

**LAKE LOCAL AGENCY FORMATION COMMISSION
MINUTES OF MEETING
May 21, 2014**

PRESENT:

Ed. Robey, Chair (Public Member)
Frank Gillespie (Special District Member)
Denise Loustalot, (City Member)
Stacy Mattina, Vice Chair (City Member)
Gerry Mills, (Special Dist. Member)
Denise Rushing (County Member)
Jim Comstock (County Member)

ALSO PRESENT:

Jeff Smith (County Alternate)
Martin Scheel (City Alternate)
Jim Abell, (Spec. District Alternate)
Suzanne Lyons (Public Alternate)
John Benoit, Executive Officer
P. Scott Browne, Legal Counsel
Christy Leighton, Temporary Clerk

1. Call to Order – Roll Call

The meeting was called to order at 9:30 a.m. There was a quorum present.

2. Approval of Minutes – March 19, 2014 minutes

On a motion by Commissioner Gerry Mills, second by Commissioner Jim Comstock, it was voted to approve the minutes as presented with Commissioners Comstock, Gillespie, Loustalot, Mattina, Mills and Robey in favor, Commissioner Rushing absent.

Commissioner Frank Gillespie left the meeting and Alternate Commissioner Jim Abell took his place.

3. Public Comment

Betsy Cawn recommended that everyone read “50 Years of LAFcos” published on the internet by the Senate Committee on Local Government. Available on the CALAFCO website: <http://calafco.org/index.php/2-uncategorised/111-calafco-u-course-announced>

4. Consent Agenda--Action: Review and authorize payment of expenses for March and April 2014

The Consent Agenda items were reviewed by the Commission. On a motion by Commissioner Gerry Mills, second by Commissioner Stacy Mattina, it was voted to approve the Consent Agenda with Commissioners, Abell, Comstock, Loustalot, Mattina Mills and Robey in favor, Commissioner Rushing absent.

Commissioner Rushing arrived and joined the meeting.

Public Hearings:

5. Public Hearing regarding the Service Review for the Watershed Protection District

a. Receive Executive Officer’s Report, review the hearing draft Service Review, conduct public hearing and receive public comment.

b. Consider LAFCo Resolution #2014-0002 adopting a Service Review and determinations for the Watershed Protection District.

Executive Officer, John Benoit, presented the Executive Officer’s Report on the Watershed Protection District Service Review. He noted that the District was transformed by SB 1136 which amended the State Water Code in 2004. The Watershed Protection District covers the whole County and has numerous tasks including Lakebed Management, Protection of Groundwater, Protection of Aquatic Plants, and the Clean Water Program.

The District is considered a “Dependent Special District” as defined in Section 56032.5 of the California Government Code because the Board of Supervisors is the Board of this District. A change to an elected Board of Directors would require a change in the State Law.

John Benoit noted that the Lake County Public Works Director, Scott DeLeon, was in charge of the District and spends 25% of his time on the District. He is assisted by the Public Works staff, County Counsel, County Auditor for a total of 6.75 full-time staff equivalent positions. John Benoit reviewed the Determinations in detail and noted that the District's website could be improved to provide a clearer picture of the District's functions, goals, and effectiveness. He also noted that the funding for various District projects was listed in different places within the County Budget. The audit for the District was not separate but was part of the over-all County audit.

The Public Hearing was opened by Chair Ed Robey.

Betsy Cawn stated that the public had insufficient time to review the Watershed Protection District Service Review because it was only available on the Lake LAFCO website as of May 15, 2014, five days before the Public Hearing.

Mike Dunlap stated that he did not understand why the Watershed Protection District was a "dependent" district and why it would take an act of the State Legislature to change the Board of Directors to a separate elected board. He does not think that the District is well managed and agrees that the website is unclear. He agrees that the District Budget is hard to understand and that a separate audit should be required. He thinks that the District should use the power of eminent domain to correct inappropriate land uses.

Lolita Adrien stated that she hopes that the Watershed Protection District will become more visible and that people will understand the use of tax funds. She thinks that the District needs to invest in public outreach. She agrees that there is a need for a separate Budget for the Watershed Protection District and she wants the District to show what they do with more publicity for the various projects.

Dallas Cook stated that she had lived in Lake County for 24 years but only became aware of Lake LAFCO in 2006. She does not understand science but hopes that the Watershed Protection District will invest in outreach and marketing because there is a tax measure on the Ballot for the June 3, 2014 election.

James Brown stated that he wants the Tribal Governments included in any public outreach campaigns.

Betsy Cawn submitted a lengthy comment letter and spoke about some of the more important comments. She would like to see the Determinations strengthened and thinks that Lake LAFCO should require the District to prepare a Strategic Plan. She wanted the Service Review to clearly explain the relationship of the District with the cities, the County, and the Clean Water Program. She criticized the Board of Supervisors for meeting "concurrently as the Board of Supervisors and the Board of the Watershed Protection District" rather than meeting separately for each function.

Betsy Cawn criticized the inclusion of information on the volunteer Resource Management Committee on page 12. She agreed that the Watershed Protection District website was not adequate and said that this should be emphasized more in the Service Review. She felt that the contributions of volunteers should be recognized.

Scott DeLeon commented to clarify that Betsy Cawn is a volunteer with the Community Development Department.

Betsy Cawn stated that the Watershed Protection District needed a separate Budget that included all programs under the District and that a separate audit should be done. She discussed the importance of working together with other watershed protections groups as noted on page 23. She noted the importance of citizen committees and said that citizen participation was stressed in the OPR "LAFCO Municipal Service Review Guidelines." She noted that there is now a Facebook page for special districts in Lake County.

Suzanne Lyons stated that the Watershed Protection District had no public information and out-reach because it was too expensive. People were referred to the website but sometimes people need other forms of information. She had heard Scott DeLeon make a presentation on Measure L but more needs to be done. She is still confused about the Watershed Protection District and requested that the MSR be delayed until the District activities and programs can be clarified.

Alan Flora from the Lake County Administrator's Office stated that the purpose of the MSR was for an analysis of the Sphere of Influence change or update. It is a challenge to provide information to the public because it costs money. He states that the budget decisions are made by the elected Board of Supervisors as they see fit. The County has an elected auditor and there is no need for a separate audit. He felt that the accounting comments on pages 17-18 were not correct and that the County meets all the requirements of the State Code. There is no "double counting" of revenue. He recommend deletion of determinations 4-4 and 4-5.

Tom Slaight stated that he has spoken at the Board of Supervisors but he is ignored by County government.

Carter Irwin stated that he is interested in water and money and he wants the MSR to be held over for further consideration. He does not approve of the Board of Supervisors sitting concurrently as the Board of Supervisors and the Board of the Watershed Protection District. He wants to see a separate audit of the Watershed Protection District.

Tom Slaight stated that Lake County has a credibility problem.

Betsy Cawn stated that it is within LAFCO's purview to ask financial questions.

Eva Johnson wants the public to understand what is going on. She requested a flow chart showing how all the organizations and programs mentioned relate to each other.

Mike Dunlap requested that all of Betsy Cawn's written comments be read out loud.

The Commission discussion was opened.

Commissioner Denise Rushing stated that she wanted this MSR and that it is a difficult area to understand. There is a need for public information and clarification. She stated that the Lakebed Management Budget was \$251,000 which was relatively small and when funds are tight, public outreach is the first thing to be cut back. It is expensive in staff time and funding to manage volunteers and that sometimes a volunteer might need to be fired just like an employee.

Commissioner Rushing asked Counsel Scott Browne if the Watershed Protection District could levy taxes or fees. Counsel Browne replied that taxes would require a vote according to Proposition 218 and that fees would require a protest hearing according to Proposition 218.

Commissioner Rushing questioned the need for a separate Board of Directors. She noted that the Board of Supervisors had to function in numerous capacities such as the Board of LACOSAN and she felt that they were knowledgeable and could handle the different responsibilities adequately. Counsel Browne emphasized that it would take an act of the Legislature to change the Board of Directors from the Board of Supervisors.

Commissioner Rushing recommended that all citizens become involved in land use planning because planning decisions really made a difference in the County.

The Commission directed John Benoit to add the comments to the MSR and bring it back to the next meeting. The Commission continued the Public Hearing to July 16, 2014 at 9:30 a.m. at the Lakeport City Hall.

The Chairman called for a 15 minute break and the meeting resumed after the break.

The Public Hearing was reopened and the Commission agreed to continue the Public Hearing to September 17, 2014 at 9:30 a.m. at the Clearlake City Hall.

6. **Public Hearing Regarding an amendment to LAFCo's adopted policies to include a policy regarding Disadvantaged Unincorporated Communities (DUCs).**
 - a. *Receive Executive Officer's Report and conduct public hearing.*
 - b. *Consider Resolution 2014-0003 adding section 2.19 Disadvantaged Unincorporated Communities to LAFCo's Policies, Standards and Procedures*

Executive Officer John Benoit presented a brief report on the proposed DUC Policies. The Public Hearing was opened. There were no comments from the public. The Public hearing was closed.

On a motion by Commissioner Jim Comstock, second by Commissioner Stacy Mattina, it was unanimously voted to adopt Resolution 2014-003 with Commissioners Abell, Comstock, Loustalot, Mattina, Mills, Rushing and Robey in favor and none opposed.

7. Public Hearing regarding the 2014-2015 Lake LAFCo Final Budget.

- a. *Review Executive Officer's Report, Conduct Budget Hearing on the Final 2014-2015 Lake LAFCo Budget and Consider Resolution 2014-0004*

Executive Officer John Benoit presented a report on the Proposed Budget for 2014-15. The Public Hearing was opened. There were no comments from the public. The Public hearing was closed.

On a motion by Commissioner Jim Comstock, second by Commissioner Denise Rushing, it was unanimously voted to adopt Resolution 2014-004 with Commissioners Abell, Comstock, Loustalot, Mattina, Mills, Rushing and Robey in favor and none opposed.

Action Items:

8. Appreciation for the work performed by the Watershed Protection (District) Service Review Committee having completed their task as a Committee.

- a) *Thank the individuals who served on the MSR committee for having completed their task*
- b) *Since the MSR committee has completed its task, abolish the MSR Committee.*

The Commission agreed that the Committee was greatly appreciated.

Suzanne Lyons stated that the Committee should continue and that the hours of volunteer service could be used as match for a grant.

Betsy Cawn stated that the Committee could assist with the upcoming MSR on the Resource Conservation Districts.

Mike Dunlap stated that the Committee should continue until the MSR is revised and adopted.

Martin Scheel cautioned that the Public Hearing was continued to September 17, 2014.

Commissioner Rushing noted that the Lakebed Management Budget was relatively small at \$251,000. She thought that the Committee's work was done unless someone could provide the diagram of groups and programs mentioned by Eva Johnson.

Commissioner Comstock thought that the Committee's work was done.

Jeff Smith suggested that the Committee remain viable until the MSR is adopted.

Betsy Cawn suggested that the Commission examine the Ventura County Flood Control website for ideas regarding citizen involvement.

The Commission agreed by consensus that the Committee should continue until the MSR is adopted.

Commissioner Rushing left the meeting.

9. Discussion regarding the CALAFCO Annual Workshop in Berkeley on April 23-25, 2014

Executive Officer John Benoit and Counsel Scott Browne discussed the Workshop and John Benoit gave each Commissioner a chart showing the history of LAFCO. John Benoit noted that different LAFCOs can have very different approaches depending on the Executive Officer. Scott Browne reported that Shasta LAFCO had been sued for failing to prepare MSRs and the Court stated that they had to prepare them.

10. Acknowledgement and appreciation for Lora Ceccon for assisting Lake LAFCo in providing LAFCo Clerk Services since November 2001.

The Commission agreed that Lora Ceccon should be thanked for her many years of assistance to Lake LAFCo.

John Benoit asked that the Commissioners recommend someone to him who could be hired to take minutes in the future.

11. Executive Officer's report

a. Minnie Cannon Annex to the Callayomi Co. Water District

John Benoit noted that the District and the County were working on the tax exchange resolution and when it was ready the annexation could move forward.

b. City of Clearlake Service Review

John Benoit noted that the City of Clearlake had completed the EIR on the General Plan and that comments were due June 30, 2014. This City had a hearing on the EIR scheduled for Saturday, May 24, 2014.

c. Fire Chief's Association and Fire Service Reviews

John Benoit noted that the fire districts have 19 ambulances available to the County and this investment should be protected if possible.

d. RCD's Service Review

e. Meeting with the HVLCSD staff and the Hidden Valley Lake Service Review

12. 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.

There were no Commissioner Reports.

13. Correspondence

a. City of Clearlake General Plan EIR Notice of Completion: Comments due June 30, 2014

14. Adjourn to LAFCO's next regular meeting: Wednesday July 16, 2014 in Lakeport

The meeting was adjourned at 12:30 p.m.