



**BUTTE LOCAL AGENCY FORMATION COMMISSION
Draft Minutes of March 7, 2019**

(A complete voice recording of the Commission's meetings can be obtained from www.buttelafco.org)

1. CALL TO ORDER

Chair Leverenz called the meeting to order at 9:01 a.m., March 7, 2019, in the Butte County Board of Supervisors Chambers, 25 County Center Drive, Oroville, California.

1.1 Roll Call

Commissioners Present: Al McGreehan (Special District-Alt), Bill Connelly (County), Nathan Wilkinson (City), Steve Lambert (County), Carl Leverenz, Chair (Public)
Commissioner Wilkinson arrived at 9:07 a.m.

Commissioners Absent: Greg Bolin (City) and Jack Kiely (Special District)

Alternate Commissioners Absent: Bruce Johnson (City), Debra Lucero (County) & Greg Steel (Public)

Vacant Seat: Regular Commissioner Special District

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

2.1 Approval of the Minutes of February 7, 2019

Chair Leverenz asked if there were any requested changes to the two items. None stated.

2.2 Acceptance of Independent Auditor's Report and Financial Statements for Fiscal Years ending June 30, 2018 and 2017

Commissioner McGreehan made a motion to accept the Consent Agenda as presented. The motion was seconded by Commissioner Lambert.

The motion was carried by the following roll call vote:

AYES: McGreehan, Connelly, Lambert and Chair Leverenz

NOES: None
ABSENT: Bolin, Wilkinson and Kiely
ABSTAINS: None

3. NOTICED PUBLIC HEARINGS

3.1 18-07 – Public Review Draft Municipal Service Review and Sphere of Influence Plan Update for the Butte County Resource Conservation District *(Continued open from February 7, 2019)*

Jill Broderson stated last week the Butte County Resource Conservation District submitted financial information as requested. Although the information was limited, the information consisted of District's current fiscal year budget as well as budgets for current grants and contracts the District is working on. Staff has updated the Municipal Service Review (MSR) to incorporate the new information. The financial information has also been included in the comments section of the MSR.

The District stated that it had previously requested the Butte County Auditor's office to prepare the District's audit and claims the County Auditor's office has yet to respond. The District is currently preparing a RFP for auditing services which they plan to circulate within the next few weeks.

Chair Leverenz stated as a reminder, the Sphere of Influence being recommended by the Staff is for the entire County area. The District hasn't had an audit since 2009 which apparently hasn't been a real problem.

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

Chair Leverenz stated he would like to see an application, hopefully from the District, to annex the urban areas that the District is serving and the area up near Tehama County.

Steve Lucas stated the Commission can move forward approving the MSR today and there is already a determination involving the annexation of the urban areas. A letter could be sent to the District regarding the annexation process.

Commissioner McGreehan asked what Staff's impression of the revenue options the District is struggling with.

Steve Lucas stated the District exists on grants. There are not a lot of options for the District to obtain revenue. There was discussion on what support the Tehama County RCD could offer BCRCD in way of sharing information on obtaining grants.

Commissioner Connelly stated the District has been existing on grants for years and he doesn't feel requiring tax funding sources will work.

Commissioner Connelly made a motion to adopt Resolution No. 07 2018/19 approving the Municipal Service Review and Sphere of Influence Plan for the Butte County Resource Conservation District. The motion was seconded by Commissioner Lambert.

The motion was carried by the following roll call vote:

AYES: McGreehan, Connelly, Wilkinson, Lambert and Chair Leverenz

NOES: None
ABSENT: Bolin and Kiely
ABSTAINS: None

4. REGULAR AGENDA

4.1 Items Removed from the Consent Agenda – None

4.2 City of Chico – Requested Amendment to Sewer Service Agreement

Chair Leverenz stated Steve Lucas and himself met with the City of Chico regarding allowing development in the Chapman and Mulberry areas.

Commissioner Connelly stated there have been additional concerns brought to the BOS that people want to house more people by hooking to the sewer and adding bedrooms and this is relevant as there is a need at this time.

Chair Leverenz opened this item to the public for comments.

Brendan Vieg, Deputy Director for the City of Chico Community Development Department stated this was an opportunity or a situation where Staff from LAFCo, the County and the City came together in lieu of the Camp Fire to see what could be done to help address the bigger problem. We tried to get rid of some of the conflicts to help some housing production that is sorely needed at this time.

Commissioner McGreehan asked if the City has the financial means to extend the sewer lines into this area.

Brendan Vieg stated the sewer lines are already all in place in the Chapman and Mulberry areas. If this is approved by the Commission, the City will send a waiver of jurisdiction to Butte County so that the City would become the building and planning department for proceeding with the building plans and approvals.

Commissioner Connelly stated this would be a win/win.

Rick Souza, stated he owns a couple of lots in the Chapman area and when he purchased the property a couple of years ago, it was with an understanding that he would have to wait a couple of years to build until 2020.

Chair Leverenz stated the annexation is still going to still going ahead in 2020, but this would allow the property owners to hook up to the sewer system and allow development as needed before the annexation is recorded.

Brendan Vieg stated property owners can currently hook up to sewer system but any new development was precluded. This would allow new development and additions to current development to go forward.

Casey Hatcher, Butte County Administration, stated the circumstances are not unique and we would certainly want to work with the City so we don't lose time for people to be able to build and for development to go forward. Having the waiver of jurisdiction in place would be important when people are ready to get building.

Commissioner Wilkinson moved to approve directing staff to amend the Sewer Service Extension and Annexation Agreement to allow the City to extend sewer service connections to expanded or new residential development only within the Chapman and Mulberry island area. The motion was seconded by Commissioner McGreehan.

The motion was carried by the following roll call vote:

AYES: McGreehan, Connelly, Wilkinson, Lambert and Chair Leverenz
NOES: None
ABSENT: Bolin and Kiely
ABSTAINS: None

5. **Public Comment on Items not on the Agenda - None**

6. **Reports and Communications**

6.1 **Executive Officer's Report.**

Steve Lucas summarized the Executive Officer's Report and provided updates.

There was discussion regarding the CALAFCO dues structure and possible increases to the CALALFCO dues.

Chair Leverenz stated if CALAFCO did not exist, we would have to create it and it is in our best interest to support CALAFCO. There is a need in every county for coordinated planning in a reasonable fashion and our LAFCO provides that.

6.2 **Correspondence - None**

7. **ADMINISTRATION**

8. **ADJOURNMENT**

There being no further business, the meeting was adjourned at 9:35 a.m. to the next LAFCO meeting scheduled for April 4, 2019.

LOCAL AGENCY FORMATION COMMISSION

By: Stephen Lucas, Executive Officer