

# EL DORADO LAFCO

LOCAL AGENCY FORMATION COMMISSION

## *AGENDA OF SEPTEMBER 26, 2018*

### *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 #9A: OTHER BUSINESS – LEGISLATION**

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#### **RECOMMENDATION**

Staff recommends that the Commission receive the following summary of LAFCO-related legislation for the 2017-2018 Legislative Session. No Commission action is requested.

#### **REASON FOR RECOMMENDED ACTION AND BACKGROUND**

The State Legislature has nearly completed year two of the current two-year legislative cycle. August 31 was the last day for each house to pass bills; September 30 is the last day for Governor Brown to sign or veto bills passed by the Legislature. The following is a status update on some of the bills that staff has been monitoring in the past year. Unless otherwise noted, these bills are on Governor Brown's desk awaiting final action:

#### **Bills on the Governor's Desk:**

##### **AB 2050 (Caballero): Small System Water Authority Act of 2018**

***Last Amended 8/6/18***

This bill gives the State Water Resources Control Board (SWRCB) authority to mandate the dissolution of existing drinking water systems (public, mutual and private) and authorize the formation of a new public authority. An authority may include systems and areas that are contiguous not contiguous. The SWRCB already has the authority to mandate consolidation of these systems (SB 88, 2015), this will add the authority to mandate dissolution and formation of a new public agency. An application to form a new authority must include at least five public water systems. The bill includes funding for LAFCOs, administrators, and funding assistance for new authorities.

LAFCO will be responsible for dissolving any state mandated public agency dissolution, and the formation of the new water authority. LAFCO will have ability to approve the application with modifications, and the new agency will have to report to the LAFCO annually for the first three years.

AB 2050 was enrolled and presented to Governor Brown on September 5.

**AB 2238 (Aguiar-Curry) – Hazard Mitigation Plan Consideration*****Last Amended 6/12/18******Position: Support***

This bill adds another factor for LAFCO consideration in the review of a proposal: 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 or maps that identify land determined to be in a state responsibility area, if it is determined that such information is relevant to the area that is the subject of the proposal. The bill also includes non-LAFCO-related sections requiring the update of a housing element to consider loss of units during a state of emergency.

AB 2238 was enrolled and presented to Governor Brown on September 10.

**AB 2258 (Caballero): LAFCO Grant Funding*****Last Amended 8/24/18***

AB 2258 is a CALAFCO-sponsored bill for the Legislature to provide LAFCOs one-time grant funding for in-depth studies of potential reorganization of local service providers. Grant funds will be used specifically for conducting special studies to identify and support opportunities to create greater efficiencies in the provision of municipal services; to potentially initiate actions based on those studies that remove or reduce local costs thus incentivizing local agencies to work with the LAFCO in developing and implementing reorganization plans; and the dissolution of inactive districts (pursuant to SB 448, Wieckowski, 2017). The grant program would sunset on July 31, 2024.

The scope of the bill has been narrowed to focus on service providers serving disadvantaged communities. The bill also requires the SGC to give preference to LAFCOs whose decisions have been aligned with the goals of sustainable communities strategies. The bill changes the protest threshold for LAFCO initiated actions, solely for the purposes of actions funded pursuant to this new section, to allow LAFCO to order the dissolution of a district (outside of the ones identified by the SCO) pursuant to Section 11221 of the Elections code, which is a tiered approach based on registered voters in the affected territory (from 30% down to 10% depending).

During last minute negotiations, the \$1.5 million in grant funding was removed from the bill on August 24 to increase the chances of the Governor's approval. Once signed, CALAFCO's plan is to work again next year to get the funding into next year's annual budget.

AB 2258 was enrolled and presented to Governor Brown on September 10. In response to an urgent call for action from CALAFCO, and based on the Commission's prior support for AB 2258, a letter was sent to Governor Brown urging him to sign the bill.

**AB 2501 (Chu): Drinking Water: Consolidation and Extension of Service*****Last Amended 8/24/18***

The California Safe Drinking Water Act requires the State Water Resources Control Board, before ordering consolidation or extension of service, to fulfill certain requirements, including, among other things, to hold a public meeting, and to establish a reasonable deadline, as prescribed, for a potentially receiving water system and a potentially subsumed water system to negotiate consolidation or another means of providing an adequate supply of affordable, safe drinking water. The act requires the State Board to conduct a public hearing at the expiration of the reasonable deadline, as specified. This bill would revise and recast these provisions.

AB 2501 was enrolled and presented to Governor Brown on September 5.

**SB 929 (McGuire) – Special District Websites**

***Last Amended 8/16/18 (cross-reference)***

***Position: Support***

This bill would, beginning on January 1, 2020, require every independent special district to maintain an internet website that clearly lists contact information for the special district, unless certain exemption standards have been met.

SB 929 was enrolled and presented to Governor Brown on August 28.

**SB 1215 (Hertzberg): Provision of Sewer Service: Disadvantaged Communities**

***Last Amended 8/24/18***

As amended, SB 1215 authorizes the State Water Resources Control Board (SWRCB) to mandate extension of sewer service by a special district, city, or county to a disadvantaged community or consolidation of wastewater systems – both public and private, under certain circumstances. The process mirrors the process set forth in SB 88 giving the SWRCB authority to mandate the same for drinking water systems. However, the bill allows for an extension up to three miles with no requirements for annexation of the territory; does not provide a definitive source of funding; does not require those will failing systems to connect to the new system; and charges opt-out fees to those who do not.

CALAFCO attempted to work with the author's office on the primary issues of annexation and the allowable extension limit, but were unsuccessful in securing those amendments. As a result, CALAFCO joined with CASA, CSDA, CSCA, RCRC and the League to oppose.

SB 1215 was enrolled and presented to Governor Brown on September 7.

**Chaptered Bills:**

*Unless otherwise noted, chaptered bills will become effective January 1, 2019.*

**AB 3254 (Committee on Local Government) – Local Government: Omnibus Bill**

***Last Amended 5/18/18, Signed by the Governor 7/9/18***

***Position: Support***

AB 3254 is the annual Omnibus bill for the Cortese-Knox-Hertzberg Reorganization Act of 2000, which makes technical, non-substantive clean-up corrections to the Act. The bill includes technical changes to the Act which are necessary to help clarify and streamline the LAFCO process, ultimately resulting in less ambiguity in the law. CALAFCO is the sponsor of this bill. AB 3254 was signed by the Governor on July 9, 2018.

**Upcoming Legislative Dates**

September 30: Last day for Governor to sign or veto bills passed by the Legislature

**Attachments**

Attachment A: AB 2258 Request for Governor Signature

Attachment B: CALAFCO Legislation Report