

LAKE LOCAL AGENCY FORMATION COMMISSION  
MINUTES OF REGULAR MEETING  
MAY 16, 2012

PRESENT:

Ed Robey, Public Member  
Frank Gillespie, Special Districts Member  
Jeri Spittler, City Member  
Jeff Smith, County Member, Alternate  
Jim Comstock, County Member

ALSO PRESENT:

Marc Spillman, Public Alternate  
John Benoit, Executive Officer  
P. Scott Browne, Legal Counsel  
Lora Ceccon, Clerk

**1. Call to Order/Roll Call**

The meeting was called to order at 9:35 a.m. There was a quorum present.

**2. Approval of Minutes**

Betsy Cawn asked about the Watershed Protection District MSR (under item 8 of the minutes). She noted that there is no discussion on today's agenda. John stated that there has been no response from the County, so there was no need to agendize the item.

**Commissioner J. Comstock moved to approve the March 21, 2012 minutes, second by Commissioner J. Smith, motion carried.**

**3. Public Comment**

Betsy Cawn spoke regarding the Watershed Protection District urging the Commission to look at what the District does. S. Browne stated that the Commission can decide to place this item on a future agenda without it being on today's agenda.

Commissioner Robey recommended that this item be agendized for discussion at a future meeting.

**4. Consent Agenda**

**Commissioner J. Spittler moved to authorize payment of the March and April 2012 expenses, second by Commissioner J. Smith, motion carried.**

**5. Public Hearing regarding the Final Budget for Fiscal Year 2012-2013**

Commissioner Robey stated that an extensive discussion was held during the last

meeting regarding the 2012/2013 budget. John stated that Lafco now has a new website at a fraction of the cost. The budget allows for attendance of two Commissioners at the conference in Monterey. Discussion was held regarding the number of attendees and the cost associated with attending. Commissioner Spittler would like to attend. Commissioner Spillman is unable to attend, and Commissioner Smith would prefer someone else attend. Commissioner Comstock would like to attend if no Special District members are interested, and Commissioner Gillespie would like to attend.

9:53 a.m. – Opened Public Hearing

Ms. Betsy Cawn stated that Lafco currently has two empty seats and one of those new members may want to attend. Also, if the second person does not attend, the money saved will buy a lot of information on the water issue.

9:55 a.m. – Closed Public Hearing

**Commissioner J. Spittler moved to adopt Resolution 2012-0005, a Resolution of the Lake Local Agency Formation Commission adopting its Final Budget of 2012-2013, second by Commissioner F. Gillespie, motion carried on a roll call vote. (5-0-0-1)**

**6. Review and authorize chair to sign a Letter of Opposition to AB-2238-Lafco MSR Studies.**

Commissioner Robey stated that AB 2418 needs to be added to today's agenda.

**Commissioner J. Comstock moved to add AB2418 to today's agenda as the issue came up after the agenda was posted and needs Commission action, second by Commissioner J. Smith, motion carries.**

AB2418 would limit the amount of administrative overhead to 5% for any healthcare district. Redbud currently runs at about 4%. Districts would be required to ask Lafco's permission to exceed 5%. John doesn't feel that this is a Lafco role. Additionally, administrative costs are not clarified in the bill. Discussion followed regarding requirements of the bill and Lafco's role.

Commissioners agreed that a strong letter of opposition to this bill should be written and sent.

John stated that AB2238 adds significant non-funded research duties to Lafco's and could mean additional litigation. We would need a larger budget.

**Commissioner J. Comstock moved to send a strong letter of opposition to AB 2238, second by Commissioner F. Gillespie, motion carried.**

**7. Introduction to new Lake Lafco Website: [www.lakelafco.org](http://www.lakelafco.org)**

John recommended that Commissioners check out the new website. Agendas, minutes, MSRs, etc. will be posted. The new site is easier to maintain than the County one and much cheaper. John would like input and suggestions.

**8. Discussion of the Calafco Staff Workshop held in Murphys, California in April 2012**

John served as a host of this year's staff workshop. He provided a report for the Commissioners. Some of the workshop issues included City SOI, unincorporated disadvantaged areas, SB244, and legacy communities. Discussion followed regarding the workshop. John suggested that there may be a need to include some of these issues on a future agenda for further discussion.

**9. Executive Officer's Report**

a. SB 244 – Wolk General Plans and Disadvantaged Communities – already discussed

b. Legislative Report – already presented

c. Lakeport Service Review and Sphere Update – John stated that the City is proposing to do a loop system. He asked Richard Knoll, Community Development Director, City of Lakeport, to provide information on the project. Mr. Knoll stated that the City is applying for funding from USDA Rural Development. They make funds available for infrastructure development in rural areas. The project has ten different components within the water and sewer systems. Mr. Knoll reviewed the ten components for the Commission. John stated that Lafco is not a responsible agent for this project, and because the sphere has not been updated, health and safety concerns are the only annexations that Lafco could approve. Lafco has some CEQA obligations; John asked Scott to address this point. Scott has written an extensive opinion on this issue.

S. Browne stated that the environmental review that may need to be done in connection with a City sphere may require an EIR. An EIR is a substantial document and usually requires contracting with a consultant. The cost could be \$60,000-\$70,000. If the sphere proposes to add substantial additional undeveloped territory, the environmental impact of the development of that territory has to be considered by Lafco, because you will be indirectly helping growth to occur in the future by including it in the sphere.

S. Browne stated that one alternative may be to update the sphere by adopting what are called coterminous spheres. This would not require an environmental review because the City would not be creating any environmental impact because you are bringing the sphere into the boundary.

John will be meeting with Richard Knoll and staff to discuss alternatives and strategies. Mr. Knoll asked if he could get a copy of S. Browne's legal opinion. Scott stated that he would prefer to first take it to the Commission for a review and decision. Scott will ask for a closed session and then open session to the degree the Commission determines it is appropriate.

Betsy Cawn brought up LACOSAN and the fact that the SOI was never been completed due to an issue with the map. John stated that he has the map and the sphere needs to move forward.

Alan Flora, Lake County Administrative Office, stated that it seems to him that the most reasonable way to go is the coterminous direction. Mr. Flora continued, stating, assume that the City gets the funds from USDA RD and moves forward with the loop system. The County is also doing a feasibility study for water service to the South Main and Parallel Road area. Their concern is the potential for conflict with two water mains in that area. It seems to him that Lafco should have an opinion because of possible conflict.

Commissioner J. Smith stated that there are many questions that need to be considered and so this subject needs to be added to the July agenda for further discussion.

d. Wisely Annex to Bonanza Springs – July 2012 – John stated that this will be on the July agenda: annexing territory that was rejected prior because the map was not prepared by a licensed surveyor.

**10. Commissioner Reports - None**

**11. Correspondence**

a. Letter received from the California Architects Board and the Board of Professional Engineers, Land Surveyors and Geologists.

b. Notice of Intent to adopt a Mitigated Negative Declaration for the City of Lakeport Water and Wastewater Projects.

The meeting was adjourned at 11:12 a.m. – Next Lafco meeting – July 18, 2012