

**Lassen Local Agency Formation Commission**

**Regular Meeting Agenda**

**MONDAY – February 12, 2024**

**3:00 PM**

**City of Susanville City Hall  
66 North Lassen St.  
Susanville, CA.**

*(All meeting materials are available on LAFCo's Website: [www.lassenlafco.org](http://www.lassenlafco.org))*

Commissioners

Todd Eid, Chair, Public Member  
Kevin Stafford, City Member  
Quincy McCourt, City Member  
Tom Neely, County Member  
Chris Gallagher, Vice Chair, County Member

Alternate Members

Gary Bridges, County Member Alt.  
Mendy Schuster, City Member Alt.  
Barbara Willard, Public Alt.

LAFCO Staff

Jennifer Stephenson, Executive Officer  
John Benoit, Deputy Executive Officer  
Ruth McElrath, Clerk  
John Kenny, LAFCO Counsel

- 1. Call to order: Pledge of Allegiance**
- 2. Approval of Agenda (Additions and Deletions)**
- 3. Correspondence:**
  - a)
- 4. Approval of the December 11, 2023 LAFCo minutes**
  - a) *Approve the December 11, 2023 LAFCo minutes*
- 5. Public Comment**

This is the time set aside for citizens to address the Commission on any item of interest to the public that is within the subject matter jurisdiction of the Commission. For items that are on the agenda, public comment will be heard when the item is discussed. If your comments concern an item that is noted as a public hearing, please address the Commission after the public hearing is opened for public testimony. The Chairman reserves the right to limit each speaker to three (3) minutes. Please understand that by law, the Commission cannot make decisions on matters not on the agenda.

## **PUBLIC HEARINGS and ACTION ITEMS:**

### **6. Seating Special Districts on LAFCO**

- a) *Vote outcome*

### **7. Spalding Community Services District Municipal Service Review**

- a) *Receive comments from the public*
- b) *Commission feedback and input on Spalding CSD MSR Public Review Draft*

### **8. Authorize payment of claims**

- a) *Authorize payment of claims for December 2023 and January 2024*

### **9. Executive Officer's Monthly Report**

- a) *Application form update*
- b) *Form 700s due April 1*
- c) *Leg Committee Update*
- d) *CALAFCO Newsletter*

### **10. Commissioner Reports - Discussion**

*This item is placed on the agenda for Commissioners to discuss items and issues of concern to their constituency, LAFCO, and legislative matters.*

### **11. Adjourn to the next meeting on April 8, 2024 at 3:00 P.M.**

***Any member appointed on behalf of local government shall represent the interests of the public as a whole and not solely the interest of the appointing authority Government Code Section 56325.1***

*The Commission may take action upon any item listed on the agenda. Unless otherwise noted, items may be taken up at any time during the meeting.*

#### Public Comment

Members of the public may address the Commission on items not appearing on the agenda, as well as any item that does appear on the agenda, subject to the following restrictions:

- Items not appearing on the agenda must be of interest to the public and within the Commission's subject matter jurisdiction.
- No action shall be taken on items not appearing on the agenda unless otherwise authorized by Government Code Section 54954.2 (known as the Brown Act, or California Open Meeting Law).

#### Public Hearings

Members of the public may address the Commission on any item appearing on the agenda as a Public Hearing. The Commission may limit any person's input to a specified time. Written statements may be submitted in lieu of or to supplement oral statements made during a public hearing.

#### Agenda Materials

*Materials related to an item on this agenda submitted to the Commission after distribution of the agenda are available for review for public inspection in the Clerk's office located at the City of Susanville, 66 North Lassen*

Street, Susanville CA. and the Lassen Co. Community Development Office located at 707 Nevada Street, Susanville CA. [such documents are also available on the Lassen LAFCO website ([www.lassenlafco.org](http://www.lassenlafco.org)) to the extent practicable and subject to staff's ability to post the documents prior to the meeting]

#### Accessibility

An interpreter for the hearing-impaired may be made available upon request to the Executive Officer 72 hours before a meeting.

The location of this meeting is wheelchair-accessible.

#### Disclosure & Disqualification Requirements

Pursuant to Government Code Sections 56700.1 and 57009 of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, and 82015 and 82025 of the Political Reform Act applicants for LAFCO approvals and those opposing such proposals are required to report to LAFCO all political contributions and expenditures with respect to a proposal that exceeds \$1,000. LAFCO has adopted policies to implement the law, which are available on the Commission's webpage. These requirements contain provisions for making disclosures of contributions and expenditures at specified intervals. Additional information may be obtained by calling the calling the Fair Political Practices Commission at (916) 322-5660.

A LAFCO Commissioner must disqualify herself or himself from voting on an application involving an "entitlement for use" (such as an annexation or sphere amendment) if, within the last twelve months, the Commissioner has received \$250 or more in campaign contributions from the applicant, any financially interested person who actively supports or opposes the application, or an agency (such as an attorney, engineer, or planning consultant) representing the applicant or an interested party. The law (Government Code Section 84308) also requires any applicant or other participant in a LAFCO proceeding to disclose the contribution amount and name of the recipient Commissioner on the official record of the proceeding.

#### Contact LAFCO Staff

LAFCO staff may be contacted at (310)936-2639 or by email at [lafco@co.lassen.ca.us](mailto:lafco@co.lassen.ca.us). Copies of reports are located on the LAFCO webpage at: [www.lassenlafco.org](http://www.lassenlafco.org)

**LASSEN COUNTY LOCAL AGENCY FORMATION COMMISSION**

City Council Chambers      66 N. Lassen St.      Susanville, CA 96130

**REGULAR MEETING**

Monday, December 11, 2023

Meeting called to order at 3:09 p.m. by Chair Eid.

Members present: Commissioner Neely, Commissioner McCourt, Commissioner Stafford, Vice Chair Gallagher, and Chair Eid.

Staff Present: Jennifer Stephenson, Executive Officer, and Ruth McElrath, Building Permit Tech.

**Approval of Agenda:** Motion by Commissioner McCourt, seconded by Commissioner Gallagher, to approve agenda as submitted. Motion carries. Ayes: McCourt, Gallagher, Neely, Stafford and Eid.

**Correspondence:** None

**Approval of the October 16, 2023, meeting minutes** Motion by Commissioner McCourt, seconded by Commissioner Stafford, to approve the Oct. 16, 2023, meeting minutes. Motion carries. Ayes: McCourt, Stafford, Neely, Gallagher and Eid.

**Public Comment:** None

**Discuss seating special districts on LAFCo**

Ms. Stephenson explained following the October meeting, invitations were sent to each district along with a resolution that if board members approved, was to be returned as the voting mechanism to be seated on LAFCo. She has received one response, but she explained it takes a moment to get on a board meeting agenda. She has received a lot of questions and interest.

The deadline is Feb. 1, 2024, and she will have the final results at next the next meeting in February.

Chair Eid said he hopes they are able to seat someone from a special district.

**Spalding Community Service District review**

Ms. Stephenson explained there was a delay in releasing the report. The public comment period opened when the agenda was released, which was last Tuesday. The comment period will go through Jan. 12, 2024, so any comment can be submitted, preferably in writing, along with any documentation.

Public comment opened at 3:14 p.m.

Barbara Willard, public alternate member, commented about receiving the report the Tuesday prior to the meeting and she didn't have a chance to read it cover to cover.

There was discussion regarding the delay in releasing the report for review.

Chair Eid said everyone will have the chance to speak at the next meeting. Everyone agrees about the delicacy of this review and will give it all the time it takes.

An unidentified individual said more time is needed due to an ongoing investigation. He would have loved to see the ad hoc committee members at any of the meetings, specifically the meeting for the Prop. 218 vote. He stated people were lined up outside the door and it would've given good insight as to what is going on.

There was general discussion regarding the community's ongoing concerns.

Ms. Stephenson explained the Jan. 12 deadline is so that the comments can be appropriately incorporated into the report. The board will be receiving a red line draft copy prior to the next meeting. Everyone will be able to see what changes were made in response to comments received. A formal public hearing, which will be noticed 21 days in advance, will be held.

Public comment closed at 3:27 p.m.

### **Adopt 2024 meeting schedule**

Ms. Stephenson explained the only change is due to the federal holiday in October, that meeting will be moved back one week.

Motion by Commissioner McCourt, seconded by Commissioner Stafford to approve the 2024 meeting schedule. Motion carries. Ayes: McCourt, Stafford, Neely, Gallagher and Eid.

### **Authorize payment of claims**

Motion by Vice Chair Gallagher, seconded by Commissioner McCourt, to authorize payment of claims.

### **Executive Officers Monthly report**

- a. Conference Report - Ms. Stephenson commented that the Calafco conference was held right after the last meeting.

Commissioner Neely added it was a good conference and helped him understand his role on the board.

- b. Susanville SD MSR Status – Ms. Stephenson said the documents is drafted right now, but she needs a couple more items from the district. She recommends not releasing it until Spalding is finalized.

There was general discussion regarding Spalding.

Ms. Stephenson also stated she is In process of updating the online applications to make them fillable PDFs.

**Commissioner Reports:** None.

**Adjourn to the next meeting on February 12, 2024:** Motion by Commissioner Stafford, seconded by Vice Chair Gallagher to adjourn 3:36 p.m. Motion carries. Ayes: Stafford, Gallagher, Neely, McCourt and Eid.

---

Todd Eid, Chair

---

Ruth McElrath, Building Permit Technician

Approved \_\_\_\_\_

**Stakeholder Response to the Spalding Community Services District Municipal Service  
Review public review draft December 4, 2023.**

This response is our attempt to address the specific items in the LaCO MSR that we believe are in error or incomplete. For clarity we listed our responses by page and or section.

Respectfully submitted on February 5, 2024, by Sheryl Avernaz, Tammy LoBue, and Vicki Shumaker

MSR: MSR: Pg 7 Currently, Spalding Community Services District provides wastewater collection no treatment, limited fire, and limited emergency medical with no formal EMT training. Money has been borrowed by sewer paying for recreation with no board approved loan documentation that the public has been asking for more than two yrs. There has been no work at the marina, in fact bathrooms have been closed for at least two years, and the parking lot has had no repairs during that time if not longer. Mailbox housing services have been inadequate and a letter from the *Susanville Postmaster* indicates the mailboxes are not secure. To ensure proper and effective implementation of the recommendations and determinations outlined in this MSR, the District is to give a progress update one year after the MSR's adoption date.

MSR: page 8 SCSD has struggled with a steady increase in the cost of operations coupled with a stagnant income for the past ten years. The reason is unclear. There has been no sewer maintenance for 15 years and their financial records have not been following LAFCo requirements since 2012. The district is proposing a sewer rate adjustment. The district undertook a Cost-of-Service Analysis (COSA) or Rate Study to determine the appropriate rate structure. The report does not include all reporting requirements necessary under the law. The report was also not mailed out with their "stated" prop 218 ballot (which prop 218 is required by their own policy which this board violated). The Study recommended a \$10 per month increase be enacted for FY 23-24 and a rate increase of \$6.00 for FY 24-25. There will be up to a four percent annual increase adjustment based on the Cost-of-Living Index for FYs 24-25 through 27-28). The proposed rate was considered at a public hearing on September 15, 2023, at noon, and was adopted with only 188 written protests received. The law requires that if the number of ballots turned in has more no's than yeses it does NOT pass. Many did not receive notices that the district claimed to have mailed out by the District on August 21, 2023. *The mail received at the district housed mailboxes is compromised and was at the time of the Prop 218 mailings.* The proposed rate will be effective on November 1, 2023. The rate increase process was forwarded to the District Attorney's office and under the advice of counsel, may be required to return the money people have already paid due to lack of maintenance over the past 15 years. The only increase in sewer fees that the district has implemented since the sewer system installation was a three percent increase in 2012. It is apparent based on review of the district's audited financial statements that current rates do not cover all costs associated with operations of the wastewater system and the proposed rate increase is necessary to adequately fund the services. The district ran efficiently with a GM and one office staff member up until 2016. Since that time, employment laws have been broken, incompetent people have been hired etc. by this board. The district also faces financial and staffing challenges in maintaining

the Marina. There has been no increased requirement for additional staffing, nor should there be. Qualified staffing certainly. According to the District, the Marina's fee-based income was not sustainable to fund operations. Currently, the Marina and all the other related facilities are non-operational due to water levels, and there are no District staff to operate and maintain. The same District staff member who has been doing this work is currently still employed by SCSD? Historically, the District has had to supplement the Marina's operations with wastewater funds in the past. Which is illegal and loan documents were not prepared to document or record this. The district's rent for the land the Marina occupies is \$671 per year, payable to the State Lands Commission. According to the District, it has four years left on the current lease but only has the funds to cover a year of rent. SCSD is in the process of determining the future of the Marina given the significant financing challenges. It has not been discussed in meetings. The district's transparency and accountability challenges have also been a concern for SC residents. Although the District states they are making efforts, it struggles to meet the requirements outlined in State laws regarding the Brown Act, website materials, California Public Records Act, Wastewater reporting spill practices and best accounting practices to ensure easy access to significant planning documents and financial reports.

MSR: page 9 These challenges include missing agendas, minutes, financial reports, annual budgets, late annual budgets, misdated items, and lack of content related to fire services and emergency medical services provided by the district. Most of these documents are available on request; however, due to the district's dependence on part-time personnel, it has struggled to have them readily available on the website. (This is entirely untrue. This was not True when Chris Gallager (GM) Virginia Bruce, and one bookkeeper were maintaining records when the office was hopping) It has also struggled to process voluminous public records requests. (There would be NO voluminous requests if accurate financial documents were being reported at each meeting). It is recommended that SCSD have an online record of public record requests to provide a tracking system, avoiding duplication of requests and ensuring transparency. Many of these missing documents and noncompliance with certain reporting requirements can be primarily attributed to significant staff turnover, particularly in the General Manager role. (Actually, this is also untrue). Sharon Moats (office manager) has had several community volunteers in and out of the office over time). There are limited governance structure options for SCSD, due to its rural location. Depending on the interests of agencies in the County, a countywide Joint Powers Authority (JPA) could help better utilize and manage the limited resources available for fire and EMS services for SCSD as well as other participating agencies. AGREED This structure can be tailored to meet the needs of the member agencies and can range from specific functions such as shared training to all operational functions. Any efforts to form a JPA would have to be initiated by the stakeholders themselves. (THE STAKEHOLDERS?) Another option that was identified in the previous MSR and continues to be a suggestion is for SVFD to work with the Lassen County Board of Supervisors, the Lassen County LAFCO and other Districts in the County to see if a Countywide CSA or Countywide fire protection District, or at a minimum consolidation with the Stones-Bengard Fire Protection District would be a benefit. EXCELLENT IDEA but SCSD tends to not work well with the community let alone those outside of the community. Another option may be staff or resource sharing for wastewater services with Stones-Bengard CSD to better leverage scarce personnel resources and maximize purchasing power. EXCELLENT IDEA but SCSD tends to not work well with the community let alone those outside of the community. Below are various recommendations for SCSD to consider addressing the issues identified throughout this report. • It is recommended that the



district ensure essential documents such as agendas, minutes, annual budgets, financial statements, Ethics Certifications, Ch. 1 Executive Summary Policy Consulting Associates, LLC 9

Page, 9,10,11 (Recommendations)

We will not respond to every point in this section. We do “recommend” you add a consequence for failure to follow your excellent recommendations.

We recommend this section be added after Bullet Point 1 as an additional bullet point:

- *It is recommended that the District clearly post the following on its website and Facebook page as well as a permanent physical post in the SCSD lobby.*

“If you are having trouble with your system, be advised as a property owner, you are responsible for your system from your property to the connection at the street. If you are having problems, have a qualified person check it and make repairs if necessary. If after your system has been checked for proper operation to the septic tank and a problem still exists, call the General Manager (add name and number) and the septic system maintenance person (add name and number).

IMPORTANT! Any and all spills or Sewer System Overflows are to be reported to The Lahontan Regional Water Quality Board. The Lahontan contact information should be listed and updated as needed. SCSD will also report spills electronically to the State Water Board. Spills that may reach the lake are to be reported immediately to the Lassen County Health Department.

*It should be noted that hidden in SCSD website is the following:*

**“What if I have troubles with my system?”**

Things can and do go wrong occasionally. As a property owner, you are responsible for your system from your property to the connection at the street.

If you are having problems, have a qualified person check it and make repairs if necessary.”

If after your system has been checked for proper operation to the septic tank and a problem still exists, call Ray Solis at (530)260-2850 or Chris Gallagher at (530)249-0966.

It took multiple searches on the SCSD website to find this, and it is outdated. Ray Solis has not worked for the District in (4) four years, and obviously it has been several years since Chris Gallagher was the GM.

Bullet points 1-4; If the SCSD had followed these criteria they would not have to deal with the numerous requests from residents under the CPRA.

Specially under Bullet Point 4 the following should be added: “It is recommended SCSD comply with California Senate Bill 135, S1110+, by having formal budgets and fiscal transparency.”

Bullet point 5; Residents repeatedly requested an itemized budget for each area of SCSD responsibility, Sewer, Fire, and Recreation. There should be a penalty for their continued refusal to do so,

Bullet point 6, The Brown Act. During SCSD meeting residents have been told to “Shut up” and informed they had no right to speak. Vicki Shumaker on June 19, 2020, and at one other meeting. Will Turner also on June 19, 2020, and several other meetings between 2020-2022 he was not allowed to speak by the District board. It should be noted that these occurrences were never documented in the SCSD official minutes, an ongoing problem that two current board members Randy Aubrey and Larry Doss publicly objected to at several meetings in 2023. These objections were never recorded in the “official” minutes of the meetings.

Bullet point 7 & 8; It is recommended that all Directors complete timely ethics training to minimize the District's liability. In addition, SCSD shall file these documents for all staff as Shron Moats has repeatedly “lost or misplaced” documents for Board members she expressed dislike or disdain for (RON LoBue AND Randy Aubrey).

Bullet point 10, The District's fire department (SVFD) has failed to meet community expectations in providing EMS services. The District does not periodically review the status of the required certification for each volunteer in the Fire Department. If they have, they have refused to provide this information to SCSD residents in spite of multiple informal and formal (CPRA) requests. SCSD has refused to post a fire roster on the website to illustrate the certification and status of volunteers.

It should be recommended that they annually review all training certifications and licenses of every volunteer to ensure they are current. This should include any agreements that the SVFD has with NorCal EMSA (AED) and MOA with SEMSA. The fire roster was obtained via other public entities, and it was severely outdated. The SVFD and SCSD need to ensure that all volunteers are timely and accurately reported to their worker's compensation to ensure coverage as required by law.

Bullet Points 11 & 12, The District has repeatedly refused to post or provide this information to SSD residents.

Bullet Point 13, There is a verbal mutual aid agreement with Stones-Bengard VFD. The SVFD Chief Cliff Spediacci has repeatedly and vehemently refused to consider a merger with any other volunteer fire departments.

Bullet Point 14, As stated elsewhere in this document, the SCSD is not simply providing space for mailboxes. It maintains keys to US Postal Service Mailboxes in violation of Federal law. Which is why USPS has been moving boxes away from the SCSD building.

Bullet Point 15, Residents have no confidence that SCSD has ceased borrowing or transferring money from one fund to another as there is a complete lack of transparency in their budget process.

Page 17 - SVFD EMS should have "limited" before EMS. Perhaps everywhere it is mentioned in the MSR as well.

Page 20 – Randy Aubrey informed people that he was compliant with his paperwork. SCSD staff either lost it or destroyed it. The district is not following their own Conflict of Interest Policy in their own ordinance.

Page 21 – Agendas – The attachments are not always posted within the 72 hours (not required) and added at the last minute. It's happened more than once and gives the appearance that it's done to prevent adequate time for review by the public. On more than one occasion, the board has approved resolutions to purchase equipment and services without going through the bidding process. Since this has happened more than once, it gives the appearance that this is being intentionally done to circumvent state law.

Page 21 – Brown Act. The board has used "special meetings" to replace regular board meetings on more than one occasion. The board has also cancelled and rescheduled meetings around unrecognized holidays (Good Friday). The board also did not follow teleconferencing requirements at the January 2024 meeting.

Pages 24 and 25 The district may have followed Prop 218 procedures but there are issues with compromised mail, volunteers (tabulators) writing on protest votes (legal documents) without the voter's permission, and that financials have never balanced with the county. This mail issue may have disenfranchised sewer customer's voting opportunity.

Page 25 "All of Spalding CSD's Board members have current filings of Form 700 with the California Fair Political Practices Commission, indicating transparency in their economic interests. Copies of these filings are available online on the District's website. However, Director Larry Doss filed Form 700 after the due date of April 3. Furthermore, besides the board members, only Fire Chief Cliff Spediacci's completed Form 700 is available on the District's website. However, the filing date is shown as January 2022, although the Fire Chief used a 2023 Form 700 that must be filed by April 2023, covering the time frame from January 2022 through December 2022.<sup>15</sup> It is recommended that the Fire Chief upload an updated Form 700 to the SCSD website. "Comment: The fact that the 700 forms were not filed nor were they completely filled out until complaints were made by the public, as well as the District purposely "losing" Ron LoBues form 700, and he took a witness into the office and had to basically force Marley Morse to sign acknowledgment of receipt is an issue that occurred in 2023. You state on page 20 that Randy Aubreys is missing from the website? He turned one in and, apparently staff chose not to put it on the website. Lack of Fair political practices are an issue within this District and must be corrected.

The district is not following their own Conflict of Interest Policy in their own ordinance. A CPRA request for the last seven years for all positions was ignored. These positions also include the following in the ordinance:

- Consultants
- Committee Members

Page 26 – CPRA – The public has been more than accommodating on accepting delayed CPRA request. It would help if the district would notify them within 10 business days if they will be granted/denied the request with a time frame. In most cases, the initial response is that they've received the request and will get back to us as soon as they can. When a request has been granted, it takes months to years to get the information. The board chair has accused the public of harassing staff with these requests when the public is entitled to the information in the first place. If there were transparency, requests would decrease.

Page 29 “The District employs six part-time employees—a General Manager, an Office Manager, a Receptionist/ Clerk, a Wastewater System Operator, a General Maintenance Worker, and a Fire Chief. Additionally, SCSD has 12 volunteer firefighters. The District also utilizes contract personnel for legal advice and bookkeeping services.<sup>19</sup> Figure 5-1 shows SCSD's organizational chart. When filling a vacancy, the District first reviews the job description for the role and makes updates as needed. The job descriptions for existing positions are available in the District's policy handbook. The District posts vacancies on the Spalding or Lassen News websites for about two weeks. However, due to its rural location, if the District does not receive any applications, vacancies are posted on Indeed and may be posted on the websites for up to a month. The Fire Department conducts interviews for fire-specific positions. The General Manager conducts interviews for all other roles. Other staff members may also participate in the interview process if their role is expected to work closely with the new hire. The General Manager can hire personnel without the Board's approval. The District has no policies or procedures concerning background checks; it is not a required part of its hiring process.<sup>20</sup> Note: Most of this information is completely untrue. There have been no postings for jobs until Marley Morse was hired. I will add that the only reason there was even a position posted was because of public outcry against hiring unqualified friends rather than following laws. Marley was not vetted but chosen because she worked for May Cheeks office (the accounting office that tried to hurriedly catch up accounting for 2019/2020 and 2020/2021 that also did not balance with the County. Sharon Moats, Office Manager, informed the public that Ms. Morse was her friend before and after Ms. Morse was interviewed for the position. Ms. Moats also informed members of the public the number of applicants who applied for the position. Due to the board's hiring of unqualified applicants in the past, members of the public have asked if Ms. Morse was probably vetted or hired due to her friendship with Ms. Moats.

Ms. Morse read an email asking about staff hiring and acknowledged that the board had not properly hired staff in the past and that “they would do better.” Despite stating this, she did not advertise for the next two people who were hired by her.

There is an Internet Policy in the SCSD Policy Manual. This should be updated and signed annually by staff.

We would suggest that a Confidentiality Agreement or an NDA should be added as well. Staff and volunteers have been sharing customer's confidential information with the public. In addition, the GM also shared personal information on financial information (people's names) which violates the Public Utility Government Codes and has civil and criminal repercussions for a government entity sharing anyone's confidential information without her/his permission. In January, a volunteer published an email with a customer's name and email address on social media. The same volunteer also shared another customer's name with the public in violations of the law.

The district has gotten extensions for an exemption to have a certified sewer technician for years. The public was told that the last sewer technician was still working on his certification during his entire employment. The new sewer technician is currently not enrolled in training. What is the plan for his training as required per the exemption request. It should be further noted that the untrained sewer technician is training as a volunteer. Has the waterboard been notified? What is the liability of an untrained volunteer working in this capacity?

The fire department SOP does state that all applicants must pass a criminal background check. There is currently a Nevada resident who does meet the requirements (fire department SOP application) of possessing a valid California driver's license and his official residence is not within the SCSD call response area. The same Nevada resident is also the assistant fire chief. Per the SOP, this needed to have board member approval and that has not been done.

Page 31 Does not discuss balancing its finances with the Counties numbers who were documented differing by a substantial amount per the 2020 audit. If memory serves the difference was between \$250,000 and \$300,000 off.

Page 32 Per the Waterboard's SSMP online booklet, the district shall notify the public of the SSMP. This was not done. It is on the waterboard website and the link on the report only links to the district website but no report.

Page 41 "Sewer Account Receivable — The audit showed that a customer, also a Board member, had three accounts with an outstanding balance on June 30, 2022, totaling \$19,843.20. The district indicated that it was a mistake in their accounting, and the customer does not owe anything to the district. The district will resolve this in their software as soon as possible." NOTE: This needs to be investigated by the DA. This is not something that should be taken lightly given all other mismanagement issues. There is a

possibility this is an accurate charge. One of the board members, Mike Arnold, previously owned the Eagle Lake RV Park in Spalding.

Page 42 “Segregation of Duties — The District lacks segregation of duties, which increases the risk of potential errors or irregularities occurring without being detected. However, the audit acknowledges that this requires additional expenses. The District recently hired an Office Assistant who takes direction from the General Manager and Office Manager, which increased the District’s ability to perform all aspects of processing transactions from beginning to end. Training regarding bookkeeping and bond accounts is expected to continue for the new hire in the upcoming fiscal year NOTES: Who is this person and what is her job description? What is the job description of Amy Hagen who claims to work in the office as a District volunteer? Has she signed waivers? The General Manager is also the district’s treasurer, which requires her to be bonded in that capacity. To date, she has not been bonded. The fire chief has mentioned on several occasions prior to a board meeting that he has his own fire account. While he is legally required to do so, the public should be kept apprised of this accounting activity since it is public funds.

Page 42/43 Anyone know anything about the board approving this and when. Annual Assessment — The District has been crediting/reducing the assessment for customers who prepay for an entire year by \$12 as an incentive. District management could not locate documentation supporting that the Board approved this practice, which Ch. 8 Finance Policy Consulting Associates, LLC 42 “SCSD MSR Public Review Draft appears to have been implemented by the prior general manager. According to the District, the \$12 credit has already been removed from the options for the next fiscal year. The District has informed all customers of this change for the past three quarters, and it has not been challenged. In April 2023, the District removed it.”

This is another matter of fees being changed without a vote.

Page 46 “Fund balances and reserves should include funds for cash flow and liquidity, in addition to funds to address longer-term needs. Cash reserves should be adequate to respond to system emergencies, temporary deficits, economic downturns, and fiscal emergencies, as well as to fund needed capital improvements. The District’s balance for governmental activities increased by about \$55,522 from FY 20-2130 to FY 21-2231, from an ending balance of \$140,490 to an ending balance of \$196,012. Alternately, the balance for business activities including capital assets decreased by about \$397,555 from FY 20-2132 to FY 21-2233, from an ending balance of \$8,313,795 to an ending balance of \$7,916,240. SCSD's liquidity ratio, which is positive (current assets exceed current liabilities), indicates the short-term (less than one year) availability of these funds if needed. However, the largest 30 Spalding Community Services District, Financial Statements for the Fiscal Year Ended June 30, 2021.p. 7. 31 Spalding Community Services District, Financial Statements for the Fiscal Year Ended June 30, 2022.p. 7. 32 Spalding Community Services District, Financial Statements for the Fiscal Year Ended June 30, 2021.p. 9-10. 33 Spalding Community Services District, Financial Statements for the Fiscal

Year Ended June 30, 2022.p. 9-10. Ch. 8 Finance Policy Consulting Associates, LLC" NOTE: Please explain in a way the public understands how this \$55,000 increase happened?

Page 47 "An agency's "Net Position" represents the amount by which assets (e.g., cash, capital assets, other assets) exceed liabilities (e.g., debts, unfunded pension and OPEB liabilities, other liabilities). A positive Net Position indicates financial soundness over the long term. SCSD had a total net position of \$12,581,582 million at the end of FY 21-22. SCSD's net position decreased by \$477,388 during FY 21-22 from FY20-21. The main cause of the decrease was a decline in total assets from business-type activities by \$400,433 compared to the previous year primarily due to depreciation.<sup>34</sup>" NOTE: The discrepancies we noted had nothing to do with depreciation, so we need further explanation. The audit also did not reveal the issues were depreciation related?

Pages 47-50 "The Study recommended increasing sewer service rates (O&M fees) to meet the revenue requirements of the District and addresses forecasts for increasing expenditures. The District's Board of Directors formally accepted this Study at a Special Meeting of the Board on July 31, 2023. The Rate Study can be viewed online at [spaldingcsd.org](http://spaldingcsd.org) and is also on file and available for public review at the Spalding Community Service District, 502-907 Mahogany Way, Susanville, CA 96130." NOTE: The sewer system has not been maintained properly for 15 years under this board's guidance. The law requires that if they collect money for maintenance, they provide it. The owners in the District have essentially paid for services not rendered, have had sewage spillages and some lines underground are blown apart. The owners in this District have a right to be reimbursed for these failures and the state must take drastic action to ensure that happens.

Page 49 "The Rate Study also compared the proposed sewer rate for SCSD and other wastewater Districts. As shown in Figure 8-4, after five years of rate increases as proposed, SCSD rates will still be lower than most other Districts of relatively comparable size and function. 40" NOTE: The rate study was compared to city treated water systems and the comparisons were not even compatible.

Page 51 "The \$9,427,703 USDA assessment bonds were initially issued in 2007 and were refinanced in 2017 through the issuance of \$7,940,000 in new debt. Interest is payable semi-annually on March 2 and September 2 at interest rates ranging from 3.875 percent to 5 percent, with principal payments through 2047. The bond transactions are accounted for in an Agency Fund. The outstanding principal on June 30, 2022, was \$7,106,400.42" NOTE: Please explain how this was done indebting landowners' additional years. Also explain the amount of money SCSD removed when the bond was refinanced and investigate what happened to that money.

Enter

Page 51 "SCSD reports that it does not have a Capital Improvement Plan. The District had previously started a needs assessment and had completed the first portion; however, the process was halted due to lack of funds. SCSD has the required reserve funds for the USDA assessment bonds. However, the District has no formal reserve policy or reserves in the

budget. The District also reports there are no savings on the SCSD budget. If there is any budget left from the previous year, it usually goes towards repairs and equipment. These financial constraints are a significant factor in prompting the Rate Study” NOTE; The board did not understand what a “reserves study” was when I introduced the need at a board meeting almost 3 years ago. Their rate study also indicated the need for one, but it was never completed.

Page 53 “SCSD is committed to providing its customers with a safe, affordable, and reliable wastewater collection, treatment, and dispersal system. To accomplish this, the District levies a simple user fee rate for services provided. Sewer rates are required to be set at levels sufficient to cover the costs of: • Ongoing operations and maintenance, • Repair of system facilities, • Acquisition of materials and supplies, • Labor and administration, • Capital improvements, and • Maintenance of adequate cash reserves. The SCSD wastewater system is known as a STEP/STEG system. The system” Note: The sewer failures, are evidence that this board has not taken anything seriously and should be watched like a hawk and some monthly form be required by LAFCo that it is meeting all obligations and how that is happening.

Page 54 “Each residential or commercial connection maintains and operates an individual septic tank that provides partially treated wastewater to the collection system. The individual septic tanks are not under the ownership or control of the District. The District ensures that each septic tank connected to the sewage collection system has a filter installed to prevent solids above a certain size from entering the collection system.<sup>46</sup> The collection system conveys the sewage to three evaporation ponds that are located approximately two miles north of the Spalding Tract. Pond 1 is 9.2 acres, and Ponds 2 and 3”. NOTE: The installation of 1-1/2 line (which in some cases was not thermo bonded but instead glued) cut corners that does not appropriately serve the Districts residents. There were no backflow valves installed, there were no meters installed. The District should have engineers design a project that corrects all of these issues. There should be grant money available to do this. The law requires that services be charged commensurate with use and right now that also is not happening, nor has it ever happened. A person with a motor home with a holding tank that comes up a week a year is paying the same as full time residents.

Enter

Page 57 “With regard to the District's collection and treatment system, there is a scheduled inspections and conditions assessment that is to be carried out by District staff, according to the SSMP.<sup>56</sup> The following tasks are done on a daily basis: • Check daily flows and record, and • Check for alarms at lift stations. The following are done on a weekly basis: • Visually check ponds and pump flows, • Check Pond levels, • Check evaporation pans, • Check operation of lift stations and pumps, • Check coolant, oil, and fuel levels in emergency generators, and • Inspect street venting. The following are completed on a monthly basis: • SSO reporting, and • Prepare a report for the board on current issues being addressed. The following are done on a quarterly basis: • Exercise valve ponds, • Conduct monitoring of well tests, • Conduct monitoring of pond tests and perform testing,



and • Weeding, as necessary. Although SCSD's SSMP has a maintenance plan, staffing. NOTES: The District has never had more than one sewer operator nor does it require additional staffing. If any of these items had been performed as stated, we wouldn't be experiencing a spill that the board has known was coming since April. What happened to the \$29,000 the board authorized? Where are the invoices and payments showing replacements for the pumps? Have three engineering bids been obtained to assess whether or not pump station one should be built on ground that is not sinking? This is all a part of repairs, maintenance and studies that should be done. Mike Arnold admitted in a board meeting that there has been no maintenance. Where did this money we paid go? The district had volunteers helping with a pump after they had a resolution to pay for emergency services that had not been completed. A few days later, that same pump had a spill.

Page 58 "Additionally, the District reports that no lines have been replaced since 2000. Since the facility is not utilized up to its capacity, replacement may not be required as much as maintenance efforts such as flushing the line. The operator has reportedly flushed one line" NOTE: Flushing the line caused a blowout in the line affecting multiple residences as a result of the lack of thermal bonding required and not correctly done. That spill or blowout also wasn't reported evidently.

Page 59 "According to the SWRCB's SSO interactive tool, there are 0 SSO events in all categories for SCSD. Note that the SWRCB website shows that the most recent inspection for SCSD was conducted in 2019. Other information, such as the Regulatory Measures provided on the website is also outdated as it reflects an effective date of May 11, 2006, and an expiry date of May 12, 2011.<sup>60</sup> As mentioned, there has not been any inspection by SWRCB since 2019, and it is unclear when the next one will be. However, the District affirms that they have never had any overflows and that the only similar incident the District experienced was earlier this year when a plugged line needed to be blown out, which the District reports was addressed promptly <sup>61</sup>" NOTE: The lack of reporting spills has now happened twice. The board was aware we were headed for a spill as early as April. Enter

Page 60 "Significant wet weather events can impact wastewater collection systems due to infiltration and inflow (I/I). However, SCSD reports that the rainy season does not significantly affect flows. This section reviews indicators of wastewater service adequacy, including collection system integrity and regulatory compliance. Whenever available, industry standards are used to determine the level of services provided. In lieu of adopted standards, the report also makes use of generally accepted industry best practices or benchmarking with comparable providers. There are several measures of the integrity of the wastewater collection system, including sanitary sewer overflows, peaking factors as a result of infiltration and inflow (I/I), and efforts to address infiltration and inflow. Ch. 9 Wastewater" NOTE: Didn't we have 10 ft of snow over the 2022/23 winter?

Page 62 “According to the District's FY 21-22 budget, the Sewer Department was able to replace its non-operational Supervisory Control and Data Acquisition (SCADA) system. The SCADA system is a local server-based system that allows the District to monitor and be remotely” NOTE: Who bid the work, who contracted the work, where are the invoices and payments for the work. It’s one thing to pretend to budget something quite another to actually follow through.

Page 65 The fire chief has stated at District meetings that the fire department doesn’t do structure fires that they only handle lives. The helicopter landing site is the Spalding plane runway that is supposed to be maintained by Lassen County. Spalding doesn’t own this space. I have lived in Spalding for 3 years, attended meetings etc. and at no time has fire safety education occurred for members of the public. Cal Fire comes through annually and looks for issues but unless asked they are noting potential hazards I believe. Also, unsure what fire protection planning happens as I haven’t heard anything about that at any meetings either. The weed abatement program does not exist, twice a year, green waste extra dumpsters are placed at the transfer station in Spalding but that seems to be the extent of any waste. No actual known weed abatement occurs. The fire department specializes in obtaining grants for materials that are leased to Cal fire. Otherwise, it is rare you ever see an actual fire vehicle other than an ambulance leaving town.

The SVFD opened its doors to public viewing of their vehicles. It should be suggested that they do informational meetings with the public to be more transparent on the titles of their training, certifications and their processes on emergency calls, fire calls, etc.

Spalding CSD MSR  
Public Review Draft

Continuing Education Provider – Medical	SVFD
Air Ambulance Transport Helicopter Services	
Helicopter Landing Facilities On Site	Spalding CSD
Vehicle Extrication Tools/Equipment	SVFD
Fire Prevention	
Fire Safety Education – Children	SVFD
Fire Safety Education – Adults/Seniors	SVFD
Juvenile Firesetter Prevention Program	
Fire and Life Safety Business Inspection Program	
Fire Protection Planning	SVFD
New Commercial Construction Plan Reviews	
Public Education Provider (CPR, First Aid, etc.)	SVFD
Home Fire/Safety Inspections	
Fire Origin and Cause Investigations	
Fuel Reduction/Weed Abatement Program	SVFD
Smoke Detector Giveaway/Installation Program	
Address Sign Installation Program	SVFD
Rescue Services	
First Responder Swift Water Rescue Program	
Water Rescue Program	
Ice Rescue Program	
Dive Rescue Program	
Low angle Rope Rescue Program	
Helicopter Short/Long Haul Rescue Capabilities	
Response to Boating Accidents	
Rescue Dog Services	
Hazardous Materials	
Hazardous Materials Emergency Response – Basic	
Hazardous Materials Response Team	
Support Services	
Firefighter Incident Support Unit	

Page 66 It would be helpful if the SVFD would provide a copy of the AED renewals and certificates with their monthly report to the board. When this isn't done, and due to issues with CPRA requests, the public has had to go directly to NorCal EMSA for their certification. The public should also be informed and/or reminded where the AED locations are located within Spalding.

It should also be suggested that the fire chief submit a written monthly report to the board that is part of the agenda packet. This would be helpful to those who cannot attend the meeting and prepare those who can attend the meetings for any questions they may need answered. This report should include the type of training the volunteers have completed. The report should be detailed for transparency.

Page 68

The fire roster was severely outdated. It should be recommended that they update their workers' compensation whenever a volunteer joins or quits the SVFD per CA law.

The SVFD also needs to train and remind its volunteers of their liability to the district. In 2022, two new volunteers made the decision to drive a resident in their private vehicle to the hospital during a snowstorm. While they did a neighborly act, it was recorded on the 911 call and puts the district at risk of liability.

Page 69

Earlier in the MSR, it stated that no employees are required to have criminal background checks, but this states the opposite (and it's also in the district's fire SOP).

Do we have volunteers with designated firefighters on their licenses? This MSR mentions one person when we were told three had it. Scott Hagen, Frankie Muse and Shirley Spediacchi.

Page 71

This equipment list is inaccurate. The fire dept just (correctly this time) put up auction an older fire truck bringing in \$15,600 according to Februarys 2024 meeting comment by the Fire Chief. They now have a brand new vehicle purchased in 2023 that they paid 116,000 for, the truck was not a standard fire water truck. To use it, it needed modification for use by Cal fire which couldn't be modified last we heard. We don't know if that means it can only be used as a water truck to hold water or if it can actually be used in a structural fire? The bars and lights are on it and the fire department states it is in use just missing some striping they want to put on it but it's not clear if it is just a water transport vehicle? It was discussed that it could be used for flushing out sewer lines but that's confusing as well since it was purchased by fire. We are not sure what the status of that right now or if it is usable even for structural fires within the District. A fire water well has been dry for a period of time and to do the testing required, and staff member (Robert Whitworth) was instructed to pour water in the well before testing was done. The District has not made this publicly known and we do not know if the District even has water at this moment in case of fire.

Until the public started complaining, the District was doing nothing. Until transplant recipients started questioning the medical assistance availability in the District and Sems and the other agency were contacted they were in fact sending Shirley out to do medical assessments and then Shirley and a few others with those agencies' assistance got training needed.

The District can't always be behind the 8 ball, it needs to be informed and stay informed because a lot of people were misled about availability of medical services in Spalding Tract. It should be required that they annually verify their volunteers' training records, certifications, and licenses.

Type text here

The SVFD has not given us the opt-out for their services. There are legal requirements for residents to choose this option and they should do a presentation on it. How will 911 be notified for those who opt out of SVFD response?

Page 73 – Fundraising activities – The district does not obtain necessary permits for this and opens itself up to liability. This also includes the fire department fundraisers.

Page 74

It is absolutely not true that the US postal service is adding mailboxes to Spalding to "beautify" it. In the postmasters' own words, the mailboxes at the District were "not secure." Community complaints and the postal services willingness to remedy the situation started in 2023 with members of the community and the US postal service working together to remedy the situation on land not at the District. There are (roughly) 240 new secure mailboxes in front of the old "heritage" building and more are scheduled to be installed along The Strand. The district needs to stop stating services they do not provide to the residents. They refused to provide an outside space or pay for the installation of the newest mailboxes. The post office and residents paid for the first installment of new boxes.

The district assigned mailboxes that are located inside the district office lobby. Due to the compromised mailboxes, this is no longer happening.

In addition, the District wouldn't be getting questions about mail had a District employee (Sharon Moats) should not been caught with a board members (Ron LoBue) mail she had publicly expressed distaste for, scattered across her desk, and Ron LoBue had a verified instance of someone inside the District opening an envelope and re-taping it shut. Had it not been for these federal violations, it would not have been connected to the illegal installation of the mail grate in 2017.

The district continues to send out disinformation on the facts of the compromised mailboxes. At the October 2023 LAFCO meeting, the unknown woman who spoke on it was Kelly Handy, district staff. The fact is that a key was made and given to Mike Arnold. You can reach your hand in the back, but all mail is pushed to the front of our mailboxes. The likelihood of grabbing mail from a neighbor's box is non-existent.

No District personnel should be touching anyone's mail, nor should they have a key to the mailbox grate installed. If people get mail for someone else, it should be put back in the outgoing mailbox. LAFCO was provided with the postmaster's letter and invoices for the mailbox grate door and has a responsibility to refer this ongoing issue to the DA to investigate violations of state and federal laws.

No District personnel should be touching anyone's mail, nor should they have a key to the mailbox grate installed. If people get mail for someone else, it should be put back in the outgoing mailbox.

Page 77

In 2023 election, there were reportedly 193 registered voters. That tends to either say some are voting that are not full time residents, OR that there are more than 150 years round residents. If the population is expected to decrease, and if the District has been run by fewer office staff when it was hopping (i.e., Chris Gallagher, Virginia and a bookkeeper were in the office), why does the District need more staff? We understand why it needs more qualified and more professional board and staff, but this is still a question. Why more in number? A portion of the current board voted to take the finances away from the County despite their ordinances to the contrary - then, after the fact acknowledged that they had an ordinance requiring the County to manage funds for the District, decided to change the ordinance, and the District can no longer tell you which fund has what money. The excuse is that the County gave them one lump sum and the District doesn't know which fund has what. That is an excuse. The County will absolutely be able to give them that answer. As to the District making this choice, with little to no transparency over 3 years, not producing financial records at meetings, co-mingling sewer, and recreation expenses etc., this has become more of a nightmare. The chart of accounts for the new setup was not reviewed by the board for expenditures to be more transparent, which was discussed when the board voted on this (outside of their own ordinance). Now the District is left with a mess. Mike Arnold resigned, the District manager resigned who was designated treasurer without having been bonded, and we don't even know if she is capable of being bonded? Who will be designated treasurer now? The disadvantaged number of 129 with 193 registered voters questioning that number. Voters can be matched to the tax assessors list to see who actually receives their mail in the District. Office staff incorrectly state they are consumed by CPRA requests. When people walk in to check their mail, they frequently see the GM and office staff sitting in the front office chatting and not working.

Page 79 Mailbox and Recreation have been discussed in other sections of the MSR and responded to there. The rate study in no way meets the report requirements under the law. The basis for the rate study was not accurate. The board and GM were aware of it proceeding anyway, and the board voted to NOT do a prop 218 vote as per the requirements in their ordinance. The compromised mailboxes in the district lobby may have disenfranchised voters, a volunteer wrote on protest votes and the district has never balanced with the county. This leaves the justification for the increase questionable. Since that time, legal has advised to pay the fee "under protest" until the issues can be resolved legally.

Page 80 The district also includes the following in their DE 700 conflict of interests.

- Consultants
- Committee Members

Page 80 Agenda - The district should inform the public what teleconferencing option it has chosen for 2024. The question was asked and ignored after Mike Arnold called in for the January 2024 meeting.

# Lassen Local Agency Formation Commission

## CLAIMS

December 2023 and January 2024

Authorize payment of the following claims from the FY 2023-2024 Budget:

<u>Date of Claim</u>	<u>Description</u>	<u>Amount</u>
January 5, 2024	December 2023 Staff Services	\$4,260.38
February 6, 2024	January 2024 Staff Services	\$3,800.18
TOTAL:		\$8,060.56

DATED: February 12, 2024

APPROVED: February 12, 2024

---

Todd Eid, Chair  
Lassen Local Agency Formation Commission

Attest:

---

Jennifer Stephenson  
Executive Officer

**Invoice #LASSEN-2024-1**  
***Policy Consulting Associates, LLC***  
39774 Via Careza  
Murrieta, CA 92563  
(310) 936-2639  
EIN #: 27-2523069

Date: February 6, 2024

Lassen LAFCO  
5050 Laguna Blvd #112-711  
Elk Grove, CA 95758

**Staff Services**

	Hours	Rate	Amount
Jennifer Stephenson, Executive Officer		\$3,500	\$3,500.00
<b>Subtotal</b>			<b>\$3,500.00</b>

**Projects: Applications, MSRs and SOI Updates**

	Hours	Rate	Amount
Jennifer Stephenson, Application/Projects - SSD MSR, SCSD MSR	0.00	\$ 100.00	\$0.00
Oxana Wolfson Analyst	0.00	\$ 80.00	\$0.00
Jill Hetland, Research Assistant	0.00	\$ 70.00	\$0.00
Melat Assefa, Research Assistant - Application Update	3.50	\$ 70.00	\$245.00
<b>Subtotal</b>			<b>\$245.00</b>

**Reimbursements**

Reproduction Costs			\$0.00
Postage			\$0.00
Phone and Communications			\$33.90
Office Supplies (1/3 folders, labels, paper)			\$21.28
Mileage			\$0.00
Conference Per Diem			\$0.00
Transportation and Travel			\$0.00
<b>Subtotal</b>			<b>\$55.18</b>

<b>Amount Due</b>	<b>\$3,800.18</b>
-------------------	-------------------

***Please remit invoices to Policy Consulting Associates, LLC***



Jennifer Stephenson, Principal

2/6/24

Date



# CHECK REQUEST

## LASSEN LAFCO

(City of Susanville-Finance Dept)

Local Agency  
Formation Commission

Due Date

22-Feb-24

Date Submitted

2/6/24

Fiscal Year

2023-2024

Payable To:

Policy Consulting Associates

39774 Via Careza

Murrieta, CA 92563

Finance Use Only:

PO #

Invoice #

Description/Justification:

Lafco Staff Svcs and expenses for Jan 24

Inv LASSEN 2024-1

Special Instructions:

Mail Check to Jennifer Stephenson

39774 Via Careza

Murrieta, CA 92563

Budget Responsible Signature:

Jennifer Stephenson

### ACCOUNT CODING

### AMOUNT

Fund	Dept-Div	Object	
8402	413-30	4550	
8402	413-30	4641	
8402	413-30	4530	\$33.90
8402	413-30	4610	\$21.28
8402	413-30	4331	\$3,500.00
8402	413-30	4332	
8402	413-30	4342	
8402	413-30	4330	
8402	413-30	4340	\$245.00
8402	413-30	4580	
8402	413-30	4344	

TOTAL

\$3,800.18

**Invoice #LASSEN-2023-12**  
***Policy Consulting Associates, LLC***  
39774 Via Careza  
Murrieta, CA 92563  
(310) 936-2639  
EIN #: 27-2523069

Date: January 5, 2024

Lassen LAFCO  
5050 Laguna Blvd #112-711  
Elk Grove, CA 95758

**Staff Services**

	Hours	Rate	Amount
Jennifer Stephenson, Executive Officer		\$3,500	\$3,500.00
<b>Subtotal</b>			<b>\$3,500.00</b>

**Projects: Applications, MSRs and SOI Updates**

	Hours	Rate	Amount
Jennifer Stephenson, Application/Projects - SSD MSR, SCSD MSR	3.50	\$ 100.00	\$350.00
Oxana Wolfson Analyst	0.00	\$ 80.00	\$0.00
Jill Hetland, Research Assistant	0.00	\$ 70.00	\$0.00
Melat Assefa, Research Assistant - SCSD and SSD MSRs	5.50	\$ 70.00	\$385.00
<b>Subtotal</b>			<b>\$735.00</b>

**Reimbursements**

Reproduction Costs			\$0.00
Postage			\$0.00
Phone and Communications			\$0.00
Office Supplies (Toner 1/3)			\$25.38
Mileage			\$0.00
Conference Per Diem			\$0.00
Transportation and Travel			\$0.00
<b>Subtotal</b>			<b>\$25.38</b>

<b>Amount Due</b>	<b>\$4,260.38</b>
-------------------	-------------------

***Please remit invoices to Policy Consulting Associates, LLC***

*Jennifer Stephenson*

Jennifer Stephenson, Principal

1/5/24

Date

# CHECK REQUEST

## LASSEN LAFCO

(City of Susanville-Finance Dept)

Local Agency  
Formation Commission

Due Date

21-Jan-24

Date Submitted

1/5/24

Fiscal Year

2023-2024

Payable To:

Policy Consulting Associates

39774 Via Careza

Murrieta, CA 92563

Finance Use Only:

PO #

Invoice #

Description/Justification:

Lafco Staff Svcs and expenses for Dec 2023

Inv LASSEN 2023-12

Special Instructions:

Mail Check to Jennifer Stephenson

39774 Via Careza

Murrieta, CA 92563

Budget Responsible Signature:

Jennifer Stephenson

### ACCOUNT CODING

### AMOUNT

Fund	Dept-Div	Object	
8402	413-30	4550	
8402	413-30	4641	
8402	413-30	4530	
8402	413-30	4610	\$25.38
8402	413-30	4331	\$3,500.00
8402	413-30	4332	
8402	413-30	4342	
8402	413-30	4330	\$735.00
8402	413-30	4340	
8402	413-30	4580	
8402	413-30	4344	

TOTAL

\$4,260.38

## 2023-2024 Expenditures

## Lassen LAFCO

Item Account Number	Insurance 4521	Office Expense 4610	copies 4550	Communications 4530	Postage 4641	Memberships 4830	Legal Svcs 4310	Ex. OFF. Svcs 4331	Brown Act 4332	Publications 4540	Travel 4580
<b>Total Budgeted</b>	<b>\$ 1,000.00</b>	<b>\$ 300.00</b>	<b>\$ 500.00</b>	<b>\$ 500.00</b>	<b>\$ 200.00</b>	<b>\$ 1,593.73</b>	<b>\$ 2,000.00</b>	<b>\$ 42,000.00</b>	<b>\$ 2,000.00</b>	<b>\$ 300.00</b>	<b>\$ 3,000.00</b>
Calafco Dues 2023-2024						\$ (1,593.00)					
Staff Svcs July 2023		\$ (38.20)						\$ (3,500.00)			
CALAFCO Conference Reg											\$ (650.00)
Staff Svcs Aug 2023		\$ (87.08)						\$ (3,500.00)			\$ (363.73)
Staff Svcs Sep 2023		\$ (66.04)			\$ (39.75)			\$ (3,500.00)			
Staff Svcs Oct 2023								\$ (3,500.00)			\$ (532.09)
TN Conference Reimbursement											\$ (1,443.94)
Staff Svcs Nov 2023		\$ (26.09)			\$ (39.75)			\$ (3,500.00)			
Staff Svcs Dec 2023		\$ (25.38)						\$ (3,500.00)			
Staff Svcs Jan 2024		\$ (21.28)		\$ (33.90)				\$ (3,500.00)			
<b>TOTAL EXPENDED</b>	<b>\$ -</b>	<b>\$ (264.07)</b>	<b>\$ -</b>	<b>\$ (33.90)</b>	<b>\$ (79.50)</b>	<b>\$ (1,593.00)</b>	<b>\$ -</b>	<b>\$ (24,500.00)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (2,989.76)</b>
<b>TOTAL REMAINING</b>	<b>\$ 1,000.00</b>	<b>\$ 35.93</b>	<b>\$ 500.00</b>	<b>\$ 466.10</b>	<b>\$ 120.50</b>	<b>\$ 0.73</b>	<b>\$ 2,000.00</b>	<b>\$ 17,500.00</b>	<b>\$ 2,000.00</b>	<b>\$ 300.00</b>	<b>\$ 10.24</b>

**Lassen LAFCO**

2/6/24



SUPPORTING SUSTAINABLE  
COMMUNITY GROWTH

# NEWSLETTER

January, 2024

## FROM THE BOARD CHAIR

**Dear Board of Directors and esteemed  
LAFCO members,**

I am honored by your invitation to serve as the Chair of the CALAFCO Board for 2024. I sincerely appreciate your trust and confidence in me, and I look forward to working with you to advance our organization's mission and vision.

As the Chair of the Board, I will strive to uphold the highest standards of leadership, integrity, and accountability. I will also seek to foster a culture of collaboration, innovation, and excellence among our board members, staff, and stakeholders. I believe that together, we can overcome any challenges and seize any opportunities that may arise in our dynamic environment.

I am excited about the prospects of our organization and the potential impact we can have on our communities and beyond. I am eager to hear your ideas, insights, and feedback on improving our performance and achieving our goals. I invite you to



contact me anytime with your suggestions, concerns, or questions.

Thank you once again for this incredible opportunity. I am grateful to Bill Connelly and would like to thank him for his leadership in 2023. I wish you all a productive and prosperous year ahead.

Sincerely,

**Margie Mohler, Chair**

Watch for our New Look

[www.calafco.org](http://www.calafco.org)

## BOARD BRIEF

Retirements and other circumstances saw five members cycle off the Board after the October elections. Our profoundest thanks go to Southern region reps Jo MacKenzie (San Diego) and Mike Kelley (Imperial), Coastal Region rep Shane Stark (Santa Barbara), Northern region rep Debra Lake (Humboldt), and Central Region rep Daniel Parra (Fresno) for the time and expertise that they devoted to CALAFCO—some of them for many years. We are confident that we will see many of you in future endeavors.

In their place, we were also honored to install the five new members. Southern Region: Kimberly Cox (San Bernardino) and Yxstian Gutierrez (Riverside); Coastal Region: Kenneth Leary (Napa); Northern Region: Gordon Mangel (Nevada); and Central Region: Tamara Wallace (El Dorado). We look forward to the many contributions that we know our new Board members will make to CALAFCO. Welcome aboard, everyone!

While the end and beginning of a year are typically full of holiday happenings, the CALAFCO Board was still hard at work. Actions taken during the December and January meetings included approval of the following items:

- CALAFCO 2024 Legislative Policies and Priorities. (Those were unchanged from 2023.)
- 2024 Board meeting schedule (see the Schedule of Events on page 9 for more information.)
- FY 2024-2025 Member dues (approved with a 3.1% CPI

*(Continued on page 4)*

## BOARD MEMBERS

Margie Mohler, Chair  
Acquanetta Warren, Vice Chair  
Gay Jones, Treasurer  
Black Inscore, Secretary  
Bill Connelly  
Kimberly Cox  
Rodrigo Espinosa  
Yxstian Gutierrez  
Kenneth Leary  
Gordon Mangel  
Michael McGill  
Derek McGregor  
Anita Paque  
Wendy Root Askew  
Josh Susman  
Tamara Wallace

## CALAFCO Staff

René LaRoche, Exec. Director  
Clark Alsop, Legal Counsel  
Stephen Lucas, Exec. Officer  
José Henriquez, Dep. Exec. Ofc.  
Dawn Longoria, Dep. Exec. Ofc.  
Gary Thompson, Dep. Exec. Ofc.  
Jeni Tickler, Administrator





## FROM THE EXECUTIVE DIRECTOR

### Happy 2024!

It absolutely boggles my mind to be saying that because it seems like we just launched into 2023. Where *did* the year go?

As we bid farewell to 2023 and welcome the new year, I am filled with gratitude for the incredible community that is CALAFCO. Your enthusiasm, volunteerism, commitment, and support have made the past year truly remarkable.

We've developed a new brand and have some exciting plans in the pipeline – from our engaging events and enriching workshops, to a new website and staff photo contest – and all are designed to make the CALAFCO experience even more fantastic for our members. Stay tuned for updates and get ready to make this year the best one yet!

Of course, it wouldn't be a new year without a toast! So, here's to new beginnings, shared laughter (and lots of it), and the continued growth of our wonderful association. My wish for each of you is that the year ahead is filled with

accomplishments, health, happiness, and countless reasons to celebrate.

May we all embark on 2024 with boundless energy, fresh perspectives, and a shared spirit of collaboration, and may this year bring you nothing but joy, success, and memorable moments!

Here's to making the new year all that we want it to be!

Happy New Year!!

**René LaRoche, Executive Director**





# BOARD COMMITTEE ASSIGNMENTS

The following Board member committee assignments were made on January 5, 2024:

## AWARDS COMMITTEE:

Rodrigo Espinosa (Central), Blake Inscore (Northern), Kenneth Leary (Coastal), and Derek McGregor (Southern)

## CONFERENCE COMMITTEE:

Kenneth Leary (Coastal), Gordon Mangel (Northern), Anita Paque (Central), and Acquanetta Warren (Southern)

## ELECTIONS COMMITTEE:

Bill Connelly (Northern), Kimberly Cox (Southern), Kenneth Leary (Coastal), and Anita Paque (Central)

## LEGISLATIVE COMMITTEE:

Bill Connelly (Northern), Yxstian Gutierrez (Southern), Gay Jones (Central), Mike McGill (Coastal), Derek McGregor (Southern), Margie Mohler, Anita Paque, Wendy Root Askew (Coastal), Josh Susman (Northern), and Tamara Wallace (Central)

## AD HOC MODERNIZATION COMMITTEE:

Gordon Mangel (Northern), Margie Mohler (Coastal), Tamara Wallace (Central), Acquanetta Warren (Southern)

### **BOARD BRIEF, Continued from page 2**

adjustment.)

- Amended CALAFCO Policy 4.5, pertaining to the Legislative Committee (Now defines a quorum as 7 of the Board and Staff voting members, requires the committee to disband within 15 minutes of the start time when no quorum exists, and has been reformatted for easier reading.)
- A new CALAFCO brand.
- Authorization to move association funds into higher yielding accounts.
- Appointment of members to committees.

Additional information for any Board item can be found in the agenda packets posted on the website, or by contacting the Executive Director.

## NEW BRAND UNVEILED

### NEW LOOK

It's here! It's here! After a process that started with our Strategic Planning in February, 2023, we are thrilled to share our revitalized CALAFCO brand! As our first ever professionally designed logo, this brand represents a significant milestone in our journey towards modernization and innovation under Phase I of our Strategic Plan.

Our new brand provides us with a **Refreshed Visual Identity** in a simple, modern design to better represent our professionalism, as well as **Enhanced Messaging** that builds on CALAFCO's new Mission Statement. We've also added a new tag line to better communicate the supportive position that CALAFCO plays for its members.

While operational enhancements have been happening, and continue to happen, behind the scenes, the new logo is our first public-facing change. As such, it also symbolizes our transition into a streamlined, more efficient, and modernized association.

The rebranding will soon be accompanied by a new website, which is currently under development. The new website is expected to complement our new brand with a similar modern aesthetic, while also providing us with the technological platform to take event



registrations, and administer dues and payments.

As the hub for all CALAFCO information and resources, we look forward to enhanced website features that will serve up information with an intuitive and friendly user experience. Watch for that unveiling soon!

Of course, work of this magnitude does not occur in a vacuum. Thank you to the Board of Directors for their effort to develop the 2023-2026 Strategic Plan which outlined rebranding as an action item, as well as for the input they provided to develop the logo Design Brief that guided our consultant, Tara Bravo Mulally with CV Strategies.

Also, our sincere thanks to the EOs who took the polls which provided us with needed feedback.

Finally, special thanks to our Ad Hoc Rebranding Committee members who guided the development of this new brand through multiple meetings, discussions, and polls. Those members were Mike Kelley (Southern), Steve Lucas (Northern), Margie Mohler (Coastal), and Anita Paque (Central).



## YEAR 1 END

2023 marked the end of the first-year of this two year legislative cycle. During the year, a total of 3,030 bills were introduced – 1,974 in the Assembly and 1,056 in the Senate. Of those, CALAFCO reviewed nearly all at least once, tracked 21 bills, and took formal positions on 7 bills.

Support positions were taken by CALAFCO on AB 1753 (Assembly Local Government Committee) which was CALAFCO's Omnibus bill, SB 360 (Blakespear) regarding the California Coastal Commission membership, and SB 878, 879, and 880, the Senate Governance and Finance Committee annual validations.

Positions in Opposition were taken on AB 399 (Boerner) County Water Authority Act, AB 530 (Boerner) the first iteration of the County Water Authority Act bill that missed deadlines, and AB 918 (Garcia) the Imperial County Healthcare District.

The call for legislative proposals went out in July and culminated in the receipt of five new Omnibus proposals. To be Omnibus material, the proposal must seek to institute minor or technical changes that are not of concern to other stakeholders.

The collection of Omnibus proposals was

submitted to the Assembly Local Government Committee Consultant for the 2024 session. However, after review and stakeholder outreach, the Committee Consultant approved only one proposal to move forward.

Consequently, CALAFCO starts 2024 with 10 active bills in tracking (all currently marked as watch, neutral or no position), and an Omnibus bill. Thank you to Joe Serrano (Santa Cruz) for spearheading the Omnibus effort.

## NEW LAWS

**AB 1753 (ALGC) CALAFCO's Omnibus bill** adds two new provisions. The first addition is to Government Code Section 56658(d) where a cross reference to existing Revenue and Taxation Code Section 99 was added. The second change is to GC Sec. 56882, changes "mail" to "transmit" and adds subsection (b), which requires a confirmation of receipt for resolutions transmitted by email or electronic means.

**SB 360 (Blakespear) California Coastal Commission** - Allows members of JPAs, LAFCOs, and the San Diego Association of

(Continued on page 7)





## HAPPY TRAILS, JURG!!



The End of the year brought with it the retirement of long-time Imperial EO, Jurg Heuberger - a life change to which Jurg was looking forward! Displaying their characteristic solidarity, Southern Region EOs and staffers traveled to El Centro on December 13th where they wined and dined Jurg, and then hailed him the next day at his last LAFCO meeting. Respect takes many forms, and this display was certainly one of the sweetest! **Congratulations to Jurg on this new journey!**

### Associate Member SPOTLIGHT

#### NEW GOLD ASSOCIATE!

Thank you to Planwest Partners for upgrading to a **Gold Membership!**

Planwest Partners provides contract LAFCO staffing services to multiple LAFCOs - and Collette is a regular presenter at workshops and conferences! Many thanks!

Also, **WELCOME** to our new Associate member, **David Scheurich!** David is Staff Chief of Cooperative Fire Protection for CAL FIRE. His primary activities include review and assistance in coordination of Cooperative Fire Protection agreements.

**PLANWEST**  
PARTNERS, INC.



### TRACKS AROUND THE STATE

Only one month into the year and we have two new EOs!

**Congratulations to Paula Graf**, who traded in the "Assistant" mantle to become the new Imperial LAFCO EO on January 1st.

And in Shasta, Krystle Heaney replaces George Williamson who happily stepped aside as EO. **Congratulations, Krystle!**

### NEW LAWS

(Continued from page 6)

Governments to serve on the Coastal Commission.

**AB 557 (Hart) Brown Act teleconferencing** - Revises the rules for teleconferencing during a proclaimed emergency by removing the sunset date, removing references to social distancing, and extending the time between legislative findings of a continued emergency from the previous 30-day period to 45 days. Does not affect regular teleconferencing rules.





## 2023 CONFERENCE – MONTEREY



### “The best conference, yet!”

We heard that refrain repeatedly from attendees during the October, 2023, Annual Conference. But, it's hard NOT to get it right when you've got the location, weather, and volunteers that we had to help put it all together! Thank you to the 40 or so volunteers who had our backs to make everything happen from planning to execution! It definitely takes a village to provide for 270 attendees (nearly 23% higher than our previous high) but you all nailed it!

And, a special thank you to Director Wendy Root Askew, EO Kate McKenna, and the fabulous crew from Monterey LAFCO for providing SOOOO much assistance! You guys rock!

### Award Winners

Of course, the much anticipated highlight of the event was the Achievement Awards that were presented at the Association Dinner on Thursday night. Congratulations to all of our winners!

**OUTSTANDING VOLUNTEER:** *Anita Paque (Calaveras)*

**OUTSTANDING ASSOCIATE MEMBER:** *Colantuono, Highsmith & Whatley*

**OUTSTANDING COMMISSIONER:** *Richard Bettencourt (San Benito)*

**OUTSTANDING LAFCO PROFESSIONAL:** (two-way tie)

*Andrea Ozdy (Ventura), and José Henriquez (Sacramento)*

**MIKE GOTCH EXCELLENCE IN PUBLIC SERVICE AWARDS,**

**- AGRICULTURE CATEGORY:** *Napa LAFCO*

**- INNOVATION CATEGORY:** *Tom Cooley (Plumas)*

**LIFETIME ACHIEVEMENT AWARD:** *Dawn Mittleman Longoria (Napa)*

And, a special congratulations to *Commissioner Fred Sheriff* from *Tulare LAFCO* who won the evening's door prize - a spectacular painting donated by Anwar Fonseca. Congrats, Fred!





SCHEDULE OF UPCOMING EVENTS

Tenaya Lodge, Fish Camp, CA  
2024 Annual Conference Site

JANUARY	5	CALAFCO Board of Directors Meeting (Virtual)*
	12	CALAFCO Legislative Committee (Virtual)†
FEBRUARY	16	CALAFCO Legislative Committee (Virtual)†
MARCH	5	CALAFCO U -
	22	CALAFCO Legislative Committee (Virtual)†
APRIL	12	CALAFCO Board of Directors Meeting (Virtual)*
	24-26	CALAFCO Staff Workshop (Pleasanton)
MAY	10	CALAFCO Legislative Committee (Virtual)†
JUNE	14	CALAFCO Legislative Committee (Virtual)†
JULY	12	CALAFCO Legislative Committee (Virtual)†
	19	CALAFCO Board of Directors Meeting (Virtual)*
AUGUST	23	CALAFCO Legislative Committee (Virtual), if needed†
SEPTEMBER		Let's get ready for the Conference!
OCTOBER	16-18	CALAFCO Annual Conference (Yosemite)
	17	CALAFCO Annual Business Meeting (Yosemite)
	18	CALAFCO Board of Directors Meeting (Yosemite)
NOVEMBER	1	CALAFCO Legislative Committee (Virtual)†
DECEMBER	6	CALAFCO Legislative Committee (Virtual), if needed†

\* 10:00 AM Start time  
† 9:00 AM Start time