

Local Agency Formation Commission OF KINGS COUNTY

CITY MEMBERS

Lois Wynne
Harlin Casida
Sid Palmerin, Alternate

COUNTY MEMBERS

Joe Neves, Chair
Doug Verboon
Richard Valle, Alternate

PUBLIC MEMBERS

Paul Thompson
Vacant, Alternate

Greg Gatzka, Executive Officer, (559) 852-2682

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Community Development Agency at (559) 852- 2680 by 4:00 p.m. on the Monday prior to this meeting.

Agenda backup information and any public records provided to the Commission after the posting of the agenda for this meeting will be available for public review at the Kings County Community Development Agency, 1400 W. Lacey Blvd., Hanford, CA 93230.

AGENDA

REGULAR MEETING DATE AND TIME:

Wednesday, May 25, 2016 at 3:00 P.M.

The Local Agency Formation Commission of Kings County Regular Meetings are held in the Board of Supervisors Chambers in the Administration Building (Bldg. No. 1) of the Kings County Government Center located at 1400 West Lacey Blvd., Hanford, CA.

I. CALL MEETING TO ORDER – Chairman

A. Unscheduled Appearances:

Any person may address the Commission on any subject matter within the jurisdiction or responsibility of the Commission at the beginning of the meeting; or may elect to address the Commission on any agenda item at the time the item is called by the Chair, but before the matter is acted upon by the Commission. Unscheduled comments will be limited to five minutes.

B. Approval of April 27, 2016 Minutes (Voice Vote)

II. OLD BUSINESS

A. Island Study update

- a. Executive Officer's Report

B. LAFCO Budget FY 2016-2017

- a) Executive Officer's Report
- b) Continue Public Hearing
- c) Consider Adoption of FY 2016/2017 Budget

III. NEW BUSINESS

A. Inter-Agency Coordination Agreements

- a) Council's Report

IV. LEGISLATION

None

V. MISCELLANEOUS

- A. Correspondence –
- B. Items from the Commission -
- C. Staff Comments –

VII. ADJOURNMENT

- A. Next Scheduled Meeting – Regular Meeting Date June 22, 2016 at 3:00 p.m.

LOCAL AGENCY FORMATION COMMISSION MINUTES

CITY MEMBERS

Lois Wynne – Vice Chair
Harlin Casida
Sid Palmerin - Alternate

COUNTY MEMBERS

Joe Neves – Chair
Doug Verboon
Richard Valle - Alternate

PUBLIC MEMBERS

Paul Thompson
Vacant - Alternate

CALL TO ORDER: A regular meeting of the Local Agency Formation Commission of Kings County was called to order by the Chairman, Joe Neves, at 3:02 p.m., on April 27, 2016 in the Board of Supervisors Chambers of the Kings County Government Center, located at 1400 W. Lacey Blvd., in Hanford, California.

COMMISSIONERS PRESENT:

Joe Neves, Doug Verboon, Paul Thompson, Lois Wynne

COMMISSIONERS ABSENT:

Harlin Casida

STAFF PRESENT:

Greg Gatzka – Executive Officer, Chuck Kinney – Assistant Executive Officer, Erik Kaeding – County Counsel, Terri Yarbrough – Clerk

VISITORS PRESENT:

Kevin Tromborg, Darlene Mata

UNSCHEDULED APPEARANCES: No one spoke during this portion of the meeting.

APPROVAL OF MINUTES:

A motion was made and seconded (Thompson/Wynne) to approve the minutes of the March 23, 2016 meeting. Motion carried unanimously with Casida absent.

OLD BUSINESS:

Island Study Update

Mr. Kinney provided an update on the island studies and identified areas that receive city water and sewer service. Mr. Kevin Tromborg, representing the city of Corcoran, stated that the city was mildly interested in annexing areas 1, 2, and 3. The infrastructure is either non-existent or under sized for development. He stated that a few years ago section 4 was slated for a school or a hospital. The city is looking to grow to the north since development is limited to the West, East and South. Ms. Darlene Mata, representing the city of Hanford, reported they anticipate that an application for annexation of area 11 will be submitted soon. She also reported that a pre-application was received for part of area 5. She stated that providing services to some of the islands has been an issue, but they do plan to start annexing some of the islands. Commissioner Verboon said he would like to see the city take what is within the city so the county can focus funds on other areas outside of the city. Commissioner Wynne asked why areas 3, 4, and 5 were not being annexed which was addressed by Ms. Mata. Mr. Gatzka also said that the goal is to make logical orderly boundaries which clean up addressing for fire and sheriff services. Chairman Neves asked staff to add a column to the spreadsheet for solid waste, storm water capacity. He also stated that area 7 should probably be annexed since they have all city services except law enforcement. Ms. Mata said they have looked at this area and most of the residents are not willing to annex. Mr. Gatzka stated that some concerns from residents are there is a concern or fear of having city rules applied to them. He also stated there is a development impact fee that the city applies within their sphere of influence boundaries. The fees are paid to the city for services with the intent they will ultimately be served by the city.

NEW BUSINESS

LAFCO Preliminary Budget FY 2016-2017

Mr. Gatzka presented the budget for FY 2016-2017. He reported that there were no changes from what was presented at the March 23, 2016 meeting. Chairman Neves opened the public hearing and asked if there was anyone wanting to testify regarding the proposed budget. Seeing none, he continued the Public Hearing until May 27, 2016 with action to be taken at that meeting.

LEGISLATION

None

MISCELLANEOUS

A. Correspondence – None

B. Items from the Commission – None

C. Staff Comments – Mr. Gatzka reported on the CALAFCO staff workshop. He stated there was discussion on SB 88 which is the consolidation efforts. The Department of Water Resources and the Department of Public Health now has authority to enforce consolidation. He reported that staff had met with Tricia Wathen with the State Division of Drinking Water and her staff to be briefed on this. She didn't see any current situations that would force consolidation. There is a potential for discussions regarding Hardwick and Laton. There were no issues in relation to Home Garden or Armona.

ADJOURNMENT – With no further business before the Commission, the meeting was adjourned at 3:58 p.m.

A. A meeting is scheduled for May 25, 2016 at 3:00 p.m.

Respectfully submitted,

**LOCAL AGENCY FORMATION COMMISSION
OF KINGS COUNTY**



Gregory R. Gatzka, Executive Officer

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Local Agency Formation Commission OF KINGS COUNTY

Date: May 19, 2016

To: LAFCO Commissioners

From: Greg Gatzka, Executive Officer

Subject: 2016 Island Study update

Background

At the April 27, 2016, LAFCO meeting the commission directed staff to verify which island and substantially surrounded areas currently utilize city refuse (trash) service and city storm water drainage systems. Attached are updated tables and maps which depict which islands and substantially surrounded areas currently receive City refuse (trash) service and city storm water drainage.

In order for an area to be considered Substantially Surrounded that area must meet both of the following criteria.

- 1) Borders the annexing city on at least three contiguous sides or parts thereof; and
- 2) The length of the area's contiguous boundary with the annexing city constitutes at least 60 percent or more of the total annexation area perimeter.

Pursuant to Section 56885.5 of the Cortese-Knox-Hertzberger Local Government Reorganization Act of 2000, the LAFCO Commission may make the approval of a change of organization or reorganization conditioned upon the initiation, conduct, or completion of proceedings for another change of organization or reorganization. These powers were given by the Legislature to encourage orderly growth and development which are essential to the social, fiscal, and economic well-being of the state.

Recommend

The Executive Officer recommends that the LAFCO Commission continue to direct Staff to work with the City's of Corcoran and Hanford to encourage annexation of islands and substantially surrounded areas, and also advise them of LAFCO's authority to condition the approval of annexations contingent upon islands and substantially surrounded areas being annexed; thereby providing orderly growth and development of the cities. The LAFCO Commission may also direct staff to develop Commission policies for future City annexations of County Islands and Substantially Surrounded Areas.

ISLAND STUDY - 2016 UPDATE

HANFORD

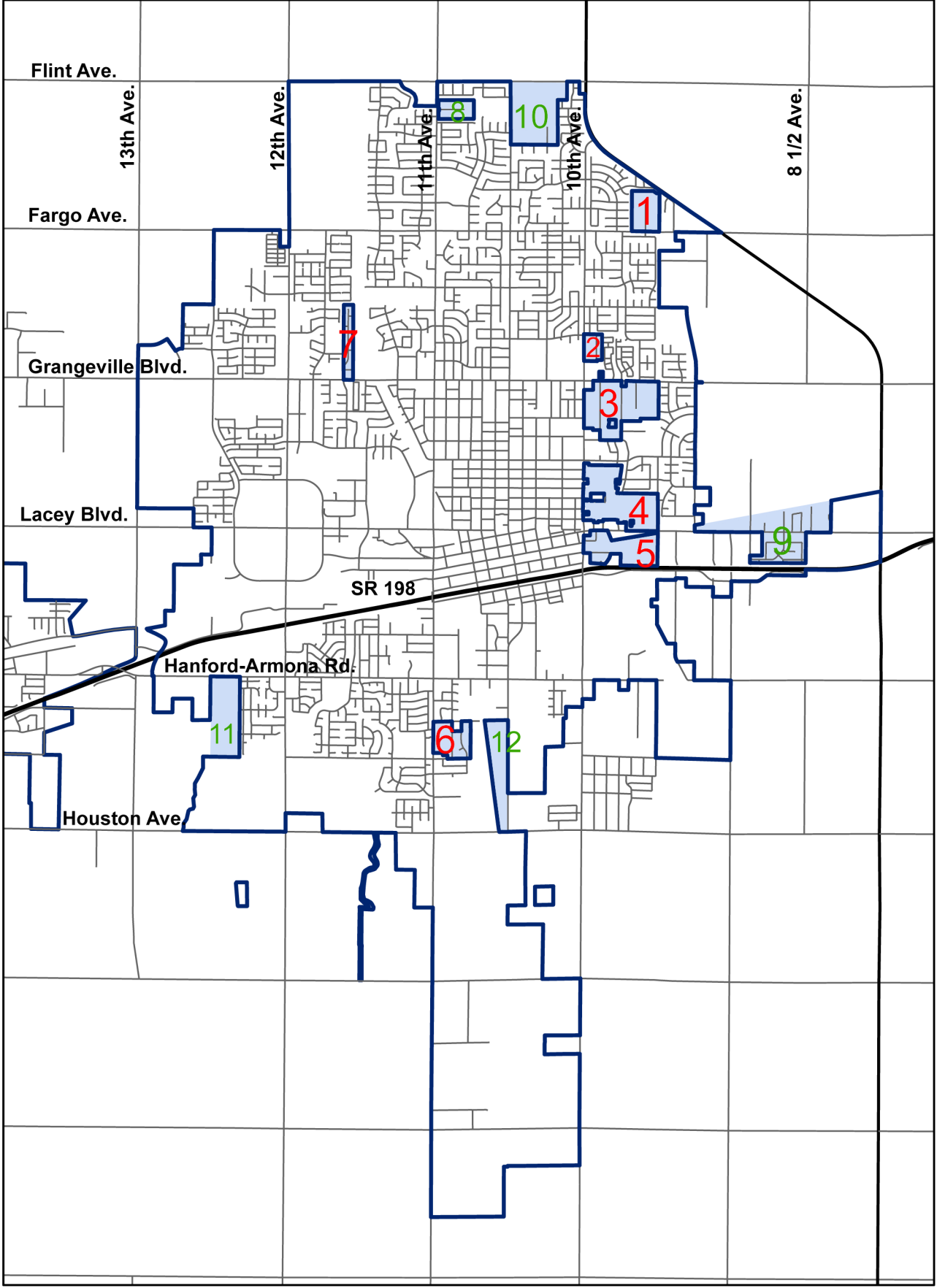


TABLE NO. 1

LAFCO OF KINGS COUNTY
HANFORD - ISLAND STUDY - 2016 UPDATE
Population, Acreage, and Percent Surrounded

HANFORD

ISLAND #	ISLAND NAME	CITY	POPULATION	ACREAGE	PERCENT SURROUNDED	City Water Service	City Sewer Service	City Refuse/Trash	City Stormwater drainage
1	Fargo Place	Hanford	36	31.74	100.00%	No	No	Property Owner's option	No
2	Hardcastle Street	Hanford	160	13.98	100.00%	Yes	Yes	Property Owner's option	No
3	Mary & Beulah Streets	Hanford	301	100.41	100.00%	Yes	No	Property Owner's option	No
4	E. Florenda/Ivy/Jessie Streets	Hanford	316	94.36	100.00%	Yes	Yes	Property Owner's option	No
5	E. Fifth Street	Hanford	47	58.34	100.00%	Yes	Yes	Property Owner's option	No
6	Thompson & Jones Streets	Hanford	307	38.20	100.00%	Yes	Yes	Property Owner's option	No
7	Kings Road	Hanford	94	22.08	100.00%	Yes	Yes	Property Owner's option	No
Subtotal			1,167	337.03					
NEAR ISLAND AREA	ISLAND NAME	CITY	POPULATION	ACREAGE	PERCENT SURROUNDED	City Water Service	City Sewer Service	City Water Service	City Sewer Service
8	Furlong Dr. & 11th Ave.	Hanford	20	20.18	94.80%	No	No	Property Owner's option	No
9	El Rancho - Hamblin Area	Hanford	647	118.15	65.33%	Yes	Yes	Property Owner's option	No
10	Douty St. & Flint Ave.	Hanford	28	90.79	76.14%	Yes	Yes	Property Owner's option	No
11	Hanford-Armona Rd. East of 13th Ave.	Hanford	-	76.42	84.14%	No	No	Property Owner's option	No
12	10 1/2 Ave. & Houston Ave.	Hanford	84	51.00	84.27%	Yes	Yes	Property Owner's option	No
Subtotal			779	356.54					
TOTAL			1,946	693.57					

Not Eligible - Island Area Over 150 Acres					
	Home Garden	Hanford	1,893	524.28	61.06%
	East Airport (9th & Hanford Armona Rd.	Hanford	227	172.23	75.90%
	12th Ave. & Lacey Blvd.	Hanford	178	172.89	66.36%

Notes:

1. Population data from 2010 US Census

ISLAND STUDY - 2016 UPDATE

CORCORAN

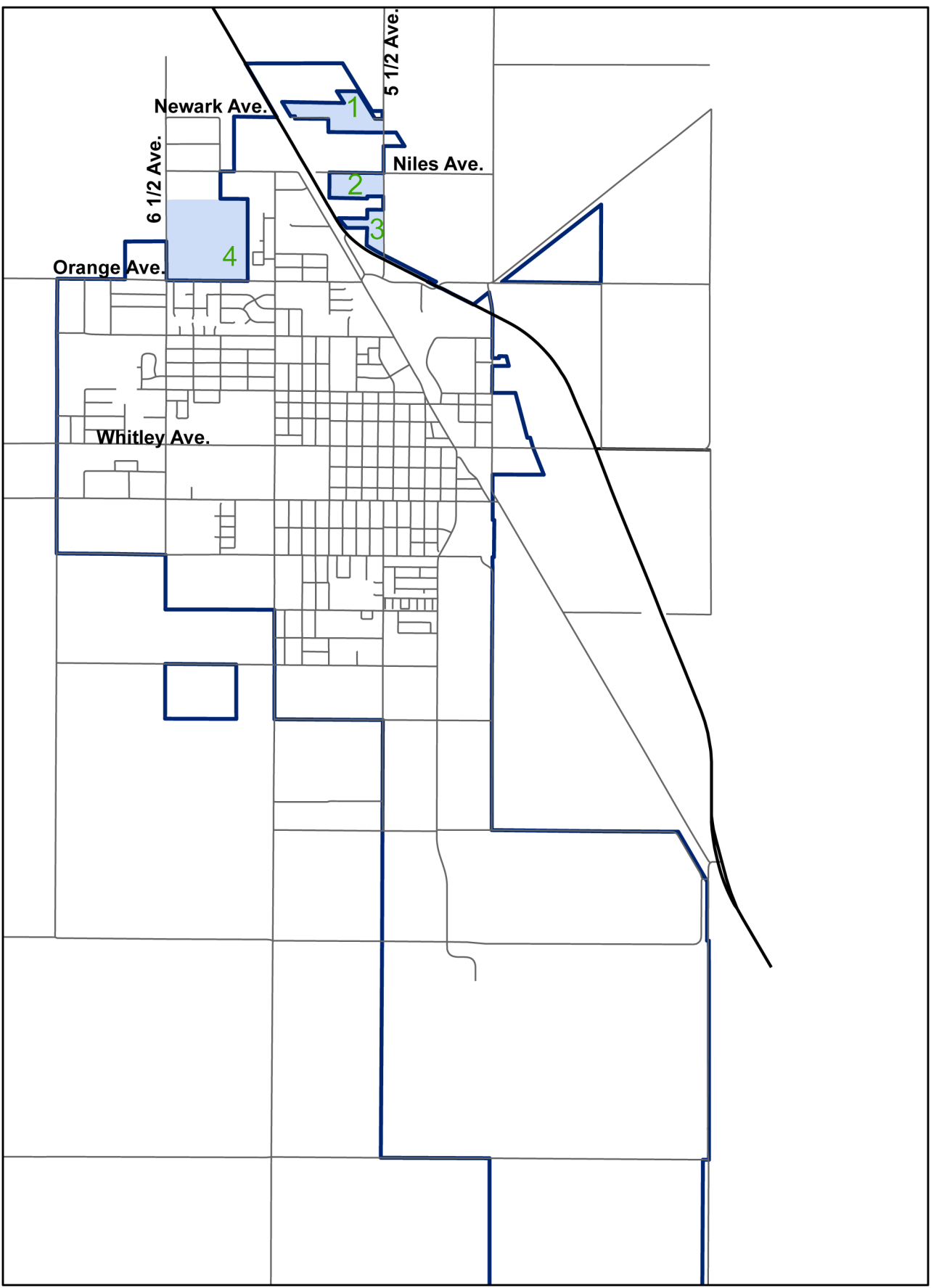


TABLE NO. 1

LAFCO OF KINGS COUNTY
CORCORAN - ISLAND STUDY - 2016 UPDATE
Population, Acreage, and Percent Surrounded

CORCORAN

ISLAND #	ISLAND NAME	CITY	POPULATION	ACREAGE	PERCENT SURROUNDED	City Water Service	City Sewer Service	City Refuse/Trash	City Stormwater drainage
Subtotal			-	0.00					
NEAR ISLAND AREA	ISLAND NAME	CITY	POPULATION	ACREAGE	PERCENT SURROUNDED	City Water Service	City Sewer Service	City Refuse/Trash	City Stormwater drainage
1	Newark Ave. and 5 1/2 Ave	Corcoran	47	31.65	95.34%	Yes	No	Yes	No
2	W. side of 5 1/2 Ave N. of HWY 43 to Niles Ave.	Corcoran	66	17.54	84.61%	Yes	No	Yes	No
3	W. side of 5 1/2 Ave N. of HWY 43 to Niles Ave.	Corcoran	37	12.44	72.77%	Yes	No	Yes	No
4	6 1/2 Ave. and Orange Ave.	Corcoran	12	109.95	67.07%	No	No	Yes	No
Subtotal			162	171.58					
	TOTAL		162	171.58					

Not Eligible - Island Area Over 150 Acres

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Notes:

- Population data from 2010 US Census

Local Agency Formation Commission OF KINGS COUNTY

MAILING ADDRESS:
1400 W. LACEY BLVD. BLDG 6, HANFORD, CA 93230
(559) 582-3211, EXT. 2670, FAX: (559) 584-8989

TO: LAFCO Commissioners
FROM: Greg Gatzka, Executive Officer
DATE: May 25, 2016
SUBJECT: 2016-2017 Final Draft Budget

I. INTRODUCTION:

Attached is the final draft budget recommended by the Executive Officer for Fiscal Year 2016-2017. This proposed Budget was introduced to the Commission on April 27, 2016 and there have been no changes.

The requested budget of \$57,126 is \$5,727 more than last year's request, a 11.14% increase. The requested amount covers LAFCO's general activities as required by Assembly Bill 2838, the Cortese – Knox – Hertzberg Act, and continued involvement with CALAFCO to keep current on legislative and procedural changes. The largest adjustments in the budget this year are increases of \$1,916 in CAP Charges, \$892 from information tech services and \$2,292 in administrative allocation largely due to a projected COLA. The net result of all of the budget changes resulted in the budget with an increase of \$5,727.

II. Overview of Budget Process

California Government Code Section 56381(a) states, "The commission shall adopt annually, following noticed public hearings, a proposed budget by May 1 and final budget by June 15. At a minimum, the proposed and final budget shall be equal to the budget adopted for the previous fiscal year unless the commission finds that reduced staffing or program costs will nevertheless allow the commission to fulfill the purposes and programs of this chapter."

The Commission's budget is based on a July 1st to June 30th fiscal year. The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 provides that the operational costs of LAFCo shall be shared one-half by the County and one-half by cities where only the County and cities are represented on the Commission. In the event that special districts choose to be represented on the Commission, LAFCo funding would then be shared one-third by the County, cities, and the special districts or by an alternative method approved pursuant to section 56381(b)(4) of the California Government Code.

The LAFCo budget is also augmented by fees established by the Commission in accordance with section 56383 of the California Government Code for services rendered to process applications for annexations, reorganizations, and detachments, as well as other LAFCo actions.

III. LAFCO 2016-2017 FISCAL YEAR OBJECTIVES

The primary objectives for the 2016-2017 Fiscal Year Budget will center on continued training for LAFCO staff on operational procedures and processes, timely processing of reorganization and sphere of influence amendment applications, processing of all spheres of influence amendments for the cities, communities, and special districts in Kings County and prepare resources for the next required update. Staff will also review and assist Cities and Districts with the preparation of detailed MSRs for any Sphere of Influence Amendment application submitted to LAFCO to ensure compliance with Government Code Section 56430. As LAFCO staff is often relied upon by Cities to advise their prospective development applicants on annexation processes, staff needs to remain current on LAFCO processes, procedures, issues and implementation strategies. Continuing Legislative changes to LAFCO processes and procedures also necessitates staff's need for continual update through CALAFCO legislative review activities. LAFCO staff has remained actively involved with CALAFCO workshops and other training venues to fulfill that need. The two annual CALAFCO training events are organized by LAFCO volunteers to keep all LAFCOs current on issues and implementation strategies.

IV. SUMMARY OF RECOMMENDATION:

The recommended draft budget for FY 2016-2017 will require a budget of approximately \$57,126. After applying the estimated \$3,000 in fee revenue, the County's share is \$27,063. The Cities share is also \$27,063. An estimated summary of individual City shares based on population (not including prison populations) is provided in the chart below. The Executive Officer recommends that the Commission continue the public hearing from April 27, 2016 to receive public comment and testimony on the proposed LAFCO Budget, and then consider adoption of the FY 2016/2017 Budget. A copy of the detailed line item Budget for the proposed LAFCO Expenditures and Revenues is attached.

2010 City/County Population Percentages for LAFCO Budget
April 14, 2016

County/City	Population 4/1/2010	Percentage of Population	City Share Percentage	LAFCO Cost
KINGS COUNTY POP.	152982			
AVENAL	9083	5.94%	9.06%	\$2,451.90
CORCORAN	12697	8.30%	12.66%	\$3,426.18
HANFORD	53967	35.28%	53.82%	\$14,565.31
LEMOORE	24531	16.04%	24.46%	\$6,619.61
CITY SUB TOTAL	100278	65.55%	100.00%	\$27,063
Prison Population	18538	12.12%		
Federal Territories	7799	5.10%		
UNINCORPORATED	26367	17.24%		\$27,063
		100.00%		\$54,126.00

Prepared by: LAFCO of Kings County, April 14, 2016

LOCAL AGENCY FORMATION COMMISSION OF KINGS CO.

Fiscal Year 2016-2017

UNIT NUMBER:	280000
UNIT TITLE:	LAFCO
FUNCTION:	Pub. Safety
ACTIVITY:	Other Protect.

Department: Local Agency Formation Commission of Kings County (LAFCO)

Run date:

ACCOUNT DESCRIPTION	ACCT. NO.	Budget 15-16	To Date 3/7/16	Difference 3/7/16	% of Bud. Expended to Date	3/7/16 Estimated 15-16	DEPT. REQ'T 2016-2017	Change 15-16 to 16-17	% Change 15-16 to 16-17
SALARIES & BENEFITS:									
Regular Employees	82-1010	\$ -	\$ -	\$ -	NA	\$ -	\$ 0	\$ -	N/A
Extra Help	82-1020	\$ -	\$ -	\$ -	NA	\$ -	\$ 0	\$ -	N/A
Overtime	82-1030	\$ -	\$ -	\$ -	NA	\$ -	\$ 0	\$ -	N/A
O.A.S.D.I.	82-1100	\$ -	\$ -	\$ -	NA	\$ -	\$ 0	\$ -	N/A
Retirement	82-1110	\$ -	\$ -	\$ -	NA	\$ -	\$ 0	\$ -	N/A
Health Insurance	82-1120	\$ -	\$ -	\$ -	NA	\$ -	\$ 0	\$ -	N/A
Unemployment Insurance	82-1122	\$ -	\$ -	\$ -	NA	\$ -	\$ 0	\$ -	N/A
Insurance-Work Comp.	82-1123	\$ -	\$ -	\$ -	NA	\$ -	\$ 0	\$ -	N/A
Management Benefits	82-1140	\$ -	\$ -	\$ -	NA	\$ -	\$ 0	\$ 0	N/A
TOTAL LABOR:		\$ -	\$ -	\$ -	N/A	\$ -	\$ 0	\$ 0	N/A

SERVICES & SUPPLIES:									
Communications	82-212000	\$ 70	\$ 55	\$ 15	78.10%	\$ 80	\$ 80	\$ 10	14.29%
Memberships	82-220000	\$ 2,381	\$ 2,381	\$ -	100.00%	\$ 2,300	\$ 2,548	\$ 167	7.01%
Office Expenses	82-222000	\$ 250	\$ 199	\$ 51	79.56%	\$ 290	\$ 250	\$ -	0.00%
Record Storage Charges	82-222015	\$ 334	\$ 242	\$ 92	72.38%	\$ 316	\$ 333	\$ (1)	-0.30%
Postage & Freight	82-222030	\$ 400	\$ 239	\$ 162	59.63%	\$ 400	\$ 400	\$ -	0.00%
Offset Printing/Stores	82-222040	\$ -	\$ -	\$ -	0.00%	\$ -	\$ -	\$ -	0.00%
Legal Expenses	82-223005	\$ 1,000	\$ 217	\$ 783	21.73%	\$ 317	\$ 1,000	\$ -	0.00%
Publi. and Legal Notices	82-224000	\$ 360	\$ -	\$ 360	0.00%	\$ -	\$ 360	\$ -	0.00%
Rents & Leases - Equipment	82-225000	\$ 1,000	\$ 664	\$ 336	66.40%	\$ 969	\$ 1,000	\$ -	0.00%
Rents & Leases - Computer	82-225015	\$ -	\$ -	\$ -	0.00%	\$ -	\$ 239	\$ 239	100.00%
Purchasing Charges	82-228200	\$ 61	\$ 41	\$ 20	66.62%	\$ 59	\$ 67	\$ 6	9.84%
Bd. & Comm. Mem. Expenses	82-228205	\$ 2,780	\$ 60	\$ 2,720	2.16%	\$ 88	\$ 2,780	\$ -	0.00%
Consultant Expense	82-223060			\$ -	0.00%	\$ -		\$ -	0.00%
CAP Charges	82-314060	\$ (377)	\$ (189)	\$ (189)	50.00%	\$ (275)	\$ 1,539	\$ 1,916	508.22%
In-Service Training	82-228465	\$ 1,400	\$ -	\$ 1,400	0.00%	\$ -	\$ 1,400	\$ -	0.00%
Motor Pool Serv.	82-229000		\$ -	\$ -	N/A	\$ -		\$ -	N/A
Travel & Expenses	82-229010	\$ 3,552	\$ 791	\$ 2,761	22.28%	\$ 1,155	\$ 3,552	\$ -	0.00%
Utilities	82-230000	\$ 800	\$ 505	\$ 295	63.12%	\$ 737	\$ 500	\$ (300)	-37.50%
Administrative Allocation	82-314000	\$ 35,560	\$ 16,211	\$ 19,349	45.59%	\$ 23,668	\$ 37,852	\$ 2,292	6.45%
Information Tech Services	82-314050	\$ 1,828	\$ 1,828	\$ -	100.00%	\$ 2,669	\$ 2,720	\$ 892	
Utility Bond	82-8100010			\$ -	0.00%	\$ -	\$ 506	\$ 506	100.00%
TOTAL SERV/SUPP:		\$ 51,399	\$ 23,243	\$ 28,156	45.22%	\$ 32,774	\$ 57,126	\$ 5,727	11.14%

REVENUE:	ACCT. NO.	Budget 15-16	To Date 3/7/16	Difference 3/7/16	% of Bud. Expended to Date	3/7/16 Estimated 15-16	DEPT. REQ'T 2016-2017	Change 15-16 to 16-17	% Change 15-16 to 16-17
INTERGOV'T REVENUE									
Cities-LAFCO Shares	81-540012	\$ 24,199	\$ (8,130)	\$ (32,329)	-33.60%	\$ (11,870)	\$ 27,063	\$ 2,864	11.84%
CHARGES FOR SERVICES									
LAFCO Fees	816352	\$ 3,000	\$ 500	\$ (2,500)	16.67%	\$ 730	\$ 3,000	\$ -	0.00%
LAFCO MSR/SOI Fees				\$ -	0.00%	\$ -	\$ -	\$ -	0.00%
TOTAL REVENUE:		\$ 27,199	\$ (7,630)	\$ (34,829)	-28.05%	\$ (11,140)	\$ 30,063	\$ 2,864	10.5%

TOTALS	ACCT. NO.	Budget 15-16	To Date 3/7/16	Difference 3/7/16	% of Bud. Expended to Date	3/7/16 Estimated 15-16	DEPT. REQ'T 2016-2017	Change 15-16 to 16-17	% Change 15-16 to 16-17
SALARIES & BENEFITS:		\$ -	\$ -	\$ -	N/A	\$ -	\$ 0	\$ 0	N/A
SERVICES & SUPPLIES:		\$ 51,399	\$ 23,243	\$ 28,156	45.22%	\$ 32,774	\$ 57,126	\$ 5,727	11.14%
FIXED ASSETS:	824500	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0.00%
GROSS EXPENDITURES:		\$ 51,399	\$ 23,243	\$ 28,156	45.22%	\$ 32,774	\$ 57,126	\$ 5,727	11.14%
REVENUE:		\$ 27,199	\$ (7,630)	\$ 34,829	-28.05%	\$ (11,140)	\$ 30,063	\$ 2,864	10.53%
COST APPLIED:	825380	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0.00%
GEN. FUND CONTRIBUTION:		\$ (24,200)	\$ (30,873)	\$ 6,673	127.58%	\$ (43,913)	\$ (27,063)	\$ (2,863)	11.83%