

**Modoc Local Agency Formation Commission**

**REGULAR MEETING AGENDA**

Website: [www.modoclafco.org](http://www.modoclafco.org)

**Tuesday December 13, 2016 – 4:00 PM**

**City Council Chambers  
Alturas City Hall  
200 North Street, Alturas, CA 96101**

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

Commissioners

Alternate Members

David Allan, County Member  
Jim Irvin, City Member,  
T.J. Jerry Shea, Public Member  
John Dederick, City Member, Vice Chair  
Kathie Rhoads, County Member, Chair

Richard Read, Public Member Alt.  
Geri Byrne, County Member Alt.  
Cheryl Nelson, City Member Alt.

LAFCO Staff

John Benoit, Executive Officer  
Scott Browne, LAFCO Counsel  
Kim Hunter, Clerk

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

**3. Correspondance**

**4. Consider Minutes for October 4<sup>th</sup> , 2016**

a. *Approve minutes from the October 4<sup>th</sup> , 2016 LAFCo Meeting*

**5. Public Comment**

This is the time set aside for citizens to address the Commission on any item of interest to the public that is within the subject matter jurisdiction of the Commission. For items that are on the agenda, public comment will be heard when the item is discussed. If your comments concern an item that is noted as a public hearing, please address the Commission after the public hearing is opened for public testimony. The Chair reserves the right to limit each speaker to three (3) minutes. Please understand that by law, the Commission cannot make decisions on matters not on the agenda.

**6. Ratify Claims for October 2016 and Authorize Payment of Claims for November 2016**

- a. *Approve payment of expenses for October 2016 and November 2016.*

**Public Hearing**

**7. Service Review and Sphere of Influence Update for Lighting Districts in Modoc County: Adin, Canby, Cedarville, Fort Bidwell and Eagleville Lighting Districts**

- a) *Review service review and sphere of influence update report and conduct public hearing.*  
b) *Consider Resolution 2016-0008 adopting a service review for services provided by the Adin, Canby Cedarville, Fort Bidwell and Eagleville Lighting Districts.*  
c) *Consider Resolution 2016-0009 adopting a sphere of influence update for the Adin, Canby Cedarville, Fort Bidwell and Eagleville Lighting Districts.*

**Other Items:**

**8. Adopt Regular Meeting Schedule for 2017**

- a. *Adopt Regular Meeting Schedule for 2017*

**9. Review of the 2016 Calafco Annual Conference**

- a. *Review of the Calafco Annual Conference*

**10. Correspondence:**

**11. Executive Officer's Report:**

- a. *Newell Co. W.D. conversation*

**12. Commissioner Reports - Discussion**

*This item is placed on the agenda for Commissioners to discuss items and issues of concern to their constituency, LAFCO, and legislative matters.*

**13. Adjourn to the next regular meeting on February 14, 2017 (consider moving meeting date to February 21<sup>st</sup>, 2017)**

*Any member appointed on behalf of local government shall represent the interests of the public as a whole and not solely the interest of the appointing authority Government Code Section 56325.1*

*The Commission may take action upon any item listed on the agenda. Unless otherwise noted, items may be taken up at any time during the meeting.*

#### Public Comment

Members of the public may address the Commission on items not appearing on the agenda, as well as any item that does appear on the agenda, subject to the following restrictions:

- Items not appearing on the agenda must be of interest to the public and within the Commission's subject matter jurisdiction.
- No action shall be taken on items not appearing on the agenda unless otherwise authorized by Government Code Section 54954.2 (known as the Brown Act, or California Open Meeting Law).

#### Public Hearings

Members of the public may address the Commission on any item appearing on the agenda as a Public Hearing. The Commission may limit any person's input to a specified time. Written statements may be submitted in lieu of or to supplement oral statements made during a public hearing.

#### Agenda Materials

*Materials related to an item on this agenda submitted to the Commission after distribution of the agenda area available for review for public inspection in the Modoc County Planning Department office located at 203 W. 4<sup>th</sup> Street, Alturas CA. [such documents are also available on the Modoc LAFCO website ([www.modoc.lafco.ca.gov](http://www.modoc.lafco.ca.gov)) to the extent practicable and subject to staff's ability to post the documents prior to the meeting]*

#### Accessibility

An interpreter for the hearing-impaired may be made available upon request to the Executive Officer 72 hours before a meeting.

The location of this meeting is wheelchair-accessible.

#### Disclosure & Disqualification Requirements

Any person or group of persons acting in concert who directly or indirectly contribute \$1,000 or more in support of or in opposition to a change of organization or reorganization that has been submitted to Modoc LAFCO must comply with the disclosure requirements of the Political Reform Act of 1974 applicable to local initiative measures to be submitted to the electorate. These requirements contain provisions for making disclosures of contributions and expenditures at specified intervals; they may be reviewed at Government Code §§56700.1 and 81000 *et seq.* Additional information about the requirements pertaining to local initiative measures to be presented to the electorate can be obtained by calling the Fair Political Practices Commission at (916) 322-5660. A LAFCO Commissioner must disqualify herself or himself from voting on an application involving an "entitlement for use" (such as an annexation or sphere amendment) if, within the last twelve months, the Commissioner has received \$250 or more in campaign contributions from the applicant, any financially interested person who actively supports or opposes the application, or an agency (such as an attorney, engineer, or planning consultant) representing the applicant or an interested party. The law (Government Code Section 84308) also requires any applicant or other participant in a LAFCO proceeding to disclose the contribution amount and name of the recipient Commissioner on the official record of the proceeding. Contact LAFCO Staff LAFCO staff may be contacted at (530) 233-9625 or by email at [lafco@modoc.lafco.ca.gov](mailto:lafco@modoc.lafco.ca.gov) Copies of reports to the extent feasible are located on the LAFCO webpage at: [www.modoclafco.org](http://www.modoclafco.org)

**Local Agency Formation Commission of Modoc County**

**Meeting Minutes of October 4, 2016**

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

Chair Rhoads called the meeting to order at 4:01 p.m., in the City Council Chambers, Alturas City Hall. Commissioners David Allan, Jim Irvin, Jerry Shea, and Kathie Rhoads, were present. Public Member Alternate Richard Read was also present. Absent: John Dederick.

Staff Present: John Benoit, Executive Officer

Pledge of Allegiance

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

Commissioner Allan made the motion to approve the agenda; seconded by Commissioner Irvin. All in favor.

**3. Correspondence**

Executive Officer Benoit presented a letter received by the Little Hoover Commission the letter is regarding LAFCo and special districts. This correspondence will be posted on the Modoc LAFCo website. (It was noted that the item of "Correspondence" was on the agenda twice also item #10.)

**4. Consider Minutes for August 9, 2012**

Chair Rhoads identified a minor edit to remove duplicate language under agenda item #2. No other changes or edits were noted. Commissioner Shea made the motion to approve the agenda; seconded by Commissioner Irvin. All in favor.

**5. Public Comment**

No public comment.

**6. Ratify Claims for August 2016 and Authorize Payment of Claims for September 2016**

Commissioner Shea made the motion to approve; seconded by Commissioner Allan. All in favor.

**Public Hearing:**

**7. Service Review and Sphere of Influence Update for the Newell County Water District**

- a. *Review service review and sphere of influence update report and conduct public hearing.*

Chair Rhoads called the Public Hearing to order at 4:05 p.m. Executive Officer Benoit provided the staff report. A draft Municipal Service Review/Sphere of Influence (MSR/SOI) Update was reviewed at the August 9, 2016 meeting during a workshop. At that time, the Newell County Water District (District) had not been responsive. Since that time, the District has sent a response and information complying with Modoc LAFCo's requests. This is a positive step in trying to obtain grants to replace water and sewer infrastructure. However, Executive Officer Benoit still has two outstanding questions: 1) what is the number of gallons used during the

peak of summer; and 2) what is the average wet weather flow for the sewer system. This is data that would primarily be used for comparisons.

Commissioner Irvin asked if there was an error regarding the name being "Community" rather than "County". Executive Officer Benoit explained that this District is indeed a "County Water District" that is formed under a specific section of the California State Water Code. There are also County Water Works Districts and California Water Districts with each type being formed under a specific section of code. Commissioner Irvin stated that this was confusing. Executive Officer concurred that the matter is very confusing and can offer different services under state law. Commissioner Allan asked the population of Newell. It was discussed that the population has declined since the District formed in 1963.

During the review process, Executive Officer Benoit had spoken with staff at the North Coast Regional Water Quality Control Board and the State Water Board for the water and sewer systems. Their opinions had been that these systems are old but they are working. An unnamed member of the public, representing the District, noted that this was only half true since the water lines have been replaced recently. There are other problems with the water system such as draw down in the groundwater table due to agricultural uses.

The District has tried to take on one major project at a time. Right now the District is trying to complete the environmental review (California Environmental Quality Act) but there's been a delay at the state level. There's been questions about how no comments or objections to the project were received by the public, especially special interest groups. Further discussion took place regarding the issues in trying to get the grant funding secured for the sewer system upgraded. During this discussion, it was noted that there were some questions and concerns about different types of pipes that were historically used in the system that are now being regulated by the state. There was further discussion on this matter.

Chair Rhoads asked if there was any further discussion. Commissioner Shea asked Executive Officer Benoit if he had any further concerns or comments. Executive Officer Benoit stated that he had a few questions, but nothing that would warrant holding up approval.

*b. Consider Resolution 2016-0006 adopting a service review for services provided by the Newell County Water District.*

Commissioner Irvin made the motion to approve Resolution 2016-0006; seconded by Commissioner Allan. All in favor (roll call vote): Commissioners Allan, Irvin, Rhoads and Shea. Absent: Commissioner Dederick.

*c. Consider Resolution 2016-0007 adopting a sphere of influence update for the Newell County Water District.*

Commissioner Allan made the motion to approve Resolution 2016-0007; seconded by Commissioner Irvin. All in favor (roll call vote): Commissioners Allan, Irvin, Rhoads and Shea. Absent: Commissioner Dederick.

#### **Other Items:**

**8. Review Modoc LAFCo's conflict of interest code and authorize the Chair to sign and file the 2016 Local Agency Biennial Notice for filing**

Executive Officer Benoit explained that the conflict of interest code must be reviewed per the Fair Political Practices Commission every two years. Staff does not recommend any changes at this time. Once approved, the conflict of interest code is then filed with the County Clerk.

Commissioner Allan made the motion to approve; seconded by Commissioner Irvin. All in favor.

**9. Authorize the Executive Officer to vote on behalf of the Modoc LAFCo at the 2016 Annual Calafco Conference**

Commissioner Allan made the motion to authorize; seconded by Commissioner Irvin. All in favor.

**10. Correspondence: Report from Calafco to the Little Hoover Commission regarding Special Districts**

Presented and discussed under agenda item #3. Executive Officer Benoit gave a little more background on the history and intent of the Little Hoover Commission.

**11. Executive Officer's Monthly Report**

- a. *Lighting Districts Service Review and Sphere of Influence*: This item will hopefully be on the next meeting agenda in December for a workshop and review of the draft report.
- b. *Ethics training November 3<sup>rd</sup>, 2016 Veterans Hall 3:00 PM to 5:00 PM*: This is required training every two years for LAFCo Commissioners and others. This is very important to attend but it can also be completed online. Notices about this training are in the Commissioners' packets. Notices were also sent out to special districts and the City of Alturas.
- c. *Calafco Conference October 25<sup>th</sup> to 28<sup>th</sup>*: This was discussed at August's meeting and will be further discussed at the next meeting in December. The conference is in Santa Barbara which is a very difficult place to get to.

**12. Commissioner Reports - Discussion**

No commissioner reports.

**13. Adjourn to next regular meeting – December 13, 2016**

There being no further business to come before this Commission; Commissioner Shea made the motion to adjourn the meeting; seconded by Commissioner Irvin. All in favor.

With no further business the meeting adjourned at 4:32 p.m.

# Modoc Local Agency Formation Commission

## CLAIMS

for

October and November 2016

Authorize the following Claims for FY 2016-2017

Nov 1, 2016	Staff Services October 2016	\$ 4,110.26
Dec 1, 2016	Staff Svcs November 2016	\$ 1,307.26
Nov 11, 2016	Public Notice Lighting MSR-SOI	\$ 69.00
Oct 5, 2016	Commission Stipend Oct 5, 2016	\$ 500.00
	<b>TOTAL:</b>	<b>\$ 5,986.52</b>

**DATED:** December 13, 2016

**APPROVED:** December 13, 2016

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**Kathie Rhoads, Chair or John Dederick, Vice-Chair  
Modoc Local Agency Formation Commission**

**Attest:**

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**John Benoit  
Executive Officer**

Modoc LAFCO  
Expenditures and Revenue  
FY 2016-2017

Item	Account Number	Insurance	Memberships	copies	postage	Communications	Office Exp.	Counsel	Staff Svcs	Clerk Costs	Notices and Public
		4140	4420	4210	4211	4221	4230	4008	4004	4006	4350
<b>Total Budgeted 2015-2016</b>		\$ 1,000.00	\$ 840.00	\$ 1,500.00	\$ 500.00	\$ 1,000.00	\$ 400.00	\$ 3,200.00	\$ 36,000.00	\$ 900.00	\$ 600.00
Calafco Dues 2016-2017			\$ (840.00)								
Staff Svcs July 2016				\$ (71.97)		\$ (67.98)	\$ (10.00)		\$ (2,082.50)		\$ (93.00)
Modoc Record Public Member Recruit				\$ (49.83)	\$ (21.27)	\$ (65.76)			\$ (1,835.00)	\$ (120.00)	
Staff Svcs Aug 2016				\$ (15.00)		\$ (64.76)	\$ (19.50)		\$ (1,000.00)		\$ (66.00)
Comm Stipend Aug 9, 2016											
Staff Svcs September 2016				\$ (99.84)	\$ (18.00)	\$ (74.76)	\$ (77.90)		\$ (2,000.00)	\$ (120.00)	
Modoc Record Newell CWD MSR-Soi									\$ (1,232.50)		
Staff Svcs. Oct 2016											
Staff Svcs November 2016											
Modoc Record MSR and SOI Lighting Dists											
Comm Stipend Oct 4, 2016											
<b>Total Expenditures to date</b>		\$ (840.00)	\$ (236.64)	\$ 1,263.36	\$ 460.73	\$ 661.63	\$ (107.40)	\$ 3,200.00	\$ 27,850.00	\$ 660.00	\$ (228.00)
<b>Total Budget Remaining</b>											

Audited

July 1, 2016 City Fund Carryover \$ 29,905.15

16-17 Actual Cty/Co Contributions  
FY 2014-2015 City Anticipated Funds Transf \$40,714.00  
2016-2017 County-City Funds anticipated Funds received  
REVENUE FOR PROJECTS  
Interest  
Anticipated Funds received \$ (20,086.59)  
Less Expenditures \$ 50,532.56  
**Actual Cash Balance**



**MODOC LAFCO****2017 Regular Meeting Schedule****February 14, 2017****April 11, 2017****June 13, 2017****August 8, 2017****October 10, 2017****December 12, 2017**

Regular meetings of the Commission are scheduled for the second Tuesday of every other month at 4:00 p.m. in the City Council Chambers, 200 North Street, Alturas, California. The Commission may, at its own discretion, meet at a different time or place from time to time, provided that public notice of such time and place is given in accordance with the Ralph M. Brown Act, Government Code Section 54954 et. seq. and applicable provisions of the LAFCO Act.

Senate Governance and Finance Committee

LEGISLATIVE UPDATE FROM SACRAMENTO

2016 CALAFCO ANNUAL CONFERENCE

October 28, 2016

LAFCO-Related Bills

- **SB 1266 (McGuire)** requires joint powers agencies and joint powers authorities that provide municipal services to file copies of specified documents with local agency formation commissions. *Signed – Chapter 173, Statutes of 2016.*
- **SB 1318 (Wolk)** would have required local agency formation commissions to identify disadvantaged un-incorporated communities that are within or adjacent to the sphere of influence of a city or special district, assess their needs for water and wastewater infrastructure, and adopt and implement a plan to address any water and wastewater service deficiencies. *Died in the Assembly Local Government Committee.*
- **AB 2414 (Eduardo Garcia)** establishes an annexation process to expand the Desert Healthcare District’s boundaries that is exempt from some statutes that generally govern district annexations. *Signed – Chapter 416, Statutes of 2016.*
- **AB 2470 (Gonzalez)** requires one of two water districts in San Diego County to provide water outside of the district’s boundaries to the Sycuan Tribe upon request of the tribe. *Signed – Chapter 301, Statutes of 2016.*
- **AB 2471 (Quirk)** would have required, notwithstanding the statutes that generally govern district dissolutions, that the Alameda County Local Agency Formation Commission must order the Eden Township Healthcare District’s dissolution if the District meets specified criteria. *Died on the Senate Floor.*
- **AB 2910 (Committee on Local Government)** is the annual local agency formation commission omnibus bill, which contains several non-controversial changes to state laws affecting local government organization and reorganization. *Signed – Chapter 165, Statutes of 2016.*

Land Use Planning & Development

- **SB 1000 (Leyva)** requires each city and county to incorporate an environmental justice element, or goal, policies, and objectives for environmental justice contained in other elements, into its general plan. *Signed – Chapter 587, Statutes of 2016.*

- **SB 1262 (Pavley)** requires a water supply assessment for new development to include additional information on groundwater resources if the development relies on groundwater and requires identification of water systems where the service area contains or is adjacent to the development site, if those systems may serve as a potential supplier to the project. *Signed – Chapter 594, Statutes of 2016.*
- **SB 1263 (Wiekowski)** requires the State Water Resources Control Board (SWRCB) to review permit applications for new water systems, authorizes SWRCB to deny a permit if it is found that the service area of the public water system can be served by an existing public water system, and prohibits a city or county from issuing a building permit for new residential development when the proposed water supply is bottled water, transported by a water hauler, or provided by a water-vending machine or a retail water facility. *Signed – Chapter 843, Statutes of 2016.*
- **SB 1317 (Wolk)** would have generally required a city or county overlying certain groundwater basins to establish a process for permitting new wells that (1) requires the permit applicant to demonstrate that the well will not contribute to or create an undesirable result for the basin, until January 31, 2022 or the basin is governed by an approved groundwater sustainability plan; and (2) prohibits new wells in probationary or overdrafted basins. *Died in the Assembly Water, Parks, and Wildlife Committee.*
- **AB 2180 (Ting)** shortens deadlines for lead agencies and responsible agencies, excluding the California Coastal Commission, to approve or disapprove certain residential and mixed use developments under the Permit Streamlining Act. *Signed – Chapter 566, Statutes of 2016.*

## Housing

- **SB 1069 (Wiekowski)** repeals the ability of local governments to prohibit the construction of “second units,” requires the ministerial approval of some second unit development applications, and limits the conditions that local governments may impose on the development of second units, such as lowering the maximum amount of parking that local governments may require. *Signed – Chapter 720, Statutes of 2016.*
- **AB 2031 (Bonta)** allows a city or county to reject allocations of specified revenues resulting from redevelopment agencies’ dissolution to make those revenues available to develop affordable housing. *Signed – Chapter 453, Statutes of 2016.*
- **AB 2299 (Bloom)** repeals the ability of local governments to enact ordinances banning second units and limits the requirements that cities and counties may impose on second units. *Signed – Chapter 735, Statutes of 2016.*

## **Local Finance**

- **SB 817 (Roth)** would have changed the formulas for calculating annual vehicle license fee adjustment amounts for four cities that incorporated after 2004. *Vetoed.*
- **SB 1029 (Hertzberg)** requires state and local government debt issuers to report to the California Debt and Investment Advisory Commission (CDIAC) specified information about some proposed and outstanding debt. *Signed – Chapter 307, Statutes of 2016.*
- **AB 2613 (Achadjian)** allows certain small special districts, until January 1, 2027 to replace a required annual audit with an annual financial compilation or an agreed-upon procedures engagement. *Signed – Chapter 164, Statutes of 2016.*

## **Issues on Deck for Next Session**

- Housing affordability, housing affordability, housing affordability
- Water, continued
- 2016 ballot measure implementation
- Environmental justice/disadvantaged communities

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## **CONTACT INFORMATION:**

**Senate Governance and Finance Committee – (916) 651-4119**

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