



Local Agency Formation Commission
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**MINUTES FOR REGULAR MEETING OF
OCTOBER 25, 2007
LOCAL AGENCY FORMATION COMMISSION
MERCED COUNTY, CALIFORNIA**

Chairman Ingram called the meeting to order at 10:05 a.m. in the Board Chambers on the third floor of the Merced County Administration Building.

I. CALL MEETING TO ORDER

II. PLEDGE OF ALLEGIANCE

III. ROLL CALL

Commissioners Present: Commissioner Bertao
Commissioner Kelsey
Commissioner Ingram
Commissioner O'Banion
Commissioner Hunter (non-voting member)

Staff Present: Bill Nicholson, Executive Officer
Gene Barrera, LAFCO Staff Planner
Celeste Aguirre, Recording Secretary

Counsel Present: Malathy Subramanian, LAFCO Legal Counsel

IV. APPROVAL OF MINUTES

MOTION: M/S O'BANION / BERTAO, AND CARRIED BY A VOTE OF 4-0, THE COMMISSION APPROVES THE MINUTES OF THE MEETING OF SEPTEMBER 27, 2007.

V. CITIZEN COMMUNICATION

NONE

VI. PUBLIC HEARINGS

A. MOTION: M/S O'BANION / BERTAO, AND CARRIED BY A UNANIMOUS VOTE OF 4-0, THE COMMISSION APPROVED LAFCO SOI FILE NO. 1022D ENTITLED SAN LUIS WATER DISTRICT SPHERE OF INFLUENCE. 1. MAKE THE THREE ENVIRONMENTAL FINDINGS AS LISTED ON PAGES FOUR AND FIVE OF THE EXECUTIVE OFFICERS REPORT. 2. MAKE THE FIVE DETERMINATIONS LISTED ON PAGE FIVE OF THE EXECUTIVE OFFICERS REPORT. 3. IN ACCORDANCE WITH THE CORTESE/KNOX/HERTZBERG LOCAL GOVERNMENT

REORGANIZATION ACT OF 2000, GOVERNMENT CODE SECTION 56425 ET. SEQ., AND LOCALLY ADOPTED LAFCO POLICIES, APPROVES THE SAN LUIS WATER DISTRICT SPHERE OF INFLUENCE REVISION NO. 4 AS DESCRIBED IN DOCUMENT A, SUBJECT TO THE FOLLOWING CONDITION: THE RESOLUTION IMPLEMENTING THE SPHERE OF INFLUENCE REDUCTION WILL BECOME EFFECTIVE ONCE THE U.S. BUREAU OF RECLAMATION GRANTS A PARCIAL ASSIGNMENT OF THE SAN LUIS WATER DISTRICT'S FEDERAL WATER CONTRACT TO THE SANTA NELLA COUNTY WATER DISTRICT IN CONJUNCTION WITH THE REORGANIZATION APPLICATION UNDER LAFCO FILE NO. 0642.

- B. MOTION: M/S O'BANION / BERTAO, AND CARRIED BY A UNANIMOUS VOTE OF 4-0, THE COMMISSION APPROVED LAFCO SOI FILE NO. 1063A ENTITLED SANTA NELLA COUNTY WATER DISTRICT SPHERE OF INFLUENCE. 1. MAKE THE TWO ENVIRONMENTAL FINDINGS AS LISTED ON PAGES SIX AND SEVEN OF THE EXECUTIVE OFFICERS REPORT. 2. MAKE THE FIVE DETERMINATIONS LISTED ON PAGES SEVEN AND EIGHT OF THE EXECUTIVE OFFICERS REPORT. 3. IN ACCORDANCE WITH THE CORTESE/KNOX/HERTZBERG LOCAL GOVERNMENT REORGANIZATION ACT OF 2000, GOVERNMENT CODE SECTION 56425 ET. SEQ., AND LOCALLY ADOPTED LAFCO POLICIES, APPROVES THE SANTA NELLA COUNTY WATER DISTRICT SPHERE OF INFLUENCE REVISION NO. 1 AS DESCRIBED IN DOCUMENT A.
- C. MOTION: M/S O'BANION / BERTAO, AND CARRIED BY A UNANIMOUS VOTE OF 4-0, THE COMMISSION APPROVED LAFCO FILE NO. 0642 ENTITLED REORGANIZATION INVOLVING THE SANTA NELLA COUNTY WATER DISTRICT AND THE SAN LUIS WATER DISTRICT. 1. MAKE THE THREE ENVIRONMENTAL FINDINGS AS LISTED ON PAGE 7 AND 8 FOR THE REORGANIZATION. 2. MAKE THE FIVE DETERMINATIONS LISTED ON PAGE 8 OF THE EXECUTIVE OFFICERS REPORT. 3. ASSIGN THE REVISION THE FOLLOWING SHORT FORM DESIGNATION: "REORGANIZATION INVOLVING THE SANTA NELLA COUNTY WATER DISTRICT AND THE SAN LUIS WATER DISTRICT" 4. IN ACCORDANCE WITH THE CORTESE/KNOX/HERTZBERG LOCAL GOVERNMENT REORGANIZATION ACT OF 2000, GOVERNMENT CODE SECTION 56668 ET. SEQ., AND LOCALLY ADOPTED LAFCO POLICIES, THE COMMISSION APPROVES THE REORGANIZATION INVOLVING THE SANTA NELLA COUNTY WATER DISTRICT AND THE SAN LUIS WATER DISTRICT AS DESCRIBED IN DOCUMENT A AND DESIGNATES AND AUTHORIZES LAFCO STAFF TO COMPLETE THE PROCEEDINGS FOR THE REORGANIZATION, SUBJECT TO THREE CONDITIONS OF APPROVAL. CONDITION NO. 1: THE RESOLUTION IMPLEMENTING THE REORGANIZATION WILL NOT BE RECORDED, AND THE SANTA NELLA COUNTY WATER DISTRICT AND SAN LUIS WATER DISTRICT BOUNDARY CHANGES WILL NOT BECOME EFFECTIVE UNTIL THE U.S. BUREAU OF RECLAMATION GRANTS A PARTIAL ASSIGNMENT OF THE SAN LUIS WATER DISTRICT'S FEDERAL WATER CONTRACT TO THE SANTA NELLA COUNTY WATER DISTRICT. A COPY OF THE BUREAU OF RECLAMATION CONTRACT MUST BE PROVIDED TO THE LAFCO EXECUTIVE OFFICER TO VALIDATE THIS ACTION PRIOR TO RECORDATION OF THE RESOLUTION. IF THE CONTRACT IS NOT ISSUED WITHIN THE ONE-YEAR TIME-FRAME FOR COMPLETION OF THE REORGANIZATION PROCEEDINGS (AS REQUIRED IN SECTION 57001 OF THE CORTEESE/KNOX/HERTZBERG ACT THEN THE DISTRICTS MUST RETURN TO LAFCO FOR AN EXTENSION REQUEST. THIS REQUEST WILL BE REVIEWED AGAINST THE CONDITIONS AND FINDINGS IN THE ORIGINAL REORGANIZATION APPROVAL, AND THE

COMMISSION MAY CONSIDER ANY CHANGES IN CIRCUMSTANCES, DETERMINATIONS OR LAWS, AT THE TIME OF THE EXTENSION REQUEST BEFORE MAKING THEIR DECISIONS.” CONDITION NO. 2: THE SAN LUIS WATER DISTRICT WILL BE GRANTED AN EASEMENT TO THE WATER TURNOUT ON THE SAN LUIS CANAL LICENSED BY THE CALIFORNIA DEPARTMENT OF WATER RESOURCES IN COMPLIANCE WITH “EXHIBIT E” OF THE MEMORANDUM OF UNDERSTANDING ENTERED INTO BETWEEN THE SANTA NELLA COUNTY WATER DISTRICT AND THE SAN LUIS WATER DISTRICT DATED SEPTEMBER 20, 2006. CONDITION NO. 3: THE PORTION OF THE WATER SUPPLY OBTAINED BY SNCWD THROUGH THE PARTIAL ASSIGNMENT OF THE SLWD CVP CONTRACT THAT WAS APPURTENANT TO LANDS WITHIN THE SPECIFIC PLAN AREA SHALL REMAIN DEDICATED TO USE ON THOSE LANDS. EACH PARCEL WITHIN THE LANDS BEING ANNEXED TO SNCWD SHALL BE ENTITLED TO RECEIVE FROM SNCWD NOT LESS THAN THE SAME AMOUNT OF WATER FROM THE CVP CONTRACT AS THE AMOUNT WHICH IT WOULD HAVE BEEN ENTITLED TO RECEIVE FROM SLWD HAD THE REORGANIZATION NOT OCCURRED. THE SNCED WILL CONTINUE TO ALLOW HISTORIC AGRICULTURAL AND M&I RAW WATER USERS TO ACCESS EXISTING TURNOUTS ON THE DELTA MENDOTA CANAL AND THE CALIFORNIA AQUEDUCT FOR CONTINUING HISTORIC LAND USES, UNTIL SUCH TIME THAT THE LAND IS CONVERTED FOR AN URBAN USE REQUIRING TREATED WATER FROM THE DISTRICT.

VII. GENERAL BUSINESS

- A. MOTION: M/S BERTAO / O'BANION, AND CARRIED BY A UNANIMOUS VOTE OF 4-0, THE COMMISSION APPROVED THE RENEWAL CONTRACT WITH BEST BEST AND KRIEGER FOR LAFCO LEGAL SERVICES.
- B. MR. NICHOLSON GAVE AN UPDATE ON THE STATUS OF MUNICIPAL SERVICE REVIEWS FOR INDEPENDENT SPECIAL DISTRICTS

VIII. COMMISSIONERS' COMMENTS

WILLIAM INGRAM THANKED HIS FELLOW COMMISSIONERS FOR THEIR INPUT AND SUPPORT.

BILL NICHOLSON STATED THAT THERE IS A REQUEST FOR BROADCASTING THE LAFCO MEETINGS LIVE ON TELEVISION AND ASKED THE COMMISSIONERS TO PUT IT ON THE NEXT MEETINGS AGENDA.

IX. ADJOURNMENT

THERE BEING NO FURTHER BUSINESS, CHAIRMAN INGRAM ADJOURNED THE MEETING AT 12:05 P.M.