

**SUTTER COUNTY LOCAL AGENCY FORMATION COMMISSION
MINUTES**

Date: April 28, 2005
Yuba City Council Chambers
1201 Civic Center Blvd., Yuba City

1. CALL TO ORDER

Executive Officer Combs called the meeting to order at 4:00 p.m.

Executive Officer Combs stated that due to the absence of the Chairman and Vice Chairman it is appropriate for him to call the meeting to order and for the Commission to elect a chairperson for today's meeting.

On a motion by Commissioner Montna and seconded by Commissioner Cartoscelli, Commissioner Nelson was selected as Chairperson for the meeting of April 28, 2005.

The motion was carried by a unanimous voice vote.

2. ROLL CALL

Members Present: Commissioners: Cartoscelli, Richards, Hager, Montna, Nelson, and Tarke

Members Absent: Commissioners: Islip

Staff Present: Executive Officer Larry Combs, LAFCO Counsel Janet Bender, Senior Planner Doug Libby, and Office Assistant Debbie Howell

3. PLEDGE OF ALLEGIANCE

Commissioner Cartoscelli led the audience, Staff, and Commission in the Pledge of Allegiance.

4. APPROVAL OF MINUTES

On a motion by Commissioner Montna and seconded by Commissioner Richards, the minutes of the meeting of February 24, 2005 were approved.

The motion was carried by voice vote, with Commissioner Cartoscelli abstaining.

5. PUBLIC HEARINGS

Consideration of a preliminary Budget for LAFCO for fiscal year 2005–2006

Senior Planner Libby summarized the previously circulated staff report and presented the Commission with replacement attachments to their staff report to assist the Commission in its decision making process.

Commissioner Cartoscelli asked if staff has entered into a contract based on the numbers reflected in the budget. Senior Planner Libby responded that staff has not entered into a contract with a consultant. .

Executive Office Combs stated the numbers being used are based on a response staff received from the circulation of an RFP and is an estimate. He continued that there is a list of things that have to be done and checked. The consultant will probably break down the cost according to the type of district, city, and the time spent on each district.

Chairperson Nelson asked Senior Planner Libby if he could summarize for the Commission what a municipal service review is and how does it relate to a sphere of influence.

Senior Planner Libby responded that the State Legislature mandated nine different categories that must be analyzed in a municipal service review. Mr. Libby then summarized the categories for the Commissioners.

Commissioner Cartoscelli asked if the consultant will breakdown the cost before the contract was signed. Mr. Libby responded that the costs for each review have been estimated and are reflected on the replacement attachments distributed before the start of the meeting.

Commissioner Richards asked if the consultant will complete the project in one year or if it will go into the next fiscal year.

Mr. Libby explained at the time the RFP was done, the consultant felt at that time, they could get the work done by the end of this year. The contract will be worded so that it will not exceed \$165,000. It will likely take a year to complete the reviews. If the Commission chooses to fund the entire \$165,000, staff will return with a request to authorize the Executive Officer to enter into a contract with the consultant.

Chairperson Nelson asked Mr. Libby to briefly give overview of the budget proposal.

Senior Planner Libby summarized the budget proposal and stated staff is recommending the Commission fund the entire \$165,000 to pay for consultant to complete these reviews; appropriate 20,000 in reserve, 10,000 for contingency (as proposed in attachment B) and charge the cities and districts a proportionate share of the remaining \$54,000 necessary to balance the budget and complete the required MSR and SOI updates. This concludes Mr. Libby's comments.

Commissioner Cartoscelli asked if these additional costs can be passed on through fees. Mr. Libby replied that LAFCO fees are already handled at an at-cost basis.

Chairperson Nelson opened the public hearing.

Jim Van Dyke, 4114 Pleasant Grove Rd, Pleasant Grove, representing South Sutter Water District stated he is dissatisfied with the 68% increase in the budget and doesn't see how the board could accept the bid the way it was outlined.

Executive Office Combs clarified for Mr. Van Dyke that the Commission is required by State law to adopt a budget. Staff has done their best to estimate the cost and has done everything accordingly to law, and which law requires the Commission to perform these reviews every five years. The Commission isn't accepting the bid they are only approving a budget for next year which is an estimated cost to operate next year.

George Vanruiten, 14104 Kranmore Road, Knights Landing, representing Reclamation District 1500 stated he agreed with Mr. Van Dyke. Mr. Vanruiten wanted to know if the \$165,000 fee was included in doing business at-cost. He also stated that he and his board members were unhappy.

Some discussion and clarification took place.

Chairperson Nelson asked if there were any other comments from the public, Commissioner Nelson decided not to close the public hearing so that the public could respond to the Commission's discussion of the budget.

Commissioner Montna stated no one likes this idea; but if we don't pass this budget today, were in violation, then coming back and amending this budget at a later date, and then we also jeopardize the avenue that somebody could challenge the district.

Executive Office Combs stated that the Commission is self sufficient and has no other resources other than through this budgetary process.

Commissioner Montna asked if the budget were passed as prepared can the Commission go back out for a re-bid on the service contract. Executive Office Combs replied this is one case where you are absolutely bound by State Law. Once the Commission approves its budget, that amount of money is allocated in a one-third share formula.

Commissioner Richards stated she did not approve of the \$10,000 appropriated for contingency expenditures. She explained that the Commission hasn't used it in previous years, and we should take a look at the time spent by who ever we go with in completing the review. Commissioner Richards stated that she believed that the City of Live Oak will take longer to prepare than the City of Yuba City.

Executive Office Combs referred to the document "LAFCO Breakdown of Cost", and replied that the numbers presented are the consultant's estimate to complete each review. Mr. Combs pointed out that by looking at the costs shown, the consultant has shown that the districts will typically take less time to complete than the cities. Mr. Combs stated that there is only one district that is in a growing area that is the Sutter Community Service District; which the consultant has identified as requiring additional work.

Chairperson Nelson stated that public session was still open and if there were any thoughts or comments from those representing the districts.

Leonard Pelfrey, 7200 Butte Ave, representing Sutter Cemetery District, stated Mr. Libby, Mr. Cochran and himself, worked together last year and completed the Sutter Cemetery District review. Mr. Pelfrey wanted to clarify since his district had completed their review, and the consultant did not have them listed or charging the district, would the district still have to share the cost?

Executive Office Combs replied that if a district's review has been completed that there would be no additional cost for that district.

Chairperson Nelson closed public hearing.

Some discussion and clarification took place between the Commissioners.

A motion was made by Commissioner Cartoscelli and seconded by Commissioner Montna to approve the preliminary budget as prepared by staff.

The motion was carried by a unanimous voice vote.

6. OTHER BUSINESS

LAFCO-04-06: Tierra Buena Area 2 Reorganization No. 322. Report from staff regarding the results of the Conducting Authority Proceedings that were conducted by staff.

Senior Planner Libby summarized the previously circulated staff report and noted that there was no protest received against the reorganization during the public hearing conducted by staff. As a result, staff recommends the Commission adopt resolution 2005-04 that will conclude the proceedings for this proposal.

It was moved by Commissioner Cartoscelli and seconded by Commissioner Richards to adopt Resolution No.2005-04 completing conducting authority proceedings for the reorganization of territory designated as the Tierra Buena Area 2 Reorganization No. 322.

The motion was carried by a unanimous voice vote.

7. COMMENTS FROM THE PUBLIC

George Vanruiten, 14104 Kranmore Road, Knights Landing, asked the Commission whether the \$165,000, can be factored into the Commission's fees that are charged to applicants.

Executive Office Combs stated that the law is very specific on what fees can be charged for and that there has to be a relationship of the fee being charged to the work being completed. Due to the relative low volume of applications that are received, the Commission could never recover all of the costs.

Mr. Vanruiten stated that now he has to go back to his trustees and tell them they have to pay more and that his trustees will not understand why they are paying more.

Chairperson Nelson asked if there were any other comments. Seeing there were none, the Commission moved on in its agenda.

8. ADJOURNMENT

There being no further business before the Commission, the meeting was adjourned at 5:10 p.m.

Respectfully submitted,

Larry T. Combs
Executive Officer