

**Calaveras Local Agency Formation Commission**

**Regular Meeting Agenda**

**MONDAY – July 17, 2017 – 6:00 p.m.  
at the**

---

**Calaveras County Board of Supervisors Chambers  
County Administrative Center  
San Andreas**

---

**6:00 PM Regular LAFCo Meeting Items:**

**1. Call to Order/Pledge of Allegiance/Roll Call**

**Commissioners**

Anita Paque, Vice Chair, Public Member  
Linda Hermann, City Member  
Amanda Folendorf, City Member  
Gary Tofanelli, County Member  
Michael Oliveira, Chair, County Member  
Tony Tyrrell, Special District Member  
John Lavaroni, Special District Member

Roark Weber, Public Member Alt.  
Dennis Mills, County Member Alt.  
\_\_\_\_\_, City Member Alt.  
Jon Dashner, Special Dist. Member Alt.

**Staff:**

John Benoit, Executive Officer  
Nancy Mees, LAFCO Clerk  
Michael Colantuono, LAFCO Counsel

**2. Approval of Agenda (Deletions/Additions)**

**3. *Consider minutes of May 15, 2017***

*a. Approve May 15, 2017 Minutes*

**4. Consent Agenda:**

*a. Review and Authorize Claims for May and June 2017*

**PUBLIC HEARING:**

5. **Public Hearing regarding the Sphere of Influence Update for the Calaveras County Water District**
  - a. *Receive Executive Officer's memo and report Public (report handed out at the April 17, 2017 meeting and posted on the LAFCo website: [www.calaveraslafco.org](http://www.calaveraslafco.org).)*
  - b. *Conduct public hearing and consider resolution 2017-0005 adopting a Sphere of Influence update for the Calaveras County Water District.*

**OTHER ITEMS:**

6. **Discussion regarding various requirements districts are obligated to follow as a requirement of being a special district.**
  - a. *Discuss requirements special districts are obligated to follow*
  - b. *Consider courtesy letter to special districts*
7. **Authorize Commissioners and Staff to attend the Calafco Annual Conference in San Diego between October 24<sup>th</sup> and 27<sup>th</sup>.**
  - a. *Authorize Commissioners and Staff to attend the Calafco Annual Conference.*
8. **Nominations for a Public or City Member to run for the Calafco Executive Board.**
  - a. *Nominate a City or a Public member to run for the 2017-2018 Calafco Executive Board.*
9. **Calafco Achievement Award Nominations.**
  - a. *Review Calafco Materials and consider nominations for a Calafco Achievement Award and propose a nomination if desired.*
10. **Designate members to vote on behalf of Calaveras LAFCO at the Calafco Annual Conference in San Diego**
11. **Executive Officer' s report**

*Little Hoover Commission – Potential Recommendations*  
*Proof of Insurance for fiscal year 17-18*
12. **Commissioners Reports**

This item is placed on the agenda for Commissioners to discuss items and issues of concern to their constituency, LAFCO, and legislative matters

**13. Public Comment**

This is the time set aside for citizens to address the Commission on any item of interest to the public that is within the subject matter jurisdiction of the Commission. For items that were on Calaveras LAFCO

the agenda, public comment was heard when the item is discussed. If your comments concern an item that is noted as a public hearing, please address the Commission after the public hearing is opened for public testimony. The Chair reserves the right to limit each speaker to three (3) minutes. Please understand that by law, the Commission cannot make decisions on matters not on the agenda.

#### **14. Adjourn to Regular meeting of August 21<sup>st</sup>, 2017 6:00 PM in San Andreas**

*The Commission may take action upon any item listed on the agenda. Unless otherwise noted, items may be taken up at any time during the meeting.*

**Any member appointed on behalf of local government shall represent the interests of the public as a whole and not solely the interest of the appointing authority Government Code Section 56325.1**

##### Public Comment

Members of the public may address the Commission on items not appearing on the agenda, as well as any item that does appear on the agenda, subject to the following restrictions:

- Items not appearing on the agenda must be of interest to the public and within the Commission's subject matter jurisdiction.
- No action shall be taken on items not appearing on the agenda unless otherwise authorized by Government Code Section 54954.2 (known as the Brown Act, or California Open Meeting Law).

##### Public Hearings

Members of the public may address the Commission on any item appearing on the agenda as a Public Hearing. The Commission may limit any person's input to a specified time. Written statements may be submitted in lieu of or to supplement oral statements made during a public hearing.

##### Agenda Materials

Materials related to an item on this agenda will be available on the Calaveras LAFCO website as noted below to the extent practicable and subject to staff's ability to post the documents prior to the meeting.

##### Accessibility

The location of this meeting is wheelchair-accessible.

##### Disclosure & Disqualification Requirements

Any person or group of persons acting in concert who directly or indirectly contribute \$1,000 or more in support of or in opposition to a change of organization or reorganization that has been submitted to Calaveras LAFCO must comply with the disclosure requirements of the Political Reform Act of 1974 applicable to local initiative measures to be submitted to the electorate. These requirements contain provisions for making disclosures of contributions and expenditures at specified intervals; they may be reviewed at Government Code §§56700.1 and 81000 *et seq.* Additional information about the requirements pertaining to local initiative measures to be presented to the electorate can be obtained by calling the Fair Political Practices Commission at (916) 322-5660. A LAFCO Commissioner must disqualify herself or himself from voting on an application involving an "entitlement for use" (such as an annexation or sphere amendment) if, within the last twelve months, the Commissioner has received \$250 or more in campaign contributions from the applicant, any financially interested person who actively supports or opposes the application, or an agency (such as an attorney, engineer, or planning consultant) representing the applicant or an interested party. The law (Government Code Section 84308) also requires any applicant or other participant in a LAFCO proceeding to disclose the contribution amount and name of the recipient Commissioner on the official record of the proceeding.

Contact LAFCO Staff at (209) 754-6511

LAFCO Webpage: [www.calaveraslafco.org](http://www.calaveraslafco.org)

Email LAFCO at: [johnbenoit@surewest.net](mailto:johnbenoit@surewest.net)

**Calaveras Local Agency Formation Commission  
Regular Meeting Minutes – Monday, May 15, 2017**

**ITEM #3**

1. **Call to Order/Pledge of Allegiance/Roll Call** – Order was called by Chair Folendorf at 6:02 p.m., on Monday, May 15, 2017, in the Calaveras County Board of Supervisors Chambers, County Administrative Center, San Andreas, California.

**Commissioners Present**

Amanda Folendorf, Chair, City Member  
Dennis Mills, County Member Alt.  
Anita Paque, Public Member  
John Lavaroni, Special District Member  
Linda Hermann, City Member  
Jon Dashner, Special District Member Alt.

**Commissioners Absent**

Gary Tofanelli, County Member  
Tony Tyrrell, Special District Member  
Susan Rudolph, City Member Alt.  
Michael Oliveira, Vice Chair, Cnty.Mem.  
Roark Weber, Public Member Alt.

**Staff Present**

John Benoit, Executive Officer  
Nancy Mees, LAFCO Clerk

**Others Present**

2. **Election of Chair and Vice-Chair. Bylaw Section 4.6(a) calls for the election of the Chair and Vice-Chair at the May meeting.**
  - a) *Elect a chair from the County Category.*  
**MOTION** by Commissioner Mills to nominate Commissioner Oliveira as Chair, second by Commissioner Lavaroni. Motion passed 6 yes, 0 no, 1 absent, 0 abstention.
  - b) *Elect a Vice Chair from the Public Member Category.*  
**MOTION** by Commissioner Lavaroni to nominate Commissioner Paque as Vice-Chair, second by Commissioner Mills. Motion passed 6 yes, 0 no, 1 absent, 0 abstention.

As Commissioner Oliveira was absent, Commissioner Paque assumed the position of Chair for the remainder of the meeting.

3. **Approval of Agenda: MOTION** by Commissioner Dashner to approve the Agenda as presented, second by Commissioner Hermann. Motion passed 6 yes, 0 no, 1 absent, 0 abstention.
4. **Consider Minutes from the April 17, 2017, LAFCo meeting: MOTION** by Commissioner Folendorf to approve the Minutes as presented, second by Commissioner Lavaroni. Motion passed 6 yes, 0 no, 1 absent, 0 abstention.

5. **Consent Agenda: Review and Authorize Claims for April 2017: MOTION** by Commissioner Dashner to approve Claims for April 2017 as presented, second by Commissioner Lavaroni. Motion passed 6 yes, 0 no, 1 absent, 0 abstention.

6. **Public Hearing Regarding the Final 2017-2018 LAFCo Budget.**

Executive Officer Benoit reported that the recommended Final Budget is the same as was presented at the April 2017 meeting. He noted that, although he has since learned that the cost of insurance will be going up ten percent, he has left the budget as it was and will use the Contingency Fund to cover the extra insurance cost.

Executive Officer Benoit also commented that the Reserve Fund had been down to \$70,000, but he is increasing it to \$75,000 for the coming year. The Reserve Fund had gone down due to the previous Water and Wastewater MSRs, which are expensive to prepare, and he wanted to increase the Reserve Fund because those same MSRs are now due for review this next fiscal year. Due to the rising costs of operations and litigation, he would eventually like to increase the Reserve Fund to \$100,000.

Executive Officer Benoit finished by stating that CALAFCO dues went up this year, and some of the operating expenses have increased.

There was no public comment.

**MOTION** by Commissioner Hermann to approve Resolution 2017-0004 adopting the Final Budget for Fiscal Year 2017-2018 as presented, second by Commissioner Dashner. Motion passed 6 yes, 0 no, 1 absent, 0 abstention.

7. **WORKSHOP – Calaveras Water District Sphere of Influence.**

- a) *Review the Executive Officer's report, review draft and provide comments from Commissioners and the public (report handed out at the April 17, 2017, meeting and posted on the LAFCo website: [www.calaveraslafco.org](http://www.calaveraslafco.org).)*

Executive Officer Benoit commented that upon starting this SOI, CCWD did not have any maps of its service areas, so the first step was getting some maps made. Once the maps were done, he asked CCWD what areas they thought they might serve in the future. This was added to the maps, of which there are four: one for the planning sphere, one for the water spheres, one for the wastewater spheres, and one for the irrigation water spheres. They also show excluded areas covered by other districts. The proposal up for conversation in this workshop is the adoption of those four spheres.

Commissioner Mills asked Mr. Dave Eggerton, who was in the audience and is General Manager of CCWD, if they had any issues with these spheres. Mr. Eggerton replied that, although it is good to specify the various spheres, it must be remembered that the planning sphere is county-wide. He also wants to make sure that any information regarding what LAFCO does with respect to these spheres gets to the CCWD board. He also added that there may be some areas that could

be added to the irrigation water maps as possible future areas of service.

Commissioner Mills then asked if the formation of the GSA will affect CCWD. After Mr. Eggerton's response, Commissioner Paque clarified the question by asking if CCWD is one of the agencies that will be part of the GSA basin. Mr. Eggerton said that, although CCWD will be at the table for GSA discussions, it is really the county that will be representing Calaveras in the GSA. But he added that it might be good to add some information about the GSA and groundwater issues into the water sphere. Commissioner Mills commented that he just wanted to be sure that neither CCWD nor the county would be confined in their GSA work by the approval of these spheres.

Commissioner Folendorf asked whether the problems in the Six Mile Village area are being addressed by CCWD. Mr. Eggerton responded that they were working with the City of Angels Camp on this issue. David Hanham, City Planner for Angels Camp, added that Six Mile Village is not in the city's sphere, but they are working with CCWD on serving this area. The City would also like a better understanding of the CCWD Planning Sphere because there is a lot they could do to help CCWD. They want to know if there should be more coordination between the two, or maybe the City should not be part of the Planning Sphere. Commissioner Lavaroni then asked why the City of Angels Camp is in the CCWD Planning Sphere. Executive Officer Benoit responded that the City is paying its share of the CCWD fund because the entire county is part of the Planning Sphere. If the City were removed from the sphere, it would be a signal that they should detach from CCWD. Mr. Hanham added that if the City did file to detach from the Planning Sphere, it might set a precedent for other entities. Mr. Benoit said that detachment would be something that the City Council would have to decide, but that if they did, although their special tax would disappear, the detachment would create a doughnut hole in the sphere. And that might compromise CCWD's work county-wide. Mr. Eggerton responded that a detachment could have a negative effect when CCWD and county water rights come up for review at the state level. Commissioner Paque said the City and CCWD need to talk and address these questions, and that that should occur

before the Planning Sphere approval hearing takes place. Mr. Eggerton agreed that they would like more time to work through these issues.

Commissioner Paque then suggested that if the spheres in the water, wastewater, and irrigation SOLs agree with what CCWD believes those spheres are, perhaps the Commission could move ahead on those spheres in the now and address the Planning Sphere later. After a comment by Commissioner Mills that the state prefers counties to be more regionalized than fractured, Commissioner Paque asked if anything is being done with respect to a more regional approach. Mr. Eggerton replied that last year the legislature did pass a bill providing for a study by the US Bureau of Reclamation to see if any local benefits could be maximized

through the use of regional efforts with respect to water rights. Commissioner Paque asked if there had been any thought of multi-county coordination, such as through a JPA. Mr. Eggerton replied that that might be possible.

An audience member, Mr. Folendorf, commented that he agreed that it is a good idea to keep water issues county-wide as it prevents small, unsustainable projects from happening.

Commissioner Folendorf said that the City of Angels Camp, CCWD and LAFCo need to work together going forward, and that there needs to be more communication from CCWD.

- b) *Set public hearing date for June 19, 2017, or as soon thereafter as possible.*

**MOTION** by Commissioner Mills to set the Public Hearing for the Water, Wastewater, and Irrigation Water Spheres for June 19, 2017. There was some discussion as to whether the hearing should be postponed until all four spheres could be approved. Commissioner Mills rescinded his motion.

**MOTION** by Commissioner Dashner to set the Public Hearing for all four Spheres on July 17, 2017, second by Commissioner Mills. Motion passed 5 yes, 0 no, 1 absent, 1 abstention.

**8. Letter regarding AB464, Gallagher, sent per section 5.11 LAFCo Bylaws, for the Assembly Local Government Committee.**

Executive Officer Benoit reported that the letter of approval had been sent, and CALAFCO was waiting for Congresswoman Aguilar-Curry to give her support of the bill.

**9. Discussion regarding Calaveras County's Agenda/Minutes Program moving into the future (Benoit and Mees).**

Executive Officer Benoit reported that he and Clerk Mees were continuing to purge and scan LAFCo records from prior to 1984. Mr. Benoit and Clerk Mees then gave the

Commission some information regarding the benefits of using the County's Minutes/Agenda program. Mr. Benoit said the next step was to talk to County IT to find out how much they would charge LAFCo to see if it is financially feasible.

**10. Executive Officer's Report.**

Executive Officer Benoit commented that the Little Hoover Commission now wants to know why more healthcare districts aren't being dissolved. Commissioner Paque added that this issue has probably come up because there were numerous problems regarding healthcare districts last year, thus forcing the creation of legislation to solve those problems. She added that there is a new bill that would put more demands on healthcare districts to be open to the public, e.g., having websites that list their directors and contact information, and have their most recent audit, financial reports, and MSRs. Having a recent MSR, of course, means there is an added onus on LAFCOs to keep their MSRs up to date. The

State believes there should be fewer districts, and is bringing up legislation to encourage dissolution of inactive districts. They would also like to get rid of idle districts, but they are costlier to dissolve than inactive districts.

**11. Commissioner Reports.**

Commissioner Mills reported that the Special Districts Association is testifying before the Little Hoover Commission. There is also new legislation coming up that would require districts to form new capital improvement plans every five years.

Commissioner Folendorf said that many of the mandates coming down from the state do not take small mountain communities into account, making it difficult and expensive for them to comply with some of this new legislation. She wishes the state would realize that some of their mandates cannot be one size fits all.

Commissioner Lavaroni mentioned that CCWD is having a Meet and Greet with the president of ACWA on May 30, from 1:00-2:30 p.m., at the CCWD office.

**12. Public Comment:** No public comments.

**13. Adjournment.**

Meeting was adjourned at 7:30 p.m. The June 19, 2017, meeting was cancelled by the Commission, and the next regular meeting will be July 17, 2017, at 6:00 p.m., in San Andreas.

Minutes submitted by Nancy Mees.

**DATED:**

\_\_\_\_\_

**APPROVED:**

\_\_\_\_\_

---

Michael Oliveira, Chair, or Anita Paque, Vice  
Chair, Calaveras Local Agency Formation

**CALAVERAS LAFCO****LAFCO CLAIM AUTHORIZATION FORM**

for

May and June 2017

Authorize payment of the following claims:

<u>Date of Claim</u>	<u>Description</u>	<u>Amount</u>
<b>FY 2016-2017 Expenses:</b>		
June 1, 2017	Staff SVCS for May 2017	\$ 4,199.24
May 15, 2017	Comm Payroll May 15, 2017	\$ 300.00
July 1, 2017	Staff Svcs June 2017	\$ 3,180.61
	<b>TOTAL May and June 2017</b>	<b>\$ 7,679.85</b>

**FY 2017-2018 Expenses:**

July 1, 2017	Calafco Dues FY 17-18	\$ 899.00
July 1, 2017	SDRMA Liability Insurance FY 17-18	\$ 1,713.00
	<b>TOTAL:</b>	<b>\$ 2,612.00</b>

DATED: June 17, 2017

APPROVED: June 17, 2017

\_\_\_\_\_  
Michael Oliveira, Chair or Anita Paque, Vice-Chair  
Calaveras Local Agency Formation Commission

Attest:

\_\_\_\_\_  
John Benoit  
Executive Officer

Item	Account Number	Comm Stipends	Insurance	Communications	Memberships	GenOfficeExp	Postage	Copies	Fire&EMS	W & WWSOI	Ex. OFF. Svcs	City Fin Charge
	62001		62050	62051	62052	62053	62054	62055	62057	62058	62059	62060
		\$ 6,600.00	\$ 1,623.60	\$ 800.00	\$ 899.00	\$ 350.00	\$ 500.00	\$ 1,500.00	\$ 25,000.00	\$ 20,000.00	\$ 42,500.00	\$ 3,600.00
Total Budgeted												
Calafco dues 17-18												
SDRMA Insurance 17-18			\$ (1,713.00)		\$ (899.00)							

<b>TOTAL EXPENDED</b>	\$ 6,600.00	\$ (89.40)	\$ 800.00	\$ -	\$ (899.00)	\$ 350.00	\$ 500.00	\$ 1,500.00	\$ 25,000.00	\$ 20,000.00	\$ 42,500.00	\$ 3,600.00
<b>TOTAL REMAINING</b>												

7/5/17

Item	Account Number	Comm Stipends 62001	Insurance 62050	Communications 62051	Memberships 62052	GenOfficeExp 62053	Postage 62054	copies 62055	Fire&EMSSOI 62057	W & WWSOI 62058	Ex. OFF. Svcs 62059	City Fin Chrgs 62060
Calafco dues 16-17		\$ 6,600.00	\$ 1,623.60	\$ 800.00	\$ 840.00	\$ 350.00	\$ 500.00	\$ 1,500.00	\$ 20,000.00	\$ 19,000.00	\$ 42,500.00	\$ 3,600.00
SDRMA Insurance 14-15			\$ (1,618.40)		\$ (840.00)							
Calafco Conf. Regis Oct 25-28												
JB Invoice July 16 Svcs, Mapping, MSR				\$ (40.97)			\$ (21.89)	\$ (92.00)	\$ -		\$ (3,645.00)	
Comm Stipends July 18, 2016		\$ (350.00)										
Comm Stipends Aug 15, 2016		\$ (350.00)										
JB Inv #69 Aug 16 staff Svcs				\$ (40.58)			\$ (28.78)	\$ (67.62)		\$ (2,000.00)	\$ (2,245.00)	
JB Invoice 2016-0074 Sept Svcs				\$ (39.59)		\$ (19.50)	\$ (21.69)	\$ (93.13)		\$ (2,657.50)	\$ (2,000.00)	
JB Invoice 2016-0080 Oct 16				\$ (40.55)					\$ (3,975.00)	\$ (1,125.00)	\$ (1,950.00)	
Comm Stipend Sept 19,2016		\$ (300.00)										
CSDA training Inv 36437 11.22.16												
Comm Stipend Nov 21,2016		\$ (300.00)										
City Invoice 0196 10.20.16 1stQtr 16-17 billing												\$ (900.00)
Tyrrell Conf. Reimb SBA Oct 2016												
Folendorf Calafco Conf. Reimb SBA Oct 16												
Paque Conf. Reimb SBA Oct 16												
JB Invoice 0091 November Services				\$ (41.38)		\$ (10.00)	\$ (28.15)	\$ (76.39)		\$ (900.00)	\$ (2,745.00)	
JB Invoice December Services				\$ (38.17)		\$ (30.00)	\$ (0.66)			\$ (987.50)	\$ (1,000.00)	
Comm Payroll Jan 23, 2017		\$ (350.00)										
JB Invoice January 2017 Staff Services				\$ (41.32)		\$ (15.00)	\$ (19.58)	\$ (60.30)		\$ (1,500.00)	\$ (1,732.50)	
JB Invoice 17-27 Feb 2017 Staff Svcs				\$ (41.32)				\$ (10.00)		\$ (612.50)	\$ (1,000.00)	
Calav Ent public notice 2.28.17 MTHCD												
Comm Stipend 3.20.17		\$ (400.00)										
Staff Svc March 2017				\$ (46.27)		\$ (67.90)	\$ (21.49)	\$ (70.00)		\$ (2,000.00)	\$ (1,382.50)	
Calav Enterprise Prop 17-18 Budget												
Nancy Mees 1/2 share Calafco wkshp												
Staff Svcs April 2017				\$ (41.44)		\$ (30.00)	\$ (5.60)	\$ (182.70)	\$ (2,000.00)		\$ (2,132.50)	\$ (900.00)
Angels Camp 3rd Qtr Billing Financials												
Comm Stipend 4.17.17		\$ (400.00)										
Comm Stipend 5.15.17		\$ (300.00)										
May 2017 Staff Expenses				\$ (38.65)		\$ (103.29)	\$ (4.00)	\$ (4.69)	\$ (1,000.00)	\$ (2,907.50)	\$ (3,000.00)	
June 2017 Staff Expenses				\$ (41.63)		\$ (57.61)	\$ (1.47)	\$ (5.00)				
<b>TOTAL EXPENDED</b>		\$ 3,850.00	\$ 5.20	\$ 308.13	\$ -	\$ 16.70	\$ 346.69	\$ 838.17	\$ 13,025.00	\$ 4,310.00	\$ 19,667.50	\$ 1,800.00
<b>TOTAL REMAINING</b>												

**City Fund 405 Dept 9001**

7/5/17

## MEMORANDUM

July 17, 2017

ITEM #5

**TO:** Calaveras LAFCo Commission  
**FROM:** John Benoit, Executive Officer  
**RE:** CCWD Sphere of Influence Addendum

**ATTACHMENTS:**

1. Resolution 2017-0005 CCWD Sphere of Influence Update
2. Notice of Exemption
3. Letter dated July 6, 2017 from the Calaveras County WD

Staff released a Draft Calaveras County Water District (CCWD) Sphere of Influence for the April 17, 2017 LAFCo meeting. A workshop was held on May 15, 2017 during the workshop various issues or comments were brought forward. CCWD staff was asked to provide their specific comments in writing. CCWD staff met with the City of Angels camp and LAFCo staff and on July 6, 2017 CCWD staff provided LAFCo with a comment letter.

CCWD's July 6, 2017 letter explains the history of CCWD and provides additional information with respect to General CCWD History, Water Rights, Water Resource Planning, Water Policy and provides background research on the history of property taxes received by the CCWD.

**Addendum:**

CCWD's letter in its entirety is to be included as an Appendix "A" to the SOI report since it provides additional relevant information regarding CCWD and its Sphere of Influence.

The following changes to the report released on April 17, 2017 are as follows:

A. Item #1 under section 1.7.2 on Page 5, the following language should be added to the report:

*"Preserving, protecting, and maximizing the beneficial use of water rights (pre-1914, permitted, contractual, and area-of-origin reservations) held by CCWD in the watersheds of the Mokelumne, Calaveras, and Stanislaus Rivers to help provide for the current and future needs – municipal, agricultural, fire protection, drought protection, recreational, and ecological – of Calaveras County and its existing and future residents."*

B. The word "planning" should be added to Item #4 on page five of the report to read as follows:

- 4) groundwater *planning* management and monitoring

C. The word "management" should be added to Item #5 on page 5 of the report to read as follows:

- 5) assisting other agencies with wastewater planning and *management*.

D. Item #6 under section 1.7.2 on page 5, the following language should be added to the report:

*"Water resource planning and management to ensure continued access to clean, reliable water for the people and ecosystems of Calaveras County for public health and safety, agriculture, recreation, the economy and other benefits for years to come."*

E. Item #7 under section 1.7.2 on Page 5, the following language should be added to the report:

*"Working to Inform and influence the development and implementation of legislation, regulations, administrative actions, and other water policies at the state and federal levels on behalf of the people and natural resources of Calaveras County to ensure continued access to safe, reliable, and affordable water supplies and wastewater treatment for the benefit of current and future generations of Calaveras County residents."*

**Recommendation:**

Adopt Resolution 2017-0005 adopting a Sphere of Influence Update for the CCWD including a Sphere for Water Resources Planning, Wastewater Collection and Treatment, Domestic Water, and Agricultural Water.

**Resolution No. 2017-0005**

**CALAVERAS LOCAL AGENCY FORMATION COMMISSION**

*A Resolution Making Determinations and Approving A Sphere of Influence Update for the  
Calaveras County Water District*

**WHEREAS**, Government Code Section 56425 requires each Local Agency Formation Commission to adopt and periodically review and update a sphere of influence for each local governmental agency within its jurisdiction; and

**WHEREAS**, the Calaveras Local Agency Formation Commission, in compliance with the aforementioned requirement, is providing a “plan for the probable physical boundaries and service area” for the Calaveras County Water District; and

**WHEREAS**, the Commission has set the hearing date of July 17, 2017 for the update of the sphere of influence for the Calaveras County Water District and has noticed this hearing at the times and as otherwise prescribed by Government Code Section 56150, *et seq.*; and

**WHEREAS**, the Commission has heard and adopted a Municipal Services Review of domestic water services provided by the Calaveras County Water District in accordance with Gov. Code section 56430; and

**WHEREAS**, the Commission has reviewed and considered the proposed Sphere of Influence update report including the proposed Sphere of Influence Update Map which is attached hereto and incorporated herein; and

**WHEREAS**, Calaveras LAFCO prepared and a notice of exemption for such action since the sphere of influence reflects no change in the territory being served by the district; and

**WHEREAS**, the Commission has considered those factors determined by it to be relevant to the proposed sphere of influence update, including, but not limited to, those factors specified in Government Code Section 56425, *et seq.*, and has heard from interested parties and considered requests for amendment and/or revision of the proposed updated sphere boundary, if any;

**NOW, THEREFORE, BE IT RESOLVED** that the Calaveras Local Agency Formation Commission does hereby find and determine as follows:

1. That the proposed sphere of influence update with respect to the Calaveras County Water District complies with the provisions of Government Code Section 56000, *et seq.*
2. That the Calaveras County Water District is authorized to provide domestic water services, agricultural water services, wastewater treatment and collection services, and general overall water planning services in Calaveras County. Any other services to be provided shall be considered a new or different service requiring LAFCo approval.
3. That no significant protests have been received regarding the update of this Sphere of Influence.
4. That, pursuant to Government Code Section 56425, the Commission makes and adopts The determinations set forth in the Sphere of Influence Study are attached hereto and

incorporated herein as set forth in Attachment A.

5. That pursuant to the California Environmental Quality Act, the Commission adopts a Notice of Exemption (Attachment B) under Class 20 since the proposed project involves a sphere of influence update where the Spheres of Influence of the Calaveras County Water District will either not change or be reduced as a result of this update.
6. That the Sphere of Influence Update Report, Executive Officer's Report, and Sphere Update Maps for the Calaveras County Water District updated Sphere of Influence are hereby adopted and approved as set forth in Attachment "A".

**PASSED AND ADOPTED** at a regular meeting of the Calaveras Local Agency Formation Commission, State of California, on the seventeenth day of July 2017, by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

---

Michael Oliveira, Chair or Anita Paque, Vice-Chair  
Calaveras Local Agency Formation Commission

---

Attest:  
John Benoit, Executive Officer Calaveras LAFCO

## NOTICE OF EXEMPTION

**TO:** County Clerk  
County of Calaveras  
San Andreas, CA

**FROM:** Calaveras LAFCO  
P.O. Box 2694  
Granite Bay, CA 95746

**PROJECT TITLE:** Sphere of Influence Update: *Calaveras County Water Dist.*

**PROJECT LOCATION:** Calaveras County

**DESCRIPTION OF PROJECT:**

The proposed project involves the determination of a Sphere of Influence Update for water and wastewater service areas and planning functions of the CCWD.

**NAME OF PUBLIC AGENCY APPROVING PROJECT:**

Calaveras Local Agency Formation Commission

**NAME OF PERSON OR AGENCY CARRYING OUT THE PROJECT:**

Calaveras Local Agency Formation Commission

**EXEMPT STATUS:**

Class 20 Categorical Exemption, "Changes in Organization of Local Agencies," CEQA Guidelines Section 15320, Changes in Organization of Local Agencies and 15061b (3) General Rule Exemption.

**REASONS WHY THIS PROJECT IS EXEMPT:**

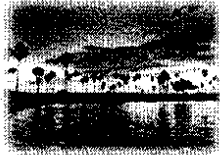
This action is Exempt from the California Environmental Quality Act pursuant to Section 15320 of the CEQA Guidelines (Class 20) as the Sphere of Influence Update would not result in any change in services since the this district already includes its Sphere of Influence territory and 15061 b (3) whereby this activity is covered by the general rule that CEQA applies only to project which have the potential for causing a significant effect on the environment. Since this Sphere of Influence Update is only affirming existing functions into an existing Sphere of Influence, there is no possibility that this activity may have a significant effect on the environment since the services are already provided and no conditions have changed nor could be changed as a result of affirming the existing Sphere of Influence.

**CONTACT PERSON:**  
John Benoit  
LAFCO Executive Officer

**TELEPHONE NUMBER:**  
(707) 592-7528

**By:** \_\_\_\_\_

**Date:** July 17, 2017

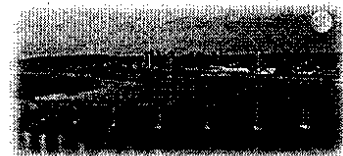


# Announcing The 2017 CALAFCO Annual Conference

Hosted by CALAFCO

**October 25-27, 2017**

Bahia Hotel in Mission Bay  
San Diego, CA



## Value-Added and Diverse General & Breakout Session Topics

- ▶ Branding and marketing your LAFCo - Your LAFCo story - don't let someone else tell it!\*
- ▶ Presentation of public statewide LAFCo survey results and what that means for LAFCos - where do we go from here?\*
- ▶ Long-term sustainability of local agencies
- ▶ Future funding of LAFCos
- ▶ Dealing with unincorporated islands
- ▶ Healthcare districts and LAFCos
- ▶ Commission decision making - making the tough choices
- ▶ What do Commissioners and Staff really want from each other?
- ▶ Making the right choices ethically\*
- ▶ Annual CALAFCO Legislative Update\*
- ▶ CALAFCO Annual Business Meeting\*

*Plus more!*

Note: The Program is subject to change.  
\*Indicates General Session

## Special Highlights

### Mobile Workshop

We will tour the nation's largest desalination plant in Carlsbad at the San Diego Water Authority's Claude "Bud" Lewis Desalination Plant. This award-winning plant delivers approx. 50 million gallons of water per day to area residents. We are also working on a tour of the adjacent Encina Power Station. A stop for lunch is also planned. Details will be announced shortly - but register now to secure your seat!

**Wednesday from  
7:30 a.m. to 12:30 p.m.**  
(times approx.)

### LAFCo 101

An introduction to LAFCo and LAFCo law for Commissioners, Staff, and anyone interested in learning more about LAFCo

**Wednesday from  
10:00 a.m. to Noon**

**Thursday Luncheon  
Keynote**

**To Be Announced**

## Invaluable Networking Opportunities

- ▶ Regional Roundtable discussions on current regional LAFCo issues
- ▶ Roundtable discussions for LAFCo legal counsel
- ▶ Pre-dinner Reception with Sponsors Thursday
- ▶ Networking breakfasts and breaks
- ▶ Welcome Reception Wednesday
- ▶ Awards Banquet Thursday



**Bahia Hotel Mission Bay**



**Mark your calendar and  
plan to attend!**



**Registration is now open!  
Visit [www.calafco.org](http://www.calafco.org)**

Make your reservations now at the **Bahia Hotel** Mission Bay at the special CALAFCO rate of \$125. Special rates available 3 days pre and post-conference on availability. Reservation cutoff date is 9/22/17. Reserve your room at <http://bahiahotel.com/groups/CALAFCO/>

Visit [www.calafco.org](http://www.calafco.org) for Conference details or call us at 916-442-6536.

July 6, 2017

**To:** Local Agency Formation Commission  
Members and Alternate Members

**From:** John Leopold, Committee Chair  
CALAFCO Board Election Committee  
CALAFCO Board of Directors

**CALAFCO**



**RE: Nominations for 2017/2018 CALAFCO Board of Directors**

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

CALAFCO's Election Committee is accepting nominations for the following seats on the CALAFCO Board of Directors:

**Northern Region**

County Member  
District Member

**Central Region**

City Member  
Public Member

**Coastal Region**

City Member  
Public Member

**Southern Region**

County Member  
District Member

The election will be conducted during Regional Caucuses at the CALAFCO Annual Conference prior to the Annual Membership Meeting on Thursday, October 26, 2017 at the Bahia Hotel Mission Bay in San Diego, CA.

Please inform your Commission that the CALAFCO Election Committee is accepting nominations for the above-cited seats until **Monday, September 25, 2017**.

Incumbents are eligible to run for another term. Nominations received by September 25 will be included in the Election Committee's Report and will be on the ballot. The Report will be distributed to LAFCo members no later than October 11 and ballots made available to Voting Delegates at the Annual Conference. Nominations received after this date will be returned; however, nominations will be permitted from the floor during the Regional Caucuses or during at-large elections, if required, at the Annual Membership Meeting.

For those member LAFCos who cannot send a representative to the Annual Meeting an electronic ballot will be made available if requested in advance. The ballot request must be made no later than Monday, September 25, 2017. Completed absentee ballots must be returned by October 23, 2017.

***Should your Commission nominate a candidate, the Chair of your Commission must complete the attached Nomination Form and the Candidate's Resume Form, or provide the specified information in another format other than a resume. Commissions may also include a letter of recommendation or resolution in support of their nominee.***

***The nomination forms and materials must be received by the CALAFCO Executive Director no later than Monday, September 25, 2017.***

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

**Northern Region**

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

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

**Southern Region**

Orange  
Los Angeles  
Imperial  
Riverside  
San Bernardino  
San Diego

**CONTACT:** Carolyn Emery  
Orange LAFCo  
cemery@oclafco.org

**Coastal Region**

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

**CONTACT:** David Church  
San Luis Obispo LAFCo  
dchurch@siolafco.com

**Central Region**

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

**CONTACT:** Kris Berry, Placer LAFCo  
kberry@placer.ca.gov

## Board of Directors 2017/2018 Nominations Form

### *Nomination to the CALAFCO Board of Directors*

In accordance with the Nominations and Election Procedures of CALAFCO,

\_\_\_\_\_ LAFCo of the \_\_\_\_\_ Region

Nominates \_\_\_\_\_

for the (check one)    ☐ City    ☐ County    ☐ Special District    ☐ Public

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

\_\_\_\_\_  
LAFCo Chair

\_\_\_\_\_  
Date

#### **NOTICE OF DEADLINE**

Nominations must be received by **September 25, 2017**  
to be considered by the Recruitment Committee. Send  
completed nominations to:  
CALAFCO Recruitment Committee  
CALAFCO  
1215 K Street, Suite 1650  
Sacramento, CA 95814

**Date:** 5 July 2017

**To:** LAFCo Commissioners and Staff  
CALAFCO Members  
Other Interested Organizations

**From:** CALAFCO Achievement Awards Committee

**Subject:** **2017 CALAFCO Achievement Award Nominations**



Each year, CALAFCO recognizes outstanding achievements by dedicated and committed individuals and/or organizations from throughout the state at the Annual Conference Achievement Awards Ceremony.

Recognizing individual and organizational achievements is an important responsibility. It provides visible recognition and support to those who go above and beyond in their work to advance the principles and goals of the Cortese-Knox-Hertzberg Act. We invite you to use this opportunity to nominate the individuals and organizations you feel deserve this important recognition. ***Please carefully review the nomination instructions.***

To make a nomination, please use the following procedure:

1. Nominations may be made by an individual, a LAFCo, a CALAFCO Associate Member, or any other organization. There is no limit to the number of nominations you can submit.
2. Please use a separate form (attached) for each nomination. Nominations must be submitted with a completed nomination form. The form is your opportunity to highlight the most important points of your nomination.
3. Nominations must be limited to no more than 1500 words or 3 pages in length maximum. You are encouraged to write them in a clear, concise and understandable manner. If the Awards Committee members require additional information, you will be contacted with that request.
4. All supporting information (e.g. reports, news articles, etc.) must be submitted with the nomination. Please limit supporting documentation to no more than 5 pages. If the Awards Committee members require additional information, you will be contacted with that request.
5. All nomination materials must be submitted at one time and must be received by the deadline. Electronic submittals are encouraged.
6. Nominations and supporting materials must be received no later than 5:00 p.m., Thursday, August 31, 2017. Send nominations via e-mail, or U.S. mail to:

Stephen Lucas, CALAFCO Executive Officer  
c/o Butte LAFCo  
1453 Downer Street, Suite C  
Oroville, CA 95965  
slucas@calafco.org

Members of the 2017 CALAFCO Board of Directors Awards Committee are:

Ricky Samayoa, Committee Chair (Yuba LAFCo, Northern Region)  
Mike Kelley (Imperial LAFCo, Southern Region)  
Gerard McCallum (Los Angeles LAFCo, Southern Region)  
John Marchand (Alameda LAFCo, Coastal Region)  
Anita Paque (Calaveras LAFCo, Central Region)

rsamayoa@calafco.org  
mkelley@calafco.org  
gmccallum@calafco.org  
jmarshand@calafco.org  
apaque@calafco.org

Please contact Steve Lucas, CALAFCO Executive Officer, at slucas@calafco.org or (530) 538-7784 with any questions. A list of the previous Achievement Award recipients is attached to this announcement.



## 2017 Achievement Award Nominations

### CALAFCO ACHIEVEMENT AWARD CATEGORIES

CALAFCO recognizes excellence within the LAFCo community and the full membership by presenting the *Achievement Awards* at the CALAFCO Annual Conference. Nominations are being accepted until **Thursday, August 31, 2017** in the following categories:

<b>Outstanding CALAFCO Member</b>	Recognizes a CALAFCO Board Member or staff person who has provided exemplary service during the past year.
<b>Distinguished Service Award</b>	Given to a member of the LAFCo community to recognize long-term service by an individual.
<b>Most Effective Commission</b>	Presented to an individual Commission to recognize innovation, streamlining, and/or initiative in implementing LAFCo programs; may also be presented to multiple Commissions for joint efforts.
<b>Outstanding Commissioner</b>	Presented to an individual Commissioner for extraordinary service to his or her Commission.
<b>Outstanding LAFCo Professional</b>	Recognizes an Executive Officer, Staff Analyst, or Legal Counsel for exemplary service during the past year.
<b>Outstanding LAFCo Clerk</b>	Recognizes a LAFCo Clerk for exemplary service during the past year.
<b>Outstanding CALAFCO Associate Member</b>	Presented to an active CALAFCO Associate Member (person or agency) that has advanced or promoted the cause of LAFCos by consistently producing distinguished work that upholds the mission and goals of LAFCos, and has helped elevate the roles and mission of LAFCos through its work. Recipient consistently demonstrates a collaborative approach to LAFCo stakeholder engagement.
<b>Project of the Year</b>	Recognition for a project-specific program that involved complex staff analysis, community involvement, or an outstanding solution.
<b>Government Leadership Award</b>	Presented to a decision-making body at the city, county, special district, regional or state level which has furthered good government efforts in California.
<b>Legislator of the Year</b>	Presented to a member of the California State Senate or Assembly in recognition of leadership and valued contributions in support of LAFCo goals. Selected by CALAFCO Board.
<b>Mike Gotch Courage and Innovation In Local Government Award</b>	Presented to an individual who has taken extraordinary steps to improve and innovate local government. This award is named for Mike Gotch: former Assembly Member, LAFCo Executive Officer and CALAFCO Executive Director responsible for much of the foundations of LAFCo law and CALAFCO. He is remembered as a source of great inspiration for staff and legislators from throughout the state.
<b>Lifetime Achievement Award</b>	Recognizes any individual who has made extraordinary contributions to the LAFCo community in terms of longevity of service, exemplary advocacy of LAFCo-related legislation, proven leadership in approaching a particular issue or issues, and/or demonstrated support in innovative and creative ways of the goals of LAFCos throughout California. At a minimum, the individual should be involved in the LAFCo community for at least ten years.



## State of California

# LITTLE HOOVER COMMISSION

Witnesses at Little Hoover Commission's August and October 2016 public hearings and participants at the November 2016 advisory committee proposed numerous recommendations for consideration. At various business meetings in 2017, the Commission discussed these and other potential recommendations. A summary of potential recommendations currently under consideration follows.

The June 22 roundtable discussion has been convened to consider if these recommendations are helpful, can be implemented or might have unintended consequences. The Commission also welcomes discussion on alternative suggestions. The primary focus of the roundtable meeting discussion will be on the recommendations related to governance and transparency, although potential recommendations focusing on climate change adaptation and healthcare districts also are included in this summary.

### GOVERNANCE - POTENTIAL RECOMMENDATIONS

- The Legislature, in committee hearings and floor votes, as well as the Governor in bill signings, should curtail a growing practice of introducing bills to override LAFCO deliberative processes and decide local issues regarding special district boundaries and operations.
- The Legislature should provide one-time grant funding to pay for specified LAFCO activities, particularly to fund certain critical Municipal Service Reviews (MSRs) and to incentivize LAFCOs or smaller special districts to develop and implement dissolution or consolidation plans with timelines for expected outcomes. This grant process potentially could be overseen by the Governor's Office of Planning and Research. Funding should be tied to process completion and results, including enforcement authority for corrective action and consolidation.
- Alternatively or additionally, augment the existing LAFCO funding formula by allocating a certain percentage of local property taxes to fund LAFCOs as suggested in testimony from the California Association of Local Agency Formation Commissions (CALAFCO).
- After conducting a Municipal Service Review and finding dissolution or consolidation of special districts is warranted, provide LAFCOs the authority to initiate dissolutions or consolidations with a higher threshold for a public vote.
- Require special districts to hold a public hearing on findings and recommendations after the completion of a Municipal Service Review.
- The Legislature should provide LAFCOs the statutory authority to do reviews of inactive districts throughout California and dissolve them without the action being subject to protest and a costly election process. SB 448 (Wlekowski) would implement this recommendation. The bill was unanimously adopted by the Senate in May 2017, and currently is under consideration by the Assembly. As currently written, the bill also would require each county tax bill to list special district taxes and would require the State Controller, by 2019, to annually publish a list of all special districts in California.
- The Legislature should strengthen LAFCOs by easing a process to add special district representatives to the 28 county LAFCOs where districts have no voice.
- The Legislature should adopt legislation to give LAFCO members fixed terms, to ease political pressures in controversial votes and enhance the independence of LAFCOs.

## **TRANSPARENCY – POTENTIAL RECOMMENDATIONS**

- Every LAFCO website should provide basic information and links to all of the special districts within each county service area, including a standardized dashboard reflecting revenues from property taxes and user fees, debt service and fund balance changes.
- Every special district should have a published policy for reserve funds, including the size and purpose of reserves and how they are invested.
- Every special district should have a website that provides the following information in an easy-to-understand format:
  - ✓ Name, location, contact data
  - ✓ Services provided
  - ✓ Governing body, including election information and the process for constituents to run for board positions
  - ✓ Compensation details – total staff compensation, including salary, pensions and benefits
  - ✓ Compensation details for the five staff with highest compensation (including salary, benefits, pensions, loans, annual leave balances, annual travel expenses)
  - ✓ Budget (including revenues and expenditures, bond debt and the source of revenues, including fees, property taxes and other assessments, as well as other revenue)
  - ✓ Reserve fund policy
  - ✓ An explanation of how the revenue sources are consistent with state law and do not constitute a permissible tax
  - ✓ Geographic area served and demographic data based on available census data
  - ✓ Average and median customer fees and other customer charges
  - ✓ Description of relationship and coordination with other local government agencies
  - ✓ Copy of most recent Municipal Service Review
  - ✓ Copy of most recent annual report provided to the State Controller's Office
  - ✓ State and local agencies providing oversight of operations, compliance with state laws and financial reporting and audits and frequency of such reviews and links to the oversight bodies websites
- The California Special Districts Association, working with experts in public outreach and engagement, should develop best practices for independent special district outreach to the public on opportunities to serve on boards and special district elections including election results and voter participation data.
- The State Controller's Office should disaggregate information provided by independent special districts from dependent districts, nonprofits and joint powers authorities on its By the Numbers and Employee Compensation websites. (SB 448 would require the State Controller to list all special districts on its website by 2019.)
- The State Controller's Office should standardize definitions of special district financial reserves for state reporting purposes.
- The Secretary of State, working with county, city and special district representatives and the State Controller, should streamline or consolidate its public agency reporting requirements.

## **CLIMATE CHANGE ADAPTATION – POTENTIAL RECOMMENDATIONS**

- The Legislature should place a requirement in statute that special districts formally include climate adaptation and climate mitigation as key operational considerations within their governing documents and missions.
- The California Special Districts Association (CSDA), in conjunction with its member districts, should document and share climate adaptation experiences with the Integrated Climate Adaptation and Resilience Program's adaptation information clearinghouse being established within the Governor's Office of Planning and Research (OPR). Similarly, CSDA and member districts should step up engagement in the state's current Fourth Assessment of climate threats, a \$5 million state research project designed to support the implementation of local adaptation activities. The CSDA also should promote climate adaptation information sharing among its members to help districts with fewer resources plan for climate impacts and take actions.
- The Legislature should replicate statewide a program established by Oakland-based East Bay Municipal Utility District, in which real estate transactions trigger an inspection of sewer lines on the property and require repairs if broken. Or, as an alternative, it should commission a study of costs versus benefits – possibly by a university or the appropriate state department. Such a study would build long-term support, if feasible, for legislation.
- State regulatory agencies should explore the beginnings of a new regulatory framework and adaptive approach that incorporates moveable baselines when defining a status quo as climate impacts mount.
- The California Special Districts Association, and special districts, as some of the closest-to-the-ground local governments in California, should step up public engagement on climate adaptation, and inform and support people and businesses to take actions that increase their individual and community-wide defenses.
- The California Special Districts Association and special districts should lead efforts to seek and form regional partnerships to maximize climate adaptation resources and benefits.

## **HEALTHCARE DISTRICTS – POTENTIAL RECOMMENDATIONS**

- The Legislature should work with the Association of California Healthcare Districts to enact proposals the association developed in 2016 to accomplish these two objectives:
  - ✓ Update the 1945 legislative "practice acts" that enabled voters to create local hospital districts, renamed healthcare districts in the early 1990s. Experts widely agree that statutory language in the acts no longer reflects rapid changes in healthcare during the past half century, especially regarding roles of healthcare districts without hospitals.
  - ✓ Make healthcare districts directly respond to local healthcare needs by conducting needs assessments every three years and demonstrate annually how they are addressing those needs. This information will be shared with the local LAFCO that oversees the district.

- The Legislature, which has been increasingly inclined to override local LAFCO processes to press changes on healthcare districts, should defer these decisions to LAFCOs, which in statute already have that responsibility.
- The Association of California Healthcare Districts and its member districts should step up efforts to define and share best practices among themselves.



## State of California

# LITTLE HOOVER COMMISSION

Witnesses at Little Hoover Commission's August and October 2016 public hearings and participants at the November 2016 advisory committee proposed numerous recommendations for consideration. At various business meetings in 2017, the Commission discussed these and other potential recommendations. A summary of potential recommendations currently under consideration follows.

The June 22 roundtable discussion has been convened to consider if these recommendations are helpful, can be implemented or might have unintended consequences. The Commission also welcomes discussion on alternative suggestions. The primary focus of the roundtable meeting discussion will be on the recommendations related to governance and transparency, although potential recommendations focusing on climate change adaptation and healthcare districts also are included in this summary.

### GOVERNANCE - POTENTIAL RECOMMENDATIONS

- The Legislature, in committee hearings and floor votes, as well as the Governor in bill signings, should curtail a growing practice of introducing bills to override LAFCO deliberative processes and decide local issues regarding special district boundaries and operations.
- The Legislature should provide one-time grant funding to pay for specified LAFCO activities, particularly to fund certain critical Municipal Service Reviews (MSRs) and to incentivize LAFCOs or smaller special districts to develop and implement dissolution or consolidation plans with timelines for expected outcomes. This grant process potentially could be overseen by the Governor's Office of Planning and Research. Funding should be tied to process completion and results, including enforcement authority for corrective action and consolidation.
- Alternatively or additionally, augment the existing LAFCO funding formula by allocating a certain percentage of local property taxes to fund LAFCOs as suggested in testimony from the California Association of Local Agency Formation Commissions (CALAFCO).
- After conducting a Municipal Service Review and finding dissolution or consolidation of special districts is warranted, provide LAFCOs the authority to initiate dissolutions or consolidations with a higher threshold for a public vote.
- Require special districts to hold a public hearing on findings and recommendations after the completion of a Municipal Service Review.
- The Legislature should provide LAFCOs the statutory authority to do reviews of inactive districts throughout California and dissolve them without the action being subject to protest and a costly election process. SB 448 (Wiekowski) would implement this recommendation. The bill was unanimously adopted by the Senate in May 2017, and currently is under consideration by the Assembly. As currently written, the bill also would require each county tax bill to list special district taxes and would require the State Controller, by 2019, to annually publish a list of all special districts in California.
- The Legislature should strengthen LAFCOs by easing a process to add special district representatives to the 28 county LAFCOs where districts have no voice.
- The Legislature should adopt legislation to give LAFCO members fixed terms, to ease political pressures in controversial votes and enhance the independence of LAFCOs.

## **TRANSPARENCY – POTENTIAL RECOMMENDATIONS**

- Every LAFCO website should provide basic information and links to all of the special districts within each county service area, including a standardized dashboard reflecting revenues from property taxes and user fees, debt service and fund balance changes.
- Every special district should have a published policy for reserve funds, including the size and purpose of reserves and how they are invested.
- Every special district should have a website that provides the following information in an easy-to-understand format:
  - ✓ Name, location, contact data
  - ✓ Services provided
  - ✓ Governing body, including election information and the process for constituents to run for board positions
  - ✓ Compensation details – total staff compensation, including salary, pensions and benefits
  - ✓ Compensation details for the five staff with highest compensation (including salary, benefits, pensions, loans, annual leave balances, annual travel expenses)
  - ✓ Budget (including revenues and expenditures, bond debt and the source of revenues, including fees, property taxes and other assessments, as well as other revenue)
  - ✓ Reserve fund policy
  - ✓ An explanation of how the revenue sources are consistent with state law and do not constitute a permissible tax
  - ✓ Geographic area served and demographic data based on available census data
  - ✓ Average and median customer fees and other customer charges
  - ✓ Description of relationship and coordination with other local government agencies
  - ✓ Copy of most recent Municipal Service Review
  - ✓ Copy of most recent annual report provided to the State Controller's Office
  - ✓ State and local agencies providing oversight of operations, compliance with state laws and financial reporting and audits and frequency of such reviews and links to the oversight bodies websites
- The California Special Districts Association, working with experts in public outreach and engagement, should develop best practices for independent special district outreach to the public on opportunities to serve on boards and special district elections including election results and voter participation data.
- The State Controller's Office should disaggregate information provided by independent special districts from dependent districts, nonprofits and joint powers authorities on its By the Numbers and Employee Compensation websites. (SB 448 would require the State Controller to list all special districts on its website by 2019.)
- The State Controller's Office should standardize definitions of special district financial reserves for state reporting purposes.
- The Secretary of State, working with county, city and special district representatives and the State Controller, should streamline or consolidate its public agency reporting requirements.

## **CLIMATE CHANGE ADAPTATION – POTENTIAL RECOMMENDATIONS**

- The Legislature should place a requirement in statute that special districts formally include climate adaptation and climate mitigation as key operational considerations within their governing documents and missions.
- The California Special Districts Association (CSDA), in conjunction with its member districts, should document and share climate adaptation experiences with the Integrated Climate Adaptation and Resilience Program's adaptation information clearinghouse being established within the Governor's Office of Planning and Research (OPR). Similarly, CSDA and member districts should step up engagement in the state's current Fourth Assessment of climate threats, a \$5 million state research project designed to support the implementation of local adaptation activities. The CSDA also should promote climate adaptation information sharing among its members to help districts with fewer resources plan for climate impacts and take actions.
- The Legislature should replicate statewide a program established by Oakland-based East Bay Municipal Utility District, in which real estate transactions trigger an inspection of sewer lines on the property and require repairs if broken. Or, as an alternative, it should commission a study of costs versus benefits – possibly by a university or the appropriate state department. Such a study would build long-term support, if feasible, for legislation.
- State regulatory agencies should explore the beginnings of a new regulatory framework and adaptive approach that incorporates moveable baselines when defining a status quo as climate impacts mount.
- The California Special Districts Association, and special districts, as some of the closest-to-the-ground local governments in California, should step up public engagement on climate adaptation, and inform and support people and businesses to take actions that increase their individual and community-wide defenses.
- The California Special Districts Association and special districts should lead efforts to seek and form regional partnerships to maximize climate adaptation resources and benefits.

## **HEALTHCARE DISTRICTS – POTENTIAL RECOMMENDATIONS**

- The Legislature should work with the Association of California Healthcare Districts to enact proposals the association developed in 2016 to accomplish these two objectives:
  - ✓ Update the 1945 legislative "practice acts" that enabled voters to create local hospital districts, renamed healthcare districts in the early 1990s. Experts widely agree that statutory language in the acts no longer reflects rapid changes in healthcare during the past half century, especially regarding roles of healthcare districts without hospitals.
  - ✓ Make healthcare districts directly respond to local healthcare needs by conducting needs assessments every three years and demonstrate annually how they are addressing those needs. This information will be shared with the local LAFCO that oversees the district.

- The Legislature, which has been increasingly inclined to override local LAFCO processes to press changes on healthcare districts, should defer these decisions to LAFCOs, which in statute already have that responsibility.
- The Association of California Healthcare Districts and its member districts should step up efforts to define and share best practices among themselves.



SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

1112 I Street, Suite 300  
Sacramento, California 95814-2865  
T 916.231.4141 or 800.537.7790 \* F 916.231.4111

**Maximizing Protection. Minimizing Risk. \* [www.sdrma.org](http://www.sdrma.org)**

June 29, 2017

Mr. John Benoit  
Executive Director  
Local Agency Formation Commission of Calaveras County  
Post Office Box 2694  
Granite Bay, California 95746

Re: 2017-18 Property/Liability Coverage Documents

Dear Mr. Benoit,

On behalf of the Special District Risk Management Authority (SDRMA) Board of Directors and our entire risk management team, it is my pleasure to extend our sincere appreciation for your participation in our Property/Liability Program. The new program year begins July 1 and complete coverage documents will be available by August 1 in the SDRMA MemberPlus Online™ web-based portal. The following coverage documents will be available July 1 in MemberPlus Online™:

**Property/Liability Program**

- Member's Certificate of Coverage (copy attached)
- California Vehicle Identification Cards (available in MemberPlus Online™ to print out and place in vehicles)

To access MemberPlus Online™, visit [www.sdrma.org](http://www.sdrma.org), click on Member Login at the top right hand corner of any webpage. The Certificate of Coverage will be available in the left navigation window under 'Quick Links'. Your 2016-17 coverage documents will be archived as in past years and will be available under 'Reports/Forms/Archives'.

**New This Year**

There are several important changes coming to the Renewal Questionnaire (RQ) process in early 2018. First, the RQ process will begin on February 1 instead of February 15. Second, the amount of general questions has been greatly reduced and scheduled item maintenance will no longer be part of the process as your agency should be managing your list of scheduled items throughout the year to ensure proper coverage. Hopefully, these changes will greatly reduce the amount of time your agency spends during the RQ process each year!

**Reminder**

SDRMA provides an Employer "Hotline" for questions related to Employment Law. Best Best & Krieger is providing this service to SDRMA members and is one of the most experienced and largest public agency law firms with eight offices in California. The "Hotline" provides upper level management access to complimentary Employment Law related legal services on behalf of your agency **after** initial screening and referral by Dennis Timoney, SDRMA Chief Risk Officer. The goal is to reduce the frequency and severity of employment related claims which will have a direct impact on our pool's claim liabilities and expenses.

If you have any questions please contact our office at 800.537.7790 or 916.231.4141.

Sincerely,  
Special District Risk Management Authority

  
Gregory S. Hall, ARM  
Chief Executive Officer

# MEMBER'S CERTIFICATE OF COVERAGE

Issue Date  
7/1/2017

**Provider** Special District Risk Management Authority  
1112 'I' Street, Suite 300  
Sacramento, California 95814  
800.537.7790 www.sdrma.org



**Member** Local Agency Formation Commission of Calaveras County  
Post Office Box 2694  
Granite Bay California, 95746

Member Number: 7474

This is to certify that coverages listed below have been issued to the Member named above for the period indicated. This certificate is not an insurance policy or an agreement of coverage and does not amend, extend or alter the coverage afforded by the agreements listed herein. Notwithstanding any requirement, term, or condition of any contract or other document with respect to which this certificate may be issued or may pertain, the coverage described herein is subject to all the terms, exclusions, and conditions of the specific coverage document. This certificate of coverage evidences the limits of liability in effect at the inception of the agreements shown; limits shown may have been reduced by paid claims. This certificate is issued as a matter of information only and confers no rights upon the certificate holder.

Type of Coverage	Policy Number	Effective Date	Expiration Date	Limits
<b>General Liability</b>	LCA-SDRMA-201718	7/1/2017	7/1/2018	Per Occurrence
Bodily Injury				\$ 2,500,000
Property Damage				\$ 2,500,000
Public Officials Personal				\$ 500,000
Employment Benefits				\$ 2,500,000
Employee/Public Officials E & O				\$ 2,500,000
Employment Practices Liability				\$ 2,500,000
Employee/Public Officials Dishonesty	EDC-SDRMA-201718			\$ 1,000,000
<b>Auto Liability</b>	LCA-SDRMA-201718	7/1/2017	7/1/2018	Per Occurrence
Auto Bodily Injury				\$ 2,500,000
Auto Property Damage				\$ 2,500,000
Uninsured Motorist	UMI-SDRMA-201718			Limits on File

Description: All listed coverage is in effect only for the time period specified.

Gregory S. Hall - Chief Executive Officer