

**Local Agency Formation Commission of Modoc County**  
**Meeting Minutes**  
**December 13, 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 Nelson, and Chair Rhoads were present. Commissioner Starr and Commissioner Crosby were absent. Public attending 6.

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

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

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

Motion passed unanimous.

**3. Correspondence – None**

**4. Consider Minutes for the October 11, 2022 LAFCO meeting**

Commissioner Coe made the motion to approve the October 11, 2022 LAFCo minutes; seconded by Commissioner Minchella. In favor were Commissioners Neer, Coe, Minchella, and Chair Rhoads. Commissioner Nelson abstained.

Motion passed.

**5. Public Comment – None**

**6. Consent Agenda**

Executive Officer Benoit informed the Commissioners teleconferencing procedures will be changing January 2023 with Assembly Bill 2449. Modoc LAFCo will continue to use Zoom only for the public to attend.

Commissioner Coe made the motion to adopt the consent agenda as follows: a.) Authorize payment of claims for October 2022 and November 2022; b.) Adopt LAFCo **Resolution #2022-0013** authorizing a remote teleconferencing meeting; c.) Approve LAFCo's regular meeting calendar for 2023; d.) Approve Facility Use Agreement for use of City Council Chambers for 2023; seconded by Commissioner Minchella. In favor were Commissioners Neer, Coe, Minchella, Nelson and Chair Rhoads.

Motion passed unanimous.

**7. Lookout Pest Abatement District – Discussion regarding questions posed by the Lookout Pest Abatement District and the possible formation of a CSA**

Executive Officer Benoit informed the Commissioners the Board of Directors for the Lookout Pest Abatement District were attending via zoom. Attending were Rob Erickson, Jimmy Nunn, and Leonard Larson. Modoc County Administrative Officer Chester Robertson and the Lookout Pest Abatement District had a meeting and now have questions regarding formation of a County Service Area (CSA). Mr. Benoit felt it would be appropriate to discuss these questions

during the LAFCo meeting for all parties to be informed. Mr. Benoit proposed a few options. The first is to convert the Lookout Pest Abatement District to a County Service Area. By doing this the Lookout Pest Abatement District Board of Directors would cease and the County Service Area Board would become the Modoc County Board of Supervisors. The next option is to have a County Wide Pest Service Area. By doing this they could have benefit zones within the County Wide Pest Service Area and the Board would be the Modoc County Board of Supervisors. Depending on the option they would like to proceed Mr. Benoit explained the process. The cost to complete this transition would be minimal. The current assessment collected would continue towards the pest abatement zones.

Rob Erickson explained the reason the Lookout Pest Abatement District started researching options is due to expensive insurance fees.

Executive Officer Benoit explained if they switched to a County Service Area or County Wide Service Area they would be covered under Modoc County's insurance policy.

Leonard Larson inquires if they switched to a County Wide Service Area what would happen to the current boundary lines?

Mr. Benoit replied the districts would be dissolved. However, the boundaries of the separate pest abatement areas would remain. Which would be the benefit zones. These zones would generate their own funding collected from current assessments to be used for that zone. The only difference would be the Board of Supervisors would be manage and comply with all regulations required.

Leonard Larson asked for clarification on if they were to form a County Wide Service Area all current members of the Lookout Pest Abatement District would have to agree on dissolution of the district?

Mr. Benoit explained by doing a County Wide Service Area this expands to all of Modoc County not just the Lookout Pest Abatement District. If this was just the dissolution of the district, then they would notify the Lookout Pest Abatement District and hold a protest proceeding which would take three to four months to complete. If 25% of the voters protest this action, then it could not move forward.

Rob Erickson inquires if a County Service Area is formed the current Lookout Pest Abatement District Board could remain as advisory committee to the Modoc County Board of Supervisors?

Mr. Benoit replied that is correct. The district itself would be dissolved and the County could manage the district with an advisory committee.

Leonard Larson is concerned if a conflict arises the advisory committee's recommendation may not be followed.

Mr. Benoit believes this would be a rare occasion. Mr. Benoit advises the Lookout Pest Abatement District when drafting their Resolution to dissolve the Lookout Pest Abatement District and become a County Service Area they should clearly state a plan for services within the Resolution.

Jimmy Nunn inquires what to expect as a time frame for this to be finalized.

Mr. Benoit replies due to State mandated timelines it would take 4 to 6 months to be finalized. Mr. Benoit will provide a template for the plan of services for the Lookout Pest Abatement District to start drafting their plan.

**8. LAFCo’s work plan and the upcoming Alturas City MSR and SOI – Discussion**

Executive Officer Benoit informed the Commissioners that because Modoc County has funding through the REAP grant to conduct a Sphere of Influence and Municipal Service Review for the City of Alturas there is a procurement process. Mr. Benoit will submit a statement of qualifications and a proposal to Modoc County to conduct the Sphere of Influence and Municipal Service Review for the City of Alturas.

**9. CALAFCo’s White Paper Planning for a Sustainable and Predictable Future – Clarifying LAFCo’s authority to determine Government Code Section 56133 e Exemption Eligibility**

Executive Officer Benoit explained LAFCo has had an issue for years with interpretation of when a district is exempt, and who determines the exemption. Apparently, some districts are making the determination that they are exempted. However, this needs to be LAFCo’s determination per Government Code Section 56133e Exemption Eligibility. Two of the same districts (example: two pest districts) may consolidate and be exempted. However, if the districts expand to include a bigger service area that wasn’t originally in the districts or changing the functions of the district they are not exempt. Another that is exempt is if districts have an intertie for emergencies only.

Commissioner Coe asks for clarification on “These exemptions have sometimes been utilized improperly as a “loophole” by local agencies to bypass LAFCo altogether; from executing contracts to sell water during a drought and utilizing a self-determined definition of “surplus water,” to providing new and extended services which should be subject to thorough and transparent consideration by LAFCo on behalf of the general public”. Mr. Coe states that by doing this it isn’t a service being provided but a product.

Mr. Benoit replies that pursuant to State Law that is allowed.

**10. Discussion regarding the Calafco Annual Conference in Orange County**

Executive Officer Benoit attended the CALAFCo annual conference and participated on a panel to explain Senate Bill 938. Mr. Benoit explained Senate Bill 938 is changing the LAFCo protest process. The past protest threshold was 10% and now will increase to 25%. 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 informed the Commissioners all presentations during the CALAFCo Annual Conference are available on their website. Commissioner Minchella also attended the CALAFCo Annual Conference and found it very informative.

**11. Executive Officer’s Report**

Executive Officer Benoit reports Canby Community Service District and Canby Fire District agreed to consolidate. They are currently working on drafting a resolution which will be presented later to LAFCo to start the consolidation process. Mr. Benoit informed the Commissioners Canby was selected for the feasibility study for a new water system through

Modoc County's REAP grant. Mr. Benoit plans to conduct a Service Review for the Surprise Valley Hospital District in Spring of 2023.

**12. Commissioners Reports – Discussion – None**

**13. Adjourn to the next regular meeting on February 14, 2023**

There being no further business to come before the Commission. Motion made by Commissioner Minchella to adjourn at 5:12 p.m.; seconded by Commissioner Nelson. In favor were Commissioners Neer, Coe, Minchella, Nelson and Chair Rhoads. Motion passed unanimous.

Respectfully,

Macey Binning  
LAFCO Clerk