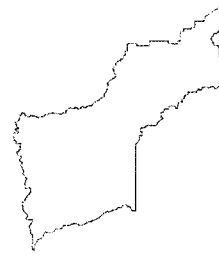


# **YUBA COUNTY LOCAL AGENCY FORMATION COMMISSION**

JOHN BENOIT, EXECUTIVE OFFICER

526 C STREET  
MARYSVILLE, CA 95901

Phone (530)749-5467  
Fax (530)740-4836  
URL [www.yubalafco.org](http://www.yubalafco.org)



## MINUTES

### YUBA LOCAL AGENCY FORMATION COMMISSION

April 6<sup>th</sup>, 2016

#### **I. CALL TO ORDER**

At 6:00 p.m., a meeting of the Yuba County Local Agency Formation Commission (LAFCO) was called to order by the Chair, Commissioner Samayoa, with Commissioner Griego and West were present. Commissioners Abe and Wilkins were absent. Alternate Commissioner's Atwal, Pendergraph and Vasquez were absent. Also present were Executive Officer John Benoit, Legal Counsel David Ruderman and LAFCo Clerk-Analyst Paige Hensley.

#### **II. APPROVAL OF MINUTES:**

Upon motion by Commissioner Griego and seconded by Commissioner West, the minutes from the November 4<sup>th</sup>, 2015 were unanimously approved with a vote of 3-0 vote and the minutes from February 3<sup>rd</sup>, 2016, were continued.

#### **III. PUBLIC COMMUNICATIONS:**

None.

#### **IV. PROCEDURE FOR PUBLIC HEARINGS:**

#### **V. A. Proposed Fiscal Year 2016-2017 LAFCO Budget and Discussion of LAFCo Finances:**

The Commission will make a proposed determination thereon for the 2016-2017 Fiscal Year LAFCO budget. Any person may be heard regarding the increase, decrease, addition or omission to the proposed budget.

**Staff Report:**

John Benoit, Executive Officer, reviewed the staff report and explained finance options as related to the proposed increase in fees from the City of Marysville.

Commissioner Griego thanked staff for the detailed budget.

**Public Hearing:**

There being no public comment the public hearing was closed.

**Action:**

Upon motion from Commissioner Griego and seconded by Commissioner West the Commission unanimously voted to adopt the proposed fiscal year 2016-2017 budget with a 3-0 vote, with direction for staff to return with financial management options to consider.

**VI. OTHER BUSINESS:**

**A. Discuss correspondence from North Yuba Water Alliance, requesting Yuba LAFCO conduct a Municipal Service Review of North Yuba Water District during the 2016-2017 fiscal year**

**\*\*\*Legal Counsel, David Ruderman, recused himself at this time during the discussion of this item, as his law firm represents the North Yuba Water District.\*\*\***

John Benoit, Executive Officer, gave a brief overview of the concerns of the citizens group, North Yuba Water Alliance. **\*\*See letter of concern attached\*\***

John Benoit recommended Yuba LAFCO hear from the public and determine if a Municipal Service Review (MSR) is warranted.

Commissioner Griego asked who covers the cost of MSR.

John Benoit explained LAFCO typically pays for the cost of an MSR.

Alton Wright, NYWD Customer, explained issues and stated problems came to a head when the district tried to impose a rate increase. He explained a packet has been submitted to the Grand Jury and expects to hear from them after the new Grand Jury is seated. Alton Wright referenced LAFCO's previous MSR and asked the Commission what happens with the findings after the report is completed?

John Benoit explained why the state requires MSR's to be done and that LAFCO does not get involved with day to day operations of special districts. John Benoit also explained that LAFCO is not an enforcement agency.

John Benoit stated he does not want to do a MSR while there is a Grand Jury investigation pending and would prefer to complete the MSR after the Grand Jury is done.

Commissioner Griego explained if it is a matter of water quality there is state agency that governs those concerns, as well as a state agency for mishandling of finances. LAFCO uses the MSR's as a tool when considering possible expansions of services.

Alton Wright, NYWD Customer, discussed the Forbestown ditch and issues of paying customers that do not receive water.

Commissioner Griego commended the volunteer group and suggested a representative of the group run for the district board.

Alton Wright, NYWD Customer, explained the North Yuba Water Alliance is trying to actively recruit.

John Benoit, Executive Officer, questioned the definition of "beneficial use" as it pertains to water and explained that subject is a matter for the State Water Resources Board. John Benoit also stated the special districts are required to perform an audit. John Benoit explained he does not want to see an MSR go beyond what it is intended to do.

Lew Neal, Oregon House Resident asked is customers are consulted when conducting an MSR.

John Benoit, explained LAFCO conducts a basic MSR and relies on information obtained from the district and doesn't normally hear from the customers.

Lew Neal discussed the two engineer reports from 2012 and 2015 and the costs associated with them and mentioned the aluminum in the ditch. Lew Neal discussed her intention of asking LAFCO to remove tax paying residents from the district boundary, who do not receive water from the North Yuba Water District and explained she will not pay LAFCO to detach from the district.

Lew Neal stated the North Yuba Water Alliance will cooperate with LAFCO's investigation and stated LAFCO will not get the correct answers from the North Yuba Water District.

Alton Wright explained he is a market researcher and the North Yuba Water Alliance will soon be releasing customer satisfaction research that has been conducted using 15% of the district's customer base and he hopes LAFCO will consider it in the MSR.

Commissioner Griego stated LAFCO is not an investigative commission and we have limitations as to the cost of this, but explained LAFCO is a good point for looking at community complaints and she would support a review if there is money in the budget.

John Benoit, explained LAFCO has to rely on existing information while conducting our minimal MSR's, and how it relates to determining a Sphere of Influence, but we don't have the money to hire expert accountants and attorneys.

Commissioner West thanked the members of the public for sharing their concerns and agrees it's time for a MSR, however stated it would not be prudent to do the review until the Grand Jury has completed their investigation.

John Benoit explained we will not know if the Grand Jury is going to do an investigation until after it is done.

Commissioner Griego explained it is a difficult not knowing if the Grand Jury will be investigating, but believes there is compelling reason to go ahead and do the MSR.

Commissioner Samayoa, Chair, asked for a consensus on the timing of the review.

**Action:** After discussion amongst the Commissioners, and upon a motion from Commissioner Griego, and a second from Commissioner West, the Commission unanimously approved and authorized staff to conduct LAFCO's standard Municipal Service Review that will not include expensive consultants, with a 3 to 0 vote.

**A. Review of the CALAFCO Annual Staff Workshop.**

John Benoit gave a summary of the sessions held at the annual conference, such as one on electronic filing.

John Benoit gave a brief summary of recent and pending legislation. John Benoit spoke of wanting to add a Bylaw Amendment for a Legislative Process participation policy. Commissioner Griego explained Yuba LAFCO is fortunate to have had two representatives sitting on the Legislative Committee.

David Ruderman, LAFCO Counsel, explained his Conference presentation on the Brown Act.

**VII. EXECUTIVE OFFICER AND COMMISSIONERS REPORTS:**


John Benoit gave a brief update on possible upcoming projects for RD 784, City of Marysville and BVID annexations.

Commissioner Griego explained an upcoming meeting with Beale Air Force Base to discuss partnering with OPUD for waste water treatment and services.

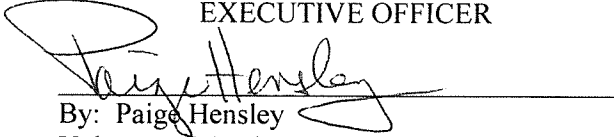
**VIII. ADJOURN:**

There being no further business, the meeting was adjourned at 7:21 p.m. to the next regular meeting on May 4<sup>th</sup>, 2016 at 6:00 p.m. in the Board of Supervisors Chamber, 915 8th Street, Marysville.

Approved,

  
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Ricky Samayoa - Chair

ATTEST: JOHN BENOIT  
EXECUTIVE OFFICER

  
By: Paige Hensley  
Yuba LAFCO Clerk

