

Shasta LAFCO

Shasta Local Agency Formation Commission

1670 Market Street, Suite 244, Redding, CA 96001

Phone: (530) 242-1112 Fax: (530) 242-1113 Web: www.shasta.lafco.ca.gov

MINUTES

Executive Committee Meeting – February 6, 2007

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

CALL TO ORDER/ROLL CALL/INTRODUCTION

Chairman Miller called the meeting to order at 10:30 a.m. in the Shasta LAFCO office, 1670 Market St. Ste 244, Redding, California.

Commissioners Present: Miller, Webster

Commissioners Absent: Vacant

Staff Present: Executive Officer Mickelson, Clerk Smith

DRAFT PERSONNEL POLICIES

After review and discussion of amended Personnel Policies, the Executive Committee made a recommendation to the full Commission that the amended Personnel Policies should be adopted as presented. (Webster/Miller).

REVIEW OF AGENDA MATERIAL FOR REGULAR MEETING

The draft agenda for February 15, 2007 was presented by staff. Each item was reviewed and discussed.

The issue of a cell phone stipend for the Executive Officer was discussed, as directed by the Commission at the December meeting. After reviewing what the cities and county pay for Management cell phones, the Executive Committee supported the Executive Officer's recommendation of paying a stipend in the amount of \$40 per month beginning January 1, 2007.

The Executive Office relayed that monies for her retirement account are currently being held in the General Fund account at the Auditor's office. Since CALPERs has not been approved and is not expected to be approved for sometime, the Executive Committee supported the Executive Officer's recommendation that the funds be put in a 403b as a temporary vehicle until CALPERs is set in place. The Executive Committee asked that materials regarding the specific fund be included in the agenda packet or presented at the meeting.

After discussion about the upcoming proposals and goal of completing the MSRs, the Executive Committee felt it necessary to continue temporary modification of the Executive Officer's work

schedule to 40 hours a week. A sunset date of August 31, 2007 was recommended for this temporary schedule.

The Executive Committee recommended that the Analyst be reimbursed for claims submitted for dental and/or vision claims that are incurred up to \$625 since a group dental and vision plan has not been attained and benefits should be available to said employee.

The Executive Committee directed staff to place an additional item onto the draft agenda to read: Authorize Change in Payroll Provider and Provide 30 Day Notice of Termination to Current Personnel Services Provider (Action). Staff was directed to gather information on payroll providers and to present that information at the February 15 meeting.

After review of the agenda items, the Executive Committee directed staff to mail/post the agenda and materials as prepared.

ADJOURNMENT

There being no further business, Chairman Miller adjourned the meeting at 11:30 a.m.

Amy K. Mickelson
Executive Officer

Date

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MINUTES

Regular Meeting – February 15, 2007

(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/INTRODUCTION

Chair Miller called the meeting to order at 10:00 a.m. in at Anderson City Hall, 1887 Howard St., Anderson, California.

Commissioners Present: Kehoe, Fust, Webster, Miller, Dickerson, Gover

Commissioners Absent: Baugh, Langfield

Staff Present: Executive Officer Mickelson, Counsel Elizabeth Johnson, Clerk Smith

PLEDGE OF ALLEGIANCE

Commissioner Gover led the Pledge of Allegiance.

PUBLIC COMMENT

None submitted.

MINUTES

Council Elizabeth Johnson informed the Commission that due to the transition in membership for LAFCO, there is not a quorum of the members who were present at the meetings to be able to approve the October 5, 2006, December 7, 2006 and the February 6, 2007 minutes. She did however state that they had the options of either leaving the above-mentioned minutes as unofficial minutes, setting a policy in place of how to handle this if the situation were to arise again in the future or they could allow legal council to approve. Commissioner Kehoe asked Council Elizabeth Johnson if there was any dispute in the minutes. She stated there was no dispute.

By motion made, seconded (Kehoe, Fust), the Commission approved the following items:

<u>A. Minutes/Previous Meeting:</u>	October 5, 2006
<u>B. Minutes/Previous Meeting:</u>	December 7, 2006
<u>C. Minutes/Previous Meeting:</u>	February 6, 2007

Chair Miller asked Counsel if she recommended that a policy is adopted for this type of situation. Counsel Johnson felt it was not necessary.

LEGISLATIVE REPORT

- A. Current Legislative Report (*Information*): Ms. Mickelson provided the Commissioners with an updated legislative report. She is not recommending taking an action at this time since these bills are currently in the draft stages. Commissioner Miller asked if any of the proposed bills might have an effect on LAFCO. Ms. Mickelson stated that SB162 is one that should be watched closely as it might have a significant impact on LAFCO proposals. CALAFCO has not taken a position on these bills as of to date.

BUDGET & FISCAL AFFAIRS:

- A. FY 2006-07 YTD Claims Register (*Action*): By motion made and seconded (Webster, Gover) the Commission approved the Claims Register. Commissioner Kehoe abstained.
- B. Consideration of Checking Account Statement (*Action*): By motion made and seconded (Webster, Gover) the Commission approved the Tri Counties bank statement.
- C. Consideration of Cell Phone Stipend (*Action*): Ms. Mickelson reviewed the current cell phone situation with the Commission. She is currently using her personal cell phone for business phone calls due to the fact she was not able to open a new account without any credit history for LAFCO. At the December meeting the Commission advised paying Ms. Mickelson a stipend amount for the use of her personal cell phone. After contacting the Cities and County and with the support of the Executive Committee, the Executive Committee recommended a \$40 monthly stipend.

By motion made, seconded (Gover, Kehoe) the Commission approved a \$40 a month cell phone stipend for Ms. Mickelson.

- D. Authorize Transfer of Budgeted Retirement funds to 403b Administrator (*Action*): Ms. Mickelson gave a brief history in regards to a retirement account and where it stands to date. Ms. Mickelson explained that currently the employee benefit for her retirement is being shown as a charge then deducted on the current Employer Concepts bill. The amount for her retirement is being held in the General Fund at the County and is not earmarked for her retirement. This amount needs to be transferred to a temporary holding account until approval is received from PERS. Ms. Mickelson recommended using Oppenheimer Funds to open a 403b as a temporary vehicle. Once approval is received from PERS, the monies will then be transferred to PERS. Commissioner Kehoe asked if there would be any management fees attached to this transaction. Ms. Mickelson stated that any fees incurred would be her responsibility.

By motion made, seconded (Fust, Webster) the Commission approved transferring \$3,207.12 to Oppenheimer Funds and authorized subsequent deposits to be made in the contracted amount of 7% by way of payroll deductions.

- E. FY 2006-07 Budget Update and Requested Line Item Transfers (*Action*): Ms. Mickelson reviewed the 2006-07 Budget with the Commission. She explained that since this was the first year LAFCO would operate as an independent agency, there were many unknowns at the time of budgeting.

By motion made, seconded (Fust, Kehoe) the Commission approved the line item transfers presented by Ms. Mickelson and attached as the Mid-Year Budget Review and Transfer Request.

POLICIES & PROCEDURES:

A. Consideration of Shasta LAFCO Personnel Policies (Action): Ms. Mickelson gave a brief review of Shasta LAFCO Personnel Policies. She presented the current Personnel Policies to the Commission, noting that the one change that was made was having a Paid Time Off (PTO) policy verses a traditional Vacation/Sick policy. Commissioner Fust pointed out some discrepancies/items that need clarification. These items were reviewed.

By motion made and seconded (Dickerson, Gover) the Commission approved the personnel polices as amended by a vote of 5-1 (Kehoe).

SPECIAL STUDIES/REPORTS:

A. Municipal Services Reviews:

- i. Centerville CSD Final Draft (Action):Ms. Mickelson presented the Final Draft MSR for Centerville CSD. Mr. Browning of Centerville CSD had reviewed the MSR and was comfortable with it. Ms. Mickelson noted that that there were a few items in the MSR were in progress when the report was written but they have since been completed. Ms. Mickelson requested that the MSR be approved with changes.

By motion made, seconded (Gover, Dickerson) the Commission approved the Centerville CSD Final Draft MSR with changes.

- ii. Cottonwood Fire Protection District Administrative Draft (Action):Ms. Mickelson presented the Administrative Draft MSR for Cottonwood FPD. She requested approval of the Draft MSR to go before the Cottonwood FPD board. Mr. Armstrong of Cottonwood FPD went over a few changes he felt that needed to be made. Staff will make an appointment with Mr. Armstrong at a later date to go through these issues one by one.

By motion made, seconded (Gover, Kehoe) the Commission approved the Cottonwood Fire Protection District Administrative Draft MSR.

- B. Municipal Services Reviews: Status Report (Information): Ms. Mickelson gave the Commission a chart that updates where Shasta LAFCO was with MSRs. At this time staff is focusing on the Fire Protection Districts since this is their down time. Commissioner Kehoe asked about those Districts who were exempt from a MSR, questioning if this is this a legitimate exemption. Ms. Mickelson stated that this was approved by the Commission prior to her working for Shasta LAFCO. She added this she has reviewed this matter in the past and feels that this matter could be re-visited. Commissioner Webster requested legal counsel to review this matter again and report back to the Commission with their findings.

The City of Anderson staff spoke to the Commission and gave them as update as to where they were at with their MSR.

CHANGES OF ORGANIZATIONS AND/OR REORGANIZATION

A. Reorganizations: None

B. Conducting Authority Proceedings: None

C. Report on Upcoming Proposals: (Information): Ms. Mickelson shared with the Commission that there are several proposals that are expected as well a few that are in the discussion and pre-application phases. There are currently four proposals that have been received and are currently in review and preparation phases with LAFCO staff.

OPERATIONS & ADMINISTRATION:

A. Review of Temporary Modification of Executive Officer's Work Schedule (Action): Ms. Mickelson gave the new Commissioners a brief history on the Executive Officer's current contract as well as the current work load. Included in that history was the motion that passed at the December meeting to make a temporary change to the Executive Officer's schedule and to base compensation on 40 hours instead of 32 hours. This change was to be in effect until the next Regular or Special meeting. Ms. Mickelson showed that if this were to be approved the Salaries line item should still come in at a proposed 6% below budget. There would be a sunset date of this work schedule of August 31, 2007. Commissioner Kehoe questioned how we could be coming in under budget when increased expense for salaries was more than total revenues on Agenda item 6e. Ms. Mickelson explained that she was referring to actual salary expenses not total for all expenses. Commissioner Fust asked Counsel Elizabeth Johnson if there was any problem using hour's verses salary. Ms. Johnson stated that there was not and that the term 'hours' has sidetracked the Commission from the real issue at hand.

By motion made, seconded (Dickerson, Gover) the Commission approved bringing the status of the Executive Officer, from part-time to full-time due to increased work schedule.

B. Consideration of Dental and Vision Reimbursement for Analyst Position (Action): Ms. Mickelson relayed that in December the Commission approved \$125 a month towards dental, vision & life benefits. However since the new Analyst was hired in November no eligible benefits have been available to the employee. SDRMA is expected to offer dental, vision and life coverage as early as March 15th or April 1st. In the mean time, Ms. Mickelson requested that the Commission authorized payment of reimbursement claims up to the total amount of \$625 for out-of-pocket expenses incurred by the Analyst for dental and vision care costs while under employment of LAFCO and while eligible benefits were not available to said employee.

By motion made, seconded (Kehoe, Gover) the Commission authorized reimbursement of dental and/or vision expenses up to \$625 until coverage is obtained.

C. Authorize Change in Payroll Provider and Provide 30 Day Notice of Termination to Current Personnel Services Provider (Action): Ms. Mickelson requested termination with Employer Concepts for payroll services. Employer Concepts was originally utilized by LAFCO due to the fast transition to independent agency status. Commissioner Kehoe asked if there would be any penalties with the proposed termination. Ms. Mickelson stated that the contract allowed LAFCO to provide a 30 notice to terminate services.

By motion made, seconded (Kehoe, Gover) the Commission authorized the Executive Officer give a 30 day notice to Employer Concepts and to determine which agency to use for payroll services.

D. Approve Workers Comp Contract with SDRMA (Action): By motion made, seconded (Gover, Fust) the Commission authorized the Workers Compensation contract with SDRMA, effective March 15, 2007 and authorize the Chair to sign for coverage.

E. FPFC Form 700 Distribution and Instructions (Information): Ms. Mickelson reminded the Commissioners that the Form 700s need to be filled out and at the LAFCO office by March 15, 2007 with a wet signature.

OTHER BUSINESS

A. Chair Appoint for At-Large Executive Committee Member (Action): Chair Miller appointed Commissioner Kehoe as the new Executive Committee Member.

COMMISSIONER ANNOUNCEMENTS

Commissioner Webster thanked everybody for coming to the Anderson City Hall for this meeting. The Commission unanimously agreed that rotating the meetings at different venues is a nice change and would like to continue to do so. The Commission decided to leave the next location up to the Chair and staff.

ADJOURNMENT

There being no further business, Chair Miller adjourned the meeting at 12:10 p.m.

Respectfully Submitted,

Jessica Smith
Clerk to the Commission

Date

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MINUTES

Executive Committee Meeting – March 22, 2007

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

CALL TO ORDER/ROLL CALL/INTRODUCTION

Chair Miller called the meeting to order at 9:30 a.m. in the Shasta LAFCO office, 1670 Market St. Ste 244, Redding, California.

Commissioners Present: Miller, Webster, Kehoe

Commissioners Absent: None

Staff Present: Executive Officer Mickelson, Clerk Smith

REVIEW OF AGENDA MATERIAL FOR REGULAR MEETING

The draft agenda for April 5, 2007 was presented by staff. Each item was reviewed and discussed.

An action item was added to the draft agenda to review and approve a contract for Audit services.

After review of the agenda items, the Executive Committee directed staff to mail/post the agenda and materials as prepared.

ADJOURNMENT

There being no further business, Chair Miller adjourned the meeting at 10:20 a.m.

Amy K. Mickelson
Executive Officer

Date

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MINUTES

Regular Meeting – April 5, 2007

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CALL TO ORDER/ROLL CALL/INTRODUCTIONS

Chair Miller called the meeting to order at 10:00 a.m. at Redding City Hall, 777 Cypress Avenue, Redding, California. Commissioners Kehoe, Webster, Miller, Dickerson, Gover, Baugh and Langfield were present. No Commissioners were absent. Executive Officer Mickelson, Counsel Johnson and Clerk Smith were present as staff.

Chair Miller announced that items 8ai (Cottonwood Fire Protection District Final MSR) and 11a (discussion regarding the scheduling of special meetings by Commissioner Langfield) were being pulled from today's agenda .

PLEDGE OF ALLEGIANCE

Commissioner Baugh led the Pledge of Allegiance.

PUBLIC COMMENT

There was no public comment submitted.

MINUTES

The minutes of February 15, 2007 were presented and discussed. An amendment was made to show Commissioner Langfield as absent upon that meeting date. By motion made and seconded (Webster, Kehoe), the Commission approved the February 15, 2007 minutes as amended. Commissioners Langfield & Baugh abstained.

The Executive Committee minutes of March 22, 2007 were presented and reviewed. By motion made and seconded (Kehoe, Webster), the Commission approved the March 22, 2007 Executive Committee minutes as presented. Commissioners Langfield & Baugh abstained.

LEGISLATIVE REPORT

Ms. Mickelson presented the Commissioners with a current legislative report. She is not recommending taking any action at this time as these bills are currently in the draft stages and numerous changes will likely occur in the coming weeks.

BUDGET & FISCAL AFFAIRS:

FY 2006-07 3rd Quarter Claims Register

The Claims registers were presented for review and adoption. Commissioner Baugh pointed out that there were some items shown on the Year-to-Date Register that were not shown on the 3rd Quarter Register. Staff concurred and committed to making the corrections. By motion made and seconded (Dickerson, Baugh) the Commission approved the Claims Register with corrections as noted.

Consideration of Checking Account Statement

Ms. Mickelson presented the most current bank statement for review. Ms. Mickelson stated that she had inadvertently purchased gas for her vehicle while away on business with the LAFCO debit card. Ms. Mickelson will pay back the amount debited from the LAFCO account and have the item noted by the bank as a memo entry for clarity of records. By motion made and seconded (Gover, Kehoe) the Commission approved the Tri Counties bank statement as presented.

Authorize Additional Transfer of Budgeted Retirement funds to 403b Administrator

Ms. Mickelson informed the Commission that the previous payroll provider was not able to process the request for direct deposited funds as directed by the Commission within the remaining time of their contract. Therefore, Ms. Mickelson requested that an additional transfer of \$697.20 of budgeted retirement funds, for three unpaid pay periods, be approved.

By motion made and seconded (Webster, Baugh) the Commission approved an additional transfer of \$697.20 to Oppenheimer Funds.

Consider Response to RFP for Audit Services

The Executive Officer explained that in years past, LAFCO was audited as a County Department. Now that LAFCO is operating independent of the County structure, an independent audit is necessary.

A joint RFP for auditing services with three other LAFCOs (El Dorado, Placer, and Yuba) was circulated. It called for a qualified independent Certified Public Accounting firm to audit the LAFCOs' financial statements for the fiscal year ending June 30, 2007, with options for extensions for the fiscal years ending June 30, 2008 and June 30, 2009. The audits are to be conducted in accordance with auditing standards generally accepted in the

United States of America, *Government Auditing Standards* issued by the Comptroller General of the United States, and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations (GASB Statement #34). The agencies further requested that the selected firm provide advice on how LAFCO can comply with the requirements of GASB #45. While the RFP was issued jointly and the four LAFCO executive officers had to agree to grant their contract to a single respondent, each LAFCO must approve its own contract.

Moreland & Associates, Inc. submitted the most qualified offer to LAFCO for audit services. Moreland & Associates has extensive local agency experience and is familiar with general LAFCO operations since it currently prepares the financial statements for Orange, Riverside and San Bernardino LAFCOs. Should Shasta LAFCO grant the two year extension, the costs would increase at a moderate rate over the course of the two-year period. Shasta LAFCO Counsel has reviewed the contract. Staff recommended the approval of the contract and for the Commission to authorize the Chairman to sign it.

By motion made and seconded (Kehoe, Langfield) the Commission approved the contract with Moreland & Associate, Inc. to provide audit services.

Consideration and Adoption of 2007-08 Draft Budget as Required by Government Code Section 56381(c)(Action): Ms. Mickelson presented the Commission with a Proposed Draft Budget for the fiscal year 2007-08. After much discussion of the budget, specifically the proposed increases to the City/County/Special District apportionment; Commissioner Langfield made the motion to adopt the 2006-07 Final Budget as the 2007-08 Draft Budget. Commissioner Langfield then accepted an amendment to add the formation of an Ad Hoc Budget Committee to discuss necessary changes and then provide a report back to the Commission prior to Final Budget adoption. Commissioner Dickerson then provided the second to the amended motion. Discussion followed. A vote was taken and failed for lack of a majority.

Discussion followed. By motion made and seconded (Kehoe, Baugh) the Commission approved the 2007-08 Draft Budget as prepared by staff and asked the Chair to appoint an Ad Hoc Budget committee to review and provide input to the full Commission prior to Final Budget adoption. The motion passed by a count of 6-1, Commissioner Langfield opposing.

Chair Miller asked for volunteers to work on the Budget Ad Hoc committee with staff. Commissioner Langfield and Commissioner Gover agreed to serve on the committee.

MUNICIPAL SERVICE REVIEWS:

Burney Fire Protection District Administrative Draft

Ms. Mickelson presented the Administrative Draft MSR for Burney FPD. Chief Robert May was present and gave a summation of the Burney FPD. He noted that he had reviewed the Administrative Draft and found it to

be correct. Chief May also provided his opinion the Municipal Service Reviews and Sphere of Influence reviews should be done simultaneously.

Ms. Mickelson asked the Commission to approve the Administrative Draft as presented and to direct staff to circulate the document for review of affected agencies and ask the Burney Fire Protection District Board to approve, if they desired. By motion made and seconded (Gover, Baugh) the Commission approved the Burney Fire Protection District Administrative Draft MSR.

Commissioner Kehoe asked if a letter of appreciation with the Chair's signature is sent to the Special Districts upon completion of the Municipal Service Review. The Executive Officer stated that previously staff had signed the appreciation letter, but will now ask the Chair to sign on behalf of the Commission.

Municipal Services Reviews: Status Report

Ms. Mickelson gave the Commission an updated chart that showed each of the required MSRs and their current status of completion. Chair Miller asked what would be done with the Special Districts who haven't provided any information as a response to the Request for Information. Ms. Mickelson stated that staff could produce a limited MSR with public information. Or the Commission could decide, via future policy adoption, to take a different course of action. The Executive Officer agreed to put it on a future agenda when those entities were the only remaining MSRs to complete.

CHANGES OF ORGANIZATIONS AND/OR REORGANIZATION

Public Hearing to Consider the Reorganization and Sphere Amendment of The Shasta Mosquito and Vector Control District (East & West); LAFCO File #07-01

The Executive Officer presented a proposal to annex two large and separate areas to the Shasta Mosquito and Vector Control District. The application was submitted by the District by way of resolution. It consists of two distinct areas: an area east of the District encompassing Shingletown and Viola; and an area west of the District encompassing Ono, Igo, French Gulch, Lakehead, the I-5 Corridor and the Castella area. The purpose of the reorganization is to provide mosquito and vector control services.

The areas proposed for annexation are certain, and abide by parcel lines. The areas proposed are within the County-wide Sphere of Influence. The District is willing to provide service. By way of a landowner survey (6,600 surveys for approximately 8,000 landowners), the District has identified these areas as desiring services as delineated in the Plan for Service. Ms. Mickelson asked that the Conducting Authority Hearing be waived since this annexation was going to go to a weighted election. Mr. William Hazeleur, General Manager of the Shasta Mosquito and Vector Control District also gave a brief presentation of the proposed annexation.

Chair Miller opened the Public Hearing at 11:05 a.m. There were no requests to speak. Chair Miller closed the Public Hearing at 11:06 a.m.

By motion made and seconded (Baugh, Gover) the Commission unanimously approved the Shasta Mosquito & Vector Control District (East & West) Annexation and adopted Resolution No. 07-05.

Public Hearing to Consider the Environmental Review and the Foxwood Annexation and Sphere Amendment to the Shasta Community Services District, Detachment from the Centerville Community Services District by Concurrent Action; LAFCO File #07-02

The Executive Officer presented a proposal to detach a small parcel from Centerville CSD, annex that same parcel to the Shasta Community Services District, as well as concurrently amend the Sphere of Influence of each District. The application was originally submitted by the District by way of resolution. Due to some issues with the CEQA process, it was then withdrawn and submitted via petition by the landowner. The purpose of the reorganization is to provide water and fire suppression services to the remainder of the Foxwood Estates Subdivision, the majority of which is already located within Shasta CSD.

The areas proposed for detachment, annexation and Sphere amendment are certain and abide by parcel lines. The Shasta CSD has declared their willingness to provide service. Centerville CSD has provided their consent to the detachment. The Executive Officer recommends approval of the reorganization. Counsel Johnson did recommend an addition to the language in the resolution regarding CEQA adoption. She asked that the statement of "Recognizes that Shasta LAFCO as the lead agency for the reorganization, conducted an Environmental Review for the reorganization under the California Environmental Quality Act (CEQA) and determined that a Negative Declaration was the appropriate Environmental Review document for this reorganization and hereby adopts the proposed Negative Declaration," be added to the Resolution as presented.

Chair Miller opened the Public Hearing at 11:13 a.m. Mr. Phil Browning from Centerville CSD, noted that item 8 under Conclusions and Recommendations of the Staff report should be removed. Ms. Mickelson stated that she would do so. Chair Miller closed the Public Hearing at 11:15 a.m.

By motion made, seconded (Gover, Kehoe) the Commission unanimously approved the Foxwood Annexation and adopted Resolution No. 07-06 with changes per Counsel Johnson's recommendation.

Report on Upcoming Proposals

The Executive Officer provided a brief report to the Commissioner regarding upcoming and expected proposals. No action was taken.

OPERATIONS & ADMINISTRATION:

FPPC Form 700 Distribution and Instructions

Ms. Mickelson informed the Commissioners that the Form 700 had been due on the preceding Monday, April 2nd. She noted that there had been some confusion over the County Commissioners' reports, however, she felt that it had been straightened out and that LAFCO would soon receive the required documents.

COMMISSIONER ANNOUNCEMENTS

Commissioner Webster announced that former LAFCO Commissioner Patricia Clark's husband had passed away unexpectedly the previous evening. Ms. Mickelson said that she would send a card on behalf of the Shasta LAFCO.

STAFF ANNOUNCEMENTS

Ms. Mickelson announced that the next Special Meeting will be May 3rd and held at the Shasta Board of Supervisors' Chambers.

Ms. Mickelson also announced that the LAFCO office would be closed April 9-13, as the staff would be attending the CALAFCO Staff Workshop in Newport Beach.

ADJOURNMENT

There being no further business, Chairman Miller adjourned the meeting at 11:20 a.m.

Jessica Smith
Clerk to the Commission

Date

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MINUTES

Special Meeting – May 3, 2007

(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/INTRODUCTIONS

Vice Chairman Webster called the meeting to order at 10:00 a.m. at the Shasta Board of Supervisors Chambers, 1450 Court Street, Room 263, Redding, California. Commissioners Kehoe, Webster, Dickerson, Gover, Baugh and Langfield were present. Commissioner Miller was absent. Executive Officer Mickelson, Counsel Johnson and Clerk Smith were present as staff.

PLEDGE OF ALLEGIANCE

Commissioner Kehoe led the Pledge of Allegiance.

PUBLIC COMMENT

There was no public comment submitted.

MINUTES

The minutes of April 5, 2007 were presented. By motion made and seconded (Baugh, Kehoe) the Commission approved the April 5, 2007 minutes.

LEGISLATIVE REPORT

Ms. Mickelson presented the Commissioners with a current legislative report. She is recommending support for AB 745, AB 1262, AB 1263, AB 1744, SB 819 and SB 516. Commissioner Kehoe stated that in regards to SB 516 the County Board of Supervisors has not yet made the decision to support this bill. Commissioner Kehoe then read the item attached from the Board of Supervisors Chairman Cibula regarding SB 516. He then stated that the Supervisors had some concerns about this bill and felt that there were some misplaced and inaccurate comments from Mr. Aanestad. Ms. Mickelson stated that this proposed District referenced in SB 516 would not be under LAFCO purview and that was the one specific area for which she would like support. Ms. Mickelson recommended for the Commission to support the other bills as suggested and to place SB 516

on a watch list. By motion made and seconded (Baugh, Kehoe) the Commission approved to support the bills recommended by staff with the exception of SB 516.

BUDGET & FISCAL AFFAIRS:

FY 2006-07 4th Quarter Claims Register

The Claims registers were presented for review and adoption. Questions and clarifications were asked and answered. By motion made and seconded (Baugh, Kehoe) the Commission approved the Claims Register.

Consideration of Checking Account Statement

Ms. Mickelson presented the most current bank statement for review. By motion made and seconded (Gover, Kehoe) the Commission approved the Tri Counties bank statement as presented.

Budget Ad Hoc Committee Report and Request for Direction

Commissioner Langfield began the discussion regarding the preparation of the Final Budget. Commissioner Baugh stated that he prefers a conservative budget. Ms. Mickelson stated that LAFCO has always used the least amount of funds as possible. Some expenses will diminish with the continuation of independent operations; other will increase outside of LAFCO control, such as insurance rates. Commissioner Webster asked if LAFCO has a target number for reserves. Ms. Mickelson informed the Commissioners that previously LAFCO had always gone with what the Auditor/Controller recommended, trying to create a realistic yet conservative budget. She also stated that one option was to increase application fees. Commissioner Baugh was concerned that if LAFCO continued to use reserves and run in a deficit, that in three years LAFCO would be financially instable. Commissioner Baugh felt that LAFCO needs to have a reserve policy set in place. Commissioner Kehoe concurred with Commissioner Baugh in regards to setting a reserve policy. He also felt that specific items needed to be looked at prior to looking at raising contribution rates. Commissioner Baugh agreed. Commissioner Webster expressed his desire to hold a special meeting on May 30th to go over the budget.

Commissioner Langfield gave a summation of revenues vs. expenses for the last three years of LAFCO. Commissioner Gover stated that he felt that they needed to look at more than just numbers. They needed to look at what they were trying to accomplish and that it wouldn't be effective to squeeze a budget down and not be able to provide a good service to the Special Districts and to the public.

Commissioner Baugh made the motion to use the projected roll over amount of \$20,000 from this fiscal year 2006-2007, and apply it to the next fiscal year of 2007-2008, as well as use \$20,000 of reserves. Leaving a reserve amount of \$26,000. Commission Langfield pointed out that that the amount of monies needed to cover the budget included an increase of agency contributions. Since the Commission is looking to avoid an increase of contributions, there would be an additional shortage of \$12,000.

After some discussion among the Commissioners regarding the Draft Budget as well as the proposed increase of fees, the original motion was withdrawn.

Commissioner Dickerson expressed concern of LAFCO continually dipping into reserves. Commissioner Kehoe agreed and felt that LAFCO should be "living within their means". Commissioner Gover asked what it is exactly that the Commission wants. Ms. Mickelson explained that once that question is answered, staff could work towards their end goal with clear direction given. Commissioner Webster recommended setting the amount of reserves to be 10% of revenues. Commissioner Langfield requested that a specific dollar amount be set. Commissioner Webster explained that as revenues fluctuates so should our reserves. By motion made and seconded (Dickerson, Kehoe) the Commission approved the reserve amount to be 10% of revenues.

Commissioner Webster asked about setting a special meeting on May 30th. Commissioner Baugh recommended that we hand the budget back to staff now that clear direction has been given. Commissioner Webster stated that staff would prepare the budget and would work diligently to avoid an increase in agency contribution amounts. He did state however, that if an increase of contributions was necessary, the maximum amount of contribution should be no higher than \$64,000.

MUNICIPAL SERVICE REVIEWS:

Cottonwood Fire Protection District Final Draft

Ms. Mickelson presented the Final Draft MSR for Cottonwood FPD. She stated that the only items missing were a current map for Cottonwood FPD as well as some pictures. She also noted that a copy of an e-mail received from the City of Anderson, incorporated herein, was set before them in regards to the Cottonwood MSR.

At 11:24 Ms. Mickelson requested a 3-minute break. *At this time Commissioner Dickerson left the meeting.*

At 11:28 the meeting resumed with Fire Chief Randy Armstrong making comments on the e-mail from the City of Anderson. Commissioner Kehoe asked about the significance of the above-mentioned e-mail in regards to the Cottonwood MSR as well as if the County Fire Marshal Jim Diehl had any comments. Commissioner Webster stated that the e-mail was circulated to start the discussion of the possible annexation to the City of Anderson. Commissioner Baugh felt that the e-mail from the City of Anderson was not relevant to the Cottonwood MSR being looked at today. Mr. Diehl spoke and stated that this was the first time he had seen the Cottonwood MSR due to correspondence issues with LAFCO staff and presently didn't have any comments since today was the first time he was able to read it. Commissioner Kehoe asked if this issue had been resolved. Ms. Mickelson and Mr. Diehl stated that the issue has been resolved.

Ms. Mickelson asked the Commission to approve the Final Draft as presented. By motion made and seconded (Baugh, Langfield) the Commission approved the Cottonwood Fire Protection District Final Draft MSR.

Report on Upcoming Proposals

The Executive Officer provided a brief report to the Commissioner regarding upcoming and expected proposals. Discussion followed. No action was taken.

COMMISSIONER ANNOUNCEMENTS

No announcements

STAFF ANNOUNCEMENTS

Ms. Mickelson announced that the next Special Meeting will be June 14th and will be held at the Anderson City Council Chambers.

ADJOURNMENT

There being no further business, Vice Chairman Webster adjourned the meeting at 11:45 a.m.

Jessica Smith
Clerk to the Commission

Date



Shasta County

BOARD OF SUPERVISORS

1450 Court Street, Suite 308B
Redding, California 96001-1680
(530) 225-5557
(800) 479-8009
(530) 225-5189-FAX

DAVID A. KEHOE, DISTRICT 1
MARK CIBULA, DISTRICT 2
GLENN HAWES, DISTRICT 3
LINDA HARTMAN, DISTRICT 4
LES BAUGH, DISTRICT 5

April 24, 2007

The Honorable Sam Aanestad
California State Senate
2400 Washington Avenue, Suite 301
Redding, CA 96001

Re: SB 516 (Aanestad), Water: Shasta County Watermaster District

Dear Senator Aanestad:

The Shasta County Board of Supervisors represents a number of citizens who have been subject to significant increases in charges for watermaster services by the California Department of Water Resources.

The Board of Supervisors wishes to work with you regarding SB 516, which would create a special district to serve as watermaster in place of the California Department of Water Resources for five existing service areas in Shasta County.

The Board has directed County staff, including County Administrative Officer Larry Lees and Chief Engineer of the County Water Agency, Patrick Minturn, to follow the progress of this bill and to provide input to you and to the California Farm Bureau with regard to any concerns staff may have about specific provisions of your bill.

Shasta County looks forward to working with you in these efforts to limit the costs to Shasta County residents for these court-mandated services.

Very truly yours,

Aanestad
#5
5/10/07

GENERAL GOVERNMENT

AUDITOR-CONTROLLER

COUNTY CLAIMS LIST

At the recommendation of Assistant Auditor-Controller Candace Knouse and by motion made, seconded (Kehoe/Baugh), and unanimously carried, the Board of Supervisors approved and authorized the Chairman to sign the County Claims List totaling \$17,841.40 requiring special board action, with the understanding that the Claims List should be used as a supplemental training tool for County departments. By consensus, the Board of Supervisors directed that the County Claims List remain on the Regular Calendar for a few weeks.

ADMINISTRATIVE OFFICE/BOARD OF SUPERVISORS

LEGISLATIVE UPDATE/SUPERVISORS' REPORTS

County Administrative Officer (CAO) Larry Lees presented an update on specific legislation of importance to Shasta County, including Senate Bill 516 (Aanestad), Shasta County Watermaster District. By consensus the Board of Supervisors directed CAO Larry Lees to prepare a letter for Chairman to sign offering to cooperate with Senator Aanestad's staff in fashioning a proposal which meets all the needs of Shasta County water users. In response to Supervisor Cibula's questions, Mr. Minturn explained that there is very little district overlap as this issue relates to creek water for irrigation and not treated drinking water.

Supervisor Hartman reported that she testified at the U.S. Senate Committee on Veterans Affairs in Sacramento on Tuesday, April 10, 2007, Senate Bill 630 (SB630)(Aanestad), Veterans' Homes, was amended to specify securities for the Redding and Fresno homes and SB630 will be brought before the Senate Appropriations Committee in the near future.

Supervisors reported on issues of countywide interest.

HEALTH AND HUMAN SERVICES

SOCIAL SERVICES

AGREEMENT: AUTOMATED WELFARE SYSTEM

At the recommendation of Acting Interim Director of Social Services Marta McKenzie and Deputy Director of Social Services Phil Paulsen, and by motion made, seconded (Kehoe/Baugh), and unanimously carried, the Board of Supervisors approved and authorized the Chairman to sign an amendment to the Joint Powers Agreement with the California Statewide Automated Welfare System Consortium IV (C-IV) to design, develop, implement, operate, and maintain an automated welfare system from June 1, 2007 until the Board terminates participation; and approved and authorized the Chairman to sign a memorandum of understanding with C-IV for a period of one year from the date of execution of the amended

Agenda
#15
5/3/07

-----Original Message-----

From: Roy Del Carlo [mailto:rdelcarlo@ci.anderson.ca.us]

Sent: Wednesday, May 02, 2007 4:55 PM

To: 'Scott Morgan'

Subject: RE: 5/3/2007 LAFCO Agenda

Scott: After reviewing the final Cottonwood Fire Protection District, Final Municipal Services review proposed for adoption May 2007, the only comments I have would be on the statements on page 12, regional context/impacts. The Vineyards project being built by Mr. Sanderson is located approximately two miles from the Anderson Fire Dept. The development starts at the southern end of the Anderson Fire Protection District and flows from the north to the southern boundaries of the district. We currently have a Vegetation Management District formed for tax purposes. There are City Fire Hydrants and Water mains in place with a City Well to be in service very soon.

It would seem to me that it would be natural progression to keep this project in the City of Anderson and the Anderson Fire Protection District. As stated above, it is a two mile response from the Anderson Fire Dept. to the Development and it is a four mile response for the Cottonwood Fire District.

If you have any other questions, please do not hesitate to contact me at anytime.

Roy Del Carlo, Fire Chief

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MINUTES

Executive Committee Meeting – June 6, 2007

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

CALL TO ORDER/ROLL CALL/INTRODUCTION

Chair Miller called the meeting to order at 9:30 a.m. in the Shasta LAFCO office, 1670 Market St. Ste 244, Redding, California.

Commissioners Present: Miller, Webster

Commissioners Absent: Kehoe

Staff Present: Executive Officer Mickelson

REVIEW OF AGENDA MATERIAL FOR SPECIAL MEETING

The draft agenda for June 14, 2007 was presented by staff. Each item was reviewed and discussed.

Much discussion occurred regarding the final budget. The Executive Officer was directed to create a secondary option for the Commission to consider, based on a \$70,000 contribution amount.

After review of the agenda items, the Executive Committee directed staff to mail/post the agenda and materials as prepared.

DISCUSS EXECUTIVE OFFICER LEAVE AND POSSIBLE STAFFING NEEDS

The Executive Committee reviewed and discussed the planned maternity leave and resulting staffing issues in the absence of the Executive Officer. No action was necessary.

ADJOURNMENT

There being no further business, Chair Miller adjourned the meeting at 11:10 a.m.

Amy K. Mickelson
Executive Officer

Date

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MINUTES

Special Meeting – June 14, 2007

(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/INTRODUCTIONS

Vice Chairman Webster called the meeting to order at 10:00 a.m. at Anderson City Hall, 1878 Howard Street, Anderson, Ca. Commissioners Kehoe, Webster, Dickerson, Fust, Gover, Baugh and Langfield were present. Commissioner Miller was absent. Executive Officer Mickelson, Counsel Johnson and Clerk Smith were present as staff.

Vice Chair Webster announced that LAFCO had received a letter of resignation from Chair Miller for personal reasons.

PLEDGE OF ALLEGIANCE

Commissioner Dickerson led the Pledge of Allegiance.

PUBLIC COMMENT

There was no public comment submitted.

MINUTES

The minutes of May 3, 2007 were presented. By motion made and seconded (Baugh, Langfield) the Commission approved the May 3, 2007 minutes. Commissioner Fust abstained.

The Executive Committee minutes of June 6th were presented a reviewed. Commissioner Dickerson asked if they were required take action on the Executive Committee minutes since only three of the Commissioners sit on the Committee. Counsel Johnson stated that it is up to the pleasure of the body whether or not the Executive Committee minutes require action. All the Commissioners present agreed they would like to have the Executive Committee minutes kept as Information Only.

LEGISLATIVE REPORT

Ms. Mickelson presented the Commissioners with a current legislative report. At this time staff will continue to monitor changing language as legislation progresses.

BUDGET & FISCAL AFFAIRS:

FY 2006-07 4th Quarter Claims Register

The Claims register was presented for review and adoption. Questions and clarifications were asked and answered. By motion made and seconded (Baugh, Dickerson) the Commission approved the Claims Register.

FY 2006-07 Year to Date Claims Register

The Year to Date Claims register was presented for review and adoption. By motion made and seconded (Dickerson, Kehoe) the Commission approved the Claims Register.

Consideration of Checking Account Statement

Ms. Mickelson presented the most current bank statement for review. By motion made and seconded (Baugh, Fust) the Commission approved the Tri Counties bank statement as presented.

Public Hearing: Consideration and Adoption of 2007-08 Final Budget

At the May LAFCO meeting, two specific instructions were given to the Executive Officer in regard to the Final Budget preparation. First, a target reserve amount of 10% of budgeted expenditures was to be set. Secondly, contributions from the Cities, County and Special Districts was to be kept as close to \$60,000 as possible, but no higher than the approved draft budget amount of \$64,000. Staff set out to meet those expectations in the Final Budget presentation.

While reconciling expected expenditures with those requests made by the Commission, the Executive Officer came to the realization that it was simply not possible. On June 6th, staff met with the Executive Committee to attempt to present a Final Budget to the full Commission that met those expectations and needs. After much discussion, it was determined that two budget options should be presented to the Commission. One of those budgets is based on a \$64,000 contribution limit; however that available reserve amount is only 4%. A second budget option is based on a \$70,000 contribution amount and achieves a 12% reserve amount.

Discussion on the \$70,000 budget focused on two specific areas: (1) the idea being that if contributions were set at this amount, that the Commission would publicly commit to keeping contributions at no higher than \$70,000 for a minimum of two years; and (2) that if the Commission adopts the lower contribution amount of \$64,000 that contribution levels next year will likely be much higher than \$70,000 because there will not be an available reserve (beginning balance) amount to off-set costs as there was this year.

At 10:45 Vice Chair Webster opened the Public Hearing.

Mr. Coxey from Bella Vista Water District stated his concerns about the proposed increase of fees, see attached letter incorporated herein.

At 10:51 Vice Chair Webster closed the Public Hearing.

Vice Chair Webster requested that staff contact the Auditor to better understand the method of apportionment per Mr. Coxey's request. Ms. Mickelson stated that she had already put a call in to the Auditor regarding this matter. Discussion followed.

By motion made and seconded (Fust, Dickerson) the Commission approved the 2007-08 Final Budget based on a \$64,000 contribution limit. One condition of this budget was to form a Budget Committee. The Budget Committee members appointed were, Commissioners Baugh, Dickerson & Langfield.

MUNICIPAL SERVICE REVIEWS

Burney Fire Protection District Final Draft

Ms. Mickelson presented the Final Draft MSR for Burney FPD. Ms. Mickelson stated there was one change made to the MSR, the District provided LAFCO staff with that date Station #2 was built.

At 11:04 Vice Chair Webster opened the Public Hearing

Mr. Cory Halter, resident of Burney, proposed a delay of acceptance of the Burney MSR. The recently adopted Mello-Roos is being contested and would like the MSR to reflect the District accurately.

At 11:05 Vice Chair Webster closed the Public Hearing

Ms. Mickelson stated that the Burney MSR is not a static document and that as of right now the document is accurate. She also noted that a copy of a correspondence from Fire Marshal Jim Diehl, incorporated herein, was set before them in regards to the Burney MSR. Commissioner Kehoe requested Ms. Mickelson read this letter aloud. Discussion followed.

Ms. Mickelson asked the Commission to approve the Final Draft as presented. By motion made and seconded (Baugh,Langfield) the Commission approved the Burney Fire Protection District Final Draft MSR subject to the condition that the MSR is brought back if the Mello-Roos Act is dissolved.

Status Report

Ms. Mickelson stated that at this time staff is going to focus on the smaller Districts in order to get as many MSRs completed as possible. She is expecting to bring back ten MSRs in draft form before the Commission at the August 2nd meeting.

Counsel Johnson informed the Commission on the information she found regarding the exemption of MSRs for health care districts, cemetery districts, irrigation districts, pest abatement districts and resource conservation districts. She stated that the Commission has no legal authority to either approve or not approve the exemptions mentioned. She was in contact with CALAFCO legal counsel and they didn't have any input as whether this exemption is acceptable or not. She recommended that the Commission revisit this subject at a later date.

CHANGES OF ORGANIZATIONS AND/OR REORGANIZATION

Public Hearing to Consider the Stillwater Reorganization to the City of Redding, Concurrent Detachment from CSA No. 1 & CSA No. 15; LAFCO File #06-08

Counsel Johnson began the discussion by stating that there were two disclosures that needed to be made. The first being that she represented Mr. Sanders in an item that was settled in July of 2006. There were no overlapping issues that would require her to recuse herself. The second item being that Commissioner Langfield is employed by the City of Redding. Ms. Mickelson stated that there is no legal obligation for Commissioner Langfield to recuse himself.

The application was submitted by the City by way of Resolution (COR#2006-192). The proposal consists of two separate areas. Area A is 540 acres east of Stillwater Creek; the northern boundary is generally an easterly extension of Rancho Road and the south boundary is the Redding Municipal Airport. Area B is approximately 15 acres on the north side of Fig Tree Lane between Aviation Lane and Nelda Way. The purpose of the reorganization is to provide full urban services to a 333 acre industrial/business park (Stillwater Business Park).

The area proposed for reorganization is certain and abides by parcel lines. The area proposed does not create any island of service. The annexation area proposed is within the City's Sphere of Influence. The City is willing to provide service and has determined that they are able to provide such service.

At 11:27 Vice Chair Webster opened the Public Hearing.

Mr. Jim Hamilton, Development Services Director for the City of Redding began a brief summation of the proposed project.

At this time Commissioner Baugh realized he needed to recuse himself due to contracts he has with the City of Redding.

Mr. Scott Morgan, with the City of Anderson, wanted to go on record showing support for the proposed reorganization.

Mr. Fred Scott, whose parcel neighbors the proposed reorganization, spoke to the Commission regarding the issue of fire protection. He was unaware who he needed to speak to in regards to this matter. He was informed that he could contact Mr. Mike Chuchel, County Fire Warden, in regards to the matter of fire protection.

At 11:36 Vice Chair Webster closed the Public Hearing

Commissioner Kehoe asked what Mr. Hamilton had to say in response to Mr. Scotts' concern about fire protection. Mr. Hamilton stated that the City has a mutual aid agreement with the County and a new fire station is proposed at the airport providing more than adequate fire protection. Mr. Chuchel added that there would be no change of service to his parcel due to the fact that it is not included in the proposed reorganization. Mr. Bachman, the Assistant City Manager for the City of Redding, stated that the services provided for that area will actually be enhanced if the proposed annexation is approved.

At 11:38 Vice Chair Webster re-opened the Public Hearing

Mr. Scott stated his concern about the weeds that are on the City of Redding's parcels. He would like to have the City held to the same standards as residents in regards to 100 foot buffer between the homes and the very high fire vegetation hazard.

At 11:40 Vice Chair Webster closed the Public Hearing

By motion made and seconded (Kehoe, Dickerson) the Commission approved the City of Redding Reorganization and adopted Resolution No. 07-07.

At 11:42 Commissioner Kehoe left the meeting.

Report on Upcoming Proposals

The Executive Officer provided a brief report to the Commissioners regarding upcoming and expected proposals. Discussion followed. No action was taken.

OPERATIONS & ADMINISTRATION

Consideration of Resolution of Intention to Contract with CalPERS

Ms. Mickelson stated that Shasta LAFCO staff has been pursuing an actuarial and contract offer from CalPERS for the last 12 months. Staff received an actuarial quote from them and is recommended adoption of a contract with CalPERS as a new agency. Ms. Mickelson stated that the contract being discussed with CalPERS is for the same level of benefits as what LAFCO employees received when LAFCO contracted with the County of Shasta for employment services. Discussion followed.

By motion made and seconded (Dickerson, Gover) the Commission approved the adoption of a resolution to move forward to contract with CalPERS.

Consideration of SDRMA JPA Amendments

Ms. Mickelson stated that SDRMA is proposing some amendments to their agreement, as detailed in the attachment set before the Commissioners. LAFCO Staff and Legal Counsel reviewed these proposed changes and asked the Commission to approve the amendments.

By motion made and seconded (Fust, Gover) the Commission approved the amendments proposed by SDRMA.

Consideration of Contract for 2007-08 Services for Legal Counsel

Counsel Johnson left the room at this time. Ms. Mickelson recommended contracting for services for Elizabeth Johnson to continue as Shasta LAFCO Counsel. She stated that the contract is identical to the current agreement, with the exception of a \$10 per hour increase in fees.

Commissioner Baugh questioned if Ms. Johnson would bill Shasta LAFCO on an hourly basis when attending conferences regarding LAFCO business. Ms. Mickelson stated that as of right now this situation has not presented it self. Commissioner Baugh requested that prior to Ms. Johnson attending a conference this item should be addressed by the board.

By motion made and seconded (Gover, Dickerson) the Commission approved contracting with Ms. Johnson for legal services. Counsel Johnson rejoined the meeting at the conclusion of this agenda item.

OPERATIONS & ADMINISTRATION

CALAFCO Conference Attendance

Ms. Mickelson requested that any who would like to attend need to notify staff as soon as possible as hotel rooms are quickly going. She noted that registration materials need to be returned to the Shasta LAFCO office for payment.

Counsel Johnson expressed interest in attending the CALAFCO Conference. Commissioner Baugh asked if LAFCO would be charged an hourly rate for her attending the conference. Counsel Johnson stated that she would not be charging LAFCO an hourly rate as she would consider the conference as part of her continuing education.

Establishment of CALAFCO Voting Member and Alternates

This item will continue to the August meeting.

Nomination to the CALAFCO Board of Directors

There were no nominations. No action was taken.

Nominations for CALAFCO Awards

Ms. Mickelson recommended nominating former LAFCO Commissioner Trish Clarke.

By motion made and seconded (Gover, Baugh) the Commission approved nominating Trish Clarke for Outstanding Commissioner.

COMMISSIONER ANNOUNCEMENTS

Commissioner Dickerson left the meeting at 12:10 p.m.

Commissioner Gover invited all to attend the annual Gover Ranch gathering to be held on 6/22/07. There was discussion about Alternate Commissioner Fust coming on as a regular member and having this announced at the August meeting. Ms. Mickelson also reminded the Commissioners that a new Chair and possibly Vice Chair will need to be elected since Commissioner Miller is no longer on the board for LAFCO.

STAFF ANNOUNCEMENTS

Ms. Mickelson informed the Commissioners that the August agenda will address the item of her maternity leave. She stated that she has interviewed two possible Executive Offices to contract with and has found it will cost the agency a substantial amount of money.

ADJOURNMENT

There being no further business, Vice Chairman Webster adjourned the meeting at 12:18 p.m.

Jessica Smith
Clerk to the Commission

Date

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MINUTES

Regular Meeting – August 2, 2007

(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/INTRODUCTIONS

Vice Chairman Webster called the meeting to order at 10:00 a.m. at Redding City Hall, 777 Cypress Avenue, Redding, CA. Commissioners Kehoe, Webster, Dickerson, Gover, Langfield and Alternate Commissioner Fust were present. Commissioner Baugh was absent. Executive Officer Mickelson, Counsel Johnson and Clerk Smith were present as staff.

PLEDGE OF ALLEGIANCE

Commissioner Fust led the Pledge of Allegiance.

PUBLIC COMMENT

There was no public comment submitted.

MINUTES

The minutes of June 14, 2007 were presented. Commissioner Fust & Langfield recommended changes to the minutes. By motion made and seconded (Dickerson, Fust) the Commission approved the June 14, 2007 minutes with amendments as presented.

The Executive Committee minutes of July 23, 2007 were presented and reviewed. No action was required as this was an information only item.

BUDGET & FISCAL AFFAIRS:

FY 2007-08 1st Quarter Claims Register

The Claims register was presented for review and adoption. By motion made and seconded (Gover, Dickerson) the Commission approved the Claims Register.

Consideration of Checking Account Statement

Ms. Mickelson presented the most current bank statement for review. By motion made and seconded (Dickerson, Kehoe) the Commission approved the Tri Counties bank statement dated 07-17-07 as presented.

CHANGES OF ORGANIZATION AND/OR REORGANIZATIONS

Public Hearing to Receive and Tabulate Protests Regarding the Stillwater Reorganization to the City of Redding, Concurrent Detachment from CSA No. 1 & CSA No. 15; LAFCO File #06-08

On June 14, 2007, Shasta LAFCO approved a change of organization to the City of Redding. The approval concurrently annexed property to the City of Redding and concurrently detached the same parcels from CSA No. 15 (Street Lighting) and CSA No. 1 (Fire Protection).

The purpose of the Conducting Authority hearing is to hear and receive protest regarding the Stillwater Reorganization. Any written comments received prior to the hearing from an owner of land within the reorganization area should be read into the record. Verbal comments could be made by any interested parties, but only written comments which indicated a protest of the proceedings by landowners within the reorganization area would be tabulated as protest. Ms. Mickelson informed the Commission that no written protests or comments have been received regarding the Stillwater Reorganization.

At 10:12 a.m. Vice Chair Webster opened the Public Hearing.

Being that no one requested to speak at the Public Hearing, Vice Chair Webster closed the Public Hearing at 10:13 a.m.

Once the Public Hearing was closed, the call for protests regarding the Reorganization was closed as well. As no protests were submitted, the Reorganization, as approved by LAFCO on June 14, 2007 would proceed as established by Resolution 07-11.

Report on Upcoming Proposals

The Executive Officer provided a brief report to the Commissioners regarding upcoming and expected proposals. Discussion followed. No action was taken.

SPECIAL STUDIES/REPORTS

Municipal Service Reviews

Ms. Mickelson stated that eight Administrative Draft Municipal Service Reviews will be distributed by August 10th to the Special Districts and Cities for review and material correction. It was noted that staff was having a difficult time receiving any information from some of the districts slated for review. Staff indicated to the Commission that many of these Administrative Drafts were minimally complete at best. The intent by staff to release these minimally complete documents is to encourage those non-participating districts to finally participate in the process and provide some valid data.

No action was required of the Commission at this time, however it was noted that these Municipal Service Reviews would be back in future agendas as Draft Municipal Service Reviews that would require the consideration of the Commission.

Status Report

Ms. Mickelson presented the Commissioners with an updated Municipal Service Review Status Report. No action was taken.

OPERATIONS & ADMINISTRATION

Announcement of Special District Vacancies and Election

Ms. Mickelson stated that due to the resignation of Commissioner Miller there was currently a vacancy upon the Commission. Due to previous resignations and the temporary placement of the Alternate into a regular Commission seat, LAFCO should proceed with an election to fill all three Special District Commissioner positions. Ms. Mickelson recommended that staff proceed with the nomination and election process to elect two Special District Commissioners and an Alternate to fill new terms, due to expire in January of 2012.

By motion made and seconded (Dickerson, Kehoe) the Commission adopted staff's recommendation to proceed with the Special District election process establishing new Special District Commissioners (2) and an Alternate with a regular four year term..

Election of LAFCO Chairman and Vice Chairman

Commissioner Kehoe nominated Vice Chairman Webster to be elected as Chairman and Commissioner Gover to be elected as Vice Chairman.

By motion made and seconded (Kehoe, Dickerson) the Commission elected Commissioner Webster as the Chairman and Commissioner Gover as the Vice Chairman, to fill the unexpired term until June of 2008.

OTHER BUSINESS

Establishment of CALAFCO Voting Member and Alternates

Ms. Mickelson recommended that the Commission nominate Commissioner Fust to serve on behalf of Shasta LAFCO as a voting delegate since he is the only Commissioner planning to attend the CALAFCO Annual Conference.

By motion made and seconded (Kehoe, Gover) the Commission nominated Commissioner Fust to serve as the voting delegate for Shasta LAFCO at the 2007 CALAFCO Business Meeting.

Discussion of Possible Third City Commissioner Seat to be Created

In 2004, Shasta LAFCO had a discussion regarding adding a third Regular City Commissioner seat to the Commission. This subject has again been raised, both by Commissioners and various members of the public. By adding a third City position, all three incorporated cities in Shasta County would remain actively on the Commission versus the current rotation. (Currently, each city is represented for two years and then rotates into the Alternate position for one year.)

In order to add a seat to the Commission, thereby increasing the Commission membership to eight, special legislation would be required. Special legislation could be introduced to amend the Cortese-Knox-Hertzberg Local Government Reorganization Act (CKH) to stipulate that a third City seat be added to Shasta LAFCO. Discussion followed. Staff was directed to have discussions with each of the City Managers to inquire if this would be of interest to each of the cities and to report back on the next Regular agenda.

COMMISSIONER ANNOUNCEMENTS

Commissioner Kehoe thanked staff for the organization of the packets.

STAFF ANNOUNCEMENTS

Staffing and Office Practices During Executive Officer's Leave

Ms. Mickelson informed the Commissioners that August 10, 2007 would be her last day of work as she will begin taking her maternity leave. Ms. Mickelson plans on being back in the office on a part-time basis towards the end of October.

Legislative Report

Per the Executive Committee's suggestion, a verbal Legislative Report was given to the Commissioners. The Executive Officer noted that several CALAFCO sponsored bills had been signed or were awaiting the Governor's signature. No action was required of the Commission.

Next Regular Meeting

Ms. Mickelson stated that the next Special Commission meeting has been tentatively scheduled for November 15, 2007. If a meeting was necessary prior to November 15, 2007, the Chairman would call for it.

ADJOURNMENT

There being no further business, Chairman Webster adjourned the meeting at 10:50 a.m.

Respectfully submitted,

Jessica Smith
Clerk to the Commission

Date

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MINUTES

Executive Committee Meeting – September 19th, 2007

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

CALL TO ORDER/ROLL CALL/INTRODUCTION

Vice Chairman Webster called the meeting to order at 9:30 a.m. in the Shasta LAFCO office, 1670 Market St. Ste 244, Redding, California.

Commissioners Present: Gover, Kehoe, Webster

Commissioners Absent: None

Staff Present: Clerk Smith, Counsel Johnson

OPERATIONS & ADMINISTRATION

Ms. Smith presented the Executive Committee with the proposed lease for the office space located at 1737 Yuba Street, Suite B. After discussion of the lease & financial reports; the Executive Committee supported the move so long as the landlord would add additional language to the lease to address some of their concerns. Commissioner Kehoe requested that staff gather figures for the cost of the telephone transfer & as well as any increase to the liability insurance.

Ms. Smith provided the Executive Committee copies of bids from two local moving companies. The Executive Committee left it up to staff to decide which moving company to utilize for the move.

ADJOURNMENT

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

Jessica M. Smith
Clerk

Date

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MINUTES

Special Meeting – November 15, 2007

(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/INTRODUCTIONS

Vice Chairman Webster called the meeting to order at 10:00 a.m. at Anderson City Hall, 1878 Howard Street, Anderson, Ca. Commissioners Kehoe, Webster, Dickerson, Gover, Baugh and Alternate Commissioner Fust were present. Commissioner Langfield was absent. Executive Officer Mickelson, Counsel Johnson and Clerk Smith were present as staff.

PLEDGE OF ALLEGIANCE

Commissioner Baugh led the Pledge of Allegiance.

PUBLIC COMMENT

There was no public comment submitted.

MINUTES

The minutes of August 2, 2007 were presented. By motion made and seconded (Fust, Kehoe) the Commission approved the August 2, 2007 minutes as presented. Commissioner Baugh abstained.

The Executive Committee minutes of September 19, 2007 were presented and reviewed. No action was required as this was an information only item.

BUDGET & FISCAL AFFAIRS:

Consideration of Checking Account Statement

Ms. Mickelson presented three months worth of bank statements for review. By motion made and seconded (Baugh, Dickerson) the Commission approved the Tri Counties bank statements dated 08/19/07, 09/17/07 & 10/17/07 as presented.

FY 2007-08 1st Quarter Claims Register

The Claims Register was presented for review and adoption. By motion made and seconded (Baugh, Kehoe) the Commission approved the Claims Register.

FY 2007-08 Budget Update & Non-Budgeted Funds Request

Ms. Mickelson provided the Commission with a budget update as well as a funds transfer request for basic furniture and finishing needs for the new office. She explained that due to lower participation at the CALAFCO Conference, she estimates that there will be some funds available from that line item to assist in paying for these unbudgeted items. The additional amount requested should be transferred from the contingency line item amount. Commissioner Baugh was concerned that if these monies were taken from the contingency line item, next year this would increase the fees that are charged to the Special Districts to make up for today's funds transfer request. Commissioner Kehoe suggested contacting the County & Cities to see if they had any surplus furniture that LAFCO could use. Discussion followed.

By motion made and seconded (Baugh, Fust) the Commission approved transferring \$1000.00 from the transportation/travel line item and have \$1000.00 transferred to the Shasta LAFCO Tri Counties bank account. Staff was directed to contact the County and Cities to inquire about available furniture and to bring any remaining needs back to the Commission at the next regular meeting.

SPECIAL STUDIES/REPORTS

Municipal Service Reviews

Ms. Mickelson presented the board with an updated Municipal Service Reviews_Status Report. Commissioner Baugh suggesting sending final notices to the Special Districts who have not yet responded to our request for information. Commissioner Fust explained that many of the Special Districts are not looking to grow, so any sort of repercussions for not providing LAFCO with the requested information would most likely be ineffective. Commissioner Dickerson requested that a list of items that are need to complete the City of Redding MSR be provided to him and he would see to it that LAFCO staff would receive the information needed.

No action was required of the Commission at this time.

Report on Upcoming Proposals

The Executive Officer provided a brief report to the Commissioners regarding upcoming and expected proposals. Discussion followed. No action was taken.

OPERATIONS & ADMINISTRATION

Consider Invoice Language Regarding Non-Payment by LAFCO Payees

Ms. Mickelson explained that per Government Code Section 56381 et. al., the Auditor is responsible for apportioning and billing for LAFCO funds due from contributing agencies. In the past, LAFCO has struggled to collect payment from various contributing entities, but has not adopted a policy regarding forced collection. At this time, there are two entities that have not yet paid their LAFCO bill (approximately 150 days after the original billing). The Auditor's office has drafted language to be included on the next statement to these two entities; however, the Auditor's staff would like the proposed language to be supported by the Commission. Commissioner Baugh asked if the auditor is required to follow this mandate. Ms. Mickelson stated that the auditor is required to follow LAFCO mandate.

By motion made and seconded (Dickerson, Gover) the Commission approved the sample invoices with the language as presented.

Discussion: Phil Browning with Centerville CSD noted that in the past his District had problems with monies taken out that were assessment funds. Counsel Johnson added that some funds are indeed earmarked; what is being referred to here is property tax revenue & other revenues.

Adopt Resolution 07-12 for Finalize CalPERS Contract

By motion made and seconded (Dickerson, Fust) the Commission approved the final CalPERS contract.

January 1, 2008 Implementation of SB 162, Environmental Justice as a LAFCO Factor

Ms. Mickelson provided the Commission with a copy of SB 162 which takes effect on January 1, 2008. Commissioner Dickerson requested that it be noted that he voted no on both bills on today's agenda.

By motion made and seconded (Gover, Baugh) the Commission approved LAFCO staff to make the necessary changes to policy and application documents to include "environmental justice" as a factor in considering boundary changes as required by SB 162, as of January 1, 2008.

Consider Future Implementation of AB 745, Disclosure of Political Expenditures

Proposed policy drafted by CALAFCO was presented to the Commission. It was recommended that the Commissioners review the draft language and direct any questions to legal counsel or the Executive Officer prior to the next meeting. This item would then be placed on the next meeting agenda for action. No action was taken by the Commission.

OTHER BUSINESS

Announcement of Special District Election Results

Chair Webster announced the election results, naming the new Regular Special District Commissioners as Irwin Fust & Ms. Brenda Haynes. Mr. Stephen Morgan will serve as an Alternate Special District Commissioner.

Commissioner Kehoe left at 11:23 a.m.

Consider Process to Create a Third City Commissioner Position

At the August 2007 LAFCO meeting, Staff was directed to have discussions with each of the City Managers to inquire if this would be of interest to each of the cities and to report back on the next LAFCO agenda. Discussions with the City Managers were held as directed. The Redding and Shasta Lake City Councils voted to support the idea of a third LAFCO city seat being created. The Anderson City Manager supported the idea and will take it to a formal Council vote in the near future. Those results will be shared with the Commission when available.

In order to add a seat to the Commission, increasing the Commission membership to eight, special legislation would be required. Special legislation could be introduced to amend the Cortese-Knox-Hertzberg Local Government Reorganization Act (CKH) to stipulate that a third City seat be added to Shasta LAFCO.

Due to the fact that the City of Anderson has not taken formal action on the third LAFCO city seat being created, Ms. Mickelson recommends moving the item to the next LAFCO meeting.

Commissioner Dickerson moved to place the item on the next LAFCO agenda for further consideration. Commissioner Baugh provided the second. Discussion followed.

At 11:29 a.m., Mr. Robert Logan, a Shasta County resident & board member for Clear Creek Community Services District seated in the audience, spoke regarding this matter. He felt that the formation of the Commission for LAFCO was created with much thought and shouldn't change the basic structure to give the advantage to the Cities and not the Special Districts.

Commissioner Fust made the motion to amend the first motion to have it include submitting a letter to the County & Special Districts and receive their input on all three Cities having a permanent seat on the Commission.

By motion made and seconded (Fust, Baugh) the motion to amend failed with a 2-3 vote. Commissioners Dickerson, Gover and Webster voted no.

The original motion was then considered. The Commission approved moving the item to the next LAFCO meeting (6-1). Commissioner Fust voted no on the matter.

COMMISSIONER ANNOUNCEMENTS

Commissioner Fust informed the Commission that he recently attended the CALAFCO Conference in Sacramento. Commissioner Webster announced that he attended at training in San Jose on global warming.

Commissioner Baugh left at 11:47 a.m.

STAFF ANNOUNCEMENTS

Ms. Mickelson advised the Commission that the next LAFCO Commission meeting was tentatively scheduled for January 10th, 2008.

CLOSED SESSION

The Commission convened to Closed Session at 11:55 to discuss Public Employee Performance Evaluation (pursuant to Government Code Section 54954.5(e)) Title: LAFCO Analyst. Analyst Smith left the Chambers at this time.

CLOSED SESSION REPORT

At 11:59 a.m. Chair Webster reported that the Commission voted unanimously to approve a 5% raise for Analyst Smith effective 11/6/2007.

ADJOURNMENT

There being no further business, Chairman Webster adjourned the meeting at 12:00 p.m.

Respectfully submitted,

Jessica Smith
Clerk to the Commission

Date