



**BUTTE LOCAL AGENCY FORMATION COMMISSION
Draft Minutes of February 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., February 7, 2019, in the Butte County Board of Supervisors Chambers, 25 County Center Drive, Oroville, California.

1.1 Roll Call

Commissioners Present: Greg Bolin (City), Jack Kiely (Special District), Al McGreehan (Special District-Alt), Nathan Wilkinson (City), Steve Lambert (County), Carl Leverenz, Chair (Public)

Commissioners Absent: Bill Connelly (County)

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

Vacant Seats: Regular Commissioner Special District

Others Present: Stephen Lucas, LAFCO Executive Officer
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 January 3, 2019

Chair Leverenz asked if there were any corrections or changes requested. None stated.

Commissioner Lambert made a motion to adopt the Consent Agenda approving the January 3, 2019 minutes. The motion was seconded by Commissioner Wilkinson.

The motion was carried by the following vote:

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

Steve Lucas provided a PowerPoint presentation and stated staff has received no comments to date. Overall the District provides a valuable service to the County and they bring in outside grants to fund those services. The District has not provided the requested audits and budgets. Based on this it is difficult to assess the financial health of the agency. The District's manager was terminated for cause and since then the District Chair has taken over management capabilities. The District needs to fill the vacant manager position. Staff is recommending the Vina area and all incorporated areas in the County to be included in the District's Sphere of Influence.

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

Chair Leverenz stated he has some concerns regarding the District not providing financial documents as requested. Chair Leverenz asked who does the grant writing for the District.

Steve Lucas stated there is a contract person that works for the District that manages a lot of the grants.

Commissioner McGreehan stated he feels the review period needs to be extended. Staff needs to send the staff report to all City managers so they can have a voice.

Steve Lucas stated staff reached out to all five cities to see if they were interested in participating with the RCD. The only city that responded was the City of Chico in the affirmative.

There was discussion regarding delaying this item for a month to see if we can get someone from the District Board to come and talk about the deficiencies noted in the MSR.

Commissioner Wilkinson made a motion to continue this item to the next LAFCO meeting. The motion was seconded by Commissioner Lambert.

The motion was carried by the following roll call vote:

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

4. REGULAR AGENDA

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

4.2 **Appointment of Budget Committee for the 2019/20 Fiscal Year**

Commissioners Connelly (County), Wilkinson (City), Kiely (Special District) and Chair Leverenz (Public) were appointed to the Budget Committee.

4.3 19-04 – Dissolution of County Service Area No. 26 (Thermalito Drainage)

Steve Lucas stated this district has never produced any service, collected any money, has had no expenditures and no debts. In the interim since staff prepared the Municipal Service Review for this district and now, the state law passed that allows the State Controller's Office to start to identify districts that are not performing. Once the State Controller's Office notifies LAFCO that a district is an inactive district, LAFCO is required to initiate dissolution within 90 days of receiving the notice. Today is the first step to initiate the process. We will then schedule this for a noticed public hearing in which the Commission will be asked to officially dissolve the district.

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

Commissioner Lambert moved to approve Resolution No. 12 2018/19, a resolution of application initiating the LAFCO process to dissolve CSA 26 pursuant to the Cortese/Knox/Hertzberg Local Government Reorganization Act of 2000, Government Code 56879. The motion was seconded by Commissioner Wilkinson.

The motion was carried by the following roll call vote:

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

4.4 19-06 – City of Chico – Extension of Services – 1417 Glenwood Avenue

Steve Lucas stated he this is an area where there seem to be quite a few septic failures.

Chair Leverenz provided a historical review of the sewer connections in the City of Chico outside of the City's jurisdictional boundary and the agreement reached between LAFCO and the City of Chico concerning the Chapman and Mulberry island areas.

Commissioner Wilkinson asked if there has been any established timeline on making Chico island free.

Steve Lucas stated when LAFCO and the City negotiated the agreement back in 2011; LAFCO staff identified 11 separate island areas that needed to be annexed. There was no specific schedule for the island annexations established. The north Chico island area is by far the largest island area in Chico and the City just recently initiated annexation of that island area.

There was discussion on setting a condition on this sewer connection for the City of Chico to initiate the annexation of this island area. It was noted that the City of Chico over the years has made a great effort to get their island areas annexed and the remaining island areas are much fewer than what was in place years ago.

Commissioner McGreehan made a motion to adopt Resolution No. 13 2018/19 approving the extension of sanitary sewer services, amending the resolution to include a condition the City of Chico initiate the annexation of this parcel within 5 months. The motion was seconded by Commissioner Kiely.

The motion was carried by the following roll call vote:

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

Commissioner Lambert asked if Tom Lando is still working for the City of Oroville & if so would that be a conflict.

Steve Lucas stated Tom Lando is eligible to serve as CARD nominated him. If he is still has a conflict at the conclusion of the election & if he is chosen, he cannot take the position. If he resigns and is not in that conflict at the time, then he can take the position.

Commissioner Kiely stated he knows the City of Oroville is currently recruiting for a City Administrator.

Steve Lucas provided an update to the recruiting process for the Policy Analyst/Deputy Executive Officer position and stated the lack of housing in the area may pose a problem in the recruitment process.

6.2 Correspondence - None

7. ADMINISTRATION

8. ADJOURNMENT

There being no further business, the meeting was adjourned at 10:23 a.m. to the next LAFCO meeting scheduled for March 7, 2019.

LOCAL AGENCY FORMATION COMMISSION

By: Stephen Lucas, Executive Officer

Minutes prepared by Joy Stover, Commission Clerk