



*Local Agency Formation Commission*  
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**ACTION MINUTES OF REGULAR MEETING  
OF THE  
LOCAL AGENCY FORMATION COMMISSION  
MERCED, CALIFORNIA**

**April 28, 2005**

**I. CALL MEETING TO ORDER**

Chairman Amabile called the meeting to order at 10:02 a.m. in the Board Chambers on the Third Floor of the Merced County Administration Building.

**II. PLEDGE OF ALLEGIANCE**

**III. ROLL CALL OF COMMISSIONERS**

**Commissioners Present:** Commissioner Amabile  
Commissioner Ingram  
Commissioner Bertao  
Commissioner Kelsey  
Commission Hunter  
Commissioner Melville  
Commissioner Nelson

**Staff Present:** William Nicholson, Executive Officer  
John LeVan, Staff Planner  
Victoria Lane, Recording Secretary

**Counsel Present:** Ruben Castillo, LAFCO Counsel

**IV. APPROVAL OF MINUTES**

**MOTION: M/S KELSEY/INGRAM, AND CARRIED BY A UNANIMOUS VOTE, THE COMMISSION APPROVES THE MINUTES OF THE MEETING OF MARCH 24, 2005.**

**V. CITIZEN COMMUNICATION**

None.

VI. PUBLIC HEARINGS

A. City of Gustine Municipal Service Review

The public hearing was opened at 10:15 a.m.

No one spoke.

The public hearing was closed at 10:15 a.m.

**MOTION: M/S KELSEY/INGRAM, AND CARRIED BY A UNANIMOUS VOTE, THE COMMISSION DETERMINES THAT THIS MUNICIPAL SERVICE REVIEW IS CATEGORICALLY EXEMPT FROM CEQA AND THAT ANY FUTURE LAFCO ACTION INVOLVING THE CITY OF GUSTINE WILL INVOLVE A SEPARATE ENVIRONMENTAL DETERMINATION AND ACTION, AND APPROVES THE CITY OF GUSTINE MUNICIPAL SERVICE REVIEW BASED UPON DETERMINATIONS 1-4 UNDER SECTION IV OF THE EXECUTIVE OFFICER'S REPORT, INCLUDING THE CORRECTED SPHERE OF INFLUENCE MAP.**

VII. GENERAL BUSINESS

A. Approval of Contract with Economic and Planning Systems (EPS) for Preparation of Municipal Service Reviews for Urban Water/Sewer Districts  
(Continued from March 24, 2005 meeting)

In response to questions from the Commission, Walter Kieser of EPS spoke to the Commission about the contract and the MSR process.

Tim Miller, from Miller Planning & Design Group, asked some questions of the Commission.

Ruben Castillo requested that he and Mr. Kieser work off-line to amend the contract language and come back to the Commission in a few minutes.

**MOTION: M/S KELSEY/INGRAM, AND CARRIED BY A UNANIMOUS VOTE, THE COMMISSION APPROVES THE CONTRACT FOR AGREEMENT FOR SPECIAL SERVICES BETWEEN MERCED COUNTY LAFCO AND ECONOMIC & PLANNING SYSTEMS WITH THE AMENDMENT TO THE CONTRACT SUGGESTED BY LAFCO COUNSEL.**

B. Adoption of Proposed LAFCO Budget for Fiscal Year 2005/2006

**MOTION: M/S BERTAO/KELSEY, AND CARRIED BY A UNANIMOUS VOTE, THE COMMISSION APPROVES THE PROPOSED FISCAL YEAR 2005/2006 LAFCO BUDGET WITH AN INCREASE IN FUNDS FOR THE ANNUAL CALAFCO CONFERENCE TO ALLOW ATTENDANCE BY ALTERNATE LAFCO COMMISSIONERS AND INCLUSION OF THE APPORTIONMENT OF THE CITIES' SHARE OF THE LAFCO BUDGET BROKEN DOWN BY INDIVIDUAL CITY, AND THE COMMISSION DIRECTS THE EXECUTIVE OFFICER TO FORWARD THIS BUDGET TO THE COUNTY, AND THE SIX CITIES AND SPECIAL DISTRICTS WITHIN THE COUNTY AND TO RETURN WITH THE FINAL**

**BUDGET AT THE MAY 26, 2005 LAFCO MEETING.**

- C. Review of Draft Revised Application Package for Reorganization and Sphere of Influence Revisions

**MOTION: M/S BERTAO/INGRAM, AND CARRIED BY A VOTE OF 4 – 1, NAY BY COMMISSIONER NELSON, THE COMMISSION APPROVES THE JUSTIFICATION OF PROPOSAL APPLICATION PACKAGE WITH THE INCLUSION OF QUESTIONS REGARDING FUNDING FOR ROADS AND PUBLIC SAFETY.**

**LAFCO COUNSEL STATED THAT THERE IS A PENDING LEGAL CHALLENGE TO THE ATWATER SOUTH ANNEXATION TO THE CITY OF ATWATER. THE ATTORNEYS FOR THE ATWATER AND MERCED SCHOOL DISTRICTS PROPOSED A TOLLING AGREEMENT. IT WAS A 3-WAY AGREEMENT BETWEEN LAFCO, THE SCHOOL DISTRICTS, AND THE DEVELOPER. UPON REVIEW OF THIS AGREEMENT BY LAFCO COUNSEL AND MR. NICHOLSON, THEY DECIDED THE CITY OF ATWATER SHOULD BE INVOLVED IN THIS AGREEMENT ALSO. ONCE THIS AGREEMENT COMES BEFORE COUNSEL, HE COULD SIGN IT, UPON DIRECTION BY THE EXECUTIVE OFFICER, AND BRING IT TO THE NEXT MEETING FOR RATIFICATION BY THE COMMISSIONERS.**

**CHAIRMAN AMABILE REQUESTED THAT A LETTER BE ISSUED FROM LAFCO TO THE MERCED COUNTY ASSOCIATION OF GOVERNMENTS STATING THE COMMISSION'S SUPPORT OF THE 3M ALTERNATIVE OF THE LOS BANOS BYPASS ALSO KNOWN AS THE NORTHERN ROUTE.**

**VIII. ADJOURNMENT**

There being no further business, Chairman Amabile adjourned the meeting at 11:53 a.m.

**NOTE: The LAFCO meeting was recorded and a tape is available to the public at the Merced LAFCO Office. Copies of the tape may also be purchased.**