



AGENDA

Wednesday November 2, 2011

5:30 P.M., Board Chambers, County Administration Center,
700 H Street, Sacramento, California 95814

COMMISSIONERS:

Chair: Christopher Tooker
Vice-Chair: Gay Jones
Steve Cohn
Jimmie Yee
Susan Peters
Robert Jankovitz
Charles Rose

ALTERNATE COMMISSIONERS:

John Messner
Jerry Fox
Robert King Fong
Roberta MacGlashan
Roberta MacGlashan
Mike Singleton
Jerry Fox

PUBLIC COMMENT FROM THE FLOOR

The public is encouraged to address the Commission concerning any matter not on the Agenda. Public comments are limited to three minutes. The Commission is prohibited from discussing or taking any action on any item not appearing on the posted Agenda

CONSENT CALENDAR

1. Approve the Meeting Minutes of October 5, 2011
2. Claims dated thru October 26, 2011
3. Monthly Budget Report
4. Legislation Status Report

BUSINESS ITEMS

5. Update Rio Linda/Elverta Community Water District MSR (LAFCo 07-10) {CEQA Exempt}
6. City of Elk Grove Sphere of Influence Draft EIR Workshop (LAFCo 09-10) [CEQA - EIR SCH#2010092076]

PUBLIC HEARINGS

None

QUESTIONS/ANNOUNCEMENTS

7. Commission Chair/Commissioners

INFORMATIONAL ITEMS

Letters, Newsletters and Miscellaneous Correspondence



MEETING SCHEDULE

5:30 P.M., Board Chambers
700 H Street, Sacramento CA

Dates

December 7
January Recess
February 1

SACRAMENTO LOCAL AGENCY FORMATION COMMISSION

SUMMARY OF RULES AND PROCEDURES

AGENDA ITEMS: The Commission may reschedule items on the agenda. The Commission will generally hear uncontested matters first, followed by discussions of contested matters, and staff announcements in that order. Anyone who wishes to address the Commission should obtain a form from either the Commission Clerk or from the table located near the entrance of the hearing chamber.

CONDUCT OF HEARINGS: A contested matter is usually heard as follows: (1) discussion of the staff report and the environmental document; (2) testimony of proponent; (3) testimony of opponent; (4) Public Testimony (5) rebuttal by proponent; (6) provision of additional clarification by staff as required; (7) close of the public hearing; (8) Commission discussion and Commission vote.

ADDRESSING THE COMMISSION: Any person who wishes to address the Commission should submit a speaker's request form at the beginning of the meeting; move to the front of the chambers when an item is called; and, when recognized by the chair, state their name, address and affiliation. Please attempt to make your statements concise and to the point. It is most helpful if you can cite facts to support your contentions. Groups of people with similar viewpoints should appoint a spokesperson to represent their views to the Commission. The Commission appreciates your cooperation in this matter.

PUBLIC COMMENT TIME LIMITS: The Sacramento Local Agency Formation Commission welcomes and encourages participation in its meetings. Rules of the Commission provide for the following limitations of discussion: The Commission will hear public comment prior to the consideration of any item. (1) a principal proponent will be allowed a 5-minute statement; (2) other proponents will be allowed a 3-minute statement; (3) opponents are allowed 3-minute statements with the exception of spokespersons for any group who shall be permitted 5-minutes; (4) the principal proponent shall have a 3-minute rebuttal; (5) staff will provide clarification, as required.

VOTING: A quorum consists of four members of the Commission, including any alternate. No action or recommendation of the Commission is valid unless a majority (4 votes) of the entire membership of the Commission concurs therein.

OFF AGENDA ITEMS: Matters under the jurisdiction of the Commission, and not on the posted agenda, may be addressed by the general public under "Public Comment From the Floor" on the Agenda. The Commission limits testimony on matters not on the agenda to three minutes per person and not more than fifteen minutes for a particular subject. The Commission cannot take action on any unscheduled items.

SPECIAL NEEDS: Meeting facilities are accessible to persons with disabilities. Requests for assistive listening devices or other considerations should be made 48 hours in advance through the Commission Clerk at (916)874-6458.

AB 745 DISCLOSURES: The Political Reform Act requires all interested parties to disclose contributions and expenditures for "political purposes" related to proposals for changes of organization or reorganization (annexations, incorporations, etc.,) as well as contributions and expenditures in connection with Conducting Authority protest proceedings. Such contributions and expenditures must be reported to LAFCo's Executive Officer to the same extent, and subject to the same requirements, as local initiative measures under the Political Reform Act. Additional information regarding these requirements can be found on LAFCo's website at: <http://www.saclafco.org/Forms/index.htm>.

STAFF REPORTS: Staff Reports are available on line at www.SacLAFCo.org or upon request to Diane Thorpe, Commission Clerk at (916)874-6458.

VIDEO BROADCASTS: The meeting is video taped in its entirety and will be cablecast live on Metro Cable channel 14, the government affairs channel on the Comcast, and SureWest Cable Systems and is closed captioned for our hearing impaired viewers. The meeting is webcast live at <http://www.saccounty.net>. The current meeting is broadcast live and will be rebroadcast; check the Metro Cable schedule for dates and times. A VHS video copy will be available for checkout through the County Library System seven to ten days following the meeting.



***MINUTES FOR THE MEETING OF
Wednesday October 5, 2011***

The Sacramento Local Agency Formation Commission met the fifth day of October 2011, at 5:30 P.M. in Board Chambers of the Sacramento County Administration Center, 700 H Street, Sacramento, California 95814.

PRESENT:

Commissioners:

Gay Jones , Vice Chair
Robert Jankovitz
Roberta MacGlashan
Charles Rose
Jimmie Yee (arrived 5:48)

Absent:

Christopher Tooker, Chair
Steve Cohn
Susan Peters

Staff:

Peter Brundage, Executive Officer
Donald Lockhart, Assistant Executive Officer
Nancy Miller, Commission Counsel

Alternates:

Jerry Fox

Absent:

Diane Thorpe, Commission Clerk

PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA

None

CONSENT CALENDAR

1. Approve the Meeting Minutes of August 3, 2011
2. Claims dated thru September 28, 2011
3. Monthly Budget Report
4. Legislation Status Report
5. Del Paso Manor Water District – Municipal Service Review and Sphere of Influence Update (LAFC 02-11) [CEQA Exempt]
6. Approve Audit Engagement Letter for FY 2010-11 Audit
Motion: To approve the Consent Calendar
Moved: Commissioner Rose
Second: Commissioner MacGlashan
Passed: Unanimous

BUSINESS ITEMS

7. Rio Linda/Elverta Community Water District MSR - Report Back (LAFC 07-10) [CEQA Exempt]
Receive and File Report – No Action

8. City of Elk Grove Sphere of Influence (LAFC 09-10) - Status Report [CEQA - EIR SCH#2010092076] -
No Action

9. Amend FY 2011-12 Adopted Final Budget
Motion: To vote for Sandy Raffelson, Edmund K. Sprague, and Ed Gray
Moved: Commissioner Rose
Second: Commissioner Yee
Passed: Unanimous

PUBLIC HEARINGS

None

REPORTS/QUESTIONS/ANNOUNCEMENTS

None

The meeting adjourned at 5:59 P.M.

Respectfully submitted,

SACRAMENTO LOCAL AGENCY FORMATION COMMISSION

Diane Thorpe
Commission Clerk

**SACRAMENTO LOCAL AGENCY FORMATION COMMISSION
CLAIMS***

<u>Date Submitted to Auditor</u>	<u>Vendor</u>	<u>Amount</u>
10/12/2011	Alhambra Sierra Springs (Water Supplies)	\$27.07
10/12/2011	Colliers (Office Lease)	\$3,859.78
10/12/2011	Daily Journal Corp. (Legal Advertising)	\$445.50
10/12/2011	Environmental Planning Partners	\$2,996.19
10/12/2011	Sacramento Business Journal (Conference)	\$270.00
10/12/2011	CALAFCO (Training)	\$150.00

TOTAL	<u>\$7,748.54</u>
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APPROVED: 11/2/2011

Christopher Tooker, Chair
SACRAMENTO LOCAL AGENCY FORMATION COMMISSION

*Not including Journal Voucher and Personnel items.

SACRAMENTO LOCAL AGENCY FORMATION COMMISSION

*1112 I Street, Suite #100
Sacramento, California 95814
(916) 874-6458*

November 2, 2011

TO: Sacramento Local Agency Formation Commission
FROM: Peter Brundage, Executive Officer *PB*
RE: Monthly Budget Report

RECOMMENDATION:

Receive and File Period 3 FY 2011-12 Budget Status Reports.

DISCUSSION:

The attached budget reports are for Accounting Period 3 October 5, 2011. This report summarizes monthly expenditures and revenues as well as the Trial Balance for the reporting periods.

There are no significant variances to report at this time.

Library : ZSP County of Sacramento Reports
Report group: ZSC8 Balance sheet detail
Report name : ZFP4816E Trial Balance by Business Area

Data selected by: 1009726
Data selected on: 10/05/2011 14:28:08

Fiscal year : 2012
Period : 3 September
Business Area: 067A LOCAL AGENCY FORMATI

Balance Sheet Item	Beginning Balance	Period Debits	Period Credits	Ending Balance
* Cash in Treasury	350,389.03	317,306.53	56,540.42-	611,155.14
* Imprest Cash	40.00			40.00
* Inventory				
* Due from Other Funds Year End				
* Accounts Receivable Year End				
** Total Assets	350,429.03	317,306.53	56,540.42-	611,195.14
* Sales Tax Due	1.15-			1.15-
* Warrants Payable	48,561.55-	53,604.06	32,083.66-	27,041.15-
* Deposit State Warrants	643.48-			643.48-
* Claims Payable		32,220.16	32,220.16-	
* Due to Others				
* Suspense Clearing				
* Payroll Clearing	136.50-	674.75	538.25-	
** Total Liabilities	49,342.68-	86,498.97	64,842.07-	27,685.78-
* Reserve Fund Balance	220,933.00-			220,933.00-
* Fund Balance	228,912.36			228,912.36
* Revenues and Other Financing Sources	297,960.27-		316,388.53-	614,348.80-
* Expenditures/Expenses	109,394.56	34,883.52	918.00-	143,360.08
* Estimated Revenue	1,106,500.00			1,106,500.00
* Appropriations	1,227,000.00-			1,227,000.00-
* Start of System Clearing				
** Total Equity & Other Accounts	301,086.35-	34,883.52	317,306.53-	583,509.36-
*** Total Liabilities & Equity + Other Accts	350,429.03-	121,382.49	382,148.60-	611,195.14-

Date: 10/04/2011
 Time: 13:47:13
 Period: 003
 Year: 2012

Vendor One Time Vendor	Vendor Name	BA	Per	Doc.no.	Postg date	Reference	Check	Fund Center	Trans. currency	Status
1630	DAILY JOURNAL CORP	067A	003	1904282130	09/29/2011	A2173493		4544540	36.30- USD	closed
1630	DAILY JOURNAL CORP	067A	003	2020290786	09/30/2011		1101314400		36.30 USD	closed
2295	MILLER & OWEN	067A	003	2020290789	09/30/2011		1101314402		8,945.84 USD	closed
2295	MILLER & OWEN	067A	003	1904282211	09/29/2011	29082		4544540	8,945.84- USD	closed
12036	WELLS FARGO BANK	067A	003	1500040259	09/01/2011				136.50 USD	closed
12036	WELLS FARGO BANK	067A	003	1904258357	09/01/2011	MLED-TAX 8/31/11		4544540	136.50- USD	closed
12322	COMCAST	067A	003	2020283453	09/28/2011		1101312532		82.09 USD	closed
12322	COMCAST	067A	003	1904278908	09/27/2011	8155600380732795		4544540	82.09- USD	closed
25519	DAICHS USA INC	067A	003	2020249072	09/14/2011		1101303692		511.87 USD	closed
25519	DAICHS USA INC	067A	003	1904268977	09/13/2011	647760		4544540	511.87- USD	closed
28302	AMERICAN PLANNING ASSOCIATION	067A	003	2020290910	09/30/2011		1101314485		628.00 USD	closed
28302	AMERICAN PLANNING ASSOCIATION	067A	003	1904282219	09/29/2011	1070121151		4544540	628.00- USD	closed
37434	JAMES P MARIA	067A	003	2020249121	09/14/2011		1101303736		4,300.00 USD	closed
37434	JAMES P MARIA	067A	003	2020249121	09/14/2011		1101303736		1,180.00 USD	closed
37434	JAMES P MARIA	067A	003	1904268966	09/13/2011	4669		4544540	4,300.00- USD	closed
37434	JAMES P MARIA	067A	003	1904268967	09/13/2011	5100		4544540	1,180.00- USD	closed
37434	JAMES P MARIA	067A	003	1904282156	09/29/2011	5166		4544540	210.00- USD	closed
37434	JAMES P MARIA	067A	003	1904282210	09/29/2011	5119		4544540	65.00- USD	closed
37434	JAMES P MARIA	067A	003	2020290960	09/30/2011		1101314517		210.00 USD	closed
37434	JAMES P MARIA	067A	003	2020290960	09/30/2011		1101314517		65.00 USD	closed
37780	DS WATERS OF AMERICA INC	067A	003	2020290962	09/30/2011		1101314519		19.17 USD	closed
37780	DS WATERS OF AMERICA INC	067A	003	1904282213	09/29/2011	4831121090111		4544540	19.17- USD	closed
39553	MICHAEL BRANDMAN ASSOCIATES	067A	003	1904282145	09/29/2011	54698		4544540	12,997.51- USD	closed
39553	MICHAEL BRANDMAN ASSOCIATES	067A	003	2020290976	09/30/2011		1101314529		12,997.51 USD	closed
42181	STAPLES CONTRACT & COMMERCIAL INC	067A	003	1904268972	09/13/2011	109615146		4544540	71.69- USD	closed
42181	STAPLES CONTRACT & COMMERCIAL INC	067A	003	2020249141	09/14/2011		1101303754		71.69 USD	closed
48634	ENVIRONMENTAL PLANNING PARTNERS INC	067A	003	2020291023	09/30/2011		1101314546		2,996.19 USD	closed

Date: 10/04/2011
 Time: 13:47:13
 Period: 003
 Year: 2012

Vendor One Time Vendor	Vendor Name	BA	Per	Doc.no.	Pstg date	Reference	Check	Fund Center	Trans. currency	Status
48634	ENVIRONMENTAL PLANNING PARTNERS INC	067A	003	1904282149	09/29/2011	IAPCL108		4544540	2,996.19- USD	closed
909812	DONALD LOCKHART	067A	003	2020291216	09/30/2011		1101314714		40.00 USD	closed
909812	DONALD LOCKHART	067A	003	1904282151	09/29/2011	REIMBURSEMENT		4544540	40.00- USD	closed
Sum of Business Area 067A									0.00 USD	*

Fiscal Year 2012
 From period 1
 To period 3

Fund/Group 067A LOCAL AGENCY FORMATION COMMISSION
 Funds Center/Group 4544540 LARCO DISTRICT
 Budget Version 0

Commitment Item	Budget	Actual-GL	Actual-CO	Actual Total	Encumbrance	Pending	Available	%Consumed
10111000 REGULAR EMPLOYEE	8,000.00						8,000.00	
10112400 COMMITTEE MEMBER		500.00		500.00			500.00-	
10122000 CASHER	1,500.00	38.25		38.25			1,461.75	2.55
* 10 - SALARIES AND EMPLOYEE		538.25		538.25			8,961.75	5.67
20200500 ADVERTISING	7,500.00	72.60		72.60			7,427.40	0.97
20202200 BOOKS/PER SUP	2,000.00						2,000.00	
20202900 BUS/CONFERENCE E	12,000.00	1,941.91		1,941.91			10,058.09	16.18
20203500 ED/TRAINING SVC	2,200.00						2,200.00	
20203900 EMP TRANSPORT								
20205200 INS PREMIUM	7,000.00	4,895.56		4,895.56			2,104.44	69.94
20206100 MEMBERSHIP DUES	7,250.00	7,628.00		7,628.00			378.00-	105.21
20207600 OFFICE SUPPLIES	8,000.00	882.21		882.21			7,117.79	11.03
20208100 POSTAL SVC	5,000.00						5,000.00	
20227500 RENT/LEASE EQ	18,000.00	246.47		246.47			17,753.53	1.37
20227504 MISCELLANEOUS		617.96		617.96			617.96-	
20250500 ACCOUNTING SVC							44,816.76	25.31
20253100 LEGAL SVC	60,000.00	15,183.24		15,183.24			522,000.00	
20254100 PERSONNEL SVC	522,000.00						355,562.95	21.09
20259100 OTHER PROP SVC	450,600.00	95,037.05		95,037.05			1,280.50	24.68
20291000 COUNTYWIDE IT SV	1,700.00	419.50		419.50			3,227.25	81.02
20291100 SYSTEM DEV SVC	17,000.00	1,812.25		1,812.25	11,960.50		379.75	24.05
20291200 SYSTEM DEV SUP	500.00	76.05		76.05	44.20		3,394.75	24.56
20291600 WAN ALLOCATION	4,500.00	1,105.25		1,105.25				
20291700 ALARM SERVICES							2,250.00	
20292100 GS PRINTING SVC	2,250.00						723.20-	
20292300 GS MESSENGER SVC		723.20		723.20			496.35	50.37
20292600 GS STORE CHARGES	1,000.00	503.65		503.65				
20293400 PUBLIC WORKS SVS								
20294300 LEASED PROP USE	48,500.00	11,014.00		11,014.00	6.00		37,480.00	22.72
20298700 TELEPHONE SVC	4,000.00	662.93		662.93			3,337.07	16.57
* 20 - SERVICES AND SUPPLIES	1,181,000.00	142,821.83		142,821.83	12,010.70		1,026,167.47	13.11
79790100 CONTINGENCY AMT	36,500.00						36,500.00	
* 79 - Appropriation for Con	36,500.00						36,500.00	
** Expenditure accounts	1,227,000.00	143,360.08		143,360.08	12,010.70		1,071,629.22	12.66
94941000 INTEREST INCOME	5,000.00-						5,000.00-	
* 94 - REVENUE FROM USE OF M	5,000.00-						5,000.00-	
96969900 SVC FEES OTHER	415,000.00-	15,270.20		15,270.20			430,270.20-	3.68-
* 96 - CHARGES FOR SERVICES	415,000.00-	15,270.20		15,270.20			430,270.20-	3.68-
97979000 MISC OTHER	686,500.00-	629,619.00-		629,619.00-			56,881.00-	91.71
* 97 - MISCELLANEOUS REVENUE	686,500.00-	629,619.00-		629,619.00-			56,881.00-	91.71
** REVENUE ACCOUNTS	1,106,500.00-	614,348.80-		614,348.80-	12,010.70		492,151.20-	55.52
*** Total	120,500.00	470,988.72-		470,988.72-			579,478.02	380.89-

Date	Year	Per	Document #	G/L	Acct	BA	Fund	Ctr	Cost	Ctr	Amount	Text
09/07/2011	2012	003	1300437601	101000		067A	4544540				12,604.00	
09/07/2011	2012	003	1300437605	101000		067A	4544540				1,606.00	
09/07/2011	2012	003	1300437607	101000		067A	4544540				537.00	
09/07/2011	2012	003	1300437608	101000		067A	4544540				292.00	
09/07/2011	2012	003	1300437609	101000		067A	4544540				59.00	
09/07/2011	2012	003	1300437610	101000		067A	4544540				114,417.00	
09/07/2011	2012	003	1300437611	101000		067A	4544540				22,128.55	
09/07/2011	2012	003	1300437612	101000		067A	4544540				20,862.98	
09/07/2011	2012	003	1300437613	101000		067A	4544540				5,651.00	
09/07/2011	2012	003	1300437614	101000		067A	4544540				9.00	
09/07/2011	2012	003	1300437615	101000		067A	4544540				109.00	
09/07/2011	2012	003	1300437616	101000		067A	4544540				831.00	
09/07/2011	2012	003	1300437617	101000		067A	4544540				181.00	
09/20/2011	2012	003	1300438778	101000		067A	4544540				7.00	
09/20/2011	2012	003	1300438780	101000		067A	4544540				17,318.00	
09/20/2011	2012	003	1300438782	101000		067A	4544540				125.00	
09/20/2011	2012	003	1300438783	101000		067A	4544540				2.00	
09/20/2011	2012	003	1300438784	101000		067A	4544540				19.00	
09/20/2011	2012	003	1300438787	101000		067A	4544540				33.00	
09/20/2011	2012	003	1300438789	101000		067A	4544540				13.00	
09/20/2011	2012	003	1300438791	101000		067A	4544540				16.00	
09/20/2011	2012	003	1300438793	101000		067A	4544540				78.00	
09/20/2011	2012	003	1300438794	101000		067A	4544540				1,671.00	
09/20/2011	2012	003	1300438796	101000		067A	4544540				1,654.00	
09/20/2011	2012	003	1300438797	101000		067A	4544540				8,646.00	
09/20/2011	2012	003	1300438798	101000		067A	4544540				1,424.00	
09/20/2011	2012	003	1300438799	101000		067A	4544540				61.00	
09/20/2011	2012	003	1300438801	101000		067A	4544540				675.00	
09/20/2011	2012	003	1300438803	101000		067A	4544540				49,839.00	
09/20/2011	2012	003	1300438804	101000		067A	4544540				484.00	
09/20/2011	2012	003	1300438806	101000		067A	4544540				110.00	
09/20/2011	2012	003	1300438807	101000		067A	4544540				333.00	
09/20/2011	2012	003	1300438808	101000		067A	4544540				2,031.00	
09/20/2011	2012	003	1300438810	101000		067A	4544540				611.00	
09/20/2011	2012	003	1300438811	101000		067A	4544540				13,636.00	
09/20/2011	2012	003	1300438812	101000		067A	4544540				1,359.00	
09/20/2011	2012	003	1300438813	101000		067A	4544540				34,456.00	
09/20/2011	2012	003	1300438814	101000		067A	4544540				2,500.00	
Total Account Number 101000 CASH IN TREASURY-DP											316,388.53	
09/01/2011	2012	003	1500040259	101200		067A					136.50-	
Total Account Number 101200 CASH IN TREASURY-WIRE TRANSFERS											136.50-	
09/01/2011	2012	003	2020218606	101500		067A					29.54-	
09/01/2011	2012	003	2020218634	101500		067A					617.96-	
09/07/2011	2012	003	2020233938	101500		067A					40,655.60-	
09/12/2011	2012	003	2020245322	101500		067A					6,237.40-	
09/19/2011	2012	003	2020264582	101500		067A					5,480.00-	
09/19/2011	2012	003	2020264586	101500		067A					71.69-	
09/20/2011	2012	003	2020269020	101500		067A					511.87-	
Total Account Number 101500 PAID WARRANTS RECONCILIATION (IN											53,604.06-	
09/02/2011	2012	003	107627928	109000		067A					918.00-	
09/07/2011	2012	003	107628889	109000		067A					861.75-	
09/20/2011	2012	003	107635087	109000		067A					220.80-	
09/28/2011	2012	003	107640040	109000		067A					237.30-	

Date	Year	Per	Document #	G/L Acct	BA	Fund Ctr	Cost Ctr	Amount	Text
09/28/2011	2012	003	107643865	109000	067A			221.01-	
09/30/2011	2012	003	107646687	109000	067A			336.60-	
09/30/2011	2012	003	107646709	109000	067A			4.40-	
09/02/2011	2012	003	107648197	109000	067A			918.00	
Total Account Number 109000 CASH IN TREAS-SPL								1,881.86-	
09/01/2011	2012	003	2020218606	5100000	067A			29.54	
09/01/2011	2012	003	2020218634	5100000	067A			617.96	
09/07/2011	2012	003	2020233938	5100000	067A			40,655.60	
09/12/2011	2012	003	2020245322	5100000	067A			6,237.40	
09/14/2011	2012	003	2020249072	5100000	067A			511.87-	
09/14/2011	2012	003	2020249121	5100000	067A			5,480.00-	
09/14/2011	2012	003	2020249141	5100000	067A			71.69-	
09/19/2011	2012	003	2020264582	5100000	067A			5,480.00	
09/19/2011	2012	003	2020264586	5100000	067A			71.69	
09/19/2011	2012	003	2020269020	5100000	067A			511.87	
09/20/2011	2012	003	2020269020	5100000	067A			82.09-	
09/28/2011	2012	003	2020283453	5100000	067A			36.30-	
09/30/2011	2012	003	2020290786	5100000	067A			8,945.84-	
09/30/2011	2012	003	2020290789	5100000	067A			628.00-	
09/30/2011	2012	003	2020290910	5100000	067A			275.00-	
09/30/2011	2012	003	2020290960	5100000	067A			19.17-	
09/30/2011	2012	003	2020290962	5100000	067A			12,997.51-	
09/30/2011	2012	003	2020290976	5100000	067A			2,996.19-	
09/30/2011	2012	003	2020291023	5100000	067A			40.00-	
09/30/2011	2012	003	2020291216	5100000	067A				
Total Account Number 5100000 WARRANTS PAYABLE								21,520.40	
09/01/2011	2012	003	1500040259	5150000	067A			136.50	
09/01/2011	2012	003	1904258357	5150000	067A			136.50-	MLBD - TAX 08/31/2011 PAY
09/13/2011	2012	003	1904268966	5150000	067A			4,300.00-	*SAC LAFCO 916-874-6458
09/13/2011	2012	003	1904268967	5150000	067A			1,180.00-	*SAC LAFCO 916-874-6458
09/13/2011	2012	003	1904268972	5150000	067A			71.69-	*SAC LAFCO 11902900
09/13/2011	2012	003	1904268977	5150000	067A			511.87-	*SAC LAFCO C6187
09/27/2011	2012	003	1904278908	5150000	067A			82.09-	*SAC LAFCO; 8155600380732795
09/29/2011	2012	003	1904282130	5150000	067A			36.30-	*SAC LAFCO 1124105243
09/29/2011	2012	003	1904282145	5150000	067A			12,997.51-	*SAC LAFCO 3233.0002.0
09/29/2011	2012	003	1904282149	5150000	067A			2,996.19-	*SAC LAFCO AUG2011
09/29/2011	2012	003	1904282151	5150000	067A			40.00-	*SAC LAFCO ULI REGISTRATION
09/29/2011	2012	003	1904282156	5150000	067A			210.00-	*SAC LAFCO 916-874-6458
09/29/2011	2012	003	1904282210	5150000	067A			65.00-	*SAC LAFCO 916-874-6458
09/29/2011	2012	003	1904282211	5150000	067A			8,945.84-	*SAC LAFCO SA111
09/29/2011	2012	003	1904282213	5150000	067A			19.17-	*SAC LAFCO 27296554831121
09/29/2011	2012	003	1904282219	5150000	067A			628.00-	*SAC LAFCO 107012
09/29/2011	2012	003	2020249072	5150000	067A			511.87	
09/14/2011	2012	003	2020249121	5150000	067A			1,180.00	
09/14/2011	2012	003	2020249121	5150000	067A			4,300.00	
09/14/2011	2012	003	2020249121	5150000	067A			71.69	
09/14/2011	2012	003	2020249141	5150000	067A			82.09	
09/28/2011	2012	003	2020283453	5150000	067A			36.30	
09/30/2011	2012	003	2020290786	5150000	067A			8,945.84	
09/30/2011	2012	003	2020290789	5150000	067A			628.00	
09/30/2011	2012	003	2020290910	5150000	067A			65.00	
09/30/2011	2012	003	2020290960	5150000	067A			210.00	
09/30/2011	2012	003	2020290960	5150000	067A			19.17	
09/30/2011	2012	003	2020290962	5150000	067A			12,997.51	
09/30/2011	2012	003	2020290976	5150000	067A			2,996.19	
09/30/2011	2012	003	2020291023	5150000	067A			40.00	
09/30/2011	2012	003	2020291216	5150000	067A				

Date	Year	Per	Document #	G/L Acct	BA	Fund	Ctr	Cost	Ctr	Amount	Text
Total Account Number 5150000 CLAIMS PAYABLE										0.00	
09/01/2011	2012	003	107627707	8025400	067A	4544540				538.25-	
09/01/2011	2012	003	107627707	8025400	067A	4544540				538.25	
09/01/2011	2012	003	1904258357	8025400	067A	4544540				136.50	95 TAX
Total Account Number 8025400 SD (HUMANIC) PAYROLL CLEARING										136.50	
09/29/2011	2012	003	1904282130	20200500	067A	4544540	4544540000			36.30	ADVERTISING
Total Account Number 20200500 ADVERTISING/LEGAL NOTICES										36.30	
09/29/2011	2012	003	1904282219	20206100	067A	4544540	4544540000			628.00	MEMBERSHIP DUES
Total Account Number 20206100 MEMBERSHIP DUES										628.00	
09/13/2011	2012	003	1904268972	20207600	067A	4544540	4544540000			71.69	OFFICE SUPPLIES
09/13/2011	2012	003	1904268977	20207600	067A	4544540	4544540000			511.87	OFFICE SUPPLIES
09/29/2011	2012	003	1904282151	20207600	067A	4544540	4544540000			40.00	OFFICE SUPPLIES
09/29/2011	2012	003	1904282213	20207600	067A	4544540	4544540000			19.17	OFFICE SUPPLIES
Total Account Number 20207600 OFFICE SUPPLIES										642.73	
09/27/2011	2012	003	1904278908	20227500	067A	4544540	4544540000			82.09	8155600380732795
Total Account Number 20227500 RENT/LEASES EQUIPMENT										82.09	
09/29/2011	2012	003	1904282211	20253100	067A	4544540	4544540000			8,945.84	LEGAL SERVICES
Total Account Number 20253100 LEGAL SERVICES										8,945.84	
09/13/2011	2012	003	1904268966	20259100	067A	4544540	4544540000			4,300.00	OTHER PROF SERVICES
09/13/2011	2012	003	1904268967	20259100	067A	4544540	4544540000			1,180.00	OTHER PROF SERVICES
09/29/2011	2012	003	1904282145	20259100	067A	4544540	4544540000			12,997.51	OTHER PROF SERVICES
09/29/2011	2012	003	1904282149	20259100	067A	4544540	4544540000			2,996.19	OTHER PROF SERVICES
09/29/2011	2012	003	1904282156	20259100	067A	4544540	4544540000			210.00	OTHER PROF SERVICES
09/29/2011	2012	003	1904282210	20259100	067A	4544540	4544540000			65.00	OTHER PROF SERVICES
Total Account Number 20259100 OTHER PROFESSIONAL SERVICES										21,748.70	
09/07/2011	2012	003	107628889	20291100	067A	4544540	4544540000			861.75	76548 FY11/12 1st Qtr Application Maintenance
09/30/2011	2012	003	107646687	20291100	067A	4544540	4544540000			336.60	
Total Account Number 20291100 SYSTEMS DEVELOPMENT SERVICES										1,198.35	
09/30/2011	2012	003	107646709	20291200	067A	4544540	4544540000			4.40	
Total Account Number 20291200 SYSTEMS DEVELOPMENT SUPPLIES										4.40	
09/28/2011	2012	003	107640040	20292300	067A	4544540	4544540000			237.30	Per. 3 - Messenger Services
Total Account Number 20292300 GS MESSENGER SERVICES										237.30	
09/02/2011	2012	003	107627928	20294300	067A	4544540	4544540000			918.00	Prebilling RED Leases - 18143
09/02/2011	2012	003	107648197	20294300	067A	4544540	4544540000			918.00-	Prebilling RED Leases - 18143
Total Account Number 20294300 LEASED PROPERTY USE CHARGESGS										0.00	
09/20/2011	2012	003	107635087	20298700	067A	4544540	4544540000			220.80	Jul 2011 DTech Telecommunications Charges

Date	Year	Per	Document #	G/L Acct	BA	Fund	Ctr	Cost	Ctr	Amount	Text
09/28/2011	2012	003	107643865	20298700	067A	4544540	4544540	4544540	0000	221.01	Aug 2011 DTech Telecommunications Charges
Total Account Number 20298700 Telephone Svcs										441.81	
09/07/2011	2012	003	1300437611	96969900	067A	4544540	4544540	4544540	0000	22,128.55-	
09/07/2011	2012	003	1300437612	96969900	067A	4544540	4544540	4544540	0000	20,862.98-	
09/20/2011	2012	003	1300438814	96969900	067A	4544540	4544540	4544540	0000	2,500.00-	
Total Account Number 96969900 SVC FEES OTHER										45,491.53-	
09/07/2011	2012	003	1300437601	97979000	067A	4544540	4544540	4544540	0000	12,604.00-	
09/07/2011	2012	003	1300437605	97979000	067A	4544540	4544540	4544540	0000	1,606.00-	
09/07/2011	2012	003	1300437607	97979000	067A	4544540	4544540	4544540	0000	537.00-	
09/07/2011	2012	003	1300437608	97979000	067A	4544540	4544540	4544540	0000	292.00-	
09/07/2011	2012	003	1300437609	97979000	067A	4544540	4544540	4544540	0000	59.00-	
09/07/2011	2012	003	1300437610	97979000	067A	4544540	4544540	4544540	0000	114,417.00-	
09/07/2011	2012	003	1300437613	97979000	067A	4544540	4544540	4544540	0000	5,651.00-	
09/07/2011	2012	003	1300437614	97979000	067A	4544540	4544540	4544540	0000	9.00-	
09/07/2011	2012	003	1300437615	97979000	067A	4544540	4544540	4544540	0000	109.00-	
09/07/2011	2012	003	1300437616	97979000	067A	4544540	4544540	4544540	0000	831.00-	
09/07/2011	2012	003	1300437617	97979000	067A	4544540	4544540	4544540	0000	181.00-	
09/07/2011	2012	003	1300438778	97979000	067A	4544540	4544540	4544540	0000	7.00-	
09/20/2011	2012	003	1300438780	97979000	067A	4544540	4544540	4544540	0000	17,318.00-	
09/20/2011	2012	003	1300438782	97979000	067A	4544540	4544540	4544540	0000	125.00-	
09/20/2011	2012	003	1300438783	97979000	067A	4544540	4544540	4544540	0000	2.00-	
09/20/2011	2012	003	1300438784	97979000	067A	4544540	4544540	4544540	0000	19.00-	
09/20/2011	2012	003	1300438787	97979000	067A	4544540	4544540	4544540	0000	33.00-	
09/20/2011	2012	003	1300438789	97979000	067A	4544540	4544540	4544540	0000	13.00-	
09/20/2011	2012	003	1300438791	97979000	067A	4544540	4544540	4544540	0000	16.00-	
09/20/2011	2012	003	1300438793	97979000	067A	4544540	4544540	4544540	0000	78.00-	
09/20/2011	2012	003	1300438794	97979000	067A	4544540	4544540	4544540	0000	1,671.00-	
09/20/2011	2012	003	1300438796	97979000	067A	4544540	4544540	4544540	0000	1,654.00-	
09/20/2011	2012	003	1300438797	97979000	067A	4544540	4544540	4544540	0000	8,646.00-	
09/20/2011	2012	003	1300438798	97979000	067A	4544540	4544540	4544540	0000	1,424.00-	
09/20/2011	2012	003	1300438799	97979000	067A	4544540	4544540	4544540	0000	61.00-	
09/20/2011	2012	003	1300438801	97979000	067A	4544540	4544540	4544540	0000	675.00-	
09/20/2011	2012	003	1300438803	97979000	067A	4544540	4544540	4544540	0000	49,839.00-	
09/20/2011	2012	003	1300438804	97979000	067A	4544540	4544540	4544540	0000	484.00-	
09/20/2011	2012	003	1300438806	97979000	067A	4544540	4544540	4544540	0000	110.00-	
09/20/2011	2012	003	1300438807	97979000	067A	4544540	4544540	4544540	0000	333.00-	
09/20/2011	2012	003	1300438808	97979000	067A	4544540	4544540	4544540	0000	2,031.00-	
09/20/2011	2012	003	1300438810	97979000	067A	4544540	4544540	4544540	0000	611.00-	
09/20/2011	2012	003	1300438811	97979000	067A	4544540	4544540	4544540	0000	13,636.00-	
09/20/2011	2012	003	1300438812	97979000	067A	4544540	4544540	4544540	0000	1,359.00-	
09/20/2011	2012	003	1300438813	97979000	067A	4544540	4544540	4544540	0000	34,456.00-	
Total Account Number 97979000 MISCELLANEOUS OTHER REVENUES										270,897.00-	

SACRAMENTO LOCAL AGENCY FORMATION COMMISSION
1112 I Street #100
Sacramento, California 95814
(916) 874-7458

November 2, 2011

TO: Sacramento Local Agency Formation Commission

FROM: Peter Brundage, Executive Officer

RE: Legislative Update

CONTACT: Don Lockhart, AICP, Assistant Executive Officer (916) 874-2937

RECOMMENDATION

Information only, no action is recommended.

SUMMARY

This memo is part of the ongoing effort to keep your Commission informed regarding various legislative matters.

An ad-hoc committee appointed by the CALAFCO Board of Directors has considered and adopted positions on several bills. The Governor signed all six bills CALAFCO sponsored or supported this session. (Please see below.)

LEGISLATION

Unless otherwise noted, "Chaptered" laws take effect January 1, 2012.

AB 54 (Solorio D) Drinking water.

Current Text: Chaptered: 10/7/2011

Introduced: 12/6/2010

Last Amended: 8/30/2011

Status: 10/7/2011-Chaptered by the Secretary of State, Chapter Number 512, Statutes of 2011

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House				Conc.			

Summary:

Would specify that any corporation organized for or engaged in the business of selling, distributing, supplying, or delivering water for irrigation purposes, and any corporation organized for or engaged in the business of selling, distributing, supplying, or delivering water for domestic use that provides in its articles or bylaws that the water shall be sold, distributed, supplied, or delivered only to owners of its shares and that those shares are appurtenant to certain lands shall be known as a mutual water company. This bill contains other related provisions and other current laws.

Position: Support

Subject: Water

CALAFCO Comments: Requires mutual water companies to respond to LAFCo requests for information, requires Mutuals to provide a map of boundaries to LAFCo, adds authority for LAFCo to request MSR data from mutuals and include compliance with safe drinking water standards in MSRs.

AB 912 (Gordon D) Local government: organization.

Current Text: Chaptered: 7/25/2011

Introduced: 2/17/2011

Last Amended: 5/27/2011

Status: 7/25/2011-Chaptered by the Secretary of State, Chapter Number 109, Statutes of 2011

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House				Conc.			

Summary:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires a local agency formation commission, where the commission is considering a change of organization that consists of a dissolution, disincorporation, incorporation, establishment of a subsidiary district, consolidation, or merger, to either order a change of organization subject to confirmation of the voters, as specified, or order the change of organization without an election if the change of organization meets certain requirements. This bill would authorize the commission, where the commission is considering a change of organization that consists of the dissolution of a district that is consistent with a prior action of the commission, to immediately order the dissolution if the dissolution was initiated by the

district board, or if the dissolution was initiated by an affected local agency, by the commission, or by petition, hold at least one noticed public hearing on the proposal, and order the dissolution without an election, unless a majority protest exists, as specified.

Position: Support

Subject: Special District Consolidations, Special District Powers

CALAFCO Comments: Allows a commission to dissolve a special district - under specific circumstances - without a vote unless there is a majority protest.

AB 1430 (Committee on Local Government) The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 omnibus bill.

Current Text: Chaptered: 9/21/2011

Introduced: 4/5/2011

Last Amended: 8/17/2011

Status: 9/21/2011-Chaptered by the Secretary of State, Chapter Number 300, Statutes of 2011

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
	1st House				2nd House							

Summary:

Current law defines various terms for purposes of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. This bill would revise various definitions within that act, and would make other conforming and technical changes. This bill contains other related provisions and other current laws.

Position: Sponsor

Subject: CKH General Procedures

CALAFCO Comments: CALAFCO Sponsored bill. Makes technical, non-substantive changes to Cortese-Knox-Hertzberg. Includes major definitions update.

SB 89 (Committee on Budget and Fiscal Review) Vehicles: vehicle license fee and registration fee.

Current Text: Chaptered: 7/1/

Introduced: 1/10/2011

Last Amended: 6/27/2011

Status: 6/30/2011-Chaptered by Secretary of State - Chapter 35, Statutes of 2011.

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
	1st House				2nd House							

Summary:

Would require the Legislature to determine and appropriate annually an amount for the use of the DMV and the FTB for the enforcement of the Vehicle License Fee Law. The bill would deem, for the 2011-12 fiscal year, \$25,000,000 as the cost to the DMV for the collection of the motor vehicle license fee. This bill contains other related provisions and other current laws.

Position: Oppose

Subject: Annexation Proceedings, Incorporation Proceedings

CALAFCO Comments: This budget-related bill redirects VLF from cities to statewide public safety programs. Most impacted are cities formed after 2006 and inhabited annexations after 2006. Will likely result in disincorporations. Significantly this will also make most all future incorporations and inhabited annexations financially impossible. This language was added at the last minutes and voted on by the Members with little knowledge of the content of the bill. No one outside of the Capital was aware of the language until after the bill passed.

SB 244 (Wolk D) Local government: land use: general plan: disadvantaged unincorporated communities.

Current Text: Chaptered: 10/7/2011

Introduced: 2/10/2011

Last Amended: 9/8/2011

Status: 10/7/2011-Chaptered by the Secretary of State, Chapter Number 513, Statutes of 2011

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House				Conc.			

Summary:

The Planning and Zoning Law requires a city or county to adopt a comprehensive, long-term general plan for the physical development of the city or county and of any land outside its boundaries that bears relation to its planning. That law also requires the general plan to contain specified mandatory elements, including a housing element for the preservation, improvement, and development of the community's housing. This bill would require, on or before the next adoption of its housing element, a city or county to review and update the land use element of its general plan to include an analysis of the presence of island, fringe, or legacy unincorporated communities, as defined, and would require the updated general plan to include specified information. This bill would also require the city or county planning agency, after the initial revision and update of the general plan, to review, and if necessary amend, the general plan to update the information, goals, and program of action relating to these communities therein. By adding to the duties of city and county officials, this bill would impose a state-mandated local program. This bill contains other related provisions and other current laws.

Position: None at this time

Subject: Disadvantaged Communities

CALAFCO Comments: Amended to require LAFCo review of disadvantaged unincorporated communities. It adds a definition for disadvantaged unincorporated communities, requires LAFCo to review water, sewer and fore services to the communities in the next SOI update, places more emphasis on LAFCo recommendations on reorganizations for efficient and effective services, requires LAFCo to identify service deficiencies to these communities in MSR, and specifically requires LAFCo to assess alternatives for efficient and affordable infrastructure and services, including consolidations, in MSR. Bill requires LAFCo to look at communities "in or adjacent to the sphere of influence."

AB 187 (Lara D) State Auditor: audits: high-risk local government agency audit program.

Current Text: Chaptered: 10/4/2011

Introduced: 1/25/2011

Last Amended: 8/15/2011

Status: 10/4/2011-Chaptered by the Secretary of State, Chapter Number 451, Statutes of 2011

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House				Conc.			

Summary:

Would authorize the State Auditor to establish a high-risk local government agency audit program to identify, audit, and issue reports on any local government agency, including any city, county, or special district, or any publicly created entity that the State Auditor identifies as being at high risk for the potential of waste, fraud, abuse, or mismanagement or that has major challenges associated with its economy, efficiency, or effectiveness. The bill would also authorize the State Auditor to consult with the Controller, Attorney General, and other state agencies in identifying local government agencies that are at high risk.

Position: None taken.

Subject: Financial Viability of Agencies, Service Reviews/Spheres

CALAFCO Comments: Would allow the State Auditor to audit and issue reports on any local agency it identifies at being at high risk for waste, fraud, abuse or mismanagement.

AB 307 (Nestande R) Joint powers agreements: public agency: federally recognized Indian tribe.

Current Text: Chaptered: 9/7/2011

Introduced: 2/9/2011

Last Amended: 6/22/2011

Status: 9/6/2011-Chaptered by the Secretary of State, Chapter Number 266, Statutes of 2011

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st House				2nd House				Conc.			

Summary:

Current law authorizes 2 or more public agencies, as defined, to enter into an agreement to exercise common powers. Current law also permits certain federally recognized Indian tribes to enter into joint powers agreements with particular parties and for limited purposes. This bill would include a federally recognized Indian tribe as a public agency that may enter into a joint powers agreement. This bill would also make conforming changes by conforming related code sections. This bill contains other related provisions.

Position: Watch

Subject: Municipal Services

CALAFCO Comments: Would allow any federally recognized Indian tribe to act as a public agency to participate in any Joint Powers Authority.

Significantly expands current law on Indian tribe participation in a JPA.
 NOTE: There is a LAFCo question on whether this would allow a tribe to enter into a JPA with a city and district and circumvent the LAFCo process for delivery of municipal services. Counsel is currently evaluating this potential and the options for LAFCo.

AB 1265 (Nielsen R) Local government: Williamson Act.

Current Text: Chaptered: 7/15/2011

Introduced: 2/18/2011

Last Amended: 6/30/2011

Status: 7/15/2011-Chaptered by the Secretary of State, Chapter Number 90, Statutes of 2011

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
	1st House				2nd House							

Summary:

Current law, the Williamson Act, authorizes a city or county to enter into 10-year contracts with owners of land devoted to agricultural use, whereby the owners agree to continue using the property for that purpose, and the city or county agrees to value the land accordingly for purposes of property taxation. Current law sets forth procedures for reimbursing cities and counties for property tax revenues not received as a result of these contracts. This bill would, beginning January 1, 2011, and until January 1, 2016, authorize a county, in any fiscal year in which payments authorized for reimbursement to a county for lost revenue are less than 1/2 of the participating county's actual foregone general fund property tax revenue, to revise the term for newly renewed and new contracts and require the assessor to value the property, as specified, based on the revised contract term. The bill would provide that a landowner may choose to nonrenew and begin the cancellation process. The bill would also provide that any increased revenues generated by properties under a new contract shall be paid to the county. This bill contains other related provisions.

Position: Support

Subject: Ag Preservation - Williamson

CALAFCO Comments: Creates an interim solution to the loss of state subventions for Williamson Act lands by giving counties and alternative landowner-funding approach.

SB 193 (Committee on Governance and Finance) Validations.

Current Text: Chaptered: 9/21/2011

Introduced: 2/8/2011

Last Amended: 5/16/2011

Status: 9/21/2011-Chaptered by the Secretary of State, Chapter Number 303, Statutes of 2011

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
	1st House				2nd House							

Summary:

This bill would enact the Third Validating Act of 2011, which would validate

the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

Position: Support

Subject: LAFCo Administration

CALAFCO Comments: One of three annual acts which validate the boundaries of all local agencies.

SB 436 (Kehoe D) Land use: mitigation lands: nonprofit organizations.

Current Text: Chaptered: 10/8/2011

Introduced: 2/16/2011

Last Amended: 9/2/2011

Status: 10/8/2011-Chaptered by the Secretary of State, Chapter Number 590, Statutes of 2011

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
	1st House				2nd House							

Summary:

Would, until January 1, 2022, require a special district or nonprofit organization that holds funds on behalf of a local agency, for the long-term management of land, to comply with certain requirements. The bill would also state the findings and declarations of the Legislature with respect to the preservation of natural resources through mitigation, and would state that it is in the best interest of the public to allow state and local public agencies and nonprofit organizations to utilize the tools and strategies they need for improving the effectiveness, cost efficiency, and durability of mitigation for California's natural resources.

Position: Support

Subject: Ag/Open Space Protection

CALAFCO Comments: Would allow a local agency to provide funds to a non-profit to acquire land or easements to satisfy an agency's mitigation requirements. May be an important tool for LAFCo in agricultural and open space preservation.

SB 668 (Evans D) Local government: Williamson Act.

Current Text: Chaptered: 9/7/2011

Introduced: 2/18/2011

Last Amended: 6/22/2011

Status: 9/6/2011-Chaptered by the Secretary of State, Chapter Number 254, Statutes of 2011

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
	1st House				2nd House							

Summary:

Would, until January 1, 2016, authorize a nonprofit land-trust organization, a nonprofit entity, or a public agency to enter into a contract with a landowner who has also entered into a Williamson Act contract, upon approval of the city or county that holds the Williamson Act contract, to keep that landowner's land in contract under the Williamson Act, for a period of up to 10 years in exchange for the open-space district's, land-trust organization's,

or nonprofit entity's payment of all or a portion of the foregone property tax revenue to the county, where the state has failed to reimburse, or reduced the subvention to, the city or county for property tax revenues not received as a result of Williamson Act contracts.

Position: None at this time

Subject: Ag Preservation - Williamson

CALAFCO Comments: Would allow an open space district, land trust or non profit to contract with a Williamson Act landowner to keep land in Williamson Act in exchange for paying all or a portion of the foregone property tax to the county if the state has failed to provide subventions.

AB 506 (Wieckowski D) Local government: bankruptcy: neutral evaluation.

Current Text: Chaptered: 10/9/2011

Introduced: 2/15/2011

Last Amended: 9/8/2011

Status: 10/9/2011-Chaptered by the Secretary of State, Chapter Number 675, Statutes of 2011

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
	1st House				2nd House							

Summary:

Would prohibit a local public entity from filing under federal bankruptcy law unless the local public entity has participated in a specified neutral evaluation process with interested parties, as defined, or the local public entity has declared a fiscal emergency and has adopted a resolution by a majority vote of the governing board at a noticed public hearing that includes findings that the financial state of the local public entity jeopardizes the health, safety, or well-being of the residents of the local public entity's jurisdiction or service area absent bankruptcy protections.

Position: Watch

Subject: Financial Viability of Agencies

CALAFCO Comments: This bill creates a complex "neutral evaluator" process which a local agency must follow prior to being able to file Chapter 9 bankruptcy.

SB 235 (Negrete McLeod D) Water conservation districts: reduction in number of directors.

Current Text: Chaptered: 7/25/2011

Introduced: 2/9/2011

Last Amended: 6/9/2011

Status: 7/25/2011-Chaptered by the Secretary of State, Chapter Number 122, Statutes of 2011

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
	1st House				2nd House							

Summary:

The Water Conservation District Law of 1931 generally governs the formation of water conservation districts and specifies the powers and purposes of those districts. This bill would authorize a water conservation

district with a board of directors consisting of 7 directors, to reduce the number of directors to 5, consistent with specified requirements. The bill would not apply to districts within the County of Ventura.

Position: None at this time

Subject: Special District Principle Acts

CALAFCO Comments: Allows specified water districts to reorganize their board of directors to reduce the number of directors, by action of the Board.

SB 618 (Wolk D) Local government: solar-use easement.

Current Text: Chaptered: 10/8/2011

Introduced: 2/18/2011

Last Amended: 9/8/2011

Status: 10/8/2011-Chaptered by the Secretary of State, Chapter Number 596, Statutes of 2011

2Year Dead	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
	1st House				2nd House							

Summary:

Would authorize the parties to a Williamson Act contract, after approval by the Department of Conservation, in consultation with the Department of Food and Agriculture, to mutually agree to rescind the contract in order to simultaneously enter into a solar-use easement that would require that the land be used for solar photovoltaic facilities for a term no less than 20 years, except as specified. The bill would require the city or county to charge the property owner a rescission fee based upon the fair market value of the property at the time of the rescission, as specified. This bill would require a city or county to include certain, and authorizes a city or county to include other, restrictions, conditions, or covenants in the deed or instrument granting a solar-use easement. This bill would provide that a solar-use easement would be automatically renewed annually, unless either party filed a notice of nonrenewal. This bill would provide that a solar-use easement may only be extinguished on all or a portion of the parcel by nonrenewal, termination, or by returning the land to its previous contract under the Williamson Act. This bill would require that if the landowner extinguishes the contract either by filing a notice of nonrenewal or by terminating the solar-use easement, the landowner shall restore the property to the conditions that existed before the easement by the time the easement terminates. This bill would authorize a landowner to terminate a solar-use easement by complying with certain procedures, and paying a termination fee based upon the termination value of the property, as determined by the county assessor. This bill would provide that specified parties may bring an action to enforce the easement if it is violated. This bill contains other related provisions and other current laws.

Position: None at this time

Subject: Ag Preservation - Williamson

CALAFCO Comments: Allows renewable energy generation (wind, solar farms) as an acceptable use for Williamson Act lands.

Agenda Item No. 5

SACRAMENTO LOCAL AGENCY FORMATION COMMISSION

*1112 I Street, Suite #100
Sacramento, California 95814
(916) 874-6458*

November 2, 2011

TO: Sacramento Local Agency Formation Commission
FROM: Peter Brundage, Executive Officer
RE: **Rio Linda/Elverta Community Water District – Draft
Municipal Service Review – Report Back (LAFC 07-10)**

RECOMMENDATION

1. Receive and file status report.
2. Direct staff to resume evaluation of reorganization options for the Rio Linda Elverta Community Water District.

DISCUSSION

This report summarizes the actions, developments, and events related to the Rio Linda Elverta Community Water District that have occurred since October 5, 2011.

At this time, the primary concern associated with the RLECWD pertains to the current governance structure (Board of Directors) and its inability to function in an orderly and professional manner. There is consistently lack of respect between Board Members and personal issues between Board Members continue to be the focus of discussion and distraction at Board meetings. The tension has escalated in a relatively short period of time.

While it is natural to have varied perspectives and to agree to disagree, the present level of distain exhibited consistently results in a lack of a shared commitment towards developing an environment to work together in a professional manner to resolve the immediate issues facing the District's future. Without commitment and cooperation from the Board of Directors, it will likely be difficult to improve the organizational culture and behavior. Simply, chaos fuels chaos and constantly

disrupts the mission of the organization. This pattern has repeated itself at least since 1993.

On October 24, 2011, staff met with Director Cathy Hood, Director Frank Caron, and Mary Henrici, General Manager, to discuss the following issues:

I. Status of Recall Election

On October 11, 2011, a petition was authorized to be circulated to recall Director Frank Caron. Approximately 2,034 valid signatures (25 percent of the registered voters) will be required in order for the Registrar of Voters to call an election. The petitioners have 90 days from October 11, 2011 to collect the signatures. If sufficient signatures are obtained the recall election could be held on the June, 2012 ballot (approximate cost \$45,000).

II. Progress of Well Construction

Well No. 15

The well can produce approximately 2,800 gpm. The water quality is good and no treatment will be required. Test results have been submitted to CDPH. The higher than expected capacity will require the District to upgrade the discharge piping in order to distribute the higher production capacity of this well. The depth of this well is located in the mid-aquifer.

Construction of the production well should be complete by the Spring of 2012 (construction of the pump, electrical, and connection to the District's water system). The District needs to comply with applicable federal wetland construction permits and requirements. Documentation and fees have been submitted to the regulatory agencies for approval. Once permits are issued, the well and pipeline can be completed.

The District has completed construction of the pipeline at a cost of approximately \$1 million.

Well No. 14

The District is evaluating whether or not to construct a test well on Well Site No. 14 at the same depth as Well 15 to determine if the water quality at this existing location would also not require treatment. The District is meeting with California Department of Public Health to determine if it will be possible to amend the scope of work and funding agreement to construct another well on this site in lieu of Well No. 16. The district has provided supplemental environmental documentation.

The District owns this well site and it is located relatively close to the District's water distribution pipelines.

If approved by the CDPH, the District will construct a test well to evaluate water quality and supply. If there is good water production a third well may not be needed if a water storage tank can be constructed on-site. The District will continue to evaluate its options to economically meet the CDPH Compliance requirements.

Well No. 16 and 17

Well No. 16 will not be purchased by the District. The property owner has rescinded their offer to sell a well site to the District. The District has paid for and completed the required studies, and consequently, these sunk costs constitute a loss.

Well No. 17 may not be an appropriate well site because it is relatively small and located between two residential houses that are on septic systems. The District is evaluating its options. This site has not yet been purchased by the District.

Reactivation of Well No. 3

The District plans to reactivate Well No. 3 to be used on an emergency basis. The District estimates the cost to be approximately \$10,000 to inspect and repair the pump and related facilities to make this well operational. The well produces approximately 500 gpm and can only be used according to CDPH regulations. This well would be used to maintain system water pressure.

III. Status of CDPH Compliance Orders

This District has provided the CDPH with the required reports and currently, there are no outstanding issues. The District plans to flush the water lines this fall as part of on-going scheduled system maintenance. CDPH has completed a Bi-Annual inspection of the District's facilities. This report is not yet available but it preliminarily indicates that CDPH did not find any significant issues with the water system. We have requested a copy of the final report when it is available.

IV. Sacramento Suburban Water District Interconnection

The interconnection between Sacramento Suburban Water District and Rio Linda Elverta Community Water District has been converted to an automatic valve. If water pressure in the Rio Linda Elverta Community Water District falls below 31 psi the valve opens to maintain minimum water pressure in the RLECWD system. The valve will close automatically if water pressure exceeds 35 psi.

The valve has only been activated a few times during the last several months indicating the District has been able to maintain water pressure during the critical summer months.

Basically, water pressure and quality remain adequate.

V. Status of District Operations

District Financial Condition

The FY 2009-10 Financial Audit has not yet been completed. The audit is underway. The District is still having a hard time getting financial information and records impounded by the Grand Jury and District Attorney's Office to complete reconciliation of accounting information. Also, because of past accounting practices it may be difficult to provide the required information.

The District recently paid most of its past due bills. The District is still attempting to reconcile how much should be in the capital construction fund and its General Fund, i.e. was money taken from the Capital Construction Fund and transferred to the General Fund and used for operation and maintenance expenses. The attached Balance Sheet dated October 24, 2011 provides a breakdown of cash on hand. In addition, the District has submitted a reimbursement claim on the State revolving loan. Approximately \$400,000 will be available to reimburse the District's General Fund for Capital Improvements that have been incurred and paid out of the General Fund.

The District continues to incur significant legal counsel expenses every month. This has been a difficult issue to resolve because of the contract terms.

Staffing and Employee Relations

The District is still negotiating a Memorandum of Understanding to reach an agreement with the Union and is currently operating under the Last, Best and Final offer. The District and Union continue to negotiate an agreement. No final agreement has been reached.

Pending Litigation

The District continues to have a number of active litigation and claims related to employment issues.

VI. District Operations

The General Manager's reports for September 18 and October 17, 2011 are attached highlighting the status of various district operations. Routine well site inspections are being made in order to keep on top of problems and in order to implement preventative maintenance activities.

VII. Governance Issues

Based on governance issues related to this Board and previous Boards, the organizational structure and stability remains extremely fragile and fractured. Recently, the dissention and acrimony between Board Members has once again escalated. The Board is not

functioning in a professional manner and it is very difficult to conduct an orderly and effective Board meeting. Director Martin Smith has resigned from the Board effective October 24, 2011. (Note: The Board may appoint a replacement pursuant to Government Code Section 1780).

As previously mentioned, a recall petition is being circulated to recall Director Frank Caron. In less than a year, the Board of Directors composition is changing which could once again negatively impact the organization.

Even though a great deal of progress has been made to resolve operational issues, the actions by the Board of Directors continue to negatively impact employees and potentially ratepayers.

Board members continue to fuel the fire and create a difficult adversarial environment with commensurate tensions. The actions by this Board and previous Boards make it extremely difficult to resolve the operational problems and function in a relatively normal manner. It appears that governance issues and actions by the Board of Directors have plagued the District for many years. This pattern of recall, resignations, and Board dissention continues to repeat itself over and over.

This creates an impossible situation for any General Manager to effectively operate a public water system when there is lack of Board stability and reasonableness. It is a behavior pattern and culture that has developed over decades and has not improved.

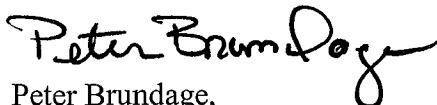
I have attached a letter dated July 23, 1993 from John O' Farrell, LAFCo Executive Officer to the Rio Linda Elverta Water District that was written in response to several newspaper articles regarding difficult administrative and political problems at the Rio Linda Water District.

VIII. Next Steps

LAFCo staff will continue to work with CDPH and the District to monitor the situation. We will keep the Commission informed.

Respectfully Submitted;

SACRAMENTO LOCAL AGENCY FORMATION COMMISSION



Peter Brundage,
Executive Officer

cc: Board of Directors and General Manager RLECWD
California Department of Public Health
Sacramento Grand Jury

Rio Linda/Elverta Community Water District
Balance Sheet
As of October 24, 2011

Oct 24, 11

ASSETS

Current Assets

Checking/Savings

1012 · CA Bank & Trust Secured CC	15,000.00
1009 · CA Bank & Trust Operating	58,197.12
1033 · CA Bank & Trust Capital Improve	12,463.75
1032 · CA Bank & Trust (Trust acct)	1,300.00
1011 · Wells Fargo Operating Account	30,962.01
1031 · Well Fargo Security Deposit	1,787.90
1001 · Wells Fargo Surcharge Account	19,361.35
1000 · CA Bank & Trust-Surcharge	75,760.85
1030 · CA Bank & Trust-Security	36,103.70
1040 · Bank of New York-Trust Account	
1044 · Bank of NY-Reserve Fund	242,484.86
1040 · Bank of New York-Trust Account - Other	556.41
Total 1040 · Bank of New York-Trust Account	<u>243,041.27</u>
1050 · LAIF	
1051 · Restricted for GASB 45	15,400.38
Total 1050 · LAIF	<u>15,400.38</u>
Total Checking/Savings	509,378.33

Manager Report

For September 18, 2011 meeting

An employee got injured while opening a gate. He was off work for 2 weeks and was just put back on full duty September 13, 2011. Because of this I have asked Jim Carson to get some bids for gate rehabilitation at our well sites. There are several gates that need fixing. I know some of you think the guys can just do that type of work but with an injury and our insurance agency wanted to know that the issue has been corrected I felt that it would be better to at least get quotes from professional gate and fence installation companies. The bids will be presented at the next meeting of the Board.

August 10, 2011 I attended a Webinar training on ethics.

August 11, 2011 attended SGA meeting with Director Spicer-Johnson. We learned about the changes in the groundwater levels and contamination plume movements in the valley over the past 10 years

Later that day I met with Sandra of Californis Bank and Trust who installed the new check scanning software and went over maintenance of the machine with staff so it will perform better.

I met with Jim Carson August 15, 2011 for an update on his status of obtaining right of ways for disposal of well 15 water that is pumped to waste. We also discussed other project oriented issues.

August 16, 2011 met with Wayne of the Parks District and discussed the possibility of installing a surveillance camera in our yard to overlook the park and part of our property. He will get back with me when his Board determines where they would like to put cameras if there is a need for our help. We also toured the drought tolerant garden that was planted several years ago. It has not been maintained and I am currently looking for a map that showed the original plantings so we may determine what should and should not be there.

August 17, 2011 We had a preconstruction bid conference with prospective contractors who wish to bid on the well 15 pipeline project. There was a large turnout while should mean some competitive bidding. Several questions were asked and there have been 3 addendums to the bid packet since the original plans went out.

August 18, 2011 We had our biannual inspection from the State Health Department. I had asked Salvador to note any deficiencies for me so I may address them promptly. He noted a few small items that need correction at the well sites. Our official report from him should be coming soon.

The person who inspects our compressed air tank also came by that day to certify that the tank is in an approved tank per our OSHA citation. It turns out the tank was not ASME certified so it had to be removed and another one that is ASME certified purchased. This was done in order to comply with our OSHA citation which is still pending. I have asked for a new inspection to hopefully get this matter settled.

August 23, 2011 met with Jim Carson and Larry Ernst of Woods Rogers and discussed the area hydrologic groundwater profile of the Sacramento valley floor. We also discussed the history of the valley and determination in the past not to use tanks versus today's philosophy all in all it was very interesting. Mr.

Ernst has been one of the designers of many of the wells in the area so he has a lot of laboratory data on wells in our area.

August 30, 2011 Met with Mark Nugent General Manager of Carmichael Water District. We discussed the politics of the area, labor contract negotiation procedure as part of his staff is also Union and several other things that pertain to our industry. He has offered a staff member at his cost to help with backflow device testing as we are currently 1 person short if I need them.

September 1, Met with Cintas regarding our first aid and CPR needs.

September 6, 2011 received bulk mail permit so we may pay less expensive postage. Even without presorting we save \$115.00 per mailing. When the presort mailing software is up and running we will save 0.12 per letter or \$530.00 per bill cycle.

On September 7, 2011 there was a bid opening for the pipeline project at our office. The apparent low bidder was Vinciguerra at \$1,015,220.00. Sara has more to report on that item.

After a discussion with our District Counsel to make sure I would not be breaking any laws or my contract requirements I have decided that I am running for office on the Board I used to work under. Typically there are no candidates beyond the incumbents but this year there are and I have been requested to run for office so have put my hat in the ring. Their meetings are at 6:30 in the evening and only once a month so it should not interfere with my work here at all.

September 8, 2011 RWA meeting in Carmichael: The group voted on a new person to be on the Executive Board, it is Barbara Sedgwick. The group also voted on a new Vice-President Pam Tobin won the nomination by default. No one else wanted the job. There was a motion on the table to approve the Executive Director's pay increase to the amount of \$164,832.00 with a \$3,000.00 merit increase. It died for lack of a quorum of positive votes. This matter will be brought up again at the next meeting of the group. It was noted the Executive Director's wage is in the bottom 17% for people in his position.

The Integrated Water Management Plan is losing its funding from the Army Corp of Engineers.

They also discussed public outreach on the Delta Plan.

On September 13, 2011 I met with a document shredding company to get pricing on destruction of our documents that have been retained beyond the dates in our Records Retention Policy.

Lafco's regularly scheduled meeting was cancelled but there was a subcommittee meeting on September 14, 2011. I will report on that meeting next month as this report needs to go out before I go to that meeting.

Manager Report

For October 17, 2011 meeting

The holidays are fast approaching and I would like to ask the Board to take vacation the week before and after Christmas.

On September 14, 2011 there was a Lafco subcommittee meeting. The following items were discussed: They asked about the current status of the recall election. The district's current status on our construction project, current status of CDPH compliance orders, the amount of water usage on our Sacramento Suburban intertie. The District's financial condition (i.e. has audit been completed, large legal bills and bills being paid out of appropriate funds in the past). And the status of our employee labor negotiations. It was noted that our litigation with Mr. Sherrill will be covered by our insurance carrier however any settlement would have to be paid by the District.

September 15, 2011 The Regional Engineer, District Engineer and our inspector from CDPH came and walked the well 14 site. They also discussed the items they need in order to process a change order for the District to drill a well at that site. They had given our engineers until 10/10/11 to bring them the information needed.

September 16, 2011 I meet with a representative from ATT regarding our phone system and what can be done to reduce the bill. I am waiting for a response from ATT. I have also received a quote from Comcast to provide phone service.

September 20, 2011 I met with the District Attorney and procured copies of documents so we may try to finish our 2009/10 audit. Later that day I met with our Engineer and Contractor regarding our Well 15 pipeline job. The purpose of this meeting was to review the lines of communication for the project and specific contract requirements including a labor compliance discussion and information regarding protection of the wetland areas. Even later that day I spoke with Mr. Alberts regarding a service for his property. It was determined that he could pay the contractor directly if he wants a service on his property.

September 21, 2011 I went to a town hall meeting County Supervisors Phil Serna and Roberta Mac Glashon were there. It was noted that the redistricting of our area would take effect approximately the end of October.

September 27, 2011 I went to a RWA evapotranspiration class and learned about how they calculated water used by trees and plants to help determine water budgets in golf courses and parks.

September 29, 2011 I spent several hours at the DMV because I have determined that the District has been in possession of a vehicle for the past 2 years that is not registered. A check is being cut at this meeting so I may go back and get this matter resolved.

October 4, 2011 I had the first weekly meeting with the pipeline Contractor. We discussed the status of the project and items that were of concern to the District, County and Contractor.

October 5, 2011 I met with Pete Minghan of Unison. Unison is interested in purchasing our tower leases. I told him to prepare a proposal and submit it to me so I may present it to the Board. Later that evening I went to the Lafco meeting. I updated the Board on the current status of our project, financial situation, Sac Suburban water usage and CDPH compliance.

October 6, 2011 I went to a Seminar put on by the Department of Labor regarding prevailing wage rates and how to determine conformance if there is not a wage rate available.

October 7, 2011 I sent 3 of the staff to first aid/CPR training. Our Urban Water Management Plan Best Management Practices notes that we have staff trained in first aid/CPR this training is also recommended by OSHA and insurance carriers.

October 11, 2011 Pat and I had our second weekly meeting with the Contractor, the County, our Engineers and myself. We discussed the status of the project and items that were of concern to the District, County and Contractor.



SACRAMENTO LOCAL AGENCY FORMATION COMMISSION

Staff

John S. O'Farrell
Executive Officer

Marilyn Ann Flemmer
Commission Clerk

Peter Brundage
Staff Analyst

Paul J. Hahn
Staff Analyst

July 23, 1993

Commission

Public Members
Roseanné Chamberlain
John W. Jachens, *Alternate*

City Members
George E. "Bud" Hannaford
Lyla K. Ferris
Marian Lawrence, *Alternate*

County Members
C. Tobias Johnson
Illa Collin
Grantland Johnson, *Alternate*

Special District Members
Hal D. Bartholomew
William Shelton
Barry P. Brown, *Alternate*

Mr. Michael Brady, President
Board of Directors
c/o Ms. Carol Lincoln, General Manager
RIO LINDA WATER DISTRICT
P.O. Box 400
Rio Linda, CA 95673

Dear Mr. Brady and Members of the Board:

Recent stories in the Sacramento Union and the Rio Linda World indicate the Rio Linda Water District is experiencing some very difficult administrative and political problems.

The purpose of this communication is to offer your Administration and Board any assistance you may require should your District consider reorganization or consolidation with another agency as one means of dealing with this troublesome situation. If LAFCo staff can be of any assistance in the analysis and review of alternative organizational structures, the examination of the advantages and disadvantages of reorganization vs. consolidation, or simply explain the process to you, we will be happy to assist.

LAFCo staff can provide an objective analysis and suggestions which will allow your Administration and Board to make an informed decision, a decision which will be in the best interests of the District, its employees and its customers.

Over the years, several fire and park districts have reorganized in Sacramento County. LAFCo has been able to assist in minimizing negative impacts to each of the Boards of Directors, the employees, and the customers in these reorganizations. In most cases, reorganization has improved services to customers and improved employee benefits at the same time. Generally, LAFCo supports the consolidation of like services when feasible and in the best interests of all parties.

Please call me at 440-6458 if you have any further questions, or would like additional information. I will be happy to meet with you or Ms. Carol Lincoln at your convenience to further discuss this process, should you desire.

Very truly yours,

SACRAMENTO LOCAL AGENCY FORMATION COMMISSION



John O'Farrell
Executive Officer

PB:Maf

cc: LAFCo
Carol Lincoln
Dwight Kramer

Water district's many woes leave some steamed

By JENNIFER L. BRADFORD
and TAMARA CHUANG

SPECIAL TO THE UNION

The Rio Linda Water District is over its head in water fights with four high-level resignations as well as allegations of nepotism, mismanagement of funds, and inflated pensions and salaries.

On top of this, the board of directors in a special meeting tonight will discuss proposed rate in-

creases that would hike rates anywhere from \$3 to \$26 per month.

Opponents have voiced concern with last week's meeting when the board voted 4-1 to approve the preliminary '93-'94 budget that included the yet-to-be-approved rate increase.

Board member Jerry Wickham dissented. "The preliminary budget was approved, but it's not preliminary as I see it," he said after the meeting. He said he considers it a final budget.

One board critic is Elverta resident Marsha Brown, who has been attending the district's meetings for the past 18 months. "I go down to these meetings every time and I bring up things (the board) doesn't like," she said.

"At the last meeting (July 14), at least 20 things were recommended to the board (concerning) ways to avoid a rate increase," Brown said. "They didn't respond."

Twelve-year resident Vic Shepherd, who became actively involved during last November's election, said, "Decisions are made even before the board meetings start."

Approving the budget were president Michael Brady and board members Mel Griffen, Richard Surratt and Earl Hovda, who had been appointed the night before.

• See District, Page A4

District

• From Page A1

The preliminary budget included the projection that water sales for next year will be \$591,000, up \$80,000 from office manager Carol Lincoln's original budget proposed two weeks earlier.

One simmering controversy for the district has centered around general manager Mason Adams, who retired on May 26, 1992, after running the district for 21 years as general manager. Adams also served as a board member 10 years previously.

The board hired Adams' former bookkeeper, Carol Lincoln, to succeed him. Adams acknowledged Lincoln is a good friend of his daughter, but said she was qualified for the job. However, Lincoln's qualifications and employment have been questioned by director Wickham and other critics in Rio Linda.

In the fall of 1992, Adams ran for the board again and became the largest vote-getter, gaining 2,158 votes out of 12,540.

In June 1993, general manager for operations Mike Adams — who was appointed to his position by his father — and office manager Alice Elliot both resigned from their jobs with an annual salary of \$45,726 and \$37,400 per year, respectively.

Mike Adams has refused to be interviewed. Elliot is reportedly out of state.

John Weber, board member for 26 years, resigned in June and Mason Adams resigned in May.

Meanwhile, the board has agreed to wait six months before deciding whether to fill or terminate the two empty employee positions, and whether to combine duties and raise the salaries of the remaining positions.

The six salaried district employees and their earnings, according to the '92-'93 budget: general manager Carol Lincoln, \$56,280; field supervisor Tom Ray, \$40,889; mechanic Dan York, \$36,312; mechanic Bob Ames, \$32,715; secretary Dee Reed, \$27,600; and clerk-receptionist Liz Maxwell, \$10,725. Meter readers and summer help cost \$3,672.

The new budget combines the clerk/receptionist and bookkeeper positions, which increases Maxwell's salary to about \$20,000 per year.

Reed will assume some duties of office manager at a salary increase of \$1,380. Ray will also receive an increase of \$1,111.

A pension controversy has arisen over an April 1991 action, when Weber asked the board to consider a \$5,000 bonus as merit compensation for Mason Adams' work. Adams later agreed to a 16.4 percent salary increase instead.

"I told them that I would accept a salary increase that was commensurate with other district managers," Adams said. "The PERS system has already au-

dated my plan. PERS has agreed that I did not receive a bonus, that it was a salary increase."

But according to then board president Arlette Hodel, Adams was granted a salary "bonus." "(Adams) knew exactly what he was doing," Hodel said. "(The board) had every intention of giving him a \$5,000 bonus, but he manipulated the meeting by saying it was a salary increase."

Because the \$5,000 was considered a salary increase, which Mason received in his last six months before retiring, Hodel alleges that Mason purposely inflated his pension plan for the Public Employee Retirement System.

But Adams denies the charges, stating that he rejected the offer.

An audit letter from PERS in August 1992, confirmed that the funds were approved in conjunction with Mr. Adams' retirement.

PERS is planning an audit on Adams this August, according to Tom Britting, chief of the audits division.

Why PERS has decided to conduct an audit is due neither to the district's being randomly selected nor to recent controversy, Britting said.

"We have criteria for which we select organizations," is all that Britting was allowed to disclose.

Hodel sent a letter dated December 8, 1992, to Kenneth W. Marzion, manager of the Compensation Review Section, stating

that Adams had "manipulated" the wording of the minutes sent to PERS so that the \$5,000 read as a salary increase.

Hodel insisted that the increase was actually higher.

Adams currently receives approximately \$2,300 per month in pension benefits.

Hodel also said she feels she was "squeezed out of office" because she was "beginning to catch on with what was happening."

Hodel continued, "I came on as an innocent. As I began to understand the corruption that was going on, I tried to do something about it. I got no support from the other (members) on the board."

"That's why policies weren't passed. Rather than not vote, they'd simply not go to meetings."

Hodel said she missed the filing date for last year's election because she was not reminded by Lincoln. Though it is the responsibility of the board member to file a petition to run, Hodel said she had asked Lincoln twice about the filing date.

Lincoln denied that she was asked about filing dates and that the issue was discussed at meetings prior to the deadline.

"She was called about a month before the deadline," Lincoln said. "We as a district go beyond what other districts do by providing packages for filing. The packages were there (at the office) for almost a month."

SACRAMENTO LOCAL AGENCY FORMATION COMMISSION
1112 I Street, Suite #100
Sacramento, California 95814
(916) 874-6458

November 2, 2011

TO: Sacramento Local Agency Formation Commission

FROM: Peter Brundage, Executive Officer

RE: **City of Elk Grove Sphere of Influence Amendment-South of
Kammerer Road (LAFC 09-10) (CEQA EIR SCH# 2010092076)**

CONTACT: Don Lockhart, AICP, Assistant Executive Officer (916) 874-2937

RECOMMENDATION

Staff recommends that your Commission:

- A. Open the Public Hearing.
- B. Receive public comments on the Draft Environmental Impact Report.
- C. Close the Public Hearing.

Public comment regarding the DEIR is encouraged before the Commission this evening. The public should note that the comment period is **September 29, 2011 through 4 PM November 14, 2011.**

BACKGROUND

The DEIR Executive Summary (ES) is attached. The ES provides your Commission with a concise overview of the DEIR, and a summary of potential impacts and proposed mitigation measures.

The DEIR is intended to serve as an informational document for your Commission and the general public regarding the objectives and components of the proposed project. The document evaluates potentially significant adverse environmental impacts that could be associated with the project, and identifies project changes (mitigation measures) and project alternatives that would reduce or eliminate these impacts. The DEIR does not set forth policy for your Commission about the proposed project's desirability. Rather, the DEIR is an informational document to be used by the public, decision makers and public agencies. During the project review process, Sacramento LAFCo must consider all feasible mitigation measures and alternatives developed in the DEIR to substantially lessen anticipated environmental impacts of the proposed project.

The DEIR may be reviewed and/or downloaded @ www.saclafco.org. Hard copy may be reviewed at the LAFCo offices, Elk Grove City Hall (8400 Laguna Palms Way,) the Elk Grove Library (8900 Elk Grove Blvd.) and the Franklin Community Library (10055 Franklin High Rd.)

To be considered, all comments must be received by the end of the public comment period (*September 29, 2011 through 4 PM November 14, 2011.*) Upon completion of the 45-day public review period, responses to all substantive comments concerning the adequacy of the DEIR will be prepared and incorporated into a Final EIR.

DRAFT ENVIRONMENTAL IMPACT REPORT

A Notice of Availability was issued September 29, 2011 to over 100 interested parties, including agencies and members of the public. Sacramento LAFCo in consultation with the City of Elk Grove has prepared the Draft EIR addressing the following resource areas:

- Transportation & Circulation
- Air Quality
- Noise
- Population & Housing
- Utilities
- Public Services
- Parks
- Aesthetics
- Land Use
- Geology & Soils
- Hydrology, Drainage, & Water Quality
- Agricultural Resources
- Biological Resources
- Cumulative Impacts
- Alternatives

Proposed mitigation is included in the DEIR to reduce many impacts to less-than-significant levels. Significant and unavoidable impacts have been identified in the following areas: aesthetics, agricultural resources, land use and planning, noise, population and housing, and transportation and traffic.

LAFCO ISSUES OF INTEREST

As lead agency under CEQA, LAFCo must ensure that the environmental document prepared for the project adequately addresses LAFCo matters. As such, the following discussion briefly outlines issues that are of primary importance to LAFCo

- *Utilities:* Issues related to the project's impacts to local and regional water and wastewater treatment and conveyance, storm drainage, and electrical and natural gas facilities are discussed in this section.
- *Public Services:* Issues related to the project's impacts to police, fire, emergency, solid waste, school, and library services are discussed in this section.
- *Parks and Open Space:* Issues related to the project's provision and preservation of park and open space areas including the project's impacts to existing City, County and District park and open space resources are discussed in this section.

- *Hydrology, Drainage and Water Quality:* Issues related to the project's impacts relating to mapped floodplain, water quality and hydrology of the region are discussed in this section.
- *Agriculture:* Issues related to the project's impacts to existing agricultural resources, Williamson Act contracts, and adjacent agricultural operations are discussed in this section.
- *Alternatives:* Issues related to alternatives with different or lesser potential impacts than the proposed the SOI amendment are evaluated in this section.

To be considered, all comments must be received by the end of the public comment period (**September 29, 2011 through 4PM November 14, 2011.**) Upon completion of the 45-day public review period, responses to all substantive comments concerning the adequacy of the DEIR will be prepared and incorporated into a Final EIR. Written comments regarding the Draft EIR should be received **NO LATER THAN 4:00 P.M., November 14, 2011.** Written comments should be submitted to:

Don Lockhart, AICP, Assistant Executive Officer
 Sacramento LAFCo
 1112 I Street, Suite 100
 Sacramento, CA 95814-2836
 FAX# (916)874-2937
Don.Lockhart@SacLAFCo.org

PROPOSED PROJECT

The proposed project consists of a request initiated by the Elk Grove City Council (Resolution #2008-54) to the Sacramento Local Agency Formation Commission (LAFCo) to amend the City of Elk Grove's SOI. The current SOI is coterminous with the City boundary. The application to amend the SOI includes 7,869 acres generally described as the areas south of Bilby Road/Kammerer Road and Grant Line Road. Current City of Elk Grove land use projections indicate that future growth may require additional lands outside of the current city boundary. The City's available residential, industrial, and commercial land inventory is in the process of building out and may be unable to accommodate all anticipated urban growth within the city limits. As a result, the City needs to establish a direction to accommodate its anticipated future growth by designating an area for long-term planning. For purposes of analyzing environmental impacts, your staff consulted with City staff, and has developed land use assumptions to allow LAFCo to understand environmental effects that may result from future anticipated growth during future annexations. No specific land use entitlements are proposed at this time in conjunction with the proposed SOI Amendment (SOIA). California Government Code Section 65300 provides that a city may comprehensively plan for lands outside of its jurisdiction without the area being within an approved SOI. However, while the Elk Grove City Council has expressed its desire to have the proposed SOIA Area master planned, the City Council has explicitly stated that no comprehensive planning of the area will occur until LAFCo approves the SOIA.

The current City boundaries and coterminous SOI encompass 26,974 acres. The proposed SOIA would expand the existing SOI, *not the city limits*, by 7,869 acres, or by 29 percent, to a total SOI of 34,843 acres. However, anticipated future growth and expansion through the annexation process would be limited to areas outside of the FEMA designated 100-year floodplain. This would limit future growth to 6,882 acres of the proposed 7,869-acre SOI expansion, leaving 13 percent of the area for non-urban uses, such as open space.

EXECUTIVE OFFICER COMMENTS

Public hearings are encouraged, but not required for the Draft EIR. Historically, LAFCo holds a hearing to receive public testimony on Draft Environmental Impact Reports. This hearing tends to be thirty or more days after issuance of the DEIR. However, the timing of the hearing can be flexible.

The Notice of Availability was issued September 29, 2011 and the Draft EIR for the proposed SOI Amendment for the City of Elk Grove was issued the same day. The Draft EIR has a minimum 45-day comment period, having been submitted to the State Clearinghouse for State agency review. The review period currently ends on November 14, 2011. It may be extended to sixty days, or more, in the event of unusual circumstances.

The purpose of the tonight's hearing is to present the Draft EIR and receive public comment on the project. **Affected agencies and the public will have the complete 45-day period during which to provide written comments to your Commission.**

Respectfully submitted,

SACRAMENTO LOCAL AGENCY FORMATION COMMISSION

Peter Brundage
Executive Officer

Attachment

DL:dl