

**LOCAL AGENCY FORMATION COMMISSION (LAFCo)
OF NEVADA COUNTY**
APPROVED MINUTES

Regular Meeting

November 15, 2018 ... 9.30 a.m.

Board of Supervisors' Chamber . . . County Administrative Center
950 Maidu Avenue, Nevada City, CA 95959

Commissioners Present:

Ben Aguilar (City)
Richard Anderson (County)
Kurt Grundel (District), **Chair**
Erin Minett (City)
Josh Susman (Public)
Hank Weston (County)
Nick Wilcox (District), **Vice-Chair**

Alternates Present:

Gloria Glenn (Public)
Ed Beckbach (District)
Dan Miller (County)
Patrick Flora (City)

Staff:

SR Jones, Executive Officer
Marsha Burch, Alternate Legal Counsel
Deborah Gilcrest, Clerk to the Commission

Call to Order/Flag Salute/Roll Call

Chair Grundel called the meeting to order and lead the Commissioners and audience in the Pledge of Allegiance. The Chair asked the Commission Clerk to call roll. Following roll call, the Clerk noted a quorum was present.

Recognition of Commissioner Weston

Chair Grundel announced the retirement of Commissioner Weston and presented the outgoing Chair with a certificate of the Commission's appreciation for his lengthy service to the citizens of Nevada County.

Public Comment

Chair Grundel announced this as the time for any members of the public to address the Commission on any matter not on the agenda. Testimony related to an item on the agenda is to be presented at the time designated on the agenda. No comments from the public were received.

Consent Calendar

Chair Grundel announced the items listed on the Consent Calendar, which included a budget status report for the first quarter, and two sets of draft minutes (July 19, 2018 and September 20, 2018) presented for review and approval.

Chair Grundel stated any member of the public or commissioners could pull any item from Consent for further discussion. No such request was made, and the Chair called for a motion.

MOTION was made by Commissioner Susman to approve the Consent Calendar. **MOTION** was seconded by Commissioner Aguilar, and passed unanimously.

Business/Action

- **County Sanitation District (Lake of the Pines Zone): Miller Property Annexation**

Chairman Grundel introduced Item 4.1 on the agenda, a proposal to annex a parcel on Combie Road to the County Sanitation District. The chair asked for a staff report from LAFCo's Executive Officer, SR Jones.

Jones explained that an application from landowner, John Miller, was received by Nevada LAFCo requesting the annexation of 0.90 acre(s) to the County Sanitation District. The property is located near the northeastern corner of Combie Road and Highway 49 (Zone 2 – Lake of the Pines). Jones added the lot is developed with a single structure housing a real estate office and a church. The annexation will enable the landowner to transition from the existing private septic system to public sewer by connecting to the District's wastewater collection and treatment system.

In September, staff introduced the proposal to the Commission as an informational item per Government Code Section 56857, providing the Sanitation District 60 days to oppose or provide comment on the proposal. District staff prepared a will serve letter which documents the district's capacity and willingness to serve the parcel.

With regard to CEQA compliance, Jones explained the project qualifies for an exemption under Section 15319 – which specifically exempts annexations of areas containing existing public or private structures developed to the density allowed by the current zoning provided the extension of utility services to the existing facilities would have capacity to serve only the existing facilities.

MOTION was made by Commissioner Susman to approve Resolution 18-06 approving the annexation of the subject property to the County Sanitation District (Lake of the Pines zone).

MOTION was seconded by Commissioner Aguilar, and passed unanimously.

- **Workshop on the Sphere of Influence Update for the Western County Wastewater Agencies**

Chairman Grundel announced Item 4.2, a workshop to discuss the update of the Spheres of Influence for two Western County wastewater agencies. The agencies include the Kingsbury Greens Community Sanitation District and the County Sanitation District. The Sanitation District consists of ten zones: Lake Wildwood, Lake of the Pines, North San Juan, Gold Creek, Penn Valley, Mountain Lake Estates, Cascade Shores, Eden Ranch, Higgins Village and Valley Oak Court.

Chair Grundel asked staff for an introduction to the process.

SR Jones, LAFCo Executive Officer, briefly explained that LAFCo law defines a sphere as the probable physical boundary and service area of the anticipated area to be served by a given agency. Jones added that LAFCo law requires such updates every five years.

Jones further explained each of the subject spheres and summarized her recommendations as follows:

- Regarding the sphere for the Lake of the Pines zone: staff recommended no reduction or increase to the sphere boundaries, and the designation of the area on the west side of highway 49 as the Long-term sphere horizon; based on the consideration that an extension

of a sewer line across the highway would be feasible only in conjunction with a future large scale development.

- Regarding the sphere for the North San Juan zone: staff recommended the removal of 15 parcels from the more remote portion of the sphere considering feasibility constraints associated with extension of sewer collection pipeline to these properties.
- Regarding the sphere for the Penn Valley Zone: staff recommended inclusion of seven parcels located along the pipeline route; these properties are designated for Planned Development, Industrial and Commercial uses, and LAFCo has already been asked to amend the sphere and annex other nearby properties. Staff also suggested that 180 Estate properties be removed from the sphere; and noted that all but 14 are developed.
- Regarding the sphere for the Kingsbury Greens Community Service District staff recommended retention of the “zero” sphere designation for the district, and added the district should be reorganized to receive services from a larger agency.

Relative to environmental review for the sphere update project, staff recommended that the Commission provide direction to seek a consultant who would prepare an initial study to determine the appropriate level of review.

Jones called the Commission’s attention to the Glenbrook zone, explaining the history and circumstances; specifically, the Sanitation District has never ‘served’ the area directly. She added that the recommendation for a zero sphere is based on the following facts:

- The remaining parcels in the zone are not actually served by the County Sanitation District. The zone was actually established to be a contracting vehicle to allow the City to serve the then unincorporated Glenbrook area.
- There are a few parcels within the zone that are connected to the city’s sewer system. These parcels were connected many years ago and will continue to receive service as outside contracts.

Chairman Grundel asked if anyone from the audience was interested in commenting on the proposed sphere.

Linda Lapp addressed the Commission. Ms. Lapp stated she represents the Kingsbury Greens CSD, and as its current president, she had reviewed staff’s recommendations. Ms. Lapp thanked staff and expressed her support for the proposed update.

Commissioner Wilcox, directed a question to the County Sanitation District representative Brad Torres. Mr. Wilcox asked if the County Sanitation District would support re-annexation of Kingsbury. Mr. Torres explained to the Commissioner there are staffing issues currently, but the district would not necessarily be opposed to the idea.

Chair Grundel asked if the Penn Valley plant could be removed from the Penn Valley zone boundary following its decommission. Brad Torres briefly discussed the situation and explained that the pumps are a short distance to the community leach field. Mr. Torres stated an evaluation of the operation is planned for the Spring of 2019.

Commissioner Anderson asked why the Valley Oak plant was not included in the sphere area map. Mr. Torres responded that the Valley Oak plant could eventually be absorbed into the Penn Valley zone; adding that the process would not require a LAFCo action.

Commissioner Weston inquired about the prospects for regional treatment. Mr. Torres explained that there is another small zone (Gold Creek) in the Alta Sierra vicinity with a similar treatment system, but he wasn't sure if the connection of these two small zones would be economically feasible. Mr. Torres said he would do some further research on the topic.

Discussion ensued regarding some of the other small plants and their future operations.

Chair Grundel thanked the County staff for attending the workshop. The Chair then asked for a motion regarding the proposed sphere update.

MOTION was made by Commissioner Susman to support staff recommendations on the sphere update and move forward with the environmental review; including the hiring of a consultant to conduct an initial study. Commissioner Wilcox added a friendly amendment emphasizing the need to consider the provisions of the County's Penn Valley Area Plan. **MOTION** (in its entirety) was seconded by Commissioner Aguilar, and passed unanimously.

CALAFCO Matters

Chair Grundel announced that several LAFCo commissioners attended the 2018 CALAFCO Conference in Yosemite, and asked each attendee to give a brief report.

Commissioner Aguilar summarized the mobile workshop which focused on tree mortality in the region. Mr. Aguilar stated the workshop attendees visited Bass Lake where the presenters discussed environmental issues such as drought, bark beetle infestation and wildfire were discussed. He added that many of the breakout sessions the following day were also related to wildfire preparedness.

Commissioner Anderson stated his hope that CALAFCO might take a lead role enhancing districts' response to fire safety issues, perhaps including vegetation management into future Municipal Service Reviews. Mr. Anderson noticed the location of the conference was a constant that Nevada County is also a fire-prone region.

Commissioner Anderson also attended a session focused on affordable housing provisions throughout the state. Mr. Anderson said one of the presenters raised the question of LAFCo's role in the implementation of housing elements throughout the state.

Commissioner Miller attended the LAFCo 101 session, which he found to be informative and educational. Mr. Miller also attended the break-out session focused on a possible future role of LAFCo's in wildfire preparedness. He agreed with other Commissioners with regard to networking opportunities, and explained the value of meeting other commissioners who represent rural counties.

Commissioner Minett stated she had not been to the Yosemite Valley in over thirty years and she was moved by the devastation of the recent wildfires. Ms. Minett left the conference with a concern that Nevada City has no evacuation plan for wildfire and expressed her hope that LAFCo's throughout the state could play a role in future wildfire preparedness.

Commissioner Susman noted that although he was not directly involved in planning the agenda, he was impressed by the diversity of materials and various break-outs at the Conference. Mr. Susman reiterated the challenges CALAFCO is facing in terms of financial sustainability. He added the topic of fire was on the minds of all attendees, particularly since fires in the region were burning there up to a few days before the conference began.

Commissioner Susman explained the re-organization of CALAFCO approximately eight years ago, when it was divided into four regions: Northern, Coastal, Central and Southern. He added that each region is responsible for preparing its own set of break-outs for the Conference.

Mr. Susman further noted that 16 of the 17 Northern region LAFcos were represented at the Conference. Mr. Susman thanked his colleagues for the Letter of Support which was sent to all Northern region LAFcos. Commissioner Susman said he was honored to be voted in as the new CALAFCO Board Chair, and stated he would continue to report back to Nevada LAFco on statewide issues and to continue assisting the CALAFCO organization with its legislative priorities.

Announcements

Commissioner Wilcox announced the Nevada Irrigation District had reached a significant agreement with PG & E. For several years, the district and the power company have been negotiating for several years to transfer ownership of the South Yuba Canal and Deer Creek power house project.

Mr. Wilcox added that approximately eight years ago, PG & E approached NID to sell the subject infrastructure. He explained the details of the financial settlement and summarized the results of the one-dollar purchase. Mr. Wilcox said NID obtained an ancient flume in need of significant repairs, but because nearly 50% of the water supply comes from this one source, the agency could not pass up the opportunity.

Mr. Wilcox explained another decision of the NID Board of Directors related to its efforts to tie together all water systems in the region. Mr. Wilcox said a contract has been signed confirming the installation of one last control station so that a unified system stretches from Cascade Shores to the Bear River. Approximately 37,000 feet of pipeline have been installed over many years, and along with many other negotiations and resolutions, the goal of regionalized system has finally been achieved.

Chair Grundel invited all Commissioners and staff to attend a farewell luncheon for Commissioner Weston at Tofanelli's restaurant in Grass Valley immediately following the LAFco meeting.

Executive Officer's Activity Report

Chair Grundel asked the Executive Officer if there were any additions or changes to her written activity report. The EO reported no changes would be added to the original report as it had been distributed.

Adjournment

Chair Grundel adjourned the meeting at approximately 10:45 a.m.