

**LOCAL AGENCY FORMATION COMMISSION
REGULAR MEETING AGENDA**

Wednesday, January 14, 2004
9:00 a.m.

Board of Supervisors Hearing Room, Room 381A
Kenneth Hahn Hall of Administration
500 West Temple Street, Los Angeles 90012

A person with a disability may contact the LAFCO office at (818) 254-2454 at least 72-hours before the scheduled meeting to request receipt of an agenda in an alternative format or to request disability-related accommodations, including auxiliary aids or services, in order to participate in the public meeting. Later requests will be accommodated to the extent feasible.

NOTICE OF CLOSED SESSION

CS-1 CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION
(Subdivision (c) of Government Code section 54956.9)

Initiation of litigation (one case)

1. **CALL MEETING TO ORDER.**
2. **PLEDGE OF ALLEGIANCE WILL BE LED BY CHAIRMAN PELLISSIER.**
3. **HEARINGS**
 - a. Consolidation of County Sanitation District Nos. 26 and 32, located in the City of Santa Clarita and surrounding unincorporated territory of Los Angeles County.
 - b. Request from Los Angeles County Waterworks District No. 40 (Antelope Valley), for approval of an out-of-agency water service agreement, in order to provide water related services outside of the district's boundary to the Hillcrest Mobile Home Park.

3. **HEARINGS (Continued)**

- c. Los Angeles County Sanitation District No. 15, Annexation No. 277 (Parcels 1 and 2) – 6.763 acres located on Turnbull Canyon North, north and south of its intersection with La Mesita Drive, in the unincorporated County territory, known as Hacienda Heights. The Landowners are Billary Development, Inc. (Shann-Tsan Lee, President), Barbara V. LaFavre, Tony Ujadughele, and Anthony De La Vara.

4. **SPECIAL ITEMS**

- a. Approve minutes of the meeting held December 10, 2003.
- b. Approval of Revised Resolution Ordering City of Palmdale Annexation No. 2000-01A Subject to the Confirmation of the Voters.
- c. Municipal Service Reviews and Spheres of Influence Update.
- d. Report on pending applications.
- e. Approval of the December 2003 Operating Account Check Register.

5. **PUBLIC COMMENT**

This is the opportunity for members of the public to address the Commission on items that are not on the posted agenda, provided that the subject matter is within the jurisdiction of the Commission. Speakers are reminded of the three-minute time limitation.

6. **FUTURE MEETINGS**

January 28, 2004

February 11, 2004

7. **NEW BUSINESS**

This is the opportunity for commissioners to discuss matters not on the Posted Agenda (to be discussed and upon Commission approval placed on the Agenda for action at a future meeting).

8. **ADJOURNMENT MOTION**

STAFF REPORT

JANUARY 14, 2004

CONSOLIDATION OF COUNTY SANITATION DISTRICT NOS. 26 AND 32

AGENDA ITEM NO. 3A

The matter before you is a request from the County Sanitation Districts of Los Angeles County to consolidate two existing districts that serve the same general area (the City of Santa Clarita and surrounding unincorporated County territory). The districts are jointly owned and utilize the same treatment and conveyance facilities, have the same composition of their respective Boards of Directors, and have adopted ordinances to impose the same annual service charge rate.

Proposal Area: The boundaries of the proposed consolidated district are equivalent to the combined boundaries of the two existing districts. The area encompasses the majority of the City of Santa Clarita and some of the surrounding unincorporated County area.

The area is highly urbanized with a significant number of residential neighborhoods and associated commercial corridors. The area also includes specific sites emphasizing commercial and industrial development, as well as a significant amount of vacant land and/or open space.

The service area of the existing districts and associated spheres of influence are bounded by the Angeles National Forest to the north, the Santa Susana and San Gabriel Mountain ridgelines and the Angeles National Forest to the south, the Ventura County line and the Los Padres National Forest and Agua Dulce to the west.

Redevelopment Project Areas: Portions of the existing two districts are within existing redevelopment areas; consequently, the same portions of the proposed consolidated district will be within the existing redevelopment areas. Consolidation of the two districts will not add or subtract any land from an existing redevelopment area; nor will it result in the creation of any new redevelopment area.

Present Capacity of Public Facilities: Wastewater generated by the consolidated district will continue to be treated at the Saugus and Valencia Water Reclamation Plant (WRP). The two WRPs have a combined design capacity of 19.1 mgd and currently process an average flow of 18.35 mgd. The Valencia WRP is currently undergoing an expansion to increase the combined capacity to 28.1 mgd. Accordingly, the Districts' sewerage facilities have or, in accordance with current policy will have, adequate capacity to collect, treat, and dispose of the wastewater anticipated to be generated by the service area. The Districts have an approved facilities plan and final EIR that provides for an increase of the ultimate treatment capacity to 34.1 mgd.

Provision of Services: The proposed consolidation will not result in any new services or any change in existing services. Issues of growth and required facilities for the combined service areas of Districts 26 and 32 are addressed in the 2015 Santa Clarita Valley Joint Sewerage System Facilities Plan and Final EIR. The approved facilities plan and final EIR provides for an increase of the ultimate treatment capacity to 34.1 mgd.

Expansion-related facilities are financed through the connection fee program. The program charges new dischargers or those existing users who significantly increase their discharge for the incremental cost of expanding the sewerage system to accommodate their discharge. Upgrade-related capital and operation and maintenance costs are financed through the service charge program. This program charges existing discharges for their proportionate share of the annual costs of the sewerage system.

Assessments, Fees, Charges and Existing Debt: The two existing districts currently impose equivalent connection fee and service charge rates, the consolidated district will continue to impose these rates. The consolidated district will assume the responsibility for the combined debt service of the two districts.

The residents of the consolidated district will be the same as for the two existing districts. Therefore, the residents will remain liable for any existing indebtedness.

Fiscal Obligations: All money, funds and obligations of the existing districts will become the money, funds and obligations of the consolidated district.

CEQA: The County Sanitation Districts of Los Angeles County, as lead agency, has determined that the project is exempt from the California Environmental Quality Act (CEQA) pursuant to Class 20 of the State CEQA Guidelines, as this is the consolidation of districts having identical powers.

Tax Transfer: The affected agencies, namely, County Sanitation District Nos. 26 and 32 have adopted the appropriate tax transfer resolution.

Correspondence: Staff has not received any correspondence in opposition to or in support of this consolidation.

Conclusion: County Sanitation District Nos. 26 and 32, support the proposed consolidation as it will provide for a more efficient operation, lower administrative costs, and elimination of duplicative staffing.

Recommended Action

1. Find that this consolidation of districts is categorically exempt from the provisions of the California Environmental Quality Act pursuant to State CEQA Guidelines section 15320 (Class 20) (changes in organization or reorganization of local governmental agencies where the changes do not change the geographical area in which previously existing powers are exercised).
2. Approve amendment to the sphere of influence for County Sanitation District No. 32 to include the entire sphere of influence boundary of County Sanitation District No. 26, and make the following determinations:

Present and planned land uses:

The area is highly urbanized with a significant number of residential neighborhoods and associated commercial corridors. The area also includes specific sites emphasizing commercial and industrial development. In addition the territory includes agricultural uses and vacant land and open space.

Present and probable need for public facilities and services in the area:

The two existing districts currently provide sewerage service to a portion of the City of Santa Clarita and the surrounding unincorporated County from existing facilities. Upon consolidation, the consolidated district will continue to provide sewerage services to the same area from the same existing facilities.

Present capacity of public facilities:

The wastewater generated by the consolidated district will continue to be treated at the Saugus and Valencia Reclamation Plant (WRPs). The two WRPs have combined design capacity of 19.1 mgd and currently process an average flow of 18.35 mgd. The Valencia WRP is currently undergoing an expansion to increase the combined capacity to 28.1 mgd.

Communities of interest:

Consolidation of the two districts into a single district will eliminate duplicate staffing efforts, resulting in a cost savings to the territory for which service is provided.

Recommended Action (Continued)

3. Adopt Resolution Making Determinations and Approving Consolidation of Los Angeles County Sanitation District No. 26 into Los Angeles County Sanitation District No. 32.
4. Provide that the consolidation shall be subject to the following terms and conditions:
 - a. The effective date of the consolidation shall be July 1, 2005.
 - b. The consolidated territory shall be subject to the payment of such service charges, assessments or taxes as District No. 32 may legally impose.
 - c. Property owners within the consolidated territory will continue to be taxed for their respective District's existing bonded indebtedness.
 - d. District No. 32 shall assume all of the assets and liabilities, including any funds and contract or obligations, of District No. 26.
5. Pursuant to Government Code Section 57002, set February 25, 2004, as the date for Commission protest proceedings.

STAFF REPORT

JANUARY 14, 2004

COUNTY WATERWORKS DISTRICT NO. 40 REQUEST FOR APPROVAL OF OUT-OF-AGENCY WATER SERVICE AGREEMENT – HILLCREST MOBILE HOME PARK

AGENDA ITEM NO. 3B

The item before you is a request by Los Angeles County Waterworks District No. 40 (the District) for approval of an out-of-agency water service agreement with the Hillcrest Mobile Home Park, pursuant to Government Code Section 56133(c).

Location: The Hillcrest Mobile Home Park (Hillcrest MHP) is a 5-acre parcel located at 39820 North 145th Street East, in the unincorporated territory of Los Angeles County, known as Lake Los Angeles. Although the Postal Zone is Palmdale, the City of Palmdale is situated approximately 15 miles west. The Hillcrest MHP consists of one single-family dwelling and assorted outbuildings and 14 mobile homes, with space allocated for up to 18 mobile units. The current population is 52.

Current Water System: The Hillcrest MHP community water system is located in a rural area of the Mojave Desert in northeast Los Angeles County. Hillcrest MHP currently operates one pressure zone under a revised Water Supply Permit issued on May 19, 2000, by the Los Angeles County Department of Health Services (DHS).

The sources of water supply for Hillcrest MHP consist of one active, domestic well – Well No. 2, drilled in 1979, and one inactive well – Well No. 1, drilled in 1992. Both wells are located on the property. Well No. 1 is not in use and is disconnected from the storage and distribution system. Well No. 2 is 540 feet deep with a 6-inch diameter casing and a maximum output of three gallons per minute. Both wells are contaminated with gross alpha, total uranium and total radium chemicals above their respective maximum contaminant levels. Well No. 1 can be used only for irrigation, laundry, bathing, hand washing and toilet flushing. Hillcrest MHP utilizes licensed water haulers to supplement Well No. 2. Currently, there are two 4200-gallon steel storage tanks located at the site of Well No. 2. Water is boosted into the distribution system from these tanks.

Issues: In September 1995 DHS sampled Well Nos. 1 and 2 for gross alpha, total uranium and total radium and found there was contamination. Subsequently, the United States Department of Health and Human Services (USDHHS) (referred to as the U.S. Department of Toxics in the DHS report), conducted a radiological survey, environmental sampling and investigation, and determined that the source of contamination of both domestic wells is naturally occurring radioactive material located several hundred feet below ground in the water-bearing strata. USDHHS concluded that the Hillcrest MHP groundwater source of supply poses a public health threat to its consumers.

The USDHHS report also indicated that sediment in the water tanks may be contaminated with uranium and its decay products, possibly contributing to further exposure. USDHHS recommended draining all of the water out of the supply tanks, removing the contaminated sediment, and ensuring, by sampling, that the tanks are not contaminated in excess of permissible drinking water standards. Consequently, DHS ordered Hillcrest MHP to provide an approved source of drinking water and to disconnect all on-site well piping to the storage tanks through Compliance Order No. 494-4627-327-1, dated April 15, 1996.

Hillcrest MHP subsequently submitted a State Revolving Fund Pre-Application in July 1997. Initially the project was placed in Category 'G' of the State's priority list. Over a two-year period, additional information was provided regarding bacteriological contamination of the distribution system and, as a result, the State upgraded the project to Category 'B'. As a result of the upgrade, the Hillcrest MHP submitted a State Revolving Fund Application and Engineering Report, to finance construction of a new water system.

Project Description: The Hillcrest MHP proposes to destroy both wells, replace the on-site distribution system and storage facility, and recondition the existing storage tanks for non-potable use (fire fighting). Hillcrest MHP also proposes to construct a 2.9-mile, 4-inch pipeline to connect the new distribution system to an adjacent potable water supply distribution system, owned and maintained by the District. State funding for the project is limited to the total estimated eligible project costs of \$373,000.

Source of Water for the District: The District is supplied by a blend of water from two of the District's domestic wells and treated surface water purchased through two connections from one of three of Antelope Valley East Kern Water Agency's (AVEK) conventional filtration plants, known as Eastside Filtration Plant. The Eastside Filtration Plant provides complete multi-barrier treatment for surface water from the California Aqueduct. The metered connection will supply potable water to the Hillcrest MHP from the west portion of the District's distribution system, known as Zone 2992.

Alternatives: Six alternatives were included in the final application. Five of the six alternatives address replacing the water system in its entirety, replacing the wastewater disposal system, and keeping the Hillcrest MHP as a viable residential community. Each includes the complete replacement of the existing in-park distribution system, as well as finding and connecting to a new source of potable water. The sixth option involves shutting the facility down and abandoning the property.

CEQA: The District has determined that the project is categorically exempt pursuant to the State CEQA Guidelines, Class 2 and Class 3, since the Hillcrest MHP is a small water system (less than 200 service connections) replacing a system of substantially similar purpose and capacity, for the protection of health and safety.

Additional Requirements: The DHS, as Local Primary Agency, is responsible for regulating the Hillcrest MHP to ensure compliance with the Safe Drinking Water Act. Consequently, the Hillcrest MHP must apply to DHS for a permit to destroy Well Nos. 1 and 2. DHS will nullify the domestic water permit issued to Hillcrest MHP on May 19, 2000, after the interconnection with the District is completed and activated. In addition, the District must apply to the DHS for a permit amendment to reflect the changes to the service area.

Current Agreement: The District entered into a water agreement with Hillcrest MHP as a requirement for the State grant to build the new water system.

Conclusion: Pursuant to Government Code Section 56133(c)(1), the District has provided sufficient documentation to demonstrate that the contaminated wells continue to pose a threat to the health and safety of the affected residents.

Pursuant to Government Code Section 56133(c)(2), AVEK was notified of this proposed out-of-agency water service agreement.

Recommended Action

1. Find that this out-of-agency water service agreement is categorically exempt from the provisions of the California Environmental Quality Act pursuant to State CEQA Guidelines sections 15302 and 15303 (Classes 2 and 3).
2. Find that, pursuant to Government Code Section 56133(c), a threat to the public health and safety continues to exist, and on that basis authorize the District to enter into an out-of-agency water service agreement with the Hillcrest MHP, to provide a source of clean water that meets the requirements of the California Safe Drinking Water Act.

STAFF REPORT

JANUARY 14, 2004

**ANNEXATION NO. 277 TO
COUNTY SANITATION DISTRICT NO. 15**

AGENDA ITEM NO. 3C

The following is an uninhabited annexation to County Sanitation District No. 15 of Los Angeles County. County Sanitation Districts has initiated this proposal at the request of the landowners, Billary Development, Inc. (Shann-Tsan Lee, President), Barbara V. LaFavre, Tony Ujadughele, and Anthony De La Vara.

Location: Parcels 1 and 2, totally 6.763 acres are located on Turnbull Canyon Road. Parcel 1 is approximately 250 feet north and Parcel 2 is approximately 400 feet south of its intersection with La Mesita Drive all within the unincorporated Los Angeles County territory, known as Hacienda Heights.

Surrounding and Present Land Uses: The surrounding and present land use consists of vacant land and residential.

Sphere of Influence: The proposed annexation is consistent with the adopted sphere of influence for District No. 15.

Proposed Development: Parcel 1 will be developed as a single-family home. Parcel 2 consists of two existing single-family homes and will be developed with two additional single-family homes.

Provision of Services: The subject territory will be served by District No. 15's 12-inch diameter Turnbull Canyon Trunk Sewer in Turnbull Canyon Road at Clark Avenue approximately 2 miles northeast of the subject territory. It is estimated that the subject territory will discharge an average flow of 0.0008 mgd (0.006 cfs peak flow) into a sewer with available capacity of 1.25 cfs (peak flow).

Based on the information provided by the property owner, the District's sewerage facilities have or, in accordance with current policy, will have adequate capacity to collect, treat and dispose of the wastewater anticipated to be generated on the subject property. Actual sewer hook-up will not be allowed until payment of the connection fee and shall be subject to all circumstances then existent including the availability of capacity.

Financing: Services are financed through a connection fee and an annual user-charge system.

Existing Liability/Bonded Indebtedness: Residents of the subject territory will share in any existing liability of the District and will share in any remaining obligation for bonded indebtedness either through taxes or service charge or both.

CEQA: The Los Angeles County Sanitation Districts, as lead agency, has determined that Parcel 1, and that portion of Parcel 2 containing the two existing single-family homes, are exempt from CEQA pursuant to sections 15303(a) (construction of not more than three single-family homes in an urbanized area), and 15319(a) (areas containing existing structures developed to the density allowed by the current zoning), respectively.

The County of Los Angeles, as lead agency, approved a negative declaration, for the proposed development of two single-family homes within Parcel 2, and made a determination that the project will not have a significant impact on the environment with the incorporation of identified findings.

Tax Transfer: All affected agencies have adopted the appropriate tax transfer resolution.

Correspondence: Staff has not received any correspondence in opposition to or in support of this annexation.

RECOMMENDATION

1. Find that Parcel 1 and that portion of Parcel 2 containing existing structures are exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines, sections 15303(a) and 15319(a), respectively.

Acting in its role as a responsible agency with respect to Annexation No. 277 (portion of Parcel 2 proposed for development), and under State CEQA Guidelines Section 15096, LAFCO certifies that it has independently considered and reached its own conclusions regarding the environmental effects of the project, adopted by the County of Los Angeles, as lead agency, and has determined that the document adequately addresses the environmental impacts of the project. LAFCO finds that it has complied with the requirements of CEQA with respect to the process for a responsible agency and hereby adopts, by reference, the negative declaration, previously prepared by the lead agency in connection with its approval of the project.

2. Find that all owners of land have given their written consent to the change of organization, and all affected agencies have consented in writing to the waiver of protest proceedings, and pursuant to Government Code Section 56663, waive the requirement for protest proceedings in its entirety.
3. Adopt Resolution Making Determinations Approving and Ordering Annexation No. 277 to County Sanitation District No. 15.
4. Provide that the annexation shall be subject to the following term and condition:

The property so annexed shall be subject to the payment of such service charges, assessments or taxes as the County Sanitation District may legally impose.

STAFF REPORT

JANUARY 14, 2004

**APPROVAL OF REVISED RESOLUTION ORDERING
CITY OF PALMDALE ANNEXATION NO. 2000-01A SUBJECT TO THE
CONFIRMATION OF THE VOTERS**

AGENDA ITEM NO. 4B

On October 8, 2003 a protest hearing was held for City of Palmdale Annexation No. 2000-01A, at which hearing a sufficient number of protests to require an election on the matter were filed and not withdrawn. On October 22, 2003, your Commission adopted a Resolution Ordering City of Palmdale Annexation No. 2000-01A Subject to the Confirmation of the Voters, and requested that the Board of Supervisors set the election for March 2, 2004. As there are only 140 registered voters residing within the subject territory, however, a mailed ballot election may be held instead, at less cost. In order to request that the Board of Supervisors call a mailed ballot election, the resolution previously adopted by your Commission needs to be revised to expressly make that request. A redlined version of the revised resolution is provided with the Agenda package.

Recommended Action

Approve the revised Resolution Ordering City of Palmdale Annexation No. 2000-01A Subject to the Confirmation of the Voters.

RESOLUTION NO. 2003-

**REVISED RESOLUTION OF THE LOCAL AGENCY FORMATION
COMMISSION FOR LOS ANGELES COUNTY ORDERING
CITY OF PALMDALE ANNEXATION NO. 2000-01A SUBJECT TO
THE CONFIRMATION OF THE VOTERS**

WHEREAS, the City of Palmdale adopted a resolution of application to initiate proceedings before the Local Agency Formation Commission for Los Angeles County (the "Commission") pursuant to Part 3, Division 3, Title 5 of the California Government Code (commencing with section 56000, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000), for the annexation of the territory herein described to the City of Palmdale, including the detachment of said territory from Los Angeles County Road District No. 5 and annexation of the westerly portion of said territory to Los Angeles County Waterworks District No. 40; and

WHEREAS, the principal reason for this annexation is to promote orderly and efficient patterns of urban development and to allow for more logical city boundaries and a future transportation corridor that will eventually service the needs of residents within the City Ranch Specific Plan area; and

WHEREAS, a description of the boundaries and map of the territory of the proposal ("Territory") is set forth in Exhibits "A" and "B," attached hereto and by this reference incorporated herein; and

WHEREAS, the Territory is inhabited and consists of approximately 977 acres; and

WHEREAS, the short-form designation given this proposal is "City of Palmdale Annexation No. 2000-01A"; and

WHEREAS, on August 27, 2003, the Commission approved City of Palmdale Annexation No. 2000-01A by adopting a resolution making determinations (the "Commission's Resolution"), which is

attached hereto as Exhibit "C"; and

WHEREAS, pursuant to Government Code Section 57002, the Executive Officer of the Commission set October 8, 2003 as the date for the protest hearing and gave notice thereof; and

WHEREAS, at the time and place fixed in the notice, the hearing was held, and any and all oral or written protests, objections and evidence were received and considered; and

WHEREAS, pursuant to Government Code Section 57075.5, the Commission, acting as the conducting authority, is required to make a finding regarding the protests filed and not withdrawn and either 1) terminate these proceedings if written protests have been filed and not withdrawn by 50 percent or more of the registered voters within the Territory, or 2) order the annexation subject to the confirmation by the voters if written protests have been filed and not withdrawn by either 15 percent or more of the registered voters within the Territory, or 15 percent or more of the number of owners of land who also own not less than 15 percent of the total assessed value of land within the Territory, or 3) order the territory annexed without an election if written protests have been filed and not withdrawn by less than 15 percent of the registered voters within the Territory and less than 15 percent of the owners of land who own less than 15 percent of the total assessed value of land within the Territory.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The Commission finds that, as of October 8, 2003, the number of registered voters residing within the Territory is 140.

2. The Commission finds that the number of valid written protests filed in opposition to Annexation No. 2000-01A and not withdrawn represents less than 50 percent but more than 15 percent of the number of registered voters residing within the Territory.
3. Subject to the confirmation of the voters on the question, and subject to all of the terms and conditions contained in the Commission's Resolution, which terms and conditions are expressly incorporated herein by this reference as though set forth in full (the order of the Commission is hereinafter referred to as the "Order of Annexation"), the Commission hereby orders the annexation of the Territory described in Exhibit "A" hereto, which description is incorporated herein by reference, as follows:
 - a. Annexation of the Territory to the City of Palmdale.
 - b. Annexation of the westerly portion of the Territory to Los Angeles County Waterworks District No. 40.
 - c. Detachment of the Territory from Los Angeles County Road District No. 5.
4. Pursuant to Government Code section 56886, the annexation shall be subject to the following terms and conditions:
 - a. The Territory so annexed shall be subject to the payment of such service charges, assessments or taxes as the City of Palmdale and Waterworks District No. 40 may legally impose.
 - b. The regular County of Los Angeles assessment roll shall be utilized by the City of Palmdale.
 - c. The Territory will not be taxed for existing bonded indebtedness of the City of Palmdale.

5. The Commission hereby requests that the Board of Supervisors of the County of Los Angeles call a mailed ballot election, for the purpose of placing before the voters the question of whether or not the Order of Annexation should be confirmed. Pursuant to Government Code section 57118, the mailed ballot election shall be called in the Territory.

6. The question of whether or not the Order of Annexation should be confirmed shall appear on the ballot substantially as follows:

"CITY OF PALMDALE ANNEXATION NO. 2000-01A
Shall the order adopted August 28, 2003, by the Local Agency Formation Commission, affecting the City of Palmdale, Los Angeles County Waterworks District No. 40, and Los Angeles County Road District No. 5, ordering the annexation of the territory described in the order to the City of Palmdale, the detachment of said territory from Los Angeles County Road District No. 5, and annexation of the westerly portion of said territory to Los Angeles County Waterworks District No. 40, be confirmed, subject to such terms and conditions specified in the order?

_____ YES

_____ NO"

7. If a majority of the votes cast in the Territory is in favor of the ballot measure, upon the City of Palmdale's payment of the applicable fees required by Government Code Section 54902.5, this Commission shall execute a certificate of completion confirming the Order of Annexation.
8. If a majority of the votes cast in the Territory is against the ballot measure, this Commission shall execute a certificate terminating the proceedings.
9. The Executive Officer is directed to transmit certified copies of this resolution to the Executive Officer of the Board of Supervisors of the County of Los Angeles and to the City Clerk of the City of Palmdale.

10. This Revised Resolution supercedes the Resolution Ordering City of Palmdale Annexation No. 2000-01A Subject to the Confirmation of the Voters adopted by the Commission on October 22, 2003.

PASSED AND ADOPTED this 14th day of January 2004.

Ayes:

Noes:

Absent:

Abstain:

LARRY J. CALEMINE, Executive Officer

Staff Report

January 14, 2004

Municipal Service Review Progress

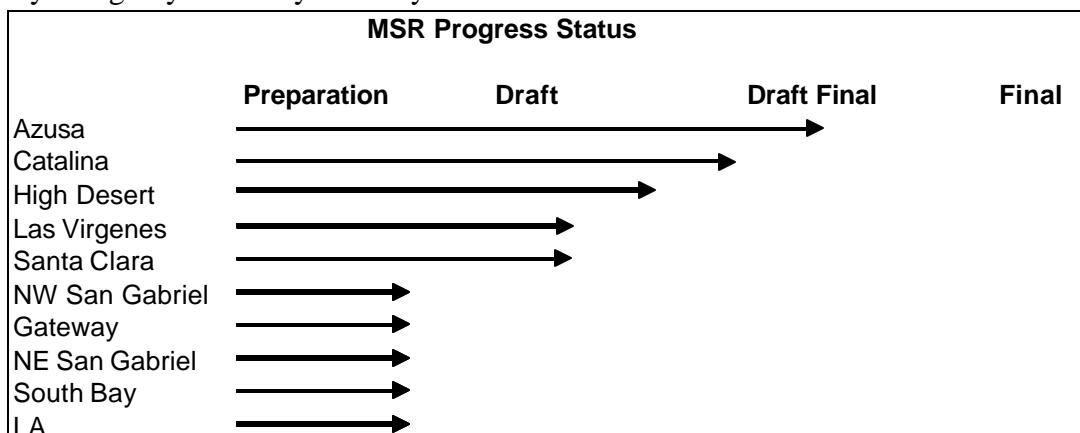
As of January 7, 2004

Agenda Item No. 4C

The “backbone” municipal service review (MSR) reports are being prepared for nine separate MSR geographic areas as well as Azusa. The steps involved in the MSR preparation and approval include:

- 1) Preparation
 - a. Questionnaire development, response, and data entry
 - b. Mapping verification
- 2) Draft MSR
 - a. Demographic projections
 - b. Follow-up questions and/or interviews
 - c. Analysis
 - d. Draft preliminary report
- 3) Final Draft MSR
 - a. Agencies review draft report (30-day period)
 - b. LAFCO-Agencies meeting
 - c. Report revisions
- 4) Final MSR and Public Hearing
 - a. Commissioners and the public review final draft report (21-day period)
 - b. Report revisions
 - c. Commissioners reach nine MSR determinations
 - d. Commissioners update spheres of influence

The backbone MSRs are being prepared in the same order as indicated in the accompanying figure. The Azusa draft MSR has been reviewed by the agencies and staff has solicited public comment at a Jan. 7 meeting. The Azusa draft final MSR is expected to be presented to the Commission in February. The Catalina draft MSR is expected to be distributed to the agencies for review this month. The High Desert preliminary MSR is currently in the follow-up question phase, with a preliminary report expected to be ready for agency review by February.



The agencies in the first three MSR areas have responded to the LAFCO questionnaires.

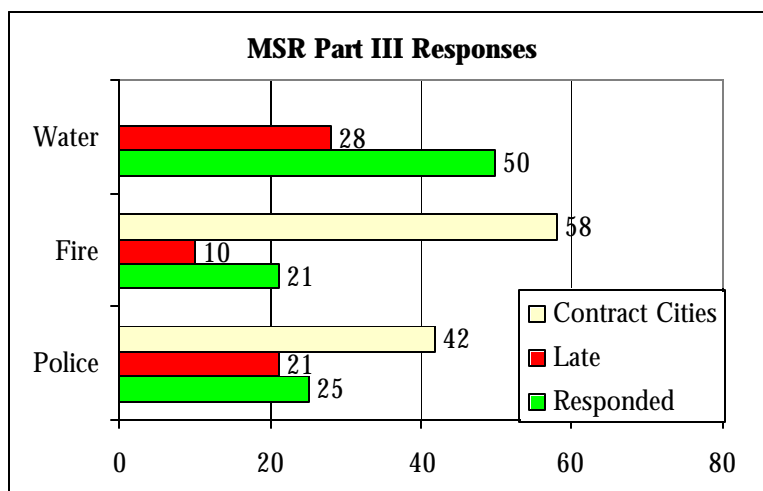
The agency maps for the first five backbone MSRs—Azusa, Catalina, High Desert, Las Virgenes and Santa Clara—have been verified through comparison with the legal description, the Registrar of Voters, the County Assessor, the County Public Works Agency, and the agencies’ mapping data. The County Urban Research Division has prepared the demographic projections data for the agencies in the first five MSR areas including both backbone service providers and secondary service providers such as health care districts.

LAFCO has prepared a Request for Proposal for a consulting firm with water expertise to conduct municipal service reviews focused on water wholesalers and retailers. LAFCO is engaged in contract negotiations with one of the bidders.

Police, Fire and Water Services Questionnaire

LAFCO recently prepared and mailed out a total of police service questionnaires (RFI Part III) to the 46 cities with independent police departments. The agencies’ responses were due October 24. The Sheriff has responded on behalf of its service area including 41 contract cities, and Whittier is expected to respond on behalf of its contract city—Santa Fe Springs. As of January 7, 24 cities have responded to the police questionnaire and the remaining 22 cities’ responses are late.

The fire service questionnaire was mailed out to the 30 cities with independent fire departments and the Consolidated Fire Protection District (“CFPD”). CFPD has responded on behalf of its service area including 57 contract cities, and Los Angeles is expected to respond on behalf of its contract city—San Fernando. As of January 7, 20 cities have responded to the fire questionnaire and the remaining 10 cities’ responses are late.

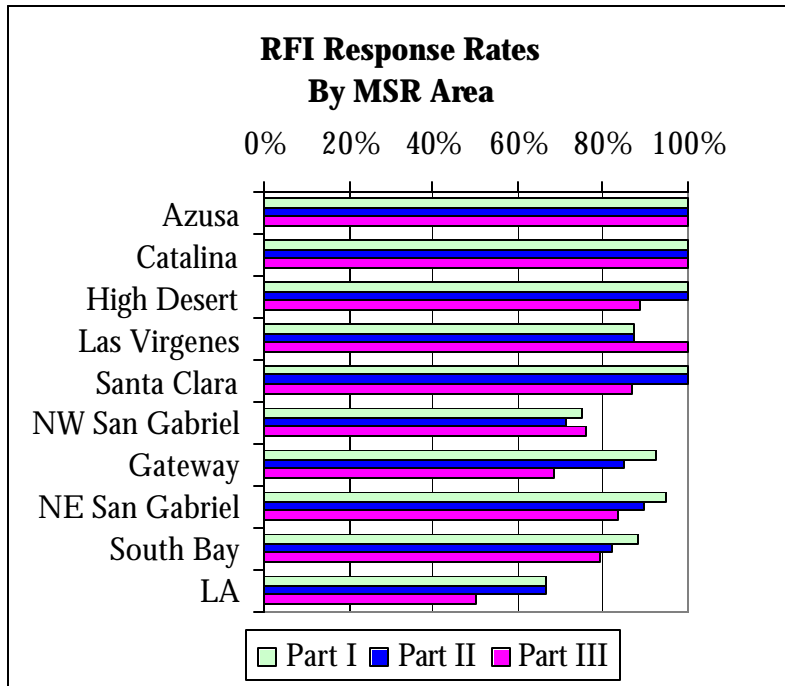


The water services questionnaire was sent to the 41 cities and the 37 special districts that are clearly providing water service. The agencies’ responses were due October 24. As of January 7, 26 cities and 23 special districts have responded to the water service questionnaire. There are 15 cities and 14 special districts providing water service which have not yet responded to the questionnaire.

Questionnaire Response Overview

The agencies' questionnaire responses for the backbone MSR areas being processed first are complete. For the upcoming Las Virgenes MSR area, only Hidden Hills responses are outstanding. For the upcoming Santa Clara MSR area, LAFCO is awaiting water questionnaires from two water retailers—the Golden Valley Municipal Water District and the Green Valley County Water District.

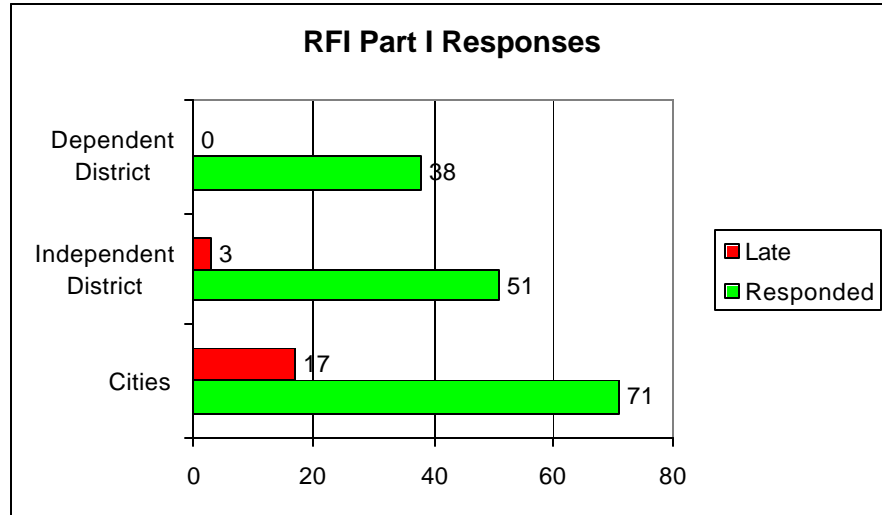
Agency responsiveness to the questionnaires is covered in greater detail on the following pages.



Basic Agency Questionnaire

LAFCO prepared and mailed a total of 180 basic agency questionnaires (RFI Part I) accompanied by maps for agency review. These mailings were sent to 88 cities, 54 independent special districts, and 38 dependent special districts. The agencies were given four weeks to respond. As of January 7, 2004, 160 of the agencies have responded and 20 are late in responding. The responses to Part I are indicated by agency type in the following table:

LAFCO has checked all 160 responses received as to whether the agencies attached the requested documents (e.g. budgets). The non-respondents are over four months late in submitting a response. The non-respondents have all been contacted by telephone and encouraged in writing to submit a response. This task will be completed once all agencies have responded.



RFI PART I: RESPONSES OUTSTANDING

CITIES (17)

Beverly Hills	Montebello
Burbank	Rosemead
Culver City	San Marino
El Monte	South El Monte
Hawaiian Gardens	South Gate
Hawthorne	Temple
Hidden Hills	Torrance
La Canada Flintridge	West Hollywood
Long Beach	

INDEPENDENT DISTRICTS (3)

Valley County Water District	Wilmington Cemetery District
Westfield Recreation & Park District	

DEPENDENT DISTRICTS (0)