

## MINUTES REGULAR MEETING

Del Norte Local Agency Formation Commission

May 23, 2011

4:00 pm

**Members Present:** Vice-Chairman Leslie McNamer, Gerry Hemmingsen, Chairman Kathryn Murray, Sparky Countess, Public Member and Charles Slet

**Members Absent:** None

**Others Present:** George Williamson, Executive Officer; Karen Phillips, PS Business Services; Jeannine Galatioto, Interim City Manager; Kevin Hamblin, Director of Community Development; and Gretchen Stuhr, LAFCo Legal Counsel

**1. Call to Order/Roll Call**

Chairman Murray called the meeting to order at 4:00 p.m. and roll was taken.

**2. Public Hearings**

**A. Adoption of Negative Declaration for Draft City of Crescent City Municipal Services Review (MSR) and Sphere of Influence (SOI) Update, & Adoption of Draft City of Crescent City MSR and SOI Update (ATTACHMENT 2A).**

Executive Officer Williamson presented the City's draft MSR and SOI Update. The draft MSR/SOI Update and Initial Study/Negative Declaration were mailed, delivered and presented to commissioners, the public and agencies and special districts involved more than 21 days before the hearing. The required CEQA public review period has closed without any comment, which Mr. Williamson feels reflects the work done in previous meetings by the Commission to help address concerns. This MSR will come back before the commission in five years for review and SOI Update.

The public hearing was opened at 4:03 p.m. No public comments were made. The public hearing was closed at 4:03 p.m.

Commissioner Slet mentioned several updates needed in the MSR: page 9 (second paragraph), number of police staffing should read one sergeant and one lieutenant. Planned upgrades (page 9) should reflect that the covered picnic area at Beachfront Park, new storage shed, and Howe Park Overlook improvements are completed. Also in page 9, Parks, Recreation and Public Facilities, should note that the City is looking at a master plan with CDBG grant funding for Beach Front Park, and the City has initiated a contract for the design development and production of the new Front Street Design. Page 13, infrastructure Needs and Deficiencies, 2<sup>nd</sup> paragraph, should read that there are no needs now due to the completion of the wastewater treatment plant. The City is awaiting certification of the new plant from state at this time. Page 15, Del Norte County Schools, Uncharted Shores Academy should be added. Page 17, should note that the needs and deficiencies have all been completed.

Commissioner Countess asked about the sphere of influence boundaries – the McNamara Ranch (off Pebble Beach Drive) appears no more sensitive than the other sensitive areas around the community, and the persons living in those areas would have to pay additional funds, and go through several hoops to get sewer services, should they want them in the future. He would like to see the area included in the sphere of influence. According to Mr. Williamson, the strategy used by staff regarding areas such as McNamara Ranch, was to expand the sphere only in those areas where there was development potential and need for existing services. The initial study growth projections based on County and City planning documents, indicate that this area was not planned for growth.

Commissioners wanted to know why part of the County Agricultural Department site on the north side of Washington Boulevard was excluded from the sphere. Staff noted that Figure 4 includes the airport in the proposed sphere of influence. Figure 3 shows existing services but leaves out the Agricultural Department and the McNamara Ranch. What would it hurt to add the McNamara Ranch and Agricultural Department to the sphere of influence, asked Commissioner Countess. The land use for the McNamara property is resource conservation area. Commissioners pointed out that the same designation is present on Old Mill Road property that has been added to the sphere with this action. The McNamara Ranch could be added as resource land. Commissioners directed that the adjustment (adding the County Agricultural Department and McNamara Ranch) be made; noting that it does not affect any development potential, and that any services would come back before this agency for review for approval.

On a motion by Commissioner Slet, seconded by Commissioner Hemmingsen, and unanimously carried on a polled vote, the Del Norte Local Agency Formation Commission adopted a Negative Declaration for the Draft City of Crescent City MSR and SOI Update with the following change: adding the County Agricultural Department site and McNamara Ranch to the sphere of influence, noting that it does not affect any development potential, and that any services would come back before this agency for review for approval.

On a subsequent motion by Commissioner Hemmingsen, seconded Commissioner Slet, and unanimously carried on a polled vote, the Del Norte Local Agency Formation Commission adopted Resolution No, 11-01, entitled, APPROVING A NEGATIVE DECLARATION AND A MUNICIPAL SERVICES REVIEW FOR THE CITY OF CRESCENT CITY, as submitted.

#### **B. Adoption of Fiscal Year 2011-12 Budget (ATTACHMENT 2B).**

Mr. Williamson presented the Fiscal Year 2011-2012 Del Norte Local Agency Formation Commission Budget. The budget will allow staff to conduct all normal activities with no change in cost for the County of Del Norte and City of Crescent City. The City and County have asked that 100% of any fund balance from this fiscal year (2010-2011) be split between the City and County to lower their 2011-

2012 annual contribution. \$83,378.00 is the total budget amount being requested for approval. The interim City manager asked that the City's contribution be lowered to \$36,356, and that the fiscal year 2010-2011 fund balance be carried forward to cover additional costs.

Chairman Murray asked about the reduction of line items for the MSR/SOI preparation and whether or not staff felt comfortable with that reduction. Mr. Williamson indicated that he felt it could be reduced.

The public hearing was opened at 4:35 p.m. No public comments were made. The public hearing was closed at 4:35 p.m.

On a motion by Commissioner Slett, seconded by Commissioner Countess, and unanimously carried on a polled vote, the Del Norte Local Agency Formation Commission adopted the following budget adjustments: City and County allocations lowered to \$36,356 each; and approved the request of the executive officer to zero out conferences and take \$3,000 out of MSR/SOI line item, acknowledging if there is more in fund balance at the end of the fiscal year staff will have the ability to put it back into MSR/SOI with Commission approval.

On a motion by Commissioner Hemmingsen, seconded by Commissioner McNamer, and unanimously carried on a polled vote, the Del Norte Local Agency Formation Commissioner adopted Resolution No. 11-02, entitled, RESOLUTION OF THE DEL NORTE LOCAL AGENCY FORMATION COMMISSION APPROVING FISCAL YEAR 2011-2012 BUDGET, with the changes listed above in the previous motion.

Commissioner Hemmingsen noted that it is unfortunate we cannot come up with some conference funds because of the helpful information, resources and networking that occurs at these events. The budget could be amended later if there are funds available.

**3. Regular Business**

**A. Approval of March 28, 2011 Draft Minutes (ATTACHMENT 3A).**

On a motion by Commissioner Hemmingsen, seconded by Commissioner Countess, and unanimously carried, the Del Norte Local Agency Formation Commission approved the minutes of the March 28, 2011 meeting as presented.

**B. Budget Status Report & Budget Adjustment (ATTACHMENT 3B).**

Mr. Williamson reported on the 2010-2011 Fiscal Year Budget and requested that the budget be amended via adoption of Resolution No. 11-03, entitled, A RESOLUTION OF THE DEL NORTE LOCAL AGENCY FORMATION COMMISSION APPROVING FISCAL YEAR 2010-2011 BUDGET AMENDMENT. The amendment is being requested because the Crescent City MSR took more time than most; however, the process was beneficial because so much was cleared up and staff was given an opportunity to look at the whole area and other districts. Bertsch Ocean View

Community Service District and other districts have been working with the executive officer and will present a document including an expansion of services. The amendment would cover the cost of this additional work and finish out the 2010-2011 fiscal year within the overall budgeted amount. No public comments were received.

On a motion by Commissioner Hemmingsen, seconded by Commissioner Slet, and unanimously carried on a polled vote, the Del Norte Local Agency Formation Commission approved Resolution No, 11-03, as presented.

4. Inquiries, Correspondence, Application Status and Referrals

- A. Staff - The Executive Officer will provide a report of current projects, issues of interest, and pending legislation. This will include a status report on completing the City of Crescent City MSR and SOI Update. (ATTACHMENTS 4A & 4B).

The executive officer's report included the following topic: 1) Mr. Williamson is working with Craig Bradford of the Big Rock Community Service District for water service to Jed Smith State Park. This matter will come back to Commission for approval.

- B. Commission - On their own initiative, Commission members may make brief announcements or reports on their own activities. They may ask questions for clarification, make a referral to staff or request a business matter be placed on a future agenda per Government Code Section 54954.2 (a).

Commissioner Hemmingsen asked about the Del Norte County Flood Control District. Staff indicated that the Flood Control District was asked to fill out the initial materials and they are on record as a service provider. Evidently the District is a service provider within the sphere, but not subject to the Local Agency Formation Commission.

- C. Public - Public comment on items of interest to the public within the subject matter jurisdiction of the Local Agency Formation Commission, and not otherwise appearing on the agenda. No action may be taken on any item not appearing on the agenda.

No members of the public addressed the Commission.

5. Adjournment

There being no further business to come before the Commission, Chairman Murray adjourned the meeting at 4:50 p.m. until the next regularly scheduled meeting on July 25, 2011.

Respectfully submitted,

Karen L. Phillips, Recording Secretary