



Local Agency Formation Commission of Napa County
Subdivision of the State of California

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Agenda Item No. 5e (Consent/Information)

July 25, 2011

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer

SUBJECT: CALAFCO Quarterly Report

The Commission will receive a report prepared by the California Association of Local Agency Formation Commissions summarizing the Board's actions at its most recent meeting held on June 24, 2011.

A. Information

The California Association of Local Agency Formation Commissions (CALAFCO) recently adopted a new strategic plan. The strategic plan includes a goal of maintaining enhanced communication with member agencies. This includes providing a brief summary of the Board's actions following each meeting. A report on the Board's action from its most recent meeting held in Sacramento on June 24, 2011 is attached.

B. Commission Review

The Commission is invited to review and discuss the attached report as needed.

Attachments: as stated

Lewis Chilton, Vice Chair
Councilmember, Town of Yountville

Joan Bennett, Commissioner
Councilmember, City of American Canyon

Juliana Inman, Alternate Commissioner
Councilmember, City of Napa

Bill Dodd, Chair
County of Napa Supervisor, 4th District

Brad Wagenknecht, Commissioner
County of Napa Supervisor, 1st District

Mark Luce, Alternate Commissioner
County of Napa Supervisor, 2nd District

Brian J. Kelly, Commissioner
Representative of the General Public

Gregory Rodeno, Alternate Commissioner
Representative of the General Public

Keene Simonds
Executive Officer

News from the Board of Directors

CALAFCO QUARTERLY

July 2011



About the Quarter

The CALAFCO Board of Directors met in Sacramento on Friday, June 24th. Among the major actions was adopting a FY 2011-12 Association budget and an intensive review of LAFCo-related legislation.

Legislative Actions

CALAFCO-supported or sponsored bills continue to make positive progress in the legislative process. Most important is **AB 1430**, the Assembly Omnibus bill which makes a major – and long overdue – update of the definition sections in Cortese-Knox-Hertzberg. The bill was then amended several times in late June with minor changes as a result of discussions with Committee staff. The bill passed the Senate Governance & Finance Committee on the consent agenda on 29 June and headed for the Senate floor consent agenda. It is expected to pass the Senate and the Assembly on concurrence. This bill will result in much clearer and current definitions in the Act.

CALAFCO continues support of **AB 54** (Solario) which will require mutual water companies to respond to LAFCo requests for MSR information and to provide LAFCo with maps of their service areas. The bill is currently in the Senate. It passed Senate Environmental Quality unopposed and has one more policy committee before going to the floor.

CALAFCO also supports:

- ◆ **AB 912** (Gordon) which under certain circumstances will allow LAFCo to dissolve a special district without a protest or election. It is currently on the Senate floor consent agenda.
- ◆ **AB 1265** (Nielsen) which will provide counties and landowners a bridging option to maintain Williamson Act contracts. It is in Senate Appropriations.
- ◆ **SB 436** (Kehoe) which will allow a local agency to provide funds to certain non-profits for acquisition of lands or easements to satisfy mitigation obligations. The bill is under consideration in Assembly policy committees.

The Board deliberated again on **SB 244** (Wolk) – Disadvantaged Communities. It was significantly amended in June with all of the CALAFCO-proposed amendments. Among other things it now provides LAFCo discretion to determine the size of disadvantaged unincorporated communities (DUC), allows LAFCo to determine whether to study or recommend alternative service delivery options, and changed 'adjacent' to 'contiguous.' The bill also adds a requirement that any annexation of undeveloped land to a city which is contiguous to a DUC must also include a separate application to annex the DUC. LAFCo, however, has discretion to determine the size of an undeveloped annexation that would trigger the DUC

application. While SB 244 still imposes an unfunded mandate on LAFCo, the requirements have been significantly reduced and flexibility has been added for LAFCo implementation. CALAFCO testified that it remained concerned about the unfunded mandate, however its objections to the bill were removed. The bill has received bipartisan support and passed Assembly policy committees with little objection or opposition.

CALAFCO maintains an oppose position on **SB 46** (Correa) which would add duplicative and costly compensation disclosure requirements on all local agencies, including LAFCo.

CALAFCO is currently tracking 29 bills that may affect members. A legislative report – updated daily – is available in the member's section of the website.

Board Adopts 2011-12 Budget

The Board adopted a FY 2011-12 "status quo" budget which includes \$348,870 in expenses and \$341,420 in revenues. The budget maintains Association services with some small reductions in print publications. Nearly 40% of the revenues and expenses are conference and workshop related. Because of the uncertainty in attendance the Board takes a conservative approach in budgeting. Nonetheless, the proposed budget showed a negative balance of \$7,450. This is a result of three years of no dues increases and five years of no increases to conference registration fees. After considering several options, the Board chose to fund the difference out of reserves. CALAFCO currently has \$100,754 in reserves, which the Board established seven years ago just for these situations. The budget takes into account some increases in costs for rent and contracts, but essentially makes few changes from the current year. It maintains funding for a new website which is anticipated to be debuted at the conference.

Anticipation Grows for 2011 Conference

The Board heard about the exciting sessions, mobile workshop and other activities planned for the 2011 Conference in Napa from conference chair Juliana Inman. Under the theme *Exploring New Boundaries* highlighted speakers include: Bill Fulton, John Knox and Michael Colantuono. An outstanding, "Sustaining Agriculture" mobile workshop is planned along with the first ever CALAFCO Open Golf Tournament. Several upcoming deadlines were discussed by the Board:

- ◆ 20 July – Last day for Achievement Award Nominations
- ◆ 31 July – Last day for Silverado Hotel Reservations at CALAFCO rates
- ◆ 1 August – Last day for reduced 'early bird' conference registration rate
- ◆ 2 August – Last day for CALAFCO Board of Directors nominations