

**BUTTE LOCAL AGENCY FORMATION COMMISSION**  
**Minutes of May 6, 2010**

**1. Call to Order**

Chair Leverenz called the meeting to order at 9:00 a.m., on May 6, 2010, in the Butte County Board of Supervisors Chambers, 25 County Center Drive, Oroville, California.

**1.1 Roll Call**

Present: Commissioners Lotter, Duncan, Connelly, Sweany, Frith, Dolan and Chair Leverenz.

Absent: Alternate Commissioners Yamaguchi, Steel, Holcombe & Gill

Others Present: Stephen Lucas, LAFCO Executive Officer  
Stephen Betts, LAFCO Deputy Executive Officer  
Joy Stover, LAFCO Commission Clerk  
Marsha Burch, LAFCO Legal Counsel Representative

**1.2 Nomination and Election of LAFCo Chair and Vice-Chair**

Commissioner Connelly made a motion to appoint Carl Leverenz as LAFCo Chair. Commissioner Lotter seconded the motion. Commissioner Duncan moved to close the nominations. The motion passed with a vote of all ayes.

Commissioner Jane Dolan moved to appoint the current LAFCo Vice-Chair Scott Lotter to serve as LAFCo Vice-Chair. Commissioner Frith seconded the motion. The motion passed with a vote of all ayes.

**2. Consent Agenda**

**2.1 Approval of the Minutes of April 1, 2010**

Chair Leverenz stated the minutes need to be amended under Item 3.1 to include the wording: *If staff is going to change the furlough percentages per employee as listed on the proposed budget, the item needs to be brought back to the Commission for further review.*

**Commissioner Lotter moved to amend the minutes as proposed. Roger Frith seconded the motion.**

**The motion was carried by the following vote:**

**AYES:** Commissioners Lotter, Duncan, Connelly, Sweany, Frith, Dolan and Chair Leverenz  
**NOES:** None  
**ABSENT:** None  
**ABSTAINS:** None

Chair Leverenz asked if anyone on the Commission or in the audience wanted to have any item pulled from the consent agenda. No responses received.

**Commissioner Duncan made a motion to approve the consent agenda. The motion was seconded by Commissioner Lotter.**

**The motion was carried by the following vote:**

**AYES:** Commissioners Lotter, Duncan, Connelly, Sweany, Frith, Dolan and Chair Leverenz  
**NOES:** None  
**ABSENT:** None  
**ABSTAINS:** None

### **3. NOTICED PUBLIC HEARINGS –**

#### **3.1 Review and Consideration of Final Budget for Fiscal Year 2010/11** *(Continued from April 1, 2010 meeting)*

Chair Leverenz asked if staff had anything else to add to the staff report. Steve Lucas, LAFCo Executive Officer, stated staff has received positive comments.

Chair Leverenz opened the public portion of the hearing for comments. Seeing none, Chair Leverenz closed the public portion of the hearing.

**Commissioner Lotter moved to adopt Resolution No. 12 2009/10 and approve the Final Budget for Fiscal Year 2010/11. The motion was seconded by Commissioner Sweany.**

**The motion was carried by the following roll call vote:**

**AYES:** Commissioners Lotter, Duncan, Connelly, Sweany, Dolan, and Chair Leverenz  
**NOES:** Commissioner Frith  
**ABSENT:** None  
**ABSTAINS:** None

#### **3.2 Annual Review of Staff Charge-Out Rates and Application of Employment Cost Index (ECI) Adjustment to Employee Hourly Charge-out Rates.**

Steve Lucas stated the staff memorandum that went out in the Commission packets on Thursday was updated to include the ECI rates that were published on Friday. The new percentages did not significantly change the rate amounts.

Chair Leverenz opened the item for public comment. Seeing none, the item was closed to the public.

**Commissioner Dolan made a motion to adopt resolution No. 18 2009/10 approving the adjustment and amending the charge-out rates. Commissioner Lotter seconded the motion.**

Chair Leverenz asked if there was any further discussion from LAFCo staff or Commission. Commissioner Connelly stated some of the CPI's have gone down and it troubles him that this went up. Commission Connelly stated he did not feel he could support a rate increase at this time.

**The motion was carried by the following roll call vote:**

**AYES:** Commissioners Lotter, Sweany, Dolan, and Chair Leverenz  
**NOES:** Commissioners Duncan, Connelly, and Frith  
**ABSENT:** None  
**ABSTAINS:** None

**4. REGULAR AGENDA**

**4.1 Items Removed from the Consent Agenda – None**

**4.2 Consideration of Amendments to the Commission's Policies Related to the Processing of Extension of Services Proposals.**

Steve Betts, LAFCo Deputy Executive Officer, stated at the April LAFCo meeting the Commission waived the first reading and staff recommends waiving the second reading and adopt the amended policies.

Chair Leverenz opened the item for public comment. Seeing none, the item was closed to the public.

**Commissioner Connelly made a motion to accept public comments, waive the second reading and adopt Resolution No. 15 2009/10 approving the proposed policy revisions. Commissioner Duncan seconded the motion.**

**The motion was carried by the following vote:**

**AYES:** Commissioners Lotter, Duncan, Connelly, Sweany, Frith, Dolan and Chair Leverenz  
**NOES:** None  
**ABSENT:** None  
**ABSTAINS:** None

**4.4 Wastewater Service Providers – Oroville Region Municipal Service Review Update**

Chair Leverenz introduced a letter from the Oroville Board of Realtors Association.

Commissioner Connelly stated it is up to the District to implement this plan and LAFCo does not have any jurisdiction to force the issue.

Steve Betts, LAFCo Deputy Executive Officer went over the documents provided to the Commission related to this item and SC-OR's current progress. Steve Betts stated over the last year, all three entities have increased their inspections, cleaning and repairs of their facilities which have resulted in a reduction of I&I flowing into the wastewater treatment plant.

Commissioner Duncan asked if SC-OR has met with the Regional Water Quality Control Board.

There was discussion on the development capacity agreement that was established which is a critical step in moving this process along.

Chair Leverenz opened this item for public comment. Seeing none, the item was closed to the public.

The SC-OR entities' progress report was taken under submission and staff was directed to continue to work with the SC-OR entities to ensure they stay on track to resolve the problems. Steve Lucas stated the district entities were not available for today's meeting, but stated they would be available for the June LAFCo meeting.

Commissioner Connelly stated he feels SC-OR is doing what they have to do to get by the Commission, but they need to improve SC-OR so they are unified and working towards common goals. Chair Leverenz stated the SC-OR entities are showing some effort but when any of the entities have a development that is going to impact this collection system and they don't have a mechanism or physical solution in place to deal with it, it will have an effect.

Commissioner Connelly stated he feels LAFCo should direct SC-OR to fix it, as it is OK to have a TAC as a temporary fix, but we want a permanent fix.

Chair Leverenz asked the Commission if they are in agreement to have staff, in addition to responding that they keep doing what they are doing, to have the SC-OR entities take a hard look at restructuring the JPA so that there is uniformity and a mechanism to resolve these problems. There was a general consensus of the Commission in agreement.

Chair Leverenz stated he would like LAFCo staff to send a reply to the Board of Realtors' letter stating the Commission does not have jurisdiction or authority over their issue and they need to deal with the districts directly.

It was agreed this item needs to remain on LAFCo's agenda for tracking purposes.

There was discussion on the LAFCo costs associated with working on this project.

**5. Public Comment on Items not on the Agenda – None**

**6. Reports and Communications**

**6.1 Executive Officer's Report**

Steve Lucas, LAFCo Executive Officer, summarized the Executive Officer's Report. Steve Lucas stated CALAFCO will be sending the regional proposal for the Commission's vote in the near future. There was discussion on where the regions will be formed and the information will be included in a future agenda.

**6.2 Correspondence – None**

7. **ADMINISTRATION** – None

8. **ADJOURNMENT**

There being no further business, the meeting was adjourned at 9:45 a.m. to the June 3, 2010 regularly scheduled meeting.

**LOCAL AGENCY FORMATION COMMISSION**



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**By: Stephen Lucas, Executive Officer**

Minutes prepared by Joy Stover, LAFCO Commission Clerk