

**BUTTE LOCAL AGENCY FORMATION COMMISSION**  
**DRAFT Minutes of November 5, 2015**

**1. CALL TO ORDER**

Chair Leverenz called the meeting to order at 9:00 a.m., on November 5, 2015, 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), Steve Lambert (County), Alternate Commissioner John Busch (City) and Chair Carl Leverenz (Public).

Absent: Commissioners Scott Lotter (City), Linda Dahlmeier (City) and Tom Lando (Special District), Alternate Commissioners Larry Wahl (County) and Al McGreehan (Special District).

Others Present: Alternate Commissioner Greg Steel (Public)  
Mark Sorensen, City Administrator, City of Biggs  
Scott Friend, Consultant, City of Biggs  
Brendan Vieg, Principal Planner, City of Chico  
P. Scott Browne, LAFCO Counsel  
Stephen Lucas, LAFCO Executive Officer  
Stephen Betts, LAFCO Deputy Executive Officer  
Jill Broderson, Management Analyst

**2. CONSENT AGENDA**

**2.1 Approval of the Minutes of September 9, 2015.**

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

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

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

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

**3. NOTICED PUBLIC HEARINGS – None.**

**4. REGULAR AGENDA**

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

#### **4.2 15-08 - City of Biggs - Discussion of Sphere of Influence Update.**

Deputy Executive Officer, Stephen Betts indicated that City of Biggs Sphere of Influence update was placed on the Commission's agenda for informational purposes of an update. At this time, Mr. Betts stated that although formal action is not requested at this time, staff is interested in the Commission's comments.

Mr. Betts stated that the project consists of an update to the City of Biggs Municipal Service Review, originally adopted November 6, 2008, and the adoption of a Sphere of Influence Plan. The proposed Sphere of Influence Plan includes an update to the existing Sphere of Influence, originally adopted in 1985.

Mr. Betts stated that the City of Biggs current Sphere of Influence is approximately 151 acres in size, exclusive of the area within the City's jurisdictional boundaries. The City is proposing to add to their current Sphere an approximate 1,815 acres, which consists of 149 parcels. The proposed Sphere will include two areas, totaling 774 acres that will be designated as Special Study Areas. Approximately 900 acres of the proposed Sphere will be within the Biggs-Gridley Area of Concern. In addition, approximately 160 acres of the proposed Sphere is currently being developed along with the City's wastewater treatment plan enhancement project. Mr. Betts reviewed the maps that were included within the Commission's packet.

Because no formal action can be taken, Mr. Betts stated that staff is requesting the Commission to offer any observations of the process and that this item is anticipated to be placed on the Commission's December 3rd agenda for formal public review and action.

Commissioner Connelly asked when a Sphere is considered, does the Commission not establish a timeline of approximately 20 years?

Executive Officer, Stephen Lucas stated 20 years is a general guideline to follow; however, in some cases it is applied and in other cases, not so easily applied. In working with the City of Biggs staff, the challenge was to develop a 20 year sphere; however, another challenge is that the City of Biggs is completely surrounded by agricultural land. Therefore, in observing their opportunity to get out to the highway was a priority in terms of development.

#### **4.3 Update on Implementation of Sewer Service and Annexation Agreement with City of Chico.**

Executive Officer, Stephen Lucas said that he was pleased to share a positive update with the Commission. Mr. Lucas stated there were five fundamental issues that LAFCO wanted to address with the City. Those issues included:

1. Compensate LAFCO for the costs associated with reviewing city-wide sewer service connections and the discovery of 62 non-compliant connections; and
2. Retroactively authorize the 62 non-compliant sewer extensions; and
3. Pre-authorize sewer service extensions to developed parcels within the unincorporated Chapman and Mulberry neighborhood islands; and
4. Annexation of the unincorporated Chapman and Mulberry neighborhood islands; and
5. Develop an annexation plan to connect to the City sewer system in the coming years.

Mr. Lucas was happy to announce that they have met four of the goals, and that the City has met all of its obligations, with respect to making applications and providing the necessary funding. Mr. Lucas said that there are two outstanding issues, worth noting. Those issues include:

Under Article 3, "There are individual cases where a parcel may be contiguous to City boundaries, but a logical boundary cannot be created unless other affected parcel owners also agree to annexation. In these cases, staff may recommend a sewer extension rather than an annexation of parcel."

Mr. Lucas stated that one case a parcel owner would like to seek sewer connection for a vacant lot and another case where as a parcel owner who had a desire to develop an existing lot with multiple new homes on it with the existing sewer system. With respect to undeveloped lots, Mr. Lucas said that pursuant to the agreement, it is clear that the subject lots were not to be connected to the sewer, as they were not eligible lots.

Chair Leverenz asked if this was a parcel that could be annexed by itself?

Mr. Lucas said it is a contiguous parcel, so it could be annexed in advance for a fee, which was an option provided to the landowner.

Chair Leverenz stated that since the Commission is already committed with the City of Chico to hold off the entire annexation as a whole; if someone had a particular parcel that they wanted to annex, the Commission would have to be in favor.

Scott Browne, LAFCO Legal Counsel, said the Commission would have to consider environmental impacts.

Chair Leverenz further reiterated that should a project applicant come forward with such an application, the Commission would consider it.

Mr. Lucas agreed and stated he feels that the City of Chico staff is in agreement and that staff has carefully articulated these two cases. Mr. Lucas stated that the question that arises if the annexation funding for five years out, what is the harm for some of these cases that want to move forward expeditiously throughout the process? Why not make a special exception and allow for a service connection? Mr. Lucas stated that the explanation is simply that the agreement was not intended nor it was ever intended to address that particular issue; and in fact, vacant lots were a point of contention all along. Although most of this was solved, and of course, now as usual, not every agreement solves every scenario.

Chair Leverenz said if LAFCO did not have the agreement with the City of Chico, the people would still have to apply.

Mr. Lucas agreed with Chair Leverenz. Mr. Lucas said he pointed out the two areas of the agreement where in two situations, only in the Chapman-Mulberry Area, where a question or a scenario arose where it was complicated, and perhaps more difficult to explain to the average property owner, who doesn't know the back ground of the agreement.

With reference to the second item of the report, Mr. Lucas said it is moving forward with the annexation plan that will look at the Lassen area corridor north. Mr. Lucas said this is a large island area that is not eligible for an island annexation. While at this time, there is really nothing urgent to do, Mr. Lucas indicated that LAFCO staff would continue to work with City staff. Mr. Lucas said that the relationship between the City and LAFCO staff has grown from this. The County staff has also been actively involved in helping with the implementation. While it has been a very cooperative effort, Mr. Lucas said the agreement has been a tremendous success in solving the problems that were originally intended to resolve.

Commissioner Connelly stated that if there was pressure for development and it would bring a higher tax base; perhaps the City could be talked into expediting the agreement, as it economically makes sense.

In further reiterating Commissioner Connelly's point, Mr. Lucas said they specifically included within the agreement for the allowance to expedite the annexation.

Mr. Brendan Vieg, Principal Planner, City of Chico, said he would like for the Commission to authorize LAFCO staff more authority when it comes to those properties contiguous to the City, or there is going to be a need for a sewer hook-up in the Chapman Mulberry area.

Chair Leverenz stated that staff already has the authority if there is an emergency situation to authorize a hookup.

For clarification, Mr. Lucas said any existing development within the Chapman Mulberry island who has a failing septic system, can automatically get a connection to the City sewer to simply by going to the City.

Chair Leverenz said if someone has an existing home with a septic failure, the understanding of the agreement is that staff has the authorization. However, if it is a result of new construction of any type, Chair Leverenz stated that the rules for everyone must be applicable.

Commissioner Connelly asked if the Commission can legally, even though the annexation is five years out, treat the vacant parcel as if it is annexed?

Scott Browne said the agreement answers that.

Mr. Lucas said the context is that the property remains unincorporated property, in order for the extension of service to go to it, the Commission has to do one of two things, either approve the extension of services or annex the property. Per the agreement, it states annex the property.

There was talk about amending the agreement.

#### **4.4 Adoption of 2016 LAFCO Regular Meeting Calendar**

**Commissioner Connelly made a motion to approve the 2016 LAFCO Regular Meeting Calendar. The motion was seconded by Commissioner Duncan.**

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

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

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

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

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

Executive Officer, Stephen Lucas summarized the Executive Officer's report.

##### **6.2 Correspondence – September 10, 2015 letter from CALAFCO.**

Correspondence was noted.

#### **7. ADMINISTRATION – None.**

**8. ADJOURNMENT**

There being no further business, the meeting was adjourned at 10:11 a.m. to the next LAFCO meeting to be held on **Thursday, December 3, 2015** at 9:00 a.m.

**LOCAL AGENCY FORMATION COMMISSION**

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**By: Stephen Lucas, Executive Officer**

Minutes prepared by Jill Broderson, Management Analyst