LAFCO

Santa Barbara Local Agency Formation Commission
105 East Anapamu Street ◆ Santa Barbara CA 93101
805/568-3391 ◆ FAX 805/647-7647
www.sblafco.org ◆ lafco@sblafco.org

July 1, 2010

The Honorable Arthur Garcia
Presiding Judge of the Superior Court
County of Santa Barbara
1100 Anacapa Street, 2nd Floor
Santa Barbara CA 93101

Response to Santa Barbara County Grand Jury Report
"Currents and Undercurrents in the Santa Ynez Valley"

Dear Judge Garcia

The Local Agency Formation Commission has carefully reviewed the Grand Jury Report entitled "Currents and Undercurrents in the Santa Ynez Valley." Pursuant to Penal Code Sections 933 and 933.05, it hereby responds to findings and recommendations contained in the Report as they pertain to matters within the Commission's jurisdiction

The Commission considered and discussed the Grand Jury Report in open session on June 3 and July 1 and accepted any public testimony provided on both of those days.

Following are the Commission comments regarding the pertinent Grand Jury findings:

- Finding 1a

  Santa Ynez River Water Conservation District, Improvement District #1 and Santa Ynez Community Services District, each provide some form of water service and have separate governing boards, administration, staff, and legal counsel.

  Comment 1a – Agree

- Finding 1b

  A merger of Santa Ynez River Water Conservation District, Improvement District #1 and Santa Ynez Community Services District, establishing a new single publicly accountable agency to provide both water distribution and sewage collection that shares administrative and field staff, will provide opportunities for economic efficiencies.

Comment 1b – Concurrence or disagreement with this finding would require the completion of an operational and fiscal study of a consolidated district. There may be savings and greater efficiency with a single board of directors and consolidated staff, but a number of fiscal and service issues would have to be evaluated as part of such a study.

- Finding 2

  Agendas of Santa Ynez River Water Conservation District, Improvement District #1 and Local Agency Formation Commission did not provide adequate information to inform the public as to their legislative reorganization actions.

  Comment2 – The Commission and its staff have implemented procedures to provide more explanatory information to the public about items on the Commission agenda. See response below to Recommendation 2b.

Following are the Commission comments regarding the pertinent Grand Jury recommendations:

- Recommendation 2b

  The Local Agency Formation Commission provide wording in agenda items to fully inform the public of all items on the agenda to be discussed, in compliance with Section 54954.2 of the Ralph M. Brown Act – Open Meetings for Local Legislative Bodies: "The purpose of the brief general description is to inform interested members of the public about the subject matter under consideration so that they can determine whether to monitor or participate in the meeting of that body."

  Response 2b – The recommendation has been implemented. The Commission and its staff have made a concerted effort to be more explanatory in how items on the agenda are worded. As one example, instead of stating "Legislative Report" agendas now list each bill to be considered by name and author.

  Efforts will continue to ensure agenda items provide a useful description of the matter to be considered.

- Recommendation 3b

  Local Agency Formation Commission work with Santa Ynez River Water Conservation District, Improvement District #1 to resolve LAFCO jurisdictional issues efficiently and inexpensively.

Response 3b – The outcome of this recommendation is not under the Commission's control.

In 2006, the Commission's Legal Counsel concluded in a written opinion that Improvement District #1 is subject to LAFCO jurisdiction. The opinion notes the District is designated an "improvement district" under the Water Code and the Cortese/Knox/Hertzberg Local Government Reorganization Act exempts certain "improvement districts" from LAFCO's jurisdiction. The exemption does not apply in this case because the District is a purveyor of water to customers within its boundaries.

The Cortese/Knox/Hertzberg Act limits the exemption of improvement districts to those that have been "formed for the sole purpose of designating an area which is to bear a special tax or assessment for an improvement benefiting that area." Because the District is not formed for this sole purpose but rather has the additional purpose of providing direct water services to customers within its boundaries, LAFCO Counsel concluded that LAFCO has jurisdiction over this district.

An ad hoc committee of Commissioner Cathy Schlottmann, former Commissioner Brooks Firestone, the Executive Officer and Legal Counsel held meetings with representatives of the Santa Ynez River Water Conservation District and Improvement District #1 in an attempt to resolve the jurisdictional issue. The efforts were substantial, but proved unsuccessful.

The District pursued legislation that involved substantial amendments to the Water Code. The Commission supported this bill only to the extent it proposed to resolve the jurisdictional dispute between LAFCO and the District. Although enacted by the both houses of the legislature, this bill authored by Assemblymember Pedro Nava as AB 2686 was vetoed.

Short of litigation or legislation, the way to resolve this matter would be for Improvement District #1 to acknowledge that it is a "special district" as defined in Section 56036.

While continuing to profess it is not subject to LAFCO jurisdiction, Improvement District #1 has been paying a pro-rata share of the special districts third of the LAFCO budget. Perhaps this is an indication the District will accept the conclusion it is a special district comparable to others in the County that are within LAFCO's jurisdiction.

The Commission respectfully submits this response to the findings and recommendations of the Grand Jury Report entitled "Currents and Undercurrents in the Santa Ynez Valley."

Please contact the LAFCO office if you have any questions.

Sincerely,

BOB SHORT
Chair

cc: Each member of the Commission
Santa Ynez Community Services District
Santa Ynez River Water Conservation District
SYRWCD Improvement District No. 1