

May 1, 2014 (Agenda)

Local Agency Formation Commission
105 East Anapamu Street
Santa Barbara CA 93101

Consideration of Changes to Assembly Bill 2455 (Williams)

Dear Members of the Commission

RECOMMENDATION

It is recommended that the Commission Review the Amendments and Provide Direction to Staff

DISCUSSION

On April 10, 2014, Assembly Bill 2455 was amended at the request of the author. As the Commission is aware, Assembly Bill 2455 has been introduced by Assemblyman Das Williams at the request of the Santa Rita Hills Community Services District (SRHCSD). The bill would reduce the number of directors on the board from five to three. The district has difficulty attaining a quorum of three members to conduct meetings. The bill would allow a quorum two members rather than the current three. The bill is set for hearing in the Assembly Local Government Committee on April 23, 2014.

The Assemblyman's Office requested that Santa Barbara LAFCO take a position on the bill since it affects a special district in Santa Barbara County. On April 3, 2014, the Commission adopted a WATCH position on AB 2455. Staff notified the Assemblyman's Office of the Commission's action. A fact sheet prepared by the Assemblyman's Office, as well as the latest copy of AB 2455, is attached to this staff report.

The April 10, 2014, amendments to AB 2455 are underlined and are as follows:

SEC. 3.

Section 61040.1 is added to the *Government Code*, to read:

61040.1.

(a) The board of directors of the Santa Rita Hills Community Services District may consist of three members.

(b) (1) Prior to reducing the board of directors to three members pursuant to subdivision (a), the board of directors shall

adopt, by majority vote of the entire board of directors, on the record, a resolution proposing to reduce the number of directors to three members.

(2) The district shall hold a public hearing regarding the proposal to reduce the number of directors.

(3) Notice of the public hearing shall be given by placing a display advertisement at least one-eighth page in a newspaper of general circulation for three weeks, pursuant to Section 6063, and by United States first-class mail to each landowner voter in the district, postage prepaid, and notice shall be deemed given when deposited in the mail. The envelope or cover of the mailing shall include the name of the local agency and the return address of the sender and the mailed notice shall be in at least 10-point type.

(4) The public hearing shall be held at least 45 days after mailing the notice pursuant to paragraph (3).

(5) At the hearing the board shall receive and consider any written or oral comments regarding the proposed reduction in the number of directors. After receiving and considering the comments, the board, by a majority vote of the entire board of directors, on the record, shall do one of the following:

(A) Disapprove the proposal.

(B) Adopt a resolution that orders the reduction in the number of members of the board to three members.

(c) A reduction in the number of directors to this section shall not affect the term of office of any director. A director currently holding office as of the effective date of the reduction in the number of members of the board of directors shall continue to be the director until the office becomes vacant by means of term expiration or otherwise.

Please contact the LAFCO office if you have any questions.

Sincerely,



PAUL HOOD
Executive Officer

AMENDED IN ASSEMBLY APRIL 10, 2014
AMENDED IN ASSEMBLY MARCH 10, 2014
CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 2455

Introduced by Assembly Member Williams

February 21, 2014

An act to amend, repeal, and add Section 61040 of, and to add and repeal Section 61040.1 of, the Government Code, relating to community services districts.

LEGISLATIVE COUNSEL'S DIGEST

AB 2455, as amended, Williams. The Santa Rita Hills Community Services District.

The Community Services District Law specifies the procedures for district formation, procedures for the selection of district governing board members, the powers and duties of the board, and the procedures for changing those powers and duties. Existing law requires the board of directors of each district to consist of 5 members.

This bill would authorize, until January 1, 2035, the board of directors of the Santa Rita Hills Community Services District to consist of 3 members, *as specified*.

This bill would make legislative findings and declarations as to the necessity of a special statute for the Santa Rita Hills Community Services District.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 61040 of the Government Code is
2 amended to read:

3 61040. (a) Except as provided in Section 61040.1, a legislative
4 body of five members known as the board of directors shall govern
5 each district. The board of directors shall establish policies for the
6 operation of the district. The board of directors shall provide for
7 the implementation of those policies which is the responsibility of
8 the district's general manager.

9 (b) No person shall be a candidate for the board of directors
10 unless he or she is a voter of the district or the proposed district.
11 No person shall be a candidate for the board of directors that is
12 elected by divisions or from divisions unless he or she is a voter
13 of that division or proposed division.

14 (c) All members of the board of directors shall exercise their
15 independent judgment on behalf of the interests of the entire
16 district, including the residents, property owners, and the public
17 as a whole in furthering the purposes and intent of this division.
18 Where the members of the board of directors have been elected
19 by divisions or from divisions, they shall represent the interests of
20 the entire district and not solely the interests of the residents and
21 property owners in their divisions.

22 (d) Service on a municipal advisory council established pursuant
23 to Section 31010 or service on an area planning commission
24 established pursuant to Section 65101 shall not be considered an
25 incompatible office with service as a member of a board of
26 directors.

27 (e) A member of the board of directors shall not be the general
28 manager, the district treasurer, or any other compensated employee
29 of the district, except for volunteer firefighters as provided by
30 Section 53227.

31 (f) This section shall be repealed on January 1, 2035.

32 SEC. 2. Section 61040 is added to the Government Code, to
33 read:

34 61040. (a) A legislative body of five members known as the
35 board of directors shall govern each district. The board of directors
36 shall establish policies for the operation of the district. The board
37 of directors shall provide for the implementation of those policies
38 which is the responsibility of the district's general manager.

1 (b) No person shall be a candidate for the board of directors
2 unless he or she is a voter of the district or the proposed district.
3 No person shall be a candidate for the board of directors that is
4 elected by divisions or from divisions unless he or she is a voter
5 of that division or proposed division.

6 (c) All members of the board of directors shall exercise their
7 independent judgment on behalf of the interests of the entire
8 district, including the residents, property owners, and the public
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10 Where the members of the board of directors have been elected
11 by divisions or from divisions, they shall represent the interests of
12 the entire district and not solely the interests of the residents and
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14 (d) Service on a municipal advisory council established pursuant
15 to Section 31010 or service on an area planning commission
16 established pursuant to Section 65101 shall not be considered an
17 incompatible office with service as a member of a board of
18 directors.

19 (e) A member of the board of directors shall not be the general
20 manager, the district treasurer, or any other compensated employee
21 of the district, except for volunteer firefighters as provided by
22 Section 53227.

23 (f) This section shall become operative on January 1, 2035.

24 SEC. 3. Section 61040.1 is added to the Government Code, to
25 read:

26 61040.1. (a) The board of directors of the Santa Rita Hills
27 Community Services District may consist of three members.

28 (b) (1) *Prior to reducing the board of directors to three*
29 *members pursuant to subdivision (a), the board of directors shall*
30 *adopt, by majority vote of the entire board of directors, on the*
31 *record, a resolution proposing to reduce the number of directors*
32 *to three members.*

33 (2) *The district shall hold a public hearing regarding the*
34 *proposal to reduce the number of directors.*

35 (3) *Notice of the public hearing shall be given by placing a*
36 *display advertisement at least one-eighth page in a newspaper of*
37 *general circulation for three weeks, pursuant to Section 6063, and*
38 *by United States first-class mail to each landowner voter in the*
39 *district, postage prepaid, and notice shall be deemed given when*
40 *deposited in the mail. The envelope or cover of the mailing shall*

1 *include the name of the local agency and the return address of the*
2 *sender and the mailed notice shall be in at least 10-point type.*

3 *(4) The public hearing shall be held at least 45 days after*
4 *mailing the notice pursuant to paragraph (3).*

5 *(5) At the hearing the board shall receive and consider any*
6 *written or oral comments regarding the proposed reduction in the*
7 *number of directors. After receiving and considering the comments,*
8 *the board, by a majority vote of the entire board of directors, on*
9 *the record, shall do one of the following:*

10 *(A) Disapprove the proposal.*

11 *(B) Adopt a resolution that orders the reduction in the number*
12 *of members of the board to three members.*

13 *(c) A reduction in the number of directors to this section shall*
14 *not affect the term of office of any director. A director currently*
15 *holding office as of the effective date of the reduction in the number*
16 *of members of the board of directors shall continue to be the*
17 *director until the office becomes vacant by means of term*
18 *expiration or otherwise.*

19 ~~(b)~~

20 *(d) This section shall be repealed on January 1, 2035.*

21 SEC. 4. The Legislature finds and declares that a special law
22 is necessary and that a general law cannot be made applicable
23 within the meaning of Section 16 of Article IV of the California
24 Constitution because of the unique circumstances that exist with
25 respect to the composition of the board of directors of the Santa
26 Rita Hills Community Services District.

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CURRENT BILL STATUS

MEASURE : A.B. No. 2455
AUTHOR(S) : Williams.
TOPIC : The Santa Rita Hills Community Services District.
HOUSE LOCATION : ASM
+LAST AMENDED DATE : 04/10/2014

TYPE OF BILL :

Active
Non-Urgency
Non-Appropriations
Majority Vote Required
Non-State-Mandated Local Program
Non-Fiscal
Non-Tax Levy

LAST HIST. ACT. DATE: 04/10/2014
LAST HIST. ACTION : From committee chair, with author's amendments: Amend,
and re-refer to Com. on L. GOV. Read second time and
amended.
COMM. LOCATION : ASM LOCAL GOVERNMENT
HEARING DATE : 04/23/2014

TITLE : An act to amend, repeal, and add Section 61040 of, and
to add and repeal Section 61040.1 of, the Government
Code, relating to community services districts.

COMPLETE BILL HISTORY

BILL NUMBER : A.B. No. 2455
AUTHOR : Williams
TOPIC : The Santa Rita Hills Community Services District.

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Active
Non-Urgency
Non-Appropriations
Majority Vote Required
Non-State-Mandated Local Program
Non-Fiscal
Non-Tax Levy

BILL HISTORY

2014

Apr. 10 From committee chair, with author's amendments: Amend, and re-refer to Com. on L. GOV. Read second time and amended.
Apr. 7 In committee: Hearing postponed by committee.
Mar. 11 Re-referred to Com. on L. GOV.
Mar. 10 From committee chair, with author's amendments: Amend, and re-refer to Com. on L. GOV. Read second time and amended.
Mar. 10 Referred to Com. on L. GOV.
Feb. 24 Read first time.
Feb. 23 From printer. May be heard in committee March 25.
Feb. 21 Introduced. To print.

AB 2455 (Williams)

The Santa Rita Hills Community Services District

SUMMARY

AB 2455 temporarily authorizes the Santa Rita Hills Community Services District (SRHCSD) to reduce the membership of their board of directors from five to three members.

BACKGROUND

Special districts are a form of local government created by a local community to meet a specific need. Community Services Districts (CSD) provide different services, such as water, garbage collection, wastewater management, etc. CSD's are typically governed by a five member board of directors and are elected by resident voters to four year terms.

The Santa Rita Hills Community Services District is a "roads" district formed in 2009 by a registered voter election, which included property owners registered to vote in the district. It was created to serve a small community of Santa Rita Hills which consists of 39 parcels in Santa Barbara County.

The power and responsibilities granted to the SRHCSD include the act to acquire, construct, improve and maintain streets, roads, bridges and sidewalks. Any road improvements or infrastructure constructed by the District must relate to the authorized services and any significant costs for construction will be financed by benefit assessments approved by landowners within the District.

NEED FOR THE BILL

Under current law, eligibility for membership on the board of directors is restricted to "a voter of the district." However, because much of the district is comprised of parcels of land, there are only between 10-12 actual voters residing in the district, some of which are in the process of moving outside the district. Additionally, Santa Barbara County currently has a restriction that prohibits new residences from being built in the district until upgrades in road access is provided, thereby limiting the potential for new registered voters within the district.

At present day, the board currently has one vacancy and consists of only four members. Additional vacancies are expected in the near future leaving the board in a situation where they may lose quorum to conduct business.

AB 2455 recognizes this dilemma and temporarily reduces the size of their board until the current requirements can be more easily met in the future – once the roads are improved and property owners are allowed to build their residences.

This bill would sunset January 1, 2035.

SUPPORT

- Santa Rita Hills Community Services District (Sponsor)

OPPOSITION

- The Cargasacchi Family

FOR MORE INFORMATION

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Updated 3/20/14