

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

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