

MINUTES OF January 24, 2007

STATE OF CALIFORNIA, COUNTY OF EL DORADO

1. CALL TO ORDER AND ROLL CALL

The meeting of the Local Agency Formation Commission held January 24, 2007, was called to order at 5:30 p.m. by Chair Long in the meeting room, Building C of the Government Center, 2850 Fair Lane, Placerville, California. Regular Members present were: City Members Ted Long and Carl Hagen, District Member Gary Costamagna, County Members James R. Sweeney and Ron Briggs and Public Member Francesca Loftis. Others present were: Alternate City Member Roberta Colvin, Alternate District Member Robert Larsen, Executive Officer José C. Henríquez, Policy Analyst Erica Sanchez, Commission Clerk Allison Parsons and LAFCO Counsel Tom Gibson.

ROLL CALL - VOTING MEMBERS:

Long, Costamagna, Briggs, Hagen, Larsen, Loftis, Sweeney

2. CONSENT CALENDAR

- A. ADOPTION OF AGENDA
- B. MINUTES OF THE MEETING OF DECEMBER 6, 2006
- C. APPROVAL OF CLAIMS
- D. AMENDMENT TO EXECUTIVE OFFICER CONTRACT – INCREASE IN COMPENSATION AND EXTENSION OF TERM
- E. CONTINUE THE PUBLIC HEARING TO CONSIDER THE ENVIRONMENTAL REVIEW AND THE NAEF REORGANIZATION TO EL DORADO IRRIGATION DISTRICT (EID) AND THE EL DORADO HILLS COMMUNITY SERVICES DISTRICT (EDHCS) (LAFCO PROJECT NO. 05-06)
- F. COMMISSIONERS' TERMS OF OFFICE REALIGNMENT
- G. CHANGES TO THE COMMISSION'S POLICIES AND GUIDELINES

LAFCO counsel, Tom Gibson, pulled consent item D for clarification of the terms of the effective date for the Executive Officer compensation.

Commissioner Sweeney pulled consent items F and G.

MOTION

Commissioner Sweeney moved to adopt consent calendar as amended, second by Commissioner Costamagna.

ACTION

The Commission voted unanimously to approve the motion.

Mr. Gibson asked the Commission to set a beginning date for the compensation increase for the Executive Officer.

MOTION

Commissioner Hagen made the motion to adopt Item D at the January 1, 2007 effective date and amending the contract for two years from January 1, 2007, second by Commissioner Costamagna.

ACTION

The Commission voted unanimously to approve the motion.

Commissioner Sweeney stated he would like to continue item F until the February 28, 2007 meeting to request clarification of the County Representatives' terms from his County Counsel.

MOTION

Commissioner Sweeney made the motion to continue item until next meeting, second by Commissioner Briggs.

ACTION

The Commission voted unanimously to approve the motion.

Commissioner Sweeney asked for clarification on Item G. He asked if the only change in the policy was from County Auditor to LAFCO Executive Officer.

Commissioner Briggs suggested the language be changed from "Executive Officer" to "Executive Officer or Commission" in other portions of the guidelines.

MOTION

Commissioner Sweeney made the motion to add the language "Executive Officer or Commission" to Sections 2.4.6, 2.4.7, 2.4.8, 2.4.9, 2.4.10 and anywhere else there is "Executive Officer" without the "or Commission", second by Commissioner Briggs.

ACTION

The Commission voted unanimously to approve the motion.

3. PUBLIC FORUM/PUBLIC COMMENT

Chair Long opened the public forum.

Art Marinaccio from Shingle Springs spoke to the Commission regarding a discussion he had with the El Dorado Irrigation District. He proposes a blanket annexation of the eight community regions within EID's sphere of influence that are not in their district, as opposed to bringing the properties for annexation one at a time. He said the County has made the decision to urbanize these areas, they should be serviced with sewer and water and that it is appropriate for EID to look into it.

4. ELECTION OF LAFCO OFFICERS FOR 2007

Mr. Henriquez notified the Commission of the policy to select a chair and vice chair in the month of January as well as a third signer for the LAFCO checking account. For the latter, usually a Commissioner that resides near Placerville is selected. He also reminded the Commission the person selected as chair can only serve two terms, per the Commission's Policies and Guidelines.

MOTION

Commissioner Costamagna nominated Ted Long for Chair of the Commission, second by Commissioner Loftis.

ACTION

The Commission voted unanimously to approve the motion.

MOTION

Commissioner Sweeney nominated Francesca Loftis for Vice Chair, second by Commissioner Hagen.

ACTION

The Commission voted unanimously to approve the motion.

5. CONSIDERATION AND ADOPTION OF AMENDMENT TO THE NEW EL DORADO LAFCO FEE SCHEDULE

Mr. Henriquez made the recommendation that the Commission amend its new fee schedule to include a de minimis fee for technical and non-controversial boundary changes.

Commissioner Sweeney said he appreciated Mr. Henriquez's work and his quick action.

Commissioner Briggs asked the Commission if it would be appropriate to add the language "Executive Officer or Commission" to the fee schedule as well. Mr. Henriquez replied the processing of the project application is at the staff level, so it would not be necessary to include "or Commission" at that stage. If an applicant is unsatisfied with staff's decision made while processing the application, he or she can appeal directly to the Commission. The Commission has the discretion to approve, deny, or conditionally approve the appeal.

Chair Long asked how administrative duties would be handled in the absence of an Executive Officer.

Mr. Gibson advised the Commission to appoint an interim Executive Officer if the office is unoccupied.

Chair Long opened the Item to Public Comment. No one came forward to speak. The public hearing was closed.

MOTION

Commissioner Sweeney moved to adopt staff recommendation, second by Commissioner Loftis.

ACTION

The Commission voted unanimously to approve the motion.

6. DISCUSSION ON THE DESIGNATION OF CSD LATENT POWERS

Mr. Henriquez gave a presentation and summarized the staff report given to the Commission regarding a CSD's latent powers.

Commissioner Larsen asked Mr. Henriquez if the CSDs have been notified of the process. Mr. Henriquez stated most CSDs are aware of this designation of latent powers because SB135 re-wrote their principal law. Staff will be notifying the districts of the services they are empowered to but not currently providing. Staff will then be recommending to the Commission the designation of a CSD's latent power(s).

Commissioner Hagen asked Mr. Henriquez what the law states regarding small CSDs that do not have a full staff of Board members or even a volunteer for President. Mr. Gibson replied he did not believe those types of CSDs would try to provide services they are not capable of providing. If they did want to provide those services, they would have to give reasoning and a plan of service. He said one reason for the basis of the MSR is to identify those types of CSDs and have LAFCO take action to dissolve or consolidate/merge them into existing CSDs.

Commissioner Sweeney stated that if a CSD is formed for the purpose of maintaining roads, it is most likely collecting fees on the tax rolls. He believes an argument could be made that those are public roads leaving maintenance to the County of El Dorado. Before the Commission deems a CSD to be dissolved, LAFCO needs to find a successor agency to take over. He believes staff should be monitoring the CSD before they begin failing.

Mr. Henriquez replied that is one of the purposes of the Road MSR and a task for the consultant. Staff wants to see options from the consultant on how to handle a CSD that could be dissolved. In some cases the County could not be the default option for a successor agency. The successor entity would need to determine whether the current funding would be enough to offset costs to provide the same level of services.

Commissioner Costamagna asked if there is an entity below a CSD that provides road maintenance.

Commissioner Loftis replied a HOA that is specific to providing road maintenance could provide that service.

Commissioner Sweeney said that he liked the idea of asking the CSDs if they are using a certain power and, if they are not using it, whether LAFCO can make it latent. If they object, it is up to them to justify why they need that power.

OTHER BUSINESS

A. LEGISLATION

CALAFCO is looking at re-writing the CSA law. The current law has not been changed since the 1950s or 1960s and does not provide a way for the LAFCO principal act and the CSA principal act to work together.

Commissioner Sweeney said he believed CSAs were under the County jurisdiction. Mr. Henriquez replied that County Service Areas are districts under the Cortese-Knox-Hertzberg law and fall under LAFCO jurisdiction. Mr. Sweeney said he believed it was a County business issue and would need to clarify that with County Counsel.

Chair Long stated that a third signer on the bank account had not been chosen.

MOTION

Commissioner Costamagna moved to nominate Commissioner Hagen as the third signer on the account, second by Chair Long.

ACTION

The Commission voted unanimously to approve the motion.

Mr. Henriquez told the Commission that CALAFCO is also looking at cleaning up some issues in the Cortese-Knox-Hertzberg that staff finds when trying to implement the laws.

Commissioner Sweeney said he would like to be notified of the proposed changes to the CSA law.

Commissioner Briggs asked for clarification if the CALAFCO initiatives is the process within the Legislature or if they relate to voter elected initiatives.

Chair Long asked Mr. Henriquez to notify him if there is something that particularly affects the Cities in El Dorado County.

B. COMMISSIONER ANNOUNCEMENTS

Commissioner Costamagna stated to the Commission that staff is in the process of putting together the 2007-2008 budget. He reported that LAFCO is looking at a deficit from \$3,000 to \$64,000. One reason is the General Liability Insurance increase and the annual audit contract that has not been decided. There will also be a \$40,000 shortage to outsource the completion of all MSRs.

C. COUNSEL REPORT

None

D. EXECUTIVE OFFICER REPORT

Mr. Henriquez notified the Commission that he is expecting responses to two RFPs that were issued in December, one for the audit and the second for outsourcing a third MSR.

Commissioner Sweeney requested a copy of the consultant list for the audit RFP. Staff was directed to provide a mailing list of the consultants

Commissioner Briggs asked what the standard is for the consultant conducting the audit and if they are a CPA firm. Mr. Henriquez replied that the firm must comply with Governmental Accounting Standards Board requirements.

Mr. Henriquez stated the nominations for the Special District election is still open. Staff will send out ballots when the nomination period closes. It will be an instant run off election.

6. ADJOURNMENT

Chair Long adjourned the meeting at 6:30 pm.

The next regularly scheduled LAFCO meeting will be February 28, 2007.

**APPROVED BY THE COMMISSION
AUTHENTICATED AND CERTIFIED**


Clerk to the Commission


Chairperson