
**SAN JOAQUIN
LOCAL AGENCY FORMATION COMMISSION**

LAFCo

509 W. WEBER AVENUE SUITE 420 STOCKTON, CA 95203

AGENDA

Thursday, January 10, 2019 9:00 A. M.

BOARD OF SUPERVISORS CHAMBERS
44 NORTH SAN JOAQUIN STREET, 6TH FLOOR
STOCKTON, CALIFORNIA

* * * *

Call to Order
Announce Date and Time of Meeting for the Record
Roll Call
Pledge of Allegiance

CONSENT ITEMS

1. MEETING MINUTES OF DECEMBER 13, 2018
(Action by All Members)
Approve Summary Minutes of the regular meeting.

ACTION ITEMS

2. ELECTION OF CHAIR AND VICE-CHAIR
(Action by All Members)
Election of Chair and Vice-Chair to serve during the 2019 calendar year.
3. CITY OF STOCKTON DRAFT MUNICIPAL SERVICE REVIEW (MSR) AND
SPHERE OF INFLUENCE PLAN (SOI) UPDATE WORKSHOP
(Action by Regular Members)
Workshop to receive testimony and comments on the Draft MSR Report and SOI
Update for the City of Stockton.

PUBLIC COMMENTS

4. Persons wishing to address the Commission on matters not otherwise on the
agenda.

EXECUTIVE OFFICER COMMENTS

5. Comments from the Executive Officer

COMMISSIONER COMMENTS

6. Comments, Reports, or Questions from the LAFCO Commissioners

CLOSED SESSION

7. Open Session Disclosure Regarding Closed Session Items pursuant to Government Code Section 54957.7
8. CLOSED SESSION
 - A. Conference with Legal Counsel-Existing Litigation pursuant to Government Code Section 54956.9(a)
Name of Case: Pacific Gas and Electric v. San Joaquin LAFCo and South San Joaquin Irrigation District (San Joaquin County Superior Court Case No. 39-2015-00321743-CU-JR-STK)
9. Open Session Report on Closed Session pursuant to Government Code Section 54957.1

ADJOURNMENT

LAFCo

509 W. WEBER AVENUE SUITE 420 STOCKTON, CA 95203

**SUMMARY MINUTES
December 13, 2018**

BOARD OF SUPERVISORS CHAMBERS
44 NORTH SAN JOAQUIN STREET, 6TH FLOOR
STOCKTON, CALIFORNIA

Chairman Tom Patti called the meeting to order at 9:06 a.m.

MEMBERS PRESENT: Commissioners Fox, Johnson, Kuehne, and
Chairman Patti

MEMBERS ABSENT: Commissioner Villapudua

ALTERNATE MEMBERS PRESENT: Commissioners Andrade, Manne and Winn

ALTERNATE MEMBERS
ABSENT:

OTHERS PRESENT: James Glaser, Executive Officer; Rod Attebery, Legal
Counsel; and Mitzi Stites, Commission Clerk

Chairman Patti presented Commissioner Fox with a plaque and thanked him for
the years of dedicated service.

CONSENT ITEMS

Chairman Patti opened the matter up for public and Commissioner Comments.

No comments were made.

A motion was made by Commissioner Kuehne and seconded by Commissioner Fox
to approve the Consent Calendar.

The motion for approval of the Summary Minutes of September 13, 2018 meeting was

passed by an unanimous vote of the Commission.

The motion for approval for the out-of-agency service request to the properties located at 5314 E. Ardelle Avenue, 643 S. Modesto Avenue, 452 S. Coolidge Avenue, 184 E. Fourth Street, 189 E. French Camp Road, 177 E. French Camp Road, 7460 S. McKinley Avenue, 195 E. French Camp Road, 7565 E. Elm Street, 2170 E. Fifth Street, 2178 E. Fifth Street, and 3033 Waterloo Road, Stockton, was passed by an unanimous vote of the regular voting members of the Commission.

PUBLIC HEARING

3 FINAL MUNICIPAL SERVICE REVIEW (MSR) AND SPHERE OF INFLUENCE (SOI) FOR LOWER JONES TRACT AND UPPER JONES TRACT RECLAMATION DISTRICTS

(LAFCo 17-17)

(Action by Regular Members)

The Commission will review and discuss the Final MSR and SOI report for Reclamation District 2038 – Lower Jones Tract and Reclamation District 2039 - Upper Jones Tract.

James Glaser, Executive Officer, provided an overview of the process to prepare the Municipal Service Review (MSR) and the Sphere of Influence (SOI). He stated that LAFCo is required to prepare an MSR for each of its incorporated cities and special districts and update the SOI's.

RD 2038 and RD 2039 have indicated to LAFCo that they would like to consolidate. A MSR and an Updated SOI is needed before a consolidation can be accomplished. LAFCo Staff recommended that the Commission approve the Final Municipal Service Review and Sphere of Influence Update for Upper and Lower Jones Tract Reclamation Districts.

Mr. Glaser informed the Commission that on their dais is a letter from Mr. Martin Harris, Terra Land Group opposing this Final MSR/SOI.

Chairman Patti opened the floor to Commissioner Comments.

No Comments were made.

Chairman Patti closed the floor to Commission Comments.

Chairman Patti opened the floor to public comments.

No one came forward.

Chairman Patti closed the floor to public comments.

A motion was made by Commissioner Kuehne and seconded by Commissioner Johnson to approve Resolution No. 1390 Jones Tract Reclamation Districts (RD 2038 Lower Jones Tract and RD 2039 Upper Jones Tract) Municipal Service Review and Resolution No. 1391 approving the Jones Tract Reclamation Districts (RD 2038 Lower Jones Tract and RD 2039 Upper Jones Tract) Sphere of Influence Update.

The motion passed by a unanimous vote of the voting members of the Commission.

ACTION ITEMS

4. RECRUITMENT FOR A PUBLIC MEMBER COMMISSIONER

(Action by All Members)

Request to the Commission to initiate the recruitment process for a Public Member to serve on the Commission

Mr. James Glaser, Executive Officer, stated that according to the Commission policy for regular and alternate public members, a public member can serve for a term of four years and a person may serve no more than two four-year terms as either a Public or an Alternate Public Member. The partial two-year term for Alternate Public Member Charles Manne expired in May 2018.

The procedure to initiate recruitment of an Alternate Public Member is for the Commission to direct the Executive Officer to announce that applications would be accepted. Availability of the Alternate Public Member seat would be announced by posting and mailing a notice to all local agencies, as well as placing a notice on the LAFCo website. If directed by the Commission, the Executive Officer will also issue a press release. The results of the recruitment effort will be placed on the Commission agenda and final appointment to fill a vacancy may not be made for 21 days after posting notice

Chairman Patti opened the floor to Commissioner Comments.

Commissioner Andrade asked how does LAFCo announce the Alternate Public Member opening.

James Glaser, Executive Officer, stated that a press release will be sent to the newspapers and to the city clerks. The Public Member and Alternate Public Member can not be an elected official. Once LAFCo receives resumes and applications a date will be set for the applicants to be interviewed at a Commission Meeting. An applicant may be appointed at that time.

Chairman Patti closed the floor to Commission Comments.

Chairman Patti opened the floor to public comments.

No one came forward.

Chairman Patti closed the floor to public comments.

Chairman Patti directed the Executive Officer to announce the Alternate Public Member opening.

5. SAN JOAQUIN UNINCORPORATED ISLANDS REPORT

(Action by Regular Members)

The Commission will discuss the existence of unincorporated land within the cities.

Mr. James Glaser, Executive Office, presented an overview of the unincorporated islands within San Joaquin County.

At the request of Commission, this report was prepared to provide the Commission with a preliminary assessment of the existing unincorporated islands and to provide a guideline on what steps/actions are needed if the Commission desires to address this issue further.

The County has 32 unincorporated islands comprising of 4,777 acres. The City of Stockton has 16 islands, Tracy-5; Manteca-5; Lathrop-2; Lodi-3; Ripon-1 island and Escalon-0 islands. Approximately 21,866 residents reside in these county pockets that receive limited municipal services. Staff reviewed past annexation files to see why cities have grown around certain county pockets and that most often county residents resisted annexation because of their perception of stricter oversight over their properties by the annexing city, fear of additional taxes or fees, and the desire to maintain their community identity. For cities, there was little incentive to annex due to infrastructure deficiencies and service costs, low sales tax base, and there was not a priority for cities to annex these areas.

Special legislation was enacted in 2001 to facilitate annexation of unincorporated islands for islands 75 acres or less without voter protest or election. In 2005, the law increased the size of the islands to 150 acres.

According to Government Code §56375.3 an “island” that requires LAFCo approval and waiver of protest of proceedings must meet all of the following:

- Annexation is proposed by the city
- 150 acres or less in size
- Surrounded or substantially surrounded by the annexing city
- Not a gated community
- Substantially developed or developing based on the availability of public utilities, presence of public improvements or the presence of physical improvements
- Not prime agricultural land
- Receiving benefits from the annexing city or will benefit from the city
- Not created after January 1, 2014
- Within the annexing city’s sphere of influence

The Commission does not have the power to initiate annexations. The control for the annexation of unincorporated islands lies with the city. The Commission, however, has the power to form and adopt policies to encourage cities to annex their unincorporated islands. In 2007, the Commission adopted annexation policies intended to discourage the creation of islands and required cities to show they have made reasonable efforts to include an unincorporated island in a pending annexation application.

Suggested steps for developing an island annexation program:

1. Workshop (Commission and Staff)
 - a. Discussion of Staff Report
 - b. Determination of Commissioner's Role
 - c. Gather additional information as needed
2. Meeting with LAFCo and City and County Representatives
 - a. Identify stakeholder interest
 - b. Identify obstacles to island annexations
3. Development of Island Annexation Policies
 - a. Ad Hoc Committee
 - b. Public Hearing

Chairman Patti opened the floor to Commissioner Comments.

Commissioner Johnson thanked the staff for the thorough report, and that he liked the strategy of sending the report out to the cities to get their feedback on annexing the islands. Commissioner Johnson also agrees that the Commission needs to collaborate with the cities.

Commissioner Kuehne sees the report as a way to force cities hand on facing this issue and likes how the staff will help the cities get to the goal of annexing the islands. Commissioner Kuehne believes LAFCo should start with the islands that are 150 acres and less.

Commissioner Andrade stated that this has been an issue for a long time. There needs to be a discussion on why the islands were created to begin with and why there has been no movement to annexing the islands. The workshop session is a welcome idea and it is important to let all the cities know what LAFCo is looking at doing. Commissioner Andrade wanted to know if this will include areas such as Morada or strictly unincorporated islands.

Mr. Glaser, Executive Officer, replied that this is only for unincorporated islands.

Commissioner Winn appreciates the thoughts on this problem. He stated that he has worked in other counties and has had similar problems with residents regarding jurisdiction of county and city services. It will be challenging to get county residents to agree to be annexed into cities when they have septic systems and water and are adamant on not paying connection fees. There are also county residents that are very protective of their community and he feels that annexation of islands should be done on a case by case

basis. Commissioner Winn agrees that the Commission should move forward in this discussion.

Chairman Patti opened the floor to Public Comments.

Gene Neely, Chief, Lathrop – Manteca Fire Protection District, spoke against unincorporated islands.

Bob Bentz spoke against annexation of incorporated islands.

Chairman Patti closed Public Comments

Chairman Patti gave direction to move forward with distributing this report to the cities.

SPECIAL MATTERS

6. COMMISSION MEETING SCHEDULE FOR 2019
Meeting dates for the 2019 calendar year.

PUBLIC COMMENTS

7. Persons wishing to address the Commission on matters not otherwise on the agenda.

Gene Neely, Chief, Lathrop – Manteca Fire Protection District addressed the Commission.

Fred Madoski, Administrative Battalion Chief, Lathrop-Manteca Fire Protection District addressed the Commission.

Union Representative for Lathrop-Manteca Fire Protection District addressed the Commission.

Bob Bentz addressed the Commission.

EXECUTIVE OFFICER COMMENTS

8. Comments from the Executive Officer

Next Commission meeting will be on Thursday, January 10, 2019. The Agenda will include the City of Stockton Draft Municipal Service Review and Sphere of Influence Update.

In a few months, there will be a Municipal Service Review and Sphere of Influence Update Reports for Byron-Bethany Irrigation District and The West Side Irrigation District. South San Joaquin Irrigation District is working on some minor amendments to their report.

COMMISSIONER COMMENTS

8. Comments, Reports, or Questions from the LAFCO Commissioners.

CLOSED SESSION

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11. Open Session Report on Closed Session pursuant to Government Code Section 54957.1

There was no Closed Session.

10:50 a.m. – Chairman Patti adjourned the meeting to Thursday, January 10, 2019.

LAFCo

509 West Weber Avenue Suite 420 STOCKTON, CA 95203

EXECUTIVE OFFICER'S REPORT

January 10, 2019

TO: LAFCo Commissioners

FROM: James E. Glaser, Executive Officer

SUBJECT: **Election of Chair and Vice Chair**

At the beginning of each calendar year the Commission selects its Chair and Vice-Chair. Rotation of the Chair has traditionally been City-County-City-County-Public Member. Although this has been the usual order for selection, the Rules of the Commission policy does not specify the order of rotation. If the Commission chooses to follow past practice, a Public Member would serve as Chairperson and a City Member would serve as Vice-Chair in 2019.

	<u>Chair</u>		<u>Vice-Chair</u>	
2014	Steven B. Nilssen	Public	Mike Maciel	City
2015	Mike Maciel	City	Chuck Winn	County
2016	Chuck Winn	County	Doug Kuehne	City
2017	Doug Kuehne	City	Tom Patti	County
2018	Tom Patti	County	Peter Johnson	Public

LAFCo

509 W. WEBER AVENUE SUITE 420 STOCKTON, CA 95203

EXECUTIVE OFFICER'S REPORT

January 10, 2019

TO: LAFCo Commissioners

FROM: James E. Glaser, Executive Officer

SUBJECT: **Draft Municipal Service Review/Interim Sphere of Influence Plan
Workshop
City of Stockton**

Recommendation

It is recommended that after receiving testimony and providing comments on the Draft Municipal Service Review/Interim Sphere of Influence Plan for the City of Stockton that the matter be scheduled for a public hearing on February 14, 2019. It is also recommended that the City of Stockton be directed to include the unincorporated islands within the 10-year planning horizon.

Background

A Municipal Service Review (MSR) is a comprehensive review of an agency intended to obtain information about the agency's ability to provide services. Its purpose is to evaluate the provision of services from a comprehensive perspective and recommend actions, when necessary, to promote the efficient provision of those services. Service reviews are intended to serve as a tool to help LAFCo, the public and other agencies better understand the public service structure and evaluate options for the provision of efficient and effective public services that the agency currently provides. State law requires that LAFCo update Spheres of Influence and prepare a Municipal Service Review in conjunction with that update.

The MSR is required by the Cortese-Knox-Hertzberg Act to have six categories, as defined by the San Joaquin LAFCo "Service Review Policies" December 14, 2012. Each of these categories requires a written determination. The six categories are as follows:

- Growth and Population Projections for the Affected Area

- The Location and Characteristics of any Disadvantage Unincorporated Communities within or Contiguous to the Sphere of Influence
- Present and Planned Capacity of Public Facilities and Adequacy of Public Services, Including Infrastructure Needs and Deficiencies
- Financial Ability of Agencies to Provide Services
- Status of and Opportunities for Shared Facilities
- Accountability for Community Service Needs, Including Governmental Structure and Operational Efficiencies

In determining a sphere of influence, the Commission is required to consider and make written determinations with respect to the following factors (Government Code Section 56425):

- The Present and Planned Land Uses in the Area, Including Agricultural and Open Space Lands.
- The Present and Probable Need for Public Facilities and Services in the Area.
- The Present Capacity of Public Facilities and Adequacy of Public Services that the Agency Provides or is Authorized to Provide.
- The Existence of Any Social or Economic Communities of Interest in the Area if the Commission Determines that they are Relevant to the Agency.
- The Present and Probable Need for those Public Facilities and Services within any Disadvantaged Unincorporated Communities (DUCs) within the Sphere of Influence.

The sphere of influence for the City of Stockton was last updated in 2008 and was approved by the Commission for a 10-year planning period. The City has just completed the process of updating its General Plan (Envision Stockton 2040 General Plan Update). As a result, the City intends to submit another application for the Municipal Service Review and Sphere of Influence (SOI) Plan to reflect the newly adopted General Plan. The proposal before the Commission represents an “interim” SOI and is consistent with the City’s 2035 General Plan (2007). This interim SOI is necessary as the City has several pending annexation applications.

Figure 2-10 identifies the areas proposed for the 10-year planning horizon. The area shown is significantly less in scale than the 10-year plan previously approved by the Commission. These areas indicate where annexations could occur in the short-term or “interim basis”. A new Sphere of Influence Plan will be subsequently submitted consistent with the newly adopted General Plan.

The report states on page 2-28 that the “City is committed to continue to work with San Joaquin County and property owners to annex existing unincorporated islands within the current city limits”. However, the 10-year plan does not show these islands. It is recommended that Figure 2-10 be amended to include these islands so that there would not be a hindrance should progress occur on the inclusion of some or all of these islands into the City.

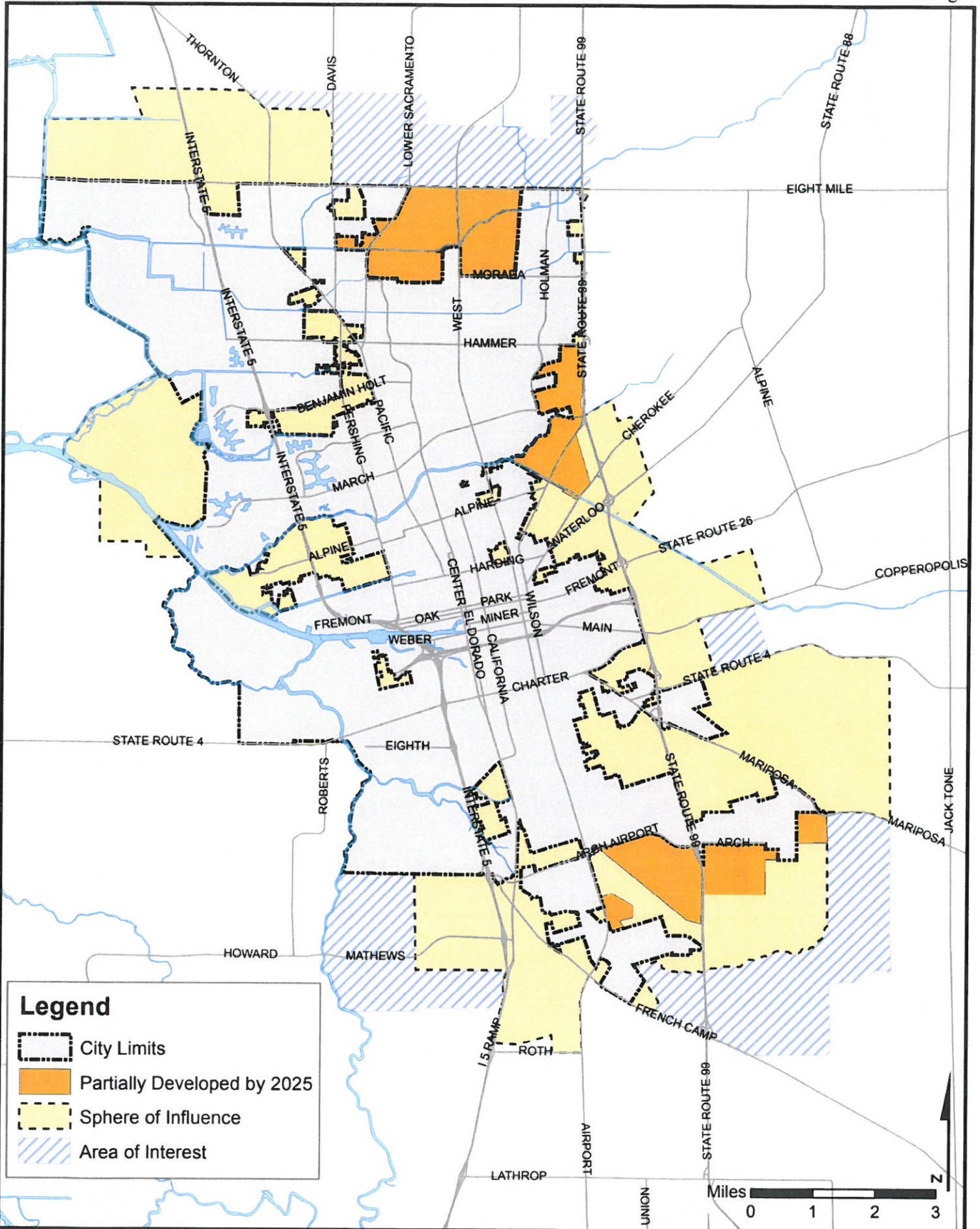


Figure 2-10 10-Year Planning Horizon Annexation Areas

The implication of SB-5, regarding 200-year flood protection is also addressed. A number of local agencies, including several reclamation districts, are working with the U.S. Army Corps of Engineers on the Lower San Joaquin River Feasibility Study. The study is a multi-year \$10 million study that will help determine improvements needed to reach or exceed the 200-year level of flood protection. The Lower San Joaquin Feasibility Study will reach the part of San Joaquin County along the San Joaquin River up to and through Stockton including the Lodi Waste Water Treatment Plant. In addition, the study includes the watersheds east of Stockton and covers nearly 140 miles of levees. Some of the developments proposed in Stockton will provide their own level of flood protection.

The document has been transmitted to the surrounding jurisdictions and fire protection districts. LAFCo has not yet received any comments. Any comments will be included in the final report.

The Commission's service review policy sets forth the procedure for public participation and public hearing. The policy requires a two-step process for the adoption of a service review: 1) a public meeting/workshop with the Commission to accept comments from the public and the Commission "prior to finalizing the document", and 2) a formal 21-day review period and public hearing. Staff will provide public notice for the February 14, 2019 meeting to meet our legal obligation for a public hearing. The Commission will be able to adopt the MSR at that meeting or may continue the matter to a future meeting. A motion is attached for Commission's consideration.

The draft report was previously transmitted at the December 13, 2019 meeting to the Commissioners for their early review.

Motion

Moved by Commissioner _____, seconded by Commissioner _____ that the City of Stockton Municipal Service Review and Interim Sphere of Influence Plan Update be set for public hearing on February 14, 2019 and that the City of Stockton included the unincorporated islands in the 10-year planning horizon.