

Lake Local Agency Formation Commission

Regular Meeting Agenda

January 20, 2016 -- 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

Ed. Robey, (Public Member)
Frank Gillespie (Special District Member)
Joyce Overton (City Member)
Stacey Mattina, Chair (City Member)
Gerry Mills, (Special Dist. Member)
Anthony Farrington (County Member)
Jim Comstock , Vice Chair (County Member)

Commission Alternate Members

Jeff Smith (County Alternate)
Martin Scheel (City Alternate)
Jim Abell, (Spec. District Alternate)
Suzanne Lyons (Public Alternate)

Staff

John Benoit, Executive Officer
P. Scott Browne, Legal Counsel
Kathie Moran, Clerk to the Commission

1. **Call to Order – Roll Call**
2. **Approval of Minutes** – November 18, 2015 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**

Action: Review and authorize payment of expenses for November and December 2015

PUBLIC HEARING

5. **Public hearing regarding an amendment to the Clearlake Oaks County Water District and CSA #16 (Paradise Valley) Spheres of Influence and Annexation of the territory within CSA #16 (Paradise Valley) into the Clearlake Oaks County Water District and concurrent dissolution of County Service Area #16 (Paradise Valley)**
 - a. Adopt Resolution 2016-0001 amending the Sphere of Influence domestic water for the Clearlake Oaks County Water District to include an additional 181 acres more or less of territory.
 - b. Adopt Resolution 2016-0002 amending the Sphere of Influence for Paradise Valley (CSA #16) to a zero Sphere of Influence.
 - c. Adopt Resolution 2016-0003 amending the Boundary of the Clearlake Oaks County Water District to include an additional 181 acres more or less of territory subject to terms and conditions.
 - d. Adopt Resolution 2016-0004 Dissolving the Paradise Valley CSA (CSA #16) effective upon the filing of a Certificate of Completion for the Annexation of the territory within the boundaries of the CSA to the Clearlake Oaks County Water District.

OTHER BUSINESS

6. **Designation of a Complex project. Dissolution of CSA #16 and Annexation to the Clearlake Oaks County Water District and related Sphere of Influence amendments.**
 - a. *Determine this reorganization (LAFCo file 2015-0005) to be considered a "Complex Project" due to the extraordinary staff time required for preparation of the EO reports and completion of the project thereby allowing Counsel and Staff to bill for this annexation at their respective established hourly rates.*
7. **Authorize Staff to attend the Calafco Annual Staff Workshop on March 30 to April 1st, 2015 in Los Angeles.**
 - a. *Authorize staff to attend the Calafco Annual Workshop in Los Angeles*
8. **Executive Officer' s report**

*Cobb Area reorganization
WPD Sphere of Influence
Hidden Valley Lakes CSD MSR and SOI update
Lake County Vector Control MSR and SOI update
700 forms due April 1st www.fppc.ca.gov
Special District members terms expire in May.*

9. 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.

10. Correspondence

11.

Adjourn to LAFCO's next regular meeting: Wednesday March 16th, 2016 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 area 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

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 johnbenoit@surewest.net or by fax at (916) 797-7631. Agenda items are located on the Lake LAFCo Webpage at www.lakelafco.org

LAKE LOCAL AGENCY FORMATION COMMISSION
MINUTES OF SPECIAL MEETING
NOVEMBER 18, 2015

Present:

Stacey Mattina, Chair
Jim Comstock, Vice-Chair
Ed Robey, Public Member
Anthony Farrington, County Member
Frank Gillespie, Special District Member
Gerry Mills, Special District Member
Suzanne Lyons, Public Alternate
Joyce Overton, City Member
Jeff Smith, County Alternate

Staff Present:

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

Absent: Jim Abell, Special District Alternate, Martin Scheel, City Alternate

1. Call to Order/Roll Call

Chair Mattina called the meeting to order at 1:00 p.m. in the City of Lakeport Council Chambers. There was a quorum present.

The Clerk reported the following corrections:

- 1) Page 2, paragraph 7, re: Agenda item 6 corrected due to clerical error. Paragraph now reads as follows: "Commissioner Farrington questioned the need for recusal based on merely owning property within the Sphere. Marsha responded that in light that he recused himself at the last meeting, then he likely should do it now. If there were Mills I live in the current SOI, under the new plan I would be excluded, that is the only conflict. Ms. Burch stated that she didn't see an actual or financial conflict for Commissioner Mills. Chair asked Commissioner Mills what he would like to do. Commissioner Mills stated that he did not feel he has a conflict. All commissioners concurred and Commissioner Mills returned to his seat."
- 2) The Clerk further reported that the Chair had advised her that Commissioner Scheel was misidentified as Mr. Scheel in two sections.

2. Approval of Minutes for the October 14, 2015 Regular Meeting.

Motion by Commissioner Robey, seconded by Commissioner Overton to approve the Minutes of the October 14, 2015 regular meeting, with corrections. Motion carried.

3. Public Comment

Ms. Cawn asked if discussion re: fiscal impacts to special district revenues is on today's agenda, as directed at the last meeting. EO confirmed it would be addressed under agenda item #9.

Ms. Cawn advised that Mr. Dunlap attended the Lake County Recovery Task Force meeting last night and reported that an ad hoc needs assessment committee is working with Ray Raminsky, Lake County Environmental Health Department, to survey all parcel owners in the fire damaged area in order to determine how many plan to or can rebuild to get some idea of what the long term revenue losses will be for special districts, including LAFCo costs.

4. Consent Agenda

Motion by Commissioner Robey. Seconded by Commissioner Comstock, to authorize payment of expenses for September and October 2015. Motion carried.

5. Presentation by Scott De Leon, Lake County Department of Public Works regarding the Sustainable Groundwater Management Act (SGMA) and Lake County's efforts to comply with this State Mandate.

Scott DeLeon, Public Works and Water resources Director for Lake County updated the Commission on County compliance with the Sustainable Groundwater Management Act of 2014 (SIGMA). This report was previously presented to the City of Lakeport at their request.

Mr. DeLeon explained that the act requires local management of groundwater to sustainable levels without causing undesirable results. Undesirable results are defined as follows:

- Chronic lowering of groundwater levels
- Significant and unreasonable reduction of supply
- Reduction of storage
- Seawater intrusion
- Degraded water quality
- Land subsidence.

Mr. DeLeon stated that the Lake County Watershed Protection District is prepared to take the lead in creating the groundwater sustainability agency (GSA). He reviewed the information relating to basins. The county has 13 recognized basins, two of which are considered medium priority by the State. Priorities are based on population and projected growth, water use, degree of groundwater reliance as the primary source of water and any documented impacts. The county has monitored wells in several of the basins since the mid 1960s and some as early as the mid 1950s. He reviewed historic data on water levels and usage and noted that the basins are not in a state of decline or overdraft.

Key implementation dates:

- January 31, 2016 - State to adopt basin boundary regulations. This has been done.
- By June 2016, the State must adopt regulations for evaluating the adequacy of GSAs and GSPs.
- By June 30, 2017 local agencies must form a GSA.
- By January 31, 2020. The local agency must develop a GSP for basins that are considered critical overdraft.
- By January 31, 2022. Basins that are not in critical overdraft must have a plan developed.
- Development of guidelines and regulations for implementation are ongoing. State to provide assistance through consultants to facilitate formation of GSAs. Funding for plan development is available. Mr. DeLeon is part of a working group established through CSAC and RCRC to assist the Department of Water Resources in the development of draft guidelines and regulations.

EO added that the California Water Foundation has produced a "Guide to Forming Groundwater Sustainability Agencies" available online. Discussion is held on agency formation and responsibilities.

Commissioner Mills asked Mr. DeLeon if he is comfortable with the county water monitoring plan. Mr. DeLeon responded in the affirmative.

Commissioner Robey asked about undesignated basins in the county, such as Calyomi. Mr. DeLeon responded the law applies only to medium and high priority basins as designated by the state.

Commissioner Lyons asked about the accuracy of the definitions, and if is there a possibility of reevaluating the designation for the Middletown area in the wake of the fires. Mr. DeLeon responded that if the state was requested to do so there may be an opportunity to reevaluate and that the state has indicated funding is available through Prop 1.

Ms. Cawn asked if the Big Valley Water Zoning Commission has been active, with Mr. DeLeon responding no, not as yet. Ms. Cawn asked where the boundary definition information can be found, with Mr. DeLeon responding Bulletin #118. Ms. Cawn asked why a boundary would have to be adjusted, with Mr. DeLeon noting that these laws were primarily developed for those counties and areas in the Valley with very significant issues with groundwater and as such were the focus of the boundary adjustment sections.

Ms. Cawn asked Mr. DeLeon if he would be bringing back guideline and regulation information to Groundwater Managers, with Mr. DeLeon responding that efforts are still in their early stages, but when the information begins to effect Lake County he will, as well as working with all on the development of the GSA.

Mr. Dunlap asked if there have been discussions with the State regarding the watershed for Putah Creek, noting that with the decimation of the forest there will be more runoff and presumably less percolation, and asked about OES funding, or possibly reevaluating the designation. Mr. DeLeon responded no. He stated that the basin was not designated as a medium priority and the state is not going use the fire impact to adjust the priority. He again reviewed the SGMA priority criteria. Mr. DeLeon noted CalFire has advised to expect a 50% increase in runoff due to the fire.

Mr. Dunlap spoke to impact of the runoff on the watershed and suggested asking for additional monitoring of wells. Extensive discussion was held on the potential storm impact on Putah Creek and that there may be a third basin the state should look at. Mr. DeLeon stated that the County could approach the Department of Water Resources with a request to modify based on the fire situation. Further discussion was held with Mr. DeLeon stating that he would contact the Department of Water Resources by email to ask if, in addition to flood preparation, should the county be looking at subsequent impact on groundwater basins considering that CALFIRE has said to expect 50% more runoff.

Chair Mattina thanked Mr. DeLeon for the information.

6. Discussion regarding Sphere Alternatives for the Sphere of Influence Update - Lake County Watershed Management District.

EO presented the following SOI options for the LCWPD boundary, noting options are not limited to this list.

1. Sphere coterminous with the WPD's existing boundaries. The Sphere and District Boundary would be the same as the present, Countywide.
2. Sphere coterminous with Lake County's Watersheds. (Unsure how this options would be implemented)
3. Only include those watersheds in the Clear Lake Basin area. (This option would send a signal to reduce the size of the WPD to exclude other basins that do not drain into Clearlake).
4. Zero Sphere: This would send a signal the WPD would be dissolved. (Who is to perform the duties the district currently is undertaking and who would provide the services?)
5. Other Boundary Options.

Governance Options

- A. Remain with the County of Board of Supervisors acting as the LCWPD Governing Board.
- B. Appoint or elect an independent Board of Directors and separate the LCWPD from County Government. (This option would require establishment of (conversion to) an independent WPD with an elected or appointed Board of Directors apart from County Government.
- C. Other governance options?

Extensive discussion was held on the responsibilities and purpose of the district, along with on district formation, which Mr. DeLeon stated was formed in the 1950's. Further discussion was held. Commissioner Lyons made statement in favor of a SOI that kept Middletown in, and not coterminous with the county. Discussion was held. Commissioner Robey stated that he does not see a reason to change the current SOI.

Ms. Cawn stated that the reason taxpayers do not want to pay for services in the areas that are federally owned properties is that we cannot manage the watershed in those areas, and if the boundary is the entire county it will include those federal lands and we will then have the responsibility of dealing with their storm water runoff through our municipal separate storm water system. She stated that is where Public Works and Flood Control has the authority, responsibility and funding to provide services, and not on federal land. Mr. DeLeon questioned that statement by asking how much funding comes from all those properties that Ms. Cawn wants to eliminate.

Ms. Cawn suggested a review of number of properties in the cities of Lakeport and Clearlake that are paying for storm water flood control water conservation protection and "aren't getting anything". Mr. DeLeon replied that the property owners receive the benefit of the National Flood Insurance Program that the District administers which results in a 15% rebate on all flood insurance programs in the County of Lake. Mr. Dunlap stated you only receive the benefit if you have the insurance so you would also need to see how many property owners in that area have flood insurance.

Commissioner Lyons stated that she does not favor the removal of the Middletown area if they have paid they should still get the services.

Mr. DeLeon recommends no change in current boundary.

Commissioner Mattina favored keeping it the same.

Commissioners Mills and Robey support Option 1 and Option A. Commissioner Mattina asked EO if he had enough direction. EO responded yes.

7. Middletown Rancheria Annexation to the Callayomi County Water District.

EO reported this item has been pulled from the Agenda. The district failed to negotiate the necessary tax sharing agreement and the proceeding will be terminated.

Discussion turned to the application process and fee deposits. EO explained that there are two kinds of applications done through LAFCo. The first are those done by an agency, and the second are those done by petition or application by property owner. Applications by property owners can be extremely labor intensive for staff and the process itself is different. When LAFCO initiates the application it becomes the CEQA lead agency. EO suggested a review of application deposit fees for non-agency applications to determine a fee commensurate with the time and materials required to process. EO advised he will do a cost analysis and bring the item back for consideration.

8. Out of Area Service agreement for the Hidden Valley Lake CSD necessitated by the Valley Fire.

EO reported that he received a request from Hidden Valley Lake CSD to place approximately 15 mobile home units outside the city sphere and the district boundaries to serve as a "relocation camp" for up to three years due to the fire. The District asked if LAFCo could allow them to do it. EO spoke to Rick Coel who referred to the Governor's Executive Order issued 10/1/15 and Lake County Policy Concerning Permitting of Temporary Dwellings While Recovering from Valley Fire.

Brief discussion is held. Mr. Browne stated that the District is still required to come to LAFCo but EO can be delegated to issue approval. Chair Mattina asks Commission if they agree to authorize EO to issue administrative approval for an out of area agreement for up to three years to locate temporary dwellings as requested by the Hidden Valley Lake CSD.

All Commissioners agree. Direction is given to EO to issue administrative approval for the district request.

9. Discussion of Fire District Financing and Revenue Sources for Fire Districts

EO stated the item was brought back at the request of Ms. Cawn. EO speaks to loss of district revenue due to recent fires. Chief Hutchinson from Lakeport Fire District opens discussion on the financial structure for Lake County Fire Districts. EO stated that some counties provide funding to Fire Districts through Prop. 172 monies, Lake County does not. Discussion is held on potential revenue sources for Fire Districts.

Chief Hutchinson reviews revenue sources, including property tax revenue. Fees are based on commercial and residential fee structures. The Chief stated they receive some mitigation fees (developer fees) which can only be used for specified purposes. Those are at \$1 per square foot. He noted that Fire District revenues vary by district, in Lakeport Fire District sources of revenue include ambulance service which amounts to about 56% of the annual revenue for the Lake County Fire District. In Colusa County they share Prop 172 funds with the Fire Districts and it has been helpful to those districts.

Discussion is held on the Prop 172 funding for Fire Districts.

Chief Hutchinson stated he has had problems finding out the amount of Prop 172 funds Lake County receives. EO stated it should be a line item in the budget.

10. Review and Set LAFCo Regular meeting schedule for 2016

Commission accepted Meeting Schedule as prepared by EO as follows:

January 20	Clearlake
March 16	Lakeport
May 18	Clearlake
July 20	Lakeport
September 21	Clearlake
November 16	Lakeport

11. Executive Officer's report

Clearlake Oaks County Water District and CSA #16 Annexation and Dissolution for 1/20/2016
Rancheria Annex to the Callayomi Co. Water District (terminated)
Hidden Valley Lakes CSD MSR and SOI
Lake County Vector Control MSR and SOI update

12. Commissioner Reports

Commissioner Comstock expressed disappointment that the Rancheria Annexation to the Callayomi Water District didn't go through.

Mr. Browne stated that it is unfortunate that the Rancheria did not see fit to participate in the process.

13. Correspondence – None.

Meeting adjourned at 2:30 p.m.

Next regular meeting: Wednesday January 20, 2016 in Clearlake.

By: _____
Kathleen Moran, Clerk

Lake Local Agency Formation Commission

CLAIMS

November 2015 and December 2015

<u>Date of Claim</u>	<u>Description</u>	<u>Amount</u>
Dec 1, 2015	Staff Services Nov. 2015	\$ 4,590.67
Dec 1, 2015	Special Projects – Nov 2015	
	Lkpt/Fire/WPD SOI	\$ 783.75
Nov 18, 2015	Commission Mtg. Stipend	\$ 540.00
10.16-15 to 11.15.2015	Browne- Legal	\$ 550.00
Jan 1, 2016	Staff Svcs Dec 2015	\$ 5,015.67
Jan 1, 2016	Special Projects CLo	
	Wpd and VCD SOI	\$ 1,072.50
11.16-15 to 12.15-15	Browne Legal	\$ 1,837.50
Dec 16, 2015	Public Notice 2015-005	\$ 108.09
TOTAL:		\$ 14,497.68

DATED: January 20, 2016

APPROVED: January 20, 2016

Stacey Mattina, Chair or Jim Comstock Vice-Chair
Lake Local Agency Formation Commission

Attest:

John Benoit
Executive Officer

Amount Budgeted	Comm. Spend	Supplies	Memberships	Books & Periodic	Attorney Services	LAFCO Clerk	Office Stipend	Staff Svcs	Legal Notices	Trans Travel	Conf Regis	Conf Reserves	Contingency	Insurance	GIS Mapping	Webinars
2015-2016 Adopted Budget	\$ 5,280.00	\$ 250.00	\$ 785.00	\$ 220.00	\$ 16,000.00	\$ 3,000.00	\$ 7,000.00	\$ 48,488.00	\$ 1,000.00	\$ 2,000.00	\$ 1,000.00	\$ 20,000.00	\$ 10,000.00	\$ 1,400.00	\$ 7,500.00	\$ 150.00
Rancheria Annu 2015-0001																
Calaico Dues 2015-2016			\$ (785.00)													
Calaico Registration Ov/ro and Mills																
Browne Ending 7.15.15																
RB-CLO Re-notice Lakeport SOI-RCD																
Jr Staff Svcs July 2015																
Comm Meeting stipend 7.15.15																
RB-CLO Inv16903 7.29.15 Lkpt SOI																
Browne Ending 8.15.15																
Conf reimbursement - Robey																
Conf reimbursement - Overton																
Conf Reimbursement - Mills																
Staff Expenses September 2015																
Browne ending 9.15.15																
Staff Exp October 2015																
Comm Stipend 10.14.15																
Browne Ending 11.15.15																
Jr Staff Svcs November 2015																
Comm Stipend Nov 18, 2015																
Browne Ending 12.15.15																
Staff Svcs December 2015																
CLO CSA 16 reorg Record Bgg																

Remaining in Account	\$ 800.00	\$ 250.00	\$ -	\$ 500.00	\$ 8,378.50	\$ 1,575.00	\$ 2,700.00	\$ 24,243.98	\$ 651.73	\$ 2,000.00	\$ (1,573.85)	\$ 10,000.00	\$ 1,400.00	\$ 7,500.00	\$ 150.00
Expended	\$ (1,620.00)	\$ -	\$ (785.00)	\$ 50.00	\$ (7,024.50)	\$ (1,425.00)	\$ (3,300.00)	\$ (24,244.02)	\$ (348.27)	\$ -	\$ (2,573.85)	\$ -	\$ 30.00	\$ 30.00	\$ -

