

**BUTTE LOCAL AGENCY FORMATION COMMISSION
Draft Minutes of December 7, 2017**

(A complete voice recording of the Commission's meetings can be obtained from www.buttelafo.org)

1. Call to Order

Chair Leverenz called the meeting to order at 9:00 a.m., December 7, 2017, in the Butte County Board of Supervisors Chambers, 25 County Center Drive, Oroville, California.

1.1 Roll Call

Commissioners Present: Scott Lotter (City), Steven Onken (Special District), Bill Connelly (County), Tom Lando (Special District), Linda Dahlmeier (City), Steve Lambert (County) and Chair Carl Leverenz (Public).

Alternate Commissioners Present: Greg Steel (Public) and Bruce Johnson (City).

Absent Commissioners: None

Absent Alternate Commissioners: Larry Wahl (County-Alternate) and Al McGreehan (Special District-Alt).

Others Present: Stephen Lucas, LAFCO Executive Officer
Stephen Betts, LAFCO Deputy Executive Officer
Craig Sanders, LAFCO Deputy Executive Officer
Joy Stover, LAFCO Commission Clerk
P. Scott Browne, LAFCO Legal Counsel

* * * * *

2. Consent Agenda

2.1 Approval of the Minutes of November 2, 2017

Chair Leverenz asked if there were any corrections or additions to the minutes. None stated.

Commissioner Lotter made a motion to approve the November 2, 2017 Minutes. The motion was seconded by Commissioner Onken.

The motion was carried by the following vote:

AYES: Commissioners Lotter, Onken, Connelly, Lando, Dahlmeier, Lambert and Chair Leverenz

NOES: None

ABSENT: None

ABSTAINS: None

3. NOTICED PUBLIC HEARINGS

3.1 17-07 - Public Review Draft Municipal Service Reviews and Sphere of Influence Plans for the Mosquito Abatement Districts in Butte County: Butte County Mosquito and Vector Control District, Durham Mosquito Abatement District and Oroville Mosquito Abatement District. *(Continued from November 2, 2017)*

Chair Leverenz asked if staff has any additional information relating to the staff report.

Steve Betts, LAFCO Deputy Executive Officer, provided a PowerPoint presentation showing the changes that have been requested since the Commission's initial review in August as well as significant events that have occurred. Steve Betts stated the Commission is not approving a detachment or annexation at this hearing. Those actions will take place at a later date. Steve Betts went over the revisions that have been made to the Public Review Draft MSR/SOI Plan and provided a map showing the proposed area to be detached from DMAD and annexed into BCMVCD. Steve Betts stated staff recommends the Commission take the recommended actions as listed on the staff report and adopt Resolution 02 2017/18.

Commissioner Onken stated BCMVCD has stated that having to treat the rice land areas of the Durham Mosquito Abatement District (DMAD) will cost \$350,000 and how will the district afford to do this.

Chair Leverenz stated this was discussed at our last hearing. There will be an application to change the boundaries so that all the rice area will then be part of BCMVCD so to the extent of the small amount of revenue that that area will generate will not come close to covering this cost.

Commissioner Onken stated even after removing the rice land area from DMAD, the district will still have about 23,000 acres that they are responsible for. Fogging out of the back of a pickup truck is not going to take care of 23,000 acres so how is the district going to do this?

Chair Leverenz stated part of the recommendation from staff is to give DMAD a 1 year probationary period to come up with a plan to upgrade their service to meet the standards that are necessary for that type of service. If at the end of that one year period, if the district is not able to meet the standards, then LAFCo has the authority to take steps to deal with it.

Commissioner Lando asked why would we include in there that Oroville had an improper meeting and even if they had an improper meeting, why would we include that in there?

Steve Lucas stated LAFCo has to look at is the governance functions.

Commissioner Lotter stated every time staff has prepared a MSR, they have looked at the governance of the district.

Steve Lucas stated OMAD Board met last night and accepted a presentation from the BCMVCD manager outlining what a contractual service agreement might look like. The meeting was productive and heading in the right direction.

Chair Leverenz opened this item to the public for comments and stated even though it is later on in the agenda, BCMVCD is asking for a waiver of LAFCO fees to allow them to proceed to annex the large rice area of DMAD. If anyone wants to speak on that as well it would be appropriate at this time.

Jeff Carter, appearing as counsel on behalf of OMAD, stated also here today is Chad Gunderson, OMAD Chair. The OMAD board has met twice since the last LAFCo meeting and the meetings have been very productive. BCMVCD has been very generous in offering services. The OMAD Board sees no hiccup in getting into the next mosquito season with being able to provide the same, if not better, service that has been provided in the past. OMAD Board is focusing on how best they can provide the required level of mosquito and vector control services to the people of the district. They are not stuck on a territorial fight on whether the district should stay in effect or not. They are worried about only making sure that the best services are being provided for the people. The OMAD Board is meeting again on Dec. 20, 2017 to consider alternatives that it might take into account to discover which level of service is best. Come March 2018, this arrangement will be solidified with some type of agreement. The district will keep the LAFCo staff advised of any outcomes and the district is going to do their duties as an existing district to make certain that mosquitoes and vectors are controlled.

Chair Leverenz asked is it true that the (OMAD) district has been unable to obtain the financial records.

Jeff Carter stated the person holding the records has refused to turn them over so the district is looking at alternative measures to obtain the records. Additionally the OMAD Board has two people that are interested in serving on the Board during this interim period of time. The OMAD Board will be going to the County Board of Supervisors to recommend that these people be appointed as we have a district to manage and to do so we need five persons.

Commissioner Dahlmeier stated the City of Oroville actually appoints directors to the OMAD Board and is that something the City needs to take action on in the next few months.

Steve Lucas stated there are five trustees appointed to OMAD; four are appointed by the County Board of Supervisors and one is appointed by the City of Oroville Council. The term for the trustee currently appointed by the City does not expire until 2019.

Matt Ball, BCMVCD general manager, stated he had been asked to speak regarding the letter requesting a waiver of any and all application fees for the annexation of the rice fields currently in DMAD. It is going to cost BCMVCD a considerable amount of money to do the larviciding of those rice fields and it is going to stretch our district's revenues and expenditures thin. Our district has been supportive of this as we know it is in the best interest of public health. Matt Ball provided conservative estimates of the amount of money it may take to control the rice fields. If the fees are waived, the BCMVCD Board will be going forward with an application for annexation of those areas.

Commissioner Connelly discussed with Matt Ball the functions BCMVCD has the ability to perform which are more than what OMAD is able to provide.

Aaron Amator, manager of DMAD, stated nothing has changed since the last LAFCO meeting and DMAD has not had their next scheduled board meeting. They would like to review the final draft and see if there is anything final changes from them.

Chair Leverenz asked if a copy was sent to the district.

Steve Lucas stated the district was notified of the meeting and a link was sent so they can access the document online.

Aaron Amator stated the board members have read it but they have not had a board meeting yet to discuss it together and go over corrections.

Chair Leverenz stated even if the Commission approves this today, the district would have some time to request a reconsideration if they find something that is really harmful.

Aaron Amator stated there are a few small changes that need to be made but nothing glaring.

Chair Leverenz closed the public portion of the hearing.

Commissioner Lando moved to adopt Resolution No. 02 2017/18 including the minor changes that were discussed to be added, approving the Municipal Service Review & Sphere of Influence Plan Update. The motion was seconded by Commissioner Dahlmeier.

The motion was carried by the following roll call vote:

AYES:	Commissioners Lotter, Onken, Connelly, Lando, Dahlmeier, Lambert and Chair Leverenz
NOES:	None
ABSENT:	None
ABSTAINS:	None

3.2 17-10 – City of Chico – Burnap Avenue Annexation No. 06

Craig Sanders, LAFCO Deputy Executive Officer, stated the City of Chico submitted an application to accommodate a development of approximately 6.04 acres. This development is proposed to create 23 parcels. Staff reviewed the original application and recommends the annexation area include some additional parcels along the Burnap Avenue road frontage to make a more logical boundary area. Staff sent out solicitation letters to the landowners of the additional parcels in the island area. Staff received 3 comments back in opposition of the annexation from parcels 9, 10 & 12; all fronting Eaton Road. The number of registered voters in the three parcels would be enough to trigger a protest hearing. Craig Sanders went over the staff recommended options as listed in the staff report. Craig Sanders stated he and Steve Lucas met with the City of Chico Manager & planning staff and they are preparing to move forward with an annexation of this entire island area at the beginning of their coming fiscal year, subject to their council's approval.

Commissioner Lando asked if the City of Chico has put that in writing.

Steve Lucas stated he is working on a letter agreement with the City of Chico's Manager.

Commissioner Lando asked if LAFCo has the ability to initiate the annexation if the City doesn't.

Steve Lucas stated LAFCo has no ability to initiate an annexation.

There was discussion regarding the configuration options for the annexation.

Chair Leverenz opened this item to the public.

Chuck Tatreau, applicant/developer for this project, stated it has been a long 2 years in trying to get this project going. He would like to request the Commission move forward as he is working with an organization for some of the funding and if the project does not move forward he risk losing his funding.

Commissioner Connelly made a motion to adopt Resolution No. 06 2017/18, approving the annexation of parcels 1-7 and 15-20, excluding parcels 8-14. The motion was seconded by Commissioner Lando. Commissioner Lando stated he will personally go before the Board of Supervisors to request they initiate the annexation of the remaining parcels in this island area, if the City of Chico does not follow through with an application.

The motion was carried by the following roll call vote:

AYES: Commissioners Lotter, Onken, Connelly, Lando, Dahlmeier, Lambert and Chair Leverenz
NOES: None
ABSENT: None
ABSTAINS: None

4. REGULAR AGENDA

4.1 Items Removed from the Consent Agenda. None

4.2 18-05 – Butte County Mosquito and Vector Control District – Request of Waiver of Fees

Steve Lucas stated this project involves a lot of agricultural land and LAFCo doesn't really have any category for this in our application fees. The district is asking for the waiver for the Sphere of Influence fees and the LAFCo application fees. If the waiver is granted, the district will still be responsible to pay the mapping and State Board of Equalization fees for processing of the boundary change.

Commissioner Connelly made a motion to waive the Sphere of Influence Fees only (\$150,000) with a finding that the public interest will be served and the waiver will not significantly impact the sphere update responsibilities. The LAFCO filing fees are not waived (\$3000). The motion was seconded by Commissioner Lando.

The motion was carried by the following roll call vote:

AYES: Commissioners Lotter, Onken, Connelly, Lando, Dahlmeier, Lambert and Chair Leverenz
NOES: None
ABSENT: None
ABSTAINS: None

5. Public Comment on Items not on the Agenda.

Chair Leverenz asked if there was anyone who wished to speak on something not on the agenda. No responses received.

6. Reports and Communications.

6.1 Executive Officer's Report.

Steve Lucas summarized the Executive Officer's Report and provided updates.

6.2 Correspondence – None

7. ADMINISTRATION – None

8. ADJOURNMENT

There being no further business, the meeting was adjourned at 9:50 a.m. to the Thursday, January 4, 2018 regularly scheduled meeting.

LOCAL AGENCY FORMATION COMMISSION

By: Stephen Lucas, Executive Officer