

BUTTE LOCAL AGENCY FORMATION COMMISSION
DRAFT Minutes of March 6, 2014

1. CALL TO ORDER

Chair Leverenz called the meeting to order at 9:02 a.m., on March 6, 2014, 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), Tom Lando (Special District), Steve Lambert (County) and Chair Carl Leverenz (Public).
 Alternate Commissioners: Greg Steel (Public) and Wes Gilbert (Special District).

Absent: Commissioners: Jerry Fichter (City)
 Alternate Commissioners: Ann Schwab (City) and Larry Wahl (County).

Others Present: Stephen Lucas, LAFCO Executive Officer
 Stephen Betts, LAFCO Deputy Executive Officer
 Jill Broderson, LAFCO Management Analyst
 Scott Browne, LAFCO Legal Counsel

The meeting was adjourned to the Closed Session Item at 9:03 a.m.

2. CLOSED SESSION (*Administration Conference Room Available 9:00 a.m. to 10:00 a.m.*)

2.1 Conference with Legal Counsel on Significant Exposure to Litigation Pursuant to Gov. Code Section 549569(b)(1) – One Case.

The meeting was reopened at 9:50 a.m.

Chair Leverenz stated the Commission met with LAFCO Counsel and no formal action was taken.

3. CONSENT AGENDA

3.1 Approval of the Minutes of February 6, 2014.

3.2 Acceptance of Independent Auditor’s Report and Financial Statements for Fiscal Years ending June 30, 2013 and 2012.

Chair Leverenz asked if anyone had corrections or changes to the minutes or comments regarding the Independent Auditor's Report and Financial Statements for Fiscal Years ending June 30, 2013 and 2012.

Commissioner Duncan stated that in the sixth paragraph on Page 3 of the Minutes for February 6, 2014, the last word "does n" should be corrected reflect "does not".

Commissioner Lando made a motion to approve the Consent Agenda including the correction to the Minutes of February 6, 2014. The motion was seconded by Commissioner Duncan.

The motion was carried by the following vote:

AYES: Commissioners Lotter, Duncan, Connelly, Lando, Lambert and Chair Leverenz
NOES: None
ABSENT: Commissioner Fichter
ABSTAINS: None

4. NOTICED PUBLIC HEARINGS - None.

5. REGULAR AGENDA

5.1 Items Removed from the Consent Agenda - None.

5.2 14-05 - City of Chico - Extension of Services - 1406 Boucher Street.

Steve Betts stated that the existing extension of service request is for two addresses, both of which are on the same parcel, 1406 and 1406½ Boucher Street. The parcel is developed with a small general store and a small dwelling located at 1406½ sits behind the market. On January 23, 2014, the Executive Officer approved an emergency extension of services request for the small dwelling located at 1406½ Boucher Street due to a failed septic system. While the house has already been physically connected to the City of Chico sanitary sewer system, the extension will recognize the emergency extension and will allow the market to also connect to the City of Chico sanitary sewer system. Mr. Betts provided the Commission with correspondence dated February 28, 2014 from Mr. Mark Wolfe of the City of Chico indicating that the city is not against allowing the extension for the market; however, has concerns about alcohol sales. Mr. Betts noted that according to the Chapman Mulberry Plan, adopted by the County, the Plan prohibits alcohol sales, which is a concern of the city, as well as landowners. Based upon comments addressed within the City's letter, Mr. Betts recommended that a new determination (Determination K) be added to Section 2 of the Commission's proposed resolution, which reads as follows:

"k. Pursuant to California Government Code §56375(a)(6), LAFCO is prohibited from imposing any conditions on a proposal that would directly regulate land use density or intensity, property development, or subdivision requirements. Alcohol sales in the market on the subject market on the subject parcel are at the discretion of the County of Butte until such time as the parcel is annexed to the City of Chico. At the time of annexation of the subject parcel to the City of Chico, LAFCO will identify in the Commission resolution approving the annexation the current, existing uses on the parcel so that there is no uncertainty as to the uses on the parcel at the time of annexation."

Mr. Betts clarified that because LAFCO does not regulate land use, the question of whether or not alcohol sales can or cannot be allowed is currently up to the jurisdiction of the County, since the parcel is located within the County.

Chairman Leverenz stated for the purposes of the hearing, the letter from Mr. Wolfe dated February 28, 2014 would be entered into the record. Chairman Leverenz then asked if any members of the Commission had questions for Stephen Betts.

Commissioner Lotter asked if it would be better to pursue getting approval through the County, prior to annexation.

Mr. Betts said that the County's current zoning allows the market use. As of now, the City's rezoning is R-1 for the subject parcel; which does reflect the existing use for the house, but not the market. Mr. Betts stated that it would be better for the applicant to get connected to sewer, obtain his building permits and to reestablish the market use; as under the City's zoning, it would be a legal nonconforming use, subject to numerous regulations.

Chairman Leverenz opened the item to the public.

Chairman Leverenz clarified for the record that the Commission is formalizing the sewer hookup and that other issues that have been raised are between the County and the applicant, and ultimately the City.

Chairman Leverenz closed the item to the public.

Commissioner Lando made a motion to approve Resolution 25 2013/14 including staff's change (Determination K, within Section 2). The motion was seconded by Commissioner Duncan.

The motion carried by the following vote:

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

NOES: None

ABSENT: Commissioner Fichter

ABSTAINS:None

5.3 Update of Sewer Service Extensions in the City of Chico.

Steve Lucas said the subcommittee will continue discussion and negotiation towards the ultimate annexation of the property and hopefully will find a solution within the next 30 days.

Commissioner Lando stated that it was important to note that the City of Chico completely mischaracterized the letter from Chair Leverenz, as the News and Review printed a very cogent explanation.

Chairman Leverenz asked the Commission members if they had any questions for Mr. Lucas concerning the update. There were none.

6. PUBLIC COMMENTS NOT ON THE AGENDA - None.

7. REPORTS AND COMMUNICATION

7.1 Executive Officer's Report - None.

Steve Lucas stated that while there was no Executive Officer's report this month, he mentioned that the CALAFCO Omnibus Bill is currently going through legislature. In addition, the issue with §56133, which relates to extension of services, has been permanently tabled by the CALAFCO Board.

7.2 Correspondence

Steve Lucas stated that he and Commissioner Connelly recently attended a meeting of the EL Medio Fire District in which LAFCO was presented a certificate of appreciation for giving them the potential to expand their sphere boundary. Mr. Lucas added that there is much satisfaction when helping smaller agencies, who work very hard, with volunteer efforts and very small budgets who get themselves back towards self sufficiency.

8. ADMINISTRATION - None.

9. ADJOURNMENT

There being no further business, the meeting was adjourned at 10:02 a.m. to the next LAFCo meeting to be held on Thursday, **April 3, 2014** at 9:00 a.m.

LOCAL AGENCY FORMATION COMMISSION

By: Stephen Lucas, Executive Officer

Minutes prepared by Jill Broderson, Management Analyst