

Les Baugh  
County Member

Irwin Fust  
Special District Alternate



Rick Bosetti  
City Member Alternate

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

Brenda Haynes  
Special District Member

Stephen Morgan  
Special District Member

Jan Lopez  
Executive Officer

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**MINUTES**  
**Special Commission Meeting May 1<sup>st</sup>, 2014**  
**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 Baugh called the meeting to order at 9:00 a.m. at the Anderson City Council Chambers located at 1887 Howard Street, Anderson, California.

**Present:** Chairman Baugh, Vice-Chairman Morgan, Commissioners Fyten, Yarbrough and Alternate Commissioner Fust. Alternate Commissioner Richardson was present as a member of the audience.

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

**Absent:** Commissioner Farr, Haynes, and Kehoe. Alternate Commissioners Bosetti, and Giacomini.

b. Commissioner Yarbrough led the Pledge of Allegiance.

**2. PUBLIC COMMENT**

Public comments were not offered.

**3. ADOPTION OF AGENDA**

a. Additions, Changes – None provided.

b. Meeting Protocol – Meeting protocol was explained.

c. Business/Campaign Conflict Disclosures – No conflicts were disclosed.

**4. SPECIAL PRESENTATIONS**

None provided.

**5. CONSENT CALENDAR**

a. Approval of minutes

1) April 3, 2014 special meeting

*(Consent Calendar continued on next page)*

- b. Financial reports and statements:
  - 1) Revenue Statement
  - 2) Statement of Disbursements
  - 3) Profit & Loss
  - 4) Balance Sheet

It was noted the Commission would like to have a Profit & Loss Year to Date included in the future.

**Motion** to approve the Consent Calendar Items as presented by Commissioner Yarbrough, seconded by Commissioner Fust and passed unanimously by the following votes:

**Ayes:** Baugh, Fust, Fyten, Morgan, Yarbrough.  
**Noes:** None  
**Abstain:** None  
**Absent:** Farr, Haynes, Kehoe

**6. CORRESPONDENCE & CLAIMS**

None provided.

**7. SCHEDULED PUBLIC HEARINGS**

- a. SOI/MSR Update Hearings:

Ms. Lopez explained the terms SOI – Sphere of Influence and MSR – Municipal Service Review.

- 1) Castella Fire Protection District

The Municipal Services Review & Sphere of Influence Update report was included and circulated with the agenda. Shasta LAFCO recommended the SOI be the same as the district boundary and recommended approval of the MSR/SOI as presented. Hearing was opened to the public and with no public response, hearing was closed to the public.

**Motion** to approve LAFCO Resolution 2014-10 *“Resolution of the Shasta Local Agency Formation Commission making written determination and updating the Sphere of Influence of the Castella Fire Protection District”* was presented by Vice-Chairman Morgan, seconded by Commissioner Yarbrough and passed unanimously by the following votes:

**Ayes:** Baugh, Fust, Fyten, Morgan, Yarbrough.  
**Noes:** None  
**Abstain:** None  
**Absent:** Farr, Haynes, Kehoe

- 2) Shasta County Fire, CSA #1

The Municipal Services Review & Sphere of Influence Update report was included and circulated with the agenda. Shasta LAFCO’s recommended CSA #1 be coterminous with the County boundary, with the SOI recommended as described.

Hearing was opened to the public. Mike Hebrard, Chief of the Shasta County Fire Department, Shasta County Fire Warden, Cal Fire Unit Chief for Shasta-Trinity Unit provided number of stations listed in the MSR/SOI Update should state eleven for Shasta County and four for Trinity County. Chief Hebrard thanked Ms. Lopez for the good experience working with her on this project. Public Hearing was closed.

**Motion** to approve LAFCO Resolution 2014-11 *“Resolution of the Shasta Local Agency Formation Commission making written determination and updating the Sphere of Influence of the of County Service Area #1 – Shasta County Fire”* was presented by Commissioner Fust, seconded by Vice-Chairman Morgan and passed unanimously by the following votes:

**Ayes:** Baugh, Fust, Fyten, Morgan, Yarbrough.

**Noes:** None

**Abstain:** None

**Absent:** Farr, Haynes, Kehoe

3) City of Anderson

Ms. Lopez explained DUC's as an acronym from Senate Bill 244, Disadvantaged Unincorporated Communities. The Municipal Services Review & Sphere of Influence Update report was included and circulated with the agenda. Ms. Lopez stated a No Effect Determination (NED) from Fish & Wildlife was received as a statutory exemption which saved the agency approximately \$2,100. Shasta LAFCO recommended approval of the MSR/SOI as presented.

Chairman Baugh expressed concern regarding the wording on the MSR/SOI report, page 5 item 4, last three paragraphs, stating it might be perceived as scolding and judgemental. Ms. Lopez agreed the last three paragraphs will be discarded.

Chairman Baugh also expressed concern regarding the wording on the MSR/SOI report, page 6, item 7 c. and suggested the replacement sentence, “the city is quite capable of provided services, budgetary constraints may limit services provided”.

Hearing was opened to the public. Jeff Kiser, City Manager of City of Anderson stated this MSR/SOI is a technicality in his opinion, and the report was adjusting/refining the current SOI with LAFCO working hard to make sure compliance occurred. Hearing was closed to the public.

**Motion** to approve LAFCO Resolution 2014-12 *“Resolution of the Shasta Local Agency Formation Commission making written determination and updating the Sphere of Influence for the City of Anderson”* was presented by Commissioner Yarbrough with removing the last three paragraphs in item 4, and changing the wording on item 7 c, seconded by Commissioner Fust and passed unanimously by the following votes:

**Ayes:** Baugh, Fust, Fyten, Morgan, Yarbrough.

**Noes:** None

**Abstain:** None

**Absent:** Farr, Haynes, Kehoe

b. Application/Proposal Hearings:

1) LAFCO #2013-04 – Deschutes Road Area to City of Anderson

Ms. Lopez stated Roseburg Forest Products indicated desire to bring their territory into city zoning, and in December a LAFCO application was submitted for an annexation. As the project involved two or more actions, it is considered a reorganization. Issues between affected agencies regarding fire protection service were discussed, as well as discussions regarding issues behind tax transfers between affected agencies. LAFCO recommended approval of the resolution pending agency fire protection agreements, and completed tax transfers.

Hearing was opened to the public. Arne Hultgren, California Resource Manager at Roseburg Forest Products stated the mill site was closed in 1993 and has remained idle. Began the application process; did a mitigated negative declaration which resulted in an initial study, findings and a recorded notice of determination back in 2013. A revised application for annexation was submitted in February 2014. Mr. Hultgren recommended approval of the MSR/SOI but suggested removal of the letter received from Fish & Wildlife.

Ruben Cruise, County Counsel for County of Shasta and representing County of Shasta, stated some legal concerns with the property tax exchange. At this time, there is no final resolution by the Shasta County Board of Supervisor's agreeing to a property tax exchange between Fire Districts and the City of Anderson. Mr. Cruise recommended continuing this matter to a future date until matters are resolved. Mr. Cruise confirmed an annexation cannot take place without a property tax exchange.

Dwayne Miller, the initial annexation applicant, stated he started with a simple annexation of the property, not a reorganization. Mr. Miller didn't feel it necessary to apply for a reorganization because of current fire protection from CSA #1 and Cottonwood.

Chief Eugene Zahara, Cottonwood Fire Protection District, recommended leaving the district boundary intact and Cottonwood would provide fire protection even in the City of Anderson area. Chief Zahara asked to strike page 3 item (4) c. from the resolution.

Chief Andy Nichols, Anderson Fire Protection District stated once annexed, the fees would automatically go to Anderson. Chief Nichols recommended removing Cottonwood Fire District only from page 3, item (4) c. from the resolution.

Bobby Fulmer, a property owner, questioned the inclusion of resident's parcels and services provided.

Jeff Kiser, City Manager, City of Anderson addressed the fire protection services issue. Mr. Kiser, stated Chief Nichols indicated willingness to assume responsibility in fire protection, with Cottonwood Fire maintaining the five parcels in the annexation area. There are two fire departments willing to work together, and the applicant wanting to move their property of 285 acres of the annexation area into the city limits.

Raymond Warren, a property owner, questioned if properties will be reassessed to increase taxes. Hearing was closed to the public.

The Commission and Ms. Lopez discussed issues raised from public. There was discussion and agreement to make changes to Resolution 2014-13 in the following manner; strike (3) e. from page 3, strike (4) b. from page 4, reword (4) c. from page 4 in a manner to include prerequisite of tax exchange, and reword (4) f. from page 4 changing certificate of completion date filing date to August 7, 2014.

**Motion** to approve LAFCO Resolution 2014-13 "*Resolution of the Shasta Local Agency Formation Commission making written determination and ordering a Reorganization of Territory Designated as LAFCO #2013-04 – Deschutes Reorganization*" was presented by Commissioner Fust, seconded by Vice-Chairman Morgan and passed unanimously by the following votes:

**Ayes:** Baugh, Fust, Fyten, Morgan, Yarbrough.

**Noes:** None

**Abstain:** None

**Absent:** Farr, Haynes, Kehoe

- c. Continued Hearings – None scheduled.
- d. Conducting Authority Hearings – None scheduled.
- e. Annual Budget Hearings:

1) Consideration of Draft Proposed Budget for Fiscal Year 2014-2015

Ms. Lopez stated a Fiscal Committee meeting had taken place prior to the Commission meeting with Vice-Chairman Morgan and Commissioner Fyten present. Ms. Lopez recommended approval of the submitted Draft Budget. Vice-Chairman Morgan stated the salaries and benefits are palatable as well as the contributions from the cities, special district and the counties have not changed with total expenses going down. He also stated the Fiscal Committee recommended approval of the budget. There were no public comments.

**Motion** to approve the proposed draft Budget for Fiscal Year 2014-2015 was presented by Commissioner Yarbrough, seconded by Commissioner Fyten and passed unanimously by the following votes:

- Ayes:** Baugh, Fust, Fyten, Morgan, Yarbrough.
- Noes:** None
- Abstain:** None
- Absent:** Farr, Haynes, Kehoe

The Closed Session item was moved to end of the Agenda.

**8. NEW BUSINESS**

There was no new business.

**9. OLD BUSINESS**

There was no old business.

**10. EXECUTIVE OFFICER REPORTS**

a. Administrative & Operations

- 1) Staffing – None provided.
- 2) Operations – None provided.

b. Other Staff Reports – SOI/MSR Master Plan Update – An updated Master Plan Process was provided via agenda packet. Commissioner Fyten was pleased with the ability to remain on schedule.

Commissioner Yarbrough was excused at 12:23 p.m. with a quorum still existing.

**11. COMMISSIONER ANNOUNCEMENTS – None provided.**

**12. STAFF ANNOUNCEMENTS**

- a. The next LAFCO Commission meeting is scheduled for Thursday, June 5, 2014 located at the Board of Supervisors Chambers.

**13. CLOSED SESSION**

- a. Pursuant to Government Code Sections 54956.9 and 54956.9(c), the Commission entered into closed session at 12:24 p.m.
  - 1) Existing Litigation (Briggs, et al. v. Shasta LAFCO)
  - 2) Potential Litigation
- b. Return from closed session to open session at 12:40 p.m. Attorney Jim Underwood stated there was one reportable action. The Commission unanimously approved the settlement agreement in the Terry Briggs, et al. lawsuit, in summary, acknowledged no fault and provides for the commission to proceed with the adopted schedule for MSR/SOI work.

**14. ADJOURMENT**

There being no further business, Chairman Baugh adjourned the meeting at 12:41 p.m.

ATTEST:

APPROVED:

  
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Kathy Bull  
Acting Clerk to the Commission

  
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Les Baugh  
Chairman

DATE: 6-5-2014

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