



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, May 25, 2022
3:00 P.M.

1. CALL TO ORDER

Chair Waseem Ahmed called the meeting to order at 3:10 p.m. at the Pines Resort and Conference Center.

Roll Call: Roll call given by Executive Officer Dave Braun.

Commissioners Present: Waseem Ahmed, City Member (Chowchilla)
Robert Poythress, County Member
Jose Rodriguez, City Member (Madera)
Tom Wheeler, County Member
Laura Young, Public Member At-Large
Mark Stamas, Alternate Public Member At-Large

Commissioners Absent: None

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

Pledge of Allegiance: Chair Waseem Ahmed led recitation of the Pledge of Allegiance.

2. PUBLIC COMMENT PERIOD

Chair Waseem Ahmed called for public comment. There were no comments from the public. The Chair closed the public comment period.

3. **CONSENT CALENDAR**

Review and Approval of Meeting Minutes of April 27, 2022.

Commissioner Wheeler moved to approve the April 27, 2022, meeting minutes, seconded by Commissioner Poythress; motion passed by a vote of 5 to 0.

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

The Consent Agenda was approved. Meeting Minutes of April 27, 2022, were approved and filed as presented.

4. **PUBLIC HEARING**

A. Municipal Service Review

Consideration of the North Fork and Bass Lake Areas Municipal Service Review (MSR) and Sphere of Influence Update

- **RECOMMENDATION: Approve the Municipal Service Review**

Staff Presentation

Executive Officer Dave Braun stated this was a noticed public hearing on the North Fork and Bass Lake Areas Municipal Service Review (MSR); stated a workshop on the MSR was held on July 28, 2021, at which time public comments were received, and changes and additions were identified and incorporated into the MSR document; stated before the Commission was consideration of the corrected, updated MSR document for approval.

Dave Braun introduced Principal Planner Steve Brandt and Project Manager Trevor Stearns, consultants with QK Engineering, who prepared the draft North Fork and Bass Lake Areas Municipal Service Review and Sphere of Influence Update; stated after the July 2021 workshop the consultants incorporated the changes and additions to the draft MSR document.

Consultant Trevor Stearns stated QK Engineering worked in collaboration with Madera LAFCO on the North Fork and Bass Lake Areas Municipal Service Review; for the benefit of the public at the meeting Consultant Stearns explained that a municipal service review was a comprehensive assessment of the ability of existing local government agencies to effectively and efficiently provide municipal services to residents and special district users; stated pursuant to the Cortese Knox Hertzberg Local Government Reorganization Act of 2000 (CKH),

all LAFCOs were required to prepare a municipal service review for each of its incorporated cities and special districts; reviewed the topic areas used for analysis and stated updates from the July 2021 draft version of the MSR included updates to population and 2020 Census data, updates to special district budgets to reflect current status, the addition of Assessment District 89-1; stated sources were not reliable enough to provide an accurate account for the analysis of daytime population during vacation property rental times.

Consultant Trevor Stearns stated the MSR focused on reviewing the various community service areas, maintenance districts, and water districts within the North Fork and Bass Lake areas and the services they provided; stated zones of benefit were established inside a district when a service was not being provided to the entire district and could have different rate structures based on the specific services provided.

Consultant Trevor Stearns stated the overall recommendations were consistent with what was presented to the Commission in July 2021; stated some maintenance districts and county service areas were identified within the MSR for consolidation, which would combine multiple smaller districts into one larger district and zones of benefit could be established where not all services were provided; emphasized that consolidation would not occur without support from the residents where those services were being provided; showed maps of those areas proposed for consolidation; reviewed the pros/cons for consolidation.

Dave Braun stated LAFCO was always looking for better, more efficient ways services could be provided; stated on a periodic basis municipal service reviews were prepared to review districts within the review area; emphasized that LAFCO was not proposing any consolidation, it would be up to the residents of districts to support consolidation before it was proposed.

Commissioner Jose Rodriguez asked if residents did decide to consolidate, what would be the process; asked if residents had responded to consolidation; stated economy of scale came into play when thinking of consolidating services. Dave Braun responded that residents would file a petition to apply to LAFCO for consolidation; stated responses from residents were varied; stated only if residents were in favor and wanted consolidation would LAFCO respond to their request.

Public Comments

The Chair opened the hearing for public comment.

Theresa Wilson stated in the past the residents in Maintenance District 7 (MD-7) talked about consolidation and at one time there was a proposed grant to join the Bass Lake Water Company, but the grant fell through; asked if there were grants available to assist residents within the smaller districts to consolidate; stated she did not think residents wanted to consolidate districts at this time.

Dave Braun responded it would need to be investigated to determine what grants were available to individual districts depending on their services; stated from LAFCO standpoint, if grants were available to promote/facilitate consolidation, for instance MD-7 consolidation with MD-6 and CSA-2, LAFCO would be supportive.

Theresa Wilson asked about the position of Madera County Board of Supervisor on the potential for consolidation of districts. Commissioner Tom Wheeler stated if a request from the residents were to come to the County, they would be directed first to LAFCO to initiate consolidation then to the Board of Supervisors.

Kathryn Rose, resident of Cascadel Woods, asked if two entities wanted to consolidate, such as a parks district, would two fees be assessed or would it be the same fee. Dave Braun responded that the Cascadel Woods situation was different and would not be a consolidation; it would be dissolving one district and replacing it with another. Ms. Rose asked about the fees. Dave Braun responded that a fee rate study would need to be done to determine the appropriate fee, in this case a parks maintenance fee.

Randy Haber stated he was appreciative of the fact that LAFCO was not pushing consolidation; stated residents in MD-6 had requested a local water treatment system that they could install as a turnkey system for \$500,000; stated County rejected that proposal and came back with its proposal, which was over \$5 million and so expensive, it was not a workable option. Dave Braun stated the water quality issue with the County was a separate issue apart from consolidation. Randy Haber stated consolidation was a mechanism used previously to force residents in MD-6 into consolidating services. Dave Braun stated consolidation of MD-6 with MD-7 was proposed, but it failed. Randy Haber stated they were hopeful to get a reasonable, affordable system through the County Public Works Department, but that did not happen. Dave Braun stated this would need to be addressed by Madera County and the Public Works Department.

Bill Troost, resident of MD-6, stated he had been involved in the water issue in MD-6 for 50 years; stated the concern should not be consolidation, but the cheapest, best solution to the problem of water quality; stated he studied 3 water districts at Bass Lake—Bass Lake Annex, Sierra Linda Water District, and Cascadel Water District—and all 3 districts were providing acceptable clean water to their residents and all three districts were paying \$800 or less per year for their water; stated MD-6 was paying over \$2,000 a year for water they could not drink, water that was corroding the pipes in their homes; stated water was a serious problem to the residents in MD-6, and they were determined to do something, but were concerned with costs; stated three years ago when considering consolidation, it was \$1 million per mile to run pipes and it did not make sense to the mountain environment; stated should be working on how to help smaller districts with bigger problems get them solved economically.

Dave Braun stated consolidation of MD-6 and MD-7 was unsuccessful, however, it did not mean that consolidation could not work for other districts in the mountain communities and, in

fact, could be beneficial. Chair Ahmed stated the MSR was a roadmap, and that districts would need to work out the details of consolidation; consolidation could work for some districts but not others.

Mark Reed asked was there a mechanism in place to address any disparity between two consolidating districts so that the wealth of one district did not subsidize the other if a project needed to be completed. Dave Braun stated during the consolidation process, an agreement could be drafted to address any and all concerns of both consolidating districts.

Chair Ahmed closed the public hearing.

Commission Action

Commissioner Wheeler moved to approve the North Fork and Bass Lake Areas Municipal Service Review and Sphere of Influence Update, second by Commissioner Jose Rodriguez.

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

The motion passed by a vote of 5 to 0.

5. WORKSHOP

A. Resolution by the Madera County Board of Supervisors initiating a Reorganization propose the Dissolution of County Service Area No. 21 and the simultaneous Formation of a Recreation and Park District in the community of Cascadel Woods. A Municipal Service Review (MSR) of all the special districts in the Cascadel Area has been prepared to address the proposed Reorganization.

Dave Braun stated the purpose of this workshop was to discuss the formation of a Recreation and Park District in the mountain community of Cascadel Woods; stated a resolution adopted by the Madera County Board of Supervisors in January 2020 proposed County Service Area 21 be dissolved and in its place a Recreation and Park District be formed; stated the resolution initiated an application to LAFCO to process this application; stated LAFCO was asking residents for their feedback on what was the best option for the community of Cascadel Woods moving forward.

Dave Braun stated a Municipal Service Review was prepared by QK Engineering for the proposed reorganization in the Cascadel Area; stated the MSR evaluated all the service providers in the area that included County Service Area 21, Maintenance District No. 97 in the

Cascadel Heights area, Maintenance District No. 8, and the Cascadel Mutual Water Company; stated the action of the County to dissolve CSA-21 only affected Cascadel Woods and that there were no changes proposed to Cascadel Heights.

Consultant Steve Brandt, QK Engineering, stated the Cascadel Area Municipal Service Review and Sphere of Influence document was released in draft form; stated the purpose of the workshop was to review the Municipal Service Review document and to receive input and feedback from the community residents in the Cascadel community; stated the MSR specifically focused on reviewing the districts providing services in the Cascadel area: CSA-21 for park facilities and maintenance, MD-97 for roads, and Cascadel Mutual Water Company for water and roads; stated some maintenance districts were identified for consolidation, which would combine multiple smaller districts into one larger district; stated zones of benefit could be established where not all services were being provided so owners would only pay for services they were receiving; emphasized that consolidation would not occur without support from the residents; reviewed pros and cons and options for consolidation; reviewed what was a Recreation and Park District, its limitations that it would only be for parks and recreation services, and it would be a registered voter district.

Commissioner Rodriguez asked was that not what CSA-21 was specific to parks and recreation and the recommendation of the Board of Supervisors was to establish another park and recreation district. Consultant Brandt stated the action of the Board was to establish a new Recreation and Park District and remove CSA-21; stated the purpose would be to give the residents the ability to elect their own 5-member governing board and provide park maintenance services.

Commissioner Rodriguez clarified that currently CSA-21 was governed by the County, whereas the proposed would be that the district be governed by the residents with the function remaining the same. Consultant Brandt stated the services and responsibilities would remain the same. Commissioner Rodriguez asked if they could add additional services such as water as this was specifically only for recreation. Consultant Brandt responded yes if the Commission left it open for the residents to add services in the future; stated having a Community Service District would allow the Commission to authorize other types of services in the future; stated LAFCO established the district and authorized services.

Dave Braun stated County staff surveyed residents within CSA-21 with several options of modifying the existing governance of the district: Option 1 was to dissolve the district and transfer assets to the Cascadel Woods Property Owners Association (CWPOA) who would provide park maintenance service; Option 2 was to dissolve the district and County would solicit bids from interested parties and sell assets to another entity; Option 3 was to dissolve the district and create an independent special district such as a Community Service District or a Recreation and Park District.

Chair Ahmed opened the workshop for the public to speak to the issue.

Ken Trapp stated he was not a registered voter, but he was a property owner and asked would he be eligible to run for the board. Dave Braun stated he would need to be a registered voter. Ken Trapp asked what it would take to change that. Dave Braun cited a case in the Lake Tahoe area where there were so few registered voters, the property owners not living in the district appealed to Sacramento to change the requirement to be property owners, not registered voters, but they could not get the requirement changed; stated LAFCO could not change that requirement either.

Kathryn Rose asked who was responsible for (fire) fuel reduction within the park and recreation area. Dave Braun stated the Recreation and Park District was responsible for maintaining the open space area such as mowing the area, thus reducing the fire fuel threat.

Richard Lehman asked if Cascadel Heights was part of what was proposed by the Board of Supervisors. Dave Braun stated the MSR proposed many options for consolidation but it would only move forward if the residents wanted to pursue it; stated when the MSR was done for Cascadel Woods, it included Cascadel Heights (MD-97); stated the MSR looked at possible consolidation options that could work, but the proposal the Board of Supervisors initiated was to only form a Recreation and Park District in Cascadel Woods; stated there was no proposal to make any change Cascadel Heights.

Richard Lehman asked about the process to initiate a change. Dave Braun stated the residents could file a petition to consolidate or the Board of Supervisors could initiate a change of organization, and further explained what that process was; stated residents had the ability to stop any consolidation. Richard Lehman stated Cascadel Heights had 21 parcels with residents permanently living there, except for one rental property; stated they were satisfied and did not want to consolidate.

Mark Reed asked if a Community Service District (CSD) was established and residents wanted to add another service, would it go to a referendum of all the community to add that additional service or go to the CSD five-member elected board of directors to make the decision, then to LAFCO for approval of the change, and the community would be stuck with it. Dave Braun responded that a district could be formed with specific services and later come back and activate some of the latent other services and that would go through a similar process; stated there was also the ability to protest; stated residents would have input on other services if they tried to activate more than just the services they had when they originally formed the district.

Mark Reed mentioned it would go to a referendum, if the referendum were on a reversal residents could opt out instead of opting in to have the protest. Dave Braun stated the protest process was different than an election; stated if a person did not protest, they would be considered in favor. Mark Reed stated it was essentially a 218 process; stated a Community Service District was proposed for all Madera County in September 2021; asked how difficult and who would be voting or protesting for the consolidation. Dave Braun stated if a Community

Service District were created for the entire area, the protest would be for the entire area; stated zones of benefit could be created as an option; reviewed the steps to dissolve a County Service Area and form a Recreation and Park District or a Community Service District.

Chris Hamilton asked who owned the existing four parcels in the County Service Area of Cascadel Woods, was the Board of Supervisors responsible for those parcels, and if the County owned those parcels would they be transferred to a Recreation and Park District. Dave Braun stated all assets and money would be transferred to the Recreation and Park District. Chris Hamilton stated fire was of most concern, what could be done for fire mitigation because mowing would not cover all four parcels in Cascadel Woods. Dave Braun stated purpose was to maintain open space in the district and any kind of maintenance would be under the district's jurisdiction. Chris Hamilton asked for more clarification because it would be disastrous to transfer title over to owners who could not maintain it in a fire safe manner and that as of today it had not been maintained in a fire safe manner, so to transfer property already in danger would be a problem. Dave Braun stated they would ensure that an answer to her concerns would be gotten before the transfer of property ownership.

Dave Braun stated the purpose of the workshop was to receive information and get feedback.

Leon Henderson asked what open space was. Dave Braun responded that open space had no habitable structures or people living on the property.

Ken Trapp asked how many registered voters lived in the Cascadel Woods community. Dave Braun stated the count from the County Elections Office was 92 registered voters in Cascadel Woods.

Ed Rose stated the idea of a governance structure that did not allow all the residents to vote, whether registered or not, was not satisfactory; asked what other type of governance structure would be available. Dave Braun stated the other option was to give it to the property owners association or dissolve the County Service Area and give the responsibility to the property owners association, thereby allowing property owners more influence; stated the Board of Supervisors recommended it be dissolved and given to the property owners association.

Carol Eggink asked who governs possible board of a Park District. Dave Braun stated the Park District would have its own five-member board overseeing it.

In summary Dave Braun stated there were several options for consolidating service districts in the Cascadel Area if there was support from the residents; stated it might be preferable to create a Community Service District in lieu of a Recreation and Park district; stated a Recreation and Park District could only provide the services currently being provided by County Services Area 21, which was maintenance of open space area.

Dave Braun stated because this was a workshop, no action would be taken; stated this was for information and feedback from the public on what would be their preference: a Property Owners Association, or Recreation and Park District, or a Community Service District.

Chair Ahmed closed the workshop.

6. COMMISSIONER REPORTS

Commissioner Tom Wheeler stated he was happy to be attending the meeting after an absence from the Commission.

7. EXECUTIVE OFFICER REPORTS

Executive Officer Braun had no comments.

8. ADJOURNMENT

Chair Ahmed adjourned the meeting at 4:41 p.m.

Submitted by:



LAFCO Executive Officer David E. Braun

Approval Date: June 22, 2022