

Lassen Local Agency Formation Commission

Regular Meeting Agenda

MONDAY – June 13, 2022

3:00 PM

**City of Susanville City Hall
66 North Lassen St.
Susanville, CA.**

(All meeting materials are available on LAFCo's Website: www.lassenlafco.org)

1. Call to order: Pledge of Allegiance

Commissioners

Todd Eid, Chair, Public Member

Kevin Stafford, City Member

Mendy Schuster, Vice-Chair City Member

Gary Bridges, County Member

Chris Gallagher, County Member

Alternate Members

Jeff Hemphill, County Member Alt.

Quincy McCourt, City Member Alt.

Vacant, Public Alt.

LAFCO Staff

John Benoit, Executive Officer

Jennifer Stephenson, Deputy Executive Officer

Ruth McElrath, Clerk

John Kenny, LAFCO Counsel

2. Approval of Agenda (Additions and Deletions)

3. Correspondence:

4. Approval of the April 11, 2022 LAFCo minutes

a) Approve the April 11, 2022 LAFCo minutes

5. Public Comment

This is the time set aside for citizens to address the Commission on any item of interest to the public that is within the subject matter jurisdiction of the Commission. For items that are on the agenda, public comment will be heard when the item is discussed. If your comments concern an item that is noted as a public hearing, please address the Commission after the public hearing is opened for public testimony. The Chairman reserves the right to limit each speaker to three (3) minutes. Please understand that by law, the Commission cannot make decisions on matters not on the agenda.

6. **Discussion with Fire Agencies regarding Fire and EMS services going forward in Lassen County (Continued).**
 - a) *Continued Discussion with Lassen Fire and EMS Agencies and Discussion regarding Joint Powers Agencies and Agreements.*
7. **Consider Proposal and Contract with Jennifer Stephenson for Executive Officer Services for Lassen LAFCo**
 - a) *Consider Contract with Jennifer Stephenson for Executive Officer Services effective July 1, 2022.*
8. **Consider Short term Contract Amendment with John Benoit for transition of Executive Officer Services to New Executive Officer**
 - a) *Consider Contract Amendment with John Benoit for transition services effective July 1, 2022.*
9. **Consider Minute Order appointing Jennifer Stephenson as Executive Officer and John Benoit as Assistant Executive Officer**
 - a) *Consider issuing a minute order appointing Jennifer Stephenson as Executive Officer and John Benoit as Assistant Executive Officer effective July 1, 2022*
10. **Public Hearing regarding the 2022-2023 Lassen Final LAFCo Budget**
 - a) *Conduct Public Hearing regarding the 2022-2023 Final Lassen LAFCo Budget*
 - b) *Consider Resolution 2022-0005 adopting a Final 2022-2023 Lassen LAFCo Budget*
11. **Calafco Conference Matters**
 - a. *Consider nomination of a City Member or a Public Member for the Calafco Board of Directors*
 - b. *Consider Attendance at the Calafco Annual conference in Santa Ana – Oct 19-21st*
 - c. *Designate voting delegate and alterante to represent and vote on behalf of LAFCo at the Calafco Annual Conference*
 - d. *Authorize the expenditure of funds to attend the Calafco Annual Conference.*
12. **Authorize payment of claims**
 - a) *Authorize payment of claims for April 2022 and May 2022..*
13. **Executive Officer's Monthly Report**
 - a) *LAFCo Files*
 - b) *Letter of Support for SB 938 Hertzberg – LAFCo Protest*
14. **Commissioner Reports - Discussion**

This item is placed on the agenda for Commissioners to discuss items and issues of concern to their constituency, LAFCO, and legislative matters.

15. Adjourn to the next meeting on Monday August 8, 2022 at 3:00 P.M.

Any member appointed on behalf of local government shall represent the interests of the public as a whole and not solely the interest of the appointing authority Government Code Section 56325.1

The Commission may take action upon any item listed on the agenda. Unless otherwise noted, items may be taken up at any time during the meeting.

Public Comment

Members of the public may address the Commission on items not appearing on the agenda, as well as any item that does appear on the agenda, subject to the following restrictions:

- Items not appearing on the agenda must be of interest to the public and within the Commission's subject matter jurisdiction.
- No action shall be taken on items not appearing on the agenda unless otherwise authorized by Government Code Section 54954.2 (known as the Brown Act, or California Open Meeting Law).

Public Hearings

Members of the public may address the Commission on any item appearing on the agenda as a Public Hearing. The Commission may limit any person's input to a specified time. Written statements may be submitted in lieu of or to supplement oral statements made during a public hearing.

Agenda Materials

Materials related to an item on this agenda submitted to the Commission after distribution of the agenda area available for review for public inspection in the Clerk's office located at the City of Susanville, 66 North Lassen Street, Susanville CA. and the Lassen Co. Community Development Office located at 707 Nevada Street, Susanville CA. [such documents are also available on the Lassen LAFCo website (www.lassenlafco.org) to the extent practicable and subject to staff's ability to post the documents prior to the meeting]

Accessibility

An interpreter for the hearing-impaired may be made available upon request to the Executive Officer 72 hours before a meeting.

The location of this meeting is wheelchair-accessible.

Disclosure & Disqualification Requirements

Pursuant to Government Code Sections 56700.1 and 57009 of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, and 82015 and 82025 of the Political Reform Act applicants for LAFCO approvals and those opposing such proposals are required to report to LAFCo all political contributions and expenditures with respect to a proposal that exceeds \$1,000. LAFCO has adopted policies to implement the law, which are available on the Commission's webpage. These requirements contain provisions for making disclosures of contributions and expenditures at specified intervals. Additional information may be obtained by calling the calling the Fair Political Practices Commission at (916) 322-5660.

A LAFCO Commissioner must disqualify herself or himself from voting on an application involving an "entitlement for use" (such as an annexation or sphere amendment) if, within the last twelve months, the Commissioner has received \$250 or more in campaign contributions from the applicant, any financially interested person who actively supports or opposes the application, or an agency (such as an attorney, engineer, or planning consultant) representing the applicant or an interested party. The law (Government Code Section 84308) also requires any applicant or other participant in a LAFCO proceeding to disclose the contribution amount and name of the recipient Commissioner on the official record of the proceeding.

Contact LAFCO Staff

LAFCO staff may be contacted at (530) 619.5128 or by email at lafco@co.lassen.ca.us. Copies of reports are located on the LAFCO webpage at: www.lassenlafco.org

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LASSEN COUNTY LOCAL AGENCY FORMATION COMMISSION

City Council Chambers 66 N. Lassen St. Susanville, CA 96130

REGULAR MEETING
Monday, April 11, 2022

Meeting called to order at 3:08 p.m.

Members present: Commissioner Gallagher, Commissioner Bridges, Commissioner McCourt, and Commissioner Stafford. Absent: Chair Eid.

Staff Present: John Benoit, Executive Director, Jennifer Stephenson, Deputy Director, and Ruth McElrath, Building Permit Technician.

Commissioner Gallagher elected to serve as meeting chair.

Approval of Agenda: Motion by Commissioner Bridges, second by Commissioner Stafford to approve the agenda as submitted. Motion carries: Ayes: Bridges, Stafford, McCourt, and Gallagher.

Correspondence: None

Approval of the February 14, 2022, meeting minutes Motion by Commissioner Bridges, second by Commissioner Stafford to approve the February 14, 2022, meeting minutes. Motion carries: Ayes: Bridges, Stafford, McCourt, and Gallagher.

Public Comment: None

Discussion with Fire Agencies regarding Fire services going forward in Lassen County

Mr. Benoit explained the fire chiefs will have to get together and determine what a JPA is going to do and seek an attorney to help them get through the process.

The Commission held further discussion regarding JPAs, an existing JPA, and whether that entity would want its power extended.

As part of the fire discussion, Chair Gallagher added CalFire has grants available for different fire agencies, although not large grants, there is one for approximately \$20,000 for equipment.

Trisha Wood, of the Herlong Public Utility District, responded her district received the grant last year, but there are stipulations, It is a 50/50 match with \$20,000 paid out of pocket and a \$10,000 reimbursement. It includes communications and wildland equipment.

Public hearing regarding the 2022-2023 Lassen LAFCo budget

Mr. Benoit said this would be his last budget as he will be cutting back. He continued that there has been 18 years of stable inflation, and he was going to ask for an increase for the executive officer services to keep it sustainable, as well as to cover training time.

Mr. Benoit continued explaining that CALAFCo dues have also gone up by \$69, and he increased the executive officer's budget from \$30,000 to \$40,000. There has been a good carry-over, and what the City/County pays will be the same this year. He has been charging on an hourly basis, but he added it must go up, because other rural counties are much higher than this. The budget here is still small.

He concluded that after the final budget, the Commission should appoint several people to negotiate with Ms. Stephenson and he would want an exit contract in case LAFCo was sued and he was named in a lawsuit.

Chair Gallagher commented that Mr. Benoit made good points in his staff report regarding gas prices and inflation, etc.

Ms. Stephenson shared a little bit about her background with LAFCo, including serving as a deputy for Mr. Benoit.

Public hearing opened at 3:29 p.m.

Public hearing closed at 3:30 p.m.

Commissioner McCourt asked what LAFCo's funding source is.

Mr. Benoit responded it is funded by both the City and County, and he had advised a different City they could pay for LAFCo out of its enterprise fund, but it is up to the City how it will be funded.

Commissioner McCourt asked where he could research if enterprise funds could help pay into LAFCo.

Mr. Benoit responded he should talk to the Finance Manager. He continued that he did not know of any prohibitions for using enterprise funds and stated that fund has an admin budget, and a portion could pay for LAFCo.

A discussion was held regarding how districts pay fees.

Sandy Raffelson, of the Herlong Public Utility District, shared a brief history about her district.

Commissioner McCourt asked about record keeping, specifically the historic annexation map, and if it is part of the budget.

Mr. Benoit responded it is all in the budget, and the function is to keep the records of the commission. Lately, staff has been moving to electronic copies, as opposed to paper. There are a lot of hard copies and

there is a records retention policy, which will be brought back for re-examination. The most important thing is, if there is a fire, that there is a recorded document at the County Recorder's office.

Motion by Commissioner Bridges, second by Commissioner Gallagher, to approve Resolution 2021-0004 adopting the proposed 2022-2023 LAFCo budget. Motion carries: Ayes: Bridges, Stafford, McCourt, and Gallagher.

Discussion and action regarding the storage of LAFCo files

This was a continuing matter and Mr. Benoit explained he has purged duplicate files and budgets, and he has electronic files.

Chair Gallagher suggested storing files with the County Clerk.

Mr. Benoit responded a lot of people have them professionally scanned, then the records get sent off-site, which a lot of agencies do.

Ms. Stephenson added Plumas County is scanning in a drop box system so its online allowing herself, Planning and the Clerk have access to them.

Mr. Benoit said that is a good idea and he would even go so far as to make them available to the public.

Authorize payment of claims for February 2022 and March 2022

Motion by Commissioner Bridges, second by Commissioner Stafford, to authorize payment of claims for February 2022 and March 2022. Motion carries: Ayes: Bridges, Stafford, McCourt, and Gallagher.

Executive Officer's Monthly Reports

There was discussion regarding forming a committee to negotiate a contract with Ms. Stephenson. She stated she could bring a draft contract back to the Commission, and the Commission agreed.

Mr. Benoit addressed Senate Bill 938 and explained LAFCo has convoluted, complex protest proceeding. The bill, sponsored by CALAFCo, will simplify the process.

Commissioner Reports: None

Adjourn: Meeting adjourned at 3:55 p.m.

Chris Gallagher, Commissioner

Ruth McElrath, Building Permit Technician

Approved _____

LASSEN LAFCo
AGREEMENT FOR THE PROVISION OF EXECUTIVE OFFICER SERVICES

This Agreement for the Provision of Executive Officer Services (hereinafter, the "Agreement") is entered into this 13th day of June 2022 and shall be effective July 1st, 2022, by and between the Lassen Local Agency Formation Commission (hereinafter "LAFCo" or the "Commission") and Policy Consulting Associates, LLC (hereinafter, "Contractor").

RECITALS

WHEREAS, LAFCo was formed and operates pursuant to the provisions of the Cortese/Knox Local Governmental Reorganization Act (Government Code Sections 56000, et seq.) Sections 56375 and 56384 provide that the Commission may appoint an Executive Officer and may contract for professional and consulting services to carry out and effect the functions of the Commission; and

WHEREAS, LAFCo desires to retain Contractor as its Executive Officer; and

WHEREAS, Contractor has the necessary expertise to perform such services, is qualified, and willing to perform these services for LAFCo.

NOW, THEREFORE, IT IS HEREBY AGREED as follows:

Article 1.
CONTRACTOR'S RESPONSIBILITIES

Section 1.01 Duties

Contractor shall serve as Executive Officer and shall perform all Executive Officer duties as specified in the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 and other applicable statutes and as directed by the Commission. Said duties shall include but are in no way limited to:

Contractor shall provide necessary secretarial and support services, including clerking meetings, and maintaining the records of LAFCo.

Contractor shall provide general information to the public, individually and to groups, regarding LAFCo statutes, policies, and concepts of orderly governmental boundaries through direct participation.

Contractor shall oversee the maintenance and updating of the LAFCo web page.

Contractor shall maintain and regularly update LAFCo's policies and procedures and bylaws and direct the day-to-day operations of LAFCo.

Contractor shall either prepare or cause to be prepared municipal service reviews and sphere updates for all Lassen County agencies as required by CKH and in accordance with the work program approved by the Commission. Contractor shall also prepare or supervise the preparation of complex environmental reviews, and other special studies, as authorized.

Contractor shall attend all LAFCo meetings, unless otherwise directed by the Commission.

Contractor shall generate all necessary staff reports for matters before the Commission and will prepare all necessary CEQA (California Environmental Quality Act) documents.

Contractor to represent Lassen LAFCo at California Association of Local Agency Formation Commission sponsored meetings, conferences and workshops.

It is the responsibility of the Contractor to operate within LAFCo's given budgetary appropriations. Contractor shall manage LAFCo's budget.

Section 1.02 Independent Contractor

It is specifically understood and agreed that in the making and performance of this Agreement, Contractor is an independent contractor and is not an employee, agency or servant of LAFCo.

Section 1.03 Insurance

Contractor shall not commence work under this Agreement until it has obtained all the insurance required herein, certificates of insurance have been submitted to LAFCo and said insurance has been approved by LAFCO. The certificates of insurance shall contain a provision that coverage afforded under the policies will not be canceled until at least twenty (20) days prior written notice has been given to LAFCo.

Any failure of Contractor to maintain the insurance required by this paragraph, or to comply with any of the requirements of this paragraph, shall constitute a material breach of the entire Agreement.

Certificates evidencing the issuance of the following insurance shall be filed with LAFCo within ten (10) days after the date of execution of this Agreement by Contractor:

- (a) Compensation Insurance. Contractor shall procure and maintain, at Contractor's own expense during the term hereof, Workers' Compensation Insurance for all employees to be engaged in work.
- (b) General Liability and Property Damage Insurance. Contractor shall procure and maintain, at Contractor's own expense during the term hereof, Comprehensive General Liability Insurance, both bodily injury and property damage, in an amount of not less than One million dollars (\$1,000,000) combined single limit coverage per occurrence, including but not limited to endorsements for the following coverages: personal injury,

premises-operations, products and completed operations, blanket contractual, and independent contractor's liability.

- (c) Automobile Liability Insurance. Contractor shall procure and maintain, at Contractor's own expense during the term hereof, Comprehensive Automobile Liability Insurance, both bodily injury and property damage, on owned, hired, leased and non-owned vehicles used in connection with Contractor's business in an amount of not less than one million dollars (\$1,000,000) combined single limit coverage per occurrence.

Section 1.04 Standard of Care

Contractor represents that it is specially trained, licensed, experienced and competent to perform all the services, responsibilities and duties specified herein.

Section 1.05 Non-Exclusive Agreement; Personnel Assignment

- (a) Nothing in this Agreement shall be construed to restrict Contractor's right to enter into other Agreements and to provide services for others, provided such agreements or services do not interfere with Contractor's timely performance of the services which Contractor is required to provide on behalf of LAFCo pursuant to the terms of this Agreement, create a conflict of interest, or be deleterious to the interests of the Commission.
- (b) Notwithstanding the foregoing, Contractor agrees that Jennifer Stephenson, the principal of Contractor, shall normally attend LAFCo meetings and perform the bulk of the work under this agreement. Contractor shall notify the Commission Chair if someone other than Stephenson, or John Benoit will be acting as EO for a meeting.

Article 2.

LAFCo'S RESPONSIBILITIES

Section 2.01 Compensation

- (a) LAFCo shall pay Contractor the monthly amount of \$3,500.00 for general services rendered pursuant to this Agreement. Funding for this Agreement is included in the LAFCo budget and payment shall be made upon monthly submission of invoice. General Services do not include, processing complex applications, complex environmental reviews, special projects such as Municipal Services Reviews, Sphere of Influence Updates and (or) other special studies and reimbursable direct expenses set forth in Section 2.02 below nor web hosting costs and other out of pocket costs, if any, of maintaining the LAFCo website.
- (b) The Commission from time to time may authorize the Executive Officer to undertake or manage special or complex projects including but not limited to complex environmental reviews, Municipal Service Reviews, Sphere of Influence Updates and studies, or other special studies or applicant-initiated changes of organization or Sphere Amendments

pursuant to LAFCo's purpose and authority as stated in LAFCo's adopted bylaws. Compensation and expenses for said activities shall be on a project or hourly basis and budgeted, previously authorized and payment authorized by the Commission or by the LAFCo Chair where there is no Commission meeting during the month. The Contractor may use subcontractors or staff and shall base any such project or hourly charges on the hourly service rates set forth in Exhibit "A".

Should the parties hereto contemplate any renewal of this Agreement, the amount of compensation and expenses paid to Contractor shall be reviewed and adjusted on an annual basis coinciding with an evaluation of performance and the preparation and approval of the LAFCo budget. The evaluation shall be done at the April meeting of each year commencing in 2023.

- (c) In addition, Contractor shall be entitled to reimbursement for any costs which are directly reimbursable by the applicant, such as public notice costs, photocopy costs, property owner lists, GIS mapping, mileage, registered voter or property owner mailings, costs and time, for special meetings requested by the applicant, reconsideration requests, and conducting authority proceedings and costs and time involved in litigation. Any such expense reimbursement shall be itemized and approved by the Commission as part of warrant approvals prior to payment.

Contractor shall agendize the request for complex project classification and, if the Commission agrees, Contractor shall be entitled to bill at the usual contract hourly rate for all time spent on the project. The parties agree to require reimbursement from an applicant for such complex projects where feasible.

Section 2.02 Clerk Costs and Other Expenses

- (a) In addition, Contractor shall be entitled to reimbursement for any costs which are directly reimbursable by an applicant, as applicable and include such as public notice costs, photocopy costs, property owner and registered voter mailings, costs and time for special meetings requested by an application, etc. Any such expense reimbursements shall be itemized and approved by the Commission as part of warrant approvals prior to payment.
- (b) In addition to the base compensation pursuant to Section 2.01(a) of this Agreement, LAFCo shall reimburse the Contractor for those direct expenses, incurred in performing the services herein and in accordance the amounts indicated in Exhibit "A". Miscellaneous expenses, not expressly stated in Exhibit "A" that are directly related to the performance of Contractors Responsibilities shall be reimbursed at cost.

Article 3.

TERM OF THE AGREEMENT

This Agreement shall continue in full force and effect, unless terminated in the manner described herein below and shall continue thereafter unless terminated by either party provided, however, that

the parties shall annually review the amount of services provided and adjust the base rate and hourly charge, as mutually agreed.

Section 3.01 The Agreement may be terminated without cause by LAFCo or by Contractor upon ninety (90) days written notice to the other party, subject to payment by LAFCo of any outstanding charges accumulated prior to the effective date of such termination.

Section 3.02 LAFCo may terminate on less than 90 days notice for cause. Cause shall include dishonesty, insubordination, serious misbehavior, failure to perform and other serious misfeasance or nonfeasance, as well as incapacity or death of Stephenson. In such case LAFCo shall advise Contractor of the reason in writing with the notice of proposed termination and give Contractor a reasonable opportunity to object and be heard before the termination becomes effective.

Section 3.03 Upon such termination, the Contractor shall make available for inspection and if requested by LAFCo, deliver to LAFCo copies of all data; reports, estimates, summaries, and other such materials as may have been prepared or accumulated by the Contractor in performing this Agreement.

Article 4.

GENERAL PROVISIONS

Section 4.01 Conflicts of Interest: During the term of this Agreement, Contractor shall not perform any work under this Agreement which action is considered detrimental to LAFCo's interests. Contractor shall take such measures as are deemed necessary in the performance of this Agreement to prevent actual conflicts of interest.

Section 4.02 indemnification and Hold Harmless: Contractor shall indemnify and defend LAFCo and its officers, employees, and agents against and hold them harmless from any and all claims losses, damages, and liability for damages, including attorney's fees and other costs of defense incurred by LAFCo, whether for damage to or loss of property, or injury to or death of person, including properties of LAFCo and injury to or death of LAFCo officials, employees or agents, arising out of, or connected with Contractor's operations hereunder or the performance of the work described herein.

Section 4.03 Assignment. Contractor shall not assign any interest in this Agreement and shall not transfer any interest in the same without the prior written consent of LAFCo.

Section 4.04 Applicable Law: Venue. This agreement shall be governed by the law of the State of California. Venue for any action arising under this agreement shall be the Courts of Lassen County, unless otherwise agreed by the parties.

Section 4.05 Modification: This Agreement may only be modified by a written amendment hereto, executed by both parties; however, matters concerning scope of services which do not affect the agreed price may be modified by mutual written consent of Contractor and LAFCo.

Section 4.06 Non-discrimination in Employment: In the performance of the work authorized under this Agreement, Contractor shall not unlawfully discriminate against any qualified worker because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status or age (over 40).

Section 4.07 Attorney's Fees and Costs: If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which such party may be entitled.

Section 4.08 Severability: If any provision of this Agreement is held to be unenforceable, the remainder of this Agreement shall be severable and not affected thereby.

Section 4.09 Notices: All notices that are required to be given by one party to the other under this Agreement shall be in writing and shall be deemed to have been given if delivered personally or enclosed in a properly addressed envelope and deposited with a United States Post Office for delivery by registered or certified mail addressed to the parties at the following addresses, unless such addresses are changed by notice, in writing, to the other party.

Lassen LAFCo
LAFCo Chair
c/o City of Susanville
66 North Lassen St
Susanville, CA 95758

Policy Consulting Associates, LLC
Jennifer Stephenson, Principal
5050 Laguna Blvd #112-711
Elk Grove, CA 95758

Section 4.10 Entire Agreement: This Agreement constitutes the entire agreement between the parties regarding its subject matter. This Agreement supersedes all proposals, oral and written, and all negotiations, conversations or discussions heretofore and between the parties related to the subject matter of this Agreement.

Executed at Susanville, California, on the day and year first written above.

Lassen Local Agency
Formation Commission

Todd Eid, Chair

Jennifer Stephenson, Contractor

APPROVED AS TO FORM: _____
John Kenny
LAFCo Counsel

Agreement for the Provision of Executive Officer Services
Lassen Local Agency Formation Commission
June 13, 2022

EXHIBIT A

Executive Officer: \$3,500.00 per month
\$100.00 per hour for other services included in Section 2.2
\$100.00 per hour for Special Projects Authorized by the Commission

Analyst: \$70.00 per hour for Special Projects Authorized by the Commission

Expenses: Direct expenses at cost

Mileage within County and for Training: Current IRS rate



**First Amendment to Agreement for Executive Officer Services for
Lassen LAFCO with John Benoit, Contractor**

This is an amendment dated June 13, 2022 to that certain AGREEMENT FOR THE PROVISION OF EXECUTIVE OFFICER SERVICES by and between the Lassen Local Agency Formation Commission (LAFCo) and JOHN BENOIT (CONTRACTOR) first entered into on February 10th, 2003 and annually renewed by the Commission until July 2011. A new contract was approved on June 13th, 2011 whereby the agreement would automatically renew annually and therefore not require further Commission action. (Hereinafter "the 2011 Contract")

WHEREAS, Contractor informed the Commission of his intent to resign as the Lassen LAFCo Executive Officer, but agreed to continue to provide services for the remainder of Fiscal Year 2021-2022 pending appointment of a successor.

WHEREAS, on Effective July 1, 2022 Lassen LAFCo appointed a new Executive Officer to assume all Executive Officer Duties and manage the day-to-day operation of LAFCo;

WHEREAS, Lassen LAFCo desires John Benoit to continue to provide services to LAFCo and assist the new Executive Officer on a limited basis during the transition.

WHEREAS, various provisions of the 2011 Agreement need to be eliminated or revised to reflect the limited scope of Contractor's continued work with Lassen LAFCo.

NOW, THEREFORE, IT IS HEREBY AGREED that the 2011 Contract is amended as follows:

1. The provisions of the 2011 contract shall continue to apply except as amended herein, provided that any provision that is inconsistent with the changed scope of the contract shall be harmonized with the intent of this amendment.
2. Section 1 Scope of Services is repealed and amended to read as follows: "Contractor shall provide technical assistance regarding LAFCo related matters to the Executive Officer and the Commission, as needed". Exhibit "B" is hereby repealed and services billed out at \$110.00 (one-hundred ten dollars) per hour plus any and all direct and indirect costs".
3. Section 2, is hereby repealed. John Benoit may on occasion act on behalf of the New Executive Officer as an assistant or deputy Executive Officer.
4. Section 7b is hereby repealed. Any records generated under the 2011 Contract and between February 2002 and 2010 shall be given to LAFCo.

1st Amendment to Agreement for the Provision of Executive Officer Services
LASSEN LAFCO with John Benoit, Contractor

5. The effective date of this agreement shall be July 1, 2022 and shall continue until terminated by either party as provided in the 2011 Contract..

**Lassen Local Agency
Formation Commission**

Contractor

Todd Eid, Chair

John Benoit, Contractor

APPROVED AS TO FORM:

J. S. Kenny, LAFCO Counsel

LASSEN LAFCO

EXECUTIVE OFFICER'S REPORT

June 13, 2022

TO: Local Agency Formation Commission

FROM: John Benoit, Executive Officer

RE: Final Budget for FY 2022-2023

A "recommended" budget was presented at the April 11, 2022 meeting and adopted. A Budget Justification Report was prepared for that Budget Hearing. Please refer the Budget Justification Report for information on each of the items below.

Inflation for last calendar year was \$6.4% and current year over year is now 7.9% and increasing daily. Over the past 20 years the LAFCo Budget has been rather consistent but going into the future, unless inflation is addressed, substantial increases in the LAFCo budget will have to occur. The Commission should consider rethinking the funds allocated to staff services since this is a major cost. While a mute point the current Executive Officer's hourly rate has not changed in 20 years. Going forward it is inevitable staff costs as well as operational costs will increase. Many of the other items in the budget remain adequate this time.

ANTICIPATED REVENUE:

There is no anticipated revenue stated.

The apportionment to the City and County is recommended to be \$59,533.73 In the event of an emergency, the Commission may request a loan from the County to complete a given fiscal year. The County is not obligated to funds such a loan. In that case, LAFCo may be able to budget funds in a subsequent fiscal year.

SUMMARY OF EXPENSES:

Insurance The Commission recommended in its proposed budget \$1,000.00 for that item to pay the County Auditor for LAFCO's share of County Insurance.

Office Supplies The Commission recommended in its proposed budget \$250.00 Depending upon LAFCO activity this could be augmented by an increased appropriation from unanticipated revenue.

Copies This amount is proposed to be \$750.00 to be used for general copying of reports and packets. Copy costs are expensive and the Commission would be encouraged to be sent electronic packets instead.

Communications This is proposed to be \$1,000.00 for general communications for phone, Internet and fax.

Postage This is proposed to be \$300.00 for public notices and mailings.

Memberships The Commission recommended in its proposed budget \$ 1,472.00 this is for Calafco Dues voted upon by the Calafco membership.

Legal Services The Commission recommended in its proposed budget \$2,500.00 for this item. LAFCO Counsel attends LAFCO meetings as requested by the Commission. Some of the Brown Act Compliance funds may be used for legal services, if required. It is anticipated if budget augmentations were needed in this category, additional appropriation would come from unanticipated revenue.

Executive Officer Services The Commission recommended in its proposed budget \$40,000 for this item an increase of \$10,000.00 This translates into an average of \$3,333.33 per month average for LAFCO administration. This category is be augmented from the Brown Act Compliance category (\$3,500.00) since Brown Act compliance requires administrative time. Notwithstanding a very complex reorganization or incorporation project for Lassen LAFCO, this amount should cover LAFCO administration. Complex projects should be fee supported thereby increasing revenue to LAFCO. It is anticipated if budget augmentations were needed in this category, additional appropriation would come from unanticipated revenue. The Brown Act Compliance category is based on 7 meetings at \$3,500.00.

Legal Notices/Publications The Commission recommended in its proposed budget \$400.00 for legal notices. Given the cost of legal advertising and the projected workload this amount remains reasonable.

Transportation/Mileage/Training/Conferences Last year the Calafco Conference was cancelled, the year before the Commission send one Commissioner. The Commission recommended in its proposed budget \$2,000 for this item. This includes miscellaneous mileage and lodging for the Calafco Annual Conference in Newport Beach (Santa Ana) on October 19-21, 2022 and the annual Staff Workshop to be in Calaveras County.

Municipal Service Reviews The Commission recommended in its proposed budget \$14,000.00 for this effort, which would cover additional costs of preparing Reviews as required by the LAFCO Act.

Sphere of Influence Updates The Commission recommended in its proposed budget \$4,000.00 to cover the costs of updating Spheres of Influence as required by the LAFCO Act.

Special Departmental Expense (MAPPING) The Commission allocated \$2,000.00 for GIS mapping for continuing Sphere of Influence Update mapping. Lassen County has no GIS program and GIS mapping is now the standard mapping method and also eliminates the vague unusable maps of the past. A significant cost of Sphere of Influence updates is mapping.

File Management and Scanning: It is becoming increasingly important for the LAFCo files to be put into electronic format to become accessible. \$5,000 is budgeted for this effort for FY 2022-2023.

Audit The Commission appropriated no funds in this category since this item is covered under Financial Services, below.

Financial Services LAFCo has a contract with the City of Susanville to provide financial services which were budgeted for \$1,722.30. LAFCo does not participate in the County's A-87 program.

Clerk Support The Commission recommended in its proposed budget \$1,500.00 for this item to be paid to the City of Susanville for this service.

Contingency/Carryover The Commission policy recommends the contingency should be no more than 10 percent of the operating budget and carryover should be used to fund the contingency. This amount is \$8,139.43 for FY 2022-2023.

Recommendation:

- a. Review, discuss, amend, and consider the 2022-2023 Final Budget. A budget justification report for FY 2022-2023 was prepared by staff for the adopted proposed budget on April 1, 2022.
- b. Adopt LAFCo Resolution 2022-0005 approving a Final Budget for Fiscal Year 2022-2023.

Resolution 2022-0005
of the
Lassen Local Agency Formation Commission
Lassen County, California

Resolution of the Lassen Local Agency Formation Commission Adopting
a Final Budget for 2022-2023

WHEREAS, Lassen LAFCO is required by Government Code Section 56381(a) to adopt annually, following a noticed public hearing, a proposed budget by May 1st and a final budget by June 15th; and,

WHEREAS, the Commission has prepared a final budget for public review; and,

WHEREAS, the Executive Officer has given notice of hearing in the form and manner specified by law for adoption of both the proposed and final budget and upon the date, time and place specified in said notice of hearing, the Commission heard, discussed and considered all oral and written testimony submitted including, but not limited to, the approved budget priorities for Fiscal Year 2022-2023 and the Executive Officer's report and recommendations; and

WHEREAS, the Commission has considered the attached Final Budget in light of the requirements of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000;

NOW THEREFORE, the Lassen Local Agency Formation Commission does hereby determine, resolve, and order the following:

1. That Lassen LAFCO hereby adopts the attached Exhibit "A" final 2022-2023 budget.
2. Directs the Executive Officer to transmit the final budget to the Auditor and all parties specified in Government Code Section 56381 (a) as promptly as possible.
3. The Commission hereby requests the Auditor to collect the funds in accordance with Government Code Section 56381 (c). In the event of non-payment of LAFCO funds by any entity subject to the LAFCO's apportionment, the Commission hereby requests and authorizes the Auditor to collect the funds from property tax revenues or any other revenue source and deposit the funds into the LAFCO account.
4. Due to the fiscal constraints of funding agencies, the Commission no longer maintains a reserve fund. In the event emergency funds are needed the County will be asked to loan LAFCO funds, alternatively, LAFCO will budget funds in future years.
5. The Commission desires to use carryover funds remaining from the 2021-2022 budget to help fund its contingency and to prepare service reviews and sphere updates in the amounts specified on the attached 2022-2023 final budget.

PASSED AND ADOPTED by the Lassen Local Agency Formation Commission at a regular meeting of said Commission held on June 13th , 2022 by the following roll call vote:

AYES: -

NOES: -

ABSTAINS: -

ABSENT: -

Signed and approved by me after its passage this 13th day of June 2022

Todd Eid, Chair
Lassen LAFCO

Attest:

John Benoit, Executive Officer
Lassen LAFCO