

SAN BENITO LOCAL AGENCY FORMATION COMMISSION

REGULAR MEETING AGENDA

Wednesday, September 18, 2019

Board of Supervisors Chambers
481 Fourth Street, Hollister CA

3:00 P.M.

NOTE: REMINDER OF NEW MEETING DAY AND TIME

1. Call to Order and Roll Call
2. Recitation of the Pledge of Allegiance
3. Approve Affidavit of Posting Agenda
4. Public Comment Period - This is an opportunity for members of the public to speak on items that are not on the agenda

CONSENT AGENDA

5. Approval of minutes: August 21, 2019

BUSINESS ITEMS – PUBLIC HEARING ITEM

6. LAFCO 531 – Modification to Conditions of Approval on the Meadow at Gardenia Lane Annexation to County Service Area #24: Involving the annexation of approximately 7.6 acres with six residential lots into the County Service Area (CSA) #24 for the provision of street lighting, street sweeping, street maintenance and drainage maintenance. The annexation was approved at the August 21, 2019, Commission meeting with a condition of approval that a Proposition 218 election be held and passed before the annexation can be recorded. The September 18, 2019 Public Hearing is being held to consider removing this condition of approval in accordance with Government Code section 57330 which authorizes the imposition of any previously authorized tax or assessment on lands annexed to a special district without the need for an election.

BUSINESS ITEMS – NON-HEARING ITEMS

7. Continuation of report from investigation into Budget Account No. 645.704 “Retirement–Medical Insurance” and history of payment from LAFCO and options for seeking County of San Benito payment as an alternative – Response to information requested at the August 21, 2019 Commission meeting.
8. Appointment of Voting Delegate and Alternate for the CALAFCO Board Elections and Related Business at the October 31st CALAFCO Business Meeting in Sacramento.

Commissioners: Cesar Flores, Chair ♦ Richard Bettencourt, Vice Chair ♦ Ignacio Velazquez ♦ Mark Medina ♦ Jim Gillio

Alternate Commissioners: Peter Hernandez ♦ Roberta Daniel ♦ Mary Vazquez Edge **Executive Officer:** Bill Nicholson

INFORMATIONAL

9. Commissioner Announcements and Requests for Future Agenda Items
10. Executive Officer oral status report on pending proposals
11. Adjourn to next regular meeting on October 16, 2019, unless meeting time is changed based on Commission action or cancelled by the Chair.

Disclosure of Campaign Contributions – LAFCO Commissioners are disqualified and are not able to participate in proceedings involving an “entitlement for use” if, within the 12 months preceding the LAFCO decision, the Commissioner received more than \$250 in campaign contributions from the applicant, an agent of the applicant or an financially interested person who actively supports or opposes the LAFCO decision on this matter.

Those who have made such contributions are required to disclose that fact for the official record of the proceedings. Disclosures must include the amount of the contribution and the recipient Commissioner and may be made either in writing to the Executive Officer of the Commission prior to the hearing or by an oral declaration at the time of the hearing.

The foregoing requirements are set forth in the Political Reform Act of 1974, specifically in Government Code section 84308.

Disability Accommodations - Persons with a disability who require any disability-related modification or accommodation, including auxiliary aids or services, in order to participate in the meeting are asked to contact the LAFCO office at least three (3) days prior to the meeting by telephone at 831/637-5313 or by email at jslibsager@cosb.us.

*LOCAL AGENCY FORMATION COMMISSION
2301 Technology Parkway
Hollister, CA 95023*



CERTIFICATE OF POSTING

Pursuant to Government Code § 59454.2(a) I, Janet Slibsager, Clerk of the Board of Supervisors, certify that the REGULAR MEETING AGENDA for the

SAN BENITO COUNTY LOCAL AGENCY FORMATION COMMISSION

Scheduled for September 18, 2019 was posted at the San Benito County Planning Department, 2301 Technology Parkway, Hollister, CA and at the San Benito County Administration Office, 481 Fourth Street, Hollister, CA on this 13th Day of September, 2019.

All locations freely accessible to the general public.

A handwritten signature in blue ink that reads "Janet Slibsager". The signature is written in a cursive style.

Janet Slibsager

Clerk of the Board of Supervisors

CONSENT AGENDA

5. Approval of minutes: August 21, 2019 meeting.



**SAN BENITO LOCAL AGENCY FORMATION
COMMISSION
MINUTES OF MEETING**

August 21, 2019

Board of Supervisors Chambers - Hollister, CA

CALL TO ORDER

1. Chair Cesar Flores called the meeting to order at 3:00 p.m. Those present were Executive Officer Bill Nicholson and Commissioners: Richard Bettencourt, Jim Gillio, Cesar Flores, and Ignacio Velazquez. Commissioner Mark Medina was absent. Also present were G. Michael Ziman, LAFCO Counsel, and Janet Slibsager, Recording Secretary.

2. Commissioner Flores led the Pledge of Allegiance.

3. **APPROVE AFFIDAVIT OF POSTING AGENDA**

Commissioner Gillio made a motion to accept the Affidavit of Posting, Commissioner Velazquez seconded.

Ayes: Bettencourt, Gillio, Velazquez and Flores

Noes: None

Abstain: None

Absent: Medina

PUBLIC COMMENT

4. **Public Comment Period:** There was no one from the public who wished to speak.

CONSENT AGENDA

5. **Approval of minutes of the June 13, 2019 meeting:**

Commissioner Gillio made a motion to approve the minutes as presented, Commissioner Bettencourt seconded.

Ayes: Bettencourt, Gillio, Velazquez and Flores

Noes: None

Abstain: None

Absent: Medina

BUSINESS ITEMS – PUBLIC HEARING ITEM

6. **LAFCO 530– Eilert Annexation to the Aromas Water District: Involving the annexation of approximately 5.0 acres of property into the District to obtain municipal water due to diminished water quality and quantity from an on-site well. The property is located on the east side of Avenida Del Piero in the Rancho Larios Subdivision located on the south side of State Highway 156 (Assessor’s Parcel Number 012-014-019). The annexation area is completely surrounded by the existing District territory. The actions requested are to determine the annexation is exempt from environmental review under sections 15303(d) and 15319 of the CEQA Guidelines, and to consider approval of the annexation**

Executive Officer Bill Nicholson provided information on the introduction to the item. The action requested is to determine the annexation is exempt from environmental review under section 15303(d) and 15319 to consider approval of the annexation. A five acre parcel was left out of a new subdivision. There are problems with the water well and the owner would like to be annexed in order to be able to get water without concern of droughts. The property is one hundred percent in San Benito County.

Commissioner Gillio wanted to know if this was a water quality issue, Nicholson commented that it is a quality and quantity problem. Commissioner Gillio expressed that they approved a similar request in the City, and sees this to be a public health issue.

Commissioner Flores opened to public comment.

There were no speakers.

Commissioner Bettencourt commented that he talked to Mr. Johnson who is the director for Aromas Water District about the issue and does not have a problem with approving the item.

Commissioner Velazquez made a motion to approve the annexation, Commissioner Bettencourt seconded the motion.

Ayes: Bettencourt, Gillio, Velazquez, and Flores
Noes: None
Abstain: None
Absent: Medina

7. **LAFCO 531 – Meadow at Gardenia Lane Annexation to County Service Area (CSA) No. 24: Involving the annexation of approximately 7.6-acres with six residential lots into the County Service Area (CSA) #24. The County Service Area annexation is proposed to provide the following services: street lighting, street sweeping, street maintenance and drainage maintenance. The properties are located on both sides of Rosebud Place and Meadow Lane, on the north side of Santa Ana Road. The actions requested are to determine the annexation is exempt from environmental review under section 15303(d) of the CEQA Guidelines and to consider approval of the annexation.**

Commissioner Gillio mentioned that the request to be annexed in was brought to the Board of Supervisor and they recommended that it go to LAFCO.

Commissioner Flores opened the item to public comment.

There were no speakers.

Commissioner Gillio made a motion to approve the annexation, Commissioner Velazquez seconded the motion.

Ayes: Bettencourt, Gillio, Velazquez, and Flores

Noes: None

Abstain: None

Absent: Medina

BUSINESS ITEMS – NON-HEARING ITEMS

8. **Continued discussion on Agricultural Preservation from the May 9 and June 13, 2019 Commission meeting with a focus on policies and programs adopted by other Local Agency Formation Commissions for the protection of agricultural resources and mitigation of impacts.**

Executive Officer Bill Nicholson mentioned that this is the third discussion session of Agricultural Preservation and provided a PowerPoint presentation which included the following: Reviewed policies of similar LAFCO's; 9 Counties like San Benito County that have similar agricultural characteristics from Ventura to Napa; All LAFCO's encourage annexation on non-prime soils as an alternative to prime farmland, if available; All LAFCO's promote ag. Buffers and greenbelts that stop City's from crossing

into farm land (Santa Clara and Contra Costa County are the only two County's that have policy to require agricultural litigation; Map showing the soil quality and Hollister urban land use designations; Many Coastal County's LAFCO's rely on strong Countywide agricultural protection measures enacted by the County, a private land trust or the voters for protection, the majority vote of all registered voters is required; Examples of policies from Ventura and Contra Costa County; if an application involves loss of prime agricultural and/or open space lands other ag and open space conservation agencies should work together to modify the application. More maps were presented that shows City's limits and soil and urban land use of San Juan Bautista; possible commission direction regarding Agricultural Preservation: Coordinate with the City of San Benito to initiate a SOI update based on their 2035 General Plan; Engage in the City of Hollister's pending general plan update process; Establish a LAFCO subcommittee to draft agricultural preservation policies similar to other LAFCO's.

Commissioner Flores opened to public comment.

Paul Hain, past president of the San Benito County Agricultural Land Trust is working on conservation easements at a 1:1 ratio resulting from new urban subdivisions and would like to encourage LAFCO, the City, and the County to do anything possible not to build on prime agriculture land because it is important to have prime land to grow food on. If needed, he feels that one to one mitigation would be an option, and the land trust is working to preserve land.

Commissioner Gillio would like to know about the Highway 156 project starting in July 2020 that has a required one to one mitigation requirement for farmland: how Caltrans makes their decisions on where to obtain mitigation.

Mr. Nicholson responded that it is usually done locally within the county.

Commissioner Bettencourt had a question regarding Contra Costa and Santa Clara County's one to one mitigation policy and that San Benito County is not listed. He would like to know if it was adopted in San Benito County or is the State of California mandating it.

Mr. Nicholson responded that the State of California does not mandate the adoption of mitigation for agricultural conversion, the State requires you to

go through the CEQA process. A local jurisdiction can make “overriding considerations” to build on prime land if they feel the need of building is more important than protecting the agricultural land.

Commissioner Bettencourt continued to express how he is all for protecting agricultural land but he feels a 1:1 mitigation policy is not in the best interest for protection.

Commissioner Flores stated there was no action required.

9. Notification from the California Association of Local Agency Formation Commissions (CALAFCO) concerning a proposed new dues structure for approval at the upcoming 2019 Annual Business meeting on October 31, 2019 in Sacramento.

Executive Officer Bill Nicholson provided information on a proposal regarding LAFCO revenue with the state association, CALAFCO, coming up with a recommendation to propose urban/suburban/rural fees based on population. Large Counties will be topped off at 700,000 people. Every County has a LAFCO and has a minimum fee of \$1,000, As of now San Benito current fees are around \$1,200 and the increase would result in a \$1,829 annual amount. The meeting to vote will take place on October 31, 2019 and CALAFCO wants all LAFCO’s to be aware of the proposal.

Commissioner Bettencourt asked why CALAFCO would want a raise in dues?

Mr. Nicholson responded that CALAFCO activities are currently underfunded. CALAFCO has a reserve for instances if they get sued, and they continue to use these funds for yearly operations. They also have educational workshops twice a year that take up a big portion of money.

Commissioner Gillio made a statement that \$600.00 is not worth fighting over, but feels small Counties often take the burden over larger Counties and would like that point to be made at the meeting on October 31, 2019. Large Counties should not have a limit on their population figure because it pushes more funding on small counties.

Commissioner Flores opened up to public comment.

There were no speakers.

Commissioner Flores stated this is not an action item.

10. Report from investigation into Budget Account No. 645.704 “Retirement–Medical Insurance” and history of payment from LAFCO and options for seeking County of San Benito payment as an alternative – Direction to investigate given at adoption of Final Budget for Fiscal Year 2019-20 on June 13, 2019.

Executive Officer Bill Nicholson provided a handout and information based on research with County Administration and the Auditor’s office from old LAFCO files on the topic with the former Executive Officer. He referred to minutes from September 13, 2007 under item #3C and passed out a contract that LAFCO approved. He said that LAFCO is paying the medical benefits and post-employment medical benefits for the ex-employee. The ex-employee was working for the County at 20 hours a week for LAFCO, as a regular part time employee. The employee was hired by the Commission, working as a County employee, but assisting with LAFCO 100% of their time. Upon retirement the employee was entitled for benefits and retirement medical benefits were sent to LAFCO which became a burden on the Commission based on how the contract was written at that time.

Commissioner Flores made a comment that it would stay the same, which Nicholson agreed.

Commissioner Bettencourt stated that she resigned so why is she entitled to benefits?

Stewart Patri, County Budget Officer, provided information. He said that he researched the statement to find that she resigned, but also filed for retirement, which would give the ex-employee full benefit coverages.

Commissioner Gillio understands that this was a deal that was made at the time and that we need to follow.

Commissioner Velazquez would like to know after the age of 65 if you seek medical through Medicare, are benefits still offered?

Mr. Patri responded that is a policy and County still has to pay for benefits even if the ex-employee has Medicare. The new policy would provide 70% of coverage.

Commissioner Bettencourt would like to use County Counsel with future agreements so this does not occur again.

Mr. Patri explained that this does not regularly happen.

Commissioner Gillio does not mind bringing it back to board but feels this is a shared responsibility and needs to be paid per the agreement when hired. There needs to be an understanding so this does not occur again.

Commissioner Flores would like to put a clause on employees that work for LAFCO. Nicholson explained he is the employee through LAFCO, which is by contract with LAFCO directly, and he has to provide his own insurance with no benefits. This employee is a onetime occurrence because their role was with LAFCO directly which does not happen anymore. The County Board Clerk's Office also assists with LAFCO duties.

Commissioner Flores opened to public comment.

There were no speakers.

Commissioner Flores commented no action taken, although there was a request for clarification on how the Medicare supplemental insurance benefits get paid.

11. Executive Officer Update on legislation proposed or monitored by the California Association of Local Agency Formation Commissions (CALAFCO).

Executive Officer Bill Nicolson provided information on Bill AB1253, LAFCO grant funding, which was converted into a two year bill that could be used for a special study for the Tres Pinos Water District. The Bill will focus on a Special District to do a study to see what is wrong and what is needed to help improve their services or function. The bill passed last year but was vetoed by the Governor because there was no funds available. If the bill does pass next year, LAFCO may be able to fund a study for the Special District. Another option is if land owners are willing to annex and help fund the project, they could pay for the study costs.

Commissioner Bettencourt would like to know if he should write a letter of recommendation. Mr. Nicholson replied that the Commission already did with the AB1253.

On another Bill, SB 414 would remove LAFCO from having a role in consolidation among multiple water providers.

Commissioner Velazquez stated if the money is coming through that's one conversation but if it is not he doesn't see a point in having a conversation about it. That State tells them what to build, how to build and wants to be in control, but does not want to help fund which puts the towns in a burden.

Commissioner Flores opens up to public comment.

There were no speakers.

Commissioner Flores stated this was information only.

INFORMATIONAL

12. Commissioner Announcements and Requests for Future Agenda Items.

Commissioner Bettencourt would like to know if they should update the LAFCO County code.

Mr. Nicholson responded that it would be a change of policies and procedures. The recent change was that alternate members could attend the meetings but could not vote when it came time.

Commissioner Bettencourt said that he would also like to see spheres pushed back to city lines so construction does not happen on prime agriculture land.

Commissioner Gillio said that we should put this on the next agenda for discussion.

13. Correspondence from the Tres Pinos Water District Director, Mike Sargeant, and request to make a brief presentation to the Commission regarding current District activities.

Mike Sargeant from the Tres Pinos Water District provided an update about the history of the Special District. Tres Pinos has a relationship with LAFCO, in the application process and with MSR. Tres Pinos has had their own water district since the 60's, currently there are 121 hookups, 9 are commercial and the others are residential. They have had a State moratorium for around 20 years. The Tres Pinos Board is interested in updating Tres Pinos structure. The sewer system is currently not up to code and they have insufficient water storage. Tres Pinos is seeking help from LAFCO with a Municipal Service Review (MSR). They have applied for grants through the State of California. They recently received a grant to study the water in their town and what they need to do to update it along with the sewer system. They also hired a water lawyer.

Commissioner Gillio said that he is concerned with the water quality and sewer in the Tres Pinos area. He recommends updating MSR with State funds that are available, and believes there is \$8 million available for the region. Gillio would like to meet with Mark to discuss more of what is going on.

Commissioner Bettencourt said that he is all for improving Tres Pinos Water District.

Commissioner Flores opened up public comment.

There were no speakers.

Commissioner Flores said that this was a report only.

14. Correspondence from the California Association of Local Agency Formation Commissions (CALAFCO) concerning the nomination period for the 2019/2020 Board of Directors: vacancies are open for a City Member and a Public Member for the Coastal Region, which includes San Benito County.

Commissioner Gillio recommended that a City and public Board Member attend the LAFCO Conference in Sacramento and said that he would like to nominate Commissioner Flores as City Member and Commissioner Bettencourt as Public Member.

Bill Nicholson explained the details and mentioned that the vote will take place on October 31, 2019.

Commissioner Gillio would like to adopt a resolution and look into it before nominating; as of now the nominations look like Flores for City Member, and Bettencourt for Public Member.

Michael Ziman Legal Counsel said that this should come back at the next meeting.

15. Executive Officer oral status report on pending proposals

Executive Officer Bill Nicholson talked about annexation with the Aromas water district of 4 parcels, around 5 acres each and will take place in the September agenda. He said that there are four different properties in the sphere with the quantity and quality problems of their water well.

Commissioner Bettencourt spoke about San Juan Bautista water problems and that there is dirt in water with old piping.

Commissioner Flores explained the quality of the water passes state code, but the water pressure from the new pipes is causing the old pipes to break which is causing dirt to get in the water.

ADJOURNMENT

- 16. Upon a motion by Commissioner Gillio, and seconded by Commissioner Velazquez, adjourned meeting at 4:42 p.m.**

Final Minutes Approved by the Commission
on _____

By: _____
·Cesar Flores, Chairman

BUSINESS ITEMS – PUBLIC HEARING ITEM

6. LAFCO 530 –Modification to Conditions of Approval on the Meadow at Gardenia Lane Annexation to County Service Area #24: Involving the annexation of approximately 7.6 acres with six residential lots into the County Service Ares (CSA) #24 for the provision of street lighting, street sweeping, street maintenance and drainage maintenance. The annexation was approved at the August 21, 2019 Commission meeting with a condition of approval that a Proposition 218 election be held and passed before the annexation can be recorded. The September 18, 2019 Public Hearing is being held to consider removing this condition of approval in accordance with Government Code section 57330, which authorized the imposition of any previously authorized tax or assessment on lands annexed to a special district without the need for an election.



SAN BENITO LOCAL AGENCY FORMATION COMMISSION
EXECUTIVE OFFICER'S REPORT

September 18, 2019 (Agenda)
(Agenda Item 6)

LAFCO No. 531: Modification to Conditions of Approval on the Meadow at Gardenia Lane Annexation to County Service Area No. 24

PROPONENT: San Benito County Board of Supervisors by resolution, landowners by petition

ACREAGE & LOCATION Approximately 7.6 acres located on both sides of Rosebud Place and Meadow Lane on the north side of Santa Ana Road; Hollister area

PURPOSE: To remove a condition of approval requiring that the County conduct a Proposition 218 election on the County Service Area (CSA) No. 24 tax assessment prior to recording the annexation, as this condition is unnecessary due to existing State law.

MODIFICATION SUMMARY

The Commission approved the Meadow at Gaardenia Lane annexation into County Service Area (CSA) No. 24 at the August 21, 2019 regularly scheduled public hearing. Staff had recommended, and the Commission adopted, a condition of approval that read:

“Direct the staff not to record the Certificate of Completion implementing the annexation until San Benito County has held a Proposition 218 election setting the assessment levels within the CSA, and the election is passed by the property owners.”

While the landowners within the 7.6 acre annexation boundary were willing to participate in a Proposition 218 election, further research by LAFCO staff conducted after the meeting revealed that there is an existing provision in the laws governing LAFCO actions (the Corttese-Knox-Hertzberg Local Government Reorganization Act of 2000) that makes this condition unnecessary. Specifically, Government Code section 57330 states:

“Any territory annexed to a city or district shall be subject to the leveying or fixing and collection of any previously authorized taxes, assessments, fees or charges of the city or district.”

The confusion over the need for this condition was caused by the unique status of County Service Areas (CSAs) as “dependent” special districts which are operated under the authority of the Board of Supervisors. Although CSAs are still considered special districts under State law, they are not like other “independent” special districts in the County which operate under the authority of a locally elected board of directors (such as the Sunnyslope County Water District or the Aromas Water District).

All other determinations and actions by the Commission at the August 21, 2019 public hearing regarding this annexation application remain accurate and in effect, and the Commission is only requested to modify their approval by removing the condition of approval to hold an election that was listed as Item E of Option 1.

Because the condition of approval was adopted following an advertised public hearing and the condition had been presented in the Executive Officer's Report available to the public prior to and at the hearing, this proposed modification has been advertised and re-noticed to avoid any public confusion. The amended findings, determinations and orders proposed for adoption by the Commission are presented below. A copy of the original Executive Officer's Report and attachments is also attached for the Commission's reference.

ALTERNATIVES FOR COMMISSION CONSIDERATION

After reviewing this report and any testimony or materials that are presented at the public hearing, the Commission can take one of the following actions:

OPTION 1 – APPROVE the modified proposal as submitted based upon the following findings, determinations and orders:

- A. Find the proposal qualifies for a Categorical Exemption in compliance with CEQA Guidelines sections 15303(d) and 15319.
- B. Adopt this report and approve the proposal known as the "Meadow at Gardenia Lane Annexation to the County Service Area No. 24."
- C. Waive the conducting authority (protest) proceedings and direct the staff to complete the proceedings without further notice, hearing or election.
- D. Direct the staff not to record the annexation until the map and legal description are found by the County Surveyor to be acceptable.

OPTION 2 - Adopt this report and DENY the modification proposal.

OPTION 3 - CONTINUE this proposal to a future meeting for additional information.

RECOMMENDED ACTION:

Approve OPTION 1.

Respectfully submitted,

BILL NICHOLSON
Executive Officer
LAFCO of San Benito County

Attachments:

1. Revised Draft LAFCO Resolution No. 531 Approving the Meadow at Gardenia Lane Annexation to County Service Area No. 24
2. Executive Officer's Report with Attachments for LAFCO File No. 531, dated August 21, 2019

cc: Harry Mavrogenes, Director San Benito County RMA
Jessica Stratton, San Benito County CSA Coordinator
Karson Klauer, Original Subdivider, Annexation Proponent
LAFCO Counsel

ATTACHMENT 1

LAFCO No. 531A

RESOLUTION OF THE SAN BENITO LOCAL AGENCY FORMATION COMMISSION MAKING DETERMINATIONS AND MODIFYING THE APPROVAL OF THE MEADOW AT GARDENIA LANE ANNEXATION TO COUNTY SERVICE AREA NO. 24

WHEREAS, the Meadow at Gardenia Lane Annexation to County Service Area No. 24 (LAFCO File No. 531) has been filed with the Executive Officer of the San Benito Local Agency Formation Commission pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act and the County Service Area Law (Sections 56000 et seq. of the Government Code); and

WHEREAS, the proposal seeks Commission approval to annex 7.6 acres into County Service Area (“CSA”) Number 24 and represents six parcels identified by the San Benito County Assessor as APN Numbers 019-410-001 through 006; and

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

WHEREAS, the Commission heard and fully considered all the evidence presented at public hearings held on the proposal on August 21, 2019; and

WHEREAS, at the times and in the manner required by law the Executive Officer has given notice of the Commission’s consideration of the proposal through publication in the Hollister Freelance Newspaper, and notice to neighboring landowners within 300 feet; and

WHEREAS, the Commission heard, discussed and considered all oral and written testimony related to the proposal including, but not limited to, the Executive Officer's Report and recommendation, and applicable General Plan; and

WHEREAS, in accordance with applicable provisions of the California Environmental Quality Act (hereinafter “CEQA”), the Commission serves as responsible agency for the annexation and has determined that the application is exempt from CEQA as the territory is already developed; and

WHEREAS, the Local Agency Formation Commission finds the applications to be in the best interests of the affected area and the organization of local governmental agencies within San Benito County; and

WHEREAS, the Commission approved the annexation at their regularly scheduled public hearing on August 21, 2019, subject to a condition of approval that a Proposition 218 election be held before the annexation could be recorded; and

WHEREAS, after further research by LAFCO Staff, it was determined that Government Code section 57330 makes any land annexed into a city or district subject to any previously approved taxes, assessments and fees, and therefore a Proposition 218 election is not necessary; and

WHEREAS, the Commission held a second noticed public hearing to remove this condition of approval, and reapprove the annexation.

NOW, THEREFORE, BE IT RESOLVED DETERMINED AND ORDERED by the Local Agency Formation Commission of San Benito County as follows:

(1) The Commission finds the annexation is exempt from environmental review in compliance with CEQA Guidelines sections 15303(d) and 15319

(2) The annexation proposal is assigned the distinctive short-form designation:

MEADOW AT GARDENIA LANE ANNEXATION TO COUNTY SERVICE AREA NO. 24

(4) Said territory is found to be uninhabited as there are fewer than 12 registered voters within the annexation area.

(5) The boundaries of the affected territory are found to be definite and certain as approved and set forth in the legal descriptions, with verification from the County Surveyor.

(6) All proceedings in connection with this proposal shall be conducted in compliance with the approved boundaries set forth in the attachments.

(7) The Commission has considered evidence in the record regarding the County's administration of CSA No. 24.

(8) Since the subject territory is uninhabited, the landowners have given consent to the annexation and the annexing agency has given written consent to the waiver of conducting

authority proceedings, the conducting authority proceedings are waived and the staff is directed to complete the proceeding.

(10) The territory being annexed shall be liable for any existing or authorized taxes, charges, fees or assessments comparable to properties presently within the District.

(11) The proposal is APPROVED, and Staff is directed not to record the annexation until the following condition of approval has been satisfied:

(a) The maps and legal descriptions presented as Exhibit A and B are found by the County Surveyor to be acceptable.

I, Cesar E. Flores, Chairman of the Local Agency Formation Commission of San Benito County, California, do hereby certify that the foregoing resolution was duly and regularly adopted by said Commission at a regular meeting thereof held upon the 18th day of September, 2019, by the following vote:

AYES:

NOES:

ABSTAINS:

Dated: _____

Cesar E. Flores, Chair
San Benito Local Agency Formation Commission

ATTEST

Bill Nicholson, Executive Officer
San Benito Local Agency Formation Commission

SAN BENITO LOCAL AGENCY FORMATION COMMISSION
EXECUTIVE OFFICER'S REPORT

August 21, 2019 (Agenda)
(Agenda Item 7)

- LAFCO No. 531: Meadow at Gardenia Lane Annexation to County Service Area No. 24
- PROPONENT: San Benito County Board of Supervisors by resolution, landowners by petition
- ACREAGE & LOCATION Approximately 7.6 acres located on both sides of Rosebud Place and Meadow Lane on the north side of Santa Ana Road; Hollister area
- PURPOSE: Include this property within County Service Area (CSA) No. 24 to provide the following services: road maintenance, street sweeping, street lighting, and drainage maintenance through an assessment collected with the property tax bill

PROJECT EVALUATION

1. Land Use, Planning and Zoning - Present and Future:

This annexation area contains a recently developed six lot residential subdivision (TSM 16-95) with all homes constructed. As a condition of the tentative map, the County required that the property owners form a homeowners association to be responsible for street lighting, street sweeping, road maintenance, storm drainage, landscape maintenance and other services. As an alternative, the applicant could propose an alternative mechanism, which requires approval by the Board of Supervisors. The map was recorded but the homeowners approached the County to seek annexation into CSA No. 24, similar to the approval for the adjacent property, LAFCO File No. 529 (Nguyen). The Board of Supervisors adopted a resolution of application to LAFCO for this annexation on April 16, 2019.

The County General Plan designates the site as Residential Rural (RR), and the zoning is Rural Residential (RR). The lots meet the minimum size of one acre allowed under the Zoning Code to accommodate on-site septic systems. However, the property is within, and all lots are connected to the potable water supply from, the Sunnyslope County Water District. The property is not within the City of Hollister Sphere of Influence which only extends to Santa Ana Road at its closest point to this subdivision.

Surrounding land uses include developed rural residential housing on all sides, with a recently recorded subdivision to the north for which an annexation into CSA #24 has recently been approved (Nguyen).

2. Topography, Natural Features and Drainage Basins:

The annexation area and surrounding land is gently sloping to the west. There are no significant natural features that affect the development, and storm drainage has been connected to the existing system serving adjacent development.

3. Population:

There are six new homes within the annexation area, but no population data is available. However, all landowners have signed a petition in support of annexation into CSA No. 24 and as a landowner-voter entity, there is no involvement by registered voters.

4. Governmental Services and Controls - Need, Cost, Adequacy and Availability:

In the "Proposal Justification Questionnaire for Annexation" completed by the County, the following services are proposed to be provided through annexation into CSA No. 24: street maintenance, street sweeping, street light maintenance, and storm drainage system maintenance. The County also indicates that several other services currently authorized in this CSA will not be provided to this annexation and are not being currently provided within the CSA: garbage collection and extended police and fire services ("extended" means provided at a higher level than to other areas of the County not within the CSA).

The County is currently investigating all their County Service Areas and the services authorized and those provided, and will come back to LAFCO in the future with possible applications to dissolve or consolidate CSAs, or to add or remove the services provided in each CSA. LAFCO Staff has been participating in the review of consultant studies, including an early draft Municipal Service Review (MSR) update as the current MSR is from 2007 and is outdated.

The Meadow at Gardenia Lane Subdivision is a semi-rural development in the County, and it is already within and connected to the Sunnyslope County Water District's water supply. Wastewater is disposed of through on-site septic systems regulated by the County Environmental Health Division. There are no other LAFCO actions involving service to be provided to the new development beyond annexation into CSA No. 24.

5. Impact on Prime Agricultural Land, Open Space and Agriculture:

The site is a 7.6 acre infill parcel that does not produce an agricultural crop and is not prime agricultural land. The property is not under a Williamson Act contract.

6. Assessed Value, Tax Rates and Indebtedness:

The six parcels are currently within Tax Rate Area 67-016. The assessed value is \$5,500,900 although the Tax Rate Area will change following the annexation into the CSA. Annexation into the CSA will not change the property tax rate but in order to collect the property assessment, the property owners must hold and pass a Proposition 218 election. Lands within the current CSA No. 24 pay an assessment currently set at \$258 per house but it contains an inflator index which the Board of Supervisors can adjust annually. In order to ensure the revenue is in place to pay for the services provided in this CSA, a condition of approval is proposed that requires passage of a Proposition 218 election prior to recording the Certificate of Completion, which implements the annexation. LAFCo has one year to record the Certificate of Completion.

The current CSA generates approximately \$8,000 annually and was budgeted at \$6,525.97 in the current fiscal year. Expenses through May 1st have been \$1,477.03. The County also maintains a cash account for Contingencies for CSA No. 24 which has a current balance of \$65,135. This contingency reserve is maintained in case of emergency expenses such as repairing a storm drain pipe or minor road repairs. However, the current yearly rate per housing unit might be less than what would be required for long-term road maintenance costs such as repaving the road at some point in the future. This issue is currently being evaluated by the County on a CSA-wide basis.

7. Environmental Impact of the Proposal:

The County of San Benito, acting as lead agency for initial approval of the six-lot subdivision prepared an Initial Study to evaluate the project. As part of the project approval, the County adopted 4 mitigation measures to reduce impacts to a less than significant level in the areas of: (i) Air Quality: dust control during construction; (ii) Geology and Soils: involving soils report and geotechnical evaluation; (iii) Hydrology and Water Quality: involving compliance with SWPPP requirements and installation of drainage improvements for a 100 year storm event; and (iv) Utilities and Service Systems: design and construction of drainage facilities that prevent the spread of vector-borne diseases.

However, since the subdivision has been recorded and homes have been constructed on all six lots, LAFCO can determine the annexation into CSA #24 is exempt from environmental review in compliance with CEQA Guidelines sections 15319 "Annexations of Existing Facilities and Lots for Exempt Facilities" and 15303(d) "New Construction or Conversion of Small Structures" including streets and other similar utilities. Annexation of the 7.6 acre subdivision into CSA #24 doesn't result in any change to the environment, it is just creating a financial mechanism for maintenance of public facilities.

8. Landowner and Subject Agency Consent:

When there is unanimous written consent of all property owners within an area to be annexed the Commission can waive the protest proceedings should the annexation be approved. However, as noted in Item 6 above, the property owners will also have to approve an assessment for CSA fees through a Proposition 218 election in order for the assessment to be levied on their properties. For this application, all landowners have signed a petition in support of annexation into CSA No. 24

9. Boundaries, Lines of Assessment and Registered Voters:

The boundaries appear to be definite and certain and there are no conflicts with lines of assessment or ownership. The site is contiguous to the CSA No. 24 boundary to the north, but not to the west. CSA No. 24 was formed in 1987 to serve 27 lots along Kane Drive, the next street over to the west. When Rosebud Avenue was constructed along with the Gonzalez Subdivision, involving all lots along the west side of Rosebud Avenue, the County processed and LAFCO approved an annexation of the 14 lots (on 16 acres) into CSA No. 24. However, at the time in 2007, LAFCO staff did not record the annexation and therefore, it was never implemented and the County collects no assessments. The County Resource Management Agency will be working to resubmit this annexation application to LAFCO since there was a 12 month period for the annexation to be recorded, which has long expired.

The map and legal description for the 7.6 acre annexation are being reviewed by the County Surveyor for sufficiency in filing with the State Board of Equalization.

The territory is uninhabited; namely, there are fewer than 12 registered voters. The property owners have consented to the annexation and there is no need to hold a protest hearing. The CSA creates a new property assessment which is subject to a vote of property owners, not registered voters, through the Proposition 218 process conducted by the County.

10. Environmental Justice and Affordable Housing

The site is not adjacent to a disadvantaged unincorporated community as the adjacent land located in the County contains large one-acre residential lots. The subdivision does not involve any affordable housing, but helped the County meet its targets for "above moderate income" housing through the recent construction of six homes.

ALTERNATIVES FOR COMMISSION CONSIDERATION

Staff does not recommend any alternative boundary, as the adjacent land to the north was recently annexed into CSA No. 24 (Nguyen, and the County will have to work with owners of

the adjacent parcels on the west side of Rosebud Avenue (Gonzales Subdivision with 16 existing homes), to get an annexation application initiated. After reviewing this report and any testimony or materials that are presented, the Commission can take one of the following actions:

OPTION 1 – APPROVE the proposal as submitted based upon the following findings, determinations and orders:

- A. Find the proposal qualifies for a Categorical Exemption in compliance with CEQA Guidelines sections 15303(d) and 15319.
- B. Adopt this report and approve the proposal known as the "Meadow at Gardenia Lane Annexation to the County Service Area No. 24."
- C. Waive the conducting authority (protest) proceedings and direct the staff to complete the proceedings without further notice, hearing or election.
- D. Direct the staff not to record the annexation until the map and legal description are found by the County Surveyor to be acceptable.
- E. Direct the staff not to record the Certificate of Completion implementing the annexation until San Benito County has held a Proposition 218 election setting the assessment levels within the CSA, and the election is passed by the property owners.

OPTION 2 - Adopt this report and DENY this proposal.

OPTION 3 - CONTINUE this proposal to a future meeting for additional information.

RECOMMENDED ACTION:

Approve OPTION 1.

Respectfully submitted,



BILL NICHOLSON
Executive Officer
LAFCO of San Benito County

Attachments:

1. Area Map and Annexation Map
2. Proposal Justification Questionnaire - Annexation
3. Resolution No. 2019-39 of the San Benito County Board of Supervisors "Resolution of Application"
4. Draft LAFCO Resolution No. 531 Approving the Meadow at Gardenia Lane Annexation to County Service Area No. 24

cc: Harry Mavrogenes, Director San Benito County RMA
Lauren Hull, Management Analyst
Karson Klauer, Original Subdivider, Annexation Proponent

Meadow at Gardenia Lane Annexation

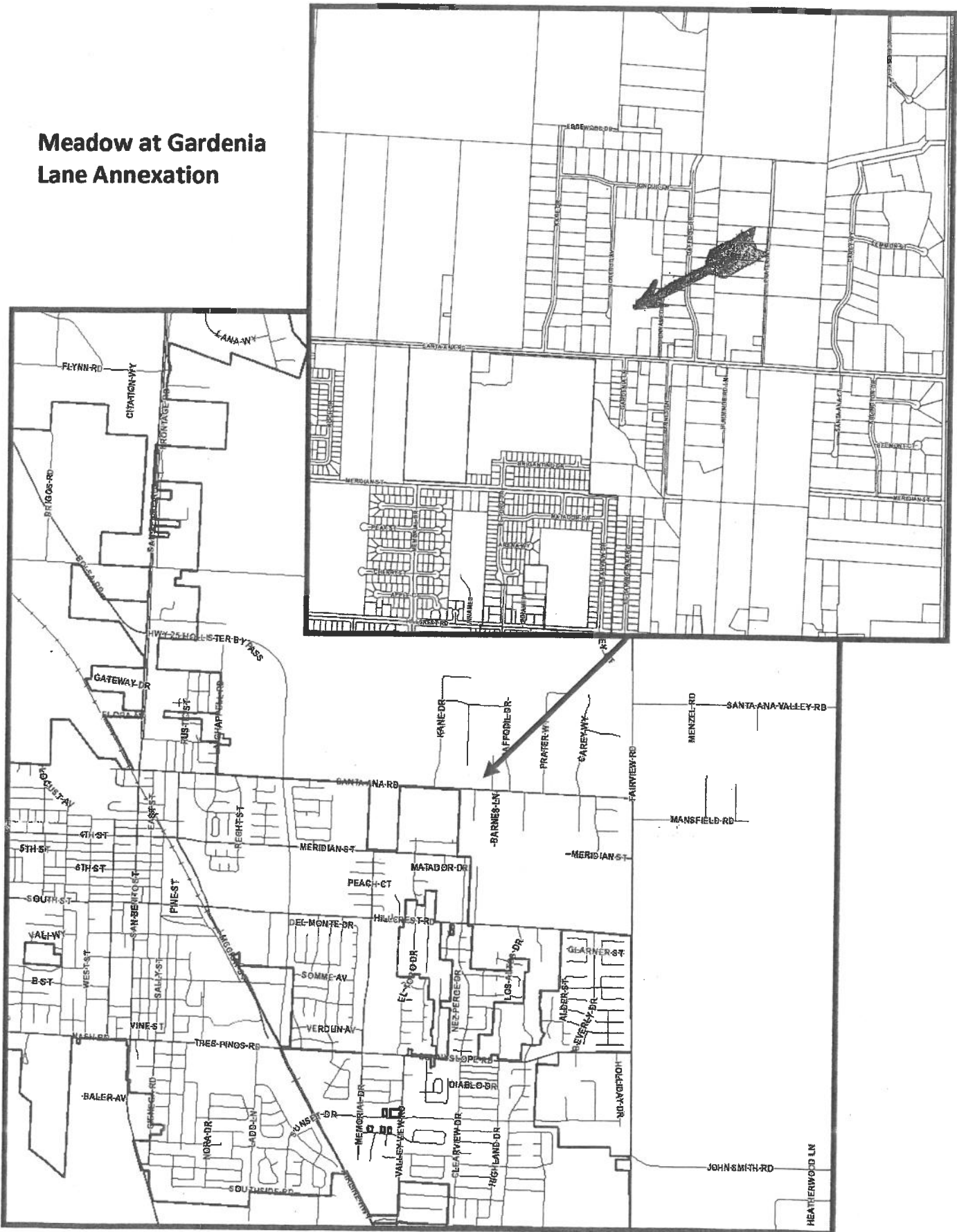



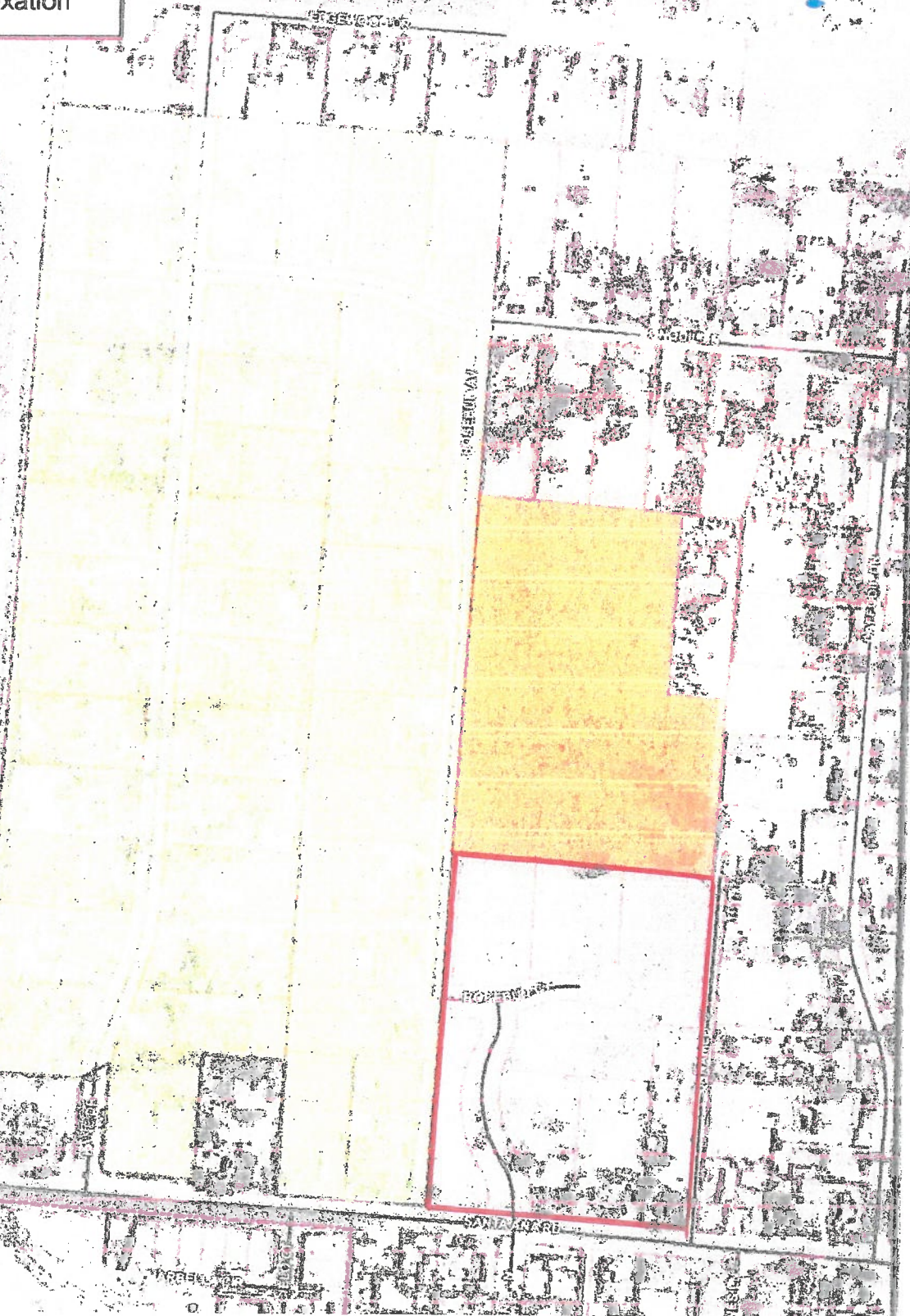
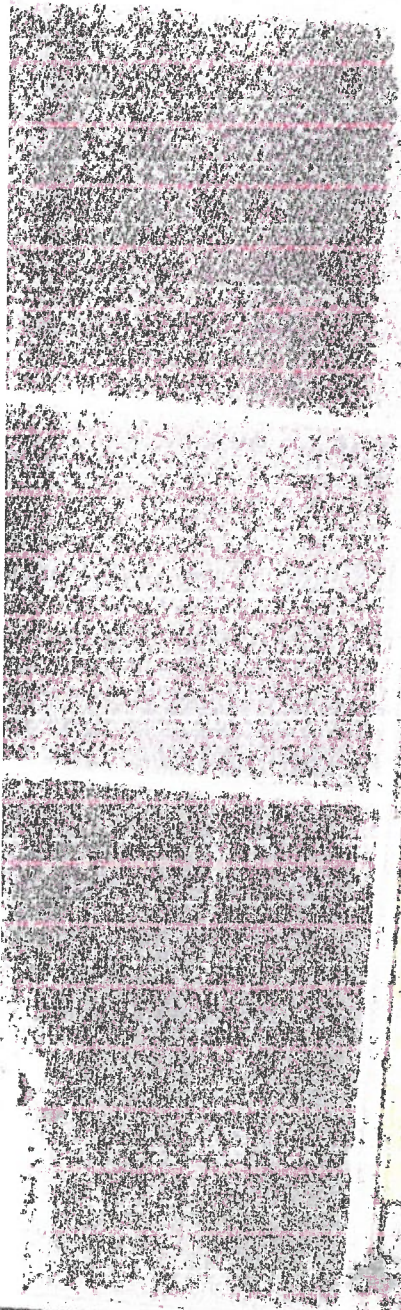


Figure 2. Site Plan
 Tentative Subdivision Map 16-95
 Klauer

Legend

-  Meadow at Gardenia Lane Annexation
-  CSA 24 - Santa Ana Acres
-  Nguyen Subdivision Approved Annexation





Legend

- Denotes the boundary of the property to be annexed
- Denotes the existing boundary of CSA 24
- Denotes the existing boundary of CSA 16
- Denotes existing Centeline
- Denotes existing property line

Area to be Annexed = 7.61 acres



Surveyor:

Allen F. Avraide
 Allen F. Avraide
 LS 7741, exp 12/31/19

APN: 015-190-014
 Manrya, Doc # 1985-00878

Gardenia Lane
 (County Road No. 73) (60' Width)

5 PM 54

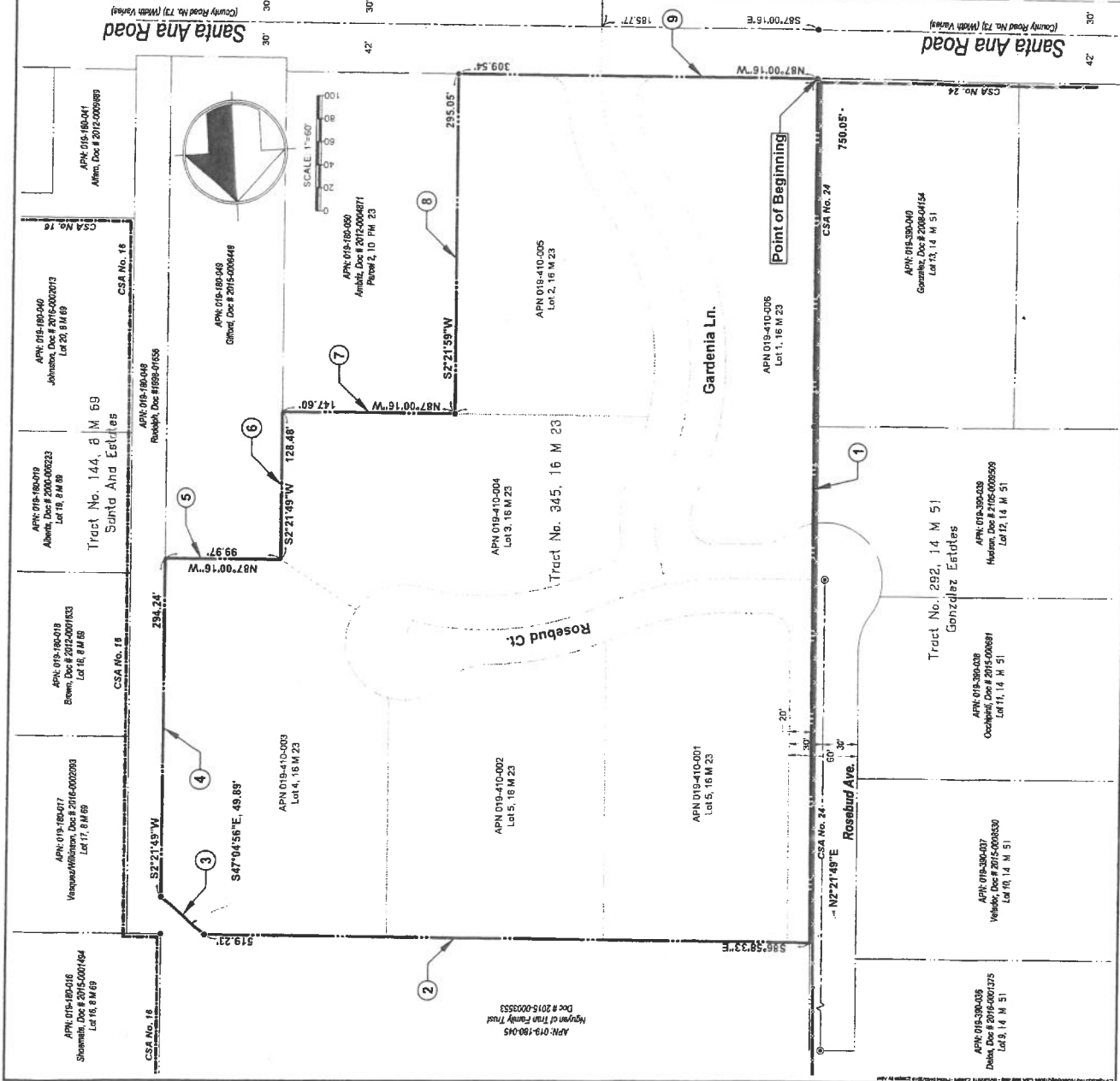
APN: 015-320-010
 Singh, Doc # 1985-018546

Tract No. 335 Annexation into CSA No. 24 Klauer - TSM 16-95

In the unincorporated area of the County of
 San Benito, State of California
 Being a all of Parcel 1 as shown on that map
 thereof recorded in Book 10 of Parcel Maps, at
 Page 23, San Benito County Records
 March 2019
 Job No. 215084



Book _____ M. _____ Sheet 2 of 3



SAN BENITO LOCAL AGENCY FORMATION COMMISSION

Proposal Justification Questionnaire for Annexations, Detachments and Reorganizations

(Attach additional sheets as necessary)

1. **Name of Application:** (The name should match the title on the map and legal description; list all boundary changes that are part of the application)
*Klauer Subdivision
Annexation to CSA 24*
2. **Describe the acreage and general location; include street addresses if known:**
7.61 acres
3. **List the Assessor's Parcels within the proposal area:** *019-410-001, 019-410-002, 019-410-003, 019-410-004, 019-410-005, 019-410-006*
4. **Purpose of proposal:** (List all actions for LAFCO approval. Identify other actions that are part of the overall project, i.e., a tract map, development permit, etc. Why is this proposal being filed?) *The County found that annexing into the existing CSA was a preferable option due to the fact that the development shares roads and resources.*
5. **Land Use and Zoning - Present and Future**
 - A. Describe the **existing land uses** within the proposal area. Be specific. *Developed subdivision with 6 developed lots.*
 - B. Describe **changes in land uses** that would result from or be facilitated by this proposed boundary change. *Existing development*
 - C. Describe the existing zoning designations within the proposal area. *Zoning is Rural Residential*
 - D. Describe any proposed change in zoning for the proposal area. Do the existing and proposed uses conform with this zoning? *Existing subdivision conforms to zone use and density.*
 - E. (For City Annexations) Describe the rezoning that will apply to the proposal area upon annexation. Do the proposed uses conform with this rezoning? *N/A*
 - F. List all known entitlement applications pending for the property (i.e., zone change, land division or other entitlements).

ATTACHMENT 2

6. **Describe the area surrounding the proposal** *Single Family Residential*
7. **Conformity with Spheres of influence**
- A. Is the proposal area within the sphere of influence of the annexing agency?
N/A
- B. If not, are you including a proposal to revise the sphere of influence?
N/A
8. **Conformity with County and City General Plans**
- A. Describe the existing County General Plan designation for the proposal area.
Residential Rural (RR)
- B. (For City Annexations) Describe the City general plan designation for the area.
N/A
- C. Do the proposed uses conform with these plans? If not, please explain.
Yes
9. **Topography and Natural Features**
- A. Describe the general topography of the proposal area and any significant natural features that may affect the proposal.
Single family residential subdivision
- B. Describe the general topography of the area surrounding the proposal.
Topography of surrounding parcels: *single family residential*
10. **Impact on Agriculture**
- A. Does the property currently produce a commercial agricultural commodity?
No
- B. Is the property fallow land under a crop rotational program or is it enrolled in an agricultural subsidy or set-aside program? *No*
- D. Is the property Prime Agricultural Land as defined in G.C. Section §56064? *No*
- E. Is the proposal area within a Land Conservation (Williamson) Act contract? *No*
- 1) If “yes,” provide the contract number and date contract was executed.
- 2) If “yes”, has a notice of non-renewal be filed? If so, when?
- 3) If this proposal is an annexation to a city, provide a copy of any protest filed by the annexing city against the contract when it was approved.
11. **Impact on Open Space**
Is the affected property Open Space land as defined in G.C. Section 65560? *No*
12. **Relationship to Regional Housing Goals and Policies (City annexations only)**
If this proposal will result in or facilitate an increase in the number of housing units, describe the extent to which the proposal will assist the annexing city in achieving its fair share of regional housing needs. N/A

13. Population

A. Describe the number and type of existing dwelling units within the proposal area.
6

B. How many new dwelling units could result from or be facilitated by the proposal?

Single-family 0 Multi-family

14. Government Services and Controls – Plan for Providing Services (per §56653)

A. Describe the services to be extended to the affected territory by this proposal.
CSA 24 currently includes street light maintenance, street maintenance, street sweeping, drainage maintenance, extended police and fire services, and garbage disposal services.

B. Describe the level and range of the proposed services.
This annexation adds Rosebud Court and Gardenia Lane to the CSA.

C. Indicate when the services can feasibly be provided to the proposal area.
Upon this approval. Infrastructure is already built.

D. Indicate any improvements or upgrading of structures, roads, sewers or water facilities or other conditions that will be required as a result of the proposal.
Infrastructure already built as a Condition of TSM 16-95

E. Identify how these services will be financed. Include both capital improvements and ongoing maintenance and operation.
Improvements were installed by developer owner, ongoing maintenance will be paid by current/future home owners under their CSA assessments.

F. Identify any alternatives for providing the services listed in Section (A) and how these alternatives would affect the cost and adequacy of services.
An HOA was formed however the homeowners would prefer to join the CSA since this development shares the same roads and resources. The subdivision was not offered annexation into the CSA when the final map was originally approved.

15. Ability of the annexing agency to provide services

Attach a statement from the annexing agency describing its ability to provide the services that are the subject of the application, including the sufficiency of revenues (per Gov't Code §56668j).

The County has hired a CSA Coordinator who works with the Auditor's Office to keep accounts in order, and coordinate with consultants and County Road Maintenance Staff to ensure services and maintenance are provided on a consistent level for all active CSAs. The County has also retained a consultant to study all CSAs with a look into methods to improve efficiency.

16. **Dependability of Water Supply for Projected Needs** (as per §56653)
If the proposal will result in or facilitate an increase in water usage, attach a statement from the retail water purveyor that describes the timely availability of water supplies that will be adequate for the projected needs. The existing subdivision water needs are already addressed.

17. **Bonded indebtedness and zones** – These questions pertain to long term debt that applies or will be applied to the affected property.

- A. **Do agencies whose boundaries are being changed have existing bonded debt?**
 Yes No If yes, please describe
- B. **Will the proposal area be liable for payment of its share of this existing debt?**
 Yes No If yes, how will this indebtedness be repaid (property taxes, assessments, water sales, etc.?) N / A
- C. **Should the proposal area be included within any 'Division or Zone for debt repayment?** Yes No If yes, please describe.
- D. (For detachments) Does the detaching agency propose that the subject territory continue to be liable for existing bonded debt? Yes No Please describe.

18. **Environmental Impact of the Proposal**

- A. **Who is the "lead agency" for this proposal?**
San Benito County prepared the initial study – attached.
- B. **What type of environmental document has been prepared?**
None, Categorically Exempt -- Class ____
EIR ____ Negative Declaration ____ Mitigated ND X
Subsequent Use of Previous EIR ____ Identify the prior report. ____
- C. **If an EIR has been prepared, attach the lead agency's resolution listing significant impacts anticipated from the project, mitigation measures adopted to reduce or avoid significant impacts and, if adopted, a "Statement of Overriding Considerations."**

19. **Boundaries**

- A. **Why are these particular boundaries being used? Ideally, what other properties should be included in the proposal?** *The boundary is the limits of the subdivision*
- B. **If any landowners have included only part of the contiguous land under their ownership, explain why the additional property is not included.** *N/A*

20. **Final Comments**

- A. **Describe any conditions that should be included in LAFCO's approval.**
No conditions are needed, however the County is looking at all CSAs and will come back with proposals to remove some CSA services that are no longer being provided and add any new services that are being provided but are not listed.
- B. **Provide any other comments or justifications regarding the proposal.**
- C. **Enclose all pertinent staff reports and supporting documentation related to this proposal. Note any changes in the approved project that are not reflected in these materials.**

21. **Notices and Staff Reports**

List up to three persons to receive copies of a notice of hearing and staff report.

	<u>Name and agency</u>	<u>Address</u>	<u>Email address</u>
A.	Karson Klauer		karsonklauer@yahoo.com
B.			
C.			

Who should be contacted if there are questions about this application?

<u>Name</u>	<u>Address</u>	<u>Email address</u>	<u>Phone</u>
Megan Stevens	2301 Technology Pkwy. Hollister, CA 95023	mstevens@cosb.us	831-637-8430

Signature _____

Date _____

TABLE A

Information regarding the areas surrounding the proposal area

	Existing Land Use	General Plan Designation	Zoning Designation
East	residential	Residential Rural	Rural Residential
West	residential	RR	RR
North	residential	RR	RR
South	residential	RR	RR

Other comments or notations:

RESOLUTION NO. 2019-39

**A RESOLUTION OF THE SAN BENITO COUNTY BOARD OF SUPERVISORS
INITIATING PROCEEDINGS FOR
THE ANNEXATION OF MEADOW AT GARDENIA LANE (KLAUER)
SUBDIVISION INTO EXISTING CSA NO. 24 ("SANTA ANA ACRES")**

WHEREAS, the Board of Supervisors of the County of San Benito desires to initiate a proceeding for the annexation of a subdivision into a County Service Area as specified herein;

NOW, THEREFORE, the Board of Supervisors of the County of San Benito does hereby resolve and order as follows:


1. This proposal is made, and it is requested that proceedings be taken, pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 commencing with §56000 of the California Government Code and the County Service Area Law commencing with §25210 of the California Government Code; and,
2. This proposal is for the annexation of a new subdivision into County Service Area No. 24 (Santa Ana Acres); and,
3. The area proposed to be annexed into County Service Area No. 24 is shown on the map attached as Exhibit A, and described in the legal description set forth in Exhibit B. Exhibits "A" and "B" are incorporated herein by this reference ("Annexation Area").
4. The existing services provided for CSA No. 24 shall be extended to the Annexation Area: a) Maintenance of street lights b) Street maintenance c) Street sweeping d) Drainage maintenance
5. Previously authorized services in CSA No. 24 that are no longer being provided through the CSA will not be provided to the Annexation Area, as follows:
 - a) Garbage disposal
 - b) Extended Police protection
 - c) Extended Fire protection
6. The assessment structure existing for CSA No. 24 for developed and undeveloped parcels shall otherwise be extended to the parcels in the Annexation Area.

7. Both the County and the current owners of the Annexation Area are in agreement that a County Service Area is an appropriate mechanism to provide services to future homeowners within the Annexation Area, and to comply with the County requirement that new developments provide a structure and funding mechanism for the provision of maintenance of street lights, street maintenance, drainage maintenance, and street sweeping.

8. The San Benito County Board of Supervisors is hereby initiating annexation of the 7.61 acre Annexation Area into the existing CSA No. 24 ("Santa Ana Acres"), for consideration by LAFCO.

PASSED and ADOPTED by the San Benito County Board of Supervisors on this 16th day of April, 2019, by the following vote:

AYES:	Supervisor(s)	Medina, Botelho, Gillio, Hernandez, De La Cruz
NOES:	Supervisor(s)	none
ABSENT:	Supervisor(s)	none
ABSTAIN:	Supervisor(s)	none

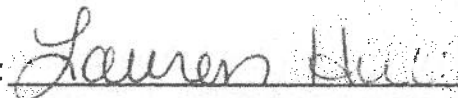
By: 
Mark Medina, Chair


ATTEST:

APPROVED AS TO LEGAL FORM

Janet Slibsager, Clerk of the Board

G. Michael Ziman, County Counsel

By: 

By: 

Date: 4/16/19

Date: Apr 1, 2019

Tract No. 345 - Klauer TSM 16-95, Annexation into CSA No. 24

All that real property located in the State of California, County of San Benito being all of Tract No. 345 Klauer TSM 16-95 (Lots 1,2,3,4,5,&6, and Parcel A) as shown on that map thereof recorded May 18, 2017 in Book 16 of Maps at Page 23 San Benito County Records bound and more particularly described as follows:

Beginning at the southwest corner of Lot 1 of Tract No. 345 as shown on said map filed in Book 16 of Maps at Page 23, said corner also being in the northerly line of Santa Ana Road and the southeast corner of the existing County Service Area No. 24 (CSA 24); Thence from said point of beginning the following courses:

1. along the east line of said existing CSA 24, said line also being the west line of said Tract No. 345 North 2° 21' 49" East, 750.05 feet to the northwest corner of said Lot 6; thence,
2. leaving said east line of CSA 24 along the north line of said Tract No. 345, South 86° 58' 33" East, 519.23 feet; thence,
3. along the easterly line of said Tract No. 345, South 47° 04' 56" East, 49.89 feet; thence
4. South 2° 21' 49" West, 294.24 to the southeast corner of said Lot 4; thence
5. along the south line of said Lot 4, North 87° 00' 16" West, 99.97 feet to the northeast corner of said Lot 3; thence
6. along the east line of said Lot 3, South 2° 21' 49" West, 128.48 feet to the southeast corner of said Lot 3; thence
7. along the south line of said Lot 3, North 87° 00' 16" West, 147.60 feet to the northeast corner of said Lot 2; thence
8. along the east line of said Lot 2, South 2° 21' 59" West, 295.05 feet to the southeast corner of said Lot 2, said corner also being in the north line of Santa Ana Road; thence
9. along said north line of Santa Ana Road, North 87° 00' 16" West, 309.54 feet to the point of beginning.

Containing 7.61 acres.



Allen T. Andrade, LS 7741
Expires 12/31/2019

4/3/2019
Date



L:\projects\2019\15084\15084.dwg - 4/3/2019 2:39 PM - Plotted 4/3/2019 2:39 PM by Allen Andrade
Xrefs: 215084 LO enabing; 215084 LO new; 215084 Points; 215084 Annot; 20180409 a1pt



MH engineering Co.

18075 VINEYARD BOULEVARD MORGAN HILL, CA 95037 (408) 779-7381

SCALE: n/a

JOB #: 215084

SHEET

DRAWN BY: aa

DATE: 4/3/2019

1 of 1

LAFCO No. 531

RESOLUTION OF THE SAN BENITO LOCAL AGENCY FORMATION COMMISSION
MAKING DETERMINATIONS AND APPROVING THE MEADOW AT GARDENIA LANE
ANNEXATION TO COUNTY SERVICE AREA NO. 24

WHEREAS, the Meadow at Gardenia Lane Annexation to County Service Area No. 24 (LAFCO File No. 531) has been filed with the Executive Officer of the San Benito Local Agency Formation Commission pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act and the County Service Area Law (Sections 56000 et seq. of the Government Code); and

WHEREAS, the proposal seeks Commission approval to annex 7.6 acres into County Service Area (“CSA”) Number 24 and represents six parcels identified by the San Benito County Assessor as APN Numbers 019-410-001 through 006; and

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

WHEREAS, the Commission heard and fully considered all the evidence presented at public hearings held on the proposal on August 21, 2019; and

WHEREAS, at the times and in the manner required by law the Executive Officer has given notice of the Commission’s consideration of the proposal through publication in the Hollister Freelance Newspaper, and notice to neighboring landowners within 300 feet; and

WHEREAS, the Commission heard, discussed and considered all oral and written testimony related to the proposal including, but not limited to, the Executive Officer's Report and recommendation, and applicable General Plan; and

WHEREAS, in accordance with applicable provisions of the California Environmental Quality Act (hereinafter “CEQA”), the Commission serves as responsible agency for the annexation and has determined that the application is exempt from CEQA as the territory is already developed; and

WHEREAS, the Local Agency Formation Commission finds the applications to be in the best interests of the affected area and the organization of local governmental agencies within San Benito County.

NOW, THEREFORE, BE IT RESOLVED DETERMINED AND ORDERED by the Local Agency Formation Commission of San Benito County as follows:

(1) The Commission finds the annexation is exempt from environmental review in compliance with CEQA Guidelines sections 15303(d) and 15319

(2) The annexation proposal is assigned the distinctive short-form designation:

MEADOW AT GARDENIA LANE ANNEXATION TO COUNTY SERVICE AREA NO. 24

(4) Said territory is found to be uninhabited as there are fewer than 12 registered voters within the annexation area.

(5) The boundaries of the affected territory are found to be definite and certain as approved and set forth in the legal descriptions, with verification from the County Surveyor.

(6) All proceedings in connection with this proposal shall be conducted in compliance with the approved boundaries set forth in the attachments.

(7) The Commission has considered evidence in the record regarding the County's administration of CSA No. 24.

(8) Since the subject territory is uninhabited, the landowners have given consent to the annexation and the annexing agency has given written consent to the waiver of conducting authority proceedings, the conducting authority proceedings are waived and the staff is directed to complete the proceeding.

(10) The territory being annexed shall be liable for any existing or authorized taxes, charges, fees or assessments comparable to properties presently within the District.

(11) The proposal is APPROVED, and Staff is directed not to record the annexation until the following condition of approval has been satisfied:

(a) The maps and legal descriptions presented as Exhibit A and B are found by the County Surveyor to be acceptable.

(b) Direct the staff not to record the Certificate of Completion implementing the annexation until San Benito County has held a Proposition 218 election setting the assessment levels within the CSA, and the election is passed by the property owners.

I, Cesar E. Flores, Chairman of the Local Agency Formation Commission of San Benito County, California, do hereby certify that the foregoing resolution was duly and regularly adopted by said Commission at a regular meeting thereof held upon the 21st day of August, 2019, by the following vote:

- AYES:
- NOES:
- ABSTAINS:

Dated: _____
Cesar E. Flores, Chair
San Benito Local Agency Formation Commission

ATTEST

Bill Nicholson, Executive Officer
San Benito Local Agency Formation Commission

BUSINESS ITEMS – NON- HEARING ITEMS

7. Continuation of report from investigation into Budget Account No. 645.704 “Retirement Medical Insurance” and history of payment from LAFCo AND OPTIONS FOR SEEKING County of San Benito payment as an alternative – Response to information requested at the August 21, 2019 Commission meeting.

8. Appointment of Voting Delegate and Alternate for the CALAFCO Board Elections and Related Business at the October 31st CALOAFCO Business Meeting in Sacramento.



LOCAL AGENCY FORMATION COMMISSION

SAN BENITO COUNTY

2301 Technology Parkway

Hollister, CA 95023

Phone: (831) 637-5313 Fax: (805) 647-7647

DATE: September 19, 2019 (Agenda)

TO: Local Agency Formation Commission

FROM: ^{BN} Bill Nicholson, Executive Officer

RE: Continued Investigation into Budget Account 645.704 "Retirement-Medical Insurance" and history of payment from LAFCO and options for seeking County of San Benito payment as an alternative
(Agenda Item 7)

At the August 21, 2019 Commission meeting, the Commission received a presentation from Scott Patri, San Benito County Budget Officer, regarding the annual billing included in the Commission budget for Retirement-Medical Insurance payments for a former part-time Executive Officer who was also a County employee. A copy of the Contract between the employee (Judi Johnson), San Benito County, and San Benito LAFCO was distributed to the Commission confirming she was only hired to work on LAFCO assignments, and did not perform other work for San Benito County, although she was officially a County employee.

Based upon the contract, Judi Johnson was retained by San Benito LAFCO, as a part time employee and received benefits including vacation, sick leave, medical insurance and retirement benefits. The Other Post Employment Benefits (referred to as "OPEB") that entitled her to retiree medical insurance payments were not referenced directly in the Employment Agreement, but are owed to Ms. Johnson as a retired County employee based on County Memorandum of Understanding (MOU) between the County and employee groups.

Scott Petri has provided a letter to the Commission, dated September 10, 2019, which is attached to this Memo, in which he further clarifies the OPEB benefits for "Retiree Medical Insurance." Mr. Petri concludes his letter by stating Ms. Johnson is receiving these benefits "consistent with the County's MOU...for a Medicare Eligible Retiree Plus One (70% of the normal monthly premium contribution of \$1,050)."

San Benito LAFCO was a party to the 2007 Employment Agreement and understood that the Executive Officer was being retained as a County employee. However, the OPEB benefits were not identified in the MOU and it was not clear that the OPEB costs are charged to the last department in which the retired employee worked (in this instance, it was LAFCO).

Action Requested

No action is identified at this time, but the Commission may wish to give direction to staff or to County Administration requesting a change in responsibility for funding this OPEB benefit.

Commissioners: Cesar Flores, Chair ♦ Richard Bettencourt, Vice Chair ♦ Mark Medina ♦ Ignacio Velazquez ♦ Jim Gillio

Alternate Commissioners: Roberta Daniel ♦ Peter Hernandez ♦ Mary Vazquez-Edge **Executive Officer:** Bill Nicholson

COUNTY OF SAN BENITO

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EDGAR NOLASCO, DEPUTY COUNTY ADMINISTRATIVE OFFICER

Stewart Patri
Budget Officer

Dulce Alonso
Management Analyst

Lauren Hull
Management Analyst

Lorena Moreno
Executive Secretary

September 10, 2019

To San Benito County LAFCO Commission,

I appreciate you allowing me to speak on behalf of the County at the August 21, 2019 LAFCO meeting. Presented at the meeting was the agreement between LAFCO and San Benito County regarding the employment of Judi Johnson, Executive Director, made and entered into on September 25, 2007. The LAFCO Commission indicated that they wanted clarification on the OPEB (Other Post-Employment Benefits), also known as Retiree Medical Insurance, that the County provided to employees at this time.

As explained in the excerpt below, from the County's Memorandum of Understanding (MOU) between the employee groups, the County contribution for Medicare eligible retirees is 70% of the normal monthly premium contribution.

9.3 RETIREE MEDICAL INSURANCE

A. Eligibility and Maximum County Contribution

Employees in the Unit who retire from the County of San Benito and are eligible for a pension through CalPERS may enroll in a CSAC-EIA medical plan within ninety (90) calendar days of the date of separation as a retiree from the County, if consistent with plan eligibility. To receive this contribution, all retirees must maintain medical care coverage through a County sponsored plan and receive CalPERS retirement.

B. County Contribution for employees hired on or before September 30, 2013.

1. The County will make the following maximum monthly premium contribution to a CSAC-EIA medical plan:

a. For pre-65 retirees who are not eligible for Medicare:

- i. Retiree Only: \$550
- ii. Retiree Plus One: \$1050
- iii. Retiree Plus Family: \$1315

b. For Medicare eligible retirees or their eligible survivor (spouse and/or dependent children) the County will contribute 70% of the amount stated in paragraph B1a above.

The County's contribution is frozen at these rates and any changes to the County's contribution are subject to negotiations and final authorization by the Board of Supervisors.

C. Employees Hired on or after October 1, 2013.

For the purposes of calculating the County's contribution towards medical plan premiums in the County's CSAC – EIA plan, employees hired on or after October 1, 2013 who retired from the County shall only receive a County monthly contribution equal to the PEMHCA minimum.

The retired employee in question is receiving the benefits consistent with the County's MOU as stated above for a Medicare Eligible Retiree Plus One (70% of the normal monthly premium contribution of \$1,050).

If there are any additional questions please contact me at the number or email listed below.

Regards,

Stewart Patri
Budget Officer
County of San Benito
Phone: 831.636.4000 ext. 15
Email: spatri@cosb.us

INFORMATIONAL

9. Commissioner Announcements and Requests for Future Agenda Items.

10. Executive Officer oral status report on pending proposals.

11. Adjourn to next regular meeting on October 16, 2019, unless meeting is cancelled by Chair.

