Les Baugh
County Member

Larry Farr
City Member

James Yarbrough
City Member

Irwin Fust
Special District Alternate

Pam Giacomini
County Member Alternate

Brenda Haynes
Special District Member

Rick Bosetti
City Member Alternate

David Kehoe
County Member

Stephen Morgan
Special District Member

Dick Fyten
Public Member

Bob Richardson
Public Member Alternate

Jan Lopez
Executive Officer

MINUTES
Commission Meeting October 2nd, 2014
Redding 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 Steve Morgan called the meeting to order at 9:02 a.m. at the Redding City Council Chamber, 777 East Cypress Avenue, Redding, California.
Present: Chairman Morgan, Vice-Chairman Farr, Commissioners Baugh, Fyten, Haynes, Yarbrough and Alternate Commissioner Giacomini. Alternate Commissioner Richardson was present in the audience.
Staff Present: Executive Officer Jan Lopez, Attorney Jim Underwood, Officer Manager Kathy Bull, Clerk Linda Romig.
Absent: Commissioner Kehoe.

b. Commissioner Giacomini led the Pledge of Allegiance after which a moment of silence was held in honor of former Redding Mayor Dick Dickerson.

2. PUBLIC COMMENT

Public comments were not offered.

3. ADOPTION OF AGENDA

a. Additions/Changes to the Agenda

Mr. Underwood stated that the meeting had been properly published in newspapers, the agenda did not get posted on the front door which is technically required according to The Brown Act. The options for the meeting would be to continue the public hearings, republish and re-notice the hearing, or the Commission could proceed with business despite the technical omission and to delay the formal actions on hearings scheduled until the next meeting. The Commission agreed to continue on with the meeting in order to allow the public to speak during the public hearing process.

Commissioner Giacomini wanted to know why the agenda was not posted on the door. Ms. Lopez explained that the agenda was sent to the clerk's office for posting one week before the meeting. LAFCO staff did not verify the posting and will do so in the future.

b. Business/Campaign Conflict Disclosures

No conflicts were disclosed.

4. SPECIAL PRESENTATIONS

None provided.

5. CONSENT CALENDAR

a. Approval of Minutes

1) September 4, 2014 Meeting

b. Financial Status Report

1) Budget v. Actual
2) Financial Statement
3) Balance Sheet

Motion to approve the Consent Calendar Items was presented by Commissioner Yarbrough, seconded by Commissioner Haynes and passed unanimously by the following votes:
Ayes: Baugh, Farr, Fust, Fyten, Haynes, Morgan, Yarbrough
Noes: None
Abstain: Giacomini (was not in attendance at previous meeting)
Absent: Kehoe

6. PAYMENT OF CLAIMS

a. Consulting Services Claims
1) 2012-03 – Annexation #1 Mayers Memorial Healthcare District
2) 2014-01 – Shasta CSD Reorganization
3) 2014-02 – Burney Water District Annexation

Included in the agenda packet were three Statement of Services invoices with a summary of project expenses pertaining to Mayers Memorial Healthcare District annexation, Shasta CSD Reorganization and Burney Water District Annexation for consultant work completed by Ms. Lopez.

Motion to approve all three Payment of Claim Items was presented by Commissioner Haynes, seconded by Commissioner Baugh and passed unanimously by the following votes:
Ayes: Baugh, Farr, Fust, Fyten, Haynes, Giacomini, Morgan, Yarbrough
Noes: None
Abstain: None
Absent: Kehoe

7. CORRESPONDENCE

Information on the following was provided for via the agenda packet, and no comments or questions were provided by the Commission;

a. Jim Underwood, LAFCO Counsel
b. CSDA Publication
c. Centerville Community Services District
d. Tucker Oaks Water District
e. City of Anderson

f. City of Shasta Lake
g. Record Searchlight re CSA #2 – Sugarloaf
h. CALAFCO Annual Business Meeting
i. CALAFCO Nominations for CALAFCO Board Election

8. SCHEDULED PUBLIC HEARINGS

a. Executive Officer Summary

1) Published notice of hearings

Ms. Lopez commented on the process of publishing notices which included signing of a certificate of posting after the agenda is posted on LAFCO's website according to legal requirements. A copy of the certificate of publication from Record Searchlight was included in the agenda packet. The hearing notice was also published in the Intermountain News.

2) Hearings scheduled for this meeting

Ms. Lopez stated City of Shasta Lake and Centerville Community Services District will be heard on November 6, 2014.

b. Continued Hearings

1) City of Shasta Lake
2) Centerville Community Services District

No comments were provided.

c. SOI/SR Update Hearings

1) Tucker Oaks Water District

Ms. Lopez discussed a letter received from Tucker Oaks which asked that new information be inserted to modify the MSR/SOI report and requested for amendment of the previously approved report.

Motion to approve the staff recommendation was presented by Commissioner Giacomini, seconded by Commissioner Haynes and passed unanimously by the following votes:
Ayes: Baugh, Farr, Fust, Fyten, Haynes, Giacomini, Morgan, Yarbrough
Noes: None
Abstain: None
Absent: Kehoe

2) Burney Water District

The Municipal Services Review & Sphere of Influence Update report was included and circulated with the agenda with Ms. Lopez briefly provided updated information to the Commission.

Commissioner Fyten had questions concerning funding for the waste water deficiencies mentioned on page eight of the report. Ms. Lopez stated Willie Rodriguez should be able to answer those questions.

Chairmen Morgan opened the public hearing. Willie Rodriguez, District Manager for Burney Water District answered Commissioner Fyten's question regarding the sewer enterprise and stated it had not been generating access revenue and there have been expenses exceeding revenue for a number of years. There is a master plan for both water and sewer enterprises and PACE Engineering created a rate study for both.

Commissioner Haynes asked for clarification on the reserve accounts. Mr. Rodriguez stated there were six or seven reserve accounts and some are enterprise specific, such as water capital improvements, water operating reserve, sewer operating reserve, joint equipment replacement reserve, reserves for the pool and park facilities.

Public hearing was left open so matters could be continued to the next meeting scheduled for November 6, 2014.

Motion to tentatively approve of the Municipal Service Review and Sphere of Influence based on final action in November was presented by Commissioner Giacomini, seconded by Commissioner Baugh and passed unanimously by the following votes:
Ayes: Baugh, Farr, Fust, Fyten, Haynes, Giacomini, Morgan, Yarbrough
Noes: None
Abstain: None
Absent: Kehoe

3) Burney Fire Protection District

The Municipal Services Review & Sphere of Influence Update report was included and circulated with the agenda with Ms. Lopez briefly provided updated information to the Commission.

Public hearing was opened to the public. Interim Chief Matt Schechla stated Ms. Lopez had been very helpful in getting information needed and made himself available to questions.

Commission Fyten questioned what would happen if grant funding listing on page ten of the report is not received in the future. Mr. Schechla stated most of the grant funding was not used for personnel and is used for equipment replacement.

Mr. Schechla expounded on ambulance service in the Burney Fire Protection District, stating there had been difficulties recruiting and retaining employees and now have a dedicated crew that help to staff the District.

Mike Hebrard, County Fire Chief asked for the opportunity to meet with Chief Schechla regarding the sphere of influence to make sure the fire protection services are not divided in the road. Ms. Lopez stated the sphere lines have no legal boundary change, however, if there was an annexation it would be likely the whole road would be annexed. She also stated it is rarely recommended that a road would be split on a boundary change.

Public hearing was left open so hearing could be continued to the next meeting scheduled for November 6, 2014.

4) Mayers Memorial Healthcare District

The Municipal Services Review & Sphere of Influence Update report was included and circulated with the agenda with Ms. Lopez briefly provided updated information to the Commission.

Public hearing was opened to the public. Mathew Rees, CEO, Mayers Memorial Hospital District explained the district was wanting to update the sphere of influence and described the district services areas.

Public hearing was left open so matters could be continued to the next meeting scheduled for November 6, 2014.

9. NEW BUSINESS

a. Building Rental Agreement Renewal Due November 2014

Ms. Lopez advised the Commission the lease for the LAFCO office up on November 14, 2014. A draft agreement was given to LAFCO counsel for review. Fiscal committee will then review the agreement before bringing the agreement before the Commission for adoption on November 6, 2014.

10. OLD BUSINESS

a. Continued, non-hearing related matters - None provided.

b. Commission Committee Reports

1) Fiscal Committee Report – Commissioner Haynes reported back on the Fiscal Committee meeting which is comprised of Commissioner Baugh, Fyten and Haynes. Commissioner Baugh was not able to attend, however, Commissioner Fyten and Haynes met with staff and discussed the current financial figures which are within budget.

2) Executive Committee Report – Chairman Morgan reported back for the Executive Committee meeting which is comprised of Commissioner Farr, Kehoe and Morgan. Commissioner Farr and Kehoe was not able to attend. The LAFCO Commission meeting agenda is the result of the meeting.

3) Discussion re alternates – A discussion regarding a request by Commissioner Kehoe to have an alternate if needed for Fiscal and Executive Committee meetings. Having a pool of alternates to step in for either meeting was suggested.

Motion to accept three alternates for the Fiscal and Executive Committee Meetings as First Alternate – Commissioner Richardson, Second Alternate – Commissioner Fust, Third Alternate – Commissioner Giacomini was presented by Commissioner Baugh, seconded by Commissioner Farr and passed unanimously by the following votes:
Ayes: Baugh, Farr, Fust, Fyten, Haynes, Giacomini, Morgan, Yarbrough
Noes: None
Abstain: None
Absent: Kehoe

4) Next Committee Meeting

The next Fiscal Committee meeting is Monday, October 20, 2014 at the Shasta LAFCO office at 10:00 a.m., with the Executive Committee meeting being held at 3:00 p.m.

11. EXECUTIVE OFFICER REPORT

Ms. Lopez distributed a written Executive Officer report and briefly described items in the report, mentioning the first of the 41 MSR/SOI studies were presented at the March 6, 2014 Commission hearings with the Commission approving approximately 28 MSR/SOI studies as of today. Ms. Lopez also stated the accounting system had been upgraded with three fiscal years recreated and reconciled in QuickBooks and will now be able to provide data based reports.

Commissioner Baugh thanked Ms. Lopez and staff stating LAFCO is a different agency than it was prior to her taking leadership of the agency. Commissioner Haynes stated the staff operates as a well-oiled machine. Commissioner Fyten commented that LAFCO is a great team and thanked LAFCO staff for all their help. Chairman Morgan expressed the fiscal records are in much better shape since the current team has been on the job.

12. CLOSED SESSION

a. Pursuant to Government Code Sections 54956.9(c), the Commission entered into closed session at 10:23 a.m.

   1) Pursuant to Government Code Section 54956.9(c): Pending Litigation (Briggs et al. v. Shasta LAFCO), per 54956.9(d).
   2) Pursuant to Government Code Section 54956.9(c): Potential Litigation (one matter).
   3) Pursuant to Government Code Section 54956.9(c): Potential Litigation (one matter).
   4) Pursuant to Government Code Section 54954(b)(1): Executive Officer performance review.

b. Return from closed session to open session at 11:42 a.m. Chairman Morgan stated there were no reportable actions on Items 1, 2, 3 and 4.

13. COMMISSIONER ANNOUNCEMENTS

No announcements provided.

14. STAFF ANNOUNCEMENTS

a. Conferences, meetings, and events of interest to Commissioners:
   1) CALAFCO Annual Conference, October 14-17, 2014.

b. Next Meeting – November 6, 2014 at 9:00 a.m. in the Shasta County Board of Supervisors' Chambers.

c. Future Proposed Agenda Items

   1) Continuation of MSR/SOI reviews anticipated for November

      - Continue Hearings:
        - City of Shasta Lake SOI Update
        - Centerville Community Services District SOI Update

      - SOI/MSR Update Hearings:
        - Shasta Lake Fire Protection District

- Clear Creek Community Services District
- City of Redding
- Bella Vista Water District
- Buckeye Fire Protection District
- Fall River Valley Coordinated FRV Service Area

2) Presentation of applications as they mature to hearing stage – None provided.

15. ADJOURNMENT OF MEETING

There being no further business, Chairman Morgan adjourned the meeting at 11:42 a.m.

ATTEST:

K. Bull

Kathy Bull
Acting Clerk to the Commission

DATE: 11-10-2014

APPROVED:

Steve Morgan

Steve Morgan
Chairman

DATE: 11-10-2014