
**SAN JOAQUIN
LOCAL AGENCY FORMATION COMMISSION**

LAFCo

509 W. WEBER AVENUE SUITE 420 STOCKTON, CA 95203

AGENDA

Thursday, May 10, 2018 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 MARCH 8, 2018
(Action by All Members)
Approve Summary Minutes of the regular meeting.
2. OUT-OF-AGENCY SERVICE REQUEST
(Action by Regular Members)
Request from the City of Stockton to provide out-of-agency sewer service outside the City boundary under Government Code §56133 to 818 S. Wagner Avenue, 3526 West Lane, 222 Clayton Avenue, 2948 Harris Avenue, and 2536 Florida Avenue, Stockton.

PUBLIC HEARING

3. CITY OF RIPON FINAL MUNICIPAL SERVICE REVIEW (MSR) AND SPHERE OF INFLUENCE (SOI) (LAFc 03-18)
(Action by Regular Members)
Public Hearing to receive testimony and comments on the Final MSR and SOI Update for the City of Ripon.

4. PRELIMINARY BUDGET REPORT FOR THE FISCAL YEAR 2018-2019
(Action by Regular Members)
Commission consideration of the Preliminary Budget for 2018-2019, Work Program and Schedule of Fees.

PUBLIC COMMENTS

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

EXECUTIVE OFFICER COMMENTS

6. Comments from the Executive Officer

COMMISSIONER COMMENTS

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

CLOSED SESSION

8. Open Session Disclosure Regarding Closed Session Items pursuant to Government Code Section 54957.7
9. 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)
10. 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
March 8, 2018**

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

Chairman Tom Patti called the meeting to order at 9:02 a.m.

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

MEMBERS ABSENT: Commissioner Kuehne

ALTERNATE MEMBERS PRESENT: Commissioners Andrade and Winn

ALTERNATE MEMBERS ABSENT: Commissioner Manne

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

CONSENT ITEMS

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

No comments were made.

A motion was made by Commissioner Andrade and seconded by Commissioner Villapudua to approve the Consent Calendar.

The motion for approval of the Summary Minutes of February 8, 2018 meeting was passed by an unanimous vote of the Commission.

The motion for approval for the out-of-agency service request to the property located at

2208 N. Filbert Street, 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 SELECTED SAN JOAQUIN COUNTY RECLAMATION DISTRICTS (LAFc 04-18)

(Action by Regular Members)

Public Hearing to receive testimony and comments on the Final MSR and SOI update for 21 Selected Reclamation Districts)

James Glaser, Executive Officer, provided an overview of the process to prepare the MSR and the SOI. He stated that LAFc is required to prepare an MSR for each of its incorporated cities and special districts and update the SOI's. LAFc hired consultant Elliott Mulberg, President of Elliott Mulberg and Associates, to prepare this report.

There are 52 reclamation districts in the County and this MSR report focuses on 21 reclamation districts that surround urbanized areas of the County. These districts protect 73,853 acres from flood events through 146 miles of levees. This MSR includes an assessment of levee standards, revenue sources, funding opportunities, and regulatory requirements.

It was recommended that the Commission approve the Final Municipal Service Review and Sphere of Influence Update for Selected San Joaquin Reclamation Districts.

Elliott Mulberg, presented a PowerPoint presentation that focused on the overall maintenance rating by reclamation district for 2013-2017.

Commissioner Johnson wanted a point of clarification for the * in the report.

Elliott Mulberg stated that the * represents the Districts that have some portion of their levees that are not at an acceptable rating.

Commissioner Johnson stated that it looked as if most Districts are moving towards the acceptable rating.

Mr. Glaser, Executive Officer, stated that new residential projects which are protected by levees need to either move into the 200-year protection level or they need to show adequate progress to achieve this standard.

Chairman Patti opened the floor to public comments.

Bob Bentz stated a concern regarding levees behind the Barkleyville Dog Park in Stockton. Those levees are on a 100 year not 200 year protection level. If the levee breaks there will be substantial flooding.

Chairman Patti closed public comments.

Commissioner Andrade inquired as what are the Reclamation Districts that Mr. Bentz was referring to.

Mr. Glaser, Executive Officer, informed the Commission that they are 1608, Lincoln Village West and 2074 Sargent–Barnhart Tract. Mr. Glaser also stated that the Lower San Joaquin Feasibility Study should resolve these issues.

A motion was made by Commissioner Villapudua and seconded by Commissioner Fox to approve Resolution No. 1380 regarding the Municipal Service Review for Selected San Joaquin County Reclamation Districts and Resolution No. 1381 regarding the Sphere of Influence for Selected San Joaquin County Reclamation Districts.

Chairman Patti requested a roll call vote:

Ayes: Commissioner Andrade, Fox, Johnson, Villapudua, and Chairman Patti

Noes: None

ACTION ITEMS

4. CITY OF RIPON DRAFT MUNICIPAL SERVICE REVIEW (MSR) AND SPHERE OF INFLUENCE (SOI) UPDATE (LAFC 03-18)

(Action by Regular Members)

Workshop to receive testimony and comments on the Draft MSR and SOI Update for the City of Ripon

James Glaser, Executive Officer, provided a PowerPoint presentation, which gave an overview of the process to update the MSR and the 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. LAFCo requires that the SOI delineate where development is expected to occur within 5-10 year and 30-year period and that future annexations must be consistent with the SOI. LAFCo last approved the City of Ripon Municipal Service Review and the Sphere of Influence Plan on April 9, 2010.

Mr. Glaser recommended that the Commission set the City of Ripon MSR and SOI Update for the public hearing on May 10, 2018.

Ken Zuideruaart, Planning Director for the City of Ripon, introduced Josh Smith from Denovo Planning.

Josh Smith, Principal, De Nova Planning Group, presented a PowerPoint presentation.

The City of Ripon's current population is 15,621 with projection to 32,207 people by 2040. The City is not proposing to increase or modify the Sphere of Influence (SOI). The 10- and 20-year growth boundaries are located within the boundary of the City's current SOI. The years 2018 – 2028 will be used for the 10- year Planning Horizon and

the 2028-2038 for the 20-Year Planning Horizon in the MSR. The SOI 10-Year and 20-Year Planning Horizons are located within the General Plan's Primary Urban Area, which is within the City's SOI but outside the current City limits. The 10-year Planning Horizon contains 1,347 acres; the 20-Year Planning Horizon contains approximately 1,269 acres.

Mr. James Glaser, Executive Officer informed the Commission the value of the Municipal Service Reviews (MSR) and the Sphere of Influence (SOI). The process for both is to have the cities evaluate their ability to provide services. The MSR and SOI are the basis for planning for short term and long term projects. LAFCo has a high approval rating for annexations but that is because the Cities spend a lot of work, time and finances to put these planning documents together in order to obtain LAFCo's approval.

Chainman Patti acknowledged the importance of the MSR and SOI.

Chairman Patti opened the floor to public comments.

No one came forward.

Chairman Patti closed the floor to public comments.

Moved by Commissioner Andrade, seconded by Commissioner Johnson that the City of Ripon Municipal Service Review and Sphere of Influence Plan Update be set for public hearing on May 10, 2018

The motion was passed by an unanimous vote of the regular voting members of the Commission.

PUBLIC COMMENTS

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

No one came forward.

EXECUTIVE OFFICER COMMENTS

11. Comments from the Executive Officer

Mr. James Glaser, Executive Officer, stated that there will not be an April Commission Meeting but there will be a May and June Commission Meeting. LAFCo will need to have Commissioner's Form 700 by March 29, 2018. For the May meeting there will be a Public Hearing on the final Municipal Service Review (MSR) and Sphere of Influence (SOI) for the City of Ripon. There will possibly be the Draft MSR and SOI for The Westside Irrigation District and Byron Bethany Irrigation District. There may also be a MSR for consolidation of the Upper and Lower Jones Tract Reclamation District. The

Preliminary Budget Report will be in May with the Final Budget in June. Mr. Glaser requested that a Budget Committee be appointed by the Chairman. This committee will meet at least one time in April.

Commissioner Winn left the meeting at 10 a.m.

COMMISSIONER COMMENTS

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

Chairman Patti appointed Commissioner Kuehne and himself to the Budget Committee.

CLOSED SESSION

13. Open Session Disclosure Regarding Closed Session Items pursuant to Government Code Section 54957.7

14. 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)

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

There was no Closed Session.

10:07 a.m. – Chairman Patti adjourned the meeting to Thursday, May 10, 2018.

LAFCo

509 W. WEBER AVENUE SUITE 420 STOCKTON, CA 95203

EXECUTIVE OFFICER'S REPORT

May 10, 2018

TO: LAFCo Commissioners

FROM: James E. Glaser, Executive Officer

SUBJECT: **CITY OF STOCKTON OUT-OF-AGENCY SERVICE REQUESTS**

Recommendation

It is recommended that the Commission approve the requests from the City of Stockton to provide out-of-agency sewer service under the Government Code §56133 to properties located at 818 S. Wagner Avenue, 3526 West Lane, 222 Clayton Avenue, 2948 Harris Avenue, and 2536 Florida Avenue, Stockton.

Background

Government Code Section §56133 states that the Commission may authorize a city or special district to provide new or extended services outside its jurisdictional boundaries but within its sphere of influence in anticipation of a later change of organization and that prior to providing new or extended service, the city or district must first receive approval from LAFCo. The Commission adopted a policy that conditions their approval for out-of-agency service requiring the recordation of an agreement with the landowner consenting to annexation of their property when annexation becomes feasible.

The City of Stockton submitted requests for approval to extend sanitary sewer services to single family residences outside the city limits but within the City's sphere of influence. A vicinity map is attached showing the locations of each out-of-agency request. Connections to City sewer lines are available to the properties and the property owners have paid the appropriate connection fees to the City. The requests for out-of-agency service are in compliance with the Government Code §56133 and Commission policies. Staff recommends approval of the attached Resolution 1383 approving out-of-agency services.

Attachment: Resolution No. 1383
Vicinity Map

Resolution No. 1383

**BEFORE THE SAN JOAQUIN LOCAL AGENCY FORMATION
COMMISSION APPROVING AN OUT-OF-AGENCY SANITARY SEWER
SERVICE FROM THE CITY OF STOCKTON TO 818 S. WAGNER STREET,
3526 WEST LANE, 222 CLAYTON AVENUE, 2948 HARRIS AVENUE, AND 2536
FLORIDA AVENUE, STOCKTON**

WHEREAS, the above-reference requests have been filed with the Executive Officer of the San Joaquin Local Agency Formation Commission pursuant to §56133 of the California Government Code.

NOW THEREFORE, the San Joaquin Local Agency Formation Commission DOES HEREBY RESOLVE, DETERMINE, AND ORDER as follows:

Section 1. Said out-of-agency service request is hereby approved.

Section 2. The proposal is found to be Categorically Exempt from CEQA.

Section 3. The proposal is subject to the following conditions:

- a. Prior to connection to the city sewer or water, the City of Stockton shall record a covenant and agreement with the property owners to annex to the City of Stockton in a form acceptable to the Executive Officer.
- b. This approval and conditions apply to current and future property owners.

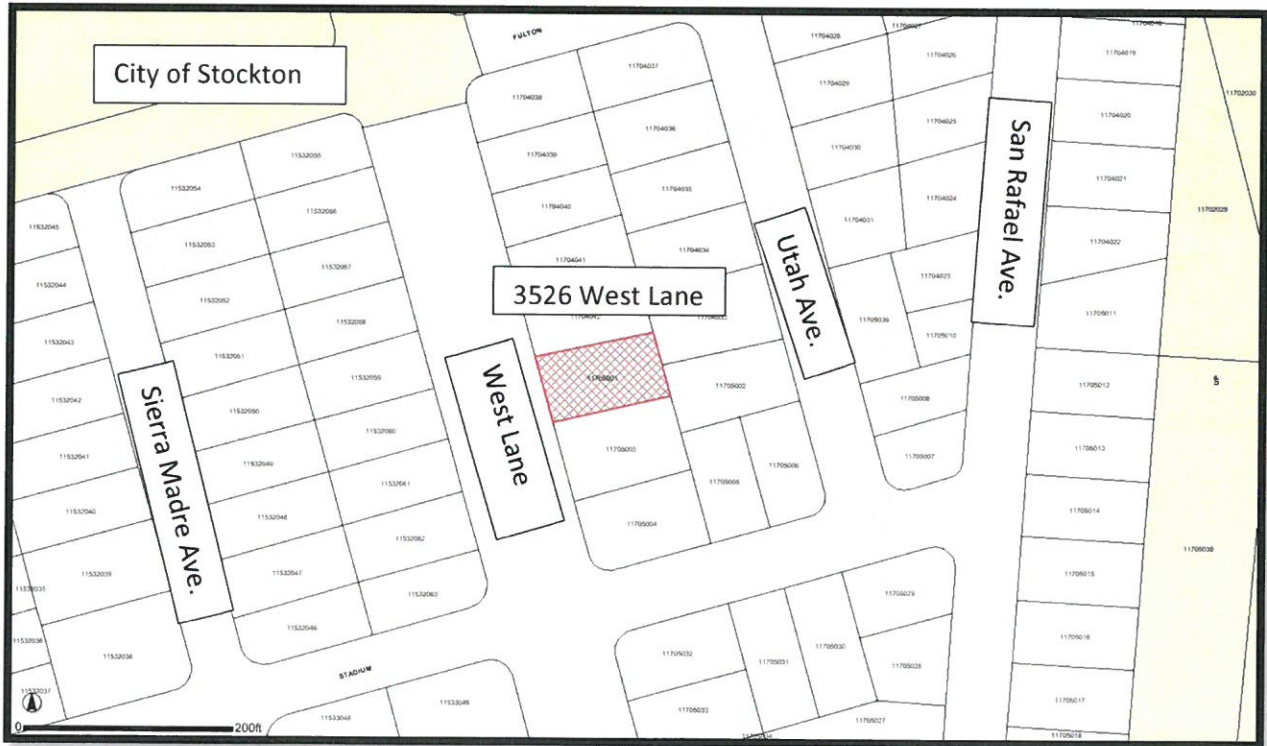
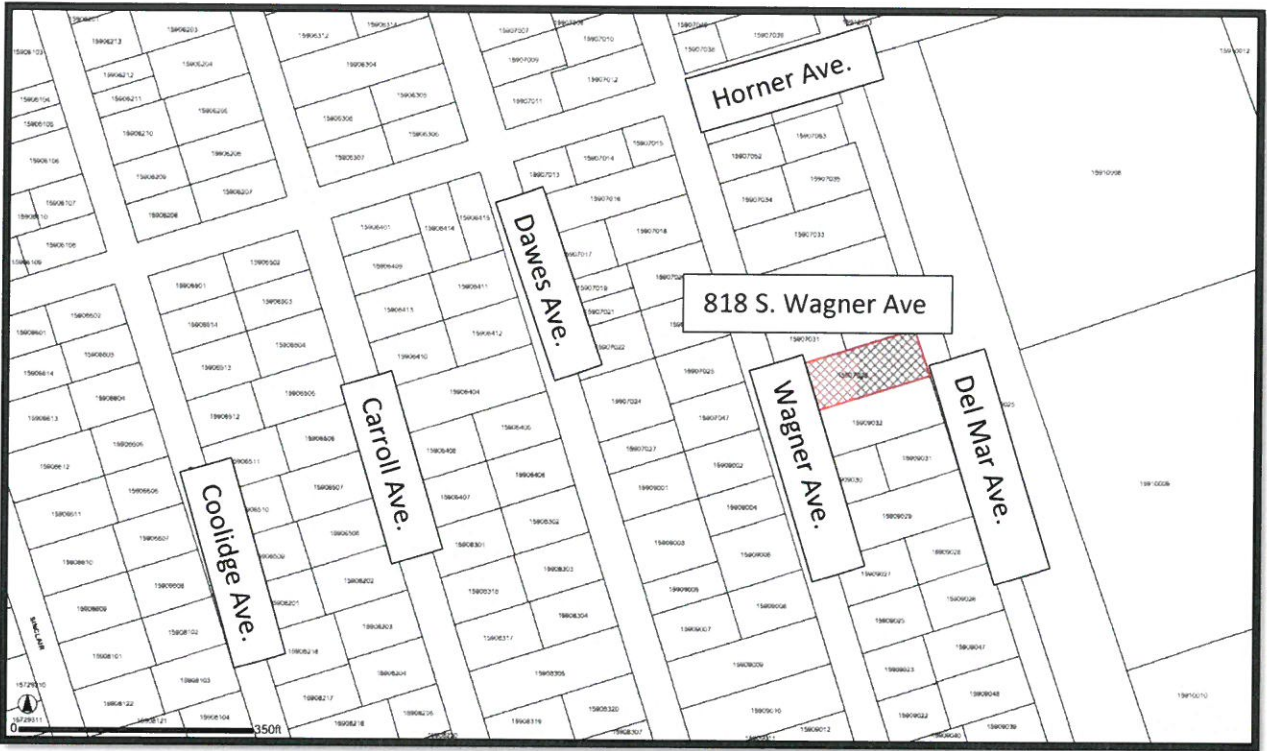
PASSED AND ADOPTED this 10th day of May by the following roll call votes:

AYES:

NOES:

ABSENT:

TOM PATTI, Chairman
San Joaquin Local Agency
Formation Commission



LAFCo

509 W. WEBER AVENUE SUITE 420 STOCKTON, CA 95203

EXECUTIVE OFFICER'S REPORT

May 10, 2018

TO: LAFCo Commissioners

FROM: James E. Glaser, Executive Officer

SUBJECT: **City of Ripon Final Municipal Service Review and Sphere of Influence Plan Update**

Recommendation

It is recommended that the Commission approve the Final Municipal Service Review and Sphere of Influence Update for the City of Ripon. Attached are two separate resolutions for Commission's consideration.

Background

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires that LAFCo review and update spheres of influence every five years and to have service reviews prepared for special districts and cities. The City of Ripon submitted a draft Municipal Service Review and Sphere of Influence Update for LAFCo's consideration consistent with the Commission's policies. On March 8, 2018, the Commission held a workshop on these documents and provided comments.

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 every five years and prepare a Municipal Service Review in conjunction with that update.

LAFCo last approved the City of Ripon Municipal Service Review and Sphere of Influence Plan on April 9, 2010.

The MSR is required by the Cortese-Knox-Hertzberg Act to have six categories, as defined by the San Joaquin LAFCo "Service Review Policies" adopted 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.

At the March 8, 2018 Commission meeting, representatives from De Novo Planning Group, Consultants to the City of Ripon, provided detail information to the Commission regarding the ability of the City to provide services within its existing boundaries and its planning horizon. The Municipal Service Review provides for the comprehensive assessment of wastewater treatment, water supply, police services, storm water drainage and the financial ability of the City to provide these services for the projected growth.

Staff has prepared two resolutions (Municipal Service Review and Sphere of Influence Update) for Commission's consideration. The resolutions incorporate, by reference, draft determinations in accordance with the requirements specified in the California Government Code.

Since no changes have been to the draft document, the Commissioners are requested to use the previously transmitted draft document as the final report for approval. Alternatively, the final Municipal Service Review and Sphere of Influence Plan Update can be found on our website at www.sjgov.org/lafo.

Attachments: Resolution No. 1384
Resolution No. 1385

Resolution No. 1384

**Before the San Joaquin Local Agency Formation Commission
Approving the City of Ripon Municipal Service Review**

WHEREAS, Section 56430 of the Government Code requires the Commission to conduct a service review of the municipal services provided in the county or other appropriate area designated by the Commission; and

WHEREAS, the Commission must prepare a written statement of its determinations with respect to six specific topics; and

WHEREAS, the Commission held a workshop on March 8, 2018 and received comments; and

WHEREAS, the Commission held a public hearing on the proposed Municipal Service Review on May 10, 2018 in the Board of Supervisors Chambers, 44 North San Joaquin Street, Stockton, California, pursuant to notice of hearing which was posted, and published in accordance with State Law; and

WHEREAS, at said hearing the Commission heard and received evidence, both oral and written regarding the Municipal Service Review, and all persons present were given an opportunity to be heard; and

WHEREAS, this Commission has duly considered the City of Ripon Municipal Service Review dated May 10, 2018; and

NOW, THEREFORE, the San Joaquin Local Agency Formation Commission DOES HEREBY RESOLVE, DETERMINE, AND ORDER as follows:

Section 1. Certifies that the proposal is found to be exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15262 of the CEQA Guidelines.

Section 2. The determinations required by Section 56430 of the Government Code have been made within the final Municipal Service Review dated May 10, 2018 and are incorporated herein by reference.

Section 3. The City of Ripon Municipal Service Review is hereby approved.

Section 4. The Executive Officer is hereby authorized and directed to distribute copies of the adopted Municipal Service Review and this Resolution to affected agencies and

interested parties.

PASSED AND ADOPTED this 10th day of May 2018 by the following roll call votes:

AYES:

NOES:

TOM PATTI, Chairman
San Joaquin Local Agency
Formation Commission

Resolution No. 1385

**Before the San Joaquin Local Agency Formation Commission
Approving the City of Ripon Sphere of Influence Update**

WHEREAS, Section 56425 of the Government Code requires the Commission to review and update each sphere of influence every five years; and

WHEREAS, Section 56076 of the Government Code provides that “sphere of influence” means a plan for the probable physical boundaries and service area of a local governmental agency; and

WHEREAS, the Commission must prepare written statements of its determinations with respect to five specific factors; and

WHEREAS, a Municipal Service Review in compliance with Section 56430 of the Government Code has been prepared in conjunction with this sphere update; and

WHEREAS, the Commission held a workshop on March 8, 2018 and received comments; and

WHEREAS, the Commission held a public hearing on the Sphere of Influence Update on May 10, 2018 in the Board of Supervisors Chamber, 44 North San Joaquin Street, 6th Floor, Stockton California, pursuant to notice of hearing which was posted and published in accordance with State Law; and

WHEREAS, at said hearing the Commission heard and received evidence, both oral and written regarding the sphere of influence update, and all persons present were given an opportunity to be heard; and

WHEREAS, this Commission has duly considered the City of Ripon Sphere of Influence Update; and

NOW, THEREFORE, the San Joaquin Local Agency Formation Commission DOES HEREBY RESOLVE, DETERMINE, AND ORDER as follows:

Section 1. Certifies that the proposal is found to be exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15262 of the CEQA Guidelines.

Section 2. The determinations required by Section 56428 of the Government Code have been made and are within the Sphere of Influence Update and are incorporated herein by reference.

Section 3. The City of Ripon Sphere of Influence Update is hereby approved and is depicted in Exhibit A, attached.

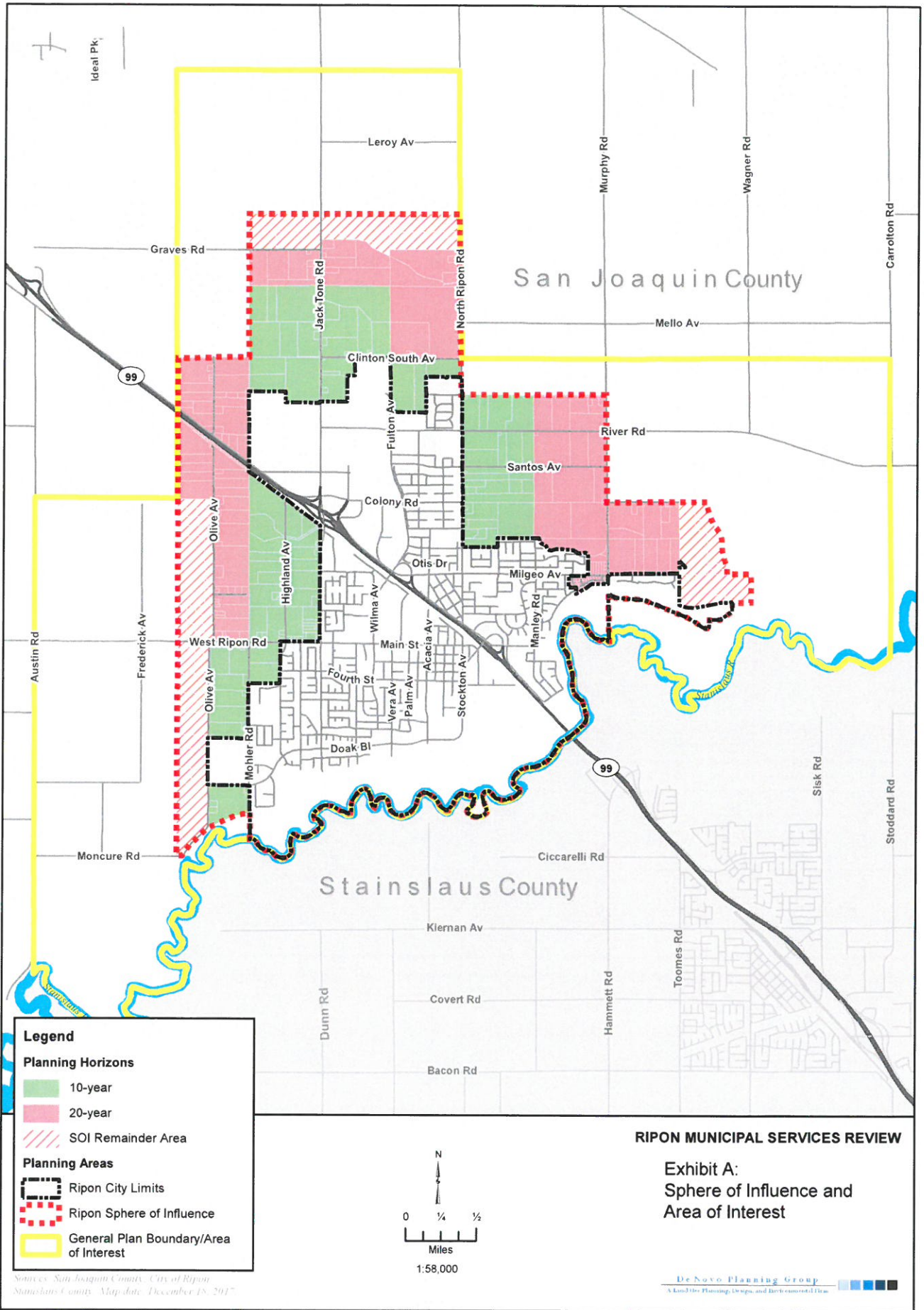
Section 4. The Executive Officer is hereby authorized and directed to distribute copies of the adopted Sphere of Influence Update and this resolution to affected agencies and interested parties.

PASSED AND ADOPTED this 10th day of May 2018 by the following roll call votes:

AYES:

NOES:

TOM PATTI, Chair
San Joaquin Local Agency
Formation Commission



EXECUTIVE OFFICER'S REPORT

May 10, 2018

TO: LAFCo Commissioners

FROM: James E. Glaser, Executive Officer

SUBJECT: **LAFCO PRELIMINARY BUDGET FOR FISCAL YEAR 2018-2019,
WORK PROGRAM, AND SCHEDULE OF FEES**

Recommendation

It is recommended that the Commission approve the Preliminary Fiscal Year 2018-2019 Budget, Work Program and Schedule of Fees and after receiving testimony and proving comments that a public hearing be scheduled for June 14, 2018.

Overview

In compliance with the provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act), the attached Preliminary Budget for Fiscal Year (FY) 2018-19 is submitted for Commission approval. The CKH Act requires the Commission to approve a Preliminary Budget by May and a Final Budget by June 15th.

The Commission Budget Committee comprised of Chairman Tom Patti and Commissioner Doug Kuehne met on April 25 to review the status of the current budget year, the proposed work program, fee schedule, and to consider alternative budget options for the upcoming fiscal year. The Budget Committee's recommendation for FY 2018-2019 is attached.

The proposed preliminary budget anticipates revenues in the amount of \$455,100 from the following sources: \$216,300 contribution from the County; \$216,300 contribution from the seven cities;¹ \$15,000 in anticipated application filing fees; and \$7,500 interest revenue. The budget

¹ The County and its cities contribute one-half share of LAFCo's operational costs. The Cities share is based upon the proportionate share of the total county population living within cities. Using the January 2017 population data from the State Department of Finance, the city contributions would be as follows: Stockton-\$116,102; Tracy-\$32,920; Manteca-\$27,616; Lodi-\$23,201; Lathrop-\$8,370; Ripon-\$5,481; and Escalon-\$2,610.

anticipates that the costs for staffing and operations will be approximately \$706,904 and that the Commission will transfer \$251,804 from its existing \$768,998 Contingency/Reserve fund to continue agency operations to the end of the fiscal year.

The Budget Committee proposes to increase the County and Cities contribution by 3% or \$6,300 each. The Committee also proposes that \$200,000 be set aside in the Contract for Services line item in the event that the Commission wishes to contract out for special studies, complete municipal service reviews, or other matters that require an outside consultant. A Municipal Service Review was recently completed for 22 reclamation districts and it is anticipated the remaining 29 reclamation districts will be completed by a consultant with Contract for Services funds.

Work Program

The FY 2018-19 Work Program includes: application processing for annexations and other organizational changes and out-of-agency service requests. Municipal Service Reviews (MSRs) and Spheres of Influence will be updated for the cities of Tracy, Stockton, Escalon, and Lodi. LAFCo completed MSR/SOI Updates for 21 reclamation districts and will begin work on the remaining 29 reclamation districts. MSR/SOI Updates will be completed for County rural fire districts, sewer districts, water districts and irrigation districts as well as a MSR/SOI Amendment for South San Joaquin Irrigation District. LAFCo anticipates consolidation proposals from Byron-Bethany Irrigation District and West Side Irrigation District and Reclamation Districts 2038 (Lower Jones Tract) and 2039 (Upper Jones Tract). The Tracy Rural Fire District and City of Tracy Fire Service Governance Study is expected to come before the Commission for review and approval. The Commission will review and update, as needed, its operational policies and procedures.

Schedule of Fees

The Budget Committee reviewed the application filing fee schedule and proposes the following adjustments:

- Increases for Legal Service pass-thru staff costs based on the legal firms rates
- Deletion of line items for Agenda and Minutes, LAFCo does not charge for this service
- Change the fees for Checking Sufficiency of a Petition as fees are set by the Office of the Registrar of Voters

Accomplishments

In FY 2017-2018, LAFCo processed 12 Out-of-Agency requests, annexations including the College Park Shea Homes to Mountain House and Griffin Park to the City of Manteca and dissolved 9 inactive county service areas. Municipal service reviews were completed for 21 reclamation districts and the City of Ripon and an amendment to the Sphere of Influence was completed for the City of Manteca. MSRs were initiated for the County fire districts and the City of Stockton. Staff is currently providing administrative oversight of consultants to complete the MSR/SOI for Upper and Lower Jones Tract Reclamation Districts and South San Joaquin Irrigation District. Progress continues to be made to convert LAFCo's paper files to electronic

copies.

Staff will be prepared to discuss the Preliminary Budget, Work Program and Schedule of Fees at the May 10, 2018 meeting.

Attachments: Motion
Preliminary Budget for Fiscal Year 2018-2019
Work Program
Schedule of Fees

cc: County Administrator's Office

Motion

Move by Commissioner _____, seconded by Commissioner _____ to approved the Preliminary Fiscal Year 2018-2019 Budget, Schedule of Fees, and Work Program and set it for Public Hearing on June 14, 2018.

San Joaquin Local Agency Formation Commission
PROPOSED PRELIMINARY FISCAL YEAR 2018-2019 BUDGET

	FY17-18 Budget	Estimated Totals on 6/30/18	% Over/Under	PROPOSED FY18-19	Over/Under
REVENUES					
Filing Fees	15,000	26,121	74%	15,000	
County Contribution	210,000	210,000	0%	216,300	
City Contribution	210,000	210,000	0%	216,300	
Interest	5,950	8,614	45%	7,500	
20% Administrative Fees		14,005		-	
TOTAL REVENUES	\$440,950	\$468,740	6%	\$455,100	\$14,150
EXPENDITURES					
SALARIES					
Staff Salaries/Commissioner Stipends	275,304	194,325	-29%	266,596	
Payroll Taxes and Employee Benefits	159,197	109,482	-31%	160,915	
SALARIES/BENEFITS-COMMISSIONER STIP	\$434,501	\$303,807	-30%	\$427,510	(\$6,991)
SERVICES AND SUPPLIES					
Prof Serv (Neumiller & Beardslee)	15,000	15,000	0%	15,000	
Office Supplies - General *	3,900	9,243	137%	5,000	
Communications	2,500	2,506	0%	2,500	
CALAFCO Membership	5,668	5,668	0%	5,952	
Rents and Leases - Copy Machine/Usage	4,800	3,007	-37%	3,500	
Rents and Leases - County Computers **	1,340	1,600	19%	1,280	
CALAFCO Conference-Commissioners	10,440	7,428	-29%	10,068	
CALAFCO Conference-Staff	7,583	2,646	-65%	5,250	
Data Processing Direct Charges **	6,533	4,832	-26%	5,097	
Auditors Payroll and A/P Charges	300	559	86%	300	
Registrar of Voters Charges	300	50	-83%	300	
Recorders Office	450	200	-56%	450	
Publications & Legal Notices	1,500	943	-37%	1,500	
Insurance-Worker's Compensation **	181	870	381%	247	
Insurance-Special Property	900	900	0%	950	
Office Space/Utilities	24,000	21,122	-12%	22,000	
Contract for Services	200,000	52,500	-74%	200,000	
Total Services and Supplies	\$285,395	\$129,074	-55%	\$279,394	(\$6,001)
Total Expenditures	719,896	432,881	-40%	706,904	
Total Revenues	440,950	468,740	6%	455,100	
GRAND TOTAL	-\$278,946	\$35,859	-113%	-\$251,804	
Contingency/Reserves	\$757,426	\$768,998		\$804,853	
Balance	\$478,480	\$804,857		\$553,049	

* Includes scanner replacement

** Cost specified by County

**San Joaquin Local Agency Formation Commission
2018-2019 Work Program**

The FY 2018-19 Work Program includes: application processing for annexations and other organizational changes and out-of-agency service requests. Municipal Service Reviews (MSRs) and Spheres of Influence will be updated for the cities of Tracy, Stockton, Escalon, and Lodi. LAFCo completed MSR/SOI Updates for 21 reclamation districts and will begin work on the remaining 29 reclamation districts. MSR/SOI Updates will be completed for County rural fire districts, sewer districts, water districts and irrigation districts as well as a MSR/SOI Amendment for South San Joaquin Irrigation District. LAFCo anticipates consolidation proposals from Byron-Bethany Irrigation District and West Side Irrigation District and Reclamation Districts 2038 (Lower Jones Tract) and 2039 (Upper Jones Tract). The Tracy Rural Fire District and City of Tracy Fire Service Governance Study is expected to come before the Commission for review and approval. The Commission will review and update, as needed, its operational policies and procedures.

San Joaquin Local Agency Formation Commission

PROPOSED
SCHEDULE OF FEES

FEES FOR PROCESSING APPLICATIONS AND CHARGES FOR SERVICES
(Effective Date: August 4~~0~~ 9, 2017~~8~~)

Fee

		Fee
I.	<u>ANNEXATIONS AND DETACHMENTS</u>	
	Existing and New Development:	
	Under 3 Acres	\$2,190
	3 to 10 Acres	\$2,922
	10.1 to 20 Acres	\$3,660
	20.1 to 40 Acres	\$4,388
	40.1 to 80 Acres	\$5,122
	80.1 to 120 Acres	\$5,854
	120.1 to 240 Acres	\$6,593
	240.1 to 500 Acres	\$7,333
	500.1 to 1,000 Acres	\$8,060
	Over 1,000.1 acres \$8.05 per acre	
II.	<u>LEGAL SERVICES</u>	
	Required for all services.	Actual Cost \$1,000 Deposit
	Principle	\$350 \$375 per hour
	Associate	\$275 \$300 per hour
	Paralegal	\$150 \$175 per hour
III.	<u>OTHER ACTIONS</u>	
	Proposals requiring Protest Proceedings (Actual cost if Voter Election)	1,600
	Special District Formation	8,500
	Consolidation, Merger, Subsidiary District	1,000
	Addition of Services	2,500
	Dissolution	No Charge
	Request for Reconsideration	1,500
	Out-of-Agency Service for Designated Areas	2,500
	Out-of-Agency Service	\$300 per single-family equivalent/per service
	Sphere of Influence	
	Amendment in conjunction with annexation	1,500
	Amendment not in conjunction with annexation	2,500
	New or Update for Cities	4,000
	New or Update for Special Districts	1,600
	Removal of Territory	2,500
	Amendment to a Municipal Service Review	1,200
	Incorporation	Actual Costs (\$5,000 deposit)
	Comprehensive Fiscal Analysis	Actual Cost (\$5,000 deposit)

		Fee
IV.	<u>ENVIRONMENTAL REVIEW</u>	
	CEQA Exemption	\$150
	Lead Agency other than LAFCo:	
	Review Environmental Impact Report	\$500
	Review Negative Declaration	\$250
	LAFCo as Lead Agency:	
	Initial Study (including Negative Declaration)	Actual Cost
	Preparation and processing of EIR	Actual Cost
	State Department of Fish and Wildlife Fee (with LAFCo as Lead Agency) includes County Clerk Processing Fee	
	Notices of Exemption	As Required by
	If Negative Declaration	Fish and Wildlife Code
	If Environmental Impact Report	
	County Clerk Processing Fee	\$50
V.	<u>MISCELLANEOUS FEES AND CHARGES</u>	
	For checking and approving boundary maps and legal descriptions (<i>Make check payable to Department of Public Works</i>)	\$700 or 20% of LAFCo Fee
	Special Commission meeting	\$2,000
	Staff Costs for Research, Technical Assistance, Mailing, Attendance at Meetings and unique/complex projects as determined by the Commission:	
	Executive Officer	\$150 per hour
	LAFCo Analyst	\$120 per hour
	Commission Clerk	\$60 per hour
	Agendas email/mailed (per year)	\$0
	Agendas and Minutes email/mailed (per year)	\$0
	Meeting CDs (per CD)	\$20
	Document copying (per page)	\$.20
	Checking Sufficiency of Petition (per signature)	\$.50 Fee set by the Registrar of Voters
	Outside Consultants hired by LAFCo	Actual Costs plus 20%
	Meeting Transcripts	Actual Costs plus 20%

Notes:

1. Actual costs shall be determined by multiplying the documented actual hours by the hourly rate of salary plus benefits.
2. The Commission may waive or adjust processing fees upon a determination that the proposal would further the purposes of the Local Government Reorganization Act of 2000. Requests for fee waivers or adjustments must be submitted in writing to the Commission prior to the submittal of any application.

3. Processing and filing fees are due and payable upon filing of an application with LAFCo. No action shall be taken on any proposal or petition until appropriate fees have been paid.
4. Upon Commission approval, the Executive Officer may require fees based on actual cost for unique/complex projects.