

Les Baugh  
County Member

Irwin Fust  
Special District Member

Larry Farr  
City Member Alternate

Mary Rickert  
County Member Alternate

Stan Neutze  
City Member

Brenda Haynes  
Special District Member

Julie Winter  
City Member



Larry Russell  
Public Member

Joe Chimenti  
County Member

Patricia A. Clarke  
Special District Alternate

Katharine Ann Campbell  
Public Member Alternate

George Williamson  
Executive Officer

James M. Underwood  
General Counsel

Kathy Bull  
Manager

## MINUTES

### Regular Commission Meeting April 4, 2019 City of Anderson Council Chambers

*(These minutes are not intended to be a verbatim transcription of the proceedings and discussion associated with the business on the Commission's agenda; rather, what follows is a summary of the order of business and general nature of testimony, Commission deliberation, and action taken.)*

#### 1. CALL TO ORDER

a. Chairman Fust called the meeting to order at 1:00 p.m. at the City of Anderson Council Chambers, 1887 Howard Street, Anderson, California.

**Present:** Chairman Fust, Commissioners: Chimenti, Haynes, Neutze, Russell, Winter. Alternate Commissioner Rickert; in the audience Alternate Commissioners Clarke and Farr.

**Staff Present:** Executive Officer George Williamson, Office Manager Kathy Bull, General Counsel Jim Underwood.

**Absent:** Commissioners: Baugh. Alternate Commissioner: Campbell.

b. Commissioner Chimenti led the Pledge of Allegiance.

c. Election of Chairman/Vice-Chairman. Chairman Fust requested nominations for Chairman.

**Motion** to elect Irwin Fust as Chairman was presented by Commissioner Chimenti, seconded by Alternate Commissioner Rickert and passed by the following votes:

**Ayes:** Chimenti, Fust, Haynes, Neutze, Rickert, Russell, Winter.

**Noes:** None

**Abstain:** None

**Absent:** Baugh

#### 2. PUBLIC COMMENT

No public comments were provided.

#### 3. AGENDA ADOPTION

a. Agenda Additions/Changes

Mr. Williamson provided that item 10.a. be changed to an action item.

b. Business/Campaign Conflict Disclosures

No conflicts were provided.

#### 4. SPECIAL PRESENTATIONS

No presentations were provided.

#### 5. CONSENT CALENDAR

- a. Minutes from February 2, 2019 Commission Meeting
- b. Fiscal Information – January and February 2019; bank statements, reconciliations, and disbursements
- c. FY 2018/2019 Budget Adjustment Authorization

**Motion** to approve the Minutes was presented by Commissioner Russell, seconded by Commissioner Chimenti and passed by the following votes:

**Ayes:** Chimenti, Fust, Haynes, Neutze, Rickert, Russell.

**Noes:** None

**Abstain:** Winter

**Absent:** Baugh

**Motion** to approve the Fiscal Information and FY 2018/2019 was presented by Commissioner Neutze, seconded by Commissioner Chimenti and passed by the following votes:

**Ayes:** Chimenti, Fust, Haynes, Neutze, Rickert, Russell, Winter.

**Noes:** None

**Abstain:** None

**Absent:** Baugh

6. CORRESPONDENCE

- a. Special District Risk Management Authority (SDRMA) 2019/2020 Rate Information  
Mr. Williamson briefly provided information of a 11% property rate increase and 5% liability rate increase.

7. SCHEDULED PUBLIC HEARINGS

- a. Shasta Proposed Draft Budget for Fiscal Year 2019/2020

Mr. Williamson provided information regarding an increase in the cost of share contributions from local agencies due to the unfunded liability of CalPERS. The commission was presented with two different options.

After discussion, the commission agreed to approve Option 1 of the FY 2019/2020 budget with a 10% cost of share increase for local agencies. The commission directed staff to allow the local agencies to provide feedback regarding an increase of Cost of Share options.

Chairman Fust opened the public hearing at 1:18 p.m., and with no public comments, closed the public hearing at 1:19 p.m.

**Motion** to approve the FY 2019/2020 Draft Budget, Option 1 pending outcome of local agency feedback was presented by Commissioner Chimenti, seconded by Commissioner Rickert and passed by the following votes:

**Ayes:** Chimenti, Fust, Haynes, Neutze, Rickert, Russell, Winter.

**Noes:** None

**Abstain:** None

**Absent:** Baugh

b. MSR/SOI Update for Cemetery Special Districts

Mr. Williamson explained that the Cemetery Special Districts were combined into one report, however, there are six independent Cemetery Special Districts that are combined only for the purpose of the report.

Chairman Fust opened the public hearing at 1:37 p.m. Jackie Young, secretary at Burney Cemetery expressed concern regarding the increase in the cost of share. Chairman Fust explained Shasta LAFCO has tried diligently to keep the costs down. Brian Muir, County Auditor explained the proportions of the share of cost are calculated from the revenues that are taken in. Chairman Fust closed the public hearing at 1:44 p.m.

**Motion** to approve the MSR/SOI Update to the six Cemetery Special Districts, Resolution 2019-04 with corrections was presented by Commissioner Haynes, seconded by Commissioner Neutze and passed by the following votes:

**Ayes:** Chimenti, Fust, Haynes, Neutze, Rickert, Russell, Winter.

**Noes:** None

**Abstain:** None

**Absent:** Baugh

Mr. Williamson requested that Agenda Item 10.a. Shasta Community Services District Sphere of Influence Amendment/Annexation, County Service Area #25 Keswick Sphere of Influence Amendment/Dissolution Update be moved to Agenda Item 7.c due to attendees in the audience.

**Motion** to approve the agenda change from Agenda Item 10.a. to Agenda Item 7.c. was presented by Commissioner Russell, seconded by Commissioner Winter and passed by the following votes:

**Ayes:** Chimenti, Fust, Haynes, Neutze, Rickert, Russell, Winter.

**Noes:** None

**Abstain:** None

**Absent:** Baugh

c. Shasta Community Services District Sphere of Influence Amendment/Annexation, County Service Area #25 Keswick Sphere of Influence Amendment/Dissolution Update.

Mr. Williamson requested this item be changed from an informational item to a potential action item. Staff held Protest Proceeding on April 3, 2019 at the Shasta CSD community center after a 30-day reconsideration period. Mr. Underwood provided that this was a deviation from the Brown Act, however, the Commission can determine this to be an urgency as this item came to the Commissions attention the day prior.

**Motion** to change from Agenda Item 7.c. from an informational item to a potential action item was presented by Commissioner Rickert, seconded by Commissioner Chimenti and passed by the following votes:

**Ayes:** Chimenti, Fust, Haynes, Neutze, Rickert, Russell, Winter.

**Noes:** None

**Abstain:** None

**Absent:** Baugh

Mr. Williamson explained the Protest Proceeding held on April 3, 2019 and began at 3:00 p.m. Shasta LAFCO received public comments, and accepted written protests prior to and during the meeting a total of 18 written protests. Mr. Williamson determined there were insufficient protest ballots to call for election or terminate the annexation proceedings. He acknowledged attendees at the meeting included Chris Koeper, General Manager, Shasta CSD; Charleen Beard, Shasta County Public Works and Dave Cross, President of the Shasta CSD Board. A Resolution 2019-05 is presented to acknowledge that there were insufficient protest and allowing staff to finalize steps in the process with annexation.

After discussion, Chairman Fust allowed for public comment. Chairperson, Roy Vincent, Jones Valley County Service Area discussed a 30-year contract for a water right between Jones Valley and Keswick and expressed concerns regarding the dissolution and annexation with how it would affect their water right.

Steve Boyd from Jones Valley shared his concerns regarding the loss of Jones Valley water rights. He provided document named CSA #6 Jones Valley/Elk Trail Water History which provided a timeline of issues regarding the water district.

Mr. Boyd's concerns were discussed and he provided answers to Commission questions. The biggest concern was whether the water rights will still be available after annexation is finalized. Dave Cross, Shasta CSD Board President provided further information and answered Commission questions.

Loretta Root, a Keswick resident provided information on considerable damage to her property due to fire clean up from various agencies and P.G. & E. after the Carr Fire.

The Commission discussed conditions upon finale approval. Mr. Underwood explained the conditions of approval were considered and acted upon at the Commissions discretionary annexation previously following a public hearing. The Resolution today is a statutory opportunity for a protest which was conducted and less than 25% protesting with this being step towards recognizing the process. The Commission can direct staff to independently of the Resolution to document all assets and liabilities, including any existing water agreements transferred and not altered. Mr. Williamson had agreed to work with public works and other parties to confirm any pre-existing items to be transferred.

**Motion** to approve Resolution 2019-05 and that all previous contracted are honored was presented by Commissioner Winter, seconded by Commissioner Neutze and passed by the following votes:

**Ayes:** Chimenti, Fust, Haynes, Neutze, Rickert, Russell, Winter.

**Noes:** None

**Abstain:** None

**Absent:** Baugh

8. CLOSED SESSION

a. Potential Litigation

Pursuant to Government Code Section 54956.9, the Commission entered into Closed Session at 2:54 p.m.

b. Open Session Report

Return from Closed Session to Open Session at 3:07 p.m. with Mr. Underwood stating there were no reportable actions taken by the Commission in Closed Session.

## 9. NEW BUSINESS

### a. Contract Staffing Services – FY 2019/2020 Contract Extension

Chairman Fust stated there is a consideration to extend Planwest Partners contract. If approved today, then the contract will be presented at the June meeting.

**Motion** to consider the contract extension was presented by Commissioner Chimenti, seconded by Commissioner Haynes and passed by the following votes:

**Ayes:** Chimenti, Fust, Haynes, Neutze, Rickert, Russell, Winter.

**Noes:** None

**Abstain:** None

**Absent:** Baugh

### b. Executive Committee 3<sup>rd</sup> Member Election

Mr. Williamson explained Commissioner Baugh resigned from the Executive Committee due to Shasta LAFCO policy of allowing only one Commissioner from each agency group to be on an Executive Committee. Currently there is one Commissioner from a Special District and one Commissioner from the County.

**Motion** to appoint Commissioner Neutze was presented by Commissioner Haynes, seconded by Commissioner Rickert and passed by the following votes:

**Ayes:** Chimenti, Fust, Haynes, Neutze, Rickert, Russell, Winter.

**Noes:** None

**Abstain:** None

**Absent:** Baugh

## 10. OLD BUSINESS

### a. Moved to Agenda Item 7.a.

### b. Planwest Partners Invoices, George Williamson for January and February 2019

**Motion** to approve Planwest Partners invoices was presented by Commissioner Russell, seconded by Commissioner Chimenti and passed by the following votes:

**Ayes:** Chimenti, Fust, Haynes, Neutze, Rickert, Russell, Winter.

**Noes:** None

**Abstain:** None

**Absent:** Baugh

### c. CalPERS Options

Chairman Fust stated Resolution 2019-06 is being considered to terminate Shasta LAFCO's contract with CalPERS. Mr. Underwood explained there has been discussion with PERS staff to help identify the consequences of what the resolution would do. Staff

is recommending this Resolution as CalPERS representation of an updating of liability to determine amount to be paid over a five year period.

**Motion** to approve Resolution 2019-06 Consent Calendar was presented by Commissioner Neutze, seconded by Commissioner Chimenti and passed by the following votes:

**Ayes:** Chimenti, Fust, Haynes, Neutze, Rickert, Russell, Winter.

**Noes:** None

**Abstain:** None

**Absent:** Baugh

11. EXECUTIVE OFFICER REPORT

No additional items was provided.

12. COMMISSIONER ANNOUNCEMENTS

No Commissioner announcements were presented.

13. STAFF ANNOUNCEMENTS

- a. Next Regular Meeting is scheduled for Thursday, June 6, 2019 at 9:00 a.m. located at the City of Shasta Lake Council Chambers, 4488 Red Bluff Street, Shasta Lake, California.

14. ADJOURNMENT

There being no further business, Chairman Fust adjourned the meeting at 3:15 p.m.

ATTEST:

APPROVED:

\_\_\_\_\_  
 Kathy Bull  
 Acting Clerk to the Commission

\_\_\_\_\_  
 Irwin Fust  
 Chairman

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_