

Local Agency Formation Commission of Modoc County
Meeting Minutes
February 11, 2020

1. Call to order / Pledge of Allegiance

Chair Read called the meeting to order at 4:00 p.m. in City Council Chambers at 200 W. North Street in Alturas, CA. Commissioner Coe, Commissioner Rhoads, Commissioner Steffek, and Commissioner Irvin were present. Commissioner Nelson, Commissioner Byrne, and Commissioner Neer were absent. Public attending 1.

Staff Present: John Benoit, Executive Officer and Macey Binning, Clerk.

Pledge of Allegiance.

2. Approval of the Agenda (Additions and Deletions)

Commissioner Coe made the motion to approve the agenda as presented; seconded by Commissioner Rhoads. In favor were Commissioners Coe, Rhoads, Irvin, Steffek and Read. Motion passed unanimous

3. Correspondence

Executive Officer Benoit received an email memo from the Administrator for Surprise Valley Health Care District Don Brandon updating on their current status. Mr. Benoit requests to discuss this item under agenda item #7 Update and Discussion with the District Manager regarding the Surprise Valley Hospital District.

4. Consider Minutes from the December 10, 2019 LAFCo meeting

Motion made by Commissioner Rhoads to approve the December 10, 2019 minutes; seconded by Commissioner Irvin. In favor were Commissioners Coe, Rhoads, Irvin, Steffek and Read. Motion passed unanimous

5. Public Comment – None

6. Authorize payment of Claims for December 2019 and January 2020

Executive Officer Benoit informs the Commissioners that in their packet the claims for December 2019 and January 2020 there is an error. Item number 3 should read December 10, 2019 meeting stipend for Commissioner Steffek for \$400.00. However, the total of \$6,728.46 is correct.

Commissioner Rhoads made the motion to authorize payment of claims for December 2019 and January 2020 with the amendment to reflect item number 3 as December 10, 2019 meeting stipend for Commissioner Steffek for \$400.00; seconded by Commissioner Steffek. In favor were Commissioners Coe, Rhoads, Irvin, Steffek and Read.

Motion passed unanimous

7. Update and Discussion with the District Manager regarding the Surprise Valley Hospital District

Executive Officer Benoit received an email memo from the Administrator for Surprise Valley Health Care District Don Brandon. Mr. Brandon updated LAFCo on their progress for legal,

operations and financials. For the legal update Mr. Brandon provided that the SVHCD has finalized settlement agreement with Cadira Holdings (Lab billing company) on 12/31/2019; also, that they are near finalization of the Sphar loan agreement; and they expect to provide financial projections this month to legal counsel for presentation to chapter 9 court. For the operations update they have been working through re-organization of management structure and are "gaining ground" on operational deficiencies related to State and Federal inspections. Mr. Brandon expects to provide adequate financial information to the accounting firm this month that will be performing the audit(s).

Executive Officer Benoit would like to continue to be active and prepare their service review.

8. Discussion regarding non-contiguous city annexations of land used for municipal purposes – the LAFCo process

Executive Officer Benoit was contacted by Public Works Director Jason Diven, the City of Alturas is currently interested in purchasing property that will be non-contiguous for a new land disposal waste water facility. Mr. Benoit believes this is a beneficial plan. Mr. Benoit advises Mr. Diven on the process and what to expect. The City of Alturas can do a non-contiguous annexation up to 300 acres. The LAFCo process involves obtaining a geographic description and map from a licensed surveyor, file an application with LAFCo, completing a property tax sharing agreement with Modoc County, Board of Equalization fee of \$3,500.00, and a LAFCo fee around \$2,500.00. Mr. Benoit also advises Mr. Diven to contact adjacent neighbors.

Mr. Diven is waiting to see if the property passes environmental review, archeology review, and CEQA before proceeding to purchase property.

Mr. Benoit informs Mr. Diven that the City would need to pre-zone and will be the lead agency through the CEQA process. The City will also need to amend their general plan. Once those items are completed then the City would proceed with the LAFCo process. LAFCo will need to be involved in the CEQA process from start to finish. Mr. Benoit recommends that he and the consultant work closely together through this process and will need a notice of preparation and notice of completion.

9. Pest Abatement Districts MSR and SOI (Lookout and Stronghold)

Executive Officer Benoit provided the Commissioners with the draft of the Municipal Service Review (MSR) and Sphere of Influence (SOI) for the Pest Abatement Districts Lookout and Stronghold. Mr. Benoit reviewed key points and explained the next step to the process. At the April LAFCo meeting a public hearing will be held and possibly approve the Municipal Service Review (MSR) and Sphere of Influence (SOI) for the Pest Abatement Districts Lookout and Stronghold.

10. WORKSHOP: Policies, Standards, and Procedures Update

Executive Officer Benoit continued discussing the changes on the recently modified LAFCo Policies, Standards and Procedures from Section 2.14 to the end of the document. The last update on the LAFCo Policies, Standards and Procedures was in 2009. The next LAFCo meeting they will hold a public hearing and possibly approve the updated LAFCo Policies, Standards and Procedures.

11. Authorize Staff to attend the Calafco Annual Staff Workshop on March 24-27 in Orange County

Commissioner Coe inquires if this workshop has been budgeted or if it was separate than the traveling fund. Currently the traveling fund appears to be over the budget.

Executive Officer Benoit will prepare a budget amendment.

Motion made by Commissioner Coe to authorize staff to attend the Calafco Annual Staff Workshop March 24th – March 27th in Orange County; seconded by Commissioner Steffek. In favor were Commissioners Coe, Rhoads, Irvin, Steffek and Read.

Motion passed unanimous

12. Executive Officer's Report

Executive Officer Benoit informs the Commissioners that the annual 700 form needs to be completed before April 1, 2020 and filed with Stephanie Wellemeyer at the Modoc County Clerk and Auditor's Office.

Executive Officer Benoit would also like to update the LAFCo application form and add if a new district is being formed that the agency forming the district will inform residents within the proposed district boundaries and surrounding the boundaries.

13. Commissioner Reports

Commissioner Irvin expresses his concern regarding repealing Resolution 2018-0001 at the December LAFCo meeting for Daphnedale CSD. He felt like last meeting progress was being made. However, since the last meeting communication has not been made. Mr. Irvin would like to see progress being tracked from LAFCo, so Daphnedale doesn't proceed to fall behind.

Commissioner Rhoads asked if keeping the resolution on the agenda helped keep track of progress.

Commissioner Irvin believed it did, but since this is Commissioner Irvin's last LAFCo meeting he wanted to express his concern so they can continue to monitor the progress. Mr. Irvin would also like to thank everyone for the opportunity to serve on the LAFCo Board.

There being no further business to come before the Commission. Motion made by Commissioner Coe to adjourn at 5:22 p.m.; seconded by Commissioner Rhoads. In favor were Commissioners Coe, Rhoads, Irvin, Steffek and Read.

Motion passed unanimous