



Marin Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

NOTICE OF REGULAR MEETING AND AGENDA

Marin Local Agency Formation Commission

Thursday, October 12, 2017

Marin Clean Energy | Charles McGlashan Room
1125 Tamalpais Avenue, San Rafael, California

*** REMINDER OF NEW MEETING LOCATION ***

7:00 P.M. – CALL TO ORDER BY CHAIR

ROLL CALL BY CHAIR

AGENDA REVIEW

The Chair or designee will consider any requests to remove or rearrange items by members.

OPEN TIME

This portion of the meeting is reserved for persons desiring to address the Commission on any matter not on the current agenda. All statements that require a response will be referred to staff for reply in writing or will be placed on the Commission's agenda for consideration at a later meeting. Speakers are limited to three minutes.

CONSENT CALENDAR ITEMS

All items calendared as consent are considered ministerial or non-substantive and subject to a single motion approval. The Chair of designee will also consider requests from the Commission to pull an item for discussion.

1. Approval of Meeting Minutes |

September 7, 2017 and August 10, 2017 Regular Meeting (action)

Staff has prepared meeting minutes for the last two meetings of the Commission. This involves a special meeting held on September 7th and a regular meeting held on August 10th. The minutes are being presented for formal approval with any desired corrections or clarifications.

2. Commission Ratification | Reconciled Payments from July 1 to August 31, 2017 (action)

The Commission will consider ratifying payments made by the Executive Officer between the months of July and August. The payments cover all reconciled payroll and non-payroll expenses during the period and total \$85,981. The payments are being presented for formal ratification consistent with adopted policies.

3. Budget Update for 2017-2018 and Year End Projections (action)

The Commission will review a report comparing budgeted and actual transactions for 2017-2018 through September 30th and its projection Marin LAFCO is on pace to finish with a net difference of \$13,685 or 2.5%. This projection marks a significant improvement over the budgeted operating net of (\$10,000) and is largely tied to anticipated savings in payroll costs for reasons detailed. The report is being presented to the Commission to accept and file and to provide direction as needed.

4. Progress Report on 2017-018 Workplan (action)

The Commission will receive a progress report on accomplishing specific projects established as part of the adopted workplan for 2017-2018. The report is being presented to the Commission to formally accept as well as to provide direction to staff as needed.

5. Current and Pending Proposals (information)

The Commission will receive a report identifying active proposals on file with Marin LAFCO as required under statute. The report also identifies pending local agency proposals to help telegraph future workload. The report is being presented to the Commission for information only.

CONSENT CALENDAR CONTINUED...**6. Request for Change in Condition of Approval Terms | 263 Second Street et al. to the Tomales Village Community Services District (action)**

The Commission will consider an applicant's request for a change in a condition to complete the terms established by Marin LAFCO in approving the annexation of territory at 263 Second Street and three adjacent and/or nearby undeveloped lots to the Tomales Village Community Services District on August 13, 2015. Staff believes the request is reasonable and recommends approval in order for the applicant to complete the change of organization. The affected parcels are identified by the County of Marin as 102-041-40, 41, 42, and 43.

PUBLIC HEARING ITEMS**7. North Marin Water District | Final Report on Sphere of Influence Update and Associated Items (action)**

The item has returned to the Commission from the previous public hearing held on August 10, 2017 for consideration in taking two actions tied to its scheduled sphere of influence update on the North Municipal Water District. The first action is to receive and file a final report prepared by staff evaluating the current sphere designation and update recommendations therein relative to State law and Commission policies. The second action is to consider adopting a resolution updating the sphere consistent with the recommendations of the final report and headlined by making one immediate modification to include approximately 2,230 acres located off of State Highway 1 in the West Marin service area. Other recommendations focus on policy statements involving Dillion Beach and South Sonoma County to designate these areas as priority reviews ahead of the next scheduled update. The item remains intact from the last regular meeting with some technical edits made in Appendix A of the report.

8. Boundary Change Proposal and Related Actions | Reorganization of 276 Mesa Road to the Bolinas Community Public Utility District (action)

The Commission will consider a proposal from a landowner requesting annexation of approximately 20.6 acres of unincorporated territory in Bolinas to the Bolinas Community Public Utility District to establish public water service for the future development of a single-family residence. The affected territory lies outside the established sphere of influence for the District and a concurrent amendment is necessary to facilitate an annexation. Staff recommends approval of a concurrent sphere amendment and proposed annexation with standard terms. The subject parcel is identified by the County of Marin Assessor's Office as 188-170-54.

BUSINESS ITEMS**9. Recommendations on the Temporary Appointment of the Interim Executive Officer (action)**

The Commission will consider to approve recommendations involving the duties, salary adjustment and agreement contract following the appointment of Marin LAFCO's Interim Executive Officer, Rachel Jones. The proposed recommendations include the completion of six items on the Commission's adopted work plan for 2017-2018 and a temporary salary adjustment of \$48.08 per hour. It is also recommended a contract of the appointment be memorialized by LAFCO's personnel counsel. Additionally, the Commission will consider the recommendation on the selection of a firm to oversee the recruitment of a new Executive Officer.

EXECUTIVE OFFICER REPORT

- Update on 2018 CALAFCO Annual Conference

COMMISSIONER ANNOUNCEMENTS AND REQUESTS**ADJOURNMENT TO NEXT MEETING**

Thursday, December 14, 2017



Attest: Rachel Jones
Interim Executive Officer

Pursuant to GC Section 84308, if you wish to participate in the above proceedings, you or your agent are prohibited from making a campaign contribution of \$250 or more to any Commissioner. This prohibition begins on the date you begin to actively support or oppose an application before LAFCO and continues until 3 months after a final decision is rendered by LAFCO. If you or your agent have made a contribution of \$250 or more to any Commissioner during the 12 months preceding the decision, in the proceeding that Commissioner must disqualify himself or herself from the decision. However, disqualification is not required if the Commissioner returns that campaign contribution within 30 days of learning both about the contribution and the fact that you are a participant in the proceedings. Separately, any person with a disability under the Americans with Disabilities Act (ADA) may receive a copy of the agenda or a copy of all the documents constituting the agenda packet for a meeting upon request. Any person with a disability covered under the ADA may also request a disability-related modification or accommodation, including auxiliary aids or services, in order to participate in a public meeting. Please contact the LAFCO office at least three (3) working days prior to the meeting for any requested arraignments or accommodations.

Marin LAFCO

Administrative Office
1401 Los Gatos Drive, Suite 220
San Rafael California 94903

T: 415-448-5877
E: staff@marinlafco.org
W: marinlafco.org

Blank for Photocopying



Marin Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

AGENDA REPORT

October 12, 2017

Item No. 1 (Consent/Action)

October 6, 2017

TO: Marin Commissioners

FROM: Rachel Jones, Interim Executive Officer

**SUBJECT: Approval of Meeting Minutes |
September 7, 2017 Special Meeting and August 10, 2017 Regular Meeting**

Staff has prepared meeting minutes for the last two meetings of the Commission. This involves a special meeting held on September 7th and a regular meeting held on August 10th. The minutes are being presented for formal approval with any desired corrections or clarifications.

Local Agency Formation Commissions (LAFCOs) are political subdivisions of the State of California responsible for providing regional growth management services in all 58 counties. LAFCOs' duties and responsibilities are prescribed under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

A. Background

The Ralph M. Brown Act was enacted by the State Legislature in 1953 and establishes standards and processes therein for the public to attend and participate in meetings of local government bodies as well as those local legislative bodies created by State law; the latter category applying to LAFCOs. The "Brown Act" requires – and among other items – public agencies to maintain minutes for all meetings.

B. Discussion

This item is for Marin LAFCO ("Commission") to consider approving action minutes for the September 7, 2017 special meeting and the August 10, 2017 regular meeting. Attendance at both meetings is noted below.

- All members were present at the special meeting held on September 7th with the exception of Commissioner Arnold (alternate).
- All members were present at the regular meeting held on August 10th with exception of Commissioner Arnold (alternate).

Administrative Office

Keene Simonds, Executive Officer
1401 Los Gatos Drive, Suite 220
San Rafael, California 94903
T: 415-448-5877 E: staff@marinlafco.org
www.marinlafco.org

Damon Connolly, Regular
County of Marin

Dennis J. Rodoni, Regular
County of Marin

Judy Arnold, Alternate
County of Marin

Carla Condon, Vice Chair
Town of Corte Madera

Sashi McEntee, Regular
City of Mill Valley

Matthew Brown, Alternate
City of San Anselmo

Jack Baker, Regular
North Marin Water District

Craig K. Murray, Regular
Las Gallinas Valley Sanitary

Lew Kious, Alternate
Almonte Sanitary District

Jeffrey Blanchfield, Chair
Public Member

Chris Skelton, Alternate
Public Member

C. Analysis

The action minutes for both listed meetings accurately reflect the Commission's actions as recorded by staff. A video recording of the August 10th regular meeting is also available online for viewing at www.marinlafco.org.

D. Alternatives for Action

The following alternatives are available to the Commission:

Alternative One (Recommended):

Approve the draft action minutes prepared for the September 7th special meeting and the August 10th regular meeting with any desired corrections or clarifications.

Alternative Two:

Continue consideration of the item to the next regular meeting and provide direction to staff as needed.

E. Recommendation

It is recommended the Commission proceed with the action identified in the preceding section as Alternative One.

F. Procedures for Consideration

This item has been agendized as part of the consent calendar. Accordingly, a successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation as provided unless otherwise specified by the Commission.

Respectfully,



Rachel Jones
Interim Executive Officer

Attachments:

- 1) Draft Minutes for September 7, 2017
- 2) Draft Minutes for August 10, 2017



Marin Local Agency Formation Commission
Regional Service Planning | Subdivision of the State of California

MINUTES

SPECIAL MEETING

Thursday, September 7, 2017
 Marin LAFCO Administrative Office
 1401 Los Gamos Drive, Suite 220, San Rafael California

CALL TO ORDER BY CHAIR

Chair Blanchfield called the meeting to order at 1:05 pm.

ROLL CALL BY CHAIR

Regulars Present: Jeffrey Blanchfield, Chair
 Carla Condon, Vice Chair
 Jack Baker
 Damon Connolly (1:10 pm)
 Sashi McEntee
 Craig K. Murray
 Dennis J. Rodoni

Alternates Present: Chris Burdick
 Matt Brown
 Lew Kious

AGENDA REVIEW

Chair Blanchfield asked if there were any requests for changes to the agenda. No requests were made, and the Chair confirmed the Commission would proceed as planned.

OPEN TIME

Chair Blanchfield asked whether any commissioner or alternate had requests for changes to the agenda. There were none and Chair Blanchfield proceeded to the next agenda item.

ADJOURN TO CLOSED SESSION

Chair Blanchfield invited members of the public in the audience to address the Commission regarding any matter within LAFCO's purview not listed on the agenda for discussion at the meeting. No such public requests were made.

PERSONNEL – EXECUTIVE OFFICER

RETURN TO OPEN SESSION

Chair Blanchfield reported that at the closed session the Commission: (1) accepted the resignation of Executive Director Keene Simonds effective September 10, 2017, and, (2) delegated Chair Blanchfield and Vice Chair to negotiate with Marin LAFCO's staff policy analyst to assume the role of Marin LAFCO Interim Executive Officer on a temporary basis until a new Executive Officer is hired.

COMMISSIONER ANNOUCEMENTS AND REQUESTS

None

ADOURNMENT TO NEXT MEETING

Chair Blanchfield adjourned the meeting at 2:05 p.m.

APPROVED and ATTESTED:



Jeffry Blanchfield
Chair



Marin Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

MINUTES

REGULAR MEETING

Thursday, August 10, 2017

Marin Clean Energy | Charles McGlashan Room
1125 Tamalpais Avenue, San Rafael, California

CALL TO ORDER BY CHAIR

Chair Blanchfield called the meeting to order at 7:10 pm.

ROLL CALL BY CHAIR

Regulars Present: Jeff Blanchfield, Chair
Carla Condon, Vice Chair (7:45 pm)
Jack Baker
Damon Connolly
Sashi McEntee
Craig K. Murray
Dennis Rodoni

Alternates Present: Matt Brown*
Chris Skelton
Lew Kiouis

** voting in place of absent regular members*

AGENDA REVIEW

Chair Blanchfield updated the Commission on the health of former Alternate Public Member Chris Burdick and invited the Commission to sign a card for him. Chair Blanchfield then asked if there were any requests for changes to the agenda. No requests were made with the exception of a five-minute break from the Executive Officer after Agenda Item No. 20. The Chair accepted the request and confirmed the Commission would proceed as planned with the aforementioned alteration.

OPEN TIME

Chair Blanchfield invited members of the audience to address the Commission on any LAFCO related matters not listed on the agenda. No requests were made from the public.

CONSENT CALENDAR ITEMS

All items calendared as consent are considered ministerial or non-substantive and subject to a single motion approval. The Chair of designee will also consider requests from the Commission to pull an item for discussion.

1. Approval of Meeting Minutes | June 8, 2017 Regular Meeting (action)

Staff has prepared meeting minutes for the last meeting of the Commission. This involves a regular meeting held on June 8th. The minutes are being presented for formal approval with any desired corrections or clarifications.

2. End of Year Financial Report for Fiscal Year 2016-2017 (action)

The Commission will review an end of year report comparing budget and actual transactions for 2016-2017. The report notes the Commission finished the fiscal year with a net operating surplus of \$14,299 or 3.0%. This amount represents a significant improvement over the budgeted operating net of (\$25,000) and is largely attributed unexpected savings in payroll costs. The report is being presented to the Commission to accept and file as well as to provide direction as needed.

3. Commission Ratification | Reconciled Payments from June 1 to June 30, 2017 (action)

The Commission will consider ratifying payments made by the Executive Officer during the month of June. The payments cover all reconciled payroll and non-payroll expenses during the period and total \$59,403. The payments are being presented for formal ratification consistent with adopted policies.

4. Request for Time Extension to Complete Approval Terms | 263 Second Street et al. to the Tomales Village Community Services District (action)

The Commission will consider an applicant's request for a second time extension to complete the terms established by Marin LAFCO in approving the annexation of territory at 263 Second Street and three adjacent and/or nearby undeveloped lots to the Tomales Village Community Services District on August 13, 2015. Staff believes the request is reasonable and recommends approval of another one-year extension. The affected parcels are identified by the County of Marin as 102-041-40, 41, 42, and 43.

5. Request to Extend an Approval Term Date | Outside Wastewater Services to 255 Margarita Drive by San Rafael Sanitation District (action)

The Commission will consider a request by the San Rafael Sanitation District to extend its approval from Marin LAFCO to provide wastewater services by contract outside the District boundary to 255 Margarita Drive in the County Club community. Two earlier six-month extensions have been requested and approved by the Commission and most recently on February 9th. Staff recommends approval of a third time extension, albeit for only two months and as a means to further motivate the parties to reach an agreement and satisfy all outstanding terms. The affected parcel is identified as 016-011-29.

6. Progress Report on 2017-018 Workplan (action)

The Commission will receive a progress report on accomplishing specific projects established as part of the adopted workplan for 2017-2018. The report is being presented to the Commission to formally accept as well as to provide direction to staff as needed.

7. Approval of Cost-of-Living Adjustment to Employee Salaries (action)

The Commission will consider formal approval of a 3.0% cost-of-living adjustment for Marin LAFCO employees effective July 1, 2017. The proposed action was contemplated in the adopted operating budget and parallels the practice of the Commission to follow the County of Marin in providing cost-of-living adjustments for unrepresented employees.

8. Proposed Contract Amendments with Executive Officer (action)

The Commission will consider recommendations by the Policy Committee to amend Marin LAFCO's employment contract with Keene Simonds for Executive Officer services. Proposed amendments include an equity adjustment to increase the annual salary by \$2,500 and establish a monthly automobile allowance in the amount of \$500. It is also recommended the amendments become effective on September 9, 2017 and in step with the anniversary date of employment with the Commission.

CONSENT CALENDAR CONTINUED...

9. Candidates for the Special Districts Risk Management Authority (action)

The Commission will consider selecting nominated candidates to serve on the Special Districts Risk Management Authority's Board of Directors; a legally separate joint-powers authority in which the Commission is a signatory and provides pooled insurance services. It is recommended the Commission authorize the Chair to execute the resolution provided by SDRMA making ballot selections on behalf of the membership.

10. California Association of Local Agency Formation Commissions | Annual Conference (action)

The Commission will consider action items relating to CALAFCO's Annual Conference scheduled for October 25-27th in Mission Bay (San Diego). Requested actions include appointment of voting delegates, board nominations for city and public member seats, and achievements award submittals. It is recommended the Commission authorize the Chair to make the requested appointments and nominations with input from the membership before the associated deadlines.

11. Authorization to Approve Audit Expenditure (action)

The Commission will consider authorizing the Executive Officer to approve an expenditure for R.J. Ricciardi & Associates to prepare an independent audit for 2016-2017 in an amount not-to-exceed \$6,760 plus direct costs. Approval would follow an earlier decision by the Commission to select R.J. Ricciardi & Associates for auditing services beginning in 2012-2013 following a competitive bid process. Staff recommends approval.

12. Expense Authorization and Associated Budget Amendments | New Computer Networking System and Ongoing Support Services (action)

The Commission will consider three related actions tied to authorizing and funding a new computer networking system at Marin LAFCO. Two of the actions involve authorizing the Executive Officer to enter into agreements with a local vendor to purchase, deliver, set-up, and separately provide ongoing support for a new Apple computer network system covering four workstations. The initial and combined cost of the two agreements during the first year is \$21,306 (equipment and support) and followed by \$7,140 (support) each year thereafter if renewed. The third action involves approving a budget amendment for \$16,166 to cover the majority of the first year costs by transferring projected savings out of salaries/benefits. No reserves would be used implementing this project.

13. Current and Pending Proposals (information)

The Commission will receive a report identifying active proposals on file with Marin LAFCO as required under statute. The report also identifies pending local agency proposals to help telegraph future workload. The report is being presented to the Commission for information only.

14. CALAFCO Quarterly Report (information)

The Commission will receive a quarterly report from CALAFCO summarizing current and pending news through June 2017. The quarterly report is being presented for information.

APPROVED; motion and second made by Commissioners Rodoni and Murray to approve the consent calendar (with the exception of Agenda Items No. 4, 5, and 12 for further discussion) and recommendations therein; all yes with the abstention by Commissioner Blanchfield on Agenda Item No. 1

The Executive Officer conveyed to the Commission the reasoning for transitioning to a new computer operating and network system and the costs associated therein. Commission discussion followed.

APPROVED; motion and second made by Commissioners Rodoni and Murray to approve the consent calendar Agenda Item No. 12 and recommendations therein; all yes

The Commission requested to modify Agenda Item No. 4 and 5 to a final six-month time extension and develop time extension/renewal policies and any associated cost recoveries with the Policy Committee.

APPROVED; motion and second made by Commissioners Brown and Baker to approve the consent calendar Agenda Item No. 4 and 5 with the modifications therein; all yes

PUBLIC HEARING ITEMS

15. Central Marin Wastewater Study |

Final Report with Determinations and Related Actions (action)

The Commission will consider two distinct actions associated with Marin LAFCO's scheduled municipal service review on public wastewater services in Central Marin. The first action is to formally accept and file a final report prepared by staff that has been updated from its draft presentation in April in independently examining and making related determinations on the relationship between demands and capacities relative to the Commission's regional growth management interests. The second action is to approve a resolution codifying the written determinations included in the final report addressing the mandatory governance, service, and finance factors required for consideration under State law and is being presented for adoption.

The Policy Analyst summarized the final report along with the determinations and recommendations of the Central Marin Wastewater Study. The Policy Analyst addressed to the Commission a technical edit determined by CMSA which did not alter the report as a whole. Staff made recommendations to address the edits and CMSA agreed with staff's approach.

Chair Banchfield opened the public hearing and invited comments from the audience. No comments were received. The Chair closed the public hearing.

Commission discussion followed.

APPROVED; motion and second made by Commissioners Connolly and Baker to accept and file the final report and approve the resolution and recommendations therein; all yes

16. North Marin Water District |

Final Report on Sphere of Influence Update and Associated Items (action)

The Commission will consider taking two actions tied to its scheduled sphere of influence update on the North Municipal Water District. The first action is to receive and file a final report prepared by staff evaluating the current sphere designation and update recommendations therein relative to State law and Commission policies. The second action is to consider adopting a resolution updating the sphere consistent with the recommendations of the final report and headlined by making one immediate modification to include approximately 2,230 acres located off of State Highway 1 in the West Marin service area. Other recommendations focus on policy statements involving areas within Dillion Beach and South Sonoma County and include designating these as priority reviews ahead of the next scheduled update.

Staff provided a brief summary of the final report and recommendations as part of the Commission's scheduled sphere of influence update for North Marin Water District.

Commission discussion followed. Commissioner Baker requested the Commission defer action on the item in order to further engage with the General Manager Drew McIntyre on the recommendations outlined in the final report.

Chair Blanchfield opened the public hearing and invited comments from the audience. Comments were received from Greenbelt Alliance Regional Director of the North Bay, Terri Shore.

CONTINUED; the Commission continued the public hearing item to the next regular meeting.

17. Boundary Change Proposal and Related Actions

Annexation of 571 McClay Road to the Novato Sanitary District (action)

The Commission will consider two related actions tied to a landowner request to annex one unincorporated parcel totaling 3.24 acres within the Indian Valley community to the Novato Sanitary District. The first action involves approving a negative declaration for the underlying project and based on the recommendation of an initial study. The second action involves approving the annexation and upon consideration of the mandatory factors required of the Commission anytime it reviews a proposed boundary change. Staff recommends approval of both actions with the latter including the application of standard conditions. The subject assessor parcel is identified by the County of Marin as 146-180-46.

The Policy Analyst summarized the proposal on the reorganization of 571 McClay Road. Commissioners presented questions and participated in a robust discussion regarding Novato's Urban Growth Boundary and the referenced annexation.

Chair Blanchfield opened the public hearing and invited any members of the public to address the Commission. Chair Blanchfield noted to the public that he was a previous Board member of the Greenbelt Alliance, and was advised by LAFCO Counsel that no conflict of interest exists. Comments were received by Greenbelt Alliance Regional Director of the North Bay, Terri Shore, Susan Stompe from the Marin Conservation League, and resident at 563 McClay Road in opposition of the annexation and initial study. The Commission received one final comment from the applicant's representative, John Margoskwi.

Commission discussion followed.

APPROVED; motion and second made by Commissioners McEntee and Baker to approve the negative declaration of the initial study for the 571 McClay Road annexation to the Novato Sanitary District; opposed by Commissioner Rodoni

APPROVED; motion and second made by Commissioners McEntee and Baker to approve the annexation of 571 McClay Road to the Novato Sanitary District; opposed by Commissioners Rodoni, Condon, and Connolly

BUSINESS ITEMS

18. Final Proposal to Readopt Study Schedule (action)

The Commission will review a final proposal from the Policy Committee to readopt a new five-year study schedule calendaring municipal service reviews. The final proposal would replace the existing study schedule set to expire at the end of the next fiscal year and calendars municipal service reviews beginning in 2017-2018 and extending to 2021-2022. The final proposal follows the earlier presentation of a draft at the June 8th meeting and subsequent public review and remains entirely intact with no changes.

Staff provided a brief summary of the proposed five-year study schedule extending to 2021-2022 of two studies a year covering 70 percent of all the agencies within the next five years.

APPROVED; motion and second made by Commissioners Connolly and McEntee to readopt a new five-year study schedule; all yes

19. Financial Audit for Fiscal Year Ending June 30, 2016 (action)

The Commission will receive a report from an outside consultant auditing Marin LAFCO's financial statements for 2015-2016. The report concludes the tested statements show no material weaknesses or omissions and accurately reflects the Commission's financial standing with an adjusted ending unrestricted fund balance of \$177,137; a net difference of (\$19,481) over the prior fiscal year. Two recommendations are provided in the accompanying management letter to further improve accounting practices and are accordingly being addressed by staff. The report is being presented to receive and file.

Staff reported the financial audit for fiscal year 2015-2016 had shown no errors or omissions and the Commission had a good financial standing. The Executive Officer also gave praise to the Commission's contract bookkeeper, Alyssa Schiffman with Southern Marin Fire.

APPROVED; motion and second made by Commissioners Murray and McEntee to receive and file the financial audit report for fiscal year ending June 30, 2016; all yes

20. Approval of New and Amended Job Descriptions (action)

The Commission will consider recommendations from the Policy and Personnel Committee to approve new and amended job descriptions as contemplated in the adopted workplan. The proposed new job description involves establishing the position of Assistant Policy Analyst to address existing workflow needs and ahead of initiating a recruitment. The amended job description involves retitling the existing position of Administrative Analyst to Policy Analyst along with related changes to better reflect existing duties of the position.

Staff presented the recommendations to approve and amend job descriptions as contemplated in the adopted workplan.

APPROVED; motion and second made by Commissioners Baker and Rodoni to approve the new and amended job descriptions; all yes

21. Conversion of Agenda Packets to E-Form | Overview of Tablets and Policy Adoption (action)

The Commission will consider adopting policies involving the use of iPads as it relates to the issuance, possession, and related liability matters. The Commission will also receive a brief presentation from staff on implementing the planned conversion of agenda packets from hard copies to e-form through the use of Marin LAFCO issued tablets. This includes issuing tablets to interested Commissioners with staff going over key features and usage of tablets going forward in conducting Marin LAFCO business.

Staff provided a brief tutorial on new tablets issued to the Commission for agenda packets and presented policies on the issuance, possession and related liability matters therein.

APPROVED; motion and second made by Commissioners Murray and Baker to adopt policies on tablet usage; all yes

EXECUTIVE OFFICER REPORT

NONE.

COMMISSIONER ANNOUNCEMENTS AND REQUESTS

Commissioner McEntee requested agenda packets be distributed at a reasonable time before meeting dates.

ADOURNMENT TO NEXT MEETING

Chair Blanchfield adjourned the meeting at 9:45 pm.

APPROVED:



Jeff Blanchfield
Chair

ATTESTED:



Rachel Jones
Interim Executive Officer

Blank for Photocopying



Marin Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

AGENDA REPORT

October 12, 2017
Item No. 2 (Consent / Action)

October 6, 2017

TO: Marin Commissioners

FROM: Rachel Jones, Interim Executive Officer
Alyssa Schiffmann, Contract Bookkeeper

**SUBJECT: Commission Ratification |
Reconciled Payments from July 1 to August 31, 2017**

The Commission will consider ratifying payments made by the Executive Officer during the months of July and August. The payments cover all reconciled payroll and non-payroll expenses during the period and total \$85,981. The payments are being presented for formal ratification per adopted policies.

Local Agency Formation Commissions (LAFCOs) are responsible under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (“CKH”) to establish written policies and procedures in providing regional growth management services in all 58 counties in California. LAFCOs are also authorized to make their own provisions – including entering into contracts and agreements and without going through the Department of General Services – for all necessary staffing and service needs therein.

A. Background

Marin LAFCO’s (“Commission) adopted Policy Handbook delegates the Executive Officer to make purchases and related procurements necessary in overseeing the day-to-day business of the agency. The Policy Handbook also directs all payments made by the Executive Officer be reconciled at the end of each month by the membership’s contracted bookkeeper. All reconciled payments are to be reported to the Commission at the next available meeting for formal ratification.

B. Discussion

This item is for the Commission to consider ratification of all payments made by the Executive Officer between July 1 and August 31. These payments have been reconciled by the Commission’s contracted bookkeeper – Alyssa Schiffmann with Southern Marin Fire Protection – and total \$85,981. The payments are detailed in Attachment One.

C. Analysis

The forwarded payments have been reconciled as required under adopted policy and in step with presenting for Commission ratification. An expanded discussion regarding

Administrative Office
Keene Simonds, Executive Officer
1401 Los Gatos Drive, Suite 220
San Rafael, California 94903
T: 415-448-5877 E: staff@marinlafco.org
www.marinlafco.org

Damon Connolly, Regular
County of Marin
Dennis J. Rodoni, Regular
County of Marin
Judy Arnold, Alternate
County of Marin

Carla Condon, Vice Chair
Town of Corte Madera
Sashi McEntee, Regular
City of Mill Valley
Matthew Brown, Alternate
Town of San Anselmo

Jack Baker, Regular
North Marin Water District
Craig K. Murray, Regular
Las Gallinas Valley Sanitary
Lew Kious, Alternate
Almonte Sanitary District

Jeffrey Blanchfield, Chair
Public Member
Chris Skelton, Alternate
Public Member

the need and impact of the expenditures reported herein is also incorporated as part of the year-end review presented separately as Agenda Item No. 2.

D. Alternatives for Action

The following alternatives are available to the Commission:

Alternative One (Recommended):

Ratify the reconciled payments made by the Executive Officer between July 1st and August 31st as shown in Attachment One.

Alternative Two:

Continue consideration of the item to the next regular meeting and provide direction to staff as needed.

E. Recommendation

It is recommended the Commission proceed with the actions outlined in the preceding section as Alternative One.

F. Procedures for Consideration

This item has been agendized as part of the consent calendar. Accordingly, a successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation unless otherwise specified by the Commission.

Respectfully,



Rachel Jones
Interim Executive Officer

Attachment:

- 1) Reconciled Payments from July 1 to August 31, 2017

10:59 AM
09/07/17
Accrual Basis

Marin Local Agency Formation Commission
Expenses by Vendor Detail
July through August 2017

	Date	Memo	Account	Amount
BAKER, JOHN M				
	08/12/2017	Per Diem 8-10-17 Meeting	5211533 · Commissioner Per Diems	125.00
Total BAKER, JOHN M				125.00
BLANCHFIELD, JEFFRY S				
	08/12/2017	Per Diem 8-10-17 Meeting	5211533 · Commissioner Per Diems	125.00
	08/12/2017	Per Diem 8-10-17 Meeting	5220110 · Office Supplies	0.00
	08/12/2017	Per Diem 8-10-17 Meeting	5211440 · Travel - Mileage	0.00
Total BLANCHFIELD, JEFFRY S				125.00
CALAFCO				
	07/21/2017	Calafco Registration Murray/Skelton/Jones	5211330 · Memberships & Dues	2,726.00
Total CALIFORNIA ASSOCIATION OF LOCAL AGE				2,726.00
CHRIS SKELTON				
	08/12/2017	Per Diem 8-10-17 Meeting	5211533 · Commissioner Per Diems	125.00
Total Chris Skelton				125.00
COMCAST				
	08/10/2017	Through July 2017	5210710 · Communications Services	231.40
	08/28/2017	Through August 12 2017	5210710 · Communications Services	462.80
Total COMCAST				694.20
CONDON, CARLA STONE				
	08/12/2017	LAFCO Per Diem 8-10-17	5211533 · Commissioner Per Diems	125.00
Total CONDON, CARLA STONE				125.00
CONNOLLY, DAMON				
	08/12/2017	Per Diem 8-10-17	5211533 · Commissioner Per Diems	125.00
Total CONNOLLY, DAMON				125.00
COUNTY OF MARIN-CDA				
	08/04/2017	GIS Work on SRSD Central Marin WW	5211516 · Mapping Services - County	174.75
Total COUNTY OF MARIN-CDA				174.75
COUNTY OF MARIN - DOF PAYROLL				
	08/29/2017	OPEB Contribution - Banning / July 2017	5130525 · CalPERS - Retiree Health	445.47
Total COUNTY OF MARIN - DOF PAYROLL				445.47
FOURTH STREET PRESS				
	08/04/2017	Central Marin WW Final Report / BW Copies	5211520 · Publications/Notices	978.19
Total FOURTH STREET PRESS				978.19
FP MAILING SOLUTIONS				
	08/10/2017	Meter Rental through 7-26-17	5210710 · Communications Services	10.21
Total FP MAILING SOLUTIONS				10.21
GRAF VAN & STORAGE INC				
	08/29/2017	Through July 2017	5211215 · Rent - Storage	35.19
Total GRAF VAN & STORAGE INC				35.19
HARLAND CLARKE				
	08/21/2017	checks	5220110 · Office Supplies	171.11
Total HARLAND CLARKE				171.11
KIOUS, LEWIS				
	08/12/2017	Per Diem 8-10-17 Meeting	5211533 · Commissioner Per Diems	125.00
Total KIOUS, LEWIS				125.00
LIEBERT CASSIDY WHITMORE				
	08/29/2017	Legal Services Back Invoices	5210131 · Legal Services	1,536.40
	08/29/2017	Legal Services Back Invoices	5210131 · Legal Services	192.00
	08/29/2017	Legal Services Back Invoices	5210131 · Legal Services	105.00
	08/29/2017	Legal Services Back Invoices	5210131 · Legal Services	208.00
Total LIEBERT CASSIDY WHITMORE				2,041.40
MARIN COUNTY COUNSEL				
	08/10/2017	JFG Support MOU	5210131 · Legal Services	220.00
Total Marin County Counsel				220.00
MARIN GENERAL SVCS AUTHORITY				
	07/21/2017	Mapping Services Fee 17-18	5211330 · Memberships & Dues	10,000.00
Total MARIN GENERAL SVCS AUTHORITY				10,000.00
MARIN IJ PROCESSING CENTER				
	08/10/2017	August 2017 Notices	5211520 · Publications/Notices	232.40
Total MARIN IJ PROCESSING CENTER				232.40
MARIN IT INC				
	08/29/2017	VOID	5210710 · Communications Services	0.00
	08/29/2017	Replacement Check	5210710 · Communications Services	92.87
	08/29/2017	VOID	5210710 · Communications Services	-92.87
	08/29/2017	IT Services Through 8-14-17	5210710 · Communications Services	92.80
Total MARIN IT INC				92.80
MARIN MAC TECH				
	07/21/2017	Consulting Services	5210110 · Professional Services	145.00
	08/17/2017	Monthly IT Services: August 2017	5210110 · Professional Services	595.00
	08/17/2017	VOID	5210935 · Office Equipment Purchases	0.00
	08/17/2017	For CHK 1043 voided on 08/18/2017	5210935 · Office Equipment Purchases	14,166.30
	08/18/2017	Commission Approved 1/2 of Equipment Purchase	5210935 · Office Equipment Purchases	7,083.15
	08/18/2017	Reverse of GJE Audit -- For CHK 1043 voided on 08/18/2017	5210935 · Office Equipment Purchases	-14,166.30

Marin Local Agency Formation Commission
Expenses by Vendor Detail
July through August 2017

	<u>Date</u>	<u>Memo</u>	<u>Account</u>	<u>Amount</u>
Total MARIN MAC TECH				7,823.15
MATT BROWN				
	08/12/2017	LAFCO Per Diem 8-10-17 Meeting	5211533 · Commissioner Per Diems	125.00
Total Matt Brown				125.00
McENTEE, SASHI				
	08/12/2017	Per Diem 8-10-17 Meeting	5211533 · Commissioner Per Diems	125.00
Total McENTEE, SASHI				125.00
MELO MAR				
	08/04/2017	New Meter Cartridges	5211520 · Publications/Notices	118.47
Total MELO MAR				118.47
MURRAY, CRAIG K				
	08/12/2017	Per Diem 8-10-17 Meeting	5211533 · Commissioner Per Diems	125.00
Total MURRAY, CRAIG K				125.00
PAYROLL				
	07/14/2017		5110110 · Sal - Regular Staff	7,647.47
	07/14/2017		5110328 · Personal Leave	316.53
	07/14/2017		5110323 · Sick Leave	0.00
	07/14/2017		5110324 · Vacation Leave	0.00
	07/14/2017		5110313 · Holiday Pay	0.00
	07/14/2017		5130520 · Co Ret Cont Tier III	1,238.67
	07/14/2017		5130521 · Co Ret Cont Tier IV	568.91
	07/14/2017		5130110 · Ben-Med-GrpLifeInsur	1.12
	07/14/2017		5130120 · County of Marin - Group Health	824.17
	07/14/2017		5130210 · Dental Insurance	21.99
	07/14/2017		5130310 · Vision Service Plan	2.55
	07/14/2017		5130410 · Benefits - Disability Plan	12.97
	07/14/2017		5140140 · Payroll Tax	146.22
	07/14/2017		5130524 · Benefits - Fringe Retirement	0.00
	07/28/2017		5110110 · Sal - Regular Staff	3,381.12
	07/28/2017		5110328 · Personal Leave	0.00
	07/28/2017		5110323 · Sick Leave	0.00
	07/28/2017		5110324 · Vacation Leave	3,862.80
	07/28/2017		5110313 · Holiday Pay	804.88
	07/28/2017		5130520 · Co Ret Cont Tier III	989.91
	07/28/2017		5130521 · Co Ret Cont Tier IV	246.07
	07/28/2017		5130110 · Ben-Med-GrpLifeInsur	1.12
	07/28/2017		5130120 · County of Marin - Group Health	824.17
	07/28/2017		5130210 · Dental Insurance	21.99
	07/28/2017		5130310 · Vision Service Plan	2.55
	07/28/2017		5130410 · Benefits - Disability Plan	12.97
	07/28/2017		5140140 · Payroll Tax	149.14
	07/28/2017		5130524 · Benefits - Fringe Retirement	0.00
	08/11/2017		5110110 · Sal - Regular Staff	7,316.38
	08/11/2017		5110328 · Personal Leave	515.04
	08/11/2017		5110323 · Sick Leave	217.38
	08/11/2017		5110324 · Vacation Leave	0.00
	08/11/2017		5110313 · Holiday Pay	0.00
	08/11/2017		5130520 · Co Ret Cont Tier III	989.91
	08/11/2017		5130521 · Co Ret Cont Tier IV	246.07
	08/11/2017		5130110 · Ben-Med-GrpLifeInsur	1.12
	08/11/2017		5130120 · County of Marin - Group Health	824.17
	08/11/2017		5130210 · Dental Insurance	21.99
	08/11/2017		5130310 · Vision Service Plan	2.55
	08/11/2017		5130410 · Benefits - Disability Plan	12.97
	08/11/2017		5140140 · Payroll Tax	149.14
	08/11/2017		5130524 · Benefits - Fringe Retirement	0.00
	08/29/2017	estimated - need detail	5110110 · Sal - Regular Staff	7,964.00
	08/29/2017	estimated - need detail	5110328 · Personal Leave	0.00
	08/29/2017	estimated - need detail	5110323 · Sick Leave	0.00
	08/29/2017	estimated - need detail	5110324 · Vacation Leave	0.00
	08/29/2017	estimated - need detail	5110313 · Holiday Pay	0.00
	08/29/2017	estimated - need detail	5130520 · Co Ret Cont Tier III	1,238.67
	08/29/2017	estimated - need detail	5130521 · Co Ret Cont Tier IV	568.91
	08/29/2017	estimated - need detail	5130110 · Ben-Med-GrpLifeInsur	1.12
	08/29/2017	estimated - need detail	5130120 · County of Marin - Group Health	824.17
	08/29/2017	estimated - need detail	5130210 · Dental Insurance	21.99
	08/29/2017	estimated - need detail	5130310 · Vision Service Plan	2.55
	08/29/2017	estimated - need detail	5130410 · Benefits - Disability Plan	12.97
	08/29/2017	estimated - need detail	5140140 · Payroll Tax	146.20
	08/29/2017	estimated - need detail	5130524 · Benefits - Fringe Retirement	0.00
Total PAYROLL				42,154.62
POINT REYES LIGHT PUBLISHING CO, LL				
	08/10/2017	NMWD SOI Update	5211520 · Publications/Notices	500.00
Total POINT REYES LIGHT PUBLISHING CO, LL				500.00

Marin Local Agency Formation Commission
Expenses by Vendor Detail
July through August 2017

	<u>Date</u>	<u>Memo</u>	<u>Account</u>	<u>Amount</u>
RICCIARDI, R J				
	08/04/2017	15-16 Audit Work Through July 31, 2017	5210110 · Professional Services	492.50
Total RICCIARDI, R J				<u>492.50</u>
RICOH USA INC				
	08/10/2017	Copier Costs Through August 2017	5211520 · Publications/Notices	276.65
Total RICOH USA INC				<u>276.65</u>
RODONI, DENNIS JAMES				
	08/12/2017	Per Diem 8-10-17	5211533 · Commissioner Per Diems	125.00
Total RODONI, DENNIS JAMES				<u>125.00</u>
SECURITY MORTGAGE GROUP 2				
	08/04/2017	August Rent Includes \$142.84 in Back Rent	5211270 · Office Lease/Rent	2,708.09
	08/29/2017	September 2017 Rent	5211270 · Office Lease/Rent	2,565.61
Total SECURITY MORTGAGE GROUP 2				<u>5,273.70</u>
SPECIAL DISTRICT RISK MNGMT - ACH				
	08/04/2017	Annual Charge	5140115 · Workers Compensation	1,744.21
	08/04/2017		5210525 · General Insurance	3,993.39
Total SPECIAL DISTRICT RISK MNGMT - ACH				<u>5,737.60</u>
US BANK GOVERNMENT SERVICES				
	07/22/2017	dropbox	5210710 · Communications Services	9.99
	07/22/2017	vista print	5220110 · Office Supplies	21.23
	08/04/2017	dropbox	5210710 · Communications Services	9.99
Total US BANK GOVERNMENT SERVICES				<u>41.21</u>
VERIZON WIRELESS				
	08/10/2017	EO Mobile Plan Thru July 2017	5210710 · Communications Services	141.09
Total VERIZON WIRELESS				<u>141.09</u>
WELLS FARGO CC				
	08/10/2017	Apple iPads	5210935 · Office Equipment Purchases	4,310.84
	08/10/2017	Lunch with Heater Abrams with TVCSD to Discuss Study Schedule	5211510 · Misc Services	38.91
Total WELLS FARGO CC				<u>4,349.75</u>
TOTAL				<u><u>85,980.46</u></u>

Blank for Photocopying



Marin Local Agency Formation Commission
 Regional Service Planning | Subdivision of the State of California

AGENDA REPORT

October 12, 2017
 Item No. 3 (Consent/Action)

October 6, 2017

TO: Marin Commissioners
FROM: Rachel Jones, Interim Executive Officer
 Alyssa Shiffmann, Contract Bookkeeper

SUBJECT: Budget Update for 2017-2018 and Year End Projections

The Commission will review a report comparing budgeted and actual transactions for 2017-2018 through September 30th and its projection. Marin LAFCO is on pace to finish with a net difference of \$13,685 or 2.5%. This projection marks a significant improvement over the budgeted operating net of (\$10,000) and is largely tied to anticipated savings in payroll costs for reasons detailed. The report is being presented to the Commission to accept and file and to provide direction as needed.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 mandates operating costs for Local Agency Formation Commissions (LAFCOs) shall be annually funded by the affected counties, cities/towns, and independent special districts on a one-third apportionment process. Apportionments for cities/towns and independent special districts are further divided and proportional to each agency’s total revenues as a percentage of the overall revenue amount collected in the county and as determined by the State Controller’s Office. LAFCOs are also authorized to establish and collect fees to offset agency contributions.

A. Background

2016-2017 Budget

Marin LAFCO’s (“Commission”) adopted final budget for 2017-2018 totals \$556,781. This amount represents the total approved operating expenditures for the fiscal year divided between three active expense units: salaries and benefits; administrative activities; and services and supplies. A purposeful operating deficit of (\$10,000) or (1.8%) was budgeted with setting annual revenues at \$546,781 in step with phasing a corresponding contribution increase among the funding agencies in recent years. Budgeted revenues are divided between three active units and are intergovernmental contributions, service charges, and investments. The Commission’s estimated available unaudited fund balance as of July 1, 2017 was \$191,436.

Budgeted 17-18 Expenses	Budgeted 17-18 Revenues	Budgeted 17-18 Year End Balance	Beginning 17-18 Fund Balance
\$556,781	\$546,781	(\$10,000)	\$191,436

Administrative Office
 Keene Simonds, Executive Officer
 1401 Los Gamos Drive, Suite 220
 San Rafael, California 94903
 T: 415-448-5877 E: staff@marinlafco.org
 www.marinlafco.org

Damon Connolly, Regular
 County of Marin
 Dennis J. Rodoni, Regular
 County of Marin
 Judy Arnold, Alternate
 County of Marin

Carla Condon, Vice Chair
 Town of Corte Madera
 Sashi McEntee, Regular
 City of Mill Valley
 Matthew Brown, Alternate
 City of San Anselmo

Jack Baker, Regular
 North Marin Water District
 Craig K. Murray, Regular
 Las Gallinas Valley Sanitary
 Lew Kious, Alternate
 Almonte Sanitary District

Jeffrey Blanchfield, Chair
 Public Member
 Chris Skelton, Alternate
 Public Member

B. Discussion

This item is for the Commission to receive an update comparison of (a) budget to (b) actual expenses and revenues through the month of September. The report provides the Commission the opportunity to track expenditure trends and accompanied by year-end operating balance projections from the Executive Officer. The report is being presented to the Commission to formally accept and file and provide related direction as needed.

Summary of Operating Expenses

The Commission's budgeted operating expense total for 2017-2018 is \$556,781. Actual expenses processed through the first three months totaled \$127,126; an amount representing 23% of the budgeted total with 25% of the fiscal year complete.

Expense Units	Adopted w/ Amendments	Actuals Through 9/30	Percent Expended	Unexpended Balance
1) Salaries and Benefits	360,639	56,713	16%	303,926
2) Administrative	90,614	11,251	12%	79,363
3) Services and Supplies	105,529	59,161	56%	46,368
4) Contingencies	-	-	-	-
Total	\$556,781	\$131,980	24%	\$429,657

Actuals through the first three months or one-quarter and related analysis suggest the Commission is on pace to finish the fiscal year with \$533,096 in total expenses and produce an unexpended budgeted savings of \$23,686 or 4%. An expanded discussion on budgeted and actual expenses through the first three months and related year-end projections follow in Attachment Two.

Summary of Operating Revenues

The Commission's budgeted operating revenue total for 2017-2018 is \$541,781. Actual revenues collected through the first three months totaled \$522,675. This amount represents 96% of the budgeted total with 25% of the fiscal year complete. A summary comparison of budgeted to actual operating revenues follows.

Revenue Unit	Adopted	Actuals Through 9/30	Percent Collected	Amount Outstanding
1) Intergovernmental	514,781	514,379	99%	402
2) Service Charges	30,000	8,296	28%	21,704
3) Interest Earnings	2,000	0	0%	2,000
	\$546,781	\$522,675	96%	\$24,106

Actuals through the first three months and related analysis suggest the Commission's year-end revenue totals will tally \$546,781 and not result in a shortfall. An expanded discussion on the budgeted and actual revenues through the first three months in the main revenue units follows in Attachment Two.

C. Analysis

Activity through the first three months of the fiscal year indicates the Commission is proceeding as planned while also – and advantageously – on pace to eliminate its budgeted net operating deficit of (\$10,000) and finish with a surplus of \$13,685. This projected improvement is largely tied to accruing salary and related benefit savings associated with the continued leave of one the Commission’s three budgeted positions and the departure of the Executive Officer. These saving in salary and benefits – and among other potential uses – is expected to help absorb significant projected overruns in legal and general administrative and office expenses with the latter tied to the purchase of a new computer networking system and ongoing support services.¹

D. Alternatives for Action

The following alternatives are available to the Commission:

Alternative Action One (Recommended):

Accept and file the report as presented and provide direction as need to staff with respect to any related matters for future consideration.

Alternative Action Two:

Continue consideration of the report to a future meeting and provide direction for more information as needed.

E. Recommendation

It is recommended the Commission proceed with the actions outlined in the preceding section as Alternative Action One.

F. Procedures for Consideration

This item has been agendized as part of the consent calendar. Accordingly, a successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation unless otherwise specified by the Commission.

Respectfully,



Rachel Jones
Interim Executive Officer

Attachments:

- 1) 2016-2017 General Ledger through September 30, 2017
- 2) Summary of Transactions in Revenue and Expense Units

¹ The Executive Officer entered into agreements with Marin Mac Tech to purchase, deliver, set-up and separately provide ongoing support for the new Apple computer network system covering four workstations. The combined cost of the two agreements during the first year is \$21,306 (equipment and support) and followed by \$7,140 (support) each year thereafter if renewed.

Blank for Photocopying



MARIN LOCAL AGENCY FORMATION COMMISSION

Regional Service Planning | State of California

Expense Ledger		FY2014-2015		FY2015-2016		FY2016-2017		FY2017-2018				
		Final FY14-15	Actuals FY14-15	Final FY15-16	Actuals FY15-16	Final FY16-17	Actuals FY16-17	Adopted FY17-18	Amended FY17-18	Actuals As of 9-30-17 (22.8% of FY)	Projected FY17-18	
Salary and Benefit Costs												
<u>Account</u>	<u>Description</u>									<u>% of Budget</u>		
5110110	Staff Salaries	189,884	179,672	246,688	241,699	234,111	217,782	282,079	265,913	42,414	16.0%	212,730.51
5130510	Employee Retirement (MCERA)	51,793	45,258	61,990	59,730	57,852	45,478	37,561	37,561	6,577	17.5%	30,048.85
5140125	Employee Benefits (County of Marin)	16,888	15,486	25,443	25,980	26,867	22,210	32,313	32,313	4,525	14.0%	25,850.12
5140141	Payroll Tax	2,518	2,704	3,693	4,270	4,020	5,298	3,887	3,887	662	17.0%	3,887
5140115	Workers Compensation	736	792	742	1,064	960	1,731	1,744	1,744	1,643	94.2%	1,643
5140145	Unemployment Insurance	868	1,215	868	2,234	6,290	106	3,605	3,605	-	0.0%	3,605
5130525	Post Employment Benefits (CalPERS)	16,798	24,898	14,880	13,481	15,615	15,320	15,615	15,615	891	5.7%	15,615
		279,486	270,024	354,304	348,459	345,716	307,925	376,805	360,639	56,713	15.7%	293,380.18
General Administrative Costs												
<u>Account</u>	<u>Description</u>											
5210110	Professional Services	5,800	17,183	15,255	15,793	15,020	13,554	26,180	30,680	2,319	7.6%	70,680
5210131	Legal Services	14,196	2,477	10,075	10,045	58,579	54,301	35,880	35,880	2,261	6.3%	35,880
5210230	Accounting and Payroll	8,000	-	4,925	1,200	6,125	7,217	5,550	5,550	1,010	18.2%	5,550
5211325	Work Conferences	4,000	2,614	2,975	3,495	2,450	1,953	2,965	2,965	4,098	138.2%	2,965
5211440	Mileage and Travel	3,000	3,523	3,037	3,851	4,118	4,486	4,539	4,539	115	2.5%	4,539
5211533	Commissioner Per Diems	7,100	4,600	7,100	5,500	10,875	10,625	11,000	11,000	2,375	21.6%	13,000
		42,096	30,397	43,367	39,884	97,166	92,136	86,114	90,614	12,177	13.4%	132,614
Service and Supply Costs												
<u>Account</u>	<u>Description</u>											
5211270	Office Space Leases/Rents	16,770	16,770	17,370	19,774	24,938	25,527	31,253	31,253	5,442	17.4%	31,403
5211330	Membership and Dues	13,340	13,896	14,092	14,017	14,369	14,269	14,556	14,556	12,726	87.4%	14,556
5210525	General Insurance	3,000	2,771	2,771	2,677	2,677	2,564	3,993	3,993	3,993	100.0%	3,993
5210715	Communication Services	5,875	5,416	6,054	7,497	6,568	8,783	8,236	8,236	1,257	15.3%	8,236
5211516	Reprographic/Map Services	-	-	-	-	-	180	-	-	-	0.0%	-
5220110	General Office Supplies	2,000	5,831	23,400	19,795	7,590	6,823	4,200	4,200	890	21.2%	4,200
5210935	Office Equipment and Replacement	6,000	8,672	2,907	4,706	5,137	3,783	11,400	23,066	19,035	82.5%	25,000
5211340	Ongoing Education and Training	1,500	327	1,095	820	1,800	808	1,250	1,250	1,300	104.0%	3,000
5211520	Public Notices and Publications	2,000	1,121	2,095	3,804	5,000	4,006	5,000	5,000	2,268	45.4%	3,500
5210129	Website and Graphic Design	2,000	3,000	2,000	-	15,500	12,795	11,613	11,613	11,217	96.6%	11,613
TBD	Miscellaneous / Petty Cash	-	-	-	-	-	-	1,961	1,961	39	2.0%	1,200
5211215	Records Storage	800	315	800	366	401	458	401	401	70	17.6%	401
		53,285	58,119	72,584	73,456	83,980	79,996	93,863	105,529	58,237	55.2%	107,102
Contingencies												
<u>Account</u>	<u>Description</u>											
	Operating Reserve	-	-	-	-	-	-	-	-	-	-	-
EXPENSE TOTALS		374,866	358,540	470,254	461,799	526,862	480,057	556,781	556,781	127,127	22.8%	533,095.82

Revenue Ledger		FY2014-2015		FY2015-2016		FY2016-2017		FY2017-2018			
		Final FY14-15	Actual FY14-15	Final FY15-16	Actual FY15-16	Final FY16-17	Actual FY16-17	Adopted FY17-18	Amended FY17-18	Actuals As of 9-30-17 (22.8% of FY)	Projected FY17-18
Intergovernmental											

Account	Description							% of Budget				
4710510	Agency Contributions	348,366	348,367	387,528	387,528	470,362	469,161	514,781	514,781	514,379	99.9%	514,781
		348,366	348,367	387,528	387,528	470,362	469,161	514,781	514,781	514,379	99.9%	514,781
Service Charges												
4640333	Application Fees	25,000	15,536	25,000	17,424	30,000	23,778	30,000	30,000	8,296	27.7%	30,000
4710631	Miscellaneous	-		226	365	-	-	-	-	-	-	-
		25,000	15,536	25,226	17,789	30,000	23,778	30,000	30,000	8,296	27.7%	30,000
Investments												
	Interest	1,500	700	1,500	769	1,500	1,417	2,000	2,000	-	0.0%	2,000
		1,500	700	1,500	769	1,500	1,417	2,000	2,000	-	0.0%	2,000
REVENUE TOTALS		374,866	364,603	414,254	406,086	501,862	494,356	546,781	546,781	522,675	95.6%	546,781

OPERATING NET		-	6,064	(56,000)	(55,713)	(25,000)	14,299	(10,000)	(10,000)			13,685.28
(negative amounts reflect draw down on reserves)												

AUDITED FUND BALANCE												
As of June 30th		\$	196,618.00	\$	177,137.00							

Salaries and Benefits | Assumptions

Regular Salaries

Analyst Position | Assumes 3.0% COLA

\$	54,777.60	Salary 40 Hours Per Week @ Step III	38.0379
\$	25,555.20	Salary 40 Hours Per Week @ Step IV	39.9331
\$	80,332.80		

Executive Officer Position | Assumes 3.0% COLA

\$	137,924.80	Salary 40 Hours Per Week	66.3114
\$	3,978.60	Cash-Out	66.3110
\$	141,903.40		

Commission Clerk Position | Assumes 3.0% COLA

\$	24,375.16	Salary 30 Hours Per Week	31.2502
\$	25,467.78	Salary 30 Hours Per Week	32.6510
\$	49,842.94		

* Assumes LAFCO will hire new employee at County's Office Assistant II class

* Assumes new hire will work 30 hours; resets hours to pre 16-17 levels

Contingency | Cover Potential Mid-Year Adjustments

\$ 10,000.00

282,079.14

TOTAL

376,804.52

MCERA Pension Costs

Position	Current Rate	Projected Rate	Projected Salary	Charge
Analyst (PEPRA)	20.22%	8.49%	\$ 80,332.80	\$ 6,820.25
EO	24.05%	19.22%	\$ 137,924.80	\$ 26,509.15
Clerk (PEPRA)	24.05%	8.49%	\$ 49,842.94	\$ 4,231.67
			\$ 37,561.07	* Based on MCERA Estimate

Other Post Employment Benefits

2017-2018 Rate

\$ 15,615.00

\$ 15,615.00

* Actuarial estimate

Payroll Tax

Rate 2017-18 Salaries

1.45% \$ 268,100.54

\$ 3,887.46

Workers Compensation

Current Charge Projected Charge

\$ 1,730.00 \$ 1,781.90

\$ 1,744.21

* Estimate from SDRMA

Unemployment Insurance

Current Charge Projected Charge

\$ 3,500.00 \$ 3,605.00

\$ 3,605.00

* Assumes 3% increase

Insurance Benefits

Position	Health	Dental	Life	Vision	Fringe
Analyst	8,488.22	627.38	35.88	66.3	-
EO	12,039.82	1858.74	258.7	211.9	-
Clerk	8,488.22	627.38	35.88	66.3	-
	29,016.26	3,113.50	330.46	344.50	-

\$ 32,312.65

* assumes 1.5% decrease

32,804.72

Administrative Costs | Assumptions

Professional Services

Service	Vendor	Charge
Workshop Facilitator	Bill Chiat	1,600.00
Workshop Catering	Forks and Fingers	650.00
Annual Audit	Riccardi	7,670.00
Security Services	Barbier	1,120.00
MSR Support Statistics	Consultants	5,000.00
HR Services		7,500.00
IT Services	Marin IT	2,640.00
		<u>26,180.00</u>

Legal Services

Service	Hours	Rate	Charge
County Counsel	12	240.00	2,880.00
Outside Counsel	120	275.00	33,000.00
			<u>35,880.00</u>

Accounting | Payroll

Service	Hours	Rate	Charge
Bookkeeping	30	120.00	3,600.00
Payroll	26	75.00	1,950.00
			<u>5,550.00</u>

Conferences

Event	Participants	Cost	Charge
CALAFCO Annual	3	490.00	1,470.00
CALAFCO Worksop	3	315.00	945.00
CALAFCO U	2	50.00	100.00
APA	1	450.00	450.00
			<u>2,965.00</u>

TOTAL

\$ 86,113.50

Travel and Mileage

Position	Miles	Rate	Charge
EO	750	0.55	412.50
Analyst	300	0.55	165.00
Clerk	20	0.55	11.00
			<u>588.50</u>

Annual Conference | San Diego

	Registration	Hotel/Food	Transport
EO	-	-	-
Analyst	-	900.00	250.00
Commissioner	-	900.00	250.00
Commissioner	-	900.00	250.00
	-	2,700.00	750.00

3,450.00

Annual Workshop | Marin

	Registratoin	Hotel/Food	Transport
EO	-	-	-
Analyst	-	-	-
Clerk	-	-	-
	-	-	-

Leg Meetings

500.00

4,538.50

Per Diems

Type:	Rate	Number	Attendance	Charge
Regular Meetings	125.00	6.00	10.00	7,500.00
Special Meetings	125.00	1.00	10.00	1,250.00
Committee Meetings	125.00	6.00	3.00	2,250.00
				<u>11,000.00</u>

Service and Supply Costs | Assumptions

Rent | Leases

Type	Place	Charge	
Office Space	Los Gamos	30,712.75	
Meeting Place	MCE	<u>540.00</u>	<u><u>31,252.75</u></u>

Membership and Dues

Type	Charge	
MarinMap	10,000.00	
CALAFCO	2,726.00	
CSDA	1,200.00	
MarinTV	150.00	
APA	<u>480.00</u>	<u><u>14,556.00</u></u>

General Insurance

Vendor	Charge	
CSDA	<u>2,600.00</u>	<u><u>3,993.39</u></u>

Website

Vendor	Charge	
Hosting	396.00	
CivicPlus	<u>11,217.00</u>	<u><u>11,613.00</u></u>

Publications

Vendor	Charge	
Legal Notices	1,000.00	
Outside Printing	<u>4,000.00</u>	<u><u>5,000.00</u></u>

Total

93,462.14

Training

Type	Charge	
eCornell Rachel	1,000.00	
Miscellaneous	<u>250.00</u>	<u><u>1,250.00</u></u>

Equipment

Type	Charge	
Computer Replacement	2,500.00	
Commissioner Tablets (8)	6,800.00	* assumes \$850 unit cost
FP Mailing Box Rental	100.00	
Monitor Replacement	800.00	
Ricon Maintenance Agreement	<u>1,200.00</u>	<u><u>11,400.00</u></u>

General Office

Type	Charge	
Office Supplies	2,700.00	
Copies	<u>1,500.00</u>	<u><u>4,200.00</u></u>

Communications

Type	Charge	
EO Phone	1,464.00	
MarinTV	2,700.00	* assumes 6 recordings
Comcast	2,640.00	
Email Hosting	300.00	
DropBox	132.00	
Postage	<u>1,000.00</u>	<u><u>8,236.00</u></u>

Special Departmental Expense

Type	Charge	
Water Service	216.00	
Meeting Catering	480.00	
Chair-EO Breakfasts	315.00	
Clerk Recruitment	450.00	
Special Events MCCMC, Etc.	<u>500.00</u>	<u><u>1,961.00</u></u>



Marin Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

MEMORANDUM

October 6, 2017

TO: Marin Commissioners

FROM: Rachel Jones, Interim Executive Officer

**SUBJECT: Budget Update for 2017-2018 |
Summary of Expense and Revenue Units Through September 30th**

The following summary supplements the agenda report and further details expense and revenue transactions through September 30th.

Summary of Operating Expenses

The Commission's budgeted operating expense total for 2017-2018 is \$556,781. This amount includes all subsequently approved amendments. Actual expenses through the first three months of the fiscal year totaled \$127,126. This amount represents 23% of the budgeted total with 25% of the fiscal year complete. A summary comparison of budgeted to actual operating expenses follows.

Expense Units	Adopted w/ Amendments	Actuals Through 9/30	Percent Expended	Unexpended Balance
1) Salaries and Benefits	360,639	56,713	16%	303,926
2) Administrative	90,614	11,251	12%	79,363
3) Services and Supplies	105,529	59,161	56%	46,368
4) Contingencies	-	-	-	-
Total	\$556,781	\$127,126	23%	\$429,657

Actuals through the first three months or one-quarter and related analysis suggest the Commission is on pace to finish the fiscal year with \$533,096 in total expenses and produce an unexpended budgeted savings of \$23,686 or 4%. An expanded discussion on budgeted and actual expenses through the first three months and related year-end projections as follows.

Salaries/Benefits Unit

The Commission budgeted with amendments \$360,639 in the Salaries and Benefits Unit for 2017-2018 with the proceeds largely tied to funding 2.85 fulltime equivalent employees as well as existing retiree obligations. Through the first three months the Commission's actual expenses within the seven affected accounts totaled \$56,713 or 16% of the budgeted amount. One of the affected accounts – Workers Compensation – finished with balances exceeding the proportional 25% spending threshold for the

Administrative Office
Keene Simonds, Executive Officer
1401 Los Gamos Drive, Suite 220
San Rafael, California 94903
T: 415-448-5877 E: staff@marinlafco.org
www.marinlafco.org

Judy Arnold, Regular
County of Marin

Damon Connolly, Regular
County of Marin

Kate Sears, Alternate
County of Marin

Carla Condon, Vice Chair
Town of Corte Madera

Sashi McEntee, Regular
City of Mill Valley

Matthew Brown, Alternate
Town of San Anselmo

Jack Baker, Regular
North Marin Water District

Craig K. Murray, Regular
Las Gallinas Valley Sanitary

Lew Kiou, Alternate
Almonte Sanitary District

Jeffrey Blanchfield, Chair
Public Member

Chris Skelton, Alternate
Public Member

period with explanations provided below. Additionally, with the departure of one fulltime equivalent employee, the Executive Officer, it is reasonable to assume staff salaries, benefits and pension contributions will amount to only 80% of the budgeted totals with the reduction in anticipated staffing levels explained below. In the absence of any additional amendments at this time, however, it is projected the Commission will finish the fiscal year with an expense total of \$293,380, and result in a surplus of \$67,259 or 19%.¹

- Workers Compensation

This account covers the Commission's contract costs to participate in the Special Districts Risk Management Authority's (SDRMA) risk-pool for employee injury and disability coverage while performing work related functions. The Commission budgeted \$1,774 in this account in 2017-2018 based on recent trends and ahead of a formal notification from SDRMA. Actual expenses through September totaled \$1,643 or 94.2% of the budgeted amount and tied to providing full invoice payment in September. Staff anticipates all budgeted costs are paid and the Commission will finish with a \$0 ending balance.

- Staff Salaries, Benefits and Pension Contributions

This account covers the Commission's staff salaries, employee benefits and pension obligations for staffing its regular employees. The Commission budgeted \$335,787 in the aforementioned accounts for 2017-2018 based on previous staffing levels – however – with the reduction in anticipated staffing levels due to the departure of the Executive Officer – it is reasonable to assume 80 percent of all budgeted salaries, benefits and pension costs will be met. Actual expenses through September totaled \$53,516 or 16% of the budgeted amount. The end result is a year-end surplus of 67,158 or 19%.

Administrative Activities Unit

The Commission budgeted with amendments \$90,614 in the Administrative Activities Unit for 2017-2018 to provide funding for *direct* support services necessary to operate Marin LAFCO (emphasis).² Through the first three months the Commission's actual expenses within the six affected accounts totaled \$11,251 or 12% of the budgeted amount. One of the affected accounts – Work Conferences – finished with balances exceeding the proportional 25% spending threshold for the period with explanations provided below. Additionally, with the departure of one fulltime equivalent employee, it is reasonable to assume the Commission will expend additional consultant costs over the current budgeted outlay in professional services for recruitment and additional staff report. In the absence of subsequent amendments at this time, however, it is projected the Commission will finish the fiscal year with an expense total of \$132,614, and result in a shortfall of (\$42,000) or (46%).

¹ The projected year-end total assumes the Commission Clerk will remain on full leave through June 30th and factors in the reduction in anticipated staffing levels.

² The original budgeted amount in the Administrative Unit totaled \$86,114. This total was subsequently amended to \$90,614 with the increase – \$4,500 – being drawn from the Salaries/Benefits Unit.

- Work Conferences
This account covers the Commission's costs for continued educational training specific to attending overnight conferences and workshops. The Commission budgeted \$2,965 in this account for 2017-2018 based on recent actual trends. Actual expenses through September totaled \$4,098 and attributed to registration costs for the upcoming CALAFCO Annual Conference set for late October in San Diego.³ Staff projects no additional registration costs over the succeeding nine months and estimates a resulting year-end shortfall of (\$1,133) or (38%).
- Professional Services
This account covers the Commission's costs to retain professional accounting services specific to transacting day-to-day business. The Commission budgeted \$30,680 in this account for 2017-2018 based on projected needs and highlighted by ongoing support services of a new computer network system with local vendor, Marin Mac Tech for four new Apple computers. Actual expenses in this account through September totaled \$2,319 or 7.6% of the budgeted amount. An additional \$40k in consultant costs over the current budgeted outlay in professional services is reasonable to assume for recruitment and additional staff support. It is projected the Commission will ultimately expend \$70,680 in this account through June, and result in a year-end shortfall of (\$40,000) or (130%).

Services and Supplies Unit

The Commission budgeted \$105,529 in the Services and Supplies Unit for 2017-2018 to provide funding for *indirect* support services necessary to operate Marin LAFCO (emphasis). Through the first three months the Commission's actual expenses within the 11 affected accounts totaled \$59,161 or 56% of the budgeted amount. Five accounts – Membership Dues, General Insurance, Office Equipment and Replacement, Ongoing Education and Training, Graphic Website/Design and Public Notices and Publications – finished with balances exceeding the proportional 25% spending threshold for the period with explanations provided below. In the absence of subsequent amendments it is projected the Commission will finish the fiscal year with an expense total of \$107,102, and result in an overall shortfall of (\$1,573) or (1.5%).

- Membership Dues
This account covers the Commission's annual dues for ongoing membership with several outside agencies and organizations as previously authorized by the members. This includes MarinMap and CALAFCO memberships. The Commission budgeted \$14,556 in this account for 2017-2018 based on recent actual trends. Actual expenses in this account through the first three months totaled \$12,726 or 87% of the budgeted amount and tied to providing full payment of all budgeted costs with the exception of Marin Television and the

³ Three attendees from Marin LAFCO have been registered for the CALAFCO 2018 Annual Conference: Commissioner Craig K. Murray; Commissioner Chris Skelton; and Interim Executive Officer Rachel Jones

California Special Districts Association (CSDA). Staff anticipates all budgeted costs will be paid and the Commission will finish with a \$0 ending balance.

- General Insurance

This account covers the Commission's contract cost to participate in SDRMA's risk-pool for general liability coverage to meet future claims and losses tied to third-party injuries and property damages. The Commission budgeted \$3,993 in this account in 2017-2018 based on the prior year's charge. Actual expenses through the first three months totaled \$3,993 or 100% of the budgeted amount and tied to providing full payment upon receipt of an invoice in August. No other invoices are expected, and accordingly the Commission should finish the fiscal year with an ending balance of \$0.

- Office and Equipment

This account covers the Commission's general overhead costs ranging from basic material supplies to office furniture. The Commission amended its budget to \$23,066 in this account for 2017-2018 based on projected year-end totals. Actual expenses in this account through the first three months totaled \$19,035 or 83% of the budgeted amount. Nearly two-thirds of these expenses are attributed to the purchase, delivery and set up of a new computer network system and computers for four workstations; costs that had been amended to the budget this fiscal year. It is projected the Commission will ultimately expend \$25,000 in this account through June, and result in a year-end deficit of (\$1,934) or (8%).

- Training

This account covers ongoing education services for Commissioners and staff. The Commission budgeted \$1,250 in this account for 2017-2018. Actual expenses in this account through the first three months totaled \$1,300 or 104% of the budgeted amount with the costs tied to the Interim Executive Officer completing a certificate program from eCornell in *Measuring and Improving Business Performance*. No additional expenses are expected within this account through June and producing a year-end deficit balance of (\$50) or (4%).

- Graphic/Website Design

This account covers the Commission's general costs tied to utilizing professional services for all specified graphic and website design or edits. The Commission budgeted \$11,613 in this account in 2017-2018 with nearly all funds earmarked for the design, launch and maintenance of the new website. Actual expenses in this account through the first three months totaled \$11,217 or 97% of the budgeted amount and predominately tied to paying in full the second of four annual installment payments to CivicPlus for website design and ongoing support services.⁴ Limited additional costs are expected, and as such the Commission is projected to finish with an ending balance of \$0.

⁴ The Commission approved a contract with CivicPlus in August 2016 consistent with the firm's formal proposal received as part of an open bid process. The total expense of the contract for a new website design along with maintenance and

- Public Notices and Publications

This account covers the Commission’s costs to utilize outside vendors for photocopying and related services as all as posting notices and advertisements in local newspapers. The Commission budgeted \$5,000 in this account for 2017-2018. Actual expenses in this account through the first three months totaled \$2,268 or 45% of the budgeted amount with the costs tied to using a third party to copy/bind the Commission’s draft and final reports on the Central Marin Wastewater Study. Staff anticipates year-end expenses totaling \$3,500 and resulting in a balance surplus of \$1,500 or 30%.

Summary of Operating Revenues

The Commission’s budgeted operating revenue total for 2017-2018 is \$546,781. Actual revenues collected through the first three months totaled \$522,675. This amount represents 95% of the budgeted total with 25% of the fiscal year complete. A summary comparison of budgeted to actual operating revenues follows.

Revenue Unit	Adopted	Actuals Through 9/30	Percent Collected	Amount Outstanding
1) Intergovernmental	514,781	514,379	99%	402
2) Service Charges	30,000	8,296	28%	21,704
3) Interest Earnings	2,000	0	0%	0
	\$546,781	\$522,675	96%	\$22,106

Actuals through the first three months and related analysis suggest the Commission’s year-end revenue totals will tally \$546,781 and result in an ending balance of \$0. An expanded discussion on the budgeted and actual revenues through the first three months in the main revenue units follows.

Intergovernmental Fees Unit

The Commission budgeted \$514,781 in the Intergovernmental Fees Unit for 2017-2018. This total budgeted amount was to be divided into three equal shares at \$171,594 and invoiced among the County of Marin, 11 cities/towns, and 30 independent special districts as provided under State statute. All invoices have been received with the exception of one special district. Accordingly, and in the absence of seeking a corrective payment from all 42 funding agencies to recover the remaining \$402 the Commission will finish with an ending balance of \$514,379 or 99% of the budgeted amount.

Application Fees Unit

The Commission budgeted \$30,000 in the Application Fees Unit for 2017-2018. Through the first three months \$8,296 in application fees have been collected. Staff

support services is \$38,730 with costs divided and spread out over four years. The first-year charge of \$11,216 was paid in August.

anticipates – and at least for budgeting purposes – the account ultimately tallying \$30,00 and result in a year-end balance of \$0.

Interest Unit

The Commission budgeted \$2,000 in the Interest Unit for 2017-2018. No interest earnings have been booked by the County Treasurer through the first three months and as such no monies have been collected. Staff anticipates – and at least for budgeting purposes – the account ultimately tallying \$2,000 and result in a year-end balance of \$0.



Marin Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

AGENDA REPORT

October 12, 2017
Item No. 4 (Consent/Action)

October 6, 2017

TO: Marin Commissioners
FROM: Rachel Jones, Interim Executive Officer

SUBJECT: Progress Report on 2017-2018 Workplan

The Commission will receive a progress report on accomplishing specific projects established as part of the adopted workplan for 2017-2018. The report is being presented to the Commission to formally receive and file as well as to provide direction to staff as needed.

Local Agency Formation Commissions (LAFCOs) are responsible for regulating the formation and development of local governmental agencies and municipal service areas under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH). This includes timing the establishment, expansion, and reorganization of local government and their public services to meet current and future community needs. LAFCOs inform their regulatory powers through various administrative and planning activities with an increasing emphasis on performance measurement.

A. Background

Marin LAFCO's ("Commission") current fiscal year workplan was adopted at a noticed public hearing held on June 8, 2017. The workplan is divided into two distinct categories – statutory and administrative – with one of three priority rankings: high; moderate; or low. The underlying intent of the workplan is to serve as a management tool to allocate Commission resources in an accountable and transparent manner over the corresponding 12 month period. Further, while it is a stand-alone document, the workplan should be reviewed in relationship to the adopted operating budget given the planned goals and activities are facilitated and or limited accordingly.

B. Discussion

This item provides the Commission with a status update on the two-dozen plus targeted projects established for the fiscal year with specific emphasis on the "top ten": the projects that represent the highest priority to complete during the fiscal year as determined by the membership. This includes identifying the projects already completed, underway, or pending in the accompanying attachment. The report and the referenced attachment is being presented for the Commission to formally receive and file while also providing additional direction to staff as appropriate.

Administrative Office
Keene Simonds, Executive Officer
1401 Los Gamos Drive, Suite 220
San Rafael, California 94903
T: 415-448-5877 E: staff@marinlafco.org
www.marinlafco.org

Damon Connolly, Regular
County of Marin
Dennis J. Rodoni, Regular
County of Marin
Judy Arnold, Alternate
County of Marin

Carla Condon, Vice Chair
Town of Corte Madera
Sashi McEntee, Regular
City of Mill Valley
Matthew Brown, Alternate
Town of San Anselmo

Jack Baker, Regular
North Marin Water District
Craig K. Murray, Regular
Las Gallinas Valley Sanitary
Lew Kious, Alternate
Almonte Sanitary District

Jeffrey Blanchfield, Chair
Public Member
Chris Skelton, Alternate
Public Member

C. Analysis

The Commission has initiated work on seven of the two-dozen plus projects included in the adopted workplan. This includes initiating five high priority projects and highlighted by developing a request for proposal for Commission Counsel and formalizing a contract for bookkeeping services to be presented to the Commission as early as its next meeting. Other notable projects underway is the Commission's 2016-2017 Audit and the recruitment of a temporary hire to supplement the Commission Clerk position. With the departure of the Executive Officer, additional support is needed to prioritize resources in addressing LAFCO's duties and responsibilities. The Commission has also completed two projects in the adopted workplan which include tablets for agenda packets and the launch of the new website.

D. Alternatives for Action

The following alternatives are available to the Commission:

Alternative One (Recommended):

Accept and file the report as presented.

Alternative Two:

Continue consideration of the report to a future meeting and provide direction to staff for more information as needed.

E. Recommendation

It is recommended the Commission formally accept and file the progress report on the workplan as presented. This recommendation is provided as Alternative One.

F. Procedures for Consideration

This item has been agendized as part of the consent calendar. Accordingly, a successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation as provided unless otherwise specified by the Commission.

Respectfully,



Rachel Jones
Interim Executive Officer

Attachments:

1) 2017-2018 Workplan with Notations



Marin Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

2017-2018 Workplan

Introduction:

Local Agency Formation Commissions' (LAFCOs) operate under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2001 ("CKH") and are delegated broad regulatory and planning responsibilities by the Legislature to oversee the formation and subsequent development of local government agencies and their municipal service areas. Common regulatory functions include approving boundary change and outside service requests. Common planning functions include preparing studies to independently evaluate the availability, performance, and need for urban services and establishing spheres of influence – which are the Legislature's version of urban growth boundaries and gatekeepers to future boundary changes – for all cities and special districts. All regulatory and planning activities undertaken by LAFCOs may be conditioned and must be consistent with administrative policies and procedures.

Objective:

This document represents Marin LAFCO's ("Commission") formal 2017-2018 Workplan. The Workplan draws on the Commission's existing strategic plan and other germane and time-demanding projects identified by the Executive Officer and vetted with the Budget Committee (McEntee, Murray, and Rodoni) in the course of developing an operating budget for the fiscal year. The Workplan is divided into two distinct categories – statutory and administrative – with one of three priority rankings: high, moderate, or low. The underlying intent of the Workplan is to serve as a management tool to allocate Commission resources in an accountable and transparent manner over the 12 month period. Further, while it is a stand-alone document, the Workplan should be reviewed in relationship to the adopted operating budget given the planned goals and activities are facilitated and or limited accordingly.

Executive Summary:

The 2017-2018 Workplan continues to guide the Commission to prioritize resources in addressing statutory duties and responsibilities. Most notably this includes p two comprehensive municipal service reviews involving the San Rafael/Lucas Valley and Novato regions. Commission initiated reorganizations involving Murray Park and San Quentin Village Sewer Maintenance Districts are also scheduled. Notable new administrative projects include filling staff positions, performing policy updates, and establishing long-term bookkeeping and payroll protocols instep with the Commission's recent transition to a stand-alone accounting system. A limited number of projects have also been identified as low priorities with the policy intention therein for the Commission to address – such as updating the application packet and establishing social media polices and protocols – as resources allow.

Priority	Urgency	Type	Status	Project	Key Issues	Status
1	High	Statutory	New	Commission Counsel Appointment	Statutory Need for Commission to Appoint Counsel RFP Process	U
2	High	Statutory	Rollover	New Website Design and Implementation	Required to Maintain Website; Serves as Main Communicative Tool Focus on Branding	C
3	High	Administrative	New	Contract Bookkeeping Services	Need Long-Term Bookkeeping Solution in Step with New Finance System	U
4	High	Statutory	Rollover	General MSR on San Rafael/Lucas Valley Region	First MSR for Region since 2005 Community Outreach in Islands	U
5	High	Statutory	Rollover	General MSR on Novato Region	First MSR for Region since 2002 Community Outreach and UGB Compatibility	P
6	High	Statutory	New	Policy Review: Personnel Procedures	Existing Policies Tie LAFCO to County; Need to Scaledown	U
7	High	Administrative	New	MPSMD and SQVSM Reorganization	Discretionary; Consistent with Recommendation of Central Marin Wastewater Study	P
8	High	Administrative	New	Recruit and Hire New Staff Member	Fill and/or Supplement Commission Clerk Position	U
9	High	Statutory	New	Sphere Updates for Central Marin WW Agencies	First SOI Updates for Most Agencies Since 2005 RVSD; CMSD; SRSD; and LGVSD	P
10	High	Administrative	New	Evaluate Pension Contract with CalPERS	Explore Cost-Savings Opportunity; Potential Synch with OPEB Relationship	P
11	Moderate	Administrative	New	Prepare Informational Report on JPAs	Post Enactment of SB 1266; Enhance Repository on Local Governmental Services	P
12	Moderate	Administrative	New	Policy Review: Dual Annexation Policy	Follows San Rafael and Novato Region MSRs; Define Substantially Surrounded	P
13	Moderate	Administrative	New	Establish Contract Payroll Services	County Desiring Separation with Outside Users; Address Benefits and Holdings	U
14	Moderate	Administrative	New	2016-2017 Audit	Best Practice First Audit of QuickBooks System	C
15	Moderate	Administrative	New	E-Agenda Packets	Simplify Agenda Packet Production through E-Tablets Purchase and Training	P
16	Moderate	Administrative	New	Host 2018 CALAFCO Staff Workshop	April 2018 Expected 120 Plus Attendees	P
17	Moderate	Administrative	New	Memorialize Employer Benefit Contracts	Potential MOU with County or Other to Memorialize Benefit Services	P
18	Moderate	Administrative	New	Evaluate Contract Human Resource Services	Reconcile Government Agency with Scale	P
19	Low	Statutory	Rollover	Mutual Water Companies	AB 54 Implementation; Onus on Mutual to Cooperate	P
20	Low	Statutory	Rollover	Disadvantaged Unincorporated Communities	SB 244 Implementation; Coordinate with CALAFCO	P
21	Low	Administrative	Rollover	Update Application Packet	Current Application Dated; Need to Address New Requirements; Make User Friendly	U
22	Low	Administrative	Rollover	Social Media Polices and Protocols	Expand Outreach to Capture Alternate Media Forums	P
23	Low	Administrative	Rollover	Local Agency Directory	Current Directory Out of Date and Limited to Browser Opportunity to Show Value	P
24	Low	Administrative	New	Review GIS Needs and Options	Existing Benefit of MarinMap Relative to Cost Merits Review; Address Data Limitations	P
25	Low	Administrative	Rollover	Special District Selection Committee	Assist in Re-establishing Special Selection Committee in Marin County	P

Status Notations:

C: Completed

U: Underway

P: Pending



Marin Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

AGENDA REPORT

October 12, 2017

Item No. 5 (Consent/Information)

October 6, 2017

TO: Marin Commissioners
FROM: Rachel Jones, Interim Executive Officer

SUBJECT: Current and Pending Proposals

The Commission will receive a report identifying active proposals on file with Marin LAFCO as required under statute. The report also identifies pending local agency proposals to help telegraph future workload. The report is being presented to the Commission for information only.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (“CKH”) delegates Local Agency Formation Commissions (LAFCOs) with regulatory and planning duties to coordinate the formation and development of local governmental agencies and their municipal services. This includes approving or disapproving boundary changes involving the formation, expansion, merger, and dissolution of cities, towns, and special districts as well as sphere of influence amendments. It also includes overseeing outside service extensions. Proposals involving jurisdictional changes filed by landowners or registered voters must be agendized as information items before any action may be considered by LAFCO at a subsequent meeting.

A. Information/Discussion

Current Proposals | Approved and Awaiting Term Completions

The following three proposals were previously approved by Marin LAFCO (“Commission”), but remain active given not all approval terms established by the membership have been satisfied. CKH provides applicants one calendar year to complete approval terms or receive extension approvals before the proposals are automatically terminated.

- **Annexation of 263 Second Street et al. |**

- **Tomales Village Community Services District (LAFCO File No. 1321)**

This proposal was filed by the affected landowners (Alex Derbes and Rebecca Hodges) requesting approval to annex approximately 0.82 unincorporated and partially improved acres covering four legal lots to the Tomales Village Community Services District (TVCSA). The stated purpose of the proposal is to make public sewer available to the applicants’ single-family residence at 263 Second Street (102-041-42) and in doing so eliminate an aging septic system while also facilitating possible future improvements. The other three lots are all undeveloped

Administrative Office
Keene Simonds, Executive Officer
1401 Los Gamos Drive, Suite 220
San Rafael, California 94903
T: 415-448-5877 E: staff@marinlafco.org
www.marinlafco.org

Damon Connolly, Regular
County of Marin
Dennis J. Rodoni, Regular
County of Marin
Judy Arnold, Alternate
County of Marin

Carla Condon, Vice Chair
Town of Corte Madera
Sashi McEntee, Regular
City of Mill Valley
Matthew Brown, Alternate
Town of San Anselmo

Jack Baker, Regular
North Marin Water District
Craig K. Murray, Regular
Las Gallinas Valley Sanitary
Lew Kious, Alternate
Almonte Sanitary District

Jeffrey Blanchfield, Chair
Public Member
Chris Skelton, Alternate
Public Member

and included in the proposal as a cost-savings measure and in step with their possible future development (102-041-40; 41; and 43). The Commission approved the proposal without amendments on August 13, 2015. The Commission also termed approval to include – among other items – recordation of a written agreement between the landowners and a neighboring owner for an easement to ensure gravity access to the TVCSD sewer main. Terms remain outstanding as of date and therefore the proposal remains active. The Commission separately approved a one-year extension to complete the terms in August 2016 and a recent six-month extension in August 2017. A request for a conditional change in the terms is being presented in a separate agenda item.

- **Annexation of 700 and 726 Sequoia Valley Road | Homestead Valley Sanitary District (LAFCO File No. 1322)**

This proposal was filed by the Homestead Valley Sanitary District requesting approval to annex approximately 1.1 acres of unincorporated territory. The stated purpose of the proposal is to align HVSD’s existing jurisdictional boundary with its existing service area given the affected territory and its two developed residential parcels at 700 (046-231-07) and 726 (046-301-01) Sequoia Valley Road connected to the District through non-conforming connections in the early 1990s. The Commission approved the proposal with amendments to include adjacent portions of the public right-of-way along Sequoia Valley Road and Panoramic Highway on June 9, 2016 with standard terms. Terms remains outstanding as of date and therefore the proposal remains active. The Commission separately approved a one-year extension to complete the terms in June 2017.

- **Annexation of 355 and 347 Margarita Drive | San Rafael Sanitation District (LAFCO File No. 1333)**

This proposal was filed by the affected landowner (Matthew Thomas) at 355 Margarita Drive (016-011-19) requesting approval to annex an approximate 0.52 acre parcel in the unincorporated community of Country Club to the San Rafael Sanitation District (SRSD). The stated purpose of the proposal is to make public sewer available to facilitate a home remodeling project and in doing so eliminate a private septic system. The Commission approved the proposal with an amendment to include an adjacent unincorporated parcel at 347 Margarita Drive (016-011-18) along with terms on February 9, 2017; the latter highlighted by requiring both landowners to record consent agreements to annex into the City of San Rafael should it be proposed in the future. All terms are complete with the exception of a final map and description, and as such the proposal remains active.

Current Proposals | Under Review and Awaiting Hearings

There are currently four active proposals on file with the Commission that remain under administrative review and awaiting hearings as of the date of this report.

- **Annexation of 1501 Lucas Valley Road |
Marin Municipal Water District (LAFCO File No. 1324)**

The Commission has received an application by the affected landowner (Andre Souang) requesting approval to annex approximately 61.3 acres of unincorporated/improved territory (164-280-35) located at 1501 Lucas Valley Road to Marin Municipal Water District (MMWD). The affected territory is improved with an existing single-family residence and was recently acquired by the applicant with the intention of serving as a primary residence going forward. The applicant is proposing annexation to MMWD to provide a reliable source of domestic water service given concerns regarding the continued use of an onsite well. The Commission extracted this proposal from an earlier and larger application involving a concurrent sphere amendment and annexation request to the Las Gallinas Valley Sanitary District, which was conditionally approved with amendments on February 12, 2015 and ultimately recorded on September 12, 2016. The application remains incomplete at this time and awaits a consent determination by MMWD.

- **Annexation of 255 Margarita Drive |
San Rafael Sanitation District (LAFCO File No. 1328)**

The Commission has received a proposal by the affected landowner (Paul Thompson) requesting annexation approval of 255 Margarita Drive (016-011-29) in the unincorporated island community of Country Club to the San Rafael Sanitation District. The affected territory is approximately 1.1 acres in size and currently developed with a single-family residence. It also recently established service with the San Rafael Sanitation District as part of a LAFCO approved outside service connection due to evidence of a failing septic system. The outside service extension was conditioned – among other items – on the applicant applying to LAFCO to annex the affected territory to the San Rafael Sanitation District as a permanent means to public wastewater service.¹ The application remains incomplete at this time and awaits a consent determination by SRSD.

- **Reorganization of 400 Upper Toyon Road |
City of San Rafael and Town of Ross (LAFCO File No. 1335)**

The Commission has received a proposal from the affected landowner (Raphael de Balmann) requesting approval to reorganize one incorporated parcel totaling 2.5 acres located at 400 Upper Toyon Drive (012-121-28) in the City of San Rafael. The proposed reorganization involves the detachment of the affected territory and concurrent annexation therein to the Town of Ross. The affected territory is developed to date with a four-bedroom single-family residence and accessible through a privately-owned and maintained road located atop a ridge at approximately 520 feet. The stated purpose of the proposal is to match the affected territory with the applicant's preferred municipality given communities of interests with Ross. Concurrent sphere of influence amendments would be needed to accommodate the request. The application is currently under administrative review and is deemed incomplete at this time.

¹ The outside service extension originally extended for one calendar year through August 13, 2016 before receiving separate six month extensions that currently run one full calendar year to August 13, 2017. An additional six-month extension was granted as part of the August 10, 2017 meeting.

Pending Proposals

There are two potential new proposals staff believes *may* be submitted to the Commission in the near future from local agencies based on ongoing discussions with proponents (emphasis added).² These potential proposals are summarized below to aid the Commission in telegraphing the agency's impending workload.

- **Police Power Activation |**

- **Muir Beach Community Services District**

- The Muir Beach Community Services District – which presently provides water, fire, and recreation services – has conveyed interest on a potential proposal to activate the District's latent police powers. This interest is borne from the District's desire to establish and maintain more effective traffic/parking control either directly or by contract with an existing law enforcement agency. The interest – which has been effectuated in areas like Pebble Beach (Monterey County) – responds to an increasing problem with visitors to Muir Beach where illegal/haphazard parking has become a public nuisance to community residents.

- **Convents, Contracts, and Restrictions Service Power Activation |**

- **Bel Marin Community Services District**

- The Bel Marin Community Services District – which presently provides park and recreation, reclamation, and lighting services – received special legislation through Assembly Bill 1995 (Levine) to add enforcement of convents, contracts, and restrictions (CCRs) as a latent power under its principal act. The special legislation became effective January 1, 2015 with the intent the District will proceed to apply for formal activation approval with Marin LAFCO as part of an agreement with the local home owner associations.

B. Commission Review

This item has been agendized as part of the consent calendar for information only as required under State law. The Commission is invited to discuss the item and provide direction to staff on any related matter as needed for future discussion and/or action.

Attachments: none

² Staff uses discretion in listing pending proposals and limits notice to only activities to be initiated by a local governmental agency. Pending proposals to be initiated by landowners and/or registered voters are not disclosed until an actual filing is made.



Marin Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

AGENDA REPORT

October 12, 2017

Item No. 6 (Consent/Action)

October 6, 2017

TO: Marin Commissioners

FROM: Rachel Jones, Interim Executive Officer

SUBJECT: Request for Change in Condition of Approval Terms / 263 Second Street et al. to the Tomales Village Community Services District

The Commission will consider an applicant's request for a change in a condition to complete the terms established by Marin LAFCO in approving the annexation of territory at 263 Second Street and three adjacent and/or nearby undeveloped lots to the Tomales Village Community Services District on August 13, 2015. Staff believes the request is reasonable and recommends approval in order for the applicant to complete the change of organization. The affected parcels are identified by the County of Marin as 102-041-40, 41, 42, and 43.

Local Agency Formation Commissions (LAFCOs) are responsible under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 ("CKH") to regulate the formation and development of local governmental agencies and their municipal service areas. This includes approving or disapproving proposed changes of organization, such as boundary changes, consistent with adopted policies and procedures pursuant to California Government Code (G.C.) Section 56375. LAFCOs are authorized to exercise broad discretion in amending as well as establishing conditions in approving changes of organization as long as they do not directly regulate land use. Additionally, G.C. Section 57001 specifies certificate of completions must be recorded for all change of organization proposals within one calendar year of approval or be automatically terminated unless LAFCO grants a time extension.

A. Background

Earlier Commission Action |

Termed Approval to Annex Lands to Tomales Village Community Services District

At its August 13, 2015 meeting Marin LAFCO ("Commission") considered a proposal from landowners (Alex Derbes and Rebecca Hodges) requesting annexation approval involving four unincorporated lots totaling 0.75 acres in Tomales to the Tomales Village Community Services District (TVCS D). The requested approval ultimately sought to establish public sewer service immediately to the applicant's developed residence at 263 Second Street and replace an aging septic system. The addition of the other three affected lots were added to the proposal as a means to economize costs for the applicants

Administrative Office

Keene Simonds, Executive Officer
1401 Los Gatos Drive, Suite 220
San Rafael, California 94903
T: 415-448-5877
www.marinlafco.org

Damon Connolly, Regular
County of Marin

Dennis J. Rodoni, Alternate
County of Marin

Judy Arnold, Regular
County of Marin

Carla Condon, Vice Chair
Town of Corte Madera

Sashi McEntee, Regular
City of Mill Valley

Matthew Brown, Alternate
Town of San Anselmo

Jack Baker, Regular
North Marin Water District

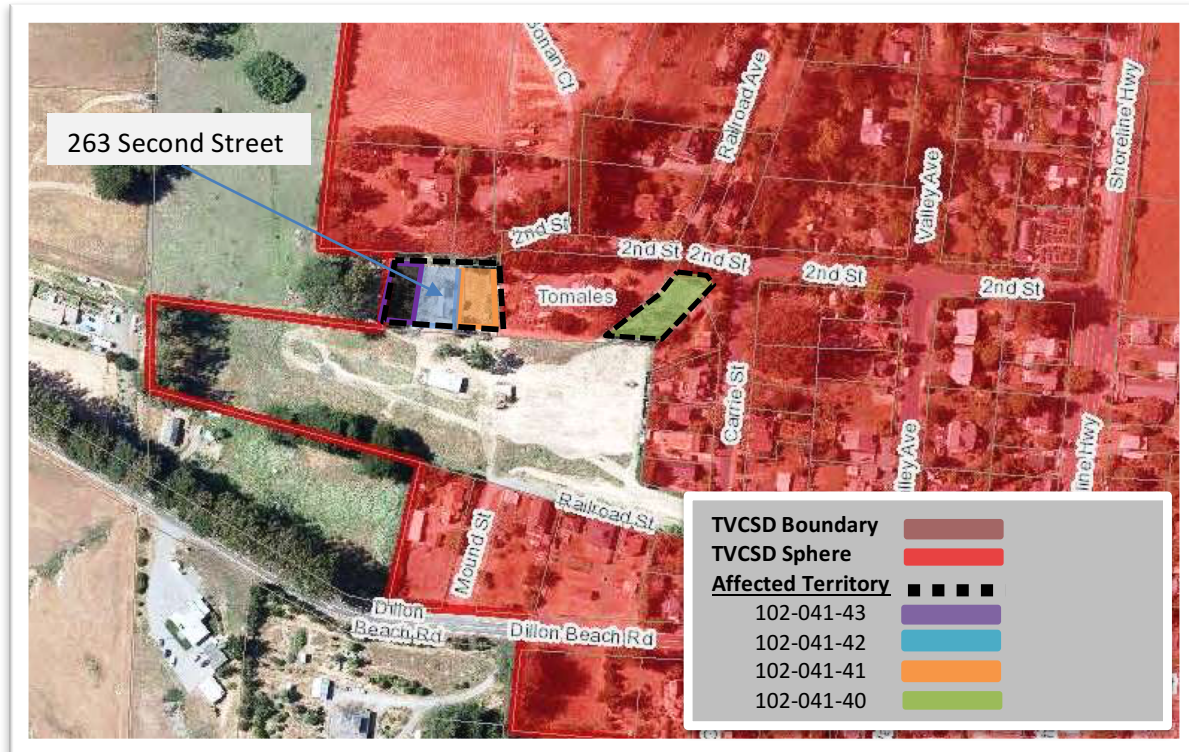
Craig K. Murray, Regular
Las Gallinas Valley Sanitary

Lew Kiouss, Alternate
Almonte Sanitary

Jeffrey Blanchfield, Chair
Public Member

Chris Skelton, Alternate
Public Member

and in step with the probable future development of the lands. The Commission approved the proposal without amendments with certain terms. This included, notably, the applicants recording an easement with the neighboring landowner at 290 Dillion Beach Road to provide gravity access from 263 Second Street to the sewer main.



Earlier Commission Action | Approval of Final Six-Month Time Extension to Complete all Approval Terms

At its August 11, 2016 meeting the Commission considered a request from the applicants to extend the deadline to complete all approval terms by an additional year. Consistent with the staff recommendation the request was approved and reset the deadline for the applicants to complete all approval terms to August 13, 2017. At the Commission's last regular meeting held on August 10, 2017, the Commission received and approved a second request from the applicants for a final six-month time extension to complete all approval terms by February 10, 2018. The main condition was for the applicants to acquire and easement with a neighbor in which to install a gravity sewer lateral to connect to TVCSD's collection system.

B. Discussion

This item is for the Commission to consider a request by the applicants for a change in the conditional approval to acquire an easement with the adjoining property of the affected territory. An alternative option is for the installation of a lift station to be maintained by the applicants and property owner(s) thereafter that will serve the existing

single-family residence. TVCSD supports this alternative approach with the condition that the lift station be designed by a registered civil engineer and constructed in accordance with the District's design standards. Additionally, Commission Counsel advised staff that the Commission's authority to modify a condition on an action that has already been approved is permissible given that the condition is functionally equivalent of the previous one (easement), and still satisfies the original terms.

C. Analysis

The applicants' request for an alternative condition to complete the proposal's approval terms appears reasonable given underlying circumstances. This includes the challenge of completing a term that requires the agreement of a third party. The applicants have remained in regular contact with staff throughout the process and in doing so show good-faith in addressing the Commission's interests. Additionally, staff has received a letter from the TVCSD's General Manager, Jose Ortiz in support of the alternative condition. Accordingly, the alternative condition for the applicant to install and maintain a lift station is recommended to satisfy the terms of approval and to be completed by the deadline of February 11, 2018.

D. Alternatives for Action

The following alternative actions are available to the Commission.

Alternative Action One (Recommended):

Approve the requested alternative condition recommended by staff to be completed by February 11, 2018.

Alternative Action Two:

Deny the requested modification of the conditional approval. This will maintain the Commission's prior proposal approval for all terms be completed by February 11, 2018.

E. Recommendation

Staff recommends the Commission proceed with Alternative Action One.

F. Procedures for Consideration

This item has been agendized as part of the consent calendar. Accordingly, a successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation unless otherwise specified by the Commission.

Respectfully,

A handwritten signature in blue ink, appearing to read "Rachel Jones", with a stylized flourish at the end.

Rachel Jones
Interim Executive Officer

Attachment: Letter: Jose Ortiz, General Manager, TVCSD

October 4, 2017

Board of Directors

Marin County LAFCO
1401 Los Gamos Drive, Suite 220
San Rafael, CA 94903

Dru Fallon O'Neill
President

Donna Clavaud
Vice-President

Deborah Parrish
Board Member

Bill Bonini
Board Member

Peter MacLaird
Board Member

Subject: Proposal for Annexation of 263 Second Street et al to the Tomales Village Community Services District (LAFCO File No. 1321)

To Local Agency Formation Commission,

The Commission issued a conditional approval for annexation of four unincorporated properties totaling 0.75 acres to the Tomales Village Community Services District (TVCS D) based on a staff report dated August 13, 2015. The main condition was that the landowner, Mr. Alex Derbes, acquire an easement from an adjoining owner in which to install and positive flow (gravity) side sewer lateral to connect an existing structure to TVCS D's collection system.


After more than two years, negotiations to acquire said easement have not been successful. An alternative option has been found, and that option is to install a lift station, wholly owned and maintained by the property owner, to serve the existing structure. TVCS D has no objections to this alternative, subject to the lift station being designed by a registered civil engineer and constructed in accordance with TVCS D standards.

General Manager

Jose L. Ortiz, P.E.

TVCS D supports Mr. Derbes' request that his conditional approval be amended to delete the requirement for an easement from the adjoining property owner.

Sincerely,


Jose L. Ortiz, P.E.
General Manager, TVCS D

Cc: Mr. Alex Derbes

Blank for Photocopying



Marin Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

AGENDA REPORT

August 10, 2017

Item No. 7 (Public Hearing)

October 6, 2017

TO: Marin Commissioners

FROM: Rachel Jones, Interim Executive Officer

SUBJECT: **North Marin Water District |**

Final Report on Sphere of Influence Update and Associated Actions

The item has returned to the Commission from the previous public hearing held on August 10, 2017 for consideration in taking two actions tied to its scheduled sphere of influence update on the North Municipal Water District. The first action is to receive and file a final report prepared by staff evaluating the current sphere designation and update recommendations therein relative to State law and Commission policies. The second action is to consider adopting a resolution updating the sphere consistent with the recommendations of the final report and headlined by making one immediate modification to include approximately 2,230 acres located off of State Highway 1 in the West Marin service area. Other recommendations focus on policy statements involving Dillion Beach and South Sonoma County to designate these areas as priority reviews ahead of the next scheduled update. The item remains intact from the last regular meeting with some technical edits made in Appendix A of the report.

Local Agency Formation Commissions (LAFCOs) are required under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 to establish, amend, and update spheres of influence for all cities and most special districts in California. Spheres serve to designate the territory LAFCOs independently believes represents the appropriate and probable future service areas and jurisdictional boundaries of the affected agencies. All jurisdictional changes and outside municipal service extensions must be consistent with the spheres of the affected local agencies with limited exceptions. LAFCOs must update all spheres every five years and in conjunction with preparing municipal service reviews to assess the level, range, and need of governmental services in the respective county.

A. Background

Adopted Study Schedule | Countywide Water Study

Marin LAFCO's ("Commission") current five-year cycle for preparing municipal service reviews was adopted in June 2014 in step with establishing a formal study schedule. The purpose of the schedule is to methodically prepare municipal service reviews with respect to targeted services or regions in Marin County and ahead of the Commission's legislative

Administrative Office

Keene Simonds, Executive Officer
1401 Los Gatos Drive, Suite 220
San Rafael, California 94903
T: 415-448-5877
www.marinlafco.org

Damon Connolly, Regular
County of Marin

Dennis J. Rodoni, Alternate
County of Marin

Judy Arnold, Regular
County of Marin

Carla Condon, Vice Chair
Town of Corte Madera

Sashi McEntee, Regular
City of Mill Valley

Matthew Brown, Alternate
Town of San Anselmo

Jack Baker, Regular
North Marin Water District

Craig K. Murray, Regular
Las Gallinas Valley Sanitary

Lew Kiouss, Alternate
Almonte Sanitary

Jeffrey Blanchfield, Chair
Public Member

Chris Skelton, Alternate
Public Member

directive to perform individual agency sphere of influence updates and/or initiate reorganizations. Consistent with this schedule the Commission completed a countywide municipal service review on public water services (“water study”) that included an independent evaluation of the North Marin Water District (NMWD). The water study was completed in 2016 and culminated with the Commission adopting a series of written determinations addressing all of the administrative, service, and governance factors required for consideration under the directing legislation (Government Code 56430).

Adopted Work Plan | Scheduled Sphere Update on NMWD

The Commission’s adopted work plan for 2016-2017 directs staff to prepare a comprehensive sphere of influence update on NMWD. The scheduled update purposefully follows and draws on the recently completed water study and represents the first comprehensive review of the NMWD sphere since its establishment in the early 1980s.¹ The underlying objective of the update is for the Commission to independently ensure the NMWD sphere reflects the appropriate jurisdictional boundary and service area of the District over the next five to ten year period. This also includes – importantly – using the update process to formally signal the Commission’s expectations in the appropriateness of future boundary changes and or outside service extensions.

Draft Report | Sphere Update on NMWD

Staff presented a draft report on the scheduled sphere update on NMWD as part of a public hearing held on June 8, 2017. The presentation of the draft report immediately preceded the initiation of a 40-day public review and comment period and ahead of direction by the Commission to return with a final report and related actions for the August 10, 2017 meeting. To this end, and consistent with Commission direction, the following notices were provided on the draft report as well as the October 13th hearing:

- Notice was emailed to NMWD
- Notice was published in the Point Reyes Light
- Notice was published in the Marin Independent Journal
- Notice was mailed to individual landowners with Study Area A-1 ²

B. Discussion

This item is for the Commission to consider taking two distinct actions tied to its scheduled sphere update on NMWD. The first action is to formally receive and file a final report from staff evaluating the current sphere designation and recommendations therein relative to State law and Commission policies. The second action is to consider adopting

¹ A cursory update of the NMWD sphere specific to just the East Marin service area was performed by Marin LAFCO in 2002. No updates have been performed to date for the West Marin service area.

² As permissible under State law the noticing on the draft report and the scheduled August 10th hearing for the Commission to consider taking final actions on the NMWD sphere update was not directly provided to any landowner or resident within Study Areas B-1 and B-2. This decision was consistent with the staff recommendation and supplemented by Commission direction to limit direct noticing to only landowners within an area subject to a recommended change.

a resolution updating the NMWD sphere consistent with the recommendations of the final report and subject to any desired changes as identified by the Commission. Copies of both documents – final report and resolution – are attached as Attachments One and Two. A summary of the specific recommendations and actions therein follows.

Final Report

The final report returns to the Commission nearly intact from the draft version presented on June 8th and subsequently circulated for public review. Revisions reflected in the final report are considered non-substantive and generally address clarifications and related requests generated during the public review. No changes have been made to any of the recommendations. A supplemental report showing all written comments received on the draft along with staff responses – including when revisions have been made – is provided as an appendix in the final report.

Resolution

Staff has prepared a resolution for Commission consideration to formally approve the recommendations – including making related policy statements – presented in the final report. Should the resolution be adopted a mandatory 30-day reconsideration period is initiated in which any member of the public may request a hearing to consider pertinent evidence that was not considered by the membership in taking the related action. Should no reconsideration be requested and/or approved the Executive Officer shall immediately update the Commission’s records to reflect the approved actions.

C. Analysis

Sphere Update

The final report and associated resolution continues to propose the Commission make one immediate modification to the NMWD sphere as part of this update. The proposed modification involves the addition of approximately 2,230 acres – including now all of the associated public right-of-way – located off of State Highway 1 in the West Marin service area and identified as A-1. This proposed expansion would recognize NMWD’s existing service commitments within A-1 as a result of pre CKH outside water service contracts reached by the District beginning in the late 1970s with the subject landowners; contracts that provide interruptible supplies and help mitigate against known low and poor groundwater in the region. Adding A-1 would also comport with a Commission interest – and specifically through memorializing water availability – in supporting agricultural uses in Marin County. The final report and associated resolution also continues to contemplate two additional modifications, albeit not for immediate action but for establishing priorities ahead of the next update. This involves the potential addition into the sphere of the remainder of the Village area within Dillion Beach (B-1) and unincorporated lands lying south of the City of Petaluma along Highway 101 in southern Sonoma County (B-2) given their existing and/or potential service relationships with NMWD.

Environmental Review

The Commission serves as a lead agency for assessing the potential impacts associated with the sphere update on NMWD under the California Environmental Quality Act (CEQA). To this end, staff believes the proposed action to update the NMWD sphere and resulting changes therein qualify as a project under CEQA, but exempt from further review under the “general rule” provision pursuant to Regulations Section 15301(b)(3). This exemption applies to this action given it can be seen with reasonable certainty the sphere is a planning policy of the Commission and any amendment to the NMWD sphere does not make any changes to the environment or authorize any new uses or services.

D. Alternatives for Action

The following alternatives are available to the Commission:

Alternative Action One (recommended):

1. Receive and file the attached final report prepared by staff as part of the Commission’s scheduled sphere update on NMWD with direction to staff on any desired additions and or corrections; and
2. Adopt the attached resolution with its mandatory findings to update the NMWD sphere and make related policy statements as recommended in the final report with any changes identified by the majority of the membership.

Alternative Action Two:

1. Continue the item and request additional information from staff as needed.

E. Recommendation

It is recommended the Commission proceed with Alternative Action One as outlined in the preceding section.

F. Procedures for Consideration

This item has been agendized as part of a noticed public hearing. The following procedures are recommended in the Commission’s consideration of this item:

- 1) Open the public hearing;
- 2) Invite comments from any interested audience members (mandatory);
- 3) Commission discussion; and
- 4) Consider closing the public hearing and taking action on the recommendation

Respectfully,



Attachments:

- 1) Final Report
- 2) Draft Resolution
- 3) Article from Point Reyes Light
- 4) Proof of Publication



SPHERE OF INFLUENCE UPDATE |
NORTH MARIN WATER DISTRICT
Government Code Section 56425

Final Report | October 2017
Pending Formal Acceptance

Project Manager
Keene Simonds
Executive Officer

Blank for Photocopying Purposes

TABLE OF CONTENTS

SECTION	PAGE
CHAPTER ONE:	
INTRODUCTION	
1.0 LOCAL AGENCY FORMATION COMMISSIONS (LAFCO)	1-1
A. AUTHORITY AND OBJECTIVES	1-1
B. REGULATORY RESPONSIBILITIES	1-2
C. PLANNING RESPONSIBILITIES	1-3
D. LAFCO COMPOSITION / DECISION-MAKING	1-6
E. PRESCRIPTIVE FUNDING	1-6
1.1 MARIN LAFCO	1-7
A. ADOPTED POLICIES AND PROCEDURES	1-7
B. COMMISSION ROSTER	1-8
C. CONTACT INFORMATION	1-9
CHAPTER TWO:	
DISCUSSION	
2.0 OVERVIEW	2-1
A. REPORT OBJECTIVE	2-1
B. KEY ASSUMPTIONS AND PREMISES	2-1
2.1 AGENCY PROFILE	2-3
A. FORMATION AND ORGANIZATION	2-3
B. FINANCES	2-3
C. BOUNDARY MAP	2-4
D. SERVICE POPULATION AND DEVELOPMENT	2-4
E. SERVICE CAPACITIES AND DEMANDS	2-5
2.2 SPHERE OF INFLUENCE	2-6
A. ESTABLISHMENT	2-6
B. SUBSEQUENT COMMISSION UPDATES	2-6
C. CURRENT COMPOSITION	2-7
CHAPTER THREE:	
ANALYSIS AND RECOMMENDATIONS	
3.0 ANALYSIS FOCUS	3-1
3.1 STUDY CATEGORIES	3-1
A. SELECTION CRITERIA	3-1
B. MAP	3-2
3.2 RECOMMENDATIONS	3-4
A. SUMMARY	3-4
B. MANDATORY STATEMENTS	3-8
APPENDICES :	
A. SUMMARY REVIEW OF WASTEWATER SERVICES IN OCEANA MARIN	
B. WRITTEN COMMENTS ON DRAFT REPORT	
- NORTH MARIN WATER DISTRICT	
- SONOMA LAFCO	
- ROBERT JOHNSTON	

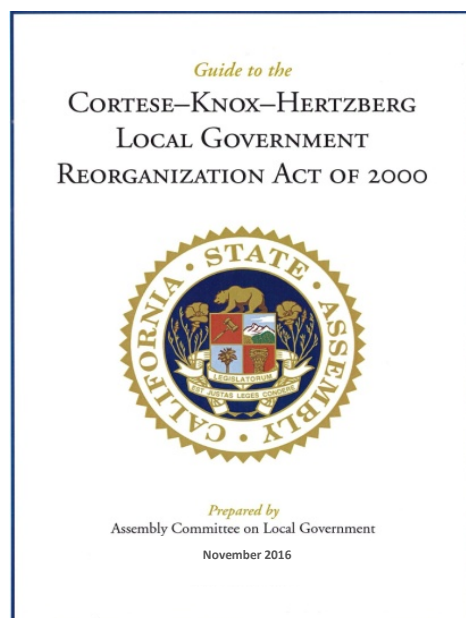
Blank for Photocopying Purposes

CHAPTER ONE INTRODUCTION

1.0 LOCAL AGENCY FORMATION COMMISSIONS

A. Authority and Objectives

Local Agency Formation Commissions (LAFCOs) were established in 1963 and are political subdivisions of the State of California responsible for providing regional growth management services in all 58 counties. LAFCOs' authority is currently codified under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 ("CKH") with principal oversight provided by the Assembly Committee on Local Government.¹ LAFCOs' are comprised of locally elected and appointed officials with regulatory and planning powers delegated by the Legislature to coordinate and oversee the establishment, expansion, and organization of cities, towns, and special districts as well as their municipal service areas. LAFCOs' creation were engendered by Governor Edmund "Pat" Brown Sr. (1959-1967) to more effectively address the needs of California's growing and diversifying population with an emphasis on promoting governmental efficiencies. Towards this end, LAFCOs are commonly referred to as the Legislature's "watchdog" for local governance issues.²



Guiding LAFCOs' regulatory and planning powers is to fulfill specific purposes and objectives that collectively construct the Legislature's regional growth management priorities and are outlined under Government Code (G.C.) Section 56301. This statute presently reads as follows:

¹ Reference California Government Code Section 56000 et seq.

² In its ruling on *City of Ceres v. City of Modesto* the 5th District Court of Appeal referred to LAFCOs as the "watchdog" of the Legislature to "guard against the wasteful duplication of services." (July 1969)

“Among the purposes of the commission are discouraging urban sprawl, preserving open space and prime agricultural lands, efficiently providing governmental services, and encouraging the orderly formation and development of local agencies based upon local conditions and circumstances. One of the objects of the commission is to make studies and to obtain and furnish information which will contribute to the logical and reasonable development of local agencies in each county and to shape the development of local agencies so as to advantageously provide for the present and future needs of each county and its communities.”

LAFCO decisions are legislative in nature and therefore are not subject to an outside appeal process. LAFCOs also have broad powers with respect to conditioning regulatory and planning approvals so long as not establishing any terms that directly control land uses, densities, or subdivision requirements.

B. Regulatory Responsibilities

LAFCOs’ principal regulatory responsibility involves approving or disapproving all jurisdictional changes involving the establishment, expansion, and reorganization of cities, towns, and most special districts in California.³ More recently, LAFCOs have been tasked with also overseeing the approval process

LAFCOs have been responsible since 1963 to oversee formation, expansion, reorganization, and dissolution actions involving cities, towns, and districts in California with limited exceptions.

for cities, towns, and districts to provide new or extended municipal services beyond their jurisdictional boundaries by contract. LAFCOs also must approve all district actions to activate a new service or divest an existing service. LAFCOs generally exercise their regulatory authority in response to applications submitted by the affected agencies, landowners, or registered voters. Recent amendments to CKH, however, now authorize and encourage LAFCOs to initiate on their own jurisdictional changes to form, consolidate, and dissolve districts consistent with current and future community needs. The following table provides a complete list of LAFCOs’ regulatory authority as of date.

³ CKH defines “special district” to mean any agency of the State formed pursuant to general law or special act for the local performance of governmental or proprietary functions within limited boundaries. All special districts in California are subject to LAFCO with the following exceptions: school districts; community college districts; assessment districts; improvement districts; community facilities districts; and air pollution control districts.

LAFCOs' Regulatory Powers

As of January 1, 2017

- City Incorporations / Disincorporations
- District Formations / Dissolutions
- City and District Consolidations
- City and District Outside Service Extensions
- City and District Annexations
- City and District Detachments
- Merge/Establish Subsidiary Districts
- District Service Activations / Divestitures

C. Planning Responsibilities

LAFCOs inform their regulatory actions through two central planning responsibilities: (a) making sphere of influence (“sphere”) determinations and (b) preparing municipal service reviews. Sphere determinations have been a core planning function of LAFCOs since 1971 and effectively serve as the Legislature’s version of “urban growth boundaries” with regard to cumulatively

LAFCOs are tasked with planning the location of future urban development and services through two interrelated activities: (a) establish and update spheres and (b) prepare municipal service reviews to independently evaluate the availability and performance of governmental services relative to need.

delineating the appropriate interface between urban and non-urban uses within each county. Municipal service reviews, in contrast, are a relatively new planning responsibility enacted as part of CKH and are intended to inform – among other activities – sphere determinations. The Legislature mandates all sphere changes as of 2001 be accompanied by preceding municipal service reviews to help ensure LAFCOs are effectively aligning governmental services with current and anticipated community needs. An expanded summary of these two planning responsibilities follows.

Spheres of Influence

LAFCOs establish, amend, and update spheres for all cities, towns, and most special districts in California to designate the territory LAFCO independently believes represents the appropriate and probable future service area and jurisdictional boundary of the affected agency. Importantly, all jurisdictional changes, such as annexations and detachments, must be consistent with the spheres of the affected local agencies with limited exceptions.⁴ Further, an increasingly important role

⁴ Exceptions in which jurisdictional boundary changes do not require consistency with the affected agencies’ spheres include annexations of State correctional facilities or annexations to cities involving city owned lands used for municipal purposes with the latter requiring automatic detachment if sold to a private interest.

involving sphere determinations relates to their use by regional councils of governments as planning areas in allocating housing need assignments for counties, cities, and towns and as part of the regular housing element cycle.

As of January 1, 2008, LAFCO must review and update as needed each local agency’s sphere every five years. In making a sphere determination, LAFCO is required to prepare written statements addressing five specific planning factors listed under G.C. Section 56425. These mandatory factors range from evaluating current and future land uses to the existence of pertinent communities of interest. The intent in preparing the written statements is to orient LAFCO in addressing the core principles underlying the sensible development of each local agency consistent with the anticipated needs of the affected community. The five mandated planning factors are summarized in the following table.

Spheres serve as the Legislature’s version of urban growth boundaries and – among other items – delineate where cities, towns, or districts may seek future annexation and outside service approvals with LAFCOs. All jurisdictional changes must be consistent with the affected agencies’ spheres with limited exceptions.

Mandatory Determinations / Spheres of Influence (Government Code Section 56425)

1. Present and planned land uses in the affected area, including agricultural and open space.
2. Present and probable need for public facilities and services in the area.
3. Present capacity of public facilities and adequacy of public services the agency provides or is authorized to provide.
4. Existence of any social or economic communities of interest in the area if the commission determines they are relevant to the agency.
5. If the city or district provides water, sewer, or fire, the present and probable need for those services of any disadvantaged unincorporated communities within the existing sphere.

Municipal Service Reviews

Municipal service reviews were a centerpiece to CKH’s enactment in 2001 and are comprehensive studies of the availability, range, and performance of governmental services provided within a defined geographic area. LAFCOs generally prepare municipal service reviews to explicitly inform subsequent sphere determinations. LAFCOs also prepare municipal service reviews irrespective of making any specific sphere determinations in order to obtain and furnish information to contribute to the overall orderly development of local communities. Municipal service reviews vary in scope and can focus on a particular agency or governmental service. LAFCOs may use the information generated from municipal service reviews to initiate other actions under their authority, such as forming, consolidating, or dissolving one or more local agencies. All municipal service reviews – regardless of their intended use – culminate with LAFCOs preparing written statements addressing seven specific service factors listed under G.C. Section 56430. These mandated factors are summarized below.

Municipal service reviews serve to fulfill the Legislature’s interests in LAFCOs regularly assessing the adequacy and performance of local governmental services in order to inform possible future actions ranging from sphere determinations to reorganizations.

Mandatory Determinations / Municipal Service Reviews (Government Code Section 56430)

1. Growth and population projections for the affected area.
2. Location and characteristics of any disadvantaged unincorporated communities within or contiguous to affected spheres of influence.
3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies.
4. Financial ability of agencies to provide services.
5. Status and opportunities for shared facilities.
6. Accountability for community service needs, including structure and operational efficiencies.
7. Matters relating to effective or efficient service delivery as required by LAFCO policy.

D. LAFCO Composition | Direction on Decision-Making

LAFCOs are generally governed by 11-member board comprising three county supervisors, three city councilmembers, three independent special district members, and two representatives of the general public.⁵ Members are divided between “regulars” and “alternates” and must exercise their independent

State law directs all LAFCO members to independently discharge their responsibilities for the good of the region and irrespective of the interests of their local appointing authorities.

judgment on behalf of the interests of residents, landowners, and the public as a whole. LAFCO members are subject to standard disclosure requirements and must file annual statements of economic interests. LAFCOs have sole authority in administering their legislative responsibilities and its decisions are not subject to an outside appeal process. All LAFCOs are independent of local government with the majority employing their own staff; a small portion of LAFCOs, however, choose to contract with their local county government for staff support services. All LAFCOs must appoint their own Executive Officers to manage agency activities and provide written recommendations on all regulatory and planning actions before the membership. All LAFCOs must also appoint their own legal counsel.

E. Prescriptive Funding

CKH prescribes local agencies fully fund LAFCOs’ annual operating costs. Counties are generally responsible for funding one-third of LAFCO’s annual operating costs with the remainder one-third portions allocated to the cities and independent special districts.⁶ Annual allocations to cities and special districts are calculated based on standard formula using tax revenues unless an alternative formula has been approved by a majority of the local agencies. LAFCOs are also authorized to collect applicant fees to offset local agency contributions.

⁵ Approximately two-fifths of LAFCOs in California currently operate without special district representation based on local conditions. A limited number of LAFCOs also have additional seats through special legislation.

⁶ Independent special districts have their own directly elected board members.

1.1 MARIN LAFCO

A. Adopted Policies and Procedures | Sphere Updates and Municipal Service Reviews

The majority of Marin LAFCO's ("Commission") existing policies and procedures were comprehensively updated in June 2016. These policies and procedures collectively guide the Commission in implementing LAFCO law in Marin County in a manner consistent with regional growth management priorities as determined by the membership. This includes overarching policies and procedures to direct existing and new urban uses towards city-centers along the State Highway 101 corridor and maintaining restrictive allowances for the potential development and use therein of agricultural and open-space lands. The Commission has also established pertinent policies and procedures specific to preparing sphere updates and municipal service reviews as highlighted below.

- The Commission shall adopt a study schedule every five years to calendar sphere updates and the associated municipal services reviews at noticed public hearings. The adopted study schedule shall guide and prioritize the studies to be undertaken by the Commission over the five-year period paired with the ability to approve amendments as needed and or resources merit.
- The Commission shall generally defer requests made by applicants for individual sphere amendments for consideration as part of the next comprehensive update as determined in the adopted study schedule.
- The Commission shall orient the establishment and update of spheres to focus on community needs over the next 10 years.
- The Commission shall consider the plans and objectives contained within the adopted general plans of the local land use authorities in establishing and updating spheres.

- The Commission shall utilize municipal service reviews as the source document in informing all sphere determinations. The Commission shall only utilize municipal service reviews that are less than five years old in making sphere determinations unless specific circumstances warrant otherwise.
- The Commission shall generally assign three types of sphere designations for local agencies unless special circumstances warrant otherwise. A larger sphere denotes the Commission’s expectation the agency will annex certain lands in the near-future. A smaller sphere denotes an expectation the agency will detach certain lands in the near-future. A coterminous sphere denotes an expectation of no changes to the agency in the near future.
- The Commission shall assign a zero sphere encompassing no territory to signal the membership’s interest and intent to dissolve and or disincorporate the affected agency.
- The Commission shall assign a common sphere to include the territory served by two or more agencies to signal the membership’s interest and intent to consolidate and or merge the affected agencies.

B. Commission Roster

The Commission’s current membership is provided below.

Current Members

Name	Position	Agency Affiliation
Jeffry Blanchfield, Chair	Public	Commission
Carla Condon, Vice Chair	City	Town of Corte Madera
Damon Connolly	County	County of Marin
Jack Baker	Special District	North Marin Water
Sashi McEntee	City	City of Mill Valley
Craig K. Murray	Special District	Las Gallinas Valley Sanitary
Dennis J. Rodoni	County	County of Marin
Judy Arnold, Alternate	County	County of Marin
Matthew Brown, Alternate	City	City of San Anselmo
Lew Kious, Alternate	Special District	Almonte Sanitary
Chris Skelton, Alternate	Public	Commission

C. Contact Information

Marin LAFCO's administrative office is located at 1401 Los Gamos Drive in San Rafael (Terra Linda). Visitor parking is available. LAFCO is a small governmental agency and as a result the office is sometimes closed during normal business hours when staff is in the field. Accordingly, appointments to discuss proposals or other matters are strongly encouraged and can be scheduled by calling 415-448-5877. Communication by e-mail is also welcome and general questions or comments should be directed to staff@marinlafco.org. Additional information regarding Marin LAFCO's functions and activities is also available online by visiting www.marinlafco.org.

Page Blank for Photocopying

CHAPTER TWO DISCUSSION

2.0 OVERVIEW

A. Report Objective

This report represents Marin LAFCO’s scheduled sphere of influence update for the North Marin Water District (NMWD). The report has been prepared by staff and considers whether any changes – additions and or subtractions – to NMWD’s current sphere are warranted in terms of consistency with the provisions of CKH as well as the adopted policies of the Commission. The report draws on information generated as part of the recently completed municipal service review on countywide public water service and intended to inform the Commission’s decision-making in independently aligning NMWD’s potable water and wastewater services with current and planned community needs as directed under State law. This also includes incorporating, as appropriate, information on adopted land use policies from affected land use authorities that are within and or adjacent to NMWD’s two distinct services areas: East and West Marin.

The underlying objective of this report is to inform the Commission’s decision making in independently aligning NMWD’s potable water and wastewater services with current and planned community needs in the East and West Marin service areas.

B. Key Assumptions and Premises

The report and its analysis is premised on reconciling current CKH directives and Commission policy preferences therein with updating NMWD’s sphere. Most notably, this includes incorporating new directives for LAFCOs subsequent to the last coordinated review of the NMWD sphere in the early 1980s that – and among other items – substantively expand the policy intent and application of sphere designations. A key and central example herein is the expanded definition of a sphere to demark not just the current and future jurisdictional boundary but also the agency’s

The central assumption is the explicit intention the sphere of influence represent – and through the Commission – the State’s designation of NMWD’s appropriate service area, and all future annexations and outside service extensions shall conform accordingly.

service area (emphasis added.) This definition expansion, importantly, follows legislative changes in LAFCOs' responsibilities to now also regulate the ability of cities, towns, and special districts to enter into contracts to provide municipal services outside their jurisdictional boundaries. Further, and pertinent to this update, this referenced new oversight limits LAFCOs' authority to approve these type of service arrangements – which in many instances previously worked to circumvent the annexation process – only to lands within the affected agencies' spheres with limited exceptions. Accordingly, a central assumption within the update is the explicit intention the sphere represent the State's formal designation – and byway of the Commission – of NMWD's appropriate service area, and all annexations and outside service extensions conform unless special circumstances warrant otherwise. Other pertinent assumptions and premises underlying the update and its analysis are summarized below.

- Analyses of potential changes to the NMWD sphere emphasize a 10-year horizon in which resulting boundary changes – annexations or detachments – and outside service extensions are expected.
- Non jurisdictional lands included in the NMWD sphere does not provide any guarantees the territory will be annexed or provided outside services. Jurisdictional changes and outside service extensions must be considered on their own merits with particular attention focused on assessing whether the *timing* of the request is appropriate (emphasis added).
- Potential changes identified and evaluated in this update shall be vetted with NMWD and any resulting comments – should there be any – will be incorporated into the final analysis prior to Commission action.

2.1 AGENCY PROFILE

A. Formation and Organization

NMWD was formed in 1948 with the initial task of assuming potable water services from the Novato Water Company. Formation proceedings were approved by voters along with supporting tax measures and highlighted by providing funding for NMWD to establish a new stand-alone surface water supply by damming Novato Creek and therein creating Stafford Lake. NMWD's jurisdictional boundary has expanded since its formation and presently expands nearly 100 square miles and marked by two distinct service areas. The main service area – “East Marin” – includes the City of Novato and the adjacent unincorporated areas of Bel Marin Keys, Black Point, Loma Verde, Green Point, and Indian Valley. This main service area, notably, also extends into Sonoma County to include nearly three dozen unincorporated properties south of the City of Petaluma. The second service area – “West Marin” – is further divided between the unincorporated communities of Point Reyes Station/Olema and Dillon Beach.

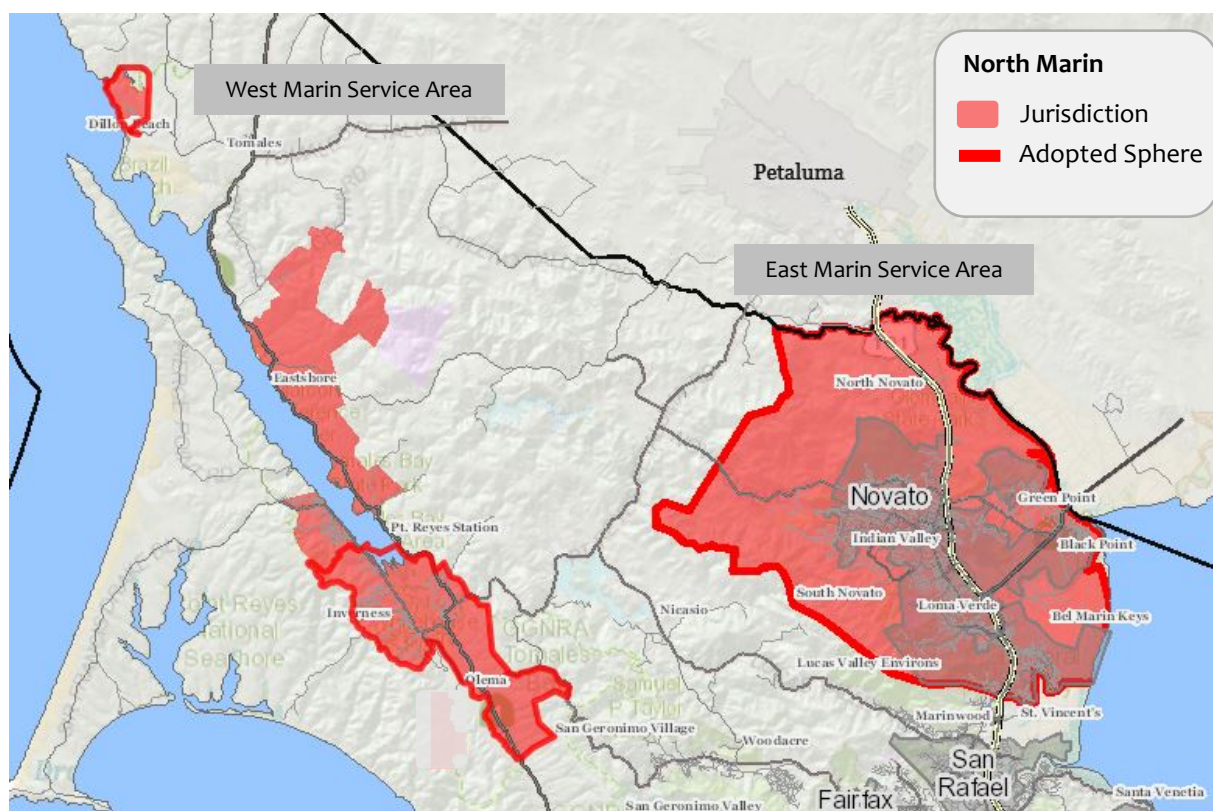
NMWD is organized as a limited-purpose agency and provides three services: (a) potable water; (b) non-potable water; and (c) wastewater with the latter limited to the Oceana Marin Subdivision in Dillon Beach. Governance is provided by a five-person board whose members are registered voters elected at-large to staggered four-year terms. NMWD appoints an at-will General Manager to oversee all District activities. The current General Manager – Drew McIntyre – was appointed by the Board in 2017 and oversees a present budgeted staff of 55 fulltime equivalent employees.

B. Finances

NMWD most recently completed audit report covered the 2015-2016 fiscal year and showed the District finished the period with an overall net asset or equity sum of \$92.6 million. This amount – which represents the difference between total assets and liabilities – increased by approximately 5% over the prior fiscal year and 23% over the preceding 60-month period. The end of year equity amount includes \$5.0 million in unrestricted funds that can be used for any purposes and translates to an approximate per capita reserve ratio of \$76. Other notable measurements include NMWD finishing

the fiscal year with moderately high liquidity with more than double the amount of current assets compared to current liabilities; similarly the District ended with relatively low debt with non-current liabilities equaling less than one-third of non-current assets.

C. Boundary Map



D. Service Population and Development

The Commission independently estimates the overall resident service population within NMWD totals 65,479 and as detailed in the accompanying footnote.⁷ The portion of the jurisdictional boundary under private ownership is largely developed – though not necessarily to maximum density – with 95% of the affected legal parcels assessed with improved structures. This existing development includes 24,228 total residential units with four-fifths – or 19,391 – of the amount lying within the City of Novato.

⁷ The resident service population for NMWD is divided between two distinct estimates. The first estimate – calculated by Marin LAFCO as part of the recently completed countywide water study – tallies 65,079 and represents the service population of the NMWD water system. The second estimate – calculated by NMWD – tallies 400 and represents the service population of the District sewer system.

E. Service Capacities and Demands

NMWD’s primary service function involves the retail delivery of potable water within both its East and West Marin service areas and was the focus of the recently completed municipal service review. Below is a summary of key analysis and conclusions generated as part of the municipal service review as it relates to the supply and demand of NMWD’s potable water within its two service areas. An abbreviated review of NMWD’s wastewater services specific to Dillion Beach in the West Marin service area was included in preparing this report and provided as an appendix.

Supply and Demand | East Marin

NMWD’s potable water supplies for the East Marin service area are drawn from a combination of local and imported sources and collectively provide a maximum annual availability of 22,554 acre-feet. The primary supply is the Russian River and secured through a contract with the Sonoma County Water Agency. A secondary supply is drawn from Novato Creek, and secured through appropriative rights and impounded at Stafford Lake. Average annual demands within the East Marin service area over the municipal service review’s five-year timeframe (2009 to 2013) totaled 9,150 acre-feet and represents 41% of the maximum yield supply.⁸ This ratio changes under projected single-dry conditions to 101% - or a (1%) deficit.

Average annual demands generated over the municipal service review’s 60 month study period within the East Marin service area equaled 41% of the maximum available supply.

Supply and Demand | West Marin

NMWD’s potable water supplies for the West Marin service area are entirely drawn locally from Lagunitas Creek and collectively provide a maximum annual availability of 654 acre-feet based on appropriated rights. The primary access point to this local source is through two groundwater wells that capture underflow

Average annual demands generated over the municipal service review’s 60 month study period within the West Marin service area equaled 39% of the maximum available supply.

⁸ Active connections in the East Marin service area as of the end of the study period totaled 20,492. Annual water demands increased by 3.8% during the five-year study period with an average daily per capita use of 127 gallons.

and located on land owned by the Coast Guard. Average annual demands within the West Marin service area over the municipal service review's five-year timeframe (2009 to 2013) totaled 257 acre-feet and represents 39% of the maximum yield supply.⁹ This ratio changes under projected single-dry conditions to 45%.

2.2 SPHERE OF INFLUENCE

A. Establishment

Records show the Commission established the NMWD sphere as part of two separate actions in the early 1980s. The first action occurred in 1982 and involved the establishment of a sphere specific to the East Marin service area to be entirely coterminous with the then-NMWD jurisdictional boundary. The second action occurred in 1984 and involved the establishment of a sphere specific to the West Marin Service area and also to coterminous with the then-NMWD jurisdictional boundary with a limited number of exceptions. Most notable among the exceptions was involved the exclusion of jurisdictional lands comprising all of the Marshall area as well as the portion of lands in the Inverness area overlapping the Inverness Public Utility District.

B. Subsequent Commission Updates

The Commission performed a partial update on the NMWD sphere in 2002 as part of a regional study of the Novato region. The partial update resulted in the Commission formally affirming the NMWD sphere specific to the East Marin service area to be coterminous with the jurisdictional boundary. No previous update has been performed on the West Marin service area.

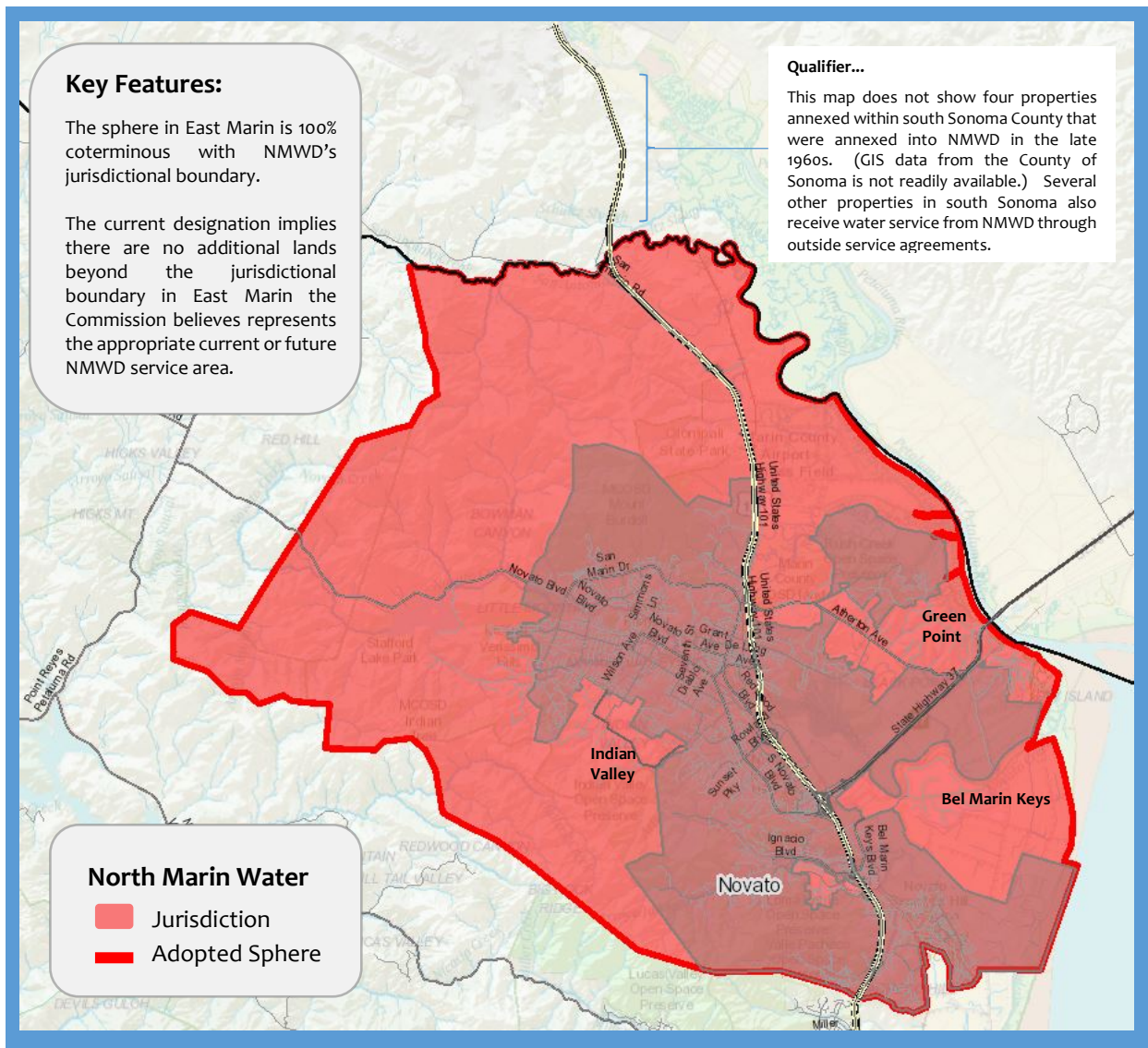
⁹ Active connections in the West Marin service area as of the end of the study period totaled 776. Annual water demands decreased by (3.1%) during the five-year study with an average daily per capita use of 118 gallons.

C. Current Composition

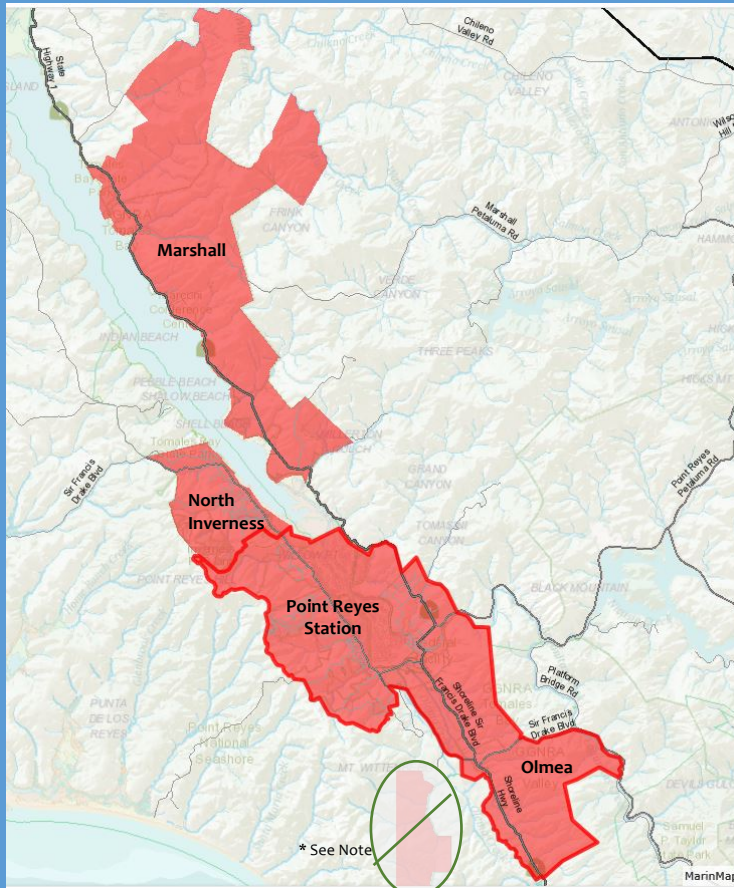
NMWD’s sphere presently spans approximately 55,329 acres or 87 square miles. As noted in the preceding paragraphs, the NMWD sphere is generally – but not entirely – coterminous with the jurisdictional boundary with the deviations specific to the West Marin service area. These deviations are reflected in the following maps and produces a sphere capturing only 86% of the jurisdictional boundary.

The NMWD sphere of influence captures 86% of the jurisdictional boundary with all deviations within the West Marin service area.

East Marin Service Area



West Marin Service Area



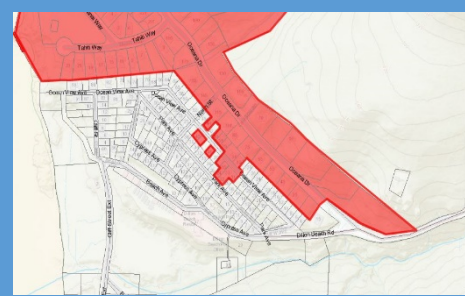
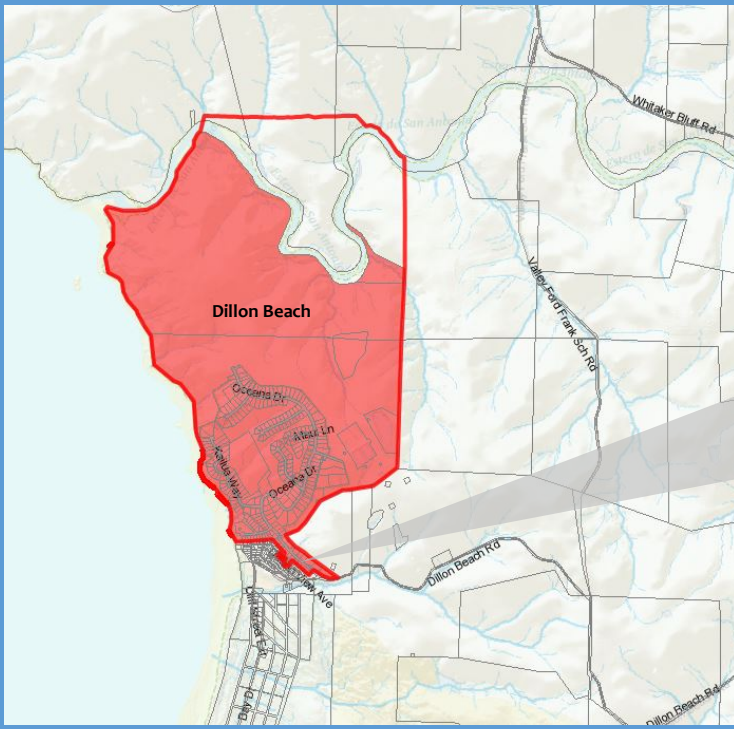
Key Features:

The sphere in West Marin captures 51% of NMWD’s jurisdictional boundary and marked by the notable exclusion of Marshall and North Inverness.

The standing exclusion of jurisdictional lands in Marshall and North Inverness from the NMWD sphere reflects the Commission’s policy expectation that the approximate 9,000 acres be detached.

The current inclusion of 190 acres of non-jurisdictional lands in Dillon Beach within the NMWD sphere reflects an expectation the lands be served by the District through annexation or an outside service extension.

* GIS records presently shows an approximate 755 acre addition within the jurisdictional boundary. It appears this single parcel – which is owned by the US Coast Guard – was never legally annexed, and as such is assumed not to be part of NMWD pending formal confirmation.



North Marin Water

- Jurisdiction
- Adopted Sphere

CHAPTER THREE ANALYSIS & RECOMMENDATIONS

3.0 ANALYSIS FOCUS

Consistent with CKH the underlying purpose of this report is to provide context and related analysis in step with the Commission’s directive to review and update NMWD’s sphere with any appropriate modifications therein. To this end, staff has performed its own assessment of the current NMWD sphere designation with the premising interest to identify modifications that facilitate the District’s logical development relative to the factors prescribed by the Legislature and further defined under Commission policy. This includes – and consistent with earlier input from Commissioners – orienting this process to identify (a) modifications that appear merited now as well as those (b) changes that may be merited in the near future but require additional study and analysis. Markedly, this latter category responds to the Commission’s interests to “telegraph”

This report’s analysis on potential sphere modifications to NMWD is the first comprehensive review of the District and takes into account two distinct study category types. The first category type considers potential changes that appear warranted now and based on existing information and analysis. The second category type considers potential changes that generate some level of merit, but requires additional informational and related analysis before making specific recommendations. This latter category is consistent with the Commission’s interest to begin “telegraphing” significant matters and provide advance notice to agencies and the public with respect to potential future undertakings by Marin LAFCO.

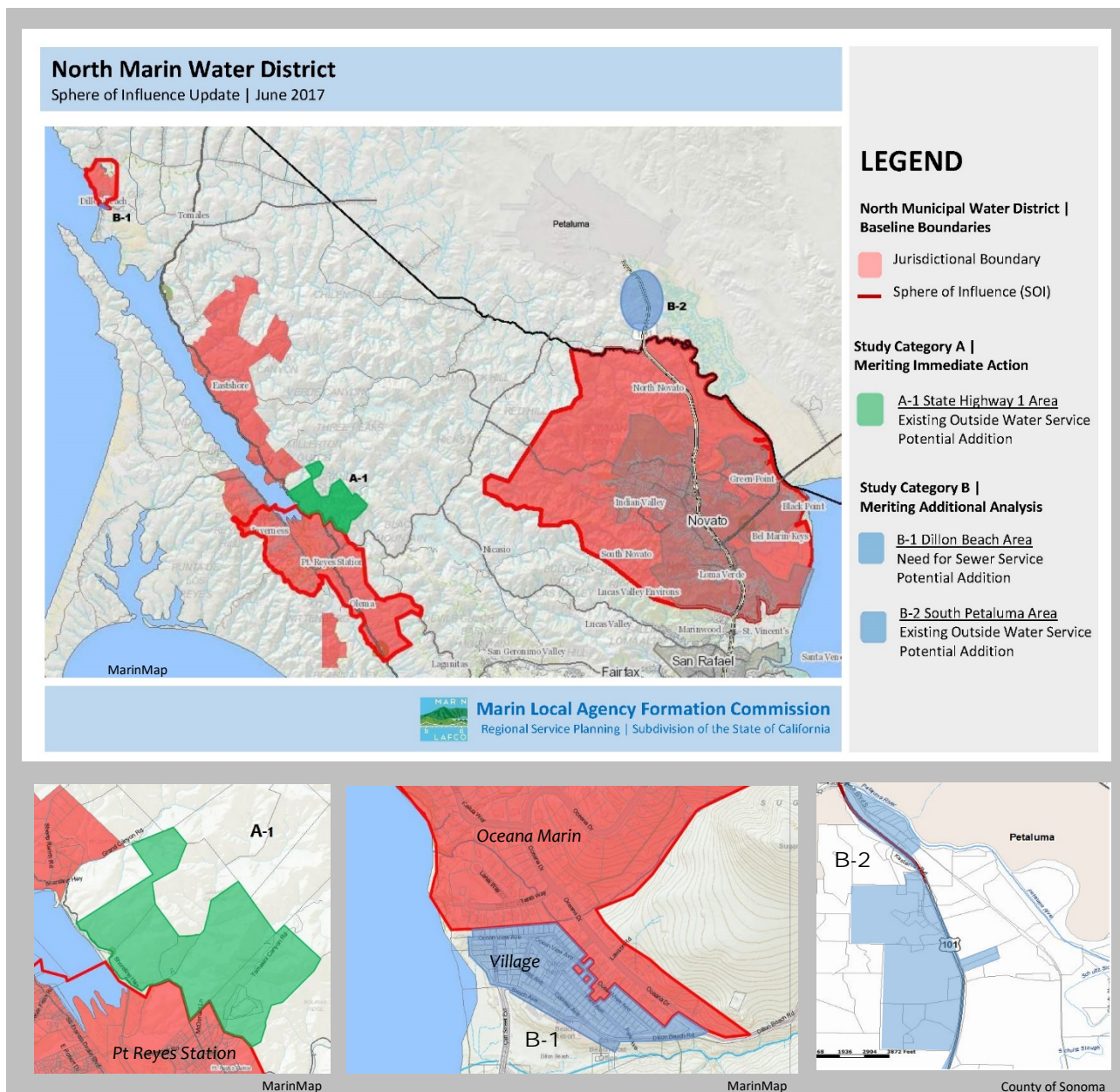
potential sphere modifications ahead of actual action with the goal of engaging the affected agency and communities with the expectation of returning to the topic with more information as part of the next five-year update.

3.1 STUDY CATEGORIES

A. Selection Criteria

As introduced in the preceding section the analysis on potential modifications to the NMWD sphere is the work of staff and divided into two categories. The first – Study Category “A” – represents those areas that existing information and analysis appears

sufficient in recommending an action (i.e., addition or subtraction from the sphere). The second – Study Category “B” – represents those areas that existing information and analysis suggests there may be merit for a modification, but given the scope of the potential change additional work is needed to reach a more informed recommendation before reaching any conclusions. An accounting of the areas selected and evaluated therein under both categories is shown in the following map and detailed in the succeeding sections.



Study Category A | Areas Meriting Immediate Action

A review of the NMWD sphere with respect to potential modifications now based on existing information and analysis identifies one selection for Commission consideration. This selection is identified as A-1 and is detailed below.

- A-1 has been identified for immediate addition into the sphere and encompasses an approximate 2,230 acre unincorporated area located off of State Highway 1 in the West Marin service area. A-1 consists of eleven legal parcels that are all under private ownership and largely developed with commercial agricultural uses ranging from livestock to dairy operations. There are also seven residential units within A-1. The adjacent right-of-way along State Highway 1 is also included. The proposed modification would principally serve to recognize NMWD's existing service commitments within A-1 as a result of pre CKH outside water service contracts reached by the District beginning in the late 1970s with the subject landowners; contracts that provide interruptible supplies and help mitigate against known low and poor groundwater in the region. (NMWD provides service to eight of the eleven affected parcels through a master meter that connects to private and individual lateral lines. The addition of the three remaining parcels provides a more orderly sphere designation.) Adding A-1 would conform to the expanded State definition of spheres of influence to emphasize the current and future NMWD service area as well as comport with the Commission's interest – and specifically through memorializing water availability – in supporting agricultural uses in Marin County. Additional and

A-1 spans approximately 2,230 unincorporated acres in the West Marin service area off of State Highway 1 that includes 11 parcels largely under commercial agricultural uses along with 7 residential units. (It also includes the adjacent right-of-way along State Highway 1.) It appears appropriate to add A-1 to the NMWD sphere now as a means – and among other considerations – to recognize the existing service commitments to the majority of the affected lands as part of pre CKH outside service agreements. The other three parcels are included for continuity purposes in providing an updated sphere designation.

technical details – including assessor parcels and existing uses – relating to the lands comprising A-1 as selected by staff are provided as Appendix A.

Study Category B | Areas Meriting Additional Analysis

A review of the NMWD sphere with respect to potential modifications that may be merited – and as such warrant identification in this update as a formal placeholder – but require additional information and analysis before making an informed recommendation identifies two selections for Commission consideration. These selections are identified as B-1 and B-2 and separately addressed below.

- B-1 has been identified as a placeholder for consideration in the future for possible inclusion into the sphere. It encompasses approximately 13.5 acres of unincorporated land located in Dillion Beach and within the West Marin service area. B-1 consists of 156 legal parcels that are nearly all under private ownership and largely developed with single-family residences as part of the original “Village” development and highlighted by the existing construction of 139 units. These parcels in B-1 represent the remaining portion of the Village area that are not already connected to NMWD’s public wastewater system for the Dillion Beach area, which was established in the 1970s in step with serving the Oceana Marin Subdivision.¹ Adding B-1 to the sphere, markedly, would formally

B-1 spans approximately 14 unincorporated acres in the West Marin service area and within the “Village” portion of Dillion Beach community. It includes 156 legal parcels that presently total 139 residential units. Adding B-1 to the sphere makes notional sense in ultimately expanding public sewer services in an existing high-density area, but merits more analysis to fully assess service and funding capabilities to make the necessary improvements. Accordingly, it appears appropriate to formally designate B-1 as a priority review ahead of the next schedule five-year sphere update and in doing so clearly signal Marin LAFCO’s intent to more fully explore options for purposes of generating proactive and informing discussions.

¹ The Oceana Subdivision was initially developed in the early 1970s. NMWD – and at the request of the County of Marin – proceeded to establish public wastewater services for the approximate 250-lot community in 1972. NMWD has also incrementally extended wastewater services into the older Village area – which is marked by small lots and narrow roads – to now include nearly one-dozen residential lots along Ocean View Avenue.

signal the Commission’s interest to NMWD to proceed with the infrastructure improvements necessary to extend public sewer to the remaining Village parcels and in doing so help remove the ongoing operation of private onsite septic systems within a high-density residential area along the coastline.² Adding B-1 to the sphere and the subsequent annexations, similarly, would help expand economies of scale necessary to improve community funding to cover the needed infrastructure improvements; the latter of which are attested by NMWD as significant constraints on the District’s ability to assume more service responsibilities outside of the Oceana Subdivision at this time. To this end, staff agrees more analysis is merited to assess actual service and funding capacities in B-1 in step with managing public expectations, as well as whether any further expansion into the remainder of the Village is ultimately warranted under CKH.

- B-2 has been identified as a placeholder for consideration in the future for possible inclusion into the sphere. It encompasses approximately 600 acres of unincorporated land located in southern Sonoma County and within the East Marin service area. B-2 consists of 30 legal parcels that are all under private ownership and largely developed with non-conforming residential uses immediately south of the City of Petaluma along State Highway 101. An exact number of dwelling units within B-2 is not presently available, but is reasonable to assume most of the 30 lots have at least one residence. All of these parcels have outside water service connections with NMWD with nearly all established pre

B-2 spans approximately 600 unincorporated acres in the East Marin service area south of the City of Petaluma in Sonoma County. It includes 30 legal parcels that are largely developed with residential uses, and are already served with water from NMWD byway of earlier outside service agreements. Adding B-2 to the sphere makes notional sense in matching the sphere to reflect current service commitments, but merits more analysis due to certain and detailed externalities. Accordingly, it appears appropriate to formally designate B-2 as a priority review ahead of the next schedule five-year sphere update and in doing so clearly signal LAFCO’s intent to more fully explore options for purposes of generating proactive and informing discussions.

² The majority of parcels comprising B-1 are less than 0.1 acres in size.

CKH.³ Similar to the merits underlying A-1, the potential addition of B-2 into the sphere would recognize NMWD’s existing service commitments, and as such conform to the expanded State definition of spheres in emphasizing local agencies’ current and future service areas. However, and distinct from A-1, there exist uncertainty with respect to NMWD continuing to serve all of its existing outside water connections in B-2 beyond the near term. This uncertainty is tied to NMWD’s ongoing discussions with Petaluma for the City to ultimately assume direct service responsibility for some or all of the service connections in B-2. Should B-2 remain in NMWD’s service area going forward separate questions arise meriting additional analysis. This includes whether it would be appropriate to size the sphere to accommodate any new connections and what would be the impacts therein to local land use authorities in Sonoma County.

3.2 RECOMMENDATIONS

A. Summary

The preceding analysis produces a staff recommendation for the Commission to make one modification to the NMWD sphere as part of this scheduled comprehensive update process. This recommended modification is to add all of the territory that comprises Study Category A-1 (State Highway 1) into the sphere. The addition of A-1 is consistent with CKH’s underlying objective for sphere designations to reflect the current and probable future jurisdictional boundary *and* service area of the subject agencies as determined by the Commission (emphasis added). A-1 has been part of NMWD’s service area in West Marin for several decades through the establishment of pre CKH

It is recommended the Commission make one change to the NMWD sphere as part of this update and this involves the addition of A-1 (State Highway 1) in West Marin. This addition would more accurately align the sphere to reflect NMWD’s existing water service area while also serving as a policy tool to support the economic vitality of agricultural uses in West Marin by encouraging the availability of a reliable water source to the affected lands.

³ The Commission most recently approved two outside service connections involving 3367 and 3357 Petaluma Boulevard in southern Sonoma County at its November 4, 2015 meeting. The approval was made without conforming sphere amendments and premised on the Commission addressing a documented public safety threat as provided under Government Code Section 56133.

outside water service agreements with the majority of the landowners. The addition of A-1 would also comport with the Commission’s interest – and specifically through memorializing water availability – in supporting existing agriculture uses in West Marin.

Similarly the preceding analysis also produces staff recommendations for the Commission to formally encourage more discussion going forward regarding the potential merits of adding Study Areas B-1 (Dillon Beach) and B-2 (South Sonoma County) to the NMWD sphere. These discussions would be anticipation of revisiting the topics in greater detail – and potentially for action – in the next five-year update cycle for reasons provided. This includes addressing the notional interest of the Commission documented in this report to facilitate the expansion of NMWD’s public wastewater services into the rest of the Village area of Dillion Beach and memorializing existing District water service commitments south of the City of Petaluma. Deferring these topics in earnest to the next scheduled update process would also provide NMWD the opportunity to internally engage these matters as well as provide advance notice to the affected land use authorities: County of Marin (B-1) and County of Sonoma (B-2).

It is also recommended the Commission formally designate B-1 (Oceana Marin in Dillion Beach) and B-2 (South Sonoma County) as priority reviews ahead of the next scheduled five-year sphere update and in doing so clearly signal LAFCO’s intent to more fully explore long-term options for purposes of generating proactive and informing discussions.

Implicit in the preceding analysis is the conclusion that no other areas within or outside the existing NMWD sphere warrant review for potential amendment at this time. This includes – most notably – determining it remains appropriate for the Commission to continue to exclude from the sphere the portions of the NMWD jurisdictional boundary in the West Marin service area comprising the North Inverness and Marshall areas. This report affirms these areas merit detachment from NMWD given the lack of social and economic communities of interests, and furthermore the

It is separately recommended NMWD proceed with filing one or more proposals with the Commission to detach the portion of its jurisdictional boundary comprising the North Inverness and Marshall communities. Accordingly, and given the lack of germane social and economic ties, these areas remain outside the recommended sphere update.

Commission encourages the District to submit one or more proposals to facilitate the referenced changes.

B. Mandatory Statements

The following statements have been prepared in support of the above recommendations on an updated NMWD sphere and address the Commission's mandatory review factors required under CKH. The statements collectively address the NMWD sphere as a whole and assume the recommended modifications are enacted.

Factor No. 1 | Present and Planned Land Uses in the Area

Lands in the updated NMWD sphere are predominately developed for urban type uses as planned for by the affected land use authorities that are separately subject to Commission review and oversight directly or indirectly. Less intensive uses – including rural residential, agricultural, and open-space – within the updated sphere are limited and their inclusion directly corresponds with local proximity and need to NMWD's potable water system.

Factor No. 2 | Present and Probable Need for Public Facilities and Services in the Area

Lands within the updated NMWD sphere reflect the appropriate current and future jurisdictional boundary and/or service area of the District as independently determined by the Commission.

Factor No. 3 | Present Capacity of Public Facilities and Adequacy of Public Services that the Agency Provides or is Authorized to Provide

The Commission's recently completed municipal service review on countywide public water services indicates NMWD has established adequate administrative, service, and financial capacities to accommodate present and planned uses in the updated sphere. An abbreviated review of NMWD's limited wastewater options in the Dillon Beach area has also been prepared with its analysis incorporated into this update.

**Factor No. 4 |
Existence of any Social or Economic Communities of Interest in the Area if the
Commission Determines they are Relevant**

Lands in the updated NMWD sphere have established social and economic interdependencies with the District that are distinct from neighboring areas and premised on the existing delivery of potable water or wastewater services. This update affirms and strengthens these ties.

**Factor No. 5 |
Present and Probable Need for Public Facilities and Services of Any Disadvantaged
Unincorporated Communities Within or Adjacent to the Sphere**

There are no known disadvantaged unincorporated communities (DUCs) within or immediately adjacent to the updated NMWD sphere based on the statewide definition provided under CKH. Should the Commission adopt its own local DUC definition additional analysis will be required to revisit whether any lands within or immediately adjacent to the updated NMWD sphere qualify.

Page Blank for Photocopying



Marin Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

SUPPLEMENTAL REPORT

August 16, 2017

TO: Marin Commission

FROM: Rachel Jones, Administrative Analyst

**SUBJECT: North Marin Water District |
Overview of Wastewater Services in Dillon Beach Area**

This supplemental report has been prepared as part of Marin LAFCO's scheduled sphere of influence update on the North Marin Water District (NMWD) and is specific to providing an overview of existing District wastewater services in the Dillon Beach area.

Geographic Setting

The unincorporated community of Dillon Beach is located near the mouth of Tomales Bay in West Marin County. Dillon Beach is divided between two distinct developments. The Village represents the older part of the community and its present-day development began in the early 1910s. The Village is marked by narrow roads and approximately 170 residential lots with a majority being 0.07 acres or less in size. Additionally of note, most of the residences in the Village have transitioned over the last several decades from seasonal to year-round uses. The Oceana Marin Subdivision represents the newer part of the community and lies north of the Village. Oceana Marin's development began in the 1960s and presently includes approximately 250 residential lots that are relatively larger than homes in the Village with most being no less than 0.15 acres in size.

Dillon Beach



Collection and Treatment Facilities

NMWD's wastewater services in Dillon Beach are predominately limited to serving the Oceana Marin Subdivision. These services were established in the early 1970s at the request of the County of Marin given continual setbacks incurred by the developer in adequately maintaining a community wastewater system. The collection system consists primarily of six to eight inch lines that move flows by gravity to a central pretreatment basin. A pump station conveys flow through a grit/grease separator before reaching NMWD's treatment facility located immediately east of Oceana Marin. A small lift station located on North Street is used to lift the sewage. Secondary treatment is provided in the two ponds with one dedicated for biological/chemical treatment and one

Administrative Office
Keene Simonds, Executive Officer
1401 Los Gatos Drive, Suite 220
San Rafael, California 94903
T: 415-448-5877 E: staff@marinlafco.org
www.marinlafco.org

Damon Connolly, Regular
County of Marin

Dennis J. Rodoni, Regular
County of Marin

Judy Arnold, Alternate
County of Marin

Carla Condon, Vice Chair
Town of Corte Madera

Sashi McEntee, Regular
City of Mill Valley

Matthew Brown, Alternate
Town of San Anselmo

Jack Baker, Regular
North Marin Water District

Craig K. Murray, Regular
Las Gallinas Valley Sanitary

Lew Kious, Alternate
Almonte Sanitary District

Jeffrey Blanchfield, Chair
Public Member

Chris Skelton, Alternate
Public Member

other for storage. Treated effluent is discharged to disposal field leach lines.

Existing Connections

NMWD presently provides wastewater services to 229 connections throughout the Dillon Beach community. Of this amount 220 of these connections lie within Oceana Marin. The remaining nine connections to the collection system are located within the Village and the result of incremental service expansions authorized through annexations approved by the Commission; the most recent of which was completed in 2016. It is estimated the current resident service population within Dillon Beach totals 400.

Wastewater Demands

NMWD reports the current average day wastewater flow within Dillon Beach and among its 229 service connections tallies 16,068 gallons and translates to an estimated daily per capita amount of 52 gallons. Demands are further broken down between the two common weather periods (dry-weather and wet-weather) as follows.

- Average dry-year weather flows over the five-year period between 2010-2015 total 6.81 million gallons.
- Average wet-year weather flows over the five-year period between 2010-2015 total 7.81 million gallons.

Treatment Capacity

NMWD's wastewater treatment capacity is estimated at 63,000 gallons per day. This estimate was last calculated by NMWD in 1995. The functional capacity, however and pertinently, is downgraded to 29,600 gallons per day given disposal limitations.

Demand vs. Capacity

- Average demands under dry-weather flows indicate NMWD's wastewater system is at 63.0% capacity. At the projected buildout of Oceana Marin, NMWD estimates this capacity ratio will increase to 79.7%.
- Average demands under wet-weather flows indicate NMWD's wastewater system is at 72.3% capacity. At the projected buildout of Oceana Marin, NMWD estimates this capacity ratio will increase to 88.9%.



Marin Local Agency Formation Commission
Regional Service Planning | Subdivision of the State of California

SUPPLMENTAL REPORT

July 31, 2017

TO: Marin Commissioners

FROM: Keene Simonds, Executive Officer

**SUBJECT: North Marin Water District | Sphere of Influence Update
Comments on Draft Report and Staff Reponses**

The Commission will review written comments received on the draft report prepared as part of the scheduled sphere of influence update on the North Marin Water District. Staff responses to the written comments are also provided for Commission review.

The Marin Local Agency Formation Commission (LAFCO) received three written comment letters on the draft report prepared as part of the sphere of influence update on the North Marin Water District. These comment letters were generated as part of the 30-day review period initiated after the draft report was presented to the Commission for initial discussion and feedback at the June 8th meeting. Comments were received by date from the following persons and agencies:

1. North Marin Water District
2. Sonoma LAFCO
3. Robert Johnston
4. City of Petaluma

Copies of the comment letters follow and accompanied by staff responses that note – and among other items – when corresponding changes are reflected in the final report.

Attachments: as stated

RESPONSE TO COMMENTS

Prepared by the Executive Officer

1.0 Response to Comments | North Marin Water District

Comment 1-1

NMWD offers an alternative to the population estimate provided in the report for the District of 61,300. (The estimate cited in the report tallies 65,479.)

Staff has revised the final report to include a new footnote identifying NMWD's alternative population estimate. The report also continues to outline the specific criteria used by staff in projecting LAFCO's own estimate.

Comment 1-2

NMWD requests the map in the report showing the District's East Service Area be revised to show the four properties previously annexed into the District that lie in south Sonoma County.

Staff is unable to access GIS information from the County of Sonoma at this time, and as such cannot accurately update the map as requested. However, staff has revised the final report and specifically the map showing NMWD's East Service Area to note the referenced exclusion of the south Sonoma County properties.

Comment 1-3

NMWD asserts the map in the report showing the District's West Service Area incorrectly shows non-jurisdictional land within the District sphere at the northeast corner of the Dillion Beach area.

Staff has verified the referenced area was purposefully included in the NMWD sphere at the time of its establishment in 1982 by Marin LAFCO.

Comment 1-4

NMWD notes the District serves eight of the eleven properties within Study Area A-1 as outlined in the report.

| Comment noted.

Comment 1-5

NMWD notes all pipeline facilities in Study Area A-1 as defined in the report are privately owned and served through a master connection. NMWD adds existing (jurisdictional) District customers should not be expected to incur the costs to extend any municipal water service lines into A-1 should the lands be ultimately annexed.

| Comment noted.

Comment 1-6

NMWD seeks clarification Marin LAFCO serves as lead agency under CEQA with respect to addressing any environmental impacts associated with the sphere update.

| Staff confirms Marin LAFCO serves as lead agency for the sphere update.

Comment 1-7

NMWD seeks revisions to the report to correct and further differentiate development and District service commitments therein within Dillion Beach (Study Area B-1).

| Staff has revised the final report as requested. This includes properly identifying the lands within B-1 as the Village portion of Dillon Beach as opposed to incorrectly citing as part of the Oceana Marin Subdivision.

Comment 1-8

NMWD notes it is in ongoing discussions with the City of Petaluma with respect to transferring some of the District's customers in south Sonoma County (Study Area B-2). NMWD adds it would be appropriate to revisit potential sphere changes involving Study Area B-2 at a later date given these ongoing discussions.

| NMWD's comment is consistent with the conclusions and related recommendations presented in the draft and final reports.

**2.0 Response to Comments |
Sonoma LAFCO****Comment 2-1**

Sonoma LAFCO states it believes the ultimate service responsibility for current NMWD service commitments in south Sonoma County (Study Area B-2) should be a public agency in Sonoma County.

| Comment noted. Staff adds it is in general agreement and specifically it would appear ideal under LAFCO law for the City of Petaluma to directly serve Study Area B-1 and presumably through a corresponding change to its sphere of influence to include the subject lands.

Comment 2-2

Sonoma LAFCO notes it would be its policy preference for any new service connections within Study Area B-2 to be accomplished through outside service extensions in step with addressing documented public safety threats and as opposed to annexations.

| Comment noted. Staff adds this topic – and specifically the potential of accommodating new future connections in B-2 through outside service extensions versus annexations – merits additional dialogue.

Comment 2-3

Sonoma LAFCO states it does not believe there is benefit to the expansion of the NMWD sphere to include Study Area B-2.

| See response to 2-2.

Comment 2-4

Sonoma LAFCO notes – among other items – it may be appropriate for Marin LAFCO to cede authority in determining the District’s sphere in south Sonoma County to Sonoma LAFCO.

| Comment noted. Staff adds this option should be explored as part of the future discussions anticipated going forward and as recommended in the draft and final reports. (Staff also adds the comment seemingly contrasts with earlier input from Sonoma LAFCO and marked as recently in 2016 when it directed NMWD to seek an approval from Marin LAFCO in establishing a formal outside service connection for land within Study Area B-2 involving applicants’ Yee/Fonts.)

**3.0 Response to Comments |
Robert Johnston****Comment 3-1**

Mr. Johnston suggests it would be appropriate for Marin LAFCO to condition the expansion of the NMWD sphere to include Study Area A-1 to require all landowners sign contracts committing all related water service for agricultural use only.

| Comment noted. Staff adds this type of condition – and specifically limiting water service for a specific purpose – would be best effectuated under Marin LAFCO’s authority as part of a corresponding outside service agreement or annexation involving the subject lands. Nonetheless, should the Commission wish to proactively telegraph expected outcomes and uses, it could establish policy statements in the approving resolution updating the sphere of influence.

**4.0 Response to Comments |
City of Petaluma****Comment 4-1**

Petaluma states an agreement has been developed to transfer service responsibilities involving nine targeted outside service customers in Study Area B-2 from NMWD to the City. Petaluma notes these existing customers are immediately south of the City, and the agreement is expected to be considered by the City Council in the near future.

| Comment noted. Should the referenced agreement be finalized and the service transfer occur the merits to expand NMWD’s sphere of influence into Study Area B-2 to include the subject properties would be substantially muted.

Comment 4-2

Petaluma states should an agreement be finalized as noted in 4-1 the City anticipates discussing a larger transfer in Study Area B-2 to assume additional outside service customers as far south as Kastania Road; the approximate location where NMWD assumes ownership of the aqueduct that conveys treated water from SCWA. Petaluma adds it is possible it may eventually discuss an additional transfer further south to the county line to cover all of Study Area B-2.

Comment noted. Any formal transfer of NMWD's existing outside service commitments in Study Area B-2 to Petaluma would demerit the expansion of the District's sphere of influence to include any of the subject lands.

Comment 4-3

Petaluma states it would appear prudent to amend the City's sphere to capture any new service responsibilities it assumes within Study Area B-2 as part of a negotiated agreement with NMWD.

Comment noted.

Comment 4-4

Petaluma states it does not believe there is sufficient benefit to extend NMWD's sphere of influence into Study Area B-2. Petaluma adds a preferred alternative would be to classify B-2 as the City's own outside service agreement area.

Comment noted. Staff adds this option outlined by Petaluma merits review as part of the future discussions anticipated going forward and ahead of the next update as recommended in the draft and final reports.

Comment 4-5

Petaluma offers support for the recommendation in the draft report for discussions between all interested stakeholders in Study Area B-2 – and specifically the City and NMWD – to continue and in advance of Marin LAFCO revisiting the topic as part of a future update.

Comment noted. Staff adds the referenced recommendation remains intact as part of the final report.

From: Johnston, Bob <rajohnston@
Sent: Wednesday, July 19, 2017 6:03 PM
To: Marin LAFCO Staff
Cc: Johnston, Bob
Subject: App. A for Item 15, Mtg. of June 8

Keene,

I can't find the Appendix A for the SOI for NMWD rept. I want to see who the ag owners are. Pls send it. Thanks.

It appears as though the upper Martinelli property has been purchased by the NPS.

You have a dairy here (Giacomini) and a vineyard (Doughty). If these operations ever shut down, for any reason, or if the Regional WQ Control Bd ever shuts them down for WQ violations (Tomales Bay is nonattainment for nutrients and sediment), they might then try to convert to non-ag uses. So, I would condition the SOI annexation to require that NMWD adopt a binding provision that all of this water is for ag use only. I'd also require in the SOI annexation ordinance that all landowners will sign contracts saying this, also. You do not want your SOI annexation to be sprawl-inducing, one of the objectives of CKH, I believe.

Bob

Robert A. Johnston
USPS: P.O. Box 579
Point Reyes Station,
CA 94956



**NORTH MARIN
WATER DISTRICT**

999 Rush Creek Place
P.O. Box 146
Novato, CA 94948-0146

Via email at ksimonds@marinlafco.org

PHONE

415.897.4133

EMAIL

info@nmwd.com

WEB

www.nmwd.com

Keene Simmons, Executive Officer
Marin Local Agency Formation Commission
1401 Los Gamos Dr., Suite 220
San Rafael, CA 94903

June 8, 2017

Re: Marin LAFCo Sphere of Influence Update-North Marin Water District (NMWD)

Dear Mr. Simmons:

Thank you for the opportunity to comment on the June 2017 Draft Sphere of Influence Update (Update). We understand that this draft report will be brought to the June 8th LAFCo Commission for discussion only followed by a formal public review and comment period with tentative final Commission action at the August 10th LAFCo meeting.

Comments to the draft report are provided as follows:

- **2.1 B (Page 16)**

NMWD's population for Novato is 61,300, West Marin is 1,700 and Oceana Marin is 400.

- **2.1 C (Page 17)**

The boundary map should be updated to show the four Sonoma parcels that are part of NMWD's service territory.

- **2.2 Sphere of Influence Part C – West Marin Service Area Map (Page 21)**

The current sphere boundary shown for the Oceana Marin service area is not correct. Specifically, the "adopted sphere" line is erroneously expanded in the north east corner of the sphere boundary.

- **3.1 A, Study Category A (Page 24)**

a. NMWD currently serves eight parcels outside of our West Marin service territory (immediately north of State Route 1 in Point Reyes Station). The report narrative addresses expanding our sphere of influence to incorporate nine subject parcels.

b. All pipeline facilities within the proposed expanded sphere of influence area are currently privately owned and maintained. Existing NMWD customers cannot be expected to incur the cost to extend any municipal water facilities in this expanded sphere of influence area.

DIRECTORS: JACK BAKER • RICK FRAITES • MICHAEL JOLY • STEPHEN PETTERLE • JOHN SCHOONOVER

OFFICERS: DREW MCINTYRE, General Manager • KATIE YOUNG, District Secretary • DAVID L. BENTLEY, Auditor-Controller • ROCKY VOGLER, Chief Engineer

c. It is our understanding that case law dictates that LAFCo would be required to serve as the lead agency and make any appropriate environmental determinations for any revisions to NMWD's sphere of influence.

- **3.8.1 Study Category B (Page 25)**

The Update identifies Category B areas B-1 (Dillon Beach) and B-2 (Sonoma county parcels along Hwy 101 corridor) as a formal place holder for future study in advance of the scheduled 2022 Update.

- a. B-1 (Dillon Beach). The narrative needs to be revised to clearly differentiate between the older Dillon Beach community (circa 1910) and the Oceana Marin Subdivision (constructed in the early 1970's). There is no service relationship between NMWD and the older Dillon Beach area that is proposed as an expanded sphere of influence. There are many homes in the older Dillon Beach community and NMWD's Oceana Marin wastewater facilities do not have the reserve capacity to serve this expanded area. Furthermore, any discussion about service in this expanded area must occur community wide and not on a piece by piece basis.
- b. B-2 (Sonoma Parcels along Hwy 101). NMWD and the city of Petaluma are in ongoing discussions regarding the transfer of some NMWD customers in the So. Petaluma Blvd Industrial Area to the city. Accordingly, any sphere of influence boundary changes should be discussed after said service transfers are completed.

Thank you for the opportunity to comment.

Sincerely,



Drew McIntyre
General Manager

DM/kly



CITY OF PETALUMA

POST OFFICE BOX 61
PETALUMA, CA 94953-0061

David Glass
Mayor

July 26, 2017

Chris Albertson
Teresa Barrett
Mike Healy
Gabe Kearney
Dave King
Kathy Miller
Councilmembers

Mr. Keene Simonds, Executive Officer
Marin Local Agency Formation Commission
1401 Los Gamos Drive, Suite 220
San Rafael, California 94903

Re: Comments Regarding Draft Report on the Comprehensive Sphere of Influence
Update for the North Marin Water District

Dear Mr. Simonds:

We appreciate the opportunity to comment on the draft Municipal Service Review your office has prepared for the North Marin Water District (NMWD) as presented at your Commission at the meeting of June 8, 2017. We understand that the issue will be on the agenda for action at the Commission's August 10th meeting and would hope that our comments would be considered.

Public Works & Utilities

City Engineer
11 English Street
Petaluma, CA 94952
Phone (707) 778-4303

Environmental Services

Ellis Creek Water
Recycling Facility
3890 Cypress Drive
Petaluma, CA 94954
Phone (707) 776-3777
Fax: (707) 656-4067

**Parks & Facility
Maintenance**

840 Hopper St. Ext.
Petaluma, CA 94952
Phone (707) 778-4303
Fax (707) 206-6065

Transit Division

555 N. McDowell Blvd.
Petaluma, CA 94954
Phone (707) 778-4421

Utilities & Field Operations

202 N. McDowell Blvd.
Petaluma, CA 94954
Phone (707) 778-4546
Fax (707) 206-6034

E-Mail: publicworks@ci.petaluma.ca.us

The City of Petaluma's interest in the proposed action is focused on the area designated B-2 in the report and is specifically related to the potential for NMWD's sphere of influence or utility service area to extend northward to include the area of Sonoma County south of the city limits of Petaluma generally along the US Highway 101 and Marin Aqueduct alignments. NMWD is currently serving customers as an offshoot of developing the Marin Aqueduct project and acquiring right-of-way many years ago. Today this water transmission aqueduct is owned by the Sonoma County Water Agency (SCWA) to a point in the vicinity of Kastania Road and by NMWD south of that point.

An agreement has been developed between the City and NMWD for the transfer of ownership and service responsibilities to the City for the water facilities that serve nine customers in the area immediately south of the City limits within the northern portion of Area B-2. These customers are under outside service area authorizations (OSAA) with NMWD that would be transferred to the City once the agreement is finalized. This proposed agreement is expect to be acted upon by the City Council in the near future.

Upon consummation of that agreement, we expect to be in conversations with NMWD and SCWA to transfer to the City those facilities and connections south of this area to the point where NMWD assumes ownership of the aqueduct. Whether the City would pursue facilities and connection south of that point to the county line at San Antonio Creek is an open question. It would seem prudent to amend the SOI for the City, expand the City's water service area or require OSAA's for those properties that could easily be serviced from the SCWA owned portion of the Aqueduct. This should include those properties

4-1

4-2

4-3

that could physically be served by both ownership portions of the aqueduct. We believe that this plan would reasonably meet the goals of LAFCO to assure that County customers and service connections, including new connections, are best properly served by the nearest public retail water agency within the same County.

The City would support the concept of classifying any new connection to SCWA transmission facilities, and to the extent possible, all existing connections, as OSAA's authorized by LAFCO and managed by the nearest city or water district within the County. The primary criterion for granting a new connection should be a documented threat to public health and safety with service provided for existing use and development only.

In conclusion, we do not believe that extending the sphere of influence or eventual boundaries of NMWD into Area B-2 would be beneficial to all concerned and would suggest that the better water service option for this area would be to classify connections as OSAA's of the City of Petaluma. It should be noted that the City has an interest in the land use of the area to the south because it represents a gateway to the City, and that the City has capabilities to manage retail service connections in that area. **4-4**

The City would support continuing the efforts of NMWD, SCWA, and the City to develop consensus and agreements regarding service to existing customers and processing of future connections within the area serviced by aqueduct facilities within the Area B-2 without extending territorial jurisdiction of NMWD within Sonoma County. We believe this is consistent with the Marin LAFCO staff recommendation on the matter "...to formally encourage more discussion going forward regarding the potential merits of adding Study Areas B-1 (Dillon Beach) and B-2 (South Sonoma County) to the NMWD sphere. These discussions would be (in) anticipation of revisiting the topics in greater detail – and potentially for action – in the next five-year update cycle for reasons provided" (in the report). We look forward to engaging LAFCO and the water agencies involved in this process during the suggested planning window. **4-5**

Again, we appreciate the opportunity to comment and are available to answer questions or, if appropriate, to join you at the next Marin LAFCO meeting when this issue will be discussed.

Sincerely,



Dan St. John, F.ASCE
Director of Public Works and Utilities

cc: Teresa Barrett, Chair, Sonoma LAFCO
Drew McIntyre, General Manager, NMWD
Tennis Wick, Director, Sonoma County PRMD
John Brown, City Manager, City of Petaluma
Grant Davis, General Manager, Sonoma County Water Agency
Mark Bramfitt, Executive Officer, Sonoma LAFCO

SONOMA LOCAL AGENCY FORMATION COMMISSION

575 ADMINISTRATION DRIVE, ROOM 104A, SANTA ROSA, CA 95403

(707) 565-2577 FAX (707) 565-3778

www.sonomalafco.org

July 17, 2017

Mr. Keene Simonds, Executive Officer
Marin Local Agency Formation Commission
1401 Los Gamos Drive, Suite 220
San Rafael, California 94903

Re: Comments Regarding North Marin Water District Municipal Service Review and Sphere of Influence Amendment

Dear Mr. Simonds:

Thank you for the opportunity to comment on the draft Municipal Service Review your office has prepared for the North Marin Water District (NMWD).

The Sonoma Local Agency Formation Commission seeks to file comments on the report specifically related to the potential for further study of whether NMWD's sphere of influence should be extended to include territory in Sonoma County generally south of the City of Petaluma.

While we recognize that NMWD is serving a number of customers in this area from water transmission aqueducts owned by the Sonoma County Water Agency (SCWA) and NMWD, we believe that eventual responsibility for these customers and service connections (and any potential new connections) should properly be the responsibility of a public agency in Sonoma County.

Connections to SCWA Transmission Facilities

For a variety of reasons, service connections to SCWA's transmission facilities (the aqueduct running south from Petaluma to the Kastania pumping station) have been granted in the past, usually in exchange for right-of-way agreements. Although these connections have not been governed by Outside Service Area Authorizations, we are of the belief that they are governed by agreements that typically limit water use (i.e. allowing one Equivalent Single Family Dwelling unit of consumption).

SCWA has identified this situation as problematic in at least two regards: SCWA is a wholesale service agency and, therefore, should not be serving retail customers; and SCWA does not have systems in place that a retail water agency does to serve customers directly.

Sonoma LAFCO would further note that SCWA is not regulated in terms of an agency territory boundary and sphere of influence and that granting service in largely rural areas of Sonoma County is inconsistent with LAFCO's mission and the goals of county land use planning. Simply stated, granting service access, even if only from transmission aqueducts, could enable development inconsistent with land use planning goals.

Connections to NMWD Transmission Facilities

From the Kastania pumping station south to the Marin/Sonoma border, NMWD owns and operates the aqueduct. The District serves many customers in Sonoma County directly from this portion of the line. Our research again indicates that there are service agreements in place for many of these connections that may limit development potential by limiting water supply.

Proper Classification of Transmission System Connections

Sonoma LAFCO has a strong preference for classifying any new connections to SCWA transmission facilities, and to the extent possible, all existing connections, as Outside Service Area Authorizations (OSAAs) authorized by the appropriate LAFCO.

The primary criterion for granting a new connection would be a documented threat to public health and safety, with service provided for existing use and development only.

We do recognize that many existing service connections (if not all) were granted prior to LAFCO oversight and that reclassifying these connections as OSAAs may not be feasible. However, we do not believe that extending the sphere of influence or eventual boundaries of NMWD to cover any part of this area would provide any benefit.

Rather, Sonoma LAFCO believes that the best governance option for this area is to classify connections to SCWA's facilities as OSAAs of the City of Petaluma, which has an interest in land use of territory surrounding the City and capabilities to manage retail service connections.

Governance of connections to NMWD's facilities in Sonoma County could be governed by Marin LAFCO, with referrals to Sonoma LAFCO, Permit Sonoma, and the City of Petaluma. Another option would be to cede authority for NMWD services in Sonoma County to Sonoma LAFCO.

Regardless however, to reiterate, territory in Sonoma County should not be added to NMWD's Sphere of Influence, as any connections should be considered as OSAAs only, supporting only existing development and uses that have a threat to public health and safety.

Sonoma LAFCO would support any effort by NMWD, SCWA, and the City of Petaluma to broker an agreement regarding treatment of these and any future connections to aqueduct facilities, without extending territorial jurisdiction of NMWD within Sonoma County.

Yours sincerely,



Mark Bramfitt
Executive Officer

cc: Teresa Barrett, Chair, Sonoma LAFCO
Drew McIntyre, General Manager, NMWD

RESOLUTION NO. _____

**RESOLUTION OF THE
MARIN LOCAL AGENCY FORMATION COMMISSION
MAKING DETERMINATIONS**

**COMPREHENSIVE SPHERE OF INFLUENCE UPDATE
NORTH MARIN WATER DISTRICT**

WHEREAS, the Marin Local Agency Formation Commission, hereinafter referred to as the “Commission”, is a political subdivision of the State of California with regional regulatory and planning responsibilities to produce orderly growth and development under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000; and

WHEREAS, the Commission is delegated regional regulatory and planning oversight of all cities, towns, and special districts within Marin County less those non-districts that meet the criteria under Government Code Section 56036.6; and

WHEREAS, the Commission is responsible under Government Code Section 56425 to establish and therein regularly review and update each affected local agency’s sphere of influence every five years for purposes of proactively meeting its regional growth management duties; and

WHEREAS, the Commission completed a municipal service review on countywide public water services at a noticed public hearing held on February 11, 2016 that culminated in the membership adopting determinations on all service, governance, and financial matters as required under Government Code Section 56430; and

WHEREAS, the municipal service review on countywide public water services completed on February 11, 2016 serves as the informing document for the Commission in proceeding with a scheduled sphere of influence update on the North Marin Water District; and

WHEREAS, the Executive Officer of the Commission, hereinafter referred to as the “Executive Officer”, prepared a written report with recommendations as part of the sphere of influence update on North Marin Water District and presented it in a manner provided under law on June 8, 2017, August 10, 2017, and October 12, 2017; and

WHEREAS, the Commission heard and fully considered all the evidence presented at public hearings concerning the sphere of influence update on North Marin Water District and most recently on October 12, 2017; and

WHEREAS, as part of the sphere of influence update process for the North Marin Water District, the Commission is required pursuant to Government Code Section 56425(e) to make a statement of written determinations with regards to certain factors.

NOW, THEREFORE, THE COMMISSION DOES HEREBY RESOLVE, DETERMINE, AND ORDER as follows:

1. The Commission determines the sphere of influence update on the North Marin Water District represents a project under the California Environmental Quality Act, but exempt from further review under the “general rule” provided under Regulations Code Section 15061(b)(3). This exemption applies to this project given the sphere of influence is a planning tool and it can be seen with certainty that any changes to the sphere of influence does not make any changes to the environment or authorize any new uses or services.
2. The Commission has duly considered the Executive Officer’s written report on the sphere of influence update on North Marin Water District and recommendations therein.
3. The Commission updates North Marin Water District’s existing sphere of influence to include one distinct change and this involves adding all territory shown as “A-1” in Exhibit “A.” No other changes to the sphere are approved.
4. The Commission establishes the following policy statements to guide additional and long term planning as it relates to North Marin Water District’s sphere of influence in Dillion Beach and South Sonoma County, which are shown as “B-1” and B-2” in Exhibit “A.”
 - a) It is recommended the Commission prioritize a review of available service options and sphere of influence scenarios therein for Dillon Beach and more specifically involving the Village area as part of the next five-year update for purposes of signaling intentions and generating informing discussions with – and among others – North Marin Water District and the community.
 - b) It is recommended the Commission prioritize a review of available service options and sphere of influence scenarios therein for South Sonoma County as part of the next five-year update for purposes of signaling intentions and generating informing discussions with – and among others - North Marin Water District and the community.
5. The Commission adopts the statement of written determinations generated from information presented in the Executive Officer’s written report on the sphere of influence update on North Water District as set forth in Exhibit “B.”
6. Consistent with Government Code Section 56425(i) the Commission determines North Marin Water District’s active and authorized service powers involve potable water, non-potable water, and wastewater. As such, any divesture of these active service powers or activation of any latent powers enumerated under North Marin Water District’s principal act requires Commission approval under Section 56824.10.

PASSED AND ADOPTED by the Marin Local Agency Formation Commission on October 12, 2017 by the following vote:

AYES: _____

NOES: _____

ABSTAIN: _____

ABSENT: _____

JEFFRY BLANCHFIELD, Chair

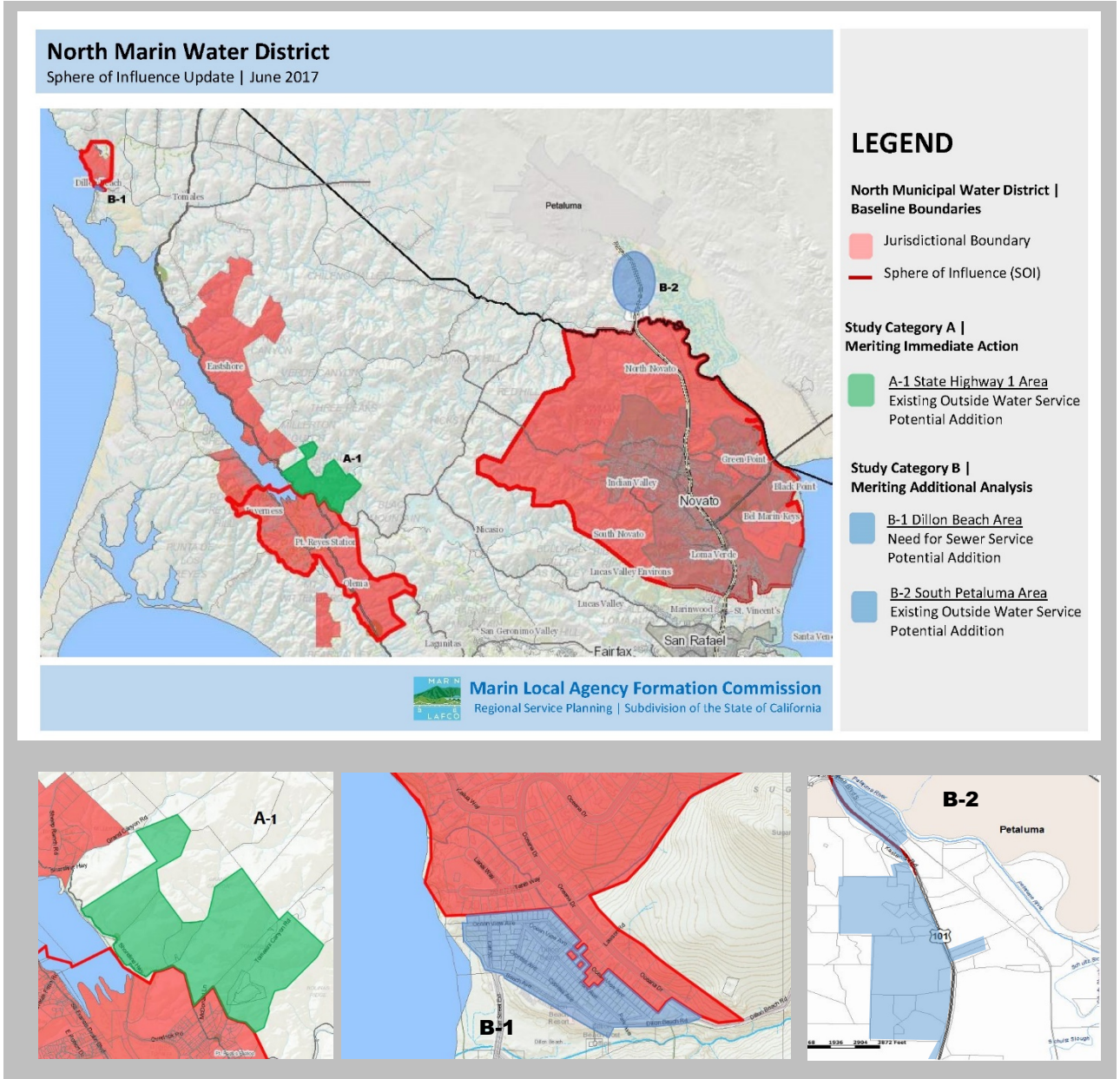
ATTEST:

KEENE SIMONDS, Executive Officer

Page Blank for Photocopying

EXHIBIT A
COMPREHENSIVE SPHERE OF INFLUENCE UPDATE
NORTH MARIN WATER DISTRICT

STUDY CATEGORIES



Page Blank for Photocopying

EXHIBIT B
COMPREHENSIVE SPHERE OF INFLUENCE UPDATE
NORTH MARIN WATER DISTRICT

WRITTEN DETERMINATIONS

The following determinative statements address the prescribed factors required for consideration anytime the Commission updates a sphere of influence under Government Code Section 56425(e). North Marin Water District is identified hereafter as NMWD.

1. Present and Planned Land Uses in the Area

Lands in the updated NMWD sphere are predominately developed for urban type uses as planned for by the affected land use authorities that are separately subject to Commission review and oversight directly or indirectly. Less intensive uses – including rural residential, agricultural, and open-space – within the updated sphere are limited and their inclusion directly corresponds with local proximity and need to NMWD’s potable water system.

2. Present and Probable Need for Public Facilities and Services in the Area

Lands within the updated NMWD sphere reflect the appropriate current and future jurisdictional boundary and/or service area of the District as independently determined by the Commission.

3. Present Capacity of Public Facilities and Adequacy of Public Services that the Agency Provides or is Authorized to Provide

The Commission’s recently completed municipal service review on countywide public water services indicates NMWD has established adequate administrative, service, and financial capacities to accommodate present and planned uses in the updated sphere. An abbreviated review of NMWD’s limited wastewater options in the Dillon Beach area has also been prepared with its analysis incorporated into this update.

4. Existence of any Social or Economic Communities of Interest in the Area if the Commission Determines they are Relevant

Lands in the updated NMWD sphere have established social and economic interdependencies with the District that are distinct from neighboring areas and premised on the existing delivery of potable water or wastewater services. This update affirms and strengthens these ties.

5. Present and Probable Need for Public Facilities and Services of Any Disadvantaged Unincorporated Communities Within or Adjacent to the Sphere

There are no known disadvantaged unincorporated communities (DUCs) within or immediately adjacent to the updated NMWD sphere based on the statewide definition provided under CKH. Should the Commission adopt its own local DUC definition additional analysis will be required to revisit whether any lands within or immediately adjacent to the updated NMWD sphere qualify.



POINT REYES LIGHT

Report says North Marin should serve all Dillon Beach

By Anna Guth
07/12/2017

A draft report released last month by Marin's Local Agency Formation Commission, or LAFCO, which is now open for public comment, suggests that it may be advisable for the North Marin Water District to fold a last remaining part of Dillon Beach into its area of wastewater service.

The recent "sphere of influence report" for North Marin, which LAFCO releases every five years to suggest boundary changes for the water district, focuses on about 13 acres that include 156 private parcels. The report outlines the need for transitioning the parcels' septic systems to a public system, a move that would help expand the economies of scale necessary to improve community funding to cover future infrastructure improvements.

Dillon Beach is seeing more year-round residents in a historically seasonal village, where sea-level rise poses new threats, according to LAFCO's executive officer, Keene Simonds.

"The ongoing conversion of the homes from seasonal to more year-round uses suggests the onsite septic systems are becoming increasingly antiquated," Mr. Simonds said.

According to Mr. Simonds, sea-level rise will further stress septic systems through intrusion and corrosion. North Marin, which handles wastewater from the majority of the rest of Dillon Beach through a sewer system, is best equipped to address these problems, he said.

North Marin has annexed other portions of Dillon Beach over the years, and has a sewer line in place that runs through the area addressed in the LAFCO report. Since individual homeowners already can apply to hook up to that system, Rachel Jones, an administrative analyst for LAFCO, said folding in the final section of Dillon Beach would eliminate the current "piecemeal" approach.

Drew McIntyre, the general manager for North Marin, said that incorporating this final piece of Dillon Beach is just a suggestion from LAFCO, one that the district "will need to consider by conducting surveys to determine the feasibility of, as the system was not designed to connect this community."

The draft report recommends that LAFCO, the water district, and the affected residents begin discussing the pros and cons of a possible sphere expansion to include some or all of the remaining area now, before the next scheduled sphere update in five years.

If residents are interested, they would have to bear the brunt of the cost of creating new sewers in the area, a new pump system, and hooking everything up to the existing system in Dillon Beach, which would also have to be modified to handle increased capacity, Mr. McIntyre said.

But Ms. Jones thinks doing so will pay off over time. “In the long term, it will likely be less expensive for residents to join onto the public system, after the initial expense for infrastructure,” she said, adding that private septic systems can require replacement every 30 years or so at a cost of up to \$80,000. On the other hand, after the initial fees, upkeep for the system would be the responsibility of the district.

The draft report is available at marinlafco.org. Written comments should be submitted to Keene Simonds at ksimonds@marinlafco.org (<mailto:ksimonds@marinlafco.org>) no later than Monday, July 24. Comments may also be provided directly to LAFCO at a hearing on the final report on Thursday, Aug. 10.

Marin Independent Journal

4000 Civic Center Drive, Suite 301
San Rafael, CA 94903
415-382-7335
legals@marinij.com
2071569

MARIN LAFCO
ATTN: CADICE BOZZARD
1401 LOS GAMOS DR SUITE 220
SAN RAFAEL, CA 94903-3698

PROOF OF PUBLICATION (2015.5 C.C.P.)

STATE OF CALIFORNIA County of Marin

I am a citizen of the United States and a resident of the County aforesaid: I am over the age of eighteen years, and not a party to or interested in the above matter. I am the principal clerk of the printer of the MARIN INDEPENDENT JOURNAL, a newspaper of general circulation, printed and published daily in the County of Marin, and which newspaper has been adjudged a newspaper of general circulation by the Superior Court of the County of Marin, State of California, under date of FEBRUARY 7, 1955, CASE NUMBER 25566; that the notice, of which the annexed is a printed copy (set in type not smaller than nonpareil), has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to-wit:

07/20/2017

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

Dated this 20th day of July, 2017.



Signature

PROOF OF PUBLICATION

Legal No. **0005994595**

MARIN LOCAL AGENCY FORMATION COMMISSION

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN THE MARIN LOCAL AGENCY FORMATION COMMISSION (LAFCO) will hold a regular meeting on Thursday, August 10, 2017 at 7:00 P.M. at Marin Clean Energy located at 1125 Tamalpais Avenue in San Rafael to consider - and among other items - the following matter:

Update to the North Marin Water District's Sphere of Influence

The referenced hearing is for Marin LAFCO to consider the analysis and recommendations therein of a final report prepared by staff as part of the agency's scheduled sphere of influence update on the North Marin Water District. This includes adopting a resolution that - and among other items - makes specific statements as required under Government Code Section 56425. Spheres represent the State's version of a municipal boundary line with agencies limited to only providing services - whether through annexation or by contract - within their LAFCO-assigned sphere with limited exceptions. The final report and supporting documents will be available approximately one week prior to the hearing date. You may request a written copy of the agenda report by contacting Marin LAFCO at 415-448-5877.

Keene Simonds, Executive Officer
Marin Local Agency Formation Commission
July 18, 2017
No. July 20, 2017

Marin Independent Journal

4000 Civic Center Drive, Suite 301
San Rafael, CA 94903
415-382-7335
legals@marinij.com
2071569

MARIN LAFCO
ATTN: CADICE BOZZARD
1401 LOS GAMOS DR SUITE 220
SAN RAFAEL, CA 94903-3698

PROOF OF PUBLICATION (2015.5 C.C.P.)

STATE OF CALIFORNIA County of Marin

I am a citizen of the United States and a resident of the County aforesaid: I am over the age of eighteen years, and not a party to or interested in the above matter. I am the principal clerk of the printer of the MARIN INDEPENDENT JOURNAL, a newspaper of general circulation, printed and published daily in the County of Marin, and which newspaper has been adjudged a newspaper of general circulation by the Superior Court of the County of Marin, State of California, under date of FEBRUARY 7, 1955, CASE NUMBER 25566; that the notice, of which the annexed is a printed copy (set in type not smaller than nonpareil), has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to-wit:

09/22/2017

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

Dated this 22th day of September, 2017.



Signature

PROOF OF PUBLICATION

Legal No. **0006032098**

MARIN LOCAL AGENCY FORMATION COMMISSION

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN THE MARIN LOCAL AGENCY FORMATION COMMISSION (LAFCO) will hold a regular meeting on Thursday, October 12, 2017 at 7:00 P.M. at Marin Clean Energy located at 1125 Tamalpais Avenue in San Rafael to consider – and among other items – the following matter:

Update to the North Marin Water District's Sphere of Influence

The referenced hearing is for Marin LAFCO to consider the analysis and recommendations therein of a final report prepared by staff as part of the agency's scheduled sphere of influence update on the North Marin Water District. This includes adopting a resolution that – and among other items – makes specific statements as required under Government Code Section 56425. Spheres represent the State's version of a municipal boundary line with agencies limited to only providing services – whether through annexation or by contract – within their LAFCO-assigned sphere with limited exceptions. The final report and supporting documents will be available approximately one week prior to the hearing date. You may request a written copy of the agenda report by contacting Marin LAFCO at 415-448-5877.

Rachel Jones, Interim-Executive Officer
Marin Local Agency Formation Commission
September 21, 2017

NO.1175 SEPT 22, 2017



Marin Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

AGENDA REPORT

October 12, 2017
Item No. 8 (Public Hearing)

October 6, 2017

TO: Local Agency Formation Commission

FROM: Rachel Jones, Interim Executive Officer

SUBJECT: Concurrent Sphere of Influence Amendment and Annexation of 276 Mesa Road to the Bolinas Community Public Utility District

The Commission will consider a proposal from a landowner requesting annexation of approximately 20.6 acres of unincorporated territory in Bolinas to the Bolinas Community Public Utility District to establish public water service for the future development of a single-family residence. The affected territory lies outside the established sphere of influence for the District and a concurrent amendment is necessary to facilitate an annexation. Staff recommends approval of a concurrent sphere amendment and proposed annexation with standard terms. The subject parcel is identified by the County of Marin Assessor's Office as 188-170-54.

Local Agency Formation Commissions (LAFCOs) are responsible under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 ("CKH") to regulate the formation and development of local governmental agencies and their municipal service areas. This includes approving or disapproving proposed changes of organization, such as boundary changes, consistent with adopted policies and procedures pursuant to California Government Code (G.C.) Section 56375. All boundary changes must be consistent with the subject agencies' sphere of influence with limited exceptions. LAFCOs are authorized to exercise broad discretion in amending as well as establishing conditions in approving changes of organization as long as they do not directly regulate land use.

A. Background

Applicants' Request / Affected Territory as Proposed

Marin LAFCO ("Commission") has received a proposal from landowner Brad Drury ("applicant") requesting annexation approval involving approximately 20.6 acres in the Bolinas community to the Bolinas Community Public Utility District (BCPUD). The

Administrative Office
Rachel Jones, Executive Officer
1401 Los Gatos Drive, Suite 220
San Rafael, California 94903
T: 415-448-5877 E:
staff@marinlafco.org
www.marinlafco.org

Dennis Rodoni, Regular
County of Marin
Damon Connolly, Regular
County of Marin
Judy Arnold, Alternate
County of Marin

Carla Condon, Vice Chair
Town of Corte Madera
Sashi McEntee, Regular
City of Mill Valley
Matt Brown, Alternate
Town of San Anselmo

Jack Baker, Regular
North Marin Water District
Craig K. Murray, Regular
Las Gallinas Valley Sanitary
Lew Kiouss, Alternate
Almonte Sanitary

Jeffrey Blanchfield, Chair
Public Member
Chris Skelton, Alternate
Public Member

affected territory as proposed includes one entire legal lot in unincorporated Bolinas that is identified by the County of Marin Assessor's Office as 188-170-54 and assigned a situs of 276 Mesa Road. There has been no development to date on the parcel.

Other Subject Agencies

The affected territory lies entirely within the unincorporated area. It also lies within the boundaries of the following special districts subject to Commission oversight:

- County Service Area 28 (Paramedic / West Marin)
 - Bolinas Fire Protection District
 - Marin Resource Conservation District
 - Marin County Parks and Open Space District
 - Marin-Sonoma Mosquito Abatement District
- * The affected territory lies within the Bolinas-Stinson Union School District and Marin Community College District; it also lies within County Supervisorial District 4 (Supervisor Dennis Rodoni).

B. Discussion

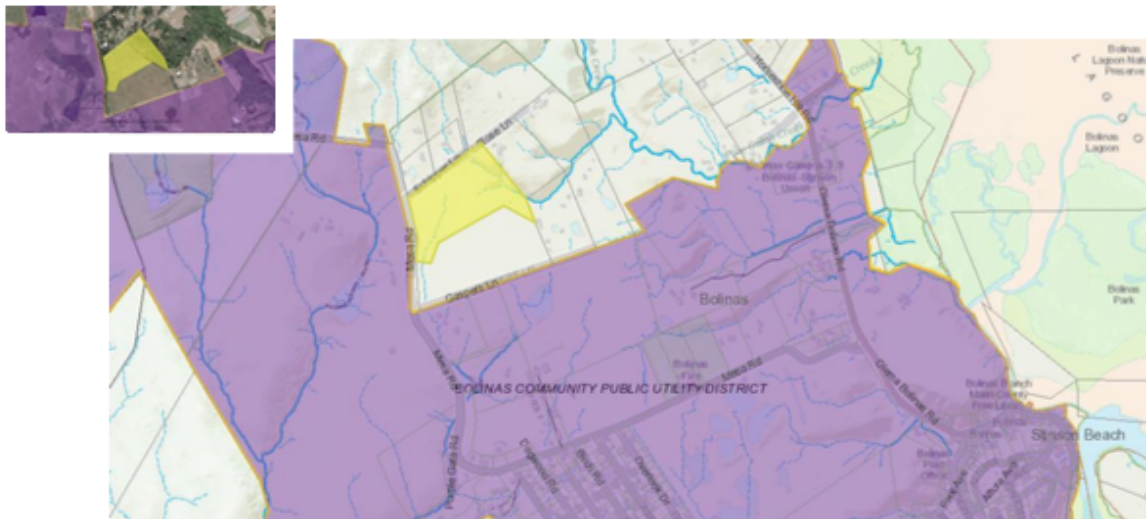
Proposal Purpose

The stated and primary purpose of the proposal is to facilitate the establishment of public water service and in step with developing the land to include a single-family residence as allowed under current zoning. This immediate purpose is premised on the applicant recently acquiring a water meter as part of a private transaction and eligibility to connect to BCPUD should the annexation be approved by the Commission.

Annexation would enable the applicant to establish a water service connection within the affected territory to BCPUD. Annexation and subsequent connection would position the applicant to proceed with a future project to develop a single-family residence.

Development Potential

The affected territory as detailed in Appendix B is designated and zoned by the County of Marin for coastal agricultural uses and further zoned as agriculture residential planned. The existing zoning allowance prescribes minimum lot sizes of 10 acres.¹ This threshold potential allows the maximum division of two legal lots within the affected territory. Development and related intensity improvements are also permissible and would require County and Coastal Commission approval. Although no formal plans exist at this time the applicant has indicated interest in the development a single-family residence at a later date if annexation to BCPUD is approved by the Commission.



LEGEND
Affected Territory ■
BCPUD ■
BCPUD SOI ■

Commission Focus

Staff has identified three central and sequential policy items for the Commission in considering the merits of the submitted proposal under CKH. These policy items ultimately take the form of Commission determinations and orient the membership to consider – *and in order* – the stand-alone merits of (a) amending BCPUD’s sphere of influence, (b) timing of the annexation itself, and (c) applying discretionary boundary amendments or approval terms as needed to perfect the action relative to member preferences in administering LAFCO law in Marin County. A summary of the three sequential policy issues for Commission focus follows.

¹ The County of Marin designates the entire affected territory as “Coastal Agricultural – 2” with a development rage of 1 unit per 10 acres.

- **Policy Item No. 1: Amending NMWD’s Sphere of Influence**

The affected territory as proposed lies outside BCPUD’s sphere of influence (“sphere”) and therefore necessitates an amendment to include the subject lands to allow for an annexation. This specifically includes considering the factors prescribed by the Legislature as detailed in the following sections given CKH specifies all boundary changes comply with the affected agencies’ spheres with limited exceptions.² An affirmative response that the affected territory belongs in BCPUD’s sphere positions the Commission to proceed and consider the next policy question. A non-affirmative response compels the Commission to disapprove the proposal with any additional direction to the applicant and staff.

- **Policy Item No. 2: Timing of Annexation**

If it is determined the affected territory merits inclusion into BCPUD’s sphere the Commission must next consider if the timing of the annexation itself is appropriate. This specifically includes whether the Commissioners collectively believe the timing of the boundary change is justified relative to the review of the multitude of factors prescribed by the Legislature and local policies.

- **Policy Item No. 3: Appropriate Boundary Amendments and/or Terms**

If it is determined the annexation of the affected territory to BCPUD is merited the Commission must next consider whether approval be tied to either discretionary amendments and or terms. This includes whether the Commission deems it appropriate to either expand/retract the annexation boundary itself to help improve and effectuate more orderly government boundaries. This also includes requiring approval terms to support the underlying boundary changes so long as they do not directly regulate land use as prohibited under CKH.

C. Analysis

The analysis of the proposal is organized into two subsections. The first subsection considers the three central policy issues introduced in the preceding section. This pertains to evaluating the merits of a sphere amendment, timing of the proposed annexation, and whether approval amendments or terms are appropriate. The second subsection considers issues required by other applicable State statutes and includes making findings under the California Environmental Quality Act (CEQA).

² This sentence references Government Code Sections 56375.5 and 56742 in CKH.

Consideration of Central Policy Items Sphere Amendment / Annexation Timing / Approval Amendments and Terms

Sphere Amendment

Staff believes an amendment to BCPUD's sphere to include the affected territory as proposed (i.e., 276 Mesa Road) is sufficiently justified and supported by deference to three related policy factors. First, the affected territory lies immediately adjacent to BCPUD's existing water main and therefore the amendment to the sphere to include the subject lands would be responsive to the District's existing infrastructure system. Second, amending BCPUD's sphere to include the affected territory would memorialize a Commission preference to direct developed or developing lands - which by practice includes low-density residential units - to urban service providers. An expanded justification addressing the factors required for review under State law is provided as Appendix A.

- * The current sphere designation for BCPUD was established by the Commission in 1984 and was last updated in October 2007.
- * Consistent with State law it is the policy preference of the Commission to inform sphere changes (updates, amendments, etc.) by preparing municipal service reviews to independently assess the availability, adequacy, and performance of the subject services relative to local needs. The Commission recently completed the Countywide Water Study in 2016 and assessed capacities and demands all water districts within Marin County.

Conclusion on Amending BCPUD's Sphere:

Amending the BCPUD's sphere appears sufficiently merited given the inclusion of the affected territory marks a reasonable and orderly expansion of the District's service area. Amendment would be consistent with past actions of the Commission – and appropriately aligns with uses, needs, and communities of interests.

Annexation Timing

The timing of the boundary change to annex the affected territory as proposed to BCPUD appears appropriate relative to the analysis of the 16 factors required for consideration under CKH along with the imposition of certain terms as detailed.³ The majority of the prescribed factors focus on the impacts of the proposed boundary change on the service and financial capacities of the affected agencies. No single factor is determinative and the intent is to provide a uniform baseline for LAFCOs in considering boundary changes in context to locally adopted policies and practices. A summary of key statements and conclusions generated in the review of the mandated factors for the proposal relative to supporting the timing of the annexation follows with a more complete analysis provided in Appendix B.

³ There are 15 standard factors that apply to all boundary changes with a 16th factor applying to boundary changes involving special districts under Government Code Section 56668.

- Annexation of the affected territory to BCPUD is consistent with the adopted land use policies of the County of Marin. These policies were comprehensively reviewed and memorialized in 1975 in the adoption of the Bolinas Community Plan. These planned uses for the affected territory are coastal agricultural with low densities (e.g., 1 units per 10-30 acres) and compatible with municipal water service.
- Annexation to BCPUD would provide a permanent water solution for the affected territory's potential development of a single-family residence and is the most cost-effective option available to the landowner.
- BCPUD's water system has available capacities to accommodate projected service demands for the affected territory at its projected highest intensity use (four units) and does not require extension of any public infrastructure.
- The applicant's recent purchase of a water meter through a private transaction for the development of a single-family residence would not alter the service and financial capacities of BCPUD.

Conclusion on Annexation Timing:

The timing of the annexation appears sufficient given the referenced (a) planning consistency, (b) service need, and (c) agency capacity considerations tied to extending public water to the affected territory at its maximum allowable uses.

Approval Amendments/Terms

Staff has identified one alternative to the proposal to modify the physical boundary given its merit under both LAFCO law and Commission policies. This amendment – which generates its own subset considerations – involves expanding the annexation boundary to include the adjacent public right-of-way to the proposed affected territory on Mesa Road. This right-of-way also overlays the existing BCPUD water main. This alternative and its subsets is further described below.

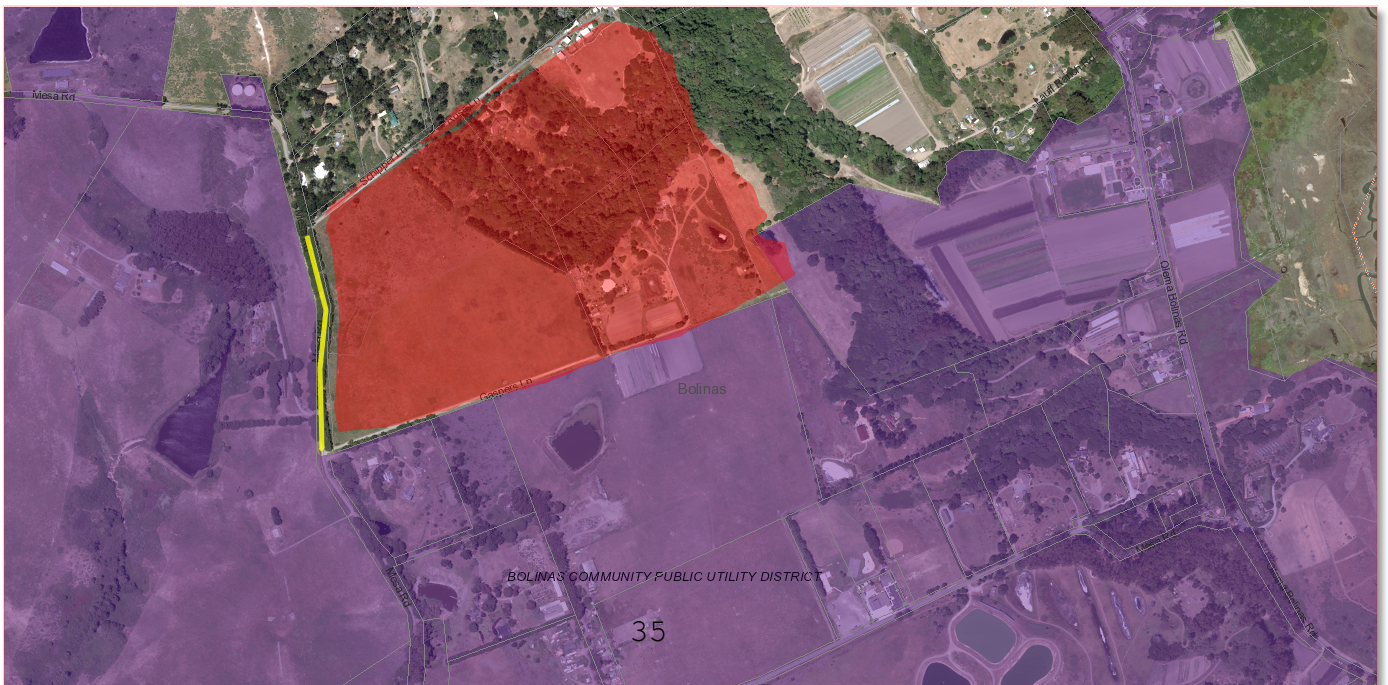
- Alternative One/ Expand Annexation to Include Adjacent Public Right-of-Way
The nearest BCPUD water main to the affected territory is located within the public right-of-way fronting the subject lands to the east on Mesa Road; a public road owned and maintained by the County of Marin. The public right-of-way also lies entirely out of the BCPUD boundary at this time, and upon annexation of the affected territory as proposed would create a non-jurisdictional corridor – or “island” – within the District. These preceding factors prompt the Commission to consider expanding the proposal to include the adjacent public right-of-way to the extent (i.e., scale) the membership believes is appropriate with the acknowledgement additional surveying costs will be generated for the applicants. Such an expansion would also position

BCPUD to secure an annual blanket encroachment permit to perform work on the water main.

* A separate public right-of-way on Rose Lane fronts the subject lands to the north and also lies outside BCPUD's jurisdictional boundary at this time. No water main exists within Rose Lane and no stand-alone lots are served by BCPUD on Rose Lane. Accordingly, an amendment to include this public right-of-way is not further considered in this report.

No special approval terms appear necessary.

Map | Affected Territory and Public Right of Way



LEGEND

- Affected Territory
- BCPUD SOI and Boundary
- Public Right-of-Way

Consideration of Other Mandated Considerations

Property Tax Exchange

California Revenue and Taxation Code Section 99(b)(6) requires the adoption of a property tax exchange agreement by the affected local agencies before LAFCO can consider a jurisdictional change. Markedly, and pertinent to this proposal, RTC Section 99(b)(5) allows the County of Marin to adopt a single resolution establishing a tax exchange on behalf of both affected agencies given BCPUD status as a special district. Towards this end, the County and BCPUD have agreed to a “no” exchange tax agreement for this proposal – i.e., the District will not receive any new property tax allocation if the annexation is approved with or without any amendments.

Environmental Review

The Commission is tasked with making two separate determinations as lead agency for the proposal under the California Environmental Quality Act (CEQA) in considering the (a) sphere amendment and (b) annexation of the affected territory to BCPUD. Staff has determined both actions are projects under CEQA, but do not require further analyses, either separately or together, given the application of exemptions under State law as provided below.

- The contemplated amendment to add the affected territory into BCPUD’s sphere of influence is exempt from further review under the “general rule” provided under Public Resources Code 15319(a). This exemption aptly applies given it can be seen with certainty the spheres are planning policies and any adjustments therein do not make changes to the environment or authorize new uses or services.⁴
- The contemplated annexation of the affected territory to BCPUD is exempt from added review pursuant to Public Resources Code 15301(b)(3). This exemption aptly applies given the lot – as proposed or its recommended amendment– cannot be divided into more than three single-family residences under existing County land use policies and no extension of public infrastructure is needed to accommodate service therein.⁵

Conducting Authority Proceedings (Protest Hearings)

The affected territory as proposed is uninhabited under CKH (i.e., less than 12 registered voters) and the landowner has provided written consent as the applicant. BCPUD has provided their written consent to the proposal and waived the District’s right to request notice and protest. Conducting authority proceedings, accordingly, may be waived under G.C. Section 56663.

⁴ This sentence references Code of Regulations Section 15301(b)(3).

⁵ This sentence references Public Resources Code Section 15319(a).

D. Alternatives for Action

The following three alternative actions are available to the Commission.

Alternative Action One (Recommended):

- (a) Adopt the draft resolution identified as Attachment One to approve a corresponding sphere amendment to BCPUD to include all of 276 Mesa Road (188-170-54) along with the entire public right-of-way extending 276 Mesa Road with or without any additional changes.
- (b) Adopt the draft resolution identified as Attachment Two to approve the applicant's proposal's request for annexation to BCPUD involving 276 Mesa Road (188-170-54) with standard terms along with following amendment with or without any additional changes:
 - 1. Modify and set the annexation boundary to include an additional 0.52 acres portion of unincorporated territory comprising the entire public right-of-way extending to all of 276 Mesa Road.

Alternative Action Two:

Continue consideration of the item to the next regular meeting and provide direction to staff for additional information as needed.

Alternative Action Three:

Disapprove the proposal. Disapproval would statutorily prohibit the initiation of a similar proposal for one year unless a request for reconsideration is filed and approved by the Commission within 30 days.

E. Recommendation

Staff recommends the Commission proceed with Alternative Action One as summarized in the preceding section and highlighted by approving a corresponding sphere amendment and annexation of the affected territory to BCPUD. This includes the Commission exercising its discretion to amend the action to add the adjacent public right-of-way on Mesa Road. These actions would facilitate the appropriate expansion of public water service consistent with local conditions/practices to an undeveloped lot and ahead of its planned development. The recommended amendments further improves the action by providing a more orderly boundary for BCPUD going forward by proactively eliminating the creation of an out-of-jurisdiction corridor in the right-of-way.

F. Procedures for Consideration

Staff has azenized this item as a noticed public hearing as required under CKH due to the corresponding need for a sphere amendment to accommodate the proposed annexation. The following procedures, accordingly, are recommended with respect to the Commission's consideration:

- 1) Receive verbal report from staff;
- 2) Open the public hearing and invite comments from applicants and other interested attendees (required); and
- 3) Close the public hearing and consider action on recommendation.

Respectfully submitted



Rachel Jones
Interim Executive Officer

Attachments:

- 1) Draft Resolution of Approval – Sphere Amendment
- 2) Draft Resolution of Approval – Annexation
- 3) Application Materials

**APPENDIX A
SPHERE OF INFLUENCE AMENDMENT
ANALYSIS OF MANDATORY FACTORS
GOVERNMENT CODE SECTION 56425**

1) The present and planned land uses in the area, including agricultural and open space lands.

The affected territory as proposed is approximately 20.6 acres in size and includes one undeveloped legal lot. The planned use is to develop a single-family residence relative to current County of Marin land use policies and include an additional 0.52 acres of adjacent public right-of-way is subject to the same zoning. There are no agricultural or open space lands as defined under CKH.

2) The present and probable need for public facilities and services in the area.

The affected territory does not have an established water source. Expansion of BCPUD's sphere to include the affected territory would facilitate an annexation under State law to grant potable water with the connection to the District's existing public water system.

3) The present capacity of public facilities and adequacy of public services which the agency provides or is authorized to provide.

In step with the review of the proposed change of organization and the recently completed Countywide Water Study of 2016, staff attests BCPUD's existing service facilities have sufficient capacity to meet projected demands at maximum potential use.

4) The existence of any social or economic communities of interest in the area if the commission determines they are relevant to the agency.

The affected territory is bordering BCPUD's existing jurisdictional boundary and lies immediately adjacent to the District's water main located along Mesa Road. These factors signals emerging social and economic ties between the affected territory and BCPUD.

5) For agencies providing water, sewer, or fire protection, the present and probable need for those services within any disadvantaged unincorporated communities within the agency's existing sphere of influence.

There is no existing evidence indicating the presence of disadvantaged unincorporated communities within BCPUD's sphere.

APPENDIX B

BOUNDARY CHANGE ANALYSIS OF MANDATORY FACTORS GOVERNMENT CODE SECTION 56668

1) Population and population density; land area and land use; per capita assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; the likelihood of significant growth in the area, and in adjacent areas, during the next 10 years.

The affected territory as proposed includes one legal lot in the unincorporated community of Bolinas and are part of the assessor parcel identified by the County of Marin Assessor's Office as 188-170-54. There has been no development to date and there are currently no fulltime residents. The affected territory lies adjacent to relatively low residential density in Bolinas. Further density (i.e., land divisions) can be accommodated within the affected territory or surrounding lands based on the property's existing zoning by the formation of two legal lots under current County zoning allowances. The total assessed value of the affected territory as of date is \$350,000.

(2) The need for municipal services; the present cost and adequacy of municipal services and controls in the area; probable future needs for those services and controls; probable effect of the proposed incorporation, formation, annexation, or exclusion and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas.

The current provision of municipal services to the affected territory at 276 Mesa Road is limited to fire protection, emergency medical, and law enforcement provided by the County of Marin with the former through a surrogate, County Service Area 28. Needs for additional municipal services are emerging within the affected territory to support planned residential uses. The availability and capacity of water service by BCPUD – the governmental water agent in the Bolinas area – for the affected territory follows.

- **Extending Public Water to Affected Territory**

The affected territory is currently undeveloped and without an existing water source. A lateral connection would be needed to connect the affected territory to BCPUD's water main that runs adjacent to the property line on Mesa Road. The proximity to the existing water main means no extension of public infrastructure or related facilities would be needed to extend service to the affected territory. With respect to uses, it is reasonable to estimate the average daily water demands within the affected territory under maximum intensity (4 units) will total 704 gallons (176 gallons per connection) based on current BCPUD's service connection averages. It is also estimated the peak day wet-weather demand will

increase to 1,404 gallons for 4 units (351 gallons per connection). The addition of the maximum flow estimates within the affected territory can be accommodated given the applicant's recent aquiral of a water meter in which the intensity could remain relatively the same compared to the previous owner's usage or ownly slightly increase. Also based on current demands and supplies, the existing available BCPUD capacity decreases for average day by less than 0.4% at maximum use and remains unchanged during peak day demands if the affected territory is annexed. The following table summarizes water flow conditions under the baseline and annexation/maximum use of the affected territory.

BCPUD: Baseline Without Annexation of the Affected Territory
 (Amounts in Acre Feet)

Capacity Average Day	Demand Average Day	Demand Average Peak Day	Capacity Peak Day
0.47	0.36	0.53	0.47
Demand-to-Capacity Ratio 76.5%		Demand-to-Capacity Ratio (12.8%)	

BCPUD: Baseline With Annexation at Maximum Use within Affected Territory
 (Amounts in Acre Feet)

Capacity Average Day	Demand Average Day	Demand Average Peak Day	Capacity Peak Day
0.47	0.362	0.53	0.47
Demand-to-Capacity Ratio 76.9%		Demand-to-Capacity Ratio 12.8%	

(3) The effect of the proposed action and of alternative actions, on adjacent areas, on mutual social and economic interests, and on local governmental structure.

The affected territory – as proposed or as amended to include an adjacent segment of public right-of-way – is bordered by BCPUD’s existing jurisdictional boundary and lies immediately adjacent to the District’s public water main located along Mesa Road. This factor signals emerging social and economic ties between the affected territory and BCPUD. The recommended amendment to the proposal to include the adjacent public right-of-way strengthens these ties by providing a more orderly and logical sphere and jurisdictional boundary.

(4) The conformity of the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development, and the policies/priorities set forth in G.C. Section 56377.

The proposal and the recommended sphere and boundary amendment conforms to the Commission’s core policy in matching urban uses with urban service providers.

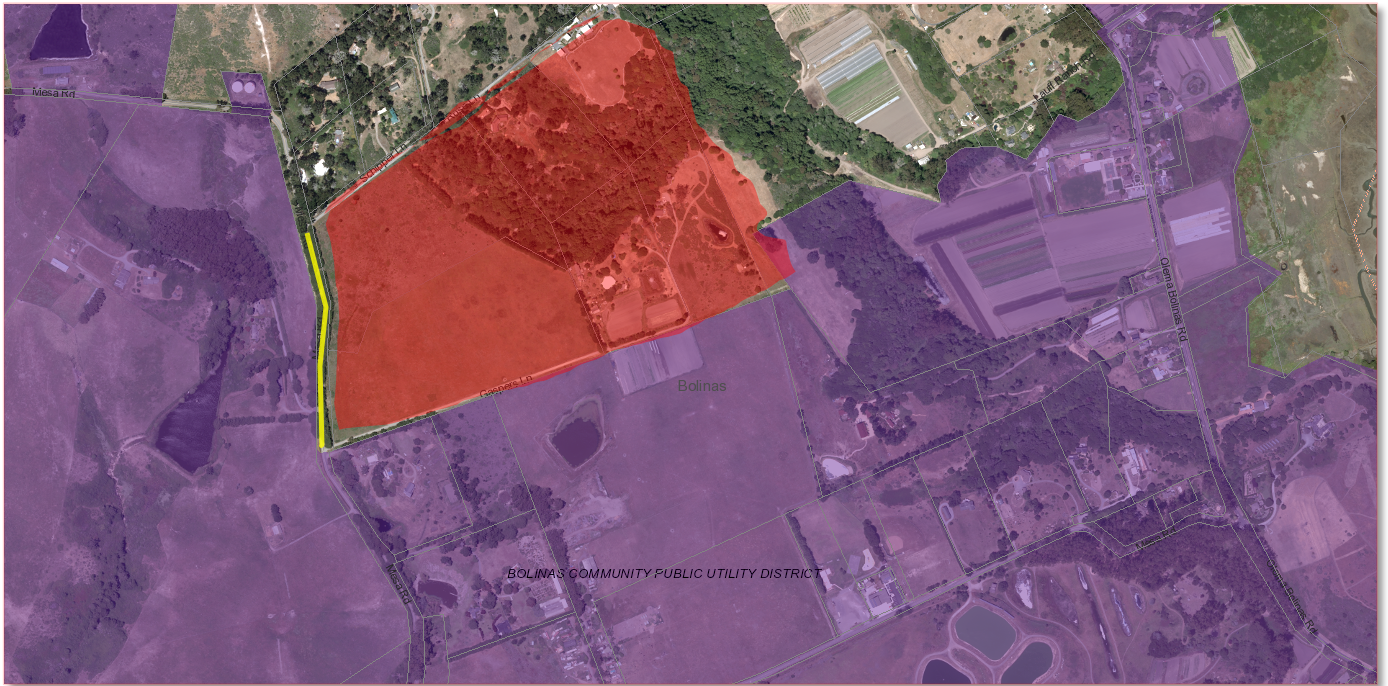
(5) The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by G.C. Section 56016.

The affected territory – as proposed or as amended to include an adjacent segment of public right-of-way – does not qualify as “agricultural land” under CKH. Specifically, the affected territory is not used for any of the following purposes: producing an agricultural commodity for commercial purposes; left fallow under a crop rotational program; or enrolled in an agricultural subsidy program.

(6) The definiteness and certainty of the boundaries of the territory, the nonconformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of unincorporated territory, and other similar matters affecting the proposed boundaries.

The proposal as submitted is parcel specific and includes one lot and totals 20.6 acres. The County of Marin Assessor’s Office identifies the affected territory for purposes of tax assessment as 188-170-54. The recommendation to include 0.52 acres of public right-of-way on Mesa Road is scaled to match the furthest lot/assessment lines at 276 Mesa Road as is shown on page seven of this agenda report. Commission approval would include a standard term requiring the applicant submit a map and geographic description of the approved action – including any amendments – in conformance with the requirements of the State Board of Equalization and attesting to boundary certainty.

Map | Affected Territory and Public Right of Way



LEGEND

- Affected Territory
- BCPUD SOI and Boundary
- Public Right-of-Way

(7) Consistency with the city or county general plans, specific plans, and adopted regional transportation plan.

The County of Marin designates the affected territory’s lone developable lands (276 Mesa Road) as “Agriculture Coastal – 2.” Uses are further defined in the County’s Bolinas Community Plan and its accompanying zoning assignment as *Agriculture, Residential Planned Coastal: C-ARP-10*” with a prescribed minimum lot size of 10-30 acres. These planned land uses are consistent with the proposal’s immediate and future purpose to provide public sewer service to the affected territory.

Affected Territory: 35 Ocean View Avenue	County of Marin (land use authority)
General Plan Designation	Agriculture Coastal Zone – 2
Adopted Zoning Standard	Agriculture, Residential Planned Coastal: C-ARP-10
....minimum lot size	10-30 acres

There is also no conflict between the proposal and the regional transportation plan established by the Metropolitan Transportation Commission in cooperation with the Transportation Authority of Marin.

(8) The sphere of influence of any local agency affected by the proposal.

The proposal to annex 276 Mesa Road to BCPUD necessitates a concurrent sphere amendment and has been incorporated into the staff analysis. No other agency spheres necessitate amendment to accommodate the proposal.

(9) The comments of any affected local agency or other public agency.

Staff provided notice of the proposal and invitation to provide comments or request approval conditions to BCPUD and other interested public agencies. A notice was also provided to the Coastal Commission.⁶ BCPUD noted the applicant will need to formally apply to the District’s Board to transfer his water connection to the affected territory and also for an expanded use water permit. The Coastal Commission would require the applicant apply for a Coastal Permit so that the permit can be processed when the applicant begins development on the lot.

(10) The ability of the newly formed or receiving entity to provide the services which are the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change.

Information collected and reviewed as part of this proposal indicates BCPUD appears to have adequate financial resources and administrative controls therein relative to providing public water services to the affected territory without adversely impacting existing ratepayers. This statement is supported by the following factors.

⁶ The Coastal Commission reviewed the application materials and responded a conditional approval that the applicant apply for a Coastal Permit in step with the potential development of a single-family residence.

- BCPUD’s last audit covers 2015-2016 and shows the District finished with positive liquidity levels with an agency-wide current ratio of 12.40 (i.e., \$12.40 in current assets for every \$1.00 in current liabilities). BCPUD’s debt levels are also relatively low compared with industry standards having finished the last fiscal year at 19.5% (i.e., \$19.50 out of every \$100.00 in net assets are financed.) Operating margin showed a marked decline over previous years and finished at 4.62%

(11) Timely availability of water supplies adequate for projected needs as specified in G.C. Section 65352.5.

A comprehensive evaluation of BCPUD’s water system – including an independent assessment of supplies relative to current and projected demands – was performed by the Commission as part of recently completed municipal service review (Countywide Water Study). The evaluation and conclusions associated with this earlier municipal service review is incorporated into the analysis of this proposal.

(12) The extent to which the proposal will affect a city or cities and the county in achieving their respective fair shares of the regional housing needs as determined by the appropriate council of governments.

The proposal would not impact any local agencies in accommodating regional housing needs. The affected territory is unincorporated and does not lie within any a city or town’s sphere. As a result, all current and future housing allocations made by the Association of Bay Area Governments tied to the affected territory are planned and counted towards the County.

(13) Any information or comments from the landowner or owners, voters, or residents of the affected territory.

The landowner of the affected territory has petitioned the proposal before the Commission. There are no voters or residents in the affected territory at this time.

(14) Any information relating to existing land use designations.

See preceding analysis on page 15 of this agenda report.

(15) The extent to which the proposal will promote environmental justice.

There is no documentation or evidence suggesting the proposal will have a measurable effect with respect to promoting environmental justice.

(16) Whether the proposed annexation will be for the interest of the landowners or present or future inhabitants within the district and within the territory proposed to be annex to the district.

Approval of the proposal would benefit current and future landowners and residents by providing the affected territory and its existing and planned residential uses permanent and reliable access to public water service.

MARIN LOCAL AGENCY FORMATION COMMISSION

RESOLUTION _____

**APPROVING SPHERE OF INFLUENCE AMENDMENTS
THE BOLINAS COMMUNITY PUBLIC UTILITY DISTRICT**

(LAFCO File No. 1337)

WHEREAS, the Marin Local Agency Formation Commission, hereinafter referred to as the “Commission,” is responsible for regulating boundary changes affecting cities and special districts under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000; and

WHEREAS, an application by Brad Drury, landowner, proposing the annexation of certain unincorporated territory to the Bolinas Community Public Utility District (BCPUD) has been filed with the Commission’s Executive Officer, hereinafter referred to as “Executive Officer,” in a manner provided by law; and

WHEREAS, the proposal seeks approval to annex approximately 20.6 acres of unincorporated land to the Bolinas Community Public Utility District; and

WHEREAS, the affected territory includes one legal parcel located at 276 Mesa Road and identified by the County of Marin Assessor’s Office as 188-170-54; and

WHEREAS, the affected territory as proposed currently lies outside of the Bolinas Community Public Utility District’s established sphere of influence, and as a result requires conforming amendments to accommodate the requested reorganization under Government Code Section 56375.5; and

WHEREAS, the Executive Officer’s report and recommendations on the proposal and need for concurrent sphere of influence amendments involving the Bolinas Community Public Utility District have been presented to the Commission in the manner provided by the law; and

WHEREAS, the Commission heard and fully considered all the evidence presented at a public meeting held on October 12, 2017;

WHEREAS, the Commission considered all the factors required by law under Government Code Section 56425 and adopted local policies and procedures on the sphere of influence amendments.

NOW, THEREFORE, THE COMMISSION DOES HEREBY RESOLVE, DETERMINE AND ORDER as follows:

1. The Commission’s determinations on the sphere of influence amendments to BCPUD proposal incorporate the information and analysis provided in the Executive Officer’s written report presented on October 12, 2017.

2. The Commission serves as lead agency under the California Environmental Quality Act (CEQA) in considering the impacts of the sphere of influence amendments. The Commission independently finds the action is a project under CEQA, but exempt from further CEQA review under the “general rule” pursuant to Code of Regulations Section 15301(b)(3). This exemption applies given it can be seen with certainty the spheres of influence are planning policies and the amendments do not make any changes to the environment or authorize any new uses or services.
3. The sphere of influence amendments involving BCPUD as provided below are APPROVED:
 - a) 276 Mesa Road is added to the BCPUD sphere of influence
4. Approval of the sphere of influence amendments are CONDITIONED on the following terms being satisfied within one calendar year – or October 12, 2018 – unless a prior written request for a time extension is received and approved by the Commission.
 - a) Approval and completion of the reorganization of the affected territory – with or without boundary modifications made by the Commission – to annex 276 Mesa Road to BCPUD.
 - b) An indemnification agreement submitted to the Commission signed by the applicant in a form approved by Commission Counsel.
5. The affected territory as designated by the Commission is shown in Exhibit “A.”
6. The statements of the Commission addressing the mandatory factors required for consideration anytime sphere of influence are amended or updated under Government Code Section 56425 is provided as Exhibit “B.”
7. The effective date of the sphere of influence amendments shall be determined by the Executive Officer and based on successful completion of the conditions outlined in this resolution.
8. As allowed under Government Code 56107, the Commission authorizes the Executive Officer to make non-substantive corrections to this resolution to address any technical defect, error, irregularity, or omission.

PASSED AND ADOPTED by the Marin Local Agency Formation Commission on October 12, 2017 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED:

ATTEST:

Jeffry Blanchfield
Chair

Rachel Jones
Interim Executive Officer

Blank for Photocopying

MARIN LOCAL AGENCY FORMATION COMMISSION

RESOLUTION _____

**MAKING DETERMINATIONS AND APPROVING AN ANNEXATION TO
THE BOLINAS COMMUNITY PUBLIC UTILITY DISTRICT**

“MESA ROAD NO. 1 CHANGE OF ORGANIZATION”
(LAFCO File No. 1337)

WHEREAS, the Marin Local Agency Formation Commission, hereinafter referred to as the “Commission,” is responsible for regulating boundary changes affecting cities and special districts under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000; and

WHEREAS, an application by Brad Drury, landowner, proposing the annexation of certain unincorporated territory to the Bolinas Community Public Utility District has been filed with the Commission’s Executive Officer, hereinafter referred to as “Executive Officer,” in a manner provided by law; and

WHEREAS, the proposal seeks approval to annex approximately 20.6 acres of unincorporated land to the Bolinas Community Public Utility District; and

WHEREAS, the affected territory includes one legal parcel located at 276 Mesa Road and identified by the County of Marin Assessor’s Office as 188-170-54; and

WHEREAS, the Commission’s Executive Officer has reviewed the proposal and prepared a report with recommendations; and

WHEREAS, the Executive Officer’s report and recommendations on the proposal have been presented to the Commission in the manner provided by law; and

WHEREAS, the Commission heard and fully considered all the evidence presented at a public meeting held on October 12, 2017; and

WHEREAS, the Commission considered all the factors required by law under Government Code Section 56668 and adopted local policies and procedures.

NOW, THEREFORE, THE COMMISSION DOES HEREBY RESOLVE, DETERMINE AND ORDER as follows:

1. The Commission’s determinations on the proposal incorporate the information and analysis provided in the Executive Officer’s written report presented on October 12, 2017.
2. The Commission serves as lead agency under the California Environmental Quality Act (CEQA) for the proposal given its primary role in authorizing the underlying project: annexation of the affected territory to the Bolinas Community Public Utility District for purposes of establishing public water service. The

Commission independently determines the referenced action is a “project” under CEQA, but finds it qualifies for an exemption under the Public Resources Code Section 15319. Specifically, the annexation of the given lot cannot be divided into more than three single-family residences under existing County of Marin land use policies and no extension of public infrastructure is needed to accommodate service therein.

3. The proposal to annex the affected territory to the Bolinas Community Public Utility District is APPROVED WITH AMENDMENT as follows.
 - a) The affected territory is expanded to also include the adjacent public-right-of-way on Mesa Road to BCPUD
4. Approval to annex the affected territory to the Bolinas Community Public Utility District is CONDITIONED on the following terms being satisfied within one calendar year – or October 12, 2018 – unless a prior written request for a time extension is received and approved by the Commission.
 - a) Approval and completion of concurrent sphere of influence amendments involving Bolinas Community Public Utility District to accommodate the annexations as stated.
 - b) Completion of the 30-day reconsideration period provided under Government Code Section 56895.
 - c) An indemnification agreement submitted to the Commission signed by the applicant in a form approved by Commission Counsel.
 - d) Submittal to the Commission of a map and geographic description of the affected territory as designated by the Commission conforming to the requirements of the State Board of Equalization as determined by the County Surveyor’s Office.
 - e) Submittal to the Commission of the following payments:
 - A check made payable to the County of Marin – Clerk Recorder in the amount of \$50.00.
 - A check made payable to the County of Marin – Environmental Health Services in the amount of \$231.00.
 - A check made payable to the County of Marin – Community Development Department in the amount of \$75.00.
 - A check made payable to the State Board of Equalization in the amount of \$800.00
 - f) Written confirmation from the County of Marin Local Coastal Program that the landowners of the affected territory have filed a Coastal Permit.

5. The proposal is assigned the following distinctive short-term designation:

“Mesa Road No.1 Change of Organization – Bolinas Community Public Utility District”

6. The affected territory as designated by the Commission is shown in Exhibit “A” and further shown in the geographic description shown in Exhibit “B”.

(Placeholder)

7. The affected territory as designated by the Commission is uninhabited as defined in Government Code Section 56046.

8. The Commission waives conducting authority proceedings under Government Code Section 56663.

9. The Bolinas Community Public Utility District utilizes the regular assessment roll of the County of Marin.

10. Upon effective date of the proposal, the affected territory as designated by the Commission will be subject to all previously authorized charges fees, assessments and taxes that were lawfully enacted by the Bolinas Community Public Utility District. It will also be subject to all of the rates, rules, regulations and ordinances of the Bolinas Community Public Utility District.

11. The effective date shall be the date of recordation of the Certificate of Completion.

12. As allowed under Government Code 56107, the Commission authorizes the Executive Officer to make non-substantive corrections to this resolution to address any technical defect, error, irregularity, or omission.

PASSED AND ADOPTED by the Marin Local Agency Formation Commission on October 12, 2017 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED:

ATTEST:

Jeffry Blanchfield
Chair

Rachel Jones
Interim Executive Officer



Marin Local Agency Formation Commission

Regional Service Planning | Subdivision of the State of California

AGENDA REPORT

October 12, 2017
Item No. 9 (Business/Action)

October 6, 2017

TO: Marin Commissioners

FROM: Jeff Blanchfield, Chair
Carla Condon, Vice Chair

SUBJECT: Recommendations on the Temporary Appointment of the Interim Executive Officer

The Commission will consider to approve recommendations involving the duties, salary adjustment and agreement contract following the appointment of Marin LAFCO's Interim Executive Officer, Rachel Jones. The proposed recommendations include the completion of seven items on the Commission's adopted work plan for 2017-2018 and a temporary salary adjustment of \$48.08 per hour. It is also recommended a contract of the appointment be memorialized by LAFCO's personnel counsel. Additionally, the Commission will consider the recommendation on the selection of a firm to oversee the recruitment of a new Executive Officer.

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 ("CKH") directs all 58 Local Agency Formation Commission's (LAFCOs) to make their own provisions necessary to meet their regulatory and planning responsibilities. This includes requiring all LAFCOs to appoint their own Executive Officer to implement policies and directives as well as administer all day-to-day activities.

A. Background

Initial Appointment | Interim Executive Officer

Marin LAFCO ("Commission") has delegated Rachel Jones as Interim Executive Officer effective Monday, September 11, 2017. The appointment was announced by Chair Blanchfield as part of a special meeting held by the Commission on September 7th. The appointment follows the announcement of Keene Simonds' resignation as LAFCO's Executive Officer in late August and effective September 10, 2017. Mr. Simonds has assumed the position of Executive Officer of the San Diego LAFCO. Simonds requested the Commission Chair, Jeff Blanchfield and Vice Chair, Carla Condon, meet and negotiate with Marin LAFCO's Policy Analyst, Rachel Jones, regarding her assuming the role, on a temporary basis, of Marin LAFCO Interim Executive Officer.

Administrative Office
Keene Simonds, Executive Officer
1401 Los Gatos Drive, Suite 220
San Rafael, California 94903
T: 415-448-5877
www.marinlafco.org

Damon Connolly, Regular
County of Marin

Dennis J. Rodoni, Alternate
County of Marin

Judy Arnold, Regular
County of Marin

Carla Condon, Vice Chair
Town of Corte Madera

Sashi McEntee, Regular
City of Mill Valley

Matthew Brown, Alternate
Town of San Anselmo

Jack Baker, Regular
North Marin Water District

Craig K. Murray, Regular
Las Gallinas Valley Sanitary

Lew Kiouss, Alternate
Almonte Sanitary

Jeffrey Blanchfield, Chair
Public Member

Chris Skelton, Alternate
Public Member

B. Discussion

This item has been agendized for the Commission to consider recommendations by the Chair and Vice Chair that outline the appointment and role of the Interim Executive Officer along with the recruitment process of the Executive Officer position. Specific recommendations follow.

Recommendations Regarding Duties

As part of role as Interim Executive Officer, the Chair and Vice Chair recommend that the Commission:

1. Appoint Rachel Jones as Marin LAFCO Interim Executive Officer on a temporary basis while the Commission recruits a new Executive Officer;
2. Authorize Ms. Jones's appointment be effective on beginning on the date of Monday, September 11, 2017 and that it continues, at will, while the Commission assigns a new Executive Officer;
3. During the interim period, and to the end of the current calendar year, Ms. Jones's work shall focus on reviewing, analyzing and processing proposals to Marin LAFCO while also addressing the following work items in the Commission's adopted workplan:
 - Manage the Appointment of a Commission Counsel; and
 - Complete New Website Design and Implementation; and
 - Establish New Contract Bookkeeping Services; and
 - Initiate Audit for Fiscal Year 2016-2017; and
 - Launch E-Agenda Packet System; and
 - Develop Social Media Policies and Protocols; and
 - Recruit and Hire Temporary Staff to Supplement Commission Clerk Position.

Recommendations Regarding Salary Adjustment

As part of the appointment of Rachel Jones as Interim Executive Officer, a salary adjustment is recommended in step with the aforementioned duties to the new role. Ms. Jones' salary is based on the equivalent of a comparable County of Marin Administrative Analyst. Jones is currently at the mid-step of an Administrative Analyst II equivalent. Because of her additional, higher level responsibilities, the Chair and Vice Chair recommend that in this interim period, she should receive a temporary adjustment in salary to that of the Administrative Analyst III effective September 11, 2017. The

temporary adjustment in salary would be from \$38.04 to \$48.08 per hour. The amount is equivalent to an annual salary of \$100,000.

Recommendations Regarding Agreement with Rachel Jones

The Chair and Vice Chair, working with the Commission's outside personnel counsel, Liebert Cassidy & Whitmore, should prepare and execute an agreement with Rachel Jones memorializing the extra duties and salary adjustment as described in the preceding recommendations.

In addition, the Chair and Vice Chair should provide weekly visits to assist Ms. Jones in navigating proposals and work plan items and to serve as a "sounding board" on matters affecting the Commission.

Recommendations Regarding Recruitment of New Executive Officer

The Chair and Vice Chair recommend the Commission's Policy Committee proceed with securing a personnel recruiting firm to handle the recruitment and placement of a new Executive Officer with the Commission and that the recruitment budget not exceed \$35,000.00.

C. Analysis

The Chair and Vice Chair believe the recommendations to the appointment and contract of Rachel Jones as Interim Executive Officer along with the budget for the recruitment of a new Executive Officer are reasonable and consistent with the duties and responsibilities required of the Commission. Should the appointment and contract of the Interim Executive Officer be approved, the Chair and Vice Chair also believe it would appropriate for the associated changes be memorialized by outside personnel Counsel and become effective as of September 11, 2017.

D. Alternatives for Action

The following alternatives are available to the Commission:

Alternative Action One (Recommended):

Approve the appointment of Rachel Jones as Interim Executive Officer with the recommended salary adjustment, authorize outside personnel counsel to memorialize an employment contract with Rachel Jones as Interim Executive Officer, and approve the selection of a personnel firm and budget for the Executive Officer recruitment process.

Alternative Action Two:

Continue consideration of the item to a future meeting and provide direction to the Chair and Vice Chair for more information as needed.

Alternative Action Three:
Take no action.

E. Recommendation

It is recommended the Commission proceed with Alternative Action One as outlined in the preceding section.

F. Procedures for Consideration

This item has been agendized for action as part of the business hearing calendar. The following procedures are recommended with respect to Commission consideration:

- 1) Receive verbal report from staff;
- 2) Invite comments from any interested audience members (voluntary); and
- 3) Discuss item and consider action on recommendation.

On Behalf of Chair Blanchfield and Vice Chair Condon,



Rachel Jones
Interim Executive Officer