

MINUTES OF JUNE 27, 2007

STATE OF CALIFORNIA, COUNTY OF EL DORADO

1. CALL TO ORDER AND ROLL CALL

The meeting of the Local Agency Formation Commission held June 27, 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 Carl Hagen and Ted Long, District Members Ken Humphreys and Harry Norris, County Members Ron Briggs and James R. Sweeney and Public Member Francesca Loftis. Others present were: Alternate City Member Roberta Colvin, Alternate Public Member Norm Rowett, Executive Officer José C. Henríquez, Policy Analyst Erica Sanchez, Commission Clerk Allison Parsons and LAFCO Counsel Tom Gibson.

ROLL CALL - VOTING MEMBERS:

Long, Loftis, Briggs, Hagen, Humphreys, Norris and Sweeney

2. CONSENT CALENDAR

- A. ADOPTION OF AGENDA
- B. MINUTES OF THE MEETING OF MAY 23, 2007
- C. APPROVAL OF CLAIMS
- D. APPROVAL OF A PROCESS CHANGE TO DETERMINE THE QUALIFICATION FOR A DE MINIMIS FEE
- E. APPROVAL OF A LIMITED INTERNSHIP CONTRACT
- F. APPROVAL OF AN AMENDMENT TO THE SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY JOINT POWERS AGREEMENT

MOTION

Commissioner Norris made the motion to adopt the consent calendar, second by Commissioner Loftis.

ACTION

The motion was approved unanimously.

3. PUBLIC FORUM/PUBLIC COMMENT

Chair Long opened the public forum. No member of the public addressed the Commission.

4. PUBLIC HEARING TO CONSIDER AND ADOPT THE ENVIRONMENTAL REVIEW AND UPDATES TO THE SPHERES OF INFLUENCE FOR TWELVE FIRE SUPPRESSION AND EMERGENCY SERVICES AGENCIES

Mr. Henríquez reviewed the staff report with the following recommendations:

- 1. Receive and discuss the information related to the update of the spheres of influence for twelve fire suppression and emergency services agencies
- 2. Open the public hearing on this matter
- 3. Accept the statutory exemption from environmental review as the appropriate environmental review
- 4. Adopt the updates to the spheres of influence for these twelve agencies
- 5. Direct staff to complete the necessary filings and transmittals as required by law

Mr. Henríquez reported that all districts provided, at the very least, the basic minimum services as defined by their respective Board of Directors. As defined by their own performance standards, all of the districts are hitting their marks.

Commissioner Sweeney asked for clarification regarding the statement that some districts' service boundaries do not match current resources. Mr. Henríquez explained that service areas were determined long ago without considering service capability. As discussed in the 2006 Countywide Fire Suppression and Emergency Services Municipal Services Review, some districts rely on mutual aid to service portions of their district. The Commissioners discussed the circumstances by which spheres of influence may be amended and the appropriateness for an agency requesting an amendment versus a landowner making such a request.

Commissioner Sweeney requested clarification on whether a landowner or a district could petition LAFCO for a sphere of influence amendment. Mr. Henríquez replied that LAFCO can also amend the sphere of influence because it lays the ground work for future annexations. Chair Long stated that his understanding is that a parcel has to be within the sphere of influence before a district could come forward and petition for the annexation.

The Commission discussed LAFCO's responsibility under the California Environmental Quality Act to prepare sphere of influence updates. Mr. Gibson stated that the SOI is exempt under state law but that it is good to list the exemptions that apply, in case someone challenges that the SOIs are not exempt under CEQA. Mr. Gibson explained that staff could do an environmental review and find that SOIs are exempt or staff could ignore CEQA. If the Commission finds that it is exempt and directs staff to file a notice of exemption, the Commission has a thirty to thirty-five day statute of limitations. If the Commission says CEQA doesn't apply and ignores it completely, there is a one hundred and eighty-five day statute of limitations. The former situation allows a smaller window of time for someone to challenge the Commission's determination.

Commissioner Rowett stated that County Service Area 7 is the one agency in the MSR that was having difficulty meeting response times. He asked Mr. Henríquez if the construction on Highway 50 was taken into account in the MSR and spheres of influence updates. Mr. Henríquez said that he believed that those challenges prompted a re-negotiation of the JPA agreement. Commissioner Sweeney asked who the parties were involved in the re-negotiation. Mr. Henríquez replied that he believes the County and the Fire Chiefs were involved. Commissioner Sweeney said that he did not believe that item has been on the Board of Supervisors' agenda yet. Mr. Henríquez said it was possible that he misunderstood but that he would go back and re-check.

Commissioner Loftis asked about the islands included in the spheres of influence updates. Mr. Henríquez stated that one of the priorities the districts are going to try to implement is to prompt the annexation of those islands by giving the landowners incentive to annex into a fire district. Otherwise, they will charge the landowner full service cost if a department has to respond to an emergency in an area outside of a district.

Chair Long opened item to public comment.

Georgetown Fire Protection District Chief Greg Schwab addressed the Commission on the difficulty his district is experiencing with islands as they develop over time, and asked about the proactive steps the local agencies may take when the Bureau of Land Management land converts to private ownership.

Art Marinaccio from Shingle Springs stated that he would like some discussion on how the Commission sees the AB8 process for these island annexations. He states that there is the assumption that these urbanizing lands will be using urban services and he believes there should be a discussion of how all of these districts are going to annex all of the community regional lands.

After no further discussion from the public, Chair Long closed the public hearing.

MOTION

Commissioner Loftis moved to adopt staff recommendations, second by Commissioner Humphreys.

ACTION

The motion was unanimously approved by the Commission and adopted LAFCO Resolutions L-2007-12 through L-2007-23.

5. CONSIDERATION AND APPROVAL OF THE CONTRACT WITH PFM FOR THE COMPLETION OF THE GENERAL GOVERNMENT SERVICES II MUNICIPAL SERVICES REVIEW

Mr. Henriquez reviewed the staff report with the following recommendations:

1. Approve the contract with Public Financial Management (PFM) to prepare and present the General Government Services II Municipal Service Review at a cost of \$34,350.
2. Authorize the Chair to sign the final document. There are sufficient funds in the Professional Services – MSR Outsourcing account of the El Dorado LAFCO 2007-2008 Budget to fund this contract.

Commissioner Sweeney stated that cable TV and TV franchise is no longer a local function. Mr. Henriquez replied that some CSDs have been "grandfathered" in State Law, such as El Dorado Hills CSD, and can still negotiate contracts.

Commissioner Rowett asked Mr. Henriquez if it was standard practice to put together a panel made up of districts that are going to be reviewed by the consultant to interview the consultant and whether that practice introduced the potential for a conflict of interest. Mr. Henriquez stated that the consultant was selected on the basis of knowledge of the MSR process, if it was qualified to analyze and discuss the services being provided by the districts, the ability to work with public agencies and the cost of the MSR. He wanted to assemble a panel that would give him feedback on whether this consultant could work cooperatively with the agencies and that they would be best able to tell him if the consultants were qualified to analyze their operations since these representatives are aware of their district's day-to-day activities. He stated that they provided feedback, but that the panel was well aware that he had the final say as to whom to extend the contract. Commissioner Loftis stated that Mr. Henriquez always extends an invitation to the Commissioners to be present on the panel and that she attended the water MSR and road MSR consultant interviews. She commented that she believes the success of a MSR is the information that the Commission gets from the agencies. From attending the panels, she perceived that this interview practice created a sense of ownership and that the districts appreciated being involved in the process. Commissioner Norris agreed and stated that this Commission, under the new leadership, has done more outreach into the community. By involving the districts, the Commission can dispel some of the thoughts that LAFCO is meddling and at the same time get a better product by getting the expertise of those who have that knowledge.

After no further questions from the Commission, Chair Long opened item to public comment. No one from the public addressed the Commission.

MOTION

Commissioner Norris moved for approval of the contract, second by Commissioner Loftis.

ACTION

The motion was unanimously approved by the Commission and adopted LAFCO Resolution #L-2007-24.

Commissioner Sweeney stated that his concern is that the MSRs are an unfunded mandate. He asked if the Commission can make SB90 claims for unfunded mandates or if the legislation claimed an exemption for MSRs. Mr. Henriquez replied that after Commissioner Sweeney brought up the issue during the budget meeting, he had an initial conversation with the County Auditor-Controller, Joe Harn. Since that conversation, Mr. Henriquez said that Mr. Harn had not returned any of his phone calls; consequently, he could not give the Commission an update on the matter. Commissioner Sweeney asked Mr. Gibson whether the legislation requiring the Commission to do the MSR exempted the Commission's ability to claim SB90 funds. Mr. Gibson replied that the

Commission would have a right to claim under the rule, but that one of the exemptions might be that the Commission has the right to recover the cost through its own fees. Mr. Henríquez stated that when the Commission is ready to develop its work plan for the next five year cycle of MSRs, a discussion of financing them will include a proposal to incorporate a fee, similar to a general plan fee.

6. CONSIDER THE CANCELLATION OF THE JULY REGULAR MEETING

Mr. Henríquez stated that some agencies are going through their July recess and that the recommendation is to cancel the July Meeting. Chair Long stated that if the Commission has business to attend to, the meeting should not be canceled. Mr. Henríquez replied that staff was uncertain if the Cemetery MSR would be completed and ready for consideration and that the Garrett annexation to EID may be ready, but staff could not for say for certain whether that will be the case at this time.

Commissioner Norris stated that if the landowner needs water services, he would hate to hold up the annexation. Mr. Henríquez replied that is a valid concern, but that this landowner is requesting water services for a future farming operation.

MOTION

Commissioner Briggs made the motion to cancel the July meeting, second by Commissioner Sweeney.

ACTION

The motion was unanimously approved by the Commission.

7. NOMINATIONS FOR THE CALAFCO ACHIEVEMENT AWARDS AND CALAFCO BOARD OF DIRECTORS

Mr. Henríquez reviewed the staff report.

Commissioner Norris stated that he doesn't feel qualified to make any nominations, but that he thinks that the Commission should recognize outstanding staff members. Commissioner Loftis stated that she agrees with the comment that Commissioner Norris made earlier about the work Mr. Henríquez has done in regards to community outreach and relationships with the districts. She believes that he should be nominated.

Commissioner Sweeney suggested that Mrs. Sanchez and Chair Long work on a nomination for Mr. Henríquez. Commissioner Norris stated that he believes there would probably be some agencies that would be willing to submit a letter of support.

Mr. Henríquez announced that CALAFCO has received two nominations to serve on its Board and that there are possibly two County vacancies. Chair Long stated that any Commissioner who is interested in pursuing a position with CALAFCO to contact Mr. Henríquez.

8. OTHER BUSINESS

A. LEGISLATION

Mr. Henríquez reviewed the staff report

Commissioner Sweeney asked Mr. Henríquez whether landowner petitions fall under the provisions of SB745. Mr. Henríquez replied that it does not. The Commissioners discussed their opinions on the political process of petitions and the ramifications of this bill on locally-circulated petitions.

B. COMMISSIONER ANNOUNCEMENTS

Mr. Henríquez told the Commission that the 2007 Annual CALAFCO Conference will not interfere with the August meeting. He also asked the Commission to inform him if they are interested in attending the conference by the end of the week.

Chair Long announced that he has been elected as the President of the California League of Cities Sierra Division. He stated that if he can be of any service to the County, Cities and Special Districts to please let him know.

C. COUNSEL REPORT
None

D. EXECUTIVE OFFICER REPORT

Mr. Henriquez announced to the Commission that the LAFCO clerk and administrative assistant are conducting a digital archive project. The intent is to determine the structure of a digital library before a consultant is brought in.

Mr. Henriquez also told the Commission that there are two items coming before the Commission in August for their consideration. He states that staff is currently reviewing a more comprehensive records retention policy. The second item is to consider whether the Commission wants to continue with the current format for the meeting minutes.

9. **ADJOURNMENT TO CLOSED SESSION**

Chair Long adjourned to closed session. No reportable actions were taken.

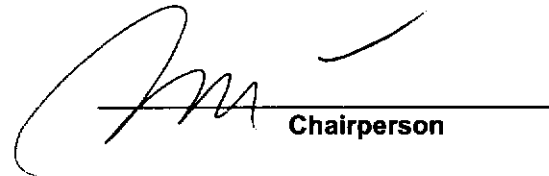
10. **ADJOURNMENT**

Chair Long adjourned the meeting at 7:30 pm.

The next regularly scheduled LAFCO meeting will be August 22, 2007.

**APPROVED BY THE COMMISSION
AUTHENTICATED AND CERTIFIED**


Clerk to the Commission


Chairperson