

# EL DORADO LAFCO

LOCAL AGENCY FORMATION COMMISSION

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## *AGENDA OF FEBRUARY 28, 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 is in the second year of the current two-year legislative cycle. CALAFCO is currently tracking 15 bills, 11 of which were introduced in 2018 (although at this point, five of those newly introduced bills are spot bills). February 16 was the last day for bills to be introduced. The following is a brief summary of current legislation that will have a direct impact to LAFCOs:

#### **Current Bills of Interest:**

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

##### ***Introduced 2/6/18***

AB 2050 would create the Small System Water Authority Act of 2018 and state legislative findings and declarations relating to authorizing the creation of small system water authorities that will have powers to absorb, improve, and competently operate noncompliant public water systems. The bill would define various terms and require a change in organization to be carried out as set forth in the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

This bill is sponsored by Eastern Municipal Water District and the California Municipal Utilities Association (CMUA). The intent is to give 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 water system. 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 new public agencies.

CALAFCO met with the sponsors several times and they indicate a desire to work with LAFCOs on creating a process that works; however, it appears that LAFCO will lack any discretion in the dissolution of any public water agency mandated by the SWRCB and the formation of a new entity as mandated by the SWRCB. CALAFCO will continue to work with the sponsors and author.

**AB 2238 (Aguiar-Curry): Hazard Mitigation Plan Consideration**  
***Introduced 2/13/18***

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 specifies the factors that LAFCO is required to consider in the review of a proposal for a change of organization or reorganization, including, among other things, the proposal's consistency with city or county general and specific plans. This bill would additionally require the commission to consider any relevant hazard mitigation plan or safety element of a general plan, and the extent to which the proposal will affect any land identified as a very high fire hazard severity zone or land determined to be in a state responsibility area.

This bill is in response to the high number of wildfires throughout the state over the past several years.

**AB 2258 (Caballero): LAFCO Grant Funding – Spot Bill**  
***Introduced 2/13/18***

As introduced, AB 2258 is a spot bill. This is a CALAFCO sponsored bill following up on the recommendation of the Little Hoover Commission report of 2017 for the Legislature to provide LAFCOs one-time grant funding for in-depth studies of potential reorganization of local service providers. CALAFCO is working with the Strategic Growth Council in preparing a process and actual language will be coming soon.

**SB 778 (Hertzberg D): Water systems: Consolidations**  
***Last Amended 7/13/17***

SB 778 would require, on or before March 1, 2018, and regularly thereafter, the State Water Resources Control Board (SWRCB) to track and publish on its Internet Web site an analysis of all voluntary and ordered consolidations of water systems that have occurred on or after July 1, 2014. The bill would require the published information to include the resulting outcomes of the consolidations and whether the consolidations have succeeded or failed in providing an adequate supply of safe drinking water to the communities served by the consolidated water systems.

The author's intent is to amend the bill to also include language addressing the lack of adequate wastewater services in certain areas. Draft amendments to the bill from the Office of Legislative Counsel would authorize the SWRCB to order consolidations with a receiving sewer system for, or extension of sewer service to, a disadvantaged community under specified circumstances. Draft language of the bill would also expand the definition of "disadvantaged community," for purposes of these consolidation and extension of service provisions, to also include a defined disadvantaged community that is in an incorporated area but not served by a public water system or wastewater system (the definition currently includes defined disadvantaged communities in an unincorporated area, in a mobile home park, or served by a mutual water company or small public water system).

As of the writing of this report, CALAFCO is seeking clarification from the author's office on the intent of such a broad definition, and raised concerns regarding the lack of annexation requirements for mandatory service extensions.

**SB 561 (Gaines): Fallen Leaf Lake Community Services District**  
***Last Amended 1/23/18***

SB 561 pertains to the Fallen Leaf Lake Community Services District (CSD). Under existing law, the Fallen Leaf Lake CSD is a resident voter district. SB 561 would allow voters who are residents of the District, as well as voters who are not residents but either own a real property interest in the District or have been designated by the owner of a real property interest to cast the vote for that property, to vote in a Fallen Leaf Lake CSD election. This bill would also allow a person qualified to vote pursuant to these provisions to be a candidate for, and serve on, the Fallen Leaf Lake CSD board of directors.

SB 561 also specifies that Fallen Leaf Lake CSD shall not provide any services that it does not already provide (which are fire protection, including medical response and emergency services, and parks and recreation services).

The bill was passed by the Senate on January 30 and ordered to the Assembly where it has undergone its first reading.

At the January 24 LAFCO meeting, the Commission directed staff to prepare a letter of concern from El Dorado LAFCO to Senator Gaines regarding this bill. The letter is included as ***Attachment A***.

**Upcoming Legislative Dates**

March 22 – April 2: Legislature Spring Recess

**Attachments**

Attachment A: SB 561 Letter of Concern

Attachment B: CALAFCO Legislation Report