

**BUTTE LOCAL AGENCY FORMATION COMMISSION  
Draft Minutes of June 2, 2016**

**1. Call to Order**

Chair Leverenz called the meeting to order at 9:00 a.m., June 2, 2016, in the Butte County Board of Supervisors Chambers, 25 County Center Drive, Oroville, California.

**1.1 Roll Call**

Present: Commissioners Larry Duncan (Special District); Bill Connelly (County); Al McGreehan (Special District-Alt); John Busch (City-Alt); Steve Lambert (County) and Chair Carl Leverenz (Public)

Absent: Commissioners Scott Lotter (City); Tom Lando (Special District) and Linda Dahlmeier (City)

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

*Commissioner Lotter arrived after roll call at 9:02 am*

**2. Consent Agenda**

**2.1 Approval of the Minutes of May 5, 2016**

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

**Commissioner Connelly made a motion to approve the consent agenda. The motion was seconded by Commissioner McGreehan.**

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

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

**NOES:** None

**ABSENT:** Commissioner Lotter

**ABSTAINS:** None

*Commissioner Lotter arrived at this time.*

### 3. NOTICED PUBLIC HEARINGS –

#### 3.1 Amendment Single Flat Hourly Rate Based Upon the Employment Cost Index

Jill Broderson, LAFCO management analyst, stated our current rate is \$153 hr and the Bureau of Labor statistics in April reported the quarterly percentage for the overall year at 1.8%. If we were to adopt the 1.8%, as we have done in the past, the hourly rate would go to \$156.

Commissioner McGreehan asked what the history is behind this index and why was this index chosen. It seems like it is a national index and it is not localized or regionalized.

Steve Lucas, LAFCO Executive Officer, stated this is the index that the County had used at the time and we carried over with the same process.

Chair Leverenz opened this item for public comment. None stated. Chair Leverenz closed the public portion of the hearing.

**Commissioner McGreehan made a motion to adopt Resolution No. 13 2015/16 approving an amendment to the current single flat hourly rate for all billable projects. The motion was seconded by Commissioner Duncan.**

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

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

#### 3.2 16-07 – City of Chico – East Lassen Avenue Annexation No. 10

Chair Leverenz asked if staff had anything to add to the memorandum that was presented.

Stephen Betts stated as of this date we have not received any written protest to the annexation and therefore as outlined in the report and in the resolution, this annexation can go forward without the need to hold a protest hearing.

Commissioner Duncan asked what the definition of an island is.

Steve Lucas stated generically it is a substantially surrounded area that does not exceed 150 acres. The reason why you don't see this as an island annexation is because it is greater than 150 acres.

Commissioner Duncan stated his concern is that we may be creating an island.

Chair Leverenz stated we are actually making an existing island area smaller.

Chair Leverenz opened this item for public comment. None stated. Chair Leverenz closed the public portion of the hearing.

Chair Leverenz stated selecting natural boundaries is always an interesting development. The three parcels that would be to the northeast would square this boundary off.

Steve Lucas stated over a period of time staff looked at a much larger area, after canvassing the area, there wasn't a lot of interest at this point. We had to decide where to draw the line as to not compromise the annexation.

**Commissioner Lotter made a motion to adopt Resolution No. 11 2015/16 approving the annexation to the City of Chico. The motion was seconded by Commissioner Duncan and carried.**

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

<b>AYES:</b>	Commissioners Lotter, Duncan, Connelly, McGreehan, Busch, Lambert, and Chair Leverenz
<b>NOES:</b>	None
<b>ABSENT:</b>	None
<b>ABSTAINS:</b>	None

#### **4. REGULAR AGENDA**

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

#### **5. Public Comment on Items not on the Agenda**

Chair Leverenz asked if for comments on items not on the agenda. None stated.

#### **6. Reports and Communications**

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

Steve Lucas summarized the Executive Officer's report. An update to the Rio D'Oro development project in the Oroville area was provided.

Chair Leverenz asked if there is a timeframe as to how quickly or not quickly this project is going to move forward.

Steve Lucas stated there are a lot of things that still have to occur before it comes to LAFCO. He does not expect to receive the annexation application before 3 or 4 months out.

Steve Lucas provided a detailed update to the status of SB1318 (Wolk) related to drinking water and wastewater. CALAFCO will be providing amended language to the stakeholders in anticipation of a formal meeting that has been moved to Monday June 6, 2016.

Steve Lucas stated AB 2470, which deals with water service to tribes, is a really bad bill and he stated he provided a sample letter of opposition that outlines what the problem is with the bill as written.

Commissioner Connelly stated AB 2470 actually circumvents the special districts and it circumvents LAFCo to the point that it could be very damaging. This bill should be stated only for the one circumstance and not the entire state.

Commissioner McGreehan asked if this bill will be voted on this coming week by the Assembly and asked about the timing of the letter.

Steve Lucas stated the sooner we get the letter in the better.

The Commission unanimously consented to send the AB 2470 opposition letter as amended.

Under General Notes, there was discussion on LAFCo staff being involved in informal conversations with several community members about the provision of domestic water services in the greater Oroville area.

There was discussion on possibly cancelling the July regularly scheduled LAFCo meeting. It was agreed to leave the decision up the Executive Officer.

## **6.2 Correspondence – None**

### **7. ADMINISTRATION – None**

### **8. ADJOURNMENT.**

There being no further business, the meeting was adjourned at 9:22 a.m. to the July 7, 2016 regularly scheduled meeting.

## **LOCAL AGENCY FORMATION COMMISSION**

---

**By: Stephen Lucas, Executive Officer**