

## MINUTES - MARIN LOCAL AGENCY FORMATION COMMISSION

On October 13, 2005, the regular meeting of the Marin Local Agency Formation Commission was held at the San Rafael Council Chambers, 1400 Fifth Avenue in San Rafael. Chair Blanchfield called the meeting to order at 7:05 p.m.

### ROLL CALL

Commissioners Present: Susan Adams  
Einar Asbo  
Jeffrey Blanchfield  
Barbara Heller  
Charles McGlashan  
Dennis J. Rodoni  
Jeff Slavitz

Alternate Commissioners

Seated in the Audience: Cliff Waldeck (7:11pm)

Staff present: Peter Banning, Executive Officer  
Candice Bozzard, Clerk to the Commission  
Evelyn Ellis, Assistant Planner

1. **Public Comment** - None

### CONSENT CALENDAR ITEM(S)

2. **Special Meeting Minutes, September 13, 2005**
3. **Financial Report - September 2005**
4. **Annexation of the Lands of Hanf-Otterley to Novato Sanitary District (File #1266)**
5. **Annexation of the Lands of Anderson, Montgomery & Kravitz to the City of Mill Valley (File #1267)**
6. **Annexation of the Lands of Minamora to the City of Mill Valley (File #1268)**

M/S Slavitz - McGlashan to approve the consent calendar.

Approved unanimously.

**AGENDA ITEM(S)****7. Southern Marin Sewer Alternatives Study & Spheres of Influence for Southern Marin Sanitary Districts:**

Chair Blanchfield called on the Executive Officer for his report and recommendation.

The Executive Officer stated that at the September meeting, the Commission received the Consultants' presentation of the Southern Marin Sewer Service Alternatives Study and had continued the public hearing to the October meeting for action on proposed municipal service review findings and updates of the spheres of influence of the six sanitary districts in the study area. The proposed service review findings and sphere of influence designations were to anticipate proposals for political consolidation among the ten southern Marin sewer agencies and to provide those agencies with information and maximum latitude to enter into collaborative voluntary service arrangements fully under their control for the five year period until the next periodic review.

The Executive Officer reported that political consolidation would create larger units of organization that would result in agencies with a higher profile in the community, attract greater public participation and understanding of this vital function. He cited Section 9 of the Draft Service Review determinations, stating that limited functions of the existing agencies did not justify separate political subdivisions for ten different agencies. Local control over a municipal service afforded by a special district board are meaningful if the scope of activities and decisions of that board were known to the public and attracted participation by constituents. Where this is not the case because of a district's limited service role or small budget, local control has little practical meaning. He added that the Study documented inherent inefficiencies, diseconomies of scale, overlapping service functions and cumbersome decision making in southern Marin sewer agencies.

The Executive Officer also reported that in the short term, functional collaboration among existing agencies would partly address inherent diseconomies, but the process of collaboration itself would be burdensome to the participants in accomplishing cost savings that would be immediately available to a larger organization. The commitment of all ten agencies to pursuing functional collaboration measures was reflected by the recent adoption of resolutions by their boards exhibiting a consensus that collaborative efforts could yield cost savings as shown in PB Consult's report. Staff recognized that the consensus did not yet extend to permanent political reorganization.

Staff acknowledged that prior to development of a history of concerted efforts to achieve common service goals and objectives, successful proposals for political consolidation would not be likely; the process would be more orderly if it unfolded one step at a time as described in the consultant's report. That style of approach would be consistent with the Commission's policy preference for consolidations initiated by affected agencies rather than outside parties.

The Executive Officer stated that the language of the proposed sphere of influence designations in the six draft resolutions included the term "interim" spheres of influence. The intent of this term is to express the Commission's general policy expectations affecting the sanitary district's organization that could not be expressed on a two-dimensional map attachment. The intent was also to give the six districts maximum latitude to shape the future of how the agencies would evolve rather than the Commission specifying which agencies would succeed others. The alternative would be, for example, to map a sphere of influence for the Richardson Bay Sanitary District that encompassed the territories of all the other five members of SASM and to designate "zero" spheres of influence for the other district members of SASM. To do so would be within LAFCO's discretion, but was not recommended in this case.

Staff reported that the Sausalito-Marín City Sanitary District had objected to the wording in Section 1 of the draft resolutions, asserting that adoption would unlawfully commit LAFCO to a future course of action and that references to political consolidation should be removed from the text of the resolution. Staff did not agree, stating that expression of the Commission's expectation of future political consolidation was important to bring the effort of the past three years of study to a clear conclusion.

Staff noted that there were small corrections needed on each of the seven resolutions and listed needed technical corrections. Staff recommended that the Commission adopt the draft resolutions including the modifications.

Chair Blanchfield then asked if the Commissioners had any questions regarding the Executive Officer's report. Commissioner Rodoni inquired as to why the word "interim" was used in these resolutions. Staff responded that it was a term used to express the Commission's expectation that the functional collaboration efforts in the next five years would be exceeded by political consolidation proposals. Commissioner Asbo then inquired why there was a need to use the term "interim" if the study will be revisited in five years. Staff responded that by using the term "interim" it summarized the efforts of the study as well as reflected an ongoing effort for consolidation.

Commissioner McGlashan requested the Executive Officer address the letter received from Alto Sanitary District regarding the change in sphere of influence possibly creating a need for rerouting of the sewer line. The Executive Officer responded that the map attached to resolution 05-09 did indicate that Richardson Bay

Sanitary District's sphere of influence overlapping territory of the Alto Sanitary District. Since that was not intended in staff's recommendation, it should therefore be corrected as suggested in the District's letter.

Chair Blanchfield then opened the hearing for public comment.

- Mr. Tom Roberts, District Manager for Alto and Homestead Valley Sanitary Districts – Mr. Roberts commented that there was no objection to the modified resolution 05-09 recommendation. Mr. Roberts also stated that the managers of the ten sewer districts have met and discussed collaboration in great detail.
- Jon Elam, General Manager for Tamalpais Community Services District – Mr. Elam stated that he felt there was a violation of the Brown Act by not having copies of all the resolutions being considered at the meeting for the public to view. Mr. Elam also stated that his district felt it was not necessary to state the political consolidation effort in the resolution.

Chair Blanchfield responded that LAFCO was not in violation of the Brown Act since there were several copies of meeting materials for review and were available upon request, as required under the Open Meeting Act legislation.

- Mr. Clifford Waldeck, Councilmember for City of Mill Valley – Mr. Waldeck stated that consolidation deemed necessary with the facilities and infrastructure becoming outdated and the regulations becoming more demanding on the districts.
- Ms. Virginia Brunini, Boardmember of Richardson Bay Sanitary District – Ms. Brunini stated concerns regarding political consolidation. Ms. Brunini felt that LAFCO should let the functional collaboration run its course and not include mention of political consolidation in the resolutions. Ms. Brunini also stated that she believed the statistics for cost savings were very optimistic and needed further analysis.

Chair Blanchfield asked for any further public comment. There was none.

M/S Adams – Rodoni to close the public hearing.

Approved unanimously.

M/S McGlashan – Slavitz to approve Resolution 05-07.

Approved unanimously.

Chair Blanchfield then requested comments from the Commissioners regarding the language used in all the resolutions. Commissioner Adams suggested using more flexible language regarding the political consolidation to allow the districts to proceed at a pace each district would be content with. Commissioner Slavitz stated that the resolutions should express that LAFCO did review the options of political consolidation and that the districts should consider it. Commissioner McGlashan concurred with the previous comments that the language needed to be softened with reference to the political consolidation. Commissioner McGlashan noted that by passing Resolution 05-07 (the required findings for the service review under Government Code 56430) LAFCO stated its encouragement for political consolidation. After further discussion, Commissioner McGlashan suggested the following language to be used for the last sentence under Section 1 in all of the resolutions to read "... while engaged in functional collaboration efforts with neighboring sewer agencies and that political consolidation may be considered by southern Marin agencies in the future, as appropriate."

Commissioner Heller noted that districts may not consider political consolidation if it is not mentioned in the resolution. Chair Blanchfield suggested that some direction on consolidation should be included in the language of each of the resolutions. Commissioner McGlashan then suggested the sentence to read, "should be considered" instead of the "may be considered". Commissioner Asbo commented that the districts should not be forced into political consolidation, however he did approve the moderated language suggested by Commissioner McGlashan. Commissioner Rodoni also agreed the language needed to be softened.

M/S Heller - Asbo to approve the language of the final sentence of Section 1 to be changed from "...and that political consolidations will be eventually undertaken by southern Marin sewer agencies in the future at a time and in an order yet to be determined" to "...and that political consolidation should be evaluated by southern Marin sewer agencies in the future at a time and in order yet to be determined."

Substitute Motion M/S McGlashan - Rodoni to approve the language to read, "... that political consolidations should be evaluated by southern Marin sewer agencies in the future, as appropriate."

Approved unanimously.

Commissioner Rodoni questioned why the Tamalpais Services Community Services District did not have an interim designation. The Executive Officer responded that the Tamalpais Community Services District is a multi-service district, which made it different from the sewer agencies.

Chair Blanchfield inquired if the term "interim" is defined in the Cortese-Knox-Hertzberg Act. Staff responded that "interim" was a term that was not in the Cortese-Knox-Hertzberg Act but the Commission defined the term in the language used in Section 1 of the resolutions.

M/S Adams - Heller to approve Resolution 05-08 including amendments to the language in Section 1.

Approved unanimously.

M/S McGlashan - Rodoni to approve Resolution 05-09 including amendments to the language in Section 1 and Section 4, and to the map exhibit.

Approved unanimously.

M/S Rodoni - McGlashan to approve Resolution 05-10 including amendments to the language in Section 1 and Section 4, and to the map exhibit.

Approved unanimously.

M/S Adams - Slavitz to approve Resolution 05-11 including amendments to the language in Section 1 and Section 4, and to the map exhibit.

Approved unanimously.

M/S Heller - Asbo to approve Resolution 05-12 including amendments to the language in Section 1 and Section 4.

Approved unanimously.

M/S Slavitz - McGlashan to approve Resolution 05-13 including amendments to language in Section 1 and Section 4.

Approved unanimously.

### **PUBLIC HEARING(S)**

#### **8. Request for Sphere of Influence Amendment - Annexation of the Lands of Carinalli to Tomales Village Community Services District:**

Staff reported receiving an application for annexation of two parcels to the Tomales Village Community Services District, which included amendment of the

District's sphere of influence. The Commission was obligated to consider how to process the sphere amendment request at the first public meeting for which notice could be given (this meeting). As outlined in the staff report, the Commission can either address the request as a minor amendment and consider the sphere amendment and the boundary change together or defer action on the sphere and the boundary change until after completion of the next periodic review of the District's sphere of influence scheduled to begin in approximately one year.

The Executive Officer stated that the recommendation in the written staff report to address the request as a minor sphere amendment was based on representation by the applicant that no county development permits were required other than building permits and that accordingly LAFCO would be the lead agency under CEQA. Staff had further identified an applicable exemption under the CEQA Guidelines that could be applied under these circumstances. Those assumptions were cast into doubt, he said, by correspondence received from the County's Community Development Agency the morning of October 13, 2005. The letter stated that the application may be a part of a larger project under common ownership in the same area and that the extension of service to the two parcels proposed for annexation would facilitate development of other undeveloped lands and therefore required CEQA review. The correspondence also stated that construction on the two parcels would require County approvals including Coastal Development Permit and Design Review prior to building permit application and that the subject parcels may be included in master plan requirements of a larger project. The correspondence also stated that under the policies of the adopted community plan for Tomales, community plan amendments should be processed prior to any annexation to the district. In light of that information, staff recommended that the requested sphere of influence amendment be subsumed in the overall periodic review of the sphere of influence of the Tomales Village Community Services District.

As provided by Commission policy, if the Commission agreed with the revised recommendation, the applicant may withdraw the proposal with refund of unused application fees. If the proposal were not withdrawn, staff would necessarily recommend that the Commission deny approval as inconsistent with the adopted sphere of influence. Staff then noted that Karl Drexel, District Manager of Tomales Village Community Services District was in the audience if the Commission had any questions.

Chair Blanchfield asked Mr. Drexel if he wished to add any additional comments.

- Karl Drexel, District Manager, Tomales Village Community Services District – Mr. Drexel stated there was no objection to the annexation of the two parcels, but that the district would prefer that a change of the sphere of influence be

reviewed prior to approval so that it could be completed all at one time and not one parcel at a time.

Commissioner Rodoni asked Mr. Drexel that if the Commission were looking for a special district to handle septic monitoring in the area, would the Tomales Village Community Services District have an interest in that activity. Mr. Drexel responded that his Board would review it.

M/S Rodoni – Adams to close the public hearing.

Approved unanimously.

M/S Adams – Rodoni to inform the applicant that the Commission will subsume the Annexation of the Lands of Carinalli into the study of the Tomales Village Community Services District sphere of influence review next year.

Approved unanimously.

### COMMISSIONER'S REPORT

**CALAFCO Annual Conference** - Commissioner Heller reported that the CALAFCO Annual Conference in Monterey was well rounded and that she found all the sessions very interesting. Chair Blanchfield reported that he agreed with Commissioner Heller and also noted that there was a session on agriculture that he found especially informative. Chair Blanchfield also reported that there was discussion of creating a "CALAFCO University" and the Commission should discuss it at the next Strategic Planning Workshop.

Commissioner Adams reported that the Association of Bay Area Governments was debating the streamlining of CEQA requirements for affordable housing. Commissioner Adams also mentioned that in a few weeks she would be in Washington D.C. to discuss telecom, flood zone and levy issues.

Commissioner McGlashan reported that the Transportation Authority of Marin had agreed to study re-establishment of a multi-agency county wide planning organization. Commissioner McGlashan stated that representatives from special districts and water district boards should consider participating.

**EXECUTIVE OFFICER'S REPORT**9. **Progress Report:**

The Executive Officer added the following to his written report:

- Municipal Service Review Survey – At the CALAFCO Conference one of the sessions presented the results of a survey of LAFCO's on the usefulness of the Municipal Service Reviews. The results showed some agreement that the process was useful but needed to evolve with the experience. The results also showed that some of the nine determinations were more useful than others and needed to be condensed to five determinations and their content clarified.
- Staff requested permission to participate on the Annual Conference Planning Committee. The Conference will be held in San Diego, September 5-7, 2006.
- Staff noted that a Sphere of Influence Committee meeting should be arranged to discuss the ongoing San Rafael SOI Study.
- The Executive Officer also reported that he would be attending a legislative meeting in Sacramento on October 14, 2005.

**ADJOURNMENT**

M/S Adams – Slavitz to adjourn.

Approved unanimously.

The meeting was adjourned at 9:37 p.m. The next regular LAFCO meeting was scheduled for Thursday, November 11, 2005 at 7:00pm at the San Rafael Council Chambers.

Respectfully submitted,

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PETER V. BANNING, Executive Officer

ATTEST:

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JEFFRY BLANCHFIELD, Chair