



# LOCAL AGENCY FORMATION COMMISSION

Dave Braun, Executive Officer

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## MEETING MINUTES

Pines Resort and Conference Center  
Lakeview A Meeting Space  
54432 Road 432  
Bass Lake, California

LAFCO Meeting  
Wednesday, July 28, 2021  
3:00 p.m.

### 1. CALL TO ORDER AND ROLL CALL

Chair Tom Wheeler called the meeting to order at 3:06 p.m. at the Pines Resort and Conference Center and conducted the meeting roll call.

Commissioners Present: Tom Wheeler, County Member  
Robert Poythress, County Member  
Laura Young, Alternate Public Member At-Large  
Ray Barragan, Alternate City Member (Chowchilla)  
Mark Stamas, Alternate Public Member At-Large

Commissioners Absent: Waseem Ahmed, City Member (Chowchilla)  
Jose Rodriguez, City Member (Madera)

Others Present: Dave Braun, LAFCO Executive Officer  
Joann Zuniga, LAFCO Clerk  
Laurie Averdisian Favini, Attorney at Law, LAFCO Legal Counsel  
Wally Nishimoto, Business Systems Analyst, Tech Assistance

### 2. PLEDGE OF ALLEGIANCE

Chair Tom Wheeler led recitation of the Pledge of Allegiance.

### 3. PUBLIC COMMENTS

Chair Wheeler called for public comment. Therese Wilson stated she believed there was a discrepancy in the lot count in the MSR for County Maintenance District MD-7 (Marina View); stated she counted 83 connected lots, which was different than what the MSR indicated;

asked for clarification. Dave Braun stated the lot numbers in MD-7 included lots not yet built in the Marina View development; stated 83 lots were improved and nine were standby lots.

There was no further public comment. Chair Wheeler closed the Public Comments period.

#### **4. CONSENT CALENDAR**

##### **A. Review and Approve Meeting Minutes of May 26, 2021.**

Commissioner Laura Young moved to approve the May 26, 2021, meeting minutes, seconded by Commissioner Robert Poythress. Motion passed by a vote of 4 to 0, with 2 Commissioners absent.

Vote:     Yes    -   Young, Poythress, Barragan, Wheeler  
          No     -   None  
          Absent -   Ahmed, Rodriguez  
          Abstain - None

The Consent Calendar was approved. The May 26, 2021, meeting minutes were approved and filed as presented.

#### **5. WORKSHOP**

##### **A. North Fork and Bass Lake Areas Municipal Service Review and Sphere of Influence Update**

###### Staff Presentation

Executive Director Dave Braun stated the Local Agency Formation Commission (LAFCO) was a quasi-State agency with oversight in the formation of local municipalities, service areas, and special district boundaries and boundary changes; stated each county in California had a LAFCO office. Braun explained pursuant to the Cortese-Knox Hertzberg Local Government Reorganization Act of 2000, a periodic municipal service review of special districts within the county was required to ascertain if a district was providing intended services, was financially solvent, and would be consolidating services if other districts were providing the same services. Braun stated LAFCO also adopted a Sphere of Influence (SOI) for each city and special district; stated the SOI was larger than the city or special district boundary, and the SOI showed where the city or district could expand its boundaries.

Dave Braun explained that the Draft North Fork and Bass Lake Areas Municipal Service Review and Sphere of Influence Update was a regional Municipal Service Review (MSR) for a given geographical area and covered all special districts within the communities of North Fork,

Bass Lake, and nearby rural residential developments. Braun stated the purpose of the workshop was to receive public comments and to incorporate the public's comments into the MSR document; stated the County of Madera worked with special districts on a day-to-day basis to provide services. Braun thanked the audience for attending the workshop.

Dave Braun introduced Principal Planner Steve Brandt and Project Manager Trevor Stearns, consultants with QK, Inc., who prepared the Draft North Fork and Bass Lake Area Municipal Service Review and Sphere of Influence Update.

Consultant Steve Brandt explained that a Municipal Service Review (MSR) was a comprehensive assessment of the ability of existing local government agencies to effectively, efficiently provide municipal services to residents and special district users. Brandt stated in the analysis of the Draft North Fork and Bass Lake Areas Municipal Service Review and Sphere of Influence Update six topic areas were covered. Brandt reviewed each topic area: (1) growth and population projections; (2) location and characteristics of any disadvantaged unincorporated communities within or contiguous to the Sphere of Influence; (3) capacity of public facilities and adequacy of public services including infrastructure needs or deficiencies; (4) financial ability to provide services; (5) opportunities for shared facilities; (6) accountability for community service needs.

Consultant Trevor Stearns stated the focus of review was on Maintenance Districts MD 6, 7, 8, 24 (water, sewer, road services), MD 58 (water, road services), MD 11, 15, 18, 25, 55, 64, 67, 69, 74, 86, 92, 93, 97, 104, 107, 120 (road services); County Service Area CSA 2 (water, sewer, road services) and CSA 15 (road services). Stearns stated there were 4 private water companies--Bass Lake Water Company, Bass Lake Heights Mutual Water Company, Leisure Acres Mutual Water Company, Sierra Linda Mutual Water Company--that provide water services within the North Fork and Bass Lake areas. Stearns stated private utility districts were not under the jurisdiction of LAFCO but required LAFCO's review. Stearns estimated that 3,500 people lived in the area.

Consultant Brandt stated zones of benefit were established inside a district for a service not provided to the entire district and could have a different rate structures based on the services provided. Brandt gave an example of County Service Area CSA 2 that had zones of benefit assessed differently such as Zone A received sewer services; Zone B received sewer, water, and road maintenance; Zone C received water services; Zone D received road maintenance services. Brandt stated the consultants identified potential consolidation of multiple smaller districts into one larger district in some maintenance districts and county service areas; stated with the establishment of zones of benefit where not all services provided, property owners could pay for only the services they were receiving.

Consultant Brandt stated consolidation of services would not occur without the support from the residents and cited MSR Recommendation 8.6-1, "certain existing districts may need to

accommodate growth and service provision in the North Fork and Bass Lake areas.” Brandt cited MSR Recommendation 8.6-2, “the County and LAFCO should conduct discussions to consider the feasibility of consolidating nearby districts into county service areas or community service districts with new Spheres of Influence.”

Consultant Brandt cited potential consolidation of 7 areas, which were MD 11 and MD 86 (Area A), MD 18 and MD 69 (Area B), CSA 15 and MD 24 (Area C), MD 107 and 120 (Area D), MD 64 and MD 93 (Area E), MD 15, MD 55, MD 58, MD 74, and MD 104 (Area F), CSA 2, MD 6, MD 7, MD 92 (Area H) and MD 6 and MD 7 (Alternate Area I).

Consultant Brandt stated special districts collect assessments to fund improvement projects and provided pros and cons for consolidation. Brandt stated administrative costs would be lower if maintenance districts/county service areas consolidated into a larger district; combining improvement projects into one bigger project at a lower cost. Brandt stated potential consolidation would require rate studies to determine needed rate revisions as part of the consolidation.

Chair Wheeler stated there were 142 special districts in Madera County of which 120 of those special districts were located in Supervisorial District 5--the area he represented.

Chair Wheeler opened the workshop on the Draft North Fork and Bass Lake Areas Municipal Service Review and Sphere of Influence Update for the public’s comments and feedback.

#### Public Comments

Dr. Randy Haber stated he was a member of Maintenance District MD-6 water committee, who had submitted a letter for the record prior to the July 28, 2021, meeting that listed concerns of the committee. Dr. Haber stated MD-6 residents had been unable to get clean water for 14 years and that consolidation had damaged MD-6 and prevented water treatment for the residents for 14 years. Dr. Haber stated County did not follow science, recommended wrong intervention or consolidation, wrong technology, wrong procurement methods, and wrong uranium disposal. Dr. Haber stated the State delegated responsibility to the County for small districts without providing standards or oversight. Dr. Haber stated the LAFCO report did not assess effectively the State or County as related to small communities such as Maintenance District 6. Dr. Haber stated LAFCO was recommending consolidation of districts that were miles apart and separated by undeveloped land, which was expensive and damaging; highlighted the key points of his letter.

Dr. Haber recommended using the research collected and information provided by the MD-6 water committee in updating the MSR; requested LAFCO consider the information contained within the letter before publishing the final MSR. *(Information provided by Dr. Haber has been included in the Meeting Minutes as an attachment.)*

Consultant Steve Brandt stated that the MSR final draft document would incorporate the information provided by Dr. Haber.

Aleta Peacemaker was not in favor of consolidating Bass Lake Heights (County Maintenance District MD-11) with the community of Hidden Meadows (County Maintenance District MD-86). Ms. Peacemaker stated a very busy Road 426 separated the two communities and combining the two would not be beneficial or make sense, the two districts had very different road systems. Ms. Peacemaker stated Hidden Meadows had narrow winding roads that made it difficult to access and Bass Lake Heights had wide roads; believed if the two maintenance districts were combined assessment would be at a higher rate.

Dave Braun stated consolidation would happen only if residents wanted it. Braun stated road maintenance assessments were at a low cost for many years and that cost of living increases never were put into those assessments. Braun stated it was difficult, therefore, to fund road maintenance at a low cost in a subdivision; stated with consolidation there would be a bigger pool of funds to maintain and improve combined districts. Braun stated there would need to be a rate study completed to reevaluate the rate assessment.

Dave Braun stated the concept behind consolidation was to combine districts with a larger pool of ratepayers contributing toward road maintenance. Chair Wheeler stated economy of scale would help to bring down maintenance costs because road improvement bids would be for a larger project by consolidating smaller districts into a larger district.

Scott Ford recommended completing an evaluation of the road system with road repair costs included; stated residents needed to vote and make the final choice whether or not to consolidate maintenance districts.

Gary Gilbert stated he lived in Maintenance District MD 58 with 26 landowners and addressed what was happening in that district with water service and road maintenance. Mr. Gilbert stated the County got the best price to do the road overlay under full CEQA review and at an assessment rate increase of \$300. Mr. Gilbert recommended against Area F consolidation of MD-15, MD 55, MD 58, MD 74, and MD 104; stated MD 58 needed to be separate from the other four districts because there was not enough money at an assessment rate of \$100 in the other districts. Gilbert stated MD 58 wanted to fund its own infrastructure and would not consolidate unless residents voted to consolidate and that there were other ways such as zones of benefits.

Bill Truest advised to be aware of water rights, hated the word "consolidate," and suggested throwing out consolidation and call it collaboration.

Peter Gessert stated the draft document was dated. Mr. Gessert recommended updating the document with the latest budget estimates and Census data information; recommended consultants consider what was occurring in the maintenance districts with such impacts as fee assessments and to research amount of money in each district before recommending consolidation. Mr. Gessert reiterated the need to have updated Census information before finalizing the draft document.

Dean Van Rossen stated in and around the Bass Lake area there was an abuse of cabin rentals, AirB&Bs, and cabin hotel lodging and called it "Bass Lake gluttony"; stated with the seasonal population increase and different usage determinations, there was a need to cut life expectancy of services in half because of the abuse.

Terry Flanagan asked if information was online. The consultants replied yes, it was online at the Madera County government website under Madera LAFCO.

Kathy Posey of Cedar Ridge MD-92 requested a printout of road improvements and suggested County road maintenance staff estimate expectancy of roads. Chair Tom Wheeler replied that it would be a guesstimate.

Sue Ridenour stated she had lived in the area for 40 years and had paid \$100 in taxes each year earmarked for road repair. Ms. Ridenour stated money allocated for road repair had been accumulating but had not seen any road repair in 20 years; stated the need to clear the side of the road of dead tree debris along Road 222 between Highway 41 and Bass Lake. Other public members concurred and questioned why roads had not been cleaned up and road repair not maintained, cited dumped asphalt, broken tree debris along the side of mountain roads. Chair Wheeler cited the recent construction of Road 274 roundabout between North Fork and Bass Lake; stated there was road repair and cleanup work underway along heavily trafficked mountain roads.

Cecilia McIntype asked who maintained County Roads 222 and 274; stated \$100 per year assessed on 600 lots; asked where the funds collected were being used; stated communities within Bass Lake/North Fork had rejected consolidation because of transparency problems.

Chair Wheeler stated County roads were scheduled for maintenance in this year's budget; stated Road 274 was just completed and Road 222 would be next; stated what was collected in the maintenance district would be spent on road work within the district. Dave Braun stated he spoke to County Public Works Department, and there had been a delay in the road project in the special assessment district of County Service Area 2 because of dead tree removal.

Therese Wilson, member of MD-7 water committee, stated the distance between MD-6 and MD-7 when traveling on Road 274 was approximately 2 miles; stated when the committee looked at the issue years ago it was \$3 million for road repair and since that time costs have



increased. Ms. Wilson stated consolidation with the Bass Lake Water Company was considered at that time; stated there had been the possibility of a State grant to fund road repair for MD-6 and MD-7 but was ineligible because less than 50 percent of people lived in the area full time. Ms. Wilson stated it did not make financial sense to consolidate MD-6 and MD-7 but; stated it did make sense to consolidate road repair--but not water and sewer; stated there needed to be a better solution.

Chair Wheeler stated for economy of scale there could be consolidation for road repair; stated folks prolonged the grant by appealing, and the State revised the rules of the grant to include 50 percent full-time residency to receive funding.

**6. COMMISSIONER REPORTS**

There were no reports by Commissioners.

**7. EXECUTIVE OFFICER REPORTS**

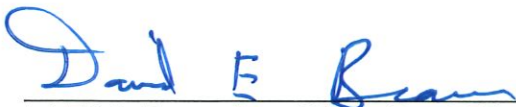
**A. CALAFCO 2021 Annual Conference, October 6 – 8, 2021.**

Dave Braun stated the annual conference would be in Newport Beach from October 6 to 8, 2021, at the Hyatt Regency Newport Beach Hotel. Braun stated all the Commissioners were welcome to attend and asked that those who would like to attend to let him know.

**8. ADJOURNMENT**

Chair Wheeler adjourned the meeting at 4:35 p.m.

Submitted by:



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LAFCO Executive Officer David E. Braun

Approval Date: October 27, 2021