


County Counsel

Date: September 25, 2006

To: LAFCO Commissioners

From: William M. Dillon 
Senior Deputy County Counsel

Subject: Santa Ynez Improvement District No. 1;
Applicability of LAFCO jurisdiction under
Cortese-Knox-Hertzberg Act of 2000.

cc: Bob Braitman, Executive Officer



Issue.

The Commission has asked whether the Santa Ynez River Water Conservation District, Improvement District No. 1 (“District”) is subject to the jurisdiction of the Local Agency Formation Commission (“LAFCO”), or whether the District is an “improvement district” exempt from LAFCO jurisdiction pursuant to Government Code section 56036(a)(6).

Conclusion.

The Santa Ynez Water Conservation District, Improvement District No. 1 (“District”) is subject to the jurisdiction of LAFCO because the District is a purveyor of water to water users. Some confusion has occurred on this issue because while the District is apparently a properly formed “improvement district” under the Water Code, it does not qualify as an “improvement district” under the Cortese-Knox-Hertzberg Act that would be exempt from LAFCO’s jurisdiction. In particular, Government Code 56041 defines an exempt “improvement district” as one formed for the “sole purpose of designating an area which is to bear a special tax or assessment for an improvement benefiting that area.” Since the District provides services beyond designating a special tax or assessment, i.e., it provides water purveyor services, the District does not qualify as an improvement district under the Cortese-Knox-Hertzberg Act and therefore is subject to LAFCO’s jurisdiction.

Analysis.

Background. The District was formed in 1961 by the Santa Ynez River Water Conservation District (at that time the “parent district”) pursuant to Water Code section 75110 *et seq.* (Letter from District Counsel to LAFCO, July 20, 2006, (“District Legal Opinion”) at p. 2.)¹ The District was reportedly formed “for the purpose of designating an assessment area within the

¹ In response to a request from County Counsel, the District provided a detailed legal opinion dated July 20, 2006 from the law firm of Hatch & Parent (“District Legal Opinion”) providing the District’s legal basis for its claim of exemption from the Cortese-Knox-Hertzberg Act. The District Legal Opinion is discussed in detail below.

upper Santa Ynez Valley to generate funds to build and operate transmission and distribution facilities relating to the recently completed Cachuma Project.” (*Id.*)

In response to a LAFCO request, the District provided in July 2006 a detailed report to LAFCO (“District Report”) describing its functions and services. According to the District Report, the services provided include the production, distribution and sale of water. In particular, District Report states the following:

“The District is presently the sole public provider of water service to water users within District boundaries. The water distribution system of the District includes over 80 miles of pipelines . . . In connection with its distribution system, the District operates five pumping stations which contain a total of sixteen separate pumps and distributes between 5,700 to 7,000 acre feet of water annually. The District also provides water supply and facilities for fire protection within the District service area.

The District currently operates seven wells that extract groundwater from the Uplands Groundwater Basin and 13 wells in the diversion of areas on Santa Ynez River held in easement or fee by the District and permitted by the State Water Resources Control Board. . . .

“Other District water system facilities include multiple chlorination facilities which treat groundwater.” (District Report at p. 8.)

The District Report goes on to state the “District’s annual water sales revenue” for the past 5 years, including for 2005, which was \$3,518,032. (District Report at p. 9.)

Cortese-Knox-Hertzberg Act. With the enactment of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Government Code section 56000 *et seq.*, (“Cortese-Knox-Hertzberg Act”) the Legislature overhauled the previous LAFCO statute. (See Manaster & Selmi, Cal. Environmental Law, (2006) Ch. 73 “Annexation and Boundary Issues,” § 73.10.) While the Cortese-Knox-Hertzberg Act is a relatively recent enactment, its predecessor statutes date back to the first comprehensive act entitled the District Reorganization Act of 1965. (*Id.* § 75:10(3)(b).) The Cortese-Knox-Hertzberg Act was a step taken by the Legislature to further strengthen the Act in order to address the ever increasing pressures for urban growth in California. (*Id.*)

In the Cortese-Knox-Hertzberg Act, the Legislature has declared “the purposes of a [local agency formation] commission are discouraging urban sprawl, preserving open-space and prime agricultural lands, efficiently providing government services, and encouraging the orderly formation and development of local agencies based upon local conditions and circumstances.” (Gov. Code § 56301.) To carry out these multiple purposes, LAFCO’s have both a planning and regulatory role regarding the boundaries of cities and special districts. (Gov. Code §§ 56425-56434; and see Manaster & Selmi, § 73.11.)

“Local agency formation commissions were born out of a need to move toward well-planned efficient and ordered urban development and to move away from the irrational urban

sprawl that has plagued many California urban areas.” (*City of Livermore v. Local Agency Formation Com.* (1986) 184 Cal.App.3d 531, 542.) Even under the less comprehensive 1977 Act, the courts had found that Legislature has so thoroughly occupied the field of boundary changes that these decisions are not susceptible to local referenda, even in charter cities. (*Ferrini v. City of San Luis Obispo*, (1983) 150 Cal.App.3d 239, 246.)

The Cortese-Knox-Hertzberg Act is found in Division 3 of the Government Code and specifically provides that it shall be the “sole and exclusive authority and procedure” for organizational changes of cities and special districts. In particular, Government Code section 56100 provides, in relevant part:

Gov. Code § 56100.

“Except as otherwise provided in paragraph (2) of subdivision (b) of Section 56036, paragraph (2) of subdivision (c) of Section 56036, and Section 56101, this division provides the sole and exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts. All changes of organization and reorganizations shall be initiated, conducted, and completed in accordance with, and as provided in, this division.” (Emphasis added.)

The Cortese-Knox-Hertzberg Act defines “change of organization” as including an “annexation to or detachment from a city or district.” (Gov. Code § 56021.) Therefore, the Cortese-Knox-Hertzberg Act provides that it is the sole and exclusive authority and procedure for the organization and reorganizations of cities and districts, including annexations, except as otherwise provided in the Act.

The Cortese-Knox-Hertzberg Act does provide exceptions to LAFCO’s jurisdiction. Exceptions to LAFCO’s jurisdiction are set forth in Government Code section 56036, which defines the “districts” and “special districts” subject to LAFCO’s review. It provides, in relevant part, a broad definition of “district” or “special district” but goes on to exempt “improvement district[s]” from LAFCO’s jurisdiction.

Gov. Code § 56036.

(a) “District” or “special district” means an agency of the state, formed pursuant to general law or special act, for the local performance of governmental or proprietary functions within limited boundaries. “District” or “special district” includes a county service area, but excludes all of the following:

[. . .]

(6) An improvement district.

The Cortese-Knox-Hertzberg Act, however, defines “improvement District” narrowly. In particular, Government Code section 56041 provides:

Gov. Code § 56041.

“Improvement district” means a district, area, or zone formed for the sole purpose of designating an area which is to bear a special tax or assessment for an improvement benefiting that area. (Emphasis added.)

Therefore, an improvement district is excluded from LAFCO’s jurisdiction provided it is formed “for the sole purpose” of designating an area which is to bear a special tax or assessment for an improvement. If a district is formed for other purposes, it is not an improvement district as defined in the Cortese-Knox-Hertzberg Act. This is true if it has been modified to serve other purposes and even if it contains the words “improvement District” in its title or name.

The Legislative intent regarding the scope of the Cortese-Knox-Hertzberg Act is further illuminated by the administrative procedure set up in the Act for LAFCO to review and approve applications from any district seeking a determination of whether it is subject to the Act. In particular, Government Code section 56127 provides that a district may file an application with LAFCO for the purpose of LAFCO determining whether that district is subject to the Cortese-Knox-Hertzberg Act. Once such an application is filed, Government Code section 56128 limits LAFCO’s discretion by providing (in the double negative) that LAFCO shall find a district is not subject to the Cortese-Knox-Hertzberg Act where a district is not engaged in several listed activities, including the distribution or sale of water. In relevant part, it states:

Gov. Code § 56128.

(a) Upon presentation of any application filed pursuant to Section 56127, the commission shall determine that the applicant district, agency, or authority is not a district or special district for purposes of Part 4 (commencing with Section 57000) or Part 5 (commencing with Section 57300), if the commission finds that the applicant is not engaged in any of the following:

- (1) The distribution and sale for any purpose, other than for the purpose of resale, of water or of gas or electricity for light, heat, or power. (Emphasis added.)

According to the District Report, the District services include the distribution and sale of water. Further, the District Report states that such sales are not limited to contracts for resale but, rather, include significant sales to end users. Therefore, the District does not qualify as an “improvement district” under the Government Code section 56036 and is subject to the provisions of the Cortese-Knox-Hertzberg Act, as is any other water district.

District Legal Opinion. As a result of a recent request from Counsel, the District provided a detailed legal opinion which responded to a letter sent by then Deputy County Counsel Alan Seltzer to the District on October 29, 2001 (“Seltzer letter”). The Seltzer letter essentially provided a shorter version of the analysis as stated above as to why the District was subject to LAFCO’s jurisdiction. The Seltzer letter concluded the District was subject to

LAFCO's jurisdiction because the District was a purveyor of water and therefore not eligible to be exempt under Government Code section 56041 from LAFCO's jurisdiction.

The District Legal Opinion takes the position, however, that even though the District is a purveyor of water, it is still an "improvement district" not subject to LAFCO's jurisdiction. In reaching this conclusion, the District Legal Opinion offers three essential points, which are set forth below along with County Counsel responses.

District's First Point: The District Legal Opinion points out that the Part 7 of the Water Code specifically authorizes the creation of "improvement districts." (Part 7 was codified in 1965.) The District Legal Opinion maintains that the intent in drafting the Water Code was that improvement districts created pursuant to that Code "be considered 'improvement districts' within the meaning of the Reorganization Act." Further, the District Legal Opinion states that the District's designation as an improvement district is mandated by Water Code section 75121(f), which provides for the creation of an entity called "Water Conservation District Special Improvement District No." The District Legal Opinion then goes on to state that the Water Code makes it clear that it is an improvement district's board and not LAFCO that sets the district boundaries, citing Water Code sections 75131, 75132, 75133, and 75135, all of which address the procedures a water district board must follow when establishing its boundaries. The District Legal Opinion concludes that if the "Legislature had intended to allow LAFCO to have jurisdiction over the such [sic] district boundaries, it would have drafted the Water Code quite differently."

Response. This point essentially argues that the 1965 amendments to the Water Code control rather than the very specific and more recently enacted provisions incorporated into the Cortese-Knox-Hertzberg Act of 2000. The Legislature was clear, however, that it is the Cortese-Knox-Hertzberg Act that "provides the sole and exclusive authority and procedure for the initiation, conduct and completion of changes of organization and reorganization for cities and districts" within California. (Gov. Code § 56100.)

Indeed, this was the conclusion in *Modesto Irrigation District v. PG&E* 309 F. Supp. 2d 1156, where the court concluded that although the Water Code permitted a special district to provide electric service in Contra Costa County, (citing Water Code § 22120), it could do so only "if it first requests and receives written approval from the [Local Agency Formation Commission]" (citing Gov. Code § 56133(a)). Similarly, while the Water Code authorizes a special district to provide water services, this does not override the explicit provisions in the Cortese-Knox-Hertzberg Act requiring LAFCO review and approval prior to providing such services. Further, the Cortese-Knox-Hertzberg Act makes clear that while an "improvement district" is exempt, this exemption only applies where the improvement district's "sole purpose" is to designate an area which is to bear a special tax or assessment for an improvement benefiting that area. (Gov. Code § 56036.) Since the District's services are not limited as such, and in fact it acts as do other special districts that are retail water purveyors, it does not qualify as an exempt improvement district under the Cortese-Knox-Hertzberg Act even though it may have been properly formed as an improvement district under the Water Code.

District's Second Point. The District Legal Opinion states that the Water Code "authorizes an improvement districts [sic] to exercise the powers of the parent water conservation district within its boundaries while still being considered an improvement district. (See, Water Code § 75165 *et seq.*)" The District Legal Opinion then concludes that "taking on limited water purveyor authority from the Parent District neither nullifies the District's mandatory designation as an improvement district nor changes the fact that the District was 'formed for the sole purpose of designating an areas, which is to bear a special tax.'"

Furthermore, the District Legal Opinion states that the procedures set forth in Government Code section 56128 for LAFCO to find that a district is not subject to LAFCO's jurisdiction are inapplicable to the District because it is already exempt from LAFCO's jurisdiction. Therefore, even though Government Code section 56128 specifically declares that a LAFCO may not exclude a district from LAFCO's jurisdiction where that district is involved in the "distribution and sale for any purpose, other than for the purpose of resale, of water . . .," the District Legal Opinion concludes the procedure is inapplicable because "it is already specifically exempt."

Response. The response to the second point is essentially the same as to the first point. The fact that the District is properly constituted as an improvement district under the Water Code does not mean it qualifies under Government Code section 56036 as an "improvement district" exempt from LAFCO's jurisdiction. (*Modesto Irrigation District, supra.*) The Cortese-Knox-Hertzberg Act is clear and unambiguous and the Legislature has indicated an intent to "thoroughly occup[y] the field of boundary changes". (*Ferrini v. City of San Luis Obispo, supra*, at 246.) Therefore, the Act's provisions control regarding reorganizations of districts, including the District, notwithstanding the fact it is apparently a properly formed improvement district under the Water Code.

Third Point. Finally, the District Legal Opinion insists that former Deputy County Counsel Alan Seltzer concluded and LAFCO Executive Officer Bob Braitman conceded that LAFCO lacks jurisdiction over the District and, further, that Mr. Seltzer announced as much at the April 6, 2006 LAFCO meeting.

Response. This assertion is in error as neither Mr. Braitman nor Mr. Seltzer has ever agreed that the District is exempt from LAFCO's jurisdiction. Indeed, Mr. Seltzer sent a letter to counsel for the District in 2001 stating his conclusion that the District was subject to the Cortese-Knox-Hertzberg Act. Mr. Braitman has also been consulted and has confirmed he has never made such an agreement or representation, although there has been an understanding that the Auditor-Controller would not pursue the issue of whether the District would contribute to the financial support of LAFCO's budget pursuant to Section 56381 until this matter is resolved. This delay in collecting financial support also occurred because the District represented to LAFCO that the parent district's contribution to LAFCO included a contribution sufficient to cover the assessment that would have been applied to the District. Mr. Braitman has informed County Counsel, however, that no such contribution from the parent district occurred. Mr. Braitman will report to the Commission separately on this issue.



21 East Carrillo Street
Santa Barbara, CA 93101
Telephone: (805) 963-7000
Fax: (805) 965-4333

Alexandra M. Barnhill
(805) 882-1410
ABarnhill@HatchParent.com

December 5, 2007

By Hand Delivery

Mr. Braitman
105 East Anapamu Street
Santa Barbara CA 93101

Re: Status Report on Santa Ynez River Water Conservation District,
Improvement District No. 1 (District')

Dear Mr. Braitman:

This letter provides an update regarding the above referenced matter for your information in connection with LAFCO's upcoming December 6, 2007 hearing regarding the same.

Our previous correspondence regarding this matter noted that legislative amendments are necessary to empower LAFCO to exercise jurisdiction over the District's boundaries. Both the Cortese-Knox-Hertzberg Local Government Reorganization Act ("Reorganization Act") and the District's enabling act under the Water Code require revision. In furtherance of this goal the District's attorneys met with the District's parent organization - the Santa Ynez River Water Conservation District ("Parent District"), LAFCO staff and attorneys, legislative analysts and staff to develop proposed legislative changes. The following is a summary of the proposals discussed to date.

To empower LAFCO to regulate an improvement district's boundaries when that district has taken on the powers of its parent district, LAFCO's attorneys at Santa Barbara County Counsel proposed legislative changes to the Reorganization Act. They proposed an amendment to the Act's definition of the term "improvement district" which would read as follows:

"Improvement district" means a district, area, or zone formed for the sole purpose of designating an area which is to bear a special tax or assessment for an improvement benefiting that area. An improvement district shall not include any district engaged in any activity set forth in Section 56128.¹

¹ The activities identified in Government Code § 56128 include: (1) The distribution and sale for any purpose, other than for the purpose of resale, of water or of gas or electricity for light, heat, or power, (2) Furnishing sanitary sewer service or garbage and refuse collection service to the ultimate users, as defined in subdivision (b), of those services, (3) Providing fire or police protection, and (4) The acquisition, construction, maintenance, lighting, or operation of

(Gov't Code § 56041 [amended language is underlined].) This would achieve the intended result of making the District subject to LAFCO jurisdiction, because the District's distribution of water is a Government Code Section 56128 activity, assuming the concurrent changes to the Water Code are also made.

Given the breadth of the Section 56128 activities, our office felt the following alternative, which we discussed in our November 21, 2007 meeting, would be preferable:

"Improvement district" means a district, area, or zone without an independent board elected pursuant to Water Code §75165 et seq., formed for the sole purpose of designating an area which is to bear a special tax or assessment for an improvement benefiting that area.

(Gov't Code § 56041.) This proposal is more narrowly focused to achieve the intended result. Because this amendment will not affect other improvement districts engaged in Section 56128 activities, it may also draw less scrutiny from other existing improvement districts and be more likely to pass.

For LAFCO to exercise jurisdiction over District's boundaries, legislative changes must also be made to those provisions of the Water Code that currently authorize the board of trustees to fix an alternate improvement district's boundaries. (*See*, Water Code §§ 75120, 75131 – 75135.) Our office proposed that we could achieve that result by adding a new section following the other Water Code provisions that specify how the parent can set and change an improvement district's boundaries. (*See*, Water Code §§ 75131 – 75135.) The District's proposed amendment would read as follows:

Water Code § 75136. Any boundary changes of a special improvement district that has, pursuant to Water Code 75165 et seq., undertaken proceedings to elect a separate board of trustees shall be set pursuant to the Local Government Reorganization Act (Cal. Gov. Code §§ 56000 et seq.) or any successor statute.

This proposal has the advantage of affecting only those special improvement districts that have undergone the alternate governing procedures, which we believe is limited to the District itself. Furthermore, this amendment expressly acknowledges the issue of the potentially overlapping authority between the parent and LAFCO to set boundaries and resolves it directly.

After meeting, both the District and LAFCO staff agreed to evaluate the proposed amendments, determine whether the proposals have agency and public support and submit the amendments to peer agencies and legislative staff. Accordingly, the District brought these legislative amendments to the Parent District for its review. The Parent District understood the

streets and highways, street and highway improvements, or park and recreation facilities, except as an incident to the exercise of other lawful powers of the applicant.

Mr. Braitman
December 5, 2007
Page 3

proposal and felt it achieved the underlying purposes. The Parent District also identified some additional areas within the District's enabling act that also require clarification. To briefly summarize the issue, the District underwent an alternative governing process pursuant to certain Water Code provisions that gave the District identical powers as the Parent with its own board of elected trustees, yet the District remains under the Parent's ultimate authority. (See, Water Code §§ 75135, 75166.2, 75166.3.) Both the Parent and the District believe that completing the alternative governing process should sever the ties between the two entities. Legislative changes are necessary to allow the two entities to act independently. The Parent will work with the District and LAFCO to develop this legislation so it can all be submitted as a package for the upcoming legislative session.

The District's legislative advocates in Sacramento also brought the proposed legislative changes to legislative analysts, including Peter Detweiller. Mr. Detweiller understood the issue but feared that a proposal requiring amendment to multiple acts was an overbroad approach to address a problem unique to the District. Instead, Mr. Detweiller suggested that special act district legislation would be a more streamlined approach that could address the underlying issues without risking opposition from other potentially affected districts. The issues identified by LAFCO, the District, and the Parent could all be addressed by developing special legislation to reconstitute the District as an entity that more closely resembles the functions it serves. When the District is no longer an improvement district, it will be subject to LAFCO and will no longer have ties to the Parent. In light of this input, the District and our office recommend this approach. The Parent also indicated initial support for this proposal, which will be confirmed by their upcoming board meeting. Assuming LAFCO agrees, our office will work cooperatively with the Parent and LAFCO to develop the statutory language and obtain a sponsor.

Once we receive indicia of support for the special act district legislation, we will jointly work to have the amendment submitted as a bill for the upcoming legislative session. If you have questions or wish to arrange a meeting to discuss this matter further, please do not hesitate to contact me.

Sincerely,



Alexandra M. Barnhill
For HATCH & PARENT
A Law Corporation

AYM:aym

LAFCO agenda items and minutes pertaining to SYRWCD Improvement District No. 1

August 3, 2006

Agenda

Report by Legal Counsel re status of the Santa Ynez Valley Water Conservation District, Improvement District No. 1

Minutes

Upon motion by Centeno, second by Rose, this matter was continued without discussion to the next regular meeting of the Commission.

October 5, 2006

Agenda

Report by Legal Counsel re status of the Santa Ynez Valley Water Conservation District, Improvement District No. 1 *Continued from August 3, 2006*

Minutes

Legal Counsel Bill Dillon presented an analysis concluding this agency is a special district that is subject to the jurisdiction of the Commission and is not an "improvement district" as that term is defined in LAFCO statutes. The analysis was received and filed.

Testimony was provided by the District General Manager Chris Dahlstrom and General Counsel Alexandra Barnhill, and by Bruce Wales, General Manager of the Santa Ynez River Water Conservation District.

November 2, 2006

Agenda

Staff report on discussions regarding status of Santa Ynez River Water Conservation District, Improvement District No. 1

Minutes

The Commission received and filed the staff report regarding the status of the Santa Ynez River Water Conservation District, Improvement District #1 as a special district.

February 1, 2007

Agenda

Report by ad hoc committee regarding status of the Santa Ynez Valley Water Conservation District, Improvement District No. 1

Minutes

Report by ad hoc committee regarding status of the Santa Ynez River Water Conservation District, Improvement District #1

The Chair continued this item to the next meeting. Legal Counsel Bill Dillon was directed to outline options for Commission actions at the next meeting.

April 5, 2007

Agenda

Report by ad hoc committee regarding status of the Santa Ynez Valley Water Conservation District, Improvement District No. 1 (Oral Report)

Minutes

The Commission adjourned to a closed session to confer with Legal Counsel regarding anticipated litigation with respect to the Santa Ynez River Water Conservation District, Improvement District No. 1.

The Commission reconvened at 2:15. Legal Counsel indicated there was nothing to report from the closed session.

Commissioner Schlottmann reported that she, Commissioner Firestone, the Executive Officer and Legal Counsel met with directors, staff and legal counsels from the Santa Ynez River Water Conservation District and SYRWCD Improvement District No. 1.

She indicated progress was made in reaching an understanding the agency is subject to LAFCO jurisdiction. Legislation may be needed to implement such an agreement. The matter will come back to the Commission and other parties when the legal representatives have concluded their discussions.

August 2, 2007

Agenda

Status report on Santa Ynez River Water Conservation District Improvement District No. 1

Minutes

The Commission received oral reports by the Executive Officer and legal counsel and a July 27 letter from Alexandra Barnhill representing Improvement District No. 1.

Members of the Commission expressed their firm interest in having this matter resolved without delay and directed the staff to place this matter on the next Commission agenda.

October 11, 2007

Agenda

Report of status of SYRWCD Improvement District No. 1

Minutes

The Commission received a report by the Executive Officer and directed staff to monitor this matter and present a report for the December agenda.

December 6, 2007

Agenda

Status Report on SYRWCD Improvement District No. 1

Minutes

The Executive Officer reported that progress is being made with regard to the Santa Ynez River Water Conservation District, Improvement District No. 1. Upon motion by DeWees, second by Orach, this matter was continued to the February 7, 2008 meeting.

March 6, 2008

Agenda

Status Report on SYRWCD Improvement District No. 1

Minutes

The Commission received a status report on legislation regarding the Santa Ynez River Water Conservation District, Improvement District No. 1 and the Chair directed that this item be continued until the next meeting.

May 8, 2008

Agenda

Legislative Report

Minutes

The staff presented a report regarding Assembly Bill 2686 (Nava) which would create the Santa Ynez Valley Water District.

Testimony was provided by Chris Dahlstrom and Alexandra Barnhill, representing the Santa Ynez River Water Conservation District, Improvement District No. 1.

The Commission received the report and conceptually supported AB 2686.

July 3, 2008

Agenda

Public Comment Period

Minutes

Interested citizens Bob Field and Doug Herthel expressed concern with Assembly Bill 2686 (Nava) to create the Santa Ynez River Water District. Also speaking to this item were Harlan Burchardi, Chair, and Chris Dahlstrom, General Manager, of the SYRWCD Improvement District No. 1.

August 7, 2008

Agenda

Consider legislative report and recommendations re AB 1263 (Caballero), AB 1998 (Silva), AB 2484 (Caballero), AB 2686 (Nava), AB 3047 (Assembly Local Government Committee) and SB 301 (Romero).

Minutes

Upon motion by Firestone, second by DeWees, the Commission supported AB 1263 (Caballero), AB 1998 (Silva), and SB 301 (Romero), as recommended.

The Commission then considered AB 2686 (Nava).

Testimony was provided by Steve Amerikaner and Chris Dahlstrom representing SYRWCD Improvement District #1, Rick Battles representing Santa Ynez Community Services District, John Burnaby representing Buellton Is Our Town, Carol Herrera representing Women's Environmental Watch, Doug Herthel representing Preservation of Los Olivos, Lana Marcussen representing Preservation of Los Olivos and Preservation of Santa Ynez and interested citizen Gail Marshall.

Received was correspondence from David Higgins on behalf of Santa Ynez Community Services District (July 30, 2008) and Mike Hadley, President of Meadowlark Ranches Mutual Water Company (August 6, 2008).

After due consideration, upon motion by Firestone, second by Centeno, the Commission continued its support of AB 2686 provided the bill contains no provision that would designate an Indian tribe to be a "public agency" for any purpose.

October 2, 2008

Agenda

Status Report on LAFCO-Relevant Legislation: AB 1263 (Caballero), AB 2484 (Caballero), AB 1998 (Silva), AB 2686 (Nava), AB 3047 (Assembly Local Government Committee), SB 301 (Romero) and SB 375 (Steinberg).

Minutes

The Commission received the staff report regarding the status of legislation.

November 6, 2008

Agenda

Santa Ynez River Water Conservation District Improvement District No. 1

Minutes

The Commission received a staff report on the veto of Assembly Bill 2686 and payment by the District of its proportionate share of the LAFCO budget for the current fiscal year.

Testimony was provided by Chris Dahlstrom representing the Santa Ynez River Water Conservation District, Improvement District No. 1.

DIRECTORS:

DIVISION 1
JONATHAN R. MUNDT
Lompoc

DIVISION 2
STEPHEN E. JORDAN
Lompoc

DIVISION 3
JON C. PICCIUOLO, President
Vandenberg Village - Mission Hills

DIVISION 4
ART HIBBITS
Buellton - Lompoc

DIVISION 5
JEFFREY S. NEWTON
Solvang - Santa Ynez

Santa Ynez River
WATER CONSERVATION DISTRICT

P.O. Box 719 - 3669 Sagunto Street, Suite 108
Santa Ynez, California 93460
Telephone: (805) 693-1156
FAX: (805) 688-8065

GENERAL MANAGER:

BRUCE A. WALES

SECRETARY:

BRUCE A. WALES

CONSULTANTS:

ERNEST A. CONANT
General Counsel

STETSON ENGINEERS
Engineer

August 9, 2009

Santa Barbara County Auditor-Controller
Financial Reporting Division
P.O. Box 39
Santa Barbara, CA 93102-0039

Attn: Andrew Myung


Re: SYRWCD Improvement District No. 1's Pro-Rata Share of
LAFCO's 2009-10 Budget

Enclosed please find our check in the amount of \$6,161.00. This is a pro-rata share of LAFCO's FY 2009-10 budget, paid by ID No. 1 through our District.

Should you have any questions or comments, please contact the undersigned.

Sincerely,

SANTA YNEZ RIVER WATER
CONSERVATION DISTRICT



Bruce A. Wales
General Manager

BAW/jrf
Enclosure

Copy: Chris Dahlstrom, SYRWCD ID No. 1
Bob Braitman, SB LAFCO

TRUSTEES:

DIVISION 1 – LOS OLIVOS

Harlan J. Burchardi

DIVISION 2 – SOLVANG

Jeff P. Clay

DIVISION 3 – SOLVANG

Lee F. Bettencourt

DIVISION 4 – SANTA YNEZ

Harry F. Poor

TRUSTEE-AT-LARGE

Matthew Loudon

CHRIS DAHLSTROM
Manager/Secretary

**SANTA YNEZ RIVER
WATER CONSERVATION DISTRICT**

IMPROVEMENT DISTRICT NO. 1

P.O. BOX 157 • 3622 SAGUNTO STREET
SANTA YNEZ, CALIFORNIA 93460

TEL: (805) 688-6015 • FAX: (805) 688-3078

HATCH & PARENT
A Law Corporation
General Counsel

July 26, 2007

Santa Barbara Local Agency Formation Commission
105 E. Anapamu St
Santa Barbara, CA 93101

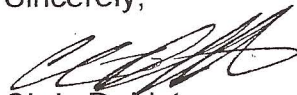
Dear Commissioners:

On July 17, 2007, the Santa Ynez River Water Conservation District, Improvement District No. 1 (ID #1) inadvertently forwarded check #10530 in the amount of \$4,636.00 to satisfy Invoice #LAFCO070840 for the District's pro-rata share of LAFCO's 07-08 budget.

It has been the regular practice of ID #1 to pay any LAFCO invoices through the Santa Ynez River Water Conservation District (Parent District). Therefore, ID #1 would like to request that LAFCO take the steps necessary to ensure that the Parent District is not invoiced for ID #1's pro-rata share of LAFCO's 07-08 budget.

Thank you for your cooperation. Should you have any questions regarding this matter, please feel free to contact me at the District office at (805)688-6015.

Sincerely,



Chris Dahlstrom
General Manager

cc: Bruce Wales, Parent District
Robert W. Geis, Santa Barbara County Auditor-Controllers Office
Gary Kvistad, Hatch & Parent