

BUTTE LOCAL AGENCY FORMATION COMMISSION
Minutes of May 1, 2008

1. CALL TO ORDER

Chair Leverenz called the meeting to order at 9:00 a.m., May 1, 2008, in the Butte County Board of Supervisors Chambers, 25 County Center Drive, Oroville, California.

1.1 Roll Call

Present: **Commissioners Lotter, Duncan, Connelly, Beck, Busch, and Chair Leverenz**

Absent: **Commissioner Dolan**

Others Present: **Greg Steele**, LAFCo Commission Alternate
Mark Sweany, LAFCo Commission Alternate
Stephen Lucas, LAFCo Executive Officer
Stephen Betts, LAFCo Deputy Executive Officer
Jill Broderson, LAFCo Management Analyst
P. Scott Browne, LAFCo Legal Counsel
Pete Carr, City of Biggs City Administrator

1.2 Nomination and Election of LAFCO Chair and Vice-Chair

Nomination of Chair-

Commissioner Lotter moved to nominate Carl Leverenz as Chair, seconded by Commissioner Connelly. Commissioner Connelly moved to close the nominations, seconded by Commissioner Lotter.

The motion was carried by the following vote:

AYES: Commissioners Lotter, Duncan, Connelly, Beck, Busch and Chair Leverenz
NOES: None
ABSENT: Commissioner Dolan
ABSTAINS: None

Nomination of Vice-Chair-

Commissioner Lotter moved to nominate Al Beck as Vice-Chair, seconded by Commissioner Connelly. Commissioner Lotter moved to close the nominations, seconded by Commissioner Connelly.

The motion was carried by the following vote:

AYES: Commissioners Lotter, Duncan, Connelly, Beck, and Busch and Carl Leverenz
NOES: None
ABSENT: Commissioner Dolan
ABSTAINS: None

2. CONSENT AGENDA

2.1 Approval of the Minutes of April 9, 2008

2.2 08-11 – City of Chico Reorganization – Eaton Road Annexation No. 6

Chair Leverenz stated both items will be considered as one item, unless someone wishes to have one of the items pulled from the consent agenda. No request was made.

Commissioner Beck moved to approve the consent agenda, seconded by Commissioner Duncan.

The motion was carried by the following vote:

AYES: Commissioners Lotter, Duncan, Connelly, Beck, Busch, and Chair Leverenz
NOES: None
ABSENT: Commissioner Dolan
ABSTAINS: None

3. NOTICED PUBLIC HEARINGS –

3.1 Review and Consideration of Proposed Budget for FY 2008/09

Chair Leverenz asked if staff received anything further on this item as this item was on last month's agenda. Jill Broderson stated the budget was re-circulated on April 10th after last month's meeting and staff has received no further comments since then.

The motion was moved by Commissioner Lotter, seconded by Commissioner Beck, and carried to approve the 2008/09 Final Budget.

The motion was carried by the following vote:

AYES: Commissioners Lotter, Duncan, Connelly, Beck, Busch, and Chair Leverenz
NOES: None
ABSENT: Commissioner Dolan
ABSTAINS: None

4. REGULAR AGENDA

4.1 Items Removed from the Consent Agenda – None

4.2 Presentation by the Lake Oroville Area Public Utility District Concerning the District's Sphere of Influence Review and Update.

Steve Lucas stated LOAPUD is not prepared to make the presentation this month and we will permanently remove this from the agenda until such time as LOAPUD is ready to make the presentation.

4.3 08-12 – Glenn County – Hamilton City Detachment from Butte County Mosquito and Vector Control District.

Chair Leverenz stated we have received a letter from Tom Anderson relating to this detachment as well as a memorandum prepared by Steve Betts. Steve Betts stated we have not received a response to our letter regarding the incomplete application sent to the applicant. Chair Leverenz asked if staff is requesting guidance on some of the procedural processes for this project. Steve Betts stated this project appears to be controversial in nature and we anticipate that it will go to a protest proceeding. The staff would like to make sure we process the application appropriately. One issue would be how to notice the hearing. If there are more than one thousand landowners and registered voters, we would normally publish the notice in the newspaper. However, to ensure that all registered voters and landowners are notified we are inquiring as to whether it would be better to send out individual notices. Additionally, since the population of Hamilton City is predominantly Hispanic, should the notices be in English and Spanish, with the cost being passed on to Glenn County. Would it be appropriate to hold a workshop and if so, where should the workshop be held – Hamilton City, Chico or Oroville.

Chair Leverenz stated he would be inclined to send out individual notices to each affected landowner and registered voter as this is a marked financial

difference and these people need to be making the decision. Chair Leverenz agrees a workshop may be helpful to educate the public.

Commissioner Beck stated he feels it is important to have the notices in both English and Spanish. He also feels the staff should hold a meeting over in Hamilton City in an attempt to get a greater amount of input from the people.

Commissioner Busch asked if the meeting would be a daytime or evening meeting. Steve Lucas stated the workshop meeting would probably be in the afternoon or evening and the noticed meeting would be at the Commission's call.

Chairman Leverenz stated once the application is determined to be complete then staff could schedule the workshop and the Commission could at a later time determine when and where the noticed hearing should be held.

Commissioner Duncan asked if Glenn County is aware of the costs associated with this application. Steve Betts stated Glenn County paid a deposit of \$2000 and we can advise them on the costs related to the processing of this application.

4.4 07-14 – City of Biggs Reorganization – Sixth Street Annexation No. 1 – Request for Reconsideration of Prior Commission Action to Amend Condition of Annexation Approval.

Chair Leverenz stated the Commission received a memo from Steve Lucas stating he met with Reclamation District 833 for 2 hours yesterday at their regularly scheduled public meeting to discuss this agenda item. A major concern of the District was whether Biggs has the intention of following through with the larger comprehensive agreement to address the drainage issues along Hamilton Slough, a primary lateral that runs through the southern portion of town, which is significantly impacted by existing and new development. The District expressed their absolute need to have a comprehensive agreement to address these impacts. The District took a unanimous position to neither support nor oppose the removal of the condition as they indicated that they did not ask for the condition at any point in the process.

The District wanted a firm commitment from the Commission that the Commission staff will work with the District & the City of Biggs to develop and approve a comprehensive drainage agreement before any more development would be considered by the City. Steve Lucas stated he expressed that ideally this would come about when the Sphere Review takes place in another 18 months or so, after the completion of the City General Plan. He indicated this is where the Commission has complete authority over how and where the City can grow similar to what the Commission considered with the Gridley

Sphere update with the respect agricultural buffers, drainage and other relevant service issues. Mr. Lucas expressed to the District that between now and then the Commission staff will work diligently with the City of Biggs to help them come up with a comprehensive drainage agreement that more or less mirrors the consent decree between the City of Gridley and the District.

Chair Leverenz stated he does not want LAFCo to be in a position where we're going to force some agreement, but we have already gone on record and he doesn't see any reason we would deviate, that our LAFCo staff will continue to work with Gridley and Biggs and all the affected agencies for that whole area of development to make sure that comes together as best we can do it. It lies between those entities, as far as growth and the impact on RD 833 and other water districts that are affected there. The Commission has already authorized staff to go forward with this and from a commitment point of view the Commission is committed.

Steve Lucas stated to summarize the process, we prepared a fairly in depth staff report that addressed the previous letters that were addressed to LAFCo. The reconsideration was at the request of the District and apparently after yesterday's District Board meeting, the District now is taking no position on the matter.

Chair Leverenz asked if there was anyone in the audience that would like to be heard on this item.

Pete Carr, the City Administrator for the City of Biggs, said they certainly take a position of supporting the staff's report in this case. The City is very committed to continuing to work in good faith with the District. The City knows they have long term issues and long term commitments there that they want to make good on. The Mayor for the City of Biggs and the City Planner has met with the District's Board three times in recent months. They definitely take ownership of the fence that is alongside the Slough even though it truly is not germane to this particular project. He stated he is not saying that the District's comments are valueless or baseless as those are a part of important ongoing discussion but they really are not relevant or germane to the approval of this project and annexation. He stated as their General Plan process proceeds, they will document that commitment and move forward with their commitment to the District.

Chair Leverenz asked if there were any other questions or anyone else who wished to be heard on this item. No one else addressed the Commission.

Steve Lucas stated we may want to go through the action request to make a statement to uphold the decision to remove the condition as a formality.

Chair Leverenz asked for a motion to deny the reconsideration.

Commissioner Beck made a motion to deny the reconsideration and leave the removal of the condition in place, seconded by Commissioner Connelly.

Commissioner Busch asked for clarification of the action. Chair Leverenz stated the Commission removed the condition, then the Commission was asked to reconsider it, and the Commission is now denying that request to reconsider so the condition will be removed.

The motion was carried by the following vote:

AYES: Commissioners Lotter, Duncan, Connelly, Beck, Busch, and Chair Leverenz
NOES: None
ABSENT: Commissioner Dolan
ABSTAINS: None

5. PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA – None

6. REPORTS AND COMMUNICATION

6.1 Executive Officer's Report

Steve Lucas stated Staff has begun the process of fully re-evaluating the LAFCo Operations Manual and there are a number of issues that we need to address including issues relating to our Independence. He stated the Operations Manual has been in place now for a number of years without much editing. He stated they will come back with a clear organizational view of how they plan to do that and probably ask that a sub-committee address these issues at some point in the future.

Steve said the second item on his report relates to the proposal by the Mechoopda Tribe to establish a casino to be located at the SR99/149 interchange. Steve said he felt it is important to bring this item to the attention of the Commission at this time. As LAFCo law requires, any extension of municipal services outside of the jurisdictional boundaries of the agency has to be reviewed and approved by the Commission.

Steve stated perhaps a letter from the Commission to the five cities notifying them of this law, would be wise. Chair Leverenz said the recommendation would be that the Commission would authorize either Steve Lucas or Scott Browne, to write a letter to the five incorporated cities indicating that if they are considering providing fire, police, or other services to a proposed development outside their area, such as the Mechoopda Casino, they would need to consider that they will need to come to LAFCo and comply with these codes. Steve Lucas stated this would at least get the information out.

Commissioner Lotter commented that the Mechoopda Casino should also get a letter regarding this information.

Commissioner Connelly asked how strong of a stance can the LAFCo Commission take against providing those services. Scott Browne stated the Commission would have to review it in accordance with LAFCo policies and determine whether it is appropriate. Chair Leverenz stated we don't even have an application yet, but if we were presented an application we would need to review all the factors involved. Chair Leverenz stated at this point we are just alerting the agencies and the potential applicant that this law exists and it is going to be considered.

The Commission authorized staff to send the letters to the 5 incorporated cities and the Mechoopda tribe.

Steve Lucas gave an update to the sewer service review in progress for the Sewerage Commission Oroville Region (SCOR) facility and mentioned upcoming meetings with SCOR that staff is involved in.

Steve Lucas stated he has been informed that the City of Biggs Council has agreed to a fresh approach to their general plan and is moving forward. Commissioner Busch stated the City of Biggs has now agreed to send out a RFP to open the bid for this process to the general public. Initially Biggs was only requesting a proposal from two applicants but there was some feeling and discussion in the community that the RFP should be open to the public.

Steve Lucas stated the County has completed its Workshop series looking at all the land use alternatives with all the five city areas. The One issue of importance to LAFCo is that there are some inconsistencies between what the County (Citizens Advisory Committee) has endorsed so far and how this may affect the Sphere Reviews.

Steve Betts gave an update to the staff's review of the City of Oroville's draft general plan and went over the map with the Commission showing the proposed areas. Steve Betts stated we have one printed copy of the EIR and draft general plan and copies can be made as requested as well as PDF copies are available. Chair Leverenz had some questions regarding the proposed areas shown on the map. Commissioner Connelly said he has concerns over the City of Oroville's proposed Sphere involving the Palermo area, Mt. Ida Road area near Kelly Ridge, and the State Wildlife Recreation area. Commissioner Connelly stated he is pretty happy with the draft general plan but is concerned with the area belonging to the people in his district.

6.2 Correspondence – None

7. ADMINISTRATION – None

8. CLOSED SESSION –

Recess to Closed Session to discuss public employee performance per Government Code Section 54957. Title: Executive Officer.

The Commission met in closed session from 9:40 a.m. to 10:44 a.m. Chair Leverenz announced that the Commission reviewed and made revisions to the Executive Officer's contract and authorized the Chairman to execute the contract once the amendments are made.

9. ADJOURNMENT.

The meeting was adjourned at 10:45 a.m. to the June 5, 2008 regularly scheduled meeting in the Board of Supervisors Chambers.

LOCAL AGENCY FORMATION COMMISSION

By: Stephen Lucas, Executive Officer

Minutes prepared by Joy Stover, LAFCo Commission Clerk