

Lake Local Agency Formation Commission

Regular Meeting Agenda

May 20, 2015 -- 9:30 AM

City of Clearlake – City Council Chambers

14050 Olympic Dr. Clearlake, California

Website: www.lakelafco.org

“Lake LAFCo oversees orderly development and protects natural resources and agricultural lands”

Commissioners

Ed. Robey, (Public Member)
Frank Gillespie (Special District Member)
Joyce Overton (City Member)
Stacey Mattina, Chair (City Member)
Gerry Mills, (Special Dist. Member)

Alternates

Jeff Smith (County Alternate)
Martin Scheel (City Alternate)
Jim Abell, (Spec. District Alternate)
Suzanne Lyons (Public Alternate)

Anthony Farrington (County Member)
Jim Comstock , Vice Chair (County Member)

Staff

John Benoit, Executive Officer
P. Scott Browne, Legal Counsel
Kathie Moran, Clerk to the Commission

1. **Call to Order – Roll Call**
2. **Selection of a public member and public member alternate (if necessary) to serve a four-year term ending in May 2019.**
 - a. *Interview and Select Public Member for a term ending in May 2019 or alternatively appoint an ad-hoc committee to provide a recommendation to the Commission at its next regularly scheduled meeting.*
 - b. *Interview and Select Public Member Alternate for a term ending in May 2019 in the event the current Public Member Alternate (Suzanne Lyons) is appointed as the public member.*
3. **Approval of Minutes – March 18, 2015 minutes.**
 - a) *Adopt the minutes from the March 18, 2015 LAFCo meeting*

4. Public Comment

This is the time for the public to address the Commission on any matter not on the agenda. Testimony related to an item on the agenda should be presented at the time that item is considered.

5. Consent Agenda

Action: Review and authorize payment of expenses for March and April 2015

6. Public Hearing regarding the City of Clearlake Municipal Service Review and Sphere of Influence

- a. Review Executive Officer's Report*
- b. Conduct Public Hearing*
- c. Consider Resolution 2015-0003 thereby adopting a Service Review for services provided by the City of Clearlake.*
- d. Consider Resolution 2015-0004 adopting a Sphere of Influence Update for the City of Clearlake.*

7. Public Hearing regarding the 2015-2016 Final LAFCo Budget.

- a. Review Executive Officer's Report, conduct public hearing, review final budget figures, discuss and consider Resolution 2015-0005 adopting a Final LAFCo Budget for 2015-2016.*

8. Calafco Nominations:

- a. Consider nomination for a Board of Supervisor's member or Special Districts member to run for the Calafco Executive Board.*

9. Authorize Staff and Commissioners to attend the Calafco Conference in Sacramento, September 2-4, 2015

- a) Authorize Commissioners and Staff to attend the Calafco Annual Conference*
- b) Appoint voting member and voting member alternate to represent Lake LAFCo at the Calafco annual conference.*

10. Consider Fee waiver for dissolution of Reclamation District 695 (Tule Lake)

- a) Consider waiver of LAFCo fee for the Dissolution of RD -695*

11. Consider contract amendment for Scott Browne and John Benoit

- a) Consider Second amended contract for Legal Services including a longevity increase.*
- b) Consider Third amended contract for LAFCo Staff Services including establishing an hourly rate for clerk services and a contractual provision for "complex" projects.*

12. Executive Officer's report

- a. *RCD Consolidation – July 15, 2015*
- b. *City of Lakeport Sphere of Influence – July 15, 2015*
- c. *Fire Districts Sphere of Influence and Service Review - July 15, 2015*
- d. *Reclamation District #695 - Dissolution*
- e. *Reclamation District #2070 - Dissolution*

13. Commissioner Reports

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

14. Correspondence

15. Adjourn to LAFCO's next regular meeting: Wednesday July 15th 2015 in Lakeport

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.



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

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).
- The total amount of time allotted for receiving public comment may be limited to 15 minutes.
- Any individual's testimony may be limited to 5 minutes. Time to address the Commission will be allocated on the basis of the number of requests received.

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 5 minutes. 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 at the City of Lakeport and City of Clearlake Community Development Departments office located at City Hall in Lakeport and Clearlake [such documents are also available on the Lake LAFCO website as noted below 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

Any person or group of persons acting in concert who directly or indirectly contribute \$1,000 or more in support of or in opposition to a change of organization or reorganization that has been submitted to Lake LAFCO must comply with the disclosure requirements of the Political Reform Act of 1974 applicable to local initiative measures to be submitted to the electorate. These requirements contain provisions for making disclosures of contributions and expenditures at specified intervals; they may be reviewed at Government Code §§56700.1 and 81000 *et seq.* Additional information about the requirements pertaining to local initiative measures to be presented to the electorate can be obtained by 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 (707) 592-7528 or by mail at Lake LAFCO c/o John Benoit, Executive Officer P.O. Box 2694, Granite Bay, CA 95746 or by email at johnbenoit@surewest.net or by fax at (916) 797-7631. Agenda items are located on the Lake LAFCO Webpage at www.lakelafco.org

Memorandum
May 20, 2015

TO: LAFCo Commissioners
FROM: John Benoit, Executive Officer
RE: Public Member Appointment

We received three letters of interest for the Public Member. To appoint a public member, 4 votes will be needed including a minimum of one vote from the Special District, County and City representatives.

I have provided you with a list of sample questions in the event you decide to ask them to those applying for the Public Member.

If you appoint the current Public Member Alternate (Suzanne Lyons) you will need to also appoint a public member alternate. The current public member (Ed Robey) shall remain as the public member until a new public member is appointed.

The options you have are to:

1. Interview all three applying for the public member and select a public member in open session.
2. Establish an ad-hoc committee of two or three Commissioners to interview those applying and return to the LAFCo Commission with a committee recommendation at the next regular meeting.
3. Re-advertise and select a public member at a later date.

Public Member Sample Questions

1. Please tell the Commission about yourself and why you are interested in serving on Lake LAFCO?
2. How do your experiences relate to serving as a member of the Commission?
3. How do you believe you can uniquely contribute to LAFCO as a public member?
4. Do you have any concerns or limitations about being able to attend meetings and serve on LAFCO?
5. Other Questions about their letter of interest?
6. This position will require you to file an annual statement of economic interests with LAFCO staff that publicly discloses your property (other than your primary residence), sources of income, gifts, etc. from people who live, work or own property in Lake County. Will this be a problem for you?
7. The conflict of interest laws will require you to abstain from decisions of LAFCO that affect your finances, your employer, businesses in which you have an interest, people who have loaned you money, etc. Do you have any financial interests in development in the County or otherwise that may be a frequent source of conflicts of interest if you serve on LAFCO?
8. As the public member, you will have a unique role in that you will not represent a city, the county, or a special district. Although all of us are asked to look to the County as a whole, you will be especially looked to be an honest broker among local governments, which can have competing interests. What experience do you bring that will help you serve in this role? Are you comfortable with this role?
9. LAFCO meets bi-monthly on the third Wednesday alternating between the Cities of Clearlake and Lakeport and our meetings last from 1 to several hours. We occasionally have special meetings. Can you make yourself regularly available for these meetings and do you have the time to review an hour or so of reading material before each meeting?
10. Do you have any questions?

**OPENING FOR A CITIZEN TO SERVE AS THE
PUBLIC MEMBER ON
THE LAFCO COMMISSION**

The Lake Local Agency Formation Commission (LAFCO) has an opening on the Commission and is providing notice for Lake County citizens to serve as the Public Member. LAFCO is a distinct agency created by state legislation to ensure that changes in governmental organization occur in a manner, which provides efficient, quality services and preserves open space and agricultural land resources. LAFCO is charged with applying the policies and provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 in its decisions regarding annexations, incorporations, reorganizations, and other changes of local government. LAFCO's webpage is www.lakelafco.org

LAFCO meets on the third Wednesday of every other month at City Hall in Lakeport or at the City Hall in Clearlake. LAFCO members receive a \$60.00 monthly meeting stipend.

The appointment is for a public member who resides anywhere within Lake County including the territory in the city limits of Lakeport and Clearlake to sit as a public member or alternate on the Commission to complete a four-year term ending in May 2019. A public member must be able and available to regularly attend Commission meetings and (or) hearings or otherwise will be removed after absence of three consecutive meetings. No officer or employee of the county or any city or special district within Lake County is allowed to sit as a public member on the Commission. A Public Commission member, as are all other Commissioners, is required to file an annual Statement of Economic Interest. In the event the current public member alternate is selected to become the LAFCO Public Member, this notice will also apply to the selection of a Public Member Alternate, if applicable

If you are interested, we invite you to send a letter describing your background and reasons for wanting to become the selected Public Member to serve on the Lake Local Agency Formation Commission no later than **Friday May 1st, 2015**. If you have any questions, please do not hesitate to call John Benoit, Executive Officer at (707) 592-7528 or email johnbenoit@surewest.net Please send your letter of interest describing your background to Lake LAFCO, P.O. Box 2694 Granite Bay, CA 95746 or email a letter of interest to johnbenoit@surewest.net All applicants will be invited to the **Wednesday, May 20th, 2015** LAFCO meeting for an interview with the Commission.

Dated: March 25, 2015

Lake LAFCO
John Benoit
EXECUTIVE OFFICER

Michael J. Dunlap

10460 North Drive • Clearlake, CA 95422
Phone: 707-995-0556 • E-Mail: lomike@earthlink.net

04/29/2015

RECEIVED
4-30-15

Mr. John Benoit, Executive Officer
Lake LAFCO
P.O. Box 2694
Granite Bay, CA 95746

VIA EMAIL
johnbenoit@surewest.net

RE: Public Commission Member

Dear Mr. Benoit,

Please accept my application for consideration as Public Member for the Lake LAFCO.

I have been involved in City, County, Municipal, and State political processes as well as numerous private and quasi-public organizations in California for over forty years, most recently in Lake County for the last ten years.

I have served on two advisory committees to the Lake County Board of Supervisors, as a board member of the local community radio station, for three years as lead organizer for the annual seaplane Splash-in, and still currently volunteer for the Superior Court as a mediator.

In 2013 & 2014 I served as a volunteer committee member for Lake LAFCO doing data acquisition and distillation for the Watershed Protection District MSR, and have been a regular attendee at the Commission meetings.

I look forward to hearing from you, and the interview process with the commission.

Sincerely,

M.J. Dunlap

Ed Robey
PO Box 796
Lower Lake, CA 95457

April 21, 2015

RECEIVED
4-21-15

John Benoit, Executive Director
Lake County LAFCO

Dear Mr. Benoit,

Please accept this letter as my application to serve as the Public Member on Lake LAFCO.

I have served on Lake LAFCO for a number of years as the Lake County Member and Public Alternate, and have been the Public Member for the last 4 years.

I am familiar with the laws and policies which govern LAFCO and am familiar with Lake County, having lived here for over 50 years.

I also have served as a member of the CALAFCO Board of Directors and am familiar with statewide LAFCO issues.

I have a deep appreciation of the role of LAFCO, and wish to continue as Public Member for another term.

Sincerely,



Ed Robey

RECEIVED
4-7-15

April 7, 2015

Dear Commissioners:

I am writing this letter of application for the Public Member seat on the LAFCo Commission. I have served as a LAFCo commissioner for several years both as a representative appointed by an agency (the city of Lakeport) and as the alternate member representing the public at large. I must say that I enjoy the job of representing the public very much and am applying for this seat so I can be a voting member.

As far as experience that would qualify me for this seat, I have read the General Plans for both cities and the County of Lake. I have read addendums for Spheres of Influence, EIRs, public agency budgets and many municipal service reviews. I was fortunate to be on the committee that crafted the municipal service review for the Watershed Protection District and learned a great deal about the process from that association. I have attended a workshop in grant proposal writing for non profit agencies.

While water issues are important to me, having served on the Clear Lake Advisory Committee for many years and the Quagga Mussel Task Force, there are many other land and resource use issues that LAFCo looks at such as Health Care Districts and Fire Service Districts that have

complicated service mandates and shrinking budgets with which to provide those services.

I have attended LAFCo 101 presentations and conferences and have developed good working relationships with representatives of different agencies and the LAFCo commissioners. I would like to use the background knowledge that I have worked diligently to understand in order to be a fair and reasonable voice in helping craft decisions that will affect all of the public in Lake County.

Sincerely,

Suzanne Lyons

LAKE LOCAL AGENCY FORMATION COMMISSION
MINUTES OF REGULAR MEETING
MARCH 18, 2015

Present:
Stacey Mattina, Chair
Jim Comstock, Vice-Chair
Anthony Farrington
Joyce Overton
Ed Robey
Frank Gillespie
Gerry Mills
Martin Scheel, Alternate
Jim Abell, Alternate

Staff Present:
John Benoit, Executive Officer
P. Scott Browne, Legal Counsel
Kathleen Moran, Clerk

Absent: Suzanne Lyons, Public Alternate; Jeff Smith, County Alternate

1. Call to Order/Roll Call

Chair Mattina called the meeting to order at 9:30 a.m. in the City of Lakeport City Council Chambers. There was a quorum present.

2. Approval of Minutes – January 21, 2015

Commissioner Robey made the motion to approve the January 21, 2015 regular meeting minutes. Motion was seconded by Commissioner Gillespie; motion carried unanimously.

3. Public Comment

Chair Mattina opened period of public comment to address items not on the Agenda. Betsy Cawn requested an update on the Watershed Protection District letter to the District Board of Directors. E.O. responded that it was agendized and would be covered in Executive Officer's Report and Correspondence.

4. Consent Agenda

Commissioner Robey moved to authorize payment of expenses for January and February 2015 in the amount of \$19,428.11. Motion was seconded by Commissioner Overton; motion carried unanimously.

5. Forni-Gemperline Annexation to the Callayomi County Water District for Water Service

Executive Officer's Report: The proposed annexation contains approximately 24 acres consisting of two parcels, with two dwellings on each parcel. The properties are on Santa Clara Avenue, adjacent to the district and currently receive district services. Recommend approval, with the terms and conditions in the report.

Commissioner Comstock noted that the district provides services to other parcels outside the district. E.O. agreed, noting that he had held a meeting in Middletown to determine property owner interest in a joint application to streamline process and reduce costs to applicants. The meeting drew about 10 people but he has received one application. E.O. reported that the Rancheria is working on an application for property south of Middletown.

Commissioner Comstock commented that the annexation is a logical extension as they already receive the services.

Motion by Commissioner Robey, seconded by Commissioner Overton to approve Res. 2015-0001 thereby annexing 24.1 acres more or less to the Callayomi County Water District to serve two lots currently receiving CCWD water. Motion carried by the following roll call vote:

AYES: Commissioners Robey, Gillespie, Overton, Mattina, Mills, Farrington and Comstock.

NOES: None.

ABSENT: None.

6. Report from Executive Officer on the 2015-2016 Proposed LAFCo Budget.

E. O. reviewed Budget Justification Report for the Commission along with a budget history spreadsheet showing 2011 through present.

Commissioner stipend: No change from previous year.

Supplies: No change from previous year.

Memberships: 2% increase as approved by CAL LAFCO.

Books and periodicals: No change.

Attorney Contracts: No change.

Lafco Clerk services: Proposed increase from \$2,000 to \$3,000. E.O. noted that in recent months the Commission has gone from action minutes to more of a transcript style and that the cost of clerk services has increased. E.O. referred to recent proceedings and the importance of accurate and concise minutes.

Office Expense: No change from previous year.

Staff Services: No change from previous year.

Legal Notices/Publications: No change from previous year.

Transportation/Travel (CALAFCO): Reduced by \$400.

Conference Registration: Reduced by \$500. Last year no one attended the CALAFCo Conference because it was in Southern California. This year it's in Sacramento which provides the opportunity for new members to attend, as well as those who have not recently attended. The cost is approximately \$800-900 per person including registration (450), mileage and hotel expense. The combined Transp/Travel and Conf Reg. are \$3,000 which would allow for 3 people to attend. John explained that it costs \$1,000 for him to attend too but his costs are divided by seven counties. For example last year Lake County LAFCo's portion was \$109. He also noted that if the Commission wants to have more than 3 attendees they will need to increase this proposed expenditure.

Insurance: No change from last year.

Geographic Info Data Mapping: Restored to \$7,500 to continue work on the Lake County Map Book of Districts. E.O. getting more requests for district boundary work and all changes must be integrated with city and county GIS systems. He stated that LAFCo needs to be in the forefront on mapping. District boundaries are relied upon for many important purposes, including elections, and must be current.

Web Page: Decrease of \$100.

Auditor Agreement: No change from previous year. The Auditor's office charges LAFCO \$2,500 for services.

Municipal Service Reviews: Increased from \$8,000 to \$25,000 in order to complete the anticipated number of reviews.

Spheres of Influence: Increased from \$4,000 to \$10,000 to cover SOI preparation, updates and mapping costs for the City of Lakeport, the City of Clearlake, the Fire Districts and the Watershed Protection District.

Contingency: No increase from last year's budgeted amount of \$10,000.

General Reserve: Increased by \$5,000 pursuant to the commission's directive of last year for a total amount of \$20,000.

The proposed budget expenditures total \$161,553. Carryover balance is \$20,000 and Estimated Other Revenue is \$10,000. City/County and Ind. Special Districts Contributions budgeted at \$131,553.

Commissioner Mills refers to page 6 of the Budget Justification Report re: E.O. recommendation to consider the use of consultants to prepare MSR's and asks if that expenditure has been allocated in the MSR category. E. O. response was yes but that it will be difficult to find consultants who actually do MSR's as many have discontinued doing them. This means that hourly rates could range from \$120-\$140 to do an MSR and does not include other related costs. He stated that even though he does recommend the use of consultants for this purpose, it will be expensive, and that he would likely look to other professionals to complete the work at a lower cost. Commissioner Mills asked if there should be a separate category for consultant fees, with E.O. responding that they can remain under the MSR category.

Chair Mattina opened the Public Hearing for the proposed FY 2015-2016 Lake Local Agency Formation Commission Budget.

Betsy Cawn commented as follows: Under Projects-Projected, Small and Medium Reorganizations: requested status of the Resource Conservation District reorganization or consolidation and if anything can be done to support the protection of the watershed in the absence of having an active RCD. E.O. noted that the two RCD's wanted to consolidate but, this has not happened as there is an issue with a federal grant which has left the District without funding. Further, there is no Coordinator for the district(s) and these issues must be resolved before consolidation can occur and the district is up and running again.

Betsy stated that the crucial issue is that last year the state passed Sustainable Ground Water Management Plan Regulations, and the majority of ground water basins are in agricultural areas outside of urbanized boundaries making the role of the conservation services vital. She expressed concern that Scotts Valley does not have a groundwater basin manager, and another old local district's status is unknown with seats vacant. She states that she would like to see a push to action. She further advised that there is a necessity for the county to review all ordinances related to the watershed storm water permit, and as far as she can see it's not on anybody's agenda yet but when the E.O. spends time reviewing items such as the integration of MSR's and SOI's it will draw attention to what the district functions are and what is needed for structuring or reorganization in the future.

Betsy continued comment with regard to the MSR's and SOI updates, noting that completing the SOI for the watershed protection district is number three on the list, along with the service review for

the City of Clearlake Fire Districts and Sphere Updates for the City of Clearlake. Betsy stated that she does not think there will be a change in the Sphere so that does not seem to be a difficult problem. Further, depending upon completion of their new General Plan, which is nearly done Lakeport should also not be a problem.

Speaking to the section on Executive Officer's Tasks, she requested that more assistance from LAFCO be directed to the difficult relationships with the districts and the regulatory requirements in trying to deal with the storm water programs, water quality, and lakebed management.

Commissioner Robey stated that an RCD member had recently advised him that, with assistance from Mike Thompson's office, they have worked out an arrangement on the federal fund issue in which they would not be required to repay grant funds. He was told that the District was waiting for a letter from the appropriate federal agency and anticipates moving forward with the consolidation soon.

No other comments being heard, Chair Mattina closed the Public Hearing.

Motion by Commissioner Overton, seconded by Commissioner Robey to adopt Resolution 2015-0002, A Resolution of Lake Local Agency Formation Commission Adopting a Proposed Budget for 2015-2016. Motion passed by the following roll call vote:

AYES: Commissioners Robey, Gillespie, Overton, Mattina, Mills, Farrington and Comstock.

NOES: None.

ABSENT: None.

7. Preliminary Draft of the Lake County Fire Service Review and Sphere of Influence for the Kelseyville FPD, Lake County FPD, Lakeport FPD, Northshore FPD, South Lake County FPD, and the Lake Pillsbury FPD.

E.O. prefaced discussion by stating that he knows that he needs to get updated election information. E.O. presented overview of process leading to adoption of the MSR and SOI for the local Fire and EMS providers in Lake County. The Draft includes an analysis of the 201 issues pertaining to ambulance services, information on Prop. 172, and information on funding sources for fire districts. The draft will be distributed to all districts so they can update their budgets or provide comment. E.O. requested assistance in getting the hard copy report out to the districts, and that he will also email an electronic copy to the districts and will wait to get comments back.

E.O. stated that at the next meeting he will speak to the Clearlake Service Review which was distributed at the last meeting. At the July meeting we will have a hearing for the FPDs MSR, and upon adoption we will have the final version. E.O. asked that any comments be sent along as soon as possible.

8. Executive Officer's Report

Public Member Recruitment. There is an opening on the Commission for one Public Member. Applicants must send letter of interest by May 1, 2015. A public notice is posted on the website.

The Fire District MSR has also been placed on the website.

700 Forms are due April 1. They are filed with the County.

If any Commissioners have not been paid their LAFCo stipend, advise E.O. as there is paperwork required.

9. Commissioner's Reports. There were none.

10. Correspondence

E.O. reviewed letter dated February 17, 2015 to the Lake County Watershed Protection District Board of Directors which was cc'd to the Board of Supervisors. The correspondence served as a transmittal letter to advise of Commission approval of a Review of Services provided by the Lake County Watershed Protection District (approved by Resolution 2014-0002, adopted by the Commission at the December 18, 2014 Special Meeting). The letter advises that the Resolution requests a progress report be provided within 6 months (July). E.O. added that this should become a standard request for this type of action.

10:08 a.m. Chair Mattina convened to Closed Session for the purpose of conducting a performance evaluation for the Executive Officer.

10:30 a.m. The Commission returned to open session. Commission Counsel Scott Browne announced that the Commission conducted the performance evaluation of the Executive Officer.

The meeting was adjourned at 10:23 a.m. The next meeting will be held on Wednesday May 20, 2015 in Clear Lake.

By: _____
Kathleen Moran, Clerk

Lake Local Agency Formation Commission

CLAIMS

March 2015 and April 2015

<u>Date of Claim</u>	<u>Description</u>	<u>Amount</u>
April 1, 2015	Staff Services March 2015	\$ 4,806.00
March 18, 2015	Commission Meeting Stipend	\$ 540.00
April 1, 2015	Special Projects – Mar 2015	
	Fire and Clk MSR	\$ 1,443.75
2.16-14 to 3.15.2015	Browne- Legal	\$ 500.00
May 1, 2015	Staff Svcs April 2015	\$ 4,683.87
Mar 1, 2015	Special Projects CLK and FIRE	
	SOI/MSR	\$ 1,897.50
3.16-15 to 4.15-15	Browne Legal	\$ 1,750.00
March 2015	Notice Pub Mem and Prop Bud	\$ 185.48
April 2015	Notice Fin Budget and CLk MSR	\$ 85.78
April 1, 2015	Lake Co. Auditor Fin Svcs 14-15	\$ 2,500.00
April 1, 2015	Reimbursement #14-02 Gemperline	\$ 690.00
April 1, 2015	Reimbursement #14-02 Forni	\$ 690.00
TOTAL:		\$ 19,772.38

DATED: May 20, 2015

APPROVED: May 20, 2015

Stacey Mattina, Chair or Jim Comstock Vice-Chair
Lake Local Agency Formation Commission

Attest:

John Benoit
Executive Officer

Lake LAFCo Memorandum

May 20, 2015

TO: LAFCo Commission

FROM: John Benoit, Executive Officer

RE: Clearlake MSR and Sphere of Influence Update

Comment: *The City's General Plan is not yet complete*

Response: The City recently adopted a new Housing Element (2014-2019), which was certified by the California Department of Housing and Community Development (HCD). HCD found the housing element prepared by the City in full compliance with State Housing Law. The City of Clearlake now meets specific grant funding requirements.

The remaining elements of the City's General Plan are nearing completion and the EIR is nearing certification and is expected to be adopted in Summer 2015. The City's general plan is a comprehensive update and revision of the City's existing General Plan (the 5th Cycle Housing Element was adopted separately) adopted on June 20, 1983, shortly after its incorporation. The General Plan is the City's constitution for future development. The proposed revised General Plan includes a preferred growth scenario, Goals, Policies and Objectives for future development as well as provides policies assist in future city decision making. The Draft General Plan and background report are available on the City's website. Adoption of the Sphere of Influence may not necessarily require an EIR. Here, the City's Sphere of Influence is recommended to be coterminous with the City's existing boundaries. Therefore a finding of exemption is appropriate.

Comment: *On pages 64 and 65 it shows the bonded indebtedness the city has, which is \$852,000 per year and it is indicated that \$4,258,00 will be due between 2019-2023. The question is how is that going to be paid? Does the City have a plan to pay this off. Is this a problem for the City?*

Response: The \$852,000 referenced in the question identifies only the payment on the Series A bonds issued in 2006. There were two series of Bonds issued in 2006, Series A & Series B. Total payment of interest and principal on both sets of bonds is closer to \$1.12M annually

The bonded indebtedness derives from bonds issued by the Redevelopment Agency before its dissolution. The Clearlake Successor Agency to the Redevelopment Agency is repaying those bonds from annual property tax increment. Property tax increment is paid semi-annually to the Successor Agency from the Real Property Tax Trust Fund (RPTTF) fund administered by Lake County.

The combined Series A & B payments required annually for 2019 to 2023 are as follows:

<u>YEAR</u>	<u>TOTAL PMT</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>
2019	\$1,111,838	\$ 795,883	\$ 315,955
2020	\$1,111,303	\$ 805,955	\$ 305,348
2021	\$1,109,645	\$ 815,348	\$ 294,297
2022	\$1,106,890	\$ 824,298	\$ 282,592
2023	\$1,107,593	\$ 837,592	\$ 270,001

Note that according to City staff, the total payment made each year is essentially stable. As payments are made, and the total outstanding principal declines, the amount of the annual payment allocated to principal and interest shifts toward more principal payment. The table above reflects that effect.

According to the City Finance Director, this is not a problem for the City.

Comment: *The financials referenced in the report are from the "draft" 2014-2015 budget.*

Response: As the "draft" budget is the same as the adopted budget, the word "draft" shall be deleted from the final MSR and SOI.

General Comments: *Who is obligated to provide flood control services in the City. Is it the Lake County Watershed Protection District (LCWPD) or the City Department of Public Works? How many JPA's does the City belong to? On page 70 of the draft it is mentioned the city is in two JPA's and it is requested to add a third JPA regarding the NPDES permit with the LCWPD and the City of Lakeport. If the city participates in the LCWPD effort why is nothing being done? Is it because the County is using the money elsewhere? Where do we draw the line regarding the obligations of the City DPW and the LCWPD to perform flood control, drainage channel clearing and flood planning within the City limits? Also, there are unmaintained drainages in the City. Who is required to maintain these drainages?*

Response: As reported by the City, LCWPD doesn't do anything in the city limits on flood control and that the city has never had any involvement with LCWPD. The city provides routine maintenance, i.e. cleaning out drains in the street. There is a question of exactly defines "flood control services"? The LCWPD deals primarily with lake issues so evidently that is where the money is going. The county has made an effort to control algae on the Clearlake end of the lake by an attempt to harvest it, which was not very successful. The reference on page 70 to the two JPAs are to PARSAC (Public Agency Risk Sharing Authority) and the Abandoned Vehicle Abatement (AVA) program. Due to legal action, the AVA program up and down the state has not been funded or active for at least three years.

A new MSR Determination should be added on page 69 of the Clearlake MSR and SOI as follows: 3-14 The City of Clearlake needs to work with the Lake County Watershed Protection District to clearly define the District's and City's role and function regarding flood control and planning and drainage channel cleaning activities within the City Limits.

Comment: Letter from Betsy Cawn, *the Essential Public Information Center*, and Upper Lake, CA.

Please see attached letter.

Response: The letter includes a list of items that need to be addressed by the City and other agencies in the Clearlake Area. While many of the items need and should be addressed, LAFCo does not retain consultants specializing in forensic auditing, engineering, law enforcement, health care, for example, the purpose of a service review is to set the Sphere of Influence. Auditing the manner in which the city is managed is not under LAFCo's purview. Many of these issues should be addressed by other agencies serving the Clearlake area.

Recommendation

Conduct Public Hearing and Consider Resolution 2015-0003 adopting a Service Review for services provided by the City of Clearlake and Resolution 2015-0004 adopting a Sphere of Influence Update for the City of Clearlake.

March 15, 2015

To: John Benoit, LAFCo Executive Officer
From: Betsy Cawn, *The Essential Public Information Center*, Upper Lake, CA
Subject: City of Clearlake Municipal Service Review (Preliminary Draft)

These comments summarize the gist of what I understand about the City of Clearlake, based on its draft MSR, draft General Plan Update, and state regulatory mandates (water quality orders, emergency response requirements):

1. Residents of the City rely heavily on Public Works and Law Enforcement services to maintain social equity in private property and public asset investments. Public assets are minimally maintained (parks, beaches, playgrounds, and thoroughfares).
2. The City's "mission statement," top official "mission statements" and "value" statements are vapid, at best. Regulatory mandates under which city policies and ordinances are implemented are not articulated for City Council evaluation of new or revised proposals, legal compliance actions, and assessment of existing policies.
3. The City's long-term planning (General Plan Update, Area Planning Council projects, and popular "vision statements") ignore long-standing environmental conditions impairing both its civic operations and its responsibility for restoring water supply quality under state orders.
4. The City's short-term planning focuses on past commitments of its now-defunct Redevelopment Agency (in deep debt, with little to show for prior spending) and micromanagement of building construction permit compliance requirements, plus commitments of city revenues for replacing blight with undefined (but always hoped to be profitable) attractions.
5. The City has not prioritized recovery of watershed assets to improve socio-economic conditions, replacement of pre-incorporation drainage systems to prevent flood damage and water quality contamination of its source supply (Clear Lake), and full participation in County-wide policy making processes.
6. The City has prevented fully authorized use of its "Public, Education, and Government" information service capacities, and provided little if any "education" via its own operation of an exclusive cable channel designed for that very purpose.
7. Record management and maintenance of public access to City historical and regulatory documents are not funded services. (The Local Agency Formation District transferred its historical and work-in-process records to the City administration some time in 2013 or 2014; no procedure for accessing those and other critical records has been made known.)
8. The City as a municipal corporation survives, in spite of its incurable poverty, because of the dedication of local staff and many volunteer organizations in and around the municipal jurisdiction.
9. The City's "independent" municipal status, achieved in 1980, burdened all of its tax payers with unfunded responsibilities that the County of Lake neglected prior to incorporation, and which the County now contributes little to for economic recovery.
10. There are few if any performance measures for property tax payers to evaluate, showing the benefits of administrative services (other than the draft General Plan, which

appears to be designed to anticipate realtor-preferred rezoning to increase market values rather than to upgrade city-wide public health and safety infrastructure).

11. The City's businesses that are active in their own Chamber of Commerce have not provided legally-mandated "community benefit programs" to assist the limited City government to overcome these major deficits, and the city's civic bodies are almost totally business-owner-driven. Business owners (strongly representative of real estate interests) dominate former Redevelopment Agency and current Planning Commission positions.
12. There is no "civic center" with human services available to the entire population, and no public meeting facility open to all organizations and non-City public service providers.
13. The area hospital reduced its services and increased the cost of all medical services due to out-of-county transportation, decreasing the potential for long-term private investment and increasing the morbidity/mortality rates for local populations.
14. Dependent population services are not enumerated by agencies run by state-regulated, County-delivered welfare programs, County Medical Services Programs, correctional facility and post-discharge oversight, local emergency response and law enforcement agencies. Ratios of reported to resolved crime incidents are unknown; costs of recidivism, reincarceration, and unemployable dependent adults are unknown.

All in all, the MSR does not provide a realistic understanding of existing capacities, so that the city's "board of directors" (elected City Council members) and administration can make action plans with realistic goals and objectives. "Business as usual," as depicted in this report, provides no impetus for greatly needed management change.

Certainly, the greatest management change that is needed is full participation in the development of Clear Lake Basin management services, currently paid for in part by City property owners but not delivered by County responsible agencies.

In addition, opportunities for civic involvement are minimal, being limited to agendized legal hearings with least-effort public notice (one-time publication in local weekly edition of county newspaper). The inner workings of the City's administration, invisible to the civic-minded public, remain opaque and mystifying.

IMHO, of course.

Lake Local Agency Formation Commission

Resolution 2015-0003

Approving a Municipal Service Review of Services Provided by and within the City of Clearlake and Adopting Written Determinations Thereon

WHEREAS, California Government Code Section 56425 requires a Local Agency Formation Commission ("LAFCO") to adopt and periodically review Sphere of Influence Plans for all agencies in its jurisdiction; and,

WHEREAS, California Government Code Section 56430 requires that a LAFCO conduct a review of the municipal services provided by and within an agency prior to updating or adopting its Sphere of Influence Plan; and,

WHEREAS, the Sphere of Influence Plan is the primary planning tool for LAFCO and defines the probable physical boundaries and service area of a local agency as determined by LAFCO; and,

WHEREAS, The Commission adopted updated Policies, Standards and Procedures including policies related to Municipal Service Reviews; and,

WHEREAS, at the time and in the manner provided by law, the Executive Officer gave notice of the date, time, and place of a public hearing by the Commission for the services provided by the City of Clearlake, including approval of the report and adoption of the written determinations contained therein; and,

WHEREAS, the Commission hereby determines that the final draft of the Municipal Service Review for services provided by the City of Clearlake and written determinations contained therein will provide information for updating the sphere of influence for the City, and is otherwise consistent with the purposes and responsibility of the Commission for planning the logical and orderly development and coordination of local governmental agencies so as to advantageously provide for the present and future needs of the county and its communities; and,

WHEREAS, in making this determination, the Commission has considered the documentation on file in this matter including the Municipal Service Review Document; and,

WHEREAS, the Commission has heard all interested parties desiring to be heard and has considered the proposal and report by the Executive Officer and all other relevant evidence and information presented at said hearing;

NOW, THEREFORE, the Lake Local Agency Formation Commission hereby resolves, orders and determines the following:

- 1) The Municipal Service Review of Services provided by the City of Clearlake, attached hereto as Exhibit A, is approved and the written determinations presented in the Municipal Service Review report are hereby adopted.
- 2) LAFCO staff is further ordered to proceed as appropriate with update to the Sphere of Influence Plan for the City of Clearlake.
- 3) LAFCO staff is further ordered to forward copies of this resolution containing the adopted Municipal Service Review to the City of Clearlake.

The foregoing resolution was duly passed by the Lake Local Agency Formation Commission at a regular meeting held on May 20, 2015 by the following roll call vote:

Ayes:

Noes:

Absentions:

Absent:

Signed and approved by me after its passage this 20th day of May 2015.

Stacy Mattina, Chair
Clearlake LAFCO

Attest:

John Benoit, Executive Officer
LOCAL AGENCY FORMATION COMMISSION,
LAKE LAFCO

Resolution No. 2015-0004

LAKE LOCAL AGENCY FORMATION COMMISSION

*A Resolution Making Determinations and Approving A Sphere
Of Influence update for the City of Clearlake*

WHEREAS, Government Code Section 56425 requires each Local Agency Formation Commission to adopt and periodically review and update a Sphere of Influence for each local governmental agency within its jurisdiction; and

WHEREAS, the Lake Local Agency Formation Commission, in compliance with the aforementioned requirement, is providing a “plan for the probable physical boundaries and service area” for the City of Clearlake; and

WHEREAS, the Commission has set the hearing date of May 20, 2015 for the update of the Sphere of Influence for the City of Clearlake and has noticed this hearing at the times and as otherwise prescribed by Government Code Section 56427; and

WHEREAS, the Commission has heard and adopted a Municipal Services Review of services provided by the City of Clearlake in accordance with Gov. Code section 56430; and

WHEREAS, Lake LAFCO has prepared a notice of exemption pursuant to the requirements of the California Environmental Quality Act since the Sphere of Influence will not contain additional territory beyond the district’s existing Sphere of Influence (Section 21000 *et seq* of the Public Resources Code); and

WHEREAS, the Commission has considered those factors determined by it to be relevant to the proposed Sphere of Influence, including, but not limited to, those factors specified in Government Code Section 56425, *et seq.*, and has heard from interested parties and considered requests for amendment and/or revision of the proposed sphere boundary, if any;

NOW, THEREFORE, BE IT RESOLVED that the Lake Local Agency Formation Commission does hereby find and determine as follows:

1. That the proposed sphere of influence with respect to City of Clearlake complies with the provisions of Government Code Section 56000, *et seq.*
2. That no significant objections have been received regarding the update of this Sphere of Influence.
3. That, pursuant to Government Code Section 56425, the Commission makes and adopts those determinations set forth in the Sphere of Influence Study are attached hereto and incorporated herein as Exhibit A.
4. The Commission has reviewed and considered a Notice of Exemption attached as Exhibit B pursuant to the Environmental Quality Act prepared for this Sphere of Influence Update and makes a specific finding that there is no substantial evidence in light of the whole record before Lake Local Agency Formation Commission that this Sphere update for the City of Clearlake may have a significant adverse effect on the environment.

5. That the Sphere of Influence Report and Map for the City of Clearlake are hereby adopted.

PASSED AND ADOPTED at a regular meeting of the Lake Local Agency Formation Commission, State of California, on the 20th day of May 2015, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Stacy Mattina, Chair
Lake Local Agency Formation
Commission

Attest:

John Benoit, Executive Officer
Lake LAFCO

NOTICE OF EXEMPTION

Exhibit B

TO: County Clerk
County of Lake
Lakeport, CA

FROM: Lake LAFCO
P.O. Box 2694
Granite Bay, CA 95746

PROJECT TITLE: Sphere of Influence Update: *City of Clearlake*

PROJECT LOCATION: City of Clearlake in Lake County

DESCRIPTION OF PROJECT:

The proposed project involves the determination of a Sphere of Influence Update for the City of Clearlake with the same boundary as currently exists.

NAME OF PUBLIC AGENCY APPROVING PROJECT:

Lake Local Agency Formation Commission

NAME OF PERSON OR AGENCY CARRYING OUT THE PROJECT:

Lake Local Agency Formation Commission

EXEMPT STATUS:

Class 20 Categorical Exemption, "Changes in Organization of Local Agencies," CEQA Guidelines Section 15320, Changes in Organization of Local Agencies and 15061b (3) General Rule Exemption.

REASONS WHY THIS PROJECT IS EXEMPT:

This action is Exempt from the California Environmental Quality Act pursuant to Section 15320 of the CEQA Guidelines (Class 20) as the Sphere of Influence Update would not result in any change in services since the these districts already serve respective Sphere of Influence territory and 15061 b(3) whereby this activity is covered by the general rule that CEQA applies only to project which have the potential for causing a significant effect on the environment. Since this Sphere of Influence Update is only affirming an existing function (city services) into an existing Sphere of Influence, there is no possibility that this activity may have a significant effect on the environment since the services are already provided and no conditions have changed nor could be changed as a result of affirming the existing Sphere of Influence.

CONTACT PERSON:
John Benoit
LAFCO Executive Officer

TELEPHONE NUMBER:
(707) 592-7528

By: _____

Date: May 20, 2015

7

LAKE LAFCO

EXECUTIVE OFFICER'S REPORT

May 20, 2015

TO: Local Agency Formation Commission

FROM: John Benoit, Executive Officer

RE: Final Budget for FY 2015-2016

Since the passage of AB-2838 in 2000, LAFCO has become independent from the County. Costs for the operation of LAFCO were entirely paid by the County including costs for the annual audit, staff time, legal services, miscellaneous office expenses, and insurance.

I provided a "recommended" budget at the March 2015 meeting, which was adopted with an increase in City/County/District Contributions from the previous year. A Budget Justification Report was prepared for that proposed budget hearing. Please refer the Budget Justification Report for information on each of the items below. Since that time there have been no events requiring changes to the attached budget.

SUMMARY OF EXPENSES:

Commission Stipend At the March 2015 meeting the Commission adopted a budget for this item of \$5,280. This is adequate to cover Commissioner Stipends at \$60.00 apiece for 8 Commission meetings during Fiscal Year 2015-2016.

Insurance The Commission recommended in its proposed budget \$1,400.00 for that item. This is the same as last year.

Communications LAFCO does not have a specific Communications budget. Communication items are combined in various other categories.

Office Supplies The Commission recommended in its proposed budget \$250.00 for this item. This is the same as this year.

Memberships The Commission recommended in its proposed budget \$785.00 for Calafco dues, a slight increase over this year due to a 2% increase.

Books and Periodicals The Commission recommended this budget be \$200.00 which covers the cost of new Cortese-Knox-Hertzberg books and binders.

Attorney Contracts The Commission recommended in its proposed budget \$16,000 for this item. This figure assumes LAFCO Counsel can attend up to 8 LAFCO meetings.

Clerk Support The Commission recommended in its proposed budget \$3,000.00 for this item. This is assuming the Commission meets up to 8 times next fiscal year.

Executive Officer Services The Commission recommended in its proposed budget \$48,488.00 for this item. Notwithstanding a very complex reorganization or incorporation project for Lake LAFCO, this amount should cover LAFCO administration. Complex projects would be fee supported thereby increasing revenue to LAFCO.

Office Expenses This category is based on \$550 per month expenditure of Office expenses. Includes, communications, computer, phone, most copy and postage costs (notwithstanding changes of organization requiring multiple public notices, mileage and misc. office expenses.

Legal Notices/Publications The Commission recommended in its proposed budget \$1,000 for legal notices. This is because of decreased activity due to the number of new projects and costs of legal advertising.

Transportation/travel The Commission recommended in its proposed budget \$2,000 for this item. This includes miscellaneous mileage and travel, lodging for the Calafco Annual Conference in Sacramento on September 2 to 4, 2015. This includes enough funds for two representatives to attend from Lake LAFCo

Conference Registration The Commission recommended \$1,000 for this item. This will cover the cost of up to two Commissioners to attend the annual Calafco conference in Sacramento, CA. The Commission needs to make a decision which attendees will represent Lake LAFCo.

Sphere of Influence Updates The Commission recommended in its proposed budget \$10,000 to cover the costs of initiating a Sphere of Influence update for the Watershed Protection District and completing the Sphere for the City of Lakeport as required by the LAFCO Act.

Municipal Service Reviews The Commission recommended \$25,000 for updates to initiate and continue Service Reviews including completing the fire districts, vector control district, Adams springs, HVLCSD, Villa Blue estates and update of the Kelseyville County Waterworks District MSR. This amount may not be sufficient given the heightened level of scrutiny given to Service Review Documents.

Contingency The Commission recommended in its proposed budget a contingency of \$10,000.00.

Sphere of Influence Mapping The Commission recommended in its proposed budget \$7,500 for mapping. This is the same as this year.

Web Site Maintenance The Commission recommended \$250 for this item. This year the staff has began performing website administrator duties. Next year web maintenance fees will be due.

Auditor Agreement The Commission recommended \$2,500 for this item per an agreement with the County Auditor.

General Reserve The Commission recommended in its proposed budget the general reserve fund be \$20,000.

SUMMARY OF ANTICIPATED REVENUE

The Commission recommended in its proposed budget anticipated revenue of \$10,000. To help reduce general fund contributions by the Cities, the Districts and the County unanticipated revenues have been placed into expenditures for municipal service reviews and sphere updates.

The Final Expenditure Budget will be \$161,553.00, the amount to be requested from the Cities, the County and the Independent Special Districts will be 131,553.00. The apportionment will be: Cities – 33%, County - 33%, and Independent Special Districts – 33%.

Recommendation:

- a. Review, discuss, amend, and consider the 2015-2016 Final Budget. A budget justification report for FY 2015-2016 including a Service Review and Sphere of Influence work plan was prepared by staff for the adopted proposed budget at the March 2015 meeting.
- b. Adopt LAFCO Resolution 2015-05 approving a final budget for Fiscal Year 2015-2016.

Resolution 2015-0005

of the

Lake Local Agency Formation Commission

Resolution of the Lake Local Agency Formation Commission of Adopting

its Final Budget for 2015-2016

WHEREAS, Lake 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 proposed budget for public review which was adopted on March 18, 2015; and,

WHEREAS, the Executive Officer has prepared a final budget including a budgeted carryover, and contingency; and

WHEREAS, the Executive Officer has given notice of hearing in the form and manner specified by law for adoption of the 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 2015-2016 and the Executive Officer's report and recommendations; and

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

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

1. That Lake LAFCO hereby adopts the attached final 2015-2016 budget totaling \$161,553.00 in which \$131,553.00 are operational expenditures for LAFCO and \$20,000.00 to consist of carryovers and encumbrances from the FY 2014-2015 budget as shown in Exhibit A.
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. To implement a Commission directive, establish a reserve account and direct the Executive Officer to deposit 20% of any unallocated rollover into said reserve account up to \$50,000 once the final rollover (carryover from previous budgets) once the audited carryover balance is determined.
4. Request the Lake County Auditor collect the funds as required in Section 56381 of the

government code in the amount of \$131,553.00 to be apportioned as per Government Code 56381. 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.

PASSED AND ADOPTED by the Lake Local Agency Formation Commission at a regular meeting of said Commission held on May 20, 2015 by the following roll call vote:

AYES: -

NOES: -

ABSTAINS: -

ABSENT: -

Signed and approved by me after its passage this 20th day of May 2015.

Stacy Mattina, Chair
Lake LAFCO

Attest:

John Benoit, Executive Officer
Lake LAFCO

Exhibit A
 F.Y. 2015-2016
 FINAL Budget
 Lake Local Agency Formation Commission

A	B	C	D	E	F	G
		2013-2014 Final Budget	2014-2015 Final Budget	Expenses as of 4.30.15	2015-2016 Proposed Budget	2015-2016 FINAL Budget
4						
5						
6						
7						
8	Expenditure Classification					
9						
10						
11	8803-880.01-12 COMMISSIONERS STIPEND	5,280.00	5,280.00	\$ 3,720.00	\$ 5,280.00	\$ 5,280.00
12	8803-840.22-70 SUPPLIES	250.00	250.00		250.00	250.00
13	8803-840.20-00 MEMBERSHIPS	758.00	768.00	768.00	785.00	785.00
14	8803-840.22-72 BOOKS AND PERIODICALS	200.00	200.00		200.00	200.00
15	8803-840.23-98 ATTORNEY CONTRACTS	16,000.00	16,000.00	14,250.00	16,000.00	16,000.00
16	8803-840.23-79 Latco Clerk Svcs	2,000.00	2,000.00	1,249.98	3,000.00	3,000.00
17	6050 8803-840.23-79 Office Expenses	7,000.00	7,000.00	6,060.00	7,000.00	7,000.00
18	8803-840.23-79 Staff Off Svcs	48,488.00	48,488.00	44,475.37	48,488.00	48,488.00
19	8803-880.24-00 LEGAL NOTICES/PUBLICATIONS	1,000.00	1,000.00	484.01	1,000.00	1,000.00
20	8803-840.24-50 TRANS AND TRAVEL (CALAFCO)	2,400.00	2,400.00		2,000.00	2,000.00
21	8803-880.29-50 CONF REGISTRATION	1,500.00	1,500.00	645.58	1,000.00	1,000.00
22	8803-840.23-79MSR and SOI	12,000.00	12,000.00		1,000.00	1,000.00
23	8803-840.23-78 -INSURANCE	1,658.00	1,400.00		1,400.00	1,400.00
24	8803-840.23-80 Geographic Info Data Mapping	7,500.00	3,500.00	1,286.00	7,500.00	7,500.00
25	8803-880.23-18 Web Page	250.00	250.00		150.00	150.00
26	8803-840.23-80 AUDITOR-Agreement	2,500.00	2,500.00	2,500.00	2,500.00	2,500.00
27	8803-840.23-79 City SOI	4,000.00	4,000.00			
28	8803-840.23-79 Spheres of Influence	12,000.00	4,000.00	9,444.61	10,000.00	10,000.00
29	8803-840.23-79 Municipal Services Reviews	13,000.00	8,000.00	12,789.54	25,000.00	25,000.00
30	Total General Services and Supplies	133,784.00	108,537.00	97,674.09	131,553.00	131,553.00
31						
32	8803-880.90-91 Contingency	10,000.00	10,000.00	(1,380.00)	10,000.00	10,000.00
33	0000 General Reserve	10,000.00	15,000.00		20,000.00	20,000.00
34	TOTAL Expenditure Budget	159,784.00	133,537.00		181,553.00	161,553.00
35						
36	Est Carryover Balance July 1, 2015					
37	8803-461.86-10 Est. OTHER REVENUE	(50,000.00)	(25,000.00)	31,105.94	(26,000.00)	(20,000.00)
38		(10,000.00)	(10,000.00)	3,700.00	(10,000.00)	(10,000.00)
39	Total Expenditures less anticipated carryover and revenues	93,784.00	96,537.00		131,553.00	131,553.00
40						
41						
42	456.56-30 City/County and Ind. Special District Contrib	93,784.00	98,537.00	98,537.00	131,553.00	131,553.00



2014-2015
Board of Directors

5 May 2015

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Santa Cruz LAFCo

Secretary

GAY JONES
Sacramento LAFCo

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Contra Costa LAFCo

RICKY SAMAYOA
Yuba LAFCo

ROGER WELT, PhD
Santa Barbara LAFCo

To: Local Agency Formation Commission
Members and Alternate Members

From: Elliot Mulberg, Committee Chair
Board Recruitment Committee
CALAFCO Board of Directors

RE: Nominations for 2015/2016 CALAFCO Board of Directors

Nominations are now open for the fall elections of the CALAFCO Board of Directors. Serving on the CALAFCO Board is a unique opportunity to work with other commissioners throughout the state on legislative, fiscal and operational issues that affect us all. The Board meets four to five times each year at alternate sites around the state. Any LAFCo commissioner or alternate commissioner is eligible to run for a Board seat.

CALAFCO's Recruitment Committee is accepting nominations for the following seats on the CALAFCO Board of Directors:

<u>Northern Region</u>	<u>Central Region</u>	<u>Coastal Region</u>	<u>Southern Region</u>
District Member	City Member	City Member	District Member
County Member	Public Member	Public Member	County Member

The election will be conducted during regional caucuses at the CALAFCO annual conference prior to the Annual Membership Meeting on Thursday, September 3, 2015 at the Hyatt Regency in Sacramento, CA.

Please inform your Commission that the CALAFCO Recruitment Committee is accepting nominations for the above-cited seats until *Monday, August 3, 2015.*

Incumbents are eligible to run for another term. Nominations received by August 3 will be included in the Recruitment Committee's Report and on the ballot, copies of which will be distributed to LAFCo members August 19 and made available at the Annual Conference. Nominations received after this date will be returned; however, nominations will be permitted from the floor during the Regional Caucuses or during at-large elections, if required, at the Annual Membership Meeting.

For those member LAFCos who cannot send a representative to the Annual Meeting an electronic ballot will be made available if requested in advance. The ballot request must be made no later than Monday, August 3, 2015. Completed absentee ballots must be returned by August 28, 2015.

Should your Commission nominate a candidate, the Chair of your Commission must complete the attached Nomination Form and the Candidate's Resume Form, or provide the specified information in another format other than a resume. Commissions may also include a letter of recommendation or resolution in support of their nominee.

Staff

PAMELA MILLER
Executive Director

MARJORIE BLON
Executive Officer

CLARK ALSOP
Legal Counsel

STEPHEN LUCAS
Deputy Executive Officer

DAVID CHURCH
Deputy Executive Officer

PAUL NOVAK
Deputy Executive Officer

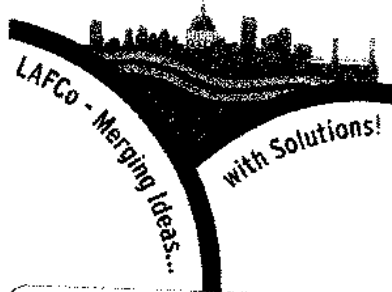
JENI TICKLER
Executive Assistant

1215 K Street, Suite 1650
Sacramento, CA 95814

Voice 916-442-6536
Fax 916-442-6535

www.calafco.org

CONFLUENCE...



CALAFCO 2015 CONFERENCE
★ SACRAMENTO ★

Announcing The 2015 CALAFCO Annual Conference



Hosted by Sacramento LAFCo

September 2 - 4, 2015

Downtown Sacramento, California
at the Hyatt Regency

Value-Added General and Breakout Session Topics

- Sustainable Groundwater Management Act Implementation - Where Do We Go From Here?
- Planning, Agriculture and Natural Resources - a Confluence of Ideas for LAFCo Solutions
- Urban Growth Boundaries and SOIs
- Leadership Practices in an Era of VUCA (volatility, uncertainty, complexity, ambiguity)
- The Impact of Climate Change on Land Use Planning
- Community Services Districts 101
- Fiscal Tools to Sustain Services
- LAFCo Technology for the 21st Century
- Exploring the New World of Broadband
- LAFCo Staff: The Magic Behind the Curtain

Plus many others!

Note: The Program is still being put together. The topics noted above represent only a portion of the program to be offered. All sessions are subject to change.

Mark your calendar and
plan to attend!
Registration is now open!
Visit www.calafco.org

Special Highlights

Mobile Workshop

A special look at the physical confluence of the Sacramento & American rivers, followed by a tour of the largest and most progressive inland Waste Water Treatment Plant west of the Mississippi, and close with a tour of the Delta levy & habitat. Lunch at the historic Old Sugar Mill included.

*Wednesday from
8:00 a.m. to 12:30 p.m.
(times approx..)*

LAFCo 101

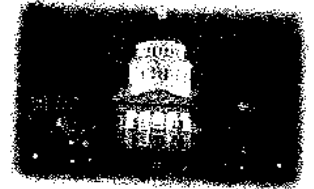
An introduction to LAFCo and LAFCo law for commissioners, staff, and anyone interested in learning more about LAFCo

*Wednesday from
10:00 a.m. to Noon*

Luncheon Keynote

Featuring *Tad Gaebler*,
co-author of the National
best-seller *Reinventing
Government*

Thursday Luncheon



Invaluable Networking Opportunities

- Commissioner Roundtable discussions on current issues
- Roundtable discussions for LAFCo staff, LAFCo counsel, and Associate members
- 9th CALAFCO Beer & Wine Competition and Reception
- Networking breakfasts
- Receptions

Hyatt Regency Downtown



Make your reservations now at the Hyatt Regency at the CALAFCO special rate of \$126. Find the link at www.calafco.org.

CALAFCO

CONFLUENCE...



CALAFCO 2015 CONFERENCE
★ SACRAMENTO ★



2015 ANNUAL CONFERENCE
SEPTEMBER 2 - 4
REGISTRATION FORM

For Registration by Check

To pay with credit cards please visit www.calafco.org
REGISTRATION DEADLINE IS AUGUST 21, 2015

LAFCo	_____
Received	_____
Check #	_____

CONFERENCE REGISTRATION RATES

	PAYMENT Received by July 20 th	PAYMENT Received after July 20 th	Amount Due
Member - Full Conference	\$425	\$485	
Non-member - Full Conference	\$525	\$550	
Guest/Spouse* - All Meals	\$210	\$225	
Guest/Spouse* - Wed Reception/ Thu Banquet Only	\$130	\$150	
Member - One Day (<input type="checkbox"/> Wed or <input type="checkbox"/> Thur or <input type="checkbox"/> Fri)	\$265	\$275	
Non-Member - One Day (<input type="checkbox"/> Wed or <input type="checkbox"/> Thur or <input type="checkbox"/> Fri)	\$325	\$335	
Mobile Workshop - Wednesday	\$48	\$48	
Attorney MCLE Credit (LAFCo counsel only)	\$50	\$50	
LAFCo 101 (no charge for those with full conf. registration. \$35 for those just attending this session.)	\$35	\$35	
TOTAL REGISTRATION RATE DUE			\$

Please submit one form for each person registering

FIRST NAME _____ LAST NAME _____

NAME ON NAME TAG _____

LAFCO/ORGANIZATION _____ POSITION _____

GUEST NAME (For guest/spouse registration) _____

MAILING ADDRESS _____

CITY _____ ZIP _____

PHONE # _____

E-MAIL ADDRESS _____

EMERGENCY CONTACT NAME: _____

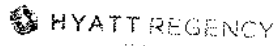
PHONE # _____

Payment must accompany registration. Early registration rate payments **MUST** be received by July 20, 2015 in order for that rate to apply. Please make checks payable to "CALAFCO."

Mail completed forms and payment to:

CALAFCO
1215 K Street, Suite 1650
Sacramento, CA 95814

Hotel Information:



ROOMS STARTING AT \$126 PER NIGHT. CUT-OFF DATE IS AUGUST 11, 2015.

TO MAKE HOTEL RESERVATIONS, PLEASE VISIT:
<https://resweb.passkey.com/go/2015LAF>

NEW CANCELLATION AND REFUND POLICY

1. Registrations are considered complete upon receipt of fees.
2. Cancellation requests made in writing and received by August 13, 2015 receive a 100% refund less \$20 handling fee and any transaction fees.
3. Credits are no longer issued for any cancellations.
4. Registration fees are transferable to another person not already registered provided the request is received in writing.
5. Registration fees for guests and special events are not transferable and are fully refundable (minus any transaction fees) if requests are made in writing and received by August 13, 2015 or if the special event is cancelled.
6. Cancellation requests must be made by e-mail, fax or mail to the CALAFCO office.
7. Cancellation requests made after August 13, 2015 are not eligible for a refund or credit.



Memorandum

May 20, 2015

TO: LAFCo Commission
FROM: John Benoit, Executive Officer
RE: Contract Amendments Browne and Benoit

Attached you will find a contract amendment for Scott Browne and for John Benoit.

A brief explanation of the contract amendments are as follows:

Scott Browne:

The cities and county and most agencies in Lake County provide longevity or step increases for their employees. LAFCo does not. This is for a longevity increase since Scott has been with LAFCo for 11 years. Lake County typically gives a longevity increase of 2.5% for every five years worked. This would be a 5% increase or an additional \$87.00 per month for the months we have LAFCo meetings and \$25.00 per month for the months we do not have LAFCo meetings.

Of note, Litigation rates for public agencies exceed \$220 per hour compared to the Contract amount of \$175 per hour. Should the Commission desire more information, I am willing to prepare a survey for LAFCo's consideration at a future meeting. Having competent LAFCo Counsel representing Lake LAFCo in litigation matters is fiscally prudent. Applicants seeking a specific entitlement will most likely pay direct costs for litigation including Lake LAFCo Counsel and Staff.

John Benoit

Section 2.2.1 - LAFCo Clerks are hard to find. The current contract calls for \$208.33 per month for LAFCo minutes only. Since the standard for LAFCo meeting minutes has increased and the need for the LAFCo clerk to provide other miscellaneous services for LAFCo, it is more realistic and fair for all parties to have an hourly rate instead of a fixed rate for taking and transcribing minutes. Changing from a fixed \$208.33 rate to a \$50.00 hourly rate would not have negative fiscal impacts upon adopted budgets but will allow more flexibility for LAFCo staff to provide Staff services other than just minutes.

Section 2.1.4. On occasions, LAFCo projects (other than MSR's and SOI's) can become complex either through heightened controversy or complexity. Although rare, these can become very time consuming and costly to process. Lake LAFCo has not had a significantly complex project excepting perhaps the Adamson Annexation to Lakeport or

the consolidation of four fire agencies along Clear Lake's North Shore in recent years. This contract amendment is budget neutral since any additional time and materials spent will require Commission approval and will be paid for by increased LAFCo fees in accordance with LAFCo's adopted Fee Schedule.

I am not asking for any compensation or longevity increases at this time. It is my understanding the County and the Cities have not granted pay increases in about 10 years and Lake County and most other rural areas have not fully recovered from the recession albeit the Consumer Price Index continues to rise in California. I will reserve any compensation increase requests until employees of the County or the Cities have received increases in their compensation.

LAFCO OF LAKE COUNTY
THIRD AMENDMENT TO AGREEMENT FOR
THE PROVISION OF LAFCO STAFF SERVICES

This is the Third Amendment to the Agreement for the Provision of LAFCo Staff Services between the Lake Local Agency Formation Commission, a public agency, and John Benoit, Contractor, dated January 13th, 2003, first amended on July 20, 2005 and second amended on July 1, 2007

Article 2, Section 2.1.1 is amended to read in its entirety as follows:

1. Section 2.2.1 shall read ~~“... Such Clerk Expenses are estimated at \$208.33 per month and shall not exceed that amount without prior approval by the Chair or the Commission.”~~ Such Clerk Expenses shall be billed at \$50.00 per hour.

Article 2, Section 2.1.4 is added and shall read in its entirety as follows:

2.1.4 Complex Projects. The parties agrees that Consultant may charge on an hourly basis time for time spent on projects that the parties deem “complex”.

A “complex project” is a proposal or other LAFCo action that is expected to be extraordinarily time-consuming and/or controversial. Consultant shall agendize the request for complex project classification and, if the Commission agrees, Consultant shall be entitled to bill at his usual contract hourly rate for all time spent on the project beyond the initial 10 hours.

Except as specifically set forth herein, all remaining terms and conditions of the Agreement for Executive Officer Services dated January 13th, 2003, and the hereinabove referenced amendments thereto shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on May 20, 2015.

LAFCo

CONTRACTOR

Chairperson

John Benoit, Contractor

APPROVED AS TO FORM:

P. Scott Browne, LAFCO Counsel

LAFCO OF LAKE COUNTY
SECOND AMENDMENT TO AGREEMENT FOR
LEGAL SERVICES

This is the Second Amendment to the Agreement for Legal Services between the Lake Local Agency Formation Commission, a public agency, and P. Scott Browne, Attorney at Law, dated July 21st, 2004, first amended on July 18, 2007.

Section II, Paragraphs A and B are amended to read in its entirety as follows:

A. Compensation

~~LAFCo shall pay Contractor One Thousand Seven Hundred and Fifty dollars per month (\$1,750.00) for legal services rendered pursuant to this Agreement effective July 1, 2007.~~ LAFCo shall pay Contractor One-Thousand-Eight hundred and thirty-seven per month (\$1,837.00) for legal services rendered pursuant to this Agreement effective July 1, 2015.

During months Counsel is requested not to attend a meeting of the Commission or the Commission does not conduct a LAFCO meeting and Counsel is otherwise not required by the Commission to attend any other meeting in Lake County including a meeting with the Lake County Board of Supervisors, a City Council or a Special District, the Commission shall pay Contractor ~~five hundred dollars for that particular month (\$500.00)~~ five-hundred and twenty-five dollars for that particular month (\$525.00) for legal 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 an itemized statement.

Should the parties hereto contemplate any renewal of this Agreement, the amount of compensation paid to Contractor be shall be reviewed and adjusted on an annual basis coinciding with an evaluation of performance and the preparation and approval of the LAFCO budget.

B. Compensation for Litigation Contractor shall be paid at a rate of One-Hundred Seventy-Five Dollars (\$175.00) per hour for litigation effective July 1, 2007.

Except as specifically set forth herein, all remaining terms and conditions of the Agreement for Professional Services dated July 21st, 2004, and the hereinabove referenced amendment thereto shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on May 20, 2015.

LAFCo

CONTRACTOR

Chairperson

P. Scott Browne, Contractor

APPROVED AS TO FORM:

P. Scott Browne, LAFCO Counsel