

**BUTTE LOCAL AGENCY FORMATION COMMISSION**  
**DRAFT Minutes of May 7, 2015**

**1. CALL TO ORDER**

Chair Leverenz called the meeting to order at 9:00 a.m., on May 7, 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), Steve Lambert (County) and Chair Carl Leverenz (Public). Alternate Commissioner John Busch (City).

Absent: Commissioner Linda Dahlmeier (City). Alternate Commissioners Larry Wahl (County), Greg Steel (Public) and Wes Gilbert (Special District).

Others Present: Stephen Lucas, LAFCO Executive Officer  
Stephen Betts, LAFCO Deputy Executive Officer  
Jill Broderson, LAFCO Management Analyst  
Joy Stover, LAFCO Commission Clerk  
Scott Browne, LAFCO Legal Counsel

**1.2 Nomination and Election of LAFCO Chair and Vice-Chair**

Commissioner Lotter nominated Carl Leverenz as Chair. Commissioner Duncan seconded the nomination. Commissioner Duncan moved to close the nominations. The motions passed by unanimous vote.

Commissioner Lando nominated Scott Lotter as Vice Chair. Commissioner Lambert seconded the nomination. Commissioner Duncan moved to close the nominations. The motions passed by unanimous vote.

**2. CONSENT AGENDA**

**2.1 Approval of the Minutes of April 2, 2015**

Chair Leverenz asked if there were any changes to the minutes. None stated.

**Commissioner Lotter made a motion to approve the Consent Agenda. The motion was seconded by Commissioner Duncan.**

**The motion was carried by the following vote:**

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

**3. NOTICED PUBLIC HEARINGS**

### **3.1 Review and Consideration of Proposed Final Budget for FY 2015/16.**

*(Continued from April 2, 2015)*

Jill Broderson stated this budget has been circulated three times and there have been no comments received.

Chair Leverenz opened this item to the public for comment. No response received and the public portion was closed.

**Commissioner Lando made a motion to adopt the Final Budget. The motion was seconded by Commissioner Lotter.**

**The motion was carried by the following roll call vote:**

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

**NOES:** None

**ABSENT:** None

**ABSTAINS:** None

## **4. REGULAR AGENDA**

### **4.1 Items Removed from the Consent Agenda – None**

### **4.2 15-14 – South Feather Water & Power Agency – Foothill Boulevard Annexation No. 07**

Steve Betts stated staff is recommending approval of this annexation.

Chair Leverenz opened this item to the public. No comments were received.

**Commissioner Lando made a motion to adopt Resolution No. 20 2014/15, approving the annexation. The motion was seconded by Commissioner Connelly.**

**The motion was carried by the following roll call vote:**

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

**NOES:** None

**ABSENT:** None

**ABSTAINS:** None

### **4.3 15-13 – City of Chico – Extension of Services – 982 East Lassen Avenue**

Steve Betts stated this is an extension of service request to extend sanitary sewer service to a 55-unit mobile home park located in the north Chico area. Staff is recommending denial of this extension request as this parcel is adjacent to the City of Chico boundaries on the south and east sides and the roads the parcel front on are already within, and maintained by, the City of Chico. Butte LAFCo Policy 4.5.4.A.1 basically states if the parcel is adjacent to a city's boundary, it should be annexed to the city. The City of Chico in their application stated: "the parcel could be reasonably annexed into the City". Staff believes annexation is very feasible due to being adjacent to jurisdictional boundaries, the senior mobile home park would have minimal impact to City law enforcement services, and the roads within the mobile park are private and the City would not be responsible for those roads.

Chair Leverenz opened this item to the public. No response received.

Chair Leverenz asked if the Commission denies this would the applicant need to wait for one year to apply for annexation.

Steve Lucas stated no.

Chair Leverenz stated part of the work that has gone into processing this application could be used towards the processing of an annexation application for this parcel.

**Commissioner Lando made a motion to adopt Resolution No. 18 2014/15, denying the extension of City of Chico sanitary sewer services. The motion was seconded by Commissioner Lotter.**

**The motion was carried by the following roll call vote:**

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

**NOES:** None

**ABSENT:** None

**ABSTAINS:** None

#### **4.4 15-15 – City of Chico – Extension of Services – 769 Caprice Way**

Steve Betts stated this parcel is not contiguous to the City of Chico jurisdictional boundaries and an annexation of this parcel would require the annexation of an additional 10 to 15 parcels to provide for effective and efficient boundaries. This project is unusual in that the septic system was removed before the owners received an extension approval. The City of Chico states in the application that annexation of the subject parcel to the City is not feasible at this time because the parcel is not contiguous to City boundaries.

There was discussion regarding the removal of the septic system before having acceptable means of sewage disposal.

Chair Leverenz opened this item to the public. No response received.

**Commissioner Connelly made a motion to adopt Resolution No. 19 2014/15, approving the extension of City of Chico sanitary sewer service. The motion was seconded by Commissioner Duncan.**

Commissioner Lando stated he feels the whole thing should be forced to annex.

**The motion was carried by the following roll call vote:**

**AYES:** Commissioners Lotter, Duncan, Connelly, Busch, Lambert and Chair Leverenz

**NOES:** Commissioner Lando

**ABSENT:** None

**ABSTAINS:** None

#### **4.5 Consideration of Amendment to Commission Island Annexation Policies**

Steve Lucas stated this is a request from the City of Oroville to review this policy, with respect to what constitutes an island. Steve Lucas provided a historical background to the original island policy. This revised draft policy would allow the cities to use the island policy more effectively.

Commissioner Connelly voiced his concern regarding the cities possibly attempting to annex commercial parcels, which could potentially affect the County financially.

There was discussion regarding the protest hearing savings associated with this policy.

**Commissioner Lando made a motion of intent to approve the Amendment to the Commission Island Annexation Policy. The motion was seconded by Commissioner Connelly.**

**The motion was carried by the following vote:**

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

**NOES:** None

**ABSENT:** None

**ABSTAINS:** None

#### **4.6 15-04 – City of Oroville – South Oroville Annexation No. 1**

Steve Betts stated staff conducted a Protest Hearing for the South Oroville Annexation on Monday, April 6, 2015. The Commission had approved the annexation subject to the outcome of the Protest Hearing. All landowners and registered voters within the affected area were mailed a protest form. The result of the protest hearing shows there were not a sufficient number of valid protest forms received to terminate the annexation or cause an election to be held. Staff is requesting the Commission acknowledge the results of the Protest Hearing.

Chair Leverenz opened this item to the public for comment.

Pastor Kevin Thompson stated he wanted to say how grateful and thankful he is to be a part of this great day of celebration for the southside community being annexed into the City.

Janet Goodson, stated she would be remiss if she did not appear and personally thank this Commission, this community and the Friends of Southside. This came about through the efforts of many, including the elders of the community.

Bill Bynum, a member of the Friends of Southside, stated he researched this issue and saw that it [the annexation] was long overdue. After the group went door to door, it was determined at least 85% of the citizens that actually live in the area are in favor of the annexation. He stated he wanted to thank the Commission for doing the right thing.

Commissioner Connelly stated he wanted to thank everyone for their efforts as without the citizen's efforts this would have never happened. He grew up in South Oroville and always felt it was disingenuous to call it southside. This is where all the working people lived when he grew up. Commissioner Connelly stated he wanted to thank the LAFCo board for having the courage to approve this annexation.

Chair Leverenz re-opened this item to recognize some citizens from the South Oroville area.

Kevin Thompson stated Mr. & Mrs. McCarter are probably the oldest living couple in the Oroville area. This couple never gave up on seeing this annexation take place. Kevin Thompson thanked the McCarters for coming in today.

Chair Leverenz thanked the McCarters for appearing as well.

#### **5. PUBLIC COMMENTS NOT ON THE AGENDA - None**

#### **6. REPORTS AND COMMUNICATION**

##### **6.1 Executive Officer's Report**

Steve Lucas stated staff has received the Chapman and Mulberry Island annexation applications. There had been an interest in holding the LAFCo meeting for these projects in Chico as the City of Chico. Steve Lucas stated he has been unable to get a return call confirming the availability of a room to hold the July 2<sup>nd</sup> meeting.

Commissioner Lando stated his reasons why he felt the hearing should be held at the regular meeting place, the Board of Supervisors Chambers. Commissioner Connelly agreed.

Chair Leverenz stated if they were really serious about wanting the meeting held in Chico they would have been better at getting us a date.

It was agreed the July 2<sup>nd</sup> LAFCo meeting will be held in Oroville.

Steve Lucas stated staff received the nomination forms for the CALAFCO Board of Directors positions. The two positions that are up for election for the northern region are the County representative and the Special District representative. Commissioner Duncan currently holds a position for the Special District and Commissioner Connelly previously held a position the board.

**Commissioner Lando moved to nominate Commissioner Connelly and Commissioner Duncan for the CALAFCO Board of Directors. Commissioner Lotter seconded the nomination. The nomination passed by unanimous vote.**

Under Legislative Notes-

AB 1532: This is a language clean-up measure to Cortese Knox Hertzberg Local Government Reorganization Act of 2000.

Scott Browne stated an issue has come up recently regarding this Omnibus. In the Omnibus Bill, last year the court of appeal in Fresno issued a ruling regarding plans for services. It was interpreted, according to the way the language of the statute is written, that for an annexation application to be valid, there has to be a plan for services that provides for *new services*. It invalidated an application to annex an area to a district where a district was already providing services on an out of agency contract. In essence, what they are saying is LAFCo doesn't have the power nor is the application valid for LAFCo to annex an area to a special district where the district is already providing services as there is no ability to provide new services. Scott Browne stated for an Omnibus Bill there can't be any opposition. Turlock Irrigation District has now stated they may oppose the Bill. If that happens, it may take another two years before this law is changed.

AB 402: Steve Lucas stated this bill addresses the issue of providing services outside your jurisdictional boundaries, with the consent of the Commission for any particular purpose as long as it comes to the Commission for review. Currently an agency can only go outside their sphere of influence with new services if there is a public health and safety problem that needs to be addressed. This bill would allow an agency to go outside their sphere of influence for new and or planned uses if the Commission makes certain findings. The bill subverts the current need to annex territories to serve them when no public health or safety issue exists.

**Commissioner Connelly made a motion to send a letter of opposition. Commissioner Lando seconded the motion. The motion passed by unanimous vote.**

SB 239: (RE: GC 56133) Steve Lucas stated this bill also proposes changes to GC 56133 that will target fire service extensions by requiring consultation with fire unions.

**Commissioner Lando made a motion to send a letter of opposition. Commissioner Duncan seconded the motion. The motion passed by unanimous vote.**

Scott Browne stated each Commissioner should go back to their city, county and district boards and also request them to send letters of opposition.

**6.2 Correspondence – None**

**7. ADMINISTRATION – None**

**8. ADJOURNMENT**

There being no further business, the meeting was adjourned at 10:02 a.m. to the next LAFCo meeting to be held on **Thursday, June 4, 2015** at 9:00 a.m.

**LOCAL AGENCY FORMATION COMMISSION**

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**By: Stephen Lucas, Executive Officer**

Minutes prepared by Joy Stover, Commission Clerk