LAFCo
of Merced County

Local Agency Formation Commission
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MINUTES FOR THE REGULAR MEETING OF APRIL 16, 2026

LOCAL AGENCY FORMATION COMMISSION MERCED COUNTY, CALIFORNIA

Chairman Bertao called the regular meeting to order at 10:07 a.m. in the Board of Chamber, Third Floor, Room, of the Merced County Administration Building.

I. **CALL MEETING TO ORDER**

II. **PLEDGE OF ALLEGIANCE**

III. **ROLL CALL**

Commissioners Present:	**Commissioner Bertao (Chairman)** **Commissioner Silveira (Vice Chair)** **Commissioner McDaniel** **Commissioner Reed** **Commissioner Pedrozo (Alternate Non-Voting Member)**
Commissioners Absent:	**Commissioner Amabile** **Commissioner Raymond**
Staff Present:	**Bill Nicholson, Executive Officer** **Malathy Subramanian, Legal Counsel (Online)** **Danielle Bettencourt, Recording Secretary**

IV. **CONSENT CALENDAR**

A. Approval of the minutes from the December 11, 2025 meeting.

MOTION: M/S SILVEIRA – REED, AND CARRIED BY A VOTE OF 4-0, THE COMMISSION APPROVES THE MINUTES OF THE MEETING OF DECEMBER 11, 2025.

V. **CITIZEN COMMUNICATION**

Public comment opened 10:08 am

None

Public comment closed 10:08 a.m.

VI. **PUBLIC HEARING** (Testimony limited to 5 minutes or less per person

A. **Annexation No. 2025-3 to the Franklin County Water District (FCWD) - LAFCO File No. 0708- and the associated Amendment to the FCWD Sphere of Influence- LAFCO File No. 1050 F:** Involving annexation of the new 18.5-acre Franklin/Beachwood County Park site, located on the north side of Lobo Avenue and the east side of Ranchero Lane, and an adjacent one-acre homesite located at 2724 Lobo Avenue, into the Franklin County Water District's boundary. The same territory is proposed to be added into the district's sphere of influence (SOI) boundary, consistent with State requirements for annexations. The actions requested are to make a determination that the applications are exempt from environmental review in accordance with CEQA Guidelines section 15301 "Existing Facilities" and approve, modify or deny the applications.
[NOTE: Due to special circumstances, these applications are being continued to the May 21, 2026 Commission Meeting.]

Executive Officer Bill Nicholson noted due to special circumstances, these applications are being continued to the May 21, 2026, Commission Meeting.

Public comment opened at 10:08 am

No public comment received.

Public comment closed at 10:09 am

MOTION: M/S MCDANIEL – SILVEIRA, AND CARRIED BY A VOTE OF 4-0, THE COMMISSION APPROVED CONTINUING TO THE MAY 21, 2026 COMMISSION MEETING.

B. **Consider adoption of the "Resource Conservation District Municipal Service Review (MSR) Update" and related Sphere of Influence Determinations for the five special districts included in the MSR document**.

Executive Officer Bill Nicholson provided an overview of the Municipal Service Review (MSR) document and the recommended modifications to the draft MSR noting this document presents a summary of the services and operational issues of the five Resource Conservation Districts headquartered in Merced County and includes recommendations for consolidations of inactive districts with more active districts, with the exception of the Grassland RCD.

Executive Officer Nicholson noted the recommendations for each individual RCD, Chapters 3 through 7, are to consider a consolidation either with a neighboring District or into one larger County wide RCD, excluding the Grassland RCD, which is to remain independent.

Executive Officer Nicholson added that the Commission can initiate a dissolution of the inactive RCDs at its own discretion and any effort pursued successfully, either the San Luis RCD independently or in association with the East Merced RCD could seek to annex some or all the territory that was formerly within the Los Banos and Gustine Romero RCD boundaries.

Commissioner Josh Pedrozo excused himself from the Commission at 10:31 am.

Public comment opened at 10:32 am

Zachary Wells, General Manager of the East Merced RCD, came forward for public comment and addressed some of Vice Chairman Scott Silveira's questions. He summarized many of the activities and grants obtained by their district.

Public comment closed at 10:33 am

MOTION: M/S SILVEIRA – MCDANIEL, AND CARRIED BY A VOTE OF 4 - 0, THE COMMISSION APPROVED THE RESOURCE CONSERVATION DISTRICT MUNICIPAL SERVICE REVIEW AND ASSOCIATED SPHERE OF INFLUENCE DETERMINATIONS, INCLUDING THE CHANGES IDENTIFIED FOR THE GRASSLAND RCD WITH REFERENCE TO SB 1108 "THE GRASSLAND ECOLOGICAL AREA CONSERVANCY" AND ANY OTHER CHANGES DIRECTED BY THE COMMISSION FOLLOWING THE HEARING.

C. Adoption of the Proposed LAFCO Budget for the 2026-27 Fiscal Year

Executive Officer Nicholson provided a complete summary of the LAFCO 2026-27 proposed fiscal year budget in the amount of $233,365. This includes an "appropriations for contingencies" account based on 4% of the total budget, which would require the Commission's prior approval before any funds are spent. Executive Officer Nicholson noted the proposed budget represents a small decrease from the current 2025/26 fiscal year.

Public comment opened at 10:56 am

No public comment received.

Public comment closed at 10:56 am

MOTION: M/S PEDROZO – MCDANIEL, AND CARRIED BY A VOTE OF 4 - 0, THE COMMISSION ADOPTED THE PROPOSED FISCAL YEAR 2026-27 BUDGET AND DIRECTED THE EXECUTIVE OFFICER TO FORWARD THE BUDGET TO THE COUNTY, THE SIX CITIES WITHIN THE COUNTY, AND ALL SPECIAL DISTRICTS IN CONFORMANCE WITH THE CORTES-KNOX-HERTZBERG ACT, AND SET THE FINAL BUDGET HEARING FOR MAY 15, 2026, ALONG WITH THE CORRESPONDING MOU WITH THE COUNTY FOR STAFF SUPPORT SERVICES AND WITH THE MODIFICATION OF $50,000 FOR THE CEMETERY DISTRICT MSR.

VII. EXECUTIVE OFFICER AND COMMISSIONERS' COMMENTS

A. Summary of the California Association of Local Agency Formation Commissions (CALAFCO) restructuring efforts from recent, February 26, 2026, Board Meeting.

Executive Officer Nicholson provided an update and report on the California Association of Local Agency Formation Commissions (CALAFCO) Board meeting retreat that was held on February 26, 2026, entitled "Strong Foundation and Clear Direction: CALAFCO's Priorities for the 2026 and Beyond", and noted the positive direction CALAFCO is heading towards.

B. Executive Officer oral update on upcoming applications and upcoming CALAFCO Staff Workshop in Pismo Beach.

Executive Office Nicholson noted the Franklin County Water District (FCWD) – LAFCO File No. 0708 will be brought back to the next LAFCO meeting.

Executive Officer Nicholson noted the CALAFCO Staff Workshop will be held on May 6-8, 2026, in Pismo Beach with a focus on key issues relevant to California's Local Agency Formation Commissions (LAFCOs) and the communities they serve.

C. Commissioner Comments

None

VIII. ADJOURNMENT

There being no further business, Chairman Bertao adjourned the meeting at 11:12 a.m.