

Modoc Local Agency Formation Commission

Note: Meeting Date, Time and Location Change for this special meeting

SPECIAL MEETING AGENDA

Website: www.modoclafco.org

TUESDAY October 22, 2019 – 3:00 PM

***Modoc County Board of Supervisor's Room
204 S. Court Street Room #203, Alturas, CA 90101***

1. Call to order / Pledge of Allegiance

Commissioners

Alternate Members

Jim Irvin, City Member, Chair
Ned Coe, Vice-Chair, County Member
Richard Read, Chair Public Member
Mark Steffek, City Member
Kathie Rhoads, County Member

LAFCO Staff

John Benoit, Executive Officer
Scott Browne, LAFCO Counsel
Macey Binning, 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: Calafco Dues update Information

4. Consider Minutes for the August 27th , 2019 LAFCo meeting

a. *Approve minutes from the August 27th , 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 August 2019 and September 2019

- a) *Authorize payment of claims for August 2019 and September 2019.*

7. PUBLIC HEARING – Last Frontier Healthcare District Service Review and Sphere of Influence update

- a) *Review Service Review and Sphere of Influence Report*
- b) *Conduct Public Hearing*
- c) *Consider Resolution 2019-0003 adopting a Service Review for the LFHCD*
- d) *Consider Resolution 2019-0004 adopting a Sphere of Influence for the LFHCD*

Action Items:

9. Report from the Lassen-Modoc Flood Control Lassen LAFCo meeting of October 21, 2019

10. 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.*

11. Designate voting member to vote on behalf of Modoc LAFCo at the Annual Calafco Conference in Sacramento.

- a) *Designate Commissioner Steffek as the voting member*

12. WORKSHOP: Policies, Standards and Procedures Update

- a) *Conduct workshop regarding LAFCo's updated Policies*

13. Executive Officer's Report:

- a) *Cemetery District Alliance*
- b) *State Water Resources Control Board SB-200*

14. 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.

15. Discussion regarding time and location of future LAFCo meetings and adjourn to the next regular meeting on December 10th, 2019

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. 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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August 12, 2019

TO: Member LAFCos
SUBJECT: Proposed new dues structure for approval at 2019 Annual Business Meeting

Dear Member LAFCos:

The CALAFCO Board of Directors continues to develop services to meet the evolving needs of our members, yet we find ourselves continually challenged to meet those needs with limited resources.

At the CALAFCO Annual Meeting in Yosemite last fall, the Board explained that additional revenues must be raised to close the ongoing structural deficit, which the association has operated with since its inception. As many of you heard, CALAFCO has had an unhealthy reliance on Conference revenue to balance the budget which is not a sound fiscal practice. After receiving your feedback during the roundtable discussions at that Conference and after process of almost 18 months, the Board took a two-phase approach to addressing the ongoing structural deficit.

First, as a short-term strategy to address this structural deficit in FY 2019-20, the Board approved a one-time cost sharing option in which member LAFCo dues were increased by 16.25% and the Board used one-time Conference net profits to close the deficit (\$33,452 raised through the 16.25% increase and \$31,138 coming from Conference net profit). As we move into FY 2019-20, the adopted budget has a structural deficit of \$37,980.

The Board was also committed to a long-term strategy of revising the current dues structure into a more sustainable model. As a result, at their May 10, 2019 meeting, the Board considered several options for a new dues structure brought forward from the Finance Ad Hoc Committee. This Committee undertook a lengthy and detailed process, considering eleven (11) different options before deciding on the two brought to the Board.

After much discussion and careful consideration, the Board unanimously approved presenting the proposed new dues structure to you, the membership, for a vote at the October 31, 2019 Annual Business Meeting. A new dues structure requires the approval of the membership as it is a change in the Bylaws.

The structure is population based with a number of variables including an annual base rate, population threshold and a per capita rate. Population data will be updated annually.

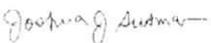
The first step to changing the dues structure is for the membership to discuss it at the Annual Business Meeting and vote. Should the membership approve the new structure, the Board will adopt policies relating to the three variables. To help you better understand the process up to this point in time, a Q&A document has been created and included with this letter. It provides details and answers to the questions we know many of you have. Additionally we are including a matrix of what the new dues structure looks like for the first year of implementation (FY 2020-21) should the membership approve.

Also the Annual Business Meeting Agenda and meeting packet will contain a full staff report with details and the proposed changes to the Bylaws associated with the new dues structure. This will be published early August.

We understand raising dues at any time is a difficult proposition. Our work at CALAFCO strives to support the success and meet the needs of all member LAFCos, large and small. 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." We hope you will agree when we discuss this at our Annual Business Meeting at this year's Conference.

We 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,



Josh Susman
Chair of the Board



Pamela Miller
Executive Director

Cc: CALAFCO Board of Directors
enclosures

CALAFCO BULLETIN

Proposed LAFCo Membership New Dues Structure

To be presented to the Membership for consideration and vote at the
2019 Annual Business Meeting in Sacramento, California on
October 31, 2019



Questions & Answers

Question: *How did the Board come up with the proposed dues structure?*

Answer: The Board spent over a year deliberating the structural deficit and dues structure through their Finance Ad Hoc Committee. They considered feedback received from the membership at the 2018 Annual Conference from the regional roundtable discussions and the message to work towards a more sustainable dues structure model. The Board discussed at length options presented to them by the Ad Hoc Committee in February and May.

Question: *Why was this structure selected over other options considered?*

Answer: After extensive research and discussion by the Ad Hoc Committee, and after considering a variety of possible structures including those based on LAFCo budget, County category (urban-suburban-rural), flat rate increases and population, ultimately it was a population-based structure that was favored. The Ad Hoc Committee presented two options to the Board with this population-based structural model and the Board agreed the population-based structure created the fewest irregularities to resolve and created a more sustainable funding formula. Ultimately this structure was unanimously approved by the Board.

Question: *What are the variables in the formula?*

Answer: The formula includes: (1) A flat annual fee or base rate (each LAFCo will pay the same flat rate); (2) Population threshold number; and (3) A per capita rate.

Question: *How will these variables be determined each year as CALAFCO considers member LAFCo dues?*

Answer: Should the membership approve the new structure, the Board will create policies to support the new structure. These policies will include the consideration of each of these variables and possible future adjustments. These policies will include keeping the Board's discretion to increase the dues by the CPI annually.

Question: *Where will the population data come from?*

Answer: The population data will be updated annually as the Board considers the next fiscal year dues. The data source to be used for updates is the California Department of Finance population estimates.

Question: *Is CALAFCO still budgeting for a net profit for the Annual Conference and how does that impact the annual budget?*

Answer: Yes. The Board has given clear direction that each year the annual budget should have a 15% net profit built into the budget for the Annual Conference (pursuant to Board Policy 4.2). CALAFCO's current FY 2019-20 budget calls for a 15% (or \$20,817) net profit. This net profit is still used to help balance the budget. However, the goal is for CALAFCO to move away from the unhealthy and unsustainable reliance on any higher net profit assumptions to balance the budget and fill the structural deficit.

The Ad Hoc Committee and the Board discussed at length using sponsorships to boost revenue and the Board continues to feel this revenue is unreliable and unpredictable and therefore unrealistic to use as a reliable revenue source.

Question: *How were the proposed base rate, population threshold and per capita rate selected?*

Answer: First, the Board committed to using the FY 2018-19 dues as the baseline from which to work, which they did (the FY 2018-19 dues are lower than the FY 2019-20 dues). The Board anticipated the FY 2020-2021 operational costs to be close to \$300,000, which was the baseline budget number from which they worked. The Ad Hoc Finance Committee considered eleven (11) different options before deciding on the population-based model with the three variables. To narrow that further, after looking at several (three) options with different variable numbers, the Board selected the current formula (\$1,000 base rate, 700,000 population threshold, per capita rate of 0.013802199 and population estimates for 2020 given that is the year the new dues structure would take effect, should it be approved). While this and other formulas realized the \$300,000 anticipated operational budget, these particular variables created dues for each LAFCo that the Board felt were the most equitable at this time.

Question: How is this structure different than the current structure?

Answer: The straight 3-category model no longer effectively serves the Association's member LAFcos. County populations vary enough that 3 categories just did not accurately capture the broader population picture. With the proposed model, the gap in the amount paid between the more populated rural LAFcos and their suburban colleagues has been reduced, as has the gap between the higher populated suburban LAFcos and the urban LAFcos.

Question: Are LAFcos in counties with a population over 700,000 exempt from any future increase based on population growth?

Answer: The proposed changes call for the Board to set the population threshold annually. Should the membership approve this proposed structure, the Board will set policies around the variables of population threshold, base rate and per capita rate. This means that population threshold can change based on Board discretion.

Question: What if our LAFco has a financial hardship? Is that still addressed in the Bylaws?

Answer: Yes. The Board unanimously agreed to keep the provision of allowing any LAFco with a financial hardship to bring that to the Board for consideration. (Please refer to Bylaws Section 2.2.4).

Question: What will the dues be for my LAFco if the membership approves this new structure?

Answer: The spreadsheet accompanying this bulletin details what the first year will look like with this formula. As a starting point, the Bylaws will reflect the formula used to get at these rates and the rate chart itself. That detailed information will be contained in the meeting packet for the October 31, 2019 Annual Membership meeting.

Question: When will the membership vote on this proposed structure?

Answer: The proposed structure is being presented to member LAFcos for voting at the Annual Business meeting on October 31, 2019 during the Annual Conference in Sacramento. The Annual Business Meeting agenda and meeting packet will be distributed in early August, allowing approximately three months for discussion prior to the vote.

Question: Can we vote by proxy or absentee ballot if we are not attending the Annual Business meeting?

Answer: No, all member LAFcos must be present to vote at the Annual Business meeting pursuant to Bylaws Section 3.7. **For purposes of voting, each member LAFco must be in good standing – which means all dues are current and paid in full by September 30, 2019. Further, each member LAFco shall submit to CALAFco the name of their voting delegate by September 30, 2019.**

Question: What happens if the membership does not approve the proposed new dues structure?

Answer: The Association will continue to have a structural deficit and may need to rely on accessing Fund Reserves to balance the budget. Further, in order to have a balanced budget, without additional sustainable and reliable revenues, expenses will need to be reduced which will equate to a reduction in services offered.

Question: Who can I talk to if I have questions?

Answer: If you have questions you are encouraged to contact Pamela Miller, CALAFco's Executive Director at pmiller@calafco.org or 916-442-6536. You can also contact the CALAFco Board Chair Josh Susman at jsusman@calafco.org. You are highly encouraged to reach out to any of your regional Board members and/or your regional staff representatives. All of their names and contact information can be found on the CALAFco website at www.calafco.org.

CALAFCO
Proposed member LAFCo dues structure and dues beginning FY 2020-21

County	Population Estimate 2020	Population For Dues Calculation	Base Dues	Per Capita Dues	Base + Per Capita Dues	Total Per Capita Rate
ALAMEDA	1,703,660	700,000	1,000	9,662	10,662	0.0063
ALPINE	1,107	1,107	1,000	15	1,015	0.9171
AMADOR	37,560	37,560	1,000	518	1,518	0.0404
BUTTE	230,701	230,701	1,000	3,184	4,184	0.0181
CALAVERAS	44,953	44,953	1,000	620	1,620	0.0360
COLUSA	23,144	23,144	1,000	319	1,319	0.0570
CONTRA COSTA	1,178,639	700,000	1,000	9,662	10,662	0.0090
DEL NORTE	26,997	26,997	1,000	373	1,373	0.0508
ELDORADO	189,576	189,576	1,000	2,617	3,617	0.0191
FRESNO	1,033,095	700,000	1,000	9,662	10,662	0.0103
GLENN	29,691	29,691	1,000	410	1,410	0.0475
HUMBOLDT	137,711	137,711	1,000	1,901	2,901	0.0211
IMPERIAL	195,814	195,814	1,000	2,703	3,703	0.0189
INYO	18,724	18,724	1,000	258	1,258	0.0672
KERN	930,885	700,000	1,000	9,662	10,662	0.0115
KINGS	154,549	154,549	1,000	2,133	3,133	0.0203
LAKE	65,302	65,302	1,000	901	1,901	0.0291
LASSEN	30,626	30,626	1,000	423	1,423	0.0465
LOS ANGELES	10,435,036	700,000	1,000	9,662	10,662	0.0010
MADERA	162,990	162,990	1,000	2,250	3,250	0.0199
MARIN	265,152	265,152	1,000	3,660	4,660	0.0176
MARIPOSA	18,031	18,031	1,000	249	1,249	0.0693
MENDOCINO	90,175	90,175	1,000	1,245	2,245	0.0249
MERCED	286,746	286,746	1,000	3,958	4,958	0.0173
MODOC	9,422	9,422	1,000	130	1,130	0.1199
MONO	13,986	13,986	1,000	193	1,193	0.0853
MONTEREY	454,599	454,599	1,000	6,274	7,274	0.0160
NAPA	143,800	143,800	1,000	1,985	2,985	0.0208
NEVADA	99,548	99,548	1,000	1,374	2,374	0.0238
ORANGE	3,260,012	700,000	1,000	9,662	10,662	0.0033
PLACER	397,368	397,368	1,000	5,485	6,485	0.0163
PLUMAS	19,374	19,374	1,000	267	1,267	0.0654
RIVERSIDE	2,500,975	700,000	1,000	9,662	10,662	0.0043
SACRAMENTO	1,572,886	700,000	1,000	9,662	10,662	0.0068
SAN BENITO	60,067	60,067	1,000	829	1,829	0.0305
SAN BERNARDINO	2,230,602	700,000	1,000	9,662	10,662	0.0048
SAN DIEGO	3,398,672	700,000	1,000	9,662	10,662	0.0031
SAN FRANCISCO	905,637	700,000	1,000	9,662	10,662	0.0118
SAN JOAQUIN	782,662	700,000	1,000	9,662	10,662	0.0136
SAN LUIS OPISPO	284,126	284,126	1,000	3,922	4,922	0.0173
SAN MATEO	792,271	700,000	1,000	9,662	10,662	0.0135

CALAFCO
Proposed member LAFCo dues structure and dues beginning FY 2020-21

County	Population Estimate 2020	Population For Dues Calculation	Base Dues	Per Capita Dues	Base + Per Capita Dues	Total Per Capita Rate
SANTA BARBARA	460,444	460,444	1,000	6,355	7,355	0.0160
SANTA CLARA	2,011,436	700,000	1,000	9,662	10,662	0.0053
SANTA CRUZ	282,627	282,627	1,000	3,901	4,901	0.0173
SHASTA	180,198	180,198	1,000	2,487	3,487	0.0194
SIERRA	3,129	3,129	1,000	43	1,043	0.3334
SISKIYOU	44,186	44,186	1,000	610	1,610	0.0364
SOLANO	453,784	453,784	1,000	6,263	7,263	0.0160
SONOMA	515,486	515,486	1,000	7,115	8,115	0.0157
STANISLAUS	572,000	572,000	1,000	7,895	8,895	0.0156
SUTTER	101,418	101,418	1,000	1,400	2,400	0.0237
TEHAMA	65,119	65,119	1,000	899	1,899	0.0292
TRINITY	13,389	13,389	1,000	185	1,185	0.0885
TULARE	487,733	487,733	1,000	6,732	7,732	0.0159
TUOLUMNE	53,976	53,976	1,000	745	1,745	0.0323
VENTURA	869,486	700,000	1,000	9,662	10,662	0.0123
YOLO	229,023	229,023	1,000	3,161	4,161	0.0182
YUBA	79,087	79,087	1,000	1,092	2,092	0.0264

As proposed, the formula described below is used to create the proposed FY 2020-21 dues as noted above.

Notwithstanding the foregoing, Member LAFCO annual membership dues shall be levied based upon a formula that includes the following components:

1. Dues are population based. The fiscal year 2020-2021 dues uses a 0.013802199 per capita rate and 2020 population estimates based on data from the California Department of Finance.
2. A base charge as set by the Board of Directors, which shall be the same for each LAFCO. The base charge for fiscal year 2020-2021 is \$1,000 per LAFCO.
3. A population threshold as set by the Board of Directors.
4. Population estimates per County updated annually based on data provided by the California Department of Finance.
5. The per capita rate shall be set by the Board of Directors.
6. No LAFCO will pay less than its current dues based on the baseline dues of fiscal year 2018-2019.

Local Agency Formation Commission of Modoc County
Meeting Minutes
August 27, 2019

1. Call to order / Pledge of Allegiance

Chair Irvin called the meeting to order at 4:00 p.m. in the Board of Supervisor's Room at 204 S. Court St., Room 203 in Alturas, CA. Commissioner Irvin, Commissioner Coe, Commissioner Read, Commissioner Rhoads, Commissioner Nelson, and Commissioner Neer were present. Commissioner Steffek and Commissioner Byrne 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 Nelson. In favor were Commissioners Irvin, Coe, Read, Nelson, and Rhoads.

Motion passed unanimous.

3. Election of Chair and Vice-Chair for FY 2019 – 2020

Motion made by Commissioner Rhoads to nominate Richard Read for Chairperson. There were no other nominations. Seconded by Commissioner Coe. All in favor. Motion passed unanimous.

Motion made by Commissioner Irvin to nominate Ned Coe for Vice-Chair. There were no other nominations. Seconded by Commissioner Read. All in favor. Motion passed unanimous.

4. Correspondence – Executive Officer Benoit discussed the letter from Calafco Board of Directors regarding the proposed new dues schedule which was provided in the meeting packet. He reported that based on that fee schedule Modoc LAFCo's dues would only increase \$50.00 - \$60.00. He also reported to the Commission that Clerk Jackie Froeming resigned. The new Clerk will be Macey Binning.

5. Consider Minutes from the June 11, 2019 LAFCo meeting

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

Motion passed Unanimous

6. Public Comment – None

7. Authorize payment of Claims for June 2019 and July 2019

Commissioner Rhoads made the motion to authorize payment of claims for June and July 2019; seconded by Commissioner Read.

In favor were Commissioners Irvin, Coe, Read, Nelson, and Rhoads.

Motion passed unanimous.

8. Healthcare Service Review and Sphere of Influence – Discussion and Public Workshop

Executive Officer Benoit provided a public workshop on the service reviews and sphere of influence for the healthcare districts. He provided an explanation on the Role and Responsibility of LAFCo and why they are required to do the service reviews, the purpose for completing those reviews, and what information is found in the documents. Regarding the Surprise Valley Healthcare District (SVHCD) one of the concerns found by LAFCo was that this district has not completed financial audits for several years.

Commissioner Coe asked if the 2 healthcare districts should have separate Healthcare service reviews due to the vast differences.

Executive Officer Benoit agreed and reported that he will separate the 2 districts and each will have their own service review.

Francine (Accounting Supervisor) at Surprise Valley Healthcare districts commented. She reported to the Commissioners that SVHCD have been working with Whitley on bringing the audits up to date but did not have a completion date. The last audit was completed in 2011 or 2012. The 990's have been completed on the SVHCD on their end but cannot be finalized until the audits have been completed. She reported that the Osh Pod reports and cost reports are current and up to date.

Kevin Kramer of Last Frontier Healthcare District requested that the revised service review draft for this district be emailed to him and will provide any updates requested by LAFCo.

9. Report from Lassen- Modoc Flood Control Meeting of June 25, 2019

Executive Officer John reported he attended this meeting and provided a presentation. Executive Officer Benoit held a discussion with the Modoc LAFCo Commissioners on options that can be done with a flood control district such as water shed management, water conservation programs, etc. He reported Lassen County staff would like to see this district dissolved whereas in Modoc County staff feels it is useful. There are some options for this district such as 2 flood control agencies one in Lassen and the other in Modoc.

At this time the Lassen LAFCo Commission directed John Benoit to adopt the sphere of influence as presented. Executive Officer Benoit discussed the possibilities if Modoc County were to take over this district. It would have to be reorganized and encompass the whole county. There is a lot of potential projects for flood control within Modoc County and it has a Resource person on staff.

Although there are many options for a flood control district. The current Board of Directors need to determine what to do with this district and provide LAFCo direction whether that be dissolving the CSD or providing options to the counties involved.

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

There was no Board Members present for Daphnedale at this meeting. Executive Officer Benoit reported he has had no communication with this district but let them know the meeting was scheduled for today.

Chester Robertson (County of Modoc) reported he has not had any communication from this district.

Commissioner Irvin reported that the City of Alturas has received some payment from this district.

The Commissioners wanted to request a letter be mailed to all the Daphnedale Board members requesting that they attend the next scheduled meeting and provide an update on the Community Services District.

11. Authorize Commissioners and Staff to attend the CALAFCO Annual Conference at the Hyatt Regency in Sacramento October 30 – November 1, 2019.

Motion made by Commissioner Rhoads to increase the travel budget and authorize one person to attend the Calafco Annual Conference; Seconded by Commissioner Coe. In favor were Commissioners Irvin, Coe, Read, Nelson, and Rhoads.

Motion passed Unanimous

12. Nomination for the Calafco Board of Directors 2019-2020. Nominate a County Member and/or a Special District Member for the Calafco Northern Region - No nominations

13. Consider nominations for CALAFCO 2019 Annual Achievement Awards – No Nominations

14. Designate a voting member (and voting member alternate) to vote on behalf of Modoc LAFCo at the Annual Calafco Conference in Sacramento.

Motion made by Commissioner Rhoads to nominate John Benoit as the voting member alternate; Seconded by Commissioner Coe. In favor were Commissioners Irvin, Coe, Read, Nelson, and Rhoads.

Motion passed unanimous.

15. Executive Officer's Report –

Executive Officer Benoit reported that he will distribute a copy of the Policies, Standards and Procedures update at the next meeting. He will also provide a copy of the Pest Abatement MSR and SOI at the next meeting. He provided information on SB200 Drinking Water filed on June 24, 2019 which provides funding through the water board for Disadvantaged Communities (DUC's) for water quality projects. He attended the Cemetery Alliance Conference where he spoke about LAFCo and help the attendees understand what LAFCo does. He found while attending this conference that there were several good speakers and felt it was very informational.

16. Commissioner Reports – None

17. Request change in date for the next regularly scheduled LAFCo meeting.

The next meeting scheduled on October 8, 2019 has been changed to October 16, 2019 at 3:00 PM

There being no further business to come before the Commission. The meeting adjourned at 4:07PM.

Modoc Local Agency Formation Commission

#6

CLAIMS

for

August and September 2019

Authorize the following Claims for FY 2019-2020

Sept 1, 2019	Staff Svcs August 2019	\$ 4,823.81
Oct 1, 2019	Staff Svcs Sept 2019	\$ 3,162.07
Sept 16, 2019	Modoc Record Legal LFHCD	\$ 72.00
	TOTAL:	\$ 8,157.88

DATED: October 22, 2019

APPROVED: October 22, 2019

Richard Read, Chair Modoc Local Agency
Formation Commission

Attest:

John Benoit
Executive Officer

**Resolution 2019-0003 of the
Modoc Local Agency Formation Commission
in
Modoc County, California**

Approving a Municipal Service Review of Services Provided by the Last Frontier Healthcare District 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 Last Frontier Healthcare District service 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 Last Frontier Healthcare District and written determinations contained therein will provide information for updating the Sphere of Influence of the Last Frontier Healthcare District, 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 Last Frontier Healthcare District, attached hereto as Exhibit A, is approved and the written determinations presented in the Municipal Service Review report are hereby adopted.
- 2) The Last Frontier Healthcare District currently provides healthcare services. All other services authorized in the Healthcare District Law shall be allowed until the District 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 Last Frontier Healthcare District.
- 4) LAFCO staff is further ordered to forward copies of this resolution containing the adopted Municipal Service Review to the Last Frontier Healthcare District.

The foregoing resolution was duly passed by the Modoc Local Agency Formation Commission at a regular meeting held on October 22, 2019, by the following roll call vote:

Ayes:

Noes:

Absentions:

Absent:

Signed and approved by me after its passage this 22nd day of October 2019

Richard Read, Chair
Modoc Local Agency Formation Commission

Attest:

John Benoit, Executive Officer
Modoc Local Agency Formation Commission

Resolution No. 2019-0004

MODOC LOCAL AGENCY FORMATION COMMISSION

*A Resolution Making Determinations and Approving a Sphere of Influence Update for the
Last Frontier Healthcare District*

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 Last Frontier Healthcare District; and

WHEREAS, the Commission has set the hearing date of October 22, 2019 for the update of the sphere of influence for the Last Frontier Healthcare District and has noticed this hearing at the times and as otherwise prescribed by Government Code Section 56427; and

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

WHEREAS, the Commission has reviewed and considered the proposed Sphere of Influence update report and the proposed Sphere of Influence Update Map which are attached hereto and incorporated herein; and

WHEREAS, Modoc LAFCO prepared and a notice of exemption for such action; 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 Last Frontier Healthcare District 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 as Exhibit "A" and incorporated herein.

4. The Commission has reviewed and adopts a Notice of Exemption prepared for this Sphere of Influence update and makes a specific finding that there is no substantial evidence in light of the whole record before Modoc Local Agency Formation Commission that this Sphere Update for the Last Frontier Healthcare District may have a significant adverse effect on the environment.

5. Pursuant to Government Code Section 56425 (i) the Last Frontier Healthcare District is authorized to provide healthcare services within the territory set forth in Exhibit "A". Other services this District may provide as stated in its enabling legislation shall require LAFCO approval prior to the service being provided.

6. That the Sphere of Influence Update Report, Executive Officer's Report, and Map for the Last Frontier Healthcare District updated Sphere are hereby adopted and approved as set forth in Exhibit "A".

The foregoing resolution was duly passed by the Modoc Local Agency Formation Commission at a regular meeting held on October 22, 2019, by the following roll call vote:

Ayes:
Noes:
Abstain:
Absent:

Signed and approved by me after its passage this 22nd day of October 2019.

Richard Read, Chair: Modoc LAFCO

Attest:

John Benoit, Executive Officer
MODOC LOCAL AGENCY FORMATION COMMISSION,

NOTICE OF EXEMPTION

TO: County Clerk
County of Modoc
Alturas, CA

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

PROJECT TITLE: Last Frontier Healthcare District – Sphere of Influence Update

PROJECT LOCATION: Alturas-Calpine, Canby, Likely Area Modoc County

DESCRIPTION OF PROJECT:

The proposed project would involve the update of a Sphere of Influence. Said Sphere of Influence is coterminous with the existing district boundaries

NAME OF PUBLIC AGENCY APPROVING PROJECT:

Modoc Local Agency Formation Commission

NAME OF PERSON OR AGENCY CARRYING OUT THE PROJECT:

Modoc Local Agency Formation Commission

EXEMPT STATUS:

Class 20 Categorical Exemption, "Changes in Organization of Local Agencies," CEQA Guidelines Section 15320.

REASONS WHY PROJECT IS EXEMPT:

The proposed project involves an update of a Sphere of Influence for the Last Frontier Healthcare District. CEQA Guidelines Section 15320 consists of changes in the organization or reorganization of local governmental agencies where the changes do not change the geographical area in which previously existing powers are exercised. There is no change to the Sphere boundary. The Commission also finds there is no evidence in the record that an unusual circumstance exists with respect to this Sphere of Influence Update.

CONTACT PERSON:
John Benoit
LAFCO Executive Officer

TELEPHONE NUMBER:
(530) 233-9625

By: _____

Date: October 22, 2019