

PLACER LOCAL AGENCY FORMATION COMMISSION

Ron Treabess, Chair (District); Joshua Alpine (City); Gray Allen (District); Carol Garcia (City); Howard Rudd, (Public); Jim Holmes (County); Robert Weygandt (County)

REGULAR HEARING AGENDA November 9, 2011--4:00 p.m. Board of Supervisors' Chambers County Administrative Building 175 Fulweiler Avenue, Auburn, CA 95603

- 1. Flag Salute**
- 2. Call to Order and Roll Call**
- 3. Approval of Agenda** (Action item)
- 4. Public Comment**

This is the time when persons may address the Commission on items not on the agenda. Please limit comments to three (3) minutes as the Commission is not permitted to take any action on items presented as public comment.
- 5. Approval of Minutes** from October 12, 2011 (Action item)
- 6. Presentation regarding services provided by Truckee Donner Public Utility District and Liberty Energy.** The Commission will hear presentations by these two agencies on the services they provide. No action will be taken by the Commission.
- 7. Executive Officer Reports:**
 - CALAFCO Legislative Committee
 - Upcoming LAFCO 101 class
 - Proposal Status
 - Upcoming Hearing Dates
- 8. Commissioner Reports**
- 9. Closed Session**

Closed Session pursuant to Government Code Section 54957 to consider

 - (a.) Public employee performance evaluation. Title: Commission Clerk
 - (b.) Public employee performance evaluation. Title: Executive Officer
- 10. Closed Session**

Conference with Legal Counsel - Existing Litigation
(Government Code Section 54956.9)
Name of Case: Martinez v. City of Roseville; Placer County LAFCO and Does 1-200
Placer County Superior Court No.SVC 0029978
- 11. Announcement of Action taken in Closed Session**
- 12. Adjournment**

For further information or to provide written comments on any item on the agenda, please contact the Placer LAFCO. Materials related to an item on this Agenda submitted to the Commission after distribution of the agenda packet are available for public inspection in the Placer LAFCO office at 145 Fulweiler Avenue, Suite 110, Auburn, CA 95603 during normal business hours. Phone: (530) 889-4097. Placer LAFCo is committed to ensuring that persons with disabilities are provided the resources to participate in its meetings. If you require a disability-related accommodation, please contact the Clerk to the Commission at least two business days prior to the meeting date.

PLACER LOCAL AGENCY FORMATION COMMISSION

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MINUTES
October 12, 2011

1. The flag salute was led by Commissioner Garcia.
 2. Call to Order and Roll Call: Chairman Treabess called the hearing to order at 4:03 p.m. in the Board of Supervisors Chambers, 175 Fulweiler Avenue, Auburn, California. Commissioners present and seated: Allen, Treabess, Holmes, Garcia, Weygandt, Gray, Alpine (4:08 p.m.). Staff present: Executive Officer Kris Berry, LAFCO Counsel Bill Wright, and Commission Clerk Linda Wilkie.
 3. Approval of Agenda: The agenda was approved as submitted by motion. Gray/Holmes/6:1 (Alpine absent)
 4. Public Comment: There was no public comment on items not listed on the agenda.
 5. Approval of Minutes from July 13, 2011: The minutes were approved as submitted by motion. Gray/Garcia/6:1 (Alpine absent)
 6. Closed Session
Conference with Legal Counsel: Existing Litigation (Government Code Section 54956.9)
Name of Case: Martinez v. City of Roseville; Placer County LAFCO and Does 1-200
Placer County Superior Court No.SVC 0029978: LAFCO Counsel Bill Wright stated that pursuant to government code section 84308, LAFCO is disclosing that Commissioners Rudd, Duran, and Holmes have received in excess of \$250 in political contributions from a property owner within the Sierra Vista Specific Plan within the last twelve months. He said that therefore, they will not be participating in the Sierra Vista Annexation proceedings or closed session. (4:08 p.m. Commissioner Alpine is seated.)
No action was taken in the closed session.
 7. Reason Farms/City of Roseville (LAFCO 2009-03) The Commission was asked to adopt a Sphere of Influence for the City of Roseville and Annex the Reason Farms territory into the City of Roseville. CEQA determination; responsible agency under CEQA Guidelines section 15096: Ms. Berry informed the Commission that this proposal would update the existing sphere of influence for the City, adding approximately 1,754 acres to the sphere in the northwest portion of the city, and would remove territory from the sphere of influence in the northeast portion of the city (the area currently known as the Sunset Industrial Park area). Regarding the Annexation proposal, Ms. Berry said that the Reason Farms property was purchased by the City as part of a settlement of a suit with Sutter County to mitigate drainage impacts. She stated that the site is planned for a retention basin facility as a flood control improvement project and also includes 223 acres of open space preserve.
- Ms. Berry recommended that the Commission approve the following action:
1. Determine that Placer LAFCO is a responsible agency and accept the Initial Study and Mitigated Negative Declaration prepared and adopted by the City of Roseville on July 1, 2009 under CEQA Guidelines section 15096, and direct the Executive Officer to file an appropriate Notice of Determination.
 2. Adopt Placer LAFCO Resolution 2011-03, amending the sphere of influence for the City of Roseville, adding the territory known as Reason Farms to the sphere of influence and removing the territory known as Sunset Industrial Area from the sphere of influence.
 3. Adopt Placer LAFCO Resolution 2011-04, annexing the territory of the Reason Farms property to the City of Roseville.

4. Authorize the Executive Officer to conduct a Conducting Authority protest proceeding without notice, hearing and without election.

Ms. Berry informed the Commission that there were some minor corrections to the actual resolution: Exhibit 1, Resolution 2010-3 should read 2011-3; Item 4 of the recommended actions should read "Authorize the Executive Officer to conduct Conducting Authority Protest Proceedings".

The Chairman asked for Commission comments. Commissioner Gray stated that he would like the property to be restricted so that it can never be developed. He said that the intent of the current City Council is that all that property be a large regional recreational area with the flood retention basins.

Paul Richardson, Planning Director for the City of Roseville, stated that there are plans for an open recreation area and the only area that the City has talked about doing any kind of minor development to other than recreation is the Panhandle which will be bifurcated by Placer Parkway. He stated that future councils will always have some discretion with the property.

Approved by motion as recommended by staff with corrections. Garcia/Gray/by vote: 7:0

8. Sierra Vista/City of Roseville (LAFCO 2010-01) The Commission was asked to amend the Sphere of Influence for the City of Roseville and Annex the Sierra Vista territory into the City of Roseville. CEQA determination; responsible agency under CEQA Guidelines section 15096.: Commissioner Holmes vacated his seat due to a conflict. Ms. Berry informed the Commission that this proposal would allow an amendment to the Sphere of Influence to the City of Roseville adding approximately 373 acres to the City, and annexation of the Sierra Vista Specific Plan area (approximately 2,075 acres, including the 373 acres of the Sphere request) to the City of Roseville. She requested that the Commission approve the proposal with the following conditions:

1. Adopt LAFCO Resolution 2011-5, and approve findings as a responsible agency for the Final Environmental Impact Report for the Sierra Vista Specific Plan Annexation (State Clearinghouse No. 2008032115).
2. Adopt Placer LAFCO Resolution 2011-06, amending the Sphere of Influence for the City of Roseville, adding the 373 acre portion of the Sierra Vista Specific Plan area territory of the Sierra Vista Specific Plan Area not currently within the Sphere of Influence of the City of Roseville.
3. Adopt Placer LAFCO Resolution 2011-07, approving the annexation of the territory of the Sierra Vista Specific Plan area territory to the City of Roseville.
4. Authorize the Executive Officer to conduct a Conducting Authority protest proceeding without notice, hearing and without election.

Ms. Berry stated that there were a couple of changes to staff conditions:

1. The actual Sphere of Influence Resolution shows #2010-06 and should be #2011-06.
2. On the same resolution on the first determination, the present and planned land use in the area including agriculture and open space lands: the last sentence should be deleted (Planned land uses are anticipated to remain similar to current land uses and are defined in the Placer County General Plan and Zoning Ordinance)
3. On Resolution 2011-07, correct the acreage amount to 2,075. On Finding #8, "There should be an exchange of revenues from the property tax base and property tax increment and other taxes in accordance with Placer County Resolution 2011-259 and the City of Roseville Resolution 11-366 & 367."

Chairman Treabess asked for Commissioner comments.

Commissioner Ucovich asked what the impact would be on Sierra College Blvd.

Rob Jenson, Assistant City Manager for Roseville stated that there was no fee tied to Sierra College Blvd.

Chairman Treabess opened for Public comment:

Nela Lukin, Senior Planner for the City of Roseville stated that she was available if the Commission had any questions.

Annie Embree, representing the law office of Brigit Barnes, that represents Ralph and Vicki Martinez as well as the Computer Deductions Inc, stated (concerning a lawsuit) that she has heard that it is a private matter and not appropriate for the LAFCO forum. She said that there are private elements to the dispute which lead to private remedies and that her office will be pursuing those private remedies against Mourier Land Investments and she will be filing a complaint shortly. She said that the dispute is concerning the development agreement with the City of Roseville that the City asserts is binding against her client. She claims it is not. She said that

her clients were induced to sign the Development Agreement without knowing the true terms of the agreement. She also stated that the Placer LAFCO could not find that the proposal was consistent with the general plan. She stated that she did not think there was any reason for the LAFCO Commission to make a decision pending the resolution of the lawsuit.

Bob Schmitt, Assistant City Attorney for the City of Roseville, requested that the Commission approve the Sierra Vista proposal for annexation. He said, regarding Ms. Embree's comments, that the City views the issue as primarily a local issue and that the City disagrees completely with the premise that the Development Agreement is defective.

Marcus Lo Duca, from Lo Duca & Avdis, LLP, stated that he supports staff recommendation for approval of the proposal, and stated that the specific plan was adopted more than a year and a half ago and that there was no opposition.

Tim Terrin, with Mourier Land Investment, said that he agrees with Mr. Lo Duca. He wanted to make sure that the Roseville Specific Plan was in LAFCO's administrative record and submitted a copy to the Executive Officer. He said that the Specific Plan addresses the things that the Martinez & CDI (Computer Deductions Inc.) property contends would not exist if it were not for the development agreement. He said that the CDI representative and Martinez family had copies of everything before the last decision was made by the Roseville City Council. He said that as soon as changes were made, those changes were forwarded to Mr. Martinez. He stated that he did not know if Mr. Martinez forwarded those changes to his attorney or not. He felt that Mourier Land Investment acted in good faith and kept the property owner informed, and that there were public notices, and televised public hearings, and availability of the public documents.

There were no further comments from the public.

Commissioner Gray requested Counsel to comment regarding Ms. Embree's comments.

LAFCO Counsel Bill Wright stated that he agrees that development agreements are not required for an annexation. He said that development agreements are a tool used by some cities to proceed with development and to finance certain improvements. He stated that LAFCO law does not require a development agreement prior to approving an annexation. He said that the Commission has the plan before them, they have a municipal services review for the City and the sphere of influence documents, all of which indicate that the City is capable of servicing this property. He said that the issue before LAFCO is to make sure there is no urban sprawl, that the proposal is a logical extension of the City boundaries and to ensure the City can provide this area with municipal services (roads, water, sewer, police, fire, etc.). He stated that the record demonstrates that the City is capable of providing these services whether or not the services are implemented through a development agreement or by some other means.

There being no further comments or questions, Chairman Treabess called for a motion.

Approved by motion as recommended by staff with the specified corrections.
Allen/Gray/by vote: 6:1 (Commissioner Holmes not in attendance)

Commissioner Allen excused himself from the Commission at 5:00 p.m.

9. Executive Officer Reports:

- a.) Legislative Report: None
- b.) CALAFCO Conference: Commissioner Gray stated that it was informative.
- c.) Truckee Donner PUD: Ms. Berry informed the Commission that the Nevada County LAFCO is Preparing a Sphere of Influence for the Truckee Donner PUD and that a lot of the sphere is within Placer County. Truckee Donner currently provides electrical and water service. The municipal service review recommends that they pull out everything in the sphere within Placer County that they are not servicing with exception of a few lots that they are currently serving that are not within the district. The Municipal Service Review was circulated and the Truckee Donner PUD has taken opposition to taking the sphere out of Placer County and has requested that they make a presentation to the Placer Commission. Ms. Berry said that they are currently in a lawsuit with Nevada County LAFCO. She recommended that they schedule a presentation with the Commission, and that Liberty Energy also be allowed to make a presentation as well since they supply electricity to the area also.
- d.) Proposal Status Updates: Ms. Berry informed the Commission that there is a proposal with the City of Auburn and with Northstar. LAFCO is awaiting the tax sharing agreement on these proposals.
- e.) Upcoming Hearing Dates: December 8, 2011

10. Commissioner Reports: There were no Commissioner reports.
11. Counsel Reports: There were no Counsel reports.
12. Adjournment: Motion to adjourn the hearing by Gray/Alpine. Meeting adjourned at 5:09 p.m.

Linda Wilkie, Clerk to the Commission

PLACER COUNTY
LOCAL AGENCY FORMATION COMMISSION

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STAFF REPORT

DATE: November 1, 2011

TO: Chairman Treabess, Commissioners Allen, Alpine, Garcia, Holmes, Rudd, Weygandt. Alternate Commissioners Duran, Gray, Schumacher, Ucovich.

FROM: Kris Berry, AICP, Executive Officer 

SUBJECT: Presentation by Truckee Donner Public Utility District and Liberty Energy.

SUMMARY

Truckee Donner Public Utility District (TDPUD) is a multifunction district providing water and electricity over a 44 square mile area in the Truckee area, serving both Nevada County and Placer County. Nevada LAFCO is considered the Principal County for this District, and is in the process of preparing a Municipal Service Review and sphere studies for updating their sphere's of Influence. A sizeable portion of the current sphere (Exhibit 1) is in Placer County, and Nevada County LAFCO has worked at length to keep Placer LAFCO included in this process.

DISCUSSION AND ANALYSIS

TDPUD's service areas include most of the Town of Truckee as well as some territory in Placer County, including a small subdivision (Ponderosa Palisades) and collection of homes on the south side of Donner Lake. The District's electrical service area is smaller than its water service area and includes few parcels in Placer County. The TDPUD electrical service area is surrounded by Liberty Energy, which has been designated by the California PUC as the exclusive electrical provider for the region, including most of the Martis Valley in Placer County. Water service in that portion of the Martis Valley is provided by PCWA or Northstar CSD.

The Nevada LAFCO Sphere Update Process for TDPUD so far has included the following steps:

- TDPUD's sphere of influence was initially adopted by Nevada LAFCO in 1983, and was last updated in 1998. In 1983, "sphere of influence" was defined by Cortese Knox as the "ultimate boundary and service area of an agency," and there were no provisions for a multi-service agency sphere to include a different sphere for each service. Current law defines a sphere as the "probable boundaries and service area."

- Nevada LAFCO contracted with Brandman and Associates to prepare the sphere update document. The consultant recommended separate spheres for each of the District's two services (Exhibit 2) which were reduced from the area included in the 1983 sphere in consideration of the fact that most of the territory in the 1983 sphere is now served by other providers (Liberty Power and PCWA for water).
- Consultant's preliminary administrative draft was provided to District staff in April for review of data accuracy. Corrections to data were made to the draft in response to the TDPUD's comments (the District's policy-related comments were referred to the Commission).
- The Administrative Draft was reviewed by the Commission in May in a workshop setting. At the workshop, TDPUD asked the Commission to consider retaining the 1983 sphere territory in the sphere, and also requested the Commission consider expanding the District's sphere to include the territory within Northstar CSD and territory in Sierra County in the electrical sphere.
- Commission invited the District to prepare a "Preferred Sphere of Influence" map and documentation for circulation to interested agencies and parties in Placer and Sierra counties, including Placer LAFCO, Placer County, PCWA, NCSO, Liberty Energy, Sierra County, etc. These agencies were asked to provide comments to the Commission.
- Comments were received from Sierra County, Placer County, PCWA, Placer LAFCO, Northstar Community Services District and Liberty Energy (Exhibit 3). Each was in support of the LAFCO consultant's recommendations (to reduce the sphere for either water or electrical or both).
- Nevada LAFCO Commission then directed staff to begin preparation of a CEQA document based on the sphere of influence recommended by the consultant.
- Prior to completion of the CEQA analysis, the District initiated litigation against Nevada LAFCO over the CEQA document for another District's sphere of influence update (i.e., TSD. Note that TSD has not taken a position in support of the suit at this time).
- At this time, Nevada LAFCO staff is in the process of preparing the CEQA document for the TDPUD sphere.

Following the completion of an environmental document, the Commission hopes to proceed with the update. However, because the "area of conflict" (between LAFCO and TDPUD's positions) is primarily located in Placer County, Nevada LAFCO is seeking to involve the Placer LAFCO in the process to ensure the final sphere update for TDPUD is consistent with Placer LAFCO's policies and goals for the area.

Attachments:

- | | |
|-----------|-------------------------------------|
| Exhibit 1 | Map of current sphere of influence |
| Exhibit 2 | Map of proposed sphere of influence |

TDPUD Service Boundary with Sphere of Influence

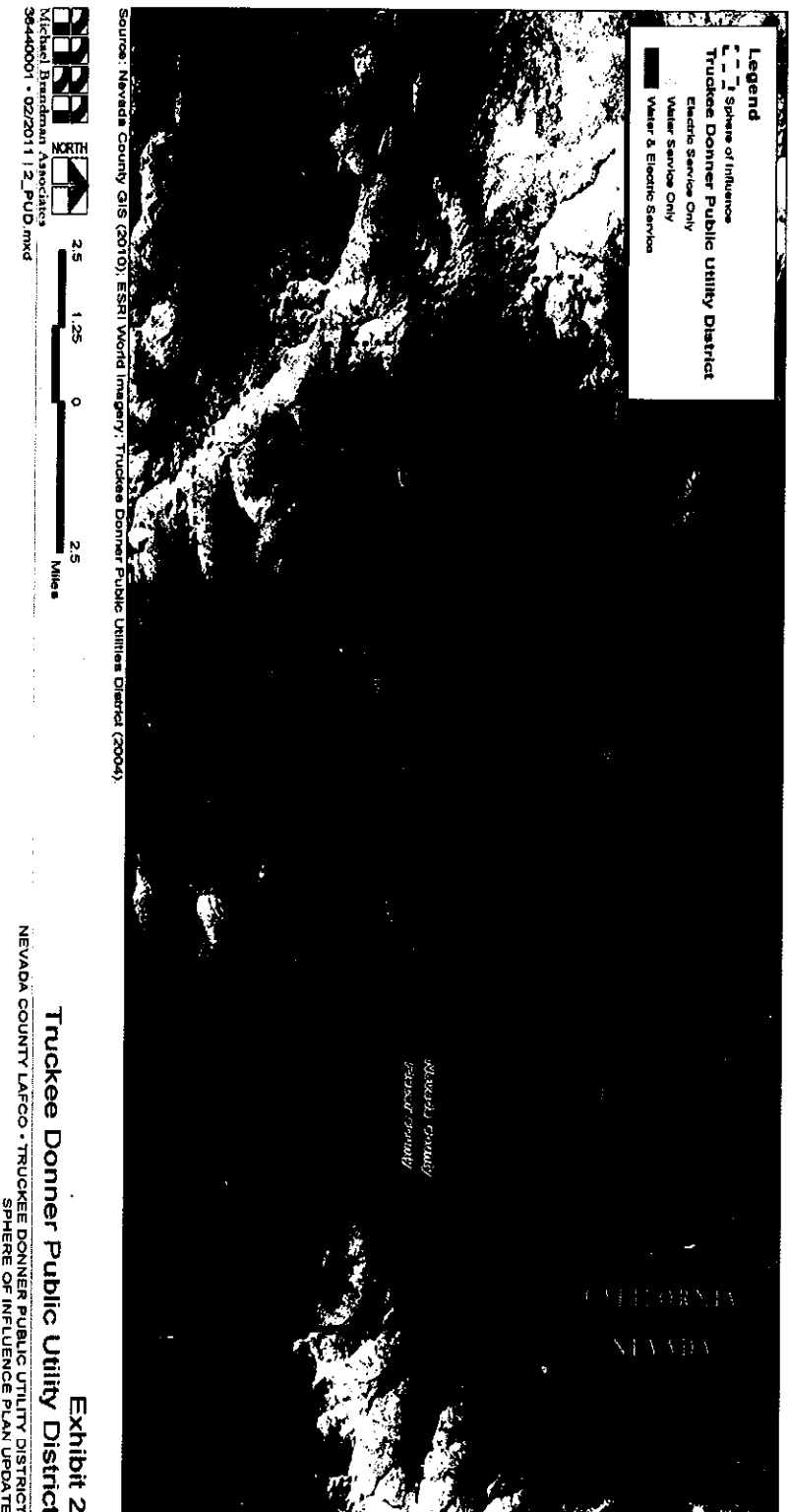
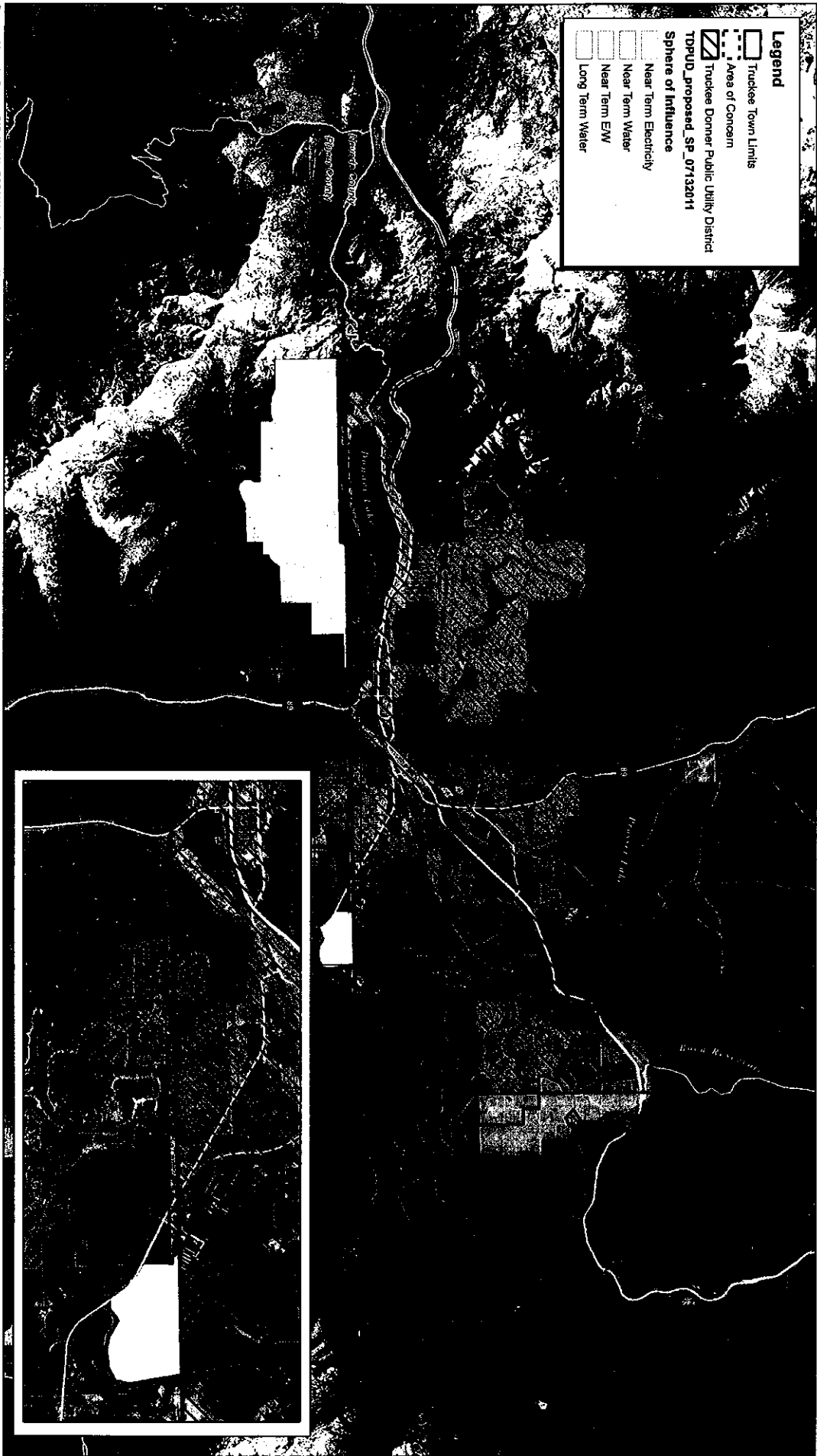


Exhibit 2
Truckee Donner Public Utility District
NEVADA COUNTY LAFCO • TRUCKEE DONNER PUBLIC UTILITY DISTRICT
SPHERE OF INFLUENCE PLAN UPDATE

EXHIBIT 2



Source: Nevada County GIS (2010); ESRI World Imagery; Truckee Donner Public Utilities District (2004).



Michael Brandman Associates
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Exhibit 5
Proposed Sphere of Influence and Sphere Plan
NEVADA COUNTY LAFCO - TRUCKEE DONNER PUBLIC UTILITY DISTRICT
SPHERE OF INFLUENCE PLAN UPDATE