

Les Baugh
County Member

Irwin Fust
Special District Alternate



Brent Weaver
City Member

Dick Fyten
Public Member

Larry Farr
City Member

Pam Giacomini
County Member Alternate

David Kehoe
County Member

Bob Richardson
Public Member Alternate

James Yarbrough
City Member Alternate

Brenda Haynes
Special District Member

Stephen Morgan
Special District Member

Jan Lopez
Executive Officer

DRAFT MINUTES
Special Commission Meeting January 8th, 2015
Anderson City Council Chambers

(These minutes are not intended to be a verbatim transcription of the proceedings and discussion associated with the business on the Commission's agenda; rather, what follows is a summary of the order of business and general nature of testimony, Commission deliberation, and action taken.)

1. CALL TO ORDER

a. Chairman Morgan called the meeting to order at 9:00 a.m. at the Anderson City Council Chambers, 1877 Howard Street, Anderson, California.

Present: Chairman Morgan, Vice-Chairman Farr, Commissioners Baugh, Fyten, Haynes, Kehoe. Alternate Commissioner Richardson was present in the audience.

Staff Present: Executive Officer Jan Lopez, Attorney Jim Underwood, Manager Kathy Bull, Clerk Linda Romig.

Absent: Commissioner Yarbrough

b. Vice-Chairman Farr led the Pledge of Allegiance.

2. PUBLIC COMMENT

Steve Boyd, County Service Area #6 Jones Valley Water rate payer requested a Municipal Service Review reconsideration hearing. He shared his concerns regarding removing public input from the December 18, 2014 public meeting. Mr. Boyd stated the report was supported by the County and was void of any problems that actually exist, and that the published guidelines recommend that the municipal service providers include MSR information with billing statements. A reconsideration hearing was requested to be scheduled by LAFCO for the County Service Area # 6 Municipal Service Report.

David Selby from the Mountain Gate Community Service District thanked the Commission for the time and effort put in for the annexations, and are patiently waiting the outcome.

Roy Vincent, CSA #6 Cabinet member in Jones Valley, attended the December 18, 2015 and shared concerns about who was awarded contracts and if there were any checks and balances. He recommended that LAFCO be reviewed and have more accounting.

3. ADOPTION OF AGENDA

a. Additions/Changes to the Agenda – No changes were presented.

Motion to adopt the agenda was presented by Commissioner Baugh, seconded by Commissioner Yarbrough and passed unanimously by the following votes:

Ayes: Baugh, Farr, Fust, Fyten, Kehoe, Morgan, Yarbrough

Noes: None
Abstain: None
Absent: Haynes

- b. Business/Campaign Conflict Disclosures – No conflicts were disclosed.

4. SPECIAL PRESENTATIONS

None provided.

5. CONSENT CALENDAR

- a. Approval of Minutes

None provided.

- b. Financial Status Reports

- 1) Budget v. Actual as of December 26, 2014
- 2) Financial Statement as of December 26, 2014
- 3) Balance Sheet as of December 26, 2014
- 4) Summary and Comparison of Costs Report

- c. Notification/Status of pending and/or new applications

Provided as informational only:

- 1) #2012-03 – Mayers Memorial HD/Annexation #1 – awaiting responses circulated to agencies
- 2) #2013-03 – Mountain Gate CSD/Union School Road Reorganization – pending completion of Property Tax Exchange agreement
- 3) #2013-04 – Deschutes Reorganization – awaiting submittal of final documents and fees
- 4) #2014-01 – Shasta CSD/Foxwood #2 Reorganization – property tax exchange time extended by request of County 12/5/2014
- 5) #2014-02 – Burney WD/Highmark Annexation – property tax exchange time extended by request of County 12/5/2014

Commissioner Fyten asked that Financial Status Reports be pulled from the consent calendar and provided a spreadsheet with actual and budgeted costs towards operations which showed an amount over budget by approximately \$17,000. He listed reasons for the overage as a termination of an Executive Officer, class action lawsuit, fifty-on MSR's and SOI'S instead of the normal eight per year, an audit by an outside auditor, increased legal fees, new staff training and office equipment.

Commissioner Baugh asked if a cash flow analysis had been completed and if not, the question could be answered at the next meeting. Commissioner Baugh wanted to know if LAFCO had enough cash to meets its obligations at the six month mark.

Ms. Lopez stated, in February, reports will be provided with accurate figures on how LAFCO will be moving forward. The fiscal committee will also start working on the budget in February.

Commissioner Baugh observed that unless there was a reduction in spending, LAFCO would run out of money the beginning of May.

Ms. Lopez stated the expenses were expected to be reduced as the studies had been completed.

Motion to approve the consent calendar was presented by Commissioner Kehoe, seconded by Commissioner Baugh and passed unanimously by the following votes:

Ayes: Baugh, Farr, Fyten, Haynes, Kehoe, Morgan

Noes: None

Abstain: None

Absent: Yarbrough

Motion to approve the 5.b. from the consent calendar was presented by Commissioner Kehoe, seconded by Commissioner Baugh and passed unanimously by the following votes:

Ayes: Baugh, Farr, Fyten, Haynes, Kehoe, Morgan

Noes: None

Abstain: None

Absent: Yarbrough

6. PAYMENT OF CLAIMS FY 2013-2014

No claims were provided.

7. CORRESPONDENCE

- a. Letter from B. Briggs, 12/18/2014
- b. Letter from T. Briggs, 12/18/2014
- c. Letter to Commission from S. Boyd, 12-31-2014 re CSA #6
- d. Letter to Commissioner Baugh & Commission from S. Swindle, 12/31/2014
- e. December articles from the Record Searchlight re Shasta LAFCO
- f. December articles from the Mountain Echo re Shasta LAFCO

8. SCHEDULED PUBLIC HEARINGS

No public hearings were scheduled.

9. NEW BUSINESS

- a. Consider Renewal of Legal Counsel Contract

Motion to approve the subject contract was presented by Commissioner Kehoe, seconded by Commissioner Farr and passed unanimously by the following votes:

Ayes: Baugh, Farr, Fyten, Haynes, Kehoe, Morgan

Noes: None

Abstain: None

Absent: Yarbrough

10. OLD BUSINESS

- a. Continued, non-hearing related matters - None provided.
- b. Commission Committee Reports

- 1) Fiscal Committee –The report was completed on 5.b.
- 2) Executive Committee Report – Chairman Morgan reported back for the Executive Committee meeting, the LAFCO Commission meeting agenda is the result of the meeting.
- 3) Next Committee Meetings
 - i. The next Executive Committee meeting will be held at 3:00 p.m. on January 27, 2015 at the Shasta LAFCO office with Chairman Morgan absent from that meeting. The next Fiscal Committee meeting will be held on January 26, 2015 at 10:00 a.m.

11. EXECUTIVE OFFICER REPORT

a. Administrative & Operations

Ms. Lopez stated she identified a number of task which will need to be completed, such as the budget, budget hearings, how to process special district selection. Ms. Lopez also stated a lot of internal work to be completed such as dealing with the financial situation, record management issues.

b. Study Update

Ms. Lopez briefly described a couple of MSR/SOI's that needed to be completed.

12. CLOSED SESSION

Steven Boyd, a Shasta LAFCO constituent, briefly discussed issues Mr. Scales had due to a lack of LAFCO approval. He stated the current LAFCO staff would not have allowed issues Mr. Scales had to go on as long as it did.

Amy Mickelson-Beadle, former Shasta LAFCO Executive Officer shared her concerns regarding a recent lawsuit filed against her by Shasta LAFCO.

Gary Cadd, City of Redding citizen, recommended to keep Jan Lopez in the position of Executive Officer.

Pursuant to Government Code Sections 54956.9(c), the Commission entered into closed session at 9:49 a.m.

- a. Real Property Negotiations Pursuant to Govt. Code Section 54956.8 - Property: 2516 Goodwater Avenue, Suite A, Redding, CA; NEGOTIATORS: James M. Underwood and Jan Lopez; Person with Whom Agency Negotiators May Negotiate: Vickie Wolf.
- b. Confer With Legal Counsel Regarding Pending Litigation Pursuant to Govt. Code Section 54956.9. - Shasta LAFCO V. Mickelson-Beadle.
- c. Consider Appointment, Employment, or Evaluation of Performance of Executive Officer Pursuant to Govt. Code Section 54957(B)(1).

Return from closed session to open session at 11:38 a.m. Mr. Underwood stated the Commission extended the contract for the Executive Officer through February 28, 2015 on the existing terms. There were no other reportable actions.

13. COMMISSIONER ANNOUNCEMENTS

No announcements were provided.

14. STAFF ANNOUNCEMENTS

a. Conferences, meetings, and events of interest to Commissioners

No announcements were provided.

b. Next Meeting will be held on February 12, 2015 at 9:00 a.m. in the Shasta Lake City Council Chambers.

c. Future Proposed Agenda Items

None provided.

15. ADJOURNMENT OF MEETING

There being no further business, Chairman Morgan adjourned the meeting at 11:39 a.m.

ATTEST:

APPROVED:

Kathy Bull
Acting Clerk to the Commission

Stephen Morgan
Chairman

DATE: _____

DATE: _____