

BUTTE LOCAL AGENCY FORMATION COMMISSION
DRAFT Minutes of June 4, 2015

1. CALL TO ORDER

Chair Leverenz called the meeting to order at 9:00 a.m., on June 4, 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), Linda Dahlmeier (City), Steve Lambert (County) and Chair Carl Leverenz (Public). Alternate Commissioner John Busch (City) & Greg Steel (Public).

Absent: Commissioner Tom Lando (Special District). Alternate Commissioners Larry Wahl (County) 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

2. CONSENT AGENDA

2.1 Approval of the Minutes of May 7, 2015

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

Commissioner Duncan 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, Dahlmeier, Lambert and Chair Leverenz

NOES: None

ABSENT: Commissioner Lando

ABSTAINS: None

3. NOTICED PUBLIC HEARINGS

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

Jill Broderson stated the Commission adopted a resolution in May of 2012 that implemented the annual cost escalator. The escalator was put into place to ensure our hourly rates be continuously readjusted on July 1st of each year based on the latest data from the Employment Cost Index. The latest release reflected a 1.8% increase.

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

Commissioner Lotter made a motion to adopt Resolution No. 23 2014/15 approving the amendment. The motion was seconded by Commissioner Dahlmeier.

The motion was carried by the following roll call vote:

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

NOES: None

ABSENT: Commissioner Lando

ABSTAINS: None

4. REGULAR AGENDA

4.1 Items Removed from the Consent Agenda – None

4.2 Consideration of Amendment to Commission Island Annexation Policies

Steve Lucas stated staff circulated the draft amendment and we received two favorable comments.

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

Commissioner Duncan asked how many other LAFCOs have this policy.

Steve Lucas stated the percentage amount varies throughout the state. The law just simply states *an area substantially surrounded*, which leaves it open to interpretation.

Commissioner Connelly asked if this can be protested.

Steve Lucas stated protests are not allowed in an island annexation.

Commissioner Dahlmeier made a motion to adopt Resolution No. 20 2014/15, approving the amendment to the Commission Island Annexation Policy. The motion was seconded by Commissioner Duncan.

The motion was carried by the following roll call vote:

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

NOES: Commissioner Connelly

ABSENT: Commissioner Lando

ABSTAINS: None

4.3 15-04 – City of Oroville – Lower Wyandotte Road Annexation No. 4

Chair Leverenz stated by way of explanation, this item came before the Commission and we approved the annexation. There is a protest process which was conducted by the staff, the protest process has been completed and today we are going to hear the results of that protest process.

Steve Lucas stated the Commission heard this item on March 5th which was publically noticed. Prior to that, the City of Oroville Council had initiated the annexation through a publically noticed hearing. For clarification this project was not processed as an island annexation. The protest hearing was held and concluded on May 11, 2015. The protests were insufficient to challenge the annexation based on the results as shown in the staff report. The protest was deemed invalid and the annexation moves forward.

Chair Leverenz opened this item to the public.

Mark Sapp, residing on Garden Ranch Rd and included in the annexation area, stated none of his neighbors want to be annexed into the City of Oroville. He voiced his concerns regarding the timing of when the annexation meetings were scheduled.

Chair Leverenz explained the annexation process, the meetings held to date and how LAFCo staff is required by statutes to schedule meetings in a timely manner.

There was discussion concerning how the protest is determined.

Mark Sapp asked how he and his immediate neighbors can get out of this annexation process.

Chair Leverenz stated he needs to speak with staff from the City of Oroville and LAFCo regarding options.

Commissioner Dahlmeier stated, as the Mayor of the City of Oroville, she is pleased this area was approved for annexation as the City of Oroville has been tasked with cleaning up its city limits. It was suggested Mr. Sapp meet with staff from the City to better understand what can and cannot be done on his property and to work out an easy transition.

There was discussion regarding the sharing of services that has been agreed to for fire, law enforcement and animal control services as well as the ability to have current uses continue, such as owning chickens.

Jim Reed states he owns quite a few properties in the south area and he wanted to voice his concerns regarding the differences in what the City allows versus the County and felt the notification may not have given property owners enough time to respond.

Mike Ledger stated he has lived on his property since 1951 between Brookdale and Garden Ranch Road and he has a business there. There are 11 or 12 properties in his area and he knows he can get all of the property owners to reject being annexed in.

Chair Leverenz stated there isn't anything that can be done by the Commission at this time and said the property owners can meet with LAFCo staff regarding possible procedures that are available if they feel that strongly about not wanting to annex.

No formal action was taken. Results of protest hearing accepted.

4.4 Request to Reduce or Waive Sphere of Influence/Municipal Service Fees for LAFCO File No. 15-04 – City of Oroville Annexation No. 4

Steve Lucas stated the City of Oroville has requested the Sphere of Influence (SOI)/Municipal Service fees be waived. It is very rare to do this and the Commission does not take this lightly. Given that the south Oroville area has been such a focal point of effort on the part of the City, the County and LAFCo for years, the request could fall in the category of being in the public's interest, and we just updated the City's SOI. Steve Lucas doesn't believe this has any impact on LAFCO's sphere update responsibilities and this is probably an appropriate request.

Commissioner Lotter asked if we had any hard cost involved in this as this is a fee for the future.

Chair Leverenz stated the City has covered the cost of processing this application.

Steve Lucas stated the County actually paid the initial \$20,000.00 deposit that went towards the filing fees for processing the project.

Commissioner Duncan asked if we are setting precedence by doing this.

Steve Lucas stated as shown in the table in the staff report there have been a variety of reasons why fees have been waived in the past. As part of the annexation agreement with the City of Chico, the SOI fees were waived for those two projects, taking into consideration they are older developed disadvantaged areas without much future growth potential.

Commissioner Lotter stated getting the Chapman, Mulberry and South Oroville annexation projects done are the most important projects to be completed since he became a LAFCo commissioner. He feels it is worthwhile to waive these fees.

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

Commissioner Lotter made a motion to approve Option 1 A&B as stated on the staff report approving the waiver of the Sphere of Influence/Municipal Service Fees. The motion was seconded by Commissioner Connelly.

The motion was carried by the following roll call vote:

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

NOES: None

ABSENT: Commissioner Lando

ABSTAINS: None

4.5 Request from CALAFCO to allow Butte Executive Officer to serve as the CALAFCO Executive Officer.

Commissioner Duncan asked, for the record, if Steve Lucas wants this position.

Steve Lucas stated he would be happy to help out the statewide organization.

Chair Leverenz stated Steve Lucas clearly has been active with CALAFCO and the Commission benefits through getting more education and more insight by him working closely with CALAFCO. The fact that CALAFCO recognizes his abilities is a nice continuing education opportunity for him.

There was discussion regarding CALAFCO reviewing the current stipend amounts to be paid.

Commissioner Duncan made a motion to approve allowing Steve Lucas to serve as the CALALFCO Executive Officer for a two year term. The motion was seconded by Commissioner Dahlmeier.

The motion was carried by the following roll call vote:

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

NOES: None

ABSENT: Commissioner Lando

ABSTAINS: None

5. PUBLIC COMMENTS NOT ON THE AGENDA - None

6. REPORTS AND COMMUNICATION

6.1 Executive Officer's Report

Steve Lucas stated staff received an email from Wes Gilbert stating he has resigned his position on the Butte County Resource Conservation District Board of Directors thus making him

ineligible to participate as an alternate commissioner on LAFCO. Staff will start the nomination process in hopes of recruiting a new special district alternate commissioner.

Steve Lucas summarized the executive officer's report.

There was discussion regarding the El Medio Fire Protection District possibly annexing the Mooretown Rancheria area into their district.

It was decided to submit the Chapman/Mulberry Annexation Agreement and the South Oroville Annexation for the Project of the Year CALAFCO award as well as the Most Effective Commission award.

Commissioner Duncan stated the commission should apply for the Outstanding LAFCo Clerk award again this year as the vote last year was close and he'd like to see it resubmitted.

Steve Lucas stated he will write something up for the July 2nd meeting for the Commission's review and consideration.

Steve Lucas provided a legislative update to the current Assembly Bills: AB 1532 & AB 402, Senate Bill 239 and the new Budget Trailer Bill 825.

Commissioner Connelly stated he does feel the Commission should support anything extending the power to a non elected board such as the State Water Board, as they are using the drought as an excuse to look at our pre 1914 water rights and his opinion is we should not support them as a solution could be found another way.

6.2 Correspondence –

May 21, 2015 Letter concerning Glenn County Groudwater 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 **Thursday, July 2, 2015** at 9:00 a.m.

LOCAL AGENCY FORMATION COMMISSION

By: Stephen Lucas, Executive Officer