

# Modoc Local Agency Formation Commission

## SPECIAL MEETING AGENDA

Website: [www.modoclafco.org](http://www.modoclafco.org)

**Tuesday Oct 6, 2015 – 4:00 PM**

**City Council Chambers  
Alturas City Hall  
200 North Street, Alturas, CA 96101**

**1. Call to order / Pledge of Allegiance**

Commissioners

David Allan, County, Vice-Chair, Member  
Jim Irvin, City Member,  
T.J. Jerry Shea, Public Member  
John Dederick, City Member, Chair  
Kathie Rhoads, County Member, Chair  
LAFCO Staff  
John Benoit, Executive Officer  
Scott Browne, LAFCO Counsel  
Kim Hunter, Clerk

Alternate Members

Clinton Davis, Public Member Alt.  
Geri Byrne, County Member Alt.  
Cheryl Nelson, City Member Alt.

**2. Approval of Agenda (Additions and Deletions)**

**3. Approval of the Minutes: August 11, 2015**

**4. Correspondence:**

**5. Public Comment**

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

**6. Ratify Claims for August 2015 and Authorize Payment of Claims for September 2015**

- a. *Approve payment of expenses for August 2015 and September 2015.*

**Public Hearing**

**7. Service Review and Sphere of Influence Update for the Hafer Hills Estates County Service Area**

- a. *Conduct Hearing on the Service Review and Sphere of Influence for the Hafer Hills Estates County Service Area and consider Resolution 2015-0007 adopting a Service Review and Resolution 2015-0008 adopting a Sphere of Influence for the Hafer Hills CSA.*

**8. Southern Cascades CSD formation**

- a. *Discussion of the process of forming the Southern Cascades CSD for ambulance Services in Big Valley*

**9. Discussion of the Annual Calafco Conference in Sacramento.**

- a) *Sessions attended discussion*  
b) *Legislative Report discussion*

**10. Executive Officer's Monthly Report**

*Ground Water Service Areas  
Surprise Valley HC District  
Big Valley Water Users  
Mayers Healthcare District Annexation  
SB-88 Water District Consolidations*

**11. Commissioner Reports - Discussion**

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

**12. Adjourn to next meeting: December 15, 2015**

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

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

#### Public Comment

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

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

#### Public Hearings

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

#### Agenda Materials

*Materials related to an item on this agenda submitted to the Commission after distribution of the agenda are available for review for public inspection in the Modoc County Planning Department office located at 203 W. 4<sup>th</sup> Street, Alturas CA. [such documents are also available on the Modoc LAFCO website ([www.modoc.lafco.ca.gov](http://www.modoc.lafco.ca.gov)) 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 Modoc 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 (530) 233-9625 or by email at [lafco@modoc.lafco.ca.gov](mailto:lafco@modoc.lafco.ca.gov) Copies of reports to the extent feasible are located on the LAFCO webpage at: [www.modoclafco.org](http://www.modoclafco.org)

**Local Agency Formation Commission of Modoc County  
Regular Meeting**

**Minutes of August 11, 2015**

**1. Call to Order/Pledge of Alligiance:**

Chair Dederick called the meeting to order at 4:07 p.m., in the City Council Chambers, Alturas City Hall. Commissioners Allan, Alves, Dederick, Shea and City Commissioner Alternate Nelson were present. Commissioner Irvin was absent.

Staff Present: John Benoit, Executive Officer, and Kim Hunter, Clerk.

Pledge of Allegiance

**2. Election of Chair and Vice-Chair for Fiscal Year 2015-2016**

Commissioner Dederick opened nominations for Chair and promptly nominated Commissioner Alves. No other nominations were received. In favor: Allan, Alves, Dederick, Nelson and Shea.

Nominations were then opened for the position of Vice Chair. Commissioner Allan was the only nomination. In favor: Allan, Alves, Dederick, Nelson and Shea.

**3. Approval of Agenda**

Commissioner Allan made the motion to approve the agenda as submitted; seconded by Commissioner Dederick. In favor: Allan, Alves, Dederick, Nelson and Shea.

**4. Approval of Minutes**

Commissioner Shea made the motion to approve the minutes for the June 9, 2015 meeting as submitted; seconded by Commissioner Nelson. Commissioner Allan made the motion to approve the agenda as submitted; seconded by Commissioner Dederick. In favor: Allan, Alves, Dederick, Nelson and Shea.

**5. Correspondence**

No correspondence was received.

**6. Public Comment**

No public comment.

**7. Ratify Claims for June 2015 and Authorize Payment of Claims for July 2015**

*a. Approve payment of expenses for June 2015 and July 2015.*

Commissioner Shea made the motion to approve payment of expenses for June 2015 and July 2015; seconded by Commissioner Nelson. In favor: Allan, Alves, Dederick, Nelson and Shea.

## **PUBLIC HEARINGS**

### **8. Service Review and Sphere of Influence Update for the Hafer Hills Estates County Service Area**

#### *a. Conduct Workshop on the Service Review and SOI for the Hafer Hills Estates County Service Area*

Executive Officer Benoit gave a brief overview of the Municipal Service Review and Sphere of Influence for the Hafer Hills Estates County Service Area (CSA). This CSA was established as a road maintenance mechanism for the private roads contained within the Hafer Hills Estate Subdivision. Through the CSD, road maintenance fees are collected from each Assessor's Parcel by the County. The amount of the parcel assessment is based on an analysis by the Road Department. Although the roads within the subdivision remain private, the County Road Department maintains the roads and is paid for the service with the collected fees. No issues of concern were identified regarding the capacity to provide services or the formation of the CSA. Currently this is the only CSA within Modoc County. The Sphere of Influence is coterminous with the boundaries of the CSA which are tied to the special assessment.

Kim Hunter provided some additional background on this CSA was formed. There was additional discussion regarding the function of CSA's work and the services that they can cover.

### **9. Executive Officer's Monthly Report**

#### *Ground Water Service Areas*

#### *Big Valley Water Users*

#### *Mayers Healthcare District Annexation*

#### *SB 88 Water District Consolidations:*

#### *Capistrano Taxpayers Assn. v. City of San Juan Capistrano*

#### *2014-2015 Grand Jury Report*

*Ground Water Service Areas:* Concerns continue to surface regarding the Big Valley Groundwater Basin which is a shared basin between Modoc and Lassen Counties. One of the biggest issues is identifying a Groundwater Management Agency, or GSA, for this basin. The Lassen County Board of Supervisors has expressed interest in having the existing Lassen-Modoc Flood Control and Water Conservation District become the GSA. The Board of Directors of this District consists of the ten Supervisors from both Counties. However, it is likely that which ever direction is taking in choosing a GSA that a Joint Powers Agreement (JPA) will be needed between Modoc and Lassen Counties.

*Big Valley Water Users:* No news on this topic. Taking on watermaster services from the Department of Water Resources has proven to be a very difficult and expensive task. Executive Officer Benoit gave an example of the Honey Lake Valley Resource Conservation District (RCD) in the Susan River Watershed. Costs and liabilities have greatly exceeded expectations since this RCD took on the watermaster services.

*Mayers Memorial Healthcare District Annexation:* No news has been received on the proposed district annexation.

*SB 88 Water District Consolidations:* SB 88 was a trailer bill that was signed by Governor Brown Bill was signed despite much opposition. SB 88 could require that failing water districts are consolidated. For example, Daphnedale could be required to be annexed to Alturas. Currently a “clean-up” bill is proposed to clarify the legislation. In general, forced consolidations of water districts would be very difficult regarding LAFCo. Also, in rural areas could prove quite difficult to the large distances between districts.

*Capistrano Taxpayers Assn. v. City of San Juan Capistrano:* Appellate case that the California Supreme Court published (and refused to re-review it) which became law regarding Proposition 218 and water districts using tiered fees. Discussion followed on how this may affect the City of Alturas. Executive Officer Benoit suggested that the City consult with their City Attorney on this matter because it’s very difficult to assess.

*2014-2015 Grand Jury Report:* Pages included in the staff report affecting the Surprise Valley Healthcare District. Essentially, everyone will have to stay tuned because a response may be received. Healthcare districts in rural counties in the state are facing challenges and failing. Many are trying to identify ways to share services with nearby districts. The Grand Jury report contains recommendations and it will be interesting to see the response, if received.

#### **10. Commissioner Reports – Discussion**

No Commissioner reports or discussion.

#### **11. Adjourn to next regular meeting – October 6, 2015**

Executive Officer Benoit inquired if the next regular meeting could be held on October 6, 2015 rather than on the 13<sup>th</sup>. Chair Alves noted that she would not be present on the 6<sup>th</sup>. All other Commissioners were agreeable to the meeting date change.

There being no further business to come before this Commission; Commissioner Dederick made the motion to adjourn the meeting; seconded by Commissioner Shea. In favor: Allan, Alves, Dederick, Nelson and Shea.

With no further business the meeting adjourned at 4:50 p.m.

# Modoc Local Agency Formation Commission

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## CLAIMS

for

July and August 2015

Authorize the following Claims for FY 2015-2016

Sept 1, 2015	Staff Services August 2015	\$ 3,566.39
Oct 1, 2015	Staff Svcs September 2015	\$ 2,677.67
Sept 3, 2015	Public Notice Hafer Hills CSA MSR-SOI	\$ 66.00
Aug 11, 2015	Commission Stipend Aug 11, 2015	\$ 500.00
Sept 2-4, 2015	Conf. Reimbursement Calafco Clinton Davis	\$ 747.71
	<b>TOTAL:</b>	<b>\$ 7,557.77</b>

DATED: October 6, 2015

APPROVED: October 6, 2015

**Kathie Rhoads, Chair or David Allan, Vice-Chair  
Modoc Local Agency Formation Commission**

Attest:

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**John Benoit**  
Executive Officer

Modoc LAFCO  
Expenditures and Revenue  
FY 2015-2016

Item	Account Number	Insurances	Memberships	copies	postage	Communications	Office Exp.	Counsel	Staff Svcs	Clark Costs	Notices and Public
Total Budgeted 2015-2016		4140	4970	4210	4211	4221	4210	4008	4004	4006	4380
Calafco Dues 2015-2016		\$ 1,000.00	\$ 769.00	\$ 1,500.00	\$ 500.00	\$ 1,000.00	\$ 400.00	\$ 3,200.00	\$ 36,000.00	\$ 900.00	\$ 600.00
July 2015 Staff Svcs				\$ (27.00)	\$ (12.04)	\$ (63.61)			\$ (2,000.00)		
Aug 2015 Staff Svcs.				\$ (78.74)	\$ (20.80)	\$ (64.35)			\$ (2,000.00)		
Sept 2015 Staff Svcs.				\$ (10.00)	\$	\$ (63.65)			\$ (2,550.00)		
Modoc Record Haler Hills MSR - SOI Legal											
Conf Reimb Sept 2-4, 15 Clinton Davis											
Comm Stipends Aug 11, 2015											\$ (66.00)

Item	Account Number	Insurances	Memberships	copies	postage	Communications	Office Exp.	Counsel	Staff Svcs	Clark Costs	Notices and Public
Total Expenditures to date											
Total Budget Remaining		\$ (785.00)	\$ (115.74)	\$ (32.84)	\$ (191.61)	\$ 808.39	\$ 400.00	\$ 3,200.00	\$ (6,550.00)	\$ 900.00	\$ (66.00)
		\$ (16.00)	\$ 1,384.26	\$ 467.16	\$	\$	\$	\$	\$ 29,450.00	\$	\$ 534.00

Audited	July 1, 2015 City Fund Carryover
15-16 Actual City/Co. Contributions	\$ 32,227.53
FY 2014-2015 City Anticipated Funds Transf	\$
2014-2015 County Funds Anticipated	\$
Funds received	\$
REVENUE FOR PROJECTS	\$
Interest	\$
Anticipated Funds received	\$
Less Expenditures	\$ (12,992.92)
<b>Actual Cash Balance</b>	<b>\$ 19,234.61</b>



# Modoc Local Agency Formation Commission

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Memorandum  
October 6, 2015

**TO:** Modoc LAFCo Commissioners  
**FROM:** John Benoit, Executive Officer  
**SUBJECT:** Hafer Hills MSR and SOI

Attached are Resolutions adopting a Municipal Service Review and Sphere of Influence for road maintenance services provided by the Hafer Hills County Service Area.

A Notice of Exemption is also attached.

**PLEASE BRING TO THE MEETING THE COPY OF THE HAFER HILLS MSR AND SOI THAT WAS GIVEN TO YOU FOR THE AUGUST 11<sup>TH</sup> 2015 LAFCO MEETING.**

An electronic copy is also available on [www.modoclafco.org](http://www.modoclafco.org).

**Recommendation:**

The recommendation for the Sphere of Influence for the Hafer Hills CSA be coterminous with the district's boundaries and adopt the following resolutions.

1. Consider Resolution 2015-0007 approving a Municipal Service Review for services provided by the Hafer Hills County Service Area.
2. Consider Resolution 2015-0008 approving Sphere of Influence Update for the Hafer Hills County Service Area to be coterminous with the district's boundaries.

**Resolution 2015-0007 of the**  
**Modoc Local Agency Formation Commission**  
**Modoc County, California**

*Approving a Municipal Service Review of Services Provided by the Hafer Hills County Service Area in Modoc County and Adopting Written Determinations Thereon*

WHEREAS, California Government Code Section 56425 requires that a Local Agency Formation Commission (“LAFCO”) 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 and 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, on October 23, 2007, the Commission adopted its Policies, Standards and Procedures including policies related to Municipal Service Reviews (MSRs) and Spheres of Influence and updated these policies on April 14, 2009; 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 services provided in the Hafer Hills County Service Area area, including approval of the report and adoption of the written determinations contained therein; and,

WHEREAS, the Commission hereby determines that the hearing draft of the Municipal Service Review for services provided by and within the Hafer Hills County Service Area area and written determinations contained therein will provide information for updating the Sphere of Influence of the Hafer Hills County Service Area, 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; 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 Modoc Local Agency Formation Commission hereby resolves, orders and determines the following:

- 1) The Municipal Service Review of services provided in the Hafer Hills County Service Area, attached hereto as Exhibit A, is approved and the written determinations presented in the Municipal Service Review report are hereby adopted.
- 2) The Hafer Hills County Service Area currently has authorization to provide road maintenance services. All other services authorized in the County Service Area Law shall not be allowed until the County seeks permission from LAFCO to perform said service.
- 3) LAFCO staff is further ordered to proceed as appropriate with update to the Sphere of Influence Plan of the Hafer Hills County Service Area.
- 4) LAFCO staff is further ordered to forward copies of this resolution containing the adopted Municipal Service Review to the Hafer Hills County Service Area.

The foregoing resolution was duly passed by the Modoc Local Agency Formation Commission at a regular meeting held on October 6, 2015, by the following roll call vote:

Ayes:

Noes:

Absentions:

Absent:

Signed and approved by me after its passage this 6th day of October 2015.

\_\_\_\_\_  
Kathie Rhoads, Chair or David Allan, Vice Chair  
Modoc Local Agency Formation Commission

Attest:

\_\_\_\_\_  
John Benoit, Executive Officer  
Modoc Local Agency Formation Commission

**MODOC LOCAL AGENCY FORMATION COMMISSION**

**Resolution No. 2015-0008**

*A Resolution Making Determinations and Approving A Sphere of Influence Update for the Hafer Hills County Service Area*

**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 Modoc Local Agency Formation Commission, in compliance with the aforementioned requirement, is providing a “plan for the probable physical boundaries and service area” for the Hafer Hills County Service Area; and

**WHEREAS**, the Commission has set the hearing date of October 6, 2015, for the update of the sphere of influence for the Hafer Hills County Service Area and has noticed this hearing at the times and as otherwise prescribed by Government Code Section 56150, *et seq.*; and

**WHEREAS**, the Commission has heard and previously adopted a Municipal Services Review of services provided by the Hafer Hills County Service Area on October 6, 2015 in accordance with Gov. Code section 56430; and

**WHEREAS**, the Commission has reviewed and considered the proposed Sphere of Influence update report including the determinations for the proposed Sphere of Influence Update, which is attached hereto and incorporated herein; and

**WHEREAS**, Modoc LAFCO prepared a Notice of Exemption for such action since there will be no environmental affects of adoption of this updated sphere; and

**WHEREAS**, the Commission has considered those factors determined by it to be relevant to the proposed sphere of influence update, 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 updated sphere boundary, if any;

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

1. That the proposed sphere of influence update with respect to the Hafer Hills County Service Area complies with the provisions of Government Code Section 56000, *et seq.*
2. That no significant protests have been received regarding the establishment of this Sphere of Influence update.
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.

4. The Modoc Local Agency Formation Commission hereby finds this Sphere update exempt from the provisions of the California Environmental Quality Act.
5. Pursuant to Government Code Section 56425 (i) the Hafer Hills County Service Area is authorized to provide road maintenance services. All other services authorized in the County Service Area Law shall require LAFCO approval prior to providing the service.
6. Modoc LAFCO hereby adopts a coterminous sphere of influence for the Hafer Hills County Service Area thereby signaling the district's boundary and Sphere of Influence shall remain coterminous.
7. That the Sphere of Influence Update Report and Executive Officer's Report for the Hafer Hills County Service Area updated Sphere of Influence is hereby adopted and approved as set forth in Attachment "A".

**PASSED AND ADOPTED** at a regular meeting of the Modoc Local Agency Formation Commission, State of California, on the October 6, 2015 by the following vote:

**AYES:**

**NOES:**

**ABSENT:**

**ABSTAIN:**

\_\_\_\_\_  
Kathie Rhoads, Chair or David Allan Vice-Chair  
Modoc Local Agency Formation Commission

Attest:

\_\_\_\_\_  
John Benoit, Executive Officer  
Modoc LAFCO

County of Lassen, California  
**OFFICE OF COUNTY COUNSEL**



**Robert M. Burns, Lassen County Counsel**  
221 South Roop Street, Ste. 2  
Susanville CA 96130

September 21, 2015

Mr John Benoit  
Lassen Local Agency Formation Commission  
P.O. Box 2694  
Granite Bay, CA 95746

RE: Notice of Public Hearing on Resolution of Application

Dear Mr Benoit,

This notice is being sent to you by way of California Government Code section 61013(b).

Please take notice, that the Lassen County Board of Supervisors will hold a public hearing on October 13, 2015, at the hour of 1015am, or as soon thereafter as the matter may be heard, to consider a resolution of application to the Lassen Local Agency Formation Commission requesting the initiation of proceedings to form a Community Services District for the purpose of providing emergency medical services in the Big Valley area including land in both Lassen and Modoc Counties.

If you have comments or testimony you would like to offer, please present yourself at the appointed time at the Board Chambers of the Lassen County Board of Supervisors, located at 707 Nevada St., Susanville, CA 96130.

The geographic area for which the CSD is being proposed is set out in a graphic display attached hereto as exhibit A. The services which are proposed to be provided are generally set out in exhibit B attached hereto.

Sincerely,

A handwritten signature in black ink, appearing to read "RMB", is written over a horizontal line.

Robert M. Burns



## EXHIBIT B

### PLAN FOR PROVIDING SERVICES

#### IN CONNECTION WITH THE FORMATION OF THE SOUTHERN CASCADES COMMUNITY SERVICES DISTRICT TO PROVIDE AMBULANCE AND EMERGENCY MEDICAL SERVICES TO THE BIG VALLEY AREA

The Proposed District formation includes a portion of the unincorporated land within Modoc and Lassen Counties, specifically the Big Valley Area and south to Terrio In Lassen County.

1. Services to be included in the affected territory are as follows
  - A. Provide advanced life support emergency medical services (ALS), including transport.
  - B. Potentially provide non emergent transport to the district and surrounding area.
  - C. Provide community education in Emergency Response Care and Safety Training.
  
2. The level and range of those services will be:
  - A. Available 24 hour ALS service inside the district and surrounding areas.
  - B. Be accessible for mutual aid in the surrounding communities.
  
3. The goal and plan to provide services will be as soon as possible.
  
4. Improvements that will be made within the territory are:
  - A. To re-establish advanced life support service and medical transport.
  - B. Improve response times to the original levels as they were prior to June 2013.
  - C. Create community education programs in Emergency Response Care and Safety Training.
  
5. The services in this territory will be financed via a district wide tax and funding of service fees charged to clients of the EMS services. Grant funding for the startup budget is being pursued as well.

#### STATEMENT OF JUSTIFICATION

The territory within the South Western Modoc County and Northern Lassen County area is in need of Ambulance and Emergency Medical Services since said services no longer exist. This proposal is to provide essential emergency medical services within this area.

1 PROOF OF SERVICE BY MAIL, EXPRESS MAIL,  
2 OR FACSIMILE TRANSMISSION - CCP 1013, 1031a, 2015.5  
3

4 I CHRISTINE PETTENGILL declare that

5 I am employed in the County of Lassen, California. I am over the age of eighteen  
6 years and not a party to the within cause; my business address is 221 S. Roop Street, Susanville,  
7 California 96130. On September 21, 2015, I served the within COUNTY OF LASSEN'S Response to  
8 John Benoit, RE: NOTICE OF PUBLIC HEARING ON RESOLUTION OF APPLICATION.  
9

10 X depositing a true copy thereof enclosed in a sealed envelope with  postage  Certified  
11 Mail postage thereon fully prepaid, in the United States mail  
12

13 at Susanville, California, addressed as follows:

14 Mr. John Benoit  
15 Lassen Local Agency Formation Commission  
16 P.O. Box 2694  
17 Granite Bay, CA. 95746  
18  
19

20 I declare under penalty of perjury under the laws of the State of California that the foregoing is true  
21 and correct.  
22

23 Dated: September 21, 2015

24   
Christine Pettengill

25 Legal Office Coordinator

26 Lassen County Counsel  
27

August 12, 2015

Modoc LAFCo  
P. O. Box 2694  
Granite Bay, CA 95746

Dear Executive Officer:

In January of this year the Board held its biennial retreat to review our Strategic Plan and enhance it to address the organizations future needs. As the economy has picked up, there has been renewed interest in the Legislature for ways to work with and work around the LAFCo process. As we looked at our Strategic Plan we saw a need to both improve services to our members and address some long-standing issues with the infrastructure of the organization itself.

Over its 44-year existence, CALAFCO has matured from a volunteer organization to a professional educational organization that has helped the state better understand CKH and the LAFCo process. At different periods in the lifetime of the organization, the Board has looked for ways to continually evolve CALAFCO to address current circumstances and conditions.

One of the areas that the Board has been working on is how to improve the Annual Conference. An important feature of CALAFCO, the conference also presents a great deal of responsibility for host communities. In working to keep the conference in accessible locations, the conference sometimes impacts the same LAFCos time and again. In addition, as the conference has grown, managing all aspects of it has become challenging for a part time staff. The Board formed a subcommittee in January to delve into the issue of evolving the conference, and that subcommittee worked diligently over the past six months exploring the issues and generating a series of options and solutions for the Board to consider. Working over six months, the Board considered a number of changes that will enhance the conference and reduce the dependence upon member LAFCos to act as host. At our July meeting, the Board unanimously approved a number of changes in the evolution of the current annual conference model.

Those changes include the hiring of a part-time Sponsorship Coordinator who will help raise funds from organizations within the CALAFCO universe to support the conference, which will in turn help bring notable speakers and programming requested by LAFCos around the state. Further, they will help us to better brand and market ourselves as an organization. In addition to augmenting the CALAFCO staff for conferences, it is the intent of the organization to provide discounted registrations to LAFCos whose staff members can assist with registration, conference planning and support during the conference.

CALAFCO will transition away from the LAFCo volunteer "host" model currently used to a CALAFCO-hosted model beginning in 2017. With these changes we also intend to hold the conferences in three primary locations: Sacramento, Monterey and San Diego, with a rotating list of locations every fourth year. We anticipate this will allow for greater long term planning and help manage the costs of the conference. Additionally, it will relieve the burden of work for those LAFCos who volunteer to host the annual conference. In order for this all to be accomplished and after careful review of what our sister organizations charge for their annual conference, the Board unanimously approved a modest raise in the registration fee for the conference by \$95 over the next three years.

With increasing requests from the Legislature to provide input on bills and calls for consultation with the administration, CALAFCO has witnessed the strain of leading a statewide organization with a very part-time staff. We currently only pay for 24 hrs/wk for our Executive Director, but we still need representation the better part of the week to manage the growing professional demands of the organization. Juggling the aforementioned responsibilities with maintaining our relationships with our sister organizations and

meeting the needs of all 58 LAFCoS is no longer tenable and we tasked our Executive Committee with the difficult job of developing sustainable solutions for CALAFCO.

After months of work, the Executive Committee (John Leopold, Coastal region; Gay Jones, Central region; Josh Susman, Northern region; and Jim Curatalo, Southern region) brought recommendations to the full Board for consideration at the July 31 meeting. After much deliberation, the Board unanimously approved a series of changes to the organizational structure.

First, the Board approved an increase in the hours of our Executive Director effective January 1, 2016 to 32 hrs/wk to better represent the organization. Desiring to also increase resources for our members, the Board is also committing to adding to our White Papers series to support our LAFCoS. By increasing our staffing and providing new resources to our members, the Board is committing to evolving the organization to meet the needs of the 21<sup>st</sup> century and ensuring continued high levels of service to our members.

Current service levels are not sustainable without additional funding and the Board recognizes that the services provided by CALAFCO are valuable tools for all LAFCoS and help all of us fulfill our missions. This comes with a cost and after very lengthy discussion at the July 31 Board meeting, the Board unanimously approved an increase in dues that will be as little as \$55/yr for small LAFCoS and \$530/yr for our larger LAFCoS. This dues increase will be spread over a two-year period, beginning in FY 2016-17. The increase reflects a seven (7) percent in year one, and a seven (7) percent increase in year two. The total increase over the two-year period equates to a range of \$114 to \$1,098. The Board also declared its intention to not raise the dues by the CPI during these two years.

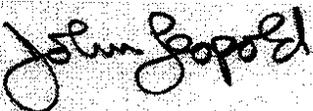
Raising fees and dues at any time is a difficult proposition. Our work at CALAFCO does not differentiate between small and large LAFCoS when meeting the needs of our members. During the worst years of the recession, CALAFCO held the lines on dues. With effective fiscal management and new efforts to raise sponsorship funds, the organization is in a strong fiscal position and we are not contemplating these changes out of crisis. We are committed to continually enhancing the services of CALAFCO and fulfilling our mandate "to assist member LAFCoS with educational and technical resources that otherwise would not be available." I hope you will agree when we discuss this at our annual membership meeting at this year's conference.

#### **Next Steps - Your Help is Needed!**

This is an important element in the growth of our Association, the profession, and the role of LAFCo. We recognize that for some LAFCoS these changes represent a financial increase. However, we also realize that the current service levels are not sustainable without additional funding, and that evolving and expanding our service levels are not possible without additional resources. We trust that you see this as an investment in the Association and your Commission, and that we have demonstrated through our actions the value of your membership. Your positive support and assistance in securing the support of your Commission is greatly appreciated. We are providing you with a one-page summary of the organizational changes and the reasons for them, along with a copy of the DRAFT minutes of the July 31, 2015 Board meeting, at which all of these actions were taken.

I and the rest of the Board are available to answer any questions you may have. You are encouraged to seek out the feedback of your regional Board members.

On behalf of the CALAFCO Board of Directors,



John Leopold  
Chair of the Board

Cc: CALAFCO Board of Directors  
enclosures

# Dues Increase Summary

## WHAT'S THE ISSUE?

- ❖ Desired membership needs and expectations requires additional funding to allow CALAFCO to effectively deliver services and expanded efforts to meet expectations.
- ❖ CALAFCO's current part-time contracted staff hours are insufficient to meet the current and evolving needs and expectations.
- ❖ Dues do not fully cover the operational and staff costs of the organization (and have not for some years).
- ❖ Heavy reliance on carry-over fund balances and annual conference profit each year to balance the budget.

## HOW DID WE GET HERE?

1. Availability of volunteer staff to provide services has diminished; workload shifting to CALAFCO staff.
  - Natural evolution in a volunteer-based organization that faces ever increasing responsibilities
  - Current annual conference "host model" not as effective as it once was (not as many LAFcos able to or wanting to act as host)
  - Legislative monitoring and participation have grown substantially and created additional workload
  - CALAFCO assuming "host" responsibilities for annual conference starting in 2017
  - Member LAFco volunteer staff (CALAFCO Executive Officer and Deputy Executive Officers) roles have expanded and stipends have not kept pace (not increased since 2001/2002)
2. No increase in dues since 2008/2009 (except CPI increases beginning in 2012/2013)
3. Increased demand for services from member LAFcos and stakeholders
  - Increase in requests for CALAFCO to serve on state policy workgroups (e.g. water and land use)
  - Expanding legislative agenda and efforts
  - Research (e.g. implementation of 2014 groundwater and 2015 water system consolidation legislation)
  - Website upgrades (upgrading of existing CALAFCO website, increase in online resources and addition of technical support)
  - Increasing revenue opportunities for CALAFCO through increased conference sponsorships (hiring specialized firm to assist with branding message and solicitations)

## WHAT WILL THE DUES INCREASE PROVIDE?

1. Add and expand services in the current year and beyond
  - Expand Executive Director hours from 24/wk to 32/wk (to meet expectations beyond contracted scope of work and better align compensation with hours worked)
  - Improved website and ongoing technical support for web services to ensure reliable accessibility and functionality
  - Increase external education and outreach about LAFco
  - Add professional assistance in conference branding, marketing and increase sponsorship outreach
  - Reasonable compensation for LAFcos who provide volunteer staff (EO and DEOs)
  - Maintaining the increased legislative effort
  - Enhanced partnerships with sister organizations to increase CALAFCO credibility and effectiveness
2. Reduce dependence upon member LAFcos to act as conference host
  - Transfer to CALAFCO all current local LAFco host responsibilities (effective 2017 conference)
  - Provide incentives for CALAFCO volunteers (partial conference registration compensation for LAFcos who provide volunteer staff at conferences)

## SUMMARY

1. CALAFCO members should commit to funding professional staff at appropriate funding to ensure continued high levels of service.
2. CALAFCO members should recognize that the current service levels are not sustainable without additional funding.
3. CALAFCO members should consider that excellent service is a valuable tool for all LAFcos and helps us fulfill our missions.

## HOW WAS THE RECOMMENDED DUES INCREASE DEVELOPED?

- Board worked on various approaches over the course of the past six months
- Began discussions at biennial strategic planning retreat on January 29, 2015
  - Formed two subcommittees, conducted extensive research, reported to the full Board on May 8, subcommittees did further work and considered a number of options for implementation
  - Final recommendations made to full Board on July 31, receiving unanimous Board of Directors support

Assembly Local Government Committee

LEGISLATIVE UPDATE FROM SACRAMENTO

2015 CALAFCO ANNUAL CONFERENCE

September 4, 2015

LAFCO-Related Bills

- AB 3 (Williams) – Establishes a formation process, boundaries, governing body, tax authority, and permissible services for the Isla Vista Community Services District. **SENATE FLOOR.**
- AB 402 (Dodd) – Establishes a pilot program, until January 1, 2021, for Napa and San Bernardino local agency formation commissions (LAFCOs) to authorize a city or district to extend services outside of boundaries for additional purposes beyond responding to a threat to public health or safety. **GOVERNOR'S DESK.**
- AB 448 (Brown) – Would have modified the amount of property tax in lieu of vehicle license fees (VLF adjustment amount) allocated to counties and cities to include the growth of assessed property values which benefit cities that have annexed inhabited territory since 2004. **HELD IN SENATE APPROPRIATIONS COMMITTEE.**
- AB 851 (Mayes) – Makes changes to the city disincorporation process in the Cortese-Knox Hertzberg Act. **GOVERNOR'S DESK.**
- AB 1532 (Assembly Local Government Committee) – Annual Assembly Local Government Committee Omnibus bill that makes several minor noncontroversial changes to the Cortese-Knox-Hertzberg Act. **SIGNED - Chapter 114, Statutes of 2015.**
- SB 25 (Roth) – Provides a city incorporating after January 1, 2004, and on or before January 1, 2012, with property tax in lieu of vehicle license fees. **GOVERNOR'S DESK.**
- SB 239 (Hertzberg) – Requires a public agency to receive approval from a LAFCO to provide new or extended fire protections services outside its jurisdictional boundaries, pursuant to a fire protection contract. **ASSEMBLY FLOOR.**

## Open Data

- AB 169 (Maienschein) – Requires local agencies to use specified open data standards if they maintain an Internet Resource that is described or titled as "open data" and if they choose to post public records on that Internet Resource. **GOVERNOR'S DESK.**
- SB 272 (Hertzberg) – Requires cities, counties, special districts, and joint powers authorities, by July 2016, to create a catalogue of their enterprise systems and make the catalog available to the public, including on the agency's Web site. **ASSEMBLY FLOOR.**

## Mutual Water Companies

- AB 1077 (Holden) – Makes a number of changes to the Mutual Water Company Open Meeting Act to allow mutual water companies to use teleconferencing as a means to allow eligible persons to access board meetings. **GOVERNOR'S DESK.**
- AB 656 (Garcia) – Allows a mutual water company and a public agency to enter into a joint powers agreement (JPA) for the provision of insurance and risk-pooling. **GOVERNOR'S DESK.**

## Budget Bills

- AB 113 (Assembly Budget Committee) – Provides specificity to existing law governing the dissolution of redevelopment agencies (RDAs) and the wind-down of their existing activities and obligations. In addition, the measure addresses several ongoing issues relating to state-local fiscal situations. Provides fiscal relief for specified cities in Riverside County incorporated after 2004 which experienced fiscal stress due to lost revenue from the VLF swap, for which they were ineligible, and the loss of the enhanced VLF rate redirected in 2011 to fund public safety realignment. **SENATE BUDGET COMMITTEE.**
- SB 88 (Senate Budget Committee) – Drought Trailer Bill for 2015-16. Authorizes the State Water Resources Control Board (State Water Board) to require water systems that are serving disadvantaged communities with unreliable and unsafe drinking water to consolidate with or receive service from public water systems with safe, reliable, and adequate drinking water. **SIGNED – Chapter 27, Statutes of 2015.**
  - SB 552 (Wolk) – Makes changes to the consolidation process established for the State Water Board by SB 88. **ASSEMBLY RULES COMMITTEE.**