

FRESNO LOCAL AGENCY FORMATION COMMISSION (LAFCo)
(Fresno County, California)

“MINUTES”

REGULAR LAFCo MEETING – June 13, 2007

Call to Order: Chairman Lopez called the meeting to order at 1:30 p.m.

Members Present: Commissioners Susan Anderson, Larry Fortune, Phil Larson, Victor Lopez, and Trinidad Rodriguez

Members Absent: None

Staff Present: Rick Ballantyne, LAFCo Executive Officer
Darrel Schmidt, LAFCo Deputy Executive Officer
Kenneth J. Price, LAFCo Counsel
Candie Fleming, Clerk to the Commission
Susan Pool, LAFCo Office Assistant

1. **Pledge of Allegiance**
2. **Call to Order and Roll Call**
3. **Minutes from the Regular LAFCo Meeting of May 16, 2007.**

The minutes were unanimously approved as presented.

4. **Potential Conflicts of Interest.**

There were no known potential conflicts of interests reported by Commissioners regarding any of the items that appeared upon the agenda.

CONSENT AGENDA

5. **Municipal Service Review and Sphere of Influence Update for the Coalinga-Huron Mosquito Abatement District.**
6. **Municipal Service Review and Sphere of Influence Update for the Fresno Metropolitan Flood Control District.**
7. **Municipal Service Review and Sphere of Influence Update for the Lower San Joaquin Levee District.**
8. **Municipal Service Review for the Camp 13 Drainage District.**

The consent agenda was unanimously approved in one motion.

PUBLIC HEARINGS

9. Conducting Authority Proceedings: City of Selma “North of Nebraska-East of Highland Reorganization (LAFCo File No. RO-07-10).

Executive Officer Ballantyne presented staff’s report. He stated that the reason for the protest hearing was because not all property owners had consented in writing to the annexation. Chairman Lopez then opened the public hearing. With no public testimony offered the public hearing was closed.

A motion to reaffirm the Commission’s prior approval of April 18, 2007, was made, seconded, and passed unanimously.

10. Conducting Authority Proceedings: Consolidated Mosquito Abatement District “Eastern Fresno County Annexation” (LAFCo File No. AD-06-3).

Executive Officer Ballantyne reported that LAFCo’s public notices contained in the “Fresno Bee” and “Mountain Press” may have been insufficient because the published notice was directed to landowner voters within the affected territory rather than resident voters. For that reason, Executive Office Ballantyne requested that the item be continued to the July 11, 2007 hearing, in order to provide new notices in accordance with State law. Commissioner Lopez opened the public hearing.

Commissioner Anderson indicated that a letter had been received from the Exchequer Heights Property Owners Association indicating opposition to the request. Executive Officer Ballantyne noted that staff had also received a copy of the letter but informed Commissioner Anderson that persons residing within Exchequer Heights who were opposed to the request would need to file official protest forms. He indicated that staff would contact the property owners association and provide directions on how they could file formal protest(s).

Mr. Mike Holt, representing the Mountain Citizens Association, submitted approximately 30 protests from property owners residing within the affected territory. Mr. Holt questioned the risks of West Nile Virus and how and where funding generated from new taxes and assessments would be spent. Staff indicated that representatives of the Consolidated Mosquito Abatement District were present and could answer individual questions after the meeting.

Another resident, Bonnie Hancock, who also protested the annexation, stated that there were other residents who also wanted to submit protest forms. She stated that she was opposed to new taxes. With no other public testimony, the public hearing was closed.

A motion for a continuance to the July 11, 2007 hearing, was made, seconded, and passed unanimously.

11. Conducting Authority Proceedings: City of Fresno “Dakota-Temperance No. 1 Reorganization”. (LAFCo File No. RO-07-8).

Executive Officer Ballantyne presented staff’s report. He indicated that the reason for the protest hearing was that not all registered voters within the area had consented in writing to the annexation. Chairman Lopez then opened the public hearing. With no public testimony offered, the public hearing was then closed.

A motion to reaffirm the Commission's prior approval of April 18, 2007, was made, seconded, and passed unanimously.

12. Consider Approval: City of Fresno "Dakota-Cornelia No. 2 Reorganization" (LAFCo File No. RO-07-7).

Executive Officer Ballantyne presented a request from Lafferty Homes and the City of Fresno to continue the item to the August 15, 2007 hearing.

Michael Smith representing Lafferty Homes requested a 60-day continuance. Mr. Smith indicated that the original developer (Lafferty Homes) had previously entered into agreements with neighboring property owners (whom were included within the annexation proposal) in order to gain their consent of the annexation proposal. He indicated that due to market conditions that Lafferty Homes was considering terminating its development proposals and the continuance was sought in order to allow for further discussions with area property owners to insure that past agreements might be honored by the new developer.

Scott Mommer, of Lars Anderson and Associates, representing the property owners of the land proposed for development (Dominquez family) spoke against the continuance request. Mr. Mommer stated that there was a problem with an agreement between Lafferty Homes and about ten property owners regarding water and sewer hookups adding that he would like to move forward with the annexation.

Dave Braun, of the City of Fresno, also spoke in favor of the continuance.

The public hearing was then closed. A motion for a 60-day continuance was made, seconded and passed unanimously.

Commissioner Fortune reiterated his concern regarding the listing of names of landowners or parties of real interest printed in Staffs' reports and that all individuals who maintained interest in a development project should be listed rather than just the City, a corporation, or holding company. He indicated that a good example was the proposal just heard. The City of Fresno was listed as the applicant—not Lafferty Homes. To avoid any potential conflicts of interest, all landowners and parties of real interest need to be identified up front.

13. Consider and Adopt: Municipal Service Reviews and Sphere of Influence Updates for the following Special Districts: Bald Mountain Fire Protection District, Fig Garden Fire Protection District, Fresno County Fire Protection District, North Central Fire Protection District, and Orange Cove Fire Protection District.

Deputy Executive Officer, Darrel Schmidt, presented staff's report. Bob Braitman, Braitman and Associates, presented the Municipal Service Reviews (MSRs) for each of the five fire districts. He stated that in addition to the five districts, a number of cities also provided fire protection services as a municipal function. The County also has two Service Areas that provide fire protection services. These include County fire protection service to Shaver Lake and to Auberry.

Mr. Braitman noted that resolving difficulties with respect to fire protection may be beyond the scope of MSR's and Sphere of Influence updates, but could result in

increased dialogue between parties. Mr. Braitman reviewed various alternative actions the Commissioners could consider.

Commissioner Anderson asked if it was advantageous for LAFCo to initiate changes to the Sphere of Influence for the fire districts operating within the County islands. Mr. Braitman replied that such action could be initiated by the Commission. He also recommended that LAFCo waive its fees for such Sphere of Influence change and other changes that the Commission identified for improving services.

Commissioner Anderson stated that she would like to see LAFCo take the lead and make the necessary changes. LAFCo Counsel, Ken Price, stated that under Code Section 56375, LAFCo could initiate proceedings, but stated that he would need additional time to review the statute. Commissioner Lopez concurred with Mr. Price in allowing further review.

The hearing was opened for public testimony in alphabetical order of fire district.

Bald Mountain Fire Protection District:

Testimony was not offered from this District.

Fig Garden Fire Protection District:

Testimony was not offered from this District.

Fresno County Fire Protection District:

Keith Larkin, Chief, Fresno County Fire Protection District, stated that he had reviewed the MSR for his District and that some changes were needed.

John Ruiz, Assistant City Manager for the City of Fresno, expressed concern regarding possible alternative actions that were presented in the MSR that would greatly impact the City of Fresno's Fire Department.

Joel Aranaz, representing the Fresno City Fire Department also voiced concern with several possible actions contained within the MSR.

Mark Gaston, representing the City of Clovis Fire Department, stated that "locking" the fire district boundaries was inconsistent with LAFCo Policy Section 102041A and was unacceptable to the City of Clovis.

Mike Salveson, retired Fire Captain for the Fresno County Fire Protection District, commented upon the difficulties the County Fire Protection District was having related to tax revenue loss that will eventually result in lowering fire protection services on a County-wide basis.

Clyde Clinton, representing the City of Sanger Fire Department, discussed issues related to property tax revenues to the District, and a lack of support from other governmental agencies. Chief Clinton remarked that the City of Sanger and Fresno County Fire Protection District had entered into an automatic aid agreement and that it is working well.

Mike Bowman, Fresno County Fire Protection District indicated that the District could not increase services to Zone 10 and that the budget information was inaccurate in that

they are not funded for \$19 million. Mr. Bowman stated that he believed that “benefit assessments” would be the future. He also stated that the District does share transition agreements with all the cities.

North Central Fire Protection District MSR:

Lonnie Downs, representing North Central Fire Protection District, stated over the past 30 years, that the North Central Fire Protection District was reduced significantly due to annexation. As a result, the District entered into a 30-year contract with the City of Fresno. Chief Downs suggested that maybe a similar agreement is what the Fresno County Fire Protection District needs to do.

Orange Cove Fire Protection District MSR:

Commissioner Lopez spoke on behalf of the Orange Cove Fire Protection District. He stated that the District recommends that no changes be made and that the District is very satisfied with the current service area.

With no other testimony being offered the public hearing was closed. A motion to accept the MSRs as complete and satisfactory was made and seconded. The motion was approved with Commissioners Anderson and Larson opposing.

Commissioner Anderson made a motion to direct staff to work with the Fire Districts to facilitate Sphere Of Influence amendments related to the six identified County islands presently within the County Fire Protection District SOI to facilitate transfer to the North Central and Fig Garden Fire Protection Districts, and to return to LAFCo with proposals and to waive the LAFCo filing fees for such actions. The motion by Commissioner Anderson was seconded and approved unanimously.

14. Public Presentation: “Metro Rural Loop Concept”—Keith Bergthold, Assistant Director, City of Fresno Planning and Development Department.

Keith Bergthold stated that the City of Fresno is acting as a fiscal agent for the “Metro Rural Loop Corridor Preservation Feasibility Committee”. The Metro Rural Loop Corridor would ultimately be a transportation corridor (i.e. mass-transit, etc.) connecting fourteen cities located in Fresno and Madera Counties. Mr. Bergthold provided the Commission with a presentation and included examples of other similar looped corridors existing throughout the United States.

15. LAFCo Counsel’s Report:

A. “Professional Services Contract” with Fresno County.

LAFCo Counsel, Ken Price, reported that Executive Officer Ballantyne, Commissioner Fortune, and Counsel, met with the County to discuss a renegotiated Professional Services Contract between Fresno LAFCo and the County of Fresno. It was stated that the current contract expires at the end of June. Counsel recommended that the current contract be extended for a 90-day period in order to allow additional time to finalize a renegotiated contract.

A motion to approve a 90-day extension of the current contract was made, seconded, and passed unanimously.

B. Disclosure of Potential Conflict of Interest

Mr. Price informed the Commission that his firm, Baker, Manock and Jensen had been retained as Special Counsel by the County of Fresno in regards to issues related to the Fresno Community Medical Center. Although, Mr. Price felt that there were no conflicts in that LAFCo did not maintain a relationship with the Medical Center, a motion was made by the Commission to find that there were no conflicts with Baker, Manock, and Jensen continuing to represent Fresno LAFCo and at the same time represent the County. A motion to that effect was made, seconded and passed unanimously.

16. Deputy Executive Officer's Report: Municipal Service Review (MSR) and Sphere of Influence (SOI) Update Program and Report on May 30th SOI Workshop.

Deputy Executive Officer, Darrel Schmidt, reported that the LAFCo May 30th Sphere of Influence Workshop was a success and was well attended. He announced that a *Fresno LAFCo Agricultural Preservation Workshop* was being planned in cooperation with the Council of Fresno County Governments.

Deputy Executive Officer Schmidt also announced that LAFCo's new website was recently launched and that there had been an excellent response from visitors.

17. Executive Officer's Report: 2007 CALAFCO Conference

Executive Officer Ballantyne reported that CALAFCO will be holding its annual State Conference August 28th-31st in Sacramento for those Commissioners who wished to attend.

COMMENTS FROM THE PUBLIC

Mr. Steven Keel of DeYoung Properties, inquired as to how he could be included in the CSA 51 Area. Executive Officer Ballantyne explained that after the Sphere of Influence for that area is determined, LAFCo could entertain his request to be included.

ADJOURNMENT

A motion for adjournment was made, seconded and passed unanimously.

THE NEXT LAFCO MEETING will be held on July 11, 2007, at 1:30 p.m. in the Board of Supervisors' Chamber - Hall of Records, Room 301, Fresno, California