

DRAFT MINUTES

Special Meeting – March 6th, 2008

(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

Chairman Webster called the meeting to order at 10:00 a.m. at Anderson City Hall, 1887 Howard Street, Anderson, CA. Commissioners Kehoe, Webster, Gover, Baugh, Fust, Haynes and Farr were present. 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 February 6, 2008 were presented. By motion made and seconded (Fust, Baugh) the Commission approved the February 6, 2008 minutes as presented.

BUDGET & FISCAL AFFAIRS:

Consideration of Checking Account Statement

Ms. Mickelson presented the February 18, 2008 bank statement for review. By motion made and seconded (Baugh, Kehoe) the Commission approved the Tri Counties bank statement dated February 18, 2008 as presented.

FY 2007-08 3rd Quarter Claims Register

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

Review of County Auditor Services and Consideration of Alternate Services or Renewal of Auditor Agreement for Fiscal Year 2008-09

In February, the Commission heard from the County Auditor regarding the actual cost to provide banking services to the Commission. At that time, the Commission authorized payment of the invoice for 2006-07

services (\$5,106) and directed staff to investigate other options for similar services and report back to the Commission. After much discussion with other LAFCOs as well as CALAFCO; Ms. Mickelson presented the Commission with four possible scenarios for banking type services for Shasta LAFCO. (1) Contract with the County Auditor, much in the same manner as Shasta LAFCO has been doing. (2) Hold all of their funds in a banking institution. (3) Hold some of their funds in a banking institution, with some remaining in the County Treasury. (4) Hold some of their funds in a banking institution and some in the Local Agency Investment Fund (LAIF). Ms. Mickelson outlined what some of the positive/challenges/unknowns for each of the four scenarios.

Commissioner Baugh asked if there would be any bonding issues if LAFCO monies were not held at the County Auditors office. He also inquired as to the legal responsibility of a Commissioner who was assigned as a secondary signer on LAFCO checks, if that option was chosen.

Ms. Mickelson said she would check into the bonding issues. Counsel Johnson then answered Commissioner Baugh's second question, explaining to the Commission that there would be no legal exposure for a Commissioner who was a secondary signer for LAFCO checks since it would be within the scope of their authority to do so. The only issue would occur if a Commissioner exceeded that authority.

Commissioner Baugh asked if staff had a preference of the four options given to the Commission. Ms. Mickelson stated that staff would prefer option four; to hold some of their funds in a banking institution and some in the Local Agency Investment Fund (LAIF). Ms. Mickelson informed the Commission that an alternative investment fund through SDRMA recently became an available alternative that was very similar to LAIF. She informed the Commission that staff could look into that option & report her findings if that was the Commissions desire.

Commissioner Kehoe then asked about doing business with one of the three cities. Commissioner Farr felt that what the cities might offer to LAFCO wouldn't be nearly as beneficial as the other options presented by staff.

By motion made and seconded (Gover, Fust) the Commission directed staff to terminate the current contract with Shasta County, adhering to the 90 day notice clause, with the desired effective date of June 30, 2008. Staff was to further investigate option four; holding some LAFCO funds in a banking institution and some in the Local Agency Investment Fund (LAIF) or a similar type investment account and bring back the findings to the Commission at a later date. The motion passed unanimously.

Discussion followed.

OTHER BUSINESS

Interviews and Appointment of Public Member and Alternate Public Member

Ms. Mickelson informed the Commission that there were three applicants for the Public Member & Alternate Public Member. The applicants were, current Public Member Dan Gover, Ms. Patricia Clarke & Mr. John Mathena. Each of the applicants addressed the Commission stating how they could be of benefit to LAFCO.

Commissioner Haynes nominated Commissioner Gover as the Public Member. Commissioner Baugh provided the second. The motion passed unanimously.

Commissioner Haynes asked if Ms. Clarke & Mr. Mathena would be able to represent the general public due to their high public profile. Counsel Johnson stated that they are qualified since they are not currently seated as a public representative.

Commissioner Baugh nominated Mr. Mathena as the Alternate Public Member. Commissioner Kehoe provided the second. Commissioner Farr then asked if either of the two applicants were planning on running for public office. Mr. Mathena informed the Commission that he was planning on running for Redding City Counsel this November. If he were elected into office the Commission would be faced with the issues of replacing him since he would no longer be eligible to sit a Public Member for LAFCO. Commissioners Haynes, Baugh & Kehoe voted for Mr. Mathena. The nomination failed due to a lack of a majority vote and the absence of a vote from a City Commissioner.

Commissioner Fust nominated Ms. Clarke as the Alternate Public Member. Commissioner Farr provided the second. Commissioners Fust, Farr, Webster and Gover voted for Ms. Clarke. The nomination failed due to a lack of a vote from a County Commissioner.

Commissioner Kehoe asked if we could defer the nomination of the Alternate Public Member after we knew the outcome of Mr. Mathena's run for public office. Commissioner Webster felt that LAFCO needed to move forward on this item since LAFCO wouldn't know the outcome of Mr. Mathena's election for 8 or 9 months.

Commissioner Baugh again nominated Mr. Mathena as the Alternate Public Member. Commissioner Kehoe provided the second. Commissioners Haynes, Baugh & Kehoe voted for Mr. Mathena. The nomination failed due to a lack of a majority vote and the absence of a vote from a City Commissioner.

Commissioner Baugh requested a 10 minutes recess. The Commission adjourned for a recess at 10:47 a.m. The Commission reconvened at 10:57 a.m.

By motion made and seconded (Baugh, Kehoe) the Commission directed staff to re-advertise to the public for the Alternate Public Member. The motion passed unanimously.

COMMISSIONER ANNOUNCEMENTS

There were no announcements.

STAFF ANNOUNCEMENTS

Ms. Mickelson advised the Commission that the next LAFCO Commission meeting was tentatively scheduled for April 10th, 2008. Commissioner Farr notified staff that he would not be able to attend the April 10th meeting and the City alternate would need to be contacted. Staff noted that the CALAFCO Staff Workshop is to be held in San Jose from April 2nd - 4th, 2008 and the LAFCO office would be closed for those days.

CLOSED SESSION

Chairman Webster called for any public comment on the Closed Session item as noticed. There being none, the Commission convened to Closed Session at 11:01 a.m. to discuss Public Employee Performance Evaluation (pursuant to Government Code Section 54954.5(e)) Title: Executive Officer.

Counsel Johnson & Analyst Smith left the Chambers at this time.

CLOSED SESSION REPORT

At 11:49 a.m., the Commission reconvened to open session. Chair Webster thanked Ms. Mickelson for all her hard worked. Chair Webster announced that on a scale of 1 to 5, 5 being the greatest, Ms. Mickelson received an average rating of 4.2 on her employee evaluation.

ADJOURNMENT

There being no further business, Chairman Webster adjourned the meeting at 11:50 a.m.

Respectfully submitted,

Jessica Smith
Clerk to the Commission

Date