**Local Agency Formation Commission of Modoc County**

**Meeting Minutes**

**October 11, 2022**

1. **Call to order / Pledge of Allegiance**

Chair Kathie Rhoads called the meeting to order at 4:00 p.m. at the City Council Chambers located at 200 W. North Street in Alturas, CA and via Zoom. Commissioner Coe, Commissioner Neer, Commissioner Minchella, Commissioner Crosby, and Chair Rhoads were present. Commissioner Starr and Commissioner Nelson were absent. Public attending 2.

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

1. **Approval of the Agenda (Additions and Deletions)**

Commissioner Coe made the motion to approve the agenda as presented; seconded by Commissioner Neer. In favor were Commissioners Neer, Coe, Minchella, Crosby and Chair Rhoads.

Motion passed unanimous.

1. **Correspondence – None**
2. **Consider Minutes for the August 9, 2022 LAFCO meeting**

Commissioner Minchella made the motion to approve the August 9, 2022 LAFCo minutes; seconded by Commissioner Coe. In favor were Commissioners Neer, Coe, Minchella, Crosby and Chair Rhoads.

Motion passed unanimous.

1. **Public Comment – None**
2. **Consent Agenda**

Commissioner Minchella made the motion to adopt the consent agenda as follows: a.) Authorize payment of claims for August 2022 and September 2022; b.) Adopt LAFCo **Resolution #2022-0010** authorizing a remote teleconferencing meeting; seconded by Commissioner Coe. In favor were Commissioners Neer, Coe, Minchella, Crosby and Chair Rhoads.

Motion passed unanimous.

1. **LAFCo Bylaws review and update**

Executive Officer Benoit made the requested changes and corrections that were presented during the August 9, 2022 LAFCo meeting.

Commissioner Crosby made the motion to approve **Resolution #2022-0011** thereby updating

LAFCo’s Bylaws; seconded by Commissioner Coe. In favor were Commissioners Neer, Coe, Minchella, Crosby and Chair Rhoads.

Motion passed unanimous.

1. **LAFCo Per Diem rates for meals for Modoc LAFCo**

Commissioner Minchella made the motion to approve **Resolution # 2022-0012** adopting per diem meal allowances during official LAFCo Business; seconded by Commissioner Neer. In favor were Commissioners Neer, Coe, Minchella, Crosby and Chair Rhoads.

Motion passed unanimous.

1. **Biennial Review of LAFCo’s Conflict of Interest Code**

Executive Officer Benoit explained to the Commissioners they are to review the Conflict of Interest Code biennially. During this review they may find changes that need to be made. However, after review of the Conflict of Interest Code Mr. Benoit recommends authorizing the Chair to sign and transmit the 2022 Local Agency Biennial Notice to the County Clerk declaring LAFCo has reviewed its Conflict of Interest code and no amendment is required at this time.

Commissioner Coe made the motion to authorize the Chair to sign and transmit the 2022 Local Agency Biennial Notice to the County Clerk declaring LAFCo has reviewed its Conflict of Interest code and no amendment is required at this time; seconded by Commissioner Minchella. In favor were Commissioners Neer, Coe, Minchella, Crosby and Chair Rhoads.

Motion passed unanimous.

1. **Executive Officer’s Report**

Executive Officer Benoit gave a brief update on the Likely Water District. At this time this district is still active. The Likely Water District and Modoc County Administrative Officer Chester Robertson will need to collaborate and determine the direction they would like to proceed before presenting to Modoc County LAFCo.

 Executive Officer Benoit reports the Canby Community Service District and Canby Fire District agreed on consolidating the districts. The next step will be the LAFCo’s merging process. Mr. Benoit predicts that this merge will be simple and they will just need to update the boundaries on a map. Mr. Benoit informs the Commissioners Modoc County Planning Director Sean Curtis has a grant opportunity to conduct a feasibility for a water system and Canby is one of the candidates.

 Modoc County Planning Director Sean Curtis explained the grant funding must be allocated by Fall of 2023. This grant is a total of $160,000.00. $100,000.00 will be used to conduct a feasibility study for a new water system for either Canby or Adin. At this time, they have not selected a location and are looking at various factors to select the best candidate. $26,000.00 will be used to conduct the Sphere of Influence and Municipal Service review for the City of Alturas.

 Commissioner Coe asked Mr. Benoit what to expect with the Canby Community Service District and Canby Fire District merge process.

 Executive Officer Benoit explained the first step is each district must adopt a resolution stating they are in favor of the consolidation. Then, they need to reach out to Modoc County LAFCo and obtain an application. Once that application is received and fees are collected by Modoc County LAFCo, the process will commence. This process will include a public hearing.

 Executive Officer Benoit informs the Commissioners the Senate Bill 938 takes effect January 1, 2023. This will change how service reviews are conducted. If deficiencies are found LAFCo will hold a public hearing stating the district’s deficiencies then the district has 12 months to correct the issue. After the 12 months, LAFCo will hold another public hearing stating the existing deficiencies. Mr. Benoit will be on a panel to discuss Senate Bill 938 at the Annual Conference.

 Chair Rhoads asked Mr. Benoit if he could discuss what happens if a district can not afford an audit.

 Mr. Benoit would be happy to bring that to discussion. In cases were a district can not afford an audit, it may be appropriate for the board to do a financial review. However, Mr. Benoit will obtain clarification.

 Mr. Benoit informs the Commissioner he plans on meeting with the Surprise Valley Healthcare District regarding their service review. Mr. Benoit announces he is semi-retiring. He will continue with Modoc County LAFCo but has retired from other areas.

1. **Commissioners Reports – Discussion**

Commissioner Crosby asked Executive Officer Benoit if her being on the Modoc County LAFCo Board would cause a conflict of interest with her husband being employed with Modoc County.

Executive Officer Benoit responded that it shouldn’t be an issue, and reminded the Commissioners they can recuse themselves from matters if they believe it can be portrayed as a conflict.

1. **Adjourn to the next regular meeting on December 13, 2022**

There being no further business to come before the Commission. Motion made by Commissioner Coe to adjourn at 4:47 p.m.; seconded by Commissioner Neer. In favor were Commissioners Neer, Coe, Minchella, Crosby and Chair Rhoads.

Motion passed unanimous.

Respectfully,

Macey Binning

LAFCO Clerk