

## **PLACER LOCAL AGENCY FORMATION COMMISSION**

Miguel Ucovich, Chair (City), Jim Holmes, Vice Chair (County); Gray Allen (District); Bill Kirby (City); E. Howard Rudd, (Public); Ron Treabess (District); Robert Weygandt (County). Alternate Commissioners Jim Gray (Public); Jack Duran (County); Brian Sheehan (District); Stan Nader (City).

### **SECIAL MEETING AGENDA June 10, 2015--4:00 p.m. Tahoe City Public Utility District District Office Board Room 221 Fairway Drive Tahoe City, CA 96145**

- 1. Flag Salute**
- 2. Call to Order and Roll Call**
- 3. Approval of Agenda** (Action item)
- 4. Public Comment:** This is the time when persons may address the Commission on items not on the agenda. Please limit comments to three (3) minutes as the Commission is not permitted to take any action on items presented as public comment.
- 5. Approval of Minutes:** From the May 13, 2015 hearing. (Action item, pg. 3)
- 6. Approval of Fiscal Year 2015-2016 Final Budget** (Action item, pg. 9) The Commission will be presented with the Final Budget for FY 2015-2016, and asked to approve the proposed work plan.
- 7. Northstar Community Services District Annexation and Sphere of Influence Amendment** (pg. 15). The Commission will be asked to take public testimony on the proposed Annexation and Sphere Amendment and continue the item to the July 8, 2015 Commission hearing.
- 8. Olympic Valley Incorporation proposal:** (pg. 16)
  - a. Status update on the proposed Incorporation of Olympic Valley proposal
  - b. Take Public Comment on the Olympic Valley proposal.
- 9. Executive Officer Reports:**
  - Legislative Committee
  - Proposal Status
  - Status of Municipal Service Reviews
  - CALAFCO Items:
    - Conference
    - Nominations for Board of Directors
    - Nominations for CALAFCO Achievement Awards
    - Appointment of Placer Executive Officer as a CALAFCO Deputy Executive Officer

Next Hearing:
- 10. Commissioner Reports:**

**11. Adjourn LAFCO hearing and reconvene to the timed 5:30 item Commission and Public Workshop for the Comprehensive Fiscal Analysis for Olympic Valley Incorporation.**

- a. Welcome and Introductory remarks
- b. Presentation of the Comprehensive Fiscal Analysis by RSG Consultants
  
- c. Commissioner comments
- d. Public comments (limited to 3 minutes each)

**12. Adjournment**

For further information or to provide written comments on any item on the agenda, please contact the Placer LAFCO. Materials related to an item on this Agenda submitted to the Commission after distribution of the agenda packet are available for public inspection in the Placer LAFCO office at 110 Maple Street, Auburn, CA 95603 during normal business hours. Phone: (530) 889-4097. Placer LAFCO is committed to ensuring that persons with disabilities are provided the resources to participate in its meetings. If you require a disability-related accommodation, please contact the Clerk to the Commission at least two business days prior to the meeting date.

**PLACER LOCAL AGENCY FORMATION COMMISSION**

Miguel Ucovich, Chair (City), Jim Holmes, Vice Chair (County); Gray Allen (Special District); Bill Kirby (City); E. Howard Rudd, (Public); Ron Treabess (District); Robert Weygandt (County). Alternate Commissioners: Jim Gray (Public), Jack Duran (County), Stan Nader (City), Brian Sheehan (Special District)

**MINUTES  
May 13, 2015**

1. Flag Salute was led by Commissioner Allen.
2. Call to Order and Roll Call: Chairman Ucovich called the hearing to order at 4:00 p.m. in the Board of Supervisors Chambers at 145 Fulweiler Avenue, Auburn CA. Those present and seated were Commissioners Allen, Treabess, Gray, Holmes, Weygandt, Kirby and Ucovich. Staff present was Executive Officer Kris Berry, LAFCO Counsel Bill Wright, and Commission Clerk Linda Wilkie.
3. Approval of Agenda: The agenda was approved as submitted by motion: Gray/Holmes/7:0
4. Public Comment: There was no public comment on items not listed on the agenda.
5. Approval of Minutes from the April 8, 2015 hearing: The minutes were approved as submitted with the correct spelling of Lisa Cardin by motion: Treabess/Weygandt/7:0
6. Approval of Fiscal Year 2015-2016 Proposed Draft Budget: The Commission was presented with the proposed draft budget for FY 2015-2016, and asked to approve and provide staff direction as to any desired changes for the final budget and proposed work plan. The draft budget was approved as submitted by motion: Gray/Holmes/7:0
7. Olympic Valley Incorporation proposal:

Commissioner Treabess recused himself. Alternate Commissioner Sheehan takes his seat.

7 a. Receive status update on the Comprehensive Fiscal Analysis process (no action will be taken) and receive Public Comments related to the CFA process:

Dr. Fred Ilfeld, Incorporate Olympic Valley, stated that the IOV had an opportunity to review the draft CFA. He said that they thought it was biased and seriously flawed with incorrect assumptions, misstatements and miscalculations. He commented that he heard that there would be another preliminary draft sent out by LAFCO staff and that the IOV wanted to review this draft to iron out any remaining shortcomings. He said that his request to the Commission is to give them an opportunity to gather the necessary data from the county on revenue and expenditures, and to allow them to have dialog with RSG (the consultant) and comment on upcoming CFA drafts. He felt that this would alleviate mistakes. He said that the IOV felt that there are five major faults with the CFA.

1. Its assumptions are biased against incorporations. He stated that the CFA mistakenly says that "pursuant to state law and LAFCO guidelines, this CFA presents a conservative forecast of operating revenues and expenditures". He felt that the draft used this to understate revenues and to overstate staffing levels and expenditures, and general fund reserve requirements. He said that the state Office of Planning and Research (OPR) guidelines and state law do not say that the CFA should be conservative or that the CFA should understate revenues or overstate expenses. He also stated that they believe that the CFA should be based on facts not on liberal biases.
2. This draft CFA predicts results of revenue neutrality negotiations with the county when

the negotiations have not even begun. RSG should follow OPR guidelines and not assume the outcome of negotiations that have not yet occurred. 3. Transient Occupancy Taxes (hotel taxes referred to as TOT); the TOT collected in Olympic Valley is quite significant and represents roughly 2/3 of the revenue stream. The draft CFA draws incorrect assumptions and conclusions regarding the TOT revenues. The CFA states that some TOT revenues may not transfer to the town, but it is clear that all TOT revenues will go to the town and calls TOT revenue volatile but does not supply any evidence of this. 4. The draft CFA assumes a 30% reserve fund should be established in the first few years following incorporation because of the unsupported assumption of TOT revenue volatility, yet OPR guidelines recommend a 10% reserve fund and that industry standards recommend a 17% reserve fund. RSG's recommendation of 30% is too large and is unsubstantiated. 5. The draft CFA assumes there will be no future development in the village at Squaw Valley. This is unrealistic. He said that 1600 new bedrooms are in the pipeline for development in the valley. The draft EIR for this project is expected to be released later next week. Future property tax to the town from this development would be substantial. These revenue projections are absent in the draft CFA. Dr. Ilfeld requested that LAFCO allow IOV to have ongoing dialog with the CFA consultant (RSG) to make sure it is actually a correct document.

Tom Sinclair, a partner with Municipal Resource Group, said that the IOV asked for his firm's assistance since they have been instrumental in setting up new cities (Elk Grove, Citrus Heights, and Rancho Cordova). He stated that the draft CFA understates the revenues that Olympic Valley can expect to see. He said that the draft CFA puts the town's revenues at approximately 5.6 million dollars annually and that it is understated. The initial amount of property taxes that would be transferred to a new town is based in part on the county services that are transferred to the new town. He also said that the county had noted that there would be approximately \$297,000 worth of public work services that would be transferred to the town but that the draft CFA assumes \$29,000. That is an understatement of approximately \$137,000 annually. The CFA says "secured and unsecured values were increased 17% annually" which was the average historical assessed growth over the past 10 years. The CFA mistakenly increases them by .17%. The CFA decreases home values by .28% annually. There will be Prop. 8 assessments that will be recaptured within the town limits, not included in the CFA. He stated that all stakeholders deserve a realistic comprehensive fiscal analysis to determine if incorporation is feasible.

Stan Deveroux, stated that as a point of order, it was his understanding that the Commission has heard comments on a document that it hasn't even seen. (Confirmed by the Commission)

Lisa Cardin, Chairwoman of Olympic Valley Incorporation, said she has reviewed the draft CFA and felt that the expenses of the new town are overstated. She stated that the IOV has sent written comments; she wanted the Commission to understand that the draft CFA is not realistic. She said that the Town of Olympic Valley should be a contract city. She felt that the staff levels in the CFA are inappropriate for a contract city. The CFA requires a full time town manager, city clerk, and a full time administrative assistant, plus the planning department has a full time planning director, an associate planner and an additional contract position, and that these full time positions are unrealistic. She said that law enforcement costs are \$1,256,000 and that Colfax budget for law enforcement is \$603,000. The CFA overstates the costs and is not realistic.

Commissioner Kirby states that the Commission has not seen any of the numbers or the CFA document.

Chairman Ucovich deferred to legal counsel.

LAFCO Counsel Bill Wright, stated that this agenda item was intended as an informational item for the Commission on what the CFA process is and that the document will soon be released to the public. He said that the process that staff used was to release the administrative draft to the proponent (which is customary) for their review and it will be released to the public soon. He said that there will be changes as it is reviewed, and then there will be a public hearing. He said that

it really isn't fair that people are commenting on a public document that the public and the Commission doesn't even have at this point in time. Staffs intent was to give this document to the proponents and the county to make sure that if they had any significant comments, staff wanted to hear them before the document was released for public review. He said that this is not the time or the place to debate a document that the Commission and members of the public don't have.

Commissioner Weygandt asked when the draft becomes a final document.

LAFCO Counsel Bill Wright, stated that it will be released to the public and we will continue to receive comments from those who are opposed to the project that maybe the assumptions are too liberal, but we will have a document and there might be some minor changes made and then the proponents and the county will go into revenue neutrality negotiations. He said that assuming that they are successful, then the Board of Supervisors adopts a revenue neutrality agreement, then LAFCO will go to a public hearing on the project (once we receive the EIR). At this point it is still considered a draft document. It doesn't become a final document until it is approved by the Commission.

He said that if the county and the proponents are not able to reach an agreement on revenue neutrality, then it comes back to the LAFCO Executive Officer who has the authority to propose her own revenue neutrality provision. It would then come back to a public hearing and the LAFCO Commission would consider adopting the CFA and approving the project based on the revenue neutrality recommended by the Executive Officer.

Commissioner Gray asked why we were continuing to listen to public comment on a document that the Commission and the public have not yet seen.

LAFCO Counsel Bill Wright stated that this is an item that relates to the process only but the reality is that you have people who have the right to make public comment.

Kathryn Rees, a board member with the Squaw Valley Lodge Homeowners Association who stated she is charged with evaluating development in the valley along with the incorporation process, said that they have not seen the document but have listened to the proponents who have reviewed it, and is very concerned that the proponents have had significant time to review it and respond. She felt that was a violation of process. She reiterated that Squaw Valley Lodge Homeowners Association, Plump Jack, Resort at Squaw Creek, Squaw Valley Ski Holdings, and the Paulsons have all expressed opposition and concern to the incorporation and have asked specifically to be exempted and that there be a CFA done that does take into account those exemptions from the project. She said they had concerns about the sustainability of a town with 500 registered voters and that the second-home owners outnumber the full time residents about 6 to 1, yet it is their occupancy tax that the proposed town is relying on to sustain them.

David Ruderman with Colantuono Highsmith & Whatley, represents the proponents. He said that he wanted to address the process and wanted to make sure that the Commission understands that this is a critical juncture and that we need to continue working on the CFA.

Nancy Elrod said that she is concerned about the CFA going out to the public at this time and wanted the Commissioners to see the document before it goes public.

LAFCO Counsel Bill Wright said that if the document was given to the Commission, it would become a public document and it's not ready yet. He also said that staff deliberated on the process to use and that it was appropriate to give the proponents and the county the document to give them an opportunity to review the initial administrative draft document before it was released to the public.

Teresa May Dugan with Save Olympic Valley felt that the process has lost all credibility due to the fact that the proponents have commented on a document that is not available for review by the public or the Commission.

Tom Day with Save Olympic Valley, wished to know at what point revenue neutrality takes over the draft CFA.

LAFCO Counsel Bill Wright said that there will be a difference of opinion as to what is accurate and what is not. He said the document will go into revenue neutrality if both the proponent and the county agree that some of the numbers need to be changed, the consultant will be available to assist through that process and correct anything that is wrong.

Chairman Ucovich closed public comment.

7 b. Authorize Executive Officer to execute a contract with the selected Environmental Consultant and provide direction to the Executive Officer to require payment for the entire cost of the EIR or to permit the contract to be divided into two phases for payment and take public testimony regarding the proposed contract;

Chairman Ucovich opened to public comment. Those who spoke were:

Bob Barnett, an attorney and advisor to IOV suggested that the EIR be postponed until after the CFA is complete. He said that Squaw Valley Ski Holdings is doing a major development and the draft EIR on that project is due to be released in the next week. It will contain a lot of pertinent information that would be helpful in the IOV EIR and would save a lot of time and money. He also requested that since the IOV is a citizen nonprofit, that would be a burden on those citizens to have to pay for the EIR if the CFA showed that incorporation was not feasible.

Commissioner Holmes asked for clarification, was Mr. Barnett asking the Commission to hold off on the EIR until the CFA was completed?

Bob Barnett: Yes

LAFCO Counsel Bill Wright stated that the process is to have the CFA, the revenue neutrality, and the EIR when you go into hearing, then all of those documents are considered as to whether or not to submit the incorporation to the voters. He said that you could have a hearing to decide if the incorporation is feasibly viable before the EIR is done, but you would not have the authority to approve the proposal because you would not have the environmental document, and it would extend the proposal considerably. He said that the only thing the Commission would have authority to do is deny the project because and EIR is not needed to deny a project.

Commissioner Kirby asked that if a formal request was received from IOV to request that the EIR not be initiated until the CFA was done, what would be the down side.

Executive Officer Kris Berry stated that one primary issue is that the data is very time sensitive. The CFA uses the previous year's data so parts of the CFA may have to be redone which would cause more costs for the CFA. The proponents would be incurring additional costs.

Dr. Fred Ilfeld, IOV, requested that the Commission defer the decision on the payment of the EIR for at least a month, giving them time to read a letter submitted by their consultant Elliot Mulberg at the hearing regarding payment schedules for other incorporations within the state.

Kathryn Rees, Squaw Valley Lodge Homeowners Association, stated that she hopes for a timely process and a conclusion to the proposal because this proposal affects the residents future.

Lisa Cardin with Incorporate Olympic Valley wanted to know if a decision has been made on how narrow the EIR would be.

Ms. Berry stated that a decision has not been made.

There were questions regarding a two tier payment plan and if the EIR consultant would agree to that.

Tim Raney with Raney Planning and Management, said that the EIR consultant would be fine with the two tier payment plan.

Commissioner Kirby asked what the time frame would be for the EIR.

Tim Raney stated that it takes about nine months to prepare a draft EIR and that would be the first phase. He said that there would then be a 45 day review period for public comment and depending on the comments received would depend on how long it would take for the final EIR.

Chairman Ucovich closed public comment.

Ms. Berry informed the Commission there is a provision in the law for the proponents to apply for a loan through the state.

After discussion, the Commission voted to require full payment for the EIR. Motion made by Commissioner Holmes, second by Commissioner Allen. Roll call vote: Yes vote: Allen, Holmes, Weygandt, Kirby, and Gray. No vote: Ucovich and Sheehan.

Commissioner Weygandt needed to leave the hearing, the Commission agreed to move Item 8 before Item 7c. Commissioner Treabess takes his seat and Commissioner Sheehan vacates.

8. Selection of Public Member and Alternate Public Member for 2015-2016 terms (to be seated at next LAFCO hearing: Alternate Commissioner Gray vacates his seat. Each applicant gave a brief presentation. Public comment opened. No public comment. Motion made by Commissioner Allen, second by Commissioner Holmes: Howard Rudd as Public Member. Motion made by Commissioner Kirby, second by Commissioner Allen for Jim Gray to be the Alternate Public Member. Roll call vote on both: Allen, Treabess, Holmes, Ucovich, Kirby.

5:35 – Commissioner Weygandt vacates his seat and leaves the hearing.

Commissioner Treabess recuses himself. Alternate Commissioner Sheehan takes his seat.

7 c. Take Public Comment on other matters regarding the Olympic Valley proposal:

Bob Barnett, advisor to IOV, commented that the reason that the IOV made comments regarding the CFA is because they wanted to express their concerns about the document so the Commission would know what those concerns are. He said that IOV would like to continue dialogue with LAFCO staff, and RSG.

David Ruderman spoke on behalf of IOV stated that there are two guidelines as to what is supposed to be in a comprehensive financial analysis. He said that the OPR has quite a bit about the parameters of what should be in a CFA and the Cortese/Knox/Hertzberg Act.

Chairman Ucovich closed public comment.

Commissioner Gray stated that a comment had been made about the proponents dealing directly with the consultant. He asked it was an accepted process.

Ms. Berry said that any communication should go to her.

Chairman Kirby asked if when the proponents and the county received the draft CFA, were they aware that this was not a public document.

Ms. Berry stated that staff specifically asked that it be kept confidential and that it was a review for technical accuracy. She said that somehow it was leaked and others were aware that the draft CFA had been released to the IOV and the county but to her knowledge, no one else has seen it.

Commissioner Kirby asked that if they were asked to keep it confidential, would have included today at this hearing?

Mr. Wright stated yes.

Chairman Ucovich closed public comment.

6:05 p.m. Alternate Commissioner Gray vacated the hearing.

9. Executive Officer Reports:  
Legislative Committee - Current status given

Proposal Status – Northstar/PCWA application and Lincoln Village 1 application received, and working with Nevada Irrigation District and Rocklin on island annexations.

Status of Municipal Service Reviews – Trying to wrap up Fire District MSR and Tahoe Martis Valley.

CALAFCO activities – CALAFCO Conference will be held in Sacramento in September.

The next LAFCO hearing will be held in Tahoe at the Tahoe City Public Utility District on June 10, 2015 at 4:00 p.m. A workshop on the CFA will be held at 5:30 p.m.

10. Commissioner Reports: None

11. Adjournment: Chairman Ucovich adjourned the hearing at 6:10 p.m.

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Linda Wilkie, Clerk to the Commission

**PLACER COUNTY  
LOCAL AGENCY FORMATION COMMISSION**

110 Maple Street, Auburn California 95603

530-889-4097

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**STAFF REPORT**

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DATE: June 4, 2015

TO: Chairman Ucovich, Commissioners Allen, Holmes, Kirby, Rudd, Treabess, Weygandt. Alternate Commissioners Duran, Gray, Nader, Sheehan

FROM: Kris Berry, AICP, Executive Officer 

SUBJECT: Approval of Final Budget for fiscal year 2015-2016 and receive update on the status of recent Placer LAFCO activities and work status report and anticipated work for next fiscal year.

**A. RECOMMENDATION**

- 1) Approval of the final budget for the fiscal year 2015-2016, attached as Exhibit "A", and:
- 2) Receive report of recent Placer LAFCO activities and work status report and anticipated work for fiscal year 2015-2016, attached as Exhibit "B."

**B. BACKGROUND**

The Commission is required to adopt a final budget by June 15<sup>th</sup> of each year. The Commission considered the proposed budget at the May 13, 2015 Commission meeting.

Pursuant to §56381 of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, the Commission is required to adopt a proposed budget by May 1st, and a final budget by June 15th. Under AB 2838, the cost of LAFCO is a shared responsibility of the county, the cities and the special districts. After adoption of the budget, the net operating expense of the Commission is divided as follows: one-third to the County, one-third to the Cities and one-third to the Special Districts. The City share is apportioned in proportion to each City's total revenues. The Special District share is apportioned according to each district's revenues.

Further refinements to the budget, based on actual and projected spending until the end of the fiscal year have been made. There is a decrease in the final budget versus the proposed budget (\$2000), based on these projections, and a decrease in the AB 2838 proportionate funding by the funding agencies increased by \$7,361.

Government Code section 56381 provides that, at a minimum, the proposed and final budget shall be equal to the budget adopted for the previous fiscal year unless the Commission finds that reduced staffing or program costs will nevertheless allow the Commission to fulfill its statutory purposes and programs. The overall budget is an increased budget from the previous year from \$574,939.00 (amended from originally approved \$489,579) to \$672,637.00. However, \$146,970 is attributed to what will be a prepaid preparation of the Olympic Valley Incorporation Environmental Impact Report). However, most of these increases are offset by increases in projected revenues, thus the actual increase in funding required from the cities, special districts and county is \$3,465.32

As in previous years, LAFCO has partially offset the costs to the funding agencies by using excess treasury funds to partially fund the budget. This year \$80,000 was included, and it is expected that this will draw down the treasury account to levels that will be consistent with funding the reserves in our account. The remaining portion of the budget is made up from estimated revenue from interest and proposal application fees. As in previous years, we include a \$10,000 addition to our reserves, bringing a total reserve of \$127,200, \$37,200 as Personnel reserves, and \$90,000 as general reserves.

### **C. DISCUSSION**

The matrix showing the proposed budget for fiscal year 2015-2016, along with the final budget for the current fiscal year, together with known expenditures through June 1, 2015 is attached. This proposed budget is based upon the following assumptions:

- 1) The proposed budget includes the Commission Clerk as an employee budgeted full time. In January 2012 this position was changed from a contract position to be a 32 hour regular staff position. However, it is common for the clerk to work additional hours due to workload, and is currently working approximately 37.5 hours per week.
- 2) We do anticipate increases in funding for Legal Consultants and commission and staff travel. The proposed budget amount of \$80,000 for Municipal Service Reviews would allow the continued work of the existing contracts and would allow several of the cities MSR's to be funded.
- 3) We have budgeted for an increase in Legal consulting fees from \$30,000.00 to \$40,000.00. Of the \$33,844.37 in legal charges as of this date, \$18,007.63 has been offset by payment for current applications. If the \$40,000 amount is exceeded, it is likely to be proposal related, and these charges would be offset as they would likely be charges against proposal billings. We amended our Legal Consulting contract earlier this fiscal year to provide for this flexibility.
- 4) This year we were credited some previous years charges on our A-87 charges, resulting in a negative balance. No charges are anticipated for A-87 for this year.
- 5) The expected costs of all health care and benefit programs were calculated based on formulas provided to LAFCO by the County Administrative Office.

- 6) The budget also includes current payment of health insurance costs for 1 retired employee.
- 7) The carryover from this year's budget is expected to be approximately \$50,780.07, which has been factored in to offset budget costs..
- 8) The total proposed operating budget is \$672,637.00.

#### **D. SUMMARY**

The fiscal year 2015-2016 proposed budget is based on the assumption of completion of all District Municipal Service Reviews in the budget time frame, and the ongoing process of adoption of Spheres of Influences based on the Municipal Service Reviews. It does not include budgeting for the preparation of the Municipal Service Reviews and Spheres for cities and districts with applicant proposed changes or request for a substantial change in the spheres.

The budget was based on conservative estimates of revenues and expenditures, with adequate funding to ensure that the Commission be able to fulfill its statutory responsibilities in accordance with Government Code §56381 during the fiscal year.

EXHIBIT A

LAFCO FY 2015-2016 FINAL BUDGET TITLE	2014-2015 FINAL BUDGET	2014-2015 Expenditures 6.1.2015	2014-2015 Est yr end	2015-2016 FINAL BUDGET	2015-2016 Reserves
1320 Retiree Health	17,324.00	11,646.39	15,000.00	16,187.00	
1002 Salaries/Wages	180,000.00	161,799.68	178,000.00	186,000.00	37,200.00
1005 Overtime	2,000.00	855.76	1,200.00	2,000.00	
1010 Cafeteria Plans	5,458.00	4,759.18	5,458.00	5,584.00	
1300 P.E.R.S.	49,000.00	42,846.36	47,000.00	54,434.00	
1303 Post Employment benefits	8,664.00	7,070.60	7,700.00	11,122.00	
1301 F.I.C.A.	13,995.00	11,969.16	13,995.00	14,382.00	
1310 Employee Group Ins. + Personnel Costs	16,238.00	12,835.84	14,600.00	16,673.00	
1315 Workers Comp Insurance	232.00	293.55	350.00	383.00	
1325 401(k) Employer Match	750.00	633.75	750.00	750.00	
2310 Employee Group Ins. + Personnel Costs	-	1,556.77	1,556.77	2,871.00	
<b>SUBTOTAL: SALARIES &amp; BENEFITS</b>	<b>293,661.00</b>	<b>256,267.04</b>	<b>285,609.77</b>	<b>310,386.00</b>	<b>37,200.00</b>
2000 Outside Agency Pass Through Fees	1,000.00	2,093.12	2,094.00	1,000.00	
2051 Communications	2,000.00	1,653.54	2,000.00	2,200.00	
2052 E.O. Cell Phone	900.00	720.61	850.00	600.00	
2140 Liability Ins./Comm. Workers Comp.	2,500.00	2,516.23	2,516.23	2,600.00	
2291 Computer Maintenance					
2408 Auditor Fees	4,800.00	2,064.86	4,800.00	4,800.00	
2439 Membership Dues	2,955.00	2,986.58	3,000.00	3,011.00	
2456 GIS Mapping					
2481 PC Acquisition	2,000.00	1,195.95	1,800.00	2,000.00	
2500 MSR/Sphere Updates	80,000.00	26,131.06	65,000.00	80,000.00	
2510 PC Upgrades	-				
2511 Printing/copy machine/interoffice mail	3,400.00	2,592.39	3,000.00	3,400.00	
2523 Office Supplies & Exp	2,400.00	1,158.91	2,400.00	2,400.00	
2524 Postage	2,500.00	1,918.91	2,500.00	2,500.00	
2528 Outside Audit Costs					
2554 Commissioner Fees	9,000.00	6,200.00	7,100.00	9,000.00	
2555 Legal/Consultants	30,000.00	33,844.37	40,000.00	40,000.00	
2570 Media/Λ Services		540.00		2,000.00	
2568 Data and System access charges	6,568.00	6,351.74	6,568.00	8,197.00	
2701 Legal Notices/Publications	2,500.00	3,446.21	4,000.00	5,000.00	
2709 Software Charges (IPPS)	895.00	895.00	895.00	1,573.00	
2727 Office Rent + Utilities	18,000.00	16,534.35	17,000.00	18,000.00	
2844 Training	1,500.00	940.00	1,300.00	2,000.00	
2865 IT-MIS Services					
2931 Staff Travel & Transportation	5,500.00	4,044.59	4,500.00	7,000.00	
2933 Lodging					
2939 Commissioner Travel	7,500.00	7,077.93	7,500.00	8,000.00	
2971 I.O.V. CFA Consultant contract	85,360.00	80,873.01	85,360.00	146,970.00	
2941 County Vehicles	-		100.00		
3551 A-87 Costs	0.00	-11,310.00	0.00	0.00	
5600 General Operating Contingency	10,000.00		10,000.00	10,000.00	90,000.00
<b>SUBTOTAL: OPERATING COSTS</b>	<b>281,278.00</b>	<b>194,469.36</b>	<b>274,283.23</b>	<b>362,251.00</b>	<b>90,000.00</b>
<b>TOTAL OPERATING COSTS:</b>	<b>574,939.00</b>	<b>450,736.40</b>	<b>559,893.00</b>	<b>672,637.00</b>	<b>127,200.00</b>
<b>REVENUE: TITLE</b>	<b>2014-2015 FINAL Budget</b>	<b>2014-2015 Actual YTD 6.1.15</b>	<b>2014-2015 Year end Projected</b>	<b>2015-2016 ESTIMATED REVENUE</b>	
6950 Interest	6,000.00	3,867.60	4,500.00	5,000.00	
8193 Outside Agency Pass Through Fees		21.50	21.50	1,000.00	
8218 Forms and photocopies	100.00	10.00	10.00	100.00	
8212 Gen Reim CALAFCO DEO Stipend				2,000.00	
8216 AB283£ Allocated Amount	363,321.61	360,624.18	360,624.18	366,786.93	
8239 Application Fees	10,000.00	43,016.69	50,000.00	20,000.00	
8782 Applicant Funded Consultant Fees	85,360.00	85,360.00	85,360.00	146,970.00	
Partial Treasury funding	80,000.00	80,000.00	80,000.00	80,000.00	
<b>TOTAL REVENUE</b>	<b>544,781.61</b>	<b>572,899.97</b>	<b>580,515.68</b>		
<b>CARRYOVER from previous year</b>	<b>30,157.39</b>		<b>30,157.39</b>	<b>50,780.07</b>	
	<b>574,939.00</b>		<b>610,673.07</b>	<b>672,637.00</b>	

**EXHIBIT B**  
**Placer LAFCO Work Status Plan**

Below is a preliminary report to the Commission on activities of Placer LAFCO during the current fiscal year. Upon receiving input from the Commission, I am recommending that we report back to the Commission on a regular basis to be determined by the Commission or current and anticipated activities, as well as the format of this report.

**LAFCO accomplishments and work status for Fiscal Year 2014-2015:**

Proposals approved by the Commission:

- Brewer Out of Service Extension
- Northstar CSD/PCWA Zone 4 Municipal Service Reviews

Municipal Service Reviews currently in process, will be heard by the Commission in the next fiscal year. These are Municipal Service Reviews which are currently under contract with consultants and in the preparation stages:

- Tahoe/Martis Valley Municipal Service Review
- Western Slope Fire Municipal Service Review

Proposals currently in review:

- Northstar CSD/PCWA Zone 4 Sphere of Influence Amendment and Annexation  
Lincoln Village 1 Annexation  
Incorporate Olympic Valley proposal.  
Comprehensive Fiscal Analysis in Public review and Revenue Neutrality discussions initiated  
Environmental Consultant selected. Awaiting funding from proponents.

Proposals in preapplication stages:

- Island Annexation to the City of Rocklin
- Nevada Irrigation Annexations
- Small annexation in North Rocklin of former CalTrans property
- Formation of Park District for the Placer Vineyard property

Contracting with an On-Call Environmental Consultant

Review of Notice of Preparations and other ongoing environmental review

Review of Legislation and staff support to CALAFCO Legislative Committee

Staff participation in CALAFCO conferences and workshops

Digital Scanning of Placer LAFCO files, continues as time permits.

Provide continuing outreach with public, districts and cities

## Anticipated upcoming Commission proposals and issues (FY 2014-2015)

- Town of Olympic Valley
  - Comprehensive Fiscal Analysis
  - Environmental Determination and review
  - Incorporation proposal
- Western Slope Fire Study Municipal Service/ Sphere of Influence Study and implementation of recommendations
- Tahoe/Martis Valley Municipal Service Review/ Sphere of Influence Study and implementation of recommendations
- Rocklin Island Annexation
- Nevada Irrigation District Annexations
- Work with Annexation Committee formed by City of Auburn to discuss potential North Auburn areas and annexation process
- Work with several Fire Agencies to discuss potential solutions for funding
- Initiation of Municipal Service Reviews for the following cities and districts, based on available funding:
  - Rocklin
  - Loomis
  - Auburn
  - Colfax
  - Auburn Recreation District
  - Lincoln
  - Roseville

### Anticipated Staff work (in addition to above listing)

- Review and processing of incoming proposals
- Ongoing review of environmental documents
- Depute Executive Officer support to CALAFCO
- Review of LAFCO policies
- Ongoing training to staff as required
- Continued scanning of LAFCO files
- Continued outreach
- Prepare plan for GIS introduction and training of staff on GIS basics.
- Provide regular updates to Commission on progress, work with Commission on criteria.

**PLACER COUNTY  
LOCAL AGENCY FORMATION COMMISSION**

110 Maple Street, Auburn California 95603

530-889-4097

Email: [lafco@placer.ca.gov](mailto:lafco@placer.ca.gov)

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**STAFF REPORT**

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DATE: June 4, 2015

TO: Chairman Ucovich, Commissioners Allen, Holmes, Kirby, Rudd, Treabess, Weygandt. Alternate Commissioners Duran, Gray, Nader, Sheehan

FROM: Kris Berry, AICP, Executive Officer 

SUBJECT: Northstar CSD/PCWA Annexation and Sphere of Influence Amendment (LAFCO 2015-02)

**RECOMMENDATION**

It is recommend that the Commission open this item for Public Comments and continue this item to the July 8, 2015 Commission meeting to allow adoption of a tax sharing agreement by Placer County

**DISCUSSION**

This application would allow the annexation of a current water system including approximately 3,827 acres to the Northstar Community Services District for provision of water service only. Northstar Community Services District currently operates and maintains the water system for Placer County Water Agency by contract.

Staff is recommending that the Commission continue this item to allow adoption of a tax sharing agreement by the Board of Supervisors. Although there is no planned transfer of property taxes, a formal adoption of a resolution by the Board is required.

June 10, 2015  
Item No. 8

**PLACER COUNTY**  
**LOCAL AGENCY FORMATION COMMISSION**

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Email: [lafco@placer.ca.gov](mailto:lafco@placer.ca.gov)

**STAFF REPORT**

---

**DATE:** June 4, 2015

**TO:** Chairman Ucovich, Commissioners Allen, Holmes, Kirby, Rudd, Treabess, Weygandt. Alternate Commissioners Duran, Gray, Nader, Sheehan

**FROM:** Kris Berry, AICP, Executive Officer 

**SUBJECT:** Town of Olympic Valley Incorporation proposal update and authorize the Executive Officer execute contract with Environmental Consultant.

**RECOMMENDATION:**

It is recommended that the Commission:

- a. Receive a status update on the Incorporation Proposal;
- b. Receive Public Comment on the Incorporate Olympic Valley Proposal.

**SUMMARY:**

**Status Update:**

The Comprehensive Fiscal Analysis prepared by RSG was released on May 21, 2015 for review. A workshop is being held at 5:30 as part of this Commission meeting. The Executive Officer has notified the proponents and the County to begin the Revenue Neutrality Discussions.

**Environmental Impact Report**

The Commission authorized the Executive Officer and Counsel to execute a contract with the EIR Consultants, Amec Foster Wheeler, at our May 13, 2015 Commission meeting once funding has been received for the preparation of the Environmental Impact Report. As of this date, LAFCO has not received funding from the proponents for the preparation of the EIR and the contract has not been executed.

**Public Comment:**

It is recommended that the Commission open the hearing for public comment regarding the Incorporation proposal at this time.

**Attachments:**

Exhibit "1" Correspondence



*Incorporate OV Foundation  
P.O. Box 2826  
Olympic Valley, CA 96146*

LAFCO Commissioners  
c/o Ms. Kris Berry  
Placer LAFCO  
110 Maple St.  
Auburn, CA 95603

May 18, 2015

Dear Commissioners,

We would like to thank you for considering our comments regarding the Olympic Valley Draft Comprehensive Fiscal Analysis at your meeting on May 13. As you heard, we were very concerned about the accuracy of the first draft CFA, and we hope that you understand that our only purpose in presenting this information was to urge you to allow us to communicate our responses to the consultant, RSG, so that the next version will be technically correct. We also want to express our appreciation to LAFCO staff for having given IOV the opportunity to review that first draft CFA.

We heard very clearly that some Commissioners raised concerns that we were speaking about the content, not the process of the CFA. (The May 13<sup>th</sup> agenda read: 7a- "receive public comments related to the CFA process.") Indeed, we thought we were questioning the process, specifically that we felt it inappropriate for LAFCO to pre-maturely release a CFA that has egregious errors in it. Our speakers then gave a number of specific examples to illustrate our concern about the process and request from the Commission to allow us on-going communication with RSG to correct these errors.

Please understand that we are a group of citizen volunteers, passionate about Olympic Valley, but not experienced in the ways of LAFCO procedures. We did not know the first draft CFA had not been shared with you, and presumed it had been, given that the CFA was on the agenda with the clear statement that the second draft CFA would be released to the public "during the week of May 11". Consequently we presented what we thought was information that would assist you in ensuring that the CFA would be a technically correct and reliable document, one that the Commission, Olympic Valley residents, the County and other stakeholders could use to determine if incorporation is viable.

In trying to give you specific and useful information we may have acted prematurely. We meant no disrespect to the commission and hope that you will give us a pass on perhaps not understanding the process, which is apparently still unfolding and a work in progress. Our concern is simply that the CFA be reliable and factually correct.

We look forward to continuing to work with LAFCO staff, RSG, and your Commission toward an informed conclusion on the CFA and our incorporation proposal.

Sincerely,

Dr. Fred Ilfeld

# PLACER COUNTY LOCAL AGENCY FORMATION COMMISSION

110 MAPLE STREET, AUBURN, CALIFORNIA 95603 • 530-889-4097  
LAFCO@PLACER.CA.GOV

COMMISSIONERS:

MIGUEL UCOVICH  
CHAIR (CITY)

JIM HOLMES  
VICE-CHAIR (COUNTY)

GRAY ALLEN  
(SPECIAL DISTRICTS)

DR. BILL KIRBY  
(CITY)

E. HOWARD RUDD  
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STAN NADER  
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BRIAN SHEEHAN  
(SPECIAL DISTRICTS)

STAFF:

KRIS BERRY  
EXECUTIVE OFFICER

LINDA WILKIE  
CLERK TO THE  
COMMISSION

WILLIAM WRIGHT  
LAFCO COUNSEL

May 21, 2015

TO: Interested parties

RE: Comprehensive Fiscal Analysis

We have enclosed a Preliminary Draft of the Comprehensive Fiscal Analysis for the Incorporate Olympic Valley proposal for your information and review. This is still a working draft and we will consider any comments or suggested revisions by the proponents, the County or members of the public in completing the version that will be used in the revenue neutrality negotiations. It is possible that the final document will change significantly as a result of the revenue neutrality negotiations and public input. These changes may affect the findings on feasibility, favorably or unfavorably.

Upon conclusion of the revenue neutrality negotiations, a Public Hearing Draft of the Comprehensive Fiscal Analysis will be prepared in advance of the public hearing on the project.

Please feel free to contact me with any questions you may have.

Sincerely,



Kristina Berry, AICP  
Executive Officer

[www.placer.ca.gov/departments/lafco](http://www.placer.ca.gov/departments/lafco)

# **PLACER COUNTY LOCAL AGENCY FORMATION COMMISSION**

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**STAFF:**

KRIS BERRY  
EXECUTIVE OFFICER

LINDA WILKIE  
CLERK TO THE  
COMMISSION

WILLIAM WRIGHT  
LAFCO COUNSEL

June 1, 2015

Dr. Fred Iffeld  
P.O. Box 2160  
Olympic Valley, CA 96146

RE: Olympic Valley Environmental Impact Report

Dear Dr. Iffeld:

As you are aware, the firm Amec Foster Wheeler has been selected for the preparation of the Environmental Impact Report for the Incorporation proposal.

To proceed with the execution of the contract and begin preparation of the report, we need funding in full for the contractual amount of \$146,970.00 for the Environmental Impact Report.

Please feel free to contact me if you have any questions regarding this letter.

Sincerely,



Kristina Berry, AICP  
Executive Officer

Cc:: Tim Raney  
Juliana Prospero, Amec Foster Wheeler

# **PLACER COUNTY LOCAL AGENCY FORMATION COMMISSION**

110 MAPLE STREET, AUBURN, CALIFORNIA 95603 - 530-889-4097  
LAFCO@PLACER.CA.GOV

June 3, 2015

**COMMISSIONERS:**

**MIGUEL UCOVICH**  
CHAIR (CITY)

**JIM HOLMES**  
VICE-CHAIR (COUNTY)

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**STAFF:**

**KRIS BERRY**  
EXECUTIVE OFFICER

**LINDA WILKIE**  
CLERK TO THE  
COMMISSION

**WILLIAM WRIGHT**  
LAFCO COUNSEL

David Boesch, County Executive Officer  
Placer County  
175 Fulweiler Ave  
Auburn, CA 95603

Dr. Fred Iffeld  
P.O. Box 2160  
Olympic Valley, CA 96146

RE: Revenue Neutrality Committee:

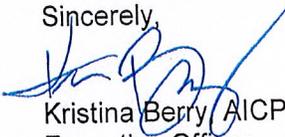
Dear Sirs:

As you are aware, the Preliminary Draft Comprehensive Fiscal Analysis for the Incorporation of Olympic Valley was recently released by Placer LAFCO.

Pursuant to the Cortese Knox Hertzberg Government Reorganization Act of 2000, "any proposal that includes incorporation should result in a similar exchange of both revenue and responsibility for service delivery among the county, the proposed city and other subject agencies." These revenue neutrality discussions are a crucial part of the Incorporation proposal.

The intent of this letter is to convene the revenue neutrality negotiating committee to begin discussions between the County, the proponents, and any other affected agencies. I would like to facilitate meeting arrangements and details for the meetings.

If you could provide the contact information of those who will be the primary negotiating team members, we will be happy to facilitate these discussions.

Sincerely,  
  
Kristina Berry AICP  
Executive Officer

Cc:

IOV: M. Colantuono, B. Barnett, L Cardin, T Sinclair  
Placer County: A. Heath, J. Merchant, B. Roberts