Shasta LAFCO

Shasta Local Agency Formation Commission
2516 Goodwater Avenue, Suite A, Redding, CA 96002
Phone: (530) 242-1112 Fax: (530) 242-1113 Web: www.shasta.lafco.ca.gov

MINUTES

Commission Regular Meeting on October 1, 2015

Shasta County Board of Supervisors 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.)

CALL TO ORDER/ROLL CALL

Chairman Stephen Morgan called the meeting to order at 9:00 am at the Shasta County Board of Supervisors Chambers, at 1450 Court Street, in Redding. Commissioners Morgan, Baugh, Farr, Haynes, Weaver, Kehoe and Fyten were present. Interim Executive Officer and General Counsel Jim Underwood and temporary support staff Grace Cannon were present as staff.

Commissioner Haynes led the Pledge of Allegiance.

PUBLIC COMMENT

Tom Wallace, speaking as a member of the public regarding Mountain Gate Community Services District reorganization application, stated that he and other affected property owners support this reorganization. Kay Kobe and Alene Barzin, speaking as members of the public, also discussed the same application, and expressed support and hope that the application would proceed without delay.

Mr. Underwood told the Commission that he would follow-up on the status of the reinitiated application and the required updated resolutions regarding tax exchanges, and determine how to attempt to "fast track" the application going forward.

ADOPTION OF AGENDA

a. Additions/Changes to the Agenda: The Agenda was adopted in the form presented by Motion of Commissioner Baugh and as seconded by Commissioner Weaver. Motion passed with six in favor (Commissioners Morgan, Baugh, Farr, Haynes, Weaver and Fyten), and one abstaining (Commissioner Kehoe).

b. Conflicts of Interest Disclosures: There were no Commissioner or Alternate Commissioner disclosures.

SPECIAL PRESENTATIONS - None.

CONSENT CALENDAR

a. Acceptance of Shasta LAFCO Financial Reports for July 2015 and August 2015. Motion by Commissioner Weaver to accept the financial report presented and as seconded by Commissioner Baugh.
b. Motion passed with six in favor (Commissioners Morgan, Baugh, Farr, Haynes, Weaver and Fyten), and one abstaining (Commissioner Kehoe).

CORRESPONDENCE (Information Only)

a. CALAFCO – Dues Increase for FY 2016/2017.
b. SDRMA-Property/Liability Claims in 2014/2015.
c. CALAFCO – Monthly Report.

SCHEDULED PUBLIC HEARINGS - None.

NEW BUSINESS

a. Consider SB 239 (Hertzberg). Mr. Underwood indicated that this bill was on Governor's desk. The Commission asked to have Mr. Underwood prepare letter to Governor Brown in opposition to SB 239. There was a motion by Baugh to have Chairman Morgan sign a letter of opposition to Governor Brown that was seconded by Commissioner Weaver. The motion passed unanimously.

b. Closure of Auto-pay Bank Account. There was discussion about historic debit card activity. Counsel Underwood was asked to follow-up regarding historic use of the debit account in a form of an Executive Officer Report item at next regular meeting. There was a motion by Commissioner Weaver to close the debit card account and transfer any unused funds to another account, which was seconded by Commissioner Haynes. The motion passed unanimously.

c. Removal of ACH Bank Services. The historic use of this account, and the lack of a continuing need for it, was discussed. There was a motion by Commissioner Weaver to discontinue ACH banking services, which was seconded by Commissioner Kehoe. The motion passed unanimously.

OLD BUSINESS

a. Agreement for Audit Services. The recommendation by staff to approve an audit services proposal by Donald Reynolds, CPA for $9,500 was discussed. Alternative possible scopes of audit services, and the Fiscal Committee's recommendation that would result in a summary review for one year and a more complete audit for another, and that the proposed contract expenditure is within what was budgeted in FY 2015-16 for the audit, were discussed. Commissioner Kehoe expressed

concern about less than a comprehensive audit for recent fiscal year. There was a motion by Commissioner Fyten to approve this agreement, seconded by Commissioner Weaver. Motion passed with six in favor (Commissioners Morgan, Baugh, Farr, Haynes, Weaver and Fyten), and one voting "no" (Commissioner Kehoe).

b. Proposals for Executive Officer Services. A staff report was presented to the Commission regarding receipt of proposals from three qualified Executive Officer candidates. There was Commission discussion concerning whether or not to have interviews conducted in open or closed session. There was also a suggestion to have a list of questions sent to the candidates addressing their proposed management of Shasta LAFCO, to be considered by the Executive Committee and distributed before the special meeting to be held on November 5, 2015. There was a motion by Weaver to have interviews in open session and with subsequent deliberations in closed session, with staff to send an Executive Committee approved questionnaire in advance to the candidates for supplemental information to be considered, and Commissioner Baugh seconded the motion. Motion passed with six in favor (Commissioners Morgan, Baugh, Farr, Haynes, Weaver and Fyten), and one voting "no" (Commissioner Kehoe).

c. PERS Liability Budget Change Proposal. The staff report was briefly discussed. There was a motion by Commissioner Weaver to accept the PERS liability budget as presented, which was seconded by Commissioner Fyten. The motion passed with all Commissioners present voting "yes."

d. Proposed Final MSR/SOI Update Plan. There was Commission discussion regarding the updated proposed plan. There was a motion by Commissioner Weaver to update the MSR/SOI Plan as presented, seconded by Commissioner Kehoe. On further discussion Fiscal Committee members were thanked for their work updating the MSR/SOI Plan. The motion passed with all Commissioners present voting "yes."

INTERIM EXECUTIVE OFFICER REPORT

a. Financial Update. Interim Executive Officer Underwood reviewed with Commission the financial report as presented.

b. Potential Reorganization Project Activities. There was a discussion regarding communications with Mt. Gate staff regarding renewed application goal process without undue delay; application fee driven projects management; and setting the potential Mt. Gate CSD reorganization fee waiver matter for the November 5th meeting.

c. LAFCO Office Staffing and Hours. It was reported by Mr. Underwood that the current LAFCO Officer Manager, Kathy Bull, has another full time job but has been helping with management functions after regular hours. The need for office staffing between 1-5 p.m. each day, using temporary staff services, was also discussed as adequate to meet existing LAFCO needs given the relatively low level of business activity.

CLOSED SESSION

The Commission, after deleting the proposed agenda item addressing potential Executive Officer appointment, deliberated in Closed-Session concerning:

a. Pending Litigation – Shasta LAFCO v. Amy Mickelson (Government Code Section 54956.9);
b. Potential Litigation – Jan Lopez (Government Code Section 54956.9); and
c. Meeting with Real Estate Negotiator James Underwood re potential subletting of office space at 1255 East Street, Redding, California 96001 from Regional Transportation Agency (Government Code Section 54956.8)

When the Commission reconvened following closed-session it was reported by Counsel Underwood in open session that no reportable actions were taken by the Commission in closed session.

COMMISSIONER ANNOUNCEMENTS (Informational)

Commissioner Fyten made an announcement concerning U.S. Marine Corp. raffle tickets.

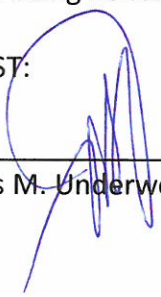
STAFF ANNOUNCEMENTS

Interim Executive Officer Underwood announced that the next Regular Meeting is scheduled for December 3, 2016, at 9:00 a.m., at the City of Anderson Council Chambers, with a November 5 special meeting, concerning the potential Executive Officer applicant interviews, also being proposed.

ADJOURNMENT

There being no further business, Chairman Morgan adjourned the meeting at approximately 10:30 a.m..

ATTEST:



James M. Underwood, Interim Executive Officer