

The Sphere:

JOURNAL OF THE CALIFORNIA ASSOCIATION OF LOCAL AGENCY FORMATION COMMISSIONS

Local Fire Districts
Call For Action

One Agreement
That Still Delivers

Commissioner's Toolkit

October 2026

CALAFCO Publication | CALAFCO.org

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Monterey, CA



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The Chair's Corner

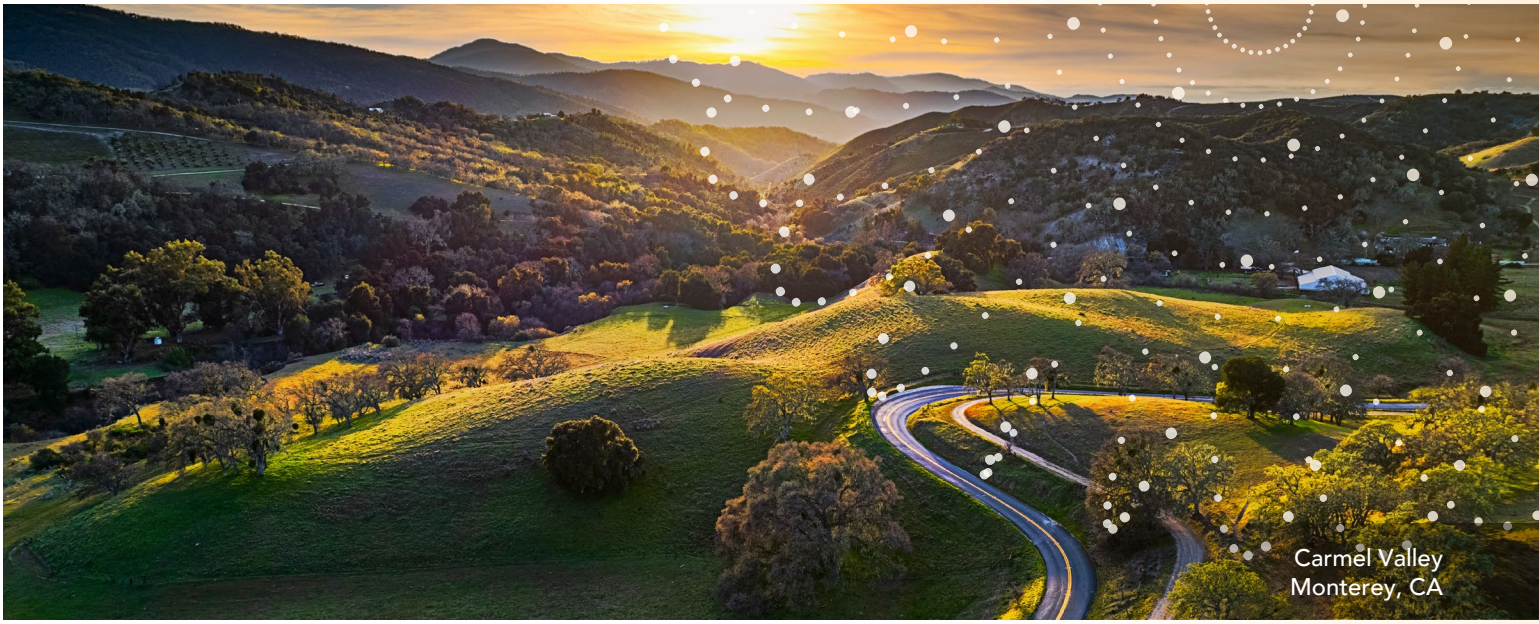
Shared Purpose, Stronger Communities

By Wendy Root Askew, Monterey County Supervisor, Monterey County District 4, CALAFCO Chair

Most people don't spend their days thinking about city boundaries, special districts, spheres of influence, or municipal service reviews. They simply count on clean water flowing from their taps, reliable roads, and emergency services when they need them. Behind these everyday essentials is the important work of local government. What I value most about public service is knowing that much of our work happens behind the scenes, yet its impact is felt in the everyday lives of those we serve.

Across California, LAFCOs help communities grow intentionally, not simply bigger, but better. We protect farmland and open space, discourage inefficient sprawl, encourage responsible development, and promote efficient, sustainable public services. Our work may not always make headlines, but the decisions we make have a lasting impact on the communities we serve.

Of course, no two counties face the same challenges. A rural county addressing wildfire risk has different needs than an urban county navigating housing and development pressures.



Carmel Valley
Monterey, CA

Yet we all benefit from sharing experiences and learning from one another. This is where CALAFCO plays such an important role.

CALAFCO is more than an annual conference. It is a statewide professional community where commissioners, executive officers, staff, and counsel come together to exchange ideas, navigate challenges, mentor colleagues, and advance effective local governance. These connections help us better serve our individual communities while working toward a shared purpose.

> **That spirit of collaboration has been especially evident this year.**

As Chair, I've been encouraged not only by what we've accomplished, but also by how we've accomplished it.

Over the past year, we've modernized our governance, expanded educational opportunities through CALAFCO University, hosted a well-attended staff workshop, strengthened legislative engagement, launched a successful mentorship program, and continued important conversations about our organization's long-term sustainability. Each of these efforts reflects thoughtful progress guided by the voices of our members.

Since its founding in 1971, CALAFCO has been built on partnership and trust. More than five decades later, those values remain at the heart of our organization, guiding how we listen, collaborate, and move forward together.

As we gather for this year's Annual Conference, we have much to celebrate and important work ahead. We'll complete our governance improvements, continue enhancing communications and educational programs, and focus on maintaining a financially strong organization that remains responsive to the needs of every member agency.



Equally important is the opportunity to connect with one another. Every conversation, mentoring partnership, and shared lesson adds to our collective knowledge and ability to serve Californians. Each LAFCO, large or small, urban or rural, brings valuable experience and a perspective worth hearing.

I hope to personally thank you for the time, expertise, and dedication you bring to CALAFCO. Your commitment to public service and to one another is what makes this organization strong.

I look forward to all we will accomplish together and to continuing the important work that makes a difference in communities across California.



A Career I Didn't See Coming

By Michelle McIntyre, CALAFCO Executive Director

When I started at LAFCO as a clerk, I was focused on doing my job well and keeping an eye on what might come next. I had no idea I was taking the first step in a career I would come to love.

Each new role, from clerk to analyst and eventually Executive Officer, gave me a wider view of the work. The more I learned, the more invested I became. What I once saw as a narrow specialty turned out to be a field full of variety, challenge, and purpose.

> **Somewhere along the way, I fell in love with LAFCO.**

It happened gradually, through the projects, the problem-solving, and above all the people. LAFCO work touches nearly every corner of local government, and the colleagues I met across the state showed me how much depth and opportunity this field holds.

As an Executive Officer, one of my favorite parts of the job was making LAFCO understandable and relatable. My goal was for someone who knew nothing about us to see our materials and think, "That looks interesting. I'd like to learn more."

That meant paying close attention to how we presented ourselves. We asked whether information was easy to find, whether someone new could follow it without knowing our terminology, and whether our materials felt welcoming and professional. Each improvement gave people a new reason to stop and take a look.



Along the way, I discovered the value of simple graphics, clear writing, and consistent design. I loved creating materials that were both educational and beautiful, because good design invites people into information they might otherwise pass by.

I am excited to bring that same approach to CALAFCO.

Our recent website work is already making CALAFCO's resources easier to find and use. The Member Hub gives members a clear place to start. The Commissioner's Toolkit brings key resources together, and a Staff Toolkit will extend that same support to the clerks, analysts, and Executive Officers who keep our agencies running. Our communications work with CV Strategies shares the same goal: helping people find, understand, and use everything CALAFCO has to offer.

These improvements open doors. A new commissioner can find a confident starting point. A clerk or analyst can access tools that help them learn and grow. Someone outside our agencies can see why LAFCO matters from their very first visit.

Looking ahead, I see real opportunities for CALAFCO to support members across the full range of running an agency. My master's degree in public administration is a part of my background I look forward to drawing on. LAFCO colleagues have shared how much of their work involves budgets, personnel, and office operations, often with lean teams that accomplish a great deal.

> **CALAFCO is well positioned to help. By listening to members, we can shape education, shared resources, and peer connections that strengthen LAFCOs of every size.**

Today, some of my most rewarding work is creating opportunities for others to discover LAFCO, both inside and outside our agencies. I also keep learning, which is one of the things I value most about this field.

My path into LAFCO was a happy surprise. My hope now is to help the next generation see the possibilities from the start. When CALAFCO makes the work easier to understand, helps people feel supported, and gives them room to grow, we build a stronger future for LAFCOs across California. I am proud to be part of it.



Partners in Progress

Local Fire Districts Call for Action

To Address Funding Shortfalls



Fire protection districts and LAFCOs have a long and important relationship in California's local government structure. Because LAFCOs oversee the boundaries, formation, consolidation, and service areas of local fire protection districts, the two parties may not always approach issues from the same perspective. However, they share a fundamental goal: ensuring the consistent delivery of high-quality local government services to countywide constituents. Adequate and stable funding is essential to making that goal possible.

Fire districts are represented statewide through the Fire Districts Association of California (FDAC). After years of discussion about increased service demands on fire protection districts and the lack of corresponding funding growth, FDAC researched and released ***Fighting Fire with Funding: The Urgent Need for Adequate Fire Service Resources in California***, a white paper that outlines the challenges facing local fire service agencies.

The white paper identifies four key issues affecting fire protection districts: increased service demands, rising costs, funding shortfalls, and the resulting impact on service delivery. It also provides background on the history of fire protection districts and their funding, policy changes that have affected districts, and ongoing funding and cost-recovery challenges. The paper calls on the Governor and Legislature to address California's fire services funding shortfall.

Fire protection district representatives have been reaching out to legislators in Sacramento and district offices to advocate for adequate funding, which is crucial to maintaining a safe and effective emergency response system for all Californians and securing the future of the state's fire service.

The California Special Districts Association, California Volunteer & Combination Fire Chiefs Association, League of California Cities, and California Fire Chiefs Association have all endorsed the white paper and its call to action, underscoring broad statewide support for securing adequate funding for local fire protection districts.



> **With a shared commitment to high-quality local government services, county LAFCOs are well positioned to support advocacy for adequate and stable funding for local fire protection districts.**

Funding levels must keep pace with the increased demands on today's emergency response system so fire protection districts can continue to protect and serve California communities.

For more information on local fire service funding efforts, please email staff@fdac.org or visit www.fdac.org.

One Agreement That Still Delivers

Three Southern California Parties Working Together For Decades



By Tom Coleman, General Manager, Rowland Water District

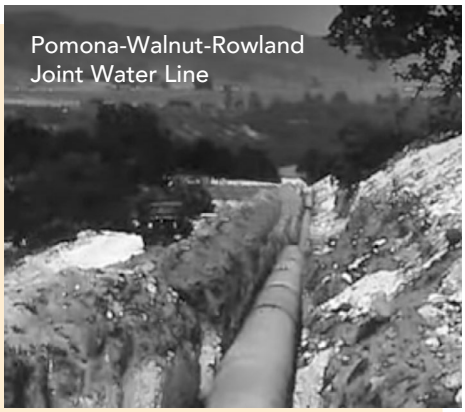
Rowland Water District, Walnut Valley Water District, and the City of Pomona share the pipeline that keeps water flowing to a growing region

When Walnut Valley Water District, Rowland Water District, and the City of Pomona broke ground on a shared pipeline in 1955, each party faced the same problem. Local groundwater was limited, imported water was available, and the cost of building transmission capacity alone was steep for all three. Their answer was the Pomona-Walnut-Rowland Joint Water Line Commission, formalized under a Joint Powers Agreement in 1956 and still in service today.

The line runs 7.6 miles and varies from 42 to 54 inches in diameter. It carries water purchased from the Metropolitan Water District of Southern California through Three Valleys Municipal Water District to three service areas that would each have needed their own transmission capacity to reach the same supply. Those service areas now hold roughly 70,000 connections serving close to 300,000 residents and businesses, with 13,500 connections in Rowland, 27,000 in Walnut Valley, and 30,000 in Pomona. For many years the line served as Walnut Valley's primary source. Completion of the Badillo/Grand Transmission Main in 1993 added a second route into the area, giving the region an alternative during outages and seismic events. Redundancy of that kind comes from planning across boundaries rather than within them.

The governance has proven as durable as the pipe. The Joint Water Line Commission seats three members, one appointed by the governing body of each member, and officers rotate annually. Administrative duties are divided between the districts, with Walnut Valley providing the commission's administrative officer and secretary and Rowland Water District Director of Finance Myra Malner serving as treasurer. The commission adopts its own operating budget, and water purchases are allocated among the three.

In December 2006, the parties amended and renewed the agreement for twenty years, with three ten-year extensions available by consent of all three. Parties that have jointly run a capital asset for seven decades tend to know what they are signing. ***"Agreements like this one are how local agencies get large infrastructure built. Each party carries a share of the cost and each party gets a share of the reliability. That's the definition of win-win,"*** said Rowland Water District General Manager Tom Coleman.



Pomona-Walnut-Rowland Joint Water Line

The relationship extends past the pipeline. Rowland and Walnut Valley also jointly govern the Puente Basin Water Agency, a separate joint powers authority focused on local, imported, and recycled supply within the basin, and several directors serve on both bodies. That overlap builds familiarity, and familiarity shortens the distance between a problem and a decision.



Through all of it, service boundaries stayed the same. Each party kept its identity, its governing body, and its accountability to its own ratepayers. What changed was the cost and the reliability of the water moving through the ground beneath all three service areas. For commissioners evaluating municipal service reviews, that combination offers a useful reference point. Shared infrastructure, governed by a durable agreement with clear cost allocation and rotating leadership, can deliver much of what consolidation promises while preserving local representation. It also produces something harder to measure on a spreadsheet, because officials who meet as commissioners of the same pipeline develop working relationships that carry into drought response, rate discussions, and regional advocacy.

Seventy years later, the pipeline is still doing the job it was built to do. So is the partnership behind it.





Collaboration Wins Again

Joint Compliance Project Marks Another Success of Agencies Working Together

By Orchard Dale Water District and La Habra Heights County Water District

New state and federal regulations can be an enormous challenge for local agencies. Whether these impose small updates to reporting requirements or significant operational changes, complying with new requirements will often impact services and finances. Finding solutions that meet current and future needs, without straining the families and businesses they serve, quickly becomes a daunting task.

Water providers are one prominent example of agencies across California struggling financially to comply with new regulations. Designed to protect public health, lower allowances for constituents such as hexavalent chromium (chrome-6) and per- and polyfluoroalkyl substances (PFAS) in water come at high costs. Treatment system costs can range from a few million to more than $100 million, depending on system size and the levels of constituents in water supplies. Rather than facing these challenges alone, many local agencies are actively working with one another on collaborative approaches. Two neighboring agencies in Los Angeles County, Orchard Dale Water District (ODWD) and La Habra Heights County Water District (LHHCWD), have worked closely together for more than half a century due to their unusual and connected histories.

Both agencies began as mutual water companies in the early 20th century. By the 1950s, Orchard Dale Service Company, as it was known, found itself unable to invest in expanding its system to accommodate demand as residential development expanded. Residents voted to form a water district, but the existing well infrastructure remained with the mutual company's owners. They shifted those to the other mutual water company they owned, La Habra Heights Mutual Water Company. To ensure continuity, the two water providers formalized that arrangement with a Joint Facilities Agreement (JFA).

The unusual arrangement resulted in two separate agencies serving their own areas, with La Habra Heights County Water District maintaining its system and wells that would also meet the water needs of Orchard Dale Water District. The JFA provides ODWD with perpetual water rights from LHHCWD at its Gualtieri Reservoir, with Orchard Dale Water District paying its proportionate share of operating and maintenance costs for groundwater pumped from La Habra Heights County Water District wells. ***"The agreement between our two districts may seem a little unusual when you first look at it, but it really benefits both sides,"*** said La Habra Heights County Water District General Manager Joe Matthews. ***"From our perspective, we have someone who helps cover a good portion of our expenses, while they receive a steady water supply from us at a reasonable cost."***

This sentiment is shared on both sides. ***"The only people who question the Joint Facilities Agreement are those who don't fully understand it,"*** said Orchard Dale Water District General Manager Ed Castaneda. ***"The families and businesses that depend on us come out ahead. We save on costs for their water supply and infrastructure, plus a lot of overhead. They spend less money on water bills, leaving more money for themselves"***

The true reason the arrangement works is that every level recognizes the value of working together. From the two Boards of Directors to management and staff, there's a strong and valued connection between the two agencies. When there are questions about strategies or approaches, each organization knows there's a friendly, helpful voice just a phone call away. The partnership worked on a day-to-day basis, but the true test comes when facing more significant, long-term issues.

In the past several years, tighter standards for the amount of PFAS allowed in drinking water have been lowered significantly due to potential health concerns in high concentrations. While these substances are widely used in our lives in everything from stain-proofing, water-resistant clothing, and non-stick pans to fast-food wrappers and to-go containers for food, water providers are the ones required to remove them. The options to meet the new compliance goals are all costly, challenging and time-consuming. There's no simple answer when choosing a solution that provides the best long-term benefits.

"Our staff and board have spent years researching options that range from blending water with uncontaminated sources to reduce overall levels, drilling new wells, importing water and various treatment options," said Matthews. ***"Unfortunately, we're looking at constructing treatment systems that will cost millions up front, plus ongoing expenses to increase staff and operate those facilities."***

Since La Habra Heights County Water District and Orchard Dale Water District can use a shared well water production and distribution system, capital improvement projects such as PFAS treatment also fall under the JFA. LHHCWD is required to consult with ODWD and offer the agency the option to participate in capital improvement projects. If a joint project moves forward, ODWD would then be responsible for funding approximately 1/3 of the costs.

With a project this significant, both districts are working together. While both districts have a connection with the Metropolitan Water District of Southern California, imported water is considerably more expensive than well water, making treatment a better option for both agencies. The collaboration has benefited both districts as they review options. Because the JFA brings them together, LHHCWD and ODWD split costs for consultants and engineering proportionally while evaluating options. Even after they eliminated the ideas of new wells or water blending, additional work was required to determine which treatment option would be best overall. Another round of engineering reports examined space and cost considerations to determine which of three types of technology would be used.



La Habra Heights County Water District and Orchard Dale Water District are two of many providers dealing with PFAS regulation compliance. Other agencies have already faced this challenge, and LHHCWD and ODWD are turning to some of them for insight and advice.

Pico Water District was among the first agencies in Southern California to address high PFAS levels, eventually installing three treatment systems. Matthews has spoken frequently with management and staff there for insight. ***"We really learned a lot going through the process, including adjustments made to our first facility that sped up the process to get the second and third ones up and running with state approval,"*** said Pico Water District General Manager Joe Basulto. ***"We are pleased to share what we have learned because, ultimately, we share the same responsibility of protecting public health and providing every customer with safe, reliable drinking water."***

The PFAS facilities for LHHCWD and ODWD are still in progress, and a big question remains about financing. Settlement funds were granted from a national class action lawsuit against PFAS manufacturers, which will go toward their respective shares. They are pursuing state and federal grants to help offset capital costs. They are also negotiating with another local agency, the Water Replenishment District of Southern California (WRD), which uses recycled water to recharge the basins that feed groundwater wells across Los Angeles County. WRD offers a remediation program to help cover expenses related to PFAS treatment.

Over the years, and especially as they deal with PFAS, Orchard Dale Water District and La Habra Heights County Water District have recognized the value of working together and with other local agencies, which truly benefits the customers they serve. And they wouldn't have it any other way.

"Even if we weren't connected through the JFA, we would still be working together with La Habra Heights," said Castaneda. ***"It just makes sense for both of us."***

"At the end of the day, this is a win-win situation for the customers we both serve," added Matthews. ***"You can't beat that."***





Elevating LAFCO

A Design Odyssey with Chase Design

By Chase Design

LAFCOs do complex work, and communicating that work clearly is not always easy. From agency identity and websites to reports, maps, and fiscal information, thoughtful design can help make information more approachable and accessible to commissioners, agencies, and the public. Our work with LAFCOs across California has offered a unique look at how different agencies are using design to reflect the communities they serve and tell their stories.

Igniting the Spark

In 2017, San Diego LAFCO embarked on a mission to redefine its identity, and Chase Design was enlisted to infuse the essence of San Diego County into its logo. Drawing inspiration from the majestic Palomar mountain range, the vibrant hues of birds of paradise, the iconic downtown cityscape, and the tranquility of the ocean, we blended these elements into a design that captured San Diego's natural beauty and urban vitality. The logo redesign also provided an opportunity to carry that visual identity into San Diego LAFCO's print materials and communications, creating a consistent and recognizable presence for the agency.

A Splash of Tradition

Orange County LAFCO approached its identity with a different vision, centered on simplicity and a strong sense of place. An abstract orange silhouette paired with the waves of the Pacific Ocean created a visual identity distinctly tied to Orange County. From there, Orange County LAFCO turned its attention to its digital presence. Its website, the virtual gateway to its services and resources, needed to balance functionality and aesthetics. Months of collaboration, brainstorming, and fine-tuning resulted in a clean and modern website with streamlined navigation designed to make LAFCO information easier for visitors to find and explore.

Charting New Waters

For Santa Cruz LAFCO, a website redesign offered an opportunity to bring a breath of fresh air to the agency's digital presence. Local imagery, clear navigation, and an approachable visual style helped connect the website to the community and landscape it represents while keeping information and resources easy to navigate.

Sealing the Deal with Style

Alameda LAFCO presented yet another opportunity to create an identity rooted in place. Inspired by the allure of art deco and the tapestry of Alameda's landscape, we crafted a seal-style logo that reflected both the character of the region and the role of the agency. Each of these projects presented a different community and a different challenge. Rather than taking a one-size-fits-all approach, the process began with the place itself, its landscape, character, history, and the identity each LAFCO wanted to convey.

Sharing Insights, Shaping Futures

Visual communication can also help LAFCOs present complex information in more approachable ways. At the 2024 CALAFCO Annual Conference, Chase Design presented the Fiscal Indicators developed for Orange County LAFCO, a tool designed to help communicate information about agencies' fiscal health. From fiscal data and maps to reports and websites, how information is presented can play an important role in helping commissioners, agencies, and the public understand the issues before them.

What the Future Holds Beyond Horizons

As we look toward the horizon, these experiences demonstrate the many ways design can help tell the story of an agency and the community it serves. No two LAFCOs, or counties, are exactly alike.

Each has its own landscape, history, challenges, and character. Whether through a logo, website, publication, or data visualization, thoughtful design can help reflect that individuality while making the work of LAFCO more recognizable and accessible.

A Love Letter To CALAFCO

By Amanda Ross, Principal, South Fork Consulting & CivicBound



My first CALAFCO Annual Conference was in 2022 in Newport Beach. After years of working as an analyst on service reviews and sphere updates, I had recently taken the plunge and started my own firm, landing our first LAFCO client the previous year. My mentor encouraged me to attend conferences, network, and learn more about the LAFCO profession. I flew in alone from Sacramento, knowing only one commissioner and one Executive Officer (EO) from El Dorado County. This was the third conference I had ever attended as a city planning professional and I was a little nervous.

Taking the hotel shuttle from the airport, I saw a few others who appeared to be going to the conference as well. Most were traveling in groups, I'm assuming staff and commissioners together. I was too nervous to introduce myself and strike up a conversation. Once I got to the conference I checked in and went to the conference opening. Little did I know I was about to become part of such a tight-knit community of kind and caring professionals. I will never forget my first general session. Not because of the speakers or the topic, I honestly can't remember either. What sticks in my memory is an interaction that occurred between Paul Novack, the EO from Los Angeles LAFCO, and Christine Crawford, the EO from Yolo LAFCO. They happened to be sitting near each other. Paul made a funny, sarcastic comment to the group during Q&A and while we all chuckled, Christine gave him a playful punch on his shoulder.

> **That moment spoke volumes to me and highlighted the magic of this organization and its people.**

Two executive officers from opposite sides of the state who probably only see each other twice a year at the annual and staff conferences were not just professional colleagues, but friends. This magical interaction was not a one off. As I've grown in my professional capacity in the LAFCO world and met more and more of the people who operate within its sphere (haha, see what I did there?), I am constantly blown away by the professionalism and friendships that have grown from each and every workshop and conference I've attended. These relationships cross counties and the state and remain strong each year. I see new friendships grow between conferences, all of us sharing in our common passion for reducing urban sprawl, protecting open space and agricultural lands, and supporting our local agencies and communities. Commissioners show me again and again how much commitment and care they bring to their LAFCO responsibilities. Many come with open minds and hearts, willing to roll up their sleeves and join in this important work.

I've often heard CALAFCO described as one big family, and I believe that to be true. Like any family, we've experienced our share of challenges and disagreements in recent years. Some of those differences have led members to sit things out, but the connections we've built over the years remain meaningful. I'm writing this letter because I believe the magic is still there. The purpose and mission of CALAFCO are all the more important to all of the work each LAFCO does throughout the state. We are all professionals and friends, and we are all in this together. I'm excited to welcome my friends and colleagues to my hometown of Sacramento, and I hope you enjoy your visit to our beautiful state capital.

With professional grace and endearing friendship,
Amanda

South Fork
CONSULTING



Sutters Fort
Historic Park
Sacramento, CA



Donnell Lake
Tuolumne County, CA

Partnering with LAFCOs

Through Representation

By Dane Wadle, CSDA Director of Field Operations

One of CSDA's priorities is to help special districts secure local agency formation commission (LAFCO) representation throughout California. Currently, 32 of California's 58 LAFCOs include special district representatives. The benefits of securing representation are significant. When represented, special districts serve on this regional body as co-equal partners with their county and city peers. Special districts bring their expertise as direct service providers and their focus on local infrastructure to commission discussions. District leaders appointed to LAFCO participate in decisions governing boundary changes, consolidations, annexations, formations, dissolutions, service extensions, and other LAFCO actions of critical importance to the communities special districts serve.



In 2017, the process for seating district representatives was streamlined through legislation co-sponsored by the California Special Districts Association and the California Association of Local Agency Formation Commissions. Assembly Bill 979, authored by Assembly Member Tom Lackey, simplified the process by allowing special districts to call a vote for representation upon the written request of one or more districts collectively representing 10 percent or more of the county's taxable property assessed value.



Groveland,
Tuolumne County, CA

After the request is submitted, the LAFCO executive officer conducts a vote of the independent special districts selection committee. If a majority of committee members support representation, districts are seated on the commission.

CSDA has helped special districts in two counties secure LAFCO representation in recent years. In 2020, Tuolumne County districts joined LAFCO under the AB 979 process.

Two years later, in 2022, Alpine County districts joined the Commission. District leaders bring their unique perspectives to commission discussions, which frequently focus on special district services and governance.

> **Moreover, district commissioners provide a channel for additional connectivity, communication, and collaboration with their peers throughout the county.**

Another benefit of special district representation on LAFCO is the diversification and resilience it adds to LAFCO's budget. When special districts opt in to representation, they agree to pay a portion of the LAFCO dues shared by the county and cities.

The default special district dues share is one-third. However, because special districts in most counties receive far less than one-third of local revenues, LAFCOs frequently negotiate a more equitable arrangement that requires a smaller but still significant special district contribution.

Any new LAFCO dues either provide additional funding to LAFCO or help spread costs, benefiting all local governments.

Representation discussions are underway in other counties following the successful efforts in Tuolumne and Alpine. CSDA is ready to partner with LAFCOs and district leaders to facilitate these discussions.

Even if special districts do not anticipate an organizational or boundary change in the immediate future, LAFCOs are important partners and conveners that regularly engage independent special districts through responsibilities such as preparing and approving spheres of influence and conducting municipal service reviews.

CSDA
California Special Districts Association
Districts Stronger Together

The seating of special districts on LAFCO demonstrates that special districts can effectively collaborate with their fellow local government leaders and enhances the stature of LAFCOs as the appropriate forum to review and oversee the questions that inevitably arise between two or more public agency service providers at the local level.

Absent a local process that gives special districts a seat at the table and affords residents a meaningful voice, the State Legislature will often fill the void.

> **CSDA thanks CALAFCO and local LAFCOs for their ongoing partnership in helping special districts in every county achieve LAFCO representation.**


Historic Downtown Courthouse
Sonora, CA



Working Across Boundaries

FRMS Joins CALAFCO to Strengthen California Communities

By Kimberly Naucler, Executive Director, Fire Risk Management Services (FRMS)

In 2026, Fire Risk Management Services (FRMS) proudly joined the California Association of Local Agency Formation Commissions (CALAFCO). As an organization serving emergency service agencies throughout California, we recognize CALAFCO's important role in shaping the future of local governance, promoting efficient service delivery, and supporting thoughtful approaches to jurisdictional changes and consolidations.

Our decision to become a CALAFCO member reflects our commitment to understanding and participating in the important work the organization undertakes on behalf of California communities. FRMS serves agencies statewide, and many of our members are directly affected by annexations, reorganizations, consolidations, and other changes to local government structure. By engaging with CALAFCO, we can better support our members as they navigate these transitions while continuing to deliver essential public services.

As a first responder-focused organization, FRMS understands a fundamental truth: fire has no boundaries. Emergencies do not stop at city limits, district lines, or county borders. The fire service has long embraced mutual aid and collaboration because protecting lives, property, and communities requires agencies to work together. This philosophy closely aligns with CALAFCO's mission to encourage efficient government services and foster solutions that benefit all Californians.

FRMS is a California Joint Powers Authority (JPA) and a member-directed risk-sharing pool serving the fire and emergency service community. The organization was formed by consolidating two long-standing entities: the Fire Districts Association of California Employee

Benefits Authority (FDAC EBA) and the Fire Agencies Self Insurance System (FASIS). The consolidation and governing JPA framework took effect on July 1, 2023, creating a stronger, more comprehensive organization dedicated to serving public agencies throughout California.

Today, FRMS provides multi-line coverage solutions, including employee health benefits and workers' compensation programs, to eligible public agencies. The consolidation was designed to deliver long-term rate stability, broad coverage options, and expanded services for members. Through our partnership with Sedgwick, which manages day-to-day JPA administration, we remain focused on delivering responsive service and innovative risk management solutions.

The FRMS Board of Directors comprises experienced firefighting professionals working on behalf of California's emergency services community.

Beyond traditional insurance and risk-sharing services, FRMS is committed to supporting the health and well-being of firefighters and emergency personnel who serve our communities.

We recognize that the risks facing today's fire service extend far beyond emergency incidents. That is why we are taking a proactive approach to preventing injuries and illnesses through innovative programs that address some of the profession's most significant health challenges.

Among these efforts is our comprehensive Cancer, Cardiac, and Mental Health Screening Program. Firefighters face elevated risks of occupational cancer exposure, cardiovascular disease, and the mental and emotional effects of emergency response work.

Rather than simply responding to claims after an injury or illness, FRMS focuses on helping agencies identify risks early, support employee wellness, and improve long-term outcomes for first responders. These forward-thinking initiatives demonstrate our commitment to prevention, resilience, and workforce sustainability.

As California continues to evolve, the fire service must remain adaptable and collaborative. Consolidations, regional partnerships, and innovative governance models will continue to shape how emergency services are delivered.

FRMS is committed to active participation in these conversations, bringing the unique perspective of a statewide fire service risk pool to discussions on organizational effectiveness and community protection.

We look forward to working with CALAFCO members and stakeholders across California.

> **Together, we can strengthen local agencies, promote responsible stewardship of public resources, and ensure that communities receive the high-quality services they deserve.**

By embracing collaboration and looking beyond traditional boundaries, we can build a safer, healthier, and more resilient California for all.

Kimberly Naucler is the Executive Director of Fire Risk Management Services (FRMS), a California Joint Powers Authority providing employee health benefits, workers' compensation, and risk management solutions to public agencies serving communities throughout California.



Bridging the Gap

How Regional Collaboration is Helping Small Water Systems Turn Grants into Results



By Lance Eckhart,General Manager, Chief Hydrogeologist,
San Gorgonio Pass Water Agency

Winning a multimillion-dollar grant should be cause for celebration. For a small water system, it can also create an entirely new problem. Contractors need to be paid. Materials need to be purchased. Construction needs to keep moving. But state grant reimbursements can take months to arrive. For a small system operating with limited reserves, that timing mismatch can put an otherwise fully funded project out of reach.

San Gorgonio Pass Water Agency (SGPWA) saw that challenge firsthand and decided to do something about it. What began as a solution for one local water provider has become a regional model that pairs technical assistance, grant support and SGPWA's revolving gap funding program to help small systems turn grant awards into projects, progress and lasting community benefits. To date, the model has helped four small water systems, supported five projects and advanced $10.8 million in gap funding assistance.

> **The premise is simple: A grant only works if a community can use it.**

Special Districts Solving Regional Challenges

For special districts, collaboration can be one of the most powerful tools available to solve problems that cross jurisdictional lines. SGPWA's gap funding program puts that principle into practice by using the capacity of a regional special district to help smaller local water providers deliver projects their communities need.



Banning Heights Mutual Water Company
New One-million-gallon Reservoir

That approach has found a strong champion in Riverside County Fifth District Supervisor Dr. Yxstian Gutierrez, who serves as Chair of Riverside LAFCO and on CALAFCO's Board of Directors. Supervisor Gutierrez has supported regional water investments that connect directly with SGPWA's collaborative approach, including securing County ARPA funding for the Heli-Hydrant network and County Line Road Recharge Basin and Turnout project. Those investments demonstrate what can happen when special districts, counties, local water providers and other public agencies align resources around a shared regional need.

A Missing Piece in the Funding Puzzle

SGPWA serves as the State Water Project contractor for a 225-square-mile area of western Riverside County. Within that service area are several small water systems, some serving rural and disadvantaged communities with limited staff and financial capacity.

In 2021, SGPWA partnered with the non-profit organization California Rural Water Association to help small water systems access the technical expertise and grant support needed to advance critical infrastructure projects. But even when grant funding is secured, another challenge can remain. Many reimbursement-based grants require the local water provider to pay contractors first and seek reimbursement afterward. A reimbursement that takes several months may be manageable for a large agency with significant reserves. For a small system, it can slow, stall, or stop construction altogether. SGPWA's Board recognized that the region needed more than help winning grants and that small systems needed a financial bridge. SGPWA first piloted its gap funding program with Cabazon Water District in 2022. SGPWA advances funds for eligible project expenses, allowing contractors to be paid and construction to continue while the system awaits state reimbursement. When reimbursement arrives, the money returns to SGPWA and can be put back to work.

That revolving structure is what makes the model powerful. The same public dollars can help move one community project forward, return to the Agency and then help move another.

Small Systems, Regional Results

The results are visible across the Pass area.

At High Valleys Water District in Twin Pines, gap funding helped replace undersized two-inch lines with eight-inch water mains in a rural, fire-prone community. Before the project, 12 customers relied on outdated infrastructure. The improvements strengthened water delivery, fire protection, and the system's ability to serve additional connections.

At Banning Heights Mutual Water Company, the model helped advance a new one-million-gallon reservoir serving 552 residents across 170 connections. The reservoir increases drinking water storage and supports SGPWA's regional Heli-Hydrant network, which gives firefighting helicopters another resource during wildfires.



County Line Road Recharge Basin and Turnout project

In South Mesa Water Company's service area, the impact reaches even further. With SGPWA's gap funding assistance, South Mesa Water Company advanced a state-funded project to replace approximately 50,229 linear feet of aging water distribution pipelines and consolidate Hillcrest Mobile Estates into its service area.

Those improvements also connect to a greater regional effort: the County Line Road Recharge Basin and Turnout project, a partnership among SGPWA, South Mesa Water Company and San Bernardino Valley Municipal Water District that will bring imported State Water Project supplies into the area for groundwater recharge. The project also illustrates how different pieces of regional investment can build on one another. Supervisor Gutierrez helped secure County ARPA funding for the County Line Road project, while SGPWA's gap funding assistance helped South Mesa Water Company advance the pipeline improvements needed to strengthen its local system.

The connection illustrates an important lesson: Helping one small system move a critical project forward can create benefits that extend far beyond its service boundaries.

Partnerships That Multiply the Impact

The gap funding program works because no single agency is expected to solve every piece of the problem. SGPWA brings regional capacity and revolving financial support. CRWA provides small-system expertise and technical assistance. State agencies provide grant funding. Local water providers build and operate the infrastructure. County and regional partners help advance complementary investments. For special districts, that model offers a practical example of regional collaboration without sacrificing local control. Smaller systems remain responsible for serving their communities, while partners contribute the financial capacity, expertise and resources that can be difficult for a small water system to maintain on its own.

> **Each partner brings something different to the table, and the community gets a stronger result because of it.**

A Model Others Can Use

California does not lack small water systems with important infrastructure needs. There are many public funding programs intended to help them. Sometimes, what is missing is the connective tissue between the two. Regional agencies are well positioned to provide this necessary collaboration and assistance to small water systems. They may have financial capacity, technical expertise, grant administration experience, or relationships that smaller providers cannot maintain on their own. Deploying those resources does not require taking over a small system or diminishing its local identity. That is where special districts can make an outsized difference. Their ability to understand local needs while working across jurisdictional boundaries can position them to connect communities with resources that might otherwise remain out of reach. The larger lesson is about collaboration. When agencies look beyond jurisdictional lines and focus on the barriers preventing a community project from moving forward, relatively simple solutions can unlock significant investment. A grant award should be the beginning of a project, not another obstacle to overcome. Sometimes the most important bridge a regional agency can build is the one between resources and results.

SAN GORGONIO PASS WATER AGENCY
Established 1961





A Life in LAFCO

Thoughts on 37 Years Advising LAFCO's

By Scott Browne, Law Offices of P. Scott Browne

> **At 75, with 37 years of experience advising LAFCOs under my belt, I felt it was time to share my perspective with the next generation of LAFCO professionals.**

I began representing LAFCOs in 1987. Things were very different then. At that time, most LAFCOs were operated by county staff as add-ons to their regular county duties. Although nominally independent, most LAFCOs were viewed as perfunctory rubber stamps for county policy.

I was retained to serve as legal counsel for Nevada LAFCO as part of the slow evolution toward LAFCO independence and agency. Nevada LAFCO was dealing with a long-overdue proposal to incorporate the town of Truckee. The County actively opposed the incorporation effort because of its perceived negative fiscal impact. County counsel, acting as legal counsel for the Commission, ruled that the city representatives had a conflict of interest and could not vote on the matter.

The City Commissioners took an emphatic exception to the ruling, resulting in a near fistfight. Subsequent review of the Cortese Knox Act showed that the conflict ruling was in error, and the Commission determined it was time to retain independent legal counsel. As one of the few private attorneys in Nevada County with CEQA and municipal law experience, I was retained to represent the Commission, a position I have had the privilege to hold to this day. And so, my life in LAFCO began.

I took to it immediately. I found the broad range of LAFCO work intellectually stimulating and enjoyed working with the LAFCO staff. I attended the CALAFCO conferences and began to make a name for myself in that small pond. I was asked to join the Legislative Committee, where Clark Alsop and I regularly sparred but more often agreed.

Paula Leasure, the part-time Butte LAFCO Executive Officer (EO), approached me at a conference about representing Butte LAFCO. I agreed and began representing Butte LAFCO as well. Under the guidance of Butte's amazing Chair and 45-year public member, Carl Leverenz, I helped them through the long, painful process of gaining independence from Butte County.

Soon thereafter, I met John Benoit. John had an established career in planning and had done some LAFCO work as planning director of Glenn County. Having left Glenn County, John had just started working for Quad Knopf. He saw a need to provide independent staffing for small North State LAFCOs. He approached me to join him so we could offer a contract staff solution for these small North State LAFCOs. We quickly took on Yuba, Colusa, and Lake County LAFCOs. I convinced John to go out on his own, and our work grew. We added Sutter, Plumas, and Modoc LAFCOs to the group I represented. Eventually, I represented nine LAFCOs.



Downtown
Chico, CA

At the same time, the LAFCO world was experiencing a game-changing event—the adoption of the Cortese-Knox-Hertzberg Local Government Reorganization Act (CKH) of 2000. It completely reorganized and rationalized the Knox-Nesbit Act. Its most fundamental change shifted LAFCO funding from the County alone to a mix of the County, cities, and, where included, special districts. This funding change gave Cities and special districts ownership in LAFCO. This changed everything. This broader ownership inevitably generated a demand for full LAFCO independence and greater agency.

The second profound change in CKH was to confirm the primacy of the Sphere of Influence as the planning tool for LAFCOs. CKH required the regular updating of Spheres and new municipal service reviews to support those updates. LAFCOs now had to do regular, extensive planning work with their agencies. This transformed most LAFCOs from episodic reactors to the occasional application to ongoing, active planners for better local government.

As I represented more LAFCOs, my involvement deepened, and my knowledge of LAFCO-related issues grew. At the same time, however, I always maintained an active private practice. I drafted contracts and represented clients in private real estate litigation, including a notable 7-month-long trial, the longest civil trial in Nevada County Court history. I also served as general counsel for public agencies, including small fire districts, cities, and CSDs, and handled extensive CEQA litigation for both private parties and public agencies.

With this broad experience, I was able to help my LAFCOs avoid reinventing the wheel in each county and many pitfalls. But it was not one-sided. In turn, the Commissioners and staff taught me as well. The Commissioners, particularly in the smaller LAFCOs, taught me by example about selfless dedication to their communities and the public interest.

The staff taught me how to maintain professional integrity and achieve the LAFCO mission while navigating the shifting sands of local politics. Most importantly, from this group I made many lifelong friends.

I look back on it all with considerable satisfaction. Yes, there have been LAFCOs ignore my advice or make poor decisions driven by the politics of the moment. Still, I believe LAFCOs have been a force for good in their communities. As one of the few local agencies serving the entire community as their constituency, they are particularly effective as impartial facilitators, helping agencies and groups work together to improve local government.

I also feel fortunate to have had the opportunity to meet so many outstanding individuals across the State through my many years of participation in CALAFCO functions. It is a small community, mostly made up of smart, quirky, and fun people. Every conference now feels like a reunion with old friends.

But fewer of my long-time friends, now the "LAFCO Dinosaurs," are at these meetings. Like them, at 75, I feel my time in LAFCO is coming to a close. Perhaps not immediately, but soon.

> **For those who come after me, I tell you, you are fighting the good fight.**

Your jobs have real meaning and positive consequences for your communities. Keep your integrity and commitment to the LAFCO mission, and after a career in LAFCO, you will look back on a life well lived, as I do.



City of Palm Springs
Crisis Communication Forum

From Strangers to a Crisis-Ready Task Force

Coachella Valley PIO Task Force

**By Jennifer Barnakian-Poland,
CV Strategies, CV PIO Task Force
Executive Committee Member**

When an emergency crosses jurisdictional lines, there should already be people on the other end of the phone who know how to work together. Effective response depends on relationships between agencies that make it easier to coordinate, work with the media and keep communities informed. Those relationships rarely happen by accident. They are built before they are needed, often by bringing people to the same table who might otherwise never have reason to meet.

In the Coachella Valley, that approach has taken root. What started as a simple conversation between two communications professionals has now grown into the Coachella Valley Public Information Officers (CV PIO) Task Force, a regional network of nearly 30 public information professionals representing cities, special districts, public safety agencies, utilities, media and other organizations.



KESQ News Channel 3
Studio Tour



City of Palm Springs
Crisis Communication Forum

The CV PIO Task Force opens the door to new connections, leading to stronger relationships and a better response when support is needed most. The concept behind forming the task force emerged from challenges experienced during two unexpected events that impacted the Coachella Valley.

In August 2023, Tropical Storm Hilary made landfall in the desert region, devastating communities and highlighting gaps in coordination as cities declared local emergencies. Less than two years later, the region faced another crisis when a domestic terrorist attack on a fertility clinic in Palm Springs left four people injured and damaged buildings across several blocks.

"When I got the call about the bombing of the fertility clinic, the blast had impacted several blocks, including a busy hospital directly across the street," explained Amy Blaisdell, Chief Communications Officer for the City of Palm Springs and Chair of the CV PIO Task Force. ***"Handling a crisis of that magnitude, you quickly realize how important it is to know who to call."***

Local government often operates within its own jurisdiction, but when unexpected events like these occur, the importance of having relationships beyond those boundaries quickly becomes clear.

Recognizing that need, CV Strategies, a local strategic communications firm, helped bring together communicators from across the Coachella Valley to create a forum where collaboration could happen intentionally.

"I've worked with public agencies across California, but when a crisis happens in your own backyard, the importance of strong regional connections becomes very real," said Erin LaCombe, CEO and Founder of CV Strategies. ***"My vision was to build a regional network where communicators could exchange ideas and establish those important relationships before the next crisis hits the Valley."***



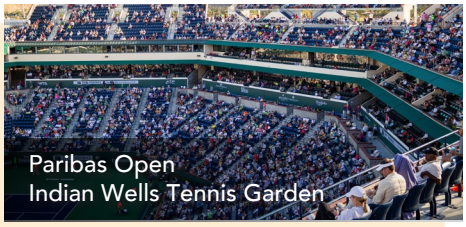
Erin LaCombe and Beatrice Eslamboly of CV Strategies, Coachella Valley Journalism Awards Reception

Reaching out was the first step, but bringing people into the same room and turning those introductions into meaningful relationships required something different. The Task Force began creating opportunities for members to step outside of their offices, visit organizations involved in emergency response and learn alongside one another.

During a recent visit to ABC affiliate KESQ-TV, more than two dozen members received a behind-the-scenes look at a local newsroom, met with broadcast professionals and watched a live television production unfold. The tour provided valuable insight into how stories are developed and delivered, while giving people from different industries a chance to connect and share perspectives. A city communicator could exchange ideas with someone from a special district. A public safety professional could hear how another agency approaches crisis communications. PIOs could talk directly with journalists about what happens on both sides of a media inquiry. But building those connections required more than in-person opportunities.

> **The CV PIO Task Force needed a way to continue those conversations after members returned to their respective agencies.**

With guidance from the Executive Committee, a dedicated online platform was developed for CV PIO Task Force members to serve as a central point of connection. It provides a place to share information and support coordinated communication when a crisis occurs. The platform includes a regional PIO directory, media contacts, a shared calendar, communication resources, training materials and a growing library of tools members can use within their own organizations.

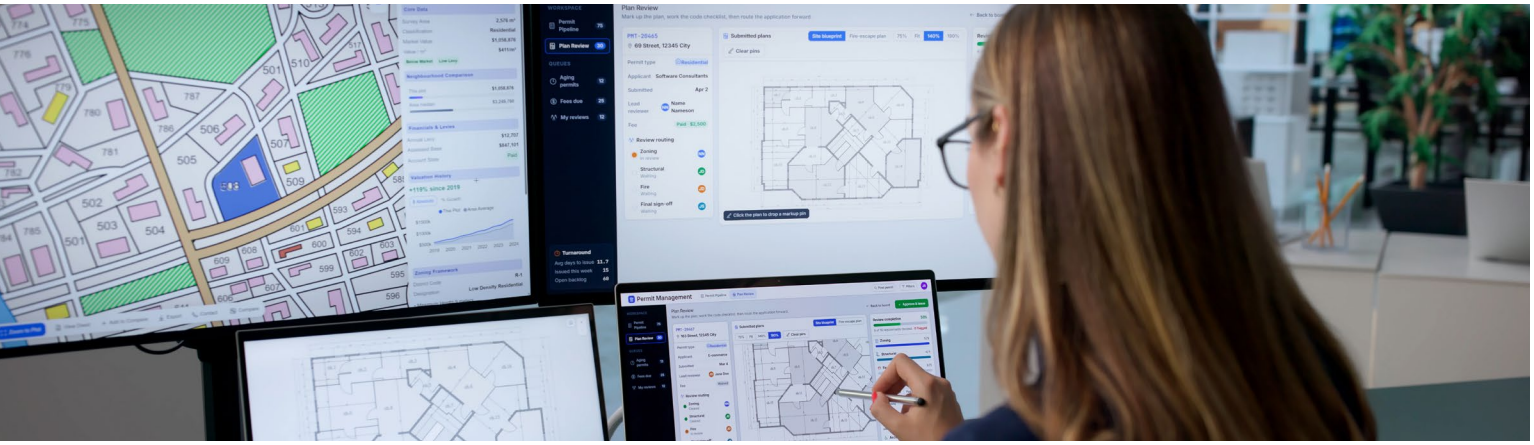


Paribas Open
Indian Wells Tennis Garden

That consistent connection is especially valuable in the Coachella Valley, a region that draws millions of visitors each year for events like the BNP Paribas Open and Coachella Music Festival while facing the threat of earthquakes, wildfires and power outages.

Communities everywhere face their own version of those risks, and no single agency holds everything needed to respond to them. For CALAFCO and its member LAFCOs, the CV PIO Task Force offers one example of how planners, engineers, emergency managers, finance professionals, communicators and agency leaders can build working relationships before an emergency requires them. Cities, counties and special districts that make up each LAFCO have clearly defined responsibilities and spheres of influence, but the communities they serve do not experience public services through those same organizational lines. In the wake of a natural disaster or a terrorist attack, people from different agencies may suddenly find themselves working alongside one another with little notice. The CV PIO Task Force exists for exactly that reason, showing what becomes possible when agencies make collaboration part of their preparation rather than waiting for an emergency to bring them together. Because when the next crisis hits, the first call should be to someone you trust and can depend on.

COACHELLA VALLEY
PIO TASK FORCE



Beyond the MSR

LAFCO's Toolkit for Agencies in Distress

RSG
BETTER COMMUNITIES.
BOLDER FUTURES.

By Carol Ieromnimon, Associate, RSG and Jillian Glickman, Associate, RSG

Across California, local agencies are encountering governance, financial, and/or service delivery challenges. This is especially true for small special districts that provide critical services such as fire protection, water, and wastewater. Small special districts often have limited revenues, aging infrastructure, constrained staffing, or governance issues that affect their ability to provide adequate, sustainable services.

LAFCOs routinely identify and document these challenges through the municipal service review (MSR) process, but this raises a more fundamental question: aside from documenting these issues in a service review, what tools does LAFCO have to ensure these deficiencies are addressed? The answer is usually not simple, and dissolution may not always be the right path forward.



LAFCOs have several tools available, ranging from agency check-ins and sphere of influence actions to LAFCO-initiated dissolution. The right approach depends on the severity of the issues and an agency's ability and willingness to address them.

Agency Check-Ins: Keeping the Lines Open

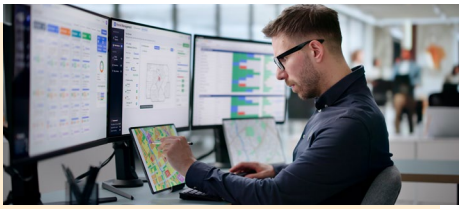
When an MSR identifies concerns that warrant continued attention but don't necessarily require immediate formal action, periodic check-ins with the agency can give LAFCO a practical way to monitor progress and maintain communication.

Check-ins can be tailored to the specific issues identified through the MSR and may be useful when an agency is actively working to correct identified deficiencies. For example, an agency with overdue financial audits may have hired an auditor or begun coordinating with the County to bring its audits up to date, while an agency without a functioning board may be actively recruiting board members to restore a quorum. Check-ins can also provide an opportunity to meet directly with agencies that dispute MSR findings, better understand their concerns, and determine whether revisions or additional information are warranted. In either case, check-ins allow LAFCO to establish reasonable timelines, monitor progress, and maintain a cooperative working relationship with the agency.

However, check-ins have limitations. They largely depend on the agency's willingness to participate and make meaningful progress. Without setting clear expectations and a defined timeframe, continued monitoring can become an indefinite exercise. For this reason, agency check-ins may work best for manageable or emerging concerns, while persistent or worsening deficiencies may require stronger tools.

Spheres of Influence: A Conditional Path Forward

When identified deficiencies persist or merit greater accountability than what periodic check-ins can provide, LAFCOs may consider using their sphere of influence (SOI) authority to establish more formal expectations for improvement. This approach may be appropriate when an agency faces serious concerns but still demonstrates the capacity and willingness to address them.



A few LAFCOs across the state have incorporated a "provisional SOI" into their sphere of influence policies. A provisional SOI is a temporary sphere designation applied to agencies experiencing significant financial, governance, or service-related concerns. It allows LAFCO to acknowledge current deficiencies while identifying specific improvements that must be addressed within a defined timeframe. It also signals that failure to meet benchmarks may lead to further action, such as a zero SOI designation or LAFCO-initiated dissolution proceedings.

The effectiveness of a provisional SOI largely depends on how its benchmarks are structured. Conditions should be specific, measurable, and time-bound, and respond to the deficiencies identified through the MSR. For example, benchmarks might require an agency to achieve defined fiscal reserves, achieve board quorum by a certain date, complete overdue audits on a set schedule, or implement identified service or infrastructure improvements within a specified timeframe.

By linking sphere designations to concrete milestones, provisional SOIs give LAFCOs a clear path forward while preserving the authority to act if conditions do not change.

LAFCOs may also consider reduced SOIs for struggling agencies with SOIs that extend beyond their jurisdictional boundaries. In doing so, LAFCO effectively signals that an agency is not equipped to accommodate additional growth or pursue annexations at this time. Therefore, while a reduced SOI may limit future growth opportunities and associated property tax revenues, it can incentivize agencies to address existing challenges and improve their capacity to serve future development.

LAFCO-Initiated Dissolution: The Ultimate Accountability Tool

When an agency's deficiencies are severe and/or persistent, and other tools have failed to produce meaningful improvement, LAFCO may consider initiating dissolution proceedings. Government Code Section 56375 authorizes LAFCOs to initiate dissolutions, and Section 56375.1 establishes a structured process for doing so. LAFCO-initiated dissolution is typically reserved as a last-resort option. Still, it exists for a reason: some agencies reach a point where continued operation is no longer in the public interest.

Section 56375.1 requires that an MSR prepared pursuant to Section 56430 include a finding that one or more qualifying conditions exist. These include chronic service deficiencies where the board is not actively engaged in remediation, unlawful or reckless spending without corrective action, willful neglect of public disclosure requirements, failure to hold required meetings, and persistent audit or fiscal control deficiencies.

Importantly, dissolution under Section 56375.1 is not an immediate action. After adopting a resolution of intent to initiate dissolution, LAFCO must provide the agency a remediation period of no less than 12 months to address the identified deficiencies. If the agency demonstrates adequate progress, LAFCO may rescind the resolution and no further action is required. If the agency fails to remedy the deficiencies, LAFCO may proceed with dissolution.

This framework serves a dual purpose. Filing a notice of intent can draw attention from oversight bodies, elected officials, and community members in ways that years of MSR findings may not. For some agencies, the prospect of dissolution can create additional urgency to act. In this way, the 12-month remediation window functions as both a safeguard and a catalyst.

According to the California State Board of Equalization, 301 special districts have been dissolved statewide since FY 2022-23, inclusive of both LAFCO-initiated and non-LAFCO-initiated dissolutions. Despite the frequency of agency dissolutions, dissolution is rarely straightforward. Identifying a viable successor agency can be complex, particularly in rural or unincorporated areas, and outstanding liabilities, contracts, and infrastructure obligations require careful planning. These considerations help explain why dissolution requires careful evaluation and why less intensive tools may be the appropriate first step. However, when significant deficiencies persist, and the statutory conditions are met, dissolution gives LAFCO a mechanism to consider whether continued agency operation remains justifiable.

Continued on next page.

San Joaquin County Case Study: The Toolkit in Action

In 2025, San Joaquin LAFCO illustrated how these tools work in practice. The Commission initiated an MSR and SOI Update for a small fire protection district that had long contracted with a neighboring city for fire protection services. The district had no operational role in providing the service it was formed to deliver yet continued to exist as a separate entity on paper.

The MSR also documented significant financial and governance deficiencies that raised questions about the district's continued viability as a standalone agency. Its governing board was entirely vacant, with no clear evidence of when it last met with a quorum or met minimum meeting requirements, and financial audits had not been completed in the prior three years.

Taken together, these conditions raised a fundamental question: what purpose did maintaining a separate district serve when it lacked the governance and financial capacity to operate independently, especially when another public agency was already providing the underlying service?

In this case, the identified concerns could not reasonably be addressed through periodic check-ins or improvement benchmarks, given the district had no functioning governing board to implement corrective actions and lacked basic financial and administrative oversight. Therefore, in October 2025, LAFCO adopted the MSR and SOI Update, along with a resolution of intent to initiate dissolution consistent with Government Code §56375.1, and established a 12-month remediation period for the district to address the identified deficiencies.

This case shows how an MSR can lay the groundwork for formal action and how the remediation period provides a structured opportunity to correct issues while preserving LAFCO's authority to act. It reminds us that LAFCO's toolkit exists not only to identify deficiencies but to drive meaningful change for the communities that depend on these agencies for reliable, transparent service delivery.

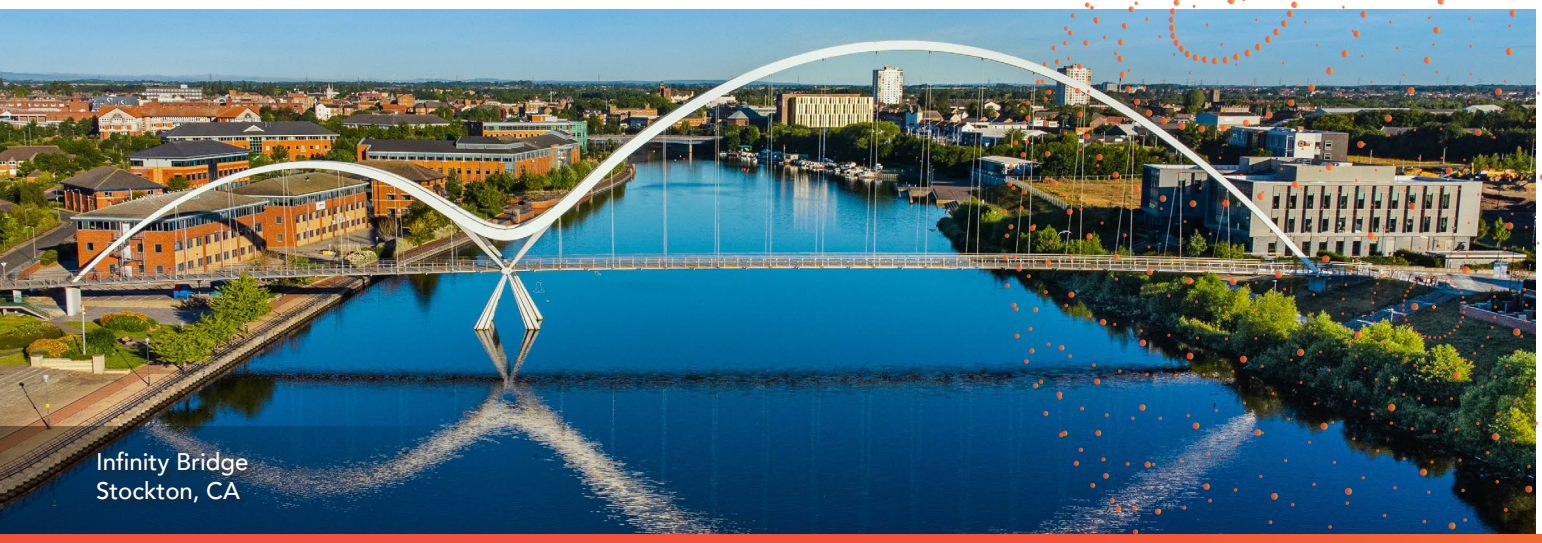
Matching the tool to the Problem

When an MSR identifies deficiencies, the appropriate response will depend on the nature and severity of the concerns as well as the agency's capacity and willingness to address them. Agency check-ins may be appropriate when issues are manageable, and efforts to correct them are feasible.

When deficiencies persist, or greater accountability is needed, SOI action can establish more formal expectations and benchmarks. In more severe cases, LAFCO-initiated dissolution may be what is needed.

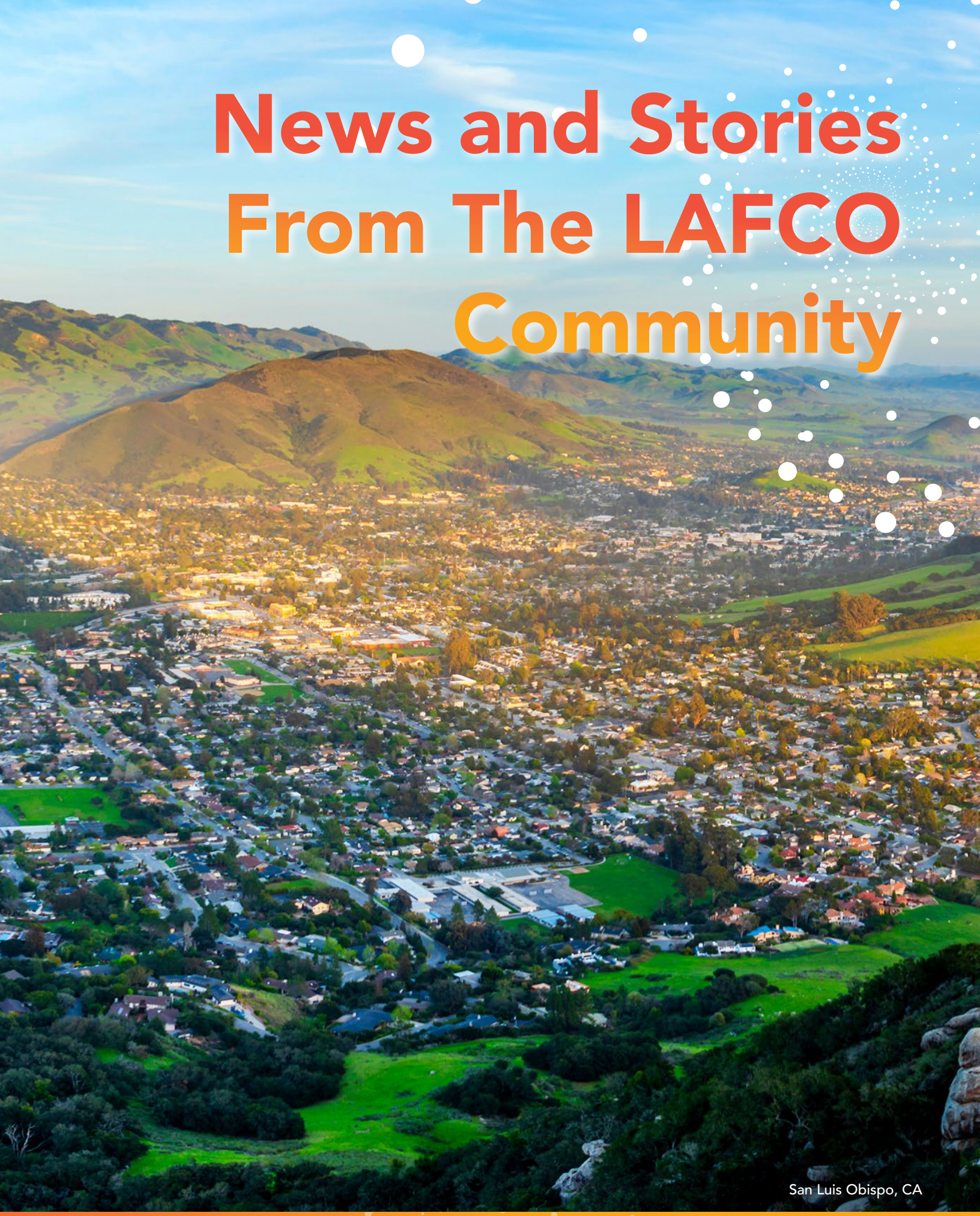
Regardless of the tool, clear, well-supported MSR findings provide an important first step in helping LAFCO determine what comes next. Equally important is LAFCO's willingness to set expectations, monitor progress, and follow through when conditions do not improve.

Ultimately, a LAFCO's goal is not to penalize struggling agencies but to promote effective, accountable, and sustainable local governance. By viewing MSRs as a starting point rather than an endpoint, LAFCOs can take a more proactive role in the solution and help create a path toward improvement.



Infinity Bridge
Stockton, CA

News and Stories From The LAFCO Community

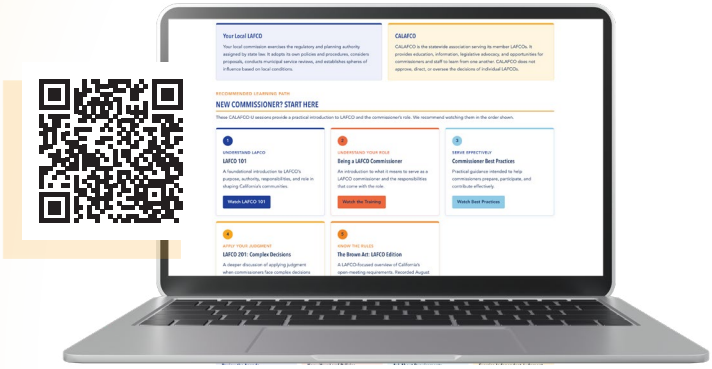


San Luis Obispo, CA

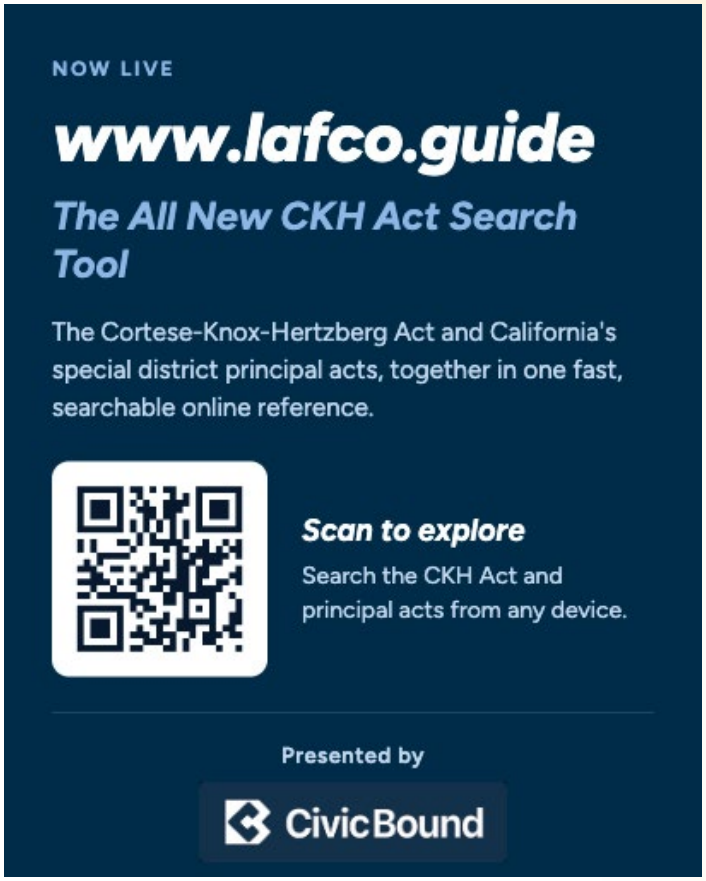
NEW RESOURCES

Commissioner's Toolkit

Find helpful resources, practical guidance and tips to support you as you learn your responsibilities and make the most of your role.

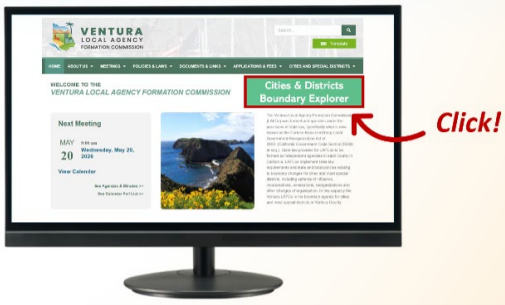


Log into your member account and visit **calafco.starchapter.com/Commissioner_Toolkit** or scan the QR to get started.



Ventura LAFCO Launches Interactive Map Tool

Cities & Districts Boundary Explorer



In a collaborative effort with the County Surveyor's Office and the Information Technology Services Department, Ventura LAFCO launched a feature on its website in fall 2025 to provide information and records on city boundary changes. Since then, website visitors have been able to navigate to a specific area of interest by searching for an Assessor's Parcel Number, address, or intersection, or by zooming in directly on the map, and can access available official boundary change documents for that area.

In May 2026, the map tool was expanded to include special districts and can be used in the same way as for city boundary research. The Cities & Districts Boundary Explorer has already proven beneficial for LAFCO staff research, and we expect it to be a useful tool for local agency staff and members of the public. **Scan the QR code to check out the Cities & Districts Boundary Explorer and be inspired!**

Raising Sacramento. Moving a River.

What would it take today? Revisiting the Great Flood of 1862 and the need for collaboration across boundaries.

By Kristi Grabow, Sacramento LAFCO

One of my favorite random Sacramento history facts is that Leland Stanford had to row a boat to his inauguration as California's eighth governor. For some reason, it's interesting to imagine a historical figure rowing through Sacramento's streets, especially one who would later have a renowned university named after him. But that is exactly what happened on January 10, 1862. A flood submerged Sacramento and transformed much of the Central Valley into an inland sea. Early Sierra Nevada snowstorms, followed by powerful storms that brought heavy warm rain, melted the snowpack and sent water rushing into the valley. The disaster killed an estimated 4,000 people and caused $50-100 million (approximately $3 billion today) worth of damage (National Oceanic and Atmospheric Administration [NOAA], n.d.).



Sacramento thought it was prepared. The city had recently completed new levees designed to protect it from flooding along the American and Sacramento rivers. Unfortunately, the levees were overwhelmed, and Sacramento's low-lying elevation left the city vulnerable to the rising waters. Floodwater remained a problem for Sacramento for months, prompting the City to take action and lift itself out of the water.

Having worked in public service for more than twenty years, I find this historic moment makes me wonder: What would public agencies do today if someone came to us with a request to "raise the City's elevation and relocate the river?"

I posed that hypothetical question to a few colleagues and my boss: Remi Mendoza, City of Sacramento Principal Planner for Long-Range Planning; Jessica Brandt, City of Folsom Principal Planner; and José Henríquez from Sacramento LAFCO. Their responses offer a fun, surprisingly relevant look at how public agencies might tackle this situation today.

Remi's response was, "My initial reaction is that if Sacramento were confronted with a flood risk today comparable to what the City faced after the Great Flood of 1862, our response would look very different. Relocating the river would likely face enormous environmental and regulatory challenges, while raising large portions of the city would be extraordinarily costly and disruptive given the amount of development and infrastructure now in place."

"From a planning perspective, I think we would instead look at a comprehensive regional flood-protection strategy. That would likely mean pursuing an even higher level of flood protection through improvements such as strengthening, widening, and potentially raising levees, along with additional improvements to the broader flood-control system, including Folsom Dam. A project of that magnitude would cost billions of dollars and require close coordination among local, state, and federal agencies, as well as significant federal and state funding and potentially a local funding contribution."

"The planning role would be helping coordinate land use, environmental review, infrastructure, community impacts, and long-term growth considerations while the flood-control agencies and engineers developed the technical solution. In some ways, the biggest difference from 1862 is that today it would take an extraordinary number of agencies, approvals, funding sources, and years of planning to accomplish something on that scale."

I also posed the hypothetical question to Jessica Brandt, Principal Planner with the City of Folsom. Her first response was, "it is a fascinating thought experiment." She then considered how different land use and permitting coordination would be today.

"Lake Natoma and most of the property around it are wholly owned and controlled by the Federal Government, as they are part of the infrastructure for Folsom Dam," Jessica explained. "Then there's State Parks land mixed in along the lake, and then city or private property behind that."

"In other words, even a seemingly simple change to something as fundamental as the level of a lake could quickly become a multi-jurisdictional undertaking." Jessica continued, "that any changes to Lake Natoma's level would likely involve federal and state environmental review, extensive public outreach, and coordination among numerous public agencies and private property owners."

And then there is the political reality.

"It would also definitely need lockstep political agreement on the policy direction," Jessica said. "Which is very difficult to get and maintain." Her response highlights another major difference between 1862 and today. The challenge is no longer simply determining what needs to be done; it is determining who has the authority to do it, who owns the land or infrastructure involved, who must approve it, who pays for it, and how all those interests can agree on a path forward.

This brings us back to LAFCO.

What happens when the solution itself changes who is responsible for maintaining critical infrastructure—or even alters the boundaries and relationships among local governments?

That is when I turned to my boss, Sacramento LAFCO Executive Officer José Henríquez. While Remi and Jessica approached the hypothetical from a planning perspective, José considered what might happen after the flood—and how the response could raise questions about agency responsibilities, reclamation districts, and local government boundaries.

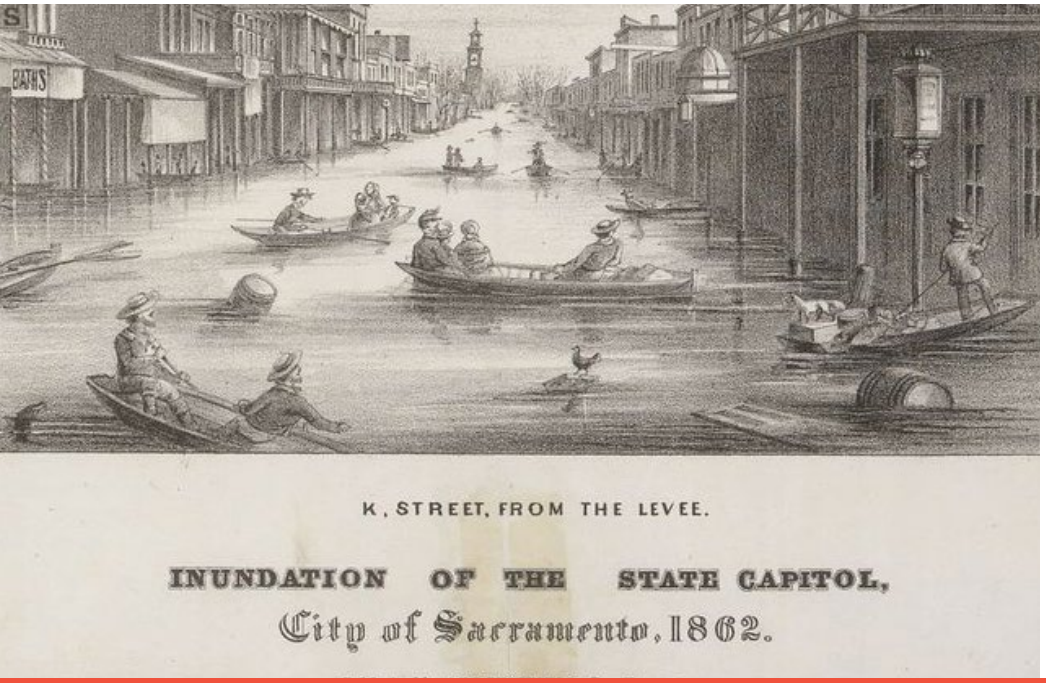

Sacramento, CA

> **As José put it, "This is a good mental exercise."**

José highlighted that many of the actions Sacramento took following the 1862 flood, such as raising the City and constructing major flood-control infrastructure, would likely fall outside LAFCO's direct jurisdiction.

This is where we all let out a collective "whew."

Instead, José mentioned that "if the Great Flood happened in 2026, LAFCO's role would be reactive, even if LAFCO had sounded the alarm about the state of levee maintenance in a municipal service review (MSR). I can imagine there would be a post-mortem analyzing where the failure(s) occurred and trying to ascertain their root causes.

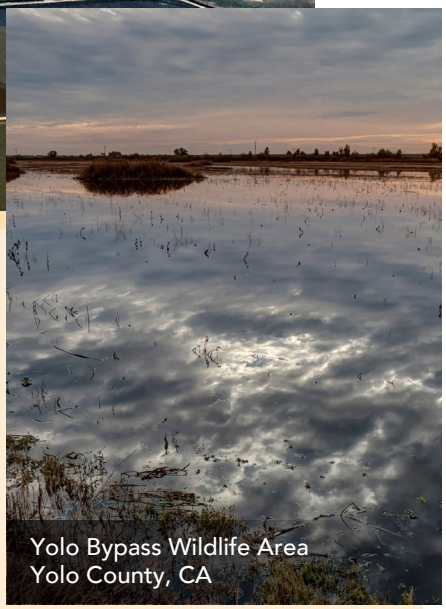


K, STREET, FROM THE LEVEE.

INUNDATION OF THE STATE CAPITOL,
City of Sacramento, 1862.



Flooded Fields and Irrigation Ditches
Sacramento, CA



Yolo Bypass Wildlife Area
Yolo County, CA

If the flood happened like it did in 2005 in New Orleans, it would have been a levee failure. I can imagine there would be increased scrutiny of levee maintenance and the structure of reclamation districts. LAFCO would be called to review the Reclamation Districts (RDs) in an MSR."

"If the City of Sacramento incurred significant damage and/or losses, there would be pressure for the City to petition LAFCO to dissolve the RDs within its city limits and assume their levee maintenance. This is not unusual, as the City of West Sacramento assumed levee maintenance from various RDs a few years ago. Whether the Commission would grant the City of Sacramento's request would depend on the RDs' financial, operational, and governmental health."

"Another action taken in response to the Great Flood was diverting the American River several miles north of its original confluence with the Sacramento River. If the City of Sacramento also undertook the diversion in 2026, jurisdictional questions would arise about which agency or agencies would be responsible for providing services to the area.

That would depend on whether the area now south of the American was already within the city limits or was unincorporated. If the latter, there would likely be a clamor to annex the land into the City, since it would now be 'landlocked' between the City and the new American River. LAFCO may need to facilitate and negotiate a new governmental arrangement for that area."

The Great Flood of 1862 forced Sacramento to do something extraordinary. Faced with a problem that threatened the City's very existence, its residents raised streets, buildings, and ultimately much of the City itself.

Today, the response would look very different. Before raising a street—or moving a river—there would be planning documents, environmental reviews, engineering studies, public meetings, funding plans, and a seemingly endless number of agencies involved. While that may sound exhausting, maybe that is the point. California's communities rarely solve today's challenges with a single agency, a single jurisdiction, or a simple decision. Whether we are addressing flooding, housing, infrastructure, climate change, or growth, the solutions require us to work across boundaries.

The Great Flood of 1862 may have occurred more than 160 years ago. However, it still raises a strikingly relevant question: When faced with an extraordinary problem, how do we work together to create an equally extraordinary solution?

> **Fortunately, none of us have to figure out how to raise a city, at least not today.**

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2026 Staff Workshop Mobile Workshop
San Luis Obispo, CA

An Opportunity for Reflection and Fulfillment

By Imelda Marquez-Vawter, Senior Analyst, San Luis Obispo LAFCO

Project Spotlight
2026 Mobile Staff Workshop

SLO LAFCO hosted the 2026 Staff Workshop in the City of Pismo Beach in coordination with the CALAFCO team and planning committee volunteers. The Mobile Workshop showcased the San Luis Ranch Specific Plan project that was annexed into the City of San Luis Obispo (SLO) in 2018. Typically, after LAFCO approves a project and completes any post-approval tasks, LAFCO removes the project from the burner and hands it to the City or County to see the development through to completion. This year's Mobile Workshop allowed SLO LAFCO to reflect on the developed project and discuss its components and execution.

The Mobile Workshop included a guided visit to City Farm SLO, a nonprofit urban farm in the heart of the City of SLO. The farm was established in part by preserving prime agricultural land through approval of the San Luis Ranch Specific Plan and the 2018 annexation. City Farm SLO has become a hub for sustainable agriculture, youth education, and community engagement, complementing adjacent housing and commercial uses. Participants learned about regenerative farming practices, met the farm's furry residents, and tasted seasonal crops. The tour followed Froom Ranch Way, offering views of the on-site agricultural fields and housing development before arriving at the final stop: SLO Ranch Farms and Marketplace, the commercial component of the San Luis Ranch Specific Plan. At SLO Ranch Farms and Marketplace, participants browsed, ate, and shopped before concluding with a presentation by David Church, former Executive Officer of SLO LAFCO, and Timmi Tway, City of SLO Director of Community Development, who highlighted key successes and lessons learned.

SLO Ranch
Specific Plan Annexation

The San Luis Ranch Specific Plan annexation area had been within the City's Sphere of Influence (SOI) since 1984. The SOI vision was highly contentious but gradually evolved from a large-scale shopping mall to mixed-use development.



This SOI boundary was consistently reaffirmed over time, including in the City's Municipal Service Review (MSR) and SOI Study adopted in 2016, two years before consideration of the annexation. That same year, the City and the County entered into a Memorandum of Agreement establishing development standards and zoning procedures for the SOI area, including provisions for interagency coordination and consultation throughout the development process.



Ms. Tway and Mr. Church attributed the project's success to planning tools and coordination. However, Mr. Church still emphasized the importance of being available to the applicant and affected agencies. "Comment early and often. Raise and resolve issues proactively. This prevents future problems," Mr. Church said.

The San Luis Ranch Specific Plan project description evolved over the years. It ultimately resulted in a 133-acre mixed-use development featuring residential, agricultural, commercial (office, retail, and hotel), open space, and parks. The project provided 281 single-family homes, 296 multifamily homes, and an affordable housing component. Ms. Tway highlighted the neighborhoods' alignment with City, State, and LAFCO goals and priorities (e.g., mixed uses, housing opportunities, community gardens, on-site farming, walkability, historic preservation, etc.). Of the 109 acres of prime agriculture on site, 53 acres remained active agriculture and 56 acres were converted.

The conversion triggered SLO LAFCO Policy 2.9.12, which requires a 1:1 ratio of preserved prime agricultural land for prime land converted. The outcome was 83 acres placed into agricultural easements. Of that, 53 acres were preserved on-site, and 30 acres were preserved off-site, altogether exceeding the 1:1 mitigation policy.

Although the affected territory was an unincorporated island within the SOI, surrounded by the City service area, the site still contained prime agricultural soils intended for farming. The Specific Plan listed agriculturally compatible uses for the 53 acres preserved on site; however, residents were unhappy with the outcome and the hoop houses' aesthetics. According to Ms. Tway, if the City wants control over farm aesthetics, including the use of hoop houses, then the City must 1) build it into the Agricultural Conservation Easement Agreement, 2) clearly identify allowed operations and required permits, and 3) consider the impact range of viable farming uses.

Additionally, Ms. Tway and Mr. Church stressed the importance of being clear while building in reasonable flexibility. Clear conditions help; however, consider carefully how those conditions are applied. To avoid unintended consequences, consult the experts when developing those conditions. For example, hoop houses were allowed and implemented to regulate temperature and allow year-round farming, and they use 40% less water. However, they had unintended consequences for the soil and aesthetics.

Overall, the Commission was tasked with balancing the need for housing and efficient public services with competing interests: discouraging urban sprawl while preserving prime agricultural land and open space. The result was approval of the annexation in 2018. "The Specific Plan worked out so much better than it would have had a huge mall been built. It was a much better solution that helped with today's housing crisis," Mr. Church said. "The Mobile Workshop was great! So good to see the implementation going so well."



Felton Fire's Turning Point

How a Community Chose Local Control and How LAFCO Helped Them Get There

By Joe Serrano, Santa Cruz LAFCO Executive Officer

Felton has always been a place where local identity matters. Tucked between redwoods and river bends, the community has long relied on its volunteer driven fire district (neighbors protecting neighbors). But in recent years, the Felton Fire Protection District (FFPD) has faced the same pressures small fire agencies statewide confront: rising call volumes, aging equipment, workforce turnover, and a station built in the 1950s that has never seen a major renovation. The district's challenges were no longer theoretical; they were structural, urgent, and unavoidable.

Last year, Santa Cruz LAFCO published the ***Felton Fire Protection District Governance Options Report***. This comprehensive roadmap helped the district and its residents understand the problem's depth and the range of credible solutions. The report did not prescribe an outcome; instead, it created a shared language, a common set of facts, and a transparent framework for evaluating what "sustainable fire protection" could look like in Felton. As one resident said at a town hall, "For the first time, we could actually see the whole picture."



That picture ultimately led the district to pursue a Proposition 218 benefit assessment, one that would cost the average homeowner nearly $700 per year for a typical single-family home. In most communities, that level of investment would be a steep hill to climb. In Felton, it became a rallying point.

In July 2026, Felton property owners approved the assessment with 67.88% support, generating an estimated $1.7 million annually to rebuild staffing, replace aging apparatus, and finally modernize the 71 year old station. The public understood exactly what was at stake: keeping local control, preserving community identity, and reinvesting in a fire district that had protected them for generations. The Felton Community for Emergency Response (a resident-driven group) played a pivotal role, mobilizing residents, sharing information, and reinforcing the message that sustainable fire protection required sustainable funding.

> **Although FFPD never filed an application with LAFCO, the Commission's work was still central to the district's success.**

The Governance Options Report became the vehicle that allowed Felton FPD to communicate clearly with its constituents by explaining the district's fiscal realities, operational limitations, and long term risks. It grounded the conversation, built trust, and gave the community confidence that the assessment was not just necessary, but strategic.

Felton's story is now a case study in what LAFCOs do best: illuminate challenges, convene partners, and help communities make informed decisions about their future. The district is hiring its first full time engine company, planning long overdue capital improvements, and transitioning from a struggling volunteer agency into a stable career/volunteer hybrid model. Most importantly, Felton remains proudly local … because its residents chose to invest in themselves.

For LAFCOs across California, the lesson is clear: even without a formal application, a well crafted governance study can reshape a district's trajectory. In Felton, it helped turn a moment of crisis into a moment of clarity (and ultimately) into a community driven solution.

Rural Healthcare District Bankruptcy

The Elephant in the Room

By Gary Thompson, Executive Officer Riverside LAFCO

Rural healthcare facilities, whether private hospitals or medical facilities or public facilities within a Healthcare special district, have become increasingly vulnerable throughout the state over the last several years. Rising costs of providing services, revenue constraints due to reimbursement funding delays, limited populations to draw patients from, and generally remote locations all combine to create a crisis for some, with disrupted cash flow and resulting service disruptions. This is the case with the Palo Verde Healthcare District (PVHD) here in Riverside County.

For years, the PVHD, located in the City of Blythe, has served a population of less than 25,000 within a district boundary covering approximately 1,022 square miles of sparsely populated desert lands, and has operated with very limited cash flow. The previous Municipal Service Review (MSR) in 2001 addressed this issue. Recently, a series of internal failures disrupted the primary electronic management system for submitting medical claim information for all insurance, Medicaid, and Medicare reimbursements, and a resulting lawsuit wiped out months of cash flow for the district's one 51-bed hospital. This created a significant backlog of debt, forcing the hospital to shut down all services except emergency services. All surgical, inpatient, and pregnancy-related services, including delivery, were curtailed. The closest hospitals for these services are over 90 miles away in California and over 50 miles away in Arizona.

When that shoe dropped, the Mayor of the City of Blythe requested that LAFCO take a hard look at the district due to the significant impact the suspended services have had on the City of Blythe's and the surrounding communities' populations, and to identify what options might be available for the district to recover. We immediately accelerated the scheduled MSR for PVHD by one year. After completing the MSR, we identified nine options the district and/or LAFCO could pursue, including dissolution (with a successor agency) or bankruptcy. The Riverside LAFCO Commission was directed to initiate the dissolution of the PVHD and begin the search for a successor agency or even a private hospital provider. Shortly after, PVHD filed for Chapter 9 Bankruptcy. This essentially brought the dissolution process to a halt; however, it did not prevent LAFCO from helping the district at least maintain the remaining services.

At the urging of LAFCO's Executive Officer, in direct consultation with the Riverside County Chief Executive Officer, the county undertook to arrange an interim plan to temporarily operate the hospital at a reduced service level on a reimbursable basis and assumed operations and management of the district.



The PVHD Board of Directors remains the legislative body for items requiring Board approval; however, virtually all management staff for the district are currently county personnel. The current status is now in the hands of the bankruptcy court. Riverside LAFCO continues to support efforts to find a successor agency in the event that PVHD may have to dissolve once it emerges from bankruptcy, so the jury is still out at this time.

LAFCO's goal is to do our best to ensure that the original fully functional, all-service hospital is back in operation, one way or another, for the sake of the regional population. They deserve adequate services just as much as any urbanized area, and LAFCO's goal is to do whatever we can, within our abilities and authorities, to make that happen.

This situation may or may not have been prevented. Years of operating on very thin margins, followed by a catastrophic event that completely disrupted district cash flow and wiped out all reserve capacity, created this situation. From a LAFCO perspective, this brings to light that closer attention should be paid to these rural facilities and districts, whether they are healthcare districts or small rural water districts. The five-year MSR cycle is insufficient to ensure that these rural outlying districts are financially and operationally solvent, and it behooves greater attention to be placed on all rural areas so as not to deem them the "forgotten ones." Stay tuned, and hopefully the end result here will be a positive outcome for all.



Beating the Clock

The Creative Partnership That Brought Sewer Service to Rural Communities

By Kristi Grabow, Sacramento LAFCO

For years, residents of Hood and Franklin, two small, unincorporated communities along the Sacramento River, lived with a problem they had no way to solve on their own. Their aging septic systems were failing, and stricter state standards adopted in 2012 required more room for a compliant system than most of their parcels had to offer. Some households limited their water use just to keep their systems from backing up, but there was no real fix available to them.

Hood is a small agricultural town of roughly 300 residents, and Franklin is home to several multi-acre ranches and agricultural properties. Income surveys conducted for the project found median household incomes of about $33,000 in Hood and $56,500 in Franklin, modest enough that a costly, out-of-pocket septic repair was never a realistic option for most residents. And even where a homeowner had the money for repairs, the land itself simply couldn't accommodate a compliant system.

The solution was to implement public sewer service. But getting there meant we, alongside our partners at Sacramento Area Sewer District (SacSewer), had to solve a timing problem that will sound familiar to LAFCOs anywhere in the state. A state grant carried a fixed construction deadline, while the statutory process that had to unfold alongside it moved on a schedule of its own.

SacSewer had been working toward a solution for these communities for years, securing local, state, and federal grant funding to design and build septic-to-sewer conversions for several Sacramento County communities, including Hood and Franklin. ***"When SacSewer reached out to us in 2022 to begin the process of annexing the two communities, the timing problem became clear immediately,"*** said José C. Henríquez, then the newly appointed Executive Officer for Sacramento LAFCO. ***"Neither community was within SacSewer's service area, and bringing them in would require both a Municipal Service Review and a Sphere of Influence update, exactly the kind of process that protects good planning, but can also take a significant amount of time."*** Our staff estimated a year or more, but the grant funding wasn't going to wait that long. Construction needed to move forward on the state's funding timeline anyway. Miss it, and the chance to finally connect these communities was at risk.

"We couldn't rush the Municipal Service Review and Sphere of Influence process without undermining the planning safeguards it exists to protect, but the state wasn't going to move the grant's construction deadline to accommodate us," continued José Henríquez, Executive Officer at Sacramento LAFCO. ***"A two-tiered approach was the only path that would allow us to satisfy both obligations at once."***

Rather than choosing between rushing a process the law requires or missing a funding deadline that wouldn't come again, we recommended a different path: an Out-of-Agency Service Agreement. The agreement allowed SacSewer to begin building the infrastructure Hood and Franklin needed immediately, while the Municipal Service Review and Sphere of Influence update moved forward separately on its own legally required timeline. Our Commission approved the agreement on August 3, 2022.



It's a simple idea once you see it laid out, but it's the kind of solution that only works when a LAFCO and its partner agency have the trust and shared commitment to move at two different speeds toward the same outcome. SacSewer could move quickly to meet the immediate community need while we kept the statutory process moving forward with equal purpose. Neither track could have replaced the other, and neither could have succeeded on its own.

With the agreement in place, SacSewer partnered with contractor Mountain Cascade, Inc. to construct roughly 6.5 miles of force main and 87 private pump stations, and to decommission 84 septic tanks across the two communities. The work included threading a 3,500-foot force main beneath Interstate 5 via horizontal directional drilling, at depths approaching 100 feet, and adjusting construction sequencing to avoid disturbing active raptor nesting areas identified along the route. SacSewer also partnered with the Sacramento County Department of Transportation to fully repave several roads, leaving both communities with better infrastructure than they'd had before the project began.

By August 2025, most of the sewer force main and on-site infrastructure work was complete, but what remained posed a different set of challenges. It meant connecting individual homes to the system and decommissioning the septic tanks they replaced, all while working through language barriers, an aging population, and a general distrust of government that meant some properties needed to be visited an average of ten times before the connection was finished.

A number of residents who had initially declined to participate changed their minds after watching construction move down their street, requiring SacSewer to add them into the project on short notice.

"Some of these families had been dealing with a failing septic system for years, with no affordable path forward. Getting them connected took persistence, going back again and again to explain the project and earn their trust. Hearing how much it meant to the residents to finally have a reliable, long-term solution made this whole process worth it," said SacSewer General Manager Christoph Dobson.

That persistence paid off on August 5, 2026, when our Commission approved annexation of Hood and Franklin, formally bringing both communities into SacSewer's service area and completing the sequence set in motion by that 2022 agreement. The full effort connected 84 properties, including a mobile home park and a school, to public sewer at no direct cost to property owners, funding a $29.7 million project through grants and non-rate revenue.

The Hood and Franklin story is a case study in a problem plenty of LAFCOs run into: an urgent, well-documented community need, a funding source with its own deadline, and a statutory process that exists for good reason but doesn't bend for anyone's calendar. The approach we developed with SacSewer allowed service to move forward immediately while the statutory process proceeded on its own track. It isn't a shortcut around the law, but rather a way to meet an urgent need without skipping a single step it requires.

For any LAFCO facing a similar mismatch between a grant clock and a statutory timeline, that's worth remembering. Sometimes the right answer isn't choosing one track over the other. It's finding a way to run both at once.

Data Centers

Is Your LAFCO Prepared? Understanding Our Role.

By Crystal Craig, Assistant Executive Officer, Riverside LAFCO

As many of you have observed, AI data centers are increasingly in the headlines, reflecting a nationwide issue that parallels ongoing discussions about the Colorado River. Artificial intelligence has emerged as one of the defining technologies of our generation, reshaping not only our technological landscape but also our cultural norms.

The term "AI" scares people, especially as we hear about communities grappling with the implications of data centers. Critical concerns often include data security, customer privacy, and environmental impact, issues that require robust infrastructure to address effectively.

While data centers may seem like a recent phenomenon, they have existed since the 1960s. Although they have grown in scale and complexity, the concept of data management has existed for decades.

Today, demand for data is higher than ever, fueled by technological innovation and growing reliance on digital tools such as Google Maps and email.

This surge in demand requires a corresponding evolution in infrastructure, as exemplified by NASA's ongoing initiatives to handle large volumes of scientific data effectively.

In our hyperconnected world, data doesn't exist in a vacuum; rather, it is interlinked across multiple data centers. Large AI workloads are often distributed across multiple locations, improving connectivity for users accessing their devices.

> **AI's rapid expansion has accelerated this transformation, highlighting the essential infrastructure that supports seamless data access.**

As we use our devices, we must recognize the intricate systems behind our instant gratification. This brings us to a pressing question: **How do we build the infrastructure we need to meet growing demand?** Timing is critical for California to modernize its data infrastructure while making community engagement and public education essential parts of the process.

California faces significant challenges in addressing water supply and infrastructure changes in response to fluctuating environmental conditions. So why should water professionals care about data processing and the infrastructure that supports it?

The Riverside LAFCO Commission has recognized the importance of reviewing data centers to identify aspects within its purview. We are tasked with facilitating discussions about LAFCO's role in potential annexations and ensuring that we are prepared for the implications of data centers in Riverside County.

At Riverside LAFCO, we have proactively examined data centers and understand that water and electricity are two critical issues we must address as these developments arise. Riverside County has ample land for data center construction, so we must understand the implications these facilities have on local resources and planning. The intention is to advocate for responsible integration of data centers, particularly when applications for annexation to municipalities or water districts are submitted.



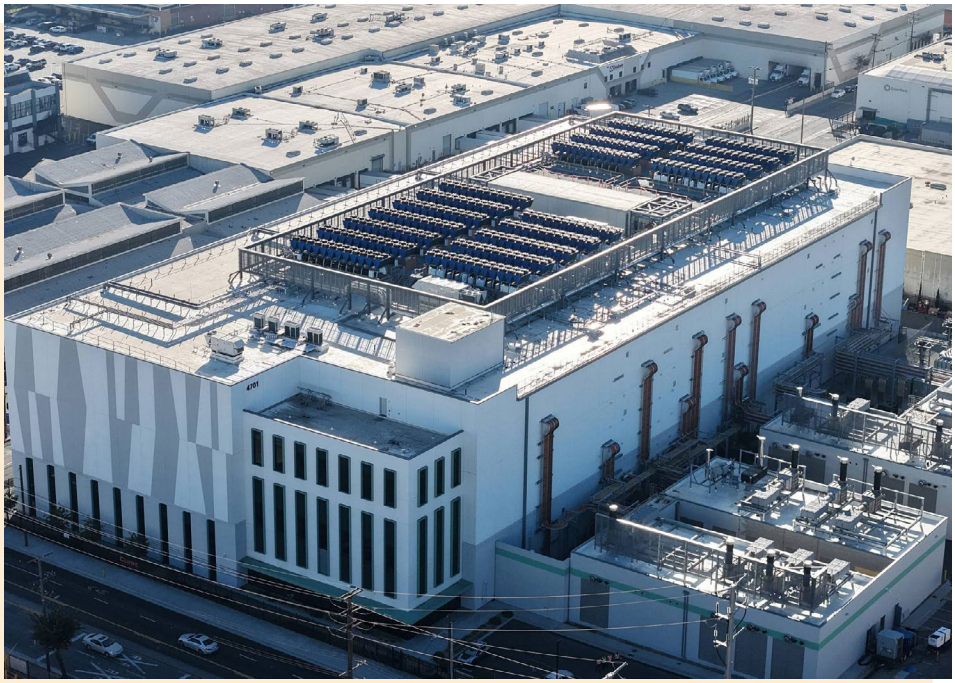
Our focus remains rooted in water policy, as we explore the planning and resource management challenges presented by data centers.

Data centers are specialized facilities designed to house computer systems, including servers, storage devices, and networking equipment. They are essential for managing vast amounts of data, enabling businesses to thrive in a digital landscape. Their proliferation, driven by the AI boom, highlights significant land-use concerns, particularly their substantial water and electricity consumption.

While data centers can create jobs and spur investment, planners must consider their extensive utility and security needs.

These factors add planning complexity, especially when facilities are located near agricultural or open spaces. Although LAFCO does not have the authority to approve or deny specific projects, it plays a vital role in ensuring that jurisdictional changes serve the public interest. A common misconception is that a data center's resource consumption depends solely on its size. In reality, it largely depends on the facility's engineering and design. Communities must stay vigilant about the implications of data centers and adapt their strategies accordingly.

Are you facing similar challenges in your counties? How are you addressing the emergence of data centers? All LAFCOs should consider these factors as we navigate the AI technology boom together.



Questions that Local Agencies & LAFCOs Should Ask Before Approval:

Can Existing Infrastructure Support the Project?
- Ample Water Supply?
- Ample Power Supply?
- Existing Road Access?
- Emergency Services nearby?

New Community Assets or Liabilities?
- Will jobs be a net gain or loss?
- Taxes? (e.g. special assessments, property taxes)
- Community economic benefits?
- Environmental/Community limitations & costs?

What New Water/Power Sources are Needed?
- Electrical Transmission Lines and Substations?
- Battery Energy Storage Systems (BESS)?

Water Supply: Dams, Aquifers & Aqueducts?
- Backup Generators?
- Are Guidelines Enforceable and Transparent?
- Mitigation Reporting and Community Agreements?
- Are Noise standards within CEQA adequate?
- Power and Water-use disclosures?
- Air pollution standards within CEQA adequate?

Incorporating these insights can strengthen the narrative around LAFCO's role in facilitating responsible growth and addressing the challenges posed by data center developments. Emphasizing collaboration, innovation, and community engagement will resonate well with your LAFCO and communities.

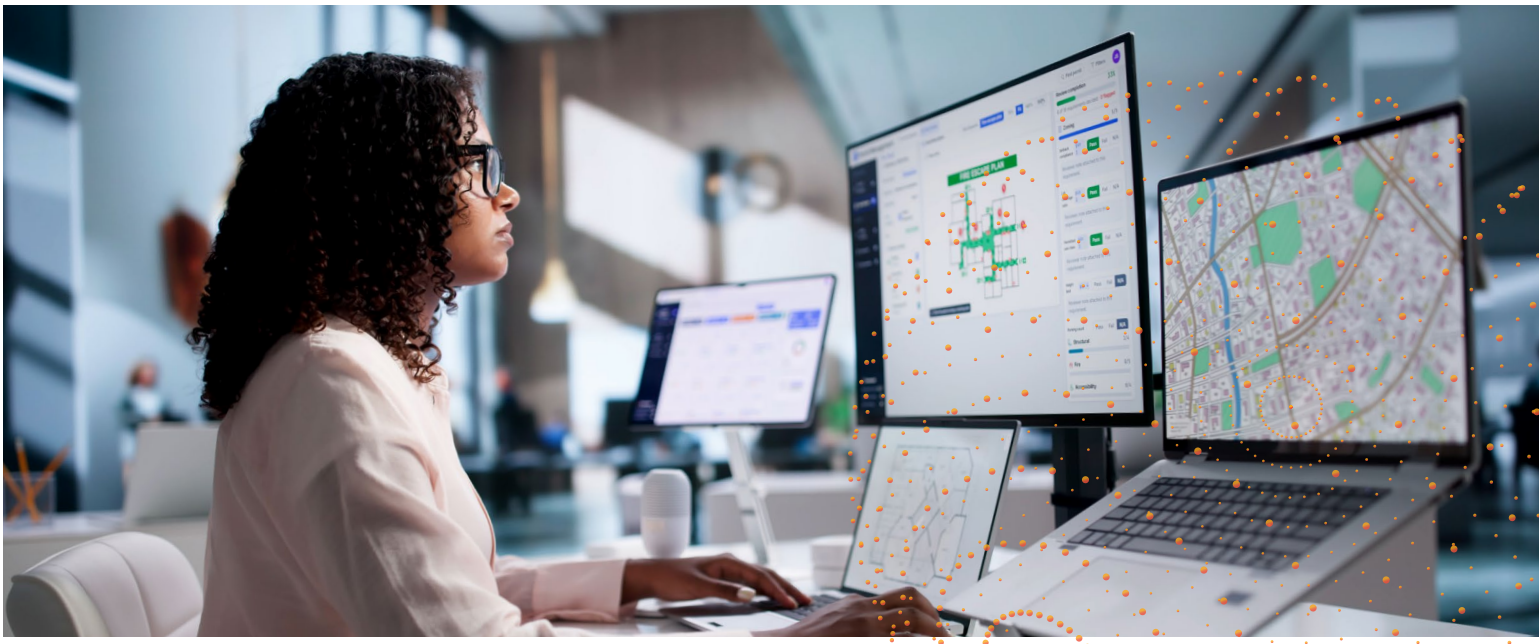
Photo Credits:

1.Interior of Data Center: https://www.vicorpower.com/resource-library/articles/high-performance-computing/disaggregating-power-in-data-centers

2.Exterior of Data Center: Mario Tama (Getty Images). https://www.canarymedia.com/articles/batteries/aligned-data-center-get-online-faster



Infinity Foot Bridge
Stockton, CA



MSR Assistant

An Annual KPI Check-Up

By JD Hightower, Executive Officer, San Joaquin LAFCO, and Amanda Ross, Principal, South Fork Consulting, LLC

Imagine receiving a call from a resident who wants to inter a loved one at the local public cemetery, but no one is responding to her calls or emails. As the LAFCO Executive Officer, you contact the cemetery district and discover its only employee is on a three-month vacation. The board chair is unable to help without access to the office, and the board hasn't met all year because the chair is its only remaining member.

Sound familiar? We hope not! The only graveyard that should be this abandoned is the one at the end of the Haunted Mansion. Unfortunately, one of us recently experienced a similar situation, and it was considerably less fun. Fortunately, LAFCOs have a valuable tool for evaluating local agencies: the municipal service review (MSR) and sphere of influence update process. However, these reviews can be complex, costly, and time-consuming.

To help address these challenges, San Joaquin LAFCO (SJLAFCO), in collaboration with CALAFCO Associate Members South Fork Consulting, LLC and the Paperwork Company, developed an approach that may offer a solution.

How Often Should LAFCOs Conduct Service Reviews?

The Cortese-Knox-Hertzberg Act directs commissions to review and update spheres of influence every five years, as necessary (Gov. Code § 56425(g)). However, Government Code § 56106 generally treats statutory timelines for commission action as directory rather than mandatory, allowing LAFCOs to consider local circumstances when scheduling updates. An MSR must be conducted before an sphere of influence (SOI) update.

Maintaining a five-year review cycle can be challenging. LAFCOs oversee varying numbers of cities and special districts, each with unique service needs and circumstances. Some conduct reviews in-house, while others rely on consultants. Guided by its mission of ***"Balancing Community and Commerce,"*** San Joaquin LAFCO seeks to balance local expectations with measurable data when evaluating growth, services, and public resources. Its goal is to provide timely, cost-effective information that supports informed decisions.



Almond Trees
San Joaquin County, CA

Barriers to the 5-Year Cycle

Two common challenges affect LAFCOs' ability to maintain regular reviews:

- **FINANCIAL LIMITATIONS:** Funding is one of the biggest challenges LAFCOs face in maintaining a five-year review cycle. LAFCO budgets are typically supported by contributions from cities, counties, and special districts, with annual budgets adopted by the Commission and funding allocations determined by statute. Securing sufficient resources to complete service reviews and sphere updates can be difficult, particularly for LAFCOs funded solely by cities and counties. These commissions face the added challenge of establishing a nexus between funds spent on special district reviews and the proportional benefits received.
- **TIMING CONSTRAINTS:** MSRs and SOI updates compete with applications and other statutory responsibilities. Unpredictable application volumes and required processing deadlines can delay reviews, sometimes leaving data outdated before the process is complete.

To manage these demands, some LAFCOs prioritize reviews based on local conditions. San Joaquin LAFCO, for example, focuses on five-year cycles for cities growing faster than the county average, while allowing longer intervals for slower-growing cities and special districts.

But what if LAFCOs could identify emerging concerns without waiting for a full service review? That's the idea behind SJLAFCO's proposed annual Key Performance Indicator (KPI) check-up. Much like an annual physical, this approach could help identify small problems before they become serious. By tracking a few meaningful indicators tailored to each agency type, LAFCOs could better determine when a comprehensive MSR and SOI update may be needed.

Building on Benchmarks

In the last issue of ***The Sphere***, South Fork Consulting's article, "Setting the Bar: Why Performance Measures Belong in Every MSR," highlighted a benchmark-based approach used in the City of Rocklin MSR and SOI study, approved by Placer LAFCO in April 2025. Rather than relying on broad narrative assessments, this approach evaluates agencies against predetermined, measurable benchmarks to establish whether they are providing adequate services.

> **Benchmarks address a common challenge in service reviews: determining what "adequate service" actually means.**

Without clear standards, findings can lack measurable support, leaving future commissions without a baseline for comparison. Performance measures provide a consistent, evidence-based approach to evaluating service quality, supporting accountability, informed planning, and public trust.

This same approach provides a foundation for annual KPI check-ups. While a comprehensive MSR evaluates the full set of benchmarks in greater depth, the annual check-up tracks a smaller group of indicators most likely to reveal emerging service concerns.

Each year's findings contribute to a growing record of performance data, helping streamline future MSRs and giving LAFCOs and agencies a clearer understanding of when and why a comprehensive review may be needed.

The Proposed Strategy: Annual KPI Check-Ups

A recent San Joaquin County Civil Grand Jury report highlighted the need for more timely information about local agencies and special districts. Combined with an ongoing service review of 17 rural fire districts, the findings underscored the need for a more efficient approach to monitoring agency performance and improving public access to information.

Much of this information is already publicly available through annual audits, water master plans, capital improvement plans, consumer confidence reports, regulatory notices, and other agency reports. By bringing key indicators together on its website, San Joaquin LAFCO (SJLAFCO) could provide a centralized resource for annual monitoring, with links to more detailed information.

Between responding to the Grand Jury's findings and reviewing comments on the draft fire service review, LAFCO staff felt as stretched as the portraits in the Haunted Mansion. Then, much like the inscription on Uncle Dwight's tombstone, "Poor Uncle Dwight was changing a light when he had a shocking idea," inspiration struck: a better approach to monitoring agency performance. To address the Grand Jury's recommendations without overburdening staff or local agencies, SJLAFCO is piloting a more flexible service review model guided by annual KPI check-ins. Drawing on South Fork Consulting's performance benchmark approach, SJLAFCO and CALAFCO Associate Members have developed draft KPIs for the Commission's consideration.

Under the proposed approach, agencies would submit a brief, standardized annual certification rather than waiting for the five-year review cycle or a significant event to prompt a full MSR. Each check-in would focus on two or three key metrics tailored to the agency type, along with general indicators applicable to all agencies.

Key Components of the Annual Check-up

Raw Data Collection (LAFCO Does the Heavy Lifting): Instead of asking agencies to calculate complex metrics, LAFCO staff will conduct the data analysis. This removes the "homework" burden from agencies, increasing compliance, and ensures we analyze standardized, apples-to-apples data.

- **Targeted KPIs:** Working cooperatively with agencies, the checklist will include two (2) or three (3) agency-specific metrics that provide the most valuable insights into an agency's operational circumstances.
- **The "Negative Check" Certification:** The check-in includes a brief governance and financial questionnaire presented as a negative-check system. A perfectly healthy agency can simply check "No" down the column to indicate no major distress events, sign under penalty of perjury, and return the form.
- **Public Transparency:** The completed certifications and SJLAFCO's KPI summaries will be hosted on the San Joaquin LAFCO website, providing a clear, publicly accessible record of continuous oversight.

Moving Forward

As LAFCOs continue to balance statutory requirements with the realities of daily operations, we hope SJLAFCO's KPI concept offers an option for our fellow LAFCOs. Pairing a defined set of KPIs with measurable MSR metrics gives Commissions a way to confirm that local agencies are operating effectively between service reviews and to identify early which agencies most need a full review, so that limited staff time and budget go where they will do the most good.



The cemetery district in our opening story did not begin to struggle overnight. A vacant board seat, canceled meetings for lack of quorum, and a single staffing failure: the warning signs were there long before anyone at LAFCO had reason to look for them. A one-page annual check-in would have surfaced each of them. That is the point of this exercise, not more paperwork, but earlier questions. The intent is to be an affordable and useful tool for increasing public awareness and information.

San Joaquin LAFCO expects to bring the draft KPIs to its Commission for consideration later this year, and we would welcome input from our colleagues before then. If your LAFCO has tried something similar, or if you would like to see the draft, please reach out, and as always, "Beware of hitch-hiking ghosts!"





Big Shoes, Small Bites

Lessons from My First Year as Clerk

By Desirae Leverett, Clerk to the Commission, Yolo LAFCO

When I stepped into the role of Clerk to the Commission at Yolo LAFCO, I inherited much more than a job description. I inherited the carefully laid foundation established by the lovely Terri Tuck, who held this role for more than 25 years. Following someone who spent a quarter century mastering the position was no small feat, and I spent my first months trying to wrap my head around what it would entail.

One of the most surprising things I learned along the way is how truly unique and individual every LAFCO is. No two operate quite the same. That is precisely why I wanted to write this, because stepping into someone else's shoes as a LAFCO clerk can be daunting, and I suspect I am not the only one who has felt this weight. Clerks are the backbone of any LAFCO. They are required to be process-oriented but also to switch into an analytical mode at any given moment, depending on which project comes their way.

At Yolo LAFCO, there is almost no downtime. I faced a constant stream of new tasks and procedures using language I had never encountered before, and I needed to complete this work quickly to meet legal requirements and deadlines. Learning a role like this can feel like a fire hose blasting into a champagne bottle. There is a lot of information to absorb and limited time.

If I could go back and tell myself one thing on day one, it would be this: Everything will be okay, as long as you don't let fear or uncertainty stop you. Maintain forward momentum. You will not know everything on day one or day one hundred, and you will likely make mistakes. But if you keep moving, keep learning, and keep asking questions, the puzzle that is your LAFCO starts to come together. My goal became clear early on: build on the great foundation Terri left while updating our processes to carry us into a new age of AI and technology.

That balance, honoring what works while modernizing what does not, is a challenge I imagine many clerks will face as a generation retires and the next assumes these roles.

What follows are the practical lessons I learned along the way. I hope they spare the next new clerk some of the uncertainty I experienced.

1. **Start with your LAFCO's website.** Go through it thoroughly. Look for a glossary, applicant information, and any old Municipal Service Reviews you can find. Read through old minutes, agendas, and packets. This public-facing material is often the gentlest on-ramp to understanding what your agency does and how it communicates.
2. **Learn your server's filing structure.** Understanding how your files are organized will reveal your team's workflow. Do not be intimidated by the legal jargon in the documents. Aim to understand both the historical and the new information. This step does double duty: it teaches you the role and helps you identify areas ripe for improvement.
3. **Use AI as a learning tool.** When you encounter unfamiliar terminology or dense concepts like the Brown Act or parliamentary procedure, AI can quickly break them down into plain language. Treat it as a patient tutor available whenever you need one.
4. **Lean on the CALAFCO clerks' ListServ**. It is a lifeline and a way to build rapport with fellow clerks. They may not be able to tell you exactly how your LAFCO should operate, since every LAFCO is different, but they are almost always eager to help because they understand what you are going through.
5. **Build relationships with your county.** If your LAFCO works closely with the county, for example by using county HR, make time to reach out and ask questions. County employees are usually happy, helpful public servants, just like you.
6. **Connect with your Board of Supervisors clerk.** This is one of the most valuable relationships you can build. BOS clerks work at a higher level and often come equipped with tools like Chair Notes and Clerk Scripts. Which brings me to the next tip.
7. **Create a clerk template.** Meeting days are stressful enough. A clean script, complete with your commissioners' names in the order they should be called, will save you when the pressure is on. This is a great place to use AI to tailor a template to your agency's specific meeting style. Trust me, your future self will thank you.
8. **Apply for the CALAFCO Mentorship Program.** Request to be paired with someone who has served as a clerk. These programs connect you with people who become valuable resources you might not have met otherwise. Mentors are rich in historical knowledge and can also be a welcome outlet for the frustrations and struggles that come with a steep learning curve. You do not have to carry it all alone.



Blue Ridge Trail
Yolo County, CA

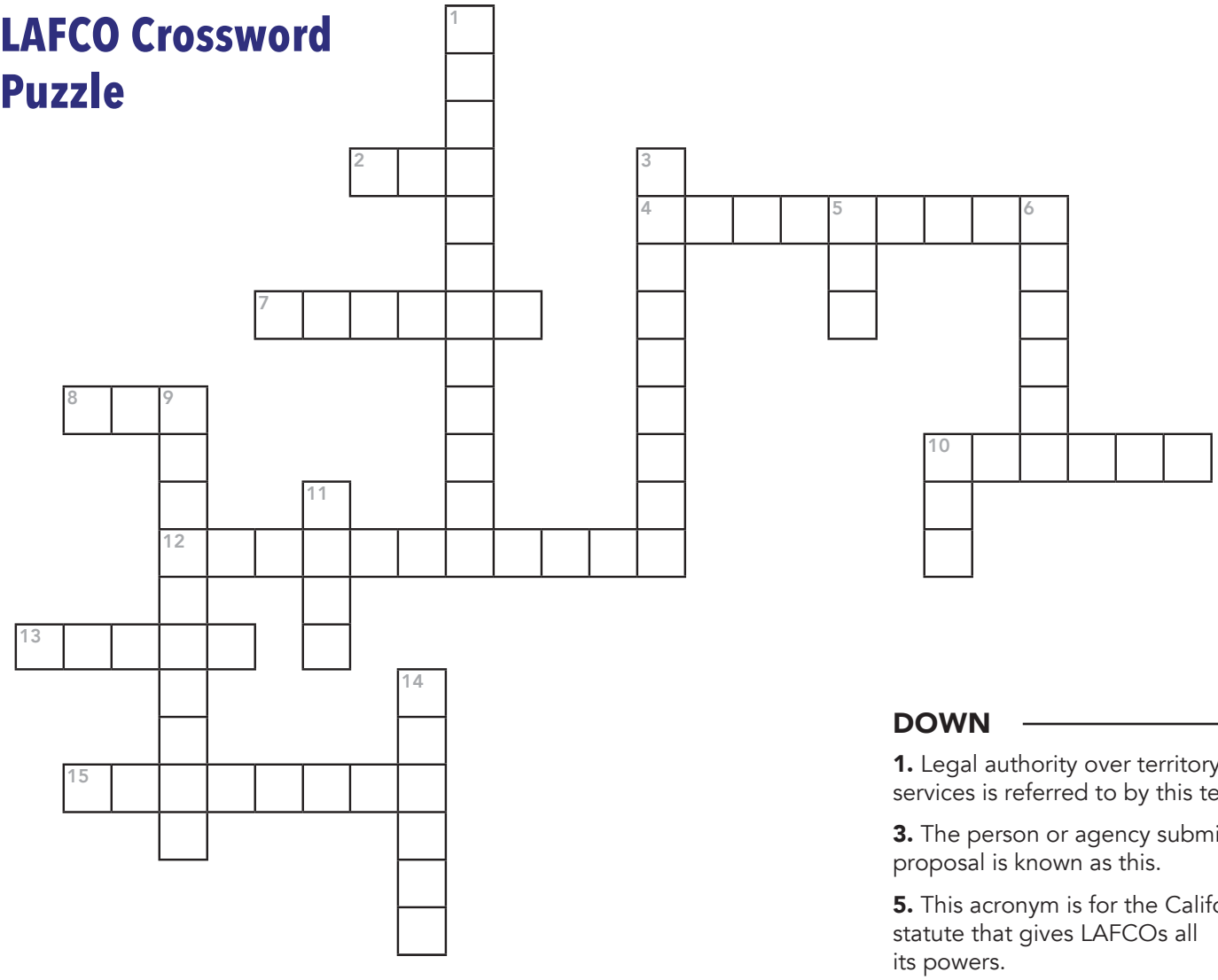
A final word to the next new clerk

Stepping into any long-held role can feel like an impossible act to follow. But you do not have to fill those shoes perfectly on your first day. You just have to keep moving forward. Study and respect the history, build your relationships, lean on the resources around you, and permit yourself to learn in small bites rather than all at once.

Every LAFCO is different, and that is the beauty of this community. We are all figuring it out in our own corners of the state, and we are all better for sharing what we learn. To the next clerk stepping into big shoes: take small bites, keep moving, and trust that the puzzle will come together in time. Take a breath, take the next step, and know that the rest of us are right here, figuring it out alongside you.

Within the Sphere

LAFCO Crossword Puzzle



ACROSS

2. This acronym refers to a boundary adopted by the commission meant to be used as a planning tool.

4. This type of LAFCO contains most of a district's territory within their county, and determines which LAFCO oversees it.

7. Input from residents or agencies during a meeting is offered this comment period.

8. This acronym refers to a collaborative entity formed when two or more public agencies agree to exercise shared powers.

10. Small, non-public water providers that often require LAFCO coordination when service reliability becomes a concern (m_____ water systems).

12. A district with its own board, staff, and budget is known as this.

13. This growth boundary, usually adopted by cities and counties, help guide development patterns, _____ limit line.

15. An application requesting a jurisdictional change is called this after it is deemed complete by LAFCO.

DOWN

1. Legal authority over territory or services is referred to by this term.

3. The person or agency submitting a proposal is known as this.

5. This acronym is for the California statute that gives LAFCOs all its powers.

6. These authorized "powers" are unused services but can be activated with LAFCO approval.

9. When a district begins providing a new service, this is occurring.

10. This acronym is for the comprehensive study which evaluates how well agencies deliver services.

11. When an agency is fully responsible for environmental review under CEQA they are considered this.

14. Annexing these types of unincorporated pockets surrounded by a city is known as this.

LAFCO Double Puzzle

Unscramble the words below to solve the coded phrase at the end.

MSEOCINRMOSI

16

EEXICOCFTVEUREIF

3 2

ASYLTAN

1

LCKRE

5

LCOAFAC

7 10

RHSEPSE

6

TNAIOLOINDOCS

8

NNITZEROIGAORA

9

TOANEIXNNA

4 13 14 18 12

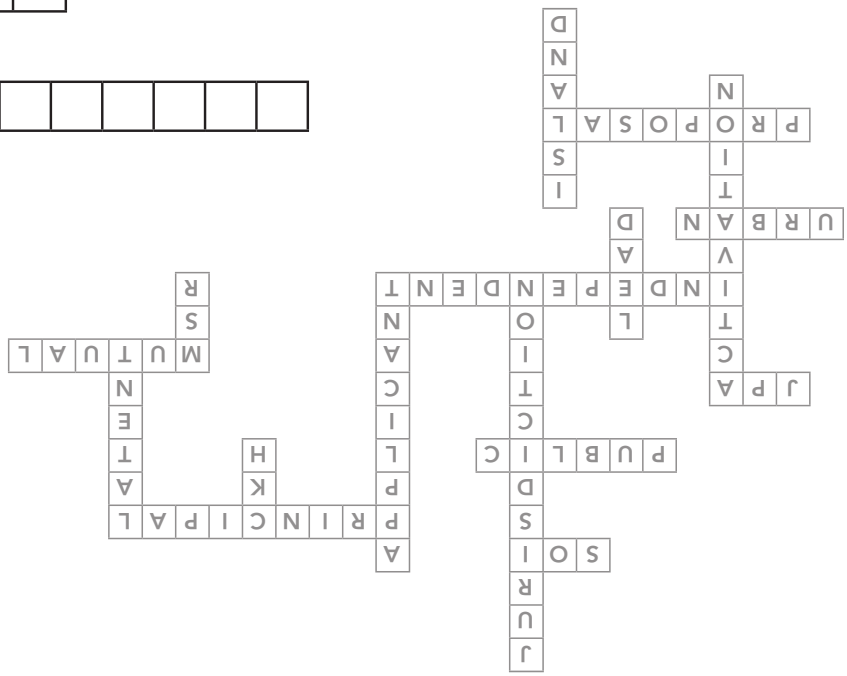
RIOCAPOTRNNOI

11 17 15

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1 2 3 4 5 6 7 8 9 10 11 12

13 14 15 16 17 18



Answers

COMMISSIONER

EXECUTIVE OFFICER

ANALYST

CLERK

CALAFCO

SPHERES

CONSOLIDATION

REORGANIZATION

ANNEXATION

INCORPORATION

YOU ARE A LAFCO

EXPERT!



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