

LAFCo

509 W. WEBER AVENUE SUITE 420 STOCKTON, CA 95203

**SUMMARY MINUTES
June 14, 2018**

BOARD OF SUPERVISORS CHAMBERS
44 NORTH SAN JOAQUIN STREET, 6TH FLOOR
STOCKTON, CALIFORNIA

Chairman Tom Patti called the meeting to order at 9:05 a.m.

MEMBERS PRESENT: Commissioners Johnson, Kuehne, and
Chairman Patti

MEMBERS ABSENT: Commissioners Fox and Villapudua

ALTERNATE MEMBERS
PRESENT: Commissioners Andrade and Winn

ALTERNATE MEMBERS
ABSENT: Commissioner Manne

OTHERS PRESENT: James Glaser, Executive Officer; Rod Attebery, Legal
Counsel; and Mitzi Stites, Commission Clerk

CONSENT ITEMS

Chairman Patti opened the matter up for public and Commissioner Comments.

No comments were made.

A motion was made by Commissioner Kuehne and seconded by Commissioner Andrade to approve the Consent Calendar.

The motion for approval of the Summary Minutes of May 10, 2018 meeting was passed by an unanimous vote of the Commission. Commissioner Johnson abstained.

The motion for approval for the out-of-agency service request to the properties located at

774 W. Sonora Street, 5044 Ardelle Avenue, 1666 Church Street, 2760 Robindale Avenue, 813 S. Bird Avenue, and 1614 W. Hazelton Avenue, Stockton, was passed by an unanimous vote of the regular voting members of the Commission.

PUBLIC HEARING

3. FINAL BUDGET REPORT FOR THE FISCAL YEAR 2018-2019

(Action by Regular Members)

Commission consideration of the Final Budget for 2018-2019, Work Program and Schedule of Fees.

Mr. Glaser, Executive Officer, informed the commission that the Budget Committee consisting of Commissioner Kuehne and Chairman Patti met on Wednesday, April 25, 2018, and that the public hearing was held on May 10, 2018.

Mr. James Glaser, Executive Officer, presented an overview of the proposed budget. He stated that the budget anticipates that the cost for staffing and operations will be approximately \$706,904 and that the Commission will transfer \$251,804 from its \$768, 998 Contingency/Reserve fund to continue agency operations at the end of the FY 2018-2019 if all line items are fully expended.

The Budget Committee proposes to increase the County and Cities contribution by 3% or \$6,300 each. The Committee also proposes that \$200,000 be set aside in the Contract for Services line item in the event that the Commission wishes to contract out for special studies, complete municipal service reviews, or other matters that require an outside consultant. A Municipal Services Review was recently completed for 22 reclamation districts and it is anticipated a consultant will complete the remaining 29 reclamation districts with Contract for Services funds.

Mr. Glaser summarized LAFCo's accomplishments during the fiscal year and outlined next year's program and the Budget Committee's recommended changes to the Application Filing Fee Schedule.

The Budget Committee reviewed the application filling fee schedule and proposed the following adjustments:

Increase for Legal Service pass-thru staff costs based on the legal firm's costs.
Deletion of line items for Agenda and Minutes, LAFCo does not charge for this service.
Change of fees for Checking Sufficiency of Petition as the Office of the Registrar of Voters sets fees.

Mr. Glaser, Executive Officer, stated that at last month's public hearing the Commission went over in detail the preliminary budget and they had approved it. There has not been any changes to the preliminary budget.

Chairman Patti opened the floor to Commissioner Comments.

No Comments were made.

Chairman Patti closed the floor to Commission Comments.

Commissioner Winn questioned why the current budget's interest shows a substantial increase from last year.

James Glaser, Executive Officer stated that the County does the financial investing and that they have a practice of safe investments and that interest rates have increased as well as the reserve fund.

Chairman Patti opened the floor to public comments.

No one came forward.

Chairman Patti closed the floor to public comments.

Motion made by Commissioner Kuehne, seconded by Commissioner Andrade, to approve the LAFCo Final Budget and Work Program for Fiscal Year 2018-2019 as presented.

Chairman Patti requested a roll call vote:

Ayes: Commissioner Andrade, Johnson, Kuehne, Winn and Chairman Patti

Noes: None

The motion was passed by an unanimous vote of the regular voting members of the Commission.

ACTION ITEMS

4. PROPOSED REVISION TO POLICY FOR FINANCIAL AND ACCOUNTING PROCEDURES

(Action by Regular Members)

Travel Reimbursement for LAFCo Commissioners and Staff

Mr. Glaser, Executive Officer, stated that the County Auditor/Controller's Office provides LAFCo with accounting services. The County processes all of LAFCo's accounts receivable and expenditures and keeps record of all transactions. The County processes LAFCo's accounting requests in accordance with County policies and procedures unless LAFCo's written policies require a different procedure. In these instances, LAFCo's policy will supersede the County procedure.

In February 2016, the Commission revised its Financial and Accounting Procedures to follow the County's current policy for reimbursement for meals at \$10 for breakfast, \$15 for lunch and \$25 for dinner. The Commission, however, sets its own policy that did not require original

meal receipts for reimbursement. Recently, the County changed its meal reimbursement rates to \$15 for breakfast, \$16 for lunch and \$28 for dinner and continues to require original receipt for reimbursement.

Staff recommends that the Commission amend Section 2(b) of its policies to show the current meal reimbursement rates and to add the additional language “or any subsequent rate set by the County” in anticipation of future rate changes. The Commission policy to not require original receipts will remain in effect.

Chairman Patti opened the floor to Commissioner Comments

Commissioner Winn wanted clarification that LAFCo can deviate from the County policy on submitting original receipts for meal reimbursement.

Rod Attebery, Legal Counsel, stated that LAFCo can set up its own procedures.

Motion made by Commissioner Johnson, seconded by Commissioner Andrade, to approve the Revised Financial and Accounting Procedures.

PUBLIC COMMENTS

5. Persons wishing to address the Commission on matters not otherwise on the agenda

No one came forward.

CORRESPONDENCE

6. Written communication received from Pamela Miller, Executive Director, CALAFCo, dated May 25, 2018.

Mr. Glaser, Executive Officer, stated that this is a yearly request from CALAFCo looking for nominations for their Board of Directors. This year there is an opening for a County Member from the Central District. If one of the County Members would like to be nominated, the Chairman needs to sign the nomination form to be submitted with the nominee’s application.

Chairman Patti opened the floor to Commissioner Comments.

Chairman Patti asked for more information on the requirements of a CALAFCo Board of Director.

James Glaser, Executive Officer stated that he would get more information and forward it on to Chairman Patti.

Chairman Patti closed the floor to Commissioner Comments.

EXECUTIVE OFFICER COMMENTS

7. Comments from the Executive Officer

Mr. Glaser, Executive Officer stated that there will be no July meeting. The City of Stockton has submitted a Draft of their Municipal Service Review. The Annual LAFCo Conference is now available to book. If you are not planning to attend the conference please let us know by August 10, 2018. Mr. Glaser addressed the Commission on two matters: 1.) regarding the proposal for the City of Tracy to provide police services to the City of Lathrop, and 2.) the establishment of a Parks and Recreation District for the Swenson Park area in Stockton and the County He stated that these two matters have received attention in the media and therefore it would be prudent to provide background information to the Commission. He stated that the City of Tracy could provide police services to the City of Lathrop without Commission's approval since the service would be an alternative to or substitute for police services already being provided by the County. Mr. Glaser detailed the process for the establishment of a new Parks and Recreation District, which would have to come before the Commission for approval. He outline the protest provisions and the probable need to pass a ballot measure to provide funding for the new district.

COMMISSIONER COMMENTS

8. Comments, Reports, or Questions from the LAFCO Commissioners

No Comments were made.

CLOSED SESSION

9. Open Session Disclosure Regarding Closed Session Items pursuant to Government Code Section 54957.7

10. CLOSED SESSION

- A. Conference with Legal Counsel-Existing Litigation pursuant to Government Code Section 54956.9(a)
Name of Case: Pacific Gas and Electric v. San Joaquin LAFCo and South San Joaquin Irrigation District (San Joaquin County Superior Court Case No. 39-2015-00321743-CU-JR-STK)

11. Open Session Report on Closed Session pursuant to Government Code Section 54957.1

There was no Closed Session.

10:02 a.m. – Chairman Patti adjourned the meeting to Thursday, August 9, 2018.