

EL DORADO LAFCO

LOCAL AGENCY FORMATION COMMISSION

AGENDA OF JUNE 26, 2019

REGULAR MEETING

TO: Shiva Frentzen, Chair, and
Members of the El Dorado County Local Agency Formation
Commission

FROM: José C. Henríquez, Executive Officer

PREPARED BY: Erica Sanchez, Assistant Executive Officer

AGENDA ITEM #10A: OTHER BUSINESS – LEGISLATION

RECOMMENDATION

Staff recommends that the Commission receive the following update on LAFCO-related legislation for the 2019-2020 legislative session. No Commission action is requested.

REASON FOR RECOMMENDED ACTION AND BACKGROUND

The following is a summary of recent amendments and changes to tracked legislation, including stalled bills that failed to meet the May 31 deadline to be approved by their house of origin. CALAFCO's Legislative Report (***Attachment A***) summarizes all bills currently being tracked as they continue through the first year of the two-year legislative cycle.

Recently Amended

AB 508 (Chu) – Drinking Water: Consolidation and Extension of Service: Wells *Last Amended 6/6/2019*

As currently amended, this bill allows the SWRCB to order an extension of service if a disadvantaged community has at least one residence that is reliant on a domestic well that fails to provide safe drinking water. It also allows members of the disadvantaged community to petition the SWRCB to initiate the process and allows the owner of the property to opt out of the extension. The bill places limitations on fees, charges and terms and conditions imposed as a result of the extension of service.

Status: AB 508 has undergone six amendments since it was originally introduced in February. Recent amendments include further defining the SWRCB process for obtaining owner consent and a provision that consolidation or extension of service to a residence served solely by a domestic well cannot be required until an owner of the affected residence provides written consent. This bill passed the Assembly and is now in the Senate, where it has been referred to the Environmental Quality Committee. The June 12 hearing date was postponed by the Committee.

AB 1751 (Chiu) – Consolidation for Safe Drinking Water Act of 2019***Last Amended June 10, 2019***

Current law authorizes the State Water Resources Control Board to order consolidation of public water systems where a public water system or state small water system serving a disadvantaged community consistently fails to provide an adequate supply of safe drinking water. This bill would authorize a water or sewer system corporation to file an application and obtain approval from the commission through an order authorizing consolidation with a public water system or state small water system, or to implement rates for the subsumed water system.

Status: This bill passed the Assembly and is now in the Senate, where it has been referred to the Energy, Utilities and Communications Committee with minor procedural amendments from the author and is scheduled for hearing on June 18.

SB 414 (Caballero) – Small System Water Authority Act of 2019***Last Amended May 17, 2019******CALAFCO Position: Support***

SB 414 would give the SWRCB authority to mandate the dissolution of existing drinking water systems (public, mutual and private) and authorize the formation of a new public water authority. The focus is on non-contiguous systems. The SWRCB already has the authority to mandate consolidation of these systems, this will add the authority to mandate dissolution and formation of a new public agency.

Status: This bill passed the Senate and is now in the Assembly, where it has been referred to the Environmental Safety and Toxic Materials Committee and the Local Government Committee. Recent amendments require the State Controller to perform an audit of any new authorities and to submit an audit report to the Legislature by January 2026 (previously the report was required to include a recommendation regarding the need for state funding and to identify the funding sources).

SB 646 (Morrell) – Extension of Utility Services***Last Amended May 7, 2019***

As amended, the bill now only addresses fees. The bill would revise the definition of “fee” within the Mitigation Fee Act to mean a fee for the physical facilities necessary to make a water connection or sewer connection, and that the estimated reasonable cost of labor and materials for installation of those facilities bears a fair or reasonable relationship to the payor’s burdens on, or benefits received from, the water connection or sewer connection.

Status: This bill passed the Senate and is now in the Assembly, where it has been referred to the Assembly Local Government Committee with a hearing set for June 19. Recent amendments addressed all previous concerns regarding service extensions without requiring annexation and prohibited charging higher fees for out-of-district services; the bill now only addresses fees.

Other Updates**AB 1053 (Dahle) – Fallen Leaf Lake CSD*****Last Amended March 25, 2019***

The bill states the intent of the Legislature to address recommendations in the California State Auditor's audit of the Fallen Leaf Lake Community Services District (FLLCSD). Recommendations of the audit are unknown at this point, as the final report has not yet been released.

Status: This bill passed the Assembly and is now in the Senate, where it has been referred to the Governance and Finance Committee. The State Auditor's audit was expected to be published in June 2019, but the release of the report has been pushed back to July 18, 2019.

Bills That Failed to Meet Deadline

Bills that fail to meet a deadline in the first year of the legislative session still may be acted upon in the second year.

AB 1389 (Eggman) – Special Districts: Change of Organization: Mitigation of Revenue Loss

This bill would have allowed a special district to make payments to an affected local agency to compensate for loss of revenue. AB 1389 stalled in the Assembly Local Government Committee, where it failed to meet the May 3 deadline for policy committees to hear and report to the Floor non-fiscal bills introduced in their house.

AB 818 (Cooley) – Vehicle License Fee Adjustments: Newly Incorporated Cities

This bill would have reinstated VLF funding for cities incorporating after 2018. AB 818 stalled in the Assembly Appropriations Committee, where it failed to meet the May 17 deadline for fiscal committees to hear and report to the Floor bills introduced in their house.

Upcoming Legislative Dates

July 12-August 12: Summer Recess

Attachment

Attachment A: CALAFCO Legislation Report