



## MINUTES FOR JANUARY 21, 2009 MEETING

**COMMISSIONERS PRESENT:** Commissioners, Marty McClelland, Kevin McKenny, Jeff Pauli, Bonnie Neely, Jill Duffy, Patrick Whitchurch, and Alternates Virginia Graziani, Bob McPherson, and Clif Clendenen.

**COMMISSIONERS ABSENT:** City representative Jeff Leonard.

**STAFF PRESENT:** George Williamson, Contract Executive Officer; Jennifer Longman, Contract LAFCo Staff; and Jeff Guttero, Legal Counsel.

The meeting was called to order at 9:00 a.m. in the Humboldt County Board of Supervisors Chambers, Chairman McClelland presiding.

**George Williamson** took roll call and introduced the new LAFCo administrator, Jennifer Longman, to the commission. He also informed the commission of the pending HCAOG action to fill the city member vacancy.

### 4. Approval of Minutes for September 24, 2008

**Patrick Whitchurch** requested the following two corrections be made to the September 24, 2008 minutes. The meeting was opened by Chairman McClelland. The motion to pass the September MSR resolutions was made Kevin McKenney and Jeff Leonard.

**THE MOTION WAS MADE** (McKenny/Neely) to approve the September 24, 2008 minutes with the corrections.

**THE MOTION PASSED BY A VOTE OF 4-0-0.**

**Jill Duffy and Patrick Whitchurch** abstaining.

### 5. Municipal Service Reviews (MSRs) and Sphere of Influence Updates for the following districts:

- *City of Arcata*            *This MSR & SOI was continued to March meeting*
- *Arcata Fire Protection District, Resolution 09-01*
- *Alderpoint County Water District, Resolution 09-02*
- *Blue Lake Fire Protection District, Resolution 09-03*
- *Fortuna Cemetery District, Resolution 09-04*
- *Humboldt County Resource Conservation District, Resolution 09-05*
- *Jacoby Creek County Water District, Resolution 09-06*
- *McKinleyville Community Service District, Resolution 09-07*
- *Northern Humboldt Park and Recreation District, Resolution 09-08 and*
- *Samoa Peninsula Fire Protection District Resolution 09-09*



**George Williamson** acknowledged the cooperation of special district staffs preparing the MSR's and the services offered by districts.

**George Williamson** recommended that the Commission conduct a public hearing on the MSR for the City of Arcata and continue this item to the next LAFCo meeting on March 18<sup>th</sup>, 2009. LAFCo staff is recommending a reduction to the City of Arcata's Sphere of Influence to make it consistent with the General Plan. This requires CEQA analysis, to be completed by staff prior to the March 18<sup>th</sup> meeting. The CEQA findings will be presented to the Commission for vote of approval at that time.

**George Williamson** acknowledged the assistance that LAFCo staff received from district representatives in preparing the MSR's, and noted the presence of district representatives from the Arcata and the Samoa Peninsula Fire Protection Districts and the City of Arcata at the meeting.

**George Williamson** presented the proposed City of Arcata SOI to the Commission.

**Chairman McClelland** opened the item for public comment.

**Larry Oetker** represented the City of Arcata noting the City's plans for possible expansion in the Arcata Marsh area, the Boyd Road Area, and the Arcata Bottoms. He noted that the City's infrastructure is currently sufficient but there is concern regarding the Glendale and Jacoby Creek areas where the City provides services but has no land use controls. He stated that service agreements must be reviewed to determine the level of growth that the City can accommodate for the services provided to those areas.

**Marty McClelland** requested that the following points be addressed in Arcata's MSR. He stated that the lands that the City owns that are outside the City should be reviewed for potential annexation and the lands historically used for agriculture that have been converted to other uses should be reviewed to determine the effect this has had on agriculture. Marty McClelland also pointed out that the Urban Services Boundary (USB) does not include all areas of development and this should be acknowledged in the MSR and LAFCo should take the necessary actions to facilitate the availability of services for those areas.

**Kevin McKenny** requested clarification on the Arcata SOI map provided by staff.

**George Williamson** clarified the proposed SOI boundary.

**The Commission** discussed sewer services for developments in and around the City of Arcata and concurred that attention to this issue is necessary when updating the Arcata SOI.

**THE MOTION WAS MADE** (Neely/Duffy) to continue this hearing on March 18<sup>th</sup>, 2009.

**THE MOTION WAS PASSED BY A VOTE OF 6-0-0.**

**George Williamson** presented the Alderpoint Water District MSR to the commission.

**Chairman McClelland** opened the item for public comment and directed staff to correct the 100 gallon reference and the 162 additional units.

**Jill Duffy** requested that staff confirm that the name of the district is Alderpoint County WD and not Alderpoint Community WD.



No additional comments were made.

**THE MOTION WAS MADE** (Neely/McClelland) to adopt resolution 09-02, approving the Alderpoint CWD, (corrected).

**THE MOTION WAS PASSED BY A VOTE OF 6-0-0.**

**George Williamson** presented the Arcata Fire Protection District MSR to the commission, noting that the district currently serves three areas outside their boundary. George recommended that the Commission approve an updated SOI to include those areas.

**Kevin McKenny** asked for clarification on the Arcata FPD boundary.

**Chief McFarland**, of the Arcata FPD, stood before the Commission to answer questions regarding the district's services.

**Marty McClelland** requested that staff further research the implications of adding these areas to the SOI, especially with regard to the process that must be taken in extending property taxes and special assessments to those residents.

**Kevin McKenny** requested that LAFCo staff provide further details regarding the district's proposed SOI services.

**THE MOTION WAS MADE** (Neely/Duffy) to continue this public hearing at the March 18<sup>th</sup>, 2009 meeting.

**THE MOTION WAS PASSED BY A VOTE OF 6-0-0.**

**George Williamson** presented the Blue Lake Fire Protection District MSR to the commission.

**Jill Duffy** asked for clarification on the district map and George Williamson noted that no change is proposed.

**Marty McClelland** noted that the MSR indicates a large growth projection for the Glendale area which would require significant wastewater disposal changes for either the City of Blue Lake or Arcata.

**THE MOTION WAS MADE** (McKenny/Pauli) to adopt resolution 09-03, approving the Blue Lake FPD MSR(corrected).

**THE MOTION WAS PASSED BY A VOTE OF 6-0-0.**

**George Williamson** presented the Fortuna Cemetery District MSR to the commission, recommending approval.

**Marty McClelland** requested additional population data to be added to the Fortuna Cemetery District MSR.

**THE MOTION WAS MADE** (McKenny/Whitchurch) to adopt resolution 09-04, approving the Fortuna Cemetery District MSR (corrected).

**THE MOTION WAS PASSED BY A VOTE OF 6-0-0.**



**George Williamson** presented the Humboldt County Resource Conservation District MSR to the commission, recommending approval.

**THE MOTION WAS MADE** (Neely/Pauli) to adopt resolution 09-05, approving the Humboldt County Resource Conservation district MSR.

**THE MOTION WAS PASSED BY A VOTE OF 6-0-0.**

**George Williamson** presented the Jacoby Creek County Water District MSR to the commission, recommending approval.

**Jill Duffy** requested that the name of the Jacoby Creek County Water District be confirmed and corrected, if necessary.

**Virginia Graziani** requested clarification on the number of connections in the district and Jennifer Longman confirmed that there are 325 in the district.

**THE MOTION WAS MADE** (Neely/Duffy) to adopt resolution 09-06, approving the Jacoby Creek Community Water District MSR.

**THE MOTION WAS PASSED BY A VOTE OF 6-0-0.**

**George Williamson** presented the McKinleyville Community Services District (CSD) MSR to the commission, recommending approval.

**Jill Duffy** asked for clarification on the services that the McKinleyville CSD provides to Boyd Road.

**Larry Oetker** also requested clarification in the MSR regarding the duplication of services to the Boyd Road area and that upon annexation the service maps would be updated.

**THE MOTION WAS MADE** (Duffy/McKenny) to adopt resolution 09-07, approving the McKinleyville CSD MSR.

**THE MOTION WAS PASSED BY A VOTE OF 6-0-0.**

**George Williamson** presented the Northern Humboldt Parks and Recreation District MSR to the commission, recommending approval.

**Marty McClelland** noted that the MSR states that Glendale is within the district boundary and that this should be corrected.

**THE MOTION WAS MADE** (McKenny/Duffy) to adopt resolution 09-08, approving the Northern Humboldt PRD District MSR.

**THE MOTION WAS PASSED BY A VOTE OF 6-0-0.**

**George Williamson** presented the Samoa Peninsula Fire Protection District (FPD) MSR to the commission, recommending approval.

**Noreen Obrien**, the Samoa Peninsula FPD secretary, addressed the Commission regarding the status of the district and the financial difficulty that the district is facing due to decreasing tax revenue within their boundary, as well as, water supply issues.



**THE MOTION WAS MADE** (Neely/Duffy) to adopt resolution 09-09, approving the Samoa Peninsula FPD MSR.

**THE MOTION WAS PASSED BY A VOTE OF 6-0-0.**

## **6. Budget Status Report**

**George Williamson** presented the Budget Status Report to the Commission, noting that the revenues which are contributions from cities and special districts will not come through until December but have been deposited by the County auditor. George noted that LAFCo staff is tracking all deposits for LAFCo applications and that LAFCo is on budget at this point in the year.

**BY ORDER OF THE CHAIR**, with the concurrence of the Commission, the budget status report was received and filed as presented by staff.

**Kevin McKenny** requested clarification on the professional fees charged by LAFCo staff for processing LAFCo applications.

**George Williamson** stated that LAFCo staff charges a rate for services provided, with no additional processing fees.

### **6a. Authorization for 2009 CSDA Dues**

**Jill Duffy** requested a staff report comparing available insurance rates for LAFCo, with the consideration that the existing LAFCo insurer (SDRMA) requires CSDA membership, and the associated fees, to purchase insurance through them.

**BY ORDER OF THE CHAIR**, with the concurrence of the Commission, the 2009 CSDA membership dues were approved.

## **7. Compliance Work Plan Update**

**George Williamson** presented the updated work plan to the Commission noting that staff has made good progress on MSRs, and that the remaining MSRs are scheduled to be completed before the March meeting for approval.

**BY ORDER OF THE CHAIR**, with the concurrence of the Commission, the compliance work plan update was received and filed as presented by staff.

## **8. Pending Applications**

### **8A. City of Rio Dell Annexations**

**George Williamson** informed the commission that Daniel Hamilton of PMC is handling the Blue Slide Road and Sawmill annexation applications for Humboldt LAFCo. An initial review for the annexations was completed. The City took action, passing two resolutions, one recommending that LAFCo annex the areas and another establishing a tax revenue sharing agreement for the annexation areas. The revenue share amounts are the same as the existing revenue share between the City and County.

LAFCo staff and the City of Rio Dell expect to schedule the annexation hearings for the next LAFCo meeting in March.



**Marty McClelland** noted that annexation hearing require 21 day notice prior to the meeting.

**George Williamson** concurred.

#### **8B. Scotia CSD Formation**

**George Williamson** introduced Frank Basik to the Commission and informed them that he would be presenting the status of the Scotia CSD formation to the Commission.

**Frank Basik** began by recapping the resolution of the bankruptcy proceedings of Pacific Lumber in the town of Scotia. He noted that the FEIR was distributed to Daniel Hamilton, contract LAFCo staff on this matter, and to the County, all comments were responded to, and the updated FEIR is expected to be distributed within one month. After certification of the EIR, the matter will be presented to the Commission for approval. Mr. Basik stated that he has met with various local agencies seeking information about CSD management including Chief McFarland of the Arcata Fire District and Tom Marking and others of the McKinleyville CSD.

**BY ORDER OF THE CHAIR**, with the concurrence of the Commission, the staff report was received and filed as presented by staff.

#### **9. Inquiries**

##### **9A. Garberville Sanitary District Expansion / Potential Change of Form**

**George Williamson** informed the Commission that the GSD is looking at two projects, a water system upgrade and a wastewater project. The Kimtu WD has contracted with LACO to prepare an EIR for the projects and expects to bring this matter before the Commission in 3-4 months.

**Virginia Graziani** inquired about the process of district expansion and whether the name of the district must change to a CSD when providing additional services. Marty McClelland explained that the district can expand without changing the name of the district and asked LAFCo staff to look further into this inquiry.

##### **9B. Fortuna Annexations**

**George Williamson** notified the Commission that the City of Fortuna is considering three annexations as part of their General Plan Update. The City intends to circulate a draft EIR in the spring. George Williamson asked Patrick Whitchurch if he had any further comments regarding this matter.

**Patrick Whitchurch** concurred that LAFCo adequately addressed the City Council's position.

**Marty McClelland** asked George Williamson to ensure that Daniel Hamilton receives the draft and supplemental EIR documents for review since George Williamson is a consultant on these documents.

**George Williamson** agreed.

##### **9C. Samoa Peninsula Services**

**George Williamson** informed the Commission of a conference call that LAFCo staff participated in on January 8<sup>th</sup>, 2009 regarding the annexation of the Samoa Peninsula to the Manila CSD. He explained that the Manila CSD and the Samoa Pacific Group are working



together on the application and will present the matter before the Commission upon approval of the annexation by the Manila CSD's Board of Directors.

**9D. City of Arcata Creek Side Homes Annexation**

**George Williamson** stated that this matter was covered previously by Larry Oetker.

**Marty McClelland** asked the Commission if there were any further questions on this matter, which there were not.

**10. Correspondence, Referral & Review Requests**

**10A. Humboldt County Association of Governments (HCAOG) – Mayors Selection Committee**

**George Williamson** informed the Commission that a Mayors Selection Committee of the HCAOG will meet on January 22, 2009 to appoint a new city member to the Commission, replacing Bud Leonard. He also noted that LAFCo staff has prepared a letter of appreciation for Bud Leonard for his service on the Commission to be signed by Chairman McClelland.

**Marty McClelland and the Commission** acknowledged Bud's service and dedication.

**10B. HCAOG – Regional Housing Needs Allocation Plan Methodology Meeting**

**George Williamson** notified the Commission that HCAOG is seeking input from regulatory agencies and citizen observers, which includes Humboldt LAFCo, for the Housing Needs Assessment to generate input in an advisory capacity. He informed the Commission that the meeting will take place on January 21, 2009 at the Humboldt Bay Municipal Water District office.

**Larry Oetker** informed the Commission of the difficulty that Cities are facing due to not yet having the housing needs allocations from the County. He stated that the City of Arcata has already adopted documentation regarding housing needs without having the actual numbers from the County.

**Jill Duffy** concurred that this was a problem throughout the County and that the City would need to disclaim that the documents are based on projected numbers and may change upon the County's adoption of their Housing Element.

**Jill Duffy** complimented LAFCo staff on their progress with LAFCo business since George Williamson was hired as the Executive Officer.

**10C. CALAFCO Forms Library Contract with Winzler & Kelly**

**George Williamson** informed the Commission that LAFCo staff provided Humboldt LAFCo forms to W & K for a LAFCo forms library which will be posted on the CALAFCO website.

**Marty McClelland** noted that some districts already share staffing, facilities and equipment through mutual aid and other similar agreements.

**11. Public Appearances**

**Arthur Jones**, Humboldt County resident, addressed the Commission regarding LAFCo's policy denying entities the opportunity to extend services beyond City limits. He explained that he desired a lot split in order to gift one half of his parcel to his son. This lot is outside the Blue



Lake City Limits and the City determined that no annexations would be allowed. Mr. Jones attempted to have water services extended through LAFCo and was denied. Mr. Jones explained his reasoning for refuting this decision and proposed that LAFCo staff review this policy to determine its consistency with the purpose and mission of Humboldt LAFCo.

**Marty McClelland** asked the Commission if there is any desire to take up this matter again.

**Bonnie Neely** noted the changes that have been made within the City of Blue Lake's management and suggested that Mr. Jones take up the matter with the City again.

**Patrick Whitchurch** suggested that LAFCo staff prepare a staff report explaining LAFCo's position on this matter so that the Commission can be clear on this particular policy.

**Jill Duffy** concurred that a staff report would be beneficial and also directed Mr. Jones to take the matter to the City of Blue Lake again.

## **12. Adjournment**

**THE MOTION WAS MADE** (Pauli/Neely) to adjourn the meeting.