

**LASSEN COUNTY LOCAL AGENCY FORMATION COMMISSION**  
Board of Supervisors Chambers 707 Nevada Street Susanville, CA 96130

REGULAR MEETING  
February 27, 2017 - 3:00 p.m.

Meeting was called to order at 3:02 p.m. by Chairperson Eid.

Roll call of members present: Jeff Hemphill, Joe Franco, Chris Gallagher, Brian Wilson and Chairperson Todd Eid.

Staff Present: John Benoit, Executive Officer and Gwenna MacDonald, Clerk.

**2. Approval of Agenda**

Motion by Commissioner Wilson to approve the agenda as submitted; Commissioner Hemphill provided a second and the motion carried unanimously. Ayes: Wilson, Hemphill, Franco, Gallagher and Eid.

**3. Correspondence**

Mr. Benoit referred to a Department of Water Resources Control Board letter which was included on the agenda for discussion as Item 9.

**4. Minutes**

Motion by Commissioner Franco to approve the minutes of the December 12, 2016 meeting; Commissioner Wilson provided a second and motion carried. Ayes: Franco, Wilson, Hemphill and Eid. Abstain: Gallagher.

**5. Public Comments** No comments.

**6. Resolution 2016-0003 approving Terms and Conditions of the Dissolution of West Patton Village Community Services District: Consider Amendments** Mr. Benoit explained that the approval of Resolution 2016-0003 on August 8, 2016 authorized the dissolution of the West Patton Village Community Services District and the Herlong Public Utility District, and approved the formation of the Herlong Public Utility District as the successor and consolidating agency. Two sections of the authorizing resolution established terms and conditions related to the repair and replacement of all of the utility systems as set forth in Section 15, and the temporary establishment of a 7-member supervisorial board as set forth in Section 31.

Mr. Benoit stated that there has been a change in circumstances since the conditions were proposed, and HPUD is requesting that the following revisions be made to these sections prior to the consolidation:

*15. Prior to the effective date of Consolidation, WPVCSD shall: (a) have completed preliminary engineering and financing applications to replace its utility systems (water, sewer and streetlights) to the reasonable satisfaction of HPUD such that they meet HPUD's development standards as outlined in HPUD Policy 60610, a copy of which is attached to HPUD Initiating Resolution 2016-04 as Exhibit "E".*

*31. The Board of Directors of the Consolidated District shall comprise of five (5) members, which shall be the five (5) seated directors of the Herlong Public Utility District Board of Directors.*

Mr. Benoit invited Pat Williams, HPUD General Manager, to comment.

Mr. Williams explained that the District has received a Directive from the Lahontan Regional Water Quality Board. The Directive is a step up from a Notice of Violation, and it is not requiring that a groundwater study be conducted, however there is a potential for fines to be levied unless the corrective action is taken. The preliminary engineering study has been completed, and HPUD has a concern regarding assuming liability for the system given the recent Directive issued by Lahontan. The District is at a point to move forward, and is requesting that the completion of preliminary engineering and financing applications to replace the utility systems to the satisfaction of the successor agency be required prior to the effective date of the consolidation. The Ad Hoc Committee is supportive of this action, recognizing that running two Districts with the same staff is a challenge administratively and from an efficiency standpoint, this makes better sense.

Mr. Benoit continued, explaining that the request for the 5-member Board is requested because the WPV have declined to accept an offer to have members of the board serve initially on the HPUD Board of Directors. There is no current agreement to have a 7-member Board of Directors, and it is allowed by the Public Utility District law, the proposed Board would be 5-members.

Commissioner Wilson commented that it sounded as if this would move the process forward a bit faster than originally expected, and asked if there was an anticipated general timeline for continuing towards the consolidation of the Districts.

Mr. Benoit responded that it requires that the maps be updated to include legal descriptions, have it recorded and filed with the Board of Equalization, and it would be soon.

Commissioner Wilson commended the West Patton Village and Herlong Public Utility Boards for coming together to an agreement that will benefit the area residents.

**Eula Johnson**, West Patton Village CSD Board President, agreed, stating that it has been a blessing for both Districts to be able to come together and with the contracting of HPUD to manage and operate the WPV District since August 2016, the WPV Board saw no reason to continue with a 7-member Board during the transition period.

The Commission discussed the advantages of the successor agency operating as a Public Utility District and not a Community Services District.

Motion by Commissioner Gallagher, second by Commissioner Wilson, to approve the amendment to Term and Condition #15 and #31 of Resolution No. 2016-0003 as proposed; motion carried unanimously. Ayes: Gallagher, Wilson, Hemphill, Franco and Eid.

**7. WORKSHOP: City of Susanville Sphere of Influence Update** Mr. Benoit explained that the workshop for discussion of the City of Susanville Sphere of Influence Update has been scheduled for this agenda, however the City Council would be considering the matter at the March 1<sup>st</sup> meeting. He would like to give the opportunity for the Council to discuss and provide comments and feedback before going any further. Mr. Benoit recommended continuing the discussion to the April LAFCO meeting, as it is important to have the City Council give feedback for the Draft. It was the consensus of the Commission to continue the discussion to the April 10, 2017 meeting.

**8. 2017-2018 Work Program** Mr. Benoit discussed upcoming projects for the 2017-2018 year, including the City of Susanville Sphere of Influence. He stated that the work load gives consideration to a limited budget, and some of the smaller Districts, such as the Big Valley Pest abatement and Bieber Lighting districts could be looked at. The Stones-Bengard CSD has not been updated since 2007, and some of the Fire Districts could be reviewed again as the process is less labor intensive than the work

involved in completing the initial MSR. The Municipal Service Review and Sphere of Influence Update for the Modoc County Flood Control District is one that may be beneficial to complete jointly with Modoc LAFCO. The LAFCO Policies/Procedures that were adopted in 2009 should also be reviewed and updated to reflect changes in LAFCO law that have occurred since 2009.

**9. State Water Resources Control Board** Mr. Benoit referred to a letter received from the State Water Resources Control Board regarding the Pineview Mobile Home Park which is located within the City of Susanville. The letter recommends initiating a consolidation with the City's water system, and advising of funding assistance opportunities for small water system providers. Mr. Benoit described the process that the State follows when encountering failing water service providers and the requirement to consolidate and merge by State-ordered annexation. Mr. Benoit reviewed the legislation affecting water systems.

Chairperson Eid thanked him for providing the update.

**10. Authorize Payment of Claims for December 2016 and January 2017** Mr. Benoit reviewed the claims presented for December 2016 and January 2017.

Motion by Commissioner Wilson to approve the claims for December 2016 and January 2017 in the amount of \$11,119.16; Commissioner Hemphill provided a second and the motion carried unanimously. Ayes: Wilson, Hemphill, Franco, Gallagher and Eid.

**11. Calafco Workshop – Fresno / April 5-7, 2017** Mr. Benoit reported that he was scheduled to attend the Calafco Workshop in April, and the Commission discussed the upcoming Annual Conference that is scheduled to be held in San Diego on October 25 – 27, 2017.

**12. Executive Officer's Monthly Report**

Mr. Benoit reported that the recruitment for Public Member and Public Member alternate is in progress due to expiring terms, and current Public Member Todd Eid has indicated that he will be submitting his letter of interest to continue serving on the Board.

**13. Commissioner Reports – Discussion.**

Commissioner Wilson asked Mr. Benoit if any new information or determination had been received from the IRS regarding his status as an independent contractor. Mr. Benoit responded that he had not.

Motion by Commissioner Franco, second by Commissioner Hemphill to adjourn until February 27, 2017; motion carried unanimously. Ayes: Chapman, Hemphill, Franco, Wilson and Eid.

The meeting adjourned at 4:00 p.m.

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Todd Eid, Chairperson

Approved

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Gwenna MacDonald, Recording Secretary