San Diego Local Agency Formation Commission

9335 Hazard Way • Suite 200 • San Diego, CA 92123 (858) 614-7755 • FAX (858) 614-7766

Website: www.sdlafco.org

#### Chairman

Bill Horn County Board of Supervisors

#### Vice Chairman

Sam Abed Mayor City of Escondido

## Members

Dianne Jacob County Board of Supervisors

Andrew Vanderlaan Public Member

Lorie Zapf Councilmember City of San Diego

Lorraine Wood Councilmember City of Carlsbad

Jo MacKenzie Vista Irrigation District

Vacant Special District

#### **Alternate Members**

Greg Cox County Board of Supervisors

Chris Cate Councilmember City of San Diego

Racquel Vasquez Councilmember City of Lemon Grove

Ed Sprague Olivenhain Municipal Water District

Harry Mathis Public Member

**Executive Officer** 

Michael D. Ott

## Legal Counsel

Michael G. Colantuono

AGENDA
SPECIAL DISTRICTS ADVISORY COMMITTEE
FRIDAY, December 18, 2015, 9:30 A.M.

Note: Location at

County Operations Center 5560 Overland Ave, Room 171 San Diego, CA 92123

# Agenda Item:

1. Pledge of Allegiance

2. Welcome and Roll Call

3. Approval of Minutes of Meeting held February 20, 2015

4. Consultant's Recommended Agenda Revisions

5. Public Comment

Opportunity for persons to speak to the Committee on any subject within the Committee's jurisdiction, but not an item on today's agenda. Each speaker's presentation may not exceed 3 minutes.

SB 239 Overview
Summary of SB 239 and the implications on future fire protection contracts.\*

7. Legislative Report Update\*

8. Meeting Calendar for 2016\*

9. Committee Member Announcements and Agency Activity Updates.

10. Adjournment to the January 15, 2016 Meeting Date if necessary.

\*See Staff Report/Attachment

Recommended Action:

7.13.13.1

Approve

Receive

Discussion/

Information

Information

Information

Adjourn

# DRAFT LOCAL AGENCY FORMATION COMMISSION SPECIAL DISTRICTS ADVISORY COMMITTEE FEBRUARY 20, 2015 MEETING

There being a quorum present, the meeting was convened at 9:30 a.m., by Chairwoman Kimberly Thorner. Attending were: <a href="Committee Members">Committee Members</a> –Judy Hanson (Leucadia WWD), Bill Haynor (Whispering Palms CSD), John Pastore (Rancho Santa Fe CSD), Augie Scalzitti (Padre Dam MWD), Janine Sarti (Palomar Health), Dennis Shepard (North County Cemetery District), Terry Thomas (South Bay ID) and Kimberly Thorner (Olivenhain MWD) and Margarette Morgan (Vista FPD). Absent were: <a href="Committee Members">Committee Members</a>: Gary Arant (Valley Center MWD), Gary Croucher (Otay WD), Tom Pocklington (Bonita-Sunnyside FPD). Others Attending: Harry Ehrlich, LAFCO Consultant; Michael Ott, LAFCO Executive Officer; Tom Kennedy, General Manager, Rainbow MWD; Bill Pellman, Special Legal Counsel for Rainbow MWD; Brian Brady, General Manager, Fallbrook PUD; and Paula de Sousa, Special Legal Counsel, Fallbrook PUD.

Due to the new attending members, Chairwoman Kim Thorner, asked if all of the attending members would introduce themselves and provide a brief relative background to the Advisory Committee and Special Districts agencies.

# Item 2 Approval of Minutes of December 19, 2014

Chairwoman Thorner, indicated that Rainbow Municipal Water District (MWD) submitted a letter to her via e-mail regarding the review and possible revisions of the minutes by the committee members. It was noted that committee members received the Rainbow MWD request and that there were no requests for revisions to the minutes by any of the members present.

Terry Thomas requested that the Committee acknowledge Tom Pocklington for his many years of service as the Committee Chairperson.

ON MOTION of Terry Thomas, seconded by Bill Haynor, and approved unanimously by the Committee members present. The Committee dispensed with reading the December 19, 2014 minutes and approved said minutes.

# Item 3 Consultant's Recommended Agenda Revisions

Harry Ehrlich indicated there are no revisions to the Agenda Items presented at today's meeting.

# Item 4 Public Comment

There were no members of the public requesting to speak.

# Item 5 Consider Action to Nominate Three Persons to Fill Vacancies for 2015/2016

Judy Hanson provided the Nomination Committee's recommendations from the potential candidates to fill three of the four current vacancies. The three candidates provided a brief background to the committee members present.

On MOTION by Margarette Morgan and seconded by Bill Haynor, and carried unanimously to accept and confirm the recommendations from the Nomination Committee and approve the appointments of the following new members to fill three of the four Special Districts Advisory Committee vacancies:

Julianne Nygaard: Boardmember, Tri-City Healthcare District, term: 10/16:

Joel Scalzitti, Boardmember, Helix Water District; term: 10/16;

Greg Thomas, General Manager, Rincon del Diablo MWD; term: 10/15.

# Item 6 <u>Status Report on Fallbrook PUD/Rainbow MWD Reorganization</u>

Harry Ehrlich provided a brief introduction to the committee members regarding the recommendations made at the last meeting held in December 2014. It was noted that the two District General Managers were present as well as Rainbows' Legal Counsel, who will speak to the committee or answer any questions after Michael Ott's presentation.

Michael Ott, LAFCO's Executive Officer provided an update related to the Fallbrook Public Utilities District (PUD)/ Rainbow Municipal Water District (MWD) Reorganization since the last meeting held on December 19, 2014. Mr. Ott explained that two of three scheduled meetings were held at the LAFCO Office to encourage the two districts to resolve differences and discuss possible alternatives to the proposal. He indicated, after two ad hoc meetings were held, both districts acknowledged they were at an impasse. Mr. Ott explained that the Committee's suggestion was discussed regarding the governance structure to have an expanded board consisting of up to 9 members with either all members elected at-large or, a combination of divisional (territorial) and at-large members. Mr. Ott informed the Committee that Rainbow MWD originally opposed an at-large governance component, and, on February 3, 2015, Rainbow MWD reiterated its opposition to the modified reorganization if Fallbrook PUD would be

governed by any component involving an at-large governance structure. Mr. Ott indicated Fallbrook PUD expressed reservation and opposition to the designation of the successor agency as a MWD because the latent powers for PUD's are more consistent with community needs. Fallbrook PUD also opposed the reactivation of the JPA because the Rainbow MWD has stated that a third general manager would need to be hired to run the organization.

Michael Ott explained LAFCO has not developed a hearing schedule for the Commission at this time, but anticipates that it will be presented within the next six months. Mr. Ott indicated that the next step in the process will be to schedule the proposal for LAFCO consideration. He explained that although both parties have not reached an agreement on these issues, LAFCO can exercise its authority to resolve the issues by approving, disapproving, or modifying the proposed reorganization initiated by Fallbrook PUD. Mr. Ott explained LAFCO's reconsideration and protest proceedings following the Commission's decision regarding the reorganization.

Additional questions and discussion amongst committee members: Judy Hanson, Terry Thomas, Kim Thorner, John Pastore, Janine Sarti; Greg Thomas and LAFCO Executive Officer, Michael Ott regarding clarification of mapping/at-large description; JPA's; polarization; California Voting Rights Act (CVRA); analysis of future community impact and modification of governance.

Public attendees requesting to speak to the committee were: Bill Pellman, Special Legal Counsel for Rainbow MWD; Paula de Sousa, Special Legal Counsel for Fallbrook PUD; Brian Brady, General Manager, Fallbrook PUD; and Tom Kennedy, General Manager, Rainbow MWD.

Bill Pellman, Special Counsel for Rainbow MWD provided information and his comments regarding the ratepayers risks involved with an existing Ordinance No. 95-1 that will apply; CVRA issues regarding an elected governing body; and the Cortese-Knox-Hertzberg Act which applies to this reorganization.

Paula de Sousa, Special Counsel for Fallbrook PUD, responded to the factors raised by Mr. Pellman: 1) Regarding Ordinance No. 95-1, she indicated per case law, initiatives and/or ordinances cannot "bootstrap" what LAFCO can do and that their authority allows the dissolution of entities and therefore, once the district no longer exists, the Ordinance would cease to exist for the successor unless otherwise specified by LAFCO; 2) Under statutory law of the Public Utilities District Act, Fallbrook submitted an application. Ms. de Sousa, indicated that the CVRA and the challenges raised are applicable to cities; school districts and other particular types of special districts.

Brian Brady, General Manager, Fallbrook PUD thanked the Committee for taking the proposal under consideration. Mr. Brady commented on the savings as a result of the JPA and how the proposed reorganization would continue to benefit the customers.

In response to Mr. Pellman's and Ms. de Sousa's legal analysis regarding Ordinance No. 95-1, Executive Officer Michael Ott, informed the Committee that if LAFCO approves a reorganization and it results in the dissolution of Rainbow MWD, the ordinance would not automatically become a requirement to the reorganized district.

Chairwoman Kim Thorner asked the committee members to make any additional comments or if they have questions. Additional comments discussed were: additional recommendations from the Committee, creating a larger district; proposal modifications; constituents that share services; annual quantification; financial feasibility; impacts to other districts; and documents available on the LAFCO website.

There was no action required for this item.

# Item 7 Committee Member Announcements and Agency Activity Updates

Chairwoman Thorner requested a roundtable from the committee members to provide any information regarding announcements or project/activities within their districts.

There being no further business to come before the Special Districts Advisory Committee, it was noted that the next meeting is tentatively planned for March 20, 2015, if a meeting is to be held. The meeting was adjourned at 10:55 a.m.

Ruth Arellano Administrative Assistant



San Diego Local Agency Formation Commission

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#### Chairman

Bill Horn County Board of Supervisors

December 18, 2015

6

#### Vice Chairman

Sam Abed Mayor City of Escondido TO:

Special Districts Advisory Committee

FROM:

Local Governmental Consultant Local Governmental Analyst

## Members

Dianne Jacob County Board of Supervisors

Andrew Vanderlaan Public Member

Lorie Zapf Councilmember City of San Diego

Lorraine Wood Councilmember City of Carlsbad

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#### **Executive Officer**

Michael D. Ott

## **Legal Counsel**

Michael G. Colantuono

SUBJECT:

Senate Bill 239 Overview & Implementation Report

As you know, Senate Bill 239 (Hertzberg) will become effective on January 1, 2016. SB 239 requires public agencies, with certain exceptions, to first receive written approval from LAFCO before exercising new or extended fire protection services outside their jurisdictional boundaries. The bill also places added responsibilities on public agencies prior to the submittal of fire protection contract/agreement applications to LAFCO. While SB 239 only pertains to fire protection service contracts and agreements, there are many uncertainties with respect to how SB 239 should be implemented. Therefore, we need the help of the Advisory Committee to clarify areas of the bill containing ambiguous language that will hamper overall implementation. The attached report accordingly provides an overview of Senate Bill 239 (Hertzberg) and a series of questions designed to illicit Committee discussion and comment. The Committee's comments and recommendations will be incorporated into a final report for consideration by the full Commission in early 2016.

Therefore, the Committee is requested to review the attached report; receive a staff presentation; and then provide comments regarding areas of uncertainty regarding bill implementation. The Committee's comments and recommendations will assist LAFCO staff in the preparation of a final report that is tentatively scheduled for Commission consideration on February 1, 2016.

## **RECOMMENDATION:**

That the Special Districts Advisory Committee review, discuss and provide comments to LAFCO staff on the Senate Bill 239 Overview and Implementation report.

HARRY EHRLICH Local Governmental Consultant

JOE SERRANO Local Government Analyst

## **Attachments**

- (1) Senate Bill 239 Overview and Implementation Report
- (2) Senate Bill 239 (Approved by Governor Brown on October 10, 2015)

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# San Diego Local Agency Formation Commission

#### Chairman

Bill Horn County Board of Supervisors

December 18, 2015

**Attachment 1** 

#### **Vice Chairman**

Sam Abed Mayor City of Escondido

Members

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#### **Executive Officer**

Michael D. Ott

#### Legal Counsel

Michael G. Colantuono

TO:

**Special Districts Advisory Committee** 

FROM:

**Executive Officer** 

Local Governmental Analyst

SUBJECT:

Senate Bill 239 Overview & Implementation

#### INTRODUCTION

On October 10, 2015, Governor Brown signed Senate Bill No. 239 (SB 239) which amends current law and requires public agencies, under specified circumstances, to receive written approval from the Local Agency Formation Commission (LAFCO) in the affected counties before exercising new or extended fire protection services outside the agencies' jurisdictional boundaries. Refer to Attachment 2 for SB 239. Existing law exempts from LAFCO purview contracts between two or more public agencies where the public services to be provided is an alternative for existing public services. This exemption has been repealed with respect to fire protection contracts and agreements.

Following the enactment of SB 239, agreements between two or more public agencies to provide fire protection services are now subject to LAFCO purview if the proposed contract affects services in more than 25% of the area within the jurisdictional boundaries of any public agency or if the employment status of more than 25% of any public agency is affected. The San Diego LAFCO opposed this and other provisions in SB 239 because such provisions can potentially have a dampening impact on cost-effective methods of service delivery. SB 239 was nonetheless enacted and it is now necessary for the San Diego LAFCO to adopt guidelines to ensure that this new law is implemented in a rational manner.

Page 1

SB 239 Overview

#### FIRE PROTECTION CONTRACT

The newly established Government Code Section 56134 defines a "fire protection contract" as a contract or agreement for the exercise of new or extended fire protection services outside a public agency's jurisdictional boundaries that does either of the following:

- Transfer responsibility for providing services in more than 25% of the area within the jurisdictional boundaries of any public agency affected by the contract or agreement; or
- Changes the employment status of more than 25% of the employees of any public agency affected by the contract or agreement.

An extension of a fire protection contract entered into on or before December 31, 2015 that would produce either of the 25% thresholds above is deemed to be a fire protection contract per SB 239. A recent November meeting between representatives from the California Association of LAFCOs (CALAFCO) and bill sponsors determined that the 25% threshold is not attributive to a cumulative calculation approach. The bill sponsors also indicated that there was no particular significance associated with the selection of a "25%" threshold versus a different percentage. Additionally, the group clarified that this law does not apply to mutual aid agreements, agreements to provide year-round full staffing at seasonal wildland stations, pre-hospital emergency medical services, or existing agreements executed prior to January 1, 2016, unless contractual amendments in 2016 caused either of the 25% thresholds to be reached.

The new law determines that if a proposed contract or agreement for fire protection services is in combination with other contracts or agreements which results in either of the two threshold criteria, then the contract or agreement shall be deemed a fire protection contract and subject to LAFCO purview.

#### INITIATION CRITERIA

# Applicant Responsibilities

In accordance with the Cortese-Knox-Hertzberg Act, proposals require extensive LAFCO analysis to determine the feasibility and sustainability of a proposed change of organization or reorganization. SB 239 increases the analytical responsibilities for both the applicant and LAFCO. For example, public agencies interested in providing new or extended fire services must complete the following steps prior to adopting an initiating resolution:

 Obtain and submit a written agreement validated and executed by each affected public agency and recognized employee organization that represents firefighters of the existing and proposed service providers consenting to the proposed fire protection contract with their adopted resolution; or

- Provide, at least 30 days prior to the hearing in regards to the initiating resolution, a written notice to each affected public agency and recognized employee organization that represents firefighters of the existing proposed service providers of the proposed fire protection contract and submit a copy of each written notice with the resolution of application. The notice shall, at minimum, include a full copy of the proposed contract; and
- In addition to completing one of the above steps, public agencies must also conduct an open and public hearing on the resolution pursuant to the Ralph M.
   Brown Act or the Bagley-Keene Open Meeting Act, as applicable.

If a resolution is adopted, the clerk of the public agency or the director of the state agency adopting the resolution of application shall file a certified copy with the LAFCO Executive Officer. The initiating resolution can be adopted by different public agencies. There are explicit initiating requirements for public agencies under SB 239 as shown in Exhibit A.

In the case of a public agency that is	The application shall be initiated by adopting a resolution of application by the		
Not a state agency	Legislative body proposing to provide new or extended services		
A state agency	Director of the state agency proposing to provide new or extended services and approved by the Director of Finance		
A local agency under contract with a state agency for fire protection services	Public agency that is a local agency and approved by the Director of Finance		

#### Plan for Service Discussion

In addition to the initiation criteria, an application cannot be submitted to LAFCO unless the legislative body of a public agency or the director of a state agency completes a plan for service and independent comprehensive fiscal analysis as part of the application. Exhibit B lists the information required to be disclosed in the plan.

# Exhibit B: Plan for Service Requirements

(1) The total estimated cost to provide the new or extended fire protection services in the affected territory	(6) An enumeration and description of the new or extended fire protection services proposed to be extended to the affected territory
(2) The total estimated cost of the new or extended fire protection services to customers in the affected territory	(7) The level and range of new or extended fire protection services
(3) An identification of existing service providers, if any, of the new or extended services proposed to be provided and the potential fiscal impact to the customers of those existing providers	(8) An indication of when the new or extended fire protection services can feasibly be extended to the affected territory
(4) A plan for financing the exercise of the new or extended fire protection services in the affected territory	(9) An indication of any improvements or upgrades to structures, roads, sewer or water facilities, or other conditions the public agency would impose or require within the affected territory if the fire protection contract is completed
(5) Alternatives for the exercise of the new or extended fire protection services in the affected territory	(10) A determination, supported by documentation, that the proposed fire protection contract meets either 25% threshold

# Independent Comprehensive Fiscal Analysis Discussion

The applicant is required to prepare by contract an independent comprehensive fiscal analysis, in conjunction with the plan for service, to be submitted with the application. The analysis shall review and document all of the following:

- 1. A thorough review of the plan for services submitted by the public agency;
- 2. How the costs of the existing service provider compare to the costs of services provided in service areas with similar populations and of similar geographic size that provide a similar level and range of services and make a reasonable determination of the costs expected to be borne by the public agency providing new or extended fire protection services; and
- 3. Any other information and analysis needed to support the findings required by the Commission's determinations as shown on page 5 (refer to Categories A-E)

# LAFCO Responsibilities

Once a public agency submits an application with an adopted initiating resolution, completed plan for service and finalized independent comprehensive fiscal analysis, the Executive Officer has within 30 days of receipt to determine whether the request is complete and acceptable for filing. The Executive Officer will notify the applicant if the application is incomplete and the manner in which the application can be rectified to move forward. When the applicant fulfills all requirements, the Executive Officer shall place the request on the agenda of the next commission meeting but not more than 90 days from the date that the application is deemed complete.

# Commission Hearing

Once the application is ready for Commission consideration, the Executive Officer shall give mailed notice of the hearing, at least 21 days prior to the hearing date, to each affected local agency or affected county and to any interested party who has filed a written request for notice. The Executive Officer shall also publish the notice of hearing in a newspaper of general circulation that is circulated within the territory affected by the proposal and shall post the notice on LAFCO's website at least 21 days prior to the hearing date. Under previous law, a noticed public hearing was not mandatory.

SB 239 allows the Commission to approve, disapprove, or approve with conditions the contract for new or extended services during the LAFCO hearing. If the contract is denied or approved with conditions, the applicant may request reconsideration by citing the reasons for reevaluation. The new law also states that the Commission cannot approve a proposed fire protection contract unless the Commission determines, based on the entire record, all of the following:

- A. The public agency will have sufficient revenues to carry out the exercise of the new or extended fire protection services outside its current area<sup>1</sup>.
- B. The proposed exercise of new or extended fire protection services outside a public agency's current service area is consistent with the intent of SB 239, LAFCO's state mandates and established policies and procedures.
- C. The Commission has reviewed the comprehensive fiscal analysis.
- D. The Commission has reviewed any testimony presented at the public hearing.
- E. The proposed affected territory is expected to receive revenues sufficient to provide public services and facilities and a reasonable reserve during the three fiscal years following the effective date of the contract or agreement between the public agencies to provide the new or extended fire protection services.

<sup>&</sup>lt;sup>1</sup> The Commission may approve an application where the Commission has determined that the public agency will not have sufficient revenue to provide the proposed new or different functions of services, if the Commission conditions its approval on the concurrent approval of sufficient revenue sources.

## **NEED FOR COMMISSION CLARIFICATION**

While SB 239 contains new steps for an applicant to follow before submitting a fire protection contract and for LAFCO when processing a contractual service agreement application, some of these steps require clarification before they can be implemented. LAFCO staff has identified the below issues and questions requiring Commission discussion in order to properly conduct a review of a fire protection contract application.

# Twenty-five Percent Threshold Verification

As previously stated, a proposed fire protection contract requires LAFCO approval if the transfer of responsibility represents more than 25% of the area within the affected public agency's jurisdictional boundary <u>or</u> if it changes the employment status of more than 25% of any affected public agency. However, the law only requires the applicant to provide a "determination supported by documentation" but lacks direction regarding responsibility for making associated threshold calculations. Based on discussions with the bill sponsors, it was determined that the law places responsibility on the applicant. If that is the case, then LAFCO's role would be to verify such documentations similar to any other submitted proposal.

- 1) What type of documentation should be required to determine whether the 25% threshold has been reached? (e.g. official service area maps maintained by the affected public agency, LAFCO, or other sources).
- 2) Should the 25% threshold be reached using a cumulative approach or by single contract consideration?

# Definition of Key Terms

Certain terms found in the new law have either not defined or have adequate supporting statutory definitions within the Cortese-Knox-Hertzberg Act. Similar terminology issues originally affected the implementation of Government Code Section 56133 (out-of-area service agreements) but were ultimately addressed by individual LAFCOs through the adoption of definitions for specific terms. The Commission may consider adopting the following definitions to avoid any future misinterpretation during the LAFCO process.

New or extended services – shall mean for Cities the provision of those services on or after January 1, 2016 authorized by a city under government code section, and for Special Districts service as defined in Government Code Section 56074<sup>2</sup>. It should be pointed out that a District would be precluded from providing a "new service" unless it has been first authorized that service under existing special district regulations regarding activation of latent powers.

<sup>&</sup>lt;sup>2</sup>GCS 56074 – "Service" means a specific governmental activity established within, and as a part of, a general function of the special district as provided by regulations adopted by the commission pursuant to Chapter 5 (commencing with Section 56821) of Part 3.

References to "new" or "extended" services in SB 239 could mean that LAFCO has the discretion of regulating either "new" contractual services proposed for extension on or after January 1, 2016 or existing contracts for services "extended" on or before December 31, 2015.

- 3) Should "new" service mean a service extended on or after the January 1, 2016?
- 4) Should "extended" services mean a service extended via a contract or agreement in existence on or before December 31, 2015?
- Contract or agreement shall mean a contract, agreement or other legal instrument, specifying how service will be extended, provided, or delivered to an affected public agency.
  - 5) Are there any minimum standards for what constitutes a contract or agreement (e.g. written versus unwritten documents)?
- Written approval of the Commission shall mean the adoption of a resolution of the Commission approving the service agreement/contract at a noticed public hearing; for non-fire protection contracts written approval of the Commission shall mean the document signed by the Executive Officer authorizing the completion of the contract. SB 239 does not specify whether LAFCO approval or disapproval of a fire contract/agreement should be subject to a written resolution.
  - 6) Should a resolution of approval/disapproval and/or minute item be adopted by LAFCO?
- Public Agency shall be defined in compliance with Government Code Section 56070. The statutory definition of public agency is "the state or any state agency, board or commission, any city, county, city and county, special district or other political subdivision, or any agency, board or commission of the city, county, city and county, special district, or other political subdivision." The definition of public agency does not include Indian tribes, a private or mutual water company. Any contract by a city or district to extend service to these types of service entities would require approval from the Commission prior to contract execution.
  - 7) Should fire contracts require LAFCO review if all public agencies agree to the proposed change in services?
- Affected public agency shall mean any public agency that contains, or would contain, or whose sphere of influence contains or would contain, any territory for which an extension of fire service is to be reviewed by the commission. SB 239 contains no sphere consistency requirements.

- 8) Does the term "affected agency" include the service provider and service recipient with respect to fire protection contracts?
- Employment status shall be defined as change in service providers and/or the legal status and classification of someone in employment of a public agency and considered an employee. The bill sponsors indicated that the intent was not to focus on wages, hours, benefits, or terminations as part of employment status but rather the change in service providers. Their response has raised the following questions:
  - 9) Should the term "employment status" include factors such as terminations, layoffs, position reclassifications, benefit changes, etc.?
  - 10) Should the term "employment status" be defined as a change in service providers only per the intent of the bill sponsors?
  - 11) What defines a change in service providers (e.g. certain specified impacts to annual budgets)?

# Request for Reconsideration

SB 239 specifies that an applicant may submit a request for reconsideration if the commission denies the contract or approves with conditions. Under LAFCO law, any person or affected agency may file a written request with the Executive Officer requesting amendments to or reconsideration of a resolution adopted by the commission within 30 days of the adoption date. However, SB 239 does not require that the commission adopt a resolution of approval or disapproval; therefore, the typical reconsideration process in Government Code Section 56895 may not apply. The Section 56895 provisions establish a 30-day request for reconsideration deadline. The Commission may consider setting a deadline to coincide with current reconsideration procedures when LAFCO fire contracts/agreements are approved by the Commission.

12) Should a 30-day request for reconsideration apply to fire protection contract/agreement applications, if approved by the Commission?

# Termination of Proceedings

Pursuant to Government Code Section 57090(a), if a proposal is terminated, no substantially similar proposal for a change or organization of the same or substantially the same territory may be filed with the commission within one year after the date of the certificate of termination. The new law discusses the requirements to execute a fire protection contract but there is no reference of any termination proceedings. The Commission may consider establishing a termination proceeding similar to other LAFCO actions.

13) Should a termination proceeding be applied to disapproved fire protection contracts?

# Fee Schedule Discussion

The Commission adopted a fee schedule for all LAFCO proposals including contractual service agreements. The charges for each jurisdictional change (i.e. annexation, detachment) range from \$2,660 to more than \$9,000. For contractual service agreements, payment of the applicable annexation and/or detachment fees as well as sphere amendment(s) must be made upon submittal of a contractual service agreement application. There is also a 30% surcharge for consideration of contractual service agreements. This surcharge is due prior to LAFCO consideration of the related annexation/detachment application. The surcharge does not apply to service agreements involving health or safety concerns where the property is eligible for immediate annexation. The current contractual service agreement fees and charges may not be applicable to the fire protection contracts due to the additional staff analysis and requirements in comparison to traditional out-of-area service agreement proposals. The Commission may consider adopting a new fee schedule category for fire protection contracts.

14) Should a new fee schedule category be established for fire protection contracts or update the contractual service agreement fee classification to include fire protection contracts?

# CONCLUSION/RECOMMENDATIONS

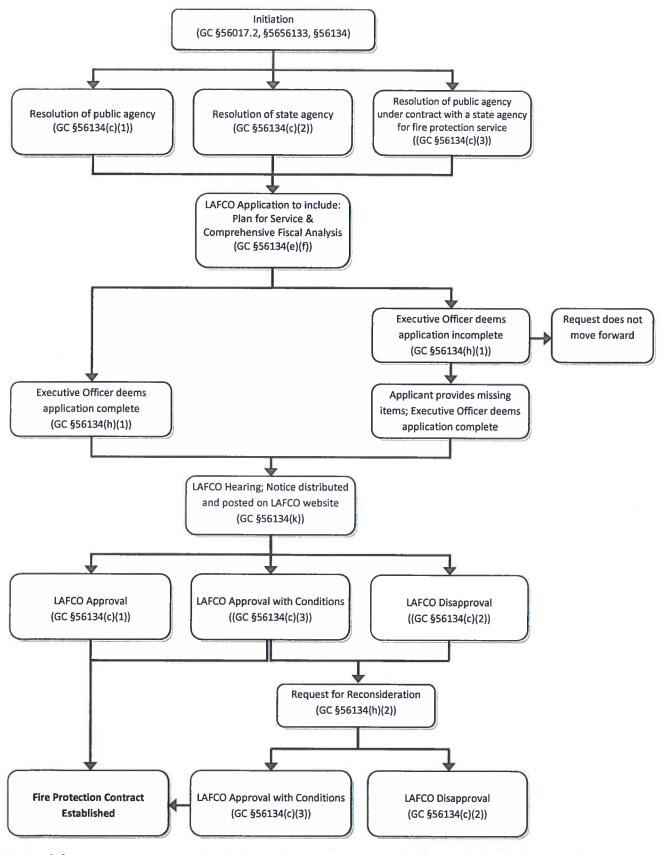
Prior to the enactment of SB 239, the Cortese-Knox-Hertzberg Act did not require LAFCO review for contracts between two or more public agencies since current law exempts the provision of out-of-area service extensions between public agencies. The Act recognizes that interagency contracting is often an efficient and cost-saving manner in which to provide local public services. SB 239 complicates the intergovernmental process by requiring LAFCO review and approval for each new fire protection contract. A flowchart depicting the requirements set forth by SB 239 is located at the end of the report (Exhibit C). To assist LAFCO staff and the Commission in the development of implementation guidelines for SB 239, it is recommended that the Committee discuss, comment, and answer the following questions in Exhibit D.

Respectfully submitted.

MICHAELD. OTT Executive Officer

JOE A. SERRANO Local Government Analyst

Exhibit C: LAFCO Process Flow Chart - Fire Protection Service Contract



# Exhibit D: Summary of SB 239 Questions

- 1. What type of documentation should be required to determine whether the 25% threshold has been reached? (e.g. official service area maps maintained by the affected public agency, LAFCO, or other sources).
- 2. Should the 25% threshold be reached using a cumulative approach or by single contract considerations?
- 3. Should "new" service mean a service extended on or after the January 1, 2016?
- 4. Should "extended" services mean a service extended via a contract or agreement in existence on or before December 31, 2015?
- 5. Are there any minimum standards for what constitutes a contract or agreement (e.g. written versus unwritten documents)?
- 6. Should a resolution of approval/disapproval and/or minute item be adopted by LAFCO?
- 7. Should fire contracts require LAFCO review if all public agencies agree to the proposed change in services?
- 8. Does the term "affected agency" include the service provider and service recipient with respect to fire protection contracts?
- 9. Should the term "employment status" include factors such as terminations, layoffs, position reclassifications, benefit changes, etc.?
- 10. Should the term "employment status" be defined as a change in service providers only per the intent of the bill sponsors?
- 11. What defines a change in service providers (e.g. certain specified impacts to annual budgets)?
- 12. Should a 30-day request for reconsideration apply to fire protection contract applications, if approved by the Commission?
- 13. Should a termination proceeding be applied to disapproved fire protection contracts?
- 14. Should a new fee schedule category be established for fire protection contracts or update the contractual service agreement fee classification to include fire protection contracts?

		d		



#### Senate Bill No. 239

#### CHAPTER 763

An act to amend Sections 56017.2 and 56133 of, and to add Section 56134 to, the Government Code, relating to local services.

> [Approved by Governor October 10, 2015. Filed with Secretary of State October 10, 2015.1

#### LEGISLATIVE COUNSEL'S DIGEST

SB 239, Hertzberg. Local services: contracts: fire protection services. Existing law prescribes generally the powers and duties of the local agency formation commission in each county with respect to the review approval or disapproval of proposals for changes of organization or reorganization of cities and special districts within that county. Existing law permits a city or district to provide extended services, as defined, outside its jurisdictional boundaries only if it first requests and receives written approval from the local agency formation commission in the affected county. Under existing law, the commission may authorize a city or district to provide new or extended services outside both its jurisdictional boundaries and its sphere of influence under specified circumstances.

This bill would, with certain exceptions, permit a public agency to exercise new or extended services outside the public agency's jurisdictional boundaries pursuant to a fire protection contract, as defined, only if the public agency receives written approval from the local agency formation commission in the affected county. The bill would require that the legislative body of a public agency that is not a state agency adopt a resolution of application and submit the resolution along with a plan for services, as provided, that a proposal by a state agency be initiated by the director of the agency with the approval of the Director of Finance, and that a proposal by a local agency that is currently under contract for the provision of fire protection services be initiated by the local agency and approved by the Director of Finance. The bill would require, prior to adopting the resolution or submitting the proposal, the public agency to enter into a written agreement for the performance of new or extended services pursuant to a fire protection contract with, or provide written notice of a proposed fire protection contract to, each affected public agency and recognized employee organization representing firefighters in the affected area, and to conduct a public hearing on the resolution.

The bill would require the commission to approve or disapprove the proposal as specified. The bill would require the commission to consider, among other things, a comprehensive fiscal analysis prepared by the executive officer in accordance with specified requirements.

Ch. 763 — 2 —

The California Constitution requires local agencies, for the purpose of ensuring public access to the meetings of public bodies and the writings of public officials and agencies, to comply with a statutory enactment that amends or enacts laws relating to public records or open meetings and contains findings demonstrating that the enactment furthers the constitutional requirements relating to this purpose.

This bill would make legislative findings to that effect.

This bill would incorporate additional changes to Section 56133 of the Government Code proposed by AB 402 that would become operative if this bill and AB 402 are both enacted and this bill is enacted last.

The people of the State of California do enact as follows:

SECTION 1. Section 56017.2 of the Government Code is amended to read:

56017.2. "Application" means any of the following:

- (a) A resolution of application or petition initiating a change of organization or reorganization with supporting documentation as required by the commission or executive officer.
- (b) A request for a sphere of influence amendment or update pursuant to Section 56425.
- (c) A request by a city or district for commission approval of an extension of services outside the agency's jurisdictional boundaries pursuant to Section 56133.
- (d) A request by a public agency for commission approval of an extension of services outside the agency's jurisdictional boundaries pursuant to Section 56134.
  - SEC. 2. Section 56133 of the Government Code is amended to read:
- 56133. (a) A city or district may provide new or extended services by contract or agreement outside its jurisdictional boundaries only if it first requests and receives written approval from the commission in the affected county.
- (b) The commission may authorize a city or district to provide new or extended services outside its jurisdictional boundaries but within its sphere of influence in anticipation of a later change of organization.
- (c) The commission may authorize a city or district to provide new or extended services outside its jurisdictional boundaries and outside its sphere of influence to respond to an existing or impending threat to the public health or safety of the residents of the affected territory if both of the following requirements are met:
- (1) The entity applying for the contract approval has provided the commission with documentation of a threat to the health and safety of the public or the affected residents.
- (2) The commission has notified any alternate service provider, including any water corporation as defined in Section 241 of the Public Utilities Code, or sewer system corporation as defined in Section 230.6 of the Public

—3— Ch. 763

Utilities Code, that has filed a map and a statement of its service capabilities with the commission.

(d) The executive officer, within 30 days of receipt of a request for approval by a city or district of a contract to extend services outside its jurisdictional boundary, shall determine whether the request is complete and acceptable for filing or whether the request is incomplete. If a request is determined not to be complete, the executive officer shall immediately transmit that determination to the requester, specifying those parts of the request that are incomplete and the manner in which they can be made complete. When the request is deemed complete, the executive officer shall place the request on the agenda of the next commission meeting for which adequate notice can be given but not more than 90 days from the date that the request is deemed complete, unless the commission has delegated approval of those requests to the executive officer. The commission or executive officer shall approve, disapprove, or approve with conditions the contract for extended services. If the contract is disapproved or approved with conditions, the applicant may request reconsideration, citing the reasons for reconsideration.

(e) This section does not apply to any of the following:

(1) Contracts or agreements solely involving two or more public agencies where the public service to be provided is an alternative to, or substitute for, public services already being provided by an existing public service provider and where the level of service to be provided is consistent with the level of service contemplated by the existing service provider.

(2) Contracts for the transfer of nonpotable or nontreated water.

- (3) Contracts or agreements solely involving the provision of surplus water to agricultural lands and facilities, including, but not limited to, incidental residential structures, for projects that serve conservation purposes or that directly support agricultural industries. However, prior to extending surplus water service to any project that will support or induce development, the city or district shall first request and receive written approval from the commission in the affected county.
- (4) An extended service that a city or district was providing on or before January 1, 2001.
- (5) A local publicly owned electric utility, as defined by Section 9604 of the Public Utilities Code, providing electric services that do not involve the acquisition, construction, or installation of electric distribution facilities by the local publicly owned electric utility, outside of the utility's jurisdictional boundaries.
- (6) A fire protection contract, as defined in subdivision (a) of Section 56134.
- SEC. 2.5. Section 56133 of the Government Code is amended to read: 56133. (a) A city or district may provide new or extended services by

contract or agreement outside its jurisdictional boundary only if it first requests and receives written approval from the commission.

Ch. 763 —4—

(b) The commission may authorize a city or district to provide new or extended services outside its jurisdictional boundary but within its sphere of influence in anticipation of a later change of organization.

- (c) If consistent with adopted policy, the commission may authorize a city or district to provide new or extended services outside its jurisdictional boundary and outside its sphere of influence to respond to an existing or impending threat to the health or safety of the public or the residents of the affected territory, if both of the following requirements are met:
- (1) The entity applying for approval has provided the commission with documentation of a threat to the health and safety of the public or the affected residents.
- (2) The commission has notified any alternate service provider, including any water corporation as defined in Section 241 of the Public Utilities Code, that has filed a map and a statement of its service capabilities with the commission.
- (d) The executive officer, within 30 days of receipt of a request for approval by a city or district to extend services outside its jurisdictional boundary, shall determine whether the request is complete and acceptable for filing or whether the request is incomplete. If a request is determined not to be complete, the executive officer shall immediately transmit that determination to the requester, specifying those parts of the request that are incomplete and the manner in which they can be made complete. When the request is deemed complete, the executive officer shall place the request on the agenda of the next commission meeting for which adequate notice can be given but not more than 90 days from the date that the request is deemed complete, unless the commission has delegated approval of requests made pursuant to this section to the executive officer. The commission or executive officer shall approve, disapprove, or approve with conditions the extended services. If the new or extended services are disapproved or approved with conditions, the applicant may request reconsideration, citing the reasons for reconsideration.
  - (e) This section does not apply to any of the following:
- (1) Two or more public agencies where the public service to be provided is an alternative to, or substitute for, public services already being provided by an existing public service provider and where the level of service to be provided is consistent with the level of service contemplated by the existing service provider.
  - (2) The transfer of nonpotable or nontreated water.
- (3) The provision of surplus water to agricultural lands and facilities, including, but not limited to, incidental residential structures, for projects that serve conservation purposes or that directly support agricultural industries. However, prior to extending surplus water service to any project that will support or induce development, the city or district shall first request and receive written approval from the commission in the affected county.
- (4) An extended service that a city or district was providing on or before January 1, 2001.

\_\_5\_\_ Ch. 763

(5) A local publicly owned electric utility, as defined by Section 9604 of the Public Utilities Code, providing electric services that do not involve the acquisition, construction, or installation of electric distribution facilities by the local publicly owned electric utility, outside of the utility's jurisdictional boundary.

(6) A fire protection contract, as defined in subdivision (a) of Section

56134.

(f) This section applies only to the commission of the county in which the extension of service is proposed.

SEC. 3. Section 56134 is added to the Government Code, to read:

- 56134. (a) (1) For the purposes of this section, "fire protection contract" means a contract or agreement for the exercise of new or extended fire protection services outside a public agency's jurisdictional boundaries, as authorized by Chapter 4 (commencing with Section 55600) of Part 2 of Division 2 of Title 5 of this code or by Article 4 (commencing with Section 4141) of Chapter 1 of Part 2 of Division 4 of the Public Resources Code, except those contracts entered into pursuant to Sections 4143 and 4144 of the Public Resources Code, that does either of the following:
- (A) Transfers responsibility for providing services in more than 25 percent of the area within the jurisdictional boundaries of any public agency affected by the contract or agreement.

(B) Changes the employment status of more than 25 percent of the employees of any public agency affected by the contract or agreement.

- (2) A contract or agreement for the exercise of new or extended fire protection services outside a public agency's jurisdictional boundaries, as authorized by Chapter 4 (commencing with Section 55600) of Part 2 of Division 2 of Title 5 of this code or Article 4 (commencing with Section 4141) of Chapter 1 of Part 2 of Division 4 of the Public Resources Code, except those contracts entered into pursuant to Sections 4143 and 4144 of the Public Resources Code, that, in combination with other contracts or agreements, would produce the results described in subparagraph (A) or (B) of paragraph (1) shall be deemed a fire protection contract for the purposes of this section.
- (3) For the purposes of this section, "jurisdictional boundaries" shall include the territory or lands protected pursuant to a fire protection contract entered into on or before December 31, 2015. An extension of a fire protection contract entered into on or before December 31, 2015, that would produce the results described in subparagraph (A) or (B) of paragraph (1) shall be deemed a fire protection contract for the purposes of this section.

(b) Notwithstanding Section 56133, a public agency may provide new or extended services pursuant to a fire protection contract only if it first requests and receives written approval from the commission in the affected county pursuant to the requirements of this section.

(c) A request by a public agency for commission approval of new or extended services provided pursuant to a fire protection contract shall be made by the adoption of a resolution of application as follows:

- (1) In the case of a public agency that is not a state agency, the application shall be initiated by the adoption of a resolution of application by the legislative body of the public agency proposing to provide new or extended services outside the public agency's current service area.
- (2) In the case of a public agency that is a state agency, the application shall be initiated by the director of the state agency proposing to provide new or extended services outside the agency's current service area and be approved by the Director of Finance.
- (3) In the case of a public agency that is a local agency currently under contract with a state agency for the provision of fire protection services and proposing to provide new or extended services by the expansion of the existing contract or agreement, the application shall be initiated by the public agency that is a local agency and be approved by the Director of Finance.
- (d) The legislative body of a public agency or the director of a state agency shall not submit a resolution of application pursuant to this section unless both of the following occur:
  - (1) The public agency does either of the following:
- (A) Obtains and submits with the resolution a written agreement validated and executed by each affected public agency and recognized employee organization that represents firefighters of the existing and proposed service providers consenting to the proposed fire protection contract.
- (B) Provides, at least 30 days prior to the hearing held pursuant to paragraph (2), written notice to each affected public agency and recognized employee organization that represents firefighters of the existing and proposed service providers of the proposed fire protection contract and submits a copy of each written notice with the resolution of application. The notice shall, at minimum, include a full copy of the proposed contract.
- (2) The public agency conducts an open and public hearing on the resolution, conducted pursuant to the Ralph M. Brown Act (Chapter 9 (commencing with Section 54950) of Part 1 of Division 2 of Title 5) or the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2), as applicable.
- (e) A resolution of application submitted pursuant to this section shall be submitted with a plan which shall include all of the following information:
- (1) The total estimated cost to provide the new or extended fire protection services in the affected territory.
- (2) The estimated cost of the new or extended fire protection services to customers in the affected territory.
- (3) An identification of existing service providers, if any, of the new or extended services proposed to be provided and the potential fiscal impact to the customers of those existing providers.
- (4) A plan for financing the exercise of the new or extended fire protection services in the affected territory.
- (5) Alternatives for the exercise of the new or extended fire protection services in the affected territory.
- (6) An enumeration and description of the new or extended fire protection services proposed to be extended to the affected territory.

—7— Ch. 763

(7) The level and range of new or extended fire protection services.

(8) An indication of when the new or extended fire protection services can feasibly be extended to the affected territory.

(9) An indication of any improvements or upgrades to structures, roads, sewer or water facilities, or other conditions the public agency would impose or require within the affected territory if the fire protection contract is completed.

(10) A determination, supported by documentation, that the proposed fire protection contract meets the criteria established pursuant to subparagraph (A) or (B) of paragraph (1) or paragraph (2), as applicable, of subdivision (a).

(f) The applicant shall cause to be prepared by contract an independent comprehensive fiscal analysis to be submitted with the application pursuant to this section. The analysis shall review and document all of the following:

(1) A thorough review of the plan for services submitted by the public

agency pursuant to subdivision (e).

(2) How the costs of the existing service provider compare to the costs of services provided in service areas with similar populations and of similar geographic size that provide a similar level and range of services and make a reasonable determination of the costs expected to be borne by the public agency providing new or extended fire protection services.

(3) Any other information and analysis needed to support the findings

required by subdivision (j).

(g) The clerk of the legislative body of a public agency or the director of a state agency adopting a resolution of application pursuant to this section shall file a certified copy of the resolution with the executive officer.

- (h) (1) The executive officer, within 30 days of receipt of a public agency's request for approval of a fire protection contract, shall determine whether the request is complete and acceptable for filing or whether the request is incomplete. If a request does not comply with the requirements of subdivision (d), the executive officer shall determine that the request is incomplete. If a request is determined incomplete, the executive officer shall immediately transmit that determination to the requester, specifying those parts of the request that are incomplete and the manner in which they can be made complete. When the request is deemed complete, the executive officer shall place the request on the agenda of the next commission meeting for which adequate notice can be given but not more than 90 days from the date that the request is deemed complete.
- (2) The commission shall approve, disapprove, or approve with conditions the contract for new or extended services following the hearing at the commission meeting, as provided in paragraph (1). If the contract is disapproved or approved with conditions, the applicant may request reconsideration, citing the reasons for reconsideration.
- (i) (1) The commission shall not approve an application for approval of a fire protection contract unless the commission determines that the public agency will have sufficient revenues to carry out the exercise of the new or

Ch. 763 — 8 —

extended fire protection services outside its current area, except as specified in paragraph (2).

- (2) The commission may approve an application for approval of a fire protection contract where the commission has determined that the public agency will not have sufficient revenue to provide the proposed new or different functions or class of services, if the commission conditions its approval on the concurrent approval of sufficient revenue sources pursuant to Section 56886. In approving a proposal, the commission shall provide that, if the revenue sources pursuant to Section 56886 are not approved, the authority of the public agency to provide new or extended fire protection services shall not be exercised.
- (j) The commission shall not approve an application for approval of a fire protection contract unless the commission determines, based on the entire record, all of the following:
- (1) The proposed exercise of new or extended fire protection services outside a public agency's current service area is consistent with the intent of this division, including, but not limited to, the policies of Sections 56001 and 56300.
- (2) The commission has reviewed the comprehensive fiscal analysis prepared pursuant to subdivision (f).
- (3) The commission has reviewed any testimony presented at the public hearing.
- (4) The proposed affected territory is expected to receive revenues sufficient to provide public services and facilities and a reasonable reserve during the three fiscal years following the effective date of the contract or agreement between the public agencies to provide the new or extended fire protection services.
- (k) At least 21 days prior to the date of the hearing, the executive officer shall give mailed notice of that hearing to each affected local agency or affected county, and to any interested party who has filed a written request for notice with the executive officer. In addition, at least 21 days prior to the date of that hearing, the executive officer shall cause notice of the hearing to be published in accordance with Section 56153 in a newspaper of general circulation that is circulated within the territory affected by the proposal proposed to be adopted and shall post the notice of the hearing on the commission's Internet Web site.
- (I) The commission may continue from time to time any hearing called pursuant to this section. The commission shall hear and consider oral or written testimony presented by any affected local agency, affected county, or any interested person who appears at any hearing called and held pursuant to this section.
- (m) This section shall not be construed to abrogate a public agency's obligations under the Meyers-Milias-Brown Act (Chapter 10 (commencing with Section 3500) of Division 4 of Title 1).
- SEC. 4. The Legislature finds and declares that, with respect to fire protection contracts subject to this act, the provisions of this act are not intended to change, alter, or in any way affect either of the following:

\_9 \_ Ch. 763

(a) The existing jurisdiction of a local agency formation commission over proceedings that involve the provision of prehospital emergency medical services.

(b) Mutual aid agreements, including mutual aid agreements entered into pursuant to the California Emergency Services Act (Chapter 7 (commencing with Section 8550) of Division 1 of Title 1 of the Government Code) or the Fire Protection District Law of 1987 (Part 2.7 (commencing with Section

13800) of Division 12 of the Health and Safety Code).

SEC. 5. The Legislature finds and declares that Section 3 of this act, which adds Section 56134 to the Government Code, furthers, within the meaning of paragraph (7) of subdivision (b) of Section 3 of Article I of the California Constitution, the purposes of that constitutional section as it relates to the right of public access to the meetings of local public bodies or the writings of local public officials and local agencies. Pursuant to paragraph (7) of subdivision (b) of Section 3 of Article I of the California Constitution, the Legislature makes the following findings:

This act provides for notice to the public in accordance with existing provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 and will ensure that the right of public access to local agency

meetings is protected.

SEC. 6. Section 2.5 of this bill incorporates amendments to Section 56133 of the Government Code proposed by both this bill and Assembly Bill 402. It shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2016, (2) each bill amends Section 56133 of the Government Code, and (3) this bill is enacted after Assembly Bill 402, in which case Section 2 of this bill shall not become operative.



# San Diego Local Agency Formation Commission

Website: www.sdlafco.org

#### Chairman

Bill Horn County Board of Supervisors

December 18, 2015

#### Vice Chairman

Sam Abed Mayor City of Escondido TO:

**Special Districts Advisory Committee** 

FROM:

**Executive Officer** 

Director, Legislative Research

Members

Dianne Jacob County Board of Supervisors

Andrew Vanderlaan Public Member

Lorie Zapf Councilmember City of San Diego

Lorraine Wood Councilmember City of Carlsbad

Jo MacKenzie Vista Irrigation District

Vacant Special District

#### **Alternate Members**

Greg Cox County Board of Supervisors

Chris Cate Councilmember City of San Diego

Racquel Vasquez Councilmember City of Lemon Grove

Ed Sprague Olivenhain Municipal Water District

Harry Mathis Public Member

#### **Executive Officer**

Michael D. Ott

#### Legal Counsel

Michael G. Colantuono

Legislative Status Report SUBJECT: This is the final monthly Legislative update report for 2015, intended to provide the Advisory Committee and Commission the status of the activities

of state legislation. The LAFCO staff have been monitoring several bills actively with CALAFCO. About 1,100 bills were introduced in 2015 and about

600 were signed, about 165 were vetoed.

LAFCO staff are continuing to track eleven bills for taking positions on and the following updates are provided in the following:

# AB 851 (Mayes) Local government: organization: disincorporations.

This bill rewrites the codes that address situations involving applications to propose the disincorporation of a city and how the functions and services will be redirected. The bill was signed by the Governor on September 21, 2015.

# SB 239 (Hertzberg) Cities and districts: extended fire services.

This bill adds requirements to have the applicant prepare a detailed plan of services and financial study for the proposed agreement. It will also require that labor groups representing the involved employees of the involved agencies be notified of the proposed agreement prior to it being approved by the applicant agency.

A letter requesting a veto was mailed to the Governor, however the bill was signed by the Governor on October 10, 2015. LAFCO staff will be reviewing the details of the legislation and expect to bring some issues of concern to the SDAC for policy discussion and possible recommendations for the Commission, under cover of a separate report.

# AB 3 (Williams) The Isla Vista Community Services District Formation.

This bill authorizes the County of Santa Barbara to make application to the Santa Barbara LAFCO to form the Isla Vista CSD with specified powers and subject to an election for formation and for establishing a Utility Users Tax.

Santa Barbara LAFCO would not be able to refuse to form the district but could establish certain conditions of approval specified in the proposed legislation.

# AB 402 (Dodd): Local agency services: contracts and out of area service extensions

This bill establishes a pilot program in Napa and San Bernardino Counties to allow a commission to authorize a city or special district to provide new or extended services outside its boundary subject to a publicly noticed hearing. The program is to be in place for five years and sunsets unless extended by the Legislature. The Governor signed AB 402 on October 2, 2015.

LAFCO staff has updated the balance of other tracked bills on the attached Tracking Report. Staff will continue to monitor legislative activity for the 2015-16 Legislative Session which reconvenes in January 2016. Therefore, it is

**RECOMMENDED:** That the SDAC receive this report as information.

Respectfully submitted.

ľáel D. Ott

**Executive Officer** 

Haray Eltelich Director, Legislative Research

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## **Attachment**

Legislative Tracking Report: October 14, 2015

# 2016

# LOCAL AGENCY FORMATION COMMISSION – SPECIAL DISTRICTS ADVISORY COMMITTEE (SDAC) SCHEDULED MEETING DATES THIRD FRIDAY OF EACH MONTH 9:30 A.M. 9335 HAZARD WAY, SUITE 200 SAN DIEGO, CA 92123

# 2016

January 15, 2016

February 19, 2016

March 18, 2016

April 15, 2016

May 20, 2016

June 17, 2016

July 15, 2016

August 19, 2016

September 16, 2016

October 21, 2016

November 18, 2016

December 16, 2016