

## **Local Agency Formation Commission of Modoc County**

### **Meeting Minutes of August 8, 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 Byrne, Commissioner Dederick, Commissioner Irvin, and Commissioner Shea were present.

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

Pledge of Allegiance

#### **2. Election of Chair and Vice-Chair for FY 2017-2018**

a. Motion by Commissioner Alternate Byrne and Seconded by Commissioner Dederick to nominate Kathie Rhoads as F.Y. 2017-2018 Chair for Local Agency Formation Commission (LAFCo) of Modoc County. There were no other nominations. Motion Passed Unanimous.

b. Motion by Commissioner Dederick and Seconded by Commissioner Byrnes to nominate Jim Irvin as F.Y. 2017-2018 Vice-Chair for Local Agency Formation Commission (LAFCo) of Modoc County. There were no other nominations. Motion Passed Unanimous.

#### **3. Approval of Agenda (Additions and Deletions)**

None

Commissioner Alternate Byrne made the motion to approve the agenda; seconded by Commissioner Irvin. In favor Rhoads, Byrne, Irvin, Dederick, and Shea. Motion passed Unanimous.

#### **4. Correspondence**

Certificate of Insurance was the only correspondence and a copy was included in the packet. Executive Officer Benoit was reporting to the Commission that he is current on insurance. The certificate of coverage is effective through 07/01/2018.

#### **5. Consider Minutes for June 13, 2017**

Commissioner Alternate Byrne made the motion to approve the minutes as presented; seconded by Commissioner Dederick. In favor Rhoads, Byrne, Dederick, Irvin, and Shea. Motion Passed Unanimous.

#### **6. Public Comment**

Member of the Public (Jean) commented on concerns regarding the Surprise Valley Health Care District (SVCHD). These concerns included their current financial state, lawsuits and wanted to alert the Commission to the current state of that district. She mentioned that when the monthly financial reports were given out at the Board Meetings there were always huge discrepancies and that SVHCD is supposed to

have an annual audit but this has not been done in 5 years and wanted to know if there is anything LAFCo can do regarding this district.

Executive Officer Benoit informed the public member that LAFCo is legislative not an enforcement agency. LAFCo can do a service review and make recommendations but an enforcement agency would need to take the lead. This is a very complicated issue and needs to be straightened out but LAFCo does not fix districts. Typically in other Counties such as Indian Valley when a district begins to break down and starts to go bankrupt the County Administers the district because they are the land use authority but landowners within that district is responsible for the debt/obligations. Modoc County may be able to contract out to get an internal audit done and tax proceeds can be used to cover the cost. Also, citizens can do a Public Records Request and if SVHCD does not comply in a timely manner and answer the records request. At this time a person can go to the DA or outright sue them. The Controller's Office, Grand Jury, and District Attorney are the enforcement departments.

#### **7. Ratify Claims for June 2017 and Authorize Payment of Claims for July 2017**

Commissioner Dederick made the motion to approve; seconded by Commissioner Irvin. In favor, Rhoads, Byrne, Dederick, Irvin, and Shea. Motion Passed Unanimous.

#### **Workshop:**

#### **8. Fire Service Reviews and Sphere of Influence**

- a. *Review, Discuss, and Conduct Workshop regarding Fire Service Reviews and Sphere of Influence update.*

Executive Officer Benoit provided a workshop to the Commission regarding the Fire Protection Districts Municipal Service Review (MSR) and Sphere of Influence (SOI) update. The MSR is designed to equip LAFCo's with relevant information and data necessary for the Commission to make informed decisions on SOI's. The MSR cannot cover everything but LAFCo tries to cover the items that are most germane. The MSR needs to include a written statement of study determinations in the following areas Growth and population projections for the affected area, location and characteristics of Disadvantaged Unincorporated Communities (DUC's), present and planned capacities of public facilities, adequacy of public services, and infrastructure needs/deficiencies related to water/sewer and structural fire protection, status/opportunities for shared facilities, and account for community service needs.

During the workshop there was a discussion regarding the maps in the MSR and it was reported to the Commissioners that a lot of time was spent on verifying the true boundaries and while verifying these, discrepancies were found between the Tax Rate Areas (TRA's) and the actual district boundaries. This information will be forwarded to the Auditor's for the elections because they are the true and correct boundaries. It was also reported that there has been very little change in growth and population since the last MSR was completed. Executive Officer Benoit also explained that LAFCo is required to make written determinations in respects to five (5) different factors when establishing, amending, or updating an SOI for any local agency. These factors include

land use in area, probable need for public facilities and services, present capacity of public facilities and adequacy of public services, different communities of interest, and findings regarding the present and probable need for public facilities and services of DUC's which make it possible to obtain grant money.

At the meeting in October the Public Hearing will be held to adopt the Fire Protection Districts Municipal Services Review (MSR) and Sphere of Influence (SOI) Update.

**Other Items:**

**9. Authorize Commissioners and Staff to attend the Calafco Annual Conference in San Diego October 24-27, 2017**

- a. *Authorize Staff and Commissioners to attend the Calafco Annual Conference in October.*

Executive Officer Benoit if any of the Commissioners would be interested in attending this conference. – None

**10. Calafco Achievement Award Nominations**

- a. *Review Calafco Materials and consider nominations for a Calafco Achievement Award and propose a nomination if desired.*

Commissioner Shea nominated John Benoit for the Calafco Achievement Award. Scott will write the nomination.

**11. Calafco 2017 – 2018 Nominations for the Calafco Board of Directors**

- a. Review Calafco memorandum and nominate a County Member or a Special District Member to the Calafco Board of Directors.

Bill Connolly is the current County Member and has done an excellent job.

**12. Designate voting member and alternative voting member to vote on behalf of Modoc Lafco at the Annual Calafco Conference in San Diego.**

- a. Designate voting member and alternate voting member

Motion by Commissioner Shea to designate Executive Officer John Benoit as the voting member and seconded by Commissioner Dederick. Motion Passed Unanimous.

### 13. Executive Officer's Report:

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

Executive Officer Benoit met with the attorney Bob Burns for this district and gathered information. The service review report with recommendations will need to be drafted. This district is not very active and has never been used for its intended purpose. Once the service review has been completed there will need to be discussion regarding whether or not the district should be continued. It was reported by the Commissioner Alternative Byrnes that this district had signed a three (3) year agreement for water monitoring.

- b. *Surprise Valley Healthcare District*

This was discussed earlier in the meeting (see Public Comment).

- c. *Legislation of significance and Little Hoover Commission*

Executive Officer Benoit provided to the Commissioners Draft Legislation from the Little Hoover Commission. He did say that the Little Hoover Commission now appreciates what LAFCo's do and services they provide. This Legislation is going to take up transparency, climate change, and healthcare districts. You will most likely looking at legislation related to those items next year. Currently, the Tribal Water Districts are under LAFCo but there is a bill going through which is AB36 and we should be concerned about it because the Indian Tribes are asking the Legislatures to service tribal areas without going through the LAFCo process. We understand that Indian Tribes are independent nations and we are not against them but oppose the LAFCo process being circumvented. We may be asked to compose a letter regarding this bill.

- d. *Southern Cascades Community Service District*

Dan Bouse provided an overview regarding the ambulance services and the expanded scope of services including how they have partnered with Sierra Medical Services Alliance (SMSA) which is providing revenue to the CSD for the use of the helicopter base. SMSA covers ambulance service in several other rural counties including Lassen, parts of Shasta, Siskiyou, and now Modoc. He also reported that Air Methods which is the company that owns/operates the helicopter will be adding revenue to the district which could equal a million dollars over the next 2 – 3 years. These partnerships not only bring in revenue to the district which will keep it stable but has also provided this area with 24/7 Ambulance Service. The district is compiling the information needed so that their service review can be completed.

Commissioner Dederick asked if SMSA was part of any flight insurance group. Dan Bouse informed the Commissioners that Air Methods is currently using their membership group but they are in negotiations with an Insurance Company to become an approved provider on a policy for air/ground service. Also if residents sign up for the air

membership you will be able to get a discount on the cost the ground service membership.

**14. Commissioner's Reports – Discussion**

Commissioner Dederick reported on the Daphendale C.S.D. there are currently 42 residents that have service and the City of Alturas is under collecting approximately \$8,000.00. This district currently has a MPDS permit (the water is treated and goes into the Pit River) He wanted to see what options may be available. Executive Officer Benoit offered a couple of scenarios such as the City creating a subsidiary district through a 218 Process to recoup costs, a property tax assessment or the County can assume authority and manage the district. Executive Officer Benoit will refer this issue to LAFCo Counsel and find out what they recommend.

**15. Adjourn to next regular meeting – October 10, 2017**

There being no further business to come before this Commission; Commissioner Irvin made the motion to adjourn the meeting; seconded by Commissioner Shea. All present in favor. The Meeting was adjourned at 5:09PM.