



# County of Monterey

Board of Supervisors  
Chambers  
168 W. Alisal St., 1st Floor  
Salinas, CA 93901

## Board Report

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**File #:** RES 15-042, **Version:** 1

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Adopt a Resolution approving a Zero Property Tax Transfer for the proposed sphere of influence amendment and annexation of five Alco Water systems to the Pajaro/Sunny Mesa Community Service District.

### RECOMMENDATION:

It is recommended that the Board of Supervisors adopt a resolution approving a Zero Property Tax Transfer for the proposed sphere of influence amendment and annexation of five Alco Water systems to the Pajaro/Sunny Mesa Community Service District.

### SUMMARY:

The Monterey County Local Agency Formation Commission (LAFCO) has received a proposal for a zero property tax transfer for annexation of five Alco Water systems to the Pajaro/Sunny Mesa Community Service. The recommended zero property tax transfer must be approved prior to the LAFCO hearing on the annexation. Attached for the Board's consideration is the recommended zero property tax transfer resolution.

### DISCUSSION:

The Monterey County LAFCO has received a proposal involving a sphere of influence amendment and annexation of five Alco water systems to the Pajaro/Sunny Mesa Community Service District. Revenue and Taxation Code Section 99 requires the Board of Supervisors of Monterey County to determine an appropriate tax transfer for all jurisdictional changes of organizations occurring within Monterey County which could affect the service responsibility of any special district. Pursuant to Revenue and Taxation Code Section 99(b)(6), the Executing Officer of LAFCO shall not issue a Certificate of Filing (Government Code Section 56828) for a change of organization until an exchange of property tax revenue is negotiated.

On April 29, 1980, the Board of Supervisors approved and adopted a formula and policies for determining property tax transfer resulting from jurisdictional changes involving special districts (Resolution No. 80-249). These policies provide that no property tax transfers are to occur for annexations to service and utility-type districts such as the Pajaro/Sunny Mesa Community Services District involved in this sphere of influence amendment and annexation.

Alco Water Corp. was ordered by a Federal Court to sell its small water systems in Monterey County. The Pajaro/Sunny Mesa Community Services District purchased five small water systems formerly operated by Alco. The District purchased the water systems in order to minimize rate increases within these communities and also to be eligible for State and Federal grants and loan assistance. The five water systems are as follows:

- Blackie Road #18 (21 connections)
- Langley/Valle Pacifico (31 connections)
- Moss Landing Harbor District (144 connections)
- Normco (289 connections)
- Vierra Estates (47 connections)

A map is attached which shows the locations of the five water systems involved in this request.

OTHER AGENCY INVOLVEMENT:

The tax transfer resolution has been approved as to form by the County Counsel.

FINANCING:

The proposed zero property tax transfer will not result in a transfer of property tax from any agency to the district involved in this annexation.

Prepared by:

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Attachments:

- Resolution
- Map of five water system locations