**Local Agency Formation Commission of Modoc County**

**Meeting Minutes of June 13, 2017**

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

 Chair Rhoads called the meeting to order at 4:00 p.m., in the City Council Chambers, Alturas City Hall. Commissioner Rhoads, Commissioner Alternate Byrnes, and Commissioner Alternate Nelson were present. Public Member Alternate Richard Read was also present. Commissioner Dederick was absent.

 Staff Present: John Benoit, Executive Officer and Jackie Froeming, Clerk

Pledge of Allegiance

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

 Commissioner Rhoades had a deletion on the agenda which is item # 9 it is a duplicate of item #3.

 Commissioner Alternate Byrne made the motion to approve the agenda; seconded by Commissioner Alternate Nelson. In favor Rhoads, Byrne, Nelson, and Read. Motion passed.

**3. Correspondence**

 None Reported. Executive Officer Benoit introduced Jennifer Stephenson who works with him and will fill in for him occasionally at meetings. He provided some background information on Ms. Stephenson such as her education, experience, and understanding of rural and urban areas.

**4. Consider Minutes for April 11, 2017**

 Commissioner Alternate Nelson made the motion to approve the minutes; seconded by Commissioner Alternate Byrne. In favor Rhoads, Byrne, Nelson, and Read. Motion passed.

**5. Public Comment**

 No public comment.

**6. Ratify Claims for April 2017 and Authorize Payment of Claims for May 2017**

 Commissioner Alternate Byrne made the motion to approve; seconded by Commissioner Alternate Nelson. In favor, Rhoads, Byrne, Read and Nelson.

**Public Hearing:**

**7. Final LAFCo Budget for fiscal year 2017-2018**

1. *Review, Discuss, and Conduct Public Hearing and Consider LAFCo Resolution 2017-0002 adopting a final budget for FY 2017-2018*

*Chair Rhoads opened the Public Hearing at 4:05 PMh*

*The Public Hearing was closed at 4:06 PM*

Commissioner Alternate Nelson motioned to approve Resolution 2017-002 and it was seconded by Commissioner Alternate Byrnes. In favor Rhoads, Byrne, Read, and Nelson.

Motion passed to approve Resolution 2017-002 adopting the final LAFCo budget for fiscal year 2017-2018.

**Other Items:**

**8. Discussion regarding the PRELIMINARY DRAFT Service Review and Sphere of Influence update**

1. *Discussion of findings contained in the Preliminary Draft Service Review and Sphere of Influence Report.*

Executive Officer Benoit reported that there are several community services district and it would be beneficial in the future if some of the CSD’s can be consolidated especially the districts with no money such as the Lake City Fire District. Unfortunately, at this time there is a lot of resistance regarding consolidation. In Surprise Valley alone there are four (4) different districts. At this point due to the resistance LAFCo is moving forward with spheres for each district and not pushing consolidations. This will allow the districts to stay the same and avoid battles. He will keep an eye on what happens financially. He is recommending that LAFCo begin planting the idea of consolidating but not much time should be spent on this issue. In his experience the only successful consolidations are the ones where the districts wanted to consolidate. Forcing a consolidation will not work and most happen once a Fire Chief has retired. He wanted to have a conversation on this topic because the Little Hoover Commission is pushing LAFCo to consolidate districts. In this case the community services districts are volunteer driven and are functioning. Non-functioning districts are the ones would need to be eliminated. The legislature will be taking up this issue during the next session. The preliminary sphere determinations were provided to the Commission.

Commissioner Alternative Nelson reported that she had several people ask questions regarding the Cal Pines Equipment. They were asking why the equipment is being used in Canby and not available for use on-site; since Cal Pines tax dollars purchased the equipment. Also, Commissioner Alternative Nelson asked if there was an MOU in writing between the two entities and requested Executive Officer Benoit check into this and report back to the Commission. She strongly feels there needs to be clarification and something in writing due to liability issues.

**9. Executive Officer’s Report:**

1. *Lassen Modoc Flood Control and Water Conservation District – Service Review and Sphere of Influence.*

Executive Officer Benoit provided an update regarding this district. He reported that he has a meeting with Bob Burns tomorrow (6/14/17) and informed the Commission that he found out 90% of the revenues generated were from Lassen County and wants to look at the numbers. These will be included in the report back to the Commission. The other issue he is looking into is what they are doing that can’t be done by someone else. This district was created by special legislation for the Allan Camp Dam, which was never constructed. Executive Officer Benoit and Mr. Burns are seeking an answer to see if that can change and believes LAFCo’s are able to do this on their own without going to the legislature.

Commissioner Byrnes had a question regarding what is going to happen with the money held in the fund balance. Executive Officer Benoit said monies will be dispersed back to the County who will then determine what to do with the funds.

Commissioner Byrnes reported on the fact that the District is still functioning and the Board just approved a two- year (2) contract for water monitoring.

Executive Officer Benoit is wondering if there is a more efficient way of doing this. He did mention if you read the rules and look at what they can do, this is allowed even though it was originally formed for a different reason.

1. *Southern Cascades Community Service District – Sphere Update*

Executive Officer Benoit reported he met with this district today and is working on a service review. He was very surprised regarding the positive direction they are going. He reported they had some issues with the funding because Lassen County sent bills to the wrong people two times which caused uproar but that has been corrected. There are still some outstanding issues with the election costs and is unsure how that has been resolved. Modoc County was a fraction of the cost of Lassen County.

Executive Officer Benoit reported California is going to be looking at consolidations. The Little Hoover Commission is going after LAFCos and small districts. There is a conference in San Diego and allocated funds in the budget if someone would be interested in attending. Executive Officer Benoit advices having rural LAFCo’s represented as much as possible at the conference. In the past is has been a very Urban organization and it would be nice to have more rural locations attend the conference.

1. *California Water District – Big Valley Water*

Executive Officer Benoit reported there is a decree from 30-50 water users who are interested in forming a water district. Two people contacted Executive Officer Benoit. Rita Cardoza was one and she asked the correct questions. She inquired how the votes were decided and if everyone was in agreement. He was able to answer the questions and ask Ms. Cardoza how they plan to fund the proposed district. Water users would need to come up with some money. In Executive Officer Benoit’s experience especially when water is involved upstream and downstream users have different opinions and this can make forming a district very complicated.

If the owners chose to move forward with creating a district they would be required to complete an audit each year and follow the Brown Act. A positive aspect would be everyone would be able to speak in an open forum. Any involved parties would have to meet with the County, it requires a 50% vote for this type of district, and this is something the Board cannot initiate.

Commissioner Byrne reported that the involved parties have met with the County. The County would like them to form a district. Also, the County is progressing with SGMA and forming Groundwater Sustainability Agencies (GSA).

**10. Commissioner’s Reports – Discussion**

None

**11. Adjourn to next regular meeting – August 8, 2017**

There being no further business to come before this Commission; Commissioner Alternate Byrnes made the motion to adjourn the meeting; seconded by Commissioner Alternate Nelson. All present in favor.

With no further business the meeting adjourned at 4:28 p.m.