

Lake Local Agency Formation Commission

Regular Meeting Agenda

January 15, 2020 -- 9:30 am

City of Clearlake – City Council Chambers

14050 Olympic Dr. Clearlake, California

Website: www.lakelafco.org

“Lake LAFCo oversees orderly development and protects natural resources and agricultural lands”

Commissioners

Dirk Slooten, (City)
Stan Archacki, (Special Dist.)
Jim Scholz (Special District)
Ed Robey, (Public Member)
Moke Simon, Vice Chair (County)
Bruno Sabatier Chair (County Member)
Stacey Mattina (City)

Commission Alternate Members

Victoria Brandon (Spec. District Alternate)
Suzanne Lyons (Public Alternate)
Tina Scott (County Alternate)
Kenneth Parlet (City Alternate)

Staff

John Benoit, Executive Officer
P. Scott Browne, Legal Counsel
Kathleen Moran, Clerk-Analyst

1. **Call to Order – Roll Call**

2. **Approval of Minutes – November 20, 2019** *Action: Approve November 20, 2019 minutes*

3. **Public Comment.**

This is the time for the public to address the Commission on any matter not on the agenda. Testimony related to an item on the agenda should be presented at the time that item is considered.

4. **Consent Agenda**

- a. *Review and authorize payment of expenses for November and December 2019*

5. **Middletown Rancheria Annexation of 109.38-acres more or less to the Callayomi County Water District**
 - a. *Receive Report and consider approval of LAFCo Resolution 2020-0001*
6. **City of Lakeport South Lakeport Annexation**
 - a. *Review letter mailed to the County and the City of Lakeport and responses received.*
 - b. *Commission discussion regarding the process of completing an independent financial review and retention of an independent facilitator to resolve disagreements*
 - c. *Provide direction and possible action to the Executive Officer regarding retention of an independent financial consultant and independent facilitator.*
7. **Designate the MAHA development in Southern Lake County as a Complex Project as provided for in Section 2.1.2 and 2.2.2 of the Executive Officer's fifth amended agreement and Section II of the fourth amended agreement for Legal Services.**
 - a. *Designate the MAHA development project as a Complex Project*
8. **Authorize staff to attend the Calafco Annual Staff Workshop March 24-March 27, 2020 in Orange County, Ca.**
 - a. *Authorize staff to attend the Calafco Annual Staff Workshop March 24-27, 2020 in Orange County, Ca.*
9. **LAFCo 101 Part II presentation by LAFCo Staff (time permitting).**
10. **Policy, Standards and Procedures update (workshop #2)**
(please bring the previously handed out copy of the draft Policies, Standards and Procedures update)
 - a. *Introduction and review of draft updated Policies, Standards and Procedures (one-half hour item)*
11. **Executive Officer' s report.**
 - a. *Upper Lake County Water District MSR and SOI*
 - b. *Konocti County Water District MSR and SOI*
 - c. *Cemetery District MSR and SOI*
 - d. *Carlisle Annex to Clearlake Oaks Co. Water District*
 - e. *Redevelopment Oversight Committee Recruitment*
 - f. *City Member Alternate rotation to the City of Clearlake*
 - g. *700 forms due April 1st*

12. LAFCo Counsel's report

13. Commissioner Reports

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

14. Correspondence:

15. Adjourn to LAFCO's next regular meeting: Wednesday March 18th , 2020 in Lakeport.

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.



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

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:

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).
- The total amount of time allotted for receiving public comment may be limited to 15 minutes.
- Any individual's testimony may be limited to 5 minutes. Time to address the Commission will be allocated on the basis of the number of requests received.

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 5 minutes. 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 are available for review for public inspection at the City of Lakeport and City of Clearlake Community Development Departments office located at City Hall in Lakeport and Clearlake [such documents are also available on the Lake LAFCO website as noted below 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 Lake 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 (707) 592-7528 or by mail at Lake LAFCO c/o John Benoit, Executive Officer P.O. Box 2694, Granite Bay, CA 95746 or by email at j.benoit4@icloud.com. Agenda packets are located on the Lake LAFCo Webpage at www.lakelafco.org

LAKE LOCAL FORMATION COMMISSION
MINUTES
November 20, 2019 Regular Meeting

Members Present

Bruno Sabatier, Chair, County Representative
Stacy Mattina, City Member
Ed Robey, Public Member
Stan Archacki, Special Districts
Jim Scholz, Special Districts
Kenneth Parlet, City Alternate
Victoria Brandon, Special District Alternate
Tina Scott, County Alternate
Suzanne Lyons, Public Member Alternate

Staff Present

John Benoit, Executive Officer
P. Scott Browne, Legal Counsel
Kathleen Moran, Clerk

Absent: Moke Simon, Vice-Chair/County Member, Dirk Slooten, City Member.

Present: Jan Coppinger, Special Districts
Alfonso Ramirez, Special Districts
Kirsty Shelton, Chris Meredith, Rachel Lenihan, Maha Guenoc Project

1. Call to Order

Chairman Sabatier called meeting to order at 9:35 a.m. in the Council Chambers, City of Lakeport.

2. Approval of Minutes - Motion by Commissioner Robey, seconded by Commissioner Mattina to approve the Minutes of the September 18, 2019 Regular Meeting. Motion carried by the following vote:

AYES: Commissioners Mattina, Robey, Archacki, Scholz, Parlet and Sabatier.
NOES: None.
ABSTAIN: Commissioner Scott.

3. Public Comment – None.

4. Consent Agenda

Motion by Commissioner Mattina, seconded by Commissioner Scholz to review and authorize payment of expenses for September and October 2019. Motion carried.

5. Lighting District MSR and SOI

Motion by Commissioner Mattina, seconded by Commissioner Robey to adopt Resolution 2019-0010, a Resolution Approving a Municipal Service Review of Street Lighting Services Provided by Anderson Springs, Clearlake Keys, Clearlake Oaks, Glenhaven, Kelseyville, Lower Lake, Lucerne, Middletown, Upper Lake Lighting Districts and CSA's 6, 20 and 21 – Finley, Soda Bay and North Lakeport and Adopting Written Determinations Thereon and authorize the Chair to sign. Resolution passed and adopted by the following vote:

AYES: Commissioners Parlet, Robey, Mattina, Scott, Archacki, Scholz, and Sabatier.

NOES: None.

ABSTAIN: None.

Motion by Commissioner Mattina, seconded by Commissioner Robey to adopt Resolution No. 2019-0011, A Resolution Making Determinations and Approving a Sphere of Influence Update for the Anderson Springs, Clearlake Keys, Clearlake Oaks, Glenhaven, Kelseyville, Lower Lake, Lucerne, Middletown, Upper Lake Lighting Districts and Lighting Services provided by CSA's 6, 20 and 21 – Finley, Soda Bay and North Lakeport and authorize the Chair to sign. Resolution passed and adopted by the following vote:

AYES: Commissioners Parlet, Robey, Mattina, Scott, Archacki, Scholz, and Sabatier.

NOES: None.

ABSTAIN: None.

Chairman Sabatier commented on the total number of streetlights and that prior to the report, he was unaware of that information. Discussion ensued on streetlight issues and the negative impact of recent P G & E enacted Public Safety Power Shutoffs (PSPS). All Commissioners agree that despite the purpose overall, PSPS's are detrimental and pose a threat to public safety. Issues regarding the need for additional lighting along the Highway 20 corridor and pedestrian traffic were also a part of the discussion.

6. Kirsty Shelton, Rachel Lenihan and Chris Meredith, representing the Maja Development Project are present to brief the Commission on the preliminary status of the project to be located in Southern Lake County. Ms. Shelton stated that they will be requesting annexation of a portion of the property into the Callayomi Water District in order to provide services for worker housing. Ms. Shelton, Ms. Lenihan and Mr. Meredith made an extensive presentation on the plans for the project and the many amenities and services that will be available to the property owners and, some for the general public as well, such as a farmer's market. The representatives discussed the plans for many facets of the project such as power, water, wastewater treatment, preservation of open space, fire suppression, roads and easements, etc. Ms. Shelton stated that they are working on the EIR and a draft should be ready by March of 2020. EO requested that LAFCo be added to the distribution list. The representatives noted this is an initial presentation and there will be much more information and appearances to follow.

Chairman Sabatier called a recess at 11:00 a.m. and the Commission reconvened in Regular Session at 11:08 a.m.

7. **Part II - LAFCo 101 presentation by Executive Officer** - Chair continued item to the January meeting.

8. Policy, Standards and Procedures update (workshop #2)

EO reviewed Section 2.14, Agricultural and Open Space Land Conservation, page 15 of the draft of updated Lake LAFCo Policies, Standards and Procedures and continued review up to Section 2.19. The policy review will continue from meeting to meeting until complete.

9. Discussion from those in attendance regarding the CALAFCo Annual Conference in Sacramento October 30 - November 1

Mr. Browne announced that Lake LAFCo's own John Benoit was presented with the 2019 Lifetime Achievement Award. Congratulatory statements were given. EO spoke about SB 200, which provides funding for small water districts in disadvantaged communities. Chairman Sabatier stated that he was called home from the meeting due to the power shut offs, but reported that he learned that with regard to water districts bigger is better and he is very pleased that the Commission acted to consolidate nine water districts into one, referring to the Cobb consolidation.

Commissioner Brandon stated that the Conference was very good, specifically the presentations. Commissioner Scholz agreed noting the presentations were very educational and he gained much from his attendance.

EO reported that the CALAFCo membership dues increase, discussed at the previous meeting, was adopted.

10. Regular Meeting schedule for 2020

Motion by Commissioner Mattina, seconded by Commissioner Robey to approve the Lake LAFCo Regular meeting schedule for 2020. Motion carried.

11. Executive Officer's report.

- a. Upper Lake County Water District MSR and SOI – in process.
- b. Konocti County Water District MSR and SOI – in process.
- c. Cemetery District MSR and SOI is complete.
- d. Rancheria Annex to the Callayomi Co. Water District is complete.

14. LAFCo Counsel's Report – no new information.

15. Commissioner Reports – None.

16. Correspondence. None.

12:00 p.m. Chairman Sabatier declared that the Commission would now meet in Closed Session, pursuant to paragraph (2) or (3) of subdivision (d) of Section 54956.9 of the Government Code (one potential case).

1:10 p.m. The Commission reconvened in Regular Session. Counsel announced that the Commission met pursuant to the above authorization, and that no reportable action was taken.

1:07 p.m. Meeting adjourned.

Next regular meeting: Wednesday January 15, 2020 in Clearlake.

By: _____ Kathleen Moran, Clerk

Lake Local Agency Formation Commission

#4

CLAIMS Nov and Dec 2019

Expenses for FY 2019-2020:

<u>Date of Claim</u>	<u>Description</u>	<u>Amount</u>
10.16.19-11.15.19	Browne Legal	\$ 525.00
Nov 20, 2019	Meeting Stipend	\$ 540.00
Dec 1, 2019	Staff Svcs Nov 2019	\$ 5,179.44
Dec 1, 2019	KCWD MSR and SOI	\$ 1,058.20
Oct 1, 2019	Complex Projects Sept 2019	\$ 500.00
11.16. 2019- 12.15.19	Browne Legal	\$ 1,920.60
Jan 1, 2020	General Staff Svcs Dec 2019	\$ 5,439.67
Jan 1, 2020	Konocti CWD MSR and SOI	\$ 1,292.80
Jan 1, 2020	Complex Projects Dec 2019	\$ 452.00
Nov 1, 2019	Brandon Conf. Reimb Calafco	\$ 441.14
Nov 1, 2019	Scholz Conf. Reimb Calafco	\$ 437.66
TOTAL:		\$ 17,654.74

DATED: January 15, 2020

APPROVED: January 15, 2020

Bruno Sabatier, Chair or Moke Simon, Vice Chair
Lake Local Agency Formation Commission

Attest:

John Benoit
Executive Officer

Lake Local Agency Formation Commission

#6

December 4, 2019

Carol Huchingson, County Administrator
Lake County Board of Supervisors
255 N. Forbes St.
Lakeport, CA 95453

Margaret Silveira, City Manager
City of Lakeport City Council
225 Park Street
Lakeport, CA 95453

SUBJECT: South Lakeport Annexation Project

Honorable Members of the Lakeport City Council
Honorable Members of the Lake County Board of Supervisors

As you are aware, the City of Lakeport has requested annexation of 136.78 acres more or less of land (consisting of approximately 50 parcels) located south of the existing city limits, adjacent to South Main Street and Soda Bay Road, east of State Route 29 with an application to LAFCo on August 19, 2019. This annexation also includes a detachment from the Lake County Sanitation District.

The City retained the consultant Applied Development Economics to prepare a fiscal analysis for the annexation, which report is dated May 3, 2019. The County sent LAFCo correspondence on October 2nd, 2019 strongly disagreeing with City's fiscal analysis. The County's fiscal consultant Bay Area Economics (BAE) identified a variety of issues with the City's analysis.

The City's August 19, 2019 application to LAFCo asserted that no tax exchange proceeding under Rev & Tax Code §99 was required because the 1997 property tax sharing agreement between the City and the County remained in effect and was applicable to the annexation. In its October 2, 2019 letter from County Counsel, the County asserted the 1997 Revenue Sharing Agreement was not intended to cover this annexation. The City through its legal counsel sent LAFCo a letter on November 8, 2019 responding to the County's letter. The letter disagreed with County Counsel and argued that the 1997 Revenue Sharing Agreement remains valid and applicable to this annexation.

The Local Agency Formation Commission met with legal counsel at its November 20, 2019 meeting in closed session to consider the annexation dispute. A closed session was held because of the potential for exposure to litigation depending on what determination the Commission made with regard to the applicability of the 1997 Tax Sharing Agreement to this annexation proposal. At this meeting the Commission determined to defer a decision with respect to 1997 Tax Sharing Agreement. Instead, the Commission directed the following:

C/O John Benoit, Executive Officer P.O. Box 2694, Granite Bay, CA
j.benoit4@icloud.com (707) 592-7528 ph.

Lake Local Agency Formation Commission

1. It is apparent that the real dispute between the City and County is over how the property and sales tax revenue from the Annexation area should be apportioned if it is annexed. Since there is substantial disagreement about the fiscal impact of the annexation, the Commission determined a third fiscal analysis needs to be prepared by LAFCo to provide an objective more accurate determination of the revenue and service impacts of the annexation, for both the County and the City. LAFCo will retain an independent municipal economics consultant to review the previously prepared fiscal and service data prepared by both the City and the County and any additional information the consultant may require. LAFCo's consultant will prepare a report objectively setting forth the estimated service costs for each agency within the annexation area and make recommendations for an appropriate apportionment of tax revenue. The City (as the applicant) will pay the costs for this fiscal analysis.
2. After completion of LAFCo's fiscal analysis, the Commission would schedule a facilitated meeting of representatives of the City, County and LAFCo with an independent facilitator regarding the annexation and its fiscal effects. LAFCo would ask that two members of each legislative body participate in the meeting to assure a more effective process. Working together in good faith, LAFCo is confident that this process will result in a resolution of the disagreements and result in a new tax sharing agreement that both parties can agree to. LAFCo will pay the facilitation costs and retain a qualified independent facilitator from outside the area.

For this process to work, both the City and the County must agree to participate in good faith. We know you all have the best interest of the community at heart and will want to participate to resolve this long-standing community service issue.

Please place this letter on your next available agenda within 30 days after the date of this letter and provide a response to LAFCo as to your Board or your Council's willingness to participate in good faith. Please understand that if your agency does not choose to participate in this process, LAFCo will have no alternative but to proceed to make a determination on the applicability of the 1997 Tax Exchange Agreement to the annexation application before LAFCo.

Very truly yours,



Bruno Sabatier, Chair
Lake Local Agency Formation Commission

Lake Local Agency Formation Commission

Notice of Vacancy on the Redevelopment Agency Oversight Board of Lake County

CALL FOR NOMINATIONS

Dear District Manager and Board Chair:

This letter is being sent to you as an invitation to your district to nominate a member of your board of directors for the position of *Special District Representative to the Consolidated Redevelopment Agency Oversight Board for Lake County*. The letter describes the process of selecting the special district representative.

Reason for Nomination

In 2011, the State of California dissolved redevelopment agencies throughout the state and created some 400 redevelopment agency (RDA) oversight boards as successor agencies. In 2015, Senate Bill 107 further directed that these oversight boards be consolidated into a single consolidated redevelopment oversight board in each county. The Consolidated Redevelopment Oversight Board for Lake County oversees the dissolutions of the redevelopment agencies in Lake County to include the disbursement of certain cash assets of the former redevelopment agencies to the county, cities, school districts, and special districts that share in the general 1% property tax. The independent special districts have a seat on that Board to help assure that the proper distributions are made.

Up to seven members are allowed on each countywide RDA oversight board, one of whom may be a member appointed by an independent special district selection committee (ISDSC). The ISDSCs, where they exist, are comprised of the presiding officer, or his or her designee, of every independent special district under the "umbrella" of the Local Agency Formation Commission (LAFCO). Pursuant to state law guiding LAFCOs, the Committee meets to appoint special district representatives to serve on LAFCOs. While Lake LAFCo has special district representation, there remains no independent special district selection committee in Lake County.

Selection of Special District Representative

When no ISDSC exists or when it is not feasible for the ISDSC to meet, state law authorizes the LAFCO Executive Officer to manage the business of the Committee. State law allows provision of ballot materials from LAFCO and response from a district by electronic mail, with the prior concurrence of the presiding officer of the district or his or her alternate as designated by the governing body.

Process to Select Special District Representative to County RDA Oversight Board

The process consists of nomination and election periods. Based on the 2011 law, the Governor will make the appointment on behalf of independent special districts if a special district representative is not appointed. Since the previously appointed member is no longer on an Independent Special District Board of Directors, LAFCo is assisting with the recruitment of a member to fill the seat vacated by Randy Williams who sat on the Lakeport Fire Protection District Board of directors

Nominations

- Boards of directors may nominate any board member as a candidate for the RDA oversight board special district representative position.
- At this time, a formal ballot is not required. A written nomination letter will be sufficient if it provides the name of your nominee and the District Board on which he or she serves. The nomination must be made by an **official action of your Board of Directors and signed by the appropriate Officer of the Board.**
- Nomination letters must be returned to John Benoit, Executive Officer, Lake Local Agency Formation Commission, P.O. Box 2694, Granite Bay, California 95746 by **Wednesday, February 12, 2020**, by U.S. Mail. Alternatively, you may email your district’s nomination to j.benoit4@icloud.com .

Elections

- After the close of the nomination period, Lake LAFCO will determine if a formal election is required if more than one nominee is submitted. If only a single nominee is submitted, that person will be declared the RDA oversight board special district representative and no further action is necessary.
- If multiple nominees are submitted, a mailed ballot will be provided to each district eligible to vote for the special district RDA oversight board representative.
- For the election to be valid, at least a quorum of the special districts listed above must submit valid ballots. The candidate receiving the most votes will be deemed elected as the RDA oversight board special district representative.

Schedule

The following table shows the schedule for the mail ballot nomination and election process:

Friday	January 10, 2020	Start of 30 Day Nomination Period
Wednesday	February 12, 2020	End of Nomination Period
Monday	February 17, 2020	Start of Voting Period (if necessary*)
Friday	March 20, 2020	End of Voting Period

TBD		Ballots Counted
TBD		Results Announced; Districts Notified

*If more than one candidate is nominated

Lake LAFCO encourages your district to consider and submit a nomination for the special district representative to the Lake County RDA oversight board before **February 12, 2018**. If you have any questions about the position or the process, please contact Lake LAFCO staff at (707) 592-7528 or by email at j.benoit4@icloud.com . You may also direct questions to Kelly Cox, RDA Oversight Board chair at kellyfcox@gmail.com .

Sincerely,



John Benoit,
Executive Officer