
Alameda Local Agency Formation Commission

NOTICE OF REGULAR MEETING AND AGENDA

ALAMEDA LOCAL AGENCY FORMATION COMMISSION

THURSDAY, MARCH 14, 2019

CITY OF DUBLIN COUNCIL CHAMBERS
100 CIVIC PLAZA, DUBLIN, CALIFORNIA

Ayn Wieskamp, Chair – Scott Haggerty, Vice Chair – John Marchand – Sblend Sblendorio – Jerry Thorne – Nate Miley – Ralph Johnson
David Haubert, Alternate – Richard Valle, Alternate – Georgan Vonheeder-Leopold, Alternate – Tom Pico, Alternate

On behalf of the Chair, the Commission welcomes you to its meetings and your interest is appreciated. **If you wish to speak to a matter on the agenda, please complete a Speakers Card and submit it to staff.** When your name is announced, please come forward and give your name and address, and state your comments or questions. If you wish to speak on a matter not on the agenda, please wait until the Chair calls for Public Comment. Speakers may have a time limitation imposed at the discretion of the Chair. Alameda LAFCO meetings are wheelchair accessible. Call (510) 208-4949 (voice) or (510) 834-6754 (TDD) to request a sign-language interpreter. Five working days' notice is required.

Only those issues which are brought up at the public hearing described in this notice, or in written correspondence delivered to the LAFCO Commissioners at or prior to the hearing, may be raised in any legal challenge to the actions taken by the Commission.

1. **2:00 P.M. – Call to Order and Pledge of Allegiance**
2. **Roll Call**
3. **Public Comment:** Anyone from the audience may address the Commission on any matter not listed on the agenda and within the jurisdiction of the Alameda LAFCO. The Commission cannot act upon matters not appearing on the agenda. *Speakers are limited to three (3) minutes.*
4. **Approval of Meeting Minutes: January 10, 2019 Regular Meeting** (Consent)
5. **Budget Update for 2018-2019 and Year End Projections** (Consent) – The Commission will review a report comparing budgeted and actual transactions for 2018-2019 through February 28, 2019 and its projection Alameda LAFCO is on pace to finish the fiscal year with an operating surplus of \$136,705. This includes a \$176,000 fund balance applied to offset agency apportionments. The report is being presented to the Commission to accept and file and to provide direction as needed.

LAFCO Staff Recommendation: Accept and file the report as presented and provide direction as needed to staff with respect to any related matters for future consideration.

6. **Adoption of Final Study Schedule for FY2019 to FY 2024** (Public Hearing) – The Alameda Local Agency Formation Commission (LAFCO) will consider adopting a final study schedule calendaring

municipal service reviews and sphere of influence updates beginning FY 2019. The final study schedule will serve as a formal policy in guiding the Commission’s related planning activities and matches the proposed version approved at the January meeting that was subsequently circulated among the 47 affected local agencies and general public with the exception of two items: the inclusion of reviewing broadband services as a municipal service in the proposed Community Services Study II and adjusting the study schedule to include a municipal service review on the Alameda County Resource Conservation District during fiscal year 2021.

LAFCO Staff Recommendation: Adopt the attached draft resolution approving the study schedule with any desired changes.

7. **Dissolution of San Lorenzo Library County Service Area (L-2 CSA) and Livermore-Amador Valley Sewer Study County Service Area (S-1984-1 CSA) (Public Hearing)** – Alameda LAFCO will consider approving the dissolution of L-2 CSA and S-1984-1 CSA after the Commission initiated the dissolution at its January 2019 meeting following the State Controller’s Office notice that both districts were inactive on November 6, 2018. Staff recommends approval.

LAFCO Staff Recommendation: Adopt the draft resolutions approving the dissolutions of L-2 CSA and S-1984-1.

8. **Adoption of Proposed Workplan and Budget for FY 2019-2020 (Public Hearing)** – The Commission will consider adopting a proposed budget for fiscal year 2019-2020 in anticipation of taking final action at its next regular meeting. Proposed budget expenses total \$793,880 and represents a decrease of \$2,964 or 0.4% with adjustments tied in services and supplies and resources drawn to accomplish items in the proposed work plan. Proposed budget revenues are matched to expenses with a slight decrease in agency contributions by \$14,464 or 2.4% in conjunction with an increase in the use of reserves by \$4,000. Adoption will precede a formal public review and comment period and conclude with final action at the next regular meeting scheduled for May 9, 2019.

LAFCO Staff Recommendation: Adopt the attached resolution approving the proposed budget and work plan for 2019-2020 with any desired changes.

9. **Informational Items**
- a. Current and Pending Proposals
 - b. Strategic Plan Update
 - c. Legislative Update
 - d. Memorandum of Understanding with County | Update
 - e. Commissioners with terms ending May 2019:
 - 1. Ayn Wieskamp
 - 2. Scott Haggerty
 - 3. David Haubert
 - f. Form 700: Due April 1

Adjournment of Regular Meeting

10. **Policy and Budget Committee Meeting**
Thursday, April 4, 2019 at 1:00 pm at City of Dublin, 100 Civic Plaza, Dublin, CA
Regular Meeting
Thursday, May 9, 2019 at 2:00 p.m. at City of Dublin, 100 Civic Plaza, Dublin, CA

DISCLOSURE OF BUSINESS OR CAMPAIGN CONTRIBUTIONS TO COMMISSIONERS

Government Code Section 84308 requires that a Commissioner (regular or alternate) disqualify herself or himself and not participate in a proceeding involving an "entitlement for use" application if, within the last twelve months, the Commissioner has received **\$250 or more in business or campaign contributions from an applicant, an agent of an applicant, or any financially interested person who actively supports or opposes a decision on the matter.** A LAFCo decision approving a proposal (e.g., for an annexation) will often be an "entitlement for use" within the meaning of Section 84308. Sphere of Influence determinations are exempt under Government Code Section 84308.

If you are an applicant or an agent of an applicant on such a matter to be heard by the Commission and if you have made business or campaign contributions totaling \$250 or more to any Commissioner in the past twelve months, Section 84308(d) requires that you disclose that fact for the official record of the proceeding. The disclosure of any such contribution (including the amount of the contribution and the name of the recipient Commissioner) must be made either: 1) In writing and delivered to the Secretary of the Commission prior to the hearing on the matter, or 2) By oral declaration made at the time the hearing on the matter is opened. Contribution disclosure forms are available at the meeting for anyone who prefers to disclose contributions in writing.

Pursuant to GC Section 84308, if you wish to participate in the above proceedings, you or your agent are prohibited from making a campaign contribution of \$250 or more to any Commissioner. This prohibition begins on the date you begin to actively support or oppose an application before LAFCO and continues until 3 months after a final decision is rendered by LAFCO. If you or your agent have made a contribution of \$250 or more to any Commissioner during the 12 months preceding the decision, in the proceeding that Commissioner must disqualify himself or herself from the decision. However, disqualification is not required if the Commissioner returns that campaign contribution within 30 days of learning both about the contribution and the fact that you are a participant in the proceedings. Separately, any person with a disability under the Americans with Disabilities Act (ADA) may receive a copy of the agenda or a copy of all the documents constituting the agenda packet for a meeting upon request. Any person with a disability covered under the ADA may also request a disability-related modification or accommodation, including auxiliary aids or services, in order to participate in a public meeting. Please contact the LAFCO office at least three (3) working days prior to the meeting for any requested arrangements or accommodations.

Alameda LAFCO
Administrative Office
1221 Oak Street,
Suite 555 Oakland,
California 94612
T: 510.272.3784
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SUMMARY ACTION MINUTES
ALAMEDA LOCAL AGENCY FORMATION COMMISSION
REGULAR MEETING

City of Dublin Council Chambers, 100 Civic Drive, Dublin, CA

January 10, 2019

1. Call to Order and Pledge of Allegiance

Chair Wieskamp called the meeting to order at 2:03 p.m. The Pledge of Allegiance was recited.

2. Roll Call.

Roll was called. A quorum was present of the following commissioners:

County Members: Scott Haggerty (arrived 2:24, item 9) and Nate Miley

City Members: John Marchand and Jerry Thorne

Special District Members: Ayn Wieskamp, Ralph Johnson, and alternate Georgean Vonheeder-Leopold

Public Members: Sblend Sblendorio

Not Present: Alternate County Member Richard Valle, alternate City Member David Haubert, and alternate Public Member Tom Pico

Staff present: Rachel Jones, Executive Officer; Theresa Rude, Analyst; Andrew Massey, Legal Counsel; and Sandy Hou, Clerk

3. Public Comment

Chair Wieskamp invited members in the audience to address the Commission on any matter not listed on the agenda and within the jurisdiction of the Commission. There were no comments.

4. Consent Item – Approval of Meeting Minutes: November 8, 2018 Regular Meeting

Upon Motion by Commissioner Marchand, second by Commissioner Thorne, the minutes of November 8, 2018 were approved.

AYES: 6 (Johnson, Marchand, Miley, Sblendorio, Thorne, Wieskamp)

NOES: 0

ABSENT: 1 (Haggerty)

ABSTAIN: 1

5. Budget Update for 2018-2019 and Year End Projections

Executive Officer provided a summary of the written report, comparing budgeted and actual transactions for 2018-2019 through December 31, 2018, projecting that Alameda LAFCO is on pace to finish the fiscal year with an operating surplus of \$121,434, which includes a \$176,000 fund balance applied to offset agency apportionments.

Upon motion by Commissioner Thorne, second by Commissioner Johnson, the Commission approved accepting and filing the report.

AYES: 6 (Johnson, Marchand, Miley, Sblendorio, Thorne, Wieskamp)

NOES: 0

ABSENT: 1 (Haggerty)

ABSTAIN: 0

6. Adoption of Comprehensive Update to Fee Schedule (Public Hearing)

Summary of written report was provided by Executive Officer who noted that the proposed update remained unchanged from the second reading that was presented at the November 2018 meeting, that it includes adjusting the fee schedule to emphasize fixed charges and amending the hourly staff rate to a composite from \$125.00 to \$164.00. She noted that a 45-day public review period initiated following the items second reading at the November meeting had produced no public comments.

Chair Wieskamp opened and closed the public hearing with no comments being offered.

Upon motion by Commissioner Marchand, second by Commissioner Johnson, the Commission approved the proposed update to be effective as of March 11, 2019.

AYES: 6 (Johnson, Marchand, Miley, Sblendorio, Thorne, Wieskamp)
NOES: 0
ABSENT: 1 (Haggerty)
ABSTAIN: 1

7. Dissolution of Inactive Special Districts | San Lorenzo Library County Service Area and Livermore-Amador Valley Sewer Study County Service Area

Notification sent from State Controller’s Office that both districts are inactive. Commission required to initiate dissolution of the districts within 90 days of receiving notification or find that the districts are not inactive.

Summary of written report was provided by Executive Officer, who concurred that the districts are inactive and recommended dissolution proceedings be initiated.

Discussion:

Commissioner Marchand asked Counsel if it would be a conflict of interest for him to vote on the matter since he sits on the Livermore-Amador Valley Water Management Agency. Counsel responded that per CKH law it would not be a conflict. Commissioner Johnson asked about the status of the Castro Valley CSA. Staff said that she believed it was still active since the State Controller’s Office had not indicated it was not; but, she would look into it. In response to Commissioner Sblendorio, she noted that the County Public Work’s Agency and the County Library are aware of and agree with dissolution of the districts.

Upon motion by Commissioner Sblendorio, second by Commissioner Marchand, the Commission approved a resolution determining the two county service areas are inactive and approved continuing dissolution proceedings at its March 14, 2019 meeting.

AYES: 6 (Johnson, Marchand, Miley, Sblendorio, Thorne, Wieskamp)
NOES: 0
ABSENT: 1 (Haggerty)
ABSTAIN: 1

8. Review of Draft Study Schedule for FY 2019 to FY 2024 (Business) – a draft five-year study schedule calendaring municipal service reviews (MSRs) and sphere of influence (SOI) updates beginning FY 2019. The study schedule represents a new methodical approach to manage and telegraph LAFCO’s planning requirement to regularly perform and focus on regional MSRs to inform SOI updates relative to LAFCO’s growth management duties. The draft calendars one to two MSRs per year and covers 47 local affected agencies.

Executive Officer summarized the written report, noting that the draft study schedule was being presented for feedback ahead of a 45-day formal review and comment period before the Commission considers taking final action at the next regular meeting.

Discussion:

In response to Commissioner Sblendorio, Staff concurred that this proposed study schedule differs from past MSRs in that rather than being agency specific, it is centered on services. She clarified that water, wastewater, flood control was not on the schedule because that study is being conducted currently in this fiscal year. Commissioner Sblendorio requested that broadband services be included in the study schedule. Staff said that she would include that in the study schedule that is brought back to the Commission at its March 14th meeting.

Upon motion by Commissioner Johnson, second by Commissioner Marchand, the Commission approved the draft study schedule, revised to include studying Broadband services, and directed the Executive Officer to initiate a 45-day public review of the proposed study and to schedule a public hearing to take formal action on March 14, 2019.

AYES: 6 (Johnson, Marchand, Miley, Sblendorio, Thorne, Wieskamp)
NOES: 0
ABSENT: 1 (Haggerty)
ABSTAIN: 1

9. **Supplemental Report on LAFCO Operational Options and Other Related Items (Business)** - Supplemental report conducted by Berkson Associates recommending LAFCO seek an alternative operational model transitioning away from the County of Alameda in light of Alameda LAFCO's Memorandum of Understanding (MOU) with the County set to expire as of June 30, 2019. Staff recommends that Alameda LAFCO continue to contract services with the County, but as a public-facing entity retain its own office space.

Executive Officer summarized the written report, noting that her recommendation was to accept and file the report and authorize the Executive Officer in conjunction with Counsel to continue MOU negotiations with the County ahead of the June 30th deadline.

Discussion Summary:

The author of the report, Richard Berkson, responded to Commissioner Miley's question of what accounted for the estimated \$26,000 increase in costs should LAFCO become fully independent by identifying that the cost of office space accounts for that. Regarding the study's comparison to three other Bay Area LAFCO's, Mr. Berkson said he found costs overall were pretty similar.

In response to Commissioner Miley's inquiry concerning possible personnel costs increase, LAFCO Executive Officer indicated that would be part of the negotiated MOU. Commissioner Miley suggested that a commissioner – the Chair or Vice Chair maybe – should assist LAFCO EO and Counsel in the MOU negotiations.

Joni Pattillo, representing County Administrator Susan S. Muranishi, offered comments and observations about the report and noted that the consultant had not talked directly with the County in gathering information for the report. She pointed out an error in the report concerning CALPERS and clarified that actually only the County Fire Department is part of it. She expressed that a renegotiated MOU would have to make sense to the County as well as to LAFCO and noted that there were administrative costs to the County on behalf of LAFCO that weren't fully captured in the report.

Commissioner Haggerty expressed concerns about lack of oversight and increased costs should LAFCO go entirely independent from the County and that given that the activity of proposals brought before LAFCO has decreased and is expected to remain that way for some time, it doesn't make sense to make it bigger.

Commissioners Sblendorio, Johnson and Wieskamp agreed that having the report done was a worthwhile endeavor which assisted in identifying areas of the MOU that might need tweaking. Commissioners Johnson, Haggerty and Wieskamp suggested moving the LAFCO office out of Oakland to a County office closer to where LAFCo activity occurs makes sense – in Hayward or East County. The discussion concluded with agreement that the desire on both sides was to have friendly negotiations towards the new MOU. Commissioners Sblendorio and Johnson agreed to help with negotiations.

Commissioner Haggerty motioned to accept and file the report on LAFCO's supplemental operational study; to authorize an ad hoc committee consisting of the Executive Officer, Counsel and Commissioners Johnson and Sblendorio to continue negotiations with the County of Alameda in amending its MOU ahead of the June 30, 2019 deadline; and that a County building in East County be considered as a possible relocation site for the LAFCO office. Motion was seconded by Commissioner Johnson and unanimously approved.

AYES: 7 (Haggerty, Johnson, Marchand, Miley, Sblendorio, Thorne, Wieskamp)
NOES: 0
ABSENT: 0
ABSTAIN: 0

11. Informational Items – Staff comments as noted.

a. Current and Pending Proposals

Currently no active proposals on file that remain under administrative review and awaiting hearings.

b. Strategic Plan Update

QK Associates is underway with the data collection phase of the Commission's MSR on its Countywide Water, Wastewater, Storm water and Flood Control study.

c. Legislative Update

A summary of bills and related matters at the end of the Legislature's 2018-2019 session provided by the State Legislature's Senate Governance and Finance Committee.

d. CALAFCO Quarterly Report

Included in the report is an announcement that the 2019 staff workshop will be held April 10th-12th in San Jose.

15. Adjournment of Regular Meeting

Chair Wieskamp adjourned the meeting at 3:00 p.m.

16. Next Meetings

Policy & Budget Committee

Thursday, February 7, 2019 at 1:00 p.m. at the Dublin City Library, 200 Civic Plaza, Dublin, CA

Regular Meeting

Thursday, March 14, 2019 at 2:00 p.m. at City of Dublin, City Council Chambers, 100 Civic Plaza, Dublin

Respectfully submitted,

Sandy Hou, Commission Clerk

TO: Alameda Commissioners
FROM: Rachel Jones, Executive Officer
SUBJECT: Budget Update for 2018-2019 and Year End Projections

The Commission will review a report comparing budgeted and actual transactions for 2018-2019 through February 28, 2019 and its projection Alameda LAFCO is on pace to finish the fiscal year with an operating surplus of \$136,705. This includes a \$176,000 fund balance applied to offset agency apportionments. The report is being presented to the Commission to accept and file and to provide direction as needed.

Information

Alameda LAFCO's ("Commission") adopted final budget for 2018-2019 totals \$796,843. This amount represents the total approved operating expenditures for the fiscal year divided between three active expense units: salaries and benefits; services and supplies; and internal services. A matching revenue total was also budgeted to provide a year-end balance of \$0 and with a purposeful aid of a planned \$176,000 transfer from reserves. Budgeted revenues are divided between three active units: intergovernmental contributions, application fees, and investments. The Commission's total fund balance as of July 1, 2018 was \$595,796.

Discussion

This item is for the Commission to receive an update comparison of (a) budget to (b) actual expenses and revenues through the month of February. The report provides the Commission the opportunity to track expenditure trends accompanied by year-end operating balance projections from the Executive Officer. The report is being presented to the Commission to formally accept and file and provide related direction as needed.

Budgeted Expenses	Budgeted Revenues	Budgeted Year End Balance
FY 18-19	FY 18-19	FY 18-19
\$796,843	\$796,843	\$0

Summary of Operating Expenses

The Commission’s budgeted operating expense total for 2018-2019 is \$796,843. Actual expenses processed through the first eight months totaled \$355,983; an amount representing 44.7% of the budgeted total with 66.3% of the fiscal year complete.

Actuals through the first eight months and related analysis suggest the Commission is on pace to finish the fiscal year with \$651,670 in total expenses and finish with a remaining balance of \$145,173 and an operating surplus of \$136,705. A discussion on budgeted and actual expenses through the first eight months and related year-end projections follow.

Expense Units	Adopted	Projected	Percent Expended	Remaining Balance
Salaries and Benefits	471,653	413,334	88%	58,319
Services and Supplies	243,500	200,854	82%	42,646
Internal Service Charges	31,690	37,482	118%	(5,792)
Contingencies	50,000	-	-	-
	\$796,843	\$651,670	82%	\$136,705

Staffing Unit

The Commission budgeted \$471,653 in Staffing or Salaries and Benefits Unit for 2018-2019 with proceeds largely tied to funding 2.15 fulltime equivalent employees as well as existing retiree obligations. Through the first eight months the Commission’s estimated expenses within the affected accounts totaled \$275,556 or 58% of the budgeted amount. It is projected the Commission finish the fiscal year with an expenses total of \$413,334. The remaining \$58,319 is a contingency due to the recruitment and hiring of the Executive Officer and any other related staffing modifications.

Services and Supplies Unit

The Commission budgeted \$243,500 in the Services and Supplies Unit for 2018-2019 to provide funding for *direct* support services necessary to operate Alameda LAFCO. Through the first eight months the Commission’s actual expenses within the affected 14 accounts totaled \$60,743 or 25% of the budgeted amount. Two of the affected accounts – Travel and Mileage and Memberships – finished with balances exceeding the proportional 66% threshold with explanations provided below. In the absence of subsequent amendments at this time, it is projected the Commission will finish the fiscal year with an expense total of \$200,854.

- Travel and Mileage

This account covers the Commission’s transportation costs. The Commission budgeted \$200 in this account for 2018-2019 based on recent actual trends. Actual expenses through February totaled \$1,308 and can be attributed to travel costs for the CALAFCO Annual Conference held in October 2018 in Yosemite. Staff projects limited additional mileage costs over the succeeding months.

- Memberships

This account covers the Commission’s annual dues for ongoing membership with several outside agencies and organizations as previously authorized by the members. This includes CALAFCO and the California Special Districts Association memberships. The Commission budgeted \$9,026 in this account for 2018-2019 based on recent actual trends. Actual expenses through February totaled \$9,075 or 108% of the budgeted amount and tied to providing full payment of all budgeted costs. Staff anticipates a negative balance of \$26.

Internal Services and Supplies

The Commission budgeted \$31,690 in the Internal Services and Supplies Unit for 2018-2019 to provide funding for *indirect* support services necessary to operate Alameda LAFCO. Through the first eight months the Commission’s actual expenses within the four affected accounts totaled \$19,684 or 62% of the budgeted amount. It is projected the Commission will finish the fiscal year with a negative balance of (\$5,792). One of the affected accounts – Information Technology – finished with balances exceeding the proportional 66% threshold with explanations provided below

- Information Technology

This account covers the Commission’s computer maintenance, equipment and website costs. The Commission budgeted \$21,578 in this account for 2018-2019 based on a preliminary quote. Actual expenses through February totaled \$16,289 and can be attributed to an increase in service charges. Staff projects additional costs of \$11,081 to be applied to the account by the end of the fiscal year.

Summary of Operating Revenues

The Commission budgeted operating revenue total for 2018-2019 at \$796,843. Actual revenues collected through the first eight months totaled \$598,563. This amount represents 75.1% of the budgeted total with 66% of the fiscal year complete. A summary comparison of budgeted to actual operating revenue follows.

Actuals through the first eight months and related analysis suggest the Commission’s year-end revenue totals will tally at \$788,375 and result in a year-end shortfall of \$8,468. An expanded discussion on the budgeted and actual revenues through the first eight months follows.

Revenue Units	Adopted	Projected	Percent Expended	Remaining Balance
Agency Contributions	590,844	590,844	100%	0
Application Fees	30,000	10,000	33%	(20,000)
Interest	-	11,531	-	11,531
Fund Balance Offset	176,000	176,000	100%	0
	\$796,843	\$788,375	99%	(\$8,468)

Agency Apportionments

The Commission budgeted \$590,843 in the Agency Apportionments Unit for 2018-2019. This total budgeted amount was to be divided in two three equal shares at \$196,948 and invoiced among the County of Alameda, 14 cities, and 15 independent special districts as provided under State statute. All payments have been received and the Commission will finish with an ending balance of \$590,843 or 100% of the budgeted amount.

Application Fees Unit

The Commission budgeted \$30,000 in the Application Fees Unit for 2018-2019. Through the first eight months no monies have been collected in this unit. Staff anticipates – and at least for budgeting purposes – the account ultimately tallying at \$10,000 and result in a year-end shortfall of \$20,000.

Interest Unit

The Commission budgeted \$0 in the Interest Unit for 2018-2019. Through the first eight months \$7,688 have been collected in this unit by the County Treasurer. Staff anticipates – and at least for budgeting purposes – the account accruing at the current rate and ultimately tallying at \$11,531.

Alternatives for Action

The following alternatives are available to the Commission:

Alternative One (Recommended):

Accept and files the report as presented and provide direction as needed to staff with respect to any related matters for future consideration.

Alternative Two:

Continue consideration of the report to a future meeting and provide direction for more information as needed.

Recommendation

It is recommended the Commission proceed with Alternative Action One.

Respectfully,



Rachel Jones
Executive Officer

Attachments:

1. 2018-2019 General Ledger through February 28, 2019

ALAMEDA LOCAL AGENCY FORMATION COMMISSION

Regional Service Planning | Subdivision of the State of California

Expense Ledger

		FY2017-2018		FY2018-2019				
		Final	Actuals	Adopted	Actuals As of 2-28-19	% of Budget	Projected Year End	Difference
Salary and Benefit Costs								
<u>Account</u>	<u>Description</u>							
60001	Staff Salaries	-	-	321,692	175,582	54.6%	263,373	58,319
-	Employee Benefits and Retirement (ACERA)	-	-	149,961	99,974	66.7%	149,961	-
		472,385	383,228	471,653	275,556	58.4%	413,334	58,319
Service and Supplies								
<u>Account</u>	<u>Description</u>							
-	Intern	1,600	-	1,600	-	0.0%	-	1,600
610077	Postage	1,000	1,000	1,000	74	7.4%	1,000	0
610141	Copier	2,000	2,503	3,000	3,000	0.0%	3,000	0
610191	Pier Diems	7,500	7,300	7,700	3,200	41.6%	7,700	0
610211	Mileage/Travel	-	89	200	1,308	654.0%	2,628	(2,428)
610461	Training (Conferences and Workshops)	20,000	17,171	20,000	9,235	46.2%	20,000	0
610241	Records Retention	1,000	1,000	1,000	136	13.6%	1,000	0
610261	Consultants	75,000	75,000	96,000	15,902	16.6%	90,000	6,000
610261	Mapping - County	5,000	5,000	5,000	595	11.9%	5,000	0
610261	Planning Services	25,000	10,000	25,000	1,241	5.0%	5,000	20,000
610261	Legal Services	40,000	35,000	40,000	12,383	31.0%	25,000	0
610311	CAO - County - Services	11,000	11,000	11,000	2,750	25.0%	11,000	0
610312	Audit Services	7,500	-	10,000	0	0.0%	7,500	2,500
610351	Memberships	8,675	8,774	9,000	9,075	100.8%	9,026	(26)
610421	Public Notices	5,000	2,000	5,000	1,336	26.7%	5,000	0
610441	Assessor - County - Services	5,000	-	2,500	-	0.0%	2,500	0
610461	Special Departmental	500	500	1,500	267	17.8%	1,500	0
620041	Office Supplies	3,000	500	4,000	241	6.0%	4,000	0
		218,775	176,837	243,500	60,743	24.9%	200,854	42,646
Internal Service Charges								
<u>Account</u>	<u>Description</u>							
630051	Office Lease/Rent	3,200	3,200	3,200	1,666	52.1%	3,200	0
630021	Communication Services	3,218	3,218	3,878	970	25.0%	3,878	0
630061	Information Technology	18,081	18,081	21,578	16,289	75.5%	27,370	(5,792)
630081	Risk Management	2,686	2,686	3,034	759	25.0%	3,034	0
		27,185	27,185	31,690	19,684	62.1%	37,482	(5,792)
Contingencies		50,000		50,000	-	0.0%	-	50,000
<u>Account</u>	<u>Description</u>							
-	Operating Reserve	-	-	-	-	-	-	-
		-	-	-	-	-	-	-
EXPENSE TOTALS		768,345	587,250	796,843	355,983	44.7%	651,670	145,173

Revenue Ledger

		FY2017-2018		FY2018-2019				
		Adopted	Estimate	Proposed Final	Actuals	% of Budget	Projected Year End	Difference
Intergovernmental								
<u>Account</u>	<u>Description</u>							
-	Agency Contributions	588,345	588,344	590,843	590,844	100%	590,844	0
	County of Alameda	196,115	196,114	196,948	196,948	100%	196,948	0
	Cities	196,115	196,114	196,948	196,948	100%	196,948	0
	Special Districts	196,115	196,114	196,948	196,948	100%	196,948	0
		588,345	588,344	590,843	590,844	100%	590,844	0

Service Charges							
- Application Fees	30,000	16,000	30,000	31	0.1%	10,000	(20,000)
Investments							
- Interest	-	4,000	0	7,688	-	11,531	11,531
Fund Balance Offset	150,000	150,000	176,000	-	0.0%	176,000	0
REVENUE TOTALS	768,345	758,344	796,843	598,563	75.1%	788,375	(8,468)
OPERATING NET	-	171,094	-	242,580		136,705	
UNRESTRICTED FUND BALANCE				595,796			
As of June 30th							

TO: Alameda Commissioners

FROM: Policy and Budget Committee (Johnson, Marchand, Pico)
Rachel Jones, Executive Officer

SUBJECT: Adoption of Final Study Schedule for FY2019 to FY 2024

The Alameda Local Agency Formation Commission (LAFCO) will consider adopting a final study schedule calendaring municipal service reviews and sphere of influence updates beginning FY 2019. The final study schedule will serve as a formal policy in guiding the Commission's related planning activities and matches the proposed version approved at the January meeting that was subsequently circulated among the 47 affected local agencies and general public with the exception of two items: the inclusion of reviewing broadband services as a municipal service in the proposed Community Services Study II and adjusting the study schedule to include a municipal service review on the Alameda County Resource Conservation District during fiscal year 2021. Staff recommends approval with any desired changes identified by the Commission.

Background

As part of the January 10, 2019 meeting, Alameda LAFCO received an introductory report on the approach of a new five-year planning cycle to prepare municipal service reviews and sphere of influence updates. The underlying purpose of these cyclical planning documents is for LAFCO to independently assess the availability and adequacy of local government services relative to community needs, and take additional actions as appropriate. This includes drawing from the municipal service reviews to inform sphere updates and, if merited, initiate formations, consolidations, mergers, or dissolutions. The January 10th meeting concluded with the Commission directing staff proceed with developing a formal study schedule for future review as well as incorporate broadband services into a municipal service review.

This item is for Alameda LAFCO to consider approving a final five-year study schedule calendaring municipal service reviews and sphere of influence updates beginning in FY 2019. The study schedule returns largely intact from its earlier draft presentation in January and continues to be prefaced as a means to more deliberately manage and telegraph the underlying analyses over the five-year period. An additional policy statement has also been added to the study schedule to clarify the Commission retains discretion in making statements amendments

should it be necessary to address changes in priorities, resources, and or community needs as determined by the membership.

Further description of the study schedule follows.

Consistent with earlier Commission feedback, the development of a formal five-year study schedule represents a new approach for Alameda LAFCO in addressing its directive under State law to cyclically prepare municipal service reviews and sphere of influences. This approach differs with past planning cycles in which LAFCO staff administratively prepared studies on an annual basis with significant undertakings referenced in the strategic workplan. Transitioning to a formal five-year study schedule provides explicit and transparent direction in managing LAFCO's core planning responsibilities as well as offers advance notice to local agencies and the general public in telegraphing these activities and soliciting their involvement; the latter of which helps address LAFCO's direction to consider local conditions in performing the underlying duties. Emphasizing municipal service reviews as the bellwether in determining whether sphere changes should be explored also appropriately advances the role and significance of these documents at LAFCO relative to past cycles and more closely syncs with legislative intent. The addition of a policy statement to the final study schedule clarifying the Commission retains discretion in making amendments adds value in clarifying the membership's intent to remain flexible in addressing changes in resources, priorities, and community needs as necessary.

Discussion

Alameda LAFCO is obligated under State law to prepare the next cycle of municipal service reviews and sphere of influence updates beginning 2019, and as such, the statutory compliance supports the need in developing a study schedule. LAFCO does in fact retain the discretion in how it determines to calendar these studies relative to addressing the Commission's preferences and priorities, such as deciding the scope (i.e., region, service or agency-specific) and scale (i.e., cursory or detailed) of the underlying analysis of each study undertaken.

Final Study Schedule

Staff has prepared the final study schedule covering the 2019-2024 cycle for Commission consideration and approval with or without adjustments. The final study schedule draws on staff's observations in reviewing agency work in the earlier cycles as well as identifying potential boundary and governance issues of interest over the covered period. The final study schedule provides for the review and update of all 14 cities and 33 special districts in Alameda County. An outline of the calendared studies and potential boundary and governance interests therein follows.

Calendar Year 2020

- **Comprehensive Fire Protection and Emergency Medical Services Study**

This study will examine the overall fire service provision structure in the County along with profiles of all the agencies that provide fire protection and emergency medical services. The report will review the supply, demand, and capacity as well as relationships among the affected agencies that provide such services. The study will include 4 special districts along with the municipal fire departments of 14 cities.

Calendar Year 2021

- **Community Services Study II**

This study will re-examine from its previous municipal service review prepared in 2006 the current and future provision of community services including street maintenance, park and recreation, library, broadband, vector control and mosquito abatement and lead abatement services. The study will focus on 16 special districts and the services provided by the 14 cities in the County.

- **Resource Conservation Study**

This study will review the Alameda County Resource Conservation District and its efficiency in response to local conditions and issues in regards to the management and protection of natural resources within its jurisdictional boundary.

Calendar Year 2022

- **Countywide Police Services Study**

This study will examine the current provision and need for police services and related financial and governance considerations in the County. The report will consider the potential needs in the unincorporated communities of Fairview, Cherryland, San Lorenzo and Castro Valley and include 1 special district and the municipal police departments of 14 cities.

Calendar Year 2023

- **Comprehensive Tri-Valley Area Study**

This study will examine the current provision and need for governmental services and related financial and governance considerations along the eastern portion of the 580 corridor and anchored by Pleasanton, Dublin, and Livermore along with neighboring communities. It is also expected the study will consider potential needs or issues in outlying unincorporated areas, including Happy Valley and the Remen Tract. The study will be region-specific and will precede sphere updates for all of the affected agencies as deemed appropriate by the Commission.

Calendar Year 2024

- **Health Care Services Study**

This study will examine the provision of health-related services in the County. The report will review the supply, demand, and capacity as well as relationships among the affected agencies that provide such services. The study will include four special districts and multipurpose agencies that provide health-related services under LAFCO authority.

The purpose of a cyclical planning document is for LAFCO to encourage and support local agency transparency via the municipal service review process as well as forecast future boundary and governance areas of interests. Additionally, the importance of establishing a study schedule is to provide explicit and transparent direction in managing the Commission's planning responsibilities and provide advance notice to local agencies and the public with respect to pending LAFCO activities. Staff believes the final study schedule aptly positions the Commission to meet the agency's directive to prepare municipal service reviews and sphere of influence updates over a relatively short period in a manner consistent with the local conditions and interests.

Alternatives for Action

The following alternatives are available to the Commission:

Alternative One (Recommended):

Adopt the attached final study schedule with any desired changes.

Alternative Two:

Continue consideration of the report to a future meeting and provide direction for more information as needed.

Alternative Three:

Take no action. This action would effectively continue the Commission's past practice of scheduling municipal service reviews and sphere of influence updates on an annual basis.

Recommendation

It is recommended the Commission proceed with Alternative Action One.

Procedures for Consideration

Staff has placed the item on the agenda as part of a noticed public hearing. The following procedures, accordingly, are recommended with respect to the Commission's consideration:

- 1) Receive a verbal report from staff;
- 2) Invite questions from the Commission;
- 3) Open the public hearing and invite comments from audience (mandatory); and

4) Close the public hearing, discuss item, and consider recommendation.

Respectfully,

A handwritten signature in blue ink, appearing to read "Rachel Jones", with a long horizontal flourish extending to the right.

Rachel Jones
Executive Officer

Attachments:

1. Final Study Schedule for 2019-2024

Alameda Local Agency Formation Commission

Political Subdivision of the State of California

2019-2024

Study Schedule

Adopted _____, 2019

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (“CKH”) requires Local Agency Formation Commissions (LAFCOs) to review and update spheres of influence for all cities and special districts by January 1, 2008 and every five years thereafter. CKH specifies LAFCOs inform their sphere of influence updates by preparing comprehensive evaluations – municipal service reviews – to determine the availability and adequacy of local governmental services relative to current and future community needs. The collective purpose of these studies is to make LAFCOs more proactive in independently overseeing logical formation and development of local government agencies and their services with increasing emphasis on promoting accountability and efficiency.

Objective:

This study schedule is intended to serve as a guide to Alameda LAFCO in fulfilling its statutory directives to prepare municipal service reviews and sphere of influence updates during the legislative cycle covering the 2019-2024 period. The study schedule has been prepared in consultation with affected agencies and input from the general public and reflects the Commission’s interests and priorities over the referenced period. The Commission will regularly review and amend, as needed, the study schedule to help track progress as well as adjust to changes in priorities and resources.

Study Schedule:

FY2018 -2019

Comprehensive Water and Wastewater Study

Service Specific

- | | | |
|--|----------------------|-----------------------|
| - East Bay Municipal Utility District | - City of Alameda | - City of Oakland |
| - AC Water District | - City of Berkeley | - City of Piedmont |
| - AC Flood Control & Water Conservation District | - City of Dublin | - City of Pleasanton |
| - Castro Valley Sanitary District | - City of Emeryville | - City of San Leandro |
| - Dublin San Ramon Services District | - City of Fremont | - City of Union City |
| - Livermore Amador Valley Sewer CSA | - City of Hayward | |
| - Oro Loma Sanitary District | - City of Livermore | |
| - Union Sanitary District | - City of Newark | |
| - Zone 7 Water Agency | | |
| - Five Canyons CSA | | |

FY2019-2020

Comprehensive Fire Protection and Emergency Medical Services Study

Service Specific

- | | |
|-------------------------------------|--------------|
| - Alameda County Fire Department | - All Cities |
| - Emergency Medical Services CSA | |
| - Fairview Fire Protection District | |
| - East Bay Regional Parks District | |

FY2020-2021

Community Services Study II

Service Specific (*Street Maintenance and Lighting Services, Parks and Recreation Services, Library Services, Broadband, Mosquito & Vector Abatement Services, and Lead Abatement Services*)

- Alameda County Mosquito Abatement District - All Cities
- East Bay Regional Parks District
- Hayward Area Recreation and Park District
- Livermore Area Recreation and Park District
- Alameda County Library District
- Castro Valley Library CSA
- Dublin Library CSA
- Castle Homes CSA
- Castlewood CSA
- Estuary Bridges CSA
- Five Canyons CSA
- MORVA CSA
- Street Lighting CSA
- Vector Control Services CSA
- Lead Abatement CSA

Resource Conservation Study

Service Specific

- Alameda County Resource Conservation District

FY2021-2022

Countywide Police Services Study

Services Specific

- Alameda County Extended Police Protection CSA
- All Cities

FY2022-2023

Comprehensive Tri-Valley Area Study

Region Specific

- Public Safety Districts - City of Dublin
- Utility Districts - City of Pleasanton
- Community Services District - City of Livermore
- Multipurpose Agencies

FY2023-2024

Health Care Services Study

Services Specific

- City of Alameda Health Care District
- Eden Township Health Care District
- Washington Township Healthcare District
- Multipurpose Agencies

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AGENDA REPORT

March 14, 2019

Item No. 7

TO: Alameda Commissioners

FROM: Rachel Jones, Executive Officer

SUBJECT: **Dissolution of San Lorenzo Library County Service Area (L-2 CSA) and Livermore-Amador Valley Sewer Study County Service Area (S-1984-1 CSA)**

Alameda LAFCO will consider approving the dissolution of L-2 CSA and S-1984-1 CSA after the Commission initiated the dissolution at its January 2019 meeting following the State Controller's Office notice that both districts were inactive on November 6, 2018. Staff recommends approval.

Background

The San Lorenzo Library County Service Area (L-2 CSA) was formed in 1964 as a dependent special district governed by the Alameda County Board of Supervisors and was created to finance construction and maintenance of a public library in the unincorporated community of San Lorenzo. L-2 CSA was included in Alameda LAFCO's Community Services Municipal Service Review of 2006 in which the report determined that the district had been inactive since the early 1970s.

The Livermore-Amador Valley Sewer Study County Service Area (S-1984-1 CSA) was formed in 1984 as a dependent special district governed by the Alameda County Board of Supervisors. S-1984-1 CSA was included in Alameda LAFCO's Utility Services Municipal Service Review of 2005 in which the report determined that the district had been inactive since 1987.

In 2017, Senate Bill 448 (Weickowski) was passed to streamline the process for LAFCOs to dissolve inactive special districts. The new legislation requires the State Controller's Office to annually create a list of inactive districts and to notify applicable LAFCOs in which the inactive special districts are located. Within 90 days of receiving the notice, LAFCOs are required to either initiate dissolution or determine that the district is not inactive. One public hearing must be held; however the dissolution is exempt from any protest proceedings. Pursuant to Government Code Section (G.C.) 56879(c), LAFCOs must dissolve the district within 90 days following the adoption of the initiation of dissolution.

An inactive district is defined as a district that meets all of the following criteria set forth in G.C. Section 56042 and is as follows:

- (a) The special district as defined in Government Code Section 56036, which specifies a special district as “an agency of the state, formed for general law or special act, for the performance of governmental or proprietary functions within limited boundaries and in areas outside the boundaries when authorized by LAFCO pursuant to G.C. Section 56133.”
- (b) The special district has no financial transactions in the previous fiscal year
- (c) The special district has no assets and liabilities
- (d) The special district has no outstanding debts, judgements, litigation, contracts, liens, or claims

On November 6, 2018 the Alameda Local Agency Formation Commission (LAFCO) received notice from the State Controller’s Office identifying two inactive districts: L-2 CSA and the S-1984-1 CSA.

Staff consulted with the County Auditor’s Office, County Library, and the County Public Works Department in which all have confirmed that L-2 CSA and S-1984-1 CSA are inactive and should be dissolved pursuant to G.C. 56042 and 56879. On January 10, 2019, the Commission considered the above information and adopted a resolution initiating dissolution of L-2 CSA and S-1984-1 CSA.

Discussion

Factors for Consideration – G.C. Section 56668 sets forth factors that the Commission is required to consider in evaluating any change of organization including dissolutions. In the Commission’s review and evaluation, no single factor is determinative and each is to be evaluated within the context of the proposal. These factors are analyzed in Appendix A.

Financial Obligations, Assets and Liabilities – No current assets, liabilities, debts, etc. have been identified for L-2 CSA and it has not had any financial transactions in the previous fiscal year.

No current assets, liabilities, debts, etc. have been identified for S-1984-1 and it has not had any financial transactions in the previous fiscal year.

Designation of Successor Agency and Plan for Service – The Cortese-Knox-Hertzberg Act of 2000 (CKH) states that should LAFCO dissolve a district, it shall designate a successor agency. However, given that L-2 CSA and S-1984 CSA have no assets, liabilities, outstanding debts, judgments, contracts or claims, there is no need to designate a successor agency for either district. Staff will continue to coordinate with the County, if necessary, regarding any final steps in winding up the affairs of L-2 CSA and S-1984 CSA.

Conducting Authority Proceedings (Protest Proceedings) – Given that both L-2 CSA and S-1984 CSA meet the definition of “inactive district” pursuant to G.C. 56042, the provisions of G.C. 56879 apply and the protest hearing is waived.

Environmental Review – The Commission serves as lead agency under the California Environmental Quality Act (CEQA) for the proposal due to Alameda LAFCO’s primary role in initiating the underlying project: dissolution of the affected districts. Staff finds the project is exempt pursuant to Section

15061(a)(3) of the CEQA Guidelines given the jurisdictional change of the proposal has no physical effects on land use or the environment.

Conclusion

This item is for the Commission to consider approving – with or without modifications – the dissolution of the L-2 CSA and the S-1984-1 CSA as it meets all of the requirements under G.C. Section 56042. One of the fundamental roles of LAFCOs is to ensure the efficient and effective provision of municipal services, and through the proposed dissolution of these two inactive districts, LAFCO will adhere to its regional growth management duties.

Alternatives for Action

The following alternatives are available to the Commission:

Alternative One (Recommended):

Adopt the draft resolutions approving the dissolutions of L-2 CSA and S-1984-1 CSA as submitted without amendments.

Alternative Two:

Continue consideration of the dissolution to a future meeting and provide direction for more information as needed.

Alternative Three:

Disapprove the draft resolution and direct staff to send notice to the State Controller's Office as to why the districts do not qualify as inactive districts.

Recommendation

It is recommended the Commission proceed with Alternative Action One.

Procedures for Consideration

Staff has placed the item on the agenda as part of a noticed public hearing. The following procedures, accordingly, are recommended with respect to the Commission's consideration:

- 1) Receive a verbal report from staff;
- 2) Invite questions from the Commission;
- 3) Open the public hearing and invite comments from audience (mandatory); and
- 4) Close the public hearing, discuss item, and consider recommendation.

Respectfully,



Rachel Jones
Executive Officer

Attachments:

1. Letter from State Controller's Office
2. Government Code Sections 56042 and 56879
3. Letter from the Alameda County Librarian
4. Draft Resolution of Initiating Dissolution of L-2 CSA
5. Draft Resolution of Initiating Dissolution of S-1984-1 CSA
6. Map of L-2 CSA
7. Map of S-1984 CSA
8. Proof of Publication

APPENDIX A

**DISSOLUTION OF COUNTY SERVICE AREAS L-2 AND S-1984
ANALYSIS OF MANDATORY FACTORS
GOVERNMENT CODE SECTION 56668**

1) 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 areas, during the next 10 years.

The subject area of L-2 CSA is located in an urban residential area of the unincorporated community of San Lorenzo with a projected population of 19,123 by 2020 (Alameda LAFCO Community Services Municipal Services Review of 2006).

The subject area of S-1984 encompasses unincorporated portions of the Livermore-Amador Valley in the eastern portion of the County with a projected population of 6,200 by 2020 (Alameda LAFCO Utility Services Municipal Services Review of 2005).

(2) The need for municipal services; the present cost and adequacy of municipal 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.

N/A

(3) The effect of the proposed action and of alternative actions, on adjacent areas, on mutual social and economic interests, and on local governmental structure.

It is not anticipated that the dissolution of L-2 CSA and S-1984 would affect adjacent areas or the local government structure of the County.

(4) The conformity of the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development, and the policies/priorities set forth in G.C. Section 56377.

The dissolution would have no effect on the current use or on the development, policies and or priorities pursuant to G.C. Section 56377.

(5) The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by G.C. Section 56016.

The dissolution will have no effect on agricultural lands.

(6) 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.

The proposal will not affect other jurisdictional boundaries of the affected territories or create unincorporated islands or corridors. No lines of assessment are crossed.

(7) Consistency with the city or county general plans, specific plans, and adopted regional transportation plan.

The dissolution will have no effect on the County General Plan.

(8) The sphere of influence of any local agency affected by the proposal.

The dissolution will have no effect on the SOIs of any local agency.

(9) The comments of any affected local agency or other public agency.

No outside agency comments were received.

(10) 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.

N/A

(11) Timely availability of water supplies adequate for projected needs as specified in G.C. Section 65352.5.

N/A

(12) 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.

The proposal would not impact any local agencies in accommodating their regional housing needs.

(13) Any information or comments from the landowner or owners, voters, or residents of the affected territory.

No comments were received.

(14) Any information relating to existing land use designations.

No changes to the existing land uses will result from this reorganization.

(15) The extent to which the proposal will promote environmental justice.

There is no documentation or evidence suggesting the proposal will have a measurable effect – positive or negative – with respect to promoting environmental justice.

(16) Whether the proposed dissolution will be for the interest of the landowners or present or future inhabitants within the district and within the territory proposed to be dissolved to the district.

The proposal's request for the dissolution of L-2 CSA and S-1984-1 if approved would eliminate dormant and or redundant government structures and the resources expended to monitor inactivity going forward to the benefit of current and future landowners.



BETTY T. YEE
California State Controller

November 6, 2018

Rachel Jones
Local Agency Formation Commission of Alameda County
1221 Oak Street, Room 555 Oakland, CA 94612
Oakland, CA, 94612

SUBJECT: Notification of Inactive Special Districts in County

Dear Ms. Jones:

Chapter 334, Statutes of 2017, also known as Senate Bill (SB) 448, added various provisions to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 regarding special districts that are inactive. It requires the State Controller's Office (SCO) to create a list of inactive special districts based on information in the special district's Financial Transactions Report (FTR), to publish the list of inactive special districts on its website annually, and to notify the local agency formation commission in the county or counties in which the inactive special district is located.

Pursuant to Government Code (GC) section 56042, an "inactive special district" must:

- Meet the definition set forth in GC section 56036;
- Have no financial transactions in the previous fiscal year; and
- Have no assets, liabilities, outstanding debts, judgments, litigation, contracts, liens, or claims.

Pursuant to GC 56879, within 90 days of receiving this notice, the Commission is required to initiate dissolution of inactive special districts by resolution, unless the Commission determines that a district does not meet the criteria set forth in GC 56042. Additionally, the Commission is required to notify the SCO if it determines that district does not meet the dissolution criteria in GC 56042. Once the dissolution process is complete, please inform the SCO using the contact information on the next page.

The enclosure lists the special districts within your jurisdiction that are inactive, based on financial data in each special district's fiscal year 2016-17 FTR. The complete list of inactive California special districts may be found at:
https://www.sco.ca.gov/ard_local_rep_freq_requested.html.

Name

November 6, 2018

Page 2

If you have any questions or need to notify us of a special district's status, please contact Derek Miller by telephone at (916) 322-5579, or by email at dmiller@sco.ca.gov.

Sincerely,



PHILLIP PANGILINAN

Manager

Local Government Reporting Section

Enclosure: 2016-17 County Inactive Districts List

State Controller's Office
2016-17 Inactive Districts for Alameda County

County Name	District Name	District Type	Email Address	Street Address 1	Street Address 2	P.O. Box	City	Zip
Alameda	County Service Area L-2 (Alameda)	Dependent		Auditor-Controller	1221 Oak Street, Room 249		Oakland	94612-4223
Alameda	County Service Area S-1984-1 (Alameda)	Dependent		Auditor-Controller	1221 Oak Street, Room 249		Oakland	94612-4223

Note: Email Address belongs to the Financial Transactions Report preparer; in some cases this may be an outside consultant.

"Inactive district"

56042. "Inactive district" means a special district that meets all of the following:

- (a) The special district is as defined in Section 56036.
- (b) The special district has had no financial transactions in the previous fiscal year.
- (c) The special district has no assets and liabilities.
- (d) litigation, contracts, liens, or claims.

Inactive special district list

56879. (a) On or before November 1, 2018, and every year thereafter, the Controller shall create a list of special districts that are inactive, as defined in Section 56042, based upon the financial reports received by the Controller pursuant to Section 53891. The Controller shall publish the list of inactive districts on the Controller's Internet Web site. The Controller shall also notify the commission in the county or counties in which the district is located if the Controller has included the district in this list.

**Inactive special district:
Dissolution**

(b) The commission shall initiate dissolution of inactive districts by resolution within 90 days of receiving notification from the Controller pursuant to subdivision (a), unless the commission determines that the district does not meet the criteria set forth in Section 56042. The commission shall notify the Controller if the commission determines that a district does not meet the criteria set forth in Section 56042.

(c) The commission shall dissolve inactive districts. The commission shall hold one public hearing on the dissolution of an inactive district pursuant to this section no more than 90 days following the adoption of the resolution initiating dissolution. The dissolution of an inactive district shall not be subject to any of the following:

- (1) Chapter 1 (commencing with Section 57000) to Chapter 7 (commencing with Section 57176), inclusive, of Part 4.
- (2) Determinations pursuant to subdivision (b) of Section 56881.
- (3) Requirements for commission-initiated changes of organization described in paragraph (3) of subdivision (a) of Section 56375.

*****56879.5.** This article shall not apply to a special district formed by special legislation that is required by its enabling statute to obtain funding within a specified period of time or be dissolved. That district shall not be subject to this article during that period of time.

(Amended by Stats. 2018, Ch. 86)



Cindy Chadwick, County Librarian
Albany
Castro Valley
Centerville
Dublin
Fremont Main
Irvington
Newark
Niles
San Lorenzo
Union City
Learning Group

MEMORANDUM

DATE: January 2, 2019
TO: Alameda LAFCo, Rachel Jones, Executive Officer
FROM: Cindy Chadwick, County Librarian
RE: CSA L-2

Alameda County Library has no additional information regarding CSA L-2 (San Lorenzo Library CSA). It is my understanding that it is inactive and should be dissolved.

Thank You.

ALAMEDA LOCAL AGENCY FORMATION COMMISSION

RESOLUTION NO. 2019-XX

APPROVE PROCEEDINGS FOR THE DISSOLUTION OF SAN LORENZO LIBRARY COUNTY SERVICE AREA (L-2 CSA)

WHEREAS, the Alameda Local Agency Formation Commission, hereinafter referred to as the “Commission,” is responsible for regulating boundary changes affecting cities and special districts under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000; and

WHEREAS, the California State Controller has notified the Commission pursuant to Government Code Section 56879 on November 6, 2018 that the San Lorenzo Library County Service Area (L-2 CSA) is an inactive special district; and

WHEREAS, on January 10, 2019, the Commission adopted a resolution initiating dissolution of L-2 CSA pursuant to Government Code Section 56879; and

WHEREAS, the Commission considered all factors required by law under Government Code Section 56042 and 56668 and its adopted local policies and procedures; and

WHEREAS, the Executive Officer’s report and recommendations on the proposal have been presented to the Commission in the manner provided by law;

NOW, THEREFORE, THE COMMISSION DOES HEREBY RESOLVE, DETERMINE AND ORDER as follows:

1. The Commission’s determinations on the proposal incorporate the information and analysis provided in the Executive Officer’s written report presented on March 14, 2019.
2. The Commission serves as the lead agency under the California Environmental Quality Act (CEQA) in considering the impacts of the proposal and that the Commission independently finds the action is a project under CEQA, but exempt from further CEQA review under the California Public Resources Code Section 15061(a).
3. The Commission finds that L-2 CSA is an inactive district as defined in G.C. Section 56042 and hereby approves of the dissolution of L-2 CSA.
4. Pursuant to G.C. 56879(c), the Commission held one public hearing no more than 90 days following the initiation of the dissolution and the protest proceedings are hereby waived.
5. The effective date of the dissolution shall be the date of filing the certificate of completion of the proposal.

6. As allowed under Government Code 56107, the Commission authorizes the Executive Officer to make non-substantive corrections to this resolution to address any technical defect, error, irregularity, or omission.

PASSED AND ADOPTED by the Alameda Local Agency Formation Commission on March 14, 2019 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED:

ATTEST:

Ayn Weiskamp
Chair

Rachel Jones
Executive Officer

ALAMEDA LOCAL AGENCY FORMATION COMMISSION

RESOLUTION NO. 2019-XX

**APPROVE PROCEEDINGS FOR THE DISSOLUTION OF LIVERMORE-AMADOR VALLEY
SEWER STUDY COUNTY SERVICE AREA (S-1984-1 CSA)**

WHEREAS, the Alameda Local Agency Formation Commission, hereinafter referred to as the “Commission,” is responsible for regulating boundary changes affecting cities and special districts under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000; and

WHEREAS, the California State Controller has notified the Commission pursuant to Government Code Section 56879 on November 6, 2018 that the Livermore-Amador Valley Sewer Study County Service Area (S-1984-1 CSA) is an inactive special district; and

WHEREAS, on January 10, 2019, the Commission adopted a resolution initiating dissolution of S-1984-1 pursuant to Government Code Section 56879; and

WHEREAS, the Commission considered all factors required by law under Government Code Section 56042 and 56668 and its adopted local policies and procedures; and

WHEREAS, the Executive Officer’s report and recommendations on the proposal have been presented to the Commission in the manner provided by law;

NOW, THEREFORE, THE COMMISSION DOES HEREBY RESOLVE, DETERMINE AND ORDER as follows:

1. The Commission’s determinations on the proposal incorporate the information and analysis provided in the Executive Officer’s written report presented on March 14, 2019.
2. The Commission serves as the lead agency under the California Environmental Quality Act (CEQA) in considering the impacts of the proposal and that the Commission independently finds the action is a project under CEQA, but exempt from further CEQA review under the California Public Resources Code Section 15061(a).
3. The Commission finds that S-1984-1 CSA is an inactive district as defined in G.C. Section 56042 and hereby approves of the dissolution of S-1984-1 CSA.
4. Pursuant to G.C. 56879(c), the Commission held one public hearing no more than 90 days following the initiation of the dissolution and the protest proceedings are hereby waived.
5. The effective date of the dissolution shall be the date of filing the certificate of completion of the proposal.

6. As allowed under Government Code 56107, the Commission authorizes the Executive Officer to make non-substantive corrections to this resolution to address any technical defect, error, irregularity, or omission.

PASSED AND ADOPTED by the Alameda Local Agency Formation Commission on March 14, 2019 by the following vote:

AYES:

NOES:

ABSTAIN:

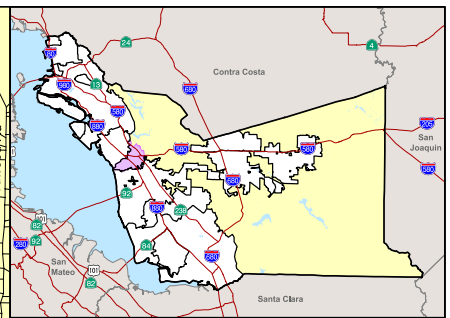
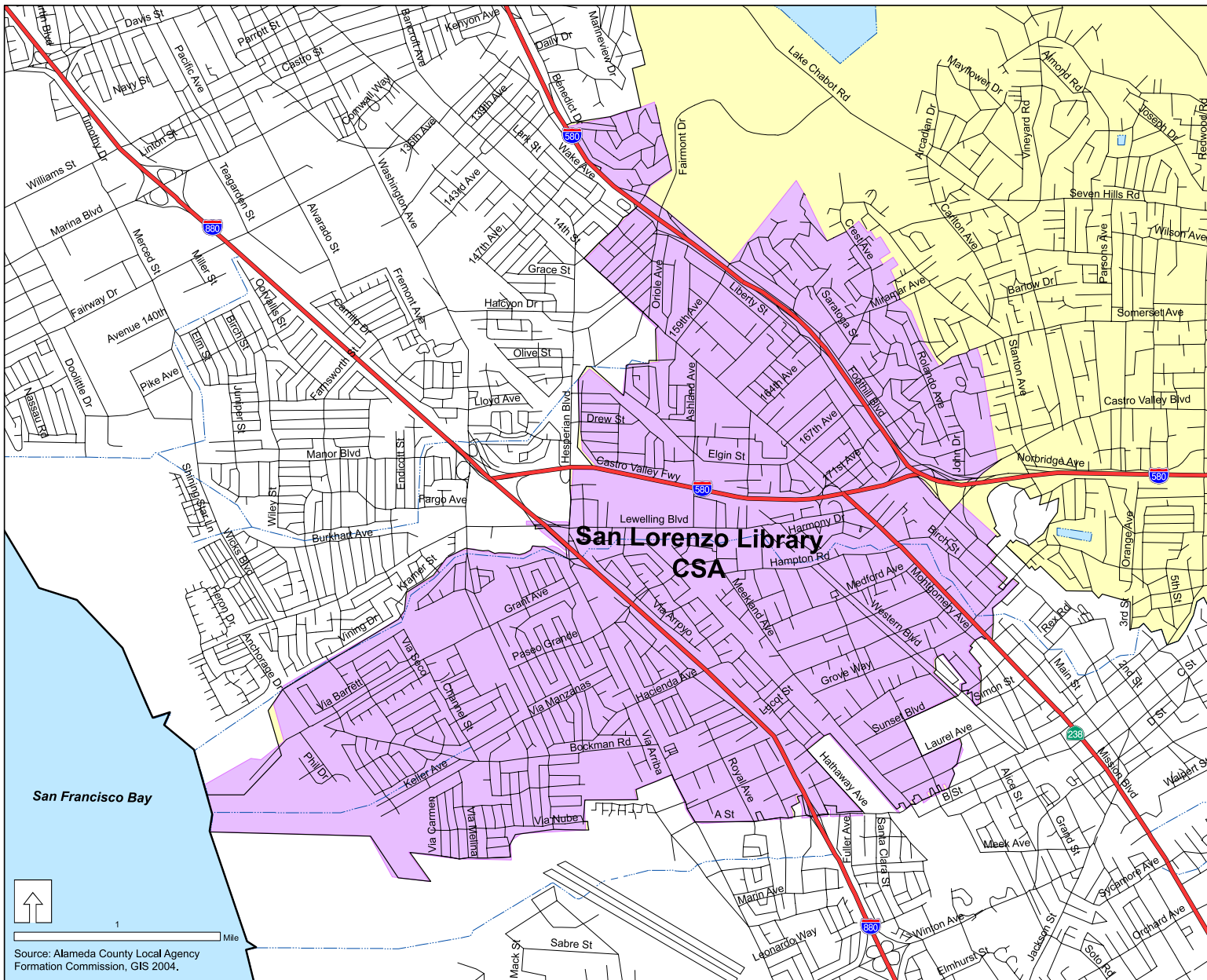
ABSENT:

APPROVED:

ATTEST:

Ayn Weiskamp
Chair

Rachel Jones
Executive Officer



Alameda County Reference Map

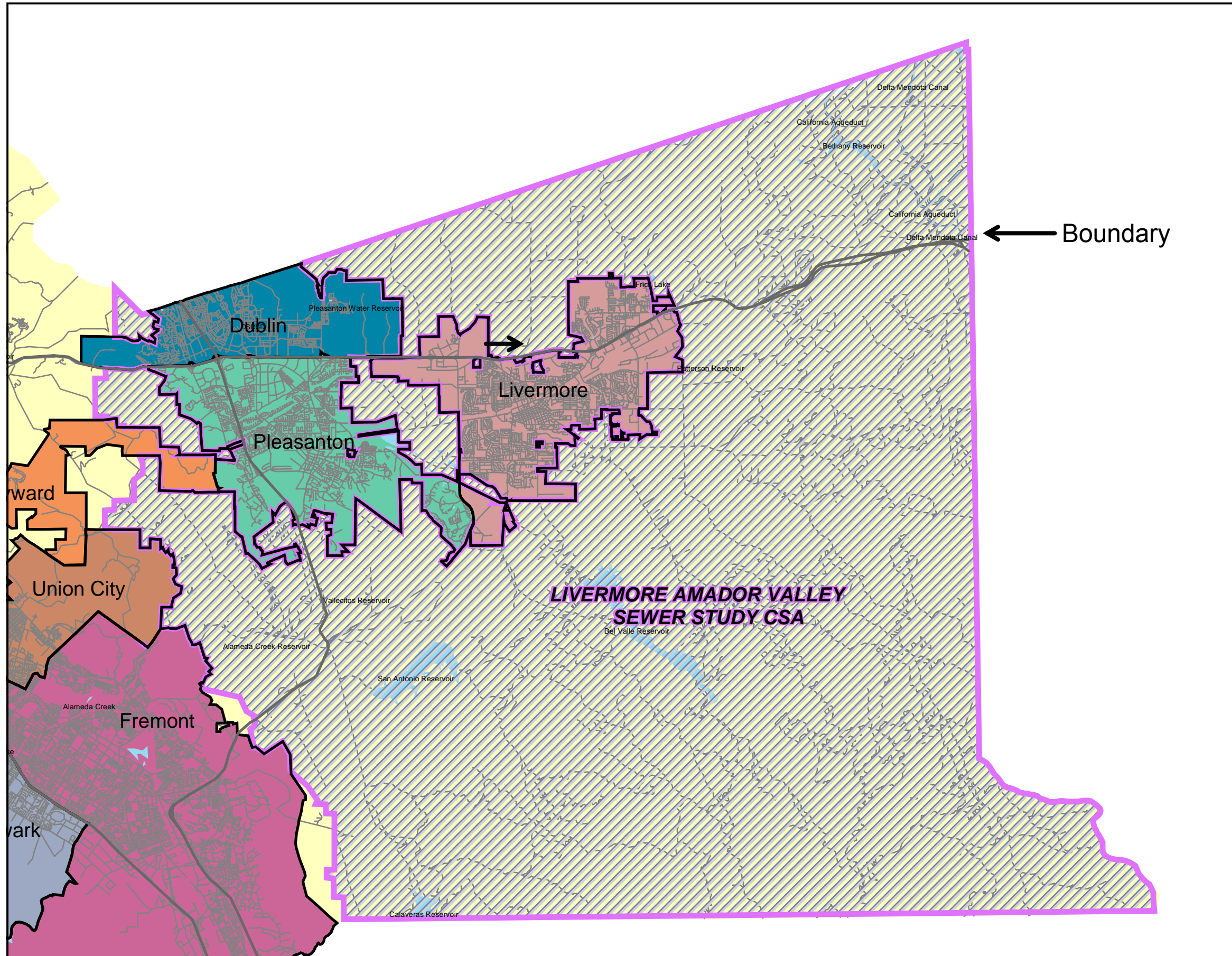
- Legend**
- Alameda County Flood Control and Water Conservation
 - Incorporated Cities
 - San Lorenzo Library CSA
 - Unincorporated Areas
 - Hydrology
 - Freeways

**San Lorenzo Library
CSA**



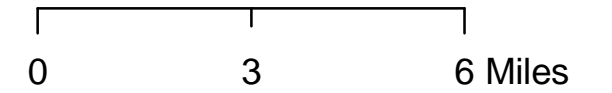
Source: Alameda County Local Agency Formation Commission, GIS 2004.

**San Lorenzo Library CSA
Alameda County
MUNICIPAL SERVICE REVIEW**



SOI Update

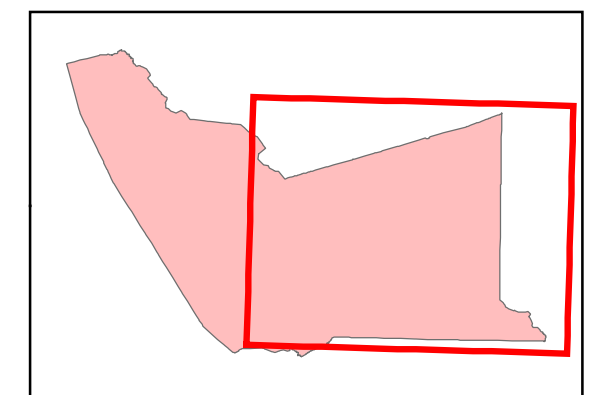
Adopt a zero SOI



Legend

- Interstates
- Streets
- Livermore Amador Valley CSA
- City Limits
- Hydrology
- Alameda Unincorporated

Alameda County Reference Map



**NOTICE OF PUBLIC HEARING
ALAMEDA LOCAL AGENCY
FORMATION COMMISSION**

NOTICE IS HEREBY GIVEN that the Alameda Local Agency Formation Commission will hold a public hearing at its regular meeting on **Thursday, March 14, 2019 at 2:00 p.m.** at the City of Dublin Council Chambers located at 100 Civic Plaza, Dublin, California.

At the hearing, the Commission will discuss the following items:

- **Dissolution of Inactive Special Districts -**
The Commission will consider the dissolution of two inactive special districts – San Lorenzo Library County Service Area and Livermore-Amador Valley Sewer Study County Service Area based on the notification from the California State Controller pursuant to Government Code 56879.
- **Review of Draft Budget for Fiscal Year 2019-2020 -** In accordance with Government Code Section 56381, Alameda LAFCO will review its draft budget to direct and fund, respectively, the agency's regulatory and planning responsibilities for fiscal year 2019-2020. Public comments are welcomed through the end of the scheduled hearing. An associated staff report will be available for download at www.acgov.org/lafco approximately one week prior to the hearing date.
- **Adoption of Study Schedule for FY2019 – 2023 -** The Alameda Local Agency Formation Commission (LAFCO) will consider adopting a five-year study schedule calendaring municipal service reviews and sphere of influence updates beginning FY 2019. The study schedule represents a new methodical approach to manage and telegraph LAFCO's planning requirement to regularly perform and focus on regional municipal service reviews to inform sphere of influence updates relative to growth management duties. The study schedule calendars one to two municipal service reviews per year and covers 36 local affected agencies.

At the meeting, the Commission will consider all oral and written testimony of any interested persons or affected agencies. Only those issues which are brought up at the public hearing described in this notice or in written correspondence delivered to LAFCO at or prior to the hearing may be raised in any legal challenge to the actions taken by the Commission with respect to the above listed items.

Copies of the Commission agenda, staff reports and supporting information will be available and may be examined at the LAFCO office, located in the Alameda County Administration Building, 1221 Oak Street, Suite 555, Oakland, CA, or on the Alameda LAFCO website at www.acgov.org/lafco at least five days prior to the meeting date. For additional information concerning the agenda or copies of staff reports, please call (510) 271-5142.

RACHEL JONES
EXECUTIVE OFFICER
ALAMEDA LAFCO
TVH #6297232; Feb. 21, 2019

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TO: Alameda Commissioners

FROM: Policy and Budget Committee (Johnson, Marchand, and Pico)
Rachel Jones, Executive Officer

SUBJECT: Adoption of Proposed Workplan and Budget for FY 2019-2020

The Commission will consider adopting a proposed budget for fiscal year 2019-2020 in anticipation of taking final action at its next regular meeting. Proposed budget expenses total \$793,880 and represents a decrease of \$2,964 or 0.4% with adjustments tied in services and supplies and resources drawn to accomplish items in the proposed work plan. Proposed budget revenues are matched to expenses with a slight decrease in agency contributions by \$14,464 or 2.4% in conjunction with an increase in the use of reserves by \$4,000. Adoption will precede a formal public review and comment period and conclude with final action at the next regular meeting scheduled for May 9, 2019.

Background

The Alameda Local Agency Formation Commission (LAFCO) is responsible under State law to adopt a proposed budget by May 1st and a final budget by June 15th. A mandatory review by all local funding agencies is required between the two adoption periods. Alameda LAFCO's ("Commission") annual operating costs are primarily funded by proceeds collected from 29 local public agencies operating within Alameda County. State law specifies the Commission's operating costs shall be divided in one-third increments between the (a) County of Alameda, (b) 14 cities, and (c) 15 independent special districts with the latter two categories apportioned based on total revenues as provided in the most recent annual report published by the State Controller's Office. A relatively small portion, typically representing less than one-tenth of total revenues, is also funded from application fees and interest earnings.

Adopted 2018-2019 Budget

The Commission's adopted final budget for fiscal year 2018-2019 totals \$796,844. This amount represents the total approved operating expenditures divided between three active expenses units: salaries and benefits; services and supplies; and internal service charges. A matching revenue total was also budgeted to provide an operating net of \$0 with the purposeful transfer of \$176,000 from reserves. Budgeted revenues are divided between three active units: agency contributions, application fees; and interest earnings. The total fund balance as of July 1, 2018 was \$595,796.

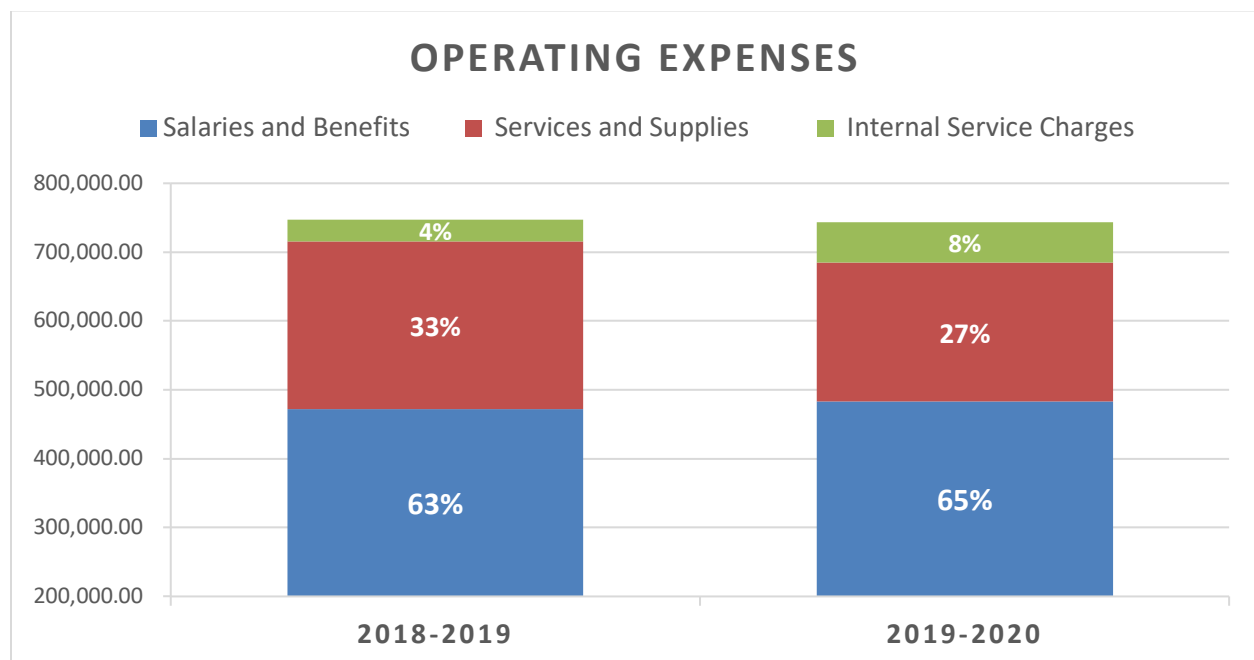
Budgeted Expenses FY 18-19	Budgeted Revenues FY 18-19	Budgeted Year End Balance FY 18-19	Fund Balance FY 18-19
\$775,843	\$775,843	\$0	\$595,796

Discussion

This item is for the Commission to consider recommendations by the Policy and Budget Committee (Johnson, Marchand and Pico) in adopting a proposed (a) operating budget and (b) workplan for the upcoming fiscal year. Adoption of these documents would immediately precede a formal public review and comment period, including providing copies of the proposed budget to the 29 local funding agencies, with final actions scheduled for the Commission’s May 9th meeting. A summary of the proposed budget and accompanying work plan follows.

Proposed Operating Budget for FY 2019-2020

The proposed operating budget developed by the Executive Officer and the Policy and Budget Committee sets operating expenses at \$793,880; a net decrease of \$2,963 or 0.4% from the current fiscal year. The operating expenses total divided between labor and non-labor costs are at an 65% to 35% split. Proposed operating revenues match operating expenses and is covered by drawing down reserves consistent with the practice to help offset and phase sizable increases to agency contributions. The net effect would be a decrease in contributions of 14,464 or 2.4% from 590,844 to 576,380.



A detailed listing of the notable changes included in the proposed operating budget by unit follows.

Operating Expenses

It is proposed the **Salaries and Benefits Unit** will increase by 11,928 or 2.5% over the next fiscal year from 471,653 to 483,581. The unit covers labor costs tied to staffing 2.15 fulltime employees: Executive Officer, Analyst and Commission Clerk. Notable adjustment proposed may be reviewed below.

- Assumes a 2.0% cost-of-living adjustment in regular salaries with the County of Alameda's contract with unrepresented employees for 2019-2020.
- Assumes the funding of a full-time Analyst and Commission Clerk until the end of the calendar year for a total of 3 full-time employees.
- Assumes the hiring of a full-time Analyst/Clerk at an annual salary of \$81,254 by August 2019.

It is proposed the **Services and Supplies Unit** will decrease by 42,624 or 17.5% over the next fiscal year from 243,500 to 200,876. The unit provides for direct support services necessary to operate Alameda LAFCO. Notable adjustment proposed may be reviewed below.

- Reduces \$10,000 in the legal services account to decrease the total line item from \$40,000 to \$30,000; a difference of 25% over the next fiscal year. The decrease responds to recent trends produced by the Alameda County Counsel's Office.
- Subtracts \$20,000 in the planning services account to decrease the total line item from \$25,000 to \$5,000; a difference of 80% over the next fiscal year. The decrease responds to recent trends in reduced demand of application and proposal review requests.

It is proposed the **Internal Service Charges Unit** will increase by \$27,733 or 87.5% over the next fiscal year from 31,690 to 59,423. The unit provides for indirect support services necessary to operate Alameda LAFCO. Notable adjustment proposed may be reviewed below.

- Adds \$21,800 in the office lease account to raise the total line item from \$3,200 to \$25,000; a difference of 681.3% over the next fiscal year. The increase is attributed to the assumption of leasing a new office space through the County at approximately 1,000 square feet.

Operating Revenues

It is proposed the **Intergovernmental Unit** will decrease by 14,464 or 2.4% over the next fiscal year from 590,844 to 576,380. The unit provides payments received from the 29 local government agencies responsible under State law for funding Alameda LAFCO with apportionments divided in three equal shares among the County of Alameda, 14 cities and 15 independent special districts. Actual invoice

amounts for cities and special districts would be determined by the County Auditor's Office consistent with the allocation formula outlined under Government Code Section 56383 and based on local revenue tallies.

It is proposed the **Service Charge Unit** remain as is at \$30,000. This unit covers payments received from outside applicants to process change of organizations (annexations, detachments, formations, etc.), outside service extensions, and sphere of influence amendments.

It is proposed the **Interest Earnings Unit** will increase by \$7,500. This reflects anticipated changes in interest earnings consistent with recent quarters.

Proposed Work Plan for FY 2019-2020

The proposed work plan draws on a review of Alameda LAFCO's needs and goals by the Executive Officer and ahead of receiving input and direction from the Commission. It outlines 26 specific projects divided between statutory (legislative directives) and administrative (discretionary) activities. The projects are listed in sequence by assigned priority between high, moderate, and low. The majority of the projects are new with several remaining items continued from the current and previous fiscal years. A summary of all high priority projects follows.

MOU Update with the County of Alameda

This project involves updating the existing memorandum of understanding (MOU) with the County of Alameda set to expire June 30th. The purpose of the update is to reflect current agency relationship needs, and among other items formalize existing staff classifications and job descriptions.

General MSR on Water, Wastewater and Stormwater Services

The project is being continued from the current fiscal year due to a delay with contract negotiations, but is currently underway with its data collection phase. The project involves a comprehensive countywide study of water, wastewater, stormwater and flood control services and includes recommendations emphasizing opportunities for shared facilities and or services.

Staff Recruitment, Placement and Training

This project aims to coordinate the recruitment of a new analyst/clerk with placement and training/development by August 2019.

Conclusion

The proposed operating budget and work plan affirmatively responds to the feedback provided by the Commission along with the functional needs in meeting the agency's existing and expanding duties under State law. This includes advancing the Commission's organizational capacity through administrative duties and policy updates which includes MOU negotiations with the County, recruitment and training of additional staff and, the completion of the general MSR on wastewater and water services . The principal difference in the proposed budget is largely tied to the adjustments made

in salaries and benefits and services and supplies units to account for the modification of staff hours for the Commission Clerk and Analyst positions, recruitment of additional staff, and the use of professional services.

Alternatives for Action

The following alternatives are available to the Commission:

Alternative One (Recommended):

Adopt the attached resolution approving the proposed budget and work plan for 2019-2020 with any desired changes;

Direct the Executive Officer to circulate the proposed budget for 2019-2020 for review and comment by the funding agencies and general public; and

Direct staff to return with a final budget for 2019-2020 for adoption as part of a noticed public hearing on May 9, 2019.

Alternative Two:

Continue consideration of the item to a special meeting scheduled no later than the legislative deadline of May 1, 2019 and provide direction to staff with respect to any additional information requests.

Recommendation

It is recommended the Commission proceed with Alternative Action One.

Procedures for Consideration

This item has been placed on the agenda for action as part of a noticed public hearing. The following procedures are recommended for consideration.

- 1) Receive a verbal report from staff;
- 2) Invite questions from the Commission;
- 3) Open the public hearing and invite comments from audience (mandatory); and
- 4) Close the public hearing, discuss item, and consider recommendation.

Respectfully on behalf of the Policy and Budget Committee,



Rachel Jones
Executive Officer

Attachments:

1. Draft Resolution Adopting the Proposed Budget and Work Plan for FY 2019-2020
2. Proposed Budget for FY 2019-2020
3. Proposed Work Plan for FY 2019-200

ALAMEDA LOCAL AGENCY FORMATION COMMISSION

**RESOLUTION OF THE
ALAMEDA LOCAL AGENCY FORMATION COMMISSION
ADOPTING A PROPOSED WORK PLAN AND BUDGET
FOR FISCAL YEAR 2019-2020**

WHEREAS, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires the Alameda Local Agency Formation Commission (“Commission”) to perform certain regulatory and planning duties for purposes of facilitating efficient and accountable local government; and

WHEREAS, the Commission is required to adopt proposed and final budgets each year by May 1st and June 15th, respectively; and

WHEREAS, the Commission’s Executive Officer prepared a written report outlining recommendations with respect to anticipated work activities and budgetary needs in 2019-2020; and

WHEREAS, the Commission has heard and fully considered all evidence on a proposed work plan and budget for 2019-2020 presented at a public hearing held on March 14, 2019; and

WHEREAS, the adoption of a work plan and budget are not projects under the California Environmental Quality Act;

NOW, THEREFORE, THE COMMISSION DOES HEREBY RESOLVE, DETERMINE AND ORDER as follows:

1. The proposed operating budget for 2019-2020 shown as Exhibit A is APPROVED.
2. The proposed work plan for 2019-2020 shown as Exhibit B is APPROVED
3. As allowed under Government Code 56107, the Commission authorizes the Executive Officer to make non-substantive corrections to this resolution to address any technical defect, error, irregularity, or omission.

PASSED AND ADOPTED by the Alameda Local Agency Formation Commission on March 14, 2019 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED:

Ayn Weiskamp
Chair

ATTEST:

Rachel Jones
Executive Officer

ALAMEDA LOCAL AGENCY FORMATION COMMISSION

Regional Service Planning | Subdivision of the State of California

Expense Ledger

		FY 2016-2017		FY 2017-2018		FY 2018-2019		FY 2019-2020			
		Adopted	Actuals	Adopted	Actuals	Adopted	Estimated	Proposed	Difference		
Salary and Benefit Costs											
<u>Account</u>	<u>Description</u>										
60001	Staff Salaries	-	-	-	-	321,692	263,373	308,307	(13,385)	-4.2%	
-	Employee Benefits and Retirement (ACERA)	-	-	-	-	149,961	149,961	175,275	25,314	16.9%	
		422,665	378,825	472,385	383,228	471,653	413,334	483,581	11,928	2.5%	
Service and Supplies											
<u>Account</u>	<u>Description</u>										
-	Intern	1,600	-	1,600	-	1,600	0	1,600	-	0.0%	
610077	Postage	1,000	2,000	1,000	1,000	1,000	1,000	1,000	-	0.0%	
610141	Copier	1,800	4,000	2,000	2,503	3,000	3,000	3,000	-	0.0%	
610191	Pier Diems	6,600	7,000	7,500	7,300	7,700	7,700	7,800	100	1.3%	
610211	Mileage/Travel	-	-	-	89	200	2,628	1,300	1,100	550.0%	
610461	Training (Conferences and Workshops)	18,500	12,000	20,000	17,171	20,000	20,000	13,000	(7,000)	-35.0%	
610241	Records Retention	1,000	1,100	1,000	1,000	1,000	1,000	1,000	-	0.0%	
610261	Consultants	50,000	31,000	75,000	75,000	96,000	90,000	90,000	(6,000)	-6.3%	
610261	Mapping - County	5,000	6,000	5,000	5,000	5,000	5,000	5,000	-	0.0%	
610261	Planning Services	60,000	75,000	25,000	10,000	25,000	5,000	5,000	(20,000)	-80.0%	
610261	Legal Services	30,000	50,000	40,000	35,000	40,000	40,000	30,000	(10,000)	-25.0%	
610311	CAO - County - Services	16,000	13,000	11,000	11,000	11,000	11,000	11,000	-	0.0%	
610312	Audit Services	7,500	-	7,500	-	10,000	7,500	7,700	(2,300)	-23.0%	
610351	Memberships	8,157	8,157	8,675	8,774	9,000	9,026	10,476	1,476	16.4%	
610421	Public Notices	5,000	2,000	5,000	2,000	5,000	5,000	5,000	-	0.0%	
610441	Assessor - County - Services	-	-	5,000	-	2,500	2,500	2,500	-	0.0%	
610461	Special Departmental	500	500	500	500	1,500	1,500	1,500	-	0.0%	
620041	Office Supplies	3,000	1,500	3,000	500	4,000	4,000	4,000	-	0.0%	
		215,657	213,257	218,775	176,837	243,500	215,854	200,876	(42,624)	-17.5%	
Internal Service Charges											
<u>Account</u>	<u>Description</u>										
630051	Office Lease/Rent	3,200	3,200	3,200	3,200	3,200	3,200	25,000	21,800	681.3%	
630021	Communication Services	3,156	3,156	3,218	3,218	3,878	3,878	3,950	72	1.9%	
630061	Information Technology	17,726	17,726	18,081	18,081	21,578	23,370	27,373	5,795	26.9%	
630081	Risk Management	2,633	2,633	2,686	2,686	3,034	3,034	3,100	66	2.2%	
		26,715	26,715	27,185	27,185	31,690	37,482	59,423	27,733	87.5%	
Contingencies		50,000		50,000		50,000	-	50,000	-	0.0%	
<u>Account</u>	<u>Description</u>										
-	Operating Reserve	-	-	-	-	-	-	-	-	-	
		-	-	-	-	-	-	-	-	-	
EXPENSE TOTALS		715,037	618,797	768,345	587,250	796,843	666,670	793,880	(2,963)	-0.4%	

Revenue Ledger

		FY 2016-2017		FY 2017-2018		FY 2018-2019		FY 2019-2020			
		Adopted	Estimate	Adopted	Estimate	Adopted	Estimate	Proposed	Difference		
Intergovernmental											
<u>Account</u>	<u>Description</u>										
-	Agency Contributions										
	County of Alameda	196,115	196,114	196,115	196,114	196,948	196,948	166,826	(30,122)	-15.3%	
	Cities	196,115	196,114	196,115	196,114	196,948	196,948	166,826	(30,122)	-15.3%	
	Special Districts	196,115	196,114	196,115	196,114	196,948	196,948	166,826	(30,122)	-15.3%	
		540,037	588,344	588,345	588,344	590,844	590,844	576,380	(14,464)	-2.4%	
Service Charges											
-	Application Fees	25,000	50,000	30,000	16,000	30,000	10,000	30,000	-	0.0%	
Investments											
-	Interest	-	2,000	-	4,000	-	11,531	7,500	7,500	-	
Fund Balance Offset											
		150,000	150,000	150,000	150,000	176,000	176,000	180,000	4,000	2.3%	
REVENUE TOTALS		715,037	742,037	768,345	758,344	796,844	788,375	793,880	(2,964)	-0.4%	
OPERATING NET		-	123,240	-	171,094	-	121,705	-	-	-	
UNRESTRICTED FUND BALANCE							429,370				
As of June 30th											

Priority	Urgency	Type	Status	Project	Key Issues
1	High	Administrative	Rollover	MOU Update with County of Alameda	Update existing MOU with the County of Alameda to reflect current agency relationships/needs
2	High	Statutory	Rollover	General MSR on Water, Wastewater, and Stormwater Services	First Service Specific MSR since 2006 Address Infrastructure Needs and Efficiencies and Sustainability
3	High	Administrative	New	Staff Recruitment, Placement and Training	Recruitment and Training of LAFCO Commission Clerk and Analyst
4	Moderate	Administrative	New	2018-2019 Audit	Annual Audit Report; Verify Fund Balance
5	Moderate	Statutory	New	Dissolutions of Inactive Special Districts	Implement Regulatory Functions; SB 448
6	Moderate	Statutory	New	Special District Member Elections	Conduct Special District Member Elections to Ensure LAFCO Representation
7	Moderate	Statutory	New	Study Schedule Update	Improve Efficiency and Effectiveness of Commission Operations and Transparency
8	Moderate	Statutory	New	General MSR on Fire Protection and Emergency Services	Second MSR on Fire and Emergency Services since 2006 Address Shared Opportunities
9	Moderate	Statutory	Rollover	Sphere Update for City of Pleasanton	Implement Planning Functions; Update SOIs of Local Government Agencies; Cities MSR
10	Moderate	Statutory	Rollover	Informational Report on Disadvantaged Unincorporated Communities	Develop and Implement Special Study of Unincorporated Areas focusing on DUCs; Consider Policies
11	Moderate	Administrative	New	Prepare Informational Report on JPAs	Post Enactment of SB 1266; Enhance Repository on Local Government Services
12	Moderate	Administrative	New	LAFCO Presentations	Introductory Overview of LAFCO's Duties and Responsibilities to Boards, Councils, Community Groups
13	Moderate	Administrative	New	Update Application Packet	Current Application Dated; Make User Friendly
14	Moderate	Administrative	Rollover	Prepare Informational Report on Unincorporated Islands	Map all Unincorporated Islands and Examine Island Annexation Implementation Issues in Alameda County
15	Moderate	Statutory	New	Alameda County Resource Conservation MSR	Last MSR conducted in 2013; Open space land preservation
16	Moderate	Administrative	Rollover	Informational Report on Fairview Fire Protection District	Status Report on District Activities
17	Low	Administrative	New	Policy Review on Agricultural Protection and Out of Area Service Agreements	Periodical review of existing policies relative to practices and trends, and determine whether changes are appropriate to better reflect current preferences
18	Low	Statutory	New	Master Property Tax Exchange Agreement	Improve Efficiency and Effectiveness of Application Process
19	Low	Administrative	Rollover	Informational Report on Remen Tract	Special Report on Service Delivery Feasibility
20	Low	Administrative	Rollover	Digital Archiving	Continue Project to Digitize LAFCO Records
21	Low	Administrative	Rollover	CALAFCO Legislative Committee	Enhance and Clarify LAFCO Authority and Powers to Perform its State-Mandated Responsibilities
22	Low	Administrative	New	Host Alameda County Special District Association Meeting	Communicate LAFCO's Mission and Goals to the Community
23	Low	Administrative	New	LAFCO Annual Report on Status of County	Evaluate LAFCO's Mission and Goals Relative to Local Conditions; Identify Strategies to Achieve Shared Objectives
24	Low	Administrative	New	GIS Mapping Project	CDA to Create a LAFCO GIS Layer for All Local Agencies under LAFCO Purview
25	Low	Administrative	New	LAFCO Agency Logo	Establish New Agency Logo for Branding (Website, Publications, etc.)
26	Low	Administrative	New	Local Agency Directory	User-Friendly Publication Identifying and Summarizing Local Government Agencies and Services in Alameda County

TO: Alameda Commissioners
FROM: Rachel Jones, Executive Officer
SUBJECT: **Current and Pending Proposals**

The Commission will receive a report identifying active proposals on file with the Alameda Local Agency Formation Commission (LAFCO) as required under statute. The report also identifies pending local agency proposals to help telegraph future workload. The report is being presented to the Commission for information only.

Information / Discussion

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (“CKH”) delegates LAFCOs with regulatory and planning duties to coordinate the formation and development of local government agencies and their municipal services. This includes approving or disapproving boundary changes involving the formation, expansion, merger, and dissolution of cities, towns and special districts as well as sphere of influence amendments. It also includes overseeing outside service extensions. Proposals involving jurisdictional changes filed by landowners or registered voters must be put on the agenda as information items before any action may be considered by LAFCO at a subsequent meeting.

Current Proposals | Approved and Awaiting Term Completions

There is currently one proposal on file in which not all approval terms established by the membership have been met. The Cortese-Knox-Hertzberg Reorganization Act of 2000 (“CKH”) provides applicants one calendar year to complete approval terms or receive extension approvals before the proposals are automatically terminated.

- **Reorganization of East Bay Municipal Utility District and City of Hayward**
The Commission received a proposal filed by the East Bay Municipal Utility District (EBMUD) involving 273 parcels within the City of Hayward and the unincorporated communities of San Lorenzo and Fairview totaling 269.8 acres. The purpose of the proposal is to align EBMUD’s existing service area with its jurisdictional boundary and formalize public water services provided within the affected territory to the correct service provider. The Commission approved the proposal without amendments on November 11, 2018. Terms remain outstanding as of date and therefore remains active.

Current Proposals | Under Review and Awaiting Hearing

There are currently two active proposals on file with the Commission that remain under administrative review and await a hearing as of date of this report.

- **Annexation of Bayside Newark | Union Sanitary District**
The Commission has received a proposal by a developer (Lennar Homes) on behalf of the affected landowner requesting annexation approval of 297 parcels located within the city of Newark to the Union Sanitary District. The affected territory is approximately 57.5 acres in size and is currently in the development of 2,500 mixed-use housing units. The purpose of the annexation is to provide wastewater services to a planned residential area. The application is currently under administrative review.

- **Out of Area Service Extension of 27489 and 27440 Fairview Avenue | City of Hayward**
The Commission has received a proposal by the City of Hayward requesting an out-of-area service extension of 27489 and 27440 Fairview Avenue (425-0500-013 and 085A-6200-011) in the unincorporated community of Castle Homes to the City of Hayward for wastewater services due to failing septic systems. The affected territories are approximately 2.2 acres in size and are each currently developed with a single-family residence. The application is currently under administrative review.

Pending Proposals

There is a potential new proposal staff believes may be submitted to the Commission in the near future from local agencies based on ongoing discussions with proponents within the last two years. The potential proposal is summarized below to aid the Commission in anticipating the agency's impending workload.

- **Annexation of Dumbarton Quarry Regional Park | Union Sanitary District**
On December 28, 2016, the Union Sanitary District (USD) met with staff regarding the annexation of the Dumbarton Quarry Regional Park. This park is being developed by East Bay Regional Park District (EBRPD) and will require wastewater connections to support camping sites in the park. The territory is owned by EBRPD and is located near the foot of the Dumbarton Bridge. On August 30, 2018, staff held a pre-application meeting with EBRPD staff and expects a proposal early this calendar year.

The Commission is invited to discuss the item and provide direction to staff on any related matter as needed for future discussion and or action.

Attachments: none

TO: Alameda Commissioners
FROM: Rachel Jones, Executive Officer
SUBJECT: Progress Report on Strategic Plan 2018-2020

The Commission will receive a report on progress made to date to accomplish the goals and objectives set forth in the 2018-2020 Strategic Plan. The report is being presented to the Commission to formally accept and file as well as provide additional direction to staff with respect to achieving agency goals going forward.

Discussion

Alameda LAFCO's current strategic plan was adopted following a planning session on September 22, 2017. The strategic plan is anchored by seven key priorities that collectively orient the Commission to proactively fulfill its duties and responsibilities under the Cortese-Knox-Hertzberg Act of 2001 in a manner responsive to local conditions and needs. These goals and their attendant objectives, which premise individual implementation strategies, are summarized below.

1. Island Annexations
2. Water Supply, Availability and Alternative Options
3. Accommodate Population Growth while Maintaining Quality of Life
4. Agriculture and Open Space Preservation and Urban Growth Boundaries
5. Climate Change Adaptation
6. LAFCO Independence and Other Operational Improvements
7. Comprehensive Study of Unincorporated Areas Focusing on Disadvantaged Unincorporated Communities (DUCs)

A summary of notable action steps in implementing objectives initiated to date:

Island Annexations | Review Existing Island Annexation Policies and Identify Potential Changes

- The Community Development Agency of Alameda County is currently creating a geographical boundary layer in its Geographical Information System (GIS) for all jurisdictional boundaries and sphere of influences under LAFCO. This will aid LAFCO in identifying boundary irregularities and serve as a resource to the public and local agencies.

- Staff has met and will continue to meet with city managers, planners and general managers to streamline the application process to encourage annexations of unincorporated islands.

Accommodate Population Growth | Participate in the California Association of Local Agency Formation Commissions (CALAFCO)

- Staff currently serves as an alternate member on CALAFCO's Legislative Committee and continues to meet biannually with Bay Area LAFCOs to collaborate on legislation impacting LAFCOs or on special projects for possible shared services and or best practices.

Climate Change Adaptation | Work with Stakeholders to Identify Impacts

- QK Associates is the firm selected to conduct the Countywide Municipal Service Review (MSR) on water, wastewater, flood control and stormwater services. Staff has emphasized in its discussions with the consultant the need to analyze future environmental impacts and strains on infrastructure due to climate change as well as examine alternative approaches and shared facilities for the resourceful delivery of services. The MSR is currently underway and QK Associates has almost completed the data acquisition phase of the MSR and will begin data comparisons and analysis of MSR metrics from past studies.

LAFCO Independence and Operational Improvements | Conduct Operational Study

- Staff is currently working with the County of Alameda on MOU negotiations that best reflect Alameda LAFCO's current operational needs.
- The Commission has updated its fee schedule after 10 years to improve cost recovery and implementation of boundary change requests.
- Staff has selected Harshwal & Company as the accounting firm to prepare the Commission's FY 2017-2018 audit. This would be LAFCO's first standalone audit in over ten years and would aid the agency in making accurate operational corrections.

LAFCO Independence and Operational Improvements | Website Update

- LAFCO's new website has launched with the County's Information Technology Department and staff is continuing to make improvements on the site to foster better transparency and greater accessibility to the public and local agencies.

Comprehensive Study of Unincorporated Areas | Special Study

- Staff has prepared a proposed study schedule calendaring municipal service reviews and sphere of influence updates for the 2019-2024 five-year cycle and includes a special study of disadvantaged unincorporated communities.

- Staff is currently utilizing CALAFCO's Disadvantaged Unincorporated Communities (DUCs) Map to identify any potential DUCs within the County.

Staff will continue to work with the Commission to address Strategic Plan priorities and develop a work plan that encompasses LAFCO's objectives.

Alternatives for Action

The following alternatives are available to the Commission:

Alternative One (Recommended):

Accept the report as presented with any further direction to staff as specified.

Alternative Two:

Continue consideration of the report to a future meeting and provide direction for more information as needed.

Recommendation

It is recommended the Commission proceed with Alternative Action One.

Respectfully,



Rachel Jones
Executive Officer

Attachments:

1. 2018-2022 Alameda LAFCO Strategic Plan

Alameda LAFCo 2018-2020 Strategic Plan

1. Island Annexations - There are two types of islands: unincorporated islands and unserved islands. Unincorporated islands are pockets of County territory that are surrounded by or adjacent to cities. The residents in these islands typically receive their services from the County. If these island areas meet certain criteria identified in Government Code Section 56375.3, they may qualify for expedited annexation processing procedures. There may be other unincorporated areas within the County that do not meet that criteria but warrant additional study. The boundaries of special districts may include pockets of unserved territory that can be referred to as unserved islands. These types of islands do not qualify for an expedited annexation process. The development and adoption of local policies to incentivize all types of island annexations may lead to more efficient service provision.

Objectives	Key Action Steps	Timeframe
<p>A. Eliminate islands by encouraging municipal annexation of unincorporated islands and district annexation of unserved islands.</p>	<ol style="list-style-type: none"> 1. Review existing island annexation policies and identify potential changes. 2. Present draft policy recommendations to the Policy and Budget Committee. 3. Present draft Policy and Budget Committee recommendations to the full Commission for consideration. 4. Identify and update list of island areas and map the islands based on revised island annexation policies. 5. Communicate directly with affected agencies to inform them of revised policies and encourage each agency to identify steps needed to annex the islands within their jurisdictional boundaries and provide that information to LAFCo. 	2019
<p>B. Serve as a resource to the public and to local agencies to support orderly growth and logical, sustainable service provision.</p>	<ol style="list-style-type: none"> 1. Disseminate revised island annexation policies to all member agencies and key stakeholders, and post updated policies on Alameda LAFCo website. 2. Work with affected local agencies and communities to address identified barriers and facilitate community meetings to annexation. 	2019

Alameda LAFCo 2018-2020 Strategic Plan

<p>2. Water Supply and Availability Including Recycled Water - Water supply and availability is a perennially critical issue throughout California. LAFCo considers the availability of water supplies as one of the 16 factors analyzed as part of reorganization proposals (e.g., annexations). Additionally, LAFCo conducts municipal services reviews which include the study of water supply and availability across the County including recycled water. Alameda LAFCo seeks to promote sustainable, adequate and reliable water sources to support existing and future development, as well as agricultural land uses.</p>		
Objective	Key Action Steps	Timeframe
<p>A. Promote the sustainability of adequate and reliable water supplies, including the use of recycled water, to support existing and future development and agricultural land uses.</p>	<ol style="list-style-type: none"> 1. Develop policies and standards to address the sustainability of adequate and reliable water supplies, including the use of recycled water. 2. Incorporate standards into municipal services reviews (MSRs) and sphere of influence (SOI) updates. 3. Complete MSR of water, waste water, flood control, and storm water services in Alameda County and update SOIs as necessary. 4. As appropriate, identify terms and conditions to apply as part of the SOI update process to promote adequate and reliable water supplies including the use of recycled water. 5. Follow up as needed with local agencies where terms and conditions have been imposed to monitor agency progress. 6. Convene local agencies, regulatory agencies (e.g., the State Regional Water Quality Control Board), the Dublin San Ramon Services District – East Bay Municipal Utility District Recycled Water Authority (DERWA), and other relevant stakeholders to facilitate conversations about regional water and wastewater coordination opportunities. 	<p>2018</p>

Alameda LAFCo 2018-2020 Strategic Plan

<p>3. Accommodate Population Growth While Maintaining Quality of Life - The State Legislature granted LAFCOs the authority to regulate boundaries and establish spheres of influence (SOIs) for cities and special districts that provide municipal services. SOIs are LAFCo-adopted planning areas that show where a local agency's physical boundary and service area should be. In conjunction with the update of SOIs, LAFCo conducts municipal services reviews (MSRs). A MSR evaluates the capability of an agency to serve its existing residents and future development within its SOI and must include specific written determinations including, but not limited to, the level and adequacy of services, financial ability of agencies to provide services, and accountability of local governmental agencies. Through these mechanisms, LAFCo assumes both planning and regulatory roles in accommodating population growth and maintaining the quality of life for Alameda County residents.</p>		
Objectives	Key Action Steps	Timeframe
<p>A. Encourage orderly growth and development through the logical and efficient provision of municipal services by local agencies best suited to feasibly provide necessary governmental services and housing for persons and families of all incomes.</p>	<ol style="list-style-type: none"> 1. Implement LAFCo's regulatory functions by processing governmental service reorganization proposals and out-of-area service agreement applications. 2. Implement LAFCo's planning functions by periodically updating the SOIs of local governmental agencies and conducting MSRs. 3. Update LAFCo's policies and procedures to improve usability and reflect local conditions and circumstances. 4. Serve as a resource to the public and to local agencies to support orderly growth and logical, sustainable service provision. 5. Participate in regional planning efforts including the update of Plan Bay Area. 	<p>2018, 2019, 2020</p>
<p>B. Be proactive and act as a catalyst for change as a way to contribute to making Alameda County a great place to live and work.</p>	<ol style="list-style-type: none"> 1. Maintain relationships with member agencies and other identified stakeholders to stay abreast of major service issues and proposed changes of organization (e.g., California Special Districts Association, Mayors' Conference, local agency planning staff, other boards and councils). 2. Communicate Alameda LAFCo's mission and goals to the community. 3. Identify strategies to achieve shared objectives. 4. Participate in the California Association of Local Agency Formation Commissions (CALAFCO) statewide efforts to enhance and clarify LAFCo authority and powers to perform its state-mandated responsibilities. 	<p>2018, 2019, 2020</p>
<p>C. Strengthen local agency oversight.</p>	<ol style="list-style-type: none"> 1. Identify and adopt accountability and transparency standards for local agencies including Alameda LAFCo (e.g. Special District Leadership Foundation). 2. Identify and adopt financial stress test standards for local agencies (e.g., League of Cities Municipal Financial Health Diagnostic Tool). 3. Incorporate standards into MSR and SOI update processes. 4. As appropriate, identify terms and conditions to apply as part of the SOI update process to strengthen local agency accountability and transparency, and financial ability to provide services. 5. Follow up as needed with local agencies where terms and conditions have been imposed to monitor agency progress. 	<p>2018</p>

Alameda LAFCo 2018-2020 Strategic Plan

<p>4. Agriculture and Open Space Preservation and Urban Growth Boundaries - The State Legislature specifies LAFCos' purposes to be, among others, "discouraging urban sprawl, [and] preserving open space and prime agricultural lands...based upon local conditions and circumstances." Voter-approved urban growth boundaries have been adopted by Alameda County, as well as the cities of Dublin, Livermore, and Pleasanton. LAFCo has decided to strengthen its policies in relation to preserving agriculture and open space. Additionally, LAFCo will determine the need to adopt policies regarding the application of voter-approved urban growth boundaries to matters before it.</p>		
Key Objectives	Key Action Steps	Timeframe
A. Support the viability of agriculture in Alameda County	<ol style="list-style-type: none"> 1. Review existing agricultural, in-fill, out-of-area service agreement, and sphere of influence policies. 2. Work with stakeholders to identify issues under LAFCo jurisdiction related to the economic viability of agriculture. 3. Establish set of standards and revised policies based on best practices and local conditions. 4. Disseminate information to key stakeholders and post updates on Alameda LAFCo website. 5. Utilize policies to impose conditions on reorganization proposals, sphere of influence updates, and out-of-area service agreement applications to support the viability of agricultural land uses. 	2019
B. Mitigate for loss of agricultural and open space lands.	<ol style="list-style-type: none"> 1. Establish a set of standards and policies based on best practices and local conditions. 2. Present recommendations to Policy and Budget Committee. 3. Present Policy and Budget Committee recommendations to full Commission. 4. Disseminate information to key stakeholders and post updates on Alameda LAFCo website. 5. Utilize policies to impose conditions on reorganization proposals, sphere of influence updates, and out-of-area service agreement applications to support the viability of agricultural land uses. 	2020
C. Determine the need for local policies regarding the application of adopted urban growth boundaries to LAFCo decision making.	<ol style="list-style-type: none"> 1. Collect and review information and maps regarding all adopted urban growth boundaries in Alameda County, as well as best practices from other LAFCos. 2. Present information to Policy and Budget Committee to discuss whether a local policy regarding urban growth boundaries is warranted. 3. Based on Policy and Budget Committee recommendation, determine need to develop draft policies and present to full Commission for consideration. 	2020

Alameda LAFCo 2018-2020 Strategic Plan

<p>5. Climate Change Adaptation - Current and future climate change impacts are of concern in Alameda County. Such impacts may include rising sea levels, flooding, wildfire, extreme heat episodes and drought. An increase in the frequency and severity of extreme events related to these impacts is expected. LAFCo will determine the need for policies regarding climate change adaptation and local agencies' plans to prepare for these challenges.</p>		
Key Objectives	Key Action Steps	Timeframe
<p>A. Promote the recognition of climate change adaptation needs.</p>	<ol style="list-style-type: none"> 1. Work with stakeholders to identify the impacts of climate change that local agencies and communities face now and into the future (e.g. infrastructure subject to the effects of climate change, increased fire risks at the wildland-urban interface). 2. Facilitate climate adaptation information sharing among local agencies and discussions around long-term needs for adaptation in land use plans, capital infrastructure plans, master plans and other relevant documents. 3. Document County-wide climate change adaptation needs and plans to maximize resources and benefits. 	2020
<p>B. Determine the need for local policies regarding climate change adaptation.</p>	<ol style="list-style-type: none"> 1. Review documentation regarding local circumstances and conditions affecting climate change adaptation. 2. Present information to Policy and Budget Committee and discuss whether local policies regarding climate change adaptation are warranted. 3. Based on Policy and Budget Committee recommendation, develop draft policies and present to full Commission for consideration. 	2020

Alameda LAFCo 2018-2020 Strategic Plan

6. LAFCo Independence and Other Operational Improvements - The State Legislature recognized LAFCo's independence as vital to ensuring that LAFCo decisions are credible to the public when it enacted changes as part of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH). Among other provisions, CKH authorizes LAFCos to adopt written policies and procedures, incur expenses to accomplish its functions, and to employ staff or contract for professional services to carry out the functions of the Commission. CKH further specifies that LAFCo shall appoint its executive officer and legal counsel. Alameda LAFCo currently obtains its staffing and other services via memorandum of understanding with Alameda County. It has been over 15 years since the CKH was enacted. A study of the costs and benefits of various operational models is warranted.

Key Objectives	Key Action Steps	Timeframe
A. Improve efficiency and effectiveness of Commission operations.	<ol style="list-style-type: none"> 1. Complete a study of various operational options ranging from status quo to full independence that includes general implementation timelines, range of costs, and other implementation factors. 2. Present study results to Policy and Budget Committee. 3. Present Policy and Budget Committee recommendations to full Commission. 4. Implement recommendations adopted by Commission. 	2018
B. Update the Alameda LAFCo website to be more functional for members of the public and local agencies.	<ol style="list-style-type: none"> 1. Conduct request-for-proposal process to obtain website design services. 2. Present proposed changes to Commission for review and comment. 3. Implement update. 4. Maintain website with updated information as needed. 	2018

Alameda LAFCo 2018-2020 Strategic Plan

7. Comprehensive Study of Unincorporated Areas Focusing on Disadvantaged Unincorporated Communities - Alameda County has 14 municipalities and six developed unincorporated communities. Beginning in 2012, state law was enacted requiring LAFCOs, cities, and counties to plan for municipal service delivery to disadvantaged unincorporated communities (DUCs). A DUC is defined as an area of inhabited territory located within an unincorporated area of a County in which the annual median household income is less than 80 percent of the statewide median household income. The law requires LAFCo to identify and make specified determinations about DUCs. LAFCo does not establish spheres of influence for unincorporated communities, but Alameda LAFCo has determined the need for a more in-depth look at the municipal services provided in the six developed unincorporated communities with a focus on DUCs.

Key Objective	Key Action Steps	Timeframe
<p>A. Conduct a service review of the unincorporated areas of Alameda County focusing on disadvantaged unincorporated communities.</p>	<ol style="list-style-type: none"> 1. Engage stakeholders to identify the most pressing local conditions and circumstances that influence the provision of municipal services in the unincorporated areas of Alameda County. 2. Consider the need to develop policies and standards regarding DUCs. 3. Develop and implement special study of the unincorporated areas including any identified DUCs. 4. As appropriate, identify terms and conditions to apply as part of the SOI update process to improve the provision of municipal services within DUCs. 5. Follow up as needed with local agencies where terms and conditions have been imposed to monitor agency progress. 6. Disseminate results of study to key stakeholders and post updates on Alameda LAFCo website. 	<p>2019</p>

TO: Alameda Commissioners
FROM: Rachel Jones, Executive Officer
SUBJECT: **Legislative Report | New Legislative Session**

The Commission will receive an update from the Legislative Committee as it relates to proposals impacting Local Agency Formation Commissions (LAFCOs). The report is being presented to the Commission for information with the opportunity to provide feedback on related items for possible action at future meetings.

Information

This item is for Alameda LAFCO (“Commission”) to receive a summary of bills and related matters of interests submitted as part of the new Legislature 2019-2020 session.

AB 213 (Reyes) | Local Government Finance: Vehicle License Fee Adjustments

This bill restores funding for inhabited annexations through the vehicle license fee adjustment amount. Alameda LAFCO has submitted a letter of support as CALAFCO has historically supported the bill each year.

Position: Watch; Status: Referred to Committee

AB 1253 (Rivas) | LAFCO Funding

This bill seeks one-time grant funding for LAFCOs as a follow up to the Little Hoover Commission report in 2017. It also calls for the reimbursement for the mandatory dissolution of inactive district pursuant to AB 448 (Wieckowski). Alameda LAFCO has submitted a letter of support on behalf of CALAFCO’s call for legislative action.

Position: Watch; Status: Referred to Committee

Attachments:

1. CALAFCO Tracking Report
2. Letter of Support AB 213
3. Letter of Support AB 1253

CALAFCO List of Current Tracked Bills As of 2/18/2019

Priority 2

[AB 213](#)

([Reyes](#) D) Local government finance: property tax revenue allocations: vehicle license fee adjustments.

Current Text: Introduced: 1/15/2019 [html](#) [pdf](#)

Introduced: 1/15/2019

Status: 2/4/2019-Referred to Com. on L. GOV.

Location: 2/4/2019-A. L. GOV.

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

Summary: Would, for the 2019–20 fiscal year, require the vehicle license fee adjustment amount to be the sum of the vehicle license fee adjustment amount in the 2018–19 fiscal year, the product of that sum and the percentage change in gross taxable assessed valuation within the jurisdiction of that entity between the 2018–19 fiscal year to the 2018–19 fiscal year, and the product of the amount of specified motor vehicle license fee revenues that the Controller allocated to the applicable city in July 2010 and 1.17.

Position
Watch

Subject
Tax Allocation

CALAFCO Comments: Sponsored by the League, this bill will reinstate ERAF funding for inhabited annexations. This bill is the same as AB 2268 (Reyes) from last year.

[SB 99](#)

([Nielsen](#) R) Agricultural land.

Current Text: Introduced: 1/10/2019 [html](#) [pdf](#)

Introduced: 1/10/2019

Status: 1/24/2019-Referred to Com. on RLS.

Location: 1/10/2019-S. RLS.

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

Summary: The California Land Conservation Act of 1965, also known as the Williamson Act, authorizes a city or county to contract with a landowner to limit the use of agricultural land located in an agricultural preserve designated by the city or county. Current law requires the Department of Conservation to submit a report to the Legislature on or before May 1 of every other year regarding the implementation of the Williamson Act. This bill would make nonsubstantive changes to that provision.

Position
Watch

Subject
Ag Preservation - Williamson

CALAFCO Comments: This is a spot bill.

Priority 3

[AB 530](#)

([Aguiar-Curry D](#)) The Fairfield-Suisun Sewer District.

Current Text: Introduced: 2/13/2019 [html](#) [pdf](#)

Introduced: 2/13/2019

Status: 2/14/2019-From printer. May be heard in committee March 16.

Location: 2/13/2019-A. PRINT

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

Summary: The Fairfield-Suisun Sewer District Act creates the Fairfield-Suisun Sewer District and grants to the district various powers relating to the treatment and disposal of sewage. The act provides for the election of a board of directors for the district and administrative procedures for the operation of the district. This bill would make various administrative changes to the act, including removing the requirement that the district appoint a clerk and changing the posting requirements for regulations.

Position

Subject

Watch

Special District Powers, Special Districts Governance

CALAFCO Comments: This bill makes administrative changes to this special act district. It also allows for an extension of service pursuant to 56133 (keeping that LAFCo process intact).

[AB 648](#)

([Nazarian D](#)) Healthcare.

Current Text: Introduced: 2/15/2019 [html](#) [pdf](#)

Introduced: 2/15/2019

Status: 2/15/2019-Read first time. To print.

Location: 2/15/2019-A. PRINT

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

Summary: Current law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care. Current law also provides for the regulation of health insurers by the Department of Insurance. This bill would express the Legislature’s intent to enact legislation to improve access to healthcare services for the residents of this state.

Position

Subject

Watch

CALAFCO Comments: This is a spot bill.

Total Bills: 4

February 26, 2019

Delivered by E-Mail:

The Honorable Eloise Gómez Reyes
 California State Assembly
 State Capital Room 2175
 Sacramento, CA 95814
melissa.cosio@asm.ca.gov

SUBJECT: Support of AB 213

Dear Assembly Member Reyes:

The Alameda Local Agency Formation Commission (LAFCO) is pleased to support **Assembly Bill 213**. This bill would restore funding to approximately 140 cities that had annexed territory in reliance on previous financial incentives, then suffered significant fiscal harm when those funds were swept away due to the passage of Senate Bill 89 (2011). The bill also offers similar incentives to support future annexations of inhabited territory to improve services to affected residents consistent with state LAFCO policies.

The Vehicle License Fee (VLF) gap created by Senate Bill 89, one of the 2011 budget bills, created a financial disincentive for future city incorporations and annexations of inhabited territory. Further, it created severe fiscal penalties for those communities which chose to annex inhabited territories, particularly unincorporated islands. In several previous legislative acts, the Legislature has directed LAFCOs to work with cities to annex unincorporated inhabited islands. The loss of financial incentive for these inhabited annexations has made it difficult for LAFCOs to follow this legislative directive.

Alameda LAFCO, with the assistance of Assembly Bill 213, would be able to push and aid in the orderly growth and development in Alameda County by eliminating unincorporated inhabited islands through the opportunity for local residents and cities to receive funding for the needed improvements that accompany such annexations. Most likely, many LAFCOs would receive an uptick in annexation applications that match and provide municipal services to appropriate jurisdictions that are otherwise ignored.

Reinstating revenues for annexations for annexations is consistent with statewide LAFCO legislative policies of providing communities with local governance and efficient service delivery options, including the ability to annex. The inability to do so creates a tremendous detriment to the creation of logical development boundaries and to the prevention of urban sprawl. Because **Assembly Bill 213** reinstates a critical funding component to cities who previously annexed inhabited territory and did so relying on this financing, and to those cities who annex inhabited territory in the future, Alameda LAFCO supports this bill.

Thank you for carrying this important legislation. Please do not hesitate to contact me with any questions you may have on our position.

Administrative Office

Rachel Jones, Executive Officer
 1221 Oak Street, Suite 555
 Oakland, California 94612
 T: 510.272.3894
www.acgov.org/afco

Scott Haggerty, Regular
 County of Alameda

Nate Miley, Regular
 County of Alameda

Richard Valle, Alternate
 County of Alameda

John Marchand, Regular
 City of Livermore

Jerry Thorne, Regular
 City of Pleasanton

David Haubert, Alternate
 City of Dublin

Ralph Johnson, Regular
 Castro Valley Sanitary District

Ayn Wieskamp, Chair
 East Bay Regional Park District

Geogean Vonheeder-Leopold, Alternate
 Dublin San Ramon Services District

Sblend Sblendorio, Regular
 Public Member

Tom Pico, Alternate
 Public Member

Sincerely,

A handwritten signature in blue ink, appearing to read "Rachel Jones", with a long horizontal flourish extending to the right.

Rachel Jones
Executive Officer

cc: Pamela Miller, Executive Director, CALAFCO
Dan Carrigg, Deputy Executive Director and Legislative Director, League of CA Cities

Blank for Photocopying

February 26, 2019

Delivered by E-Mail:

The Honorable Robert Rivas
 California State Assembly
 State Capital Room 5158
 Sacramento, CA 95814
rita.durgin@asm.ca.gov

SUBJECT: Support of AB 1253

Dear Assemblymember Rivas:

The Alameda Local Agency Formation Commission (LAFCO) is pleased to join the California Association of Local Agency Formation Commissions (CALAFCO) in support for **Assembly Bill 1253**. Sponsored by CALAFCO, the bill establishes a five-year pilot grant program to provide grants to LAFCOs to address known service and governance concerns in disadvantaged communities. This program provides grants to LAFCOs for conducting special in-depth studies and analyses of local government agencies and services for the purposes of creating improved efficiencies in the delivery of local government agencies and completing the dissolution of inactive special districts. The grant program would be administered by the Strategic Growth Council and sunset on December 31, 2025.

The Legislature established LAFCOs in 1963 to encourage the orderly formation of local government agencies. Since that time, the regulatory role and responsibilities of LAFCOs has substantially increased without additional funding. Operating in all 58 California counties, LAFCOs are responsible for meeting important statutory directives to maintain orderly boundaries and seek greater efficiencies in delivering local services, and yet these directives often times cannot be met under current funding mechanisms. As a result, much needed LAFCO activities are sometimes delayed or rejected.

In August 2017, the Little Hoover Commission published a report on special district and their oversight by LAFCOs, which contained several recommendations directly related to LAFCO. One recommendation for the Legislature to provide one-time grant funding to pay for specified LAFCO activities, particularly to incentivize LAFCOs or smaller special districts to develop and implement dissolution or consolidation plans with timelines for expected outcomes.

By establishing this one-time grant funding, AB 1253 provides an additional tool for LAFCOs to address known service and governance concerns in disadvantaged communities by conducting detailed studies and potentially implementing greater efficiencies in delivering local services based on local circumstances and conditions. For these reasons, Alameda LAFCO is pleased to support AB 1253.

Thank you for authoring this important piece of legislation. Please feel free to contact me should you have any questions about Alameda LAFCO's position.

Administrative Office

Rachel Jones, Executive Officer
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 East Bay Regional Park District

Geogean Vonheeder-Leopold, Alternate
 Dublin San Ramon Services District

Sblend Sblendorio, Regular
 Public Member

Tom Pico, Alternate
 Public Member

Sincerely,

A handwritten signature in blue ink that reads "Rachel Jones". The signature is fluid and cursive, with the first name "Rachel" and the last name "Jones" clearly legible.

Rachel Jones
Executive Officer

cc: Senator Robert Hertzberg, co-author
Senator Anna Caballero, co-author
Pamela Miller, Executive Director, CALAFCO

February 28, 2019

Alameda LAFCO and County of Alameda | Memorandum of Understanding Themes

In 2000, the Cortese-Knox-Hertzberg Reorganization Act of 2000 and the Hertzberg Commission encouraged more independence of LAFCOs from counties so they could be granted more power to achieve the State Legislature’s goals of rational boundaries, urban sprawl prevention and the preservation of prime agricultural land. It authorizes LAFCOs to enter into agreements or contracts with public and private parties for services necessary to meet its regulatory and planning responsibilities. This includes making independent arrangements for personnel, services, and facilities. The Hertzberg Commission deemed that the independence of LAFCO to have the ability to contract services, public and or private, was vital to ensuring that LAFCO decisions remain credible to the public.

Since CKH, Alameda LAFCO has contracted support services from the County of Alameda including staffing, human resources and financial accounting. Over the past four years, the Commission has conducted multiple strategic planning sessions in which it has articulated affirmative goals for which emphasis on its status as an independent public agency is an important value and mode of operation. As the Commission has worked to implement its vision and goals, its emphasis on independence has put some strain on its relationship with the County, a relationship that it very much values and hopes to continue.

Reviewing MOUs from other LAFCOs around the State, Alameda LAFCO has identified arrangements that better reflect the kind of mature relationship it wants to have with the County of Alameda. The elements in other example MOUs that Alameda LAFCO seeks to emulate in a new MOU with the County are as follows:

Independent, Accountable Staff

- Clearly identified, protected LAFCO staff positions to be filled by County employees
- Development of job descriptions reflecting LAFCO-specific knowledge, skills and abilities where appropriate
- LAFCO-specific recruitment of staff to fill all LAFCO staff positions similar to the successful recruiting process for the current Executive Officer
- Direct supervision of subordinate LAFCO staff by the Executive Officer
- Making the Executive Officer directly accountable to the Commission, including performance reviews

Independent, Responsive Service Provision

- Pursuing separate office space to project Alameda LAFCO’s independence
- Locating office in closer proximity to the east County cities with the physical capacity for growth and associated increased need for Alameda LAFCO’s services

Financial Accountability

- Making Alameda LAFCO a separate business unit within the County financial system
- Reinforce Commission’s discretion in use of mix of County employees and consultants to provide services