

Modoc Local Agency Formation Commission

REGULAR MEETING AGENDA

Website: www.modoclafco.org

TUESDAY June 11, 2019 – 4:00 PM

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

1. Call to order / Pledge of Allegiance

Commissioners

Alternate Members

Jim Irvin, City Member, Chair
Ned Coe, County Member
Richard Read, Vice-Chair Public Member
Mark Steffek, City Member
Kathie Rhoads, County Member
LAFCO Staff
John Benoit, Executive Officer
Scott Browne, LAFCO Counsel
Jackie Froeming, Clerk

Marie Neer, Public Member Alt.
Geri Byrne, County Member Alt.
Cheryl Nelson, City Member Alt

2. Approval of the Agenda (Additions and Deletions)

3. Correspondence

4. Consider Minutes for the April 22, 2019 LAFCo meeting

a. *Approve minutes from the April 22, 2019 LAFCo Meeting*

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. Authorize payment of Claims for April 2019 and May 2019

a. *Authorize payment of claims for April 2019 and May 2019.*

PUBLIC HEARING:

7. Public Hearing regarding the final FY 2019-2020 LAFCo Budget.

- a) *Conduct Public Hearing regarding the Final 2019-2020 LAFCo Budget and consider Resolution 2019-0002 adopting a final budget for Fiscal Year 2019-2020.*

Action Items:

8. Continued Discussion with Daphnedale CSD Board Members and status of the Daphnedale CSD dissolution and consider the repeal of LAFCo Resolution 2018-0001 and opportunities to help Daphnedale function as a CSD going forward.

- a. *Continued Discussion with Daphnedale CSD Board Members and consider repeal of LAFCo initiated resolution 2018-0001 calling for LAFCo to initiate proceedings for the dissolution of the Daphnedale CSD and opportunities to help the CSD function going forward.*

9. Healthcare Service Review and Sphere of Influence – Discussion of Hospital Services in Modoc County

10. Executive Officer's Report:

- a) *Pest Abatement Districts*

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. Next LAFCo meeting scheduled for August 13, 2019 4:00 PM in Alturas.

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. 4th Street, Alturas CA. [such documents are also available on the Modoc LAFCO website (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 j.benoit4@icloud.com Copies of reports to the extent feasible are located on the LAFCO webpage at: www.modoclafco.org

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Local Agency Formation Commission of Modoc County
Meeting Minutes
April 22, 2019

1. Call to order / Pledge of Allegiance

Chair Irvin called the meeting to order at 4:00 p.m. in the City Council Chambers, Alturas City Hall. Commissioner Irvin, Commissioner Read, Commissioner Steffek, Commissioner Rhoads, and Commissioner Neer were present. Commissioner Coe, Commissioner Byrne, and Commissioner Nelson were absent.

Staff Present: John Benoit, Executive Officer and Jackie Froeming, Clerk.

Pledge of Allegiance.

2. Approval of the Agenda (Additions and Deletions)

Commissioner Rhoads made the motion to approve the agenda as presented; seconded by Commissioner Read. In favor were Commissioners Rhoads, Irvin, Steffek, and Read.

Motion passed unanimous.

3. Correspondence - None

4. Consider Minutes for the February 12, 2019 LAFCo meeting

Motion made by Commissioner Rhoads to approve the minutes as presented; seconded by Commissioner Steffek. In favor were Commissioners Irvin, Steffek, Read, and Rhoads.

Motion passed Unanimous

5. Public Comment – No Comments

6. Authorize payment of Claims for February 2019 and March 2019

Commissioner Steffek made the motion to authorize payment of claims for February and March 2019; seconded by Commissioner Read.

In favor were Commissioners Rhoads, Irvin, Steffek, and Read.

Motion passed unanimous.

7. Public Hearing regarding the proposed FY 2019-2020 LAFCo Budget

Executive Officer Benoit provided an overview of the budget. There was a 16% increase in the Calafco dues for the upcoming fiscal year. He reported that the Calafco Conference will be held this year in Sacramento around Oct 29 – Nov 2, 2019. Executive Officer Benoit will be unable to attend. If there is a Commissioner who would be interested in attending the budget should be increased by \$1500.00 which will cover the conference cost.

Motion made by Commissioner Rhoads to approve LAFCo Resolution 2019-0001 for adoption of the proposed budget for Fiscal Year 2019-2020; Seconded by Commissioner Steffek.

The Clerk initiated a roll call vote on Resolution 2019-0001.

In favor were Commissioners Steffek, Rhoads, Read, and Irvin

Motion passed unanimous.

8. Continued Discussion with Daphnedale CSD Board Members and status of the Daphnedale CSD Dissolution and consider the repeal of LAFCo Resolution 2018-0001 and opportunities to help Daphnedale function as a CSD going forward.

Executive Officer Benoit reported the CSD has a functioning board. They are experiencing the same issues that other small community services district are in other counties. The unwillingness to raise revenues and lack of knowledge to implement rules. They still need to increase their rates to cover the cost associated with the sewer service by initiating the Prop 218 process.

Commissioner Irvin reported that the City has received some payment from them and they attended the last City Council Meeting. There has been no other contact with them since the meeting date.

Commissioner Rhoads mentioned that they also met with the County and had a lengthy discussion. Since that discussion there has been no other contact from the community services district.

Executive Officer Benoit reported on some of the grant funding currently available including Community Block Grants and USDA Rural Development grants which may be available to these disadvantaged or severely disadvantaged districts.

Commissioner Rhoads mentioned that she is meeting with Reese Soriano who has written several successful grants.

Executive Officer Benoit asked Commissioner Rhoads to have Reese contact him.

Commissioner Rhoads volunteered to get a report from Chester Robertson (County C.A.O) and provide an update at the next LAFCo meeting.

The Commission requested this item be left on the agenda and continue the discussion to the June Meeting.

9. Consider authorizing the Chair to sign letters of Support for AB-213(Reyes) VLF revenue backfill for inhabited annexations and AB-1253 (Rivas) regarding Grants for LAFCo's with Disadvantaged or Severely Disadvantaged Communities.

Executive Officer Benoit provided background information on AB-213 and AB-1253. Included in the meeting packet were support letters for the commission to review and authorize the Chair to sign for the aforementioned assembly bills.

Motion made by Commissioner Read to authorize Chair to sign letters of support for AB-213 and AB-1253; seconded by Commissioner Steffek.

In favor were Commissioners Irvin, Rhoads, Read, and Steffek.

Motion passed unanimous.

- 10. Discussion regarding the Calafco Annual Staff Workshop held on April 10-11 in San Jose.**
Executive Officer Benoit reported on the Calafco Annual Staff Workshop. This was a good networking session, lots of information was shared and many counties are facing the same issues. During the workshop there was discussion held on service reviews including tools, efficiency and keeping costs low, and determinations. There was also a session on California Environmental Quality Act (CEQA) in regards to being a lead agency vs. responsible agency.
- 11. Executive Officer's Report:**
Executive Officer Benoit reported that he would like to start the Municipal Service Review of the Surprise Valley Healthcare District. This will be added to the next agenda and a draft report will be provided.
Executive Officer Benoit will provide an article to the Commissioner's from the CSDA magazine regarding special districts and provides good information.
- 12. Commissioner Reports - None**
- 13. Adjourn to the next regular meeting 4:00 PM on June 11, 2019**
There being no further business to come before the Commission. The meeting adjourned at 4:50PM.

Modoc Local Agency Formation Commission

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CLAIMS

for

April 2019 - May 2019

Ratify the following Claims for FY 2018-2019

May 1, 2018	Staff Services April 2019	\$ 3,947.95
Apr 22, 2019	Commission Stipend 4.22.19	\$ 500.00
June 4, 2019	Staff Svcs May 2019	\$ 1,647.04
June 4, 2019	Healthcare Services MSR and SOI	\$ 4,250.00
May 14, 2019	Modoc Record Final 19-20 Budget	\$ 51.00
	TOTAL:	\$10,395.99

DATED: June 11, 2019

APPROVED: June 11, 2019

**Jim Irvin, Chair Modoc Local Agency
Formation Commission**

Attest:

**John Benoit
Executive Officer**

Modoc LAFCCo
Expenditures and Revenue
FY 2018-2019

Account Number	Fee Scheduling Budget	Memberships	Copies	Postage	Communications	Office Exp	Counsel	Staff Svcs	Clark Costs
	4218	4219	4220	4221	4222	4223	4008	4009	4000
Total Budgeted 2018-2019	\$ 3,000.00	\$ 925.00	\$ 800.00	\$ 300.00	\$ 1,000.00	\$ 400.00	\$ 2,000.00	\$ 36,000.00	\$ 720.00
Calatco Dues July 2018		(925.00)	(10.00)	(0.50)	(105.60)			(2,285.00)	
JD Staff Svcs August 2018			(45.40)	(13.38)	(73.82)			(3,567.50)	(120.00)
Modoc Record Public Member notice Comm Stipend Aug 14, 2018									
Modoc Record Conflict of Interest code notice									
Staff Svcs September 2018			(10.00)	(0.70)	(74.15)			(3,187.50)	(120.00)
Staff Svcs October 2018			(32.80)	(11.86)	(97.07)	(67.90)		(3,937.50)	
Staff Svcs November 2018			(31.00)		(72.05)			(1,700.00)	
meeting stipend October 9, 2018									
Staff Svcs Dec 2018 Inv 2019-03				(15.43)	(73.46)			(2,985.00)	(120.00)
Staff Svcs January 2019					(74.64)			(1,912.50)	
Modoc Record Dissol of Canby CSD initiation meeting stipend December 11, 2018									
Meeting Stipend Feb 12, 2019				(4.15)	(77.87)			(2,155.00)	(120.00)
Staff Svcs Feb 2019 Inv 19-25					(74.51)			(977.50)	
Staff SVCS March 2019									
Modoc Record 19-20 Prop LAFCo Budget comm Stipend April 22, 2019									
Staff Svcs April 2019			(2.50)	(0.50)	(73.89)			(3,622.50)	(120.00)
Staff Svcs May 2019 & Healthcare MSR					(74.54)			(1,572.50)	
Hearing Notice Final LAFCo Budget 19-20									
Total Expenditures to date	\$ 1.00	\$ (925.00)	\$ (185.20)	\$ 145.53	\$ (871.40)	\$ (67.90)	\$ 2,000.00	\$ 8,687.50	\$ (600.00)
Total Budget Remaining	\$ 2,999.00	\$ 0.00	\$ 614.80	\$ 253.48	\$ 128.60	\$ 332.10	\$ 0.00	\$ 0.00	\$ 120.00

Account Number	July 1, 2018 City Fund Carryover
unaudited	\$ 21,335.45
18-19 Actual City/Co Contributions	\$ 22,142.19
FY 2018-2019 City Anticipated Funds Transf	\$ 22,142.19
2018-2019 County-City Funds Anticipat	\$ 44,750.60
Funds received	\$ 22,142.19
REVENUE FOR PROJECTS	\$ 22,142.19
Interest	\$ 0.00
Anticipated Funds received	\$ (38,164.38)
Less Expenditures	\$ 27,455.45
Actual Cash Balance	\$ 0.00

MODOC LAFCO

EXECUTIVE OFFICER'S REPORT

June 11, 2019

TO: Local Agency Formation Commission
FROM: John Benoit, Executive Officer
RE: Final Budget for FY 2019-2020

I provided a "recommended" budget at the April 22, 2019 meeting, which was adopted. A Budget Justification Report was prepared for that Budget Hearing. Please refer the Budget Justification Report for information on each of the items below.

CARRY OVER FROM FY 2018-2019:

Carryover is proposed to be \$ 21,000.

CITY AND COUNTY COST SHARE:

The City and County Cost share is proposed to be \$23,433.35 each, which is slightly higher than last year.

SUMMARY OF EXPENSES:

Commissioner Stipends The Commission has budgeted \$4,800 for Commissioner and Alternate stipends. This includes six meeting per year. According to Resolution 2009-0005, stipends will be paid for each Commissioner and Alternate who attends LAFCO meetings.

Liability Insurance There is nothing in the Budget since the County does not charge LAFCo for this item.

Memberships The Commission recommended in its proposed budget \$1,077 for CALAFCo dues.

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

Office Expenses/Printing: The Commission recommended in its proposed budget \$1,200.00 Depending upon LAFCO activity this could be augmented by an increased appropriation from unanticipated revenue.

Postage This is proposed to be \$300.00 for public notices and mailings, the same as this year.

Legal Services The Commission recommended in its proposed budget \$2,000.00 for this item. LAFCO Counsel attends LAFCO meetings as requested by the Commission. It is anticipated if budget augmentations are needed in this category, additional appropriation would come from unanticipated revenue.

Staff Services: Executive Officer and Clerk: The Commission recommended in its proposed budget \$36,000 for these items. This translates into \$3,000.00 per month for LAFCO administration/clerk services. Notwithstanding a very complex reorganization or incorporation project for Modoc LAFCO, this amount should cover LAFCO administration. Complex projects should be fee supported thereby increasing revenue to LAFCO. It is anticipated if budget augmentations are needed in this category, additional appropriation would come from unanticipated revenue.

Legal Notices/Publications The Commission recommended in its proposed budget \$600.00 for legal notices. Given the cost of legal advertising and the projected workload this amount remains reasonable.

Special Dept. Expense – File Scanning and Management The proposed budget contained \$3,000 for the effort of scanning LAFCO files for public access and reduction of storage need.

Transportation/Mileage/Training/Conferences The Commission sent no one to the Calafco Annual Conference this year. Staff is normally sent to the Staff Workshop and Annual Conference. This budget does not provide enough funding for one attendee to the Calafco annual conference in Sacramento this year on October 30-November 1st. More funds will be needed to send one attendee to the Calafco Annual Conference. This budget includes \$500.00 to pay a portion of staff to attend the Calafco Annual Conference and the Staff workshop in the Spring of 2020.

Municipal Service Reviews/Sphere of Influence Updates The Commission recommended in its proposed budget \$10,500.00 for this effort, which would cover additional costs of preparing Reviews/Sphere Updates as required by the LAFCO Act. This amount is not be adequate to prepare all the reviews. Funds may be augmented from the Executive Officer Services category for this item, depending upon the workload. A portion of the Sphere of Influence updates is mapping. As expected, MSR's and SOL's updates are required as determined necessary.

Recommendation:

- a. Review, discuss, amend, and consider the 2019-2020 Final Budget. A budget justification report for FY 2019-2020 was prepared by staff for the adopted proposed budget in April 2019.
- b. Adopt LAFCO Resolution 2019-0002 adopting a Final Budget.

Resolution 2019-0002
of the
Modoc Local Agency Formation Commission
Modoc County, California

Resolution of the Modoc Local Agency Formation Commission

Adopting a Final Budget for 2019-2020

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

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

WHEREAS, the Executive Officer has given notice of hearing in the form and manner specified by law for adoption of both the proposed and final budget and upon the date, time and place specified in said notice of hearing, the Commission heard, discussed and considered all oral and written testimony submitted including, but not limited to, the approved budget priorities for Fiscal Year 2019-2020 and the Executive Officer's report and recommendations; and

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

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

1. That Modoc LAFCO hereby adopts the attached final 2019-2020 budget (Attachment A).
2. Directs the Executive Officer to transmit the final budget to the Modoc County Auditor (Auditor) and all parties specified in Government Code Section 56381 (a) as promptly as possible.
3. The Commission hereby requests the Auditor to collect the funds in accordance with Government Code Section 56381 (c). In the event of non-payment of LAFCO funds by any entity subject to the LAFCO's apportionment, the Commission hereby requests and authorizes the Auditor to collect the funds from property tax revenues or any other revenue source and deposit the funds into the LAFCO account.
4. The Commission desires to use carryover funds remaining from the 2018-2019 budget to establish a contingency fund and to prepare Municipal Service Reviews and Sphere of Influence updates in the amounts specified on the attached 2019-2020 final budget.

PASSED AND ADOPTED by the Modoc Local Agency Formation Commission at a regular meeting of said Commission held on June 11th, 2019 by the following roll call vote:

AYES: -

NOES: -

ABSTAINS: -

ABSENT: -

Signed and approved by me after its passage this 11th day of June, 2019

Jim Irvin
Chair, Modoc LAFCO

Attest:

John Benoit, Executive Officer
Modoc LAFCO

