

LASSEN COUNTY LOCAL AGENCY FORMATION COMMISSION
City Council Chambers 66 N. Lassen St. Susanville, CA 96130

REGULAR MEETING
Monday, June 9, 2025

1. Call to Order Meeting called to order at 3:by Chair Eid.

A. **Roll Call** Commissioner Miller, Commissioner Neely, Commissioner Scanlan, Vice Chair Schuster, Chair Eid.

B. **Pledge of Allegiance**

Staff Present: Jennifer Stephenson, Executive Officer, and Ruth McElrath, Clerk.

2. Approval of Agenda: Motion by Vice Chair Schuster, seconded by Commissioner Miller to approve the agenda as submitted. Motion carries. Ayes: Schuster, Miller, Neely, Scanlan and Eid.

3. Correspondence: None

4. Approval of minutes: Motion by Commissioner Miller, seconded by Commissioner Neely to approve the February 10, 2025, meeting minutes. Motion carries. Ayes: Miller, Neely, Scanlan and Eid. Abstain: Schuster.

5. Authorize payment of claims: Motion by Commissioner Schuster, seconded by Commissioner Miller to approve the payment of claims. Motion carries. Ayes: Schuster, Miller, Neely, Scanlan and Eid.

6. Public Comment: None.

7. Recognition of Chris Gallagher's Service: Ms. Stephenson presents Chris Gallagher with a certificate of appreciation for his service on the LAFCo board. Chair Eid comments that Mr. Gallagher added a lot of substance to the conversations and he appreciates that.

Mr. Gallagher states he wanted to serve on LAFCo as he had a lot of contact with LAFCOs, not only as police chief, but when he worked with special districts. He states that everyone should know a little bit about LAFCo, especially if you work in government. It was an honor serving he concluded.

8. Consider appointment for public member at large – Ms. Stephenson explains that Mr. Gallagher expressed interest in being the public member alternate. The position has been open for a year.

Motion by Chair Eid, seconded by Commissioner Scanlan, to appoint Mr. Gallagher as a public member at large. Motion carries. Ayes: Eid, Scanlan, Schuster, Miller and Neely.

9. Consider final budget for FY 25-26- Ms. Stephenson explains that typically there is a draft budget in April, but there wasn't an April meeting. The Commission is being asked to adopt a final budget; however, amendments can be made. They are required, by law, to adopt a budget by June 15.

Ms. Stephenson explains every effort was made to keep the budget as conservative possible with a nominal increase of about 2.9 percent, which is in line with inflation over the last year. Communications decreased from \$250 to \$200 primarily for website subscriptions; there was a 3 percent increase in CALAFCO fees; she also recommends adding \$1,000 each for Sphere of Influence and MSR updates. The budget increased from \$72,581 to \$74,434. The split for the two agencies after the \$17,000 roll over would go from \$34,797 to \$35,742.

Motion by Vice Chair Schuster, seconded by Commissioner Scanlan, to approve the budget. Motion carries. Ayes: Schuster, Scanlan, Neely, Miller and Eid.

10. Spalding Community Services District Municipal Service Review 1-year status report – Ms. Stephenson explains that a year ago, an MSR was completed on the Spalding CSD. Challenges were identified, and a list of recommendations were made on how to make improvements.

She says improvements have been made in some areas - a strategic plan is in place, but there are several items for which no improvements have been made.

The options available to LAFCo are constrained, Ms. Stephenson states. While LAFCo has jurisdiction over special districts, typically agencies oversee a specific item or service. For example, the continued issues with wastewater treatment fall under the Regional Water Quality Control Board, who has been notified of the issues and notified the district of a notice of violation.

Ms. Stephenson continues that LAFCo's concern is, can the district sustain services? If not, then LAFCo shall pursue dissolution, but there has to be an entity that continues services for the community. Given there are limited options if dissolution occurs, and the amount of time it takes to make improvements, she recommends there be continued annual reports to LAFCo and that LAFCo staff hold quarterly meetings with the district to provide support.

She adds it is different than anticipated because they do not have a general manager.

Public hearing opened at 3:20p.m.

Ron LaBoue, community member, states there are too many issues. There is no strategic plan, while the district voted on one, they did it in violation of his civil liberties. He asks that LAFCo request they readopt and give him the 45 days everyone else entitled to.

Tammy LaBoue asked if the annual updates can be required quarterly.

Ms. Stephenson responds it would be up to the Commission, but she recommended annual updates because if the changes do not occur immediately, the reports to LAFCo would not change from quarter to quarter.

Ms. LaBoue asks if staff meetings can be in an open forum so they can hear what is being said and what is being addressed.

Ms. Stephenson responds this is also up to the Commission, but the idea is she would provide support services to district staff.

Frank Muse, Spalding fire chief, says he agrees with the staff report. To his knowledge there are two applications for general manager.

Kathy Claytor, Spalding board chair, explains that staff is limited and there is a brand-new board. Not only are they dealing with issues this year, but they are also plagued with issues from two to three years ago. They are asking for an opportunity to work through them and show the people of Spalding they can manage it.

Chair Eid agrees that the new board needs time. The issues are deep rooted and go back so far, so we need to prioritize, take one at a time and move through it. Not everything will be fixed overnight, nor will it be. Some of the issues are beyond the scope of LAFCo. He requests a six-month report on where they are at before moving to an annual report.

Commissioner Scanlan states he has attended meetings, and they are making a good faith attempt to do the best they can. They are limited by personnel issues.

Mr. LaBoue makes further comments about issues going on with the district. He has no problem communicating with the civil rights division of the California Department of Justice and adding members of the board for violating his rights.

Chair Eid responds he believes that is the direction he should take.

An unidentified woman attending the meeting via zoom says the board is not transparent among the members. They are dealing with a catastrophic system failure and there is no time to wait. She doesn't trust the board.

Commissioner Neely states there are a lot of issues going on, and it has been ongoing. He thinks the board members are trying to fix the problem. The district hasn't been able to find qualified people that have the license to run the plant, it's not the board members' fault. He concludes his comments by stating letting the board and Ms. Stephenson work through all these recommendations.

Vice Chair Schuster states it's our responsibility to make sure the district can maintain services. Let's give the current board an opportunity to try and make this happen.

Commissioner Scanlan adds there have been a lot of complaints about the lack of information on the website, which may be better when they have a general manager.

Commissioner Miller concurs that the current board needs a chance to get it together. It hasn't been easy walking into what has been a mess for several years. A general manager will be helpful, someone to be there to oversee everything.

Chair Eid says the board needs time to make progress, otherwise we are going to dissolve this district. He adds that people have the right to take their legal complaints and go anywhere they feel they should. That is your right and we have the right to give the board time.

Sandy Raffleson, Special District Leadership Foundation president, offers help. For the website, there are scholarships available. As far as the wastewater operator goes, nothing happens overnight. Be patient and move forward.

Neely asked to those who say dissolve the district, who will take over. There is nobody out there that wants to take over this district. Stop throwing roadblocks in front of them, be a helper.

The unidentified public member attending the meeting via zoom said anytime she has made a specific complaint or a suggestion, she has never gotten a response from the board.

Public comment closed at 3:47 p.m.

The Commission directs staff to move forward with annual reviews, with an update every six months and doing workshops with Spalding staff.

11 Executive Officer Report

- A. **Ethics training** – Ms. Stephenson shares that LAFCo will be holding ethics training on Aug. 12, 2025, at Jensen Hall. The information will be disseminated to all special districts for staff and governing body members. It is a standard two-hour ethics training provided by legal counsel.

Commissioner Neely says it is a good course to take and recommends it to all special districts.

- B. **LVCSD MSR Status** – Ms. Stephenson states she continues working on the MSR. She ran into some hiccups because of changes on the board and staff. She is hoping to have the document completed by the August meeting.
- C. **Calafco Regional meeting** – There have been a series of regional meetings for Calafco's reorganization efforts, Ms. Stephenson reports. They are attempting to address the issues, complaints and concerns that various LAFCo's have made to them. They are redoing bylaws, policies and restructuring how the board looks, how it is managed, and the decision-making processes. They've received input at regional meetings as well as online surveys that executive officers completed. Those efforts will be finished by next spring.

Ms. Stephenson tells the Commission that the Calafco conference will be held from Oct. 22 through Oct. 24 in San Diego and the Commission can decide at the August meeting who will attend.

- 12. **Commissioner Reports** – None

- 13. **Adjournment** – Motion to adjourn at 3:54 p.m. by Vice Chair Schuster.

Todd Eid, Chair

Ruth McElrath, Clerk

Approved _____

