

SAN BENITO LOCAL AGENCY FORMATION COMMISSION

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June 18, 2024

Subject: Membership on the Local Agency Formation Commission

Dear Board Members:

This letter is to ask for your support in becoming a member of the Local Agency Formation Commission of San Benito County (LAFCo). **LAFCo will be offering a public workshop to answer any questions from the districts and the public regarding special district representation on LAFCo on Thursday August 8, 2024 at 2 pm.** Please see the attached flyer. This workshop will cover similar information as the workshop held on May 9, but there may be additional content dependent on the questions asked.

LAFCo's main duty is to establish boundaries for all cities and special districts within the County. Presently, since LAFCo of San Benito County does not have special district representation, your district does not have a voice equal to the County and the City in LAFCo affairs, including the formation of new districts, the consolidation, merger, or dissolution of existing districts, annexations and changes of organization and the establishment, amendment, and updates to spheres of influence boundaries. Since the passage of AB 2838, the role of special districts has increased with the mandate to conduct service reviews as necessary every 5 years. The ability to have a direct voice in all LAFCo affairs is now more compelling given LAFCo's expanded mandates and independence.

Even before the revisions included in AB 2838 became effective, several LAFCos had previously seated special districts based on the other factors involving a direct voice of special districts. Ask yourself, why wouldn't your district want to be represented on a commission that has oversight over your very existence and growth? For example, under the law, LAFCo has the power to initiate dissolutions; therefore, providing a good reason for special district representation on LAFCo. LAFCo could therefore make a decision that would affect a particular district without the perspective and concern that only special districts seated on the Commission could provide.

Many LAFCos have seated special districts. The California Special Districts Association has been active in promoting the seating of Special Districts on LAFCo such as in Santa Cruz. Other rural LAFCos such as Nevada, El Dorado and Mendocino have seated special districts since special districts in these counties collectively expressed a desire to be involved.

One of the major barriers to special district representation is the cost. The law has a formula requiring special districts to pay a third or 33% of LAFCo's operating costs unless another formula is otherwise agreed to by the Cities and the County. Each district's annual allocation is based on the district's operating revenues as a ratio to the operating revenues of all independent special districts in the County. The attached spreadsheet shows estimated calculations for FY 24-25 of what your district could be expected

to pay in annual dues should a majority of districts choose to join LAFCo. *(The FY 23-24 revenues shown are based on information for all independent districts that was readily available from the State Controller's Office for FY 21-22. The spreadsheet does not determine the exact amount that would be due in any given year and is only designed as an estimate of what each district could generally expect to contribute to LAFCo each year.)*

At LAFCo's meeting on June 13, 2024, the Commission voted to invite special districts to join LAFCo. The districts are invited through this letter to vote as to whether they would like to join LAFCo. In order to approve joining LAFCo, a majority of the district boards must vote on and approve the attached resolution. Should your Board approve becoming part of LAFCo, **please return the approved resolution no later than October 1, 2024.**

If a majority of districts approve joining LAFCo, then the next step will be an election of district representation where the districts can nominate candidates and each district can vote on the two regular district representatives and one alternate representative that would be seated on LAFCo for a term of 4 years. San Benito LAFCo aims to seat the special districts on the Commission on January 1, 2025.

If you would like a word version of the resolution, please reach out to Jennifer Stephenson, LAFCo Executive Officer at jennifer@pcateam.com. Or if you have any questions, please do not hesitate to call at (310) 936-2639.

Sincerely,



Jennifer Stephenson
Executive Officer
Local Agency Formation Commission of San Benito County