

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

REGULAR MEETING
June 12, 2017 - 3:00 p.m.

Meeting was called to order at 3:00 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 Gallagher to approve the agenda as submitted; Commissioner Wilson provided a second and the motion carried unanimously. Ayes: Gallagher, Wilson, Franco, Hemphill and Eid.

3. Correspondence None.

4. Minutes

A correction to page three of the February 27, 2017 minutes was requested to reflect that Commissioner Chapman was listed incorrectly under the Adjournment paragraph.

Motion by Commissioner Wilson to approve the minutes of the February 27, 2017 meeting; Commissioner Franco provided a second and the motion carried unanimously. Ayes: Wilson, Franco, Gallagher, Hemphill and Eid.

Motion by Commissioner Franco to approve the minutes of the April 10, 2017 meeting; Commissioner Wilson provided a second and motion carried. Ayes: Franco, Wilson and Hemphill. Abstain: Gallagher and Eid.

5. Public Comments No comments.

6. Public Hearing: City of Susanville Sphere of Influence Update Mr. Benoit reviewed the Sphere of Influence Policies as established by Lassen LAFCo's Policies, Standards and Procedures. The Policy requires that a sphere of influence must be adopted for each city and district in its jurisdiction. LAFCo must consider four factors and prepare a written statement of determinations with respect to the present and planned land use in the area, the probable need for public facilities and services, the present capacity and adequacy of those services, and any social or economic communities of interest in the area. The Sphere of Influence should be updated every ten years and as part of that process, agencies are encouraged to keep supporting documents such as the General Plan, up to date. Without an area plan, then there is not a clear plan of how the city or district will develop. Mr. Benoit explained that in 2007 it was strongly suggested that the City and County get together and update the 1984 Susanville Area Plan, but that has not happened. The adopted Sphere of Influence should coincide with the General Plan update and show the areas that are considered for probable expansion.

Mr. Benoit discussed Sphere of Influence options for the City, including the adoption of a sphere that is similar to that of the Susanville Sanitary District. Most annexations to the City would be processed with an annexation to the Sanitary District, with new developments built to City

standards and also requiring access to wastewater collection and treatment services. Another option would be to amend the Sphere to be coterminous with the City's General Plan, and territory outside the City's Planning area would not be included in the SOI. A third option would be to adopt a near and long term Sphere including a near term sphere immediately west, south and east of the City, extending out and including the community of Johnstonville. The long term Sphere would include the area further south including the Richmond Road area. All of the options would involve prohibitions regarding Williamson Act contracted lands which would require County and land owner permission prior to including it in the Sphere. Mr. Benoit again stressed the importance of the City and County working together to update the Area Plan so that the utility and growth plans can provide a guideline to develop the Sphere of Influence based upon probable growth, and have the document to justify those determinations and document that the City has conducted its due diligence.

Commissioner Wilson requested to hear the comments from the City and County staff that were present.

Jared G. Hancock, City Administrator, complimented Mr. Benoit on his availability and cooperation during the process of updating the City's Municipal Service Review. A big consideration for establishing probable future growth of the City has been the availability of natural gas and water. The City acquired the water system in Johnstonville, and has a blanket out of area service agreement to provide natural gas to customers who are adjacent to the system. The City's Land Use Element was updated around 2000, and it included a comprehensive update of the City's zoning. Any annexation would require pre-zoning prior to the annexation and once the Commission indicates its support of the SOI, then the City can move forward with the development of items such as the annexation policy. The City has not historically been over zealous in its annexation efforts, and staff has endeavored to remove some areas from the Sphere that are either owned by the Susanville Indian Rancheria or are undevelopable due to the high cost of installing infrastructure.

Mr. Benoit added that the City does have a General Plan that identifies the planning areas, and the map depicts property to the south of town and east towards Johnstonville that should be included as an area of concern and pre-zoning could be looked at with the update of the General Plan. The bottom line is that LAFCo should not be the lead agency in terms of identifying the City's future probable growth. That should be determined by the City and County working together, and updating the relevant documents to justify those findings.

Commissioner Franco asked if the recommendation was to not move forward with adoption of the Sphere of Influence Update.

Mr. Benoit responded that it would be his recommendation to designate the area south and east of the city limits as an Area of Concern, and not a Secondary sphere. The area listed in red that is located adjacent to the City towards the east, south, and west, would be the short-term sphere. The main point is that LAFCo should not be at the front of the process, and planning for the area of concern should occur as the area of concern, and not as a secondary sphere.

Richard Egan, Lassen County CAO, agreed with Mr. Benoit, and stated that whatever the area is referred to does not pose a lot of significance but it does send a political signal, and the planning process needs to be conducted that would include the landowners, and engage that process to determine providing services prior to calling it a sphere of influence.

Jim Chapman, Public Member Alternate, stated that he enjoyed the discussion and was present as a representative of the public. He agreed with the points that Mr. Hancock made, and also that Mr. Benoit is correct in that having a joint update of the Area Plan is the best opportunity to bring all of the parties together and have a discussion regarding the future growth of the community because it affects the city and the county. Whether or not it is possible due to the political dynamics that exist is another question, however it is important to recognize that everyone shares the same space. He recommended separating the short term and long term, and what is depicted in red shows a realistic short-term of what is needed and it seems to be the consensus. There is no over-riding urgency for the discussion, as it will be a long time before the City occupies even that extra space. Mr. Chapman discussed the development that occurred in the early 1980's and how the City has seen another 1,000 built in the Susan Hills area south of the City, and the importance of the County recognizing City building standards for such a time as those outer lying properties are annexed to the City, as the developers are long gone. He discussed issues related to the water and septic systems in the Johnstonville area, and how turning over the water system to the City made sense and that eventually the septic systems will have to be abandoned in favor of a sanitary district operated system, or there will be the same problems that have been dealt with in the South County with the failed West Patton Village system.

Commissioner Franco stated that it was important to be prepared for that situation if Lahontan steps in and mandates that the residents abandon their septic systems, and it is important for the City to deal with is, as the owner of that water system. He is in favor of keeping agricultural lands as ag land, and the cities as a city.

Mr. Benoit commented that the State is already stepping in and mandating the enforcement of new septic regulations and requiring the consolidation of separate systems. In some areas it is a good thing for the system users.

Mr. Hancock stated that it is going to be an important part of that process to really educate the public and homeowners about what happens with consolidations and annexations, and there are a lot of terms that give people the impression that things will happen that will be negative for them, or result in additional regulations they may not want to follow. The annexation of properties to the City, for example, can provide a benefit to residents and it will be critical to conduct that public outreach. One of the issues with the proposed Sphere relates to the provision of services outside the Sphere. The airport is located within the green Area of Concern, yet the City owns the water system, so essentially the City would be unable to serve the airport, or the Office of Education, as an example, with water from the tank that is right across the road. The ability to provide services to areas adjacent to or near the City by including them in the Sphere of Influence is addressed through that process, and there is really no disadvantage to some of those areas being included in the Sphere as the likelihood of the City expanding to that area in the near future is unlikely.

Maury Anderson, Director, Lassen County Department of Planning and Building Services, added that it makes sense to contemplate including this area in the Sphere, but he heard the recommendation from Mr. Benoit regarding engaging in the planning process. At minimum it is a political decision to move the development in that direction, and he supports including everyone in the discussion process.

Chairperson Eid commented that he is hearing that we are not ready to move forward with the adoption.

Commissioner Gallagher asked Mr. Benoit if there were a way to show the existing Sphere of Influence as an overlay for reference.

Mr. Chapman stated that the near-term sphere should be close to what the existing sphere is.

Mr. Benoit said that Mr. Hancock brought up very good points regarding the ability to provide services and the Johnstonville well is a great example.

Mr. Chapman stated that the discussion in 2007 was the same, and there are a lot of good reasons to move in the direction of Johnstonville when considering future growth. The only thing new is considering the area south of town, and should the Golf Course being City property dictate what happens to the other thousand residents that own homes south of town. The Commission could reaffirm the existing Sphere of Influence and generate the planning effort needed to identify a new Sphere that would include the City facilities. The reality of development and expansion boils down to who is going to pay for it. The City and County can agree but if the development community does not want to pay for the infrastructure and development then it will no matter.

Mr. Hancock stated that the reality is that residential development does not pay for itself, and in cases where the property is developed and then turned over to the City, the County has collected all of the developer fees. The most consternation is created by the smaller in-between areas, and the City will be hard pressed any time in the near future to claim 'we need that land.' The City would be open to satellite spheres, even though they are not encouraged, because it would be nice for the Johnstonville area residents if they do have problems with their wells to be able to provide an alternative for them through the Johnstonville water system. Picking up a narrow corridor just to get to the Johnstonville area creates a lollipop development that doesn't make sense. It gives the landowners who would like to take advantage of some of the City services but not others to be able to take advantage of that. Establishing a sphere of influence is different from an annexation where there has to be a city and county tax sharing agreement and some of those other requirements.

It was the consensus of the Commission to continue the public hearing to the August 14th meeting. Commissioner Gallagher asked if Mr. Benoit could also include the existing SOI for the Sanitary District in the map. Chairperson Eid requested that as much information as possible be provided. He thanked Mr. Egan and Mr. Hancock for their input.

7. Public Hearing: Final 2017-2018 LAFCo Budget for Lassen LAFCO Mr. Benoit explained that a recommended budget for Fiscal Year 2017-2018 was presented and adopted at the April 10, 2017, and the proposed final budget has been provided to the City and County and no changes were recommended. The apportionment for City and County contributions is recommended to be \$52,473.43 and there is no other anticipated revenue.

Chairperson Eid opened the public hearing at 4:19 p.m. and requested public comments. There being no comments, Chairperson Eid closed the public hearing at 4:20 p.m.

Motion by Commissioner Hemphill to adopt Resolution No. 17-0003 adopting a final budget for fiscal year 2017-2018; Commissioner Wilson provided a second and the motion carried unanimously: Ayes: Hemphill, Wilson, Gallagher, Franco and Eid.

8. Authorize Payment of Claims for April and May 2017 Mr. Benoit reviewed the claims presented for April and May 2017. He noted that a revised claim had been added to include prepayment of 2017-2018 Calafco dues.

Motion by Commissioner Gallagher to approve the claims for April and May 2017 in the amount of \$7,634.33, and Calafco dues in the amount of \$899.00; Commissioner Hemphill provided a second and the motion carried unanimously. Ayes: Gallagher, Hemphill, Franco, Wilson and Eid.

9. Executive Officer's Monthly Report Mr. Benoit discussed issues related to the Southern Cascades Community Services District, and stated that he has a meeting with the County to discuss issues relevant to the Lassen/Modoc Flood Control District.

10. Commissioner Reports No business.

Motion by Commissioner Franco, second by Commissioner Hemphill to adjourn until August 14, 2017; motion carried unanimously. Ayes: Franco, Gallagher, Hemphill, Wilson and Eid.

The meeting adjourned at 4:28 p.m.

Todd Eid, Chairperson

Approved _____
Gwenna MacDonald, Recording Secretary