED THIS 11th DAY OF June 2015, AT 8:00 M. IN BOOK 70 OF PARCEL MAPS AT PAGES 80-82 AT THE REQUEST OF ROK LAND, LLC.

MARK A. LURN
COUNTY RECORDER
COUNTY OF VENTURA

[Signature]
DEPUTY COUNTY RECORDER

GROSS AREA: 22.02 ACRES

CONDITIONAL CERTIFICATE OF COMPLIANCE NO. 9006

PARCEL MAP NO. 5936

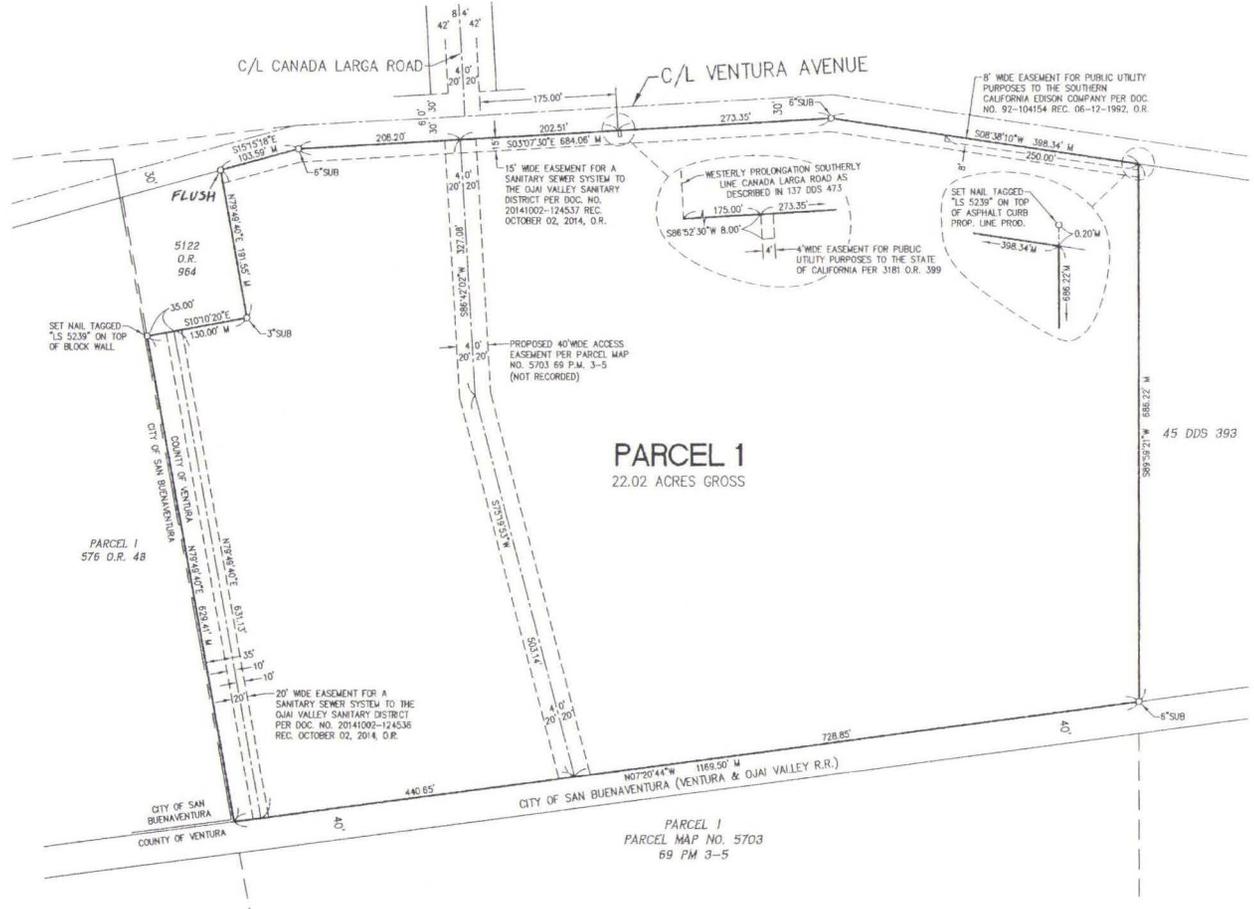
IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF VENTURA
STATE OF CALIFORNIA

BEING A SUBDIVISION OF PORTIONS OF TRACT "C", RANCHO CANADA LARGA, 1 MR 34
AND "JOSE MORAGA", TRACT "B", RANCHO CANADA LARGA, 1 MR 202
MAY 2014

SHEET 1 OF 3 SHEETS

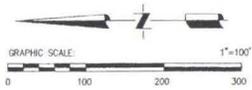
PREPARED BY:
DAVID R. GRAY, INC.
3211 CORTE MALPASO, SUITE 401
CAMARILLO, CA 93012
805-387-3945 805-387-1655 FAX
JOB NO. 14.30 MAY 2014

Vertical text on the right edge of the page, including a barcode and reference numbers.



- RECORD REFERENCES:**
- R1 69 PM 3-5 PARCEL MAP NO. 5703
 - R2 1 DDS 568 MORAGA TRACT REC. 01-10-1874
 - R3 8 RS 4
 - R4 47 RS 97-98
 - R5 VCFB 177 PAGE 47
 - R6 VCFB 1867-A PAGES 40-45
 - R7 CITY OF VENTURA WATER DEPT. MAP NO. W-37-D-3
 - R8 41 DDS 313 REC. 02-08-1894
 - R9 45 DDS 393 REC. 07-01-1895
 - R10 150 DDS 152 REC. 05-15-1916
 - R11 576 O.R. 48 REC. 11-30-1936
 - R12 5122 O.R. 964 REC. 05-24-1978

- LEGEND:**
- M MEASURED
 - CF CALCULATED FROM
 - DDS DEEDS
 - COR CORNER
 - FD FOUND
 - IP IRON PIPE
 - SF,NF SEARCHED FOR, NOTHING FOUND
 - F.T.C. FROM TRUE CORNER
 - O.R. OFFICIAL RECORDS
 - REC. RECORDED
 - R.R. RAILROAD
 - VCSM VENTURA COUNTY SURVEY MONUMENT
 - VCFB VENTURA COUNTY FIELD BOOK
 - SET 1-1/2" IP OR AS OTHERWISE NOTED - TAGGED 'LS 5239'
 - SET SHEET 3 FOR LOCATIONS
 - FOUND MONUMENT AS DESCRIBED



CONDITIONAL CERTIFICATE OF COMPLIANCE NO. 9006
PARCEL MAP NO. 5936
 IN THE UNINCORPORATED TERRITORY OF THE COUNTY OF VENTURA
 STATE OF CALIFORNIA
 BEING A SUBDIVISION OF PORTIONS OF TRACT "C", RANCHO CANADA LARGA, 1 MR 34
 AND "JOSE MORAGA", TRACT "B", RANCHO CANADA LARGA, 1 MR 202
 MAY 2014
 SHEET 3 OF 3 SHEETS

PREPARED BY:
DAVID R. GRAY, INC.
 3211 CORTE MALPASO, SUITE 401
 CAMARILLO, CA 93012
 805-967-3845, 805-967-1655 FAX
 JOB NO. 1430 MAY 2014

EXHIBIT "B"
Legal Description

For APN/Parcel ID(s): 063-0-040-160

Those portions of Tract "C" of the Rancho Canada Larga, in the County of Ventura, State of California, as per Map recorded in Book 1, Page 34 of Miscellaneous Records, and part of that certain Parcel delineated as "Jose Moraga" on the Map of Subdivision of Tract "B" of the Rancho Canada Larga, in the County of Ventura, State of California, as per Map recorded in Book 1, Page 202 of Miscellaneous Records, in the office of the County Recorder of said County, lying Easterly of the Easterly line of the land described in deeds to the Ventura Ojai Railroad Company, recorded in Book 57, Page 457; Book 57, Page 459; Book 57, Page 460 all of Deeds; and in deed to the Southern Pacific Railroad Company, recorded in Book 59, Page 102 of Deeds; and in deed to E. S. Thacher, as Trustee, recorded in

1st: South 3° 01' East 675.84 feet to a rock marked "No. 2" set at an angle in said West line of Ventura Avenue; thence,

2nd: South 8° 30' West 401.28 feet, at 71.28 feet, a 4" x 4" redwood post set at the Southeast corner of the land conveyed to Romulo Moraga, in deed dated September 23, 1909, recorded in Book 121, Page 30 of Deeds, at 401.20 feet, a 4" x 4" redwood post set at the Southeast corner of the land conveyed to Romulo Moraga, in deed dated June 29, 1895, recorded in Book 45, Page 387 of Deeds, from said 4" x 4" redwood post a rock 18" x 8" x 7" in dimension set at the Southeast corner of said "Jose Moraga" Tract bears South 8° 30' West 407.22 feet; thence,

3rd: West 1001.25 feet to a rock mound set at the Northwest corner of the land conveyed to Virginia Moraga Rodriguez, in deed dated June 20, 1895, recorded in Book 45, Page 393 of Deeds from which the Southwest corner of said "Jose Moraga" Tract bears South 6° 51' East 405.24 feet; thence,

4th: North 6° 51' West 764.28 feet, at 326.70 feet the Southwest corner of said land conveyed in deed above mentioned, recorded in Book 121, Page 30 of Deeds, at 764.28 feet a rock mound; thence,

5th: North 8° 15' East 374.80 feet to a point in the Southerly line, or its prolongation of Parcel 2 as described in deed to the City of San Buenaventura, recorded December 1, 1938, in Book 576, Page 48 of Official Records, thence along said Southerly line, or its prolongation, and to and along the Southerly line of Parcel 1, described in deed to the City of San Buenaventura; thence,

6th: North 79° 55' 10" East 1006.67 feet to a point in the Westerly line of said Ventura Avenue, thence along same,

7th: South 15° West 240.75 feet to the point of beginning.

EXCEPT therefrom that portion of said land described in deed to the County of Ventura, recorded May 24, 1978, in Book 5122, Page 964 of Official Records.



VENTURA LOCAL AGENCY FORMATION COMMISSION
STAFF REPORT

Meeting Date: May 18, 2016

TO: LAFCo Commissioners

FROM: Kai Luoma, Executive Officer 

SUBJECT: Commissioner’s Handbook Section 1.4.3 – LAFCo as a Responsible Agency

RECOMMENDATION:

Direct staff as appropriate.

BACKGROUND:

At the Commission’s March 24, 2016 special meeting, referred to as the *Agricultural Mitigation Workshop - Part 2*, the Commission directed staff to provide it with policy options that would encourage lead agencies preparing environmental documents for projects that would result in the conversion of prime agricultural lands, to consider mitigation measures for the loss of the agricultural land. The Commission directed that these policies be included in its Administrative Supplement to the California Environmental Quality Act (CEQA) Guidelines (Administrative Supplement) (Division 1, Chapter 4 of the Commissioner’s Handbook). At its April 20, 2016 meeting, the Commission approved the following policy language to be included in the Administrative Supplement:

For projects that would result in the conversion of prime agricultural land to non-agricultural uses, the environmental document should consider mitigation measures to address the potential loss of the agricultural land, as provided for under Government Code Section 65965 et al.

The Commission also directed staff to develop a listing of available mitigation measures and related factors that lead agencies could consider in their environmental documents. The Commission suggested that this listing could be posted on the LAFCo website and referred to by staff in

COMMISSIONERS AND STAFF

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

correspondence regarding environmental documents. The Commission directed staff to return with recommended language for the listing.

DISCUSSION

Staff recommends that the following language be used for the listing of the mitigation measures available for consideration by lead agencies:

Consideration of Agricultural Mitigation Measures

The Ventura Local Agency Formation Commission has adopted policies encouraging lead agencies to consider agricultural mitigation measures in their environmental documents for projects that are likely to lead to the conversion of prime agricultural land. Section 1.4.3.1.d of the Commission's Administrative Supplement to the California Environmental Quality Act (found in Division 1, Chapter 4 of the Ventura LAFCo Commissioner's Handbook) provides, in part:

For projects that would result in the conversion of prime agricultural land to non-agricultural uses, the environmental document should consider mitigation measures to address the potential loss of the agricultural land, as provided for under Government Code Section 65965 et al.

Mitigation measures that could be considered in the environmental document include, but are not necessarily limited to, the following:

- Agricultural conservation easements.
- Agricultural land mitigation bank and credits.
- Fee title.
- Fees in lieu of agricultural conservation easements, agricultural land mitigation bank and credits or fee title.

When considering mitigation measures, lead agencies should also consider related factors, including, but not necessarily limited to, the following:

- Permanent preservation of other prime agricultural land (such as in a 1:1 ratio, or greater, to that proposed to be converted).
- Preservation of land of a similar soil quality and/or classification as that proposed to be converted.
- Preservation of land that possesses the related resources (water, drainage, etc.) to ensure that on-going agricultural production would be viable.
- Preservation of land located within Ventura County (but not necessarily within the lead agency's sphere of influence).



VENTURA LOCAL AGENCY FORMATION COMMISSION

STAFF REPORT

Meeting Date: May 18, 2016

TO: LAFCo Commissioners

FROM: Kai Luoma, Executive Officer 

SUBJECT: Cancellation of the June 8, 2016 Regular Meeting

RECOMMENDATION:

Cancel the June 8, 2016 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 June meeting. The next scheduled meeting would occur on July 20, 2016.

COMMISSIONERS AND STAFF

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