



# SISKIYOU LOCAL AGENCY FORMATION COMMISSION

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**ALLAN CALDER**  
EXECUTIVE OFFICER

**RANDY CHAFIN**  
INTERIM DEPUTY EXECUTIVE OFFICER

## MINUTES SISKIYOU LAFCo April 11, 2017

The meeting was called to order by April Gray at 4:00 p.m.

The **PLEDGE OF ALLEGIANCE** was recited.

### ROLL CALL:

**PRESENT:** Deborah Baird  
Lisa Nixon  
Ed Valenzuela  
Tim Stearns  
April Gray  
Gary Peery (Alt.)

**ABSENT:** Michael Kobseff (Alt.)  
Hank Ebinger (Alt.)

**ALSO PRESENT:** Randy Chafin, Interim Deputy Executive Officer  
Joy Hall, Community Development Department Fiscal Officer  
Vurl Trytten, Clerk to the Commission

**APPROVAL OF MINUTES:** June 14, 2016

**MOTION:** It was moved by Commissioner Valenzuela and seconded by Commissioner Baird to approve the minutes of the June 14, 2016 meeting as presented.

**VOTED** upon and the Chair declared the motion carried unanimously.

**PRESENTATIONS FROM THE PUBLIC:** None

**CONFLICT OF INTEREST DECLARATION:** NONE

**CONSENT ITEMS:** NONE

**OLD BUSINESS:** NONE

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### CITY MEMBERS

DEBORAH BAIRD, COMMISSIONER  
TIM STEARNS, VICE CHAIR  
HANK EBINGER, ALTERNATE

### COUNTY MEMBERS

ED VALENZUELA, COMMISSIONER  
LISA NIXON, COMMISSIONER  
MICHAEL KOBSEFF, ALTERNATE

### PUBLIC MEMBERS

APRIL GRAY, CHAIR  
GARY S. PEERY, ALTERNATE

**NEW BUSINESS:****1. WELCOME NEW COMMISSIONERS LISA NIXON AND HANK EBINGER:**

Mr. Chafin informed the Commission that Lisa Nixon was appointed to be one of the County Commissioners for Siskiyou LAFCo by the Siskiyou County Board of Supervisors to replace departing Supervisor and LAFCo Commissioner Grace Bennett.

Mr. Chafin further informed the Commission that Henry Ebinger had been appointed by the Siskiyou City Selection Committee to be the City Alternate Commissioner for Siskiyou LAFCo. Mr. Ebinger, also the Mayor of Tulelake, was not present at the meeting.

**2. APPOINT PUBLIC MEMBER COMMISSIONER**

Chair Gray handed the gavel to Vice Chair Sterns to chair this item.

The staff report was presented by Mr. Chafin. Mr. Chafin explained that Commissioner Gray's four year term had ended on May 1, 2016 of last year. He further explained that this required noticing by LAFCo staff of the vacancy pursuant to the Government Code; and in response to the notice April Gray and Corinne Moller submitted applications. Mr. Chafin informed the Commissioner that staff had received an email from Corinne Moller saying that she was unable to attend the meeting. Mr. Chafin then explained that the Commissioners needed to vote for one of the two applicants for Public Commissioner.

**Commission Discussion:** None

Vice Chair Sterns called for a motion.

**MOTION:** It was moved by Commissioner Valenzuela and seconded by Commissioner Baird to approve April Gray as the Public Commissioner.

**VOTED** upon and the Vice Chair declared the motion carried unanimously with Commissioner Stearns abstaining.

Vice Chair Stearns handed the gavel back to Chair April Gray.

**3. RE-APPOINT ALTERNATE PUBLIC MEMBER COMMISSIONER GARY PEERY**

Mr. Chafin explained that Alternate Public Member Peery's four-year term would expire on May 1, 2017 and he was eligible for re-appointment.

**Commission Discussion:** None

Chair Gray called for a motion.

**MOTION:** It was moved by Commissioner Stearns and seconded by Commissioner Nixon to re-appoint Gary Peery as the Alternate Public Member for Siskiyou LAFCo.

**VOTED** upon and the Chair declared the motion carried unanimously.

#### **4. PRESENTATION OF THE LAFCO 2017-2018 PRELIMINARY BUDGET**

##### **1. Staff Report:**

The Staff Report was circulated to the Commissioners before the Commission meeting and was reviewed by the Commissioners. Mr. Chafin reviewed the staff report for the Commission. Mr. Chafin informed the Commission that the preliminary budget for FY 2017/2018 was before them for their consideration and approval; and staff would return to the Commission in June for the approval of the final budget. He explained that the budget must be at least the same as last year by statute. He said that the amount of member contributions had fluctuated over the last years. He reviewed the various levels of member contributions and explained the reasons for the differing member contribution amounts. He informed the Commission that the Member contribution had been reduced to \$20,000 for FY 2016/2017. He further informed the Commission that member contributions for FY 2015/2016 and FY 2016/2017 had not yet been invoiced or collected, but the preliminary budget was prepared with the expectation that those contributions would be received. He explained that this was the reason that the Cost Allocation Plan (CAP) for the FY 2017/2018 budget currently includes the reduced amount of \$-53.00 in projected costs associated with the CAP.

Mr. Chafin informed the Commission that consultant services for the required Sphere of Influence/Municipal Services Review (SOI/MSR) is the largest expense in Siskiyou LAFCo's budget. He said that after completion of the SOI/MSR update currently underway, the budget balance would be about \$134,000 in FY 2017/18. He said that other than this anticipated cost, the budget was the same as the budget for last fiscal year. He said that after the Commission approves the preliminary budget, staff will send it out to the nine cities and the county to review and approve. He added that the adoption of the budget was not a project under CEQA.

He said that staff recommends that the Commission approve the preliminary budget and direct staff to send it out to the cities and county, and return to the Commission in June with the final budget.

Chair Gray confirmed with staff that the middle column in the budget is what staff believes LAFCo will have spent by the end of FY 2016/2017.

Commissioner Valenzuela confirmed with Ms. Hall that the Auditor did not bill for last fiscal year or this fiscal year. Ms. Hall said that she was hoping that the cities will be billed for both years.

Commissioner Nixon asked if LAFCo was short of funds. Ms. Hall explained what had not come in and what the balance would be with and without the contributions that have not been billed or received. She explained that close to \$69,000 was required to meet the cost of the consultant fees for the SOI/MSR update currently in progress.

Discussion was held regarding the annual member billing and lack of funding due to the Auditor's neglect to invoice LAFCo members for two fiscal years or collect the funding. Commissioner Baird commented that this might now be a hardship for some of the cities. Commissioner Nixon recommended that notice be sent to the Auditor on LAFCo Letterhead for the Chair to sign. There was unanimous consent among the Commissioners to send the letter notice to the Auditor.

Chair Gray asked staff to prepare the letter and send it to her for review and signature.

**MOTION:** It was moved by Commissioner Baird and seconded by Commissioner Stearns to approve the preliminary Budget according to the recommendations listed in the Deputy Executive Officer's report by: A.) Adopting a "general rule" exemption from CEQA; B.) Approving the FY 2017/18 preliminary budget provided in the staff report; C.) Directing staff to transmit this budget to the Board of Supervisors, and each city in the County pursuant to Government Code section 56381; and D.) Directing staff to return to the Commission by June 13, 2017 for adoption of the final budget with any necessary changes.

**VOTED** upon and the Chair declared the motion carried unanimously.

Ms. Hall confirmed that the contribution level would be kept at \$10,000 from the cities and \$10,000 from the county.

**STAFF COMMENTS: City SOI/MSR Update:**

Mr. Chafin reviewed the process for the SOI/MSR update. He explained that the update is required by statute enacted in the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. He explained that the content of the review is also governed by this Act and requires that the MSR/SOI update assess the municipal services provided by the cities and also review each city's sphere of influence to see if it should be kept or changed. Mr. Chafin further explained that the SOI/MSR occurs every five years or sooner if a Sphere of Influence is proposed to be changed. He said that the information gathered was used for reviewing, accepting or denying annexation requests.

He informed the Commission that the consultant analyzes the services provided by each city and then presents their report to LAFCo for review and approval. He said that the last SOI/MSR update was done in 2010/11 and the special districts in the county were not included. He informed the Commission that the Request for Proposals was completed in April and staff selected QK, Inc. He further informed the Commission that the review of the county's nine cities was expected to be an eight-month process, but the schedule may be lengthened due to problems getting the necessary information from the cities, because the cities have limited staff. He said that the QK contract started in December of 2016. He said that letters of notice were sent in advance to the cities, and QK began working in January collecting data. He reported that the Project Manager was in the process of gathering information and was working steadily with no road blocks at this point.

Commissioner Stearns confirmed with Mr. Chafin that the eight-month schedule would have an estimated completion date of August or September. Mr. Chafin also confirmed that there was an economy of scale to do all nine cities at one time with one consultant. He added that though the contract stipulated a time line with completion in eight months, the schedule may be extended. Commissioner Stearns further confirmed that Mr. Chafin would oversee the process.

Commissioner Stearns commented that by law special districts should be doing the MSR/SOI update, but there may not be budget to do this.

Mr. Chafin explained that LAFCo is responsible to oversee SOI/MSR updates for special districts; however, there is presently no budget for these and there is no penalty for not completing them. He said that generally special districts are motivated to prepare an SOI/MSR by a pending action, but are rarely motivated to do this if there is no project and no changes proposed. He added that an SOI/MSR update would only be required if there was a change to the Sphere of Influence; but if a project is within the district's SOI, then it would not trigger the need for an SOI/MSR update.

The Commission requested that staff provide a list of the special districts for the Commissioners for the next meeting. Mr. Chafin explained that there are various special districts in the county. April Gray asked for a description of what the special districts do. Commissioner Valenzuela commented that the Fire Marshall looked into consolidating the Fire Districts, but they were not interested.

**ADJOURN:** There being no further business before the Commission; Chair Gray adjourned the meeting at 4:45 p.m.

By: \_\_\_\_\_  
Vurl Trytten, Clerk to the Commission