

# Modoc Local Agency Formation Commission

## REGULAR MEETING AGENDA

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

**TUESDAY**  
**June 14, 2022**

City Council Chambers  
Alturas City Hall  
200 North Street, Alturas, CA 96101  
**4: 00 PM**

**This will be a Physical Meeting**  
**at the City Council Chambers in Alturas**  
**(A Zoom option is available for the public)**

*(All meeting materials are available on LAFCo's Website: [www.modoclafco.org](http://www.modoclafco.org))*

**In person meeting:** Required for all Commissioners. The Modoc LAFCO meeting will be open to in-person attendance. To remain in compliance with the state's public health guidance and CalOSHA COVID-19 Emergency Temporary Regulations [8 CCR §3205].

**Zoom meeting:** The Commission proceedings are available via Zoom and you may participate in Public Comment by using the "raise hand" function. Pursuant to Government Code section 54953, local legislative bodies may hold public meetings via teleconference. Additionally, even when members of the local legislative body are attending meeting in person the local legislative body may make public meetings accessible telephonically or otherwise electronically to all members of the public. Members of the public are encouraged to observe and participate in the teleconference.

Oral public comments will be subject to a three-minute time limitation.

*The complete agenda, including backup materials and materials related to items on this Agenda submitted to the Commission after distribution of the Agenda Packet, is available for public inspection on the Modoc LAFCo website. Agenda materials are also available on the Modoc LAFCO website at [www.modoclafco.org](http://www.modoclafco.org)*

*Topic: Modoc LAFCo*

*Time: Jun 14, 2022 04:00 PM Pacific Time (US and Canada)*

*Join Zoom Meeting*

*<https://us02web.zoom.us/j/84864189423?pwd=WVFVMVUrT3FPMFFJWGtyeXhEZnNDdz09>*

*Meeting ID: 848 6418 9423*

*Passcode: 835993*

One tap mobile  
+16699006833,,84864189423#,,,,\*835993# US (San Jose)

Dial by your location  
+1 669 900 6833 US (San Jose)  
Meeting ID: 848 6418 9423  
Passcode: 835993

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

Alternate Members

Cheryl Nelson, Vice-Chair, City Member  
Ned Coe, County Member  
Marie Neer, Public Member  
Mark Steffek, Chair City Member  
Kathie Rhoads, County Member  
LAFCO Staff  
John Benoit, Executive Officer  
Scott Browne, LAFCO Counsel  
Macey Binning, Clerk

\_\_\_\_\_, Public Member Alt.  
Geri Byrne, County Member Alt.  
Yolanda Lewis, City Member Alt

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

**3. Correspondence:**

**4. Consider Minutes for the April 12, 2022 LAFCo meeting**

a. *Approve LAFCo minutes for the April 12, 2022 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. Consent Agenda**

- a. *Authorize payment of claims for April 2022 and May 2022*
- b. *Consider LAFCo Resolution 2022-0008 authorizing a remote teleconferencing meeting.*

**7. Public Hearing regarding the final 2022-2023 LAFCo Budget**

- a) *Review final budget report, conduct Public Hearing and consider LAFCo Resolution 2022-0007 adopting a Final Budget for Fiscal Year 2022-2023.*

**8. Consider First Contract Amendment with John Benoit for mileage reimbursement.**

- a) *Consider Contract Amendment with John Benoit for mileage reimbursement effective July 1, 2022.*

**9. Calafco Conference Matters**

- a. *Consider nomination of a City Member or a Public Member for the Calafco Board of Directors*
- b. *Consider Attendance at the Calafco Annual conference in Santa Ana – Oct 19-21<sup>st</sup>*
- c. *Designate voting delegate and alterante to represent and vote on behalf of LAFCo at the Calafco Annual Conference*
- d. *Authorize the expenditure of funds to attend the Calafco Annual Conference.*

**10. Discussion of 2022-2023 Work program including the use of Grant Funds to prepare service reviews and Sphere Updates**

**11. Executive Officer’s Report**

- a) *Letter of Support for SB 938 Hertzberg – LAFCo Protest*

**12. 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.*

**13. Adjourn to the next regular meeting on August 9<sup>th</sup> 2022**

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

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

**Public Comment**

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

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

**Public Hearings**

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

Agenda Materials

*Materials related to an item on this agenda submitted to the Commission after distribution of the agenda area available for review for public inspection in the Modoc County Planning Department office located at on 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) 619.5128 or by email at [j.benoit4@icloud.com](mailto:j.benoit4@icloud.com) Copies of reports to the extent feasible are located on gthe LAFCO webpage at: [www.modoclafco.org](http://www.modoclafco.org).

**Local Agency Formation Commission of Modoc County**  
**Meeting Minutes**  
**April 12, 2022**

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

Chair Mark Steffek called the meeting to order at 4:00 p.m. at the City Council Chambers located at 200 W. North Street in Alturas, CA and via Zoom. Commissioner Rhoads, Commissioner Nelson, Commissioner Coe, Commissioner Neer and Chair Steffek were present. Commissioner Lewis, and Commissioner Byrne were absent. Public attending 1.

Staff Present: John Benoit, Executive Officer, Jennifer Stephenson, Deputy Executive Officer, and Macey Binning, Clerk.

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

Commissioner Neer made the motion to approve the agenda as presented; seconded by Commissioner Nelson. In favor were Commissioners Rhoads, Nelson, Neer, Coe and Chair Steffek.

Motion passed unanimous.

**3. Correspondence**

Executive Officer Benoit informed the Commissioners of Senate Bill 938. If passed this Senate Bill will reorganize LAFCo's procedures on protesting. Mr. Benoit explained currently the LAFCo procedure for protesting is unclear and hard to follow. This Senate Bill will clear up and streamline the process, so it is easier to follow. Mr. Benoit will be tracking the progress of this Senate Bill. The Commissioners will have a chance to comment on this Senate Bill further in the process.

**4. Consider Minutes for the February 8, 2022 LAFCO meeting**

Commissioner Rhoads made the motion to approve the February 8, 2022 LAFCo meeting minutes; seconded by Commissioner Nelson. In favor were Commissioners Rhoads, Nelson, Coe, and Chair Steffek. Commissioner Neer abstained.

Motion passed.

**5. Public Comment – None**

**6. Consent Agenda**

Commissioner Coe made the motion to adopt the consent agenda as follows: a.) Authorize the payment claims for February 2022 and March 2022; b.) Approve **Resolution #2022-0006** authorizing a remote teleconference meeting; seconded by Commissioner Rhoads. In favor were Commissioners Rhoads, Nelson, Neer, Coe and Chair Steffek.

Motion passed unanimous.

**7. Public Hearing regarding the proposed 2022-2023 LAFCo Budget**

Executive Officer Benoit provided the Commissioners with a budget justification report. Mr. Benoit anticipates the LAFCo dues to increase by \$55.00. Mr. Benoit proposes adding to the new budget reimbursement for mileage for the Executive Officer to attend meetings. This is due to recent inflation cost. Mr. Benoit proposes increasing the Executive Officer staff services from \$36,000.00 to \$38,000.00.

Commissioner Rhoads recommends creating a separate line item for mileage then it wouldn't be taxed. Ms. Rhoads also suggests with the fluctuation of the mileage rate if they budget more than anticipated they will not have to make budget amendments throughout the year.

Mr. Benoit is in favor with creating a separate line for mileage and budgeting \$2,000.00 for the 2022-2023 LAFCo Budget. This will increase the County and City share to \$25,028.30.

Commissioner Rhoads asks if Executive Officer Benoit could update his professional service contract to reflect mileage reimbursement.

Mr. Benoit will update his contract and provide the Commissioners with an amended contract to review and approve during the June 14, 2022 LAFCo meeting. This contract will have an effective date of July 1, 2022. Mr. Benoit informed the Commissioners this budget does not reflect the REAP Grant since it hasn't been officially awarded.

Commissioner Nelson made a motion to open the public hearing at 4:35 p.m.; seconded by Commissioner Rhoads. In favor were Commissioners Rhoads, Nelson, Neer, Coe and Chair Steffek.

Motion passed unanimous.

No public comments were presented to the Commissioners.

Commissioner Nelson made a motion to close the public hearing at 4:36 p.m.; seconded by Commissioner Rhoads. In favor were Commissioners Rhoads, Nelson, Neer, Coe and Chair Steffek.

Motion passed unanimous.

Commissioner Rhoads made a motion to adopt **Resolution #2022-0005** adopting the proposed budget with the increase of \$2000.00 for mileage; seconded by Commissioner Neer. In favor were Commissioners Rhoads, Nelson, Neer, Coe and Chair Steffek.

Motion passed unanimous.

**8. Executive Officer's Report**

Executive Officer Benoit will make the amendments to the proposed 2022-2023 budget as discussed and will have the final budget for the June 14, 2022 LAFCo meeting. Mr. Benoit introduced Deputy Executive Officer Jennifer Stephenson. Mr. Benoit plans on semi retiring and Jennifer Stephenson will be stepping in. The CALAFCo workshop for staff will be held in Murphy, CA at the end of April, 2022.

Deputy Executive Officer Jennifer Stephenson looks forward to working with the Modoc County LAFCo.

**9. Commissioner Reports**

Commissioner Coe was thankful he could attend by Zoom, or he would be unable to attend this meeting.

Chair Steffek announced that he will not be running for reelection as a City Councilmember but is very interested in continuing as a City Representative for LAFCo. Mr. Steffek will discuss this with the City Council.

Executive Officer Benoit reminds Mr. Steffek that a Public Member Alternate is currently vacant.

**10. Adjourn to the next regular meeting on June 14, 2022.**

There being no further business to come before the Commission. Motion made by Commissioner Rhoads to adjourn at 4:42 p.m.; seconded by Commissioner Nelson. In favor were Commissioners Rhoads, Nelson, Neer, Coe and Chair Steffek. Motion passed unanimous.

# Modoc Local Agency Formation Commission

## CLAIMS

for

April 2022 – May 2022

### Authorize Claims for FY 2021-2022

|              |                                    |                    |
|--------------|------------------------------------|--------------------|
| May 1, 2022  | Staff Svcs and Expenses April 2022 | \$ 3,441.91        |
| May 1, 2022  | Modoc Record Proposed 22-23 Budget | \$ 45.00           |
| Apr 12, 2022 | Meeting stipend April 12, 2022     | \$ 500.00          |
| June 1, 2022 | Staff Svcs and Expenses May 2022   | \$ 2,926.07        |
| June 1, 2022 | Modoc Record Final 22-23 Budget    | \$ 45.00           |
|              | <b>TOTAL:</b>                      | <b>\$ 6,957.98</b> |

**DATED:** June 14, 2022

**APPROVED:** June 14, 2022

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**Mark Steffek, Chair or Cheryl Nelson, Vice-Chair  
Modoc Local Agency Formation Commission**

**Attest:**

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**John Benoit  
Executive Officer**





**RESOLUTION NO. 2022-0008**

**A RESOLUTION OF MODOC LAFCO AUTHORIZING A REMOTE TELECONFERENCE MEETING OF THE COMMISSION PURSUANT TO GOVERNMENT CODE SECTION 54953(e)**

WHEREAS, Government Code section 54953(e), as amended by Assembly Bill No. 361, allows legislative bodies to hold open meetings by teleconference without reference to otherwise applicable requirements in Government Code section 54953(b)(3), so long as the legislative body complies with certain requirements, there exists a declared state of emergency, and one of the following circumstances is met:

1. State or local officials have imposed or recommended measures to promote social distancing.
2. The legislative body is holding the meeting for the purpose of determining, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.
3. The legislative body has determined, by majority vote, pursuant to reason two below, that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

WHEREAS, the Governor of California proclaimed a state of emergency pursuant to Government Code section 8625 on March 4, 2020; and

WHEREAS, the MODOC LAFCO desires to hold its public meetings by teleconference consistent with Government Code section 54953(e).

NOW, THEREFORE, MODOC LAFCO DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Conditions are Met. The MODOC LAFCO hereby finds and declares the following, as required by Government Code section 54953(e)(3):

1. The Governor of California proclaimed a state of emergency on March 4, 2020, pursuant to Government Code section 8625, which remains in effect.
2. The reasons for adopting this resolution are one or more of the following:
  - a. State or local officials have imposed or recommended measures to promote social distancing.

- b. The legislative body is holding the meeting for the purpose of determining whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.
- c. The legislative body has determined that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

PASSED AND ADOPTED by the Modoc LAFCo, this 14<sup>th</sup> day of June 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

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Mark Steffek, Chair

Modoc Local Agency Formation Commission

ATTEST:

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John Benoit, Executive Officer

MODOC LOCAL AGENCY FORMATION COMMISSION,

## MODOC LAFCO

### EXECUTIVE OFFICER'S REPORT

June 14, 2022

**TO:** Local Agency Formation Commission

**FROM:** John Benoit, Executive Officer

**RE:** Final Budget for FY 2022-2023

I provided a "recommended" budget at the April 12, 2022 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 2021-2022:

Carryover is proposed to be \$ 24,000.

#### CITY AND COUNTY COST SHARE:

The City and County Cost share is proposed to be \$25,128.30 each, which is slightly less than this 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 \$1,186.00 for CALAFCo dues, a \$55.00 increase.

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 \$36,720 for these items. This translates into \$3,120.00 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 one person to the Calafco Annual Conference this year. Staff normally goes to the staff workshop and annual conference and one Commissioner to the annual conference.. This budget includes \$2,200.00, which is enough to send one commissioner to the Calafco Annual Conference in Newport Beach (Santa Ana), October 19-21, 2022 and the annual Staff Workshop to be in Orange County in the spring (note the 2020 and 2021 Calafco staff workshop were cancelled). This category includes reimbursing the Executive Officer mileage costs at the IRS rate to and from Modoc County for meetings in the amount of \$2,000.00

Municipal Service Reviews/Sphere of Influence Updates The Commission recommended in its proposed budget \$12,500.00 for this effort, which would cover additional costs of preparing Reviews/Sphere Updates as required by the LAFCO Act. This amount may not adequate to prepare controversial 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 SOI's updates are required as determined necessary.

### **Recommendation:**

- a. Review, discuss, amend, and consider the 2022-2023 Final Budget. A budget justification report for FY 2022-2023 was prepared by staff for the adopted proposed budget in April 2022.
- b. Adopt LAFCO Resolution 2022-0007 adopting a Final Budget.

**Resolution 2022-0007**  
**of the**  
**Modoc Local Agency Formation Commission**  
**Modoc County, California**

*Resolution of the Modoc Local Agency Formation Commission*

*Adopting a Final Budget for 2022-2023*

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

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

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

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

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

1. That Modoc LAFCO hereby adopts the attached final 2022-2023 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 2020-2021 budget to establish a contingency fund and to prepare Municipal Service Reviews and Sphere of Influence updates in the amounts specified on the attached 2022-2023 final budget.

**PASSED AND ADOPTED** by the Modoc Local Agency Formation Commission at a regular meeting of said Commission held on June 14<sup>th</sup> , 2022 by the following roll call vote:

AYES: -

NOES: -

ABSTAINS: -

ABSENT: -

Signed and approved by me after its passage this 14<sup>th</sup> day of June, 2022

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Mark Steffek  
Chair, Modoc LAFCO

Attest:

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John Benoit, Executive Officer  
Modoc LAFCO

**2022-2023 MODOC LAFCO  
FINAL BUDGET**

| OBJECT LEVEL/<br>ACCOUNT  | FY 2018-2019<br>FINAL<br>BUDGET | FY 2019-2020<br>FINAL<br>BUDGET | FY 2020-2021<br>FINAL<br>BUDGET | FY 2021-2022<br>FINAL<br>BUDGET | FY 2022-2023<br>PROPOSED<br>BUDGET | FY 2022-2023<br>FINAL<br>BUDGET |
|---|---------------------------------|---------------------------------|---------------------------------|---------------------------------|------------------------------------|---------------------------------|
| <b>EXPENDITURES</b>   |                                 |                                 |                                 |                                 |                                    |                                 |
| 4003 Commissioner Stipends  | \$ 4,800.00                     | \$ 4,800.00                     | \$ 4,800.00                     | \$ 4,800.00                     | \$ 4,800.00                        | \$ 4,800.00                     |
| 4420 Memberships  | \$ 926.00                       | \$ 1,077.00                     | \$ 1,130.00                     | \$ 1,131.00                     | \$ 1,186.00                        | \$ 1,186.00                     |
| 4210 Office Expense - Printing  | \$ 1,200.00                     | \$ 1,200.00                     | \$ 1,200.00                     | \$ 1,200.00                     | \$ 1,200.00                        | \$ 1,200.00                     |
| 4211 POSTAGE  | \$ 300.00                       | \$ 300.00                       | \$ 300.00                       | \$ 300.00                       | \$ 300.00                          | \$ 300.00                       |
| 4221 COMMUNICATIONS   | \$ 1,000.00                     | \$ 1,000.00                     | \$ 1,000.00                     | \$ 1,000.00                     | \$ 1,000.00                        | \$ 1,000.00                     |
| OFFICE EXPENSES   | \$ -                            | \$ -                            | \$ -                            | \$ -                            | \$ -                               | \$ -                            |
| 4008 Professional Svcs. - Legal Counsel                               | \$ 2,000.00                     | \$ 2,000.00                     | \$ 2,000.00                     | \$ 2,000.00                     | \$ 2,000.00                        | \$ 2,000.00                     |
| 4004 Professional Svcs. - Executive Officer                           | \$ 36,000.00                    | \$ 36,000.00                    | \$ 36,000.00                    | \$ 36,000.00                    | \$ 36,000.00                       | \$ 36,000.00                    |
| 4006 Professional Svcs. - Clerk Costs                                 | \$ 720.00                       | \$ 720.00                       | \$ 720.00                       | \$ 720.00                       | \$ 720.00                          | \$ 720.00                       |
| 4380 Publications/Legal Notices                                       | \$ 600.00                       | \$ 600.00                       | \$ 600.00                       | \$ 600.00                       | \$ 600.00                          | \$ 600.00                       |
| 4225 Special Departmental Expense -File Scanning Mapping & Management | \$ 3,000.00                     | \$ 3,000.00                     | \$ 3,000.00                     | \$ 3,000.00                     | \$ 3,000.00                        | \$ 3,000.00                     |
| 4430 Transportation & Travel  | \$ 500.00                       | \$ 500.00                       | \$ 2,200.00                     | \$ 2,200.00                     | \$ 4,200.00                        | \$ 4,200.00                     |
| 4454 MSR/SOI UPDATES  | \$ 10,500.00                    | \$ 10,500.00                    | \$ 10,500.00                    | \$ 12,500.00                    | \$ 12,500.00                       | \$ 12,500.00                    |
| Total Services & Supplies   | \$ 61,546.00                    | \$ 61,697.00                    | \$ 63,450.00                    | \$ 65,451.00                    | \$ 67,506.00                       | \$ 67,506.00                    |
| <b>4922 CONTINGENCY</b>   | \$ 6,154.60                     | \$ 6,169.70                     | \$ 6,345.00                     | \$ 6,545.10                     | \$ 6,750.60                        | \$ 6,750.60                     |
| <b>TOTAL LAFCO BUDGET</b>   | \$ 67,700.60                    | \$ 67,866.70                    | \$ 69,795.00                    | \$ 71,996.10                    | \$ 74,256.60                       | \$ 74,256.60                    |
| <b>CARRYOVER</b>  | \$ 23,000.00                    | \$ 21,000.00                    | \$ 20,000.00                    | \$ 20,000.00                    | \$ 24,000.00                       | \$ 24,000.00                    |
| Application Fees  |                                 |                                 |                                 |                                 |                                    |                                 |
| 3060 City Share - LAFCO Cost  | \$ 22,350.30                    | \$ 23,433.35                    | \$ 24,897.50                    | \$ 25,998.05                    | \$ 25,128.30                       | \$ 25,128.30                    |
| 3060 County Share - LAFCO Cost  | \$ 22,350.30                    | \$ 23,433.35                    | \$ 24,897.50                    | \$ 25,998.05                    | \$ 25,128.30                       | \$ 25,128.30                    |



MODOC LAFCO  
FIRST AMENDMENT TO AGREEMENT FOR  
THE PROVISION OF LAFCO STAFF SERVICES

This is the First Amendment to the Agreement for the Provision of LAFCo Staff Services between the Modoc Local Agency Formation Commission, a public agency, and John Benoit, Contractor, dated October 26, 2006.

**Amend Exhibit "A" as follows**

REIMBURSEMENT OF DIRECT EXPENSES

LAFCo shall reimburse Contractor for the following direct expenses:

|                         |          |
|-------------------------|----------|
| Mileage*:               | IRS Rate |
| Photocopies:            | Cost     |
| Postage:                | Cost     |
| Telephone/Fax/internet: | Cost     |
| Misc. Office Supplies:  | Cost     |

\* Mileage shall be reimbursed for travel on official LAFCo business.

Except as specifically set forth herein, all remaining terms and conditions of the Agreement for Executive Officer Services dated October 26, 2006, and the hereinabove referenced amendments thereto shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this amendment on June 14, 2022 to be effective on July 1<sup>st</sup>, 2022.

LAFCo

CONTRACTOR

\_\_\_\_\_  
Mark Steffek, Chair

\_\_\_\_\_  
John Benoit, Contractor

**Modoc Local Agency Formation Commission  
P.O.Box 2694  
Granite Bay, CA 96746**

May 25, 2022

Honorable Robert Hertzberg  
California State Senate  
1021 O Street, Room 8610  
Sacramento, CA 95814

**RE: *SUPPORT of SB 938: The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000: protest proceedings: procedural consolidation.***

Dear Senator Hertzberg:

The Modoc Local Agency Formation Commission (LAFCo) is pleased to join the California Association of Local Agency Formation Commissions (CALAFCO) in support of your bill, SB 938, which makes changes to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (The Act). SB 938 represents a collaborative three-year effort led by CALAFCO to clean up, consolidate, and clarify existing statutory provisions associated with consolidations and dissolutions, as well as codify the conditions under which LAFCo may initiate dissolution of a district at the 25% protest threshold (the latter of which are proposed and pending amendments).

The statutes related to protest provisions and the disparate protest thresholds established for LAFCo-initiated actions (10%) and all other initiated actions (25%) make addressing necessary and appropriate special district consolidations and dissolutions considerably more difficult when initiated by a LAFCo. Further, they serve as a deterrent for LAFCo to initiate action, even if meaningful efficiencies in the provision of public services could be achieved or if a district is falling to meet its statutory requirements.

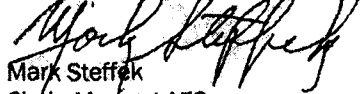
As introduced, the bill represents the redraft of existing protest statutes with some minor technical clarifications added. The pending proposed amendments from CALAFCO allow LAFCos to initiate dissolution of a district at the 25% protest threshold under specific circumstances. All of this work is in response to a recommendation made in the 2017 Little Hoover Commission report after a year-long study (*Special Districts: Improving Oversight and Transparency*) and the formation of a working group by CALAFCO of stakeholders in early 2019. The intent was to examine the protest process for consolidations and dissolutions of special districts, and after three years of work (delayed due to the pandemic), the working group came to consensus on the redraft of existing protest statutes (representative of SB 938 as introduced) and a new process that allows LAFCos to initiate dissolution of a district at the 25% protest threshold under specific circumstances (pending amendment into SB 938).

The overarching goal of these changes is to ensure that LAFCos have the tools we need to carry out our statutory obligations to ensure orderly and functioning local government services and to create greater consistency in the statute. The specific circumstances under which a dissolution may be initiated are more than reasonable and the subsequent process includes three noticed public hearings, a minimum 12-month remediation period, and a 60-day protest period, all of which are extremely practical. Additionally, the proposed process for LAFCo-initiated actions at the 25% protest threshold applies only to dissolutions, making the scope of use exceptionally narrow.

SB 938 makes much needed and long-awaited improvements to The Act through the restructure and clarification of existing protest provisions, and addition of a fair and appropriate process that offers LAFCo's additional tools necessary to effectively fulfill their statutory obligations.

We thank you for your authorship of this critical legislation and for continuing your long support of the work of LAFCo's. For all these reasons, we are pleased to support your bill SB 938.

Yours sincerely,



Mark Steffek  
Chair, Modoc LAFCo

cc: Members, Senate Governance and Finance Committee  
Anton Favorini-Csorba, Consultant, Senate Governance and Finance Committee  
Ryan Eisberg, Consultant, Senate Republican Caucus  
Rene LaRoche, Executive Director, California Association of Local Agency Formation Commissions