

**Local Agency Formation Commission
Of Modoc County
Regular Meeting**

Minutes of June 11, 2013

1. Call to Order:

Chairman Dederick called the meeting to order at 5:00 pm, in the City Council Chambers, Alturas City Hall. Commissioners Allan, Alves, Irvin, Neer, and Dederick were present. Commissioner Alternate Jerry Shea was also present.

Staff Present: John Benoit, Executive Officer and Stephanie Wellemeyer, Clerk

Pledge of Allegiance

2. Approval of Agenda

Commissioner Neer made the motion to approve the agenda as submitted; seconded by Commissioner Allan. In favor: Unanimous

3. Approval of Minutes for April 9, 2013.

Commissioner Irvin made the motion to approve the minutes as corrected; seconded by Commissioner Allan. In favor: Unanimous.

4. Presentation and Discussion by the Big Valley Working Group regarding the Adin Ambulance and Meyer's Annexation Issues.

Clinton Davis, co-chair of the Big Valley Emergency Service working group, was started to look at the ambulance support services in the Big Valley area. We have temporary service for the next three months. During that time they are scrambling to look for a permanent service. They are asking for help in this endeavor. They are trying to pool all resources and get any direction they can. They have a scheduled meeting with Executive Director Benoit tomorrow and wanted to apprise them of what is taking place.

Commissioner Allan asks how Lassen County felt. They suggested the meeting with Executive Director Benoit. He has introduced a few ideas on what their options could be. There are many and they haven't closed the door on anything yet. Commissioner Allan asks if they would be willing to resurrect the JPA idea. There were three factions involved and they didn't all agree on that option but they are continuing to look at all options. Commissioner Allan asks where Meyers Memorial is at with the annexation and taxing people. That is a separate issue, they are currently administering the ambulance so there will still be ALS service for the next three months. It is not a permanent solution though, and he's hoping they can start putting aside personal feelings to ensure ambulance service can stay in Big Valley. Commissioner Allan asks what the problem was between the three fire districts that halted the previous progress. There were individuals that didn't want to get involved unless a vote was done by the landowners, and Adin didn't want to get involved if Bieber wasn't on board.

Commissioner Alternate Shea concurs with Commissioner Allan about the JPA, and maybe they can hire some attorneys to continue working on this and get all of the people involved on board because that would be less invasive than some other options.

5. Correspondence

*Public Records Request requesting information regarding a Former Executive Officer
Article on Class Action Challenges to local revenues
Updates on LAFCo (Shasta)*

Executive Officer Benoit reports he is working on the public records request but has found that there aren't a lot of records on file from that time period. Things like agendas, minutes, etc are not easily retrievable but he thinks he has enough for this request. He will send them the records that he has found.

There is an article in their packets in relation titled, "Class Actio Challenges to Local Revenues Allowed". The lawsuit is something to watch for. This is an article dealing with class action lawsuits which would make Prop 218 and taxes very vulnerable.

He was asked to circulate the updates from Shasta LAFCo so they know what is going on, so they also have a copy of *Updates on LAFCo* within their packets.

Finally, he received an email from City Treasurer Heather MacDonnell about fees for the use of City Hall. He isn't opposed to that and will put that on the next agenda for approval. She will bill us one year in advance and if we don't have a meeting we will get a credit for the next year.

Modoc Medical Center COO Kevin Kramer is keeping us involved as to what MMC is doing in regards to the ambulance service. He will meet with them tomorrow to discuss options. The bottom line is they will have to pay for something. Commissioner Allan states when the initial JPA was going forward the cost to the people down there was going to be a little less than annexation through Meyers Memorial, and along with that the JPA would have assured the kind of service they have grown accustomed to, so that is why he would like them to try and revive that. Executive Officer Benoit states the Lassen County Board wanted to make sure there was a vote before bills were sent out. That is something they will insist on in Lassen County.

6. Public Comment: None.

7. Public Hearing regarding the Hot Springs Valley Water District Reorganization including detachments of 1,072.37 acres more or less from the district and annexations of 1085.59 acres more or less to the district.

- a. Conduct public hearing regarding the Hot Springs Valley Water District reorganization*
- b. Consider Resolution 2013-0003 approving a reorganization for the Hot Springs Valley Water District.*

Chairman Dederick opens the public hearing at 5:24 p.m. Executive Officer Benoit reports this is a proposal for a land exchange to and from the Hot Springs Valley Water District. They have been working on this for a few years and during that time they have been working on the MSR

and Sphere of Influence as well as maps. The recommendation is to approve the annexation and detachments from the district.

Proponents: Wally Hagge, audience member, states this is a process they have been working on for many years. They had been out of compliance for many, many years and finally the members revolted and the Directors moved forward to correct this process. They have reviewed the maps and the boundaries are well defined.

Richard Jennings, audience member, states they missed something on the map. On the Fisher Ranch map it shows annexation and it should be an exclusion map. He provides that information to Executive Officer Benoit. Executive Officer Benoit is happy that we will have a map that is correct now, and will have a good baseline for any future changes.

Commissioner Alternate Shea asks about the various property owners and if they are in compliance with this action. Mr. Hagge states they were very much involved with this process and they are the ones that pushed the Directors to get this done, so he feels they have good membership backing of this.

Commissioner Allan asks what happens to the detached land. Mr. Hagge states they can't expand the district, so if they want to include one area of ground than they have to take another area out to accommodate a landowners request to put better land in and worse land out. He reports the district was formed many years ago and over the years there have been opportunities to do land exchanges and they have occurred but weren't done through the LAFCo process, so this cleans a lot of that up. Everyone looks at this as very beneficial.

Opponents: none.

Chairman Dederick closes the public hearing at 5:31 p.m.

Commissioner Neer made the motion to adopt Resolution 2013-0003 approving a reorganization for the Hot Springs Valley Water District; seconded by Commissioner Allan. In favor: Unanimous.

8. Final Budget for fiscal year 2013-2014

- a. *Receive Executive Officer's Report and conduct public hearing on the final 2013-2014 fiscal year budget.*
- b. *Consider Resolution 2013-0004 adopting a final budget for Fiscal Year 2013-2014*

Chairman Dederick opens the public hearing at 5:32 p.m. Executive Officer Benoit states this is the budget we discussed in April. There have been no changes to the budget. However, he would like to know who will go to the conference to ensure we have enough travel money budgeted. Commissioner Neer and Commissioner Alternate Shea are both interested in attending. Executive Officer Benoit thinks everything is fine.

Proponents: none. Opponents: none.

Chairman Dederick closes the public hearing at 5:35 p.m.

Commissioner Allan made the motion to adopt Resolution 2013-0004 adopting a final budget for Fiscal Year 2013-2014; seconded by Commissioner Alves. In favor: Unanimous.

9. Ratify Claims for April 2013 and Authorize Payment of Claims for May 2013.

a. Approve payment of expenses for April 2013 and May 2013.

Commissioner Alves made the motion to approve ratify claims for April 2013 and authorize payment of claims for May 2013; seconded by Commissioner Allan. In favor: Unanimous.

10. Review and Discuss Calafco Staff Workshop

Executive Officer Benoit reports that the Calafco Staff Workshop was pretty good. There was a class called LAFCo 201 and he was one of the instructors with Scott Browne who is an attorney. They focused on consolidation of districts. They discussed the nuances in the consolidations and annexations. When you have a new district they need to vote on a Gann limit which is the appropriations limit, which requires a public hearing. If you did an annexation you would have to do an MSR and Sphere right away. Another nuance is that if we have two similar resolutions from districts requesting consolidations, the Commission has to approve it but you can condition it though. Otherwise, it can take about a year of getting everything resolved between two districts. An initiation by Resolution is the way to go instead of a petition. In a lot of cases he still recommends a JPA to see if you get along first before becoming a full on district. Union contracts need to be taken care of as well.

A presentation was done on Ethics and Public Services. You have to distinguish between what is legal and what is ethical, which both are very important. They looked at the City of Bell in this example. There are penalties for these actions, and the two key things to take home is that ethical behavior is set quite high and it is your choice how high you want to set your sights above the minimum requirements of the law.

Another session that he attended was the recent cases that LAFCo staff should know. The Citizens Association of Sunset Beach vs Orange LAFCo is an important case to look at which involves island annexations. The Attorney General's opinion was you can do 150 acres on island annexations and that is it. He discusses some other cases that were discussed during this course including: Voices for Rural Living vs. the El Dorado Irrigation District, Habitat and Watershed Caretakers vs. City of Santa Cruz, and the Bureau of Indian Affairs vs. County of Stanislaus. These do apply to LAFCo so we need to be aware of these types of things.

Board of Equalization requirements was one of the other courses he attended. They are slowly going electronic and sent out a notice to the Assessor's and Filing Clerks.

11. Appointment of voting and alternate voting representative to vote on behalf of Modoc LAFCo at the Calafco Annual Conference in August.

a. Consider appointment of voting and alternate voting representative.

Commissioner Allan made the motion to appoint Commissioner Neer and Commissioner Alternate Shea as the voting and alternate voting representatives respectively to vote on behalf of Modoc LAFCo at the Calafco Annual Conference in August; seconded by Commissioner Irvin. In favor: Commissioners Allan, Alves, Dederick and Irvin. Abstain: Commissioner Neer. Motion carries.

12. Authorization for Staff and Commissioners to attend the Calafco Annual Conference at Squaw Valley August 27-30, 2013 and payment of claims for lodging and registration.

Commissioner Alves made the motion to authorize Executive Officer Benoit, Commissioner Neer, and Commissioner Alternate Shea to attend the Calafco Annual Conference at Squaw Valley August 27-30, 2013 and payment of claims for lodging and registration; seconded by Commissioner Irvin. In favor: Commissioners Allan, Alves, Dederick and Irvin. Abstain: Commissioner Neer. Motion carries.

13. Calafco Achievement Awards Nominations

a. Consider a Calafco Achievement Award Nomination

After discussion the Commissioners would like to nominate Executive Officer Benoit as the Outstanding LAFCo professional.

Commissioner Neer made the motion to nominate Executive Officer Benoit as the Outstanding LAFCo professional; seconded by Commissioner Allan. In favor: Unanimous.

Commissioner Dederick asks who that is submitted by, would it be the Commission? Correct. Colusa and Lake Counties have nominated him also, so he passed that on to the attorney. He will add Modoc too and pass it around for their approval. Commssioner Dederick offers to do a nomination for him as the Mayer for the City of Alturas as well.

14. Nominations for Calafco Board of Directors

a. Consider a nomination of a District or County Member to the Calafco Board

County members ask to be excluded. No action taken.

15. Executive Officer's Monthly Report

Alturas City Annexation request

Agreement between Likely and Madeline Fire Depts.

Executive Officer Benoit reports the City of Alturas is going to submit an annexation to him, and he has been working with Public Works Director Joe Picotte on that. The Likely agreement is getting close and he will leave it at that.

Commissioner Dederick asks about the timeline for the annexation. The Council will need to approve a Resolution, then the application will be submitted to LAFCo, then a 90 day property tax process takes place and he doesn't envision the City and County having any problems since it is public land, and it will require a 4/5ths vote by both entities. He thinks it would take be about three to four months. The Resolutions are attached to the LAFCo resolutions as exhibits so the

Auditor and Treasurer know what is going on. Sales tax can be an issue with these types of annexations, but he doesn't see that as a problem here. The biggest expense will be the State Board of Equalization fees, which they will have to deal with regardless.

16. Commissioner Reports – Discussion

No reports at this time. However Commission agrees that some of the issues resolved today will be beneficial to many public members.

There being no further business to come before this Commission; Commissioner Allan made the motion to adjourn the meeting; seconded by Commissioner Irvin. In favor: Unanimous

Meeting adjourned at 6:07 p.m.