

**MEMORANDUM
LOCAL AGENCY FORMATION COMMISSION**

TO: Local Agency Formation Commission

FROM: Stephen Lucas, Executive Officer

SUBJECT: File No. 20-06 - Oroville Mosquito Abatement District – Dissolution Request for Waiver of Fees

DATE: January 20, 2020 for the meeting of February 6, 2020

The Oroville Mosquito Abatement District (OMAD) has requested (Attachment 1) the Commission reduce or waive the application processing fees associated with the dissolution of the District. Municipal Service Review/Sphere of Influence (MSR/SOI) fees are not applied to district dissolutions by Commission policy. The District makes the case that it is responding to LAFCos MSR/SOI update of the mosquito districts which determined that the OMAD should dissolve and its territory and services be served by annexation into the Butte County Mosquito and Vector Control District (BCMVCD) in order to improve public health and safety as the OMAD territory can be more effectively managed by the BCMVCD. The *estimated* fees associated with the proposal are as follows:

| | |
|-----------------------------|----------------------|
| Application Fee | Estimate: \$5,000 |
| Sphere Fees | N/A |
| State Board of Equalization | N/A |
| Map and legal description | N/A |
| Total | \$5,000 |

A brief history of Commission approved fee waivers are found in the following table:

| Year | Name | File | Action Taken |
|-------------|--|--------------|--|
| 2017 | Butte County MVCD | 18-05 | Waiver of SOI fees in the amount of \$150,000 |
| 2015 | City of Oroville - Southside Annexation | 15-04, 15-05 | Waiver of SOI fees in the amount of \$20,100 |
| 2015 | City of Chico - Chapman-Mulberry Annexation | 15-17, 15-18 | Waiver of sphere fees per Sewer Agreement |
| 2010 | City of Biggs - Annexation of Veteran's Memorial Hall | 10-04 | Waiver of sphere fees in the amount of \$150. |
| 2009 | City of Chico – Extension of Services - Bidwell Avenue (Egan) | 09-05 | Waiver of application fees denied because it was not in the public interest |
| 2007 | LOAPUD Lake Oroville State Recreation Area Annexation | 08-06 | Waiver of application fees denied but approved a waiver of MSR/SOI fees (\$1,740.00) |
| 2005 | County of Butte CSA 17 Expansion of Powers (Alley Maintenance) | 06-20 | Application Fees reduced from \$2,000 to \$1,500 as being in the public interest |
| 2002 | Western Canal Water District Annexation | 02-06 | SOI fee from \$10/acre to \$1/acre for ag water |
| 2001 | Butte Water District Annexation | 02-09 | SOI fee reduced from \$3,710 to \$371. |
| 1999 | City of Oroville Annexation Detention Basins | 99-14, 15 | SOI fee waived as being in the public interest |
| 1998 | City of Oroville Airport Clear Zone | 98-31 | SOI fee waived as open space/public interest |
| 1997 | City of Chico Lindo Channel | 97-28 | SOI fee waived as open space/public interest |
| 1996 | Biggs-West Gridley/Butte Water District Reorganization | 97-08 | SOI fee reduced from \$10,000 to \$500.00, no impact to SOI updates |
| 1995 | City of Chico Upper Bidwell Park land | 95-38 | SOI/Application Fee waived as open space/public interest |

The current LAFCO Fee Schedule allows the Commission to reduce or waive application processing and MSR/SOI fee for proposals as follows:

Waiver of LAFCO Fees (Adopted: May 5, 2005; Effective: July 4, 2005)

The Commission retains the power to waive or reduce processing fees for a proposal under extraordinary circumstances. The request for waiver must be in written form and provide an explanation for the request by the proponents. Staff will present the request, along with a staff recommendation, and an analysis to the Commission for its waiver determination.

Staff has no policy basis to evaluate the waiver of processing fees (\$5,000), but rather this is a judgment call by the Commission. However, the Commission fee schedule does not require the payment of MSR/SOI Fees for a district dissolution and allows MSR/SOI fee waivers as follows:

Waiver of Sphere Fees (Adopted: May 5, 2005; Effective: July 4, 2005)

The Commission may waive or reduce the fee for proposals where the Commission determines that:

- 1. The proposal will not significantly impact sphere update responsibilities; and*
- 2. The public interest would be served by the waiver.*

Staff supports the District's request to waive the application fees (est. \$5,000) based on the following:

1. The District has cooperatively worked with the Commission in reviewing its services, contracted with the BCMVCD for interim services following the MSR adoption, and voluntarily adopted a resolution of application to dissolve the District allowing the dissolution to proceed without a protest proceeding or election thus saving the Commission considerable effort.
2. The public interest would be served because the OMAD dissolution and subsequent annexation of its service territory into the BCMVCD will allow more effective treatment and management of highly productive mosquito breeding territory which is expected to reduce adult mosquito populations and exposure to diseases.

ALTERNATIVES FOR COMMISSION ACTION

After reviewing this memorandum and any testimony or materials that are presented, the Commission can take one of the following actions:

OPTION 1: APPROVE the waiver of processing fees (est. \$5,000) finding the waiver is in the public interest and that the District's dissolution has been determined desirable by the Commission.

OPTION 2: APPROVE a partial reduction of the processing fees.

OPTION 3: DENY waiver of the processing fee waiver request.

OPTION 4: CONTINUE this request to a future meeting for additional information.

ACTION REQUESTED: Approve OPTION 1.

Attachments: 1. Fee Waiver Request Letter from the OMAD

From: [Jeff Carter](#)
To: [Lucas, Steve](#)
Cc: [Nicole Heindell](#); ["cutzabove@att.net"](#); ["hotbigtrk@comcast.net"](#); ["Marvin Mitchell - Oroville Mosquito Abatement District \(marvinmitchell1998@gmail.com\)"](#)
Subject: RE: OMAD
Date: Wednesday, January 15, 2020 11:57:02 AM

Steve,

Thank you for the below inquiry and the LAFCO Application for Dissolution you subsequently provided me.

I have completed the Application and Nicole will be sending it to you both by email and mail under separate cover.

On behalf of Oroville Mosquito Abatement District, I respectfully request a waiver of any and all fees chargeable by LAFCO in connection with this Application. There can be no doubt that the waiver will be in the public interest, since, as LAFCO well knows, the subject matter of the application, namely, the dissolution of OMAD in order that its services can be assumed and better and more efficiently be performed by Butte County Mosquito and Vector Control District, itself is in the public interest. Too, upon the dissolution of OMAD, the territory formerly served by it will be subsumed by that of BCMVCD, and therefore the Application will not significantly impact sphere responsibilities.

Should you have any questions or comments about the foregoing or the Application, please do not hesitate to reply or call. And, thank you for your professional assistance in steering OMAD, and me, through this process.

Jeff

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