

AGENDAS
LOCAL AGENCY FORMATION COMMISSION
OF MONTEREY COUNTY

SPECIAL COMMISSION MEETING

Monday, August 22, 2022

4:00 p.m.

Immediately Followed by the
REGULAR COMMISSION MEETING

Monday, August 22, 2022

The Commission will hold these meetings virtually only, without a physical location for public participation. The meeting is accessible by phone or video conference and livestreaming, in order to avoid public gatherings and until further notice.

Public Participation Instructions

1. **To Participate in the Meetings:** Use the Zoom app on your smart phone, laptop, tablet or desktop and click on this link: <https://montereycty.zoom.us/j/95989196460>

The meeting ID is: [959 8919 6460](https://montereycty.zoom.us/j/95989196460). There is no password. To make a public comment, please “Raise your Hand.”

***Please note that you shall only sign in once to attend both meetings.**

2. **To View these Meetings:** Please click on the following link to the LAFCO of Monterey County YouTube site: <https://www.youtube.com/channel/UCIF6pPx2hn3Ek94Wg0UI7QA>

Then click on the Live Stream of the scheduled meetings.

3. **To Participate by Phone:** Please call: +1 669 900 6833
Enter the meeting ID: [959 8919 6460](https://montereycty.zoom.us/j/95989196460) when prompted. There is no participant code – just enter the and the pound sign # after the recording prompts you. To make a public comment by phone, please push *9 on your phone keypad.

4. **To Make Remote Public Comments Via Email:** Written comments can be emailed to the Clerk to the Commission at: malukis@monterey.lafco.ca.gov. Please include the following Subject Line: “Public Comment – Agenda Item #__”. Written comments must be received by noon on the day of the meeting. All submitted comments will be provided to the Commission for consideration, compiled as part of the record, and may be read into the record.

2022

Commissioners

Chair

Mary Ann Leffel
Special District Member

Vice Chair

Matt Gourley
Public Member

Luis Alejo

County Member

Wendy Root Askew

County Member, Alternate

Kimbley Craig

City Member

David Kong

*Special District Member,
Alternate*

Christopher Lopez

County Member

Ian Oglesby

City Member

Warren Poitras

Special District Member

Steve Snodgrass

Public Member, Alternate

Anna Velazquez

City Member, Alternate

Counsel

Kelly L. Donlon

General Counsel

Executive Officer

Kate McKenna, AICP

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

P. O. Box 1369
Salinas, CA 93902

Voice: 831-754-5838

www.monterey.lafco.ca.gov

AGENDA

Special Commission Meeting

This meeting will be conducted virtually by Zoom app and Livestreamed on the LAFCO of Monterey County YouTube channel

Monday, August 22, 2022

4:00 P.M.

AGENDA
SPECIAL COMMISSION MEETING
Monday, August 22, 2022

Call to Order

Roll Call

Pledge of Allegiance

General Public Comments

Anyone may address the Commission briefly about items not already on the Agenda.

Special Business

- 0.1 [Approve finding, pursuant to AB 361 and in order for the Commission to continue to meet remotely, that the COVID-19 pandemic state of emergency declared by Governor Newsom is still in effect; that the Commission has reconsidered the circumstances of the state of emergency; and that the Monterey County Health Officer continues to recommend social distancing measures for meetings of legislative bodies.](#)

Recommended Action: Pursuant to AB 361 and in order for the Commission to continue to meet remotely, the Commission finds: that the COVID-19 pandemic state of emergency declared by Governor Newsom is still in effect; that the Commission has reconsidered the circumstances of the state of emergency; and that the Monterey County Health Officer continues to recommend social distancing measures for meetings of legislative bodies of local agencies.

Adjournment to the Next Meeting

The next regular (remote) LAFCO Meeting on August 22, immediately follows this special meeting.

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

2022

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AGENDA

Regular LAFCO Meeting

This meeting will be conducted virtually by Zoom app and Livestreamed on the LAFCO of Monterey County YouTube channel

Monday, August 22, 2022

AGENDA
REGULAR COMMISSION MEETING
Monday, August 22, 2022

Call to Order

Roll Call

Pledge of Allegiance

General Public Comments

Anyone may address the Commission briefly about items not already on the Agenda.

Consent Agenda

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

1. [Approve Draft Minutes from the May 23, 2022 LAFCO Regular Meeting.](#)
Recommended Action: Approve minutes.
2. [Approve Bank Warrant Registers for May, June and July 2022.](#)
Recommended Action: Approve warrant registers.
3. [Accept Report on Anticipated Agenda Items and Progress Report on LAFCO Special Studies.](#)
Recommended Action: Accept report.
4. [Adopt Update to the LAFCO Rules and Regulations \(“Bylaws”\) for the Orderly and Fair Conduct of Hearings.](#)
Recommended Action: Adopt Resolution finding that the proposed revisions are not a “project” for purposes of the California Environmental Quality Act, and adopting a proposed update to the LAFCO Rules and Regulations (“Bylaws”) for the Orderly and Fair Conduct of Hearings.
5. [Accept FORA Dissolution Status Report.](#)
Recommended Action: Accept status report.

New Business

6. [Consider Business Items for the 2022 Annual Conference of the California Association of Local Agency Formation Commissions.](#)

Recommended Actions:

- 1.) Authorize attendance of up to two staff, one general counsel and all seven Commissioners who expressed interest in attending the Annual CALAFCO Conference in Newport Beach on October 19 through October 21 (action item);
- 2.) Designate Regular and Alternate Delegates to represent LAFCO of Monterey County at the Conference (action item);
- 3.) Nominate Supervisor/Commissioner Chris Lopez for the CALAFCO Board County Representative seat (action item);
- 4.) Receive information on the 2022 CALAFCO Achievement Awards (information item); and
- 5.) Receive information on CALAFCO activities (information item).

Public Hearings

7. [Conduct a Public Hearing to Consider a Proposal from the Marina Coast Water District for a SOI Amendment and District Annexation totaling approximately 96 acres, in the City of Seaside's portion of the Ord Community.](#)

Recommended Actions:

- 1.) Receive the Executive Officer's Report;
- 2.) Open the public hearing and receive any public comments;
- 3.) Provide for questions or follow-up discussion by the Commission;
- 4.) Close the public hearing; and
- 5.) Move to adopt a resolution (Attachment 1) to:
 - a. Consider the Final Environmental Impact Report (EIR) for the Campus Town Project and the categorical exemption for Parker Flats Apartments Project for which the City of Seaside certified and made findings in March 2020 and May 2022, respectively, pursuant to CEQA, to address the potential environmental effects of the proposed sphere amendment and annexation;
 - b. Approve the District's proposed sphere of influence amendment and annexation (see maps – Attachment 1, Exhibit A); and
 - c. Waive Conducting Authority ("protest") proceedings for this proposal.

8. [Consider an Amendment to LAFCO's Schedule of Fees and Deposits.](#)

Recommended Actions:

- 1.) Receive the Executive Officer's Report;
- 2.) Open the public hearing and receive any public comments;
- 3.) Provide for questions or follow-up discussion by the Commission;
- 4.) Close the public hearing; and
- 5.) Consider and adopt a resolution (Attachment 1) to amend LAFCO's Schedule of Fees and Deposits.

Executive Officer's Communications

The Executive Officer may make brief announcements about LAFCO activities, for information only.

9. Executive Officer's Communications:

- a. LAFCO Response Letter regarding a Monterey County Civil Grand Jury Report – “Consolidation of Two North Monterey County Fire Districts”
- b. Pajaro Valley Health Care District Update
- c. Contract for Economic Analysis Services
- d. City of Soledad “Miramonte” 647-acre Sphere Amendment and Annexation Proposal: 30-Day Application Completeness Review Letter
- e. County Agriculture Conservation Mitigation Program – Participation
- f. Emergency Action Plan Training

Closed Session

10. Pursuant to Government Code Section 54956.9(d)(1), the Commission will confer with legal counsel regarding existing litigation: *Monterey Peninsula Water Management District v. Local Agency Formation Commission of Monterey County; Commissioners of the Local Agency Formation Commission of Monterey County; and DOES 1 through 20, (Monterey County Superior Court Case No. 22CV000925).*

The Commission Recesses for Closed Session Agenda Items

Closed Session may be held at the conclusion of the Commission's Regular Agenda, or at any other time during the course of the meeting, before or after the scheduled time, announced by the Chairperson of the Commission. The public may comment on Closed Session items prior to the Board's recess to Closed Session.

Public Comments on Closed Session Items

Reconvene on Public Agenda Items

Roll Call

Read Out from Closed Session by LAFCO General Counsel

Read out by General Counsel will only occur if there is reportable action (s).

Commissioner Comments

Individual Commissioners may comment briefly on matters within the jurisdiction of LAFCO. No discussion or action is appropriate, other than referral to staff or setting a matter as a future agenda item.

Adjournment to the Next Meeting

The next regular (remote) LAFCO Meeting is scheduled for Monday, September 26, 2022 at 4:00 pm. This meeting will be preceded by a special (remote) LAFCO Meeting on Monday, September 26, 2022 at 4:00 p.m. to consider AB 361 findings.

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

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

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

KATE McKENNA, AICP
Executive Officer

DATE: August 22, 2022
TO: Chair and Members of the Formation Commission
FROM: Kate McKenna, AICP, Executive Officer
BY: Kelly Donlon, General Counsel
SUBJECT: Approve finding, pursuant to AB 361 and in order for the Commission to continue to meet remotely, that the COVID-19 pandemic state of emergency declared by Governor Newsom is still in effect; that the Commission has reconsidered the circumstances of the state of emergency; and that the Monterey County Health Officer continues to recommend social distancing measures for meetings of legislative bodies.

SUMMARY OF RECOMMENDATION:

Pursuant to AB 361 and in order for the Commission to continue to meet remotely, the Commission finds: that the COVID-19 pandemic state of emergency declared by Governor Newsom is still in effect; that the Commission has reconsidered the circumstances of the state of emergency; and that the Monterey County Health Officer continues to recommend social distancing measures for meetings of legislative bodies of local agencies.

EXECUTIVE OFFICER'S REPORT:

On September 16, 2021, Governor Newsom signed AB 361. This legislation amends the Brown Act to allow meeting bodies subject to the Brown Act to meet via teleconference during a proclaimed state of emergency in accordance with teleconference procedures established by AB 361 rather than under the Brown Act's more narrow standard rules for participation in a meeting by teleconference. AB 361 provides that if a state or local health official recommends social distancing, a "legislative body" – which is defined to include the Commission – may meet remote remotely after September 30, 2021, provided that within 30 days of the first meeting after September 30, and every 30 days thereafter, the legislative body finds 1) the Governor's proclaimed state of emergency is still in effect; 2) the legislative body has reconsidered the circumstances of the state of emergency, and 3) the Monterey County Health Officer continues to recommend social distancing measures for meetings of legislative bodies and/or the state of emergency continues to directly impact the ability of the members to meet safely in person.

The Monterey County Health Officer has recommended and continues to recommend social distancing measures for meetings of legislative bodies, so the Commission was able to meet remotely under AB 361

from October 2021 through August 2022.

The Commission must make the findings at least every 30 days in order to keep meeting remotely. If the Commission makes the findings on August 22, the Commission may continue to meet remotely for the next thirty days. Due to the greater than 30-day separation between the May 23 and August 22 regular meetings of the Commission, the Commission Chair scheduled a special meeting on August 22 - immediately before the August 22 regular meeting - in order to have the opportunity to renew the AB 361 findings again.

LAFCO Counsel Kelly Donlon was consulted in the preparation of this report.

Respectfully Submitted,

A handwritten signature in blue ink that reads "Kate McKenna". The signature is written in a cursive style with a large, looping initial "K" and "M".

Kate McKenna, AICP
Executive Officer

2022

Commissioners

Chair

Christopher Lopez
County Member

Vice Chair

Mary Ann Leffel
Special District Member

Luis Alejo

County Member

Wendy Root Askew
County Member, Alternate

Kimbley Craig
City Member

Matt Gourley
Public Member

Ian Oglesby
City Member

Warren Poitras
Special District Member

Steve Snodgrass
Public Member, Alternate

Graig R. Stephens
Special District Member, Alternate

Anna Velazquez
City Member, Alternate

Counsel

Kelly L. Donlon
General Counsel

Executive Officer

Kate McKenna, AICP
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www.monterey.lafco.ca.gov

DRAFT MINUTES

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

Scheduled for Adoption August 22, 2022

Monday, May 23, 2022

All Commissioners and public participated in the meeting on Monday, May 23, 2022 by Zoom video conference or telephone, in order to avoid public gatherings and until further notice.

Call to Order

The Local Agency Formation Commission was called to order by Chair Lopez at 4:00 p.m.

Roll Call

Commissioner Alejo
Commissioner Root Askew
Commissioner Craig
Commissioner Gourley
Commissioner Oglesby
Commissioner Poitras
Commissioner Snodgrass
Commissioner Stephens
Commissioner Velazquez
Vice Chair Leffel
Chair Lopez

Members Absent (Excused Absence)

None

Staff Present

Darren McBain, Principal Analyst
Jonathan Brinkmann, Senior Analyst
Safarina Maluki, Clerk to the Commission/Office Administrator

Also Present

Kelly L. Donlon, General Counsel

Pledge of Allegiance

Commissioner Poitras led the Pledge of Allegiance.

General Public Comments

Anyone may address the Commission briefly about items not already on the Agenda.

There were no public comments.

Special Business

1. Resolution of Appreciation and Commendation for Outgoing Special District Member Commissioner (Alternate) Graig Stephens for Distinguished Service to the Local Agency Formation Commission of Monterey County.

Recommended Action: Receive presentation by Chair Lopez and adopt Resolution.

Chair Lopez presented the Ceremonial Resolution and thanked Commissioner Stephens for his years of service and dedication to the community.

There was no public comment.

Commission Action:

Upon motion by Commissioner Gourley, seconded by Commissioner Leffel, the Commission adopted Ceremonial Resolution 22-07 for Outgoing Commissioner Graig Stephens.

Motion Carried:

AYES: Commissioners: Alejo, Craig, Gourley, Oglesby, Poitras, Leffel, Lopez
NOES: Commissioners: None
ALTERNATES: Commissioners: Root Askew, Snodgrass, Stephens, Velazquez (Non-Voting)
ABSENT: Commissioners: None
ABSTAIN: Commissioners: None

2. Consider a Resolution Declaring the 2022 Selection Results of the Independent Special District Selection Committee for a LAFCO Alternate Member Representative.

Recommended Action: Adopt a Resolution Declaring the Results of a Process to Select an Alternate Special District Member Representative on LAFCO.

Commission Action:

Upon motion by Commissioner Leffel, seconded by Commissioner Oglesby, the Commission adopted Resolution 22-08 Declaring the Election Results for an Alternate Special District Member Representative on LAFCO Commission for a four year Term ending on the First Monday in May 2026 by a Roll Call Vote.

Motion Carried:

AYES: Commissioners: Alejo, Craig, Gourley, Oglesby, Poitras, Leffel, Lopez
NOES: Commissioners: None
ALTERNATES: Commissioners: Root Askew, Kong, Snodgrass, Velazquez (Non-Voting)
ABSENT: Commissioners: None
ABSTAIN: Commissioners: None

Chair Lopez welcomed Commissioner David Kong.

Commissioner Kong made a brief statement of thanks.

3. Administer the Oath of Office for Alternate Special District Member Commissioner David Kong for a Term Ending on the First Monday in May 2026.

Recommended Action: LAFCO Chair Lopez will administer the Oath of Office.

Commission Actions:

Chair Lopez administered the Oath of Office for the appointment of Independent Special District Member (Alternate) Commissioner David Kong for a Term Ending on the First Monday in May 2026.

Chair Lopez congratulated Commissioner Kong.

Commissioner Kong took his seat on the Commission.

4. Select the LAFCO Chair and Chair Pro Tempore for a Period Ending in May 2023.

Recommended Action: Conduct the Selection Process.

Senior Analyst Jonathan Brinkman presented the report.

There was no comment from the public.

Commissioner Action:

Upon motion by Commissioner Poitras, seconded by Commissioner Oglesby, the Commission selected Commissioner Leffel as the Commission Chair and Commissioner Gourley as Vice Chair by the following Roll Call Vote.

Motion Carried:

AYES: Commissioners: Alejo, Craig, Lopez, Oglesby, Poitras, Leffel
NOES: Commissioners: None
ALTERNATES: Commissioners: Root Askew, Kong, Snodgrass, Velazquez (Non-Voting)
ABSENT: Commissioners: None
ABSTAIN: Commissioners: None

Chair Leffel thanked Commissioner Lopez for his year as Commission Chair.

Consent Agenda

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

5. Approve finding, pursuant to AB 361 and in order for the Commission to continue to meet remotely, that the COVID-19 pandemic state of emergency declared by Governor Newsom is still in effect; that the Commission has reconsidered the circumstances of the state of emergency; and that the Monterey County Health Officer continues to recommend social distancing measures for meetings of legislative bodies.

Recommended Action: Pursuant to AB 361 and in order for the Commission to continue to meet remotely, the Commission finds: that the COVID-19 pandemic state of emergency declared by

Governor Newsom is still in effect; that the Commission has reconsidered the circumstances of the state of emergency; and that the Monterey County Health Officer continues to recommend social distancing measures for meetings of legislative bodies of local agencies.

6. Approve Draft Minutes from the April 25, 2022 LAFCO Regular Meeting.
Recommended Action: Approve minutes.
7. Approve Draft Notes from the May 5, 2022 LAFCO Budget & Finance Committee Meeting.
Recommended Action: Approve notes.
8. Approve Bank Warrant Register for April 2022.
Recommended Action: Approve bank register.
9. Approve Draft Financial Statements for Period Ending March 31, 2022.
Recommended Action (By Budget & Finance Committee): Approve the financial statements.
10. Adopt Resolution 22-09 Approving Amendments to Salary Ranges for the Analyst and Clerk Job Classifications, with an Effective date of July 1, 2022.
Recommended Action: Accept report.
11. Accept Report on Anticipated Agenda Items and Progress Report on LAFCO Special Studies.
Recommended Action: Accept report.
12. Accept Report on Activities of the California Association of Local Agency Formation Commissions.
Recommended Action: Accept report.

Commissioner Snodgrass requested clarification regarding Item #9. Staff and Chair Leffel responded to the question.

Commissioner Action:

Upon motion by Commissioner Lopez, seconded by Commissioner Gourley, the Commission approved Consent Agenda Items #5 - #12 by a Roll Call Vote.

Motion Carried:

AYES: Commissioners: Alejo, Craig, Lopez, Oglesby, Poitras, Gourley, Leffel
NOES: Commissioners: None
ALTERNATES: Commissioners: Root Askew, Kong, Snodgrass, Velazquez (Non-Voting)
ABSENT: Commissioners: None
ABSTAIN: Commissioners: None

Executive Officer's Communications

The Executive Officer may make brief announcements about LAFCO activities, for information only.

13. Executive Officer's Communications

- (a) Greenfield-Area Public Agencies.

Principal Analyst Darren McBain presented the report for information only.

There were no public comments.

Commissioner Velazquez asked a question regarding training for the special districts.

Principal Analyst McBain and Senior Analyst Brinkmann responded to Commissioner Velazquez. There were additional comments General Counsel Donlon, Commissioner Lopez, and Commissioner Kong.

Closed Session

14. Pursuant to Government Code Section 54956.9(d)(1), the Commission will confer with legal counsel regarding existing litigation: *Monterey Peninsula Water Management District v. Local Agency Formation Commission of Monterey County; Commissioners of the Local Agency Formation Commission of Monterey County; and DOES 1 through 20*, (Monterey County Superior Court Case No. 22CV000925).

Public Comments on Closed Session Items

There were no public comments.

The Commission Recesses for Closed Session Agenda Items

Closed Session may be held at the conclusion of the Commission's Regular Agenda, or at any other time during the course of the meeting, before or after the scheduled time, announced by the Chairperson of the Commission. The public may comment on Closed Session items prior to the Board's recess to Closed Session.

Commissioner Alejo recused himself from Closed Session and left the meeting at 4:28 p.m.

The Commission ADJOURNED to Closed Session at 4:29 p.m.

Reconvene on Public Agenda Items

The Commission RECONVENED to Open Session at 4:42 pm

Roll Call

Commissioner Root Askew
Commissioner Craig
Commissioner Kong
Commissioner Lopez
Commissioner Oglesby
Commissioner Poitras
Commissioner Snodgrass
Commissioner Velazquez
Vice Chair Gourley
Chair Leffel

Read Out from Closed Session by LAFCO General Counsel

Read out by General Counsel will only occur if there is reportable action (s).

General Counsel Kelly Donlon advised that there were no reportable items.

Commissioner Comments

Individual Commissioners may comment briefly on matters within the jurisdiction of LAFCO. No discussion or action is appropriate, other than referral to staff or setting a matter as a future agenda item.

There were no comments from the Commissioners.

Adjournment to the Next Meeting

The meeting was adjourned at 4:44 p.m. The next Regular LAFCO Meeting is scheduled for Monday, June 27, 2022 at 4:00 p.m.

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DRAFT

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KATE McKENNA, AICP
Executive Officer

DATE: August 22, 2022
TO: Chair and Members of the Formation Commission
FROM: Kate McKenna, AICP, Executive Officer
SUBJECT: LAFCO Warrant Registers for May, June and July 2022

SUMMARY OF RECOMMENDATION:

It is recommended that the Commission approve the warrant registers.

EXECUTIVE OFFICER'S REPORT:

Attached are the lists of LAFCO checks issued by Hayashi & Wayland for May, June and July 2022, along with application revenue received during the months. Expenses and revenue are typical for this fourth quarter and first quarter periods.

Respectfully Submitted,



Kate McKenna, AICP
Executive Officer

Attachment: Warrant Registers for May, June and July 2022, Hayashi & Wayland Accounting & Consulting, LLP

LAFCO
 LOCAL AGENCY FORMATION COMMISSION
 OF MONTEREY COUNTY
 WELLS FARGO BANK WARRANT REGISTER
 MAY 2022

Attachment 2.1

DATE	CK#	NAME	DESCRIPTION	CHECK AMOUNT	DEPOSIT AMOUNT	ACCOUNT BALANCE
Beginning Balance 5/1/2022						\$ 197,338.54
05/06/2022	EFT	CalPERS Health	May 2022 Health Insurance	8,757.46		188,581.08
05/08/2022	EFT	AT&T	Telephone Service 4/18/22-5/17/22	204.61		188,376.47
05/10/2022	EFT	Wells Fargo Visa Credit Card	Culligan Water \$28.16; Fed Ex \$30.75; Staples \$193.25	252.16		188,124.31
05/12/2022	EFT	QuickBooks Payroll Service	For Payroll Period Ending 5/6/22 Paid 5/13/22	10,870.10		177,254.21
05/13/2022	7324	Darren J McBain	For Payroll Period Ending 5/6/22 Paid 5/13/22	-		177,254.21
05/13/2022	7325	Jonathan Brinkmann	For Payroll Period Ending 5/6/22 Paid 5/13/22	-		177,254.21
05/13/2022	7326	Kathryn M. McKenna	For Payroll Period Ending 5/6/22 Paid 5/13/22	-		177,254.21
05/13/2022	7327	Safarina M Maluki	For Payroll Period Ending 5/6/22 Paid 5/13/22	-		177,254.21
05/13/2022	EFT	CalPERS Retirement	CalPers Retirement Contribution	3,137.89		174,116.32
05/13/2022	EFT	CalPERS 457 Program	457 Deferred Compensation Contribution	3,092.81		171,023.51
05/13/2022	EFT	EDD	State Payroll Tax Deposit	1,159.99		169,863.52
05/13/2022	EFT	EFTPS	Federal Payroll Tax Deposit	2,787.60		167,075.92
05/13/2022	7328	County of Monterey, Information Technology	Computer Support Services for February and March 2022	1,794.48		165,281.44
05/13/2022	7329	IBM Corporation	Leased Computers for Lafco Staff 5/1/22-5/31/22	43.69		165,237.75
05/13/2022	7330	MBS Business Systems	Copy Machine/Printer Rental and Usage	797.26		164,440.49
05/13/2022	7331	Sunrise Express	Board Packet Deliveries	564.07		163,876.42
05/17/2022	EFT	Comcast	Telephone Services from 4/27/22-5/26/22	123.75		163,752.67
05/18/2022	DEP	Monterey Peninsula Water District	Project Fees		12,547.79	176,300.46
05/25/2022	EFT	Wolfpack Insurance Services, Inc.	Dental and Vision Insurance-June 2022	876.50		175,423.96
05/26/2022	EFT	QuickBooks Payroll Service	For Payroll Period Ending 5/20/22 Paid 5/27/22	11,073.84		164,350.12
05/27/2022	7333	Jonathan Brinkmann	For Payroll Period Ending 5/20/22 Paid 5/27/22	-		164,350.12
05/27/2022	7334	Kathryn M. McKenna	For Payroll Period Ending 5/20/22 Paid 5/27/22	-		164,350.12
05/27/2022	7335	Safarina M Maluki	For Payroll Period Ending 5/20/22 Paid 5/27/22	-		164,350.12
05/27/2022	7332	Darren J McBain	For Payroll Period Ending 5/20/22 Paid 5/27/22	-		164,350.12
05/27/2022	EFT	CalPERS Retirement	CalPers Retirement Contribution	3,029.54		161,320.58
05/27/2022	EFT	CalPERS 457 Program	CalPers 457 Deferred Compensation Contribution	3,017.67		158,302.91
05/27/2022	EFT	EDD	State Payroll Tax Deposit	1,048.56		157,254.35
05/27/2022	EFT	EFTPS	Federal Payroll Tax Deposit	2,503.98		154,750.37
05/27/2022	7336	Bruce Lindsey	Monthly Building Rent	2,397.69		152,352.68
05/27/2022	7337	APA	APA Membership for Kate McKenna 7/1/22-6/30/23	836.00		151,516.68
05/27/2022	7338	Best Best & Krieger	Professional Legal Services Regarding MPWMD	8,005.67		143,511.01
05/27/2022	7339	Hayashi Wayland	Accounting Services Client no. 72520	5,200.00		138,311.01
05/27/2022	7340	Pitney Bowes Global Financial Svcs LLC	Postage Machine Rental 6/30/22-9/29/22	238.86		138,072.15
05/27/2022	7341	Principal Life	June 2022 LTD, ADD, STD, Life	541.73		137,530.42
05/31/2022	INT	Wells Fargo Bank	Interest		1.54	137,531.96
				72,355.91	12,549.33	
Ending Balance 5/31/2022						\$ 137,531.96

LAFCO
**LOCAL AGENCY FORMATION COMMISSION
OF MONTEREY COUNTY**
WELLS FARGO BANK WARRANT REGISTER
JUNE 2022

Attachment 2.2

DATE	CK#	NAME	DESCRIPTION	CHECK AMOUNT	DEPOSIT AMOUNT	ACCOUNT BALANCE
Beginning Balance 6/1/2022						\$ 137,531.96
6/3/2022	DEP	Marina Coast Water District	Lafco File No. 22-02: Project Fees		7,950.00	145,481.96
6/6/2022	EFT	CalPERS Health	June 2022 Health Insurance	7,739.11		137,742.85
6/9/2022	EFT	QuickBooks Payroll Service	For Payroll Period Ending 6/3/22 Paid 6/10/22	11,616.98		126,125.87
6/9/2022	EFT	Wells Fargo Visa Credit Card	Culligan Water \$36.74; Misc. Office Supplies \$720.83; APA Training \$180.00	937.57		125,188.30
6/10/2022	7342	Darren J McBain	For Payroll Period Ending 6/3/22 Paid 6/10/22	-		125,188.30
6/10/2022	7343	Jonathan Brinkmann	For Payroll Period Ending 6/3/22 Paid 6/10/22	-		125,188.30
6/10/2022	7344	Kathryn M. McKenna	For Payroll Period Ending 6/3/22 Paid 6/10/22	-		125,188.30
6/10/2022	7345	Safarina M Maluki	For Payroll Period Ending 6/3/22 Paid 6/10/22	-		125,188.30
6/10/2022	EFT	CalPERS Retirement	CalPers Retirement Contribution	3,317.87		121,870.43
6/10/2022	EFT	CalPERS 457 Program	CalPers 457 Deferred Compensation Contribution	3,217.63		118,652.80
6/10/2022	EFT	EDD	State Payroll Tax Deposit	1,249.22		117,403.58
6/10/2022	EFT	EFTPS	Federal Payroll Tax Deposit	2,839.78		114,563.80
6/10/2022	7346	Clark Pest Control of Stockton, Inc.	Pest Control Maintenance	168.00		114,395.80
6/10/2022	7347	Health Educational Services, Inc.	CPR Classes	360.00		114,035.80
6/10/2022	7348	IBM Corporation	Leased Computers for Lafco Staff 6/1/22-6/30/22	43.69		113,992.11
6/10/2022	7349	Sunrise Express	Board Packet Deliveries	399.44		113,592.67
6/10/2022	7350	Office of County Counsel - Co of Monterey	General Legal Services for April 2022	3,306.00		110,286.67
6/10/2022	7351	Office of County Counsel - Co of Monterey	LAFCO-MPWMD, Latent Power Legal Services for April 2022	4,243.50		106,043.17
6/11/2022	EFT	AT&T	Telephone Service 5/18/22-6/17/22	204.61		105,838.56
6/17/2022	EFT	Comcast	Telephone Services from 5/27/22-6/26/22	123.75		105,714.81
6/21/2022	DEP	APA	Refund of Kate's 2022-2023 APA membership Due to Lifetime Membership Status		739.25	106,454.06
6/23/2022	EFT	QuickBooks Payroll Service	For Payroll Period Ending 6/17/22 Paid 6/24/22	12,132.44		94,321.62
6/24/2022	7352	Darren J McBain	For Payroll Period Ending 6/17/22 Paid 6/24/22	-		94,321.62
6/24/2022	7353	Jonathan Brinkmann	For Payroll Period Ending 6/17/22 Paid 6/24/22	-		94,321.62
6/24/2022	7354	Kathryn M. McKenna	For Payroll Period Ending 6/17/22 Paid 6/24/22	-		94,321.62
6/24/2022	7355	Safarina M Maluki	For Payroll Period Ending 6/17/22 Paid 6/24/22	-		94,321.62
6/24/2022	EFT	CalPERS Retirement	CalPers Retirement Contribution	3,317.87		91,003.75
6/24/2022	EFT	CalPERS 457 Program	457 CalPers Retirement Contribution	3,217.63		87,786.12
6/24/2022	EFT	EDD	State Payroll Tax Deposit	1,198.26		86,587.86
6/24/2022	EFT	EFTPS	Federal Payroll Tax Deposit	2,718.76		83,869.10
6/24/2022	EFT	Cal PERS Fiscal Services Division	1959 Survivor Level Premium for FY 2021-2022- Plan 5580	192.70		83,676.40
6/24/2022	EFT	Cal PERS Fiscal Services Division	1959 Survivor Level Premium for FY 2021-2022- Plan 27008	18.80		83,657.60
6/24/2022	7356	CALAFCO	2022-2023 Lafco Membership Dues	7,503.00		76,154.60
6/24/2022	7357	Hayashi Wayland	Accounting Services	5,200.00		70,954.60
6/24/2022	7358	MBS Business Systems	Copy Machine Rental 7/1/22-9/30/22	170.79		70,783.81
6/24/2022	7359	MP Express	Business Cards	151.99		70,631.82
6/24/2022	7360	Principal Life	July 2022 LTD, ADD, STD, Life Benefits	557.87		70,073.95
6/24/2022	7361	SDRMA	2022-2023 Worker's Comp Insurance Policy Package	2,152.47		67,921.48
6/24/2022	7362	SDRMA	2022-2023 Property/Liability Insurance Policy Package	7,686.57		60,234.91
6/24/2022	7363	Office of County Counsel - Co of Monterey	LAFCO General Legal Services for May 2022	590.40		59,644.51
6/24/2022	7364	Office of County Counsel - Co of Monterey	LAFCO-CNPS-Legal Services for May 2022	73.80		59,570.71

LAFCO
**LOCAL AGENCY FORMATION COMMISSION
 OF MONTEREY COUNTY**
WELLS FARGO BANK WARRANT REGISTER
JUNE 2022

DATE	CK#	NAME	DESCRIPTION	CHECK AMOUNT	DEPOSIT AMOUNT	ACCOUNT BALANCE
6/24/2022	7365	Office of County Counsel - Co of Monterey	LAFCO-FORA Dissolution Legal Services for May 2022	147.60		59,423.11
6/24/2022	7366	Office of County Counsel - Co of Monterey	LAFCO-MPWMD, Latent Power Legal Services for May 2022	996.30		58,426.81
6/24/2022	7367	Best Best & Krieger	MPWMD Service Activation Legal Services through 5/31/22	16,393.23		42,033.58
6/24/2022	TFR	County of Monterey	Funds Transfer		150,000.00	192,033.58
6/24/2022	TFR	County of Monterey	Funds Transfer-Drawdown Request #20		221.40	192,254.98
6/25/2022	EFT	Wolfpack Insurance Services, Inc.	Dental and Vision Insurance-July 2022	876.50		191,378.48
6/27/2022	7368	Bruce Lindsey	July 2022 Building Rent	2,397.69		188,980.79
6/30/2022	INT	Wells Fargo Bank	Interest		1.20	188,981.99
				107,461.82	158,911.85	
Ending Balance 6/30/2022						\$ 188,981.99

LAFCO
 LOCAL AGENCY FORMATION COMMISSION
 OF MONTEREY COUNTY
 WELLS FARGO BANK WARRANT REGISTER
 JULY 2022

Attachment 2.3

DATE	CK#	NAME	DESCRIPTION	CHECK AMOUNT	DEPOSIT AMOUNT	ACCOUNT BALANCE
Beginning Balance 7/1/2022						\$ 188,981.99
07/06/2022	EFT	CalPERS Health	July 2022 Health Insurance	7,739.11		181,242.88
07/07/2022	EFT	QuickBooks Payroll Service	For Payroll Period Ending 7/1/22 Paid 7/8/22	11,616.98		169,625.90
07/08/2022	7369	Darren J McBain	For Payroll Period Ending 7/1/22 Paid 7/8/22	-		169,625.90
07/08/2022	7370	Jonathan Brinkmann	For Payroll Period Ending 7/1/22 Paid 7/8/22	-		169,625.90
07/08/2022	7371	Kathryn M. McKenna	For Payroll Period Ending 7/1/22 Paid 7/8/22	-		169,625.90
07/08/2022	7372	Safarina M Maluki	For Payroll Period Ending 7/1/22 Paid 7/8/22	-		169,625.90
07/08/2022	EFT	CalPERS Retirement	CalPers Retirement Contribution	3,312.65		166,313.25
07/08/2022	EFT	CalPERS 457 Program	CalPers 457 Deferred Compensation Contribution	3,217.63		163,095.62
07/08/2022	EFT	EDD	State Payroll Tax Deposit	1,249.22		161,846.40
07/08/2022	EFT	EFTPS	Federal Payroll Tax Deposit	2,839.78		159,006.62
07/08/2022	7373	Johnson Electronics	Inv. No. 418792 New Computer Cables Installed	3,736.00		155,270.62
07/08/2022	7374	MBS Business Systems	Copy Machine Rental 6/23/22-9/22/22	745.56		154,525.06
07/09/2022	EFT	Wells Fargo Visa Credit Card	Culligan Water \$43.74; Norton Software \$144.99	188.73		154,336.33
07/10/2022	EFT	AT&T	Telephone Service 6/18/22-7/17/22	204.61		154,131.72
07/15/2022	EFT	EDD	Quarter 2, 2022 Quarterly Payroll Taxes Due	126.00		154,005.72
07/17/2022	EFT	Comcast	Telephone Services from 6/27/22-7/26/22	123.75		153,881.97
07/21/2022	EFT	QuickBooks Payroll Service	For Payroll Period Ending 7/15/22 Paid 7/22/22	13,469.15		140,412.82
07/22/2022	7381	Darren J McBain	For Payroll Period Ending 7/15/22 Paid 7/22/22	-		125,861.07
07/22/2022	7382	Jonathan Brinkmann	For Payroll Period Ending 7/15/22 Paid 7/22/22	-		125,861.07
07/22/2022	7383	Kathryn M. McKenna	For Payroll Period Ending 7/15/22 Paid 7/22/22	-		125,861.07
07/22/2022	7384	Safarina M Maluki	For Payroll Period Ending 7/15/22 Paid 7/22/22	-		125,861.07
07/22/2022	EFT	CalPERS Retirement	CalPers Retirement Contribution	3,763.39		122,097.68
07/22/2022	EFT	CalPERS 457 Program	CalPers 457 Deferred Compensation Contribution	3,780.39		118,317.29
07/22/2022	EFT	EFTPS	Federal Payroll Tax Deposit	3,131.88		115,185.41
07/22/2022	EFT	EDD	State Payroll Tax Deposit	1,424.39		113,761.02
07/22/2022	7375	Best Best & Krieger	MPWMD Service Activation Legal Services through 6/30/22	4,739.70		135,673.12
07/22/2022	7376	County of Monterey, Information Technology	Computer Support Services for April and May 2022	3,525.35		132,147.77
07/22/2022	7377	CP&DR	1 Year Subscription User ID#243	238.00		131,909.77
07/22/2022	7378	Hayashi Wayland	Accounting Services	5,200.00		126,709.77
07/22/2022	7379	Office of County Counsel - Co of Monterey	LAFCO-General Legal Services for June 2022	405.90		126,303.87
07/22/2022	7380	Office of County Counsel - Co of Monterey	LAFCO-CNPS-Litigation Legal Services for June 2022	442.80		125,861.07
07/22/2022	EFT	Cal PERS Fiscal Services Division	Pay off of Lafco's Annual Unfunded Accrued Liability-Plan 27008	1,201.00		112,560.02
07/22/2022	EFT	Cal PERS Fiscal Services Division	Pay off of Lafco's Annual Unfunded Accrued Liability-Plan 5580	1,288.00		111,272.02
07/25/2022	EFT	Wolfpack Insurance Services, Inc.	August 2022 Dental and Vision Insurance	876.50		110,395.52
07/29/2022	INT	Wells Fargo Bank	Interest		1.30	110,396.82
				<u>78,586.47</u>	<u>1.30</u>	
Ending Balance 7/31/2022						\$ 110,396.82

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

KATE McKENNA, AICP
Executive Officer

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

132 W. Gabilan Street, Suite 102
Salinas, CA 93901
www.monterey.lafco.ca.gov

DATE: August 22, 2022
TO: Chair and Members of the Commission
FROM: Kate McKenna, AICP, Executive Officer
PREPARED BY: Darren McBain, Principal Analyst
SUBJECT: Anticipated Future Agenda Items and Progress Report on Special Studies

SUMMARY OF RECOMMENDATION:

This report is for information only.

EXECUTIVE OFFICER’S REPORT:

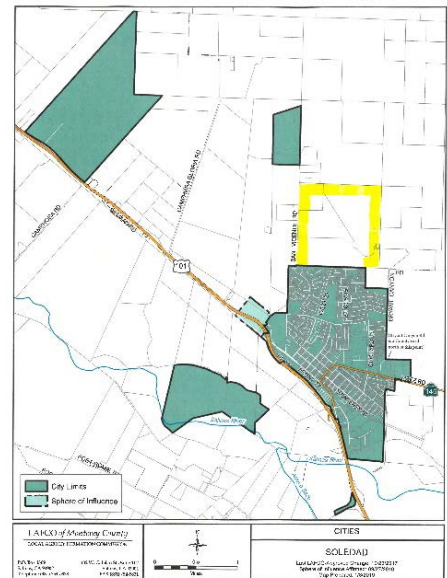
Following are current work priorities and a partial list of items that the Commission may consider in coming months or years. It is organized by applications on file, potential applications under discussion, and LAFCO-initiated studies.

Part I: Items Currently on File and In Progress, but Not Set for Hearing

1. **City of Soledad:** Approximately 647-acre Miramonte (formerly Miravale III) sphere of influence (SOI) amendment and annexation.

The City of Soledad submitted a LAFCO application in March 2020 that proposes an approximately 40% expansion to Soledad’s existing 1,525 acres of developed area (excluding non-contiguous areas such as the wastewater treatment plant). Staff determined the original application to be incomplete in early April 2020. In June 2021, the Commission held a study session to receive information on the status of Soledad’s proposed SOI/annexation. The City amended its application in July 2021.

Coordination discussions are ongoing. On July 15, 2022, the City resubmitted an amended application. On August 12, staff provided a letter listing the remaining items needed in order for the application to be determined complete. The letter is further discussed, and made available by web link, as part of agenda item 9.



2. **Fort Ord Reuse Authority Dissolution:** Per State law, the Fort Ord Reuse Authority (FORA) ceased operations after June 30, 2020. LAFCO’s statutory FORA dissolution oversight authority expired after December 31, 2020 with the repeal of the FORA Act, but litigation and monitoring of final administrative tasks continue. A status report on FORA dissolution is item 5 on the August 22 meeting agenda.

3. **Mission Soledad Rural Fire Protection District:** Sphere amendment and annexation of Paraiso Springs Resort (portion). Application status is incomplete.

The County approved this substantial development project in November 2019. The project proponents are now moving forward with development of the site. The previously/historically developed portion of the resort is already within the fire district. Pursuant to conditions of approval in the County's development permitting, the developer is required to work with the fire district to annex the remainder of the new development site. LAFCO staff has been monitoring and engaged with this project since 2013. LAFCO received the District's application in January 2022. In February, staff issued a completeness review letter listing items needed before the application can be deemed complete. Importantly, the District and developer have signed an agreement to financially mitigate the project's impacts on fire and emergency medical services. Staff continues to coordinate with the District to resolve other items in the completeness letter.

Part 2: Potential Agenda Items under Discussion

1. **City of Gonzales:** Annexation of some or all of an approximately 1,350-acre area placed in the City's sphere in 2014, plus potentially an adjacent 50-acre parcel. Status is pre-application.

The City of Gonzales is currently completing an administrative draft Specific Plan and EIR for the Vista Lucia project (Fanoe-owned lands of approximately 770 acres). The City similarly is working on a specific plan and an EIR for the Puente del Monte project (Jackson and Rianda-owned lands comprising approximately 547 acres). In total, the two projects together would represent a large expansion of the City, approximately doubling the existing City size. The scope of such an expansion raises issues relevant to LAFCO's review. On June 28, 2021, the Commission held a study session to receive information on the status of the City's proposed annexations.

The City issued a Notice of Preparation for the Vista Lucia project in September 2021, and LAFCO staff provided a comment letter in October 2021. LAFCO will comment on the project's draft environmental impact report when it becomes available, possibly in late 2022. The City anticipates submitting a LAFCO annexation application for the Vista Lucia project in 2022 or 2023. In 2023, we anticipate commenting on a draft environmental impact report for the Puente del Monte project, and receiving an application for annexation of that project. Staff continues to coordinate with Gonzales staff, and with the County, as the City refines and develops these future expansion proposals.

In March and May 2022, City staff discussed other potential annexation/SOI proposals with LAFCO staff. Still in concept status, those proposals may be further refined in coming months or years.

2. **City of Salinas:** Target Area "K" (Ferrasci Ranch) sphere amendment and annexation of approximately 100 acres at the northeast corner of Harrison Road and Russell Road. Status is pre-application.

The site, just north of Salinas and designated as Target Area K in the City's recently approved Economic Development General Plan Element, is planned for industrial and commercial development. In 2019, the County and City approved a site-specific amendment of the Greater Salinas Area Memorandum of Understanding to facilitate the City's annexation and development of this site. Informal pre-application discussions have been underway with County staff, City staff and property owners since January 2020, most recently in February 2022.

3. **City of Marina:**

- a. **Former Fort Ord Landfill and Landfill Border Parcels** – Annexation of an approximately 341-acre former Army landfill and landfill border parcels area (south of Imjin Parkway, north of

Intergarrison Road, east of 8th Street, and west of Abrams Drive), and detachment of this area from Monterey County Regional Fire District. Current status is pre-application. In November 2020, Monterey County and City of Marina entered into an agreement to convey its landfill border parcels (approximately 177 acres) to the City of Marina and designate the City of Marina as recipient of the former landfill parcels (approximately 164 acres) from the U.S. Army. The City of Marina and County of Monterey also agreed to seek prompt annexation of these properties to the City of Marina. The area is currently uninhabited and includes a five-acre commercial area known as the Ord Market. The area is within the City of Marina's existing sphere of influence.

- b. **East Campus Housing Areas** – Annexation of California State University Monterey Bay (CSUMB) East Campus housing areas (Schoonover and Frederick Park neighborhoods between Reservation Road and Imjin Road), and detachment of this area from Monterey County Regional Fire District. Current status is pre-application. Both housing areas are in Marina's sphere of influence and have a combined population of about 3,000.

Among other considerations, LAFCO's review will include each proposal's potential effect on fire and emergency medical service delivery models and related revenues to the affected agencies. Initial discussions with the parties occurred in 2019. There is currently no specific schedule for the City to submit an application or applications.

- 4. **City of Greenfield** – Annexation proposal with two separately owned parcels (vacant Thorp parcel and an existing elementary school site) on Apple Avenue west of the existing city limits. The original application is incomplete, and a revised project is in pre-application status.

In 2017, the City submitted an annexation application for a proposed residential project on the Thorp parcel, but that application remains incomplete. The City is now pursuing development of a community center – rather than housing – on the Thorp parcel. Staff met with the City in March 2022 to discuss annexation of the proposed community center parcel and existing school parcel.

- 5. **Technical Assistance to Local Agencies in Greenfield:** LAFCO serves as an informal facilitator and information clearinghouse for small cities and special districts challenged by financial, governance and service delivery issues. Recent staff efforts have focused on special districts in Greenfield, Spreckels, Soledad and North Monterey County. We are currently focused on providing urgent assistance to Greenfield Memorial District.

Greenfield Memorial District Board members, employees and community members have contacted LAFCO staff expressing concerns about the District's governance, transparency, accountability and operations. These concerns include challenges in retaining board members and obtaining a quorum of Board members to conduct District business, possible lapses in financial reporting, human resources issues, and substantial repair and maintenance issues. As a first step, LAFCO staff provided an educational Board orientation training to this District on April 26.

Based on the serious challenges the Greenfield Memorial District is experiencing, LAFCO staff will prioritize preparation of an updated Municipal Service Review and Sphere of Influence (MSR/SOI) study for that District in 2022. The study will explore the District's challenges, provide recommendations for immediate improvement, and identify potential options going forward. The study will include a review of the City of Greenfield and the Greenfield Fire, Recreation and Cemetery Districts, consistent with timely, periodic review of these agencies. The LAFCO study will provide a comprehensive approach to identify potential partnerships, explore opportunities for increased integration, and/or review other efficiencies among Greenfield-area local public agencies.

6. **County Service Area (CSA) 25 – Quail Lodge Golf and Country Club:** Potential expansion of the CSA’s boundaries. Status is pre-application.

This CSA was formed in 1963 to provide street and sidewalk, storm drain, and road shoulder maintenance for the Valley Greens subdivision and golf course. The area consists of a golf course, 165 single-family residential lots, and 21 condominium lots, serving about 400 people. Services are provided by the County Public Works Department. Several CSA residents contacted the County and LAFCO to potentially add several adjacent parcels to the CSA. LAFCO staff participated in a CSA advisory committee meeting in April 2021 to provide an overview of the annexation process. LAFCO and County met in August 2021 to coordinate on the project.

In addition, our staff met with the County and Carmel Area Wastewater District in March 2022 to discuss and coordinate sewer and road improvements in this area.

7. **Drinking Water Project North of Moss Landing**

LAFCO staff met with representatives from the Community Water Center (CWC), a non-profit for community-driven water solutions, in August 2021. Due to water quality issues in the unincorporated County area north of Moss Landing, the CWC prepared a report to identify potential solutions to provide safe potable water to approximately 90 households in this area. CWC is working with PSMCSD, the closest public water provider in the area. LAFCO staff provided relevant information to CWC representatives regarding potential LAFCO actions that could facilitate the extension of PSMCSD’s potable water services to this area. Current status is pre-application.

8. **Castroville Community Services District (CSD) – Potential sphere amendment and annexation of the Moss Landing Commercial Park**

This commercial and industrial site, designated as a future study area for the Castroville CSD in 2014, has ongoing problems with its septic system and will eventually need to connect to the Monterey One Water regional wastewater treatment plant by annexing to the CSD (a Monterey One Water member agency). Preliminary coordination with the CSD, the County, and property owner representatives is underway. LAFCO staff participated in a County development review meeting in October 2021. Current status is pre-application.

9. **Salinas Valley Healthcare System (SVMHS) – Potential annexation in North Monterey County to align with boundaries of the newly formed Pajaro Valley Health Care District.**

Part 3: LAFCO-Initiated Studies

In 2021, LAFCO completed Municipal Service Review/Sphere of Influence studies for Carmel Area Wastewater District and the Monterey Peninsula Water Management District.

In 2022, staff is preparing a Municipal Service Review/Sphere of Influence study for the City of Soledad to coincide with consideration of that City’s SOI amendment/annexation application (see page 1 of this report). The application is on file but is incomplete, and a resubmittal is expected later this summer.

Also in 2022, staff will prepare a Municipal Service Review/Sphere of Influence study for four Greenfield-area agencies to help address local challenges (see page 2 of this report). The agencies are the City of Greenfield, Greenfield Memorial District, Greenfield Fire District, Greenfield Cemetery District, and Greenfield Public Recreation District.

Later this year, staff will begin a Municipal Service Review/Sphere of Influence study for the City of Gonzales to coincide with that City’s anticipated annexation application in 2023 (see page 2 of this report).

Finally, we intend to begin a Municipal Service Review/Sphere of Influence study for the City of Marina in late 2022 or in 2023. The study will focus on issues such as future growth and provision of services.

Respectfully Submitted,

A handwritten signature in blue ink that reads "Kate McKenna". The signature is written in a cursive style with a large, stylized "K" and "M".

Kate McKenna, AICP
Executive Officer

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

KATE McKENNA, AICP
Executive Officer

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

132 W. Gabilan Street, Suite 102
Salinas, CA 93901
www.monterey.lafco.ca.gov

DATE: August 22, 2022
TO: Chair and Members of the Formation Commission
FROM: Kate McKenna, AICP, Executive Officer
PREPARED BY: Jonathan Brinkmann, Senior Analyst
SUBJECT: Adopt Update to the LAFCO Rules and Regulations (“Bylaws”) for the Orderly and Fair Conduct of Hearings

SUMMARY OF RECOMMENDATION:

It is recommended that the Commission adopt a resolution (Attachment 1) finding that the proposed revisions are not a “project” for purposes of the California Environmental Quality Act and adopting a proposed update to the LAFCO hearing rules and regulations (“Bylaws”).

EXECUTIVE OFFICER’S REPORT:

Staff and General Counsel conducted a routine review of the LAFCO Bylaws and Conflict of Interest Code. Staff and General Counsel determined that no changes to LAFCO’s Conflict of Interest Code are necessary at this time. However, several minor updates to the LAFCO Bylaws are recommended. The updates would clarify current rules and procedures of the Commission for consistency with LAFCO practices, and would not alter the conduct of LAFCO hearings. The updates revise Section 15. Alternate Members to clarify roles and participation of Alternate Members during closed session meetings of the Commission.

Attachment 1 is a clean and complete copy of the proposed Bylaws update, attached as Exhibit A to the Resolution. Attachment 2 shows the proposed updates to the Bylaws in tracked changes format.

Respectfully Submitted,



Kate McKenna, AICP
Executive Officer

Attachments:

1. Draft Resolution Adopting an Update to the Bylaws for the Orderly and Fair Conduct of Hearings of LAFCO of Monterey County, including Exhibit A: Proposed Bylaws Update. (Clean Version)
2. Proposed Bylaws Update for the Orderly and Fair Conduct of Hearings of LAFCO of Monterey County. (Tracked Changes Version)

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

RESOLUTION NO. 22-xx

ADOPTING AN UPDATE TO THE RULES AND REGULATIONS (“BYLAWS”) FOR THE ORDERLY AND FAIR CONDUCT OF HEARINGS OF THE LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

WHEREAS, each Local Agency Formation Commission is empowered pursuant to Government Code Section 56375 to adopt and to enforce its own rules and regulations for the orderly and fair conduct of hearings; and

WHEREAS, the Local Agency Formation Commission adopted Resolutions 02-09, 08-02, 11-15, 11-17 and 20-15 establishing Rules and Regulations for the Orderly and Fair Conduct of Hearings; and

WHEREAS, the Local Agency Formation Commission wishes to further update the Rules and Regulations for the Orderly and Fair Conduct of Hearings to clarify current rules and procedures; and

WHEREAS, the Local Agency Formation Commission has considered the proposed update at a public meeting on August 22, 2022.

NOW, THEREFORE, BE IT RESOLVED that the Local Agency Formation Commission of Monterey County finds that the proposed updates (Exhibit A) are not subject to environmental analysis because they constitute organizational and administrative activities of government that will not result in direct or indirect physical changes in the environment and are therefore not a “project” for purposes of CEQA.

BE IT FURTHER RESOLVED that the Local Agency Formation Commission of Monterey County adopts the attached update to the Rules and Regulations (“Bylaws”) for the Orderly and Fair Conduct of Hearings of the Local Agency Formation Commission of Monterey County (Exhibit A), and the update is effective immediately.

UPON MOTION of Commissioner _____, seconded by Commissioner _____, the foregoing resolution is adopted this 22nd day of August 2022 by the following vote:

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

Mary Ann Leffel, Chair
Local Agency Formation Commission of Monterey County

ATTEST: I certify that this resolution is a true and complete record of said Commission’s actions.

Witness my hand this 22nd day of August 2022

By: _____
Kate McKenna, AICP, Executive Officer

Exhibit A

LAFCO *of Monterey County*

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

RULES AND REGULATIONS (“BYLAWS”)

FOR THE ORDERLY AND FAIR CONDUCT OF HEARINGS

OF THE LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

December 7, 2020 Proposed Update – Clean Version
Amended: 2002, 2008, 2011 and 2020

Section 1. GENERAL APPLICATION

The Local Agency Formation Commission of Monterey County hereby declares that its procedures, and the procedures of its standing committees, shall be governed by the California Open Meeting Law, also known as the “Ralph M. Brown Act” or “Brown Act” (California Government Code section 54950 *et seq.*), and the regulations hereinafter set forth together with such other administrative regulations as may from time to time be prescribed by the Commission or its Executive Officer. Should these regulations conflict with the requirements of the Brown Act, the provisions of the Brown Act shall control. For purposes of these rules and, unless otherwise specified, the term “Commissioner” shall refer to regular members of the Commission, and the term “Alternate” shall refer to alternate members.

Section 2. AUTHORITY

The conduct of the Local Agency Formation Commission of Monterey County is governed by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Government Code sections 56000 *et seq.*, as amended and hereinafter referred to as the “CKH Act.” The provisions of these bylaws are not intended to preempt state law. In the event of a conflict between the provisions set forth in these bylaws and those set forth in the CKH Act, the provisions of the CKH Act shall prevail.

Section 3. REGULAR MEETINGS

Regular meetings of the Commission shall be held on the fourth Monday of each month commencing at the hour of 4:00 p.m., or as may be otherwise determined as part of the adoption of the annual calendar. If such a meeting falls upon a legal holiday, the regular meeting shall be held on the preceding or succeeding Monday that does not fall on a holiday as set forth in the annual calendar. If no matters have been filed, no other matters remain from previous meetings, or there is otherwise no business to transact, the Chair may cancel the regular meeting, directing the Executive Officer to so notify the members of the Commission.

Section 4. AGENDAS OF REGULAR MEETINGS

At least 72 hours before a regular meeting, an agenda shall be posted at the Commission’s regular place of posting that contains a brief description of each item of business to be transacted or discussed at the

meeting. The agenda will include a period of time on the agenda to receive public comment on items within the jurisdiction of the Commission. The Commission will not make a final determination on any issue raised during the public comment period that is not included on the agenda. The Commission may refer the item to staff or schedule action for a future agenda.

Section 5. ITEMS NOT ON THE POSTED AGENDA

No action is to be taken on items not set forth on the posted agenda unless:

- a. By a majority vote the Commission determines that an emergency situation exists (emergency situation means work stoppage or other activity which severely impairs health, safety, or both, or a crippling disaster which severely impairs public health, safety, or both);
- b. By a determination of two-thirds of the Commissioners, or if less than two-thirds of the Commissioners are present then by unanimous vote of the Commissioners present, that the need to take action arose subsequent to the agenda being posted; or
- c. By the item being continued from a prior meeting held less than five days previously at which time the item was posted.

Section 6. SPECIAL MEETINGS

Special meetings may be ordered at any time by the Chair, or by a majority of Commissioners calling for such a meeting in writing. Notice of a special meeting must be delivered to each Commissioner personally, or by mail, and to each local newspaper of general circulation, and any radio or television stations requesting notice in writing. Such notice must be received at least 24 hours before the time of such special meeting as specified in the notice. The order shall specify the time, date, and place of the special meeting and the business to be transacted. No other business shall be considered at such meeting by the Commission. The call and notice shall be posted at least 24 hours prior to the special meeting at the Commission's regular place of posting. The written notice may be dispensed with as to any Commissioner who at or prior to the time the meeting convenes files with the Executive Officer a written waiver of notice. The waiver may be given by email. The written notice may also be dispensed with as to any Commissioner who is actually present at the meeting at the time it convenes.

Section 7. EMERGENCY MEETINGS

An emergency meeting may be held without compliance with the 24 hour notice or posting requirement as provided in Section 6 when an emergency situation exists, as defined in Section 5(a). The Executive Officer shall notify by phone at least one hour prior to such meeting any media which has requested notice of special meetings. Any action taken at the meeting shall be posted for a minimum of ten days in a public place as soon after the meeting as possible.

Section 8. ADJOURNED MEETINGS

The Commissioners may continue any item to another meeting specified in the order of continuance, may adjourn any meeting without specifying a new meeting date, and may adjourn any meeting to a time and place specified in the order of adjournment. Less than a quorum may so continue an item or adjourn a meeting. If all members are absent from any meeting, the clerk or secretary may so adjourn the meeting, and shall provide notice of any new meeting date and time as required by law.

Section 9. LOCATION OF MEETINGS

Unless otherwise particularly ordered by the Commission, all meetings shall be held in the Board of Supervisors Chambers, Monterey County Government Center, 168 West Alisal Street, First Floor, Salinas, California.

Section 10. COMPOSITION

The Commission shall consist of seven regular members and four alternate members (Government Code sections 56325 and 56332). All Commissioners must be residents of Monterey County.

Section II. SELECTION/APPOINTMENT OF MEMBERS

- A. County: The County Board of Supervisors shall appoint two regular Commissioners and one alternate Commissioner from the Board’s membership to serve on the Commission (Government Code section 56325).
- B. City: The City Selection Committee shall appoint two regular Commissioners and one alternate Commissioner to serve on the Commission, each of whom shall be a mayor or city council member from one of the County’s incorporated communities (Government Code section 56325). Such appointments shall be made in accordance with the procedure established by the City Selection Committee and described in the rules and regulations of that body.
- C. Special Districts: The Special Districts Selection Committee shall appoint two regular Commissioners and one alternate Commissioner from the special districts within the County (Government Code section 56332). Such appointments shall be made in accordance with the procedure established by the Special Districts Selection Committee and described in the rules and regulations of that body.
- D. Public Member: The public member and one alternate public member are appointed by a majority vote of the Commission in accordance with Government Code section 56325(d) and in the manner detailed in Section 14 of these bylaws.

Section 12. CHAIR AND CHAIR PRO TEMPORE

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

Beginning in May 2020, the positions of Chair and Chair Pro Tempore will be rotated among Commissioners according to the following schedule, and then repeated:

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

Section 13. TEMPORARY CHAIR PRO TEMPORE

In the absence of the Chair or Chair Pro Tempore at any meeting, the Commissioners present and constituting a quorum may, by majority vote, select a Commissioner to serve as temporary Chair Pro Tempore to serve in the absence of the Chair or Chair Pro Tempore.

Section 14. APPOINTMENT OF REGULAR AND ALTERNATE PUBLIC MEMBERS

Immediately upon the vacancy or tendered resignation of the Commission's regular or alternate public member, the Executive Officer shall prepare a press release and distribute it to the various newspapers circulated within the county and shall mail to each person on the LAFCO agenda distribution list, or other such interested persons requesting a copy, a notice of such vacancy. Said notice shall request that interested persons submit to the Executive Officer by a specified date a letter of interest and resume. Said letters of interest and resumes shall be provided to each regular and alternate city, district and county LAFCO Commissioner. The Commission shall review the qualifications of all interested persons by reviewing the submitted letters of interest and resumes and may determine to hold interview sessions with the most qualified applicants. The Commission may appoint an ad hoc committee to review applications, interview candidates, and present recommendations to the full Commission. Selection of the regular and alternate public member shall be subject to the affirmative vote of at least one of the Commissioners selected by each of the appointing authorities of the cities, the districts and the county. The Commission shall make such appointments by the confirmation of at least four votes of those Commissioners qualified to vote on the matter.

The Commission may appoint a person to any vacant public member position who is currently an officer or an employee of the County, or of any city or district with territory in the County, conditional upon receiving written verification that the person has resigned from the local agency position that causes the conflict of interest.

If the position of regular public member becomes vacant prior to the expiration of a term, the Commission may appoint the alternate public member to fill the unexpired term. If either position becomes vacant prior to the expiration of a term, the Commission may appoint a qualified candidate who has applied in the previous 12 months in response to a notice of vacancy for either position. These alternate application procedures can be implemented following a 21-day public notice of the vacancy.

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Section 16. TERMS OF OFFICE

The terms of office of Commissioners and Alternates shall be four years unless otherwise prescribed by law. If a Commissioner leaves the Commission prior to the completion of his/her term, the appointment of his/her successor shall be for the remainder of the unexpired term of his/her predecessor.

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the Budget & Finance Committee, or ad hoc committees which are formed for a specific purpose and a limited time, such as the Executive Officer Evaluation and Compensation Review Committee.

Committees may be appointed by any of the following methods:

- a. Nominations from the floor (open nominations) with viva voce election;
- b. Nominations by the chair (with confirmation by voice vote);
- c. Appointment by the chair; and
- d. Appointment by adoption of a motion naming members of a committee.

Section 19. QUORUM

Four Commissioners, including any Alternate in attendance in the place and stead of any absent or disqualified Commissioner, shall constitute a quorum for the transaction of any business of the Commission. Any resolution or minute order shall be adopted by the affirmative votes of at least four Commissioners, including any such Alternate(s). In the absence of a quorum, the Executive Officer may adjourn the meeting to a stated time and place in accordance with Section 54955 of the Government Code.

Section 20. MAJORITY

Actions of the Commission shall be by a majority vote of Commissioners present and voting on the issue. If a Commissioner is recused or prohibited from voting due to an actual or perceived conflict of interest under the California Political Reform Act (Government Code section 8700 *et seq.*) or Government Code section 1090 *et seq.*, the Commissioner shall leave the dais and the chambers, and his or her presence shall not be counted towards a quorum. If the recusal of a Commissioner on a certain item will upset the quorum, such item shall be trailed to the end of the meeting and continued to a future meeting when a quorum can be obtained. The presence of any Commissioner who otherwise abstains from voting shall be counted for purposes of determining a quorum, but the vote of such abstaining Commissioners shall not be counted either for or against a measure in determining whether a majority vote has been obtained.

Section 21. MEETING PROCEDURE

All meetings of the Commission shall be open to the public. At the opening of each meeting, the Commissioners shall take their regular seats in the Board of Supervisors Chambers. If a Commissioner is absent, the Chair will designate the appropriate Alternate present as a replacement. If the Commissioner appears after any public testimony or presentations have been given during a public hearing, such Commissioner shall abstain from voting unless the matter is continued to another meeting. If the public hearing is continued, the Commissioner may participate after reviewing all recordings and materials of the proceedings missed.

Unless otherwise ordered by the Chair, the business shall be taken up for consideration and disposition in the following order:

- a. Roll Call
- b. Pledge of Allegiance
- c. Public Comment
- d. Closed Session
- e. Consent Agenda
- f. Continued Matters
- g. New Matters
- h. Other Matters
- i. Executive Officer's Report
- j. Commissioner Comments
- k. Adjournment

Section 22. SUSPENSION OF REGULAR ORDER OF BUSINESS

The regular order of business may be suspended at the discretion of the Chair, unless a majority of the Commission is opposed thereto.

Section 23. ROBERT'S RULES OF ORDER

Except as may otherwise specifically be provided in these regulations, all meetings of the Commission shall be conducted pursuant to Robert's Rules of Order, revised. The Chair shall be the parliamentarian of the Commission, upon consultation with the General Counsel.

Section 24. VOTING

Except upon demand of a Commissioner or voting Alternate, roll need not be called upon voting on a motion, order, or resolution. All members shall vote audibly either "aye" or "nay" as the case may be.

Section 25. PUBLIC PARTICIPATION AT MEETINGS

a. Each agenda of the Commission shall provide an opportunity for members of the public to address the Commissioners on any agenda item of interest to the public, before or during the Commissioners' consideration of the item. The Chair may limit the time allowed for each person to speak.

b. Each agenda for regular meetings will include a regular time near the beginning of the agenda to receive public comment on items that are within the jurisdiction of the Commission but are not on the agenda. Directors are not required to respond to any issues raised during the public comment period and may not take any action on such issues other than to refer the item to Staff or schedule action for a future agenda.

Section 26. HEARINGS

All hearings shall be conducted by the Chair in the manner provided by law. All hearings of the Commission will be considered open for public participation. When a proposal is being considered by the Commission, the public hearing will be considered open when the item is referred to on the agenda by the Chair. The sequence of events relating to a proposal shall be as follows:

- a. By reference to agenda, the Chair announces the proposal to be heard or considered.
- b. The Executive Officer will present the "Executive Officer's Report" to the Commission.
- c. The Executive Officer will present or summarize any additional messages or communications regarding the proposal.
- d. The Chair inquires if Commissioners have any questions of staff.
- e. The Chair asks if there are any proponents in the audience who wish to be heard.
- f. Following the proponents' remarks, the Chair asks for opponents to be heard.
- g. The Chair may permit a brief period for rebuttal from proponents following all opponents being heard.
- h. After the public has been heard, the Chair may entertain a motion to close the public hearing.
- i. Following the successful passage of the motion to close the public hearing, the discussion would be limited to the Commission level and culminates in an action to approve or deny the proposal by resolution adopted by a vote of the Commission.

Section 27. RECORDS OF PROCEEDINGS

All proceedings of every meeting of the Commission shall be reported in writing and shall be permanently maintained in an appropriate Minute File. Minutes of the Commission meetings shall be presented to the

Commission at its next regularly scheduled meeting and shall be approved by a majority of Commissioners present, but in no instance shall the affirmative vote be less than four. All orders of the Commission with reference to its final action upon any application or proposal resolutions will be maintained in full in the Minute File. The Executive Officer of the Commission shall keep a Resolution File in which all resolutions shall be entered in full. References in the Minute File to resolutions shall be made by number and name.

Section 28. PROPONENT

As used herein the term “proponent” shall refer to any person, firm, private corporation, or any local agency making application to or filing any proposal with the Commission.

Section 29. FORMS

In any proceeding with reference to which the Commission provides an established printed form, the application or proposal or other filing shall be made upon the particular form so provided. When any such printed form is so provided, all information and exhibits required by regularly adopted regulation of the Commission, except that upon finding good cause the Executive Officer may waive submission of certain of the information. In no instance shall waiver be given for submission of any information required by law. The Executive Officer may decline to receive any document or paper not complying with these regulations or the Commission may decline to proceed in the matter until such time as compliance is had with these regulations.

Section 30. FILINGS REQUESTED

A proponent shall file an original and 15 copies of any application/petition form, map and legal description. When an application consists of a petition, only two copies of the signature pages need be submitted. All filing shall be made with the Executive Officer or such designated person.

Section 31. ADDITIONAL STATEMENTS

Any application or proposal shall contain such data and information or maps or plats as may be required by any rule or regulation of the Commission, including Standards for the Evaluation of Proposals, and such additional data as may be required by the Executive Officer and which pertains to any of the matters or factors which may be considered by the Commission. Such additional statements, maps, plats and rezoning may be required and shall be furnished upon demand of the Executive Officer at any time either at the time of or subsequent to the initial filing of any application or proposal. The Executive Officer may decline to receive for filing any document or paper that does not comply with the requirements of this section. In the event any such additional data is required after an initial filing is made, further proceedings may be held in suspense pending the presentation of additional data.

Section 32. IDENTIFICATION OF PROPOSAL

The Executive Officer shall establish a file for each application or proposal and shall establish a LAFCO file number and distinctive name or title for each proposal.

Section 33. SUPERSESSION

These Rules and Regulations shall supersede any and all rules of procedure previously adopted by the Commission.

LAFCO *of Monterey County*

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No action is to be taken on items not set forth on the posted agenda unless:

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Year 3
Year 4

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Section 25. PUBLIC PARTICIPATION AT MEETINGS

- a. Each agenda of the Commission shall provide an opportunity for members of the public to address the Commissioners on any agenda item of interest to the public, before or during the Commissioners' consideration of the item. The Chair may limit the time allowed for each person to speak.
- b. Each agenda for regular meetings will include a regular time near the beginning of the agenda to receive public comment on items that are within the jurisdiction of the Commission but are not on the agenda. Directors are not required to respond to any issues raised during the public comment period and

may not take any action on such issues other than to refer the item to Staff or schedule action for a future agenda.

Section 26. HEARINGS

All hearings shall be conducted by the Chair in the manner provided by law. All hearings of the Commission will be considered open for public participation. When a proposal is being considered by the Commission, the public hearing will be considered open when the item is referred to on the agenda by the Chair. The sequence of events relating to a proposal shall be as follows:

- a. By reference to agenda, the Chair announces the proposal to be heard or considered.
- b. The Executive Officer will present the "Executive Officer's Report" to the Commission.
- c. The Executive Officer will present or summarize any additional messages or communications regarding the proposal.
- d. The Chair inquires if Commissioners have any questions of staff.
- e. The Chair asks if there are any proponents in the audience who wish to be heard.
- f. Following the proponents' remarks, the Chair asks for opponents to be heard.
- g. The Chair may permit a brief period for rebuttal from proponents following all opponents being heard.
- h. After the public has been heard, the Chair may entertain a motion to close the public hearing.
- i. Following the successful passage of the motion to close the public hearing, the discussion would be limited to the Commission level and culminates in an action to approve or deny the proposal by resolution adopted by a vote of the Commission.

Section 27. RECORDS OF PROCEEDINGS

All proceedings of every meeting of the Commission shall be reported in writing and shall be permanently maintained in an appropriate Minute File. Minutes of the Commission meetings shall be presented to the Commission at its next regularly scheduled meeting and shall be approved by a majority of Commissioners present, but in no instance shall the affirmative vote be less than four. All orders of the Commission with reference to its final action upon any application or proposal resolutions will be maintained in full in the Minute File. The Executive Officer of the Commission shall keep a Resolution File in which all resolutions shall be entered in full. References in the Minute File to resolutions shall be made by number and name.

Section 28. PROPONENT

As used herein the term "proponent" shall refer to any person, firm, private corporation, or any local agency making application to or filing any proposal with the Commission.

Section 29. FORMS

In any proceeding with reference to which the Commission provides an established printed form, the application or proposal or other filing shall be made upon the particular form so provided. When any such printed form is so provided, all information and exhibits required by regularly adopted regulation of the Commission, except that upon finding good cause the Executive Officer may waive submission of certain of the information. In no instance shall waiver be given for submission of any information required by law. The Executive Officer may decline to receive any document or paper not complying with these regulations or the Commission may decline to proceed in the matter until such time as compliance is had with these regulations.

Section 30. FILINGS REQUESTED

A proponent shall file an original and 15 copies of any application/petition form, map and legal description. When an application consists of a petition, only two copies of the signature pages need be submitted. All filing shall be made with the Executive Officer or such designated person.

Section 31. ADDITIONAL STATEMENTS

Any application or proposal shall contain such data and information or maps or plats as may be required by any rule or regulation of the Commission, including Standards for the Evaluation of Proposals, and such additional data as may be required by the Executive Officer and which pertains to any of the matters or factors which may be considered by the Commission. Such additional statements, maps, plats and rezoning may be required and shall be furnished upon demand of the Executive Officer at any time either at the time of or subsequent to the initial filing of any application or proposal. The Executive Officer may decline to receive for filing any document or paper that does not comply with the requirements of this section. In the event any such additional data is required after an initial filing is made, further proceedings may be held in suspense pending the presentation of additional data.

Section 32. IDENTIFICATION OF PROPOSAL

The Executive Officer shall establish a file for each application or proposal and shall establish a LAFCO file number and distinctive name or title for each proposal.

Section 33. SUPERSESION

These Rules and Regulations shall supersede any and all rules of procedure previously adopted by the Commission.

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

KATE McKENNA, AICP
Executive Officer

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

132 W. Gabilan Street, Suite 102
Salinas, CA 93901
www.monterey.lafco.ca.gov

DATE: August 22, 2022
TO: Chair and Members of the Commission
FROM: Kate McKenna, AICP, Executive Officer
PREPARED BY: Jonathan Brinkmann, Senior Analyst
SUBJECT: Fort Ord Reuse Authority (FORA) Dissolution Status Report – LAFCO File No. 18-06

SUMMARY OF RECOMMENDATION:

Accept status report.

EXECUTIVE OFFICER'S REPORT

Summary

In accordance with State law, FORA ceased operations as a public agency on June 30, 2020 and FORA's enabling legislation, known as the FORA Act, was repealed as of December 31, 2020. The FORA Act gave LAFCO a limited oversight role of ensuring that FORA's contracts, agreements and pledges to pay or repay money are honored and properly administered, and ensuring that all FORA assets are appropriately transferred.

While many post-FORA tasks and obligations have been accomplished, several items such as distribution of remaining fund balances to FORA-member agencies and resolution of FORA-related litigation have not yet occurred. This report presents current status of remaining post-FORA tasks and obligations.

Transfer of Roles and Responsibilities

In summary, FORA's former roles and responsibilities have successfully transitioned to other local government agencies. The City of Seaside has assumed Environmental Services Cooperative Agreement (ESCA) munitions cleanup, Local Redevelopment Authority (LRA), and FORA-Army Economic Development Conveyance Agreement responsibilities. The City of Marina has assumed administrative responsibilities for the FORA tax allocation bond. Marina Coast Water District has assumed responsibilities for Fort Ord water/wastewater service provision. The Transportation Agency for Monterey County has assumed responsibilities for collection of fees for and funding of regional roadways formerly part of FORA's Capital Improvement Program (CIP). The Cities of Marina, Seaside, and Del Rey Oaks have assumed responsibilities for specific FORA CIP projects through specific agreements. The County of Monterey has taken on wind-up of FORA's administrative affairs through an agreement with FORA.

Administrative Tasks Status

LAFCO's limited oversight role includes monitoring and reviewing the wind-up of FORA's affairs by the County of Monterey and FORA-related litigation. LAFCO administrative oversight is being funded through drawdown of \$100,000 in funds (approximately \$57,000 remaining) provided by FORA for this purpose.

The County is working diligently toward concluding FORA's business affairs. Post-FORA tasks completion highlights include:

- FORA records transferred to County (September 15, 2020)
- Payment of FORA's \$12.2 million CalPERS termination liability (paid February 5, 2021)
- Completion of Final FORA FY 2019-2020 Audit (June 29, 2021)

Remaining post-FORA tasks include:

- Transfer of ESCA/LRA records from the County of Monterey to City of Seaside
- Management/administration of Deferred Compensation and Health Reimbursement Accounts
- Payment of FORA's outstanding invoices
- Distribution of remaining FORA funds to former FORA member agencies

CalPERS used a conservative methodology in determining FORA's CalPERS termination liability, which was the lump sum payment needed for CalPERS to cover the annual unfunded accrued liability (UAL) payments after June 30, 2020. In 2020, CalPERS assumed that the assets it invests in to pay employee pensions earn about 7% per year when it calculated the annual UAL of its existing public agency members. In calculating FORA's termination liability, CalPERS assumed risk-free investment returns equal to the 20-year Treasury yield (approximately 1%). The conservative methodology used reduces the risk of CalPERS having insufficient funds to cover former FORA employees' CalPERS pensions.

Litigation Status

FORA-related legal costs are being funded through \$500,000 in litigation reserve funds (over \$300,000 remaining) provided by FORA through the FORA-LAFCO Indemnification Agreement.

On September 1, 2020, the Committee for Sound Water and Land Development of Fort Ord (a private entity) filed a lawsuit against the City of Seaside and FORA regarding each agency's approvals associated with Seaside's Campus Town project. The case received a judgment of dismissal from the Monterey Superior Court and affirmation of this judgment from the Court of Appeal.

In late September 2020, LAFCO settled a FORA building removal-related claim with Resource Environmental, Inc. The California Native Plant Society filed suit against the City of Del Rey Oaks in June 2020, with LAFCO named as a real party in interest. Although this suit currently remains unresolved, the suit does not request any actions ("relief") by LAFCO as a real party in interest. The parties continue to negotiate resolution of the matter.

Next Steps

Staff remains engaged in overseeing and monitoring wind-up of FORA's affairs by the County of Monterey. LAFCO is adequately funded, through FORA-provided administrative oversight funding and litigation reserve funding, for its remaining oversight role. LAFCO will distribute any remaining litigation reserve funds equally to the County of Monterey and Cities of Marina, Seaside, Del Rey Oaks, and Monterey when the funds are determined to be no longer needed, which is expected to occur in early 2023 after the remaining CNPS lawsuit is resolved. LAFCO will hold administrative oversight funds until litigation is resolved before distributing these funds to FORA member agencies. Upon completion of FORA's remaining obligations, LAFCO staff will present a draft resolution on FORA dissolution for Commission consideration.

Respectfully Submitted,



Kate McKenna, AICP
Executive Officer

CC: Representatives of the County of Monterey
Representatives of the Cities of Marina, Seaside, Del Rey Oaks, and Monterey
Representatives of special districts within and adjacent to the former Fort Ord
Other interested parties

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

KATE McKENNA, AICP
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DATE: August 22, 2022
TO: Chair and Members of the Formation Commission
FROM: Kate McKenna, AICP, Executive Officer
PREPARED BY: Jonathan Brinkmann, Senior Analyst
SUBJECT: Business Items for the 2022 Annual Conference of the California Association
of Local Agency Formation Commissions

SUMMARY OF RECOMMENDATIONS:

It is recommended that the Commission take the following actions:

1. Authorize attendance of up to two staff, one general counsel, and all seven Commissioners who expressed interest in attending the Annual CALAFCO Conference in Newport Beach on October 19 through October 21 (action item);
2. Designate Regular and Alternate Voting Delegates to represent LAFCO of Monterey County at the Conference (action item);
3. Nominate Supervisor/Commissioner Chris Lopez for the CALAFCO Board County Representative seat (action item);
4. Receive information regarding the 2022 CALAFCO Achievement Awards (information item);
and
5. Receive information on CALAFCO activities (information item).

EXECUTIVE OFFICER'S REPORT:

LAFCO of Monterey County is a member of the California Association of Local Agency Formation Commissions (CALAFCO). Commissioner Chris Lopez is an elected Coastal region representative on the CALAFCO Board of Directors. The 2022 CALAFCO Annual Conference and Business Meeting will be held on Wednesday, October 19 through Friday, October 21 in Newport Beach.

The Commission has five items to consider in preparation for the conference. Each item and recommendation is discussed below.

I. Authorize Annual CALAFCO Conference Attendance (Action Item)

The Commission is requested to authorize the attendance of interested attendees to include up to two staff, one general counsel, and all seven Commissioners who expressed interest in attending.

Recommended Action #1: Authorize attendees.

2. Designate Voting Delegates (Action Item)

Each LAFCO designates a person to cast votes on behalf of his/her respective Commission during regional election caucuses at the Annual Conference. Appointment of a regular and alternate voting delegate are required from this Commission.

Recommended Action #2: Designate the Commission Chair as the Voting Delegate and one other Commissioner who will attend as the Alternate Delegate, or one other Commissioner designated by the Chair as the Alternate Delegate. If a Commissioner cannot be identified as the Alternate Delegate, another option is to designate the LAFCO Executive Officer.

3. Nominations for CALAFCO Board of Directors (Action Item)

CALAFCO members elect a 16-member Board of Directors based on a regional representation system. Each of the four CALAFCO regions is represented by four Board Members – one county, one city, one district, and one public. Monterey County is part of the 15-county Coastal Region.

This Fall, two of the four Coastal Region seats are up for election: the District Member (currently held by Michael McGill of Contra Costa County) and the County Member (currently held by Chris Lopez of Monterey County).

Supervisor/Commissioner Chris Lopez has expressed his interest in running for office again. Staff recommends that the Commission nominate Supervisor/Commissioner Chris Lopez for the CALAFCO Board County Representative seat for the Coastal Region.

Recommended Action #3: Nominate Supervisor/Commissioner Chris Lopez for the CALAFCO Board County Representative seat.

4. CALAFCO 2022 Achievement Award Nominations (Information Item)

CALAFCO opened its 2022 Achievement Award nominations this past June. LAFCO staff reviewed the criteria for the eight award categories and did not identify an Achievement Award nomination this year.

Recommended Actions #4: Receive information report.

5. CALAFCO Activities (Information Item)

The CALAFCO Quarterly Report is attached for information, including updates regarding completion of CALAFCO-sponsored legislation SB 938 (Protest Provisions) and AB 2957 (Omnibus).

Recommended Actions #4: Receive information report.

Respectfully Submitted,



Kate McKenna, AICP,
Executive Officer

Attachment: August 2022 CALAFCO Quarterly Report



NEWSLETTER

August, 2022 Edition

BOARDROOM Brief

AT ITS VIRTUAL meeting on July 22, the Board received the year-end financial reports from our accountant, considered a revised FY 22-23 budget, and resumed their discussion of the Government Code Section 56133 legislative amendment proposal.

The Fourth Quarter financial report found that the association is sound financially. It also disclosed an FY 21-22 net balance that was slightly larger than had been expected in April. Consequently, a revised FY 22-23 budget was also presented to the Board to capture the higher carryover, as well as to remove an erroneously duplicated stipend calculation from the Executive Director's salary line for the upcoming year. Those adjustments, along with another that the Board made to the payroll tax line, resulted in a revised FY 22-23 budget. The differences from the original version approved in April were increased carryover and contingency lines, and reductions to the ED salary and payroll tax lines. The revised budget can be found on the Board meeting portion of the website.

The last action item considered was the reconsideration of the legislative proposal from San Diego LAFCo regarding Government Code §56133. As many will recall, the topic has been a continuing one having been discussed and tabled at the January and April Board meetings. In April, the Board sent the proposal back to the Legislative Committee to complete additional research. Ultimately, the Board approved adding the endeavor to the list of CALAFCO projects, as well as approving a White Paper to guide the effort.

Reports were also received regarding CALAFCO U and the fall conference - including Elections. It was noted that Achievement Awards have an upcoming **deadline of AUGUST 12TH** - so get those nomination packets in ASAP!

The next Board meeting is scheduled for October 21st during the conference.

All agendas, staff reports, and minutes can be found on the CALAFCO website at www.calafco.org. Any questions should be directed to the Executive Director at rlaroc@calafco.org.

SBA 938 Chaptered



Screen shot of Senator Hertzberg presenting SB 938 on the Senate Floor on June 23, 2022

AS MOST of you already know, SB 938 (the Protest Provisions bill) has been successfully concluded. It passed the Senate Floor on June 23rd with a 38-0 vote, and was signed by the Governor on July 1st.

Thank you to the many LAFCOs who rushed to get letters submitted to the Governor after that June 23rd passage.

Given that this is the culmination of an effort that began in 2017, special thanks must again go to the Protest Provisions Working Group members for the YEARS of work on this bill.

The Board of Directors - and all of CALAFCO - extends its sincerest thanks and gratitude to **Jo MacKenzie, José Henriquez, Kai Luoma, Steve Lucas, Paul Novak, Holly Whatley** and, of course, **Pamela Miller** (who stayed on to work the bill in a volunteer capacity.)

Other Legislative Updates

AB 2957, the CALAFCO sponsored Omnibus bill has also been successfully completed. It was passed by the Senate on June 9th, and signed by the Governor on June 21, 2022. Thank you to all of the Legislative Committee members and EOs who submitted proposed changes for the bill. Special thanks to Joe Serrano who had the unenviable task of logging all of those changes!

See **OTHER UPDATES** on Page 3



A Message from the
Executive Director

It's been a busy few months in the office.

We've held two successful and well-received CALAFCO U webinars. Like much of what we do, these could not exist without the volunteerism of our panelists. Thanks to Carolyn Emery (OC), Alison Alpert (BB&K), and Gary Phillips (Bob Murray and Associates) for participating in our June webinar on recruitments and hiring in a post pandemic world. Also, kudos to David Ruderman (Colantuono, Highsmith & Whatley) for organizing our July offering regarding R&T 99, with thanks to panelists José Henriquez (Sacramento), Israel Guevara (OC Auditor-Controller) and Holly Whatley (CHW). I hear time and again how much our members appreciate these offerings!

Our next CALAFCO U is scheduled in September, then they will go on hiatus through the conference and holidays. The target month for our first session in 2023 is February. Thanks to Dawn Mittleman Longoria (Napa) who has been my wing person on these. I could NOT have made it without her!!

Jeni and I are now in full conference mode. Registration opened on July 5th and they have been coming in steadily. If you missed the July 31st Early Bird deadline, the next date to watch is **August 31st** which will be the last day to get the Standard Registration Fee. After that it will be Late Fee only.

Sponsorship packets were sent out and we're seeing some new and returning sponsors already! However, I would ask and encourage you all to send a packet to those in your networks as well.

Our conference planning committee is working hard and the program is taking shape. Many thanks to José Henriquez who is spearheading that effort. Look for more specifics to be announced soon.

Also, a reminder that **ACHIEVEMENT AWARD NOMINATIONS** are due no later than **August 12th at 5:00 PM** so

See **ED**, column right

IN MEMORIAM

JERRY GLADBACH, Los Angeles LAFCo Commissioner

Sad news from Los Angeles LAFCo who lost long-time commissioner, Jerry Gladbach, on July 14th. Commissioner Gladbach was a representative of the Santa Clarita Valley Water Agency and had held a seat on the L.A. LAFCo where he had served as its Chair for 16 years. Commissioner Gladbach also served as a CALAFCO Director from 2005 to 2013, held the position of CALAFCO Board Chair in 2012, received the Most Outstanding Commissioner Award in 2013, as well as the prestigious and well-deserved Lifetime Achievement Award in 2021.



A resident of the Santa Clarita Valley since 1968, Commissioner Gladbach was a do-er who had also served on boards of the National Water Resources Association and the California Water Agencies Joint Powers Insurance Authority. He was renowned for his knowledge, dedication, kindness, and friendliness and will be missed by all.

CALAFCO sends its deepest condolences to Commissioner Gladbach's family, friends, and co-workers.



Contra Costa LAFCo bid farewell to Commissioner Igor

Skaredoff (Contra Costa Resource Conservation District) who served as a Special District member since 2014. During Commissioner Skaredoff's tenure, Contra Costa LAFCo competed numerous Municipal Service Reviews covering fire/emergency medical, reclamation, healthcare, parks & recreation, cemetery, and city services; and acted on over 75 proposals including dozens of boundary changes and reorganizations, and four district dissolutions. Also, during Commissioner Skaredoff's tenure, Contra Costa LAFCO Commissioners were named "Most Effective Commission" at the 2019 annual CALAFCO conference.

See **CONNECTIONS** on Page 4

ED, Continued from left column

get those nominations in to Steve Lucas today!

Another date to note is **September 19th** at 5:00 PM - which is when Director Nominations, Requests for Absentee/Electronic Ballots, and names of voting delegates must be **received**.

And if that wasn't enough, Absentee Ballots are due **October 14th**.

Lastly, a special shout out to Gary Thompson (Riverside) who will be presenting at the CSDA conference in balmy Palm Desert on August 24th. Many thanks, Gary!

Okay, folks, I know that's a lot of dates but you'll also find them all on the Calendar of Events on Page 3.

As usual, please feel free to reach out to me any time that you have any questions or concerns. Enjoy the summer, be safe, and see you at the Conference!!

Upcoming EVENTS

CALAFCO 2022 ANNUAL CONFERENCE

October 19 - 21, 2022

Join us at the **Hyatt Regency Newport Beach John Wayne Airport** on



October 19-21, 2022 for our long-awaited, long-overdue Annual Conference! The program planning committee is finalizing what is sure to be a great program. Go

to calafco.org for more details. *See you in Newport Beach!*

2023 STAFF WORKSHOP

April 26 - 28, 2023

Learn technical topics in a beautiful setting! Don't miss next year's Staff Workshop on the beautiful grounds of Ironstone Vineyards in Murphys, California.



CALAFCO U explores topics of interest to LAFcos and are offered at no cost to our members.

Sep. 19, 2022: **Two Agencies in Dispute: LAFco's Role in Assisting in Resolving the Conflict**
1:00 PM

TBD, 2023: **The Dirty Dozen: Things I Wish I Knew About The Act**

BOARD MEETINGS:

Oct. 21, 2022 LOCATION: Newport Beach (Conference)

Dec. 2, 2022 LOCATION: Virtual

LEGISLATIVE COMMITTEE MEETINGS:

Sept. 16, 2022 **CANCELLED**

Oct. 7, 2022 LOCATION: Virtual

Nov. 4, 2022 LOCATION: TBD

OTHER IMPORTANT DATES:

Aug. 12, 2022 ACHIEVEMENT AWARD NOMINATIONS DUE

Sept. 19, 2022 BOARD OF DIRECTOR NOMINATIONS DUE

Sept. 19, 2022 ABSENTEE/ELECTRONIC BALLOT REQUESTS DUE

Sept. 19, 2022 NAME OF VOTING DELEGATE DUE

Oct. 14, 2022 ABSENTEE BALLOTS ARE DUE

Oct. 20, 2022 ELECTIONS

OTHER UPDATES

Continued from Page 1

CALAFCO is currently tracking a total of 29 bills. Included among those are:

AB 897 (Mullin), establishment of a regional climate network. This bill has stalled and is in its second year.

AB 1640 (Ward), would authorize the creation of regional climate networks, as well as set up guidelines. Referred to the Senate Appropriations suspense file.

AB 1773 (Patterson), return of Williamson Act subvention funding. Held under submission in Assembly Appropriations on May 19th.

SB 739 (Cortese), was a gut and amend seeking to create ministerial processes for the annexations of unused golf courses to be used for the development of high rise buildings with 600-700 residences. The author's office notes that it will not be pursuing this bill this year.

SB 852 (Dodd), is similar to AB 1640 in that it addresses the formation of climate resilience districts, however, this bill focuses on enhanced infrastructure financing to fund public capital facilities including projects that address climate change impacts. Scheduled for third reading in the Assembly on August 8th.

SB 1100 (Cortese), which would amend the Brown Act to include provisions and procedures regarding meeting disruptions has passed both houses and is now in Engrossing and Enrolling.

SB 1490, 1491, and 1492, the annual Validation Acts, have now been chaptered.

The legislative season is now nearing a close with August 12th being the last day for fiscal committees to meet and report bills. After that, the remainder of the month will be Floor sessions only, with August 25th being the last day to amend bills on the floor. August 31st is the deadline for each house to pass bills, and the Final Recess will begin upon adjournment on that date.

It is fitting to note at this time that this important work does not happen in a vacuum. The Legislative Committee is composed of 32 members who have committed to give generously of their time and expertise. CALAFCO could not do what it does without them, so our sincerest thanks to the following:

Board Appointees - Bill Connelly, Gay Jones, Mike Kelley, Chris Lopez, Jo MacKenzie, Daron McDaniel, Mike McGill, Margie Mohler, Anita Paque, and Josh Susman.

Staff Voting Members - Clark Alsop, Gary Bell, Mark Bramfitt, Scott Browne, Carolyn Emery, René LaRoche, Steve Lucas, Kai Luoma, Jennifer Stephenson, and Gary Thompson.

Staff Alternates - Rob Fitzroy, Paula Graf, Joe Serrano, and Paula de Sousa.

Advisory - Tara Bravo, Crystal Craig, Brandon Fender, Sara Lytle-Pinhey, Priscilla Mumpower, Erica Sanchez, Jim Simon, and Luis Tapia.

CONNECTIONS

Continued from Page 2

Contra Costa also welcomed Commissioner Patricia Bristow in June as its new Special District member. Commissioner Bristow currently serves as Board Member on both the Byron-Brentwood-Knightsen Union Cemetery District and the Byron Sanitary District and serves on the Contra Costa County Transportation Authority Citizen Advisory. Commissioner Bristow has lived in Brentwood and Byron her entire life and was a teacher and counselor in the Brentwood Unified School District for 34 years. Her family has farmed in the community for over 100 years.

NEW Roles

LUIS TAPIA promotes to OC AEO

Orange County LAFCo announced the promotion of Luis Tapia to the Assistant Executive Officer position. Luis brings a great deal of experience to the role having been with Orange LAFCo since 2016 and is an Advisory member to the CALAFCO Legislative Committee.

NATASHA CARBAJAL hired as Santa Barbara's new Analyst-Clerk

Santa Barbara LAFCo is pleased to welcome Natasha Carbajal as its new Analyst/Clerk. Natasha had been providing clerking services for

about 10 months while she was with the Santa Barbara Clerk of the Board's Office. She comes to LAFCo with a broad range of skills and abilities, including great local government experience and all around good public service skills. Natasha has a Master of Public Administration from California State University Northridge and a Bachelor of Arts, Sociology from University Channel Islands.

MORGAN BING welcomed as SLO Clerk Analyst

Morgan Bing has joined San Luis Obispo LAFCo as their new Clerk Analyst. She comes to SLO LAFCo with a Bachelors and Masters degree from Cal Poly San Luis Obispo and four years of experience. SLO LAFCo is very excited to have her on their team!

SAFARINA MALUKI becomes Clerk in Monterey

Monterey LAFCo has welcomed Safarina Maluki as their new Clerk to the Commission/Office Administrator. Safarina has a wide range of responsibilities in support of the Commission and staff, and she looks forward to getting to know her colleagues around the State!

Congratulations one and all!

Associate Member SPOTLIGHT

The information below is provided by the Associate member upon joining the Association. All Associate Member information can be found in the CALAFCO Member Directory

E MULBERG & ASSOCIATES

Services include Municipal Service Reviews, Sphere of Influence updates, changes in organization, staff support, CEQA analysis, and assistance with applications to LAFCo.

To learn more about E Mulberg & Associates, visit their website at www.emulberg.com, or contact Elliot Mulberg at Elliot@emulberg.com.



LOS ANGELES COUNTY SANITATION DISTRICTS

Provides sewer service to 78 cities and unincorporated areas of LA County. Before a district can provide sewage service to a territory, it must be within its jurisdictional boundaries. Donna Curry administers the annexation program, including processing applications for annexation.

To learn more about LACSD visit their website at www.lacsd.org, or contact Donna Curry at dcurry@lacsd.org

CALAFCO wishes to thank all of our Associate Members for your ongoing support and partnership. We look forward to highlighting you all in future Newsletters.

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

KATE McKENNA, AICP
Executive Officer

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DATE: August 22, 2022
TO: Chair and Members of the Formation Commission
FROM: Kate McKenna, AICP, Executive Officer
PREPARED BY: Jonathan Brinkmann
SUBJECT: Marina Coast Water District – Proposed Sphere of Influence Amendment and Annexation of the Campus Town and Parker Flats Apartments projects totaling approximately 96 acres, in the City of Seaside’s portion of the Ord Community

SUMMARY OF RECOMMENDATIONS:

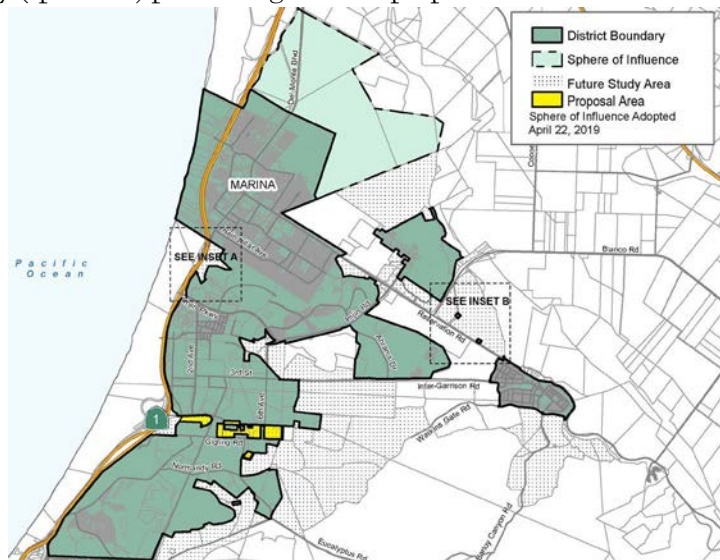
It is recommended that the Commission:

1. Receive a report from the Executive Officer,
2. Open the public hearing and receive any public comments,
3. Provide for questions or follow-up discussion by the Commission,
4. Close the public hearing; and
5. Move to adopt a resolution (Attachment 1) to:
 - a. Consider the Final Environmental Impact Report (EIR) for the Campus Town project and the categorical exemption for the Parker Flats Apartments project for which the City of Seaside certified and made findings in March 2020 and May 2022, respectively, pursuant to CEQA, to address the potential environmental effects of the proposed sphere amendment and annexation;
 - b. Approve the District’s proposed sphere of influence amendment and annexation (see maps – Attachment 1, Exhibit A); and
 - c. Waive Conducting Authority (“protest”) proceedings for this proposal.

EXECUTIVE OFFICER’S REPORT:

Overview

Marina Coast Water District (MCWD) provides water, wastewater, and recycled water services to central Marina and the former Fort Ord (Ord Community). Since 1998, MCWD served the Ord Community – including areas now within Marina, Seaside, and the unincorporated County of Monterey – via contractual agreement with the now-defunct Fort Ord Reuse Authority. In 2019, LAFCO approved a sphere of influence amendment and



annexation of approximately 4,907 acres to MCWD to bring its already-served Ord Community parcels into MCWD's jurisdictional boundaries.

Prior to LAFCO's approval of MCWD's sphere amendment and annexation in 2019, LandWatch Monterey County and Keep Fort Ord Wild filed lawsuits against MCWD, as lead agency for the proposal under CEQA. The lawsuits asserted that the proposed annexation would cause significant and unmitigated environmental impacts by facilitating increased groundwater pumping in the Salinas Valley Groundwater Basin. MCWD, LandWatch, and Keep Fort Ord Wild entered into a settlement agreement resolving both lawsuits. As part of the agreement, MCWD agreed to remove 27 parcels, or portions of parcels (approximately 440 acres) from its sphere amendment and annexation proposal. The Campus Town and Parker Flats Apartments projects were excluded from MCWD's amended proposal because neither project had existing development entitlements at that time.

MCWD is now proposing a sphere of influence amendment and annexation to expand its jurisdictional boundaries to include the Campus Town project and Parker Flats Apartments project within Seaside's portion of the Ord Community. Seaside has provided evidence in their LAFCO application that both projects have received development entitlements and a "Final Land Use Approval" as defined in the Settlement Agreement among LandWatch, Keep Fort Ord Wild, and MCWD, dated September 17, 2018. This term means that the limitations period for a challenge has run. According to the Settlement Agreement, LandWatch and Keep Fort Ord Wild have agreed not to oppose annexations to the District of areas that have received a Final Land Use Approval.

LAFCO staff recommends approval of the District's proposal, as discussed below.

Sphere Amendment and Annexation Proposal

Scope of the Proposal

The two areas included in this proposal, the Campus Town project (approximately 91 acres) and Parker Flats Apartments project (approximately 5 acres), are designated as part of MCWD's Future Study Area. These areas are currently uninhabited and planned for future development. In addition to the annexation of already-served Ord Community parcels in 2019, LAFCO also designated a Future Study Area¹, on Ord Community lands anticipated for development pursuant to the Fort Ord Reuse Plan, but in a longer time horizon.

The Campus Town project permits the construction and operation of: 1,485 housing units; 250 hotel rooms; 75 hostel beds; 150,000 square feet of retail, dining, and entertainment uses; 50,000 square feet of office and light industrial uses; and 12 acres of parks and open space. The project site is located within the Ord Community, situated at the northern end of Seaside east of Highway One and south of Lightfighter Drive and Colonel Durham Street.

The Parker Flats Apartments project permits the conversion of an existing abandoned military medical barracks on the Ord Community into residential apartments with 42 dwelling units. The project site is located at the northern portion of Seaside east of Parker Flats Cutoff and south of Gigling Road.

Effects of the Proposal, if Approved

After annexation into the District, future Ord Community residents within the proposal area will become eligible to directly participate in MCWD governance. The future residents will be eligible to vote for, or serve on, the District's board of directors.

¹ Under LAFCO of Monterey County's locally adopted policies, a Future Study Area is "Territory outside of an adopted Sphere of Influence that may warrant inclusion in the sphere in future years. Further study would have to be completed prior to inclusion." This informal and nonbinding designation is an indicator of an agency's interest in serving an area at some point in the future. This designation does not exist in or derive from State LAFCO law (the Cortese-Knox-Hertzberg Act).

Evaluation of the Proposal

The City of Seaside's EIR for the Campus Town project and Categorical Exemption Report for the Parker Flats Apartments project identified that the District has the capacity to meet projected future water and wastewater collection needs within the two proposal areas. These reports support approval of the District's proposed sphere of influence amendment and the related annexation. As reflected in the attached draft resolution, staff further finds that the proposal is consistent with all applicable requirements of State law and locally adopted policies. MCWD has a consistent track record of providing these essential services to its customers.

As occurred with a portion of the annexation area in MCWD's 2019 proposal, the current proposal area is within the Monterey Peninsula Water Management District's (MPWMD) jurisdictional boundaries. MPWMD does not provide retail potable water and wastewater services, nor does it own infrastructure to deliver these services to the proposal area. Therefore, no duplication of service provision exists.

MPWMD's boundaries were established through State law in 1978 to meet its responsibility for regulating the distribution of water within its boundaries, which include the Seaside Groundwater Basin and Carmel River Groundwater Basin. MCWD does not own or operate wells within MPWMD's jurisdictional boundaries. Annexation of the proposal area to MCWD will not alter or affect future residents' MPWMD voting rights within the area being annexed to MCWD.

Public Agency Referrals, Agency Comments, Property Tax Transfer, and Public Notice

LAFCO staff referred the District's application submittal to affected local agencies for review and comment. Staff has also referred the District's application to the parties to the Settlement Agreement discussed in the Overview section, above. No formal comments were received.

The County of Monterey Board of Supervisors approved a "zero" property tax transfer agreement for the proposal on June 21, 2022, documenting that – consistent with other areas within MCWD's jurisdictional boundaries – the District will receive no property tax revenue as a result of this annexation.

Staff published a public hearing notice in the Monterey County Weekly, mailed notices to property owners and registered voters within 300 feet of the annexation area, and provided notifications to affected local public agencies and other known interested persons and groups. Staff also posted notices on the LAFCO website, at the County Government Center, and at the LAFCO office. Based on these measures, LAFCO has met all requirements and procedures for public agency referrals and public noticing. As of this writing, LAFCO staff has received no formal written comments or concerns about the proposed change of organization from any affected agencies or members of the public in response to the hearing notice.

California Environmental Quality Act (CEQA) Compliance

In March 2020, the City of Seaside, as CEQA lead agency, certified an EIR for the Campus Town project. That project and its EIR anticipated redevelopment of an area east of Highway 1 and south of Lightfighter Drive and Colonel Durham Street in the Ord Community, comprising the Campus Town project site. The Committee for Sound Water and Land Development subsequently challenged the EIR for the Campus Town project in court. The Monterey Superior Court decided in favor of the City of Seaside with a judgment of dismissal. The court decision was appealed and the Court of Appeal affirmed the prior court's judgment. In May 2022, the City determined that the Parker Flats Apartments project was exempt from CEQA under a Class 32 Categorical Exemption.

MCWD is a responsible agency under CEQA. LAFCO is also a responsible agency with discretionary approval power. As a responsible agency under CEQA, LAFCO is required, when approving a boundary change, to consider the findings made by the lead agency. The City's CEQA documents referenced above are provided through links to these documents under Attachment 2.

Reconsideration

After the Commission has adopted a resolution making determinations, any person or affected agency

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

Waiver of Protest Proceedings

The mailed public hearing notices included notification that, as allowed by State law, LAFCO intends to waive subsequent Conducting Authority (“protest”) proceedings, unless written opposition is received prior to the public hearing for this proposal. Staff has received no indications of opposition, written or otherwise.

Conclusion

As reflected in the draft resolution, LAFCO staff’s analysis of the District’s proposal finds it to be in the public interest and consistent with the requirements of State LAFCO law and locally adopted LAFCO policies. It is also consistent with fundamental LAFCO objectives of encouraging the orderly development of local government agencies and efficiently providing local government services. Staff therefore recommends approval of the proposal.

Alternative Actions

In lieu of the recommended actions, the Commission may act to deny the District’s sphere amendment and annexation proposal, or adopt a modified version of the proposal. Substantial changes to the draft Resolution would require a continuation of the agenda item, with direction to the Executive Officer to prepare a new draft Resolution based on the Commission’s findings.

Respectfully Submitted,



Kate McKenna, AICP
Executive Officer

Attachments:

1. Draft resolution, including detailed maps of the District’s Sphere of Influence and annexation proposal (Exhibit A).
2. Environmental clearance documents links: EIR for Campus Town project (by City of Seaside, 2020) and Categorical Exemption Report for Parker Flats Apartments project (by City of Seaside, 2022).

Cc:

Remleh Scherzinger, General Manager, Marina Coast Water District
Jaime Fontes, City Manager, City of Seaside and Seaside County Sanitation District
Dave Stoldt, General Manager, Monterey Peninsula Water Management District
Molly Erickson, Esq., Keep Fort Ord Wild
Michael DeLapa and John Farrow, Esq., LandWatch Monterey County

THE LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

RESOLUTION NO. 22 – xx

RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION
APPROVING THE MARINA COAST WATER DISTRICT'S SPHERE AND
ANNEXATION PROPOSAL (LAFCO FILE NO. 22-02)

WHEREAS, the District's board of directors has heretofore filed an application (LAFCO File No. 22-02) for a proposed Sphere of Influence amendment and annexation to Marina Coast Water District (District) on lands totaling approximately 96.31 acres, and the Executive Officer of this Local Agency Formation Commission has accepted the application for filing; and

WHEREAS, the District's board of directors initiated, and is in support of, the proposed Sphere of Influence amendment and annexation; and

WHEREAS, the Executive Officer set August 22, 2022 as the hearing date on this proposal and provided public notice as required by law; and

WHEREAS, the public hearing by this Commission was held upon the date and at the time and place specified in said notice of hearing; and

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

WHEREAS, this Commission, on August 22, 2022 heard from interested parties and considered the proposal and the report of the Executive Officer, and considered the factors determined by the Commission to be relevant to this proposal, including, but not limited to, factors specified in Government Code sections 56425(e), 56430(a), and 56668, and the Commission's locally adopted policies; and

WHEREAS, for purposes of the California Environmental Quality Act (CEQA), the District and Commission are Responsible Agencies with regard to the District's sphere of influence amendment and annexation proposal; and

WHEREAS, the City of Seaside, as the Lead Agency with regard to the District's proposed Sphere of Influence amendment and annexation, pursuant to CEQA, certified an Environmental Impact Report (EIR) for the Campus Town project in March 2020 and determined that the Parker Flats Apartments project was exempt from CEQA under a Class 32 Categorical Exemption on May 11, 2022; and

WHEREAS, the Monterey County Board of Supervisors considered and approved a zero property tax transfer agreement for the annexation component of this proposal in June 2022;

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

Section 1. The foregoing recitals are true and correct.

Section 2. Acting as a Responsible Agency with regard to the District's proposed Sphere of Influence amendment and annexation, the Commission has considered the EIR findings and Categorical Exemption determination made by the City of Seaside for this proposal pursuant to CEQA.

Section 3. In determining the amended sphere of influence of the District, the Commission, in accordance with Section 56425(e) of the Government Code, has considered and prepared a written statement of its determinations with respect to each of the following:

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

MCWD's existing sphere and boundaries encompass a wide range of land uses, including open spaces and agricultural land. The primary agricultural area within the District's sphere is the overall area formerly known as Armstrong Ranch. A 320-acre portion of this site is already within the City of Marina and is planned for mixed-use development. The majority of the other Armstrong Ranch parcels, an approximately 1,200-acre area – similar in size to central Marina – were purchased by RAMCO Enterprises, L.P. in 2017. Since the purchase, much of that area has been converted from grazing lands to strawberries and other row crops. The RAMCO-owned parcels are within both MCWD's and the City's existing sphere. They are not proposed for annexation at the present time. In 2000, a successful ballot measure imposed a 20-year growth moratorium on the parcels now owned by RAMCO. A new 20-year moratorium was reaffirmed by voters in 2020.

MCWD's proposed sphere and annexation area contains no agricultural lands. The proposal area consists mostly of previously developed lands, which are already entitled for various types of development.

- The present and probable need for public facilities and services in the area.

MCWD's operations and activities meet the existing and proposed boundary expansion area's need for water and wastewater services. With an expanding population, particularly in the Ord Community, the need for these services will continue to incrementally expand. The District maintains and continues to invest in infrastructure to serve its existing and future customers.

- The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

The District has established itself as a capable provider of water and wastewater services within its existing boundaries and within the Ord Community areas now proposed for annexation. The District constructed, acquired, and adequately maintains the water supply and wastewater infrastructure. Concerns regarding the adequacy of the regional water supply will continue throughout the greater Monterey Peninsula area and Salinas groundwater basin, and will continue to be a constraint on future development. MCWD is taking active measures to diversify its water supply through conservation, recycled water, and desalination, thereby reducing reliance on groundwater pumping.

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

There are no social or economic communities of interest in the area that have been determined to be relevant to the District.

- The present and probable need for . . . [municipal water, industrial water, and sewers] . . . facilities and services of any disadvantaged unincorporated communities [DUCs] within the existing Sphere of Influence.

The District's existing sphere covers approximately 8,086 acres of land. The District's sphere includes a few areas that meet the definition of a disadvantaged community in Central Marina and one area that meets the definition of a disadvantaged unincorporated community within a portion of CSUMB's East Campus Housing area. These areas currently receive, and will continue to receive, the District's services. There are no known current or anticipated future unmet needs for municipal water, industrial water, and sewer services in these areas.

Section 4. The Commission has considered the factors set forth for changes of organization in the Cortese-Knox-Hertzberg Act, Government Code section 56668 and finds the proposal to be consistent with these factors as outlined below:

- a) Population and population density; land area and land use; per capita assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; the likelihood of significant growth in the area, and in adjacent incorporated and unincorporated areas, during the next 10 years:

The majority of the proposed sphere of influence amendment and annexation were areas previously developed by the U.S. Army. The two proposed spheres of influence and annexation expansion areas are relatively small in comparison to the District's existing jurisdictional boundaries, comprising approximately 96.31 acres as compared to the approximately 6,600 acres that are within the District's existing boundaries. Based on AMBAG's 2022 Regional Growth Forecast, the population growth within the City of Seaside is expected to be moderate, growing by approximately 13 percent in the next 23 years.

- b) The need for organized community services; the present cost and adequacy of governmental services and controls in the area; probable future needs for those services and controls; probable effect of the proposed incorporation, formation, annexation, or exclusion and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas:

The proposed sphere of influence amendment and annexation areas will benefit from the District's services because the District owns the water, wastewater, and recycled water infrastructure within and adjacent to these parcels. The District has adequate staffing, infrastructure, and other resources to serve the annexation area.

- c) The effect of the proposed action and of alternative actions, on adjacent areas, on mutual social and economic interests, and on the local governmental structure of the county:

The proposed sphere of influence amendment and annexation are anticipated to promote efficient service provision since the District currently owns and manages the water, wastewater, and recycled water infrastructure within and adjacent to these parcels.

- d) The conformity of both the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development, and the policies and priorities set forth in Government Code section 56377. [Note: Section 56377 pertains to directing development away from open-space and agricultural land, unless this would be detrimental to the promotion of the planned, orderly, efficient development of an area]:

The proposed sphere of influence amendment and annexation and their anticipated effects conform with both Commission policies on providing planned, orderly, efficient patterns of urban development and policies and priorities in Government Code section 56377. The proposed sphere of influence amendment and annexation will not direct development towards open-space and agricultural land.

- e) The effect of the proposal on maintaining the physical and economic integrity of agricultural lands:

Based on response (d) above, the proposed sphere of influence amendment and annexation will not affect the physical and economic integrity of agricultural lands. The District's proposal does not propose conversion of agricultural lands to urban development.

- f) 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 proposed sphere of influence amendment and annexation boundaries are definite and certain.

- g) A regional transportation plan adopted pursuant to Section 65080:

The City of Seaside's EIR for the Campus Town project identified less-than-significant impacts to transportation and circulation. The City of Seaside's Categorical Exemption Report for the Parker Flats Apartments project identified that approval of the project would not result in any significant effects relating to traffic. Development that occurs within the District's proposed sphere of influence and annexation area is required to provide fair-share contributions for road improvements into a regional transportation improvement fund.

- h) The proposal's consistency with city or county general and specific plans.

The proposed sphere of influence amendment and annexation are consistent with the City of Seaside's General Plan land use designations and applicable policies. The City of Seaside has prepared and adopted appropriate policies to ensure consistency with adopted plans.

- i) The sphere of influence of any local agency which may be applicable to the proposal being reviewed:

The proposed sphere of influence amendment and annexation are consistent with adopted spheres of influence for local agencies. The current proposal area is located within the Monterey Peninsula Water Management District's (MPWMD) jurisdictional boundaries. MPWMD does not provide retail potable water and wastewater services, nor does it own infrastructure to deliver these services to the proposal area. Therefore, no duplication of service provision exists.

MPWMD's boundaries were established through State law in 1978 to meet its responsibility for managing the water supply within its boundaries, which include the Seaside Groundwater Basin and Carmel River Groundwater Basin. MCWD does not own or operate wells within MPWMD's jurisdictional boundaries. Annexation of the proposal area to MCWD will not alter or affect future residents' MPWMD voting rights within the area being annexed to MCWD.

- j) The comments of any affected local agency or other public agency:

As of this writing, LAFCO has not received comments from any affected local agency or other public agency.

- k) 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:

The District already serves the area adjacent to the proposed sphere of influence and annexation areas and appears to be financially stable with expenses generally in line with revenues.

- l) Timely availability of water supplies adequate for projected needs as specified in Government Code section 65352.5:

Responsibility for land use decisions related to growth resides with local land use jurisdictions within the District's boundaries. The City of Seaside's EIR for the Campus Town project included a Water Supply Assessment, which concluded that, with implementation of the proposed plans to acquire additional water supplies, the District's total projected water supplies available will meet the projected water demand associated with the proposed project. The City of Seaside's Categorical Exemption Report for the Parker Flats Apartments project states that recycled water and desalinated water are expected to become contributing sources of supply by 2025 and 2030, respectively. The Categorical Exemption Report concludes that a will-serve letter from MCWD will be required for the proposed project prior to permit issuance.

- m) 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 District was previously authorized to provide water and wastewater services to the proposed sphere of influence amendment and annexation area through a 1998 contractual agreement with the Fort Ord Reuse Authority. The District's provision of water, wastewater, and recycled water services to the proposal area, which is a planned future growth area, will improve the ability of the City of Seaside to achieve, or not achieve, its respective fair share of regional housing needs.

- n) Any information or comments from the landowner or owners, voters, or residents of the affected territory:

As of this writing, LAFCO has not received comments on the proposed sphere of influence amendment and annexation aspect of the proposal.

- o) Any information relating to existing land use designations:

The proposed sphere of influence amendment and annexation are consistent with existing land use designations of the City of Seaside. The proposed sphere of influence amendment and annexation would not affect these existing land use designations.

- p) The extent to which the proposal will promote environmental justice. As used in this subdivision, "environmental justice" means the fair treatment and meaningful involvement of people of all races, cultures, incomes, and national origins, with respect to the location of public facilities and the provision of public services, to ensure a healthy environment for all people such that the effects of pollution are not disproportionately borne by any particular populations or communities:

The proposed sphere of influence amendment and annexation would have no identified effect on issues related to environmental justice.

- q) Information contained in a local hazard mitigation plan, information contained in a safety element of a general plan, and any maps that identify land as a very high fire hazard zone pursuant to Section 51178 or maps that identify land determined to be in a state responsibility area pursuant to Section 4102 of the Public Resources Code, if it is determined that such information is relevant to the area that is the subject of the proposal.

Information contained in the proposal's documents and maps demonstrates that such hazards are relevant to the proposal area. However, the proposed sphere of influence amendment and annexation would have no identified effect on issues related to hazards. The City of Seaside's certified EIR for this proposal found that the Campus Town project would result in less than significant impacts due to hazards and hazardous materials. The City of Seaside's Categorical Exemption Report for the Parker Flats Apartments project identified that the proposed project site is not included on a compiled list of hazardous waste sites pursuant to Government Code Section 65962.5.

Section 5. The Commission has considered the factors set forth for changes of organization in the Cortese-Knox-Hertzberg Act, Government Code section 56668.3 and found the proposal to be consistent with these factors as outlined below:

- (1) In the case of district annexation, whether the proposed annexation will be for the interest of landowners or present or future inhabitants within the district and within the territory proposed to be annexed to the district.

The proposed annexation will result in future residents and voters living within the proposed annexation areas having the opportunity to run for District board seats and participate in District board elections.

- (2) In the case of a city detachment, whether the proposed detachment will be for the interest of the landowners or present or future inhabitants within the city and within the territory proposed to be detached from the city.

The proposal does not include a proposed city detachment.

- (3) Any factors which may be considered by the commission as provided in Section 56668.

Section 3 of this resolution includes factors a) through q) of California Government Code section 56668.

- (4) Any resolution raising objections to the action that may be filed by an affected agency.

As of this writing, no affected agency has filed a resolution raising objections to the action.

- (5) Any other matters which the commission deems material.

As of this writing, the Commission has not deemed any other matters to be material for the proposed annexation aspect of the proposal.

Section 6. The proposal is consistent with the Commission's adopted Policies and Procedures. Of most relevance, the proposal is consistent with policies relating to Economics, Service Delivery and Development Patterns (Section D.VII.). The proposal will provide for services in response to a demonstrated need.

Section 7. The Commission has considered, as a part of its deliberations, all oral presentations and written communications received prior to the close of the public meeting.

Section 8. The proposal is approved subject to the following terms and conditions. The Certificate of Completion for the annexation shall not be issued until all terms and conditions are met.

- a. Acceptance of maps and/or property descriptions, as needed, by the State Board of Equalization;
- b. Payment of all fees incurred in the processing of the application consistent with the LAFCO fee schedule, including the fee required by the State Board of Equalization; and
- c. The District shall agree, as a condition of the approval of this application to defend and indemnify at its sole expense any action brought against LAFCO, the Commission and its staff, with respect to the approval of this application. The District will reimburse LAFCO for any and all attorneys' fees and court costs. LAFCO may, at its sole discretion, participate in the defense of any such action; but such participation shall not relieve the District of its obligations under this condition. The obligation on the part of the District to indemnify LAFCO is effective upon the adoption of this resolution and does not require any further action. Accepting the benefit of this resolution shall evidence the District's agreement to this term.

Section 9. The effective date for the annexation shall be the filing of the Certificate of Completion. The sphere of influence amendment shall be effective immediately upon approval of this resolution and the completion of any requested reconsiderations.

Section 10. Pursuant to State law, if a Certificate of Completion for a change of organization or reorganization has not been filed within one year after the Commission approves a proposal for that proceeding, the proceeding shall be deemed abandoned unless prior to the expiration of that year the Commission authorizes an extension of time for that completion. The extension may be for any period deemed reasonable to the Commission for completion of necessary prerequisite actions by any party. If a proceeding has not been completed because of the order or decree of a court of competent jurisdiction temporarily enjoining or restraining the proceedings, this shall not be deemed a failure of completion and the one-year period shall be tolled for the time that order or decree is in effect. [Government Code section 57001].

Section 11. The proposed sphere of influence amendment and annexation totaling 96.31 acres are hereby approved as described in Exhibit "A," attached hereto and made a part hereof. The

change of organization is assigned the following distinctive short form designation: “Marina Coast Water District – Campus Town and Parker Flats Apartments Annexation.”

Section 12. The regular Monterey County assessment roll will be used; the annexation area will not be taxed for existing general bonded indebtedness of the District.

Section 13. Protest proceedings for this proposal are hereby waived, in accordance with Government Code sections 57000 *et seq.*

Section 14. If any provision of this resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this resolution that can be given effect without the invalid provision or application, and to this end the provisions of this resolution are severable.

Section 15. The Executive Officer is hereby authorized and directed to mail certified copies of this resolution in the manner and as provided in Section 56882 of the Government Code.

UPON MOTION of Commissioner _____, seconded by Commissioner _____, the foregoing resolution is adopted this 22nd day of August, 2022 by the following vote:

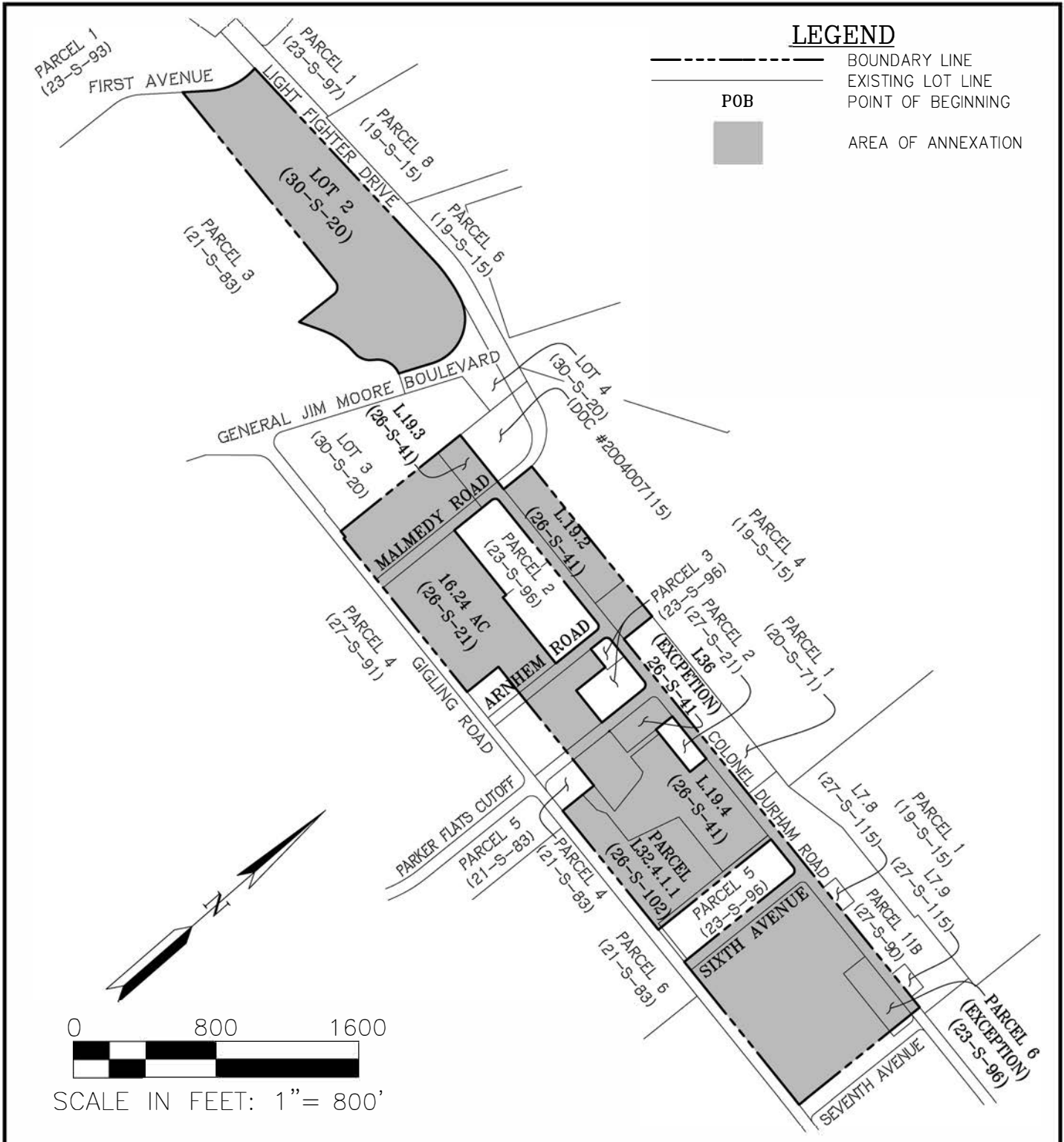
AYES:	Commissioners:
NOES:	Commissioners:
ABSENT:	Commissioners:
ALTERNATES:	Commissioners:
ABSTAIN:	Commissioners:

Mary Ann Leffel, Chair
Local Agency Formation Commission of Monterey County





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

Witness my hand this 22nd day of August, 2022

By: _____
Kate McKenna, AICP, Executive Officer



LEGEND

-  BOUNDARY LINE
-  EXISTING LOT LINE
-  POB
POINT OF BEGINNING
-  AREA OF ANNEXATION

"EXHIBIT B"

BEING ALL OF "LOT 2" AS SHOWN ON THE RECORD OF SURVEY FILED AUGUST 11, 2008 IN VOLUME 30 OF SURVEY MAPS, PAGE 20 RECORDS OF MONTEREY COUNTY, CALIFORNIA; ALL OF THE 16.24 ACRE PARCEL AS SHOWN ON THE RECORD OF SURVEY FILED DECEMBER 4, 2002 IN VOLUME 26 OF SURVEY MAPS, PAGE 21 RECORDS OF MONTEREY COUNTY, CALIFORNIA; ALL OF THE LANDS DESCRIBED AS "L.19.2", L.19.3", AND "L.19.4" AS SHOWN ON THE RECORD SURVEY FILED FEBRUARY 26, 2003 IN VOLUME 26 OF SURVEY MAPS, PAGE 41 RECORDS OF MONTEREY COUNTY, CALIFORNIA; ALL OF "PARCEL 6 (EXCEPTION)" AS SHOWN ON THE RECORD OF SURVEY FILED JUNE 15, 2000 IN VOLUME 23 OF SURVEY MAPS, PAGE 96 RECORDS OF MONTEREY COUNTY, CALIFORNIA; ALL OF THE LANDS DESCRIBED AS "L36 (EXCEPTION)" AND A PORTION OF "PARCEL L32.4.1.1" AS SHOWN ON THE RECORD OF SURVEY FILED AUGUST 25, 2003 IN VOLUME 26 OF SURVEY MAPS, PAGE 102 RECORDS OF MONTEREY COUNTY, CALIFORNIA

CITY OF SEASIDE, CALIFORNIA

SHEET 1 OF 6



RUGGERI-JENSEN-AZAR

ENGINEERS • PLANNERS • SURVEYORS






8055 CAMINO ARROYO GILROY, CA 95020
PHONE: (408) 848-0300 FAX: (408) 848-0302

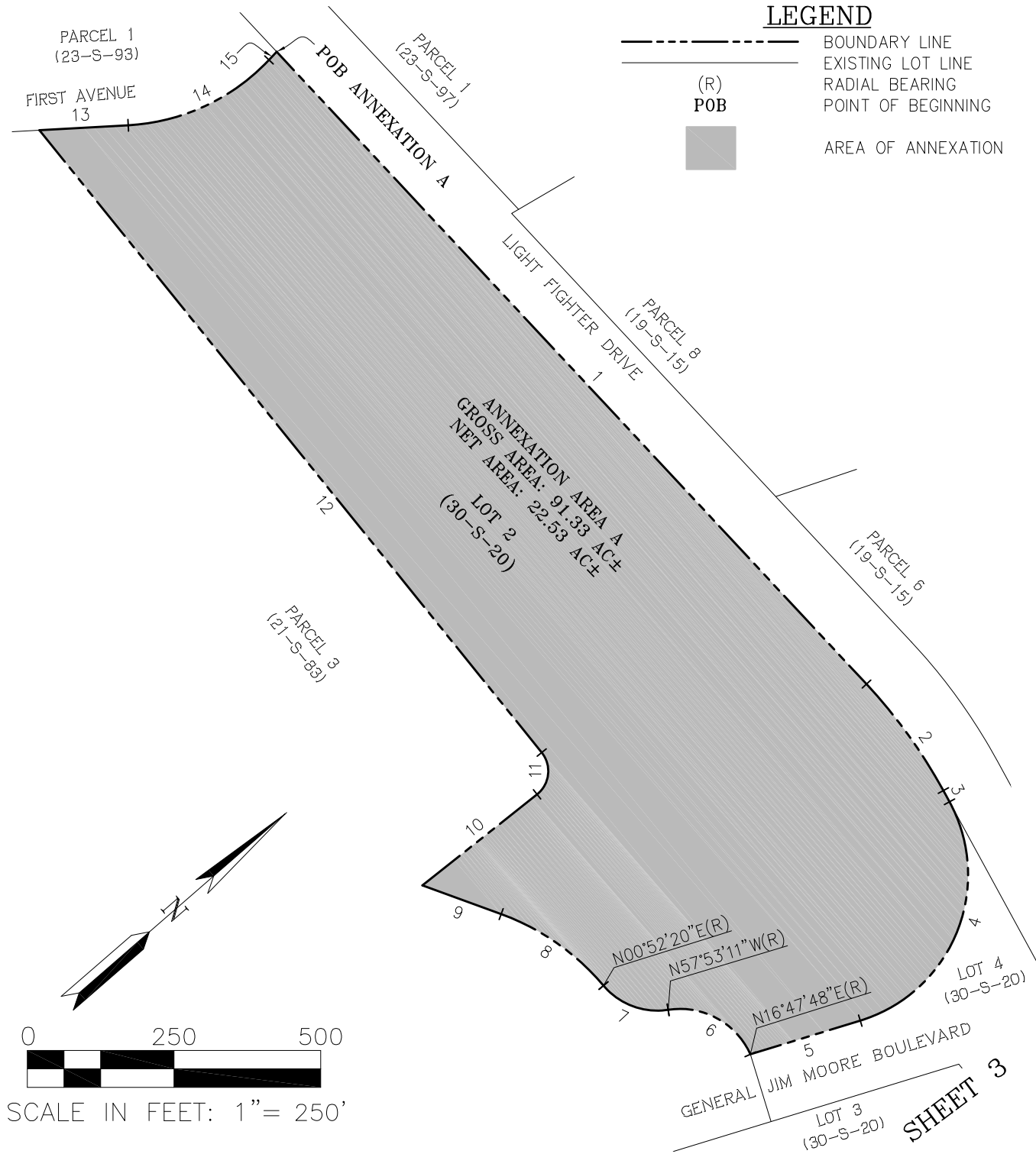
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DATE:
09/30/2021

JOB NO.:
132018

LEGEND

-  BOUNDARY LINE
-  EXISTING LOT LINE
-  RADIAL BEARING
-  POINT OF BEGINNING
-  AREA OF ANNEXATION



"EXHIBIT B"

BEING ALL OF "LOT 2" AS SHOWN ON THE RECORD OF SURVEY FILED AUGUST 11, 2008 IN VOLUME 30 OF SURVEY MAPS, PAGE 20 RECORDS OF MONTEREY COUNTY, CALIFORNIA; ALL OF THE 16.24 ACRE PARCEL AS SHOWN ON THE RECORD OF SURVEY FILED DECEMBER 4, 2002 IN VOLUME 26 OF SURVEY MAPS, PAGE 21 RECORDS OF MONTEREY COUNTY, CALIFORNIA; ALL OF THE LANDS DESCRIBED AS "L.19.2", L.19.3", AND "L.19.4" AS SHOWN ON THE RECORD SURVEY FILED FEBRUARY 26, 2003 IN VOLUME 26 OF SURVEY MAPS, PAGE 41 RECORDS OF MONTEREY COUNTY, CALIFORNIA; ALL OF "PARCEL 6 (EXCEPTION)" AS SHOWN ON THE RECORD OF SURVEY FILED JUNE 15, 2000 IN VOLUME 23 OF SURVEY MAPS, PAGE 96 RECORDS OF MONTEREY COUNTY, CALIFORNIA; ALL OF THE LANDS DESCRIBED AS "L36 (EXCEPTION)" AND A PORTION OF "PARCEL L32.4.1.1" AS SHOWN ON THE RECORD OF SURVEY FILED AUGUST 25, 2003 IN VOLUME 26 OF SURVEY MAPS, PAGE 102 RECORDS OF MONTEREY COUNTY, CALIFORNIA

CITY OF SEASIDE, CALIFORNIA

SHEET 2 OF 6

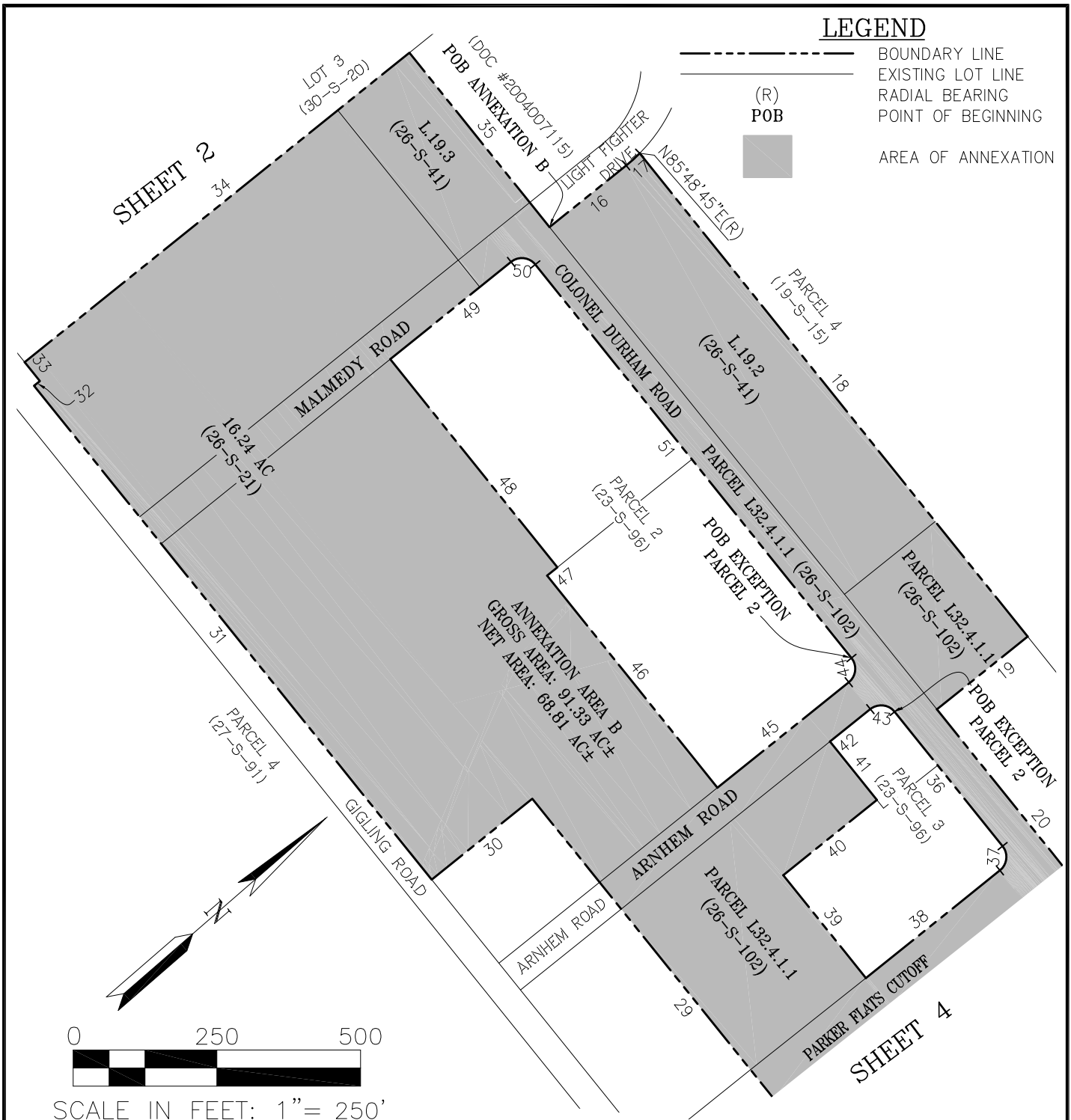
RJA
RUGGERI-JENSEN-AZAR
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 8055 CAMINO ARROYO GILROY, CA 95020
 PHONE: (408) 848-0300 FAX: (408) 848-0302

SCALE: 1" = 250'	DATE: 09/30/2021	JOB NO.: 132018
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SHEET 3

LEGEND

- BOUNDARY LINE
- EXISTING LOT LINE
- RADIAL BEARING
- POB
- POINT OF BEGINNING
- AREA OF ANNEXATION



"EXHIBIT B"

BEING ALL OF "LOT 2" AS SHOWN ON THE RECORD OF SURVEY FILED AUGUST 11, 2008 IN VOLUME 30 OF SURVEY MAPS, PAGE 20 RECORDS OF MONTEREY COUNTY, CALIFORNIA; ALL OF THE 16.24 ACRE PARCEL AS SHOWN ON THE RECORD OF SURVEY FILED DECEMBER 4, 2002 IN VOLUME 26 OF SURVEY MAPS, PAGE 21 RECORDS OF MONTEREY COUNTY, CALIFORNIA; ALL OF THE LANDS DESCRIBED AS "L.19.2", L.19.3", AND "L.19.4" AS SHOWN ON THE RECORD SURVEY FILED FEBRUARY 26, 2003 IN VOLUME 26 OF SURVEY MAPS, PAGE 41 RECORDS OF MONTEREY COUNTY, CALIFORNIA; ALL OF "PARCEL 6 (EXCEPTION)" AS SHOWN ON THE RECORD OF SURVEY FILED JUNE 15, 2000 IN VOLUME 23 OF SURVEY MAPS, PAGE 96 RECORDS OF MONTEREY COUNTY, CALIFORNIA; ALL OF THE LANDS DESCRIBED AS "L36 (EXCEPTION)" AND A PORTION OF "PARCEL L32.4.1.1" AS SHOWN ON THE RECORD OF SURVEY FILED AUGUST 25, 2003 IN VOLUME 26 OF SURVEY MAPS, PAGE 102 RECORDS OF MONTEREY COUNTY, CALIFORNIA

CITY OF SEASIDE, CALIFORNIA

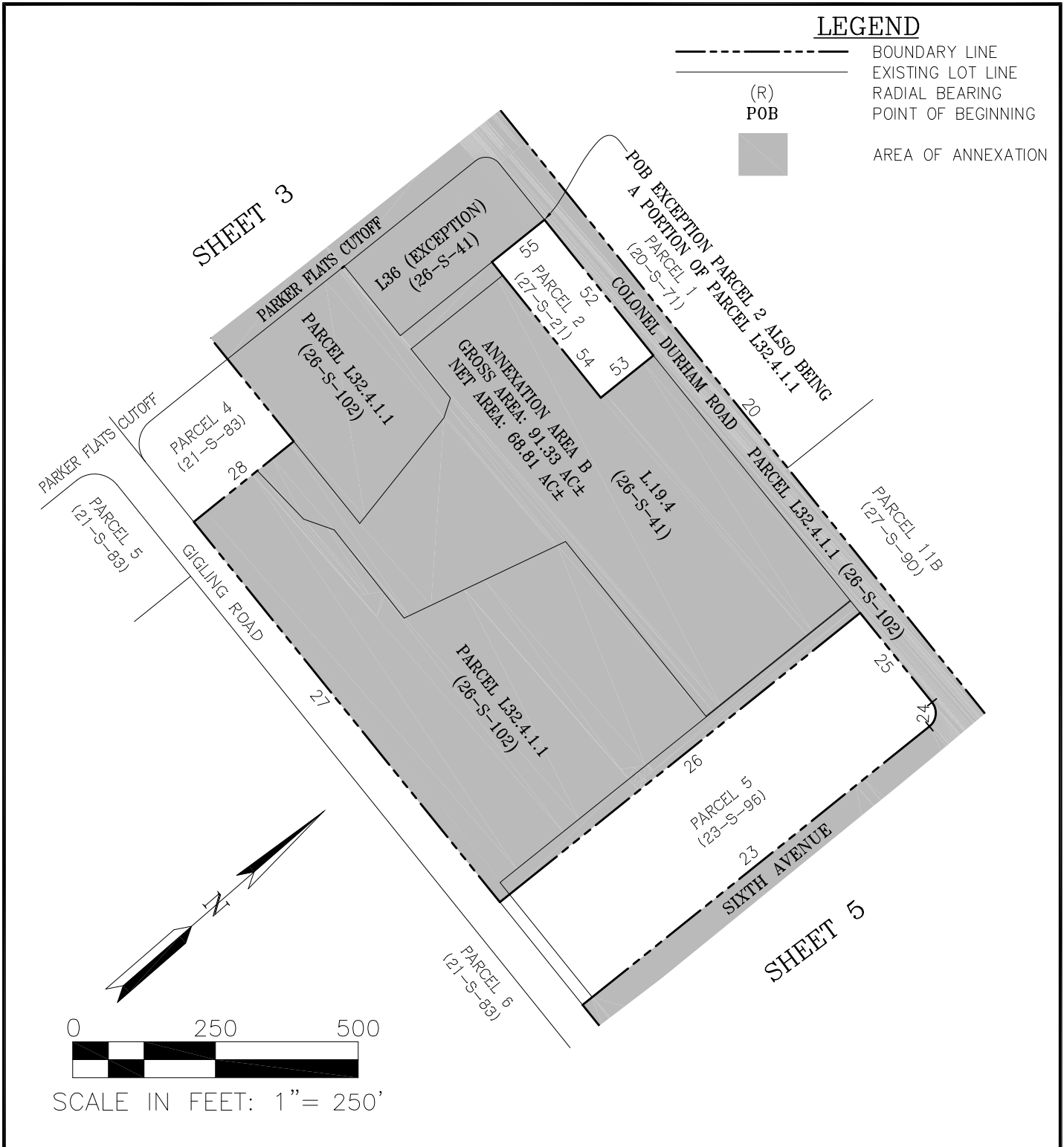
SHEET 3 OF 6

RJA
RUGGERI-JENSEN-AZAR
 ENGINEERS ■ PLANNERS ■ SURVEYORS
 8055 CAMINO ARROYO GILROY, CA 95020
 PHONE: (408) 848-0300 FAX: (408) 848-0302

SCALE: 1" = 250'	DATE: 09/30/2021	JOB NO.: 132018
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LEGEND

- BOUNDARY LINE
- EXISTING LOT LINE
- (R) RADIAL BEARING
- POB POINT OF BEGINNING
- AREA OF ANNEXATION



"EXHIBIT B"

SHEET 4 OF 6

BEING ALL OF "LOT 2" AS SHOWN ON THE RECORD OF SURVEY FILED AUGUST 11, 2008 IN VOLUME 30 OF SURVEY MAPS, PAGE 20 RECORDS OF MONTEREY COUNTY, CALIFORNIA; ALL OF THE 16.24 ACRE PARCEL AS SHOWN ON THE RECORD OF SURVEY FILED DECEMBER 4, 2002 IN VOLUME 26 OF SURVEY MAPS, PAGE 21 RECORDS OF MONTEREY COUNTY, CALIFORNIA; ALL OF THE LANDS DESCRIBED AS "L.19.2", L.19.3", AND "L.19.4" AS SHOWN ON THE RECORD SURVEY FILED FEBRUARY 26, 2003 IN VOLUME 26 OF SURVEY MAPS, PAGE 41 RECORDS OF MONTEREY COUNTY, CALIFORNIA; ALL OF "PARCEL 6 (EXCEPTION)" AS SHOWN ON THE RECORD OF SURVEY FILED JUNE 15, 2000 IN VOLUME 23 OF SURVEY MAPS, PAGE 96 RECORDS OF MONTEREY COUNTY, CALIFORNIA; ALL OF THE LANDS DESCRIBED AS "L36 (EXCEPTION)" AND A PORTION OF "PARCEL L32.4.1.1" AS SHOWN ON THE RECORD OF SURVEY FILED AUGUST 25, 2003 IN VOLUME 26 OF SURVEY MAPS, PAGE 102 RECORDS OF MONTEREY COUNTY, CALIFORNIA

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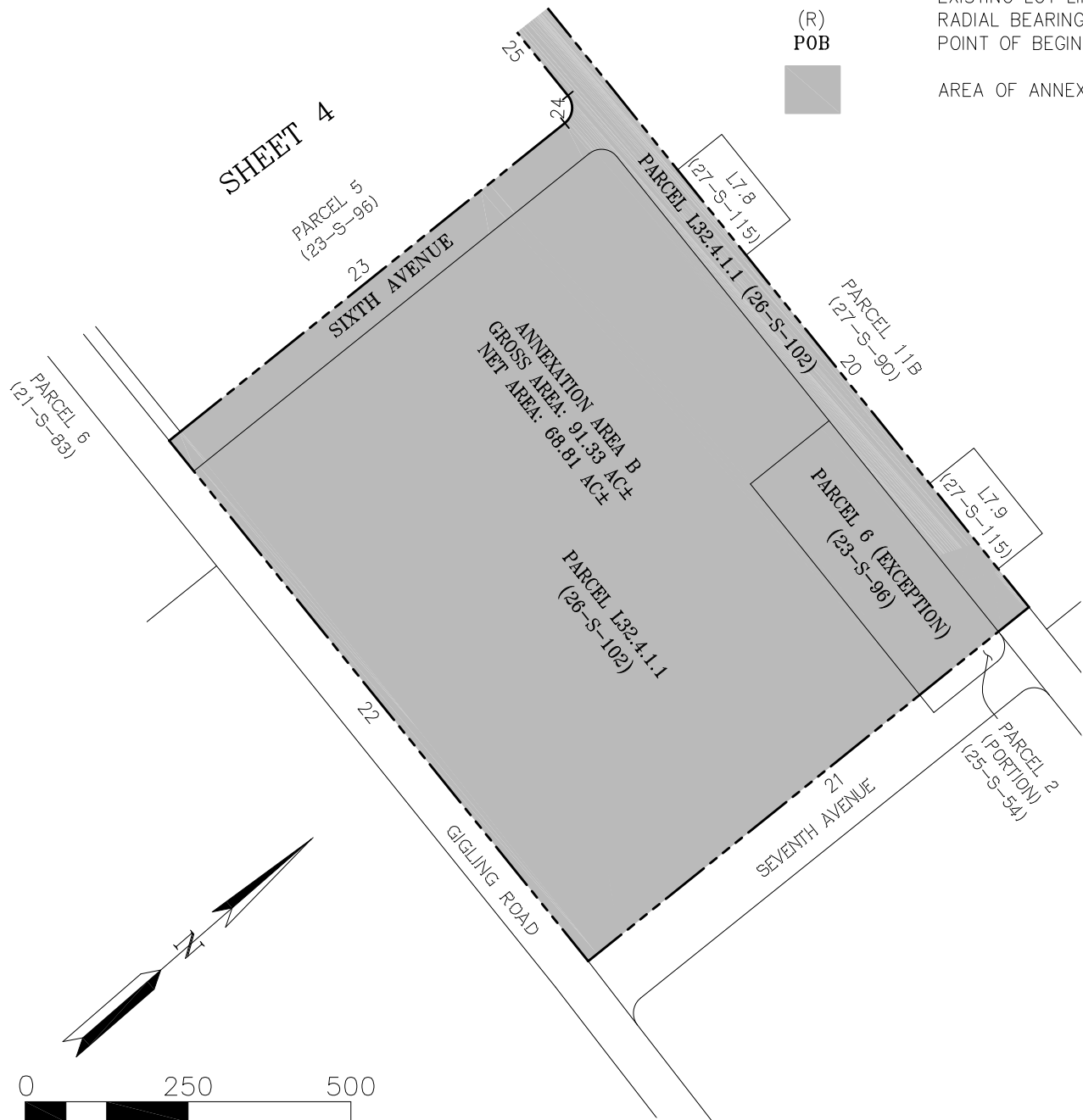
SCALE:
1" = 250'

DATE:
09/30/2021

JOB NO.:
132018

LEGEND

-  BOUNDARY LINE
-  EXISTING LOT LINE
-  RADIAL BEARING
-  POINT OF BEGINNING
-  AREA OF ANNEXATION



SCALE IN FEET: 1" = 250'

"EXHIBIT B"

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CITY OF SEASIDE, CALIFORNIA

SHEET 5 OF 6

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SCALE: 1" = 250'	DATE: 09/30/2021	JOB NO.: 132018
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EXHIBIT "C"

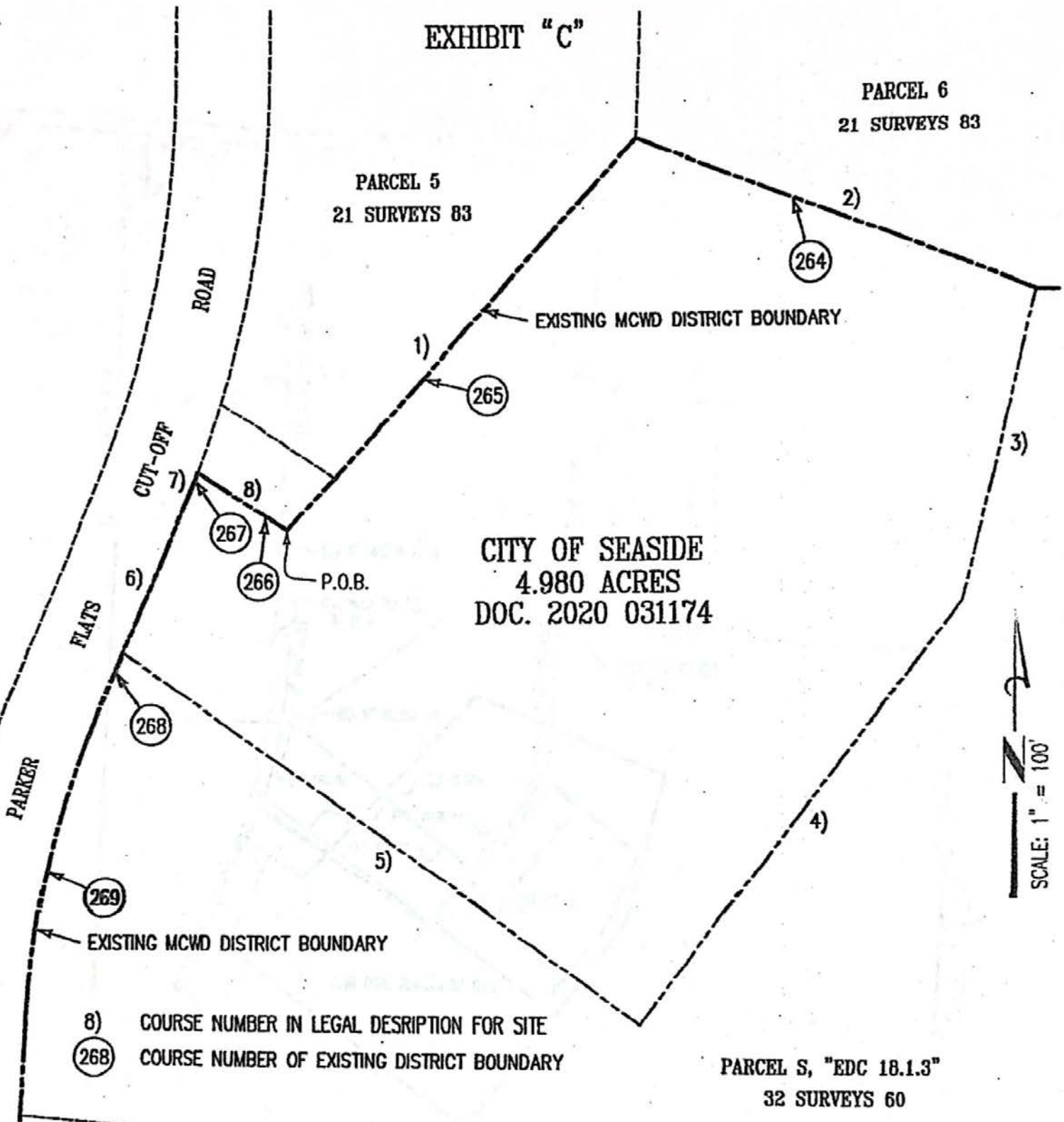
PARCEL 6
21 SURVEYS 83

PARCEL 5
21 SURVEYS 83

CITY OF SEASIDE
4.980 ACRES
DOC. 2020 031174

PARCEL S, "EDC 18.1.3"
32 SURVEYS 60

PARCEL B
29 SURVEYS 106



- 8) COURSE NUMBER IN LEGAL DESCRIPTION FOR SITE
- 268) COURSE NUMBER OF EXISTING DISTRICT BOUNDARY



8/3/2020

PREPARED BY
MONTEREY BAY ENGINEERS, INC.
607 CHARLES AVENUE, SUITE B
SEASIDE, CA 93955
(831) 899-7899

California Environmental Quality Act (CEQA) Clearance Documents links:

1. [Environmental Impact Report for Campus Town project \(by City of Seaside, 2020\):](#)

<https://www.ci.seaside.ca.us/DocumentCenter/View/10709/Attachment-10---Draft-and-Final-EIR>

2. [Categorical Exemption Report for Parker Flats Apartments project \(by City of Seaside, 2022\):](#)

https://files.ceqanet.opr.ca.gov/278669-1/attachment/HGwoUqqtuqP2RyF5tIDISq7lbLolYTk0LpM6FbFbQb_H3i9-07wii8galUCzeBcnl9S27MqsbLoy8yMX0

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

KATE McKENNA, AICP
Executive Officer

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

DATE: August 22, 2022
TO: Chair and Members of the Commission
FROM: Kate McKenna, AICP, Executive Officer
PREPARED BY: Jonathan Brinkmann, Senior Analyst
SUBJECT: Consider an Update to LAFCO's Schedule of Fees and Deposits

SUMMARY OF RECOMMENDATIONS:

It is recommended that the Commission:

1. Receive a report from the Executive Officer;
2. Open the public hearing and receive any public comments;
3. Provide for questions or follow-up discussion by the Commission;
4. Close the public hearing, and
5. Consider and adopt a resolution (Attachment 1) to amend LAFCO's Schedule of Fees and Deposits.

EXECUTIVE OFFICER'S REPORT:

Overview

Pursuant to LAFCO's adopted work program, the Executive Officer reviewed the current application fee schedule. The purpose of the review is to ensure that LAFCO is reimbursed for actual costs of LAFCO's services, in a manner consistent with the law and LAFCO's public purposes. Staff's review concludes that:

- 1) The current Analyst hourly billing rate of \$165 per hour (adopted in 2020) for time spent on processing boundary changes and other applications should be increased to \$168 per hour.
- 2) Application fee deposit amounts in the fee schedule (last amended in 2008) should be updated to reflect staff cost increases.

The proposed increase to the hourly billing rate for applications would not affect LAFCO's practice of providing preliminary, pre-application coordination services at no direct cost to applicants. Preparation of studies such as municipal service reviews and sphere of influence studies, when they fall within LAFCO's annual work program or periodic review schedules, would also continue to be covered by the annual budget.

Discussion

LAFCO carries out six basic functions: (1) formal processing of applications; (2) special studies initiated by the Commission; (3) Commission and Committee support; (4) administration and human resources management; (5) financial management, and (6) government and community relations. Only the first function, the formal processing of applications, is funded by direct user fees and is subject to the fee schedule. The other five functions are funded through the annual work program and budget process and are considered important public policy functions of general benefit.

The total processing fee for any given proposal is the actual time-and-materials cost of processing an application. An initial deposit is required when an application is submitted for processing. If LAFCO's hourly costs – and other costs such as public noticing – eventually exceed the initial deposit amount, staff

requests additional funds as needed. At the conclusion of processing an application, staff provides a final fee statement and issues a refund for any remaining unused balance.

Legal Authority

Government Code Section 56383 allows LAFCO to establish a schedule of reasonable fees to process applications, conduct proceedings of the Commission, amend spheres of influence, and hold reconsideration hearings. The current LAFCO fee schedule was adopted in 2020. Total costs are based on actual time and materials charges. In accordance with the lead times in California Government Code Section 66017, if the Commission adopts the updated hourly rate, the increase will take effect on November 1, 2022. The increase is recommended to apply to all applications, including those currently on file and in progress.

Review of Hourly Costs and Initial Deposit Amounts

Since 2020, LAFCO's hourly Analyst staffing costs have risen by about 11 percent. The increase since 2020 is in line with the Consumer Price Index (CPI) for the same time period, which was ten percent. LAFCO's budgeted expenses for services and supplies is also important in calculating overhead for the Analyst hourly billing rate. Since LAFCO's budget was reduced during the COVID-19 pandemic, the current overhead is lower than it was in 2020 by 11 percent. A calculation of hourly costs is provided in Attachment 2.

To address the rise in LAFCO's costs, an increase in the Analyst hourly billing rate for application processing, from \$165 per hour to \$168 per hour (a two percent increase) is recommended. The proposed \$168 hourly rate is within the range of comparable LAFCOs, which charge between \$85 to \$213 per hour for staff time, as shown in Attachment 3.

In reviewing proposals from recent years, the initial deposits received have not always covered the total application processing cost. The last approved increase to LAFCO's application deposits occurred in 2008. Increases of approximately ten percent to the initial deposit amounts are currently recommended.

Pre-Application Coordination and Other Services

LAFCO has a longstanding practice of providing pre-application review and coordination at no direct cost to applicants. Additionally, the Executive Officer's time is not a direct cost to applicants. A significant portion of the Executive Officer's time is related to carrying out governmental relations in support of the Commission's directives to build and maintain informal, effective working relationships that promote the public purposes of LAFCO. These services promote open communication and resolution of issues prior to Commission decisions, and no changes are proposed.

Public Notice and Local Agency Outreach

Notice of the August 22 public hearing was posted in the Monterey County Weekly, on the LAFCO website, at the County Government Center, and at the LAFCO office. Notice of the hearing and a draft of this report were distributed to individual managers of special districts, Cities, and the County on August 12, requesting feedback. Any comments received will be considered at the August 22 hearing.

Respectfully Submitted,



Kate McKenna, AICP
Executive Officer

CC: Cities, Independent Special Districts, County of Monterey

Attachments:

1. Draft Resolution
2. Calculation of Hourly Costs
3. Comparison of Hourly Rates with Other LAFCOs

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

RESOLUTION NO. 22-xx

RESOLUTION OF THE LOCAL AGENCY FORMATION COMMISSION
ADOPTING AN AMENDMENT TO THE LAFCO FEE SCHEDULE

WHEREAS, these proceedings are taken in conformance with the provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, as amended, commencing with Section 56000 et seq. of the Government Code, and specifically Section 56383, which authorizes LAFCO to establish a schedule of reasonable fees, and

WHEREAS, the Local Agency Formation Commission of Monterey County considered a proposed amendment to the Fee Schedule (**Exhibit 1**) at a duly noticed public hearing on August 22, 2022; and

WHEREAS, the proposed Fee Schedule was prepared and distributed to the County, Cities, Independent Special Districts, and other interested parties for purposes of soliciting comments.

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

1. That the proposed Fee Schedule is hereby adopted, shall apply to all applications, and shall have an effective date of November 1, 2022;
2. That the Executive Officer shall transmit the amended Fee Schedule to the County, Cities, independent special districts, and other interested parties; and
3. That the Executive Officer shall post the amended Fee Schedule on the LAFCO web site and otherwise make the Fee Schedule easily available to the public.

UPON MOTION of Commissioner _____, seconded by Commissioner _____, the foregoing resolution is adopted this 22nd day of August 2022 by the following vote:

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

 Mary Ann Leffel, Chair
 Local Agency Formation Commission of Monterey County

ATTEST: I certify that this resolution is a true and complete record of said Commission's actions.

Witness my hand this 22nd day of August 2022

By: _____
Kate McKenna, AICP, Executive Officer

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

KATE McKENNA, AICP
Executive Officer

PROCESSING AND FILING FEES
 Adopted by Commission on _____

Applicants will be charged fees that equal the actual cost of preparation for all applications submitted to the Local Agency Formation Commission (LAFCO) of Monterey County according to the following processing and filing fee schedule. A check for the initial deposit made out to LAFCO shall be provided to the Executive Officer with the filing of an application. No action shall be taken and no Certificate of Filing will be issued for any proposal until the deposit is provided to LAFCO. Pass through fees intended for other agencies will be collected upon approval of the application by the Commission.

For requests that include multiple actions or multiple changes in organization, a deposit for each requested change of organization or Sphere of Influence amendment will be provided to LAFCO.

Application Deposits: The following is a schedule of deposits that will be credited toward the total fee which will be the actual cost of preparation.

A.	Annexation, or detachment, or reorganization involving only annexation and detachment:	
	o Under 3 acres	\$ 950 <u>\$ 1,050</u>
	o 3 to 25 acres	\$2,625 <u>\$2,875</u>
	o Greater than 25 acres	\$4,200 <u>\$4,600</u>
B.	Formation	\$3,750 <u>\$4,125</u>
C.	Consolidation, merger, or establishment of subsidiary district	\$1,250 <u>\$1,375</u>
D.	Dissolution	\$1,250 <u>\$1,375</u>
E.	Incorporation.....	\$20,000 <u>\$22,000</u>
F.	Sphere of Influence Update.....	\$3,750 <u>\$4,125</u>
G.	Minor Sphere of Influence Amendment.....	\$ 950 <u>\$1,050</u>
H.	Out of Jurisdiction Service Extension.....	\$2,500 <u>\$2,750</u>
I.	Comment Letters for New Water Systems.....	\$ 300 <u>\$325</u>
J.	Motion for reconsideration.....	\$1,000 <u>\$1,100</u>

- K. Activation Latent Powers..... ~~\$3,000~~ \$3,300
- L. Special Studies or Municipal Service Reviews initiated by a City or District ~~\$3,000~~ \$3,300
- M. Extension..... ~~\$ 500~~ \$550
- N. If LAFCO acts as the Lead Agency, the Environmental Impact Report (EIR) Preparation will be charged at the actual consultant cost of the EIR plus a 15% administrative fee.
- O. Negative Declaration Preparation Fee will be charged at the actual consultant cost of Negative Declaration plus a 15% administrative fee, or the actual cost of staff preparation, as applicable.
- P. Petition Certification Fees, State Board of Equalization Filing Fees, Fish & Game Environmental Review Fees, and State Controller's Fees for Review of Fiscal Analysis will be charged in accordance with the fee schedules of the respective agencies.
- Q. Duplication Fees: \$0.12 per page for photocopies of documents; \$5.00 per diskette, CD, or tape, extraordinary copy requests will be charges on a time and materials basis.

Procedures for Cost Tracking, Monthly Invoices and Replenishment of Deposits:

LAFCO will track staff time spent on each application and send monthly invoices for the actual cost of all staff, legal, consultant and other expenses incurred in processing the application from the time of formally receiving the application and initial deposit through to completion. LAFCO’s current hourly rate is ~~\$165~~\$168 per hour, based on salaries, benefits and overhead. The hourly rate includes Analyst time, routine Executive Officer and secretarial support, routine legal review and GIS support services, and routine copy services. Consultant costs, legal notices published in newspapers, any legal time in excess of one hour, any GIS time in excess of one hour, and any extraordinary copying or other miscellaneous processing charges will be billed directly to the applicant in addition to staff time. LAFCO will also collect pass-through fees for other agencies, including the County Recorder, State Board of Equalization, and State Department of Fish and Game.

Requests will be made for additional payments if necessary to replenish the application’s account and keep payments current with the remaining work required for an application. Work will stop if payments stop. If an application has been deemed complete and set for a public hearing, and payments have stopped, a denial recommendation will be prepared for the application. Any balances due must be current before LAFCO issues a Certificate of Filing or a Certificate of Completion.

The Executive Officer may exercise discretion in adjusting monthly or final invoices to reflect administrative credits for staff training and similar circumstances that warrant a reduction in billable costs. Any excess funds not needed to cover the actual cost of preparation will be refunded to applicant at the end of the process.

Waiver:

The Commission may waive or reduce LAFCO fees upon a finding that the proposed action would be in the public's best interest and/or is necessary for public health and safety reasons. A request for waiver must be submitted in writing to the Commission. Fees may also be waived for applications filed in response to a condition imposed by the Commission or in response to a recommendation made by the Commission.

State Board of Equalization Filing Fees:

The fees for single area boundary changes, as of June 2011, are listed below. If a boundary change includes multiple, separate or non-contiguous areas, the fee shall be calculated for each area separately.

Acreage:	Fee:
Less than 1 acre	\$ 300
1.00 - 5.99	\$ 350
6.00 - 10.99	\$ 500
11.00 - 20.99	\$ 800
21.00 - 50.99	\$1,200
51.00 - 100.99	\$1,500
101.00 - 500.99	\$2,000
501.00 - 1,000.99	\$2,500
1,001.00 - 2,000.99	\$3,000
2001.00 and above	\$3,500

Additional County, per transaction	\$300
Consolidation per resolution or ordinance	\$300
Entire district transaction	\$300
Coterminous transaction	\$300
District dissolution or name change	\$ 0

The application of the State Board of Equalization Filing Fees is more fully described in the State Board’s *“Change of Jurisdictional Boundary: Requirements for Statements, Geographic Descriptions, Maps and Fees.”*

Definitions:

Actual Cost of Preparation – All costs of staff, legal, consultant, and other expenses incurred in filing, processing, analyzing, reviewing, and hearing a proposal, as allowed through Government Code Section 56383, beginning when LAFCO receives the deposit and the application through the issuance of the Certificate of Completion and the receipt of acknowledgement from the State Board of Equalization, or through the completion of the process for applications that do not involve a change in organization or reorganization.

Certificate of Completion – the document prepared by the Executive Officer and recorded with the County Recorder that confirms the final successful resolution of a change of organization or reorganization. (Government Code Section 56020.5)

Certificate of Filing – a document issued by the Executive Officer when it has been determined that the application contains all materials needed to complete the analysis for the Commission’s action, in accord with Government Code Section 56658.

Extension – an application for additional time beyond the one year limitation to meet all conditions of approval of a change of organization or reorganization so that LAFCO may file a Certificate of Completion, as allowed for by Government Code Section 57001.

Calculation of Proposed Hourly Rate
August 2022

	<u>Analyst</u>
Average Salary and Benefits for 1 Analyst	\$173,528
Overhead *	<u>\$113,442</u>
Total	\$286,970
 <u>Annual Billable Hours:</u>	
Hours/year	2,080
Holidays	-96
Annual and Professional Leave	<u>-280</u>
	1,704 billable hours/year
	286,970 / 1,704 = 168.41
<u>Hourly rate</u>	\$168

*Overhead calculation assumes 30% of Budgeted Expenses for Supplies and Services less reserve allocations plus 5% Executive Officer time plus 20% Clerical time.

Attachment 8.3

Comparison of Analyst Hourly Rate with Other LAFCOs, as of July 18, 2022

	<u>Monterey</u>	<u>Monterey</u>	<u>Alameda</u>	<u>Contra Costa</u>	<u>Santa Clara</u>	<u>Santa Cruz</u>	<u>San Luis Obispo</u>	<u>Ventura</u>
	Current	Proposed	03/11/2019	10/15/2015	06/08/2018	12/11/2017	09/12/2017	07/01/2022
Hourly rate	\$165	\$168	\$164	Flat fees	\$213	\$138.27	\$85	\$165

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

KATE McKENNA, AICP
Executive Officer

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

132 W. Gabilan Street, Suite 102
Salinas, CA 93901
www.monterey.lafco.ca.gov

DATE: August 22, 2022
TO: Chair and Members of the Commission
FROM: Kate McKenna, AICP, Executive Officer
SUBJECT: Executive Officer Communications

SUMMARY OF RECOMMENDATION:

This report is for information only.

EXECUTIVE OFFICER'S REPORT:

- a) **LAFCO Response Letter regarding a Monterey County Civil Grand Jury Report – “Consolidation of Two North Monterey County Fire Districts” (North County Fire Protection District and Monterey County Regional Fire District)**

LAFCO received this Monterey County Civil Grand Jury report on May 23, 2022 and was invited, but not required, to submit comments. The report made 12 findings and recommended that NCFPD and MCRFD hire a consultant by December 31, 2022 to study the feasibility of consolidating the two districts. LAFCO staff's July 7, 2022 response letter (Attachment 1) provided background information and context regarding the possibility of a future consolidation.

- b) **Pajaro Valley Health Care District Update**

Executive Officer Communications earlier this year reported on urgency legislation SB 418, creating the Pajaro Valley Healthcare District (PVHD). On January 28, LAFCO of Monterey County staff hosted an information session for affected Monterey County agency representatives to discuss regional needs and concerns with the organizers of the new healthcare district. Governance, boundaries, and financial sustainability are of key concern. SB 418 was signed into law in February 2022.

On July 1, 2022, Governor Gavin Newsom signed Senate Bill 969 into law, which provides additional oversight by LAFCO of Santa Cruz County of PVHD in its initial years post-formation. Also, PVHD must raise approximately \$67 million by August 31, 2022 for the purchase of the hospital to move forward. State Senator John Laird and Assemblymember Robert Rivas announced in late June that they had secured \$25 million in state funding to help finalize the purchase. As of July 20, \$49 million was secured and \$10 million was anticipated, leaving approximately \$8 million needed to reach the \$67 million goal. PVHD is optimistic that they can close the funding gap.

- c) **Contract for Economic Analysis Services**

In July 2022, LAFCO entered into a professional services agreement for on-call economic analysis services with Berkson Associates, not to exceed \$20,000. These services were included in the adopted FY 2022-2023 budget under Outside Professional Services. Under the agreement, Berkson Associates will provide financial and economic expertise in the review and processing of applications on an as-needed basis. This consultant work began in July with review of the City of Soledad's pending sphere of influence and annexation application.

**d) City of Soledad “Miramonte” 647-acre Sphere Amendment and Annexation
Proposal: 30-Day Application Completeness Review Letter**

The City of Soledad filed its original application in March 2020. The City amended its application in July 2021. On July 15, 2022, the City resubmitted an amended application. On August 12, staff provided a letter listing the remaining items needed in order for the application to be determined complete.

In summary, the letter requested updated and/or supplemental information from the City regarding the plan for providing services, the timing of the proposed annexation and buildout, financial feasibility, agricultural mitigation, conformance to LAFCO’s adopted policy for housing and jobs, comments from the school district, the City’s environmental determinations, and other related matters. The letter also transmitted comments that LAFCO has received from several public agencies and private groups regarding the July 15 resubmittal.

The full letter is available for viewing at: <https://www.co.monterey.ca.us/government/government-links/lafco/resources>

e) County Agriculture Conservation and Mitigation Program – Participation

County Housing and Community Development staff have initiated a comprehensive countywide program to conserve agricultural lands and mitigate for the impacts of new development. In July, LAFCO staff participated in three County staff-organized meetings. County Supervisor/Commissioner Chris Lopez also attended. County staff’s timeline is to conduct meetings and workshops this summer, complete environmental analysis and gather public comments into the fall, and to propose final draft policies and hold public hearings starting in late 2022. Staff will continue to participate in meetings and collaborate with the County.

f) Emergency Action Plan Training

In February 2021, the Commission adopted an Emergency Action Plan in compliance with State and Federal law. The plan requires LAFCO employees to be trained in CPR, first aid, and the use of an automated external defibrillator device. In June and July 2022, all employees received this training.

Respectfully Submitted,



Kate McKenna, AICP
Executive Officer

Attachment:

LAFCO Response Letter to Civil Grand Jury – July 7, 2022

Note – The Civil Grand Jury reports are available at: www.co.monterey.ca.us/government/participate-get-involved/civil-grand-jury/reports

LAFCO of Monterey County

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

**2022
Commissioners**

July 8, 2022

Chair
Mary Ann Leffel
Special District Member

The Honorable Stephanie E. Hulsey
Judge of the Superior Court
c/o Office of the County Counsel
Attention: Sandra Ontiveros
168 W. Alisal Street, 3rd Floor
Salinas, CA 93901

Vice Chair
Matt Gourley
Public Member

Luis Alejo
County Member

Wendy Root Askew
County Member, Alternate

**Re: May 24, 2022 Monterey County Civil Grand Jury Final Report –
“Consolidation of Two North Monterey County Fire Districts” (North County
Fire Protection District and Monterey County Regional Fire District)**

Kimbley Craig
City Member

Dear Judge Hulsey:

Christopher Lopez
County Member

I am writing to provide LAFCO of Monterey County’s optional response to the May 24, 2022 Monterey County Civil Grand Jury Final Report entitled “Consolidation of Two North Monterey County Fire Districts.” Regarding a potential consolidation of two agencies, LAFCO would like to emphasize the importance of ensuring sufficient funding availability to meet the consolidated agency’s plan for providing services. Consolidation of a financially stable district and a financially struggling district has the potential to result in a larger consolidated district that remains in a financially strained position unless additional revenues are identified or committed as part of the consolidation.

Ian Oglesby
City Member

Warren Poitras
Special District Member

LAFCO staff and LAFCO’s fire consultant participated in the Monterey County Board of Supervisors’ Fire and Emergency Medical Services Ad Hoc Committee meetings as invited in late 2020 and during 2021. The Ad Hoc Committee reviewed recommendations from LAFCO’s 2020 study of fire protection and EMS services in unincorporated Monterey County and researched potential ways to support local fire agencies experiencing financial challenges. The Ad Hoc Committee also received information regarding the feasibility of consolidating the North County and Monterey County Regional fire districts. The Ad Hoc Committee reviewed preliminary cost estimates for a potential consolidation of these two districts based on information provided by both agencies in late 2021. LAFCO is not aware of any further meetings or discussions.

Steve Snodgrass
Public Member, Alternate

David Kong
Special District Member, Alternate

LAFCO of Monterey County thanks the Civil Grand Jury for sharing this report. We appreciate the members of the Civil Grand Jury for their many hours of work dedicated to improving our community. We hope that this information provides additional context with respect to the Grand Jury’s findings and recommendations. Please contact the LAFCO office at 831-754-5838 if you have any questions.

Anna Velazquez
City Member, Alternate

Counsel

Kelly L. Donlon
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Executive Officer

Kate McKenna, AICP

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Respectfully,

Kate McKenna, AICP
Executive Officer

LAFCO *of Monterey County*

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

CLOSED SESSION

1. Pursuant to Government Code Section 54956.9(d)(1), the Commission will confer with legal counsel regarding existing litigation: *Monterey Peninsula Water Management District v. Local Agency Formation Commission of Monterey County; Commissioners of the Local Agency Formation Commission of Monterey County; and DOES 1 through 20*, (Monterey County Superior Court Case No. 22CV000925).