

BUTTE LOCAL AGENCY FORMATION COMMISSION
DRAFT Minutes of July 2, 2015

1. CALL TO ORDER

Chair Leverenz called the meeting to order at 9:00 a.m., on July 2, 2015, in the Butte County Board of Supervisors Chambers, 25 County Center Drive, Oroville, California.

1.1 Roll Call

Present: Commissioners Scott Lotter (City), Larry Duncan (Special District), Bill Connelly (County), Tom Lando (Special District), Linda Dahlmeier (City), Steve Lambert (County) and Chair Carl Leverenz (Public). Alternate Commissioner John Busch (City)

Absent: Alternate Commissioners Larry Wahl (County) and Greg Steel (Public).

Others Present: Stephen Lucas, LAFCO Executive Officer
Stephen Betts, LAFCO Deputy Executive Officer
Joy Stover, LAFCO Commission Clerk
Scott Browne, LAFCO Counsel

2. CONSENT AGENDA

2.1 Approval of the Minutes of June 4, 2015

Chair Leverenz asked if there were any modifications to be made to the minutes. None stated.

Commissioner Lando made a motion to approve the Consent Agenda. The motion was seconded by Commissioner Lambert.

The motion was carried by the following vote:

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

3. NOTICED PUBLIC HEARINGS

3.1 15-11 – City of Chico – Chapman Annexation No. 1

Chair Leverenz stated agenda items 3.1 and 3.2 will be treated as one, as they are both noticed public hearings for annexations to the City of Chico. And when this item is opened to the public, anyone in the audience that wishes to be heard of either item may do so.

Steve Betts stated as outlined in the staff report these two annexations are being processed under the island provisions of the Cortese Knox Hertzberg Act under section 56375, which basically states that the Commission has no authority to deny the annexations. Pursuant to this section as listed in pages 7-9 of the staff report, there are standards for the island annexations and we believe both these annexations are consistent with this section of Government Code. These two annexations were also analyzed using Government Code 56668 and the results were listed in the

staff reports. The effective date will be five years from today. The City and County have already met and have agreed to certain procedures to be followed during this five year interim period. A copy of the agreement is attached to the staff reports.

Chair Leverenz opened this item to the public for comment.

Tom Steffen, landowner within the Chapman annexation area, asked why it is taking so long to get these areas annexed.

Chair Leverenz stated the City of Chico has gone through some financial difficulties and even though they recognize the need to annex this area, they requested that LAFCO postpone recording the annexations and allow the County to continue to provide services for the next five years.

Commissioner Lando asked if individual property owners could apply to annex sooner.

Chair Leverenz stated absolutely.

Tom Steffen stated he was told he can't annex unless his property is contiguous to the City or if his septic tank was failing.

There was discussion regarding what would be required in order for a parcel to be annexed if it is not contiguous to the City.

Tom Steffen stated his property is about four parcels away from the City and he would like to develop it. This whole area should have been annexed 20 years ago.

Chair Leverenz stated if he wants to develop the land, he needs to annex the property to do so.

Chair Leverenz closed the public portion of the hearing.

Commissioner Lotter asked if somebody wanted to annex before the five years is up, is there a provision to allow an island to be created.

Steve Lucas stated state law requires an annexation to be contiguous period and LAFCo does not have any flexibility.

Scott Browne stated the agreement specifically allows the City to annex the area earlier than the five years and if people within the areas desire that they need to go to the City and ask them to annex earlier.

Commissioner Lando made a motion to adopt Resolution No. 21 2014/15 approving the Chapman island annexation and Resolution No. 22 2014/15 approving the Mulberry island annexation. The motion was seconded by Commissioner Connelly.

The motion was carried by the following roll call vote:

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

NOES: None

ABSENT: None

ABSTAINS: None

3.2 15-18 – City of Chico – Mulberry Annexation No. 1

See agenda item 3.1.

3.3 15-12 – Buzztail Community Services District – Divestiture of Service

Steve Betts stated the Buzztail Community Services District currently provides two separate services, road maintenance and domestic water services. The District wishes to divest/remove their power to provide water services within their district boundary. They have determined that it would be more efficient for another water company to buy, maintain and operate the existing water system. The District has a purchase agreement with Del Oro Water Service Company. The District will clear approximately \$30,000 after the sale that they will put into their road maintenance funding.

Commissioner Dahlmeier left the dais at 9:16 a.m.

There was discussion regarding the district water services going from a public agency to a private agency.

Scott Browne stated for the record he did some work 10-12 years ago for Guy Hall and Mr. Isom who owned the winery in the District. He executed contracts with the District. He does not see any conflict as a result of that work but he did want it disclosed for the record.

Chair Leverenz opened the public portion of the hearing.

Richard Tooker, president of the Buzztail Community Services District, stated the District first approached Cal Water. The only reason Cal Water did not want to buy the water services is they have a policy that will not allow them to do so. The District feels the sale of the water services would allow for professional management of the system. Del Oro Water Company has a customer service center and has the ability to run more test/inspections than are required. Del Oro has agreed the District residents will have no rate change for three years except for possible PUC approved cost of living adjustments. Mr. Tooker gave a brief status of the current well conditions. The District Board feels the sale of the water services is in the best interest of all the residents within the District and there has been no opposition received.

Chair Leverenz closed the public portion of the hearing.

Commissioner Lotter made a motion to adopt Resolution No. 24 2014/15 approving the divestiture of service, including the environmental findings. The motion was seconded by Commissioner Duncan.

The motion was carried by the following roll call vote:

AYES: Commissioners Lotter, Duncan, Connelly, Lando, Lambert and Chair Leverenz

NOES: None

ABSENT: Commissioner Dahlmeier

ABSTAINS: None

4. REGULAR AGENDA

4.1 Items Removed from the Consent Agenda – None

5. PUBLIC COMMENTS NOT ON THE AGENDA - None

6. REPORTS AND COMMUNICATION

6.1 Executive Officer's Report

Steve Lucas summarized the executive officer's report.

The Commission agreed to cancel the August LAFCo meeting.

6.2 Correspondence –

May 21, 2015 Letter concerning Glenn County Groundwater Sustainability Agency.

7. ADMINISTRATION – None

8. ADJOURNMENT

There being no further business, the meeting was adjourned at 9:55 a.m. to the next LAFCo meeting to be held on **Wednesday, September 9, 2015** at 9:00 a.m.

LOCAL AGENCY FORMATION COMMISSION

By: Stephen Lucas, Executive Officer

Minutes prepared by Joy Stover, Commission Clerk