



**LAFCO MEETING  
AGENDA**

**Wednesday, April 8, 2009  
12:00 Noon – Closed Session  
1:15 PM – Regular Meeting**

**Board Meeting Chambers  
70 West Hedding Street, First Floor  
San Jose, CA 95110**

**CHAIRPERSON: John Howe • VICE-CHAIRPERSON: Susan Vicklund-Wilson**

**COMMISSIONERS: Pete Constant, Don Gage, Liz Kniss**

**ALTERNATES: Al Pinheiro, Sam Liccardo, George Shirakawa, Terry Trumbull**

The items marked with an asterisk (\*) are included on the Consent Agenda and will be taken in one motion. At the beginning of the meeting, anyone who wants to discuss a consent item should make a request to remove that item from the Consent Agenda.

**Disclosure Requirements**

**1. Disclosure of Campaign Contributions**

If you wish to participate in the following proceedings, you are prohibited from making a campaign contribution of more than \$250 to any commissioner or alternate. This prohibition begins on the date you begin to actively support or oppose an application before LAFCO and continues until three months after a final decision is rendered by LAFCO. No commissioner or alternate may solicit or accept a campaign contribution of more than \$250 from you or your agent during this period if the commissioner or alternate knows, or has reason to know, that you will participate in the proceedings.

If you or your agent have made a contribution of more than \$250 to any commissioner or alternate during the twelve (12) months preceding the decision, that commissioner or alternate must disqualify himself or herself from the decision. However, disqualification is not required if the commissioner or alternate returns the campaign contribution within thirty (30) days of learning both about the contribution and the fact that you are a participant in the proceedings. For disclosure forms and additional information see: <http://www.santaclara.lafco.ca.gov/annexations&Reorg/PartyDisclForm.pdf>

**2. Lobbying Disclosure**

Any person or group lobbying the Commission or the Executive Officer in regard to an application before LAFCO must file a declaration prior to the hearing on the LAFCO application or at the time of the hearing if that is the initial contact. Any lobbyist speaking at the LAFCO hearing must so identify themselves as lobbyists and identify on the record the name of the person or entity making payment to them. For disclosure forms and additional information see: <http://www.santaclara.lafco.ca.gov/annexations&Reorg/LobbyDisclForm.pdf>

**3. Disclosure of Political Expenditures and Contributions Regarding LAFCO Proceedings**

If the proponents or opponents of a LAFCO proposal spend \$1,000 with respect to that proposal, they must report their contributions of \$100 or more and all of their expenditures under the rules of the Political Reform Act for local initiative measures to the LAFCO office. For additional information and for disclosure forms see: [http://www.santaclara.lafco.ca.gov/sclafcopolicies\\_annex&reorg\\_home.html](http://www.santaclara.lafco.ca.gov/sclafcopolicies_annex&reorg_home.html)

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**12:00 Noon**

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**1. ROLL CALL**

**2. CLOSED SESSION**

Conference with Legal Counsel - Anticipated Litigation. Significant exposure to litigation pursuant to Government Code § 54956.9 (1 case)

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**1:15 PM**

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**3. PUBLIC PRESENTATIONS**

This portion of the meeting is reserved for persons desiring to address the Commission on any matter not on this agenda. Speakers are limited to THREE minutes. All statements that require a response will be referred to staff for reply in writing.

**4. APPROVE MINUTES OF FEBRUARY 4, 2009 LAFCO MEETING**

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**PUBLIC HEARINGS**

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**5. MUNRO ANNEXATION NO. 7**

A request by the City of Morgan Hill to annex one parcel (APN 773-06-008) with an area of approximately 20 acres located at 905 West Main Avenue, outside the urban service area of Morgan Hill.

**Possible Action:** Consider the request for annexation and staff recommendation.

**6. PROPOSED LAFCO BUDGET FOR FISCAL YEAR 2010**

**Possible Action:**

- a. Adopt the Proposed LAFCO budget for Fiscal Year 2010.
- b. Authorize staff to transmit the Proposed Budget adopted by the Commission, as well as the notice for public hearing on the adoption of the Final Budget for Fiscal Year 2010, to the County, the Cities Association and each of the cities.

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**ITEMS FOR ACTION / DISCUSSION**

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**7. LEGISLATIVE REPORT**

**Possible Action:** Accept report.

**8. EXECUTIVE OFFICER'S REPORT**

**9. COMMISSIONERS' REPORTS**

**10. WRITTEN CORRESPONDENCE**

**11. NEWSPAPER ARTICLES / NEWSLETTERS**

10.1 CALAFCO Newsletter: The Sphere

**12. PENDING APPLICATIONS / UPCOMING PROJECTS**

**13. ADJOURN**

Adjourn to regular LAFCO meeting on Wednesday, June 3, 2009, at 1:15 PM in the Board Meeting Chambers, 70 West Hedding Street, First Floor, San Jose, CA 95110.

Any disclosable public records related to an open session item on the agenda and distributed to all or a majority of the Commission less than 72 hours prior to that meeting are available for public inspection at the LAFCO Office at the address listed at the bottom of the first page of the agenda during normal business hours. In compliance with the Americans with Disabilities Act, those requiring accommodation for this meeting should notify the LAFCO Clerk 24 hours prior to the meeting at (408) 299-6415, or at TDD (408) 993-8272, indicating that message is for the LAFCO Clerk.

**LOCAL AGENCY FORMATION COMMISSION OF  
SANTA CLARA COUNTY  
MINUTES  
WEDNESDAY, FEBRUARY 4, 2009**

**1. ROLL CALL**

The Local Agency Formation Commission (LAFCO) of Santa Clara County convenes this 4th day of February 2009 at 1:15 p.m. in the Board Meeting Chambers, County Government Center, 70 West Hedding Street, San Jose, California, with the following members present: Chairperson John Howe, Vice Chairperson Susan Vicklund-Wilson, and Commissioners Pete Constant, Don Gage and Liz Kniss. Alternate Commissioners Al Pinheiro and Terry Trumbull are also present.

The LAFCO staff in attendance includes Neelima Palacherla, LAFCO Executive Officer; Dunia Noel, LAFCO Analyst; and, Steve Mitra, LAFCO Counsel, Office of the County Counsel.

The meeting is called to order by Chairperson Howe and the following proceedings are had, to wit:

**2. WELCOME NEW LAFCO COMMISSIONERS: LIZ KNISS AND GEORGE SHIRAKAWA**

The Chairperson welcomes Commissioner Kniss and Alternate Commissioner Shirakawa. Commissioner Kniss informs that she and Alternate Commissioner Shirakawa attended a LAFCO orientation presented by staff on February 2, 2009.

The Chairperson proposes to take the agenda out of order so that the Closed Session will be convened towards the end of the meeting. On motion of Commissioner Wilson, seconded by Commissioner Gage, it is unanimously ordered that items 8 and 9 of the agenda will be taken up at the end of the meeting.

**3. PUBLIC PRESENTATION**

Brian Schmidt, Committee for Green Foothills, proposes that a LAFCO policy be put in place to require analysis of proposals relating to extension of services outside of agency boundaries, particularly those applications addressing concerns like failing septic systems that, as a consequence, would make urban services available to intervening vacant lands.

**4. APPROVE THE MINUTES OF DECEMBER 3, 2008 MEETING**

On motion of Commissioner Gage, seconded by Commissioner Constant, it is unanimously ordered that the minutes of the December 3, 2008 meeting be approved, as submitted.

**5. APPROVE CONSENT CALENDAR**

**5.1 WEST VALLEY SANITATION DISTRICT 2008-03 (FORRESTER ROAD)**

On motion of Commissioner Kniss, seconded by Commissioner Constant, it is unanimously ordered that Resolution No. 2009-01 be adopted, approving the annexation to West Valley Sanitation District of one parcel with a total area of about 1.82 acres, located at 235 Forrester Road in the Town of Los Gatos. Said Resolution, by reference hereto, is made part of these minutes.

**6. BUDGET SUBCOMMITTEE FOR FISCAL YEAR 2009-10**

Ms. Palacherla recommends that the Commission appoint two commissioners to the Budget Subcommittee. In response to an inquiry by Commissioner Kniss, Commissioner Gage informs that he and Chairperson Howe served previously on the Budget Subcommittee. Chairperson Howe and Commissioner Gage express interest in serving on the Subcommittee again.

On motion of Commissioner Constant, seconded by Commissioner Wilson, it is unanimously ordered that Chairperson Howe and Commissioner Gage be appointed to the FY 2009-10 Budget Subcommittee.

**7. LAFCO FEE WAIVER REQUEST FROM CAMPBELL AND LOS GATOS FOR AN URBAN SERVICE AREA (USA) / SPHERE OF INFLUENCE AMENDMENT (SOD) AND FOR DETACHMENT FROM CAMPBELL TO FACILITATE ANNEXATION OF ISLAND (WEST PARR AVENUE)**

Ms. Palacherla reports that the City of Campbell and the Town of Los Gatos have requested a waiver of LAFCO USA amendment fees to facilitate the annexation of a portion of West Parr Avenue that qualifies for island annexation. She directs attention to a map illustrating the segments of West Parr Avenue, and the boundaries of Campbell and Los Gatos in the area. She states that the road could be annexed to Campbell currently under the island annexation provision without amendment of the USA. LAFCO would waive island annexation fees, and the County would cover Surveyor and Assessor costs,

as well as the State Board of Equalization processing fee. However, the two cities would like to annex up to the centerline of West Parr Road as opposed to Campbell annexing the full width of the road since they believe that this would allow for more logical boundaries. This would require LAFCO review and approval of an amendment to the USA and SOI boundaries. Ms. Palacherla reports that State law allows waiver of LAFCO fees if LAFCO can find that the waiver is not detrimental to public interest. She indicates that LAFCO's cost is borne by the 15 cities and the County and it would be difficult to waive fees that benefit only two cities and that it might set a precedent for such requests from other agencies. She states that the Commission may deny the fee waiver or request the cities to submit a complete USA amendment application to allow the Commission to review the merits of the application and the fee waiver request simultaneously.

In response to an inquiry by Commissioner Gage, Ms. Palacherla advises that the USA/SOI amendment application should be submitted along with the required fees and the Commission would then consider the request for a fee waiver. Commissioner Gage expresses interest in the USA amendment application and informs that the Commission has waived processing fees for island annexations. He then moves to approve the staff recommendation to request Campbell and Los Gatos to first submit the application before the Commission determines whether or not to waive the fees. In response to an inquiry by Commissioner Wilson, Ms. Palacherla advises that the USA/SOI processing fee is \$11,000 deposit. Commissioner Wilson comments that the Commission must review the application because the fee waiver would benefit only two cities. Commissioner Kniss comments that the Commission should have more information about the project before the fees are waived and Commissioner Gage expresses agreement.

Bob Kass, Public Works Director, City of Campbell, informs that the USA/SOI application and island annexation involves no private property, would establish a logical boundary between the two cities, and would address jurisdictional responsibility issues. He explains that a minor USA adjustment and island annexation are necessary because Campbell's boundary with Los Gatos is jagged. He likewise informs that the \$47,000 from the County Roads and Airports Department is a reimbursement to Campbell for the money already spent to repave West Parr Avenue. He comments that an island annexation

without USA amendment will not benefit Campbell. He then requests staff to indicate whether or not the USA amendment is feasible before Campbell submits its application.

Commissioner Gage expresses support for the USA application, indicating that the County, San Jose and Campbell have diligently worked to annex pockets in order to resolve confusion over jurisdictional responsibilities and provision of public services.

Commissioner Constant seconds the motion. He indicates that the City of San Jose also has illogical boundaries with Campbell and states that one of LAFCO goals is to create logical boundaries because it is important for both the residents and public agencies providing services. He then expresses support for the USA application, stating that the waiver of fees is a small cost compared to the benefits of island annexation.

In response to a request by Commissioner Wilson, Commissioner Gage clarifies that his motion is for the Commission to request an application from Campbell, and then determine whether or not fees are to be waived. He states that waiver of fees would not set a precedent because this is a unique situation of two cities cleaning up their boundaries and resolving jurisdictional problems, and that the Commission would have to review the merits of any fee waiver requests in the future. Ms. Palacherla advises that Campbell staff has indicated that they would submit an application for USA amendment to LAFCO even the fees are not waived because the reimbursement of road maintenance costs from Roads and Airports Department is contingent on annexation of West Parr Avenue to a city.

Commissioner Kniss expresses support for the application and inquires whether LAFCO fees have been waived in the past. Ms. Palacherla advises that LAFCO has not waived fees for applications; however, LAFCO has approved a blanket fee waiver for processing island annexations. In response to another inquiry by Commissioner Kniss, Commissioner Gage clarifies that his motion does not waive the USA/SOI fees at this time. Chairperson Howe comments that the two cities are working together to fix their boundaries, and Commissioner Kniss observes that island annexations are important to the County.

The Chairperson calls the question. It is unanimously ordered that Campbell and Los Gatos must submit a complete application to allow LAFCO to consider the merits of the proposal, at which time it will be determined if the USA/SOI fees will be waived.

**10. EXECUTIVE OFFICER'S REPORT**

**10.1 CALAFCO STAFF WORKSHOP IN SAN LUIS OBISPO ON APRIL 29 - MAY 1, 2009**

On motion of Commissioner Gage, seconded by Commissioner Wilson, it is unanimously ordered that staff be authorized to attend the CALAFCO Staff Workshop and travel expenses be funded by LAFCO budget.

**10.2 CALAFCO "U" CLASS ON "SB 375 - SO HOW WILL IT WORK FOR LAFCO?" IN SAN JOSE, MARCH 27, 2009**

Ms. Palacherla reports that CALAFCO has a class on Senate Bill No. 375 which will discuss LAFCO and its role in SB 375. She informs that the workshop will be held on March 27, 2009 at San Jose City Hall, and thanks Commissioner Constant and his staff for arranging the location. Ms. Palacherla then recommends that commissioners and staff be authorized to attend the workshop. The Chairperson requests public comment.

Brian Schmidt, Committee for Green Foothills inquires if the workshop is open to the public. Ms. Palacherla states that it is likely open but that she would check with CALAFCO and inform Mr. Schmidt.

On motion of Commissioner Kniss, seconded by Commissioner Constant, it is unanimously ordered that commissioners and staff be authorized to attend the CALAFCO workshop on SB 375.

**10.3 LAFCO INFORMATIONAL WORKSHOP ON ANNEXATION PROCEDURES FOR CITIES AND SPECIAL DISTRICTS (MARCH 10, 2009)**

Ms. Palacherla reports that staff will hold an informational workshop on annexation procedures for County, cities and special districts staff on March 10, 2009.

**11. COMMISSIONERS' REPORTS**

There are no reports from commissioners.

**12. WRITTEN CORRESPONDENCE**

There is no written correspondence.

**13. NEWSPAPER ARTICLES**

There are no newspaper articles.



**14. PENDING APPLICATIONS / UPCOMING PROJECTS**

Ms. Palacherla informs that staff has received an application from the City of Morgan Hill to annex a 20-acre parcel in order to preserve open space. The application will be taken up at the April 8, 2009 LAFCO meeting.

**8. TAKEN OUT OF ORDER: CLOSED SESSION**

On order of the Chairperson, there being no objection, the meeting is adjourned to a Closed Session at 1:47 p.m.

*Alternate Commissioners Pinheiro and Trumbull leave at 1:47 p.m.*

*The Commission reconvenes at 2:23 p.m.*

**9. TAKEN OUT OF ORDER: REPORT OUT OF CLOSED SESSION**

The Chairperson informs that the Commission met in closed session pursuant to Government Code §54957(b)(1) and reports that it directed staff to terminate LAFCO's legal services agreement with the County of Santa Clara and states that the Commission unanimously decided to retain Best, Best & Krieger as the LAFCO General Counsel.

**15. ADJOURN**

On order of the Chairperson, there being no objection, the meeting is adjourned at 3:17 p.m. to a regular meeting to be held on Wednesday, April 8, 2009 at 1:15 p.m. in the Chambers of the Board of Supervisors, County Government Center, 70 West Hedding Street, San Jose, California.

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John Howe, Chairperson  
Local Agency Formation Commission

ATTEST:

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Emmanuel Abello, LAFCO Clerk

LAFCO Meeting: April 8, 2009

TO: LAFCO

FROM: Neelima Palacherla, Executive Officer

SUBJECT: **Proposed Draft LAFCO Budget FY 2009-2010**  
Agenda Item # 6

## **STAFF RECOMMENDATION**

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1. Adopt the Draft LAFCO Budget for fiscal year 2009-2010.
2. Find that the Draft FY 2010 Budget is expected to be adequate to allow the Commission to fulfill its statutory responsibilities.
3. Authorize staff to transmit the Draft Budget adopted by the Commission including the estimated agency costs as well as a notice of public hearing on the adoption of the Fiscal Year 2010 Final Budget to each of the cities, the County and the Cities Association.

## **BACKGROUND**

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### **LAFCO Budget and Adoption Process**

The Cortese Knox Hertzberg Local Government Reorganization Act of 2000 (CKH Act) which became effective on January 1, 2001, requires LAFCO to annually adopt a draft budget by May 1 and a final budget by June 15 at noticed public hearings. Both the draft and the final budgets are required to be transmitted to the cities and the County. Government Code §56381 establishes that at a minimum, the budget must be equal to that of the previous year unless the Commission finds that reduced staffing or program costs will nevertheless allow it to fulfill its statutory responsibilities. Any unspent funds at the end of the year may be rolled over into the next fiscal year budget. After adoption of the final budget by LAFCO, the County Auditor is required to apportion the net operating expenses of the Commission to the agencies represented on LAFCO.

### **Apportionment of LAFCO Costs**

The CKH Act requires LAFCO costs to be split in proportion to the percentage of an agency's representation (excluding the public member) on the Commission. Since the City of San Jose has a permanent membership on LAFCO, Government Code §56381.6 requires costs to be split between the County, the City of San Jose

and the remaining cities. Hence the County pays half the LAFCO cost, the City of San Jose a quarter and the remaining cities the other quarter.

The cities' share (other than San Jose's) is apportioned in proportion to each city's total revenue 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. Government Code §56381(c) requires the County Auditor to request payment from the cities and the County no later than July 1 of each year for the amount each agency owes based on the net operating expenses of the Commission and the actual administrative costs incurred by the Auditor in apportioning costs and requesting payment.

**FY 2009-2010 BUDGET TIMELINE**

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Dates	Staff Tasks / LAFCO Action
March 18 - April 8	Notice period, draft budget posted on LAFCO web site and available for review and comment on April 1
April 8	Public Hearing and adoption of draft budget
April 8	Draft budget along with draft apportionment amounts transmitted to agencies (cities and County) together with notice of public hearing for the final budget hearing
June 3	Public hearing and adoption of final budget
June 4 - July 1	Final budget along with final agency apportionments transmitted to agencies; Auditor requests payment from agencies

**WORK PROGRAM FOR FY 2009-2010**

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LAFCO is mandated by the state to process all boundary change applications submitted. Associated with this mandate, LAFCO has several responsibilities / requirements including but not limited to adopting written policies and procedures, maintaining a web site, serving as a conducting authority for protest proceedings and conducting public hearings and providing adequate public notice. Other state mandates for LAFCO include preparation of service reviews every five years and the corresponding review and update of the spheres of influence for each city and special district under LAFCO jurisdiction within the County. The work program for FY 2009- 2010 includes:

**Service Reviews** LAFCO will develop and implement a program for conducting the second round of service reviews and sphere of influence updates as required by the CKH Act.

**Application Processing** LAFCO staff will respond to public inquiries regarding LAFCO policies and procedures for processing boundary change applications and will process all submitted applications. Application processing activity is expected to continue at existing levels for all types of applications from special districts and cities. We anticipate receiving reorganization proposals from the Santa Clara County Central Fire Protection District and urban service amendment applications from the City of Gilroy in the next fiscal year.

**Island Annexations** San Jose is moving forward with its third phase of island annexations which include populated islands. Staff will assist the City to coordinate service transitions for these annexations. As follow up to the island annexations in this phase, LAFCO will have to initiate dissolution of Sunol Sanitation District that would no longer have any territory remaining as a result of annexation of the islands to San Jose, thus making the district unnecessary.

Staff will also continue to assist and work with other cities processing island annexations (Los Altos Hills, Campbell and Los Gatos) to review their annexation information and finalize the annexations after city council approval.

**LAFCO Policies Update / Adoption** Staff will conduct a comprehensive review of all LAFCO policies and update and/or develop new policies, where needed, for commission consideration and adoption. The Commission must also consider and develop policies on consistency of proposals with regional housing, transportation and green house gas reduction goals (SB 375 and SB 215).

**Public Information/Communication** Staff will continue to maintain the LAFCO web site, conduct workshops and make presentations as requested by agencies, communities or other groups regarding LAFCO programs/ policies and procedures, respond to general public inquiries, maintain and update digital boundary maps for cities and special districts, publish a wall map of cities in Santa Clara County, and actively participate in CALAFCO and other conferences, training and workshops.

**Administration** Staff will prepare policies for LAFCO records retention and work with a consultant to develop and implement an electronic records management system. Staff will review and update as necessary the Memorandum of Understanding between LAFCO and the County for staffing and services. Other administrative work of LAFCO staff includes managing of consultant contracts, reviewing and updating LAFCO procedures as necessary, updating and maintaining the LAFCO database, managing LAFCO records,

tracking LAFCO related legislation and preparing the annual budget and preparing fee schedule revisions.

The LAFCO Annual Report which will be published at the end of the current fiscal year will document the types of applications processed and the various activities / projects that LAFCO has completed in the current fiscal year.

### **STATUS OF CURRENT YEAR BUDGET (FY 2009)**

The approved budget for the current year is \$842,724. It is projected that there will be a savings of about \$252,951 at the end of this fiscal year.

The projected year-end expenses include an anticipated cost of approximately \$100,000 (\$82,688.25 through January 2009) for special legal counsel retained for the San Martin Incorporation Proposal. This expense has been paid out of the items for Consultant services and Intra-County Professional services. Originally, \$75,000 was allocated under Consultant Services in the current LAFCO budget for the purpose of upgrading the LAFCO website and developing an electronic records management system. During the current year, staff time and these resources have instead been focused on processing the San Martin Incorporation Proposal. Furthermore, staff time and expenses (including special legal counsel costs mentioned above) incurred through November 2008 in processing the incorporation application totaled \$210,274.34. These costs have not been paid by the incorporation proponents and are not reflected in the projected revenues, thus resulting in a loss of over \$200,000 to LAFCO and consequently to the cities and the County.

**Projected Year End Savings = Projected Year End Revenue - Projected Year End Expenses**

Projected Year End Savings = \$967,594 - \$714,643

Projected Year End Savings = \$252,951

This savings amount will largely be due to the following:

1. Not having spent the amount (\$100,000) allocated as reserves
2. Having a larger fund balance than anticipated from the previous fiscal year. The actual fund balance from FY 2008 was approximately \$115,000 more than projected. (\$368,800 - \$253,930)

The estimated savings of \$252,951, at the end of the current fiscal year of 2009, will be carried over to reduce the proposed FY 2010 costs for the cities and the County.

## **PROPOSED FY 2009-2010 BUDGET**

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At its February 4, 2009 LAFCO meeting, the Commission appointed a Budget Subcommittee composed of Commissioners Don Gage and John Howe. The Commission directed the budget subcommittee to develop a draft budget for Commission consideration. The Budget Subcommittee held a meeting on February 25th to discuss issues related to the budget and to formulate the budget for FY 2010. The Budget Subcommittee discussed current and future budget related issues and recommended the proposed budget.

The proposed budget for FY 2009-2010 is \$839,913 which is about the same as the current year budget. A detailed itemization of the budget is provided below.

### **Object 1. SALARIES AND BENEFITS \$403,923**

All three LAFCO staff positions will be staffed through the County Executive's Office.

The proposed salary for the LAFCO Executive Officer position is \$108,667 and that for the LAFCO analyst is \$96,300. The County approved a revised job specification and a 10% salary increase for the position of the LAFCO Clerk in recognition of the new duties that the LAFCO Clerk has taken on in independently managing and updating the LAFCO website and using GIS for research and analytical purposes. The proposed salary for the LAFCO Clerk position is \$62,880.

### **Object 2. SERVICES AND SUPPLIES**

#### **5258200 INTRA-COUNTY PROFESSIONAL \$55,000**

This amount is significantly lower than the current year budget because LAFCO terminated its contract with County Counsel's Office in February 2009 and currently contracts with a private firm for legal services. See *Legal Counsel* item for more detailed information.

#### **LAFCO Surveyor \$50,000**

The County Surveyor will continue to assist with map review and approval. It is estimated that about 400 hours of service will be required in the next fiscal year. The County Surveyor's Office charges a rate of \$125 per hour.

**Miscellaneous Staffing \$5,000**

This amount pays for the cost of reports prepared by the County Assessor's Office for LAFCO proposals. Additionally, it allows LAFCO to seek technical assistance from the County Planning Office on CEQA or other planning issues. LAFCO accesses data in the County Planning Office's GIS server. This item includes maintenance and technical assistance for GIS, if necessary.

**5255800 LEGAL COUNSEL \$70,800**

This item covers the cost for general legal services for the fiscal year. In February 2009, the Commission terminated its contract with the County Counsel's Office and retained Best Best & Krieger for legal services on a monthly retainer rate of \$5,900.

**5255500 CONSULTANT SERVICES \$110,000**

This item is allocated for hiring consultants to assist LAFCO with special projects. This year, the amount is allocated for hiring consultants to conduct service reviews and to develop and implement an electronic records management system.

**5285700 MEAL CLAIMS \$750**

This item is being maintained at \$750.

**5220200 INSURANCE \$603**

This item is based on an estimate provided by the County to cover general liability, auto liability and other miscellaneous coverages. Worker's Compensation is part of the payroll charge.

**5250100 OFFICE EXPENSES \$2,000**

This item is being maintained at \$2,000 and provides for purchase of books, periodicals, small equipment and supplies through the year.

**5255650 DATA PROCESSING SERVICES \$3,837**

This item includes funds for support from County ISD including for active directory (\$760), enterprise print management (\$454), email support and licenses (\$1,645) and LAN support (\$1,038). The current budget included funds in this category for LAFCO web site maintenance. However, the LAFCO Clerk now maintains the LAFCO website and therefore no money is allocated for that purpose.

**5225500 COMMISSIONER'S FEES \$9,000**

This item includes a \$100 per diem amount for LAFCO Commissioners and alternate Commissioners to attend LAFCO meetings and sub-committee meetings in the Fiscal Year 2010.

**5260100 PUBLICATIONS AND LEGAL NOTICES \$2,500**

This is being maintained at \$2,500 and will be used for publication of hearing notices for LAFCO applications and other projects/ studies, as required by state law.

**5245100 MEMBERSHIP DUES \$7,000**

This amount provides for the membership dues to the statewide association, CALAFCO -- the California Association of LAFCOs. CALAFCO. In recent years, CALAFCO has expanded its services with the CALAFCO web site, newsletter, CALAFCO Sacramento Office, legislative representation and member publications such as directories to name a few. In addition to these, CALAFCO has implemented other new programs such as the CALAFCO University, insurance and employee benefit options and research resources.

**5250750 PRINTING AND REPRODUCTION \$1,500**

An amount of \$1,500 is being budgeted for printing expenses for reports such as service review reports or other studies.

**5285800 BUSINESS TRAVEL \$13,000**

This item is for both staff and commissioners to attend conferences and workshops. It would cover air travel, accommodation, conference registration and other expenses at the conferences. CALAFCO annually holds a Staff Workshop and an Annual Conference that is attended by commissioners as well as staff. In addition, this item covers the travel expenses for commissioner's travel to the CALAFCO Board meetings. Commissioner Wilson is serving a third term on the CALAFCO Executive Board and is the current vice-president of the Board. She also serves on several committees including the CALAFCO Legislative Committee and the CALAFCO structure subcommittee.



**5285300 PRIVATE AUTOMOBILE MILEAGE \$2,000**

This item provides for travel to conduct site visits, attend meetings, training sessions etc.

**5285200 TRANSPORTATION AND TRAVEL (for use of County car) \$923**

This item would allow for the use of a County vehicle for travel to conferences, workshops and meetings.

**5281600 OVERHEAD \$49,077**

This is an amount established by the County Controller's Office, for service rendered by various County departments that do not directly bill LAFCO for service. This amount is significantly lower than the current year budget because it no longer needs to include the ASAP program's cost upgrade's 5-year amortization which was completed last year. Also, the projections do not include any salary increase, although there is an increase in some benefits. The FY 2010 costs include three elements:

First, the overhead includes the LAFCO share of the County's FY 2010 Cost Allocation Plan which is based on actual overhead costs from FY 2008 – the most recent year for which actual costs are available and include the following charges for LAFCO.

County Executive's Office:	\$18,096
Controller-Treasurer:	\$8,761
Employee Services Agency:	\$2,832
OBA:	\$2,133
Procurement:	\$2
Other Central Services:	\$100
ISD Intergovt. Service:	\$4,685
ISD	\$2,609

Secondly, a "roll forward" of \$9,338 is applied which is calculated by comparing FY 2009 Cost Plan with FY 2008 actuals. Since actuals exceeded the Plan by \$9,338, this amount is added to the FY 2010 Plan. This is a State requirement.

And lastly, an additional adjustment of \$521 is being made in the FY 2010 Cost Plan and is meant to reflect the increase in actual PERS costs in FY 2010. By making the adjustment at this time, the County is hoping to "flatten out" the roll-forward that would be charged in 2 years, when comparing the FY 2010 Plan to the FY 2010 actuals.

**5275200 COMPUTER HARDWARE \$2,000**

This item is being maintained at \$2,000 and will be used for hardware upgrades / purchases.

**5250800 COMPUTER SOFTWARE \$2,000**

This item is for purchases of computer software that would be required for the program and is also being maintained at \$2,000.

**5250250 POSTAGE \$2,000**

This amount is budgeted for the cost of mailing notices, agendas, agenda packets and other correspondence and is being maintained at \$2,000.

**5252100 TRAINING PROGRAMS \$2,000**

This item provides for staff development courses and seminars.

**5701000 RESERVES \$100,000**

This item includes reserves for two purposes: litigation reserve – for use if LAFCO is involved with any litigation and contingency reserve - to be used to deal with any unexpected expenses. If used during the year, this account will be replenished in the following year. In the past years, LAFCO has not had to use the reserves and the amount has been rolled over to the following year to offset the costs.

**3. REVENUES**

**4103400 Application Fees \$40,000**

It is anticipated that LAFCO will earn about \$40,000 in fees from processing applications. LAFCO has extended the fee waiver for island annexations, resulting in reduced revenues. The actual amount earned from fees is not within LAFCO control and depends entirely on the actual level of application activity.

**4301100 Interest \$7,000**

It is estimated that LAFCO will receive an amount of about \$7,000 from interest earned on LAFCO funds.

## **COST APPORTIONMENT TO CITIES AND COUNTY**

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### **Calculation of Net Operating Expenses**

FY 2010 Net Operating Expenses = Proposed FY 2010 Expenditures – Proposed FY 2010 Fee Revenues  
– Projected FY 2009 Year End Savings

FY 2010 Net Operating Expenses = \$839,913 - \$47,000- \$252,951

FY 2010 Net Operating Expenses = \$539,962

The proposed net operating expenses for FY 2010 is approximately the same (or slightly lower by \$1,832 than the current year) as that of the current year net operating expenses.

Therefore there is no significant change in the cost to the cities and the County from the previous year. Please note that the projected operating expenses for FY 2010 are based on projected savings and expenses for the current year and are not actual figures. It is therefore to be expected that there will be revisions to the budget as we get a better indication of current year expenses towards the end of this fiscal year. This could result in changes to the proposed net operating expenses for FY 2010 which could in turn impact the costs for each of the agencies. Provided below is the draft apportionment to the agencies based on the proposed net operating expenses for FY 2010 (\$539,962).

### **Cost to Agencies**

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County of Santa Clara	\$269,980
City of San Jose	\$134,990
Remaining 14 cities in the County	\$134,990

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Apportionment of the costs among the 14 cities will be based on a percentage of the cities' total revenues and will be calculated by the County Controller's Office after LAFCO adopts the final budget in June. A draft of the estimated apportionment to the cities is included as Attachment B to provide the cities a general indication of the LAFCO costs.

### **ATTACHMENTS**

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Attachment A: Proposed Draft Budget for FY 2009-2010  
Attachment B: Estimated Costs to Agencies Based on the Proposed Budget

**PROPOSED LAFCO BUDGET  
FISCAL YEAR 2009 - 2010**

**ITEM No. 6  
ATTACHMENT A**

ITEM #	TITLE	APPROVED	ACTUALS	END OF	PROPOSED
		FY 08-09 BUDGET	Year to Date 1/31/2009	FY 2009 PROJECTIONS	FY 2009-2010 BUDGET
<b>EXPENDITURES</b>					
Object 1:	Salary and Benefits	\$403,013	\$239,058	\$404,593	\$403,923
Object 2:	Services and Supplies				
5258200	Intra-County Professional	\$144,600	\$12,115	\$95,000	\$55,000
5255800	Legal Counsel	\$0	\$0	\$0	\$70,800
5255500	Consultant Services	\$75,000	\$72,659	\$100,000	\$110,000
5285700	Meal Claims	\$750	\$168	\$600	\$750
5220200	Insurance	\$559	\$559	\$559	\$603
5250100	Office Expenses	\$2,000	\$354	\$2,000	\$2,000
5255650	Data Processing Services	\$10,000	\$3,588	\$8,000	\$3,837
5225500	Commissioners' Fee	\$9,000	\$3,100	\$8,000	\$9,000
5260100	Publications and Legal Notices	\$2,500	\$69	\$2,000	\$2,500
5245100	Membership Dues	\$7,000	\$7,000	\$5,500	\$7,000
5250750	Printing and Reproduction	\$1,500	\$0	\$1,500	\$1,500
5285800	Business Travel	\$12,000	\$4,458	\$12,000	\$13,000
5285300	Private Automobile Mileage	\$1,500	\$384	\$1,500	\$2,000
5285200	Transportation&Travel (County Car Usage)	\$2,911	\$828	\$3,000	\$923
5281600	Overhead	\$62,391	\$31,196	\$62,391	\$49,077
5275200	Computer Hardware	\$2,000	\$451	\$2,000	\$2,000
5250800	Computer Software	\$2,000	\$0	\$2,000	\$2,000
5250250	Postage	\$2,000	\$280	\$2,000	\$2,000
5252100	Staff Training Programs	\$2,000	\$0	\$2,000	\$2,000
5701000	Reserves	\$100,000	\$0	\$0	\$100,000
<b>TOTAL EXPENDITURES</b>		<b>\$842,724</b>	<b>\$376,268</b>	<b>\$714,643</b>	<b>\$839,913</b>
<b>REVENUES</b>					
4103400	Application Fees	\$40,000	\$39,164	\$50,000	\$40,000
4301100	Interest: Deposits and Investments	\$7,000	\$6,475	\$7,000	\$7,000
<b>Total Interest / Application Fee Revenue</b>		<b>\$47,000</b>	<b>\$45,639</b>	<b>\$57,000</b>	<b>\$47,000</b>
4600100	Cities (Revenue from other Agencies)	\$270,897	\$270,897	\$270,897	
5440200	County	\$270,897	\$270,897	\$270,897	
<b>Savings/Fund Balance from previous FY</b>		<b>\$253,930</b>	<b>\$368,800</b>	<b>\$368,800</b>	<b>\$252,951</b>
<b>TOTAL REVENUE</b>		<b>\$842,724</b>	<b>\$956,233</b>	<b>\$967,594</b>	
<b>NET LAFCO OPERATING EXPENSES</b>		<b>\$541,794</b>			<b>\$539,962</b>
<b>COSTS TO AGENCIES</b>					
	County	\$270,897			\$269,981
	City of San Jose	\$135,449			\$134,990
	Other Cities	\$135,449			\$134,990

2009/2010 LAFCO COST APPORTIONMENT  
Estimated Costs to Agencies Based on the Proposed Budget

LAFCO Net Operating Expenses for 2009/2010				\$539,962
Jurisdictions	Revenue per 2006/2007 Report	Percentage of Total Revenue	Allocation Percentages	Allocated Costs
County	N/A	N/A	50.0000000%	\$269,980.80
San Jose	N/A	N/A	25.0000000%	\$134,990.40
Campbell	\$37,893,677	2.2163276%	0.5540819%	\$2,991.83
Cupertino	\$55,692,872	3.2573679%	0.8143420%	\$4,397.13
Gilroy	\$85,648,532	5.0094163%	1.2523541%	\$6,762.23
Los Altos	\$35,396,719	2.0702853%	0.5175713%	\$2,794.69
Los Altos Hills	\$9,035,211	0.5284519%	0.1321130%	\$713.36
Los Gatos	\$34,668,904	2.0277169%	0.5069292%	\$2,737.22
Milpitas	\$116,952,583	6.8403294%	1.7100824%	\$9,233.79
Monte Sereno	\$2,652,541	0.1551420%	0.0387855%	\$209.43
Morgan Hill	\$67,173,041	3.9288207%	0.9822052%	\$5,303.53
Mountain View	\$156,866,835	9.1748365%	2.2937091%	\$12,385.15
Palo Alto	\$367,475,000	21.4928990%	5.3732247%	\$29,013.35
Santa Clara	\$472,938,700	27.6612660%	6.9153165%	\$37,340.05
Saratoga	\$19,106,625	1.1175094%	0.2793773%	\$1,508.53
Sunnyvale	\$248,249,502	14.5196312%	3.6299078%	\$19,600.11
Total	\$1,709,750,742	100.0000000%	100.0000000%	\$539,961.60
<b>Total Cities (minus San Jose)</b>				<b>\$134,992.40</b>



Local Agency Formation Commission of Santa Clara County

ITEM No. 7

LAFCO Meeting: April 8, 2009  
TO: LAFCO  
FROM: Neelima Palacherla, Executive Officer  
Dunia Noel, LAFCO Analyst  
SUBJECT: **Legislative Report  
Agenda Item # 7**

### For Information Only

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Attached is the CALAFCO Legislative Report which includes 30 bills of interest to CALAFCO in 2009-2010 legislative session. Several of these bills are currently placeholder bills. The following bills are most pertinent to Santa Clara LAFCO:

**AB 528 (Silva) Financial Disclosure:** This bill will clean up the financial disclosure language in the CKH Act to conform to the legislative changes made through AB 1998 to the Political Reform Act in 2008. CALAFCO is working with the Fair Political Practices Commission on this issue.

**SB 215 (Wiggins) Local Government Organization:** This bill adds the SB 375 required "Sustainable Communities Strategy" to the factors in Government Code §56668 that a LAFCO must consider in reviewing applications and deletes Government Code §56668.5 which allowed LAFCO to consider regional goals and policies as it would become redundant.

**AB 853 (Arambula) Small Community Water Systems:** This bill would require LAFCO to conduct a feasibility review for consolidation of a small community water system with one or more water systems in the county, if the board of supervisors of the county receives a written complaint from a resident or a group of residents of small community water system, and a majority of the board votes to require a report by the commission.

**AB 1109 (Blakeslee) The Cortese Knox Hertzberg Act of 2000:** This is a placeholder bill for clarifying LAFCO's role in allocating liabilities of local agencies in a dissolution or disincorporation.

**SB 113 (Senate Committee on Local Government) Local Government Omnibus Act of 2009:** This is the Senate Local Government Omnibus bill that makes non-

substantive changes to local government laws including several items requested by CALAFCO.

**SB 211 (Simitian) Regional District County of Santa Cruz:** This bill would allow Santa Cruz Board of Supervisors to create a regional open space district outside of LAFCO process.

## CALAFCO Bills By Priority 3/19/2009

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1

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**AB 528**     **(Silva) Local government: reorganization: expenditure reporting.**     [Notify](#)

**Introduced:** 2/25/2009

**Status:** 2/26/2009-From printer. May be heard in committee March 28.

**Location:** 2/25/2009-A. PRINT

**Summary:** Would revise these provisions to require the expenditures to be disclosed and reported pursuant to the Political Reform Act of 1974.

[Edit](#) | [Archive](#)

**Subject**

Financial  
Disclosure  
Requirements

**CALAFCO Comments:** This CALAFCO sponsored bill conforms C-K-H financial disclosure requirements with the provisions in the Political Reform Act that were signed into law last year from AB 1998, which CALAFCO also sponsored.

**AB 1109**     **(Blakeslee) The Cortese-Knox-Hertzberg Act of 2000.**     [Notify](#)

**Introduced:** 2/27/2009

**Status:** 3/2/2009-Read first time.

**Location:** 2/27/2009-A. PRINT

**Summary:** Existing law makes various findings and declarations regarding boundaries, community development, available housing, and development within the state. This bill would make a technical, nonsubstantive change to this provision.

[Edit](#) | [Archive](#)

**Subject**

Financial  
Viability of  
Agencies, CKH  
General  
Procedures

**CALAFCO Comments:** Placeholder bill for legislation clarifying LAFCo's role in allocating liabilities of local agencies in a dissolution or disincorporation.

**SB 113**     **(Committee on Local Government) Local Government Omnibus Act of 2009.**     [Notify](#)

**Introduced:** 1/29/2009

**Status:** 2/9/2009-Set for hearing April 15.

**Location:** 2/5/2009-S. L. GOV.

**Calendar:** 4/15/2009 9:30 a.m. - Room 112 SENATE LOCAL GOVERNMENT, WIGGINS, Chair

**Summary:** Would repeal these provisions. This bill contains other related provisions and other existing laws.

**Attachments:**

[CALAFCO Support Letter](#)

[Edit](#) | [Archive](#)

**Subject**

CKH General  
Procedures

**CALAFCO Comments:** The Senate Local Government Bill makes non-substantial changes to local government laws other than CKH. CALAFCO has a number of items in the 2009 bill.

**SB 163**     **(Cox) Local government: reorganization.**     [Notify](#)

**Introduced:** 2/14/2009

**Status:** 3/9/2009-To Com. on RLS.

**Location:** 3/9/2009-S. RLS.

**Summary:** Existing law, for purposes of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, makes various legislative findings and declarations regarding the use of local government reorganization. This bill would make a technical, nonsubstantive change to that provision.

[Edit](#) | [Archive](#)

**Subject**

CKH General  
Procedures

**CALAFCO Comments:** This bill is a placeholder for an unidentified change to Cortese-Knox-Hertzberg.

**SB 194**     **(Flores) Community development: disadvantaged communities.**     [Notify](#)

**Introduced:** 2/23/2009

**Status:** 3/9/2009-To Com. on RLS.

**Location:** 3/9/2009-S. RLS.

**Summary:** Would make several findings and declarations of the Legislature relating to disadvantaged unincorporated communities. The bill would declare the intent of the Legislature to encourage



investment in these communities.

[Edit](#) | [Archive](#)

**Subject**  
Municipal  
Services,  
Planning

**CALAFCO Comments:** This is a placeholder bill at the moment. The bill is intended to provide municipal services and infrastructure investment to disadvantaged unincorporated communities. Its intent, in part, is to address the role of regional agencies (including, perhaps LAFCo) in addressing infrastructure deficits through annexation, consolidation and regionalization where appropriate.

**SB 215** **(Wiggins) Local government: organization.** [Notify](#)

**Introduced:** 2/23/2009

**Status:** 3/9/2009-To Com. on L. GOV. Set for hearing April 1.

**Location:** 3/9/2009-S. L. GOV.

**Calendar:** 4/1/2009 9:30 a.m. - Room 112 SENATE LOCAL GOVERNMENT, WIGGINS, Chair

**Summary:** Would modify that factor so that a commission would be required to consider the proposal's consistency with city or county general and specific plans, and any applicable transportation plan, when reviewing a proposal for a change of organization or reorganization. This bill contains other related provisions and other existing laws.

**Attachments:**

[CALAFCO Support Letter](#)

[Edit](#) | [Archive](#)

**Subject**  
Sustainable  
Community  
Plans, CKH  
General  
Procedures

**CALAFCO Comments:** Adds the SB 375 required "Sustainable Communities Strategy" and "Alternative Planning Strategy" to the factors a LAFCo must consider in reviewing applications in GC 56668 (g) and eliminates the now obsolete GC 56668.5 which allowed LAFCo to consider regional growth goals and policies.

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2

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**AB 155** **(Mendoza) Local government: bankruptcy proceedings.** [Notify](#)

**Introduced:** 1/26/2009

**Status:** 2/26/2009-Referred to Com. on L. GOV.

**Location:** 2/26/2009-A. L. GOV.

**Summary:** Would provide that a local public entity may only file under federal bankruptcy law with the approval of the Local Agency Bankruptcy Committee that would consist of the Controller, the Treasurer, and the Director of Finance, as specified.

[Edit](#) | [Archive](#)

**Subject**  
Financial  
Viability of  
Agencies

**CALAFCO Comments:**

**AB 432** **(Nestande) Municipal utility districts.** [Notify](#)

**Introduced:** 2/24/2009

**Status:** 2/25/2009-From printer. May be heard in committee March 27.

**Location:** 2/24/2009-A. PRINT

**Summary:** Would state the intent of the Legislature to enact legislation to reform the manner in which municipal utility districts are organized.

[Edit](#) | [Archive](#)

**Subject**  
Special District  
Principle Acts

**CALAFCO Comments:** Placeholder bill which states the intent of the Legislature to change the manner in which MUD are organized.

**AB 853** **(Arambula) Local agencies: small community water systems.** [Notify](#)

**Introduced:** 2/26/2009

**Status:** 2/27/2009-From printer. May be heard in committee March 29.

**Location:** 2/26/2009-A. PRINT

**Summary:** Would require the local agency formation commission to conduct a feasibility review for the consolidation of a small community water system with one or more of the water systems in the county, if the board of supervisors of the county receives a written complaint from a resident or group of residents of a small community water system, and a majority of the board votes to require the report by the commission.

[Edit](#) | [Archive](#)

**Subject**  
Special District

Consolidations

**CALAFCO Comments:** This bill would require LAFCo to conduct a feasibility review for the consolidation of a small community water system with one or more of the water systems in the county, if the board of supervisors of the county receives a written complaint from a resident or group of residents of a small community water system, and a majority of the board votes to require the report by the commission.

**AB 1172**

**(Galgiani) Eastern San Joaquin County Water District. Notify**

**Introduced:** 2/27/2009

**Status:** 3/2/2009-Read first time.

**Location:** 2/27/2009-A. PRINT

**Summary:** Would specify the powers and purposes of the Eastern San Joaquin County Water District on and after the date on which the San Joaquin Local Agency Formation Commission approves the consolidation of the Stockton-East Water District and the Central San Joaquin Water Conservation District. The bill would state the findings and declarations of the Legislature concerning the need for special legislation.

**Subject**

Special District  
Principle Acts

[Edit](#) | [Archive](#)

**CALAFCO Comments:**

**AB 1232**

**(Huffman) Local agency formation commissions: service reviews. Notify**

**Introduced:** 2/27/2009

**Status:** 3/2/2009-Read first time.

**Location:** 2/27/2009-A. PRINT

**Summary:** Would require a commission to make and include in the written statement projected cost and budget increases associated with future regulatory requirements, including, but not limited to, infrastructure replacement and upgrades. By increasing the duties of a local agency formation commission, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

**Subject**

Special District  
Consolidations,  
Service  
Reviews/Spheres

[Edit](#) | [Archive](#)

**CALAFCO Comments:** This is a placeholder bill for potential legislation that may affect reviews and/or consolidation of wastewater districts in Marin County.

**AB 1436**

**(Portantino) Hospital districts. Notify**

**Introduced:** 2/27/2009

**Status:** 3/2/2009-Read first time.

**Location:** 2/27/2009-A. PRINT

**Summary:** Would provide that this power includes ownership and would revise the definition of health care facilities for purposes of this power to expressly include public hospitals, as defined.

**Subject**

Special District  
Principle Acts

[Edit](#) | [Archive](#)

**CALAFCO Comments:** Adds ownership of public hospitals to the powers of hospital districts.

**SB 101**

**(Committee on Local Government) Validations. Notify**

**Introduced:** 1/27/2009

**Status:** 3/12/2009-In Assembly. Read first time. Held at Desk.

**Location:** 3/12/2009-A. DESK

**Summary:** Would enact the First Validating Act of 2009, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill contains other related provisions.

**Attachments:**

[CALAFCO Support Letter](#)

**Subject**

CKH General  
Procedures

[Edit](#) | [Archive](#)

**CALAFCO Comments:** Annual bills which validate errors and omissions made by local officials, including the boundaries of all local agencies.

**SB 102**

**(Committee on Local Government) Validations. Notify**

**Introduced:** 1/27/2009

**Status:** 3/12/2009-In Assembly. Read first time. Held at Desk.

**Location:** 3/12/2009-A. DESK

**Summary:** Would enact the Second Validating Act of 2009, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill contains other related provisions.

**Attachments:**

[CALAFCO Support Letter](#)

[Edit](#) | [Archive](#)

**Subject**  
CKH General  
Procedures

**CALAFCO Comments:** Annual bills which validate errors and omissions made by local officials, including the boundaries of all local agencies.

**SB 103** **(Committee on Local Government) Validations.** [\\_Notify](#)

**Introduced:** 1/27/2009

**Status:** 3/12/2009-In Assembly. Read first time. Held at Desk.

**Location:** 3/12/2009-A. DESK

**Summary:** Would enact the Third Validating Act of 2009, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

**Attachments:**

[CALAFCO Support Letter](#)

[Edit](#) | [Archive](#)

**Subject**  
CKH General  
Procedures

**CALAFCO Comments:** Annual bills which validate errors and omissions made by local officials, including the boundaries of all local agencies.

**SB 162** **(Cox) Local government: fire suppression.** [\\_Notify](#)

**Introduced:** 2/14/2009

**Status:** 3/9/2009-To Com. on RLS.

**Location:** 3/9/2009-S. RLS.

**Summary:** Existing law, for the purposes of assessments for fire suppression, defines fire suppression to mean firefighting and fire prevention, including, but not limited to, vegetation removal or management undertaken, in whole or in part, for the reduction of a fire hazard. This bill would make a technical, nonsubstantive change to this provision.

[Edit](#) | [Archive](#)

**Subject**  
Special District  
Principle Acts

**CALAFCO Comments:** This is likely a placeholder for a more substantial change to fire agency law.

**SB 211** **(Simitian) Regional district: County of Santa Cruz.** [\\_Notify](#)

**Introduced:** 2/23/2009

**Status:** 3/9/2009-To Com. on L. GOV. Set for hearing April 1.

**Location:** 3/9/2009-S. L. GOV.

**Calendar:** 4/1/2009 9:30 a.m. - Room 112 SENATE LOCAL GOVERNMENT, WIGGINS, Chair

**Summary:** in addition, would permit the formation of a regional district in the County of Santa Cruz to be initiated by a resolution of the county board of supervisors, after a hearing noticed in accordance with specified procedures, in lieu of the petition and related proceedings required under the above provisions. This bill contains other existing laws.

[Edit](#) | [Archive](#)

**Subject**  
Special District  
Principle Acts

**CALAFCO Comments:** Allows Santa Cruz Board of Supervisors to create a park and open space district outside of LAFCo process.

**SB 263** **(Strickland) Local government: community service districts.** [\\_Notify](#)

**Introduced:** 2/24/2009

**Status:** 3/16/2009-Set for hearing May 6.

**Location:** 3/9/2009-S. L. GOV.

**Calendar:** 5/6/2009 9:30 a.m. - Room 112 SENATE LOCAL GOVERNMENT, WIGGINS, Chair

**Summary:** Would include the Santa Rita Hills Community Services District as one of the specified community services districts authorized to limit access to roads it owns to the landowners and residents of that district.

[Edit](#) | [Archive](#)

**Subject**  
Special District  
Principle Acts

**CALAFCO Comments:** Adds the Santa Rita Hills CSD as one of the specified community services districts authorized to limit access to roads it owns to the landowners and residents of that district.

**SB 575** **(Steinberg) Local planning: housing element.** [\\_Notify](#)

**Introduced:** 2/27/2009

**Status:** 3/2/2009-Read first time.

**Location:** 2/27/2009-S. PRINT

**Summary:** Existing law requires every city, county, and city and county to revise the housing element of its general plan as frequently as is appropriate to reflect the results of the periodic review. Existing law further requires that all local governments within the regional jurisdiction of the San Diego Association of Governments adopt their 5th revision no more than 5 years from the 4th revision. This bill instead would

require that all local governments within the regional jurisdiction of the San Diego Association of Governments adopt their 5th revision no later than an unspecified period of time.

**Subject**

Climate Change

Edit | Archive

**CALAFCO Comments:** This is the clean-up bill for SB 375. Currently a placeholder, other elements are likely to be amended in as agreements are reached.

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**3**

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**AB 9 (John A. Perez) Political Reform Act of 1974: expenditures. Notify**

**Introduced:** 12/1/2008

**Status:** 2/5/2009-Referred to Com. on E. & R.

**Location:** 2/5/2009-A. E. & R.

**Summary:** Under the Political Reform Act of 1974, an "expenditure" means a payment, a forgiveness of a loan, a payment of a loan by a 3rd party, or an enforceable promise to make a payment, unless it is clear from the surrounding circumstances that it is not made for political purposes. Under the act, a candidate or committee that makes an independent expenditure totaling \$1,000 or more in a calendar year to support or oppose a measure or qualification of a measure shall file a report of that disclosure with the Fair Political Practices Commission. This bill clarifies existing law that an expenditure includes the payment of public moneys by a state agency or local government agency, or by an agent of that agency, for a communication to the electorate within the jurisdiction of that agency regarding a clearly identified measure, except if the communication constitutes a fair and impartial presentation of the facts relating to the measure or the communication is otherwise required by law.

**Subject**

Financial  
Disclosure  
Requirements

Edit | Archive

**CALAFCO Comments:** Adds that monies expended by a public agency to communicate information on a measure to the public must be reported to the FPPC.

**AB 300 (Caballero) Subdivisions: water supply. Notify**

**Introduced:** 2/17/2009

**Status:** 3/4/2009-Referred to Coms. on L. GOV. and W.,P. & W.

**Location:** 3/4/2009-A. L. GOV.

**Calendar:** 4/15/2009 1:30 p.m. - Room 447 ASSEMBLY LOCAL GOVERNMENT, CABALLERO, Chair

**Summary:** Would require, until January 1, 2020, the legislative body of a city or county or the designated advisory agency to approve or disapprove the subdivider's water savings projections attributable to voluntary demand management measures, as defined, after being reviewed by the retail water supplier and verified for accuracy, as specified, by the public water system or the local agency if there is no public water system. Water savings projections would be authorized to be calculated using the water savings projections adopted by the California Urban Water Conservation Council. Water savings projections for measures for which the California Urban Water Conservation Council does not have adopted findings would be required to be based on substantial evidence in the record and included in the water supply assessment adopted by the water supplier. If a project applicant proposes to use a new voluntary water reduction demand management measure that is not based on water savings projections adopted by the California Urban Water Conservation Council, the legislative body of a city or county or the advisory agency would be required to have the project applicant enter into an agreement with the water utility to implement and monitor the actual water savings over time, as specified. The public water system would be required to prepare a written report of the projected water demand versus the actual water use 5 years after the project has been fully developed. By adding to the duties of the public water system, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

**Subject**

Service  
Reviews/Spheres,  
Water

Edit | Archive

**CALAFCO Comments:** Requires the preparation of a water assessment report for projects which reduce water consumption, which requires consultation with affected agencies, including LAFCo.

**AB 408 (Saldana) Local planning: water supplies. Notify**

**Introduced:** 2/23/2009

**Status:** 3/9/2009-Referred to Coms. on L. GOV. and W.,P. & W.

**Location:** 3/9/2009-A. L. GOV.

**Summary:** Would require the planning agency to additionally notify the California regional water quality control board servicing the area before adopting or amending the general plan. The bill would require the regional board, upon receiving this notice, to provide the planning agency with certain information regarding implementation of low-impact development water management to increase local water supplies by increasing stormwater recharge and reuse. By imposing new duties on local public officials, the bill would create a state-mandated local program. This bill contains other related provisions and other existing laws.

**Subject**

[Edit](#) | [Archive](#)

Water

**CALAFCO Comments:**

**AB 466** **(Coto) Santa Clara Valley Water District.** [Notify](#)

**Introduced:** 2/24/2009

**Status:** 3/16/2009-Referred to Com. on L. GOV.

**Location:** 3/16/2009-A. L. GOV.

**Summary:** Would repeal certain provisions of the act relating to the board of the district. The bill would revise the composition of the board of the district by requiring the board to transition to an all-elected board that consists, on and after noon on January 3, 2011, of 7 directors who are elected pursuant to specified requirements. The board also would be required to adopt a resolution establishing the boundaries of the 7 districts. By imposing requirements on the district, the bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

**Subject**

Special District  
Principle Acts

[Edit](#) | [Archive](#)

**CALAFCO Comments:**

**AB 494** **(Caballero) Local planning: farmworker housing.** [Notify](#)

**Introduced:** 2/24/2009

**Status:** 2/25/2009-From printer. May be heard in committee March 27.

**Location:** 2/24/2009-A. PRINT

**Summary:** The Williamson Act authorizes any city or county to enter into a contract with the owner of agricultural land for the purpose of preserving that land in accordance with the conditions established by that contract and the act. The act authorizes a landowner subject to a Williamson Act contract to subdivide not more than 5 acres of land under contract to be sold or leased to a nonprofit organization, a city, a county, a housing authority, or a state agency and used for farmworker housing for at least 30 years, as specified, and the parcel is within a city or is in an unincorporated territory or sphere of influence that is contiguous to one or more parcels that are already zoned residential, commercial, or industrial and developed with existing residential, commercial, or industrial uses. This bill instead would authorize a landowner subject to a Williamson Act contract to subdivide not more than 10 acres of land under a Williamson Act contract to be sold or leased to a nonprofit organization, a city, a county, a housing authority, or a state agency and used for farmworker housing for at least 30 years, as specified, and the parcel is within a city or in an unincorporated territory or sphere of influence that is contiguous to one or more parcels that are already zoned residential, commercial, or industrial and developed with existing residential, commercial, or industrial uses, or has access to existing water and sewer service. This bill contains other related provisions and other existing laws.

**Subject**

Ag Preservation  
- Williamson

[Edit](#) | [Archive](#)

**CALAFCO Comments:**

**AB 588** **(Cook) Local government finance.** [Notify](#)

**Introduced:** 2/25/2009

**Status:** 2/26/2009-From printer. May be heard in committee March 28.

**Location:** 2/25/2009-A. PRINT

**Summary:** The Vehicle License Fee Law establishes, in lieu of any ad valorem property tax upon vehicles, an annual license fee for any vehicle subject to registration in this state. Under existing law, the Controller is required to allocate vehicle license fee revenues in the Motor Vehicle License Fee Account in a specified order, as provided. This bill would make a technical, nonsubstantive change to that provision.

**Subject**

Tax Allocation

[Edit](#) | [Archive](#)

**CALAFCO Comments:** This is a placeholder bill that is focused on the local VLF allocation. May affect formulas for future annexations and incorporations.

**AB 782** **(Jeffries) Regional transportation plans: sustainable communities strategies.** [Notify](#)

**Introduced:** 2/26/2009

**Status:** 2/27/2009-From printer. May be heard in committee March 29.

**Location:** 2/26/2009-A. PRINT

**Summary:** Would provide that upon the state board's acceptance that the sustainable communities strategy or an alternative planning strategy, if implemented, will achieve the greenhouse gas emissions reduction targets established by the state board, that acceptance shall be final, and no person or entity may initiate or maintain any judicial proceeding to review the propriety of the state board's acceptance. This bill contains other related provisions and other existing laws.

**Subject**

Sustainable  
Community  
Plans

[Edit](#) | [Archive](#)

**CALAFCO Comments:** Prevents entities from challenging a sustainable community strategy project once the strategy is approved by local and state agencies.

**AB 1204** **(Huber) Environment: California Environmental Quality Act (CEQA): sustainable community**

**strategy.** [Notify](#)  
**Introduced:** 2/27/2009  
**Status:** 3/2/2009-Read first time.  
**Location:** 2/27/2009-A. PRINT

**Summary:** Would delete the restriction of this exemption to residential or mixed-use residential projects. By requiring a lead agency to determine whether the above exemption applies to additional projects, the bill would increase the level of service provided by a local agency, thereby imposing a state-mandated local program. This bill contains other related provisions and other existing laws.

**Subject**  
Sustainable  
Community  
Plans

[Edit](#) | [Archive](#)

**CALAFCO Comments:** This bill would extend the CEQA exemption for projects within a sustainable communities strategy to all projects. Current law limits the exemption to residential and mixed-use projects.

**ABX3 8** **(Evans) State and local government.** [Notify](#)  
**Introduced:** 1/5/2009  
**Last Amend:** 2/15/2009

**Status:** 2/15/2009-Read third time, amended, and returned to third reading. Read third time. Urgency clause refused adoption. (Ayes 19. Noes 13. Page 52.) Motion to reconsider made by Senator Florez. Reconsideration granted.

**Location:** 2/15/2009-S. THIRD READING

**Calendar:** 3/23/2009 #13 SENATE ASSEMBLY BILLS-THIRD READING.FILE

**Summary:** Would change the date the Controller is required to pay any eligible claim to October 15 or 60 days after the date the appropriation for the claim is effective, whichever date is later. This bill contains other related provisions and other existing laws.

**Subject**  
Tax Allocation

[Edit](#) | [Archive](#)

**CALAFCO Comments:** Makes changes to the dates and formulas for tax allocations. Will be of interest to those LAFCos conducting fiscal studies for incorporations and annexations.

**SB 115** **(Lowenthal) Public employment.** [Notify](#)  
**Introduced:** 1/29/2009

**Status:** 3/17/2009-Set for hearing March 31.

**Location:** 2/5/2009-S. JUD.

**Calendar:** 3/31/2009 12 m. — Room 112 SENATE JUDICIARY, CORBETT, Chair

**Summary:** Would require that a public employee or applicant seeking public employment be permitted to decline to take and subscribe the oath of office based on moral, ethical, or religious beliefs that conflict with his or her ability to take and subscribe the oath without mental reservation, if he or she is otherwise willing and able to uphold the United States Constitution and the constitution and laws of this state and to complete the duties of employment. The bill would require that person to take and subscribe a specified statement to that effect. The bill would except from these provisions a public officer, employee, or applicant for public employment who is elected or who serves at the pleasure of an elected official. The bill would also make conforming changes and make a related statement of legislative findings.

**Subject**  
LAFCo  
Administration

[Edit](#) | [Archive](#)

**CALAFCO Comments:**

**SB 170** **(Florez) Agricultural lands: cancellation of Williamson Act contracts.** [Notify](#)  
**Introduced:** 2/14/2009

**Status:** 3/9/2009-To Coms. on L. GOV. and JUD. Set for hearing April 1.

**Location:** 3/9/2009-S. L. GOV.

**Calendar:** 4/1/2009 9:30 a.m. - Room 112 SENATE LOCAL GOVERNMENT, WIGGINS, Chair

**Summary:** Would establish a rebuttable presumption that where a Native American tribe or tribal group has petitioned for a contract cancellation that tribal cultural centers, infrastructure, and housing are alternative uses that are public concerns that substantially outweigh the objectives of the act and that for tribal cultural centers, infrastructure, and housing, land contiguous to existing tribal land would provide more contiguous patterns of urban development than development of proximate noncontracted land.

**Subject**  
Ag Preservation  
- Williamson

[Edit](#) | [Archive](#)

**CALAFCO Comments:** This bill would allow cancellation of Williamson contracts for land to be annexed to Tribal properties and used for tribal development.

**SB 406** **(DeSaulnier) Land use: environmental quality.** [Notify](#)  
**Introduced:** 2/26/2009

**Status:** 3/16/2009-Set for hearing April 15.

**Location:** 3/12/2009-S. L. GOV.

**Calendar:** 4/15/2009 9:30 a.m. - Room 112 SENATE LOCAL GOVERNMENT, WIGGINS, Chair

**Summary:** Would change the designated membership, as specified, of the Planning Advisory and Assistance Council and would require that the council work with the Strategic Growth Council, as specified. The bill would also require the council to report to the Legislature on specified regional performance measures and on the manner in which state agencies are implementing the 5-year infrastructure plan. The bill would authorize a municipal planning organization or council of governments to adopt a resolution to impose a \$2 motor vehicle registration surcharge on vehicles registered in the entity's jurisdiction that would be collected by the Department of Motor Vehicles and, after deducting its administrative costs, would be transmitted to the entity imposing the surcharge. The bill would require that the surcharge revenue be expended to develop and implement a regional blueprint plan and would specify that 5% of the surcharge revenue be transmitted to the council for performance of its functions. The bill would provide that the council is to perform specified new functions only when the council has received sufficient revenue from this source.

**Subject**

Climate Change

[Edit](#) | [Actions](#)

**CALAFCO Comments:** This bill is sponsored by CALCOG and among other things begins to identify funding sources for SB 375 implementation.

[Add selected](#)

**Total Measures: 31**

**Total Tracking Forms: 31**

LAFCO Meeting: April 8, 2009

TO: LAFCO

FROM: Neelima Palacherla, Executive Officer  
Dunia Noel, LAFCO Analyst

SUBJECT: **Executive Officer's Report  
Agenda Item # 8**

### **LAFCO WORKSHOP ON ANNEXATIONS AND BOUNDARY CHANGES**

On March 10, 2009, LAFCO staff conducted a practical workshop for cities and special districts involved in processing annexation and dealing with the associated service transitions. Over 35 staff from various County departments, five cities, five special districts, and two Board of Supervisors' Offices attended the 2 ½ hour workshop. In addition to providing an overview of the LAFCO policies and the annexation process, LAFCO staff discussed when service transitions occur and when taxes transfer to the annexing agency. The meeting also provided an opportunity for attendees to network with staff from various agencies who are involved in the annexation process. As an outgrowth of the workshop, staff from LAFCO, the City of San Jose, the County, and various special districts will be meeting in late April to discuss how better coordination can occur between the agencies in terms of transition of public services and utilities for San Jose's island annexations.

### **BEST BEST & KRIEGER RETAINED TO PROVIDE GENERAL LEGAL COUNSEL SERVICES**

In November 2008, LAFCO issued a request for proposal (RFP) to seek general legal counsel services for LAFCO. The RFP was sent to 14 legal practices and was posted on the Santa Clara LAFCO website and CALAFCO website. In January 2009, an ad-hoc subcommittee of the Commission interviewed 7 qualified firms and made a recommendation that the full Commission interview 2 of those firms. In February 2009, LAFCO interviewed the 2 firms recommended by the subcommittee and selected Best Best & Krieger (BB&K) to provide general legal counsel services for LAFCO. In addition to providing general advice, BB&K will also assist staff with several new and on going items in the work plan including conducting a comprehensive review of LAFCO policies and procedures,



developing indemnification policies applicable to LAFCO proposals, developing procedures for dissolution of special districts, amending the MOU between County and LAFCO, and reviewing and strengthening CEQA analysis procedures, particularly when LAFCO is a Responsible Agency.

April, 2009

## Climate Change on LAFCo Horizon

By Elliot Mulberg, Senior Environmental Planner, Michael Brandman Associates

**A**s we all know, one of LAFCo's primary functions is to discourage urban sprawl. Without land use authority, LAFCo's ability to do so may not be that obvious. Similarly, the role of LAFCo in the climate change debate may be equally obscure. It

may be easier to understand how climate change can affect municipal service delivery rather than how LAFCo can have an impact on climate change.

### LAFCo Role Recognized

The May 2008 report to the California Air Resources Board by the State's Land Use Subcommittee of the Climate Action Team (LUSCAT) recognized the role and responsibility of LAFCo in addressing the issue of climate change. The report discusses potential legislation to require LAFCo to consider infill capacity and GHG emissions prior to granting approvals for expansion

of spheres of influence or annexations\*.

It has been well documented that some of the effects of climate change include increased wild fires due to lack of rainfall, shortfalls in water supply due to lack of snowpack, and a rise in sea level due to melting of the ice caps. A recent study by the Delta Vision Blue Ribbon Task Force (*Sacramento Bee, April 20, 2008*) predicted a rise in sea level ranging from 28 to 55 inches by 2100 in the Delta. A change of that magnitude would severely stress and

possibly overwhelm many of the levees maintained by reclamation districts. Water shortages due to drought would affect the ability of water agencies to serve their customers. The increase in wildfires would stress the ability of fire districts to provide fire suppression services.

### Example of a LAFCo Application

To understand how LAFCo actions relate to climate change, let us suppose LAFCo is asked to process a Sphere of Influence amendment and/or an annexation proposal that ultimately will result in building an office building. The proposed development will take place adjacent to and outside the sphere of a city in an area where there are currently no municipal services. Let us also suppose the applicant wants to build a "green" building to gain support from the environmentalists for the application.

We can use the U.S. Green Building Council's Leadership in Energy and Environment Design (LEED) 2009 Green Building Rating System Workbook to evaluate the carbon footprint of the building. The proposed building includes 135,000 square feet, with 540 employees, operates from 9 to 5 Monday through Friday. Let's also assume the building uses potable water for irrigation of 1 acre of landscaping. The carbon footprint will be quantified in terms of an estimate metric tons of CO<sub>2</sub> equivalent greenhouse gases (GHG) emitted per year. The sources of GHG, or the emission inventory, consist of the building system, construction materials, land cover change, solid waste, water, and transportation.

*Continued on page 9*

\* **NOTE:** Senator Pat Wiggins has introduced SB 215 which adds adopted sustainable communities strategies or alternate planning strategies to the factors a LAFCo must consider in reviewing applications. See related article on CALAFCO legislation on page 7.

It may be easier to understand how climate change can affect service delivery rather than how LAFCo can have an impact on climate change



# The Sphere

CALAFCO Journal

April, 2009

The Sphere is a quarterly publication of the California Association of Local Agency Formation Commissions.

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To submit articles, event announcements, comments or other materials noteworthy to LAFCo commissioners and staff, please contact the Editor at 916-442-6536 or info@calafco.org.

The contents of this newsletter do not necessarily represent the views of CALAFCO, its members, or their professional or official affiliations.

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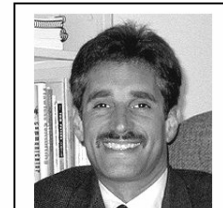
FROM THE EXECUTIVE DIRECTOR

## Cost-Effective Educational Resources for Members

The mission of CALAFCO is to provide our members with educational opportunities and resources. Those services range from the conferences and workshops to the list serves, website and CALAFCO U courses. LAFCo law and the issues faced by staff and commissioners are unique, and there are few local resources to assist with expanding knowledge of LAFCo policy and procedures. As we continue to confront new and challenging applications and situations, the need for an educational resource is more important than ever.

We are in dire financial times. Local agencies struggle to balance their budgets and maintain local services. Many LAFCos are now fielding questions about dissolution, consolidation, disincorporation, and bankruptcies as communities and local agencies toil with shrinking financial resources. At the same time commissions and local agencies are carefully scrutinizing budgets and looking for opportunities to cut costs. A number of our members report staff cuts, furloughs and holding positions open as they deal with fewer applications, reduced income from fees and pressure to reduce costs.

During these tough economic times it's hard to find the time and funding for commissioner and staff professional development. But it's just in these times that it is most profitable for your LAFCo to take advantage of CALAFCO educational services. Research shows that individuals and organizations which continue to expand their knowledge capacity – especially in difficult times – are in a better position to respond to change, ambiguity and new challenges. With our small staffs and limited opportunity to share



**Bill Chiat**  
Executive Director

expertise, it makes CALAFCO educational resources even more valuable.

CALAFCO staff and volunteers are working hard to make value-added, cost effective educational opportunities available to commissioners and staff. Here are just a few of the things we're doing:

### ◆ Conference and Workshop.

The program committees for both the Staff Workshop (29 April – 1 May) and the Annual Conference (28 – 30 October) have set goals to make the program content timely, practical and focused specifically on LAFCo issues. Look for sessions on LAFCo role in coping with agency fiscal stresses, growth in unincorporated areas, emerging role of regional governance, agricultural preservation, and the new world of water availability to name a few. We are making these cost effective too: registration fees are being held at the same level as previous years without compromising quality.

### ◆ CALAFCO University.

These one day classes provide a cost effective, professional growth opportunity for LAFCo commissioners, staff and stakeholders. They are targeted on specific and timely issues and provide an opportunity to dig deeper into the practical aspects of LAFCo policy and operations. In March two sessions of *SB 375: What does it mean to LAFCo?* were held in Los Angeles and San Jose. Upcoming classes include *Fire District Consolidations* on 5 June in San Diego and *Developers and Annexation Agreements* on 24 August in Sacramento.

continued on page 8

## BOARD OF DIRECTORS

### Board Holds Strategic Retreat

The CALAFCO Board held its biannual strategic retreat in Irvine on 12 February 2009. The retreat provided the Board with an opportunity to examine achievements and disappointments over the last two years and identify strategic goals for the next two to three years.

The Board began with assessment of the organization today. That was followed by a conversation on the strengths, weaknesses, opportunities, and threats that are expected to be seen by both LAFCo and CALAFCO in the next few years. The Board concluded the day with a discussion of potential strategic goals and priorities, including an examination of how to better structure the governance of CALAFCO to reflect the range of interests and perspectives from around the state.

#### Preliminary Notes

Members recorded their thoughts throughout the day on flipcharts. The notes below are excerpts from the conversations. The Board is interested in comments from CALAFCO members. These draft notes and preliminary priorities will be reviewed and finalized at the Board's next meeting on 15 May.

Comments and suggestions can be sent to the Board via the executive director ([wchiati@calafco.org](mailto:wchiati@calafco.org)).

#### Achievements and Disappointments

Among the achievements were:

- ◆ Legislative program
- ◆ Professionalizing the organization
- ◆ Increasing services to members
- ◆ Annual conferences
- ◆ Financial Strength
- ◆ Good CALAFCO Board working relations
- ◆ Better communication: website and newsletter
- ◆ CALAFCO U courses
- ◆ Board debate—positive approach

Among disappointments identified were:

- ◆ More special district representation
- ◆ Not universal participation in CALAFCO: Tehama LAFCo
- ◆ Disparity of representation: Need more balance
- ◆ Need to increase access to CALAFCO and reduce isolation
- ◆ Better balance of competing interests (regional)
- ◆ CALAFCO staff – volunteers from only a few LAFCos – financial constraints
- ◆ Lack of Board Member outreach to other LAFCos
- ◆ Few regional meetings

#### Strengths, Weaknesses, Opportunities and Threats

The Board continued its strategic discussion with a SWOT analysis of both LAFCo and CALAFCO. In small groups, participants analyzed their perspectives of LAFCo. A summary of their discussion was captured on flipcharts:

##### LAFCo Strengths

- ◆ SOIs
- ◆ Ability to ensure services
- ◆ Ability to condition
- ◆ Clear legislative direction
- ◆ Ability to guide development
- ◆ Credibility
- ◆ Ability to influence good government
- ◆ Enforce standards
- ◆ Authority to reorganize
- ◆ Facilitation role
- ◆ Staff and their expertise
- ◆ Neutrality (hopefully)

##### LAFCo Weaknesses

- ◆ Unable to moderate conflict between cities, county, and districts – not respecting LAFCo
- ◆ Disconnect between policy responsibility and enforcement ability
- ◆ Haven't taken the initiative to influence land use
- ◆ Ineffective use of MSRs



Simón Salinas, Jerry Gladbach, Roger Anderson and George Lange in discussion at retreat

### NEW MEMBERS ELECTED TO CALAFCO BOARD

At the CALAFCO Annual Meeting a number of new members were elected to the Board of Directors. New elected members include:

- ◆ **George Lange**, Ventura LAFCo commissioner. George is a member of the Conejo Park & Recreation District Board of Directors.
- ◆ **Simón Salinas**, Monterey LAFCo commissioner. Simón is a member of the Monterey County Board of Supervisors.
- ◆ **Allen Settle**, San Luis Obispo LAFCo commissioner. Allen is a member of the City of San Luis Obispo City Council.

Two members were appointed by the Board of Directors due to vacancies created when members lost their local elections:

- ◆ **Kay Hosmer**, Colusa LAFCo commissioner. Kay is a member of the City of Colusa City Council.
- ◆ **Cheryl Brothers**, Orange LAFCo commissioner. Cheryl is a member of the City of Fountain Valley City Council.

Several current Board members were re-elected to two year terms:

- ◆ **Roger Anderson**, Santa Cruz LAFCo (public)
- ◆ **Jerry Gladbach**, Los Angeles LAFCo (district)
- ◆ **Gay Jones**, Sacramento LAFCo (district)
- ◆ **Denise Rushing**, Lake LAFCo (county)
- ◆ **Sepi Richardson**, San Mateo LAFCo (city)
- ◆ **Chris Tooker**, Sacramento LAFCo (public)

### BOARD ELECTS NEW OFFICERS

At its first meeting after the elections, the Board elected the following officers:

- Chair:** Roger Anderson  
**Vice Chair:** Susan Vicklund Wilson  
**Treasurer:** Jerry Gladbach  
**Secretary:** Sepi Richardson

- ◆ No authority over federal, state and schools
- ◆ No “teeth” – no ability to enforce decisions
- ◆ Balancing competing interests
- ◆ Lack of staff



Allen Settle, Gay Jones and Cathy Schlottmann examine strengths and weaknesses

### LAFCo Opportunities

- ◆ Use authority to reorganize agencies
- ◆ Facilitation role
- ◆ Outreach to other LAFCos
- ◆ Joint efforts (pooling resources)
- ◆ MSR as a communication tool
- ◆ What role should LAFCo play in water, energy, transportation, renewables, etc. issues?
- ◆ To educate on LAFCo’s role in cities, counties, special districts, MSR, etc.
- ◆ Current local government economy (an opportunity and a threat)
- ◆ Player at regional level
- ◆ Conditions for annexation and SOI

### LAFCo Threats

- ◆ Funding: state and local revenues; local contributions
- ◆ Cost of litigation (private, public, all!)
- ◆ Unfunded mandates (legislative and judicial)
- ◆ Impact on making choices
- ◆ Apathy?
- ◆ Involvement
- ◆ Transition of LAFCo role to other agencies (i.e. COGs)
- ◆ Low LAFCo profile
- ◆ Lack of education

The group then assessed the strengths, weaknesses and opportunities of CALAFCO as an association:

### CALAFCO Strengths

- ◆ Ability to educate: Conferences, CALAFCO U and Workshops
- ◆ Being recognized with CSDA, CSAC and League of Cities – collaboration
- ◆ Diverse Board – balance of public agencies
- ◆ Use resources of LAFCos
- ◆ Legislative Process
- ◆ List-serve, etc. – communication
- ◆ CALAFCO’s organizational structure

### CALAFCO Weakness

- ◆ Communicating CALAFCO’s role
- ◆ Limited resources, \$ and staff
- ◆ Reliance on volunteers, board members and staff
- ◆ Lack of special district representative
- ◆ Balance needs of various LAFCos
- ◆ Outreach to LAFCos
- ◆ Lack of geographic diversity
- ◆ Lack of venues for participation
- ◆ Lack of process to build consensus
- ◆ Personal lack of transportation
- ◆ Improved proactive recruitment



Joyce Crosthwaite, Cheryl Bothers, Simón Salinas and Susan Wilson discuss strategies

### CALAFCO Opportunities

- ◆ Web Link
- ◆ Proactive outreach to commissioners
- ◆ Role as facilitator among LAFCos – contracts
- ◆ Regional forums
- ◆ Proactive legislative advocacy
- ◆ Use individual LAFCo agendas for CALAFCO
- ◆ Proactive on broad issues, i.e. transportation, energy and water
- ◆ Collaborate and build consensus
- ◆ More visibility at peer group events: i.e. League exhibits, BIA
- ◆ Commissioner List-serve

### Potential Goals and Strategies

The Board then identified potential goals for consideration:

- ◆ Improve LAFCos: workshops, conference, CALAFCO U, education
- ◆ Website: Sphere, White Papers
- ◆ Executive director be a circuit rider to LAFCos on state issues
- ◆ Legislative program: monitor legislation for its effect
- ◆ Maintain structure as a 501(c)(3)
- ◆ Build consensus among LAFCos
- ◆ Prioritize activities within budget: measurement/evaluation
- ◆ Outreach to LAFCos on CALAFCO functions
- ◆ Coordinating body among LAFCos for administrative functions
- ◆ Regional responsibilities regarding volunteers

### Next Steps

The Board took three steps in its focus on the future:

1. Established a **Structural Options Committee** to examine and prepare recommendations on governance structure options that support better statewide representation on the Board. Members include Susan Wilson, Cheryl Bothers, Simón Salinas, and Jerry Gladbach. The committee established a meeting schedule and will present its recommendations at the May Board meeting.
2. Reconstituted the **Recruitment Committee** and directed it to be proactive in recruiting commissioners to serve on the Board. The goal is to ensure that Board candidates represent the breadth of interests and geography of the state. Members include Chris Tooker, Mary Jane Griego, Allen Settle, and Jerry Gladbach.
3. Solicit feedback and **input from members** prior to finalizing goals and strategies.

**The Board would like to hear from you!** Please send your thoughts and comments on CALAFCO services and strategies to the Board via Executive Director Bill Chiat at [wchiat@calafco.org](mailto:wchiat@calafco.org) by 31 April.

# New County Service Area Law Now in Effect

## SB 1458 Clarifies LAFCo Role in CSA Oversight

By Holly O. Whately, Colantuono & Levin, PC.

Several changes to the state's County Service Area law were put into place when SB 1458 took effect on January 1, 2009. County Service Areas (CSAs) are a tool routinely used by counties to finance and provide public facilities and services to unincorporated territory. SB 1458 is a comprehensive revision of the CSA statute and makes formation or reorganization of a CSA subject to the Cortese-Knox- Hertzberg Act. Although most LAFCo lawyers believe CSAs were subject to LAFCo authority under existing law, there is no room to argue otherwise now. As a result of the law, LAFCos throughout the state have responsibility to evaluate proposals to create and reorganize CSAs or to change the services a CSA provides.

To prepare to take on this new responsibility, the statute required each LAFCo to establish the services authorized by every existing CSA in its jurisdiction as of January 1, 2009. A LAFCo should have consulted with the county and attempted to reach agreement on this point by the end of 2008. This baseline will allow LAFCo to evaluate whether future change in the services provided by a CSA require LAFCo approval. As of January 1, 2009, all proposals to activate latent powers of a CSA require LAFCo approval. If LAFCo determines that another local agency provides substantially similar services or facilities to the area to be served by a CSA, SB 1458 prohibits LAFCo from allowing the CSA to exercise its latent powers. Presumably if a reorganization eliminates the duplicate service provider's services to the area in question, the CSA could be permitted to activate latent powers.

SB 1458 also tasks LAFCos to act on proposals to form or reorganize a CSA initiated by petition. As with other reorganizations, a proposal to form or reorganize a CSA may proceed either by petition or via resolution of an affected city, county or district. If LAFCo determines a petition or resolution to be sufficient, then, with certain exceptions, it must act on the proposal as it would with respect to the proposed formation of a special district or incorporation of a city. LAFCo may not approve a proposal where it determines the CSA will not have sufficient revenue to serve its purposes. However, LAFCo may approve a proposal involving insufficient revenues on condition that voters or landowners approve a revenue measure to provide the necessary funds, such as a special tax, benefit assessment or property-related fee.

By requiring LAFCo review of the formation or reorganization of CSAs, SB 1458 enables LAFCos better to meet their legislative mandate to encourage orderly growth and development. In particular, inclusion of

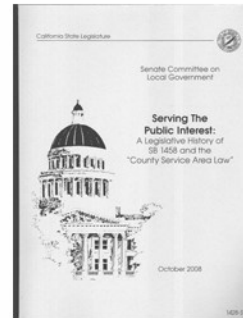
CSAs within LAFCo's jurisdiction provides LAFCos the broad authority they need to ensure the services and facilities of proposed new CSAs do not overlap with those of existing local agencies or foster development in unincorporated areas better left to non-urban uses.

In other words, the law is a new tool to help LAFCos prevent sprawl.

*Holly O. Whately is Senior Counsel in Colantuono & Levin's general litigation department. Colantuono & Levin is a CALAFCO Gold Associate Member. Visit them at [www.dlaw.us](http://www.dlaw.us).*

## Committee Issues New CSA Report: Serving The Public Interest

Nearly 900 County Service Areas (CSAs), run by county boards of supervisors, deliver different county services and facilities to residents and property owners. Recognizing that the 1953 CSA Law was outdated, the Senate Local Government Committee authored Senate Bill 1458 which rewrote the "County Service Area Law." The bill cut the statute's bulk from 166 separate sections to just 50 sections.



Based on the diligent work of an 18-member Working Group—including several LAFCo and CALAFCO staff—SB 1458 carefully spells out the CSAs' policies, powers, procedures, and oversight duties. CALAFCO supported SB 1458.

### ***Serving The Public Interest***

documents the Committee's 129-page report, reprints the statute's actual text and provides authoritative commentary on each section. Detailed "source" and "disposition" tables tell reviewers where the new CSA Law's language came from and where substance of the 1953 statute went.

***Serving The Public Interest*** is available to download from the CALAFCO website (click on Special District Resources on the "resources" tab) or order from:

Senate Publications & Flags  
1020 N Street, Room B-53  
Sacramento CA 95814

Single copies cost \$7.27, including shipping and sales tax. Discounts are available for multiple copies. Make checks payable to the *Senate Rules Committee*. Credit cards not accepted. Ask for stock number 1428-S.



# TRACKS Around the State

## News and Best Practice Tips

### SANTA BARBARA: No Automatic Detachment from County Service Areas

The legislature recently overhauled the CSA law (Government Code Section 25210 et seq). One change eliminates automatic detachments. As a result, when a city annexes land that is in within a CSA, unless the city desires an overlap of boundaries, the City Council resolution of application should include the concurrent detachment from the CSA.

Santa Barbara LAFCo recently sent a letter to all cities alerting them that the new CSA law no longer allows automatic detachment from CSAs. Here's what the Santa Barbara LAFCo sent out to its districts:

A County Service Areas (CSA) is a type of special district governed by the Board of Supervisors. Government Code Section 25213 provides that:

"A county service area may provide any governmental services and facilities within the county service area that the county is authorized to perform and that the county does not perform to the same extent on a countywide basis, including, but not limited to, services and facilities identified in the section"

For many years State law provided for the "automatic" detachment of territory from a CSA when land is annexed to a city. Section 25210.9, which no longer exists, stated:

"Whenever any territory in a county service area is included within a city by reason of incorporation, annexation or otherwise that territory shall be automatically excluded from the county service area upon the effective date of its inclusion in the city... ."

Despite this general prohibition, a section of LAFCo law allows the Commission to permit an overlap of a city and a CSA.

From: Bob Braitman, Executive Officer, Santa Barbara LAFCo

### CALAFCO U – End the Chaos!

By Elizabeth Valdez, Secretary, Riverside LAFCo

In January we began to *End the Chaos!* at our first Access CALAFCO University training class. The course was geared towards using Microsoft Access to track proposals and contact information. The day was spent with hands-on training, making tables, queries, forms and reports. We had a full class of 14 clerks and staff from many LAFCos that attended.

I was excited to both share what I know and help my fellow clerks create a way to not only process their work faster but to do so with ease. My goal was to teach everyone the basic tools needed to create their own database that can be customized to meet the needs of their LAFCo. I know Access is a tough program to learn in one afternoon so *Great Job* to all of you that attended!



Instructors Elizabeth Valdez (Riverside LAFCo) and Candice Bozzard (Marin LAFCo)

I want to thank those that helped with planning the workshop and Candice Bozzard, Course Moderator, Marin LAFCo; SR Jones, Nevada LAFCo; and Jamie Szutowicz, CALAFCO.



Diane Thorpe (Sacramento LAFCo) enjoys *Chaos!* class

### LAFCo STAFF ADVENTURE: Something Fishy After the Conference

A group of LAFCo staffers, friends and family went on a fishing trip following the Conference in September.

The boat departed in the wee hours from Patriot Sportfishing in Avila Beach and returned the same afternoon with happy anglers and full sacks of fish. Local boy **Paul Hood** did well, but



the jackpot fish, a fat lingcod, was hauled in by water skier and now fisherman extraordinaire, **Greg Gatzka**.

From: George Spiliotis, Executive Officer, Riverside LAFCo



## 2009 LEGISLATIVE SESSION

# CALAFCO Pursues Legislative Issues

By Bill Chiat, Legislative Chair

The CALAFCO Legislative Committee is working on a number of issues as the Legislature moves into high gear for the 2009-2010 session. The end of February was the deadline for the introduction of new bills, and, between the Assembly and Senate 2,607 bills were introduced!

The committee is made up of 19 members and five alternates including CALAFCO board members and LAFCo staff from around the state.



Typically, CALAFCO proposals include technical changes to Cortese-Knox-Hertzberg and several more significant items. 2009 is no exception. CALAFCO is currently supporting two bills, with another soon to be introduced. A number of other LAFCo-related bills have been introduced, and CALAFCO is monitoring them.

### CALAFCO Sponsored/Supported Bills

**AB 528 (Silva) Financial Disclosure.** This bill cleans up the financial disclosure language in C-K-H and conforms it to the changes we made last year (AB 1998) to the Political Reform Act (PRA). We have been working with the Fair Political Practices Commission on several additional changes they requested and expect to amend the bill later in the month. The language moves responsibility to the FPPC but allows for a LAFCo to adopt policies which require additional disclosure requirements in addition to those required in the PRA. In such case the LAFCo would be responsible for managing the additional disclosure requirements.

**SB 113 (Senate Local Government Committee) Senate Omnibus Bill.** Both the Senate and Assembly local government committees sponsor annual omnibus bills which make technical, non-substantive changes to local government laws. Items in the bills are reviewed by local government stakeholders (including CALAFCO). Items remain only if there are no objections.

The SB 113 currently contains three items requested by CALAFCO. They correct citations or cross-references in State Law that affect LAFCo. We have submitted a proposals for additional items which would eliminate a 2010 sunset in Revenue and Tax law for the mediation/arbitration process for property tax exchange agreements, and would clarify notification requirements for CSD name changes.

The Assembly bill will be introduced later this month. It typically only contains changes to CKH. Currently the committee is circulating nine items that CALAFCO has requested. They include corrections to language and cross-references; adding a one-year window to establish an SOI for a new district; adding permissive language to R&T codes that would allow a LAFCo to proceed with processing an annexation when a master property tax exchange agreement is already in place; and clarification of

the protest process (recommendation from the San Mateo LAFCo decision upholding a protest process).

### Other Legislation of Interest to LAFCos

CALAFCO is currently tracking nearly 30 bills that affect LAFCo law, policy or operations. Several "spot" bills have been introduced that affect LAFCo law. A common practice at the beginning of the session, these placeholder bills will change significantly over time but could still address LAFCo law. CALAFCO staff is in contact with all the authors and working with them on the issues. Bills include: AB 1109 (Blakeslee) on distribution of liabilities and services upon dissolution or disincorporation; AB 1232 (Huffman) on LAFCo role in forcing consolidation of non-performing or financially incapable districts; SB 163 (Cox) minor changes to C-K-H, and SB 194 (Florez) infrastructure and services for disadvantaged unincorporated communities.

### SB 215: Conforming CKH with SB 375

In February Senator Pat Wiggins introduced SB 215 which intends to conform Cortese-Knox-Hertzberg to SB 375. Last year the Governor signed SB 375 which among many other provisions requires regional transportation agencies to adopt a Regional Transportation (RTP) plan that includes sustainable communities strategy (SCS) or an alternate planning strategy (G.C. §65080(b)(2)). During the process of the legislation CALAFCO raised concerns that the planning strategies included in a RTP may be inconsistent with the policies and spheres adopted by LAFCo. CALAFCO lobbied to include spheres as a consideration in the development of the SCS. As a result, the law requires consideration of adopted SOIs LAFCo in preparation of an SCS (§65080(b)(2)).

Early in 2008 the Senate Transportation Committee briefly considered legislation requiring LAFCos to consider "Blueprint Plans" in its review of proposals. CALAFCO suggested that such legislation was premature. Our position was to revisit this issue should SB 375 pass.

Now that SB 375 is law Senator Wiggins introduced SB 215 to help align the two laws. It will require LAFCo to consider consistency of a proposal with an applicable regional transportation plan. LAFCo can play an important role in the 375 process by assuring that local agency proposals are consistent with applicable RTPs. Further, it is only through LAFCo that special district boundary changes and service changes can be reviewed in light of an adopted STS or alternate strategy.

Rather than add a new factor, SB 215 simply adds regional transportation plans to §56668(g) which already includes consistency with general and specific plans. It eliminates §56668.5 which allowed a LAFCo to consider regional growth goals and policies; which SB 375 made obsolete.

The CALAFCO Board has adopted a SUPPORT position on this legislation.

#### ON-LINE LEGISLATIVE RESOURCES

In February the Board of Directors updated and adopted its 2009 Legislative Policies. They are available on the web at: [www.calafco.org/leg](http://www.calafco.org/leg).

You can find current information on legislation, status of bills we are tracking, letters and more in the member's area of the CALAFCO website. For password information please contact your executive officer or CALAFCO.



**From the Executive Director – Keeping Skills and Knowledge Current**

*(continued from page 2)*

- ♦ **Professional Development Accreditation.** CALAFCO conferences, workshops and courses are accredited by the California Bar and the American Planning Association. This is an inexpensive opportunity for professionals to earn and maintain their professional accreditations. Attorneys may earn MCLE credits and planners may earn AICP credits.
- ♦ **Detailed White Papers.** CALAFCO continues to publish research papers on aspects of LAFCo policy and procedures. Recently released papers include Current Methods for Special District Consolidation, Dissolution, Subsidiary District Formation and Merger, and Guidelines for Transitioning to a New City following incorporation. Papers underway include an on-line library of typical LAFCo forms and resolutions (which will be a real time and cost saver for most LAFCos) and a research paper on LAFCo protest provisions.
- ♦ **Resource-full Website.** CALAFCO maintains a resource-intense website for members and stakeholders. Content includes a wide range of reports, legal decisions and opinions, survey results, current information, legislative updates, course and workshop materials, links, and much more valuable information. Materials are updated almost daily, and we are always open to new ideas and materials for the site.
- ♦ **List Serves.** There's no better way to find out how others have done something than to ask. And the CALAFCO List Serves are an easy and fast way to do that. No sense reinventing the wheel. CALAFCO maintains List -

Serves for executive officers, clerks, and counsel. If you're not on one, please send me an e-mail so we can get you connected.

CALAFCO is here to help you leverage your limited resources and expand knowledge, build capacity, and benefit from the expertise and experience of others. Take advantage of these opportunities – particularly now when we need to build on our shared capital more than ever.

**CALAFCO University**  
**UPCOMING COURSES**  
 5 June 2009 – *Fire District Consolidations* (San Diego)  
 24 August 2009 – *Developer and Annexation Agreements* (Sacramento)

**M A R K  
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 CALAFCO  
 ANNUAL  
 CONFERENCE**



**TENAYA LODGE**  
 AT YOSEMITE

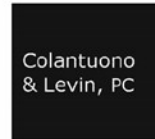
**October  
 28-30, 2009**

**CALAFCO  
 ASSOCIATE  
 MEMBERS**

*Their support makes our educational services possible*

**GOLD MEMBERS**

Baker Manock  
 & Jensen PC  
 ATTORNEYS AT LAW



**SILVER MEMBERS**

- Baracco and Associates
- Bingham McCutchen LLP
- Braitman & Associates
- P. Scott Browne
- Burke, Williams & Sorensen
- Burr Consulting
- City of Fontana
- County Sanitation Districts of Los Angeles County
- Dudek
- Emergency Service Consulting, Inc
- Incrementum Document Solutions
- The Irvine Company
- Christy Leighton
- Michael Brandman Associates
- Pacific Mutual Consultants
- Project Resource Specialists
- Rancho Mission Viejo

**Thank You!**

# Climate Change on the LAFCo Horizon

*Continued from cover*

Table 1 shows three scenarios for typical office buildings. The first scenario shows the carbon footprint for an average office building in the United States. The second scenario shows applicant’s proposal of a highly energy efficient office building in the Sphere of Influence (Energy Star 90 rating), but outside the area with municipal services. The third scenario shows the carbon footprint for an infill development within city limits.

**Table 1: Carbon Footprint**  
(metric tons of CO<sub>2</sub> equivalents per year)

Source	Typical Building	Energy Efficient Building Outside Municipal Service Area	Energy Efficient Building Within Municipal Service Area
Building Systems	2832	532	532
Transportation	1711	1711	604
Water	19	19	19
Building Materials	1	1	1
Solid Waste	55	55	55
Land Use	0	0	0
Total	4618	2318	1211

Source: U.S. Green Building Council LEED 2009 Credit Weighting Workbook, September 4, 2008.

The Table shows that building systems and transportation have a large effect on the carbon footprint. The value for building systems refers to the energy consumed in the building, while the value for transportation relates to emissions from cars, busses and other forms of transportation during the commute from home to work and back. These results are consistent with the 1990 greenhouse gas emission inventory developed by the CA Air Resources Board that shows transportation and energy generation account for 63% of the GHG emissions. For LAFCos it shows how the decision to extend services to undeveloped areas can affect greenhouse gas emissions. Expanding urban boundaries also places a burden on municipal service providers for more services. These added services may require additional facilities.

For example, water districts that add new water systems increase electricity consumption to pump water. Sewer service providers that add wastewater treatment facilities increase energy use and may emit GHGs such as methane and nitrous oxide. Sanitation districts that expand landfills have potential to increase methane emissions and the GHGs from service equipment at the landfill.

LAFCos do have a role in the climate change discussion. In taking another look at the charge of “discouraging urban sprawl” and its role in conducting Municipal Service Reviews, LAFCo has the potential to contribute to a more compact urban form, reduction in trip length and vehicle miles traveled, more efficient delivery of municipal services and the resulting reduction in greenhouse gas emissions.

*Contributors to this article included: Dr. Chris Pyke, Director of Climate Change Services for CTG Energetics, Inc. (a founding member of the US Green Building Council and LEED Certification program); and Stephen L Jenkins, AICP (Former Director of Air Quality Services for Michael Brandman Associates).*

## CALAFCO Offices Move to New Location

In December CALAFCO moved to new offices in the Esquire Building in downtown Sacramento. The building is located on the K Street Mall across the street from the Sacramento Convention Center. It’s convenient to peer associations and the Capitol.

The move was required when our landlord, the Regional Council of Rural Counties, sold its building and moved to the new location. CALAFCO remains a tenant of RCRC and enjoys beautiful new offices in a great location. The Association is grateful to RCRC for their help with the move and the great partnership we have with them!

Please stop by and visit! Be sure and change your records to reflect our new address (phone numbers remain the same):

**1215 K Street, Suite 1650  
Sacramento, CA 95814**



## Special District Leadership Foundation FOUNDATION RECOGNIZES SPECIAL DISTRICT ACHIEVEMENT

In 1999, the Special District Leadership Foundation (SDLF) was formed to elevate the credibility, visibility and professionalism of special district management and governance.



The Foundation is dedicated to the pursuit of excellence in local government and to elevating the profession of special district governance to the end that service to the public be enhanced and improved.

SDLF is a collaborative effort between eight special district organizations:

- ◆ Association of California Water Agencies
- ◆ California Association of Public Cemeteries
- ◆ California Association of Recreation and Park Districts
- ◆ California Association of Sanitation Agencies
- ◆ California Rural Water Association
- ◆ California Special Districts Association
- ◆ Fire Districts Association of California
- ◆ Mosquito and Vector Control Association of California

The Foundation offers three recognition programs that require various levels of continuing education and other items:

***District of Distinction Program*** – An accreditation program that enables districts to demonstrate to their communities, the media and legislators their commitment to operate in a sound, responsible manner by providing financial audits, policies and procedures and training for executive staff and board members.

***Special District Administrator Certification Program*** – SDLF’s certification program is a way for special district administrators to affirm – to their customers, to their board of directors, and to themselves – that they are competent and experienced in their profession.

***Recognition in Special District Governance*** – The recognition is an opportunity for staff, board members/trustees to demonstrate to their constituents and fellow directors the extent of their commitment and dedication to providing the best possible service to the communities they serve.

### Resource for LAFcos

The SDLF recognition program is a resource to LAFcos too. The accreditation and certification programs identify those districts committed to

professional and governance excellence. They are something to look for when conducting MSRs and an indication of a district’s commitment to service delivery excellence. In addition, as part of the MSR process, LAFcos may recommend that a district seek these recognition levels as a part of its enhancement of service delivery.

To learn more about the Foundation or one of the programs, please visit the SDLF website at [www.sdlf.org](http://www.sdlf.org) or contact Diana Zavala, SDLF Administrator, at (916) 231-2939.

## CALAFCO Recognizes Outstanding Achievement at Annual Meeting

The 2008 CALAFCO Achievement Awards were proudly presented at the Annual Conference in September. Amidst red carpets, spotlights, black ties, and all the glamour of Hollywood, these people and LAFcos were recognized for their contributions, long-time dedication to the profession, and CALAFCO and LAFCo principles.

### DISTINGUISHED SERVICE AWARD

**Peter M. Detwiler**

California Senate Local Government Committee



### MOST EFFECTIVE COMMISSION

**Yuba LAFCo**



### OUTSTANDING COMMISSIONER

**Dennis Hansberger**

San Bernardino LAFCo

### OUTSTANDING LAFCo CLERK

**Wilda Turner**

Los Angeles LAFCo

### OUTSTANDING LAFCo PROFESSIONAL

**Michael D. Ott**

San Diego LAFCo



**Martha Poyatos**

San Mateo LAFCo



### PROJECT OF THE YEAR

**Kings LAFCo**

Comprehensive City & Community District MSR & SOI Update

### GOVERNMENT LEADERSHIP AWARD

**San Bernardino Board of Supervisors**



### LEGISLATOR OF THE YEAR

**Assembly Member Anna M. Caballero**





## ANNOUNCEMENTS!

### C-K-H 2008 Update Now Available

The 2008 update of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 is now available from CALAFCO. Every year the Assembly Local Government Committee prepares an updated version of the law with all the changes made during the legislative session. The new update was published in November, 2008. It's available to download (in both a searchable pdf and Word versions) on the CALAFCO website. You may also order hard copies of the document from CALAFCO in bound or punched versions.

To order or download C-K-H, 2008 please visit [www.calafco.org](http://www.calafco.org) and click on the "Resources" tab. You will find links for downloading and ordering the 2008 C-K-H update. There is also find a handy summary of all legislative changes made to the Act from 2001 through 2008, summarized by year, which can be downloaded.

### State Water Plan Draft Released for Comment

The California Department of Water Resources has released the Public Review Draft of the **California Water Plan Update 2009: Integrated Water Management**. The first three volumes were released in January and February for public review and comment.

The department has been preparing and updating the water plan for 50 years. This plan looks out to the year 2050. The first

three volumes include: The Strategic Plan; Resource Management Strategies; and Regional Reports.

Public comments are due by 5 June 2009. The reports may be viewed and downloaded, and comments posted at: [www.waterplan.water.ca.gov/cwpu2009](http://www.waterplan.water.ca.gov/cwpu2009).

### CSDA Special Districts Legislative Days, May 5-6, 2009

The California Special Districts Association's Special Districts Legislative Days will be held on May 5-6, 2009 at the Sheraton Grand in Sacramento, and we encourage everyone to attend. CALAFCO is again serving as a co-sponsor of the event.

This legislative conference provides participants with the opportunity to learn more about the top legislative issues of the year, and hear presentations on the state budget crisis and the effects on special districts, and a panel titled *Engaging the Media and the Public*. Attendees also receive training on how to effectively communicate with your legislators, hosted by Assembly Member Mike Duvall (R-Brea).

This two-day event includes a reception in the Capitol Basement Rotunda, pre-scheduled small-group visits with your legislators, and networking opportunities. This year's legislative conference will focus on districts "Rising Above the Fiscal Crisis" and will feature budget experts like State Treasurer Bill Lockyer and California Forward.

As a co-sponsor of CSDA's Special Districts Legislative Days, we encourage CALAFCO members to attend and participate in this two-day

legislative conference. For more information, a list of speakers and to register, please go to <http://csda.net/events/sdld/ind ex.htm> or call CSDA at (916) 442-7887.

### Committee Issues New Report: The Quick List 2009

Our phone rings. "Where do I look in state law to find the Brown Act?" asks the assistant executive officer. Later, a constituent sends us an email message asking, "What's the cite for the redevelopment law?" And, of course, there are the never-ending questions about LAFCOs, Proposition 218, subdivisions, and more.

The Senate Local Government Committee's staff got tired of looking up the same answers to the same questions, so we wrote them down. **The Quick List** was born.

The Second Edition of **The Quick List** is an annotated glossary of local government statutes. Newly revised by Helen Ho, the 2009 version lists nearly 200 key state laws, their statutory citations, and handy references. Also included are step-by-step directions for retrieving public documents and a list of helpful websites.

Useful to LAFCO staff and many other researchers, **The Quick List** is now available on the CALAFCO website (click the "Resources" tab) or order from:

Senate Publications & Flags  
1020 N Street, Room B-53  
Sacramento CA 95814

Single copies are \$4.04, including shipping and sales tax. Make checks payable to the *Senate Rules Committee*. Credit cards are not accepted. Ask for stock number 1353-S.

# The Sphere

CALAFCO Journal

CALIFORNIA ASSOCIATION OF LOCAL AGENCY  
FORMATION COMMISSIONS

1215 K Street, Suite 1650  
Sacramento, CA 95814

www.calafco.org



CALAFCO provides educational, information sharing and technical support for its members by serving as a resource for, and collaborating with, the public, the legislative and executive branches of state government, and other organizations for the purpose of discouraging urban sprawl, preserving open-space and prime agricultural lands, and encouraging orderly growth and development of local agencies.

Sharing Information and Resources

## CALAFCO 2008 ANNUAL CONFERENCE Highlights of the Annual Conference in Universal City

Over 280 CALAFCO members gathered in Universal City for the 2008 Annual Conference. The theme "LAFCo: California's Future is Our Business" provided the backdrop for three days of presentations, workshops and networking opportunities for LAFCo commissioners and staff. Special thanks to **Los Angeles LAFCo** and Executive Officer **Sandy Winger** for hosting the conference and gathering an excellent line-up of presenters and activities for all participants.



Distinguished Service Award Recipient Peter Detwiler admires his statuette



Speakers covered a broad range of issues from disaster-driven decision-making to mutual water companies, the future of delta water, and transportation and traffic congestion



The outdoor luncheon and other activities provided opportunities for commissioners from around the state to network



And a few special surprises! Commissioners Denise Rushing and Mary Jane Griego meet 2008 America's Got Talent winner Neal Boyd



The Red Carpet and Hollywood glamour greeted guests at the CALAFCO Awards Banquet. Black tie was optional!



Wilda Turner shows her pride as the recipient of the Distinguished LAFCo Clerk Award



CALAFCO Awards Committee presents annual Achievement Awards