

Lake Local Agency Formation Commission

Special Meeting Agenda

Wednesday May 20, 2020 -- 9:30 am

Welcome to the LAKE LAFCo special meeting. This meeting will be via Teleconference (conference call) only due to the COVID-19 virus. A roll call vote is required for all items on the agenda.

You may use your phone for this teleconference call and no computer is required. There will be no video.

Note this is a new number and no access code is required.

The DIAL IN NUMBER is 727-731-8384

If you have any problems dialing in call LAFCo at (707) 592-7528

Items may be considered at any time during the meeting. All items are listed in accordance with the Ralph M. Brown Act. Members of the public are encouraged to participate in this teleconference meeting either by email prior to the meeting at j.benoit4@icloud.com or by phone by dialing the number above. You may listen to the meeting by dialing the teleconference number.

This meeting is being agendized to allow staff and the public to participate via teleconference, pursuant to the Governor's Executive Orders N-25-20 & N-29-20 and dated March 12, 2020 & March 17, 2020. These Executive Orders authorizes local legislative bodies to hold a public meeting via teleconference or other electronic means and to make public meetings accessible to telephonically to all members of the public and staff in effort to observe Social Distancing Recommendations in effect for the entire country.

(All meeting materials are available on LAFCo's Website:

www.lakelafco.org

"Lake LAFCo oversees orderly development and protects natural resources and agricultural lands"

Commissioners

Dirk Slooten, (City)
Stan Archacki, (Special Dist.)
Jim Scholz (Special District)
Ed Robey, (Public Member)
Moke Simon, Vice Chair (County)

Commission Alternate Members

Victoria Brandon (Spec. District Alternate)
Suzanne Lyons (Public Alternate)
Tina Scott (County Alternate)
Joyce Overton (City Alternate)

Bruno Sabatier Chair (County)

Stacey Mattina (City)

Staff

John Benoit, Executive Officer

P. Scott Browne, Legal Counsel

Kathleen Moran, Clerk-Analyst

1. Call to Order – Roll Call

2. Approval of Minutes – April 15, 2020

Action: Approve April 15, 2020 minutes

3. 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.

4. Consent Agenda

a. *Review and authorize payment of expenses for April 2020.*

PUBLIC HEARING:

5. 2020-2021 Final LAFCo Budget

a. *Receive Report, conduct public hearing, and consider approval of LAFCo Resolution 2020-0003 adopting a final budget for 2020-2021.*

ACTION ITEMS:

6. Policy, Standards and Procedures update (workshop #2)

a. *Continue workshop on the revised Policies, Standards and Procedures to July 15, 2020.*

7. Consider one-year extension for LAFCo file 2019-0002 Valley Oaks Annexation consisting of 147.14 acres more or less to the Hidden Valley Lake CSD expiring on 17th July 2020.

a) *Grant a one-year extension until July 17th 2021 for LAFCo file 2019-0002.*

8. Discuss options to reduce domestic water costs in communities where water is costly.

a. *Hold general discussion regarding costly domestic water service*

9. Executive Officer's report.

- a. 700 forms due June 1st
- b. Upper Lake County Water District MSR and SOI
- c. Konocti County Water District MSR and SOI
- d. Cemetery District MSR and SOI
- e. Carlisle Annex to Clearlake Oaks Co. Water District
- f. Alternate Special District recruitment for a 4-year term

10. LAFCo Counsel's report

11. 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.

12. Correspondence:

13. Adjourn to LAFCO's next regular meeting: Wednesday July 15, 2020 9:30 AM 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:

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 j.benoit4@icloud.com. Agenda packets are located on the Lake LAFCO Webpage at www.lakelafco.org

LAKE LOCAL FORMATION COMMISSION
MINUTES
April 15, 2020 Special Meeting

Members Participating

Bruno Sabatier, Chair, County Member
Stacy Mattina, City Member
Dirk Slooten, City Member
Jim Scholz, Special Districts
Victoria Brandon, Special District Alternate
Moke Simon, Vice-Chair/County Member

Staff Participating

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

Absent: Ed Robey, Public Member, Joyce Overton, City Member, Stan Archacki, Special Districts, Tina Scott, County Alternate, Suzanne Lyons, Public Member Alternate.

1. Call to Order

Chairman Sabatier called meeting to order at 9:30 a.m. via teleconference.

2. Approval of Minutes - Motion by Commissioner Mattina seconded by Commissioner Slooten to approve the Minutes of the January 15, 2020 Regular Meeting. Motion carried: All yes.

3. Public Comment – None.

4. Consent Agenda

Chairman Sabatier removed items “a” and “b” from the Consent Agenda and stated that each item will be considered separately.

a. Motion by Commissioner Slooten, second by Commissioner Simon to review and authorize payment of expenses for January, February, and March 2020. Motion carried: All yes.

b. Ratify agreement between Lake LAFCo and Municipal Resource Group, LLC re: LAFCo Consultant for the South Lakeport Reorganization Application.

Chairman Sabatier stated that he has been working with Mr. Benoit and representatives of both the city and county. He expressed concern that the project timeline was constructed before COVID-19 and contains a May 11-22 timeframe for the final report to be submitted to LAFCo. He recommended an extension of the timeline. Commissioner Simon expressed concern that county staff is extremely busy with dealing with COVID-19 concerns and hoped that the timeline could be extended.

b. Motion by Commissioner Slooten, second by Commissioner Brandon to ratify agreement between Lake LAFCo and Municipal Resource Group, LLC re: LAFCo Consultant for the South Lakeport Reorganization Application, and authorize the Executive Officer, if necessary, to make adjustments to the timeline due to impacts resulting from COVID-19. Motion carried: All yes.

5. 2020-2021 Proposed LAFCo Budget

a. Receive Report from Executive Officer, conduct public hearing, and consider approval of LAFCo Resolution 2020-0002 adopting a proposed budget for 2020-2021.

Chairman Sabatier opened public hearing. EO made brief statement and reviewed the information provided in the meeting packet. Chair closed the public hearing.

Motion by Commissioner Slooten, seconded by Commissioner Simon to adopt Resolution No. #2020-0002, a Resolution Adopting a Proposed Budget for Fiscal Year 2020-2021 and authorize the Chairman to sign. Resolution passed and adopted by the following vote:

AYES: Commissioners Slooten, Scholz, Simon, Brandon, Mattina, and Sabatier.

NOES: None.

ABSTAIN: None.

6. Policy, Standards and Procedures update (workshop #2) - Item postponed until the Commission can meet at a physical location.

7. Discuss options to reduce domestic water costs in communities where water is costly.

EO opened discussion with emphasis on the City of Clearlake. He stated that the city water service, quality and costs are impacted by fragmented and uneven service because there are four different service providers, i.e. Konocti County Water District, Lower Lake County Water District, Highlands Mutual Water Company and Golden State Water, a public utility.

Chairman Sabatier stated that Lucerne should be included in the discussion. Commissioner Slooten spoke to the City of Clearlake's concerns, such as fire suppression, development issues, substandard lines, lack of testing and capacity, and use of non-regulation equipment. He further stated that the public utility and the mutual water provider have been non-responsive to repeated requests by the city for information.

Discussion was held on the successful Cobb consolidation as an example of streamlining services. EO noted that the MSR for Konocti County Water District is in process and will be on the July agenda, and that other water districts could subsequently be brought into the MSR process as well for a comprehensive review. Commissioner Slooten will provide maps of the four districts to EO to compile and reproduce. Commissioners agree to continue with the MSR course and continued further discussion for receipt of the MSR at the July meeting.

8. Executive Officer's report.

- a. 700 Forms due June 1st.
- b. Upper Lake County Water District MSR and SOI – in process.
- b. Konocti County Water District MSR and SOI – in process.

- c. Cemetery District MSR and SOI
- d. Carlisle Annex to Clearlake Oaks Co. Water District
- e. Special District Alternate recruitment for a 4-year term.

9. LAFCo Counsel's Report – no new information.

10. Commissioner Reports – None.

11. Correspondence. None.

10:25 a.m. Meeting adjourned.

Next regular meeting: Scheduled for Wednesday May 20, 2020 9:30 a.m. in Clearlake. * Note: Meeting to be conducted via teleconference.

By: _____ Kathleen Moran, Clerk

Lake Local Agency Formation Commission

CLAIMS

April 2020

Expenses for FY 2019-2020:

<u>Date of Claim</u>	<u>Description</u>	<u>Amount</u>
3.16.19-4.15.20	Browne Legal	\$ 1,837.00
May 1, 2020	Staff Svcs March 2020	\$ 7,797.67
Apr 13, 2020	MRG Lakeport Fiscal #01-20-31	\$ 7,425.00
Apr 30, 2020	RB-CLO Final Budget Notice	\$ 134.00
April 15, 2020	Comm Stipend April 15, 2020	\$ 360.00
TOTAL:		\$ 17,553.67

DATED: May 20, 2020

APPROVED: May 20, 2020

Bruno Sabatier, Chair or Moke Simon, Vice Chair
Lake Local Agency Formation Commission

Attest:

John Benoit
Executive Officer

unaudited

[illegible]

LAKE LAFCO
EXECUTIVE OFFICER'S REPORT

Item # 5

May 20, 2020

TO: Local Agency Formation Commission
FROM: John Benoit, Executive Officer
RE: Final Budget for FY 2020-2021

A proposed budget and Budget Justification Report were submitted for consideration at the April 15, 2020 budget hearing. The proposed budget was adopted and there have been no events requiring changes during that time.

Please refer to the aforementioned Budget Justification Report for detailed information on each of the items below.

SUMMARY OF EXPENSES:

Commission Stipend Commission allocated \$5,280 for this item. This is adequate to cover Commissioner stipends at \$60.00 per member, per attended meeting. No change from prior year.

Supplies \$250 allocated. No change from prior year.

Memberships The Commission recommended in its proposed budget \$1,901.00 for Calafco dues, an increase of \$824.00 over this year.

Books and Periodicals \$200.00 allocation to cover the cost of incidental publications, when needed. No change from prior year.

Attorney Contracts The Commission recommended in its proposed budget \$18,633.00 for this item. This figure assumes LAFCO Counsel can attend up to 8 LAFCO meetings.

Clerk/Analyst Support The Commission recommended in its proposed budget \$4,000.00 for this item. This is assuming the Commission meets up to 8 times next fiscal year.

Office Expenses \$7,000 allocation, same as prior year. Amount based on \$550 per month. Includes communications, computer, phones, most copy and postage costs (notwithstanding changes of organization requiring multiple public notices, mileage and misc. office expenses.) No change from last year.

Staff Services [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 to offset an increase in this expenditure. No change from last year.

Legal Notices/Publications Commission recommended \$1,000 based on number of anticipated projects and related publication costs. No change from last year.

Conference Registration and Transportation and Travel \$2,500 & \$5,500 The Commission recommended in its proposed budget \$8,000 for these items. This includes miscellaneous mileage, the Calafco Annual Conference, Staff training and the annual staff workshop. The Calafco conference this year is in Monterey from October 21st through October 23rd. It is anticipated to cost approximately \$1,500 per person including transportation, lodging, and conference registration. As well as the annual staff workshop in April 2021 in Orange County.

Insurance \$1,400 allocated. No change from prior year.

Records Retention and Mapping As discussed at the April 15, 2020 meeting \$6,000 was allocated for mapping and for processing and scanning Lake County's LAFCo files, to be conducted in accordance with LAFCo's adopted Records Retention Policy.

Web Site Maintenance Commission recommended \$150 for site maintenance, updates, and changes. No change from prior year.

Finance Agreement Commission recommended \$2,500 for this item per agreement with the City of Clearlake. This amount will be paid to the City of Clearlake for being LAFCo's banker. No change from prior year.

Sphere of Influence Updates Commission allocated \$10,000 for Sphere of Influence updates as required by the LAFCO Act. No change from prior year.

Municipal Service Reviews Commission allocated \$21,000 to initiate and continue Service Reviews for the upcoming year.

Contingency Fund \$10,000.00

General Reserve \$70,000 allocated to General Fund Reserves. An increase of \$10,000 from prior year.

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, Districts and the County unanticipated revenues have been placed into expenditures for municipal service reviews and sphere updates.

The Final Expenditure Budget will be \$249,227.00 (including a \$70,000 reserve and \$10,000 contingency and \$33,425 for paid special projects), the amount to be requested from the Cities, the County and the Independent Special Districts will be \$135,802.50 (The County, Cities and Independent Special Districts will each pay \$45,267.33). The apportionment will be: Cities – 33%, County - 33%, and Independent Special Districts – 33%.

Recommendation:

- a. Review, discuss, amend, and consider the 2020-2021 Final Budget. A budget justification report for FY 2020-2021 including a Service Review and Sphere of Influence work plan was prepared by staff for the adopted proposed budget at the April 2020 meeting.
- b. Adopt LAFCO Resolution 2020-0003 approving a final budget for Fiscal Year 2020-2021.

Resolution 2020-0003
of the
Lake Local Agency Formation Commission

*Resolution of the Lake Local Agency Formation Commission of Adopting
its Final Budget for 2020-2021*

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 April 15, 2020; 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 2020-2021 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 2020-2021 budget totaling \$204,978.00 in which \$134,978.00 are operational expenditures for LAFCO and \$80,000.00 to consist of carryovers and encumbrances from the FY 2019-2020 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 \$100,000 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 \$135,802.00 to be apportioned as per Government Code 56381 and to transfer said funds to the City of Clearlake on behalf of LAFCo.

5. In the event of non-payment of LAFCO funds by any agency 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 for transfer to the City of Clearlake.

PASSED AND ADOPTED by the Lake Local Agency Formation Commission at a regular meeting of said Commission held on May 20, 2020 by the following roll call vote:

AYES: -

NOES: -

ABSTAINS: -

ABSENT: -

Signed and approved by me after its passage this 20th day of May 2020.

Bruno Sabatier, Chair
Lake LAFCO

Attest:

John Benoit, Executive Officer
Lake LAFCO

Exhibit A - FINAL Budget
F.Y. 2020-2021
Lake LAFCo
MAY 20, 2020

LAFCo Resolution 2020-0003

BUDGET: 419-

A	B	C	D	E	F	G	H
		2017-2018 FINAL Budget	2018-2019 Proposed Budget	2018-2019 FINAL Budget	2019-2020 Final Budget	2020-2021 Proposed Budget	2020-2021 FINAL BUDGET
4							
5							
6							
7							
8	Expenditure Classification						
9	500.01 COMMISSIONERS STIPEND	\$5,280.00	\$5,280.00	\$5,280.00	\$5,280.00	\$5,280.00	\$5,280.00
10	600.35 SUPPLIES	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00	\$250.00
11	700.51 MEMBERSHIPS	\$899.00	\$926.00	\$926.00	\$1,077.00	\$1,901.00	\$1,901.00
12	700.50 BOOKS AND PERIODICALS	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00	\$200.00
13	750.64 ATTORNEY CONTRACTS	\$18,633.00	\$18,633.00	\$18,633.00	\$18,633.00	\$18,633.00	\$18,633.00
14	750.60 Lafo Clerk Svcs.	\$4,000.00	\$4,000.00	\$4,000.00	\$4,000.00	\$4,000.00	\$4,000.00
15	750.60 Office Expenses	\$7,000.00	\$7,000.00	\$7,000.00	\$7,000.00	\$7,000.00	\$7,000.00
16	750.60 Staff Off. Svcs	\$48,488.00	\$48,488.00	\$48,488.00	\$48,488.00	\$48,488.00	\$48,488.00
17	600.36 LEGAL NOTICES/PUBLICATIONS	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00
18	700.53 TRANS AND TRAVEL (CALAFco)	\$5,500.00	\$5,500.00	\$5,500.00	\$5,500.00	\$5,500.00	\$5,500.00
19	700.53 CONF REGISTRATION	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00
20	960.95 - INSURANCE	\$1,400.00	\$1,400.00	\$1,400.00	\$1,400.00	\$1,400.00	\$1,400.00
21	750.60 Records Retention and Mapping	\$6,000.00	\$6,000.00	\$6,000.00	\$6,000.00	\$6,000.00	\$6,000.00
22	750.60 Web Page	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00	\$150.00
23	750.60 AUDITOR/CITY-Agreement	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00
24	750.60 Spheres of Influence	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00
25	750.60 Municipal Service Reviews	\$21,000.00	\$21,000.00	\$21,000.00	\$21,000.00	\$21,000.00	\$21,000.00
26	750-60 Special and Complex projects					\$33,425.00	\$33,425.00
27	Total General Services and Supplies Expenditures	\$134,800.00	\$134,827.00	\$134,827.00	\$134,978.00	\$169,227.00	\$169,227.00
28							
29	999.99 Contingency	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00
30	405.92 General Reserve	\$40,000.00	\$50,000.00	\$50,000.00	\$60,000.00	\$70,000.00	\$70,000.00
31							
32	TOTAL Expenditure Budget & contingency & reserve	\$184,800.00	\$194,827.00	\$194,827.00	\$204,978.00	\$249,227.00	\$249,227.00
33							
34	Est Carryover Balance July 1, 2020						
35	404.30 Est. OTHER REVENUE	-\$60,000.00	-\$70,000.00	-\$70,000.00	-\$70,000.00	-\$70,000.00	-\$70,000.00
36	Special Project Revenue - So Lakeport	-\$10,000.00	-\$10,000.00	-\$10,000.00	-\$10,000.00	-\$33,425.00	-\$33,425.00
37							
38	Total exp less anticipated carryover and revenues	\$114,800.00	\$114,827.00	\$114,827.00	\$124,978.00	\$135,802.00	\$135,802.00
39							
40							
41	404.30 City/County and Ind. Spec District Contrib.	\$114,800.00	\$114,827.00	\$114,827.00	\$124,978.00	\$135,802.00	\$135,802.00
42							
43							
44							
45	0000 General Reserve	\$40,000.00	\$50,000.00	\$50,000.00	\$60,000.00	\$70,000.00	\$70,000.00

LAKE LOCAL AGENCY FORMATION COMMISSION

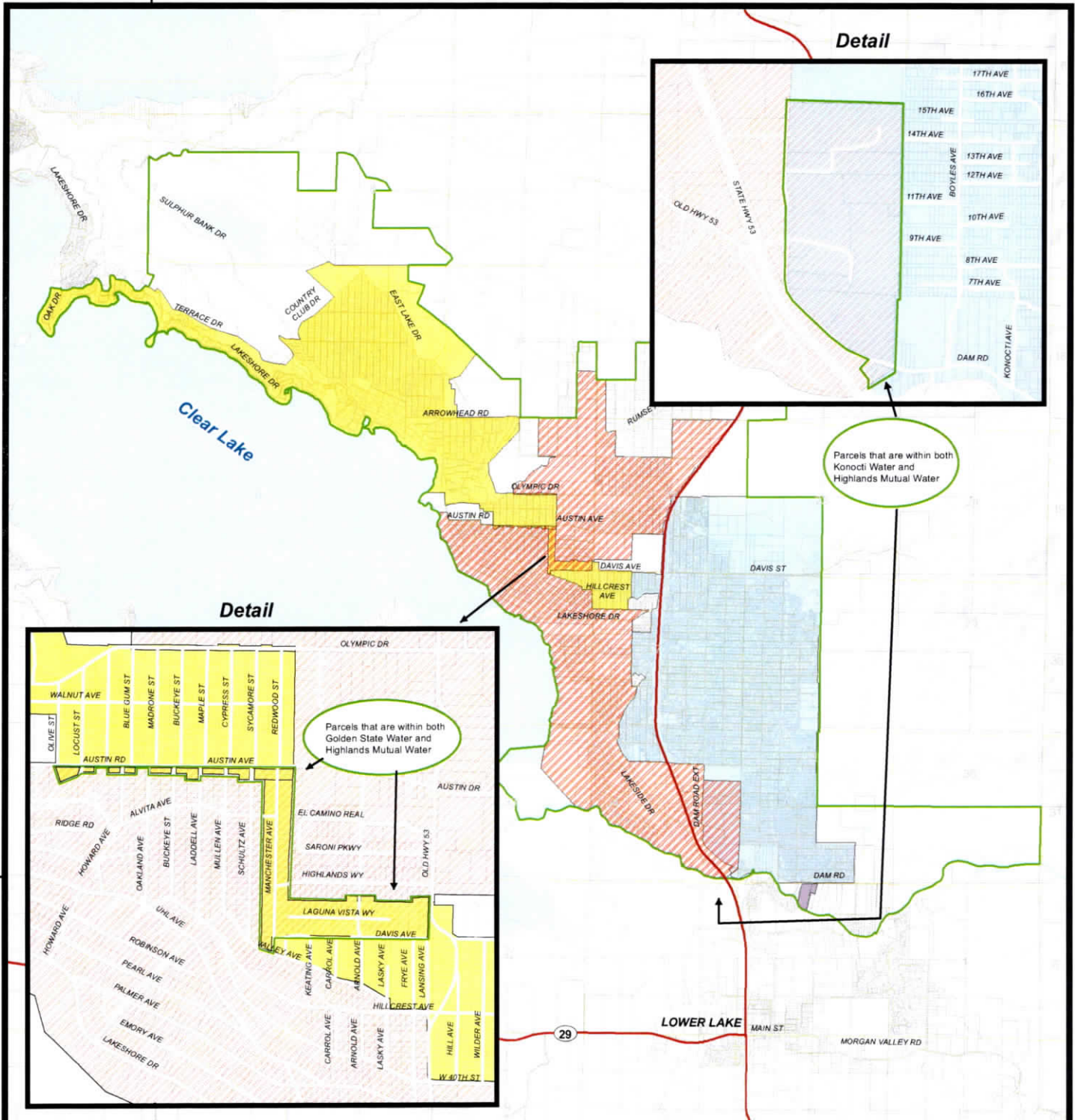
CLEARLAKE WATER SERVICE PROVIDERS

Range 8 West

Range 7 West

Township 13 North

Township 12 North



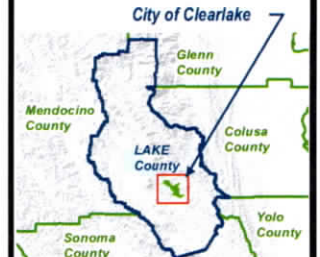
Legend

- Clearlake City Boundary
- Highways
- Roads
- Parcels
- Sectional Grid (MDB&M)

Water Systems within City of Clearlake Boundary

- Golden State Water Public Utility
- Highlands Mutual Water Company
- Konocti County Water District
- Lower Lake Waterworks District #1

0 0.125 0.25 0.5 0.75 1 Mile
Map Created 5/5/2020



Source: Lake LAFCo