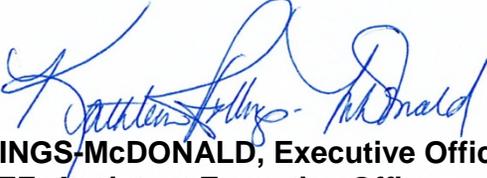


# LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

215 North D Street, Suite 204, San Bernardino, CA 92415-0490  
(909) 383-9900 • Fax (909) 383-9901  
E-MAIL: lafco@lafco.sbcounty.gov  
www.sbclafco.org

---

**DATE:** MARCH 10, 2014   
**FROM:** KATHLEEN ROLLINGS-McDONALD, Executive Officer  
SAMUEL MARTINEZ, Assistant Executive Officer  
**TO:** LOCAL AGENCY FORMATION COMMISSION

---

**SUBJECT:** AGENDA ITEM #4 – Consideration of Request for Reduction in Filing Fees Submitted by the County of San Bernardino for LAFCO 3179 – Sphere of Influence Expansion for County Service Area 54 (streetlights) and LAFCO 3180 -- Reorganization to Include Annexations to County Service Area 54, Detachment from County Service Area SL-1 and Dissolution of County Service Areas 73 and 53 Zone A

---

## **RECOMMENDATION:**

Staff recommends that the Commission modify the County's request for reduced application fees/deposits for LAFCOs 3179 and 3180 totaling \$15,400. The following is a breakdown of the fees/deposits:

a. LAFCO 3179 Sphere of Influence Amendment Proposal (single area)	\$5,000
b. LAFCO 3180 Reorganization Proposal (single area)	\$7,500
c. Legal Counsel Deposit	\$1,150
d. Environmental Review Deposit	\$ 750
e. Deposit for Display Ad in lieu of Individual Notice	\$1,000
<b>TOTAL</b>	<b>\$15,400</b>

## **BACKGROUND:**

On January 29, 2014, the County submitted two concurrent proposals for a sphere of influence amendment (expansion) for County Service Area (CSA) 54 (LAFCO 3179) and a reorganization that includes annexations to CSA 54, a detachment from CSA SL-1, and dissolutions of CSAs 73 and 53 Zone A (LAFCO 3180).

Included in the County's application was a letter requesting a reduction and a waiver of filing fees (see attached letter from Ms. Pamela Vandervoort, Regional Manager for the Special

Districts Department). Specifically, the County is requesting a waiver of the sphere of influence amendment fee and a reduction of its reorganization fee to a single charge for the whole reorganization proposal in addition to payment of all applicable deposits. The total fees/deposits the County paid at the time the proposals were submitted was \$10,400. The following provides a breakdown of amount submitted:

• Reorganization Proposal	\$7,500
• Legal Counsel Deposit	\$1,150
• Environmental Review Deposit	\$750
• Deposit for Display Ad in lieu of Individual Notice	\$1,000
<b>TOTAL</b>	<b>\$10,400</b>

However, based on the Commission’s adopted fee schedule, the total filing fee for the sphere change and reorganization would total \$65,205. The breakdown below shows all the required fees/deposits for both the sphere of influence amendment and the reorganization proposals:

**LAFCO Filing Fees**

a. Sphere of Influence Amendment ( <i>assessed by area</i> )	
• Sphere Expansion - Hilltop community	\$5,000
• Sphere Expansion - Bear Valley community	\$5,000
b. Reorganization ( <i>assessed by area and size of area</i> )	
• Area 1 - SL-1 Lake Arrowhead (8 ac.)	\$5,000
• Area 2 - CSA 73 (429 ac.)	\$7,500
Additional Fee (\$1 per acre over 275 ac.)	\$154
• Area 3 - CSA 53A (5,925 ac.)	\$7,500
Additional Fee (\$1 per acre over 275 ac.)	\$5,650
• Area 4 - CSA 53A (1,776 ac.)	\$7,500
Additional Fee (\$1 per acre over 275 ac.)	\$1,501
• Area 5 – CSA 53A (157 ac.)	\$7,500
• Dissolution of CSA 73 ( <i>flat fee</i> )	\$5,000
• Dissolution CSA 53A ( <i>flat fee</i> )	\$5,000

**Required Deposits**

c. Legal Counsel	\$1,150
d. Environmental Review	\$750
e. Display Ad in lieu of Individual Notice	\$1,000
<b>TOTAL</b>	<b>\$65,205</b>

In discussions with County Special Districts’ staff prior to the initiation of these proposals, LAFCO staff provided a breakdown of all the fees required for the two proposals. The staff’s original quote provided to the County overlooked two additional fees -- fees for the three separate areas for CSA 53 Zone A reorganization and an additional sphere amendment fee based on the two separate sphere expansion areas, which resulted in an increase from \$40,367 (original quote) to the new overall total of \$65,205.

Nonetheless, because the sphere of influence amendment and reorganization proposals relate to a single purpose entity, and since these proposals have been initiated in order to consolidate streetlighting services within the entire mountain region into a single county service area to reduce indirect costs and continue to provide this service, LAFCO staff supports reducing the fees, just not to the amount requested by the County.

It is the staff's position that the reorganization fee encompassing the five separate areas and the dissolution fees for the two districts, CSAs 73 and 53 Zone A, can be combined into a single reorganization fee along with all the required deposits. However, because the sphere of influence expansion proposal triggers a service review for CSA 54, as required by Government Code Section 56430, staff is recommending adding a single sphere of influence amendment fee to the overall application fees.

Therefore, staff supports the request for reduction in filing fees/deposits for a total of \$15,400 -- \$5,000 more than the County's request.

The staff will be happy to answer any questions of the Commission prior to or at the hearing.

KRM/sm

Attachment

1. [Letter Dated January 29, 2014 from the County's Special Districts Department](#)
2. [Maps of the Sphere of Influence Expansion and the Reorganization Proposals](#)