



of Merced County California

Local Agency Formation Commission

2222 M Street

Merced, CA 95340

Phone (209) 385-7654 Fax (209) 726-1710

**MINUTES OF REGULAR MEETING
OF THE
LOCAL AGENCY FORMATION COMMISSION
MERCED COUNTY, CALIFORNIA**

APRIL 26, 2001

Chairman O'Banion called the meeting to order at 2:02 p.m. in the Board Chambers on the third floor of the Merced County Administration Building.

I. ROLL CALL

**Commissioners Present: Commissioner Trevino
Commissioner O'Banion, Chairman
Commissioner Bertao**

**Staff Present: Bill Nicholson, Acting Executive Officer
Patricia Lippmeier, LAFCO Staff
Mary Schmid, Recording Secretary**

Counsel Present: Dennis Floyd, Deputy County Counsel

II. APPROVAL OF MINUTES

**MOTION: M/S BERTAO / TREVINO, AND CARRIED BY A VOTE OF 3-0, THE
COMMISSION APPROVES THE MINUTES OF THE REGULAR MEETING OF
MARCH 22, 2001.**

III. CITIZEN COMMUNICATION

NONE

IV. PUBLIC HEARINGS

A. Review and Possible Approval of the Proposed 2001/2002 Fiscal Year Budget for the Local Agency Formation Commission of Merced County.

Acting Executive Officer Nicholson briefly reviewed the budget for fiscal year 2001/2002 and explained the change in the LAFCO laws for the Cortese-Knox-Hertzberg Act of 2000 (AB2838). He showed historical and projected LAFCO application activity along with the estimated time Staff will require in processing and reviewing sphere of influence applications and drafting required policies and procedures. Mr. Nicholson explained the cost figures for benefits and overhead are from the Auditor's office. To implement this, the Commission will need a "Memorandum of Understanding" with the County to be worked out at the next meeting.

The public hearing opened at 2:10 p.m.

Commissioner Bertao asked if these are the current salary and benefits for each position and what were the figures from the past. Mr. Nicholson said yes and it was \$16,000. Chairman O'Banion said the total staff cost has always been for the County Planning Department, but it doesn't look like the full support costs were charged to LAFCO.

Commissioner Trevino asked if we do project five times more County time for applications. Mr. Nicholson presented the history of what the processing of applications was and how the changes from AB2838 will affect staff and the Commission. Commissioner Bertao asked if any counties have come up with new policies and procedures yet. Mr. Nicholson responded that all LAFCOs are working on them and the state still has to provide more direction in some areas.

Mr. Nicholson gave a history of the past budget with the county. Chairman O'Banion questioned in addition to the service that was provided did the county pay any fees for processing applications. Mr. Nicholson said no, they were paid by the local district or property owner. Chairman O'Banion questioned the amount for the one day conference. Mr. Nicholson gave some comparisons for other LAFCOs for fees.

Steve Hamilton, County Department of Public Works, Road Division said that one additional cost is the County Surveyor's cost at about \$5,000.00. The Surveyor is required to check all maps and legal descriptions for boundary changes. Mr. Nicholson said he also needs to check with the County's Auditor Office to see what they may want to charge for Elections and Recorder's Office.

Chairman O'Banion asked if the budget needs to be approved at this time. Mr. Nicholson said no, final approval will be at the June 28th meeting or if a special meeting is needed. Chairman O'Banion said we can possibly look to see what alternative funding can be made, or look to cities and counties only as provided in the new law.

Commissioner Trevino asked about the fee for a consultant. It was decided among the Commission to take that fee out of the budget, but to include a "contingency" account to cover unanticipated expenses.

Lynn Skinner, Turner Island Water District, questioned staff salaries. She thinks the amount for Mr. Nicholson is incorrect because he is currently the "Acting" County Planning Director but is being appointed "Director". Mr. Nicholson said this change in cost will be reflected in the final budget.

The public hearing closed at 2:28 p.m.

V. GENERAL BUSINESS

A. Update on Implementing the Cortese-Knox-Hertzberg Act (AB2838)

1. Update on Independent Special District Representation on LAFCO

Mr. Nicholson referred the Commission to the memo in the packet summarizing this topic. Special districts have been sent several notices about the Commission meetings and a workshop. The last LAFCO meeting included a special district representation discussion. Two special districts also hosted a special meeting although it wasn't attended by very many districts.

Chairman O'Banion questioned special districts funding responsibility for being on the Commission. Will one-third of the funding be divided by all or just the special districts who want to be on it. Mr. Nicholson said AB2838 indicated it would be all district based on their proportion of all special district revenues.

