

LAKE ARROWHEAD COMMUNITY SERVICES DISTRICT

M E M O R A N D U M

DATE: FEBRUARY 27, 2018

TO: BOARD OF DIRECTORS
Lake Arrowhead Community Services District

FROM: 
CATHERINE CERRI, General Manager

SUBJECT: CONSIDER NOMINATIONS FOR THE POSITIONS OF
REGULAR AND ALTERNATE SPECIAL DISTRICT
MEMBERS ON THE COUNTYWIDE OVERSIGHT BOARD
FOR REDEVELOPMENT

A. RECOMMENDATION

That the Board of Directors considers nominations of one of its members for the positions of Regular Special District and Alternate Special District members on the Countywide Oversight Board for Redevelopment as requested by the San Bernardino County Auditor-Controller/Treasurer/Tax Collector.

B. REASON FOR RECOMMENDATION

Pursuant to the San Bernardino Local Agency Formation Commission (LAFCO) policies and procedures related to Special District Selection committees provided by LAFCO and attached to this memo, San Bernardino LAFCO is implementing the inaugural selections process for the Oversight Board for Redevelopment. Only those independent special districts overlaying a former redevelopment agency, whose principal county status is San Bernardino County, are eligible to nominate and vote in the process.

C. BACKGROUND INFORMATION

Senate Bill No.107 (SB 107), Health and Safety Code (HSC) Section 34179(j) requires the consolidation of the 26 oversight boards currently in place in San Bernardino County into one Countywide Oversight Board commencing on and after July 1, 2018.

The County Auditor-Controller is responsible for staffing the Countywide Oversight Board and, as allowed by regulation, has delegated this responsibility to the Community Development and Housing Agency.

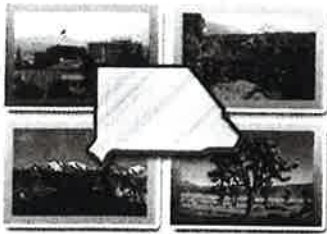
Pursuant to SB 107 and HSC 34179(j)(3), one member of the oversight board may be appointed by the independent special district selection committee established pursuant to Government Code Section 56332.

D. FISCAL IMPACT

There is no fiscal impact to the District related to this action.

E. ATTACHMENT

Local Agency Formation Commission Memo dated February 1, 2018, and three enclosures



LAFCO

Local Agency Formation Commission for San Bernardino County

1170 West 3rd Street, Unit 150
San Bernardino, CA 92415-0490
909 388 0480 | Fax 909 388 0481
E-mail: lafco@lafco.sbcounty.gov
www.sblafco.org

Established by the State of California
to serve the Citizens, Cities, Special Districts
and the County of San Bernardino

COMMISSIONERS

JIM BAGLEY
Public Member

KIMBERLY COX, Chair
Special District

JAMES V. CURATALO
Special District

ROBERT A. LOVINGOOD
Board of Supervisors

LARRY McCALLON
City Member

JAMES RAMOS, Vice Chair
Board of Supervisors

DIANE WILLIAMS
City Member

ALTERNATES

STEVEN FARRELL
Special District

JANICE RUTHERFORD
Board of Supervisors

Vacant
Public Member

ACQUANETTA WARREN
City Member

STAFF

KATHLEEN ROLLINGS-McDONALD
Executive Officer

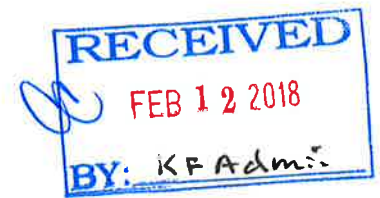
SAMUEL MARTINEZ
Assistant Executive Officer

MICHAEL TUERPE
Project Manager

LA TRICI JONES
Clerk to the Commission

LEGAL COUNSEL

CLARK H. ALSOP



February 1, 2018

TO: Presidents of the Boards of Directors of the Independent Special Districts within Redevelopment Agencies (See Distribution Listing below)

SUBJECT: Special Districts Selection Committee for Countywide Redevelopment Oversight Board

This letter will officially open the nomination period for the position of Regular Special District and Alternate Special District members on the Countywide Oversight Board for Redevelopment as requested by the San Bernardino County Auditor-Controller/Treasurer/Tax Collector. Pursuant to the adoption of the policies and procedures related to the Special District Selection committee (copy included as Attachment #2), San Bernardino LAFCO is implementing the inaugural selection process. Only those independent special districts overlaying a former redevelopment agency, whose principal county status is San Bernardino County, are eligible to nominate and vote in this process.

The nomination period for these positions will be 32 days, opening on Monday, February 5, 2018, and ending at the close of business at 5:00 p.m. on Thursday, March 8, 2018. Nominations for each position will need to be submitted by District Board vote. The signed original nomination form, with the name of each voting Board Member outlined, must be received in the LAFCO office by 5:00 p.m. on **March 15, 2018**. If a faxed copy of the nomination form is provided by the March 15 deadline, the original signed copy must be received by 5:00 p.m. on **March 22, 2018**, or the nomination will be declared invalid.

Enclosed with this letter is a sample nomination form for the positions outlining the date of the action and District Board vote. Nominations submitted without a date will be returned to the District and will need to be re-submitted within the nomination period in order to be considered valid. If only a single candidate is nominated for the position, pursuant to the provisions of Government Code Section 56332(f)(2), that candidate shall be deemed selected with no further vote required.

At the end of the nomination period, LAFCO staff will prepare and send a ballot, by certified mail, to each eligible voting independent special district area with the candidates nominated and the voting instructions.

Attachment #3 to this letter is information provided by the San Bernardino County Auditor-Controller related to the process for your information. Please let me know if you have any questions concerning the nomination process. You may contact me at the address listed above, by email at kmcdonald@lafco.sbcounty.gov, or by phone at (909) 388-0480. If you have questions related to the Countywide Oversight Board, please contact either Ms. Linda Santillano, Property Tax Manager at the Auditor-Controller's office by email at: linda.santillano@atc.sbcounty.gov or Mr. Gary Hallen, Deputy Director, Community Development and Housing Department for the County by email at: gary.hallen@cdh.sbcounty.gov.

Sincerely,



KATHLEEN ROLLINGS-McDONALD
Executive Officer

KRM/l tj

Enclosures:

- 1) Regular and Alternate Member Nomination Forms
- 2) Policy Statement
- 3) Information Submitted by the Auditor-Controller/Treasurer/Tax Collector related to the Countywide Oversight Board and affected Independent Special Districts

DISTRIBUTION:

Apple Valley Fire Protection District
Barstow Cemetery District
Bear Valley Community Healthcare District
Big Bear Airport District
Big Bear Municipal Water District
Chino Basin Water Conservation District
Chino Valley Independent Fire Protection District
Crestline-Lake Arrowhead Water Agency
Hesperia Park and Recreation District
Hi-Desert Water District
Inland Empire Resource Conservation District
Inland Empire Utilities Agency
Lake Arrowhead Community Services District
Mojave Desert Resource Conservation District
Mojave Water Agency
Monte Vista County Water District

Morongo Basin Healthcare District (formerly known as the Hi-Desert Memorial
Hospital District)
San Bernardino Mountains Community Healthcare District
San Bernardino Valley Municipal Water District
San Bernardino Valley Water Conservation District
Twentynine Palms Public Cemetery District
West Valley Water District
Yucaipa Valley Water District

**NOMINATION FOR
REGULAR SPECIAL DISTRICT MEMBER
MEMBER OF THE
COUNTYWIDE OVERSIGHT BOARD
(REDEVELOPMENT)**

The _____
(Name of District)

hereby nominates the following person for the position on the Countywide Oversight Board:

_____ REGULAR SPECIAL DISTRICT MEMBER
(Name of Nominee)

I, _____, do hereby certify that at its regularly
(Name of President or Designee of District)
scheduled meeting of _____, the Board of Directors voted to
nominate the above-identified candidate for the Regular Special District Member
of the Countywide Oversight Board of San Bernardino County, by the following
vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

District President/Authorized Board Member

Dated: _____

Attach – Letter of Interest or Resume of Nominee

**NOMINATION FOR
ALTERNATE SPECIAL DISTRICT MEMBER
MEMBER OF THE
COUNTYWIDE OVERSIGHT BOARD
(REDEVELOPMENT)**

The _____
(Name of District)

hereby nominates the following person for the position on the Countywide Oversight Board

_____ ALTERNATE SPECIAL DISTRICT MEMBER
(Name of Nominee)

I, _____, do hereby certify that at its regularly
(Name of President or Designee of District)
scheduled meeting of _____, the Board of Directors voted to
nominate the above-identified candidate for the Alternate Special District Member
of the Countywide Oversight Board (Redevelopment) of San Bernardino County,
by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

District President/Authorized Board Member

Dated: _____

Attach – Letter of Interest or Resume of Nominee

Countywide Oversight Board Information

Senate Bill No. 107 (SB 107), Health and Safety Code Section (HSC) 34179(j) requires the consolidation of the 26 oversight boards currently in place in San Bernardino County into one, Countywide oversight board commencing on and after July 1, 2018.

The County Auditor-Controller is responsible for staffing the countywide oversight board and, as allowed by regulation, has delegated this responsibility to the Community Development and Housing Agency.

Pursuant to SB 107 and HSC 34179(j)(3), one member of the oversight board may be appointed by the independent special district selection committee established pursuant to Government Code Section 56332.

TIMELINE:

June 2017 - February 2018	Coordinate with various entities regarding Countywide oversight board member appointments.
February 2018 – May 2018	Provide oversight board training including a summary of dissolution status of successor agencies and items that may require Countywide oversight board approval.
April 2018 – July 2018	Hold briefings with newly appointed Countywide oversight board members.
July 2018 – August 2018	Hold meetings to establish processes, rules and regular meeting schedule.

OVERSIGHT BOARD MEMBER ROLES AND RESPONSIBILITIES:

Items that may require oversight board approval include, but is not limited to:

- Annual Recognized Obligation Payments Schedule (ROPS) – approving payments for outstanding obligations.
- Modifications to the Long Range Property Management Plan (LRPMP) – only for properties that remain with the successor agency.
- Bond refunding or refinancing
- Amendments to the annual ROPS
- Property disposition that does not adhere to the LRPMP

The Countywide oversight board:

- Members serve without compensation or reimbursement for expenses.
- Members serve at the pleasure of the entity that appointed such member.
- Is deemed to be a local entity for purposes of the Brown Act, Public Records Act and the Political Reform Act.
- Actions approved shall not be effective for five (5) business days after submission to the California Department of Finance (DOF), unless DOF requests a review of the action.
- Has a fiduciary responsibility to holders of enforceable obligations and the taxing entities that benefit from distributions of property tax and other related revenues.

OVERSIGHT BOARD 7-MEMBER COMPOSITION, HSC 34179 (J)

- One member may be appointed by the County Board of Supervisors.
- One member may be appointed by the City Selection Committee established pursuant to Section 50270 of the Government Code.
- One member may be appointed by the Independent Special District selection committee established pursuant to Section 56332 of the Government Code, for the types of special districts that are eligible to receive property tax revenues pursuant to Section 34188.
- One member may be appointed by the County Superintendent of Education.
- One member may be appointed by the Chancellor of the California Community Colleges.
- One member of the public may be appointed by the County Board of Supervisors.
- One member may be appointed by the recognized employee organization representing the largest number of successor agency employees in the County.

SAN BERNARDINO COUNTY AUDITOR-CONTROLLER/TREASURER/TAX COLLECTOR REDEVELOPMENT PROPERTY TAX TRUST FUND (RPTTF) DISTRIBUTIONS TO SELF GOVERNED SPECIAL DISTRICTS FISCAL YEAR 2011-12 thru 2016-17						
AGENCY	PASS-THRU PAYMENTS	RESIDUAL PAYMENTS	DUE DILIGENCE REVIEW (DDR) PAYMENTS *	ASSET LIQUIDATION PAYMENTS *	TOTAL	
29 PALMS CEMETERY DISTRICT	\$ 143,972.51	\$ 9,859.99	\$ 37,358.43	\$ -	\$ 191,190.93	
APPLE VALLEY FIRE PROTECTION DISTRICT	3,232,819	244,572	1,093,902	-	4,571,293	
BARSTOW CEMETERY DISTRICT	13,995	59,489	19,330	1,207	94,022	
BEAR VALLEY COMMUNITY HOSPITAL DISTRICT	528,344	85,137	162,248	-	775,729	
BIG BEAR CITY AIRPORT DISTRICT	73,575	442,769	210,965	-	727,309	
BIG BEAR MUNICIPAL WATER DISTRICT	412,395	1,035,814	549,877	-	1,998,086	
CHINO BASIN WATER CONSERVATION DISTRICT	469,749	2,976,883	1,417,996	20,570	4,885,198	
CHINO VALLEY INDEPENDENT FIRE DISTRICT	225,009	4,194,520	543,582	-	4,963,111	
CRESTLINE-LAKE ARROWHEAD WATER AGENCY	28,594	29,115	11,847	41	69,597	
HESPERIA PARK DISTRICT	4,234,446	80,458	184,467	-	4,499,372	
HI-DESERT WATER DISTRICT	921,196	79	39,908	-	961,183	
MORONGO BASIN HEALTHCARE DISTRICT (FORMERLY KNOWN AS HI-DESERT MEMORIAL HOSPITAL DISTRICT)	151,036	71,055	47,051	-	269,142	
INLAND EMPIRE JOINT RESOURCE CONSERVATION DISTRICT	1,031,238	1,451,094	663,881	17,494	3,163,706	
INLAND EMPIRE UTILITIES AGENCY	53,726,187	8,101,138	13,614,437	222,824	75,664,586	
LAKE ARROWHEAD COMMUNITY SERVICES DISTRICT	57,370	41,934	91,992	342	191,639	
MOJAVE DESERT RESOURCE CONSERVATION DISTRICT	101,115	23,547	21,043	107	145,812	
MOJAVE WATER AGENCY	1,677,209	132,522	168,161	1,004	1,978,896	
MONTE VISTA COUNTY WATER DISTRICT	458,522	1,295,973	590,072	-	2,344,567	
SAN BERNARDINO VALLEY WATER CONSERVATION DISTRICT	23,787	162,683	21,760	77	208,308	
SAN BERNARDINO MOUNTAINS COMMUNITY HOSPITAL DISTRICT	14,845	10,852	23,797	89	49,582	
SAN BERNARDINO VALLEY MUNICIPAL WATER DISTRICT	79,311,425	28,784,910	1,303,498	190,143	109,589,977	
WEST VALLEY WATER DISTRICT	1,390,900	946,837	297,717	69,385	2,704,839	
YUCAIPA VALLEY WATER DISTRICT	-	197,915	14,851	-	212,766	
TOTAL	\$ 148,227,729	\$ 50,379,155	\$ 21,129,743	\$ 523,284	\$ 220,259,911	

Note:

* Due Diligence Review (DDR) and Asset Liquidation remittances represent one time monies whereas pass-thru and residual payments, if sufficient funds are available, will continue until the RDA Successor Agency has paid off all enforceable obligations and is officially dissolved.

SECTION VI **SPECIAL DISTRICTS**

CHAPTER 1: INTRODUCTION AND POLICIES

INTRODUCTION:

In 1975 the San Bernardino LAFCO received a request from the independent special districts within the County to approve the seating of Special Districts on the Commission pursuant to the provisions of the Knox-Nisbet Act (the predecessor of the Cortese-Knox-Hertzberg Reorganization Act of 2000). The original rules and regulations were adopted concurrent with an order for representation on the Commission by Independent Special Districts in 1976. As a function of the seating of Special Districts within San Bernardino County an inventory of the existing functions and classes of service were to be determined. The process that was undertaken at that time was that the Commission would:

1. Classify the various types of services which customarily are or can be provided within a single function of a special district.
2. Require existing districts to file written statements with the commission specifying the functions or classes of service provided by such district.
3. Establish the nature, location, and extent of any functions or classes of service provided by existing districts
4. Determine that, except as otherwise authorized by such rules and regulations, no new or different function or class of service shall be provided by any existing district.

Once the inventory was completed, the rules and regulations did not apply to the extension or enlargement, within the boundaries of an existing district, of any function or service which the commission, pursuant to these rules and regulations, has established as currently being provided by such special district. A listing of the Special Districts and the authorized functions and services was historically identified as the "Exhibit A" but is now outlined in Chapter 3 of the Special Districts Section of the Manual.

The San Bernardino County Special Districts Association has historically offered its services to work with the special districts and San Bernardino LAFCO to provide assistance and coordination, to act as a forum to air and discuss problems affecting all special districts, and to provide a forum for the review of candidates for the Special District seats on the Commission.

POLICIES:

1. **METHOD OF SELECTION** *(Amended April 17, 2002)*

An Independent Special Districts Selection Committee shall be composed of the presiding officers of the legislative body of each independent special district located wholly within the County of San Bernardino and those containing territory within said County representing 50% or more of the assessed value of taxable property of each district. The Selection Committee shall appoint all independent special district representatives and alternate. Each member of the Selection Committee shall be entitled to one vote for each independent special district for which they are presiding officer. The meetings of the Selection Committee shall be in accordance with the provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Government Code Section 56000 et seq.

2. **SPECIAL DISTRICT REPRESENTATIVES** *(Amended April 17, 2002)*

It is the policy of San Bernardino LAFCO that special district representatives and alternate should represent districts located in the San Bernardino Valley area, the desert area, and the mountain area. Inasmuch as possible, they should not represent agencies that provide like service, (i.e., they should represent fire protection service, water service, sewer service, cemetery service, etc.). They shall be chosen as provided by the provisions within Government Code Section 56000 et seq.

3. **ALTERNATIVE FUNDING FORMULA** *(Adopted by Special District Vote July 2002; Amended by Special District Vote March 2, 2010)*

Pursuant to authority provided by Government Code Section 56381, the Independent Special Districts, by majority vote, have determined an Alternative Funding Formula to the Independent Special Districts' mandatory share of the LAFCO net operating costs as follows:

- A. Healthcare (Hospital) Districts shall be limited to payment of \$1,500 regardless of Total Revenue.
- B. Those districts with Total Revenue of more than \$50,000,000 shall pay \$30,000.
- C. Those districts with Total Revenue of between \$20,000,000 to \$50,000,000 shall pay \$20,000.
- D. Those districts with Total Revenue of between \$5,000,000 to \$20,000,000 shall pay \$10,000.

- E. Those districts with Total Revenue of between \$2,000,000 to \$5,000,000 shall contribute an amount not to exceed \$5,000.
- F. Those districts with Total Revenue of less than \$2,000,000 shall be apportioned an amount to be determined by the ratio of each district's Total Revenue as compared to the Total Revenues whose share does not exceed \$5,000.

4. **CONVERSION TO ALL MAIL BALLOTING FOR SPECIAL DISTRICT SELECTION COMMITTEE BUSINESS** *(Adopted by Special District Vote April 2008)*

The business of the Special District Selection Committee shall be routinely conducted by mail. The procedures for such processing are outlined in Government Code Section 56332(f).

5. **SELECTION OF INDEPENDENT SPECIAL DISTRICT REPRESENTATIVES (REGULAR AND ALTERNATE) TO THE SAN BERNARDINO COUNTYWIDE OVERSIGHT BOARD** *(Adopted November 15, 2017)*

Effective July 1, 2018, the redevelopment oversight boards in each county in the State of California will be consolidated into one seven-member board (Health & Safety Code § 34179(j)). One of the members of the consolidated board "may be appointed by the independent special district selection committee established under Government Code Section 56332 for the types of special districts that are eligible to receive property tax revenues pursuant to the redevelopment agency (RDA) dissolution law. The Auditor-Controller/Treasurer/Tax Collector for San Bernardino County has requested that such representatives (regular and alternate) be selected.

Only the agencies that receive RDA funding are deemed eligible agencies for the purposes of appointing a special district representative and alternate to the countywide redevelopment oversight board per Health and Safety Code Section 34179(j)(3) and must be members of the Special Districts Selection Committee for San Bernardino County per Government Code Section 56332. In addition, eligibility requires special districts that have territory in the territorial jurisdiction of a former RDA and are eligible to receive property tax residual for the Redevelopment Property Tax Trust Fund (RPTTF) may serve on the new Oversight Board. In San Bernardino County, the committee members for the RPTTF-qualifying districts are:

- Apple Valley Fire Protection District
- Barstow Cemetery District
- Bear Valley Community Health Care
- Big Bear Airport District
- Big Bear Municipal Water District

Chino Basin Water Conservation District
Chino Valley Independent FPD
Crestline-Lake Arrowhead Water Agency
Hesperia Park and Recreation District
Hi-Desert Water District
Inland Empire Resource Conservation
Inland Empire Utilities Agency
Lake Arrowhead Community Services District
Mojave Desert Resource Conservation District
Mojave Water Agency
Monte Vista County Water District
Morongo Basin Healthcare District (formerly known as the Hi-Desert Memorial Hospital District)
San Bernardino Valley Water Conservation District
San Bernardino Mountains Community Healthcare District
San Bernardino Valley Municipal Water District
Twentynine Palms Public Cemetery District
West Valley Water District
Yucaipa Valley Water District

The San Bernardino LAFCO Executive Officer is responsible for conducting the business of the Special Districts Selection Committee for the RPTTF-qualifying appointment and pursuant to local procedures the committee's business shall be conducted by mail to nominate and appoint a representative and alternate. Elections by mail shall be conducted in accordance with Government Code Section 56332(f). The independent special district members appointed to the consolidated redevelopment oversight board shall be appointed by a majority of those RPTTF-qualifying committee members voting once a quorum has been established. The terms of office for regular and alternate committee members shall be staggered by action of the Oversight Board following its reorganization in July 2018.