



AGENDA

Hall of Administration, Board of Supervisors' Hearing Room
800 S. Victoria Avenue, Ventura
9:00 A.M. Wednesday, May 19, 2010

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

COMMENTS FROM THE PUBLIC

- 5. 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 Speakers Card and submit it to the Clerk before the item is taken up for consideration. All speakers are requested to present their information to LAFCo as succinctly as possible. Members of the public making presentations, including oral and visual presentations, may not exceed five minutes unless otherwise increased or decreased by the Chair, with the concurrence of the Commission, based on the complexity of the item and/or the number of persons wishing to speak. Speakers are encouraged to refrain from restating previous testimony).*

CONSENT ITEMS

- 6. Minutes of the Ventura LAFCo April 21, 2010 regular meeting
- 7. Budget to Actual Report for April 2010

RECOMMENDED ACTION:

Approve Item 6
Receive and File Item 7

COMMISSIONERS AND STAFF

COUNTY: Kathy Long, Chair Linda Parks <i>Alternate:</i> Steve Bennett	CITY: Carl Morehouse Janice Parvin <i>Alternate:</i> Thomas Holden	SPECIAL DISTRICT: George Lange Vacant <i>Alternate:</i> Gail Pringle	PUBLIC: Lou Cunningham, Vice Chair <i>Alternate:</i> Kenneth M. Hess	
Executive Officer: Kim Uhlich	Dep. Exec. Officer Kai Luoma	Office Mgr/Clerk: Debbie Schubert	Office Assistant Martha Escandon	Legal Counsel: Leroy Smith

PUBLIC HEARING ITEMS

- 8. LAFCo 10-01 City of Camarillo Reorganization – Drown
 1) To annex six lots totaling approximately 2.3 acres and portions of the Amber Drive, Aloha Street, and East Loop Drive rights of way to the City of Camarillo and to detach this same area from the Ventura County Resource Conservation District to provide the area with municipal services from the City of Camarillo, and 2) to annex five of the six aforementioned lots totaling approximately 1.7 acres, and portions of the Amber Drive and Aloha Street rights of way to the Camarillo Sanitary District and detach this same area from County Service Area No. 32 to provide the area with municipal services from the Camarillo Sanitary District.

RECOMMENDED ACTION: Approval

- 9. Review of Conflict of Interest Code and Amendments to Commissioner’s Handbook Divisions 2, 3 and 4
 Authorize the Chair to sign the Local Biennial Notice to the Clerk of the Board of Supervisors and adopt a resolution amending various sections of the Commissioner’s Handbook regarding fees for municipal service reviews, standards disfavoring annexation and spheres of influence.

RECOMMENDED ACTION: Approval

ACTION ITEMS

- 10. County of Ventura CEQA Initial Study Assessment Guidelines
 Discussion of LAFCo staff comments on the draft update of the County of Ventura Initial Study Assessment Guidelines and direction as appropriate.

RECOMMENDED ACTION: Discussion and Action

- 11. Consent to Representation and Waiver of Conflicts of Interest - County Counsel, LAFCo Counsel
 Waive conflict of interest for the Ventura County Counsel to advise the County of Ventura, Ventura County Community Services District No. 33 and Ahmanson Ranch Community Services District and the Ventura LAFCo.

RECOMMENDED ACTION: Approval

EXECUTIVE OFFICER’S REPORT

Legislation update
Next Regular LAFCo Meeting June 9, 2010

COMMISSIONER 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.

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.



MINUTES

REGULAR MEETING

Wednesday, April 21, 2010, 9:00 A.M.

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

1. Call to Order

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

2. Pledge of Allegiance

Chair Long led the pledge of allegiance.

3. Roll Call

The Clerk called the roll. The following Commissioners and Alternates were present:

- Commissioner Cunningham
- Commissioner Lange
- Commissioner Long
- Commissioner Morehouse
- Commissioner Parvin
- Alternate Commissioner Hess
- Alternate Commissioner Pringle*

*As a result of a vacancy created by the death of Commissioner Lotts, Alternate Commissioner Pringle sat as a voting special district member.

4. Commission Presentations and Announcements

Commissioner Cunningham distributed Ventura County Grand Jury pamphlets encouraging anyone who might be interested in serving.

5. Public Comments

There were no public comments.

COMMISSIONERS AND STAFF

COUNTY:

Kathy Long, Chair
Linda Parks
Alternate:
Steve Bennett

CITY:

Carl Morehouse
Janice Parvin
Alternate:
Thomas Holden

SPECIAL DISTRICT:

George Lange
Vacant
Alternate:
Gail Pringle

PUBLIC:

Lou Cunningham, Vice Chair
Alternate:
Kenneth M. Hess

Executive Officer:

Kim Uhlich

Dep. Exec. Officer

Kai Luoma

Office Mgr/Clerk:

Debbie Schubert

Office Assistant

Martha Escandon

Legal Counsel:

Leroy Smith

CONSENT ITEMS

6. Minutes of the Ventura LAFCo March 17, 2010 Regular Meeting
7. Budget to Actual Report for February and March 2010

MOTION: Approval Item 6 and Receive and File Item 7: Cunningham
SECOND: Lange
FOR: Cunningham, Lange, Long, Morehouse, Parvin, Pringle
AGAINST: None
ABSTAIN: None
MOTION PASSED 6/0/0

PUBLIC HEARING ITEMS

8. LAFCo-Agricultural Policy Advisory Committee Joint Study Session
Chair Long opened the meeting, welcomed the members of the Agricultural Policy Advisory Committee, the Agricultural Commissioner and his staff. After making some introductory comments, the Chair introduced County Planning Director Kim Prillhart, who presented an overview of the purpose of the update to the County Initial Study Assessment Guidelines. She also reviewed the timeline of the process and indicated that the proposed Guidelines are scheduled to be considered by the Board of Supervisors in July. Rita Graham with the Agricultural Commissioner's office presented a brief history of the development of the Agricultural Resources Section of the Guidelines and responded to points raised by LAFCo staff. Regarding LAFCo staff's concern about a percentage-based lot coverage threshold, Ms. Graham responded that it was done partly to address speculative project impacts associated with lot splits, which is not considered in the current Guidelines. The new thresholds would be applied to the new lots after being split to avoid the requirement for unnecessary mitigation measures. With regard to LAFCo's concern about cumulative CEQA impacts, she advised that no changes are being made to the current Guidelines that would affect cumulative impacts and only one sentence is proposed to be added to clarify this point. She indicated that this sentence will be deleted in response to LAFCo's comment. With regard to LAFCo's comment about increasing the Agricultural Commissioner's discretion over what is considered to be a protected resource, Ms. Graham advised that this will be clarified to apply only to resolving errors on Important Farmland Maps. Kai Luoma then presented a summary of LAFCo's concerns. Chair Long opened the public hearing.

E. Gloria Roman spoke and expressed concerns about development of the agricultural land in the Ormond Beach area.

The following persons spoke in support of the Guidelines as proposed by the Agricultural Commissioner's Office: Debra Tash, Citizens Alliance for Property Rights; Martin Gramckow; Lynn Jensen, Jensen Design & Survey, Inc.; Rob Roy, Ventura County Agricultural Association; John Krist, Farm Bureau of Ventura County; and Tim Cohen. The following persons spoke in support of the LAFCo comments: Leo Molitar; Leslie Ogden; and Steve Offerman.

With no one else wishing to give public comment, Chair Long closed the public hearing. The Commission asked questions of staff. Chair Long invited comments from the Agricultural Advisory Committee members. Committee members Pinkerton and Schwabauer commented on the challenges faced by agricultural property owners and emphasized their goal to clarify and streamline the land use regulatory process to encourage viable agricultural uses. Agricultural Commissioner Henry Gonzales commented that the work on the Guidelines is not complete and believes that the study session served to enhance the process. He also thanked Mr. Luoma for his observations. Finally, Chair Long inquired, and staff confirmed, that further updates and discussion of this item would be scheduled on subsequent LAFCo agendas.

9. LAFCo Proposed Budget for FY 2010-11

Kim Uhlich summarized the Proposed Budget Message. She noted that the current year actual expenditures for employee salaries and benefits are projected to be more than budgeted due to unanticipated costs for retroactive compensation. The compensation is based on a general salary increase granted by the Board of Supervisors to management employees in 2006 which was erroneously withheld from LAFCo staff by the County. Retroactive compensation totaling approximately \$42,000 is now due and payable to the Executive Officer, former Executive Officer, Deputy Executive Officer and the Office Manager/Clerk. In consideration of the adverse budgetary impacts, Ms. Uhlich indicated that she had waived receipt of her share of the retroactive pay in the amount of approximately \$14,200. Chair Long opened the public hearing. With no one wishing to speak, Chair Long closed the public hearing. The Commission then discussed options for providing the retroactive compensation owed to Ms. Uhlich without increasing funding agency apportionments for next year.

MOTION: Transfer the appropriate amount from the contingency appropriation to the salaries and employee benefits expenditure object to provide retroactive compensation to Ms. Uhlich, reduce the contingency appropriation in the Proposed Budget by the same amount and thereby waive the Commissioner's Handbook policy requiring a budgetary reserve appropriation of ten percent of total operating expenses: Cunningham

SECOND: Lange

FOR: Cunningham, Lange, Long, Morehouse, Parvin, Pringle

AGAINST: None

ABSTAIN: None

MOTION PASSED 6/0/0

ACTION ITEMS

10. Request for a Policy Waiver – Indemnity Agreement for Pending Proposal to Annex the California Conservation Corps Site Near Camarillo to the Calleguas Municipal Water District

Kim Uhlich summarized the history of the California Conservation Corps project to date and noted that the Calleguas Municipal Water District submitted a letter requesting that the item be withdrawn from the agenda.

MOTION: Withdraw item from agenda: Lange
SECOND: Parvin
FOR: Cunningham, Lange, Long, Morehouse, Parvin, Pringle
AGAINST: None
ABSTAIN: None
MOTION PASSED 6/0/0

EXECUTIVE OFFICER'S REPORT

Kim Uhlich reported the following: At it's meeting last week, the Board of Supervisors took action to direct County staff to work with LAFCo staff to initiate dissolution of the Ahmanson Ranch Community Services District and County Service Area No. 33. She reported that staff benefitted from attending the CALAFCO Staff Workshop in Santa Rosa the previous week and look forward to serving as hosts for the 2011 Staff Workshop at the Ventura Beach Marriott. The election for LAFCo special district members is ongoing. Thus far, nominations have been received by seven districts.

COMMISSIONER COMMENTS

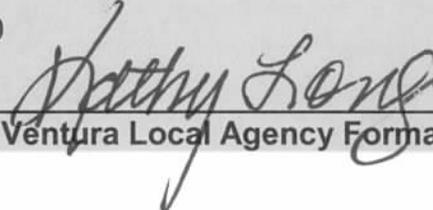
ADJOURNMENT

Chair Long adjourned the meeting at 11:30 A.M.

These Minutes were approved on May 19, 2010

Motion: Approve as recommended: Cunningham
Second: Parvin
Ayes: Cunningham, Lange, Long, Morehouse, Parks, Parvin, Pringle
Nos: None
Abstains: None
Motion Passes: 7/0/0

5/19/10
Dated:


Chair, Ventura Local Agency Formation Commission



STAFF REPORT

Meeting Date: May 19, 2010
(Consent)

Agenda Item 7

TO: LAFCo Commissioners
FROM: Kim Uhlich, Executive Officer *KU*
SUBJECT: Budget to Actual Report FY 2009-10: April, 2010

RECOMMENDATION:

Receive and file the Budget to Actual report for April, 2010

DISCUSSION:

The attached report reflect revenue and expenditures for April, 2010. As reported by staff at the April LAFCo meeting during the FY 2010-11 Proposed Budget presentation, the unanticipated costs associated with a 2006 general salary increase granted, but not previously paid to three of the current LAFCo staff and one former staff member exceeds the amount budgeted for employee salaries and benefits. Including the amount of retroactive compensation due to the Executive Officer, which the Commission directed to be paid to her at the April meeting, the total cost is \$42,288. Although approximately one half of this amount will be taken from unspent expenditure appropriations within the Salaries and Benefits Expenditure Objects, \$7,800 will be taken from unspent expenditure appropriations within the Services and Supplies Expenditure Objects and \$14,448 will be taken from the current year Contingency appropriation. Pursuant to the Commissioner's Handbook Policies, the Commission authorized the transfer from the Contingency appropriation at the April meeting. The transfers of these amounts from their respective expenditure objects to the Salaries and Benefits expenditure object is reflected in the attached report.

The next monthly budget report for fiscal year 2009-10 will be provided as soon as the information becomes available.

COMMISSIONERS AND STAFF

COUNTY: Kathy Long, Chair Linda Parks <i>Alternate:</i> Steve Bennett	CITY: Carl Morehouse Janice Parvin <i>Alternate:</i> Thomas Holden	SPECIAL DISTRICT: George Lange Vacant <i>Alternate:</i> Gail Pringle	PUBLIC: Lou Cunningham, Vice Chair <i>Alternate:</i> Kenneth M. Hess	
Executive Officer: Kim Uhlich	Dep. Exec. Officer Kai Luoma	Office Mgr/Clerk: Debbie Schubert	Office Assistant Martha Escandon	Legal Counsel: Leroy Smith



Agenda Item 8

STAFF REPORT

Meeting Date: May 19, 2010

**LAFCo CASE
NAME & NO:**

LAFCo 10-01 City of Camarillo Reorganization – Drown (Parcels A-D)

PROPOSAL:

1) To annex six lots totaling approximately 2.3 acres and portions of the Amber Drive, Aloha Street, and East Loop Drive rights of way to the City of Camarillo and to detach this same area from the Ventura County Resource Conservation District, and 2) to annex five of the aforementioned six lots, totaling approximately 1.7 acres, and portions of the Amber Drive and Aloha Street rights of way to the Camarillo Sanitary District and detach this same area from County Service Area No. 32. The purpose of the reorganization is to provide the area with municipal services from the City and Sanitary District (see table 1 for additional details)

SIZE:

Approximately 2.3 acres.

LOCATION:

Located generally north of the City of Camarillo in the vicinity of Loma Drive.

The proposal area is within the spheres of influence of the City of Camarillo and the Camarillo Sanitary District, and is also within the boundaries of the Calleguas Municipal Water District, the Camarillo Health Care District, Fox Canyon Groundwater Management Agency, and the Pleasant Valley Recreation and Park District.

The site is within the City of Camarillo’s CURB boundary.

PROPONENT:

City of Camarillo by resolution.

NOTICE:

This matter has been noticed as prescribed by law.

COMMISSIONERS AND STAFF

COUNTY: Kathy Long, Chair Linda Parks <i>Alternate:</i> Steve Bennett	CITY: Carl Morehouse Janice Parvin <i>Alternate:</i> Thomas Holden	SPECIAL DISTRICT: George Lange Vacant <i>Alternate:</i> Gail Pringle	PUBLIC: Louis Cunningham, Vice Chair Vice Chair <i>Alternate:</i> Kenneth M. Hess	
Executive Officer: Kim Uhlich	Dep. Exec. Officer: Kai Luoma	Office Mgr/Clerk: Debbie Schubert	Office Assistant: Martha Escandon	Legal Counsel: Leroy Smith

Table 1

Parcel	Annex to City	Annex to Sanitary Dist.	Detach from Conservation Dist.	Detach from CSA 32	Address	Assessor Parcel #
A	Yes	Yes	Yes	Yes	787 Amber Dr.	153-0-041-075
					788 Amber Dr.	153-0-043-015
B	Yes	No	Yes	No	191 E. Loop Dr.	153-0-090-105
					178 E. Loop Dr.	153-0-173-135
					202 E. Loop Dr.	153-0-150-345
C	Yes	Yes	Yes	Yes	790 Aloha Dr.	153-0-052-015
D1	No	Yes	No	Yes	191 E. Loop Dr.	153-0-090-105
D2	No	Yes	No	Yes	178 E. Loop Dr.	153-0-173-135

All three of the lots within Parcel B are proposed to be annexed to the City and detached from the Ventura County Resource Conservation District . However, one of the three lots within Parcel B (202 East Loop Dr.) is already within the boundaries of the Sanitary District and has been previously detached from County Service Area No. 32. The other two lots (191 and 178 East Loop Dr.) are currently outside the Sanitary District and within the boundaries of the CSA. These two lots are called out separately as Parcels D1 and D2 for purposes of annexation to the Sanitary District and detachment from the CSA.

PARCEL INFORMATION:

Address	Assessor Parcel #	Assessee
787 Amber Dr.	153-0-041-075	William-Carol Hughes Tr.
788 Amber Dr.	153-0-043-015	Ronald-Beth Hillard Tr.
790 Aloha Dr.	153-0-052-015	Steven Klinger
191 East Loop Dr.	153-0-090-105	Terry Keyson-Drown
202 East Loop Dr.	153-0-150-345	Atanasio Salinas Tr.
178 East Loop Dr.	153-0-173-135	Heidi Brewer

RECOMMENDATIONS

Adopt the attached resolution (LAFCo 10-01) making determinations and approving the City of Camarillo Reorganization – Drown (Parcels A-D)

GENERAL ANALYSIS

1. Land Use

Site Information

Parcel	Land Use Existing Approved		County Zoning / Prezoning	County / City General Plan
A-D	Single family residences	NA	R1-10 (single family residential – 10,000 square foot minimum lot size) / R-1-10	Existing Community / Low Density Residential

No changes are proposed to the land use, zoning, or General Plan designations described in the above table as part of this proposal.

Conformity with Plans

The proposal area is within the sphere of influence of the City of Camarillo, therefore the City's General Plan takes precedence according to LAFCo policies.

The City's General Plan designation is "Low Density Residential". Prior to initiating the reorganization request, the City prezoned the proposal area to ensure that the City's zoning would be consistent with its General Plan and the existing residential uses. The existing uses in the proposal area are therefore consistent with the City's General Plan and zoning designations.

Surrounding Land Uses and Zoning and General Plan Designations

The proposal area is within an existing single family residential community. Both city and county zoning and general plan designations reflect the single-family uses.

Topography, Natural Features and Drainage

The proposal area is relatively flat and gently slopes to the south. There are scattered non-native trees and landscaping throughout. No other natural features are apparent.

2. Impact on Prime Agricultural Land, Agriculture, and Open Space

Prime Agricultural Land and Agriculture

Neither the proposal area nor the adjacent area is considered Prime Agricultural Land pursuant to Government Code Section 56064. There are no commercial agricultural uses within or adjacent to the proposal area.

Open Space

Neither the proposal area nor the adjacent area is considered open space pursuant to Government Code Sections 56059 and 65560. Thus, the proposal will not impact open space lands.

3. Population

Each lot in the proposal area contains one single-family residence. One of the lots contains a second unit (191 East Loop Dr.). According to the County of Ventura Registrar of Voters, there are fewer than 12 registered voters in the proposal area. As such, the proposal area is considered to be uninhabited under the provisions of LAFCo law relating to protest proceedings.

4. Services and Controls – Need, Cost, Adequacy and Availability

City of Camarillo

All six parcels are proposed to be annexed to the City. Upon annexation, the City has represented that the full range of City services, including drainage and street maintenance will be provided. There will be no change in providers of fire protection/paramedic or recreation services, currently undertaken by the Ventura County Fire Protection District and the Pleasant Valley Recreation and Park District, respectively. Under contract with the City, the Ventura County Sheriff's Department will continue to provide police services upon annexation.

City utility services will be paid for through connection fees and user charges. Other City services may be funded through a combination of taxes, fees, grants and other revenues.

Camarillo Sanitary District

One of the six parcels is currently within the boundary of the Camarillo Sanitary District (202 E. Loop Drive). The other five are proposed to be annexed to the District, three of which are currently receiving District services (787, 788 Amber

Drive and 191 E. Loop Drive). Upon the completion of proceedings, the Sanitary District has represented that the remaining lots will be eligible to connect to the District's sanitary sewer system and that District services can be extended immediately upon request of the property owners. The property owners will be required to finance all necessary improvements and connections to the District's facilities. On-going maintenance and operational costs will be financed by residential user fees.

Other Services

There will be no change in water service, which is currently provided by the Pleasant Valley Mutual Water Company. The proposal area is within the boundaries of the Pleasant Valley School District (grades K - 8) and the Oxnard Union High School District (grades 9 – 12).

5. Boundaries and Lines of Assessment

County Surveyor review and certification of the map and legal description as being accurate and sufficient for the preparation of a Certificate of Completion pursuant to Government Code Section 57201 and for filing with the State Board of Equalization is in progress but has not been completed as of the date this report was finalized. The attached Resolution includes a condition that predicates recordation of the proposal (completion of reorganization proceedings) upon the approval of an acceptable map and legal description.

6. Assessed Value, Tax Rates and Indebtedness

According to the County Assessor, the proposal area is in tax rate areas 75005 and 75036. At this time, the Assessor is unable to determine to what tax rate area(s) the proposal area will be assigned, as upon annexation the tax rate areas are subject to change by the County and/or state. The assessed land value of the subject parcels per the 2009/10 tax roll are:

Address	Assessor Parcel #	Assessed Land Value
787 Amber Dr.	153-0-041-075	\$ 19,017
788 Amber Dr.	153-0-043-015	\$ 22,221
790 Aloha Dr.	153-0-052-015	\$ 97,094
191 East Loop Dr.	153-0-090-105	\$300,000
202 East Loop Dr.	153-0-150-345	\$182,607
178 East Loop Dr.	153-0-173-135	\$380,000

7. Environmental Impact of the Proposal

Staff has determined that the proposal is categorically exempt from CEQA pursuant to Section 15319(a) of the California Environmental Quality Act Guidelines [annexation of areas containing existing public or private structures developed to the density allowed by the current zoning or pre-zoning and the extension of services will have the capacity to serve only the existing structures]. As the purpose of the annexation is primarily to extend sewer service to land uses or uses allowed by the current zoning designation, staff believes that the proposal is exempt from CEQA.

8. Regional Housing Needs

No additional housing opportunities will be created or eliminated as a result of this proposal. In addition, the annexation proposal area is developed consistent with the City's General Plan. Therefore, the proposal will have no adverse effect on the fair share of the regional housing needs for the County.

9. Environmental Justice

Staff has determined that approval of the proposal would not result in the unfair treatment of any person based on race, culture, or income with respect to the provision of city services to the proposal area.

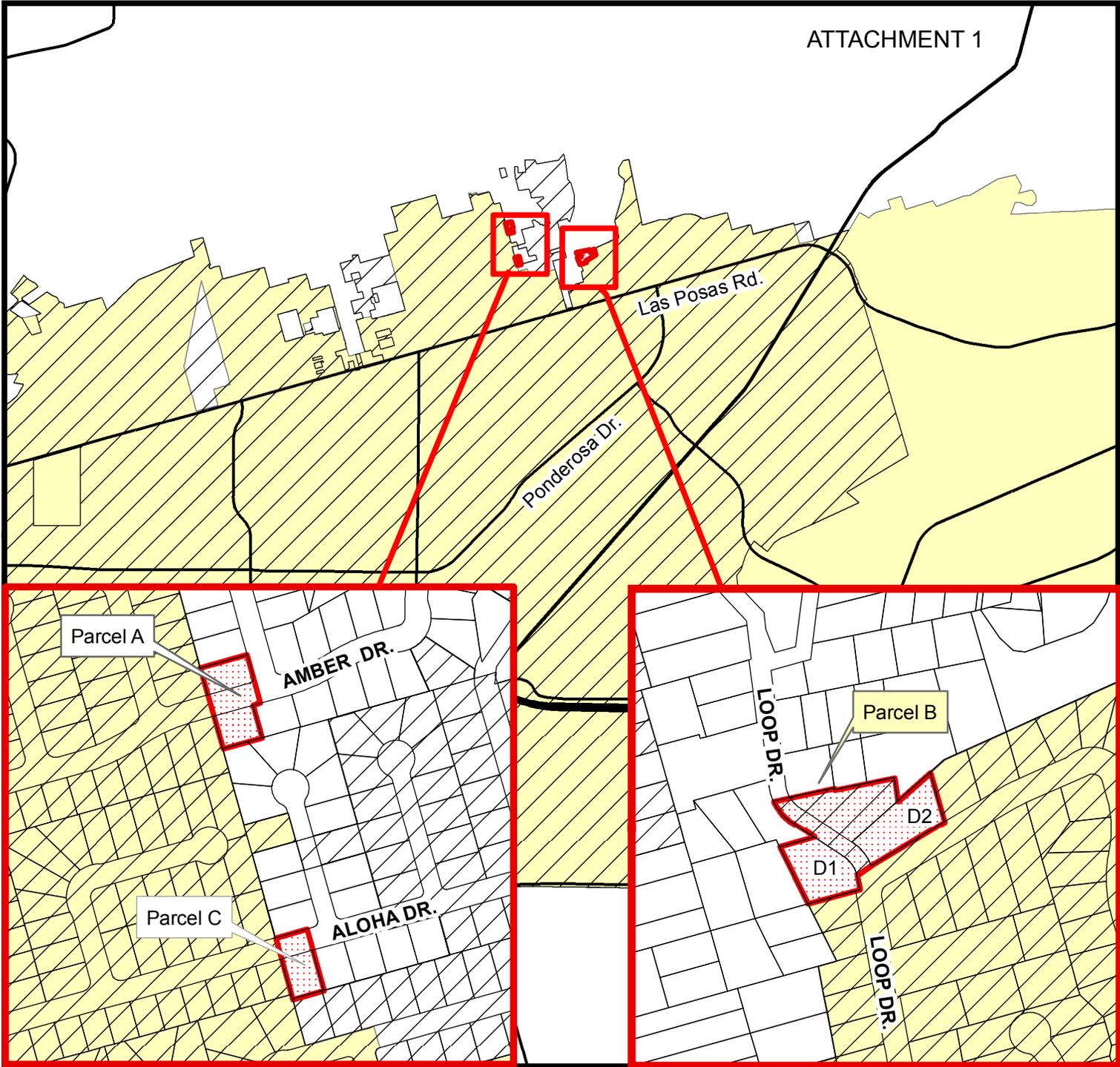
ALTERNATIVE ACTIONS AVAILABLE:

- A. If the Commission, following public testimony and review of the materials submitted, determines that further information is necessary, a motion to continue the proposal should state specifically the type of information desired and specify a date certain for further consideration.
- B. If the Commission, following public testimony and review of materials submitted, wishes to deny or modify this proposal, a motion to deny or modify should include direction that the matter be continued to the next meeting and that staff prepare a new report consistent with the evidence submitted and the anticipated decision.

BY: _____
Kai Luoma, Deputy Executive Officer

Attachments: (1) Vicinity Map *
(2) LAFCo 10-01 Resolution

* LAFCo makes every effort to offer legible map files with the online- and printed versions of our reports, however sometimes 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.



**LAFCo 10-01
City of Camarillo Reorganization
Drown**



Legend

-  10-01 Proposal Area
-  Camarillo Sanitary District
-  City of Camarillo

LAFCo 10-01

**RESOLUTION OF THE VENTURA LOCAL AGENCY
FORMATION COMMISSION MAKING DETERMINATIONS
AND APPROVING THE CITY OF CAMARILLO
REORGANIZATION – DROWN – (PARCELS A-D);
ANNEXATION TO THE CITY OF CAMARILLO AND THE
CAMARILLO SANITARY DISTRICT AND DETACHMENT
FROM THE VENTURA COUNTY RESOURCE
CONSERVATION DISTRICT AND COUNTY SERVICE
AREA NO. 32**

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

WHEREAS, at the times and in the manner required by law, the Executive Officer gave notice of the proposal as required by law; and

WHEREAS, the proposal was duly considered on May 19, 2010 and

WHEREAS, the Commission heard, discussed and considered all oral and written testimony for and against the proposal including, but not limited to, the LAFCo Staff Report and recommendation, the environmental determination, Sphere of Influence and applicable local plans and policies; and

WHEREAS, not all landowners within the affected territory have consented to the proposal; and

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

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

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

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

- (1) The LAFCo Staff Report and Recommendation for approval of the proposal dated May 19, 2010, is adopted.
- (2) Said reorganization is hereby approved subject to conducting authority proceedings as prescribed in Government Code Sections 57000 to 57090.
- (3) The boundaries of the proposal are found to be definite and certain as approved and generally set forth in Exhibit A attached hereto and made a part hereof.
- (4) The subject proposal is assigned the following distinctive short form designation: **LAFCo 10-01 CITY OF CAMARILLO REORGANIZATION – DROWN – (PARCELS A-D).**
- (5) In accordance with staff's determination that the subject proposal is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15319 (a) of the California Environmental Quality Act Guidelines, the Commission hereby finds the reorganization to be categorically exempt.
- (6) The Commission directs staff to file a Notice of Exemption under Section 15062 of the California Environmental Quality Act Guidelines.
- (7) The Commission determines that the project is in compliance with Government Code § 56741 as the territory to be annexed is located within one county and is contiguous with the boundaries of the City of Camarillo
- (8) The affected territory is uninhabited as defined by Government Code §56046.
- (9) The Executive Officer is hereby directed to conduct protest proceedings in accordance with Government Code Section 57050.
- (10) The Commission hereby delegates to the Executive Officer the authority to determine the amount of protests pursuant to Government Code Section 57075(b).

- (11) The subject territory shall be liable for all taxes, charges, fees or assessments that are levied on similar properties within the City of Camarillo and within current Camarillo Sanitary District boundaries.
- (12) **This reorganization shall not be recorded until all LAFCo fees have been paid and until fees necessary for filing with the State Board of Equalization have been submitted to the Executive Officer.**
- (13) **This annexation shall not be recorded until a map and legal description consistent with this approval and suitable for filing with the State Board of Equalization have been submitted to the LAFCo Executive Officer.**

This resolution was adopted on May 19, 2010

AYES: Commissioners Cunningham, Lange, Long, Morehouse, Parks, Parvin and Pringle

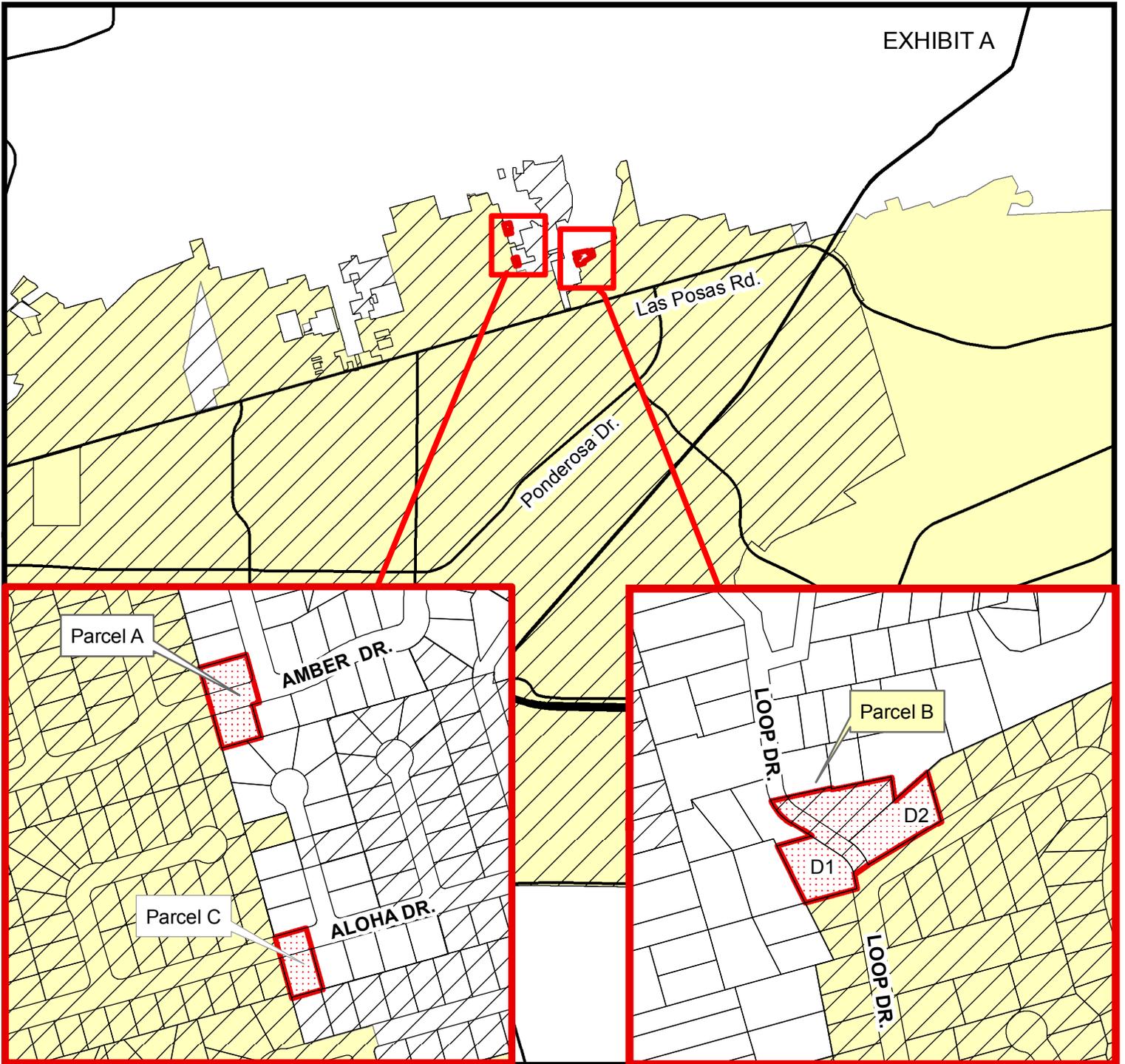
NOES: None

ABSTAINS: None

Dated: _____
Chair, Ventura Local Agency Formation Commission

Attachments: Exhibit A

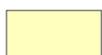
Copies: City of Camarillo
Camarillo Sanitary District
Southern California Edison
Sempra Utilities
Ventura County Assessor
Ventura County Auditor
Ventura County Elections-Registrar of Voters
Ventura County Fire Protection District
Ventura County Planning
Ventura County Resource Conservation District
Ventura County Sheriff – EOC
Ventura County Surveyor
U.S. Bureau of Reclamation, South-Central California Area Office (SCCAO)



LAFCo 10-01 City of Camarillo Reorganization Drown



Legend

-  10-01 Proposal Area
-  Camarillo Sanitary District
-  City of Camarillo

STAFF REPORT

Meeting Date: May 19, 2010

Agenda Item 9

TO: LAFCo Commissioners

FROM: Kai Luoma, AICP
Deputy Executive Officer

SUBJECT: Review of Conflict of Interest Code (Division 1, Chapter 2) and Amendments to Commissioner’s Handbook – Division 2, Chapter 3; Division 3, Chapter 3; and Division 4, Chapter 1

RECOMMENDATION:

1. Authorize the Chair to sign the 2010 Local Agency Biennial Notice to the Clerk of the Board of Supervisors stating that no amendments are necessary to the existing Conflict of Interest Code.
2. Adopt the attached resolution making various amendments to Division 2, Chapter 3; Division 3, Chapter 3; and Division 4, Chapter 1 of the Commissioner’s Handbook.

BACKGROUND:

The Commissioner’s Handbook is a compilation of the Commission’s By-laws and operational policies. The Handbook is designed to be reviewed and updated periodically as the Commission may want to add or alter policies to deal with new or changed circumstances.

Beginning late last year, staff initiated a comprehensive review of the Handbook in an effort to clarify, update and, in some cases, augment existing LAFCo policies. The review process is now complete and staff has compiled a number of recommended policy revisions to be presented to the Commission for further consideration. Rather than presenting all of the proposed policy revisions at one time, staff has divided them into components and presented them over a series of three LAFCo meetings. The first in the series was considered by the Commission on February 17, the second on March 17. The recommendations that follow comprise the last in the series of recommended policy amendments.

COMMISSIONERS AND STAFF

<p>COUNTY: Kathy Long, Chair Linda Parks <i>Alternate:</i> Steve Bennett</p>	<p>CITY: Carl Morehouse Janice Parvin <i>Alternate:</i> Thomas Holden</p>	<p>SPECIAL DISTRICT: George Lange Vacant <i>Alternate:</i> Gail Pringle</p>	<p>PUBLIC: Louis Cunningham, Vice Chair <i>Alternate:</i> Kenneth M. Hess</p>	
<p>Executive Officer: Kim Uhlich</p>	<p>Dep. Exec. Officer: Kai Luoma</p>	<p>Office Mgr/Clerk: Debbie Schubert</p>	<p>Office Assistant Martha Escandon</p>	<p>Legal Counsel: Leroy Smith</p>

DISCUSSION:

Each of the recommended policy amendments in the following report is identified and accompanied by a brief discussion. All language that is recommended to be added is indicated in red underline and language recommended to be deleted is indicated with ~~strikeout~~.

DIVISION 1 – OPERATIONAL RULES AND REGULATIONS

CHAPTER 2 – VENTURA LAFCo CONFLICT OF INTEREST CODE

The California Government Code requires local government agencies to adopt a conflict of interest code. The Government Code also specifies that the Board of Supervisors is a code reviewing body for any local government agency with jurisdiction wholly within the County. LAFCo is a local government agency as defined by these provisions of the Government Code. The Commission first adopted a conflict of interest code in 1993. It was last amended in 2006.

The Government Code also requires that each public agency biannually review its conflict of interest code in even numbered years to determine if the existing code is current or in need of amendment. A written statement stating whether the code is current or that transmits any amendments must, therefore, be filed with the Clerk of the Board of Supervisors no later than October 1, 2010.

No changes that would effect the designated positions or disclosure categories set forth in the current Conflict of Interest code have occurred in the last two years. Staff is therefore recommending that the Commission authorize the Chair to sign the notice to the Clerk of the Board of Supervisors (Attachment 1) stating that no amendment of the existing Conflict of Interest Code is necessary.

DIVISION 2 – OPERATIONAL POLICIES

Amendments to Division 2, Chapter 3 – Financial

Pursuant to state law, LAFCo must prepare a municipal service review (MSR) prior to updating a sphere of influence (SOI). A MSR is a comprehensive review of an agency's ability to provide services by evaluating an agency's governmental structure, finances, service capacities, staffing, and operational efficiencies. Because the preparation of a MSR can be a time consuming and costly process, staff believes that the Commission's policies should clearly articulate the circumstances under which LAFCo or another agency should bear the costs associated with preparation of a MSR.

There are two circumstances under which LAFCo must consider the preparation of a MSR. First, LAFCo is required to review the SOI for each agency over which it exercises jurisdiction every five years and update it as necessary. Before a SOI can be updated, a MSR must be prepared. This is a statutory requirement of LAFCo and does not require the consent or agreement from the subject agency. It is, therefore, reasonable for LAFCo to bear all costs associated with the preparation of a MSR in conjunction with any SOI update undertaken as part of the 5-year SOI review process. The second circumstance occurs when a city applies to LAFCo for an update to its SOI. In cases when an agency other than LAFCo initiates a SOI update, staff believes it would be reasonable to require the agency to pay for the cost of preparing a MSR. The recommended policy language regarding the payment of MSR preparation costs is as follows:

SECTION 2.3.2 FEES

Fees for sphere of influence updates and municipal service reviews: LAFCo shall pay all costs associated with LAFCo-initiated quinquennial sphere of influence reviews, updates and any associated municipal service reviews that are required to be prepared pursuant to state law. For any sphere of influence update that is initiated by an agency other than LAFCo, the applicant shall be responsible for payment of all associated fees and costs, including the preparation of a municipal service review, if required.

DIVISION 3 – CHANGES OF ORGANIZATION AND REORGANIZATION

Amendments to Division 3, Chapter 3 – Standards

CHAPTER 3 – STANDARDS

Pursuant to Section 56668(n) of the Government Code, one of the factors that LAFCo must consider in the review of a proposal is any information relating to existing land use designations. Land use decisions must take into consideration information regarding many different factors, including natural hazards. State law requires that cities and counties identify, map, and consider hazardous areas when developing land use plans and policies. These hazards include earthquakes, landslides, flooding, and wildland fires. The purpose of identifying and mapping these areas is to identify locations where risks to persons and property should be either avoided or minimized through development restrictions. Because natural hazard areas influence locally adopted land use designations and policies that in turn can affect the location of urban development, they are a factor that LAFCo should consider pursuant to LAFCo law.

Section 3.3.1 of the Commissioner's Handbook identifies a number of factors that are favorable or unfavorable to approval of proposals for changes of organization. Staff recommends the addition of new standards by which LAFCo might disfavor approval of a change of organization if the territory includes areas subject to excessive risk from natural hazards such as flooding, fire, landslides and earthquakes unless it is demonstrated to

LAFCo's satisfaction that such risks will be avoided or mitigated to acceptable levels. Section 3.3.1.2.viii below reflects the specific language being recommended by staff. If this policy were to be adopted, all of the information regarding hazard areas currently maintained by various public agencies would be easily accessible to LAFCo staff. Therefore, it would not result in any significant new costs to LAFCo or the subject agency to implement the recommended policy.

Staff is also recommending another addition to the factors that disfavor approval of a proposal for a change of organization. Though the current factors in Handbook Section 3.3.1 require consistency with adopted General Plans and specific plans, there is no consideration of other types of plans that can affect land use that are not necessarily reflected in a General Plan. For instance, habitat conservation plans, which are allowed for under the Endangered Species Act, may limit where and how a property is developed. Other applicable plans that may impact urbanization/development can include open space plans, surface mine reclamation plans, and regional transportation plans. Therefore, staff recommends that consistency with habitat conservation and restoration plans, as well as other applicable plans, be included in the factors. Section 3.3.1.2.iii. below contains staff's recommended policy language.

Finally, for changes of organization, LAFCo typically serves as a responsible agency during the preparation of the environmental document prepared by the lead agency pursuant to CEQA. As a responsible agency, CEQA provides LAFCo with the authority to disapprove a project if necessary in order to avoid one or more significant effects on the environment (CEQA Guidelines 15042). Staff thus recommends the addition of a factor that disfavors approval of any proposal that would result in an unacceptable significant impact to the environment as determined by the Commission. Section 3.3.1.2.ix. below reflects staff's recommended policy language.

SECTION 3.3.1 STANDARDS FOR ANNEXATION TO CITIES AND DISTRICTS

3.3.1.2 Factors unfavorable to approval:

- i. The proposal would create or result in corridors, peninsulas, or flags of city or district area or would otherwise cause or further the distortion of existing boundaries.
- ii. The proposal would result in a premature intrusion of urbanization into a predominantly agricultural or rural area.
- iii. The proposal is inconsistent with state law, adopted spheres of influence, adopted general or specific plans, adopted habitat conservation and/or restoration plans, other applicable adopted plans, or these policies.
- iv. For reasons of topography, distance, natural boundaries, or like considerations, the extension of services would be financially infeasible or another means of supplying services by acceptable alternatives is preferable.
- v. Annexation would encourage a type of development in an area that due to terrain, isolation, or other economic or social reason, is not in the public interest.

- vi. The proposal appears to be motivated by inter-agency rivalry or other motives not in the public interest.
- vii. The proposed boundaries do not include logical service areas or are otherwise improperly drawn.
- viii. The proposal area includes a tsunami inundation zone, wildfire hazard zone, FEMA designated floodway or floodplain, or other hazardous area designated by federal, state or local public agencies, unless the Commission determines that the hazard or hazards can be adequately mitigated.
- ix. The proposal will result in an unacceptable significant adverse impact(s) to the environment as determined by the Commission.

DIVISION 4 – SPHERES OF INFLUENCE

Amendments to Division 4, Chapter 1 – General Policies

CHAPTER 1 – GENERAL POLICIES

LAFCo law provides for two processes by which a SOI boundary can be changed: an amendment or an update. However, the law does not specifically define the difference between the two. Identifying the circumstances under which an update or an amendment is required is important because a SOI update requires the preparation of a MSR whereas an amendment does not. MSRs can be time consuming and costly to prepare, thus their unnecessary preparation should be avoided. Staff thus believes that the inclusion of a policy which defines an update and an amendment would be beneficial to both LAFCo and future applicants.

SOI Amendment

LAFCo law provides that a change of organization must be consistent with the subject agency's SOI. If a territory proposed to be annexed is outside the SOI, the SOI must first be changed to include that territory. LAFCo law provides that "Any person or local agency may file a written request with the executive officer requesting amendments to a sphere of influence..." (§ 56428(a)). LAFCo law also provides that the commission and executive officer may review and act on "any request to amend a sphere of influence...concurrently with their review and any determination on any related change of organization or reorganization." (§ 56428(g)) Thus, LAFCo law clearly allows for a SOI amendment to be processed and reviewed in conjunction with a related change of organization.

SOI Update

LAFCo law refers to the SOI "update" process in two specific contexts. First, LAFCos are required to review the SOI of each agency over which it exercises jurisdiction every five years and update the SOI as necessary (§ 56425(g)). This process is clearly intended to be done independently from a change of organization proposal. Second, a city may apply to LAFCo for an update to its SOI (§ 56425(b)(c)(d)). Prior to the city applying for an update, the law provides that the city and the county must meet to discuss the "proposed new

boundaries of the sphere of influence.” The purpose of the meeting is to encourage the parties to develop mutually agreeable development standards that the county will apply within the territory so that future development reflects the concerns of the city. Because there would be no need for a discussion of county development standards in connection with a concurrent SOI modification and annexation, the fact that consultation is required for SOI updates suggests that they are not intended to be associated with a concurrent change or organization. Moreover, LAFCo law provides LAFCo with the authority to conduct a comprehensive review of an agency’s capacity to provide service(s) when it submits a proposal for a change of organization. Much of this review is similar to the analysis required in a MSR. For instance, as part of a proposal LAFCo may do any of the following: require any data/information pertaining to any matters or factors which may be considered by the LAFCo (§56652); require a detailed plan for providing services (§56653); consider population, land use, and growth projections in the area (§56668(a)); and consider the agency’s ability to provide services, including the sufficiency of revenues for those services when making a determination (§56668). Thus, there is little need to prepare a MSR for a concurrent SOI modification and change of organization, as LAFCo law provides for a comparable analysis in such circumstances. It therefore appears reasonable to conclude from the statutory context that a SOI “update” is intended to apply to a process that is performed independently of a change of organization or reorganization.

Based on the above analysis, staff is recommending that the Commission adopt the following policy language to distinguish a sphere of influence update from an amendment:

SECTION 4.1.2 DEFINITIONS

Sphere of influence boundaries may be modified through either an amendment or an update process, as defined below:

- (a) Amendment: A sphere of influence amendment involves a modification to a sphere of influence that is associated with a concurrent proposal for a change of organization or an out of agency service agreement.
- (b) Update: A sphere of influence update involves a comprehensive review and modification of a sphere of influence that is not associated with a concurrent proposal for a change of organization or an out of agency service agreement.

SECTION 4.1.3 BOUNDARIES GENERAL SPHERE OF INFLUENCE POLICIES

Based on staff’s most recent review of Handbook Section 4.1.3 two nonsubstantive clarifications are being recommended for Commission consideration. As shown below, staff recommends that Section 4.1.3.1 be amended to clarify that the reference to boundaries refers to SOI boundaries. In addition, it is recommended that the title of Section 4.1.3.4 be amended to specify the type of SOI boundary changes to which it applies.

Staff also recommends the addition of new standards by which LAFCo might disfavor approval of a SOI boundary change. In light of LAFCo’s fundamental mandate to shape

logical and orderly development of local governmental agencies, staff believes that SOIs should exclude areas subject to excessive risk from natural hazards such as flooding, fire, landslides, and earthquakes. Section 4.1.3.4(b)(iv) below reflects the specific language being recommended for Commission consideration. If this policy were to be adopted, all of the information regarding hazard areas is currently maintained by various public agencies and it would thus not result in any significant implementation costs to LAFCo or the subject agency.

4.1.3.1 Compliance with state law: All sphere of influence boundaries shall comply with the provisions of state law.

4.1.3.4 ~~General boundary criteria~~ Standards for determining, updating, and amending sphere of influence boundaries:

- (a) LAFCo favors sphere of influence boundaries that:
 - i. Coincide with existing and planned service areas.
 - ii. Follow natural and man made features, such as ridge lines, drainage areas, watercourses, and edges of right-of-way, provided they coincide with lines of assessment or ownership, or are described by metes and bounds legal descriptions which can be used easily for mapping boundaries.
 - iii. Include adjacent urbanized areas which are receiving or which may require urban services such as public water and/or sewer services.
- (b) LAFCo discourages sphere of influence boundaries that:
 - i. Split neighborhoods or divide an existing identifiable community, commercial district, or other area having a social and economic identity.
 - ii. Create areas where it is difficult to provide services.
 - iii. Result in islands, peninsulas, flags, “cherry stems,” or other unusual physical shapes that could cause, or further, the distortion of boundaries.
 - iv. Include tsunami inundation zones, wildfire hazard zones, FEMA designated floodways and floodplains, or other hazardous areas designated by federal, state or local public agencies, unless the Commission determines that the hazard or hazards can be adequately mitigated.

SPHERE OF INFLUENCE UPDATES

Most of the policy amendments proposed for Division 4 – Spheres of Influence either reference or are associated with updates to SOIs. As such, staff believes that it would be prudent for the Commission adopted policies that outline when and under what circumstances a SOI update and preparation of an MSR would be required.

Staff recommends the addition of policies that reflect current provisions of law that require LAFCo to review and update, if necessary, each agency's SOI at least every five years. The recommended policies also reflect the requirement for LAFCo to prepare a MSR in conjunction with a SOI update. However, not all SOI updates merit the time and expense necessary to prepare a MSR. For example, some SOI updates involve relatively small geographic areas, accommodate non-urban land uses that require little or no new urban services, or entail reductions in area. The recommended policies therefore identify two exceptions to the preparation of a MSR: a minor SOI update where the territory within the update area can be efficiently and effectively served by existing infrastructure and levels of service and removal of territory from a SOI as part of an update. The specific policy language being recommended is as follows:

SECTION 4.1.6 SPHERE OF INFLUENCE UPDATES

- (a) LAFCo shall review and update, as necessary, the adopted sphere of influence of each local agency not less than once every five years.
- (b) LAFCo shall prepare a municipal service review in conjunction with each sphere of influence update unless the subject territory can be efficiently and effectively served by existing infrastructure and service levels.
- (c) Updates that remove territory from a sphere of influence will not require the preparation of a municipal service review.

PROVISIONAL SPHERE OF INFLUENCE

As discussed in previous sections of this report, state law provides that LAFCo must prepare a MSR prior to developing or updating an agency's SOI. A MSR is a comprehensive review of an agency's ability to provide services and must include the following written determinations: the agency's present and planned capacity of public facilities and services, including infrastructure needs and deficiencies; financial ability of the agency to provide services; opportunities for shared facilities; accountability for community service needs, including governmental structure and operational efficiencies; and any other matter related to effective or efficient service delivery. A sphere of influence is a plan for the probable physical boundaries and service area of a local agency, as determined by the Commission. Among LAFCo's considerations in establishing or updating an agency's SOI are; present and planned land uses in the area, the present and probable need for public services in the area, and the present capacity of public facilities and the adequacy of public services that the agency provides.

As the Commission is aware, there are occasionally times when a MSR identifies problems associated with an agency's ability to provide service(s) within its existing service area due to infrastructure, governmental, and/or financial constraints. In the most serious cases, a MSR sometimes includes recommendations for significant reorganization options, such as merger, consolidation, or dissolution. However, with regard to the associated SOI updates for these same agencies, it has been the practice of Ventura LAFCo to essentially readopt

the existing SOI. To some extent, readopting a SOI boundary based on a MSR that identifies serious service deficiencies could be considered contradictory because a SOI is intended to represent an agency's probable service area as determined by LAFCo. To better address such circumstances, staff recommends that the Commission adopt policies providing for the option to designate a "provisional sphere of influence".

Provisional SOIs would indicate that LAFCo has identified issues with the subject agency's ability to provide efficient and effective service(s). The purpose would be to bolster the determinations and recommendations in a MSR by providing a geographic representation of service area issues. The ultimate objective of this process would be to further encourage the subject agency to work with LAFCo to address the deficiencies noted in the MSR. However, as is currently LAFCo's practice, districts would be given the opportunity to explore solutions to any noted problems before consideration of any LAFCo-initiated restructuring options.

In addition, the recommended policies provide for a limitation on annexations within provisional SOIs, which would encourage agencies to correct any noted deficiencies prior to seeking future changes of organization. In those cases where an agency can successfully resolve the identified service issues, the recommended policies provide for LAFCo to reconsider the provisional SOI designation.

The above-discussed recommended policy additions are as follows:

SECTION 4.1.7 PROVISIONAL SPHERE OF INFLUENCE

4.1.7.1 Purpose: A provisional sphere of influence is intended to delineate territory within which the subject service provider should pursue restructuring or reorganization options as recommended in the most recent MSR prepared by LAFCo.

- (a) LAFCo encourages agencies with a provisional sphere of influence designation to discuss alternatives to existing service provision or reorganization options and to return to LAFCo with the results of their discussions and/or studies.
- (b) If, pursuant to the process outlined in subsection (a), any change of organization or reorganization is determined to be warranted, the subject agency, an affected agency, or LAFCo should consider initiation of such proceedings except as otherwise prohibited by law.

4.1.7.2 Changes of organization or reorganizations within a provisional sphere of influence: Annexations to any agency with a provisional sphere designation shall be discouraged unless the purpose of the proposal is to resolve the issues that prompted the provisional sphere of influence designation.

4.1.7.3 Basis for adopting a provisional sphere of influence: The designation of a provisional sphere for an agency should be based exclusively on the determinations in the most recent MSR prepared for that agency.

4.1.7.4. Reconsideration: The provisional status of a sphere of influence should be reconsidered if the Commission determines that the agency has adequately addressed the deficiencies and/or issues that led to the provisional designation.

Removal of the provisional designation may occur:

- (a) during the quinquennial review of the agency's sphere of influence; or
- (b) at the request of the agency's legislative body; or
- (c) at any time that the Commission deems it to be warranted.

Attachments: (1) 2010 Local Agency Biennial Notice
(2) Resolution making various amendments to the Commissioner's Handbook

**RESOLUTION OF THE VENTURA LOCAL
AGENCY FORMATION COMMISSION MAKING
VARIOUS AMENDMENTS TO CHAPTER 3 OF
DIVISION 2, CHAPTER 3 OF DIVISION 3, AND
CHAPTER 1 OF DIVISION 4 OF THE VENTURA
LAFCO COMMISSIONER'S HANDBOOK**

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 written policies and procedures; and

WHEREAS, the Ventura Local Agency Formation Commission (LAFCo) adopted a new and revised Commissioner's Handbook containing its written policies and procedures on January 1, 2002 and readopted it October 17, 2007, and

WHEREAS, the Commission desires to make various amendments to its operational policies relating to municipal service review preparation costs, factors unfavorable to annexations, definitions of sphere of influence amendment and update, standards for determining and updating spheres of influence, preparation of municipal service reviews, and provisional spheres of influence; and

WHEREAS, on May 19, 2010, the public had an opportunity to comment and the Commission considered amendments to the Commission's operational policies;

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

- (1) Amends Division 2 – Operational Policies, Chapter 3 – Financial of the Commissioner's Handbook, by adding a policy relating to payment of the costs to prepare municipal service reviews as shown on Exhibit A.
- (2) Amends Division 3 – Changes of Organization and Reorganization, Chapter 3 – Standards, by amending or adding to Section 3.3.1.2. of the Commissioner's Handbook relating to consistency with applicable adopted plans, hazardous areas, and unacceptable significant impacts as shown in Exhibit B;
- (3) Amends Division 4 – Spheres of Influence, Chapter 1 – General Policies, by amending or adding:
 - (a) Section 4.1.2 of the Commissioner's Handbook regarding definitions of sphere of influence amendment and update as shown on Exhibit C;

- (b) Section 4.1.3.1 of the Commissioner's Handbook regarding clarification that the referenced boundaries are sphere of influence boundaries as shown on Exhibit C;
 - (c) Section 4.1.3.4 of the Commissioner's Handbook regarding standards as shown on Exhibit C;
 - (d) Section 4.1.6 of the Commissioner's Handbook regarding sphere of influence updates as shown on Exhibit C;
 - (e) Section 4.1.7 of the Commissioner's Handbook regarding provisional spheres of influence as shown on Exhibit C.
- (4) Directs the Executive Officer to compile the amendments to the Commissioner's Handbook in the form of replacement pages and distribute them to interested parties.

This resolution was adopted on May 19, 2010.

AYES: Commissioners Cunningham, Long, Morehouse, Parks, Parvin and Pringle

NOES: None

ABSTAINS: None

Dated: _____

Attachments: Exhibit A
Exhibit B
Exhibit C

c: Ventura County Cities
Ventura County Special Districts

EXHIBIT A

DIVISION 2 – OPERATIONAL POLICIES

CHAPTER 3 - FINANCIAL

SECTION 2.3.2 FEES

Fees for sphere of influence updates and municipal service reviews: LAFCo shall pay all costs associated with LAFCo-initiated quinquennial sphere of influence reviews, updates and any associated municipal service reviews that are required to be prepared pursuant to state law. For any sphere of influence update that is initiated by an agency other than LAFCo, the applicant shall be responsible for payment of all associated fees and costs, including the preparation of a municipal service review, if required.

EXHIBIT B

DIVISION 3 – CHANGES OF ORGANIZATION AND REORGANIZATION

CHAPTER 3 – STANDARDS

SECTION 3.3.1 STANDARDS FOR ANNEXATION TO CITIES AND DISTRICTS

3.3.1.2 Factors unfavorable to approval:

- i. The proposal would create or result in corridors, peninsulas, or flags of city or district area or would otherwise cause or further the distortion of existing boundaries.
- ii. The proposal would result in a premature intrusion of urbanization into a predominantly agricultural or rural area.
- iii. The proposal is inconsistent with state law, adopted spheres of influence, adopted general or specific plans, adopted habitat conservation and/or restoration plans, or other applicable plans adopted by any governmental agency, or these policies.
- iv. For reasons of topography, distance, natural boundaries, or like considerations, the extension of services would be financially infeasible or another means of supplying services by acceptable alternatives is preferable.
- v. Annexation would encourage a type of development in an area that due to terrain, isolation, or other economic or social reason, is not in the public interest.
- vi. The proposal appears to be motivated by inter-agency rivalry or other motives not in the public interest.
- vii. The proposed boundaries do not include logical service areas or are otherwise improperly drawn.
- viii. The proposal area would accommodate new development and includes a tsunami inundation zone, wildfire hazard zone, FEMA designated floodway or floodplain, or other hazardous area designated by federal, state or local public agencies, unless the Commission determines that the hazard or hazards can be adequately mitigated.
- ix. The proposal will result in an unacceptable significant adverse impact(s) to the environment as determined by the Commission.

EXHIBIT C

DIVISION 4 – SPHERES OF INFLUENCE

CHAPTER 1 – GENERAL POLICIES

SECTION 4.1.2 DEFINITIONS

Sphere of influence boundaries may be modified through either an amendment or an update process, as defined below:

- (a) Amendment: A sphere of influence amendment involves a modification to a sphere of influence that is associated with a concurrent proposal for a change of organization or an out of agency service agreement.
- (b) Update: A sphere of influence update involves a comprehensive review and modification of a sphere of influence that is not associated with a concurrent proposal for a change of organization or out of agency service agreement.

SECTION 4.1.3 GENERAL SPHERE OF INFLUENCE POLICIES

4.1.3.1 Compliance with state law: All sphere of influence boundaries shall comply with the provisions of state law.

4.1.3.4 Standards for determining, updating, and amending sphere of influence boundaries:

- (a) LAFCo favors sphere of influence boundaries that:
 - i. Coincide with existing and planned service areas.
 - ii. Follow natural and man made features, such as ridge lines, drainage areas, watercourses, and edges of right-of-way, provided they coincide with lines of assessment or ownership, or are described by metes and bounds legal descriptions which can be used easily for mapping boundaries.
 - iii. Include adjacent urbanized areas which are receiving or which may require urban services such as public water and/or sewer services.
- (b) LAFCo discourages sphere of influence boundaries that:
 - i. Split neighborhoods or divide an existing identifiable community, commercial district, or other area having a social and economic identity.
 - ii. Create areas where it is difficult to provide services.
 - iii. Result in islands, peninsulas, flags, “cherry stems,” or other unusual physical shapes that could cause, or further, the distortion of boundaries.
 - iv. That would accommodate new development and includes a tsunami inundation zone, wildfire hazard zone, FEMA designated floodway or floodplain, or other hazardous area designated by federal, state or local public agencies, unless the Commission determines that the hazard or hazards can be adequately mitigated.

SECTION 4.1.6 SPHERE OF INFLUENCE UPDATES

- (a) LAFCo shall review and update, as necessary, the adopted sphere of influence of each local agency not less than once every five years.
- (b) LAFCo shall prepare a municipal service review in conjunction with each sphere of influence update unless the subject territory can be efficiently and effectively served by existing infrastructure and service levels.
- (c) Updates that remove territory from a sphere of influence will not require the preparation of a municipal service review.

SECTION 4.1.7 PROVISIONAL SPHERE OF INFLUENCE

4.1.7.1 Purpose: A provisional sphere of influence serves as an indicator that the subject agency should pursue restructuring or reorganization options as recommended in the most recent MSR prepared by LAFCo.

- (a) LAFCo encourages agencies with a provisional sphere of influence designation to discuss alternatives to existing service provision or reorganization options and to return to LAFCo with the results of their discussions and/or studies.
- (b) If pursuant to the process outlined in subsection (a) any change of organization or reorganization is determined to be warranted, the subject agency, an affected agency, or LAFCo should consider initiation of such proceedings except as otherwise limited by state law.

4.1.7.2 Changes of organization of reorganizations within a Provisional Sphere of Influence: Annexations to any agency with a provisional sphere designation shall be discouraged unless the purpose of the proposal is to resolve the issues that prompted the adoption of the provisional sphere of influence.

4.1.7.3 Basis for adopting a provisional sphere of influence: The adoption of a provisional sphere for an agency should be based exclusively on the determinations in the most recent MSR prepared for the agency.

4.1.7.4. Reconsideration: The provisional status of a sphere of influence should be reconsidered if the Commission determines that the agency has adequately addressed the deficiencies and/or issues that led to the provisional status. Removal of the provisional status may occur:

- (a) During the quinquennial review of the agency's sphere of influence.
- (b) At the request of the agency's legislative body.
- (c) At any time that the Commission deems it to be warranted.

STAFF REPORT

Meeting Date: May 19, 2010

Agenda Item 11

TO: LAFCo Commissioners

FROM: Kim Uhlich, Executive Officer

SUBJECT: Consent to Representation and Waiver of Conflicts Of Interest –
County Counsel, LAFCo Counsel

RECOMMENDATION:

Approve the attached resolution waiving any conflict of interest for the Ventura County Counsel to advise the County of Ventura (County), and the Ventura Local Agency Formation Commission (LAFCo) in matters relating to the reorganization or dissolution of County Service Area No. 33 (CSA 33) and the Ahmanson Ranch Community Services District (ARCSD).

DISCUSSION:

The Ventura County Counsel acts as legal adviser to LAFCo pursuant to a Memorandum of Agreement (MOA) between LAFCo and the County. In addition to his duties as legal advisor to LAFCo, the Ventura County Counsel acts as Legal Counsel for the County. At the time the MOA was approved it was recognized that there could be occasions where a conflict of interest would arise when the County Counsel provides advice to the County and related County agencies on matters that also require action by LAFCo. Accordingly, the MOA states: “In the event of a potential or actual conflict of interest, the County Counsel shall use his best efforts to resolve the conflict, or to arrange for alternate counsel for LAFCO.”

The possibility of a potential or actual conflict of interest with LAFCo using County Counsel services does not arise often. At present, however, there is a matter where there is a potential conflict of interest involving the proposed dissolution of CSA 33 and ARCSD. Accordingly, in order for the County Counsel to be able to advise and represent the County and LAFCo in this matter, the California Rules of Professional Conduct require that the potential conflict be disclosed and that an informed written consent be

COMMISSIONERS AND STAFF

<p>COUNTY: Kathy Long, Chair Linda Parks <i>Alternate:</i> Steve Bennett</p>	<p>CITY: Carl Morehouse Janice Parvin <i>Alternate:</i> Thomas Holden</p>	<p>SPECIAL DISTRICT: George Lange Vacant <i>Alternate:</i> Gail Pringle</p>	<p>PUBLIC: Lou Cunningham, Vice Chair <i>Alternate:</i> Kenneth M. Hess</p>	
<p>Executive Officer: Kim Uhlich</p>	<p>Dep. Exec. Officer Kai Luoma</p>	<p>Office Mgr/Clerk: Debbie Schubert</p>	<p>Office Assistant Martha Escandon</p>	<p>Legal Counsel: Leroy Smith</p>

obtained from all parties. Both the County Counsel and the LAFCo Executive Officer agree that in this matter it will be beneficial for the County and LAFCo to consent to the multi-party representation and waive any conflict of interest, rather than cause LAFCo to hire, or otherwise obtain, outside legal counsel.

Should your Commission not consent to the multi-party representation and waive conflicts of interest, LAFCo may need to obtain outside legal counsel for advice and representation concerning proceedings relating to these matters. If the recommended consent and waiver are given, a different attorney in the County Counsel's office will advise each entity.

Attachment 1 Resolution waiving conflict of interest

**RESOLUTION OF THE VENTURA LOCAL AGENCY
FORMATION COMMISSION CONSENTING TO THE
COUNTY COUNSEL ADVISING AND REPRESENTING
THE COUNTY OF VENTURA AND VENTURA LOCAL
AGENCY FORMATION COMMISSION AND WAIVING ANY
CONFLICT OF INTEREST CONCERNING THE
REORGANIZATION OR DISSOLUTION OF COUNTY
SERVICE AREA NO. 33 AND THE AHMANSON RANCH
COMMUNITY SERVICES DISTRICT**

WHEREAS, the Ventura Local Agency Formation Commission (LAFCo) pursuant to a Memorandum of Agreement with the County of Ventura has designated the Ventura County Counsel as its legal counsel; and

WHEREAS, the County of Ventura is considering initiating proceedings with LAFCo for the possible dissolution of County Service Area No. 33 (CSA 33) and Ahmanson Ranch Community Services District (ARCSD); and

WHEREAS, the County Counsel has been advising and will continue to advise and represent the County of Ventura regarding proceedings relating to CSA 33 and ARCSD and such representation could result in an actual or potential conflict of interest with LAFCo; and

WHEREAS, the California Rules of Professional Conduct require that legal counsel disclose any potential or actual conflict of interest and obtain the informed written consent of the Board of Supervisors and the Commission before advising or representing LAFCo regarding LAFCo proceedings relating to the reorganization or dissolution of CSA 33 or ARCSD; and

WHEREAS, it will be beneficial to the County of Ventura and LAFCo to have the Ventura County Counsel advise and represent both LAFCo and the County of Ventura due to the commonality of issues and interests relating to these matters;

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

The Ventura Local Agency Formation Commission hereby waives any
conflict of interest and consents to the Ventura County Counsel advising
and representing the County of Ventura and the Ventura Local Agency
Formation Commission for all matters relating to the reorganization or
dissolution of Ventura County Service No. 33 and Ahmanson Ranch
Community Services District.

This resolution was adopted on May 19, 2010.

AYES: Commissioners Cunningham, Lange, Long, Morehouse, Parks,
Parvin and Pringle

NOES: None

ASTAINS: None

Dated: _____
Chair, Ventura Local Agency Formation Commission

Cc County Counsel
Ventura County Service Area No. 33
Ahmanson Ranch Community Services District