



## **Solano Local Agency Formation Commission**

675 Texas St. Ste. 6700 • Fairfield, California 94533  
(707) 439-3897 • FAX: (707) 438-1788

### **Staff Report**

DATE: August 8, 2016

TO: Local Agency Formation Commission

FROM: Elliot Mulberg, Executive Officer  
Michelle McIntyre, Analyst

SUBJECT: **Legislative Report**

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Recommendation: That the Commission receive and file this report.

This month's report includes a section on bills that have failed passage and bills approved. Among those that have failed is SB 1318. Since our last commission meeting the bill had undergone several amendments. The June 1 version included language to amend §56653 to overcome the ruling in *City of Patterson v. Turlock*. Subsequent amendments removed the §56653 change however those amendments were not acceptable to the bill's sponsor. As a result the bill was removed from consideration. That means the fix to 56663 will need to find another legislator to carry the legislation.

Bills that have been approved include the validation bills which set boundaries and authorize bonds. A couple more are close to approval by the legislature to be forwarded to the Governor for his consideration. Among those is SB 1266 (McGuire) which is CALAFCO sponsored bill that would requires all stand-alone JPAs, as defined in GC Section 56047.7, which includes a member that is a public agency as defined in GC Section 56054, and are formed for the purposes of delivering municipal services, to file a copy of their agreement (and a copy of any amendments to that agreement) with the LAFCo in each county within which all or any part a local agency member's territory is located. Further it requires the JPA to file with the LAFCo within 30 days of the formation of the JPA or change in the agreement, and should they not file adds punitive action that the JPA shall not issue bonds nor incur indebtedness. Both of the latter changes are consistent with existing JPA statute.

Other bills that are on the floor for final consideration include:

**AB 2389 (Ridley-Thomas D) Special districts: district-based elections:**

**reapportionment.** Would authorize a governing body of a special district, as defined, to require, by resolution, that the election of the members of its governing body be elected using district-based elections without being required to submit the resolution to the voters for approval.

**SB 1436 (Bates R) Local agency meetings: local agency executive compensation: discussion of final action taken.** As amended, this bill requires public agencies, including LAFCo's, when taking final action on salary for the agency's executive, to be made as a separate discussion agenda item rather than a content calendar item on the agenda.

Other Legislation of Interest  
(8/1/16)

**Finance**

**SB 817 (Roth D) Local government finance: property tax revenue allocations: vehicle license fee adjustments.**

**Status:** 6/29/16 Assembly Appropriations suspense file

**Summary:** As amended, this bill is identical to SB 25 (Roth, 2015) and SB 69 (Roth, 2014). The bill calls for reinstatement of the VLF through ERAF for cities that incorporated between January 1, 2004 and January 1, 2012. There are no provisions for back payments for lost revenue, but the bill does reinstate future payments beginning in the 2016/17 year for cities that incorporated between January 1, 2004 and January 1, 2012. The bill passed out of the Senate Appropriations Committee on a 7-0 vote.

**CALAFCO Position:** Support

**Water**

**SB 1263 (Wieckowski D) Public water system: permits.**

**Status:** Hearing Assembly Appropriations Committee 8/3/16

**Summary:** As introduced, this bill would prohibit an application for a permit for a new public water system from being deemed complete unless the applicant has submitted a preliminary technical report to the state board, as specified, and would allow the state board to impose technical, financial, or managerial requirements on the permit. The bill would prohibit a public water system not in existence on January 1, 1998, from being granted a permit unless the public water system demonstrates that the water supplier also possesses adequate water rights to ensure the delivery safe drinking water, and would specify that the prohibition applies to any change in ownership of the public water system, including the consolidation of a public water system. The bill would allow the state board to deny the permit if the state board determines that the service area of the public water system can be served by one or more currently permitted public water systems. Finally, the bill would prohibit a local primacy agency from issuing a permit without the concurrence of the state board.

**CALAFCO Position:** Watch

**SB 1262 (Pavley D) Water supply planning.**

**Status:** Hearing Assembly Appropriations Committee 8/3/16

As introduced, this complicated bill makes a number of changes to GC Section 66473.7 and Section 10910 of the Water Code. In 66473.7, in the definitions section, the bill adds definitions pertaining to the use of groundwater by a proposed subdivision as the source of water. It adds an adopted groundwater sustainability plan as optional substantial evidence that the water system has sufficient water supply to meet the demands of the subdivision project. The bill adds that a groundwater basin identified by the State Water Resources Control Board (SWRCB) as a probationary basin is not considered a viable water supply.

Recent amendments removed CALAFCO's primary concern of the timing requirements of the water supply assessment, and returns the statute to its original state. Other concerns remain unaddressed in the bill including the ongoing discussion of the appropriate size of a project (is 500 units the appropriate threshold) and how this bill will deal with phased development. Based on stakeholder discussions with the author, these issues will not be addressed in this bill.

**CALAFCO Position:** Watch With Concerns

**SB 552 (Wolk D) Public water systems: disadvantaged communities: consolidation or extension of service: administrative and managerial services.**

**Last Amended:** 6/16/2016

**Status:** Hearing Assembly Appropriations Committee 8/3/16

**Summary:**

Would authorize the State Water Resources Control Board to order consolidation where a public water system or a state small water system is serving, rather than within, a disadvantaged community, and would limit the authority of the state board to order consolidation or extension of service to provide that authority only with regard to a disadvantaged community. This bill would make a community disadvantaged for these purposes if the community is in a mobilehome park even if it is not in an unincorporated area or served by a mutual water company. This bill contains other related provisions and other existing laws.

**CALAFCO Comments:** As amended, the bill makes the CALAFCO requested change to the Health & Safety Code by amending 116682 (g) which gives LAFCo the approval to do what is necessary to complete a consolidation of two systems, should they be required to do so by the State Water Board. (Previous language technically divested LAFCo of that authority.)

Further, the bill adds provisions that give the SWRCB the authority to appoint an Administrator to a water system (as opposed to mandating consolidation), which is a kind of receivership.

**CALAFCO Position:** Watch

**Special Districts**

**AB 1362 (Gordon D) Mosquito abatement and vector control districts: board of trustees: appointment of members.**

**Status:** 8/4/2016 #55 Senate Second Reading File - Assembly Bills

**Summary:**

Would authorize a city council, located in an existing or newly formed district as specified, to adopt a resolution requesting that appointments of persons to the board of trustees instead be made by a city selection committee, established pursuant to specified provisions of law, and conditioned upon a majority of authorized city councils adopting their respective resolutions. This bill would authorize the city selection committee to decrease the total number of appointments to be made by the committee if a majority of city councils within the district make this request in their respective resolutions.

**CALAFCO Position:** Watch

**AB 2389 (Ridley-Thomas D) Special districts: district-based elections: reapportionment.**

**Status:** 8/4/2016 #390 Senate Third Reading File - Assembly Bills

**Summary:**

Would authorize a governing body of a special district, as defined, to require, by resolution, that the election of the members of its governing body be elected using district-based elections without being required to submit the resolution to the voters for approval.

**CALAFCO Position:** Watch

**Administration**

**AB 2257 (Maienschein R) Local agency meetings: agenda: online posting.**

**Subject:** LAFCo Administration

**Status:** 8/4/2016 #127 Senate Second Reading File - Assembly Bills

**Summary:**

As introduced, this bill amends GC Section 54954.2 pertaining to the online posting of a local agency's meeting agenda. The bill requires that online posting to have a prominent and direct link to the current agenda itself from the local agency's homepage. This means that LAFCos will have to post a prominent link on their website's homepage, directly taking the user to the meeting agenda.

**CALAFCO Position:** Watch

**AB 2801 (Gallagher) Local Government: fees and charges: written protest.**

**Status:** 8/1/2016 #170 Senate Third Reading File - Assembly Bills

**Summary:** The original bill would have removed the 60 day statute of limitations on bringing a validation action to court for any public agency, including LAFCo. Gut and amended on April 4, 2016, the bill now focuses on amending GCS 53755 and relates to fee increases to property owners by an agency providing property related services.

**CALAFCO Position:** Watch

**SB 974 (Committee on Governance and Finance) Local government: omnibus.**

**Status:** 8/4/2016 #96 Assembly Third Reading File - Senate Bills

**Summary:**

The Planning and Zoning Law requires that the safety element be reviewed and updated, in the case of flooding and fire hazards, upon the next revision of the housing element after specified dates or, in the case of climate adaptation and resilience strategies, upon either the next revision of a local hazard mitigation plan after a specified date or on or before January 1, 2022, as applicable. This bill would instead require a planning agency to review and revise the safety element to identify new information, as described above, only after to address flooding and fires. This bill is the Senate Governance & Finance Committee's annual Omnibus bill.

**CALAFCO Position:** Watch

**SB 1436 (Bates R) Local agency meetings: local agency executive compensation: discussion of final action taken.**

**Status:** 8/4/2016 #130 Assembly Consent Calendar 2nd Day-Senate Bills

**Subject:** LAFCo Administration

**Summary:**

As amended, this bill requires public agencies, including LAFCOs, when taking final action on salary for the agency's executive, to be made as a separate discussion agenda item rather than a content calendar item on the agenda..

**CALAFCO Position:** Watch

Failed Bills

**AB 1707 (Linder R) Public records: response to request.**

**AB 2277 (Melendez R) Local government finance: property tax revenue allocation: vehicle license fee adjustments.**

**SB 1292 (Stone R) Grand juries: reports.**

**SB 1318 (Wolk) Local government: drinking water infrastructure or services: wastewater infrastructure or services.**

Approved and Signed

**SB 971 SB 972 SB 973 (Committee on Governance and Finance) Validations.**