

LAFCO *of Monterey County*

LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

ANNUAL WORK PROGRAM

FISCAL YEAR 2019-2020

Adopted March 25, 2019

1. APPLICATION PROCESSING FUNCTIONS		
TASK	STATUS	COMMENTS
<p>Process applications for boundary changes in a responsive, professional and efficient manner.</p> <p>LAFCO's processing of FORA dissolution will continue to involve substantial coordination/consultation with FORA staff throughout FY 2019-20. State law requires FORA submitted a transition plan to LAFCO in Dec. 2018. Final dissolution of FORA is scheduled to occur by June 30, 2020.</p> <p>(A partial list of potential applications that have been discussed with local government agencies is attached to this Work Program. See Table 1.)</p>	Ongoing	<p>Priority fast-tracking is given to applications for economic development, public health and safety, or other urgent needs.</p> <p>A unique dissolution plan for the Fort Ord Reuse Authority is a high priority, requiring substantial staff time. FORA is set to sunset in 2020, and LAFCO must oversee an orderly dissolution process. Goal is a complete transition plan with implementing agreements by Fall 2019. LAFCO responsibilities will continue into 2020 post-FORA.</p> <p>Many potential boundary applications are under discussion (see Table 1).</p>
<p>Provide Commission with legally defensible recommendations and alternatives, and alert to litigation risks, liabilities and alternatives associated with potential actions.</p>	Ongoing	<p>Risk of FORA-related litigation is high. Pro-active measures are being taken by LAFCO to manage that risk, including an indemnification agreement and a FORA-funded litigation reserve.</p> <p>Also, LAFCO is indemnified in a nuisance suit by water interests against Monterey Co and Pajaro Sunny Mesa CSD. The issue is a County tax sale of annexed parcels – not a LAFCO matter. PSMCSD is actively defending LAFCO and Monterey County.</p>

2. SPECIAL STUDIES		
TASK	STATUS	COMMENTS
<p>Prepare Municipal Service Reviews and Sphere of Influence Studies for the following anticipated agencies (See Table 2 for a list of current and anticipated studies).</p> <ul style="list-style-type: none"> • All fire and emergency medical service agencies in Monterey County (currently underway; completion is likely to extend into FY 2019-2020) • All Cities in Monterey County • Monterey Peninsula Water Management District (Dependent) • Boronda, Pájaro, and Monterey Regional County Sanitation Districts • County Service Areas (Dependent County districts) • Monterey Salinas Transit (Dependent District) 	<p>State law requires periodic LAFCO review of all local agencies.</p> <p>Current status of the listed studies varies by agency; see Table 2, below, for more detail.</p>	<p>All studies will include administrative and public hearing drafts.</p> <p>Priorities and schedule are flexible to accommodate unanticipated needs and other work program tasks, including the priority processing of applications.</p>
<p>As needed, update and publish LAFCO local agency and resource maps on the LAFCO web site. Also, respond to agency requests for custom mapping of boundary/service information.</p>	<p>Ongoing</p>	<p>Mapping of historic annexation growth of all cities is in progress.</p>
<p>As needed, develop and update local policies, procedures, applications, and flowcharts for Spheres of Influence, annexations, reorganizations, and the creation of cities and districts.</p>	<p>Ongoing</p>	

3. GOVERNMENT AND COMMUNITY RELATIONS		
TASK	STATUS	COMMENTS
<p>Initiate informal meetings to discuss budget and policy issues with Cities, Special Districts, and County, as appropriate.</p>	<p>Ongoing</p>	
<p>Attend meetings as requested by individual Special Districts; attend quarterly Special Districts Association and the Special Districts General Managers' Group meetings; and provide support for the election of Special District LAFCO Members.</p>	<p>Ongoing</p>	
<p>Attend meetings as requested by Cities, the City Managers Group and City Mayors Association, and provide support for the appointment of City Members to LAFCO.</p>	<p>Ongoing</p>	
<p>Attend meetings as requested by the County of Monterey.</p>	<p>Ongoing</p>	
<p>Provide early notice to County, Cities, and Special Districts of issues that may affect them, and opportunities to participate in the LAFCO process.</p>	<p>Ongoing</p>	
<p>Post public information on the LAFCO website and review website layout, graphics, and content for ease of public use.</p>	<p>Ongoing</p>	

<p>Encourage and provide early LAFCO participation in Sphere of Influence updates, General Plan updates, City-County-District dialogues, and environmental review activities that affect government boundaries & services.</p>	<p>Ongoing</p>	<p>For example, the Cities of Soledad and Gonzales are expected to apply for boundary changes in 2019.</p>
<p>Participate in regional activities for which LAFCO has indirect or direct responsibilities, as required by State law.</p>	<p>Ongoing</p>	<p>A current (and most important) example is LAFCO's active role in the FORA dissolution process. We also participate in AMBAG regional processes.</p>
<p>Participate in community educational opportunities to promote understanding and dialogue with various sectors of the Monterey County economy.</p>	<p>Ongoing</p>	
<p>Promote Monterey LAFCO's interests in statewide issues through active participation in the California Association of Local Agency Formation Commissions (CALAFCO).</p>	<p>Ongoing</p>	<p>The Commission receives a monthly CALAFCO activities report, and participates in policy, legislative and other issues. Commissioners and staff actively participate in CALAFCO conferences, workshops, and courses. Staff provides support to Commissioner Parker who serves on the CALAFCO Board.</p>
<p>Assist Greenfield-area local agencies in identifying opportunities for greater efficiencies. LAFCO staff will coordinate with City staff, District representatives and County representatives to develop and implement ideas of interest to the community.</p>	<p>Ongoing</p>	<p>The need for follow-up assistance to Greenfield-area districts was identified in a 2015 LAFCO study. An informal memo outlining several options and considerations was prepared by LAFCO staff in February 2019. The memo is a starting point for discussions with the community in 2019. Commissioner Chris Lopez plans to hold local meetings on this topic. LAFCO staff will participate and may coordinate a future public workshop if there is interest.</p>

<p>Ongoing training and technical assistance outreach to special districts: compile and distribute a suggested orientation package for new Trustees/Board members and staff members of small special districts and establish a clearinghouse of professional development training and technical assistance resources for special districts. Depending on district representatives' interests and needs, similar opportunities may exist for an annual board member training update or other information-sharing events.</p>	<p>Ongoing</p>	<p>The need for follow-up training for small districts was identified in several LAFCO studies. Development of enhanced outreach is in progress. Resources for small districts will be integrated into the web site migration to a new data platform. The web site update is in progress and will be finished by June 2019. Staff will continue outreach to small districts throughout FY 2019-2020.</p>
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<p align="center">4. COMMISSION AND COMMITTEE FUNCTIONS</p>		
<p align="center">TASK</p>	<p align="center">STATUS</p>	<p align="center">COMMENTS</p>
<p>Provide support to ten regularly-scheduled Commission meetings, special meetings as needed, and Committee meetings, including the provision of public notices, agenda packets, web meeting broadcasts, and minutes.</p>	<p align="center">Ongoing</p>	
<p>Hold monthly agenda review sessions with Chair and Vice-Chair.</p>	<p align="center">Ongoing</p>	
<p>Conduct new Commissioner election, appointment, and orientation processes, as needed.</p>	<p align="center">Ongoing</p>	
<p>Continue to participate in the CALAFCO legislative process to ensure that local interests are coordinated with policies and activities of the statewide organization. Continue to monitor state legislation. Continue to provide feedback to legislators and CALAFCO as needed. Continue to update local policies and procedures for consistency with approved legislation.</p>	<p align="center">Ongoing</p>	
<p>Provide Commission with regular updates of laws, policies, and procedures.</p>	<p align="center">Ongoing</p>	

5. ADMINISTRATIVE AND HUMAN RESOURCES MANAGEMENT

TASK	STATUS	COMMENTS
Maintain the LAFCO project tracking system.	Ongoing	
Maintain the staff time keeping, cost tracking, and invoicing systems for applications.	Ongoing	
Comprehensively review and prepare Policies and Procedures for all LAFCO office functions, including human resources rules and regulations.	Phase One (HR Policies) was completed in October 2018. Phase Two (Admin Policies) is in progress.	In April 2018, LAFCO retained Liebert Cassidy Whitmore to assist with this project. Phase Two, the update of general admin policies and procedures, will be completed in FY 2019-2020.
Identify and support staff training needs and opportunities, including professional certification, technical training, and ethics/harassment compliance.	Ongoing	
Conduct a routine review of job classifications and salary ranges.	In Progress	Liebert Cassidy Whitmore is assisting with this project, with a completion date in FY 2019-2020.
Continue implementation of LAFCO's Records Management Policy, including conversion of paper records to searchable electronic format. This multi-year task is carried out by in-house staff.	In Progress	To date, staff has scanned all 55+ years of meeting minutes and resolutions. All resolutions (1964 to present) are indexed in a searchable database. All available paper meeting packets have been scanned (1978 onwards). To date 432 paper project files have been scanned (1964-1982). This work will continue through FY 2019-2020.

6. FINANCIAL MANAGEMENT

TASK	STATUS	COMMENTS
Review and update the project fee schedule and hourly staffing rates, as needed.	Ongoing	No changes needed at this time.
Continue to review existing financial policies and procedures, and prepare new financial policies and procedures as necessary.	Ongoing	Financial policies and procedures are reviewed annually as part of audit process. LAFCO Budget and Finance Committee regularly reviews status on funding reserves, contingencies and policies.
Continue to coordinate with the County Auditor, to obtain annual local agency contributions to LAFCO.	Ongoing	County Auditor-Controller's staff provides excellent service in preparing and invoicing the cost allocations. All local agencies act responsibly to pay their contributions to LAFCO.
Complete annual audit for Fiscal Year 2018-2019.	Start August 2019. Complete by December 2019.	The Commission adopted the audit report on December 3, 2018.
Conduct periodic review of Benefits, Services and Supplies with the goal of continuing to control costs.	Ongoing	
Continue use of a three-year financial forecast to project upcoming needs and to provide the resources to meet these needs.	Ongoing	This tool is for informal use by the Budget & Finance Committee.
Support all required Commissioner needs for bi-annual ethics/harassment training and annual economic interests reporting.	Ongoing	Primary responsibility is for Public Members.

Table 1:
Potential or Active LAFCO Applications under Discussion with Local Agencies
A Partial List as of March 25, 2019

1. **Marina Coast Water District – Sphere of Influence Amendment and annexation of currently served portions of the District’s existing service area – including areas of Marina, Seaside, and the County – that are within the former Fort Ord and are currently served by contractual agreement with FORA**

MCWD submitted its LAFCO application in April 2018. In September, litigating parties entered into a settlement agreement, by which LandWatch and Keep Fort Ord Wild agree to drop their lawsuits in exchange for MCWD reducing the scope of its sphere/annexation proposal. The application is complete as of early January, following revisions by MCWD to reflect the reduced proposal scope per the settlement agreement, and review of the revised proposal by affected local agencies. LAFCO staff is currently gathering information to prepare updated Municipal Service Reviews for both MCWD and SCSD, discussed below.

2. **Seaside County Sanitation District – Possible Sphere of Influence Amendment and annexation of the portion of the City of Seaside within the former Fort Ord**

SCSD has, for many years, expressed interest in becoming the wastewater service provider to the area in question. The wastewater collection system is owned and currently operated by MCWD. In summer 2018, following several years of negotiations, MCWD and SCSD staff prepared Memorandum of Understanding for approval by the districts’ boards of directors. The MCWD board approved the MOU in July. The SCSD board has considered, but has not yet approved, the MOU. The MOU outlines the parties’ shared understanding that, following MCWD’s annexation of former Fort Ord areas within SCSD (Seaside, Del Rey Oaks, Sand City), return flows of treated wastewater from the MIW regional treatment plant shall be used for the benefit of those communities. As part of the draft MOU, SCSD agrees not to oppose MCWD’s sphere/annexation proposal, discussed above. Based on the draft MOU, it appears likely that SCSD will no longer need to file its own separate sphere/annexation application to achieve the MOU’s objectives. Staff will continue to coordinate with SCSD representatives).

3. **Fort Ord Reuse Authority – Dissolution**

Current state law requires dissolution of FORA in 2020. FORA submitted the required transition plan to LAFCO in December 2018. LAFCO staff continues to coordinate with FORA and other stakeholders on the dissolution process, options, issues and schedule. FORA is also seeking a legislative extension of the sunset date.

4. **City of Greenfield – Residential and elementary school site annexation proposals (up to three separately owned, but contiguous sites) on Apple Avenue west of the existing city limits**

An annexation application was submitted in March 2017 but is currently incomplete. LAFCO staff has been working with City and County staff to resolve completeness checklist items and policy conformance matters, and met with City and County representatives throughout 2018. As of January, the County is moving forward with processing a property tax transfer agreement, which will resolve the issue of application completeness. An additional annexation application for separately owned parcels in the same block will likely be submitted to LAFCO in early 2019.

5. **City of Gonzales – Annexation of approximately 350 acres for residential or mixed-use development (Pembroke/Fanoe “Village One” Community) within the city’s existing Sphere, as amended in 2014**

Informal pre-application discussions with City staff and property owners are active and ongoing.

6. **Comprehensive Fire Protection and Emergency Medical Services Study – Update of the countywide study adopted by the Commission on March 2012**

This comprehensive study will include all cities, districts, and volunteer departments that provide and receive fire protection and emergency medical services in Monterey County. The study will review goals and challenges facing fire and EMS service providers, evaluate the underserved/unserved unincorporated areas, explore the

region's current fire prevention and mitigation efforts, and identify opportunities for local agency partnerships. Information collection and coordination with the fire agencies is in progress.

7. **City of Soledad** – Sphere of influence amendment of 650 acres for single- and multi-family residential and neighborhood-serving commercial development and related facilities.

The Miramonte (formerly Miravale III) Specific Plan area is north of the existing city limits. The City certified an environmental impact report for development of the site in 2010, but did not proceed with a LAFCO application at that time. The City approved a revised and updated specific plan in late 2018. Discussions with City staff are active and ongoing. A sphere amendment proposal is anticipated in mid-2019.

8. **King City** – Potential Sphere amendment and annexation of the existing Colledgeville farmworker housing complex

The site is located adjacent to existing city limits. The City has received administrative approval of out-of-area extension of sewer services to the existing farmworker housing complex, and eventually intends to apply to bring the site, and possibly one or more other nearby parcels, into the city. An annexation application was provided to the City staff in October 2018.

9. **City of Salinas** – Ferrasci Ranch Sphere amendment and annexation of approximately 100 acres at the northeast corner of Harrison Road and Russell Road

The site, just north of Salinas and designated as “Target Area K” in the City's recently approved Economic Development General Plan Element, is planned for industrial and commercial development. Informal pre-application discussions are underway with City staff and property owners.

10. **City of Monterey** – Sphere amendment and annexation of a six-acre site in the former Fort Ord area

The site is adjacent to the Monterey-Del Rey Oaks boundary. Del Rey Oaks has transferred ownership of this parcel to Monterey. Monterey city staff initiated annexation discussions with LAFCO staff in August 2017.

11. **Mission Soledad Rural Fire Protection District** – Annexation of a currently outlying portion of the Paraiso Springs Resort project area

Part of the site is already within the district. LAFCO provided initial comments in 2013, and commented on a revised/recirculated draft EIR in April 2018.

12. **Carmel Area Wastewater District** – Sphere amendment and annexation of several residential properties in the Carmel Highlands Area, near areas annexed in 2013 and 2016

Staff met with District representatives in August 2018. District staff is continuing to coordinate with property owners to scope the potential annexation area's boundaries.

13. **Carmel Highlands Fire Protection District** – Potential Sphere amendment and annexation of lands to the south of existing district boundaries.

District representatives are coordinating with State Parks and the Mid-Coast Volunteer Fire Brigade to seek consensus on a mutually agreeable extent of a future Sphere/annexation proposal.

14. **Other Municipal Service Reviews and Sphere of Influence Studies** –

- a) **Wastewater Districts:** Boronda, Pajaro, and Monterey Regional County Sanitation Districts.
Note: the latter is an inactive member agency of the Monterey One Water (MIW, formerly the MRWPCA) joint powers authority, which is the entity that provides wastewater services related the regional wastewater treatment plant outside the Marina.
- b) Monterey Peninsula Water Management District (Dependent)
- c) All Cities within Monterey County

Table 2:
Status of Special Studies Initiated by LAFCO
(Municipal Service Reviews and Sphere of Influence Studies)
As of March 25, 2019

Completed 2015- 2017:

- Castroville Cemetery District
- Gonzales Cemetery District
- Soledad Cemetery District
- Greenfield Cemetery District
- King City Cemetery District
- San Lucas Cemetery District
- San Ardo Cemetery District
- Cholame Cemetery District
- Pájaro Valley Public Cemetery
- Greenfield Memorial District
- Soledad Mission Recreation District
- Greenfield Public Recreation District
- San Ardo Water District
- San Lucas County Water District
- Spreckels Community Services District
- Spreckels Memorial District
- Carmel Area Wastewater District
- Monterey Peninsula Regional Park District
- Carmel Valley Recreation and Park District
- North County Recreation and Park District
- Monterey Peninsula Airport District
- Moss Landing Harbor District
- N. Salinas Valley Mosquito Abatement District
- Resource Conservation District of Monterey County
- Pebble Beach Community Services District
- Santa Lucia Community Services District

Completed in 2018:

- Salinas Valley Memorial Healthcare System

Started in 2018 and Currently in Progress (March 2019):

- Marina Coast Water District Study – Administrative draft study has been prepared and is under review by District. Public draft study is scheduled for LAFCO hearing in April 2019.
- Seaside County Sanitation District Study – Information gathered and study preparation is underway.
- Fort Ord Reuse Authority (Legal Analysis of Dissolution Issues) – Sunset is scheduled for 2020. Transition plan developed by FORA with LAFCO input in 2018. Implementing agreements underway by FORA members, with LAFCO input. LAFCO actions are necessary in 2019 and beyond.
- Comprehensive Fire Services and Emergency Medical Services Study - An update of a 2012 countywide study by LAFCO. Information was collected in late 2018/early 2019. Review and analysis are underway by LAFCO staff. May hire a fire services consultant to assist in analysis and recommendations. Study includes 12 cities providing and receiving fire services and EMS, fire protection districts, County Service Area 74 (Emergency Medical Services), Monterey Peninsula Airport District, Pebble Beach Community Services District, and two volunteer departments. Information collected in late 2018/early 2019, now under analysis by LAFCO staff.

Not Yet Initiated, but Anticipated through December 2019

- Water and Wastewater Districts – Municipal Service Review and Sphere of Influence Study for the Boronda County Sanitation District, Pajaro County Sanitation District
- Monterey Peninsula Water Management District
- All Cities – Municipal Service Review and Sphere of Influence Studies