

Calaveras Local Agency Formation Commission

Regular Meeting Minutes – Monday, September 18, 2017

1. **Call to Order/Pledge of Allegiance/Roll Call** – Order was called by Chair M. Oliveira at 6:08 p.m., on Monday, September 18, 2017, in the Calaveras County Board of Supervisors Chambers, County Administrative Center, San Andreas, California.

Commissioners Present

Michael Oliveira, Chair, County Member
Anita Paque, Vice Chair, Public Member
Amanda Folendorf, City Member
Gary Tofanelli, County Member
John Dashner, Special Dist. Mem. Alt.
Linda Hermann, City Member
Roark Weber, Public Member Alt.

Commissioners Absent

Joseph Oliveira, City Member Alt.
Dennis Mills, County Member Alt.
Tony Tyrrell, Special Dist
John Lavaroni, Special Dist

Staff Present

John Benoit, Executive Officer
Nancy Mees, LAFCO Clerk

Others Present

2. **Approval of Agenda:**

MOTION by Commissioner Dashner to approve the Agenda as presented, second by Commissioner Tofanelli. Motion passed 6 yes, 0 no, 1 absent, 0 abstention.

3. **Consider Minutes from the July 17, 2017, LAFCo meeting:**

Dr. Randy Smart, from the audience, stated that on page 5 of the Minutes, it should read that he is the new Executive Director of the Mark Twain Healthcare District, not of the hospital.

MOTION by Commissioner Tofanelli to approve the Minutes as corrected, second by Commissioner Folendorf. Motion passed 6 yes, 0 no, 1 absent, 0 abstention.

4. **Consent Agenda:**

MOTION by Commissioner Tofanelli to approve Claims for July and August 2017 as presented, second by Commissioner Dashner. Motion passed 6 yes, 0 no, 1 absent, 1 abstention.

5. Workshop – Saddle Creek CSD Service Review and Sphere of Influence:

Receive Service Review and Sphere of Influence Report, review Workshop Draft and provide comments from Commissioners and the Public. The Workshop Draft Report will be placed on the LAFCo website, www.calaveraslafco.org, and this workshop will be continued to the next available meeting.

Executive Officer Benoit reviewed the services provided by Saddle Creek CSD and said the last Service Review had been done in 2006. He then went over the items that were reviewed in updating the SR. He added that, per SB 244, any possible Disadvantaged Unincorporated Communities must be evaluated in the next update of a Sphere of Influence made after June 30, 2012, but that there are no such communities within the Sphere of Saddle Creek CSD.

Mr. Benoit then reviewed the eight bulleted items in the Executive Summary on pages 10-11 of the Draft MSR/SOI, as well as briefly pointing out the MSR Determinations on pages 33-36 and the SOI Update and Determinations on pages 37-40. He stated that two options had been identified with regard to the SOI, and that Option 1 was chosen because there does not appear to be any need to change the SOI to reflect possible future development at this time.

Mr. Benoit then asked the Board to read the Draft Review and added that it is also up on the LAFCo website. In conclusion, he stated that no real problems had been found with Saddle Creek CSD.

Commissioner Dashner asked how many members are on the Saddle Creek CSD Board, and Mr. Benoit replied that there are five. Mr. Benoit then noted that he would like to hold the Adoption Hearing in a couple months. Commissioner Folendorf asked if the residents have been notified, and Mr. Benoit responded in the affirmative and said they would also be notified of the upcoming hearing.

Commissioner Oliveira asked whether Castle & Cooke have any intentions of continuing their development project in that area, and Mr. Benoit said no.

6. Executive Officer's Report.

a. Little Hoover Commission – Final Recommendations

Executive Officer Benoit stated that the entire report is on the website, and that many of the Recommendations in it will be driving legislation in the coming year.

Mr. Benoit reviewed the various recommendations in the Executive Summary, beginning with its statement that the goal of the Little Hoover Commission (LHC) is to try to get higher quality local control of special districts and to curtail legislation that overrides the local LAFCO process.

The second recommendation involves one-time grant funding for specified LAFCO activities. Mr. Benoit's concern is that the counties which will most likely receive the grants are the ones which do not really need the money. He feels their needs to

be adequate oversight of the grant process to prevent this from happening, although Calaveras County is doing fine and will probably not need any funds.

Recommendation 3 discusses SB 448, which is on the governor's desk and, if signed, will require that special districts provide an annual audit to the local LAFCO. If not done, the district will be put on a list, the state will consider it inactive, and the state will ask that local LAFCO to dissolve the district. Commissioner Paque explained that a district is considered inactive if it has no assets, no debts, and has had no financial transactions for the past year. However, she added, all that is necessary to show that a district is active is to provide a bank statement showing recent transactions. Mr. Benoit stated that a number of CSAs have already fulfilled the purpose for which they were set up, and are no longer needed. This legislation will make it easier, thus less expensive, to dissolve them due to the removal of the protest hearing requirement contained in this bill.

Mr. Benoit explained that Recommendation 4, which is meant to make it easier to put special district representatives on LAFCO boards, does not affect Calaveras County too much as we already have special district voices on our Commission.

With respect to Recommendation 5 that LAFCO Commissioners be given fixed terms, Mr. Benoit's only comment was that he wants to see how this will work since most Commissioners are appointed "at the pleasure" of a district, city or county.

Mr. Benoit approved of Recommendation 6's request to simplify the protest process for consolidations and dissolutions because they are currently too complicated.

He explained that the reason behind Recommendation 7 regarding special district financial reserves is that there are some districts whose reserves are unnecessarily high. Recommendation 8 is related, and states the definitions for special district financial reserves need to be standardized.

Recommendation 9 states that every special district should have a website that includes several key components. Mr. Benoit commented that about half of the districts in Calaveras do not have a website. Commissioner Tofanelli remarked that the cost of establishing and maintaining a website can be too expensive for some districts. Mr. Benoit responded that in some counties, the county has offered to let special districts post on the county website. In addition, the cost of setting up a website is not that expensive anymore, although he agreed that the cost of having a person to maintain that site could be a problem.

Mr. Benoit said that Recommendation 11, a directive to CSDA, would help alleviate the problem in some districts where the same people have been on a special district board forever. The LHC wants to encourage more public participation.

Mr. Benoit finished by briefly summarizing Recommendations 12-19 with minimal comment

b. Current and Anticipated Projects

Executive Officer Benoit reported that he had met with Supervisor Clapp regarding converting CSA1 to a CSD. There has also been an inquiry for a small annexation to Union Public Utility District for water. Murphys Sanitary District is still looking at annexing the Ironstone property.

On September 27, Mr. Benoit has a meeting with the auditor, assessor, elections, etc., to review last year. They do this each year and it has allowed for good communication between the various groups. A meeting is also pending for October 10 with Angels Camp regarding the city and rural fire districts merging, creating a JPA, or having some other agreement. That date, however, may change.

Finally, Mr. Benoit stated that Commissioners Dashner, Tofanelli, Paque, Folendorf, and Tyrrell will be attending the state CALAFCO Conference in October.

7. Commissioners Reports.

Commissioner Paque said that, going back to the question of the LHC's desire to aid enforcement of LAFCO recommendations, the feeling has been that, when a LAFCO gives recommendations in an MSR to a local special district, they are often filed away and ignored. So the LHC is trying to improve the likelihood that districts will instead at least put the MSR and its recommendations on an agenda for a public meeting. Mr. Benoit added that LAFCOs have sometimes also tried to obtain special district compliance in areas that are growing by including conditions in an annexation.

(The Commission went on to take public comment, then realized it had not finished with Commissioners Reports, so came back to it.) Commissioner Oliveira reported that the bridge is in (or at least on the truck) on Bladen Road.

Commissioner Dashner thanked the Board of Supervisors for their dispersion of Prop 172 funds to the special districts.

Executive Officer Folendorf reported that one of the city plant projects had been completed, and work is now taking place on the Murphys plant.

8. Public Comment.

Commissioner Weber spoke from the audience to say that he encouraged all the members to read the Little Hoover Commission Executive Summary. He stated that he did not agree with the comment of the LHC on page 5 that the "special district sector often amounted to a

poorly overseen and largely invisible governing sector serving residents who knew little about who runs them or what they pay in taxes to sustain them.” He said that had never been his experience with the special districts with which he has been involved, and he has found them to be run by very dedicated people. He also objected to some of the recommendations of the LHC because he felt they were addressing specific issues that might be good for a particular area, but could be a problem when applied across the board to everyone.

9. Adjournment.

Meeting was adjourned at 6:58 p.m. The next regular meeting will be November 20, 2017, at 6:00 p.m., in San Andreas. Commissioner Oliveira asked about skipping the October meeting, and Mr. Benoit replied that, due to the lack of necessity for meeting monthly, we have been meeting every other month on a somewhat regular basis. Commissioner Oliveira said we might want to look at making the every-other month schedule when setting up next year’s meeting calendar.

Minutes submitted by Nancy Mees.

DATED: _____

APPROVED: _____

Michael Oliveira, Chair, or Anita Paque, Vice
Chair, Calaveras Local Agency Formation