

**2015
Commissioners**

Chair
Steve Snodgrass
Special District Member

Vice Chair
Sherwood Darington
Public Member

Fernando Armenta
County Member, Alternate

Matt Gourley
Public Member, Alternate

Joe Gunter
Alternate, City Member

Maria Orozco
City Member

John M. Phillips
*County Member
(Pending Oath of Office)*

Warren E. Poitras
*Special District Member,
Alternate*

Ralph Rubio
City Member

Simón Salinas
County Member

Graig R. Stephens
Special District Member

Staff

Kate McKenna, AICP
Executive Officer

132 W. Gabilan Street, #102
Salinas, CA 93901

P. O. Box 1369
Salinas, CA 93902

Voice: 831-754-5838
Fax: 831-754-5831

www.monterey.lafco.ca.gov

AGENDA

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

Monday, June 22, 2015
4:00 p.m.

Board of Supervisors Chambers
Monterey County Government Center
168 West Alisal Street, First Floor
Salinas, California

The Local Agency Formation Commission welcomes you to its meetings. This meeting has been noticed according to the Brown Act. If you want to submit documents, please bring 15 copies for distribution. The meeting will be broadcast live on Comcast Cable TV Channel 28, and is rebroadcast every Monday at 4:00 p.m. Agendas and reports are available on our website at least 72 hours before each meeting.

Roll Call

Call to Order

Pledge of Allegiance

Public Comments

Anyone may address the Commission briefly about items not already on the Agenda. Please fill out a Speaker Request Form available on the rostrum.

Special Business

1. Administer the Oath of Office for Appointments of City Member (Regular) Commissioner Gunter and City Member Commissioner (Alternate) Orozco.
Recommended Action: LAFCO Chair Snodgrass will administer the Oaths of Office.
2. Select the LAFCO Chair and Chair Pro Tempore for a Period Ending in May 2016.
Recommended Action: Conduct the selection process.

Consent Agenda

All items on the Consent Agenda will be approved in one motion and there will be no discussion on individual items, unless a Commissioner or member of the public requests a specific item to be pulled from the Consent Agenda for separate discussion.

3. Approve Draft Minutes from the April 27, 2015 LAFCO Regular Meeting.
Recommended Action: Approve minutes.
4. Accept Notes from the May 28, 2015 Budget and Finance Committee Meeting.
Recommended Action: Accept meeting notes.
5. Accept Meeting Notes from the Conducting Authority Proceedings of June 1, 2015 (Pajaro/Sunny Mesa Community Services District, LAFCO File No. 14-05).
Recommended Action: Accept meeting notes.
6. Accept Report on Anticipated Future Agenda Items.
Recommended Action: Accept report.
7. Approve Registers of Checks for April and May 2015.
Recommended Action: Approve registers.
8. Accept Report of Draft Financial Statements for Period Ending March 31, 2015.
Recommended Action (by Budget and Finance Committee): Accept report.
9. Approve Budget Amendment No. 2 for Fiscal Year 2014-2015 Budget, and Related Actions.
Recommended Action (by Budget and Finance Committee): Adopt resolution.
10. Accept Report on Activities of the California Association of Local Agency Formation Commissions.
Recommended Action: Accept report.

Public Hearing

11. Public Hearing to Consider a Proposal from the South Monterey County Fire Protection District to Annex Approximately 840 Square Miles of Lands Adjacent to Existing District Boundaries. (Lafco File No. 13-05)

The annexation proposal includes the communities of San Lucas, San Ardo, and Parkfield. The proposal also includes the Pleyto/Bryson-Hesperia area south of Lake San Antonio, areas near Bradley, rural lands north of Highway 198 near San Benito and Fresno Counties, and other rural lands extending to the southeast corner of Monterey County. The proposed annexation area consists of the District's existing designated Sphere of Influence, plus a proposed 28-acre (0.2-square-mile) Sphere of Influence expansion. The purpose of the proposal is to provide comprehensive fire protection services and advanced life support emergency medical services to these lands, which are currently not within the boundaries of any fire protection district.

Recommended Action: It is recommended that the Commission receive a report by the Executive Officer, conduct a public hearing, and continue consideration of the District's proposal to the August 24, 2015 (4:00 PM) LAFCO meeting to allow further discussion between the District and stakeholders to identify potential alternatives that may be satisfactory to all interested parties.

New Business

12. Consider Report on Business Items for the 2015 CALAFCO Annual Conference on September 2-4, 2015.
Recommended Actions:
- a. Authorize attendance.
 - b. Designate voting delegates.
 - c. Consider nominations for Coastal Region City Member and Public Member seats on the CALAFCO Board of Directors.
 - d. Consider nominations for CALAFCO Achievement Awards.

Executive Officer's Report

The Executive Officer may make brief announcements in the form of a written report or verbal update, and may not require Commission action. The public may address the Commission on these informational items.

Commissioner Comments

Individual Commissioners may comment briefly on matters within the jurisdiction of LAFCO. No discussion or action is appropriate other than referral to staff or setting a matter as a future agenda item. The public may address the Commission on these informational items.

Correspondence

13. Letter from City of Marina re- Marina Coast Water District Annexation of Ord Community, dated June 5, 2015 (Information Only).

Closed Session

The Commission will conduct a Public Employee Annual Performance Evaluation in closed session, pursuant to Code Section 54957. *Position: LAFCO Executive Officer*

Adjournment to the Next Meeting

The next Regular LAFCO Meeting is on Monday, August 24, 2015 at 4:00 p.m.

Alternative Formats and Facility Accommodations: If requested, the agenda will be made available in alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 USC 12132) and the federal rules and regulations adopted in implementation thereof. Also if requested, facility accommodations will be made for persons with disabilities. Please contact (831) 754-5838 for assistance.

AGENDA
ITEM
NO. 1

LAFCO *of Monterey County*

LOCAL AGENCY FORMATION COMMISSION
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Telephone (831) 754-5838 Fax (831) 754-5831
www.monterey.lafco.ca.gov

KATE McKENNA, AICP
Executive Officer

DATE: June 22, 2015
TO: Chair and Members of the Formation Commission
FROM: Kate McKenna, AICP, Executive Officer
SUBJECT: OATH OF OFFICE FOR CITY MEMBER COMMISSIONERS

SUMMARY OF RECOMMENDATION:

It is recommended that the Commission Chair administer the oath of office to Commissioner Gunter and Commissioner Orozco.

EXECUTIVE OFFICER'S REPORT:

In accordance with State law, the Monterey County City Selection Committee selected City of Salinas Mayor Joe Gunter on May 1, 2015 to serve as a City Member Commissioner (Regular) to LAFCO. The term of office for this seat will expire in May 2019. The Selection Committee's letter is attached to this report.

The Committee also appointed City of Gonzales Mayor Maria Orozco as the Alternate City Member Commissioner. This appointment is for the remainder of a term that will expire in May 2016. The Selection Committee's action indicated an intention to appoint Mayor Orozco to a longer term of office, but the Committee will be requested to take action again in 2016.

Mayors Gunter and Orozco currently serve as LAFCO's Alternate and Regular City Member Commissioners, respectively.

Article 20, Section 3 of the California Constitution and Government Code Section 1360 requires the taking of an oath upon entering office or being re-appointed to office. Chair Snodgrass will administer the oath to Commissioners Gunter and Orozco, who will then take their seats on the Commission.

Respectfully Submitted,



Kate McKenna, AICP
Executive Officer

Attachment: Monterey County City Selection Committee letter dated May 5, 2015

MONTEREY COUNTY

LAFCO

MAY 11 2015



CLERK OF THE BOARD OF SUPERVISORS

GAIL T. BORKOWSKI

168 West Alisal Street, 1st Floor
SALINAS, CA 93901
P.O. Box 1728
SALINAS, CA 93902
(831) 755-5066, Fax: (831) 755-5888
cob@co.monterey.ca.us

May 5, 2015

Kate McKenna, AICP
Executive Officer
LAFCO of Monterey County
P.O. Box 1369
Salinas, CA 93902

Re: Alternate City Member Appointment to LAFCO

Dear Ms. McKenna,

On Friday, May 1, 2015, the Monterey County City Selection Committee appointed Mayor Joe Gunter as the City Member to LAFCO for a term ending May 6, 2019 and Mayor Maria Orozco as the Alternate for the same term.

Contact information for Mayor Gunter is as follows:

City Council
201 Lincoln Avenue
Salinas, CA 93901
(831) 758-7201
(831) 758-7368
josephg@ci.salinas.ca.us
City Clerk: Patricia M. Barajas: cclerk@ci.salinas.ca.us

Contact information for Mayor Orozco is as follows:

P.O. Box 647
147 Fourth Street
Gonzales, CA 93926,
(831) 675-5000

or
via the City Clerk at: cityclerk@ci.gonzales.ca.us.

If you need further assistance, do not hesitate to contact me at (831) 755-5066.

Best regards,

Gail T. Borkowski
Secretary to the City Selection Committee
County of Monterey

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KATE McKENNA, AICP
Executive Officer

DATE: June 22, 2015
TO: Chair and Members of the Formation Commission
FROM: Kate McKenna, AICP, Executive Officer
SUBJECT: SELECTION OF CHAIR AND CHAIR PRO TEMPORE

SUMMARY OF RECOMMENDATION:

It is recommended that the Commission select the Chair and Chair Pro Tempore for a one-year period ending in May 2016.

EXECUTIVE OFFICER'S REPORT:

LAFCO *Rules and Regulations for the Orderly and Fair Conduct of Hearings* provide that the Commission shall annually, by majority vote, select from its regular members one to serve as Chair and one to serve as Chair Pro Tempore of the Commission until the following May. Any Chair or Chair Pro Tempore selected under the provision of this section shall continue to act as Chair or Chair Pro Tempore until their successors are seated on the Commission.

The *Rules and Regulations* provide that the Commission shall rotate the positions of Chair and Chair Pro Tempore from among Commissioners according to the following schedule:

<u>Chair</u>	<u>Chair Pro Tempore</u>
2012-13 City Member	County Member
2013-14 County Member	Special District Member
2014-15 Special District Member	Public Member
→ 2016-17 Public Member	City Member

Respectfully Submitted,



Kate McKenna, AICP
Executive Officer

Attachment: Section 10 of the "Rules and Regulations for the Orderly and Fair Conduct of Hearings" relating to the Chair and Chair Pro Tempore

THE LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

RESOLUTION NO. 08-02

**RULES AND REGULATIONS FOR THE ORDERLY AND FAIR
CONDUCT OF HEARINGS OF THE LOCAL AGENCY FORMATION COMMISSION
OF MONTEREY COUNTY**

...

Section 10. CHAIR AND CHAIR PRO TEMPORE. At its first meeting in the month of May, the Commission shall by majority vote, select from its regular members one to serve as Chair and one to serve as Chair Pro Tempore of the Commission until the following May. Any Chair or Chair Pro Tempore selected under the provisions of this section shall continue to act as Chair or Chair Pro Tempore until the selection of their successors.

- a. Beginning in May 2008, the positions of Chair and Chair Pro Tempore will be rotated among Commissioners according to the following schedule, and then repeated:

	<u>Chair</u>	<u>Chair Pro Tempore</u>
Year 1	City Member	County Member
Year 2	County Member	Special District Member
Year 3	Special District Member	Public Member
Year 4	Public Member	City Member

...

**2015
Commissioners**

Chair

Steve Snodgrass
Special District Member

Vice Chair

Sherwood Darington
Public Member

Fernando Armenta
County Member, Alternate

Matt Gourley
Public Member, Alternate

Joe Gunter
Alternate, City Member

Maria Orozco
City Member

John M. Phillips
County Member

Warren E. Poitras
*Special District Member,
Alternate*

Ralph Rubio
City Member

Simón Salinas
County Member

Graig R. Stephens
Special District Member

Counsel

Leslie J. Girard
General Counsel

Staff

Kate McKenna, AICP
Executive Officer

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**DRAFT MINUTES
LOCAL AGENCY FORMATION COMMISSION
OF MONTEREY COUNTY**

Monday, April 27, 2015

4:00 p.m.

Board of Supervisors Chambers
Monterey County Government Center
168 West Alisal Street, First Floor
Salinas, California

Roll Call

Call To Order

The Local Agency Formation Commission was called to order by Chair Snodgrass at 4:00 p.m. in the Monterey County Board of Supervisors Chambers.

Members Present

Commissioner Snodgrass, Chair
Commissioner Darington, Vice Chair
Commissioner Gourley
Commissioner Orozco
Commissioner Phillips
Commissioner Poitras
Commissioner Rubio
Commissioner Salinas
Commissioner Stephens

Members Absent (Excused Absences)

Commissioner Gunter

Members Not Present (Presence Not Required)

Commissioner Armenta.

Staff Present

Kate McKenna, AICP, Executive Officer
Leslie J. Girard, General Counsel
Darren McBain, Senior Analyst
Gail Lawrence, Clerk to the Commission

Pledge of Allegiance

Commissioner Phillips led the Pledge of Allegiance.

Public Comments

There were no Public Comments on items not on the Agenda.

Consent Agenda

1. Approve Draft Minutes from the March 30, 2015 LAFCO Regular Meeting.
2. Accept Report on Anticipated Agenda Items and Progress Report on LAFCO Special Studies.
3. Authorize a Draft Letter of Opposition to Pending Legislation (Senate Bill 239 – Fire Protection Services Contracts).
4. Accept Register of Checks for March 2015.

Commission Action

Upon motion by Commissioner Salinas, seconded by Commissioner Stephans, the Consent Items were unanimously approved by those present. Absent: Alternate City Commissioner Gunter (excused) and Alternate County Commissioner Armenta (presence not required). Abstain: None.

Public Hearings

5. Consider Annexation by the Pajaro/Sunny Mesa Community Services District (Continued Hearing from the March 30, 2015 Meeting) – Annexation of areas served by five former Alisal Water Company (ALCO) water systems that the District owns and operates in the Moss Landing and Prunedale areas (LAFCO File No. 14-05).
 - a) Consider the finding made by the Pajaro/Sunny Mesa Community Services District that its Sphere of Influence Amendment and Annexation proposal is exempt under CEQA Guidelines Sections 15061(b)(3) and 15320, and
 - b) Approve the District’s proposed annexation of five former Alisal Water Company (ALCO) service areas that are within the District’s Sphere of Influence as amended on March 30, 2015.

Darren McBain, LAFCO Senior Analyst, presented a report.

Chair Snodgrass opened the (continued from March 30, 2015) Public Hearing. There were no public or Commissioner comments. Chair Snodgrass closed the Public Hearing.

Commission Action

Upon motion by Commissioner Phillips, seconded by Commissioner Salinas, the Commission approved Agenda Item 5 “Consider Annexation by the Pajaro/Sunny Mesa Community Services District (Continued Hearing from the March 30, 2015 Meeting)” as follows :

- (a) Accepted the finding made by the Pajaro/Sunny Mesa Community Services District that its Sphere of Influence Amendment and Annexation proposal is exempt under CEQA Guidelines Sections 15061(b)(3) and 15320; and
- (b) Approved the District’s proposed annexation of five former Alisal Water Company (ALCO) service areas that are within the District’s Sphere of Influence as amended on March 30, 2015.

Absent: Alternate Commissioners Gunter (excused) and Armenta (presence not required). Abstain: None.

6. Consider Adoption of a Final Budget and Resolution for Fiscal Year 2015-2016 and Direct Distribution of the Adopted Final Budget to Local Agencies and the Auditor-Controller.

Executive Officer McKenna gave a report. Chair Snodgrass opened the Public Hearing. There were no public comments. Commissioner Salinas commented that the Budget and Finance Committee thoroughly

reviews the proposed Final Budget prior to its review by the Commission. Chair Snodgrass closed the Public Hearing.

Commission Action

Upon motion by Commissioner Darington, seconded by Commissioner Stephens, the Commission Adopted the FY 2015-2016 Final Budget and Directed the Distribution of the Adopted Final Budget to Local Agencies and the Auditor-Controller. Absent: Alternate Commissioners Gunter (excused) and Armenta (presence not required). Abstain: None.

New Business

7. Authorize a Comment Letter Regarding the March 2015 Public Review Draft Environmental Impact Report for the Proposed Monterey Downs and Monterey Horse Park and Central Coast Veterans Cemetery Specific Plan, and Related Applications (City of Seaside)

Darren McBain, Senior Analyst gave a report. Executive Officer McKenna responded to Public Comment. There was public comment from Beth Palmer COO, Monterey Downs. Commissioners Rubio and Poitras commented.

Commission Action

Upon motion by Commissioner Rubio, seconded by Commissioner Salinas, the Commission Authorized Chair Snodgrass to execute the Comment Letter Regarding the March 2015 Public Review of the Draft Environmental Impact Report for the Proposed Monterey Downs and Monterey Horse Park and Central Coast Veterans Cemetery Specific Plan, and Related Applications (City of Seaside) and to send comments to the City of Seaside. Absent: Alternate Commissioners Gunter (excused) and Armenta (presence not required). Abstain: None.

Executive Officer's Report

None.

Commissioner Comments

None.

Closed Session

Pursuant to Government Code Section 54956.9(d)(2) the Commission will discuss with its General Counsel one matter of significant exposure to litigation.

The Commission adjourned to Closed Session at 4:08 p.m. and reconvened at 4:40 p.m. General Counsel Les Girard stated there was no reportable action.

Adjournment to the Next Meeting

Chair Snodgrass adjourned the meeting at 4:41 p.m.

The next Regular LAFCO meeting is scheduled for Monday, *May 18, 2015 at 4:00 p.m.

*Note: (The May 18, 2015 meeting was canceled and the next Regular meeting is scheduled for June 22, 2015).

**2015
Committee**

Chair
Simón Salinas
County Member

Ralph Rubio
City Member

Graig R. Stephens
Special District Member

Draft MEETING NOTES
BUDGET AND FINANCE COMMITTEE MEETING

Friday, May 28, 2015, 9:00 a.m.
LAFCO Office
132 W. Gabilan Street, Suite 102
Salinas, California 93901

Roll Call

Staff

Kate McKenna, AICP
Executive Officer

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Members Present

Commissioner Simón Salinas
Commissioner Graig Stephens
Commissioner Ralph Rubio

Staff and Consultants Present

Kate McKenna, AICP, Executive Officer
Mike Briley, CPA, Managing Partner, Hayashi Wayland
Kris Humphries, Human Resources Advisor, Regional Government Services

Call to Order

The Budget and Finance Committee of the Local Agency Formation Commission of Monterey County was called to order by Committee Chair/Commissioner Salinas at 9:00 a.m.

Public Comment

There were no public comments.

New Business

1. Consider Draft Financial Statements for Period Ending March 31, 2015.

Executive Officer McKenna and Mr. Briley presented a report.

After discussion, the Committee unanimously recommended approval of the Draft Financial Statements.

2. Consider Profit/Loss Budget vs. Actuals Worksheet Dated May 8, 2015.

Executive Officer McKenna and Mr. Briley reviewed the report.

After discussion, the Committee unanimously accepted the Profit/Loss Budget vs. Actuals Worksheet.

3. Consider Budget Amendment No. 2 for FY 2014-15 Budget, and Related Actions.

Executive Officer McKenna presented a report. After discussion, the Committee unanimously recommended approval of the proposed budget amendment and related actions.

4. Consider Job Classification and Salary Study for Administrative Secretary/Clerk to the Commission position.

Executive Officer McKenna and Human Resources Advisor Humphries provided a report. After discussion the Committee provided direction, and unanimously voted to continue the agenda item to a special meeting date to be determined.

5. Consider Establishing an Assistant Analyst Classification and Salary Range for the Vacant Analyst Position.

Executive Officer McKenna and Human Resources Advisor Humphries presented a report. After discussion, the Committee provided direction, and unanimously voted to continue the agenda item to a special meeting date to be determined.

Other Business

None.

Adjournment to the Next Meeting.

The meeting was adjourned at 10:00 a.m. A special meeting of Budget and Finance Committee Meeting will be scheduled in June or July 2015.

LOCAL AGENCY FORMATION COMMISSION

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KATE McKENNA, AICP
Executive Officer

DATE: June 22, 2015
TO: Chair and Members of the Formation Commission
FROM: Kate McKenna, AICP, Executive Officer
SUBJECT: MEETING NOTES – JUNE 1, 2015 PROTEST PROCEEDINGS
(PAJARO/SUNNY MESA COMMUNITY SERVICES DISTRICT, LAFCO
FILE NO. 14-05)

SUMMARY OF RECOMMENDATION:

It is recommended that the Commission accept the attached meeting notes.

EXECUTIVE OFFICER'S REPORT:

On June 1, 2015, Conducting Authority proceedings were held to consider any written protests of the Commission's April 2015 action to approve the District's proposed annexation of the following areas already served by the following District-owned and -operated water systems: Moss Landing Water Service, Inc. in the Moss Landing area, and NORMCO, Blackie Road #18, Vierra Canyon, and Langley/Valle Pacifico water systems in the Prunedale area.

The proceedings were conducted by the Executive Officer in the LAFCO office, as previously authorized by the Commission. No protest was received, and the Executive Officer ordered the action.

Respectfully Submitted,



Kate McKenna, AICP,
Executive Officer

Attachment: June 1, 2015 Meeting Notes

KATE McKENNA, AICP
Executive Officer

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Draft MEETING NOTES
LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY
Conducting Authority Proceedings, As Authorized by the Commission

Monday, June 1, 2015
10:00 a.m.

Local Agency Formation Commission Conference Room
132 W. Gabilan Street, Second Floor
Salinas, California

The Local Agency Formation Commission Special Meeting was called to order by Executive Officer Kate McKenna, who had been authorized by the Commission to conduct these proceedings.

Attendance: Executive Officer Kate McKenna, AICP
Senior Analyst Darren McBain

Call to Order

Pledge of Allegiance

Public Comments

There was no public comment.

Public Hearing

1. Conducting Authority (“Protest”) Proceedings for the Pajaro/Sunny Mesa Community Services District’s proposed annexation of the following areas already served by the following District-owned and -operated water systems: Moss Landing Water Service, Inc. in the Moss Landing area, and NORMCO, Blackie Road #18, Vierra Canyon, and Langley/Valle Pacifico water systems in the Prunedale area (LAFCO File No. 14-05). The purpose of this meeting is to allow registered voters or landowners within the District to protest the Commission’s decision to approve the annexation.

The Local Agency Formation Commission approved this change of organization at its April 27, 2015 regular meeting. State law requires a subsequent protest hearing unless all property owners provided prior written consent to the proposal. Registered voters or landowners within the District may file written protests before or during the protest hearing.

Recommended Action: Hold protest proceedings for this approved proposal.

Executive Officer McKenna opened the Conducting Authority Proceedings. There were no members of the public present and no protests registered. Executive Officer McKenna closed the Proceedings and ordered the Change of Organization.

Adjournment to the Next Meeting

The meeting was adjourned at 10:05 a.m.

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KATE McKENNA, AICP
Executive Officer

DATE: June 22, 2015
TO: Chair and Members of the Formation Commission
FROM: Kate McKenna, AICP, Executive Officer
SUBJECT: ANTICIPATED FUTURE AGENDA ITEMS AND PROGRESS REPORT ON
SPECIAL STUDIES

SUMMARY OF RECOMMENDATION:

This report is for information only.

EXECUTIVE OFFICER'S REPORT:

Following are current work priorities and a partial list of items that the Commission may consider in coming months. Attachment 1 is a progress report on LAFCO's special studies.

Current FY Work Program Items to be Carried Over to FY 2015-2016

1. **Carmel Area Wastewater District** – Municipal Service Review (*Initiated by LAFCO in March 2014*); Sphere of Influence Amendment and Annexation of all or significant portions of the District's existing Sphere of Influence near the mouth of the Carmel Valley and potentially other areas (*Application is being prepared; not yet received*).
2. **All Cemetery Districts** – Municipal Service Review and Sphere of Influence Studies for Gonzales, Soledad, Greenfield, King City, San Lucas, San Ardo, Cholame, and Castroville Cemetery Districts (*Initiated by LAFCO in December 2014*).
3. Independent special districts that provide **water, memorial, and recreation services** in the **central and south Salinas Valley** – Municipal Service Review and Sphere of Influence Studies for the San Ardo and San Lucas County Water Districts, Greenfield Memorial District, and Soledad Mission and Greenfield Public Recreation Districts. (*Initiated by LAFCO in December 2014*).
4. **Marina Coast Water District**
 - Municipal Service Review (*Initiated by LAFCO. Administrative draft was prepared by LAFCO staff and reviewed with District in 2013, and will be updated when District is ready to submit an SOI/annexation application to LAFCO. In February 2014, MCWD formed an ad hoc committee to meet with Seaside County Sanitation District to resolve ongoing issues regarding establishment of an appropriate boundary between the two districts. MSR and SOI adoption schedule is dependent on the districts*), and

Anticipated Future Agenda Items
June 22, 2015

- Sphere of Influence Amendment and Annexation of portions of the former Fort Ord, and/or the “Cemex” site, to provide water and wastewater services (*May be initiated by the District; not submitted yet. See MSR discussion above*).
5. **Seaside County Sanitation District**
 - Municipal Service Review (*Initiated by LAFCO. Administrative draft MSR was prepared by LAFCO staff and reviewed with District in 2013, and will be updated when the District is ready to submit a SOI/annexation application to LAFCO. As of February 2015, SCSD is continuing to coordinate with MCWD to resolve ongoing engineering and feasibility issues, and then will arrange a stakeholders meeting to discuss a proposed Sphere of Influence. MSR and SOI adoption schedule is dependent on the two districts*).
 - Sphere of Influence Amendment and Annexation of portions of the former Fort Ord to Provide Wastewater Services (*To be initiated by District; not submitted yet. See MSR discussion and related MCWD item above*).
 6. **City of Seaside** – Municipal Service Review (*Will be initiated by LAFCO at such time as warranted by schedule for potential SOI Amendment*); Sphere of Influence Amendment and Annexation of the Proposed Monterey Downs Project, Horse Park and Central Coast Veterans Cemetery (*To be initiated by City; not submitted yet*).
 7. **Aromas Water District** – Annexation of several parcels within the District’s existing Sphere of Influence Amendment, near the recently completed Oak Ridge – Via del Sol annexation (*To be initiated by District; not submitted yet*).
 8. **City of Soledad** – Sphere of Influence Amendment for Miravale III. Sphere of Influence Amendment and Annexation of Miravale IIB Subdivision. Additional potential inclusions: Existing 10-Unit Residential Development Near Gabilan Drive, Front Street freeway interchange safety improvements, 4.35-acre expansion area within the “Soledad Entry Commercial Annexation,” Metz Road bypass, Los Coches Adobe vicinity; possibly others. (*Municipal Service Review will potentially be initiated by LAFCO, if determined necessary depending on the scope of the proposed Sphere Amendments and Annexations*.)
 9. **City of Greenfield** – Potential Commercial/Industrial and Residential Annexation Proposals (Franscioni, Scheid, and others). (*Initial Preliminary Discussion*)
 10. **Salinas Valley Memorial Healthcare System** – Municipal Service Review and Sphere of Influence Study (*Initiated by LAFCO in September 2014*)

Anticipated New Work Program Items to be Considered in FY 2015-2016

11. **Spreckels-area** –
 - Municipal Service Review and Sphere of Influence Studies for Spreckels Community Services District and Spreckels Memorial District. (*To be initiated by LAFCO*)
12. **Recreation Districts** – Municipal Service Review and Sphere of Influence Studies for Carmel Valley Recreation and Park District, North County Recreation and Park District, and Monterey Peninsula Regional Park District. (*To be initiated by LAFCO*)
13. Potential formation of a **new community services district** to serve future development of Ferrini Ranch and other Highway 68-area properties. (*May be initiated by County or others*)
14. **City of Salinas** – Proposed Economic Development Element of the City’s General Plan. Will require LAFCO review and comment on the City’s environmental document (with LAFCO as a responsible agency under CEQA), and other tasks related to potential future Sphere of Influence

Anticipated Future Agenda Items
June 22, 2015

Amendments and Annexations to the City of Salinas. A Municipal Service Review update will likely be necessary. *(LAFCO Commission received an informational presentation in 2014; informal staff discussion held with City; awaiting CEQA and other City documents for review and comment)*

15. **King City** – Potential Sphere of Influence Amendment and Annexation of the existing College Ville farmworker housing complex located adjacent to existing city limits. *(Initial Preliminary Discussion)*

Respectfully Submitted,



Kate McKenna, AICP,
Executive Officer

Attachment I:
Progress Report – Municipal Service Reviews/Sphere of Influence Studies

Attachment 1

Status of 2015 Municipal Service Review / Sphere of Influence Studies

Currently in Progress, as of June 2015:

- Marina Coast Water District – *Administrative draft under review*
- Seaside County Sanitation District – *Administrative draft under review*
- Carmel Area Wastewater District – *Administrative draft under review*
- Salinas Valley Memorial Healthcare System – *Information collection in process*
- San Ardo Water District – *Administrative draft being prepared*
- San Lucas County Water District – *Administrative draft being prepared*
- Castroville Cemetery District – *Administrative draft being prepared*
- Cholame Cemetery District – *Administrative draft being prepared*
- Gonzales Cemetery District – *Administrative draft being prepared*
- King City Cemetery District – *Administrative draft being prepared*
- San Ardo Cemetery District – *Administrative draft being prepared*
- San Lucas Cemetery District – *Administrative draft being prepared*
- Soledad Cemetery District – *Administrative draft being prepared*
- Greenfield Memorial District – *Administrative draft being prepared*
- Soledad Mission Recreation District – *Administrative draft being prepared*
- Greenfield Public Recreation District – *Administrative draft being prepared*

Not Yet Initiated, But Anticipated in LAFCO's Annual Work Program:

- City of Seaside
- City of Soledad
- City of Salinas
- Spreckels Community Services District and Spreckels Memorial District
- Carmel Valley Recreation and Park District, North County Recreation and Park District, and Monterey Peninsula Regional Park District
- Potential formation of a new community services district to serve future development of Ferrini Ranch and other Highway 68-area properties.

LAFCO
 LOCAL AGENCY FORMATION COMMISSION
 OF MONTEREY COUNTY
 RABOBANK WARRANT REGISTER
 FOR APRIL 30, 2015

DATE	CK#	NAME	DESCRIPTION	CHECK AMOUNT	DEPOSIT AMOUNT	ACCOUNT BALANCE
Beginning Balance 4/1/2015						\$ 115,537.98
04/03/2015	EFT	CalPERS Health	April 2015 Health Insurance EFT# 1000536341	4,470.24		111,067.74
04/09/2015	EFT	QuickBooks Payroll Service	For Payroll Period Ending 4/3/15 Paid 4/10/15	8,145.95		102,921.79
04/10/2015	EFT	CalPERS 457 Program	CalPers 457 Deferred Compensation Contribution	2,451.45		100,470.34
04/10/2015	EFT	CalPERS Retirement	CalPers Retirement Contribution	2,694.86		97,775.48
04/10/2015	EFT	EDD	State Payroll Tax Deposit	944.05		96,831.43
04/10/2015	EFT	EFTPS	Federal Payroll Tax Deposit	2,602.44		94,228.99
04/10/2015	4926	Darren J McBain	For Payroll Period Ending 4/3/15 Paid 4/10/15	0.00		94,228.99
04/10/2015	4927	Gail M Lawrence	For Payroll Period Ending 4/3/15 Paid 4/10/15	0.00		94,228.99
04/10/2015	4928	Kathryn M. McKenna	For Payroll Period Ending 4/3/15 Paid 4/10/15	0.00		94,228.99
04/10/2015	4929	Taven M Kinison Brown	For Payroll Period Ending 4/3/15 Paid 4/10/15	2,158.81		92,070.18
04/14/2015	4930	Taven M Kinison Brown	For Payroll Period Ending 4/4/15-4/13/15 Paid 4/14/15	1,349.90		90,720.28
04/14/2015	4931	Taven M Kinison Brown	Paid Admin Leave Balance Payout	2,255.49		88,464.79
04/16/2015	EFT	EDD	State Payroll Tax Deposit	148.44		88,316.35
04/16/2015	EFT	EFTPS	Federal Payroll Tax Deposit	605.44		87,710.91
04/23/2015	EFT	QuickBooks Payroll Service	For Payroll Period Ending 4/17/15 Paid 4/24/15	8,230.60		79,480.31
04/24/2015	EFT	CalPERS 457 Program	CalPers 457 Deferred Compensation Contribution	2,321.79		77,158.52
04/24/2015	EFT	CalPERS Retirement	CalPers Retirement Contribution	2,471.82		74,686.70
04/24/2015	EFT	EDD	State Payroll Tax Deposit	772.49		73,914.21
04/24/2015	EFT	EFTPS	Federal Payroll Tax Deposit	2,012.82		71,901.39
04/24/2015	4932	Darren J McBain	For Payroll Period Ending 4/17/15 Paid 4/24/15	0.00		71,901.39
04/24/2015	4933	Gail M Lawrence	For Payroll Period Ending 4/17/15 Paid 4/24/15	0.00		71,901.39
04/24/2015	4934	Kathryn M. McKenna	For Payroll Period Ending 4/17/15 Paid 4/24/15	0.00		71,901.39
				<u>\$ 43,636.59</u>	<u>\$ -</u>	
Ending Balance 4/30/2015						<u>\$ 71,901.39</u>

LAFCO
LOCAL AGENCY FORMATION COMMISSION
OF MONTEREY COUNTY
RABOBANK WARRANT REGISTER
FOR MAY 31, 2015

DATE	CK#	NAME	DESCRIPTION	CHECK AMOUNT	DEPOSIT AMOUNT	ACCOUNT BALANCE
Beginning Balance 5/1/2015						\$ 71,901.39
05/07/2015	EFT	QuickBooks Payroll Service	For Payroll Period Ending 5/1/15 Paid 5/8/15	8,259.04		63,642.35
05/08/2015	EFT	EDD	State Payroll Tax Deposit	852.65		62,789.70
05/08/2015	4935	Gail M Lawrence	For Payroll Period Ending 5/1/15 Paid 5/8/15	0.00		62,789.70
05/08/2015	4936	Kathryn M. McKenna	For Payroll Period Ending 5/1/15 Paid 5/8/15	0.00		62,789.70
05/08/2015	4937	Darren J McBain	For Payroll Period Ending 5/1/15 Paid 5/8/15	0.00		62,789.70
05/12/2015	EFT	Rabobank	Bank Analysis Charge	7.12		62,782.58
				<u>\$ 9,118.81</u>	<u>\$ -</u>	
Ending Balance 5/31/2015						<u>\$ 62,782.58</u>

LAFCO
 LOCAL AGENCY FORMATION COMMISSION
 OF MONTEREY COUNTY
 WELLS FARGO BANK WARRANT REGISTER
 FOR APRIL 30, 2015

DATE	CK#	NAME	DESCRIPTION	CHECK AMOUNT	DEPOSIT AMOUNT	ACCOUNT BALANCE
Beginning Balance 4/1/2015						\$ 48,678.31
04/11/2015	5028	Cardmember Service	Policy Handbook; 2015 CaLafco Staff Workshop in Grass Valley, CA	1,347.28		47,331.03
04/11/2015	5029	County of Monterey	Filing Fee for Notice of Exemption for PSMCSD	50.00		47,281.03
04/11/2015	5030	County of Monterey, Information Technology	Computer Support Services From 7/1/14-2/28/15	6,310.00		40,971.03
04/11/2015	5031	Hayashi Wayland	Accounting Services #72520	3,000.00		37,971.03
04/11/2015	5032	IBM Corporation	Leased Computers for Lafco Staff 4/1/15-4/30/15	172.96		37,798.07
04/11/2015	5033	SDRMA	2014-2015 Qtr 4 W/C Quarterly Premium	390.00		37,408.07
04/11/2015	5034	Staples Advantage	Office Supplies	185.21		37,222.86
04/24/2015	5035	Bruce Lindsey	Monthly Building Rent	1,926.28		35,296.58
04/24/2015	5036	APA	APA Membership for Kate McKenna 7/1/15-6/30/16	728.00		34,568.58
04/24/2015	5037	FedEx Office Customer Administrative Svcs	Board Packet Tabs for 3/20/15	78.82		34,489.76
04/24/2015	5038	King City Rustler	10 Week Subscription	12.75		34,477.01
04/24/2015	5039	Principal Life	May 2015 Benefits: LTD,ADD,STD,Life	358.75		34,118.26
04/24/2015	5040	United Group Insurance Trust	May 2015 Dental \$645.40;Vision \$78.32	723.82		33,394.44
04/30/2015	TFR	County of Monterey	Funds Transfer		150,000.00	183,394.44
				<u>\$ 15,283.87</u>	<u>\$ 150,000.00</u>	
Ending Balance 4/30/2015						<u>\$ 183,394.44</u>

LAFCO
LOCAL AGENCY FORMATION COMMISSION
OF MONTEREY COUNTY
WELLS FARGO BANK WARRANT REGISTER
FOR MAY 31, 2015

DATE	CK#	NAME	DESCRIPTION	CHECK AMOUNT	DEPOSIT AMOUNT	ACCOUNT BALANCE
Beginning Balance 5/1/2015						\$ 183,394.44
05/01/2015	EFT	CalPERS Health	May 2015 Health Insurance EFT#1000547193	4,470.24		178,924.20
05/08/2015	5041	AT&T Mobility	Telephone Service 3/14/15-4/13/15	169.05		178,755.15
05/08/2015	5042	Copymat	4/27/15 Bound Packets	146.60		178,608.55
05/08/2015	5043	IBM Corporation	Leased Computers for Lafco Staff 5/1/15-5/31/15	172.96		178,435.59
05/08/2015	5044	Quality Water Enterprises, Inc.	Water Dispenser Rental 5/1/15-5/31/15	19.30		178,416.29
05/08/2015	5045	Sunrise Express	Binder Deliveries	261.92		178,154.37
05/08/2015	EFT	CalPERS 457 Program	CalPers 457 Deferred Compensation Contribution	2,097.81		176,056.56
05/08/2015	EFT	CalPERS Retirement	CalPers Retirement Contribution	2,136.34		173,920.22
05/08/2015	EFT	EFTPS	Federal Payroll Tax Deposit	2,234.74		171,685.48
05/12/2015	EFT	CalPERS Retirement	Order GASB 68 Report-Plan 5580	850.00		170,835.48
05/12/2015	EFT	CalPERS Retirement	Order GASB 68 Report-Plan 27008	850.00		169,985.48
05/19/2015	EFT	QuickBooks Payroll Service	For Payroll Period Ending 5/15/15 Paid 5/22/15	0.34		169,985.14
05/19/2015	EFT	QuickBooks Payroll Service	For Payroll Period Ending 5/15/15 Paid 5/22/15	0.68		169,984.46
05/21/2015	EFT	QuickBooks Payroll Service	For Payroll Period Ending 5/15/15 Paid 5/22/15	7,540.50		162,443.96
05/22/2015	5046	Darren J McBain	For Payroll Period Ending 5/15/15 Paid 5/22/15	0.00		162,443.96
05/22/2015	5047	Gail M Lawrence	For Payroll Period Ending 5/15/15 Paid 5/22/15	0.00		162,443.96
05/22/2015	5048	Kathryn M. McKenna	For Payroll Period Ending 5/15/15 Paid 5/22/15	0.00		162,443.96
05/22/2015	EFT	CalPERS 457 Program	CalPers 457 Deferred Compensation Contribution	2,022.03		160,421.93
05/22/2015	EFT	CalPERS Retirement	CalPers Retirement Contribution	2,136.34		158,285.59
05/22/2015	EFT	EDD	State Payroll Tax Deposit	784.18		157,501.41
05/22/2015	EFT	EFTPS	Federal Payroll Tax Deposit	2,109.12		155,392.29
05/27/2015	5049	Cardmember Service	Office Supplies; 2015 CaLafco Staff Workshop Lodging	422.85		154,969.44
05/27/2015	5050	Bruce Lindsey	Monthly Building Rent	1,926.28		153,043.16
05/27/2015	5051	County of Monterey, Information Technology	Computer Support Services Through 4/3/15	1,147.00		151,896.16
05/27/2015	5052	FedEx Office Customer Administrative Svcs	Postage Priority Overnight	30.00		151,866.16
05/27/2015	5053	Hayashi Wayland	Accounting Services #72520	3,000.00		148,866.16
05/27/2015	5054	MBS Business Systems	Copier Rental 5/8/15-8/7/15	947.10		147,919.06
05/27/2015	5055	Office of County Counsel - Co of Monterey	Legal Services March 2015	103.74		147,815.32
05/27/2015	5056	Regional Government Services	Contract Services: Kristine Humphries	90.00		147,725.32
05/27/2015	5057	Staples Advantage	Office Supplies	404.69		147,320.63
05/27/2015	5058	Darren McBain	Mileage Reimbursement April 2015 (460 miles @ \$0.575/mile)	264.50		147,056.13
05/27/2015	DEP	QuickBooks Payroll Service	Direct Deposit Enrollment Fee Reimbursed		1.02	147,057.15
				\$ 36,338.31	\$ 1.02	
Ending Balance 5/31/15						\$ 147,057.15

LAFCO *of Monterey County*

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

**2015
Committee**

Chair
Simón Salinas
County Member

Ralph Rubio
City Member

Graig R. Stephens
Special District Member

DATE: June 22, 2015
TO: Chair and Members of the Formation Commission
FROM: Kate McKenna, AICP, Executive Officer
SUBJECT: DRAFT FINANCIAL STATEMENTS FOR PERIOD ENDING
MARCH 31, 2015

SUMMARY OF RECOMMENDATION:

The Budget and Finance Committee recommends that the Commission accept this item.

Staff

Kate McKenna, AICP
Executive Officer

EXECUTIVE OFFICER'S REPORT:

Enclosed are draft financial statements for the third quarter of the fiscal year. Overall revenue and expenditures are as anticipated for this period. These statements reflect the pay-off of LAFCO's unfunded pension liability from the Unreserved Fund Balance, as authorized by the Commission in February 2015.

132 W. Gabilan Street, #102
Salinas, CA 93901

P. O. Box 1369
Salinas, CA 93902

Voice: 831-754-5838
Fax: 831-754-5831

www.monterey.lafco.ca.gov

LAFCO's Budget and Finance Committee discussed this matter with Executive Officer McKenna and Mr. Mike Briley, CPA, Managing Partner, Hayashi Wayland, on May 28.

Respectfully Submitted,



Kate McKenna, AICP,
Executive Officer

Enclosure: Draft Financial Statements, March 31, 2015

**Local Agency Formation Commission
of Monterey County
Financial Statements
March 31, 2015**

Draft

**LOCAL AGENCY FORMATION COMMISSION
OF MONTEREY COUNTY**

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HAYASHI | WAYLAND

ACCOUNTANTS' COMPILATION REPORT

To the Chair and Commissioners
Local Agency Formation Commission
LAFCO of Monterey County
Salinas, California

We have compiled the accompanying financial statements of the **Local Agency Formation Commission of Monterey County (LAFCO)** as of and for the nine months ended March 31, 2015. We have not audited or reviewed the financial statements included in the accompanying prescribed form and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

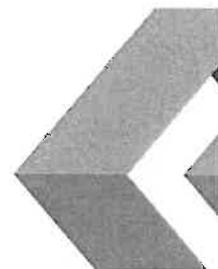
Management is responsible for the preparation and fair presentation of the financial statements included in the form prescribed by LAFCO and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist LAFCO in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

The financial statements included in the accompanying prescribed form are presented in accordance with the requirements of LAFCO, which differ from accounting principles generally accepted in the United States of America. Accordingly, these financial statements are not designed for those who are not informed about such differences.

We are not independent with respect to **LAFCO**.

April 24, 2015



LAFCO of Monterey County
Balance Sheets
March 31, 2015 and 2014

ASSETS			
	<u>ACCT #</u>	<u>2015</u>	<u>2014</u>
CURRENT ASSETS:			
Cash Held in Bank:			
Rabobank Operating	1000	\$ 115,537.98	\$ 51,802.93
Wells Fargo Operating	1007	48,678.31	-
Total Cash Held in Rabobank		<u>164,216.29</u>	<u>51,802.93</u>
Cash Held in County Treasury:			
Cash Held for Operating Expenses	1010	280,555.08	430,527.69
Designated Cash for Reserve for Litigation	1012	300,036.51	300,036.51
Designated Cash for Accrued Leave	1013	38,519.73	35,604.55
Designated Cash for Post Retirement (GASB 45)	1014	9,379.00	9,968.00
Designated Cash for Reserve for Contingency	1015	156,779.00	156,779.00
Total Cash Held in County Treasury		<u>785,269.32</u>	<u>932,915.75</u>
Petty Cash	1100	100.00	100.00
Total Cash		<u>949,585.61</u>	<u>984,818.68</u>
Other Current Assets:			
Wells Fargo Bank Receivable	1310	181.85	-
Prepaid Insurance	1400	2,819.71	3,310.67
Prepaid Expenses	1405	3,163.81	3,391.98
Total Other Current Assets		<u>6,165.37</u>	<u>6,702.65</u>
Total Current Assets		<u>955,750.98</u>	<u>991,521.33</u>
PROPERTY AND EQUIPMENT:			
Equipment	1500	29,120.35	23,906.06
Accumulated Depreciation	1550	(24,130.14)	(21,497.65)
Total Property and Equipment		<u>4,990.21</u>	<u>2,408.41</u>
TOTAL ASSETS		<u>\$ 960,741.19</u>	<u>\$ 993,929.74</u>
LIABILITIES AND EQUITY			
	<u>ACCT #</u>	<u>2015</u>	<u>2014</u>
CURRENT LIABILITIES:			
Accounts Payable	2000	\$ 1,627.66	\$ 4,156.11
Payroll Liabilities*	2200	168.00	156.64
Accrued Leave	2220	38,519.73	35,604.55
Post Retirement (GASB 45)	2230	9,379.00	9,968.00
Total Current Liabilities		<u>49,694.39</u>	<u>49,885.30</u>
Total Liabilities		<u>49,694.39</u>	<u>49,885.30</u>
EQUITY:			
Invested in Capital Assets	3700	4,990.21	2,408.41
Encumbered Funds	3710	14,681.90	6,895.00
Reserve for Litigation	3800	300,036.51	300,036.51
Reserve for Contingency	3810	156,779.00	156,779.00
Unreserved Fund**	3850	434,559.18	477,925.52
Total Equity		<u>911,046.80</u>	<u>944,044.44</u>
TOTAL LIABILITIES AND EQUITY		<u>\$ 960,741.19</u>	<u>\$ 993,929.74</u>

**Includes revenue received in the current year to be used for operating expenses through 6/30/15

LAFCO of Monterey County
Income and Expense Budget Performance - Summary
March 31, 2015

ACCT #	Income:	Mar 15	Mar 14	% of Budget Received/Spent		July 14-Mar 15	July 13-Mar 14	Adopted 14/15 Budget	Remaining Budget Balance	% of Remaining Budget Balance
				Mar 15	Mar 15					
4000	Fees: Project	\$ -	\$ -	0.00%		\$ 5,512.97	\$ 9,946.47	\$ 10,000.00	\$ (4,487.03)	-44.87%
4205	County Contributions	-	-	0.00%		249,367.00	250,164.00	249,367.00	-	0.00%
4210	City Contributions	-	-	0.00%		249,366.99	250,164.01	249,367.00	(0.01)	0.00%
4220	District Contributions	-	-	0.00%		249,367.00	250,166.00	249,366.00	1.00	0.00%
4300	Interest	0.04	-	0.00%		2,193.79	1,958.21	1,500.00	593.79	46.25%
	Total Income	0.04	-	0.00%		755,807.75	762,398.69	759,600.00	(3,792.25)	-0.50%
	Expense:									
VAR	Employee Salaries	31,737.27	27,272.04	7.57%		300,859.18	271,945.53	419,000.00	118,140.82	28.20%
VAR	Employee Benefits	12,849.01	12,890.56	6.95%		113,752.94	115,101.76	185,000.00	71,247.06	38.51%
7000	Postage and Shipping	503.57	158.77	16.79%		1,709.14	1,036.86	3,000.00	1,290.86	43.03%
7010	Books and Periodical	293.49	49.70	29.35%		944.50	815.98	1,000.00	55.50	5.55%
7030	Copy Machine	315.70	315.70	4.86%		4,825.75	4,102.50	6,500.00	1,674.25	25.76%
7040	Outside Printers	1,162.15	464.06	23.24%		3,094.78	2,958.12	5,000.00	1,905.22	38.10%
7060	Office Supplies	185.21	99.91	4.12%		2,444.95	3,020.32	4,500.00	2,055.05	45.67%
7080	Computer Hardware/Peripherals	171.16	1,254.99	6.85%		1,524.65	2,030.15	2,500.00	975.35	39.01%
7085	Computer Support Svcs Fixed Costs	-	2,193.34	0.00%		667.00	6,012.36	7,500.00	6,833.00	91.11%
7090	Computer Support Svcs Variable Costs	-	100.00	0.00%		4,623.00	2,852.00	6,000.00	1,377.00	22.95%
7100	Computer Software	79.99	89.98	0.00%		411.90	89.98	500.00	88.10	17.62%
7105	Meeting Broadcast Services	-	-	0.00%		-	-	3,300.00	3,300.00	100.00%
7110	Property and Gen Liability Insurance	422.30	341.14	7.97%		3,800.70	3,070.26	5,300.00	1,499.30	28.29%
7120	Office Maintenance Services	-	-	0.00%		-	-	400.00	400.00	100.00%
7140	Travel	-	-	0.00%		2,809.73	6,042.47	7,000.00	4,190.27	59.86%
7150	Training, Conferences & Workshops	-	-	0.00%		2,422.52	4,560.31	8,500.00	6,077.48	71.50%
7160	Vehicle Mileage	147.78	-	7.39%		595.05	1,036.50	2,000.00	1,404.95	70.25%
7170	Rental of Buildings	1,926.28	1,926.28	8.27%		17,336.52	17,336.52	23,300.00	5,963.48	25.59%
7200	Telephone Communications	1,097.46	403.47	18.29%		4,615.17	3,368.59	6,000.00	1,384.83	23.08%
7230	Temporary Help Services (Clerical)	-	-	0.00%		-	1,859.19	7,000.00	7,000.00	100.00%
7242	Outside Prof. Services: Accounting	3,000.00	3,000.00	8.00%		24,000.00	24,900.00	37,500.00	13,500.00	36.00%
7245	General and Special Legal Services	3,041.28	933.66	46.79%		3,974.94	2,545.08	6,500.00	2,525.06	38.85%
7248	Outside Prof. Services: Annual Audit	-	-	0.00%		13,000.00	13,000.00	13,000.00	-	0.00%
7250	Miscellaneous Office Expense	17.84	15.92	2.97%		372.08	599.72	600.00	227.92	37.99%
7260	Legal Notices	50.00	714.16	1.25%		955.47	1,675.65	4,000.00	3,044.53	76.11%
7261	Pass-Through Expense	-	350.00	0.00%		-	350.00	-	-	0.00%
7270	Recruitment Advertising	229.52	1,711.06	0.00%		229.52	1,711.06	-	(229.52)	0.00%
7280	LAFCO Memberships	-	-	0.00%		4,239.00	4,116.00	4,700.00	461.00	9.81%
7285	Records Storage & Security	-	1,227.19	0.00%		8,332.00	6,590.45	10,000.00	1,668.00	16.68%
7300	Depreciation	230.00	117.00	0.00%		2,091.00	1,046.00	-	(2,091.00)	0.00%
	Total Expense	57,460.01	55,628.93	7.37%		523,631.49	503,773.36	779,600.00	255,968.51	32.83%
	Net Ordinary Income (Loss)	(57,459.97)	(55,628.93)			232,176.26	258,625.33	(20,000.00)		
	Other Income/(Expense):									
8106	Prior Year Project Fees Returned	-	-			-	(6,379.25)	-	-	
8107	Use of Contingency Reserve	-	-			-	(13,221.00)	-	-	
8110	From Unreserved Funds	(108,396.00)	-			(108,396.00)	-	20,000.00	-	
8112	Encumbered Funds: Recruitment Advertising	-	-			(862.50)	-	-	-	
	Total Other Income/(Expense)	(108,396.00)	-			(109,258.50)	(19,600.25)	20,000.00		
	Net Income (Loss)	\$ (165,855.97)	\$ (55,628.93)			\$ 122,917.76	\$ 239,025.08	\$ -		

LAFCO of Monterey County
Income and Expense Budget Performance - Detail
March 31, 2015

ACCT #	Income:	% of Budget Received/Spent				Adopted 14/15 Budget	Remaining Budget Balance	% of Remaining Budget Balance	
		Mar 15	Mar 14	July 14-Mar 15	July 13-Mar 14				
4000	Fees: Project	-	-	0.00%	\$ 5,512.97	\$ 9,946.47	\$ 10,000.00	\$ (4,487.03)	-44.87%
4205	County Contributions	-	-	0.00%	249,367.00	250,164.00	249,367.00	-	0.00%
4210	City Contributions	-	-	0.00%	249,366.99	250,164.01	249,367.00	(0.01)	0.00%
4220	District Contributions	-	-	0.00%	249,367.00	250,166.00	249,366.00	1.00	0.00%
4300	Interest	0.04	-	0.00%	2,193.79	1,958.21	1,500.00	693.79	46.25%
	Total Income	0.04	-	0.00%	755,807.75	762,398.69	759,600.00	(3,792.25)	-0.50%
Expense:									
6000	Employee Salaries-Other	-	-	-	-	4,000.01	-	-	-
6002	Regular Earnings	31,737.27	27,272.04	300,859.18	300,859.18	267,945.52	419,000.00	118,140.82	28.20%
	Employee Salaries	31,737.27	27,272.04	300,859.18	300,859.18	271,945.53	419,000.00	118,140.82	28.20%
6006	Flex Plan Cash	270.06	270.06	2,430.54	2,430.54	-	-	-	-
6007	Management Expense Allowance	50.00	50.00	450.00	450.00	-	-	-	-
6010	Accrued Leave	1,500.91	2,882.01	(1,480.41)	(1,480.41)	(31,396.05)	-	-	-
6011	Car Allowance	400.00	400.00	3,600.00	3,600.00	-	-	-	-
6013	Post Retirement Healthcare Reserve	-	-	(589.00)	(589.00)	884.00	-	-	-
6101	Payroll Expenses	486.24	453.92	1,164.00	1,164.00	5,827.17	-	-	-
6102	Worker's Compensation Insurance	129.33	616.66	718.00	718.00	-	-	-	-
6103	Employee Memberships	-	-	17,855.39	17,855.39	16,545.12	-	-	-
6104	Deferred Comp Plan Contribution	1,967.71	1,623.44	29,788.96	29,788.96	31,591.89	-	-	-
6105	PERS Retirement	3,323.95	3,202.57	142.16	142.16	124.39	-	-	-
6110	PERS Health - Other	18.11	12.86	4,924.00	4,924.00	4,771.00	-	-	-
6111	PERS Health - Med ER Non-Elective	6,100.00	476.00	25,804.53	25,804.53	24,417.82	-	-	-
6112	PERS Health - Med ER Pre Tax	3,442.13	2,191.97	642.60	642.60	785.40	-	-	-
6131	LIFE	71.40	47.60	108.00	108.00	132.00	-	-	-
6132	ADD	12.00	8.00	3,702.04	3,702.04	3,411.65	-	-	-
6133	Dental	245.38	321.41	425.32	425.32	398.54	-	-	-
6134	Vision	19.64	36.84	3,978.54	3,978.54	3,886.91	-	-	-
6135	LTD	227.23	223.31	241.20	241.20	241.20	-	-	-
6136	EAP	26.80	26.80	438.13	438.13	412.69	-	-	-
6139	STD	48.12	47.11	12,859.20	12,859.20	39,567.96	-	-	-
7294	Accrued Leave Reserve	12,849.01	12,890.56	113,752.94	113,752.94	115,101.76	185,000.00	71,247.06	38.51%
	Employee Benefits	503.57	158.77	1,709.14	1,709.14	1,036.86	3,000.00	1,290.86	43.03%
7000	Postage and Shipping	293.49	293.49	944.50	944.50	815.98	1,000.00	55.50	5.55%
7010	Books and Periodical	315.70	315.70	4,825.75	4,825.75	4,102.50	6,500.00	1,674.25	25.76%
7030	Copy Machine	1,162.15	464.06	3,094.78	3,094.78	2,958.12	5,000.00	1,905.22	38.10%
7040	Outside Printers	185.21	99.91	2,444.95	2,444.95	3,020.32	4,500.00	2,055.05	45.67%
7060	Office Supplies	171.16	1,254.99	1,524.65	1,524.65	2,030.15	2,500.00	975.35	39.01%
7080	Computer Hardware/Peripherals	-	2,193.34	667.00	667.00	6,012.36	7,500.00	6,833.00	91.11%
7085	Computer Support Svcs Fixed Costs	-	100.00	4,623.00	4,623.00	2,852.00	6,000.00	1,377.00	22.95%
7090	Computer Support Svcs Variable Costs	79.99	89.98	411.90	411.90	89.98	500.00	88.10	17.62%
7100	Computer Software	-	-	-	-	-	3,300.00	3,300.00	100.00%
7105	Meeting Broadcast Services	-	-	-	-	-	5,300.00	1,499.30	28.29%
7110	Property and Gen Liability Insurance	422.30	341.14	3,800.70	3,800.70	3,070.26	400.00	400.00	100.00%
7120	Office Maintenance Services	-	-	-	-	-	7,000.00	4,190.27	59.86%
7140	Travel	-	-	2,809.73	2,809.73	6,042.47	8,500.00	6,077.48	71.50%
7150	Training, Conferences & Workshops	-	-	2,422.52	2,422.52	4,560.31	2,000.00	1,404.95	70.25%
7160	Vehicle Mileage	147.78	-	595.05	595.05	1,036.50	2,000.00	1,404.95	70.25%
7170	Rental of Buildings	1,926.28	1,926.28	17,336.52	17,336.52	23,300.00	23,300.00	5,963.48	25.59%
7200	Telephone Communications	1,097.46	403.47	4,615.17	4,615.17	3,368.59	6,000.00	1,384.83	23.08%
7230	Temporary Help Services (Clerical)	-	-	-	-	1,859.19	7,000.00	7,000.00	100.00%
7242	Outside Prof. Services: Accounting	3,000.00	3,000.00	24,900.00	24,900.00	37,500.00	13,500.00	13,500.00	36.00%
7245	General and Special Legal Services	3,041.28	935.66	3,974.94	3,974.94	2,545.08	6,500.00	2,525.06	38.85%
7248	Outside Prof. Services: Annual Audit	-	-	13,000.00	13,000.00	-	-	-	0.00%
7250	Miscellaneous Office Expense	17.84	15.92	372.08	372.08	599.72	600.00	227.92	37.99%
7260	Legal Notices	50.00	714.16	955.47	955.47	1,675.65	4,000.00	3,044.53	76.11%
7261	Pass-Through Expense	-	350.00	-	-	350.00	-	-	0.00%
7270	Recruitment Advertising	229.52	1,711.06	229.52	229.52	1,711.06	-	(229.52)	0.00%
7280	LAFCO Memberships	-	-	4,239.00	4,239.00	4,116.00	4,700.00	461.00	9.81%
7285	Records Storage & Security	-	1,227.19	8,332.00	8,332.00	6,590.45	10,000.00	1,668.00	16.68%
7300	Depreciation	230.00	117.00	2,091.00	2,091.00	1,046.00	-	(2,091.00)	0.00%
	Total Expense	57,460.01	55,628.93	523,631.49	523,631.49	503,773.36	779,600.00	259,968.51	32.83%
	Net Ordinary Income (Loss)	(57,459.97)	(55,628.93)	232,176.26	232,176.26	258,625.33	(20,000.00)	-	-
Other Income/(Expense):									
8106	Prior Year Project Fees Returned	-	-	-	-	(6,379.25)	-	-	-
8107	Use of Contingency Reserve	-	-	-	-	(13,221.00)	-	-	-
8110	From Unreserved Funds	(108,396.00)	-	(108,396.00)	(108,396.00)	-	20,000.00	-	-
8112	Encumbered Funds: Recruitment Advertising	(108,396.00)	-	(862.50)	(862.50)	-	-	-	-
	Total Other Income/(Expense)	(108,396.00)	-	(109,258.50)	(109,258.50)	(19,600.25)	20,000.00	-	-
	Net Income (Loss)	\$ (165,855.97)	\$ (55,628.93)	\$ 122,917.76	\$ 122,917.76	\$ 239,025.08	\$ -	\$ -	-

LAFCO of Monterey County
Income and Expense by Month
March 31, 2015

	July 14	Aug 14	Sept 14	Oct 14	Nov 14
Ordinary Income/Expense					
Income:					
4000 · Fees: Project	-	\$ 3,750.00	\$ 3,000.00	\$ (200.00)	-
4205 · County Contributions	249,367.00	-	-	-	-
4210 · City Contributions	249,366.99	-	-	-	-
4220 · District Contributions	249,367.00	-	-	-	-
4300 · Interest	-	-	-	1,122.75	-
Total Income	748,100.99	3,750.00	3,000.00	922.75	0.10
Expense:					
6000 · Employee Salaries	25,950.44	40,423.04	28,666.50	30,495.45	30,343.53
6100 · Employee Benefits	9,191.20	11,605.38	9,933.32	11,400.70	13,991.31
7000 · Postage and Shipping	-	39.83	158.77	372.84	27.71
7010 · Books and Periodical	238.00	-	161.32	-	251.69
7030 · Copy Machine	315.70	868.18	315.70	315.70	966.21
7040 · Outside Printers	-	-	-	813.69	443.11
7060 · Office Supplies	92.57	448.85	567.74	-	171.16
7080 · Computer Hardware/Peripherals	155.37	171.16	171.16	-	171.16
7085 · Computer Support Svcs Fixed Costs	-	-	-	-	-
7090 · Computer Support Svcs Variable Costs	-	-	-	-	-
7100 · Computer Software	81.95	79.98	-	99.99	-
7110 · Property and Gen Liability Insurance	422.30	422.30	422.30	422.30	422.30
7140 · Travel	-	-	-	2,351.83	-
7150 · Training, Conferences & Workshops	-	80.12	-	2,182.16	-
7160 · Vehicle Mileage	-	-	-	-	-
7170 · Rental of Buildings	1,926.28	1,926.28	1,926.28	1,926.28	1,926.28
7200 · Telephone Communications	149.36	1,546.97	427.50	341.51	149.78
7242 · Outside Prof. Services: Accounting	-	3,000.00	3,000.00	3,000.00	3,000.00
7245 · General and Special Legal Services	-	-	-	207.48	-
7248 · Outside Prof. Services: Annual Audit	-	-	-	-	-
7250 · Miscellaneous Office Expense	-	-	5,000.00	-	8,000.00
7260 · Legal Notices	12.00	20.75	19.46	11.00	165.85
7270 · Recruitment Advertising	-	-	236.25	-	619.22
7280 · LAFCO Memberships	3,158.00	-	-	1,081.00	-
7285 · Records Storage & Security	1,152.00	592.00	1,154.00	1,496.00	1,418.00
7300 · Depreciation	232.00	235.00	231.00	233.00	233.00
8110 · From Unreserved Funds	-	-	-	-	-
8112 · Encumbered Funds: Recruitment Advertising	575.00	-	180.00	107.50	-
Total Expense	43,652.17	61,459.84	52,571.30	57,029.59	62,300.31
Net Income/(Loss)	\$ 704,448.82	\$ (57,709.84)	\$ (49,571.30)	\$ (56,106.84)	\$ (62,300.21)

LAFCO of Monterey County
Income and Expense by Month
March 31, 2015

	Dec 14	Jan 15	Feb 15	Mar 15	Total
Ordinary Income/Expense					
Income:					
4000 · Fees: Project	\$ -	\$ (1,037.03)	\$ -	\$ -	\$ 5,512.97
4205 · County Contributions	-	-	-	-	249,367.00
4210 · City Contributions	-	-	-	-	249,366.99
4220 · District Contributions	-	-	-	-	249,367.00
4300 · Interest	0.59	1,073.60	(3.29)	0.04	2,193.79
Total Income	0.59	36.57	(3.29)	0.04	755,807.75
Expense:					
6000 · Employee Salaries	34,473.58	46,619.62	32,149.75	31,737.27	300,859.18
6100 · Employee Benefits	14,727.48	16,628.61	13,425.93	12,849.01	113,752.94
7000 · Postage and Shipping	158.77	-	447.65	503.57	1,709.14
7010 · Books and Periodical	-	-	-	293.49	944.50
7030 · Copy Machine	315.70	315.70	1,097.16	315.70	4,825.75
7040 · Outside Printers	411.41	-	264.42	1,162.15	3,094.78
7060 · Office Supplies	250.51	69.12	659.79	185.21	2,444.95
7080 · Computer Hardware/Peripherals	171.16	171.16	171.16	171.16	1,524.65
7085 · Computer Support Svcs Fixed Costs	667.00	-	-	-	667.00
7090 · Computer Support Svcs Variable Costs	1,260.00	3,363.00	-	-	4,623.00
7100 · Computer Software	69.99	-	-	79.99	411.90
7110 · Property and Gen Liability Insurance	422.30	422.30	422.30	422.30	3,800.70
7140 · Travel	457.90	-	-	-	2,809.73
7150 · Training, Conferences & Workshops	160.24	-	-	-	2,422.52
7160 · Vehicle Mileage	447.27	-	-	147.78	595.05
7170 · Rental of Buildings	1,926.28	1,926.28	1,926.28	1,926.28	17,336.52
7200 · Telephone Communications	443.09	458.94	0.56	1,097.46	4,615.17
7242 · Outside Prof. Services: Accounting	3,000.00	3,000.00	3,000.00	3,000.00	24,000.00
7245 · General and Special Legal Services	311.22	207.48	207.48	3,041.28	3,974.94
7248 · Outside Prof. Services: Annual Audit	-	-	-	-	13,000.00
7250 · Miscellaneous Office Expense	19.30	44.30	61.58	17.84	372.08
7260 · Legal Notices	-	-	50.00	50.00	955.47
7270 · Recruitment Advertising	-	-	-	229.52	229.52
7280 · LAFCO Memberships	-	-	-	-	4,239.00
7285 · Records Storage & Security	1,582.00	938.00	-	-	8,332.00
7300 · Depreciation	231.00	233.00	233.00	230.00	2,091.00
8110 · From Unreserved Funds	-	-	-	108,396.00	108,396.00
8112 · Encumbered Funds: Recruitment Advertising	-	-	-	-	862.50
Total Expense	61,506.20	74,397.51	54,117.06	165,856.01	632,889.99
Net Income/(Loss)	\$ (61,505.61)	\$ (74,360.94)	\$ (54,120.35)	\$ (165,855.97)	\$ 122,917.76

**LAFCO of Monterey County
Accounts Receivable Summary
As of March 31, 2015**

Accounts Receivable-For Fiscal Year Ending 6/2015:

Description	Date	Amount
All 2014-2015 Fees Have Been Collected		\$ -
	ACCT # 1227	\$ -

Draft

**LAFCO of Monterey County
Equipment Summary
As of March 31, 2015**

Equipment and Accumulated Depreciation:

Description	Date In Service	Cost	Amount Depreciated
Computer Equipment	10/24/2005	\$ 6,749.91	\$ 6,749.91
Dell Computer System	6/1/2006	2,268.22	2,268.22
Credenza	9/1/2006	516.20	516.20
Computer Equipment	9/20/2006	3,120.20	3,120.20
Bill Quick Basic Software	8/17/2007	565.00	565.00
Adobe Systems, Inc. Software	1/18/2008	399.00	399.00
HP Compaq DC 9700 Computer	6/23/2009	975.49	975.49
Microsoft Office Pro 2010 Software	6/30/2010	2,041.24	2,041.24
Acrobat V.9 Computer Software	6/30/2010	445.88	445.88
Ergonomic Chair	6/29/2010	502.51	406.00
ThinkPad W510 Laptop	6/30/2010	2,146.73	2,107.00
SNAP OUT Telephone System	7/28/2010	2,185.00	1,740.00
Apple Mbair 13.3 CTO Laptop	6/14/2013	1,990.68	1,196.00
Microsoft Office Plus 2013 Software	6/16/2014	1,412.00	392.00
Adobe Acrobat XI Pro Software	6/16/2014	1,128.00	313.00
Apple Mbair 13.3 CTO Laptop	6/27/2014	1,914.35	641.00
Acer Aspire V5 Touchscreen Laptop	6/30/2014	759.94	254.00
	ACCT # 1500	\$ 29,120.35	
		ACCT # 1550	\$ 24,130.14

**LAFCO of Monterey County
Accounts Payable Summary
As of March 31, 2015**

Accounts Payable:

Vendor	Description	Date	Inv#	Amount
Cardmember Service	CSDA Sample Policy Handbook; Norton, CaLafco Staff Workshop Reg.	3/2/2015	x6757	\$ 1,347.28
Corporate Express	Credit on Returned Supplies	6/17/2008	88070801	(43.97)
County of Monterey	Filing Fee for Notice of Exemption for PSMCSD	12/18/2014		50.00
Pitney Bowes	Credit on Returned Supplies	6/8/2014	80000-9090-0108-3604	(300.86)
SDRMA	2014-2015 Qtr 4 W/C Quarterly Premium	12/13/2014	50255	390.00
Staples Advantage	Office Supplies	12/24/2014	3260838988	185.21
			ACCT # 2000	<u>\$ 1,627.66</u>

Draft

**LAFCO of Monterey County
Accrued Leave Summary
As of March 31, 2015**

Executive Officer and Analyst Positions:

Employee	Title	Total Hours of Accrued Annual Leave *	Hourly Rate	Annual Leave Book Value
Kate McKenna	Executive Director	414.61	80.37	\$ 33,322.21
Darren McBain	Senior Analyst	47.44	43.25	2,051.78
Taven Kinison Brown	Associate Analyst	10.30	37.63	387.59
				\$ 35,761.58

Clerk / Administrative Secretary Position:

Employee	Accrued Sick Leave	Accrued Vacation **	Hourly Rate	Sick Leave Book Value	Vacation Book Value
Gail Lawrence	48.06	43.33	30.18	\$ 1,450.45	\$ 1,307.70

Annual Leave	\$ 35,761.58
Sick Leave	1,450.45
Vacation	1,307.70
Compensatory Time***	-
ACCT # 2220	\$ 38,519.73

Executive Officer and Senior Analyst Positions:

* Maximum of 250 or 850 hours of Annual Leave may be accrued. This is a general description of benefits only. Actual benefits are defined in individual employment agreements.

Clerk/Admin Secretary Position:

** Maximum of 260 hours of Accrued Vacation may be accrued. This is a general description of benefits only. Actual benefits are defined in employment agreement.

***Compensatory time: Overtime eligible employees can accrue compensatory time-off in lieu of overtime payments. A maximum of 80 hours of compensatory time may be accrued. The compensatory time off balances are considered current year liabilities. These benefits are a general description only.

**LAFCO of Monterey County
Detail of Encumbrances
As of March 31, 2015**

Encumbered Funds:

Subject	Date Paid/ Inv. No.	Funds Received/(Paid)
Human Resources Encumbered Funds:		
Contract Transfer*		\$ 3,460.00
06-07 Budget Carryover		5,000.00
Fenton & Keller	10/04/07 Inv No. 60042	(1,233.00)
Fenton & Keller	4/30/07 Inv. No. 62165	(2,764.50)
07-08 Budget Carryover		400.00
08-09 Budget Carryover		500.00
09-10 Budget Carryover		500.00
Fenton & Keller	10/27/10 Inv. No. 69698	(467.50)
10-11 Budget Carryover		500.00
11-12 Budget Carryover		500.00
12-13 Budget Carryover		500.00
		<u>6,895.00</u>
Computer Support Svc Variable Encumbered Funds:		
13-14 Budget Carryover		5,470.00
		<u>5,470.00</u>
Recruitment Advertising Encumbered Funds:		
13-14 Budget Carryover		3,179.40
ID Concepts, LLC	7/7/2014	(115.00)
Hardee Investigations	7/15/14 Inv. No. LAFCO-01	(460.00)
Hardee Investigations	9/11/14 Inv. No. LAFCO-02	(180.00)
ID Concepts, LLC	10/3/2014	(107.50)
		<u>2,316.90</u>
	ACCT # 3710	<u><u>\$ 14,681.90</u></u>

*RGS was replaced by Fenton & Keller in September 2007.
The original contract with RGS was for \$10,000. The balance of \$3,460 was transferred to Fenton & Keller on September 1, 2007.

LAFCO of Monterey County
Detail of Reserve for Litigation Account
As of March 31, 2015

Reserve for Litigation:

Date	Vendor/Description	Invoice #	Amount
	Beginning Balance as of 7/1/08		\$ 18,330.28
7/1/2008	08/09 Budget Amount		25,000.00
8/22/2008	Office of County Counsel-Co. of Monterey	08-000147	(564.69)
8/27/2008	Best, Best & Krieger	582486	(2,713.66)
10/14/2008	Best, Best & Krieger	586916	(390.00) *
2/19/2009	Best, Best & Krieger	596717	(2,106.00) *
3/13/2009	Best, Best & Krieger	598793	(19.50)
3/13/2009	Best, Best & Krieger	599174	(6,907.12) *
4/22/2009	Best, Best & Krieger	601472	(156.00)
5/26/2009	Best, Best & Krieger	603629	(175.50)
7/1/2009	09/10 Budget Amount		10,000.00
10/15/2009	Best, Best & Krieger	614071	(312.00)
7/1/2010	10/11 Budget Amount		30,000.00
6/30/2011	Transfer from Unreserved Fund		174,950.70
7/1/2011	11/12 Budget Amount		30,000.00
7/1/2012	12/13 Budget Amount		25,000.00
7/1/2013	13/14 Budget Amount		100.00
		ACCT # 3800	\$ <u>300,036.51</u>

*The original invoice is greater than the amount stated above. This is the amount allocated to the litigation reserve. The remaining balance is allocated to general and special legal services.

**LAFCO of Monterey County
Detail of Reserve for Contingency Account
As of March 31, 2015**

Reserve for Contingency:

Date	Vendor/Description	Invoice #	Amount
	Beginning Balance as of 7/1/13		\$ 170,000.00
10/8/2013	Soledad Community Health Care District*		<u>(13,221.00)</u>
		ACCT # 3800	<u>\$ 156,779.00</u>

*The Executive Director of Lafco along with the Commission approved a one time contribution from the Contingency Reserve to go toward the 2013-2014 fees due from Soledad Community Health Care District. This was intended to provide short term relief from hardships of a sudden 200-fold increase as compared to previous years. The original amount invoiced was \$13,722.00. Lafco received payment in the amount of \$501.00.

LOCAL AGENCY FORMATION COMMISSION
P.O. Box 1369 132 W. Gabilan Street, Suite 102
Salinas, CA 93902 Salinas, CA 93901
Telephone (831) 754-5838 Fax (831) 754-5831
www.monterey.lafco.ca.gov

KATE McKENNA, AICP
Executive Officer

DATE: June 22, 2015
TO: Chair and Members of the Commission
FROM: Kate McKenna, AICP, Executive Officer
SUBJECT: BUDGET AMENDMENT NO. 2 FOR FY 2014-2015, AND RELATED ACTIONS

SUMMARY OF RECOMMENDATIONS:

The Budget and Finance Committee recommends that the Commission adopt a Resolution (attached) to:

1. Approve Amendment No. 2 to the Fiscal Year 2014-2015 Budget, to transfer \$3,000 from Line Item 7140 (Travel) to Line Item 7090 (Computer Support Services – Variable Costs), with no net change to the overall budget, and
2. Authorize the Executive Officer to encumber any funds remaining in Line Item 7230 (Temporary Clerical Help Services) on June 30, 2015, for use in special projects in Fiscal Year 2015-2016.

EXECUTIVE OFFICER'S REPORT:

The proposed budget amendment (attached) will supplement the available funds for computer support services. These funds are for software support, mapping, and GIS support, including map work and data analysis for LAFCO's busy Municipal Service Review/Sphere of Influence Update program.

The proposed encumbrance action will carry over current year funds for temporary clerical support. These funds (approximately \$7,000) will support preparation of an administrative procedures manual. This project is underway and will be completed by June 2016.

LAFCO's Budget and Finance Committee discussed this matter with the Executive Officer and Mr. Mike Briley, CPA, Managing Partner, Hayashi Wayland, on May 28.

Fiscal Impact

The proposed amendment will add \$3,000 to this year's budgeted line item for variable computer support services. It can be accomplished by moving funds out of the Travel line item, with no overall net change to the adopted budget. Please refer to the enclosed worksheet. Also, unspent funds for temporary clerical help will be encumbered for use in the new fiscal year.

Sincerely,



Kate McKenna, AICP,
Executive Officer

Attachments: Draft Resolution and Draft Budget Amendment No. 2

THE LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY
RESOLUTION NO. 15-XX

RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION

AMENDMENT NO. 2 TO THE ADOPTED FISCAL YEAR 2014-2015 BUDGET

WHEREAS, these proceedings are taken in conformance with the provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, commencing with Section 56000 et seq. of the Government Code; and

WHEREAS, the Local Agency Formation Commission of Monterey County adopted the Fiscal Year (FY) 2014-2015 budget on April 27, 2014, and adopted Budget Amendment No. 1 on December 1, 2014, as recommended by the Budget & Finance Committee; and

WHEREAS, the Budget & Finance Committee of the Local Agency Formation Commission of Monterey County met on May 28, 2015 to conduct a periodic review of the adopted budget, and recommended adoption of a second budget amendment, as specified below, to address fourth quarter needs;

NOW, THEREFORE, the Local Agency Formation Commission of Monterey County does HEREBY RESOLVE, DETERMINE AND ORDER as follows:

1. The Commission adopts Amendment No. 2 to the adopted Fiscal Year 2014-2015 budget, to transfer \$3,000 from Line Item 7140 (Travel) to Line Item 7090 (Computer Support Services 0 Variable Costs), as shown in the Attachment, with no net change to the overall budget; and
2. The Commission authorizes the Executive Officer to encumber any funds remaining in Line Item 7230 (Temporary Clerical Help Services) on June 30, 2015, for use in special projects as may be necessary in Fiscal Year 2015-2016.

UPON MOTION of Commissioner _____, seconded by Commissioner _____, the foregoing resolution is adopted this 22nd day of June 2015 by the following vote:

AYES:	Commissioners:
NOES:	Commissioners:
ABSENT:	Commissioners:
ABSTAIN:	Commissioners:

_____, Chair
Local Agency Formation Commission of Monterey County

ATTEST: I certify that the within instrument is a true and complete copy of the original resolution of said Commission on file within this office. Witness my hand this 22nd day of June 2015
By:

Kate McKenna, AICP, Executive Officer

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY
DRAFT BUDGET WORKSHEET - AMENDMENT NO. 2
FISCAL YEAR 2014-2015
JUNE 22, 2015

		Adopted Budget Fiscal Year 2014-15 as amended 11-7-14	Proposed Budget Amendment No. 2	Proposed Amended Budget FY 2014-15
6000	Employee Salaries	\$ 419,000.00	\$ -	\$ 419,000.00
6100	Employee Benefits	\$ 185,000.00		\$ 185,000.00
	2220-Accrued Leave Reserve	\$ -	\$ -	\$ -
	2230-Post-Retirement Healthcare Obligation Reserve	\$ -	\$ -	\$ -
2001	Litigation Settlement Agreement Costs	\$ -	\$ -	\$ -
7000	Postage and Shipping	\$ 3,000.00	\$ -	\$ 3,000.00
7010	Books and Periodicals	\$ 1,000.00	\$ -	\$ 1,000.00
7030	Copy Machine Charges	\$ 6,500.00		\$ 6,500.00
7040	Outside Printers	\$ 5,000.00	\$ -	\$ 5,000.00
7060	Office Supplies	\$ 4,500.00	\$ -	\$ 4,500.00
7070	Office Equipment and Furnishings	\$ -	\$ -	\$ -
7080	Computer/Hardware/Peripherals	\$ 2,500.00	\$ -	\$ 2,500.00
7085	Computer Support Services (Fixed Costs)	\$ 7,500.00	\$ -	\$ 7,500.00
7090	Computer Support Services (Variable Costs)	\$ 6,000.00	\$ 3,000.00	\$ 9,000.00
7100	Computer Software	\$ 500.00	\$ -	\$ 500.00
7105	Meeting Broadcast Services	\$ 3,300.00	\$ -	\$ 3,300.00
7110	Property and General Liability Insurance	\$ 5,300.00	\$ -	\$ 5,300.00
7120	Office Maintenance Services	\$ 400.00	\$ -	\$ 400.00
7130	Other Equipment Maintenance	\$ -	\$ -	\$ -
7140	Travel	\$ 7,000.00	\$ (3,000.00)	\$ 4,000.00
7145	CALAFCO Travel Expenses	\$ -	\$ -	\$ -
7150	Training, Conferences and Workshops	\$ 8,500.00	\$ -	\$ 8,500.00
7160	Vehicle Mileage	\$ 2,000.00	\$ -	\$ 2,000.00
7170	Rental of Buildings	\$ 23,300.00	\$ -	\$ 23,300.00
7200	Telephone Communications	\$ 6,000.00	\$ -	\$ 6,000.00
7230	Temporary Help Services (Clerical)	\$ 2,000.00	\$ -	\$ 7,000.00
7240	Outside Professional Services - Total for Line Items 7242 - 7249	\$ 62,000.00	\$ -	\$ 57,000.00
	7242 Accounting and Financial Services	\$ 37,500	\$ -	\$ 37,500.00
	7245 General Counsel and Special Counsel	\$ 11,500.00	\$ -	\$ 6,500.00
	7247 Human Resources	\$ -	\$ -	\$ -
	7248 Annual Audit	\$ 13,000.00	\$ -	\$ 13,000.00
	7249 Temporary In-House Professional Services	\$ -	\$ -	\$ -
7250	Miscellaneous Office Expenses	\$ 600.00	\$ -	\$ 600.00
7260	Legal Notices	\$ 4,000.00	\$ -	\$ 4,000.00
7261	Pass-Through Expenses	\$ -	\$ -	\$ -
7270	Recruitment Advertising	\$ -		
7280	LAFCO Memberships	\$ 4,700.00	\$ -	\$ 4,700.00
7290	Litigation Reserve		\$ -	
XXXX	Records Storage and Security	\$ 10,000.00		\$ 10,000.00
7295	Contingency Reserve	\$ -	\$ -	\$ -
	SUB TOTAL EXPENDITURES (see Note 1)	\$ 779,600.00	\$ -	\$ 779,600.00
	LESS PASS-THROUGH EXPENSES (Acct. 7261)	\$ -	\$ -	\$ -
	TOTAL EXPENDITURES (NET) (see Note 1)	\$ 779,600.00	\$ -	\$ 779,600.00

LOCAL AGENCY FORMATION COMMISSION
P.O. Box 1369 132 W. Gabilan Street, Suite 102
Salinas, CA 93902 Salinas, CA 93901
Telephone (831) 754-5838 Fax (831) 754-5831
www.monterey.lafco.ca.gov

KATE McKENNA, AICP
Executive Officer

DATE: June 22, 2015
TO: Chair and Members of the Formation Commission
FROM: Kate McKenna, AICP, Executive Officer
SUBJECT: REPORT ON ACTIVITIES OF THE CALIFORNIA ASSOCIATION OF LOCAL
AGENCY FORMATION COMMISSIONS (CALAFCO)

SUMMARY OF RECOMMENDATION:

This report is for information only.

EXECUTIVE OFFICER'S REPORT:

CALAFCO Staff Workshop

On April 15-17, LAFCO staff attended the annual staff training workshop in Grass Valley, hosted by CALAFCO. Executive Officer McKenna co-presented a session on the LAFCO application process. The workshop program is attached for information.

CALAFCO Strategic Plan

In May, the CALAFCO Board of Directors approved a strategic plan for 2015-2016. It focuses on six strategic areas, each with a set of objectives. Also, the Board reaffirmed CALAFCO's mission, policy and legislative priorities, and issues of interest. In January 2016, CALAFCO will review the Association's 2015 activities against the strategic plan and report to the membership on their performance in meeting the stated objectives. The strategic plan is attached for information.

Legislative Update

CALAFCO and LAFCO of Monterey County staff are monitoring the status of proposed legislation. While no action is requested at this time, the Commission is alerted to these items:

1. **SB 239 (Hertzberg), Fire Protection Contracts:** This Bill would require LAFCOs to review a contract or agreement for new or extended fire service outside of a fire agency's existing service area. These types of agreements are not currently regulated by LAFCO. LAFCO of Monterey County is on record as opposing the bill (reference an opposition letter authorized on April 27, 2015). CALAFCO and the California Special Districts Association (CSDA) also submitted opposition letters. The Bill passed the Senate Appropriations Committee on May 28, and is currently awaiting action by the Assembly. CALAFCO Executive Director Pamela Miller is meeting with legislative representatives to discuss concerns.

2. **Water System Consolidation Budget “Trailer” Bill 825:** This Bill would give the State Water Resources Control Board the authority to mandate consolidations of water systems (public, private, individual wells) and to order the extension of services as a precursor to a consolidation. CALAFCO and CSDA have expressed concern that the Bill would grant the State unprecedented unilateral power to take ownership and operation of a water system from one entity and force it upon another, with no guarantee the State will cover the costs and no protections for existing ratepayers. CALAFCO also believes the Bill would duplicate already-existing adequate processes, in that LAFCOs already have the authority to respond to and remedy existing and pending threats to public health and safety through Government Code Section 56133, and the State has the authority to exercise receivership in Health & Safety Code, Section 116665. CALAFCO’s Executive Director is meeting with legislative representatives to discuss concerns.

Respectfully Submitted,



Kate McKenna, AICP
Executive Officer

Attachments:

1. CALAFCO 2015 Staff Workshop Program
2. CALAFCO 2015-2016 Strategic Plan

2015
CALAFCO
WORKSHOP
APRIL 15-17,
2015
HOSTED BY
NEVADA
LAFCO

After the Gold Rush

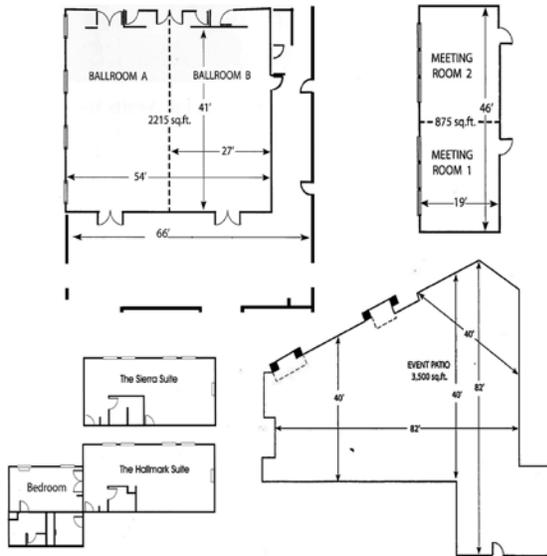


Holiday Inn Express &
Grass Valley Courtyard Suites
Grass Valley, CA

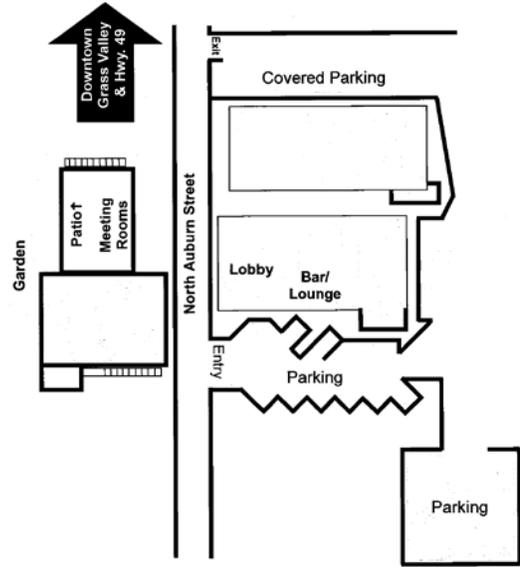


Facility Layout and Meeting Rooms / Workshop At-A-Glance

Holiday Inn Express



Courtyard Suites



Wednesday, April 15th

8:30 a.m. to 12:45 p.m.	Mobile Workshop – Bus loads at 8:15 a.m., departs at 8:30 a.m. – <i>Meet in lobby at Holiday Inn Express</i>
1:30 p.m. to 1:45 p.m.	Workshop Opening – <i>Holiday Inn Express Ballrooms A/B</i>
1:45 p.m. to 3:15 p.m.	General Session: Governor Brown’s Plans for Forging California’s Future – <i>Holiday Inn Express Ballrooms A/B</i>
3:30 p.m. to 5:30 p.m.	Roundtables: Staff/Associates, Clerks, Attorneys – <i>Holiday Inn Express & Law Offices of P. Scott Browne</i>
5:30 p.m. to 7:00 p.m.	CALAFCO Reception – <i>Holiday Inn Express Patio</i>

Thursday, April 16th

SESSION LOCATIONS	HOLIDAY INN - BALLROOMS A/B	HOLIDAY INN – MEETING ROOMS 1/2	COURTYARD SUITES
6:30 a.m. to 9:00 a.m.	BREAKFAST - <i>Holiday Inn Express & Grass Valley Courtyard Suites</i>		
9:00 a.m. to 10:15 a.m.	BREAKOUT SESSION Spheres and CEQA – to EIR or Not to EIR – That is the Question	BREAKOUT SESSION Fiscal Health of Fire Protection Districts	BREAKOUT SESSION Fostering Meaningful Public Input in the LAFCo Process
10:15 a.m. to 10:45 a.m.	REFRESHMENT BREAK - <i>Holiday Inn Express & Grass Valley Courtyard Suites</i>		
10:45 a.m. to 12:00 p.m.	BREAKOUT SESSION Performance Measures Part I – Service Provisions and Financial Adequacy	BREAKOUT SESSION Getting to the Nitty Gritty of Consolidation Options	BREAKOUT SESSION How Websites are Managed Throughout the State
12:15 p.m. to 1:30 p.m.	LUNCH – <i>Holiday Inn Express Patio</i>		
1:45 p.m. to 3:00 p.m.	BREAKOUT SESSION Performance Measures Part II – Accountability and Transparency	BREAKOUT SESSION Reading and Understanding Public Agency Audits	BREAKOUT SESSION Improving Your Presentation Skills
3:00 p.m. to 3:30 p.m.	REFRESHMENT BREAK - <i>Holiday Inn Express & Grass Valley Courtyard Suites</i>		
3:30 p.m. to 4:45 p.m.	BREAKOUT SESSION Effectively Dealing with Difficult Behaviors	BREAKOUT SESSION Processing Applications, Start to Finish	BREAKOUT SESSION How LAFCos Utilize Outside Consultants
5:45 p.m. to 6:15 p.m.	CALAFCO Pre-Dinner Reception/beer tasting – <i>Miners Foundry Cultural Center</i>		
6:15 p.m. to 8:15 p.m.	CALAFCO Dinner – <i>Miners Foundry Cultural Center</i>		

Friday, April 17th

6:30 a.m. to 9:00 a.m.	BREAKFAST – <i>Holiday Inn Express & Grass Valley Courtyard Suites</i>		
9:00 a.m. to 10:00 a.m.	General Session: Legislative Collaboration: A Panel Discussion – <i>Holiday Inn Express Ballrooms A/B</i>		
10:15 a.m. to 11:15 a.m.	General Session: CALAFCO Organizational & Legislative Update – <i>Holiday Inn Express Ballrooms A/B</i>		
11:15 a.m. to 12:00 p.m.	General Session: Debrief and Evaluation – <i>Holiday Inn Express Ballrooms A/B</i>		

Workshop Special Information



Workshop Registration

Holiday Inn Express

Tuesday (4:00 p.m. – 6:00 p.m.)
Wednesday (7:00 a.m. – 4:00 p.m.)
Thursday (8:00 a.m. – 4:00 p.m.)
Friday (8:00 a.m. – 9:00 a.m.)

Mobile Workshop

Nevada Irrigation District
Empire Mine State Park
Wednesday, April 15, 2015*
8:30 a.m. – 12:45 p.m.

* Advanced registration and fee required

CALAFCO Reception

Holiday Inn Express Patio

Wednesday (5:30 p.m. – 7:00 p.m.)

Dinner on your own

**Thursday and Friday Breakfasts
Provided by:**

Holiday Inn Express

6:30 a.m. to 9:00 a.m.

AND

Grass Valley Courtyard Suites

6:00 a.m. to 9:00 a.m.

CALAFCO Lunch

Holiday Inn Express Patio

Thursday (12:15 p.m. – 1:30 p.m.)

CALAFCO Reception and Dinner

***Miners Foundry Cultural Center
Nevada City***

Thursday (5:45 p.m. – 8:15 p.m.)



After the Gold Rush



Special Thanks

Workshop Host

Nevada LAFCo
SR Jones, Executive Officer
Deborah Gilcrest, Clerk/Analyst
Kate Duroux, Assistant Clerk

Program Committee Chair

Paul Novak, Executive Officer, Los Angeles LAFCo
CALAFCO Deputy Executive Officer

Program Committee

Kris Berry, Danielle Bruce,
Carole Cooper, Alyssa Dronenburg,
José Henríquez, Steve Lucas,
Elena Medina, Pamela Miller,
Elliot Mulberg, Alisha O'Brien,
Mona Palacios, Joe Serrano,
Jennifer Stephenson, Elizabeth Valdez,
Linda Wilke, Oxana Wolfson, Patricia Wood

CALAFCO Staff

Pamela Miller, Executive Director
Jeni Tickler, Executive Administrator
Marjorie Blom, Executive Officer
David Church, Deputy Executive Officer
Steve Lucas, Deputy Executive Officer
Paul Novak, Deputy Executive Officer
Clark Alsop, Legal Counsel





8:30 a.m. – 12:45 p.m.

Mobile Workshop

Meet at Holiday Inn Express

Tour includes visits to:
Nevada Irrigation District's Scotts Flat Dam and Powerhouse
and Empire Mine State Park featuring the Magenta Drain
Restoration Project and Bourn Cottage

(Bus loads at 8:15 a.m. – departs promptly at 8:30 a.m.)

1:30 p.m.

Workshop Opening

Welcoming Remarks – *Holiday Inn Express Ballrooms A/B*

SR Jones, Executive Officer, Nevada LAFCo
Hank Weston, Nevada LAFCo Chair and Nevada County
Supervisor

Jason Fouyer, Mayor, City of Grass Valley
Pamela Miller, Executive Director, CALAFCO

1:45 p.m. – 3:15 p.m.

General Session

Governor Brown's Plans for Forging California's Future

Holiday Inn Express Ballrooms A/B

Join us for a panel discussion of Governor Jerry Brown's
priorities in his final term of office. Gain insights into the
latest political issues, including the water bond, the state's
relationship with local governments, infrastructure needs,
water conveyance and supply, and local government
financing options.

Speakers: Debbie Davis-Franco, Community and Rural
Affairs Advisor and Local Drought Liaison,
Governor's Office of Planning and Research
Katie Orr, Government Reporter, Capitol
Public Radio
Fred Silva, Senior Policy Advisor, California
Forward
Moderator: Marjorie Blom, Executive Officer, Stanislaus
LAFCo

BREAK 3:15 p.m. – 3:30 p.m.

3:30 p.m. – 5:00 p.m.

Roundtables

Staff & Associates: Pamela Miller, Executive Director
CALAFCO
Holiday Inn Express Ballrooms A/B

Clerks: Sandy Hou, Commission Clerk,
Alameda LAFCo
Kate Sibley, Executive
Assistant/Clerk, Contra Costa LAFCo
Holiday Inn Express Meeting Rooms 1/2

Attorneys: Holly Whatley, Colantuano,
Highsmith and Whatley
Law Offices of P. Scott Browne

5:30 p.m. – 7:00 p.m.

CALAFCO Reception

Holiday Inn Express Patio

Dinner on your own

Thursday, April 16th



BREAKFAST 6:00 a.m. – 9:00 a.m. @ Courtyard Suites
6:30 a.m. – 9:00 a.m. @ Holiday Inn Express

9:00 a.m. – 10:15 a.m.
Concurrent Sessions

Breakout Session: Spheres and CEQA – To EIR or Not to EIR – That is the Question – *Holiday Inn Express Ballrooms A/B*

This session will provide differing perspectives of the legal requirements and practical issues in complying with CEQA when LAFCo updates or amends an agency's sphere of influence. Hear different views of the varying approaches used by LAFCos, which range from no CEQA review to the preparation of a full Environmental Impact Report (EIR).

Speakers: Fernando Avila, Attorney, Best Best & Krieger
 P. Scott Browne, Attorney, Law Offices of P. Scott Browne
 SR Jones, Executive Officer, Nevada LAFCo
 Moderator: Steve Lucas, Executive Officer, Butte LAFCo

Breakout Session: Fiscal Health of Fire Protection Districts – *Holiday Inn Express Meeting Rooms 1/2*

This session will identify common funding sources for fire districts and their limitations, and will describe the challenges that fire districts face in maintaining adequate and sustainable financing sources. We will also explore options to address financial challenges, provide successful and innovative approaches to obtain financing, and describe how financial considerations affect governance options.

Speakers: Steve Kovacs, Management Consultant, Professional Management Associates
 Elliot Mulberg, Executive Officer, Solano LAFCo
 Jennifer Stephenson, Co-founder & Principal, Policy Consulting Associates
 Moderator: Oxana Wolfson, Co-founder & Principal, Policy Consulting Associates

Breakout Session: Fostering Meaningful Public Input in the LAFCo Process – *Courtyard Suites*

LAFCos review and process applications for boundary changes, sphere amendments, and outside service extensions, and also prepare municipal service reviews and special studies, any of which can generate substantial public interest. Because LAFCo is not typically understood by those outside the LAFCo world, confusion often results for members of the public who wish to participate. This interactive session will identify opportunities and strategies for LAFCos to improve the public engagement process.

Speakers: Patrick McCormick, Executive Officer, Santa Cruz LAFCo
 Colette Metz, Planner and Project Manager, Planwest Partners
 George Williamson, Principal Planner, Planwest Partners

BREAK 10:15 a.m. – 10:45 a.m. - both locations

10:45 a.m. – 12:00 p.m.
Concurrent Sessions

Breakout Session: Performance Measures Part I – Service Provisions and Financial Adequacy – *Holiday Inn Express Ballrooms A/B*

In a unique two-part session, this first session focuses on performance standards and measures used for assessing municipal services, how local agencies apply these measures, and how LAFCos can integrate them into the municipal service review process. We will use case studies and interactive dialogue to gain greater insight into performance standards.

Speakers: Howard Chan, Assistant City Manager, City of Sacramento
 Preeti Hehmeyer, Senior Management Advisor, Management Partners
 Moderator: Martha Poyatos, Executive Officer, San Mateo LAFCo

Breakout Session: Getting to the Nitty Gritty of Consolidation Options – *Holiday Inn Express Meeting Rooms 1/2*

The session will review options to consolidate public agencies and discuss how consolidation proposals can be initiated, methods of processing a consolidation, and factors and compatibility indicators to consider in determining appropriate options. Case studies will be used to demonstrate both successful and failed consolidations, examine situational factors, and discuss the benefits of successful consolidations.

Speakers: Stewart Gary, Lead Fire Services, Citygate Associates Fire & Emergency Services
 David Roberts, Chief, El Dorado Hills Fire Department
 Moderator: Elliot Mulberg, Executive Officer, Solano LAFCo

Breakout Session: How Websites are Managed Throughout the State – *Courtyard Suites*

A website is an essential element of a public agency's efforts to provide information to interested parties and the general public. This session will review how LAFCos create, maintain, and manage their websites, whether through "in-house" practices, outside assistance, or other methods.

Speakers: Brendon Freeman, Analyst, Napa LAFCo
 Ben Legbandt, Project Manager, Orange LAFCo
 Michelle McIntyre, Analyst, Solano LAFCo
 Moderator: Joe Serrano, Analyst, San Bernardino LAFCo

LUNCH 12:15 p.m. – 1:30 p.m. - *Holiday Inn Express*

**1:45 p.m. – 3:00 p.m.
Concurrent Sessions****Breakout Session: Performance Measures Part II – Accountability and Transparency – *Holiday Inn Express Ballrooms A/B***

Building on the previous focus of performance measures, this session will explore basic legal requirements and best management practices that can assist LAFCo staff in determining an agency's level of transparency and governance.

Speakers: Jimmy MacDonald, Associate Legislative Representative, California Special Districts Association
Neelima Palacherla, Executive Officer, Santa Clara LAFCo
Kara Ueda, Partner, Best Best & Krieger

Moderator: José Henríquez, Executive Officer, El Dorado LAFCo

Breakout Session: Reading and Understanding Public Agency Audits – *Holiday Inn Express Meeting Rooms 1/2*

In this session we will identify what is contained in an audit, what LAFCo staff should look for in an audit, and what LAFCos can expect to learn about a public agency from an audit. Join us as we learn how staff can use audit information to analyze the fiscal health of a public agency.

Speakers: Andy Heath, Deputy County Executive Officer for Finance, Administration, and Budget, Placer County
Christy Norton, Certified Public Accountant, K•Coe Isom

Moderator: Ben Legbandt, Project Manager, Orange LAFCo

Breakout Session: Improving Your Presentation Skills – *Courtyard Suites*

Speaking and presentation skills are essential for leaders, managers, and policy advocates. However, even a seasoned and prepared presenter can be derailed or stymied by ineffective communication. In this session, we will discuss the various aspects of making effective presentations and get tips for making presentations to diverse groups. In addition, we will learn about the dynamics of room set-up and how to effectively manage room logistics based on the audience and purpose of the presentation. This fun and interactive session is geared for both novice and veteran speakers.

Speaker: Charlie Wilson, Director of Human Resources, County of Nevada

BREAK 3:00 p.m. – 3:30 p.m. – both locations

**3:30 p.m. – 4:45 p.m.
Concurrent Sessions****Breakout Session: Effectively Dealing with Difficult Behaviors – *Holiday Inn Express Ballrooms A/B***

In this session we will identify different personality types, discuss techniques and strategies necessary to avoid conflict, and gain insight into how to more effectively respond and react to people in positive ways. We will also explore methods of handling challenging behaviors resulting from outside factors that we may be unaware of, such as sickness, the loss of a loved one, and domestic problems.

Speaker: Dennis Timoney, Chief Risk Officer, Special District Risk Management Authority

Moderator: Alisha O'Brien, Analyst, Los Angeles LAFCo

Breakout Session: Processing Applications, Start to Finish – *Holiday Inn Express Meeting Rooms 1/2*

In this interactive session, we will focus on the basic steps involved in processing applications and learn ways to manage the process efficiently.

Speakers: Ben Legbandt, Project Manager, Orange LAFCo
Kate McKenna, Executive Officer, Monterey LAFCo

Moderator: Elena Medina, Executive Assistant, Riverside LAFCo

Breakout Session: How LAFCos Utilize Outside Consultants – *Courtyard Suites*

LAFCo staff who have had varying experiences with consultants will address how their LAFCos identify, contract with, and use outside contractors to complete the review of an application, prepare studies and reports, and perform specialized services. Hear practical advice and tips for using consultants in an efficient and cost-effective manner.

Speakers: Dunia Noel, Assistant Executive Officer, Santa Clara LAFCo
Mike Ott, Executive Officer, San Diego LAFCo
Lou Ann Texeira, Executive Officer, Contra Costa LAFCo

Moderator: Joe Serrano, Analyst, San Bernardino LAFCo

**5:45 p.m. – 6:15 p.m.
CALAFCO Pre-Dinner Reception – *Miners Foundry Cultural Center, Nevada City***

Three Nevada County award winning craft breweries have generously donated their products: FiftyFifty Brewing Company, Ol' Republic Brewery, and Three Forks Bakery & Brewing Co.

**6:15 p.m. – 8:15 p.m.
CALAFCO Dinner – *Miners Foundry Cultural Center, Nevada City***

Speaker: Andy Cassano, CEO, Nevada Engineering, Inc.

Friday, April 17th / Workshop Sponsors



BREAKFAST 6:00 a.m. – 9:00 a.m. @ Courtyard Suites
6:30 a.m. – 9:00 a.m. @ Holiday Inn Express

General Sessions
9:00 a.m. – 12:00 p.m.

9:00 a.m. – 10:00 a.m.

Legislative Collaboration: A Panel Discussion –
Holiday Inn Express Ballrooms A/B

Legislative staff from CALAFCO's partners at the California Special Districts Association (CSDA), California State Association of Counties (CSAC), and the League of California Cities will join the CALAFCO Executive Director to discuss legislative areas of common interest and concern.

Speakers: Kiana Buss, Legislative Representative, CSAC
Daniel Carrigg, Senior Director, Legislative Affairs, League of CA Cities
Jimmy MacDonald, Associate Legislative Representative, CSDA
Moderator: Pamela Miller, Executive Director, CALAFCO

BREAK 10:00 a.m. – 10:15 a.m.

10:15 a.m. – 11:15 a.m.

CALAFCO Organizational & Legislative Update –
Holiday Inn Express Ballrooms A/B

Join your CALAFCO staff and hear all the latest Association news as well as an up-to-the-minute legislative report on all bills of interest to CALAFCO.

Speakers: Marjorie Blom, Executive Officer, CALAFCO
Steve Lucas, Deputy Executive Officer, CALAFCO
Pamela Miller, Executive Director, CALAFCO

11:15 a.m. – 12:00 p.m.

Debrief and Evaluation –
Holiday Inn Express Ballrooms A/B

Moderator: Pamela Miller, Executive Director, CALAFCO

Thank you for visiting Grass Valley.
Have a safe trip home!



Special Thank You

CALAFCO and Nevada LAFCo wish to thank the Briar Patch Co-op for contributing the gift bags.

Workshop Sponsors

CALAFCO wishes to thank the Sponsors who make the Workshop possible. Their support ensures quality educational programming for our members.

UNDERWRITING SPONSOR



SUPPORTING SPONSORS



HONORARY SPONSOR

Law Offices of P. Scott Browne, Esq.

CALAFCO GOLD ASSOCIATE MEMBERS





Workshop and Dinner Location/CALAFCO Board

Workshop Location

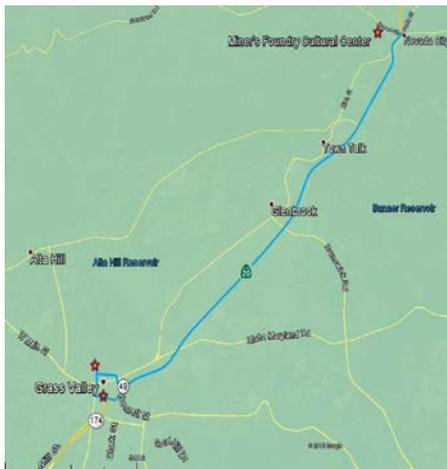
The estimated walk time between hotels is 5 minutes.

Shops and restaurants are located throughout downtown Grass Valley.



Dinner Location

April 16th
Miners Foundry Cultural Center
325 Spring Street, Nevada City.
Drive time is approximately 10 minutes.



Grass Valley to Miners Foundry Cultural Center:

- Merge onto CA 20 East/CA-49 North/North Golden Center Freeway.
- Drive approximately 4 miles to Nevada City.
- Take Broad Street Exit (Exit 186).
- Turn left on Broad Street.
- Turn left on Bridge Street.
- Turn right onto Spring Street.
- Miners Foundry Cultural Center will be on the left.

CALAFCO Board of Directors

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John Leopold, Chair
Vacant, Vice Chair
Gay Jones, Secretary
Josh Susman, Treasurer

Northern Region

Larry Duncan
Butte LAFCo
Mary Jane Griego
Yuba LAFCo
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James Curatalo
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Michael Kelly
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Coastal Region

Juliana Inman
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CALAFCO STAFF

Pamela Miller Executive Director
Jeni Tickler Executive Administrator
Marjorie Blom Executive Officer
Clark Alsop Counsel

David Church
Stephen Lucas
Paul Novak
Deputy Executive Officers

See you at the
CALAFCO Annual Conference
Sacramento at the Hyatt Regency
September 2 - 4, 2015



2015 - 2016 Association Strategic Plan

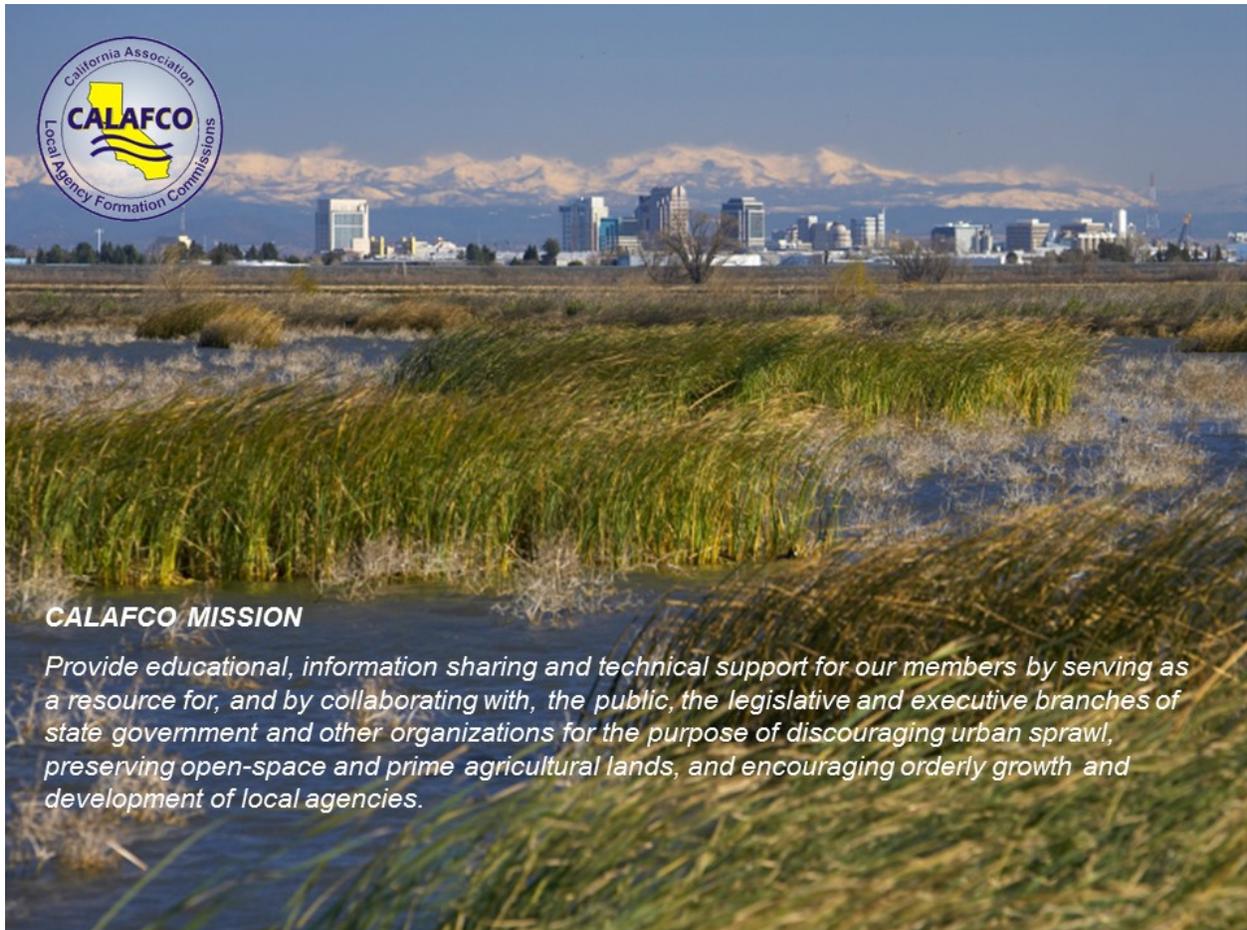
Adopted by the Board of Directors on 8 May 2015



CALAFCO MISSION

CALAFCO provides educational, information sharing and technical support for its members by serving as a resource for, and by 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.

Reaffirmed by the Board of Directors on 29 January 2015.



CALAFCO MISSION

Provide educational, information sharing and technical support for our members by serving as a resource for, and by 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.



2015-2016 Policy and Legislative Priorities

As they relate to and impact discouraging urban sprawl, preserving open-space and prime agricultural lands, and encouraging orderly growth and development of local agencies.

PRIMARY ISSUES

AUTHORITY OF LAFCO

Support legislation that maintains or enhances LAFCo's authority to condition proposals to address any or all financial, growth, service delivery, and agricultural and open space preservation issues. Support legislation that maintains or enhances LAFCo's ability to make decisions regarding boundaries and formations, as well as to enact recommendations related to the delivery of services and the agencies providing them, including consolidations, reorganizations or dissolutions.

AGRICULTURE AND OPEN SPACE PROTECTION

Preserve prime agriculture and open space lands. Support policies that recognize LAFCo's mission to protect and mitigate the loss of prime agricultural and open space lands and that encourage other agencies to coordinate with local LAFCos on land preservation and orderly growth. Support efforts that encourage the creation of habitat conservation plans.

WATER AVAILABILITY

Promote adequate water supplies and infrastructure planning for current and planned growth as well as to support the sustainability of agriculture. Support policies that assist LAFCo in obtaining accurate and reliable water supply information to evaluate current and cumulative water demands for service expansions and boundary changes including impacts of expanding water company service areas on orderly growth, and the impacts of consolidation or dissolution of water companies providing services. Support policies that promote an integrated approach to water availability and management.

VIABILITY OF LOCAL SERVICES

Support legislation that maintains or enhances LAFCo's ability to review and act to determine the efficient and sustainable delivery of local services and the financial viability of agencies providing those services to meet current and future needs including those identified in regional planning efforts such as sustainable communities strategies. Support legislation which provides LAFCo and local communities with options for local governance and service delivery, including incorporation as a city, formation as a special district, or reorganizations or dissolutions to ensure efficient, effective, and quality service delivery. Support efforts which provide tools to local agencies to address aging infrastructure, fiscal challenges and the maintenance of services.



2015 – 2016 Issues of Interest

As these issues relate to and impact orderly growth, sprawl, and local services.

HOUSING

Provision of territory and services to support housing plans consistent with regional land use plans and local LAFCo policies.

TRANSPORTATION

Effects of Regional Transportation Plans and expansion of transportation systems on future urban growth and service delivery needs, and the ability of local agencies to provide those services.

FLOOD CONTROL

The ability and effectiveness of local agencies to maintain and improve levees and protect current infrastructure. Carefully consider and value of uninhabited territory, and the impact to public safety of proposed annexation to urban areas of uninhabited territory which is at risk for flooding. Support legislation that includes assessment of agency viability in decisions involving new funds for levee repair and maintenance. Support efforts that encourage the creation of habitat conservation plans.

ADEQUATE MUNICIPAL SERVICES IN INHABITED TERRITORY

Expedited processes for inhabited annexations should be consistent with LAFCo law and be fiscally viable. To promote environmental justice for underserved inhabited communities, funding sources should be identified for extension of municipal services to these communities, including options for annexation of contiguous disadvantaged unincorporated communities. Promote the delivery of adequate, sustainable, efficient, and effective levels of service through periodic updates of Municipal Service reviews, Spheres of Influence, and other studies.



2015 - 2016 Association Strategies and Objectives

STRATEGIC AREA ONE

Provide educational forums, professional development and networking opportunities for Commissioners, LAFCo staff, Associate Members, and stakeholders.

OBJECTIVES

Annual Conference

1. Provide an annual conference which includes superior professional development sessions and networking opportunities for all attendees.
2. Manage conference finances to organizational policy of a minimum net profit of 15%.
3. Determine desired level of sponsorships for annual conference, and if necessary put additional resources in place to support desired change in time for the 2016 annual conference.

Staff Workshop

1. Provide an annual staff workshop which includes superior professional development sessions and networking opportunities for all LAFCo staff and Associate Members.

CALAFCO University

1. Hold two University courses per year for staff, commissioners and stakeholders, which are focused on skill development of LAFCo process and technical issues.
2. Hold one session in the northern part of the state and one session in the southern part of the state each year to encourage maximum statewide participation.

Organizational Participation

1. CALAFCO Board ad hoc subcommittee and staff to review current conference "Host" model and make recommendations to the full Board for change/improvement.
2. CALAFCO Board make recommendations for change, if any, to the membership at the 2015 annual membership meeting on September 3, 2015.



STRATEGIC AREA TWO

Build strong member LAFCoS and a strong Association through communicating regularly, fostering an environment of support and appreciation by acknowledging volunteer contributions, supporting regional communication and collaboration, strengthening member relationships and increasing membership involvement in the Association.

OBJECTIVES

Association Communications

1. Provide a quarterly update to the members after each Board meeting.
2. Provide written annual report to the membership inside the annual edition of The Sphere to be distributed at the annual conference.
3. Maintain Association's list-serves.
4. Executive Director to visit at least six (6) LAFCos per year.

Promotion and Recognition of Volunteer Contributions

1. Executive Director to send written thank you acknowledgement to all LAFCos participating in annual conference and staff workshop within one month of the conclusion of the event.
2. Executive Director to acknowledge host and program committee volunteers with written thank you within one month of the conclusion of each event.
3. CALAFCO to provide each event speaker volunteer with written thank you acknowledgement during the event.
4. All volunteers acknowledged appropriately at each event (either verbally, in writing, or both).
5. Hold annual Achievement Awards to acknowledge contributions and publish award recipients in quarterly reports.

Facilitation of Regional Meetings and Communications

1. CALAFCO to maintain regional list-serves for use by each region's Executive Officer and Board members.
2. CALAFCO regional representatives (Board members, Executive Officer and Deputy Executive Officers) to communicate with their regional LAFCos at least two (2) times annually, informing them of CALAFCO activities regional level perspectives.
3. CALAFCO Executive Director and Board members to support, as appropriate, regional meetings of LAFCo commissioners and staff, and attend whenever possible.
4. CALAFCO Executive Director to hold at least two (2) staff meetings annually to set and implement annual staff goals and objectives that are aligned with Association's Strategic Plan.

Association Strategic Plan

Adopted by the Board of Directors, 8 May 2015



Increase Membership Activity and Involvement

1. Executive Director, Executive Officer and Deputy Executive Officers to directly encourage LAFCo staff that do not regularly participate in event planning and execution to do so, with the goal of having at least two (2) new members on each planning committee for the annual conference and staff workshop.
2. Achievement Awards Committee members to directly encourage LAFCOs in their region to participate in the annual Achievement Awards.
3. Nominations and Recruitment Committee members to directly encourage LAFCOs in their region to participate in the Board elections and to attend the annual conference.

STRATEGIC AREA THREE

Provide value-added and timely resources for members through the organization's website, newsletters, and by keeping the Association's policies and procedures up to date.

OBJECTIVES

CALAFCO Website

1. Conduct an RFP for new web hosting and site services and determine cost and new provider by July 31, 2015.
2. Upgrade the CALAFCO website and host services by December 2015. This includes a more stable host, greater site security, and full migration of existing site content.
3. Enhance site security by approving an individual user name and password for each member user with implementation of new site.
4. Add features and functionalities that create value for the membership during 2016.

Newsletters

1. In addition to producing and distributing Quarterly Newsletters, produce and distribute one (1) annual edition of The Sphere, to include articles of interest and a full annual report to the membership, to be distributed at the annual conference.

Association Policies

1. Conduct an annual review of current Association policies and procedures and modify as necessary.

Association Strategic Plan

Adopted by the Board of Directors, 8 May 2015



STRATEGIC AREA FOUR

Support and sponsor research which shares the work and data from member LAFCoS and serves as a resource to all Association members.

OBJECTIVES

Biennial Member Survey

1. Survey Executive Officers on what data serves the greatest value by March 31, 2015.
2. Streamline the survey process to encourage greater participation and focus on the more important data by the end June 2015.
3. Conduct survey and have results published by September 30, 2015.

White Papers

1. Prepare two (2) white papers per year on key legal and/or technical issues of importance to member LAFCoS. Poll members to determine the most relevant and value-added topics.

STRATEGIC AREA FIVE

Serve as a legislative and policy advocate for LAFCo issues and as an information resource to the Legislature and other stakeholders.

OBJECTIVES

Advocate legislative needs and positions

1. Sponsor the annual Assembly Local Government Committee Omnibus bill, which makes technical, non-substantive changes to the Cortese-Knox-Hertzberg Reorganization Act of 2000.
2. Take positions and advocate those positions on legislation pursuant to the Association's adopted Legislative Priorities and Policies. Encourage member LAFCoS to do the same.

Enhance relationships between LAFCo Commissioners and Legislators for legislative advocacy.

1. At least one (1) time per year, CALAFCO Executive Director, Board Chair, and other Board members to visit with key legislators and staff, including but not limited to members and staff of the Assembly Local Government and Senate Governance and Finance Committees.

Association Strategic Plan

Adopted by the Board of Directors, 8 May 2015



Serve as an objective resource to the Legislature, organizations seeking to reform local government and state agencies on local government services and organization as requested and appropriate.

1. Participate in statewide, regional and local meetings, symposiums and other events as appropriate.

Maintain strong relationship with peer Associations

1. Work with peer Associations as appropriate on legislative matters, communicating early on potential CALAFCO legislation that will impact their membership.
2. Inform and educate peer Association members by attending and presenting on the role of LAFCo at least two (2) times per year.

STRATEGIC AREA SIX

Expand Associate membership in the Association and create strong membership value for all Associate members.

OBJECTIVES

Expand Associate member involvement in conferences and workshops

1. Have at least one (1) Associate member on the planning committee of each annual conference and workshop.
2. Distribute Call for Presentations to all Associate members, encouraging them to submit sessions for each event.
3. Use Associate members as session speakers whenever possible and appropriate.

Enhance Associate Membership value

1. Executive Director to examine existing Associate member cost-benefit structure, seeking feedback from Associate members by the end of 2015.
2. Executive Director to make recommendations for changes, if appropriate to the Board by March 31, 2016.
3. Implement any changes to the Associate membership structure at the start of the 2016-2017 fiscal year (July 1, 2016).
4. Transition all Associate members onto the same annual billing cycle of July 1 by July 1, 2016.
5. Implement a new Achievement Award for Associate members, the Associate Member of the Year Award, at the 2015 annual Achievement Awards.

Increase Associate Memberships

1. Increase Gold Associate members in 2015 and 2016 by one (1) member per year.
2. Increase Silver Associate members in 2015 and 2016 by two (2) members per year.

LOCAL AGENCY FORMATION COMMISSION
P.O. Box 1369 132 W. Gabilan Street, Suite 102
Salinas, CA 93902 Salinas, CA 93901
Telephone (831) 754-5838 Fax (831) 754-5831
www.monterey.lafco.ca.gov

KATE MCKENNA, AICP
Executive Officer

DATE: June 22, 2015
TO: Chair and Members of the Commission
FROM: Kate McKenna, AICP, Executive Officer
SUBJECT: SOUTH MONTEREY COUNTY FIRE PROTECTION DISTRICT – PROPOSED ANNEXATION OF APPROXIMATELY 840 SQUARE MILES OF LANDS ADJACENT TO EXISTING DISTRICT BOUNDARIES (LAFCO FILE NO. 13-05)

SUMMARY OF RECOMMENDATIONS:

It is recommended that the Commission receive a report by the Executive Officer, conduct a public hearing, and continue consideration of the District’s proposal to the August 24, 2015 (4:00 PM) LAFCO meeting to allow further discussion between the District and stakeholders to identify potential alternatives that may be satisfactory to all interested parties.

EXECUTIVE OFFICER’S REPORT:

Overview and Recommended Action

The South Monterey County Fire Protection District is proposing annexation of approximately 840 square miles of lands adjacent to existing District boundaries. The purpose of the proposal is to provide comprehensive fire protection and advanced life support emergency medical services to these lands, which are currently not within the boundaries of any fire protection district.

The annexation proposal includes the communities of San Lucas, San Ardo, and Parkfield. The proposal also includes the Bryson-Hesperia area south of Lake San Antonio, areas near Bradley, rural lands north and south of Highway 198 near San Benito and Fresno Counties, and other rural lands extending to the southeast corner of Monterey County. A map of the existing District and the proposed annexation area is provided as Attachment 1. The proposal area represents approximately 25% of the county’s total land area. The 2010 Census population of the proposed annexation area was 2,170.

The proposed annexation area consists of most of the District’s existing designated Sphere of Influence, which LAFCO affirmed most recently in 2012; Camp Roberts is excluded. A 28-acre (0.2-square-mile) Sphere of Influence expansion is also proposed in order to include a nearby private “inholding” property, surrounded by U.S. Forest Service lands, that is located outside the District’s existing Sphere.

In late April 2015, LAFCO and the District began conducting enhanced public outreach with residents of the proposal area. A public notice, map, and other information about the proposal was sent to approximately 1,200 property owners and voters. The mailer also notified recipients of a May 28 meeting of the District’s board of directors for discussion of the annexation proposal. The mailer and the District’s May 28 meeting are further described in the Public Noticing section, below. Since the time of the mailing, LAFCO staff has received a considerable amount of written opposition to the proposal, as well as some written expressions of support. Written correspondence is provided as Attachment 2, and is discussed in the Public Comments section of this report.

LAFCO staff's analysis of the District's annexation proposal, as further described below, finds that the proposal has much merit and is consistent with the requirements of State LAFCO law, locally adopted LAFCO policies, and LAFCO's basic objectives of encouraging the orderly development of local government agencies and efficiently providing local government services. However based on the volume of written correspondence and the issues and concerns that have been raised, staff believes it would be appropriate for the Commission to open the public meeting on June 22, take public testimony, and continue consideration of the District's proposal to the next scheduled LAFCO public meeting at 4:00 PM on August 24 to allow further discussions to occur between the District, residents of the local communities, and other stakeholders. The goal of the recommended continuation is to identify potential alternatives to the District's current proposal that may satisfy the interests of all stakeholders (i.e. a "downsized" or otherwise modified proposal). Other alternative actions for the Commission's consideration are discussed at the end of this report.

Background

Description of the Existing District: The District is geographically the largest fire protection district in Monterey County. It currently serves approximately 500 square miles of unincorporated lands in the southern Salinas Valley, including Arroyo Seco, the San Antonio Valley, and the unincorporated area around King City. This area covers large areas of farmland, rangeland, and open areas in the south county. The District is rural and contains little commercial development. As of the 2010 Census, population within existing District boundaries was approximately 4,500.

The District was formed in 1997. Its predecessor, County Service Area 61, was originally formed in 1971 to provide structural fire protection in the unincorporated area within the King City Union School District boundaries. Over the years, CSA 61 expanded to include the Arroyo Seco and Bradley areas. The CSA was officially dissolved at the time of the District's 1997 formation.

The District owns and operates two fire stations—one in the Arroyo Seco area west of Greenfield, and the other in the Pine Canyon Area southwest of King City—and also co-locates some firefighting apparatus at the California Department of Forestry and Fire Protection's ("CAL FIRE") Lockwood station. The District's approximately 45 firefighters are all volunteers. CAL FIRE currently provides management and administrative services to the District by contract. For example, the District's Fire Chief is a CAL FIRE employee who also serves as Fire Chief for several other fire protection districts in the county.

Current Annexation Proposal: In June 2013, the District initiated the annexation proposal by a resolution of its board of directors. The District filed its proposal with LAFCO in July 2013. The proposal was inactive for approximately 18 months while the District negotiated terms of a required property tax transfer agreement with the County of Monterey. The County Board of Supervisors approved the tax agreement in March 2015, enabling the proposal to proceed to a LAFCO public hearing.

The vast majority of the District's annexation proposal area (approximately 95%, based on County mapping data) is located within the State Responsibility Area, or SRA. Within the SRA, CAL FIRE is responsible for wildland fire response. CAL FIRE will also respond to structural and medical emergency calls, if and when CAL FIRE is available. However, CAL FIRE stations are typically only open seasonally; they are not typically staffed during the "non-fire" season, which varies from year to year but is generally October through May.

The District considers these areas to be currently unprotected, in the sense that they are outside the boundaries of any agency that is authorized to provide comprehensive fire protection (i.e., structural as well as wildland fire response) and advanced life support response services. Medical-related calls account for approximately 70% of calls for services to fire protection agencies, both countywide and for this particular district. A small part of the annexation proposal area, centered on the communities of San Lucas and San Ardo, is outside the SRA, and is thus further unprotected, in that CAL FIRE does not have responsibility for any fires in this part of the proposal area. San Ardo does, however, have its own

volunteer fire company, which strongly supports being annexed by the District, as noted in the Agency Comments section below. Camp Roberts, a National Guard facility that straddles Monterey and San Luis Obispo Counties, has its own firefighting personnel and provisions and is excluded from the proposal.

Merits of the Proposal

Various aspects of the District's annexation proposal would serve the public interest. The following is a summary of facts and considerations that constitute a fundamentally sound basis for the proposal.

1. Sphere of Influence: The proposal area consists of the District's existing designated Sphere of Influence, plus a 28-acre, single-parcel Sphere expansion. LAFCO first established the District's existing Sphere in 1997 and most recently affirmed it in 2012. State LAFCO law defines a Sphere of Influence as "a plan for the probable physical boundaries and service area of a local agency, as determined by the commission." LAFCO of Monterey County's locally adopted policies further define a Sphere as "the area around a local agency eligible for annexation and extension of urban service within a twenty-year period."
2. Authorization for existing, already-provided services: In its 2013 resolution initiating the LAFCO application process, the District stated that, although the proposed annexation area is outside the District's existing boundaries, it has provided services to the proposal area for many years [i.e., without legal authority or obligation to do so]. The stated reason for the proposal is to authorize the District to provide the services it is already providing in the proposal area. As introduced above, the proposal area is currently unprotected, in the sense that it is situated outside the boundaries of any agency authorized or obligated to provide year-round, comprehensive fire protection services. Approximately 70% of emergency calls for service to the District are medical-related.
3. Unsustainable current arrangements: The District has been responding to calls throughout the proposal area for years on a "good neighbor" basis, outside its jurisdictional boundaries, with no related revenue or cost reimbursement mechanism. This is an increasingly unsustainable financial and operational burden for the District. The District's position is that, while it does not currently have the authority or legal responsibility to respond, it would be impractical for them to stop responding to calls when its services are requested.
4. Funding to enable increased levels of service: If the Commission approves an annexation to the District, the District's existing benefit assessment fees would automatically extend to the annexed area beginning in 2016, if received by the State Board of Equalization by November 30, 2015. The benefit assessment fee is an annual, parcel-based fee that was authorized by a vote of the residents of County Service Area 61 (the District's "predecessor" agency) in 1980 and has remained unchanged since that time.

The District has estimated that its fees would generate approximately \$86,000 per year in the proposal area. Other additional revenue would result from Proposition 172 funds (Public Safety Sales Tax, approximately \$28,000 per year) and from a portion of future property tax proceeds (note: assessed property values and property tax amounts, however, are not affected by annexation). The District's intent is to use this increased revenue base to enhance existing levels of service in the proposal area. There would be a possibility of higher staffing levels at existing fire stations. However, the District is unable to commit to a specific level-of-service increase at this time. More certainty is needed as to how much additional funding would be available after annexation, and how best to deploy such funds.

Implementation of the District's benefit assessment fees would, for many residents, be partly offset by an automatic \$35-per-year reduction, per habitable structure, in the fee that the State of California currently bills, statewide, to residents within the State Responsibility Area (current SRA fee would be reduced from \$152 to \$117). San Ardo and San Lucas residents who live outside the SRA do not pay the SRA fee and would not receive this reduction.

5. Highly efficient district: The District is lean and cost-effective. It currently operates with the second-lowest per-capita revenues of all fire districts in the county, according to LAFCO's 2012 countywide fire study. The district's firefighters are all volunteers. If the District's boundaries expand via the proposed annexation, the potential pool of volunteer firefighters may increase. Volunteers from the San Ardo Volunteer Fire Company would be included within the District's "umbrella" with potential opportunities for improved training resources and other District support.
6. Interagency coordination for improved services: Annexation would provide a mechanism for the District to potentially enter into automatic or mutual aid agreements with other nearby agencies (including in the adjacent counties) to further enhance levels of service and response times. Currently, there is no local fire agency present in eastern Monterey County to enter into such agreements. Annexation of parcels not currently served by a fire agency would also streamline emergency responses by eliminating uncertainty at the County dispatch center (911).
7. District representation: Annexation into the District would make residents eligible to be serve on the District's board of directors and have more of a voice in the District's operations. District board members are appointed by the County of Monterey Board of Supervisors.

Consistency of the Proposal with State Law and Local Policies

Under the requirements of State LAFCO law (the Cortese-Knox-Hertzberg Act) and LAFCO of Monterey County's locally adopted policies, the Commission, in considering an annexation proposal, must review many factors. These include the area's population and land use, the need for services, the agency's capacity, and the adequacy of public facilities and services, among others. For purposes of the current proposal, some of the most specifically relevant factors for LAFCO to consider are:

- "The need for organized community services; the present cost and adequacy of governmental services and controls in the area; probable future needs for those services and controls; probable effect of the proposed incorporation, formation, annexation, or exclusion and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas." (*The Cortese-Knox-Hertzberg Act, Section 56668(b)*)
- "The effect of the proposed action and of alternative actions, on adjacent areas, on mutual social and economic interests, and on the local governmental structure of the county." (*The Cortese-Knox-Hertzberg Act, Section 56668(c)*)
- Economics, Service Delivery and Development Patterns (*LAFCO of Monterey County's Policies and Procedures Relating to Spheres of Influence and Changes of Organization and Reorganization*)

LAFCO staff has reviewed the proposal in light of the applicable requirements and policies, and determined the proposal to be consistent in the majority of respects. However, because of widespread concerns and unresolved issues, staff believes the application is not supportable as currently proposed. It should be noted that "Any information or comments from the landowner or owners, voters, or residents of the affected territory" is also one of the statutory factors that a LAFCO must consider. (*The Cortese-Knox-Hertzberg Act, Section 56668(n)*)

Staff therefore recommends that the proposal be continued to the next LAFCO meeting (August 24) to allow for further stakeholder engagement and exploration of possible alternatives. However, should the Commission opt instead to approve the District's proposal at the June 22 meeting, a draft resolution is provided in order to allow such approval to proceed. This option, though not recommended, is further discussed in the Alternative Actions section, below.

Environmental Determination

For purposes of the California Environmental Quality Act (CEQA), the District is the Lead Agency for this proposal and LAFCO is a Responsible Agency with discretionary approval power over the proposed

Sphere of Influence expansion and annexation. As the CEQA Lead Agency, the District's board of directors, in its 2013 initiating resolution, determined the proposal to be categorically exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3), pertaining to activities covered by the "general rule" that CEQA only applies to projects that have potential to cause significant environmental impacts. The Executive Officer has reviewed the record and concurs with this finding.

Public Agency Referrals and Agency Comments

LAFCO referred the proposal to affected local agencies for review and comment in July 2013. The San Ardo Volunteer Fire Company, which would become an element of the District if the proposed annexation is approved, and the San Benito-Monterey Unit of CAL FIRE had earlier provided letters of support for the proposal (Attachment 3). No other agencies have submitted comments.

Public Noticing

In May 2015, the proposal was legally noticed in the Monterey County Weekly and in the King City Rustler for a June 22 LAFCO public hearing. The Cortese-Knox-Hertzberg Act does not require mailed notice in cases in which more than 1,000 envelopes would be required to notify all registered voters and property owners in the affected territory. Although not required in this instance because approximately 1,200 envelopes were involved in the mailing, mailed public hearing notices, along with a map of the proposed annexation, were sent to registered voters and property owners within the proposed annexation area in late April.

In addition to the public hearing notice and map, the mailer included the following supplemental information provided by the District: an introductory letter from Chief Brennan Blue inviting recipients to a May 28 meeting of the District's board of directors at the District's King City fire station to discuss the annexation proposal, a report from the Chief Blue for the May 28 meeting including questions and answers about what it means to be annexed into the District, and information about the District's benefit assessment fees. A copy of the mailer is provided as Attachment 4 to this report.

Public hearing notices were also posted on the LAFCO web site, at the County Government Center and the LAFCO office, and mailed to all known interested agencies and organizations. Based on these measures, LAFCO has met and exceeded all requirements and procedures for public agency referrals and public noticing.

Public Comments

Numerous members of the public have provided written comments expressing opposition, support, questions, or concerns about the District's annexation proposal. The majority of public correspondence has been opposed to the annexation. Written correspondence that had been received as of the distribution of the June 22 meeting packet is provided as Attachment 2. Copies of written correspondence received after packet distribution but prior to the June 22 meeting will be provided to Commissioners in a separate transmittal or at the meeting.

Many of the views expressed in written correspondence were also discussed at a May 28, 2015 regular meeting of the District's board of directors. Notification of the May 28 meeting was provided in early May, along with the public hearing notice and other information pertaining to the June 22 LAFCO public hearing. LAFCO staff and six members of the public attended the District's May 28 meeting.

Written opposition to the proposal has presented a range of objections. The following is a good-faith effort by LAFCO staff to summarize the substantive grounds that have been raised in correspondence and in verbal comments at meetings, as of this writing.

1. Adequacy of existing arrangements and local self-sufficiency: Most property owners in the proposal area pay SRA fees to the State, CAL FIRE responds during the fire season, and CAL FIRE has been able to provide enhanced staffing levels at the Bradley CAL FIRE station year-round in the recent

past. Community members rely on their own fire and emergency medical preparedness (private water storage, neighbors watching out for each other, and other measures). Long travel distances make it difficult for emergency responders to be able to help them in time despite all best intentions and efforts. *(Staff note: According to District representatives, a core of permanent CAL FIRE employees was assigned at the Bradley station during the 2015 winter period due to the drought, but this is not a permanent staffing increase).*

2. Scope of the annexation proposal: Some residents have expressed a view that District annexation may be justifiable in areas along the I01 corridor, such as San Lucas and San Ardo, with relatively higher population densities and nearer to the District's operations—but not in more remote, harder-to-reach communities such as Parkfield. *(Staff note: Annexation of the Parkfield area would result in additional funding becoming available for enhanced District operations, as described in the Merits of the Proposal section. The District has expressed specific interest in prioritizing some of this additional funding to contract with CAL FIRE to increase staffing levels at the Parkfield CAL FIRE station).*
3. District's benefit assessment fee-
 - Equity of implementation: The District's benefit assessment fee is calculated for each Assessor's Parcel Number (APN). Numerous residents own several adjacent parcels, resulting in higher District fees than would be the case for the same acreage under one APN. This is perceived as unfair. *(Staff note: A case-by-case assessment fee appeal process exists for such situations, although the process requires action by the property owner, and approval of an appeal by the District's board of directors is not guaranteed).*
 - Potential for future fee increases: Concern has been expressed that the district's fees are low now, but could increase in the future *(Staff note: The District's existing benefit assessment fee appear to be subject to the requirements of Proposition 218, in which case any future proposed increases by the District would be subject to a voter approval process. There are other classes of fees, known as "regulatory" fees—such as for inspections, plan check, or similar functions—that the district could potentially effectuate without a vote).*
4. Proposal's relationship to the pending California Flats / First Solar project southeast of Parkfield: In February 2015, the County Board of Supervisors approved a large-scale "solar farm" project in the Cholame Valley. Concern has been expressed that the proposal's purpose is to serve development of that project, not to benefit the existing community. *(Staff note: The County's approvals are structured such that either the District or CAL FIRE, as applicable at the time of development, could provide the necessary oversight and fire protection services for the project. Therefore, annexation into the District is not necessary in order for the project to proceed. Should annexation not occur, and if CAL FIRE were to be unable to contract directly with a private developer, then the County would need to identify another equivalent mechanism, such as a memorandum of agreement between the County and CAL FIRE, in order to achieve its identified mitigation measures).*

Conclusion

The rationale for the District's annexation proposal is sound and has merit. The proposal is consistent with the District's longstanding Sphere of Influence. It would authorize the District to provide services it is already providing without corresponding revenue support, in an area where no fire agency is currently authorized or obligated to provide comprehensive year-round fire protection services. The proposal would enable the District to enhance levels of service, with its own resources as well as through potential future automatic/mutual aid agreements with other agencies, in an area that is underserved with regard to fire and emergency services.

The proposal is consistent with the determinations that a LAFCO must make under applicable statutory requirements of State law and locally adopted policies. The proposal is also in keeping with LAFCO's

fundamental legislative purposes of providing for the orderly growth and development of local government agencies and the efficiency of local government services.

However, the significant volume of written responses to the proposal indicates there are unresolved issues of concern that warrant further consideration before taking action on the proposal. LAFCO staff therefore recommends that the Commission open the public hearing for this item on June 22, giving the Commission an opportunity to hear from all parties. Staff recommends that the Commission then continue consideration of the District's proposal to the August 24, 2015 LAFCO meeting (4:00 PM) to allow further discussion between the District and stakeholders to identify one or more potential "compromise" annexation scenarios that may be satisfactory to all interested parties.

Alternative Actions

Staff recommends that the Commission continue consideration of the District's proposal to the next scheduled LAFCO meeting (Monday, August 24, 2015 at 4:00 PM). In lieu of staff's recommendation, the Commission may consider these or other alternatives on June 22:

- 1) Approve the District's annexation and Sphere of Influence proposal as it is currently proposed. A draft resolution is provided (Attachment 5) to enable this course of action to proceed, should the Commission opt to approve the proposal at the June 22 meeting. The draft resolution includes a review of, and potential determinations for, all the factors that must be considered in order to comply with the requirements of State LAFCO law and local policies, should the Commission opt to approve the District's proposal at this time. The resolution includes standard conditions of approval. The annexation and single-parcel Sphere of Influence expansion are both conditioned on the District's payment of all required LAFCO and State fees. The annexation is additionally conditioned on preclearance from the U.S. Department of Justice and the State Board of Equalization's acceptance of the map and property description. The proposal is also subject to LAFCO's indemnification by the District.

If the Commission were to select this alternative, the standard Reconsideration and Conducting Authority ("protest") steps of the annexation process would come into effect, as described below.

Reconsideration:

After the Commission has adopted a resolution making determinations, any person or affected agency may file a written request with the LAFCO Executive Officer requesting amendments to, or reconsideration of, the resolution. The person or agency shall file the written request within 30 days of the adoption of the resolution. Pursuant to State law (the Cortese-Knox-Hertzberg Act, Section 56895), "The request shall state the specific modification to the resolution being requested and shall state what new or different facts that could not have been presented previously are claimed to warrant the reconsideration."

Conducting Authority ("Protest") Proceedings and Hearing:

If the Commission approves an annexation, then a subsequent protest hearing will be required, following consideration of any reconsideration requests as outlined above. Protest proceedings allow registered voters and property owners within the proposed annexation area the opportunity to voice their opposition and to potentially make the annexation subject to a confirmation election of the people, or to terminate the annexation in the event of a majority voter protest. The protest hearing will be scheduled for the next Commission meeting for which notice can be given.

After LAFCO publishes a public hearing notice for the protest hearing, registered voters and landowners within the annexation area will have an ability to file written protests of the Commission's decision via mail, email, fax, or in person. Written protests may also be submitted in person at the protest hearing. Protests must be submitted prior to the close of the protest hearing. Pursuant to State law (the Cortese-Knox-Hertzberg Act, Section 57051), protests must be dated after publication of the protest hearing notice in order to count toward the protest proceedings outcomes.

All protests must be in writing and must include:

- Printed name and signature;
- Dated on or after the date of publication of a hearing notice for the protest proceedings;
- The protest filer's place of residence – street address or other designation sufficient to enable the place of residence to be easily ascertained; and
- Indication of whether each person is signing as a registered voter within the annexation proposal area or as a property owner within the annexation proposal area, or both.

LAFCO staff will prepare and make available a standardized protest form to assist property owners and voters to exercise their right to submit a legally valid protest after publication of a hearing notice for the protest hearing. Protests need not use this form in order to be valid. As stated above, protests must be submitted prior to the close of the protest hearing in order to be valid. Within 30 days of the close of the protest hearing, the Commission shall, pursuant to Government Code section 57075, make a finding regarding the value of written protests that have been filed and not withdrawn, and take one of the actions described below.

- The Commission shall order the annexation subject to a subsequent confirmation election by registered voters residing within the affected territory if written protests have been filed and not withdrawn by either of the following:
 - Between 25 percent and 50 percent of the registered voters residing in the affected territory, or
 - At least 25 percent of the number of owners of land who also own at least 25 percent of the assessed value of land within the affected territory.
 - The proposed change of organization or reorganization shall be abandoned, without need of a confirmation election, if the Commission finds that written protests filed and not withdrawn prior to the conclusion of the hearing represent 50 percent or more of registered voters residing in the territory.
 - If none of the above-described protest thresholds are met, the Commission shall order the annexation without an election. A Certificate of Completion will be filed for the annexation proposal, and the annexation will become effective, once all conditions of approval have been satisfied.
- 2) Deny the District's annexation proposal, in which case the item should be continued to the August 24, 2015 Commission meeting with direction to staff to prepare a new draft resolution based on the Commission's determinations for denial.

Respectfully Submitted,



Kate McKenna, AICP
Executive Officer

Attachments:

1. Map of existing South Monterey County Fire Protection District boundaries and proposed annexation areas
2. Written correspondence received through Wednesday, June 17 (correspondence received after June 17 will be provided to the Commission as a separate transmittal or at the June 22 meeting)
3. Letters of support for the District's annexation proposal: San Ardo Volunteer Fire Company and California Department of Forestry and Fire Protection (CAL FIRE) San Benito-Monterey Unit
4. Public hearing notice and informational mailer – sent April 30, 2015 to property owners and voters in the annexation proposal areas
5. Draft resolution for "Alternative Action #1" (approve the District's annexation proposal at the June 22 meeting) – *This alternative is not recommended, but a draft resolution is provided in order to allow this alternative to proceed, should the Commission opt for this course of action.*

CC:

Chief Brennan Blue, South Monterey County Fire Protection District

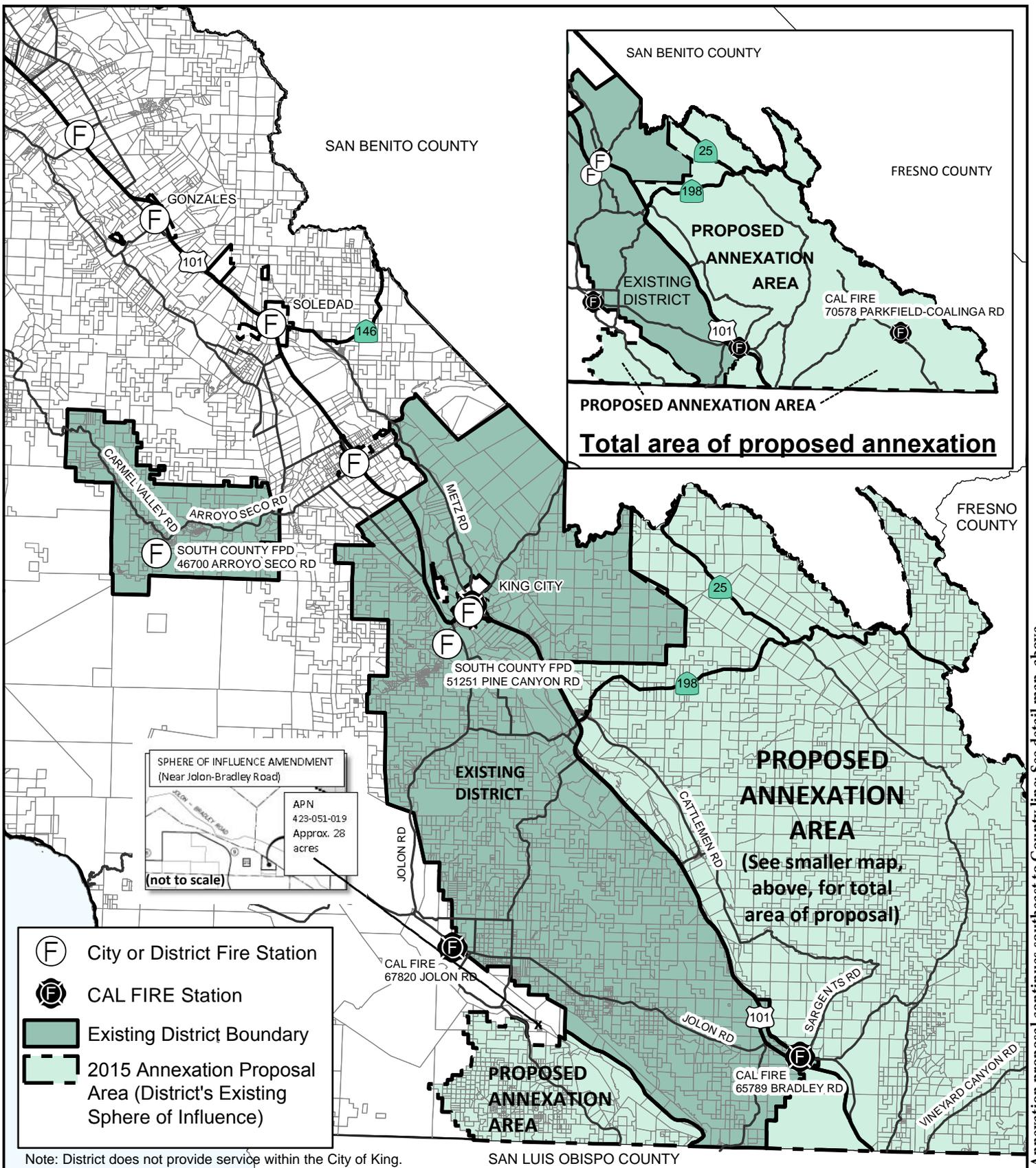
Chief Kaeda Barrios, San Ardo Volunteer Fire Company

Bob Schubert, Senior Planner, County of Monterey

Private citizens who submitted written comments on the proposal to LAFCO staff

Attachment 1:

Map of existing South Monterey County Fire Protection
District boundaries and proposed annexation areas



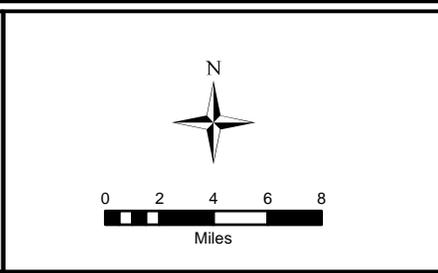
Annexation proposal continues southeast to County line; See detail map, above

Note: District does not provide service within the City of King.

LAFCO of Monterey County
 LOCAL AGENCY FORMATION COMMISSION

P.O. Box 1369
 Salinas, CA 93902
 Telephone (831) 754-5838

132 W. Gabilan St., Suite 102
 Salinas, CA 93901
 FAX (831) 754-5831



2015 ANNEXATION PROPOSAL

**SOUTH MONTEREY COUNTY
 FIRE PROTECTION DISTRICT**

Attachment 2:

Written correspondence received through Wednesday, June 17

Correspondence received after June 17 will be provided to the Commission as a separate transmittal, or at the June 22 meeting.

McBain, Darren J. 754-5838

Subject: FW: SoMoCo Fire District Annexation

Kate,

I am a ranch owner and resident out along Indian Valley Road, and I am upset by the proposed annexation to the SoMoCo Fire District. It seems clear that while it may be appropriate elsewhere, for us the new fees will cost a lot for no benefit out here.

I am also dismayed that whoever proposed the Annexation (can you tell me who did?) did NOT have to get signatures from residents (owners and voters) to put the annexation before LAFCo. But to oppose it, it appears we will have to do so - do you realise how far flung the home are out here? Moreover, several owners near us in Indian Valley, like Ned Thompson, never received the snail-mail proposed annexation - can you tell me why?

I did actually collect the sheet of neighbours (by phone call) who agreed they did not want annexation on the sheet so labelled, as well as several of the ones whose actual signatures we have. This is the only feasible way for me to gather many of those opposed who may not even live out here (as I do) and EVERY owner or voter I talked to was opposed, as there is no benefit to this area from the proposed new fees.

Note that I have been told that the owners I contacted by phone need to actually sign a petition or send a letter asking to be removed from the annexation area, perhaps with yet more info on it. But none of us have received instruction from your agency on what is required. It seems to me that our input should have been solicited BEFORE the annexation proposal was moved to a vote by your agency, and that soliciation should have stated any and all information from owners and voters, and been sent by some sort of certified mail with return requested to insure that the owners and voters in fact received notification of the proposed annexation and new fees.

Is it the case that LAFCo does NOT have the latitude to redraw the proposed annexation area to exclude areas that, like Indian Valley, will not benefit from inclusion in the district? I would the annexation area lines could be redrawn to exclude Indian Valley Rd parcels, since we will receive no benefit from the new fees.

Note also that the proposed fee structure, presumably by APN, is bizarre - there are, for example, several legal parcels, some smaller, which cross over Book and Page assessor's maps, and therefore were broken into two APNs - thus two fees for the same legal parcel.

One further question: why has this annexation not come before our Land Use Advisory Committee, of which I am a member (the LUAC is good place for members of the public, including the owners and voters mentioned above, to make heard their concerns about planning and land use issues in SoMoCo)?

I hope you know that it looks from out here like a big grab for money.

Bart

William "Bart" Bartosh
62893 Indian Valley Rd
San Miguel, CA 93451

(but in Monterey County)

McKenna, Kate 754-5838

Subject: FW: Objection to South County Fire Protection 2015 Annexation

-----Original Message-----

From: Howard Strohn [mailto:howardstrohn@gmail.com]

Sent: Thursday, June 11, 2015 3:47 PM

To: McKenna, Kate 754-5838

Subject: Objection to South County Fire Protection 2015 Annexation

Kate McKenna

I object to the annexation including the Priest Valley area. The closest firehouse will be in King City, the closest vehicles will be stationed in King City. We are 50 minutes from King City, any structure will be completely burned down in that time. As for medical assistance it's the same thing, now we can have the ambulance and sheriff respond from King City.

I see no improvement in the service to our area.

As South County is a volunteer organization, for improvement we would need some in our area. Our population is approximately 28, with the vast majority in their 50's and up to the 90's, so I see no unit of volunteers in Priest Valley.

The goals for the district are good, but, in REALITY, there will be no improvement of services in the Priest Valley area. With no facilities, no equipment and no pool of volunteers, for us it's only a pipe dream.

Thanks for your attention.

Howard P. Strohn

Priest Valley

McBain, Darren J. 754-5838

From: Vicki Rosenberg <[REDACTED]>
Sent: Tuesday, June 02, 2015 1:04 PM
To: McBain, Darren J. 754-5838
Subject: Notice of Public Hearing---South Monterey County fire Protection

Darren,

Please add our name for future notifications on this fire protection issue. We have read through your materials and have several further questions.

1. We understand that the base assessment per parcel is \$1.15 according to your sheet. Are there additional benefit assessments to be added? If so, what are they and how much? How are the units of benefits determined? Does the Williamson Contracts play a role in these assessments? As land owners, will we be able to work with you on determining the assessment for each of our parcels prior to final adoption? If not, what recourse do we have if we don't agree with your determination of these assessments?
2. Will there be any impact to land use in the future by participating in this fire protection area? Such as additional fees or requirements for land or housing development?
3. What actual dollars will go to the San Ardo Volunteer Fire Company annually?
4. Your estimated revenues for current fiscal year show \$292,000 from property taxes but your answer to another question says our property taxes won't increase. How do you reconcile these statements?

Thank you for taking the time to answer our questions. We look forward to hearing from you before the June 22nd meeting.

Vicki & Gordon Rosenberg

McBain, Darren J. 754-5838

Subject: South County Fire Protection District Request to Annex Entirety of Southern Monterey County

From: Tony Lombardo <[REDACTED]>

Date: May 27, 2015 at 10:59:59 AM PDT

To: "100-District 3 (831) 385-8333" <district3@co.monterey.ca.us>

Cc: "McKenna, Kate 754-5838" <McKennaK@monterey.lafco.ca.gov>

Subject: South County Fire Protection District Request to Annex Entirety of Southern Monterey County

Dear Supervisor Salinas:

I am writing to follow up on our conversation which we had last week regarding this issue.

As I explained at the meeting, I have spoken to and corresponded with a number of the large landholders in Southern Monterey County (including the Varians, the Works, the Kesters, the Haleys, Wayne Hughes, Jr., Eric and Megan Lindberg, Melissa Duflock, which probably account for nearly 100,000 acres of Southern Monterey County) and none of them have any desire to be annexed into the jurisdiction of the South County Fire Protection District.

The South County Fire Protection District provides a very valuable service to the urban areas of Southern Monterey County, including King City. Apparently, there is a desire by the volunteer fire department in San Ardo to be incorporated within their District.

My clients and I fully support the annexation of the San Ardo Volunteer Fire District into the boundaries of South County Fire Protection District, if that is what the residents of San Ardo desire. However, based on a meeting I had with representatives of the South County Fire Protection District and Kate McKenna recently, it does not appear that there would be any fire protection benefits afforded to the remainder of the Southern part of Monterey County for which there would be additional taxes collected for being included within the boundary of the District.

My clients and neighbors would therefore respectfully request that LAFCO not pursue any annexation of the area outside of San Ardo and San Lucas.

I also understand that there are a number of smaller landowners in Southern Monterey County who are collecting petitions in opposition to the annexation.

Fortunately, because the South County Fire Protection District is a special district, they are not limited to contiguous annexations and, therefore, the proposal to annex San Ardo and/or San Lucas may still proceed without incorporating other rural areas of the County in the annexation.

Please let me know if you need any additional information regarding the individuals who are in opposition to the annexation.

Sincerely,

Anthony L. Lombardo
ANTHONY LOMBARDO & ASSOCIATES
A Professional Corporation
144 W. Gabilan St.
Salinas, CA 93901
Phone (831) 751-2330
Fax (831) 751-2331

PRIVILEGED & CONFIDENTIAL -- ATTORNEY CLIENT PRIVILEGE -- ATTORNEY WORK PRODUCT

The information contained in this electronic transmission is legally privileged and confidential, and it is intended for the sole use of the individual or entity to whom it is addressed. If you are not the intended recipient, please take notice that any form of dissemination, distribution or photocopying of this electronic transmission is strictly prohibited. If you have received this electronic transmission in error, please immediately contact Anthony Lombardo at (831) 751-2330 or tony@alombardolaw.com and immediately delete the electronic transmission.

(obtained verbal OK to include in the 6/22 Commission packet – 6/18)

McBain, Darren J. 754-5838

From: Debbie Roberson <[REDACTED]>
Sent: Wednesday, May 27, 2015 3:07 PM
To: McBain, Darren J. 754-5838; Theresa.Volland@fire.ca.gov; 100-District 2 (831) 755-5022; 100-District 1 (831) 647-7991; 100-District 3 (831) 385-8333; 100-District 4 (831) 883-7570; 100-District 5 (831) 647-7755
Subject: South Monterey County Fire Protection District Annexation.
Attachments: 2015_05_SMCFPD & LAFCO.pdf

Please find attached a copy of signatures of some of the people in the Parkfield, Indian Valley, and Lonoak area that are opposed to the annexation. We continue to collect signatures.

The original signatures will be held in the possession of the Parkfield Community Club until they are requested in writing. If addresses of the attached group is needed, they will be sent upon request in writing.

The majority of the residents of our areas do not see the need for the "benefits" offer by the new annexation. Especially in light of all the fees that are attached to it.

We rejected this proposal when it was presented a couple of years ago.

Thank you for your attention to this matter and we look forward to being left out of the annexation.
Debbie Roberson

Parkfield, Indian Valley & Lonoak Property Owners and Voters

May 19, 2015

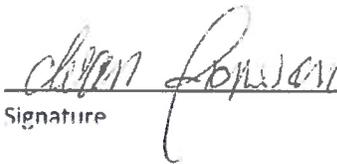
South Monterey County Fire Protection District
2221 Garden Road
Monterey, Ca 93940

Re: Proposal to annex into the South Monterey County Fire Protection District

The landowners, residents, business owners, and voters signed below are opposed to being annexed into the South Monterey County Fire Protection District.


Signature

Jacquita Jensen
Printed Name


Signature

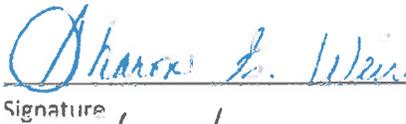
IVAN JENSEN
Printed Name


Signature

Sharon E Owens
Printed Name


Signature

Gary L. Owens
Printed Name


Signature

SHARON E. WEIR
Printed Name


Signature

Kyle Hamann
Printed Name


Signature

TOM ROBEPSON
Printed Name

Flint Speer

Signature

FLINT Speer

Printed Name

Gary E. Robertson

Signature

GARY E. ROBERTSON

Printed Name

Kathleen Dewey

Signature

Kathleen Dewey

Printed Name

Robert Frederick

Signature

ROBERT FREDERICK

Printed Name

William H. Bartosh

Signature

WILLIAM H. BARTOSH

Printed Name

Anthony P. Saponate

Signature

Anthony P Saponate

Printed Name

George K. Weir

Signature

GEORGE K. WEIR

Printed Name

Karen K. von Geldern

Signature

KAREN K. VON GELDERN

Printed Name

Bonnie Speer

Signature

Bonnie Speer

Printed Name

Sharon VanHorn

Signature

SHARON VANHORN

Printed Name

Alice Howard

Signature

Alice Howard

Printed Name

John Van Horn

Signature

John Van Horn

Printed Name

Lynnda Jaurkog

Signature

LYNDA JAURKOG

Printed Name

Dana Jones

Signature

Dana Jones

Printed Name

Laurie Betson

Signature

Laurie Betson

Printed Name

Jim Betson

Signature

Jim Betson

Printed Name

Douglas H. Thomason

Signature

Douglas H. Thomason

Printed Name

Marlene J. Thomason

Signature

Marlene J. Thomason

Printed Name

2R Ranch, Inc.
by Marlene J. Thomason, Sec.

Signature

2R Ranch, Inc.
by Marlene J. Thomason, Sec.

Printed Name

Joey Easterbrook

Signature

Joey Easterbrook

Printed Name

Deborah A. Roberson

Signature

Deborah Roberson

Printed Name

Jared Abate

Signature

JARED ABATE

Printed Name


Signature

John Varian
Printed Name


Signature

Barbara Varian
Printed Name


Signature

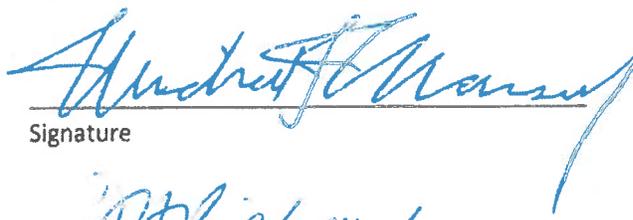
Greg Varian
Printed Name


Signature

Patricia Varian
Printed Name


Signature

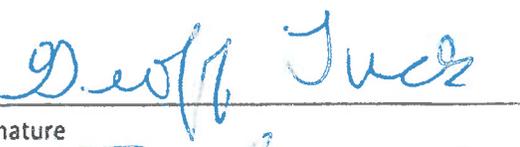
Lillian Massey
Printed Name


Signature

Michael Massey
Printed Name


Signature

DAVID H. RICHARDS
Printed Name


Signature

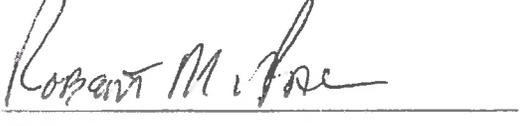
GEOFF TUCK
Printed Name


Signature

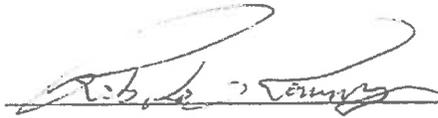
Ted J. Gilbert
Printed Name


Signature

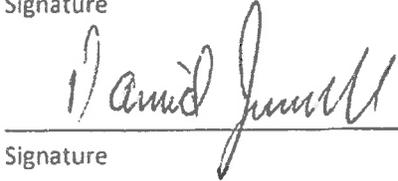
John O. Varian
Printed Name


Signature

ROBERT PALM
Printed Name


Signature

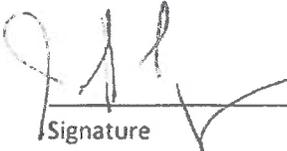
Roberto Ramirez
Printed Name


Signature

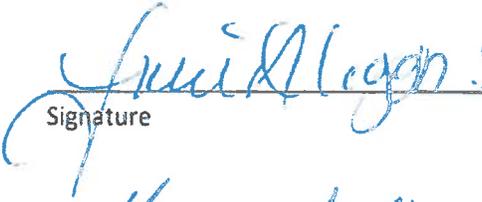
David Jewell
Printed Name


Signature

Tom Lynch
Printed Name


Signature

John Ligon
Printed Name


Signature

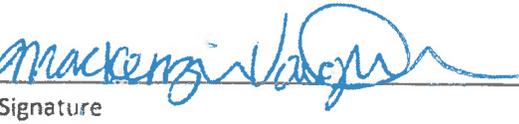
Julie Ligon
Printed Name


Signature

Mayra Solis
Printed Name


Signature

William R. Jewell
Printed Name


Signature

Marrenzie Vaughn
Printed Name


Signature

Bruce Brodie
Printed Name


Signature

Lois Roberson
Printed Name

Signature

Printed Name


Signature

ANDREW EASTERBROOK
Printed Name


Signature

Mona C. Kulver
Printed Name

Signature

Printed Name

Parkfield, Indian Valley & Lonoak Property Owners and Voters

May 19, 2015

South Monterey County Fire Protection District
2221 Garden Road
Monterey, Ca 93940

Re: Proposal to annex into the South Monterey County Fire Protection District

The landowners, residents, business owners, and voters signed below are opposed to being annexed into the South Monterey County Fire Protection District.

John C. Moore
Signature

JOHN C. MOORE
Printed Name

Kelly F. Tapper
Signature

Kelly F. Tapper
Printed Name

R.J. Bartley
Signature

R.J. Bartley
Printed Name

Shirley L. Montgomery
Signature

Shirley L. MONTGOMERY
Printed Name

Lester C. Montgomery Jr.
Signature

LESTER C. MONTGOMERY JR
Printed Name

Elaina S. Stokes
Signature

Elaina S. Stokes
Printed Name

Burton A. Stokes
Signature

Burton A. Stokes
Printed Name

John A. Dalton
Signature

John A. Dalton
DENNIS DILL

Parkfield, Indian Valley & Lonoak Property Owners and Voters

May 19, 2015

South Monterey County Fire Protection District
2221 Garden Road
Monterey, Ca 93940

Re: Proposal to annex into the South Monterey County Fire Protection District

The landowners, residents, business owners, and voters signed below are opposed to being annexed into the South Monterey County Fire Protection District. (AUTHORIZED SIGNATURES AS PRINTED NAMES)

ERLE LINDBERG
PRINTED NAME

WAYNE HUGHES
PRINTED NAME

CAROL BARKER
Signature PRINTED NAME

TONY LOMBARDO
Printed Name

RAY BARKER
Signature PRINTED NAME

SUE SNOW
Printed Name

EDDIE SNEAD
Signature PRINTED NAME

ALBERTA BONNIFIELD
Printed Name

JAN M. SMITH
Signature PRINTED NAME

PHYLLIS PITTS
Printed Name

MARGUERITE NUNN
Signature PRINTED NAME

BOB PITTS
Printed Name

TOM NUNN
Signature PRINTED NAME

PIERRE CAMSUZOU
Printed Name

WAYNE PEARSON
Signature PRINTED NAME

KATHIE CAMSUZOU
Printed Name

LESLIE PEARSON
PRINTED NAME

TIM HALEY
PRINTED NAME

BRICE PEARSON
PRINTED NAME

ALLEN LITTEN & KATHARINE LITTEN
PRINTED NAME

McBain, Darren J. 754-5838

From: Steve Craig <[REDACTED]>
Sent: Tuesday, May 26, 2015 1:49 PM
To: McBain, Darren J. 754-5838
Cc: Jay Brown; 100-District 3 (831) 385-8333; Lopez, Christopher M. x5729; Erin McKenna; Fred Kenyon; Cheryl Bryantbruce; Erick and Mary Ann Reinstedt
Subject: South Monterey County Fire Protection District 2015 Annexation

Tuesday 26 May, 2015

Darren:

We wanted to write and state our support for the establishment of an expanded Fire Protection District which would encompass Bryson, Forest River, Copperhead and the Smith Road communities, as well as other portions of South Monterey County.

We have, for many years, been in the position of paying extensive fees to insurance companies because we do not fall within a designated service area for Fire Suppression. The proposed and pending LAFCO amendment to incorporate our areas into an existing Fire Protection District is a welcome piece of news. We think the minor fee involved is not going to have adverse impacts on the community, and certainly not on our ownership, as individuals. The reduction in Insurance costs that will come as a result of being incorporated into a Protection District will more than offset the costs per unit for inclusion, when compared with our Fire Insurance requirements as they now exist.

I do hope that you understand that "weekenders" in this area may oppose this expansion of the district; however, those of us who are permanent residents, who ultimately will be the ones voting on the issue, if it is forced to a vote, are strongly supportive of this annexation.

I am sorry we will not be able to attend the public hearing to voice our support for this step; however, we did want you to know that as a long term residents of this region, and residents who have benefitted from both fire suppression and emergency auto accident related services, we are very pleased to see an entry into the "modern world" of actually paying for services that are so valuable to our long term well being.

In the past, this region has generally opposed fire service provision, or paying for such services, largely because there are so many owners who are only recreational or part time occupants. We do hope everyone involved sees the benefits of this annexation, and any service fee that may follow on to implement the new district. We are also strongly supportive of any help you or the County may provide towards the establishment of a volunteer fire department and emergency services corps for this region.

Having experienced three major fires in this area over the past three decades, we are very impressed by the capabilities of the local CDF, Fort Hunter Liggett, volunteer emergency services, and the County Fire Department which have provided excellent responses to fire events in the past. I personally benefitted from these services after a serious auto accident near the San Antonio River bridge and am truly grateful for the excellent work done by our emergency volunteer crew.

We hope this annexation goes forward without conflict, misunderstanding of purpose, and with a clear understanding of why this is a sane, beneficial and wise step for everyone here in south County, whether permanent or seasonal residents.

Thank you for your efforts to organize our area into a coherent fire district. If we can be of any assistance in the process of District formation and public outreach, feel free to contact us at the address below, or by email or phone.

Regards,

Steve Craig
Charles Rowley
Sienna Craig
Ken Bauer

Sapaque Valley Ranch

Bob Wondries



May 20, 2015

L.A.F.C.O.
132 W Gabilan St
#102
Salinas, Calif.
93901

Dear Mr. McBain

Re: Annexation of Southern Monterey County Parcels

I am a property owner in Parkfield, Calif. and I am very against the annexation of property in Southern Monterey County by the Southern Monterey County Fire Protection District.

I understand that one of the main reasons for this proposed annexation is the proposed construction of a huge solar field in the Hearst Property. I also understand that the construction of this solar field requires 24 hour, 7 days a week fire protection. If that is one of the main driving reasons, then the owners of the solar field along with the Hearst Property should cover the cost of the required fire protection.

Sincerely

A handwritten signature in black ink, appearing to read "Paul Wondries", written over a large, light-colored oval shape.

Paul Wondries
White Road, Parkfield, California

5/20/15

RE: **South Monterey County Fire Protection District Annexation**

Dear LAFCO officials,

Yesterday evening I attended the Parkfield community meeting regarding the Fire Protection District Annexation. I've been raised in that town and my relatives have been there since the 1880's - I've never seen such regional unity AGAINST something in my life.

The residents rejected the Annexation when it was proposed a few years ago, yet now it has returned.

The people and the feelings are still the same. They don't want the Annexation. They feel they've done fine without the proposed "benefits" for all these years and they definitely don't want the onerous Assessment Fees.

These days it's difficult enough to keep ranch land in a family and adding more fees is just another nail in the coffin of family ranches and farms. Personally we've put our 3,300 acres into a conservation easement to try to keep it in the family as long we can, but we can't bear the burden of any extra fees.

From what I've learned there may be some cooperation for Annexation on the West side of 101, but from my networking the East side is vehemently opposed to it. If the folks on the West want it so bad draw the dividing line at Highway 101 and leave the Southeast part of the County alone.

Apparently First Solar is pushing this Annexation to save costs during their solar project construction, but that's Cruel and Unusual punishment to permanently put all the residents under Annexation just to appease a construction project that will last 2 years and then be gone. Make First Solar pay for their own required protection and don't saddle the residents with a permanent financial obligation.

Please listen to the residents of the Southeastern part of Monterey County and leave us out of the Annexation.

Respectfully submitted,



Kyler Hamann



McBain, Darren J. 754-5838

From: ERICK REINSTEDT <[REDACTED]> on behalf of Erick & Mary Ann Reinstedt <[REDACTED]>
Sent: Tuesday, May 12, 2015 6:43 PM
To: McBain, Darren J. 754-5838
Subject: Hi Darren

Hi,

Thanks so much for your kind message today. I am gone most of tomorrow, so I thought maybe an email is best. In a nutshell, I've been a volunteer on SOMOCO Station #3 (Lockwood) for 18 years, since before we were even in SOMOCO, and a chaplain for it since 2000, so I am not against the annexation (I live in Bryson-Hesperia, and pastor a church in Lockwood).

My comments are two, one that is just an observation, one that I would appreciate advocacy on. They are:

1. It strikes me as strange that the meeting is in Salinas, considering most (if not all) of the affected regions are south or east of King City. I know that is the county seat, but it seems that if public input is genuinely desired, having the meeting in south county would be better. I am not sure I could even make the meeting, but it is a thought.
2. This is the one I really would like to know how to have action on. I feel that the assessment structure is unfair. The parcels out here are, it is my understanding, 40-acre minimums unless you have property that was granny'ed in (not sure how that is spelled). I believe that, in fact, there are single parcels that are larger than 40 acres as well. My wife and I own 40 contiguous acres that we bought in one purchase in 1996, but they are four 10-acre parcels. So, someone with their home on 40 (or even more) acres that sits on one parcel pays \$23, and we pay over \$50. It doesn't make sense to me. I think, also, that the unimproved lot fee is high, especially considering that these things always increase over the years. CalFire has primary responsibility for wildland here, and we now pay this state tax for that which is well over \$100 new dollars a year for us. Yes, SOMOCO responds to wildland (I've done it a lot), but the primary benefit to the area is going to be structure and medical (during the winter especially when CalFire doesn't man Lockwood) and neither of these affect unimproved parcels. I could think of a couple of different ways the fee structure could be changed---one being an elimination of extra fees if unimproved lots are contiguous and owned by someone already paying the improved lot fee. If not, there should be a change to charge for acres at least only over the 40-acres most own out here. Those are just some thoughts.

Thanks for your time and listening. I'd value your thoughts and response.

Blessings,

Erick Reinstedt (and Mary Ann)

--

Erick Reinstedt

Personal Blog: "A Great God & Good Coffee" <http://erickreinstedt.blogspot.com/>

Personal Facebook Pages: www.facebook.com/erickr1 and www.facebook.com/justacloserlook

Pastor, True Life Christian Fellowship (www.truelifecf.org & www.facebook.com/truelifecf) Firefighter/Chaplain, San Antonio Valley Volunteer Fire Department

Home & Church Phone: ([REDACTED])

Personal Mailing Address & Email: P.O. Box 200, Lockwood, CA 93932, [REDACTED] Church Address & Email: P.O. Box 479, Lockwood, CA 93932, [REDACTED]

Attachment 3:

Letters of support for the District's annexation proposal

- San Ardo Volunteer Fire Company
- California Department of Forestry and Fire Protection (CAL FIRE) San Benito-Monterey Unit

San Ardo Volunteer Fire Company
62180 Railroad St
Post Office Box 311
San Ardo, CA 93450

June 14, 2013

To: South Monterey County Fire Protection District

From: Kaeda Barrios. San Ardo Volunteer Fire Department Chief

Subject: Annexation of the San Ardo Fire Department into the Southern Monterey
County fire Protection District

Dear LAFCO members

It is with great anticipation the San Ardo Volunteer Fire Department awaits the annexation of our department into the Southern Monterey County Fire Protection District. We feel this annexation is necessary for our department to continue serving the community of San Ardo and to enhance emergency service to all of the citizens of Southern Monterey County .

Thank You,

A handwritten signature in cursive script that reads "Kaeda Barrios".

Kaeda Barrios
Chief, SAVFD



DEPARTMENT OF FORESTRY AND FIRE PROTECTION
San Benito-Monterey Unit
2221 Garden Road
Monterey, California 93940
(831) 333-2600 FAX: (831) 333-2660
Website: www.fire.ca.gov



June 20, 2013

Kate McKenna, AICP
Executive Officer
LAFCO of Monterey County
P.O. Box 1369
Salinas, California 93902

Subject: **South Monterey County Fire Protection District Application for Annexation**

Dear Ms. McKenna:

The San Benito–Monterey Unit of CAL FIRE supports the South Monterey County Fire Protection District's application for annexation of large tracts of land in Southern Monterey County. CAL FIRE is responsible for the wildland fire protection of most of this area, and responds to emergency incidents on a "good neighbor" basis if and when available. During the "non-fire season", however, our stations are oftentimes not staffed.

This annexation would extend fire protection to approximately 500,000 acres of currently un-protected properties within the sphere of influence of the fire district. Please feel free to contact me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "RCH".

RICHARD C. HUTCHINSON JR.
Unit Chief

Attachment 4:

Public hearing notice and informational mailer –
Sent April 30, 2015 to property owners and voters in the
annexation proposal areas

MAY 4 2015

LAFCO *of Monterey County*

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

NOTICE OF PUBLIC HEARING

Pursuant to Government Code Section 56660, notice is hereby given that the Local Agency Formation Commission of Monterey County will consider the following proposal at a public hearing on Monday, June 22, 2015 at 4:00 p.m.:

“South Monterey County Fire Protection District 2015 Annexation” of approximately 840 square miles of lands adjacent to existing District boundaries. The annexation proposal includes the communities of San Lucas, San Ardo, and Parkfield. The proposal also includes the Pleyto/Bryson-Hesperia area south of Lake San Antonio, areas near Bradley, rural lands north of Highway 198 near San Benito and Fresno Counties, and other rural lands extending to the southeast corner of Monterey County. The proposed annexation area consists of the District’s existing designated Sphere of Influence, plus a proposed 28-acre (0.2-square-mile) Sphere of Influence expansion. The purpose of the proposal is to provide comprehensive fire protection services to these lands, which are currently not within the boundaries of any fire protection district.

The public hearing will be held in the Board of Supervisors Chambers of the Monterey County Government Center (168 W. Alisal Street, first floor) in Salinas. All persons wishing to make presentations for or against the proposal will be heard.

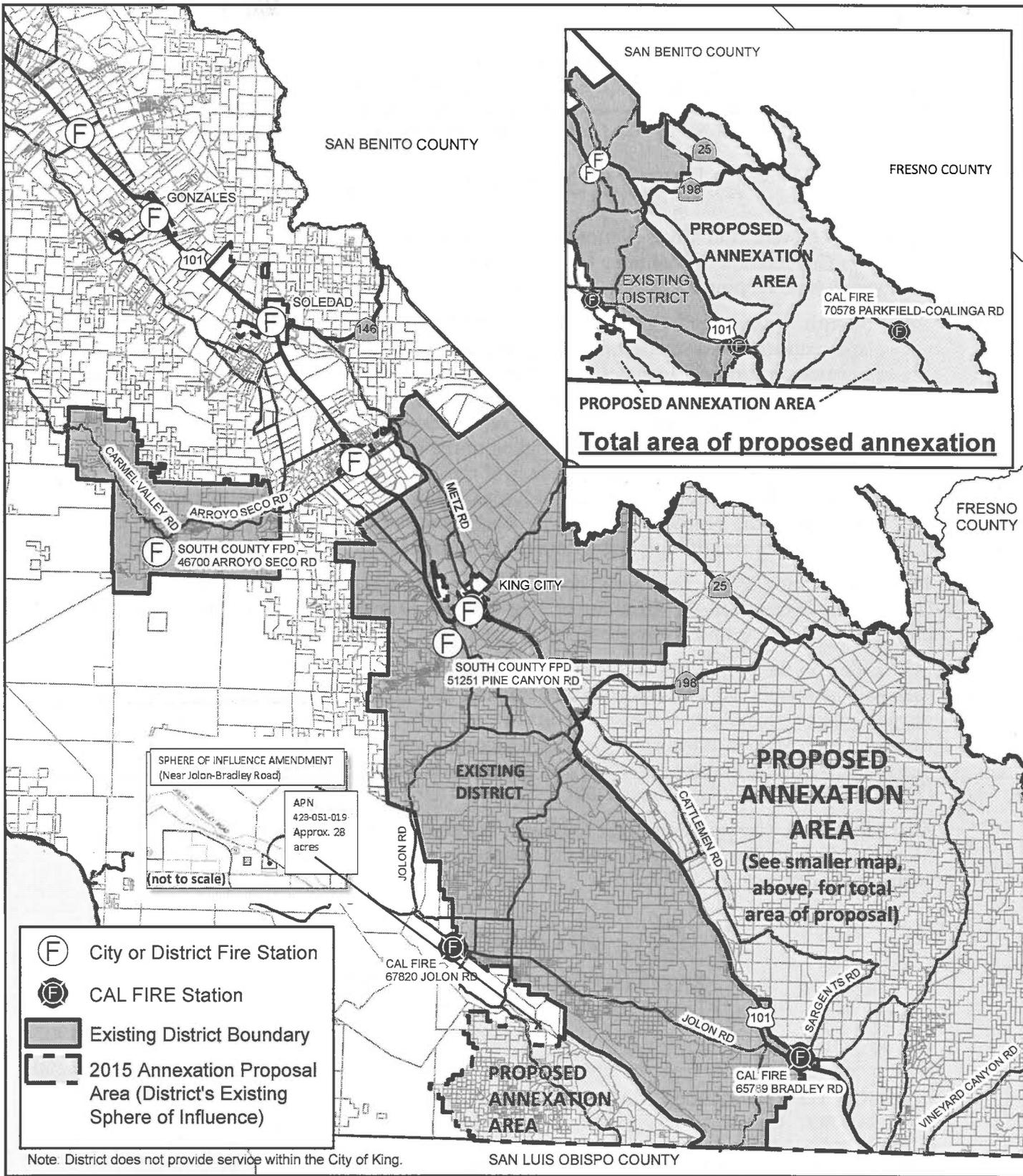
Information on the proposal is on file at the LAFCO office and may be examined by interested persons. The agenda and staff report will be available by 4:00 p.m. on Thursday, June 18, 2015 at www.monterey.lafco.ca.gov. Please contact us at (831) 754-5838 or email LAFCO Senior Analyst Darren McBain at mcbaind@monterey.lafco.ca.gov if you have questions, or if you would like to receive future updates regarding this proposal via email. The LAFCO office is located at 132 W. Gabilan Street #102, Salinas 93901.

As the lead agency for purposes of the California Environmental Quality Act (CEQA), the South Monterey County Fire Protection District has determined the proposal to be exempt from environmental review.



KATE MCKENNA, AICP, Executive Officer
Local Agency Formation Commission of Monterey County

NOTICE TO REGISTERED VOTERS AND LANDOWNERS WITHIN THE AFFECTED TERRITORY: Unless written opposition to the proposal is received before the conclusion of the June 22 public hearing, the Commission intends to waive the need to hold a second public hearing (“Conducting Authority Proceedings”) for purposes of considering any written protests. Please note that annexation to the South Monterey County Fire Protection District includes the potential for extension or continuation of any previously authorized charge, fee, assessment, or tax by the District.



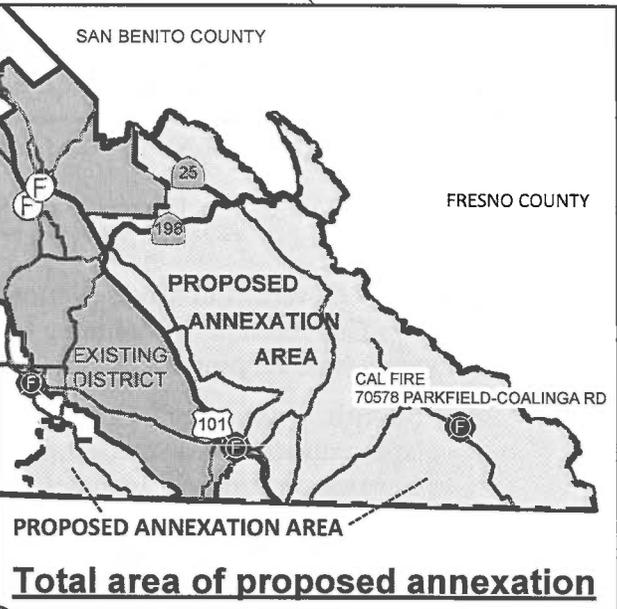
SPHERE OF INFLUENCE AMENDMENT
(Near Jolon-Bradley Road)

APN
423-051-019
Approx. 28
acres

(not to scale)

-  City or District Fire Station
-  CAL FIRE Station
-  Existing District Boundary
-  2015 Annexation Proposal Area (District's Existing Sphere of Influence)

Note: District does not provide service within the City of King.

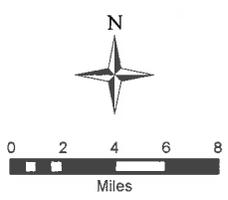


Annexation proposal continues southeast to County line; See detail map, above

LAFCO of Monterey County
LOCAL AGENCY FORMATION COMMISSION

P.O. Box 1369
Salinas, CA 93902
Telephone (831) 754-5838

132 W. Gabilan St., Suite 102
Salinas, CA 93901
FAX (831) 754-5831



2015 ANNEXATION PROPOSAL

**SOUTH MONTEREY COUNTY
FIRE PROTECTION DISTRICT**



SOUTH MONTEREY COUNTY FIRE PROTECTION DISTRICT

2221 Garden Road
Monterey, California 93940
(831) 333-2600 FAX: (831) 333-2660

April 29, 2015

RE: Proposal to annex into the South Monterey County Fire Protection District

Dear Property Owner or voter:

The South Monterey County Fire Protection District is in the process of annexing currently unprotected parcels adjacent to our District boundaries. Our goal is to annex these adjacent parcels into the Fire District for continued fire, emergency medical, and fire prevention services. The areas to be annexed are all parcels that are not currently in the South Monterey County Fire Protection District (roughly all of south Monterey County east of Highway 101 and south of Highway 198, and the Bryson/Hesperia area west of Lake San Antonio).

Upon review of properties located along the boundaries of the South Monterey County Fire Protection District, it has been determined that your property is not within the boundaries of any fire protection district. We have proposed to annex your property into the South Monterey County Fire Protection District through our Local Agency Formation Commission (LAFCO) application. The fire district has waived the annexation fees for this annexation application. If you were required to annex into the district at a later time because of a condition of building permit or insurance provider, the minimum annexation and LAFCO fees would be between \$1,500 and \$2,500. We are merely adjusting our boundaries to include areas that we currently respond into and to provide your parcel guaranteed fire district services. You will not see an increase in your property taxes due to this annexation.

We have included a report on potential questions regarding this annexation proposal, along with other information pertinent to the annexation proposal. We will offer a question and answer session during the next regular meeting at our Pine Canyon Fire Station, located at 51251 Pine Canyon Road, King City, CA on May 28, 2015 at 9:00 A.M. Fire department and LAFCO staff will be in attendance to allow you to gather more information and ask questions about the annexation process.

We are also available to answer any questions that you may have. Please contact Theresa Volland at 831-333-2600 during regular business hours.

Sincerely,

A handwritten signature in blue ink, appearing to read "Brennan Blue".

Brennan Blue
Fire Chief

South Monterey County Fire Protection District

2221 Garden Road, Monterey, CA 93940

STAFF REPORT

May 28, 2015

To: Board of Directors
From: Brennan Blue, Fire Chief
Subject: **Potential Annexation Questions & Responses**

Q. What is the annexation proposal?

A. The fire district has proposed to annex parcels on approximately 550,000 acres adjacent to the South Monterey County Fire Protection District (SoMoCo) that are not currently within any fire protection district. This includes all parcels to the east of the district (basically Highway 198 south and east to the county line(s), and to the southwest in the Bryson-Hesperia area. These areas are all included in the Monterey County Local Agency Formation Commission (LAFCO) sphere of influence for SoMoCo.

Q. Why did SoMoCo propose annexation?

A. Two years ago, the San Ardo Volunteer Fire Department asked the Fire District to consider annexing their area, in order to improve their department's training and overall operations. The Fire District had also received inquiries from residents in the Bryson/Hesperia areas asking about the possibility of their joining SoMoCo.

The district has identified areas within the District's Sphere of Influence totaling approximately 840 square miles (app. 537,600 acres) that are not within any formal Fire Protection District. Over the past several decades, the District has responded to many of these parcels for emergency incidents. At the June 2013 regular board meeting, the District approved an application to the Local Agency Formation Commission of Monterey County to annex these areas into the Fire District. Annexation of these areas that the District already responds to would formalize these responses. This would make responses legal under all aspects of law.

The annexation application process through LAFCO is being funded by the Fire District. The board also felt it was beneficial to include all areas within the sphere of influence at the same time. Doing so eliminates multiple applications and the resultant fees to LAFCO and the State Board of equalization.

Q. Will my property taxes increase?

A. No. A tax rate includes a general 1% tax levy applicable to all property tax bills, voter approved (pre-Proposition 13) special taxes, and voter approved debt issues for your particular area. The general tax levy is based on state law and is limited to 1% of assessed value (or \$1 per \$100 of assessed value).

Q. I understand the South Monterey County Fire District has "Benefit Assessment Fees". What are they, how much are they, and how much would I be assessed?

A. Correct: If the proposed areas are annexed into the Fire District, the benefit assessment fees would be imposed on all parcels. Prior to reorganization as the South Monterey County Fire Protection District in December 1997, Monterey County Service Area 61 established benefit assessment fees to provide extended fire protection services as authorized by California Government Code. The base assessment per fee unit of benefit is \$1.15. (Carmel Valley's base assessment per fee unit is \$7.50).

As an example, a single family dwelling on one site receives 20 units of benefit, which equals \$23.00 annual assessment. (See attached chart)

Q. The nearest South Monterey County Fire District Station to Parkfield is a long way away. How will that help me and my family?

A. If the proposed annexation is approved, the South Monterey County Fire District would enter into a formal mutual aid agreement with CAL FIRE to respond to reported emergencies. Additionally, the Fire District could contract with CAL FIRE to provide round the clock coverage at Parkfield by way of an "Amador Agreement" to ensure staffing at the state fire station during the "non-fire season".

Q. CAL FIRE already responds to our 911 calls. How does this improve that?

A. By law, CAL FIRE is required to respond to all vegetation fires that occur on State Responsibility Area lands. When available, CAL FIRE will respond to other 9-1-1 calls as a "good neighbor". If the areas proposed for annexation become part of the fire district, CAL FIRE would enter into formal agreements to provide mutual aid for all emergency calls.

Q. CAL FIRE bills me now for a "Fire Prevention Fee". How does that affect me?

A. If you receive an annual bill from CAL FIRE for Fire Prevention Fees, your fee would be reduced by \$35 by virtue of being within a recognized fire district.

Q. We are in San Lucas. Will we ever see a fire station in our community?

A. It is a possibility. Just as community volunteers have committed to the San Ardo, Arroyo Seco, Pine Canyon, and Lockwood areas, the fire district could support a volunteer station / fire company in the San Lucas area. Currently, San Lucas is unprotected by any fire agency.

Q. We are in San Ardo. We already have the volunteer fire department. Why change?

A. The San Ardo Volunteer Fire Company has requested annexation to the South Monterey County Fire District. They requested this because of the increasing requirements for formal training, record keeping, chief officer coverage, etc.

Q. How is the South Monterey County Fire District funded? Where does the revenue for the district come from?

A. Estimated revenues for the current fiscal year:

Property taxes -	\$292,000
Proposition 172-	\$ 84,220
Fire Mitigation Fees-	\$ 75,000
Measure "A" funds	\$ 6,300
Other income-	\$ 53,640
Total Revenue	\$511,160

Q. What revenues would be generated from the newly annexed areas?

A. Benefit assessment fees are estimated to generate approximately \$86,000 annually from all parcels in the proposed annexation area. Additionally, the Proposition 172 funds (Public Safety Sales Tax) that San Ardo Volunteer Fire Department would go to the fire district. In 2012, that amount was \$28,000. Finally, the County of Monterey and SoMoCo agreed to a cost share of 9% of any property tax "growth" that might be realized due to sale or improvement of properties.

Q. How much does it cost the fire district to operate annually?

A. The budget for the fire district for fiscal year 2014-15 is \$878,050.

- \$539,540 is for general operating expenses. This provides for operation of three volunteer fire stations. (fuel, insurance, & maintenance of fire engines and rescue vehicles & equipment; safety gear for volunteer firefighters; fire station maintenance; liability & workers compensation insurance; radios; hose; etc. etc.)
- \$338,510 is for capitalized equipment, land, and improvements (one-time expenses funded from reserve accounts).

South Monterey County Fire Protection District Annex Information

Benefit Assessment Fees

The Benefit Assessment fee will be the only new additional charge to the property owners annexed into the district. This charge is \$1.15 per unit of benefit. The fee is an annual charge and is used only for funding the South Monterey County Fire Protection District.

EXAMPLES OF BENEFIT ASSESSMENTS

Actual Land Use	Units of Benefit	Total Fee
Undeveloped Parcels		
Up to 10 acres	10	\$11.50
11-40 acres	30	\$34.50
41-300 acres	40	\$46.00
301 + acres	50	\$57.50
Developed Residential Parcels		
Single family dwelling on one site	20	\$23.00
2-4 single family dwellings	30	\$34.50
Mobile home, less than 11 acres	30	\$34.50
Apartments with 5-15 units	40	\$46.00
Apartments with 6-30 units	50	\$57.50
Apartments with 31 + units	60	\$69.00
Agriculture Parcels		
Row, field crops, vineyards, orchards, NO bldgs.	10	\$11.50
Grazing, nurseries, dry farming land	20	\$23.00
Feed lots, row, field crops, vineyards, orchards, WITH bldgs	30	\$34.50
Developed Commercial/Industrial Parcels		
Retail nurseries, communication towers	20	\$23.00
Animal hospitals, golf courses	20	\$23.00
Mobile home parks < 20 pads	30	\$34.50
Medical, bank, auto sales	30	\$34.50
Mobile home parks > 20 pads	40	\$46.00
Office or retail use	40	\$46.00
Auto wrecking, light industrial	50	\$57.50
Mobile home parks 51-80 pads	50	\$57.50
Motels, hotels, super markets, private schools	60	\$69.00
Convalescent homes	70	\$80.50
Heavy industry, warehousing	80	\$90.00
LPG, chemical plants	90	\$103.50
Gas/oil facilities, HazMat storage	100	\$115.00
Developed Institutional Parcel		
Cemeteries	10	\$11.50
Museums, libraries	40	\$46.00
Churches	50	\$57.50
Miscellaneous Developed Parcels		
Private tanks, wells, right of ways	10	\$11.50
Taxable property leased by private entities	30	\$34.50
Parcels with buildings not mentioned above	10	Per 1000 sq ft of floor

Attachment 5:

Draft resolution for “Alternative Action #1” (approve the District’s annexation proposal at the June 22 meeting)

This alternative is not recommended, but a draft resolution is provided in order to allow this alternative to proceed, should the Commission opt for this course of action.

THE LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

RESOLUTION NO. 15 - xx

RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION
AMENDING THE SOUTH MONTEREY COUNTY FIRE PROTECTION
DISTRICT'S SPHERE OF INFLUENCE BY APPROXIMATELY 28 ACRES AND
APPROVING THE "SOUTH MONTEREY COUNTY FIRE PROTECTION
DISTRICT 2015 ANNEXATION" OF APPROXIMATELY 840 SQUARE MILES
(LAFCO FILE NO. 13-05)

Not recommended for Commission action.

LAFCO Staff's recommended action is to continue consideration of this proposal to the August 24, 2015 meeting. This draft Resolution is provided should the Commission opt instead to approve the proposal, in its current form, at the June 22 meeting ("Alternative Action #1" in the Executive Officer's report).

WHEREAS, an application for the proposed Sphere of Influence amendment and annexation to the South Monterey County Fire Protection District ("Proposal") was heretofore filed and accepted for filing by the Executive Officer of this Local Agency Formation Commission, pursuant to Title 6, Division 1, commencing with Section 56000, et seq. of the Government Code; and

WHEREAS, the Commission adopted a countywide "Municipal Service Review and Sphere of Influence Update for Districts Providing Fire Protection and Emergency medical Services in Monterey County" in March 2012; and

WHEREAS, the Executive Officer, pursuant to Government Code section 56658, set June 22, 2015 as the hearing date on this proposal; and

WHEREAS, the required notice of the hearing was published in the King City Rustler on May 27, 2015 and in the Monterey County Weekly on May 28, 2015; and

WHEREAS, the public hearing by this Commission was held upon the date and at the time and place specified in said notice of hearing and in any order or orders continuing such hearing; and

WHEREAS, the Executive Officer, pursuant to Government Code section 56665, has reviewed this proposal and prepared a report, including recommendations thereon, and has furnished a copy of this report to each person entitled to a copy; and

WHEREAS, the stated purpose of the proposal is to ensure the provision of fire protection, emergency medical service, rescue, hazardous material response, fire prevention, and public education to the annexation areas from a full service fire department; and

WHEREAS, the South Monterey County Fire Protection District ("District" or "Applicant") has indicated its ability and willingness to provide service to the area; and

WHEREAS, this Commission, on June 22, 2015 heard from interested parties, considered the proposal and the report of the Executive Officer and considered the factors determined by the Commission to be relevant to this proposal, including, but not limited to, factors specified in Government Code sections 56425(e) and 56668; and

WHEREAS, the proposed Sphere of Influence expansion area is effectively surrounded by the currently adopted District Sphere of Influence and boundaries; and

WHEREAS, the South Monterey County Fire Protection District Board of Directors, as the Lead Agency, has reviewed the record and found that the proposed annexation is categorically exempt from the California Environmental Quality Act pursuant to Section 15061(b)(3) as activities covered by the general rule that CEQA only applies to projects that have potential to cause significant environmental impact, and

Draft “Alternative Action” Resolution - Not recommended for Commission approval.

LAFCO Staff’s recommended action is to continue consideration of this proposal to the August 24, 2015 meeting. This draft Resolution is provided should the Commission opt instead to approve the proposal, in its current form, at the June 22 meeting (“Alternative Action #1” in the Executive Officer’s report).

WHEREAS, the Monterey County Board of Supervisors considered and adopted a tax transfer agreement between the County and the District on March 24, 2015.

NOW, THEREFORE, the Local Agency Formation Commission of Monterey County does HEREBY RESOLVE, DETERMINE, AND ORDER as follows:

Section 1. The forgoing recitals are true and correct.

Section 2. The Commission has considered the South Monterey County Fire Protection District’s finding that the proposed annexation is categorically exempt from the California Environmental Quality Act pursuant to Section 15061(b)(3) and that no additional CEQA documentation is required.

Section 3. No additional CEQA documentation is required at this time to support this Sphere of Influence Amendment or annexation proposal based upon the findings set forth above.

Section 4. In determining the Sphere of Influence of the South Monterey County Fire Protection District, the Commission, in accord with Section 56425(e) of the Government Code, has considered and prepared a written statement of its determinations with respect to each of the following:

- *The present and planned land uses in the area, including agricultural and open-space lands.*

The proposed Sphere of Influence expansion area contains a single 28-acre parcel. This privately owned parcel is an inholding within U.S. Forest Service lands. This parcel is zoned by the County for “Rural Grazing,” with a 40-acre minimum for subdivision. Subdivision of this parcel is therefore not allowed. The parcel is currently vacant and contains no structures, although a residential structure would be allowed provided it was accessory to the agricultural use of the property. The current and potential use of this parcel will not be changed by the proposed Sphere expansion.

- *The present and probable need for public facilities and services in the area, and*
- *The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.*

If this parcel were to be developed with a residence or other structures, it would benefit from the provision of fire protection and emergency medical services. The parcel is currently effectively surrounded by the District and its Sphere of Influence. The District states that it can provide serve to this parcel.

- *The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.*

The single-parcel addition to the District’s Sphere of Influence is vacant. There are no relevant communities of interest.

- *The present and probable need for . . . [structural fire protection] . . . facilities and services of any disadvantaged unincorporated communities within the existing Sphere of Influence.*

Several communities within the District’s Sphere of Influence, including San Ardo, San Lucas and Parkfield, may qualify as disadvantaged unincorporated communities. They are all within the District’s current annexation proposal.

Draft “Alternative Action” Resolution - Not recommended for Commission approval.

LAFCO Staff’s recommended action is to continue consideration of this proposal to the August 24, 2015 meeting. This draft Resolution is provided should the Commission opt instead to approve the proposal, in its current form, at the June 22 meeting (“Alternative Action #1” in the Executive Officer’s report).

Section 5. The Commission has considered the factors set forth in the Cortese-Knox-Hertzberg Act for annexation to the South Monterey County Fire Protection District and found them to be consistent with the proposed change of organization as more fully discussed below.

Section 6. *Population and population density; land area and land use; per capita assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; the likelihood of significant growth in the area, and in adjacent incorporated and unincorporated areas, during the next 10 years (Gov. Code § 56668(a).)*

The annexation proposal includes the communities of San Ardo, San Lucas, and Parkfield. The proposal also includes the Bryson-Hesperia area south of Lake San Antonio, areas near Bradley, rural lands north and south of Highway 198 near San Benito and Fresno Counties, and other rural lands extending to the southeast corner of Monterey County. The proposal area represents approximately 25% of the county’s total land area. The 2010 Census population of the proposed annexation area was 2,170.

The areas proposed for annexation to the District are primarily rural lands that are designated for agricultural, mineral extraction and conservation uses. The annexation excludes Camp Roberts, which has its own fire protection personnel and provisions. The annexation’s boundaries allow the District to serve areas up to the County boundary with San Luis Obispo County to the south and Kings and Fresno Counties to the east. Significant residential growth is not anticipated in the annexation area. Growth in the oil fields is dependent on extraction technologies and the market for petroleum products.

Section 7. *The need for organized community services; the present cost and adequacy of governmental services and controls in the area; probable future needs for those services and controls; probable effect of the proposed ... annexation ... and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas. (Gov. Code § 56668(b).)*

The annexation area is not currently within the boundaries of any local fire protection agency. The 840 square miles acres are contiguous with the boundaries of Monterey County. Although not within existing fire protection agency jurisdiction, fire protection in the affected territory is now informally provided through the District and CAL FIRE, which has responsibility only for wildland fires. The annexation would grant the District responsibility for the fire protection, emergency medical service, rescue, hazardous material response, and education within the area. It would have the potential to simplify communications, quicken dispatch of equipment and personnel, and assign the financial responsibility to one agency. Mutual aid agreements with adjacent fire protection agencies would be facilitated.

Section 8. *The effect of the proposed action and of alternative actions, on adjacent areas, on mutual social and economic interests, and on the local governmental structure of the county. (Gov. Code § 56668(c).)*

Because the annexation areas are outside the boundaries of any city or fire district, the proposed action would not adversely affect adjacent areas, mutual social and economic interest, or the local governmental structures of the county. The alternative to this action would be to continue to exclude these areas from the boundaries of a fire protection agency. Landowners and residents of the proposed annexation areas would then continue to receive services from nearby fire agencies, but would not contribute financially to the provision of these services and would continue to have no voice in their operations.

Section 9. *The conformity of both the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development, and the policies and priorities set forth in Section 56377. (Gov. Code § 56668(d).)*

Draft “Alternative Action” Resolution - Not recommended for Commission approval.

LAFCO Staff’s recommended action is to continue consideration of this proposal to the August 24, 2015 meeting. This draft Resolution is provided should the Commission opt instead to approve the proposal, in its current form, at the June 22 meeting (“Alternative Action #1” in the Executive Officer’s report).

The annexation is consistent with all adopted Commission policies on providing planned, orderly, efficient patterns of urban development.

Government Code Section 56377 pertains to directing development away from open-space and agricultural land, unless this would be detrimental to the promotion of the planned, orderly, efficient development of an area. Existing and planned land uses are not affected by the proposed annexation. The proposed annexation does not affect any development pattern, or direct the location of development. Open space lands within the annexation areas will benefit from the availability of fire protection and emergency medical services.

Section 10. *The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined in Section 56016. (Gov. Code § 56668(e).)*

The proposed annexation is limited to the provision of fire protection, emergency medical and related services. There will therefore be no impact on maintaining the physical and economic integrity of the area’s agricultural land.

Section 11. *The definiteness and certainty of the boundaries of the territory, the nonconformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of unincorporated territory, and other similar matters affecting the proposed boundaries. (Government Code §56668(f).)*

The annexation boundaries are definite and certain and consistent with assessment lines and ownership. The proposal allows for the rational expansion of the South Monterey County Fire Protection District consistent with its Sphere of Influence.

Section 12. *A regional transportation plan adopted pursuant to Section 65080, and consistency with City or County General and Specific Plans. (Gov. Code § 56668(g).)*

The proposed annexation to the South Monterey County Fire Protection District has no impact on the regional transportation plan. The proposed annexation is consistent with the applicable County general plan and zoning ordinance. The annexation will not change area development patterns.

Section 13. *The proposal’s consistency with . . . county general and specific plans. (Gov. Code §§ 56375.5, 56668(h).)*

The 2010 Monterey County General Plan supports the improvement of fire protection services throughout the County. It specifically requires that “all new development shall be required to annex into the appropriate fire district.” As such, the proposal is consistent with this plan.

Section 14. *The Sphere of Influence of any local agency, which may be applicable to the proposal being reviewed. (Gov. Code §§ 56375.5, 56668(i).)*

The 840 square mile annexation is located wholly within the Sphere of Influence of the South Monterey County Fire Protection District, including the proposed 28-acre expansion of the Sphere.

The annexation areas are also located within the boundaries of the county-wide County Service Area 74 (Emergency Medical Services System). The South Monterey County Fire Protection District cooperates with the County’s ambulance provider, and provides complementary emergency medical service.

Draft “Alternative Action” Resolution - Not recommended for Commission approval.

LAFCO Staff’s recommended action is to continue consideration of this proposal to the August 24, 2015 meeting. This draft Resolution is provided should the Commission opt instead to approve the proposal, in its current form, at the June 22 meeting (“Alternative Action #1” in the Executive Officer’s report).

Section 15. *The comments of any affected local agency or other public agency. (Gov. Code § 56668(j).)*

The San Ardo Volunteer Fire Company, which will become an element of the District following annexation, has provided a letter of support. No other public agency commented on the proposal.

Section 16. *The ability of the newly formed or receiving entity to provide the services which are the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change. (Gov. Code § 56668(k).)*

The South Monterey County Fire Protection District currently provides services to these areas although it receives no property tax or other compensation for its work. If the annexation is approved, some future funding will be provided through the payment of benefit assessment fees, a tax transfer agreement negotiated with the County, and State funding through Proposition 172. The potential pool of volunteer firefighters would be expanded, and the volunteers from the San Ardo Volunteer Fire Company would be included within the District umbrella.

Section 17. *Timely availability of water supplies adequate for projected needs as specified in Section 65352.5. (Gov. Code § 56668(l).)*

The annexation will have no impact on the timely availability of water supplies.

Section 18. *The extent to which the proposal will affect a City or cities and the county in achieving their respective fair shares of the regional housing needs as determined by the appropriate council of governments consistent with Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7. (Gov. Code § 56668(m).)*

The annexation will have no impact on housing needs.

Section 19. *Any information or comments from the landowner or owners, voters, or residents of the affected territory. (Gov. Code § 56668(n).)*

Numerous members of the public have provided written comments expressing opposition, support, questions or concerns about the District’s annexation proposal. The majority of public correspondence has been opposed to the annexation. Among other concerns, commenters have expressed opinions that existing fire protection arrangements are adequate, that long distances will preclude the provision of a higher level of service, that the annexation area should be reduced to only include areas easily served, and that the District’s benefit assessment fee would be applied inequitably among different lot sizes and development patterns.

Section 20. *Any information relating to existing land use designations. (Gov. Code § 56668(o).)*

The vast majority of the area proposed for annexation is rural. The County’s land use designations are rural ones, including “Farmlands,” “Permanent Grazing,” “Rural Grazing” and “Resource Conservation.” There are oil fields in the southern part of the area, along Highway 101, which are zoned “Heavy Industrial” for mineral extraction. The unincorporated communities of San Ardo, San Lucas and Parkfield include parcels designated for commercial and residential uses.

Section 21. *The extent to which the proposal will promote environmental justice. As used in this subdivision, "environmental justice" means the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services. (Gov. Code § 56668(p).)*

Draft “Alternative Action” Resolution - Not recommended for Commission approval.

LAFCO Staff’s recommended action is to continue consideration of this proposal to the August 24, 2015 meeting. This draft Resolution is provided should the Commission opt instead to approve the proposal, in its current form, at the June 22 meeting (“Alternative Action #1” in the Executive Officer’s report).

The annexation includes all areas within the District’s Sphere of Influence, except for Camp Roberts (California National Guard). No adjacent populated areas remain to be served. The annexation provides fire protection and emergency services to existing and future residents of the annexation areas. The proposal provides a consistent level of service to all residents, regardless of race, ethnicity, or income, through the logical extension of South Monterey County Fire Protection District boundaries.

Section 22. *Whether existing agencies can feasibly provide the needed service or services in a more efficient and accountable manner, or reorganization with other single-purpose agencies that provide related services. (Gov. Code §§ 56301, 56886.5)*

In addition to the District, there are three organizations that currently provide fire protection and emergency medical service within the proposed annexation area. The vast majority of the District’s annexation proposal area is located within the State Responsibility Area, or SRA. Within the SRA, the California Department of Forestry and Fire Protection (CAL FIRE) is responsible for wildland fire response. CAL FIRE will also respond to structural and medical emergency calls, if and when CAL FIRE is available. However, CAL FIRE stations are typically only open seasonally; they are not typically staffed during the “non-fire” season, which varies from year to year but is generally October through May. CAL FIRE has expanded its services in southern Monterey County through a contract with the South Monterey County Fire Protection District. It is statutorily unable to provide a full range of services without the District. CAL FIRE supports the proposal. San Ardo is currently protected by its own volunteer fire company. This company strongly supports the proposed annexation and would be subsumed by the District following annexation. Ambulance Service is contractually provided, countywide, through County Service Area 74. This service, which does not include fire protection, would be coordinated with District service following annexation.

Section 23. *Apportionment of property tax revenue. (Revenue & Taxation Code §99.01)*

Monterey County and the South Monterey County Fire Protection District have agreed to a tax transfer agreement. The County Board of Supervisor approved this agreement on March 24, 2015.

Section 24. *Consistency with Policies and Procedures Relating to Spheres of Influence and Changes of Organization and Reorganization.*

The proposal is consistent with local LAFCO Policies and Procedures. Of most relevance, the proposal is consistent with policies relating to Economics, Service Delivery and Development Patterns (Section D.VII.) The proposal will not have adverse financial impacts on the District, will provide fire protection and emergency medical support to an area which is now unprotected, and will provide an appropriate level of service to the large rural area to be annexed.

Section 25. The proposal is approved subject to the following terms and conditions:

- a. The proposed Sphere of Influence expansion and annexation are approved subject to the applicant’s payment of all fees incurred in the processing of the application consistent with the LAFCO fee schedule, including the fee required by the State Board of Equalization.
- b. The proposed annexation is approved subject to review and pre-clearance of the annexation by the United States Department of Justice pursuant to Section 5 of the Voting Rights Act, as applicable.
- c. The proposed annexation is subject to the preparation of a Map and Property Description deemed acceptable by the State Board of Equalization.

Draft "Alternative Action" Resolution - Not recommended for Commission approval.

LAFCO Staff's recommended action is to continue consideration of this proposal to the August 24, 2015 meeting. This draft Resolution is provided should the Commission opt instead to approve the proposal, in its current form, at the June 22 meeting ("Alternative Action #1" in the Executive Officer's report).

Section 26. The Certificate of Completion for the Annexation shall not be issued until all terms and conditions are met. The Sphere of Influence expansion shall be effective immediately upon approval of this resolution and the completion of any requested reconsiderations.

Section 27. If a Certificate of Completion for a change of organization or reorganization has not been filed within one year after the Commission approves a proposal for that proceeding, the proceeding shall be deemed abandoned unless prior to the expiration of that year the Commission authorizes an extension of time for that completion. The extension may be for any period deemed reasonable to the Commission for completion of necessary prerequisite actions by any party. If a proceeding has not been completed because of the order or decree of a court of competent jurisdiction temporarily enjoining or restraining the proceedings, this shall not be deemed a failure of completion and the one-year period shall be tolled for the time that order or decree is in effect. [Government Code section 57001]

Section 28. The boundaries of the territory proposed as the Sphere of Influence amendment and the boundaries of the territory proposed for annexation to the District are hereby approved as described in Exhibit "A," attached hereto and made a part hereof. The annexation is assigned the following distinctive short form designation: "SMCFPD 2015 Annexation."

Section 29. The regular County assessment roll will be used and the annexation area will not be taxed for existing general bonded indebtedness of the South Monterey County Fire Protection District.

Section 30. The affected territory is inhabited and requires the Commission to set a protest hearing for the proposed annexation in accordance with Government Code Section 57000 and Government Code Section 57002. The protest hearing is set for _____, 2015 at 4:00 P.M. at the Monterey County Board of Supervisors Chambers in Salinas, California.

Section 31. The effective date will be the filing of the Certificate of Completion.

Section 32. The Executive Officer is hereby authorized and directed to mail certified copies of this resolution in the manner and as provided in Section 56882 of the Government Code.

Section 33. The applicant agrees as a condition of the approval of this application to defend at its sole expense any action brought against LAFCO, the Commission and its staff, because of the approval of this application. The applicant will reimburse LAFCO for any court costs and attorneys' fees which may be required by a court to pay as a result of such action. LAFCO may, at its sole discretion, participate in the defense of any such action; but such participation shall not relieve applicant of his obligations under this condition. The obligation on the part of the applicant to indemnify LAFCO is effective upon the adoption of this resolution and does not require any further action.

Draft "Alternative Action" Resolution - Not recommended for Commission approval.

LAFCO Staff's recommended action is to continue consideration of this proposal to the August 24, 2015 meeting. This draft Resolution is provided should the Commission opt instead to approve the proposal, in its current form, at the June 22 meeting ("Alternative Action #1" in the Executive Officer's report).

UPON MOTION of Commissioner _____, seconded by Commissioner _____, the foregoing resolution is adopted this _____ day of _____, 2015 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Alternative Action #1 (not recommended by LAFCO staff)

_____, Chair
Local Agency Formation Commission of Monterey County

ATTEST: I certify that the within instrument is a true and complete copy of the original resolution of said Commission on file within this office.

Witness my hand this ___ day of _____, 2015

By: _____
Kate McKenna, AICP, Executive Officer

DRAFT

LOCAL AGENCY FORMATION COMMISSION
P.O. Box 1369 132 W. Gabilan Street, Suite 102
Salinas, CA 93902 Salinas, CA 93901
Telephone (831) 754-5838 Fax (831) 754-5831
www.monterey.lafco.ca.gov

KATE McKENNA, AICP
Executive Officer

DATE: June 22, 2015
TO: Chair and Members of the Formation Commission
FROM: Kate McKenna, AICP, Executive Officer
SUBJECT: CALAFCO 2015 ANNUAL CONFERENCE – BUSINESS ITEMS

SUMMARY OF RECOMMENDATIONS:

It is recommended that the Commission take the following actions:

1. Designate Commission attendees, and authorize attendance at the Annual Conference in Sacramento, Wednesday, September 2 through Friday, September 4 (action item);
2. Designate Voting Delegates to represent LAFCO of Monterey County at the Conference (action item);
3. Consider nominations for City and Public Member seats on the CALAFCO Board of Directors (information or action item), and
4. Consider nominations for for CALAFCO Achievement Awards (information or action item).

EXECUTIVE OFFICER’S REPORT:

LAFCO of Monterey County is a member of the California Association of Local Agency Formation Commissions (CALAFCO). The Commission has four business items to consider in preparation for the 2015 Annual Conference and Business Meeting in Sacramento.

The conference will be held on Wednesday, September 2 through Friday, September 4, with a theme of “*Confluence: LAFCO – Merging Ideas with Solutions.*” Executive Officer Kate McKenna serves on the conference planning committee, and has been requested to organize a session on fiscal impact analysis tools. Senior Analyst Darren McBain has been invited to participate on a panel to discuss the regulation of broadband powers. The conference announcement is attached for reference. A detailed conference program will be provided when it becomes available.

I. Attendance at Annual Conference

The Commission is requested to authorize attendance for attendees at the Conference. The adopted budget provides adequate funding for about six attendees. Typical attendees are two Commissioners, the LAFCO Executive Officer, one or two analysts, and the LAFCO General Counsel. Other Commissioners may participate at the discretion of the Commission.

RECOMMENDED ACTION #1: Designate up to two Commissioners as conference attendees, and authorize attendance by the designated Commissioners, General Counsel, Executive Officer, and up to two LAFCO analysts, or other attendees as deemed appropriate. (*Action Item*)

2. Voting Delegates

Each LAFCO designates a person to cast that Commission's votes at regional election caucuses at the Annual Conference.

RECOMMENDED ACTION #2: Appoint a Voting Delegate and an Alternate Delegate. (*Action Item*)

3. Nominations for City and Public Member Seats on CALAFCO Board of Directors

CALAFCO members elect a 16-member Board of Directors based on a regional representation system. Each of the four CALAFCO regions is represented by four Board Members – one county, one city, one district, and one public. Monterey County is part of the 15-county Coastal Region. This year, two of the four Coastal Region seats are up for election: the City Member (position currently held by Juliana Inman of Napa County) and the Public Member (currently held by Roger Welt of Contra Costa County). The incumbents have indicated that they will not run for re-election.

The election will occur at a regional caucus (currently scheduled for 8:00 to 8:45 a.m. on Thursday, September 3) during the annual conference. Any nominees should plan to attend the regional caucus and, if elected, to attend the CALAFCO Board meeting on the day the caucus is held.

RECOMMENDED ACTION #3: The Commission may nominate a City and/or Public Member Commissioner to run for election to the CALAFCO Board of Directors. The nominees may be Regular or Alternate Members of the Commission. (*Information or Action Item*)

4. CALAFCO Achievement Award Nominations

CALAFCO seeks nominations for 2015 achievement awards. The categories are listed below:

- Outstanding CALAFCO Member;
- Distinguished Service Award;
- Most Effective Commission;
- Outstanding Commissioner;
- Outstanding LAFCO Professional;
- Outstanding LAFCO Clerk;
- Outstanding CALAFCO Associate Member
- Project of the Year;
- Government Leadership Award;
- Legislator of the Year (must be selected by the full CALAFCO Board);
- Mike Gotch Courage and Innovation in Local Government Award; and
- Lifetime Achievement Award.

RECOMMENDED ACTION #4: The Commission may nominate a person, individual project, or commission for an achievement award. (*Information or Action Item*)

Respectfully Submitted,



Kate McKenna, AICP,
Executive Officer

Attachment: 2015 CALAFCO Annual Conference announcement



CALAFCO 2015 CONFERENCE
★ SACRAMENTO ★

Announcing The 2015 CALAFCO Annual Conference



Hosted by Sacramento LAFCo

September 2 – 4, 2015

Downtown Sacramento, California
at the Hyatt Regency



Value-Added General and Breakout Session Topics

- Sustainable Groundwater Management Act Implementation – Where Do We Go From Here?
- Planning, Agriculture and Natural Resources – a Confluence of Ideas for LAFCo Solutions
- Urban Growth Boundaries and SOIs
- Leadership Practices in an Era of VUCA (volatility, uncertainty, complexity, ambiguity)
- The Impact of Climate Change on Land Use Planning
- Community Services Districts 101
- Fiscal Tools to Sustain Services
- LAFCo Technology for the 21st Century
- Exploring the New World of Broadband
- LAFCo Staff: The Magic Behind the Curtain

Plus many others!

Note: The Program is still being put together. The topics noted above represent only a portion of the program to be offered. All sessions are subject to change.

Special Highlights

Mobile Workshop
A special look at the physical confluence of the Sacramento & American rivers, followed by a tour of the largest and most progressive inland Waste Water Treatment Plant west of the Mississippi, and close with a tour of the Delta levy & habitat. Lunch at the historic Old Sugar Mill included.

*Wednesday from
8:00 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*

Luncheon Keynote

Featuring *Ted Gaebler*,
co-author of the *National best-seller Reinventing Government*

Thursday Luncheon

Invaluable Networking Opportunities

- Commissioner Roundtable discussions on current issues
- Roundtable discussions for LAFCo staff, LAFCo counsel, and Associate members
- 9th CALAFCO Beer & Wine Competition and Reception
- Networking breakfasts
- Receptions

Hyatt Regency Downtown



Make your reservations now at the Hyatt Regency at the CALAFCO special rate of \$126. Find the link at www.calafco.org.

Mark your calendar and
plan to attend!

Registration is now open!
Visit www.calafco.org

Agenda
Item 13

CITY OF MARINA

211 Hillcrest Avenue
Marina, CA 93933
831-884-1278; FAX 831-384-9148
www.ci.marina.ca.us



June 5, 2015

Kate McKenna
Executive Officer
LAFCO of Monterey County
P.O. Box 1369
Salinas, Ca. 93902

William Kocher
Marina Coast Water District
11 Reservation Road
Marina, Ca 93933

Re: Annexation of Ord Community by MCWD

Dear Ms. McKenna and Mr. Kocher:

As you may realize the number of people living in the former Fort Ord Community is rapidly increasing. With this increase comes the responsibility of governmental agencies to ensure that not only are the interests of the residents protected, but also that all rights of Marina residents are extended to each and every one of them. This includes public safety, access to governmental benefits, and the right to vote.

Unfortunately, the right to vote has been denied to the residents of Marina who live within the Ord Community. This has been the situation since the closing of the former Fort Ord and it needs to be remedied immediately. None of the registered voters who reside in the Ord Community have a right to vote for or seek elected office on the Marina Coast Water District (MCWD). This is incomprehensible given the fact that the MCWD Board makes all of the decisions regarding the water (including cost) provided to the residents of the former Fort Ord.

The Marina City Council urges MCWD to address annexation and requests that LAFCO address the annexation of the Ord Community by MCWD as soon as it is appropriate to do so.

Finally, the City Council is aware that Seaside Mayor Ralph Rubio is a member of SCSD and the LAFCO Boards. We have full confidence that, if legally required to do so, Mayor Rubio will recuse himself when the annexation matter comes before the LAFCO Board.

Sincerely,

Bruce C. Delgado, Mayor
City of Marina

Cc: Mty. Cty. Board of Supervisors
SCSD
FORA
Congressman Farr
St. Senator Monning
St. Assemblyman Stone