

## REGULAR MEETING AGENDA

Del Norte Local Agency Formation Commission  
Board of Supervisors Chambers  
981 H Street, Suite 100, Crescent City, CA 95531  
October 24, 2016 4:00 pm

1. Call to Order/Roll Call
2. Closed Session
  - Public Comment on Closed Session items only
  - Conference with Legal Counsel- Existing litigation pursuant to Government Code 54956.9(d)(1) *Bertsch-Ocean View Community Services District v. Del Norte LAFCo et. al* CVPT 16-1124
3. Public Hearings
  - A. FY 2016-17 Budget Amendment (ATTACHMENT 3A)
4. Regular Business
  - A. Approval of September 19, 2016 Draft Minutes (ATTACHMENT 4A)
5. Inquiries, Correspondence, Application Status and Referrals
  - A. Staff - The Executive Officer will provide a report of current projects, issues of interest, and pending legislation.
  - B. Commission - On their own initiative, Commission members may make brief announcements or reports on their own activities. They may ask questions for clarification, make a referral to staff or request a business matter for a future agenda per Government Code Section 54954.2 (a).
  - C. Public - Public comment on items of interest within LAFCo subject matter jurisdiction, and not otherwise appearing on the agenda. No action may be taken on any item not appearing on the agenda.
6. Adjournment

**DEL NORTE  
LOCAL AGENCY FORMATION COMMISSION**  
1125 16<sup>th</sup> Street, Suite 202  
Arcata, California 95521  
TEL (707) 825-9301 FAX (707)825-9181  
eo@delnortelafco.org

**AGENDA ITEM 3A**

**MEETING DATE:** October 24, 2016  
**TO:** Del Norte Local Agency Formation Commission  
**FROM:** George Williamson AICP, Executive Officer  
**SUBJECT:** FY 2016-2017 Budget Amendment

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**RECOMMENDATION**

The following procedures are recommended with respect to the Commission's consideration of this item:

By order of the Chair, with Commission concurrence, review FY 2016-17 Budget Amendment.

- Receive verbal report from staff;
- Open the public hearing and invite testimony; and
- Discuss item, close hearing and consider action on FY 2016-17 budget amendment.
  - 1) Adopt Resolution 16-07 approving FY 2016-17 budget amendment, as provided in Exhibit A, Option 1 (or restore shortfall with additional City/County contributions, Option 2).

**DISCUSSION**

The FY 2015-16 end of year fund balance was calculated by staff as \$8,824.00 and incorporated into the FY 2016-17 Final Budget, adopted by the Commission on May 23, 2016. Applying that fund balance to this year's budget allowed City and County contributions to reduce from \$39,640 in FY 2015-16 to \$35,092 for this fiscal year, an 11.4% savings.

County Auditor staff subsequently informed Del Norte LAFCo Staff the fund balance shown on the adopted budget was not consistent with their records. They report an actual available fund balance of \$4,569.00, which is \$4,255 less than staff calculation. In addition, the Interfund Cost Plan expense was reduced from \$1,759 to \$1,598. Both the City and County have made their revenue contributions for this fiscal year.

LAFCo Staff has identified two options for Commission consideration with respect to incorporating these revisions in a FY 2016-17 budget amendment, shown in Exhibit A.

**Option 1:** This option would not change the County and City contributions and reduces the overall budget by reducing professional staffing services and MSR/SOI preparation.

**Option 2:** This option would keep the FY 2016-17 budget slightly below the approved amount (adjusted for Interfund Cost Plan expense reduction), and request additional City and County contributions of \$2,047 each, which would maintain the professional staffing services levels reflected in the Final FY 2016-17 budget.

**ATTACHMENTS**

Exhibit A - FY 2016-17 Final Budget & Proposed Amendment Options  
Resolution 16-07 Amending the FY 2016-17 Budget

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**Exhibit A**  
DEL NORTE LAFCo  
FY 2016-17 FINAL BUDGET & PROPOSED AMENDMENT OPTIONS

		Option 1		Option 2
		FY 2016-17 FINAL	FY 2016-17 AMEND.	FY 2016-17 AMEND.
<b>Account</b>	<b>EXPENDITURES</b>			
<b>Line #</b>	<b>SERVICES &amp; SUPPLIES</b>			
20150	Insurance	\$2,100.00	\$2,100.00	\$2,100.00
20200	CALAFCO Membership	\$840.00	\$840.00	\$840.00
20221	Printing/ Postage	\$100.00	\$100.00	\$100.00
20230	Professional Services			
	MSR/SOI Preparation	\$24,500.00	\$22,405.00	\$24,500.00
	Application Processing	\$10,000.00	\$10,000.00	\$10,000.00
20231	Prof. Serv. Executive Officer/ Admin.	\$47,500.00	\$45,500.00	\$47,500.00
20232	Prof. Serv. Legal Counsel	\$1,500.00	\$1,500.00	\$1,500.00
20240	Advertising/Publications	\$400.00	\$400.00	\$400.00
	Conferences (CALAFCO when funds available)	\$0.00	\$0.00	\$0.00
70530	Interfund-Cost Plan	\$1,759.00	\$1,598.00	\$1,598.00
20233	Public Member Stipend (up to 8 mtgs @ \$40/mtg)	\$320.00	\$320.00	\$320.00
	<b>TOTAL EXPENDITURES</b>	<b>\$89,019.00</b>	<b>\$84,763.00</b>	<b>\$88,858.00</b>
	<b>REVENUES</b>			
91125	Project Revenue (Application Deposit)*	\$10,000.00	\$10,000.00	\$10,000.00
90300	Interest	\$10.00	\$10.00	\$10.00
90780	Del Norte County	\$35,092.42	\$35,092.00	\$37,139.50
90781	City of Crescent City	\$35,092.42	\$35,092.00	\$37,139.50
07100	Funds from Account #42801007100	\$8,824.16	\$4,569.00	\$4,569.00
	<b>TOTAL REVENUES</b>	<b>\$89,019.00</b>	<b>\$84,763.00</b>	<b>\$88,858.00</b>
	<b>FUND BALANCE</b>			
07100	Account #42801007100	\$0.00	\$0.00	\$0.00

\*Deposit paid by applicants to cover application processing. Projected amount for auditor use in issuing payment for expense claims.

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**RESOLUTION 16-07  
AMENDING THE FISCAL YEAR 2016-17 BUDGET**

WHEREAS, the Del Norte Local Agency Formation Commission ("Commission") annually approves a final budget to fulfill its purpose and functions that are set by State law; and

WHEREAS, the Commission adopted a fiscal year 2016-17 budget at a noticed public hearing on May 23, 2016; and

WHEREAS, the Commission considered the proposed fiscal year 2016-17 budget amendment presented in the Executive Officer's report; and

WHEREAS, the Commission heard fully and considered all of the evidence presented at its public hearing on the proposed fiscal year 2016-17 budget amendment held on October 24, 2016; and

NOW, THEREFORE, BE IT RESOLVED by the Commission as follows:

1. The Commission approves a fiscal year 2016-17 budget amendment as outlined in Exhibit A.
2. The overall operating costs provided in the budget amendment will allow the Commission to fulfill its regulatory and planning responsibilities as required under Government Code Section 56381(a).

**PASSED AND ADOPTED** at a meeting of the Del Norte Local Agency Formation Commission on the 24th day of October, 2016, by the following vote:

AYES:           Commissioners:  
NOES:           Commissioners:  
ABSENT:        Commissioners:  
ABSTAIN:       Commissioners:

\_\_\_\_\_  
Gerry Hemmingsen, Chair  
Del Norte LAFCo

\_\_\_\_\_  
George Williamson, Executive Officer  
Del Norte LAFCo

**SPECIAL MEETING MINUTES**

**Del Norte Local Agency Formation Commission  
September 19, 2016 3:30 pm**

**Members present:** Chair Gerry Hemmingsen, Vice-Chair Blake Inscore, Roger Gitlin, Judy Dobbs (Public Alternate), Darrin Short

**Members absent:** Sparky Countess, Kathryn Murray

**Others present:** Executive Officer George Williamson, County Counsel Elizabeth Cable, CALAFCO Executive Director Pamela Miller, LAFCo Administrator Vanessa Blodgett, LAFCo Intern Julie Thomas, PS Business Services Secretary Nicole Burshem, Crescent Fire Chief Steve Wakefield, Del Norte County Community Development Director Heidi Kunstal, Public: Elizabeth Burrows, Rosanna Bower, Charlie Helms, Charles Swenson.

**1. Call to Order/Roll Call**

Chariman Hemmingsen called the meeting to order at 3:36 p.m.

**2. Public Hearings**

None

**3. Regular Business**

**A. Approval of August 22, 2016 Draft Minutes (ATTACHMENT 3A)**

On a motion by Commissioner Inscore, seconded by Commissioner Gitlin, and a 3-0-2 polled vote with Commissioners Short and Dobbs abstaining, the Del Norte Local Agency Formation Commission approved the August 22, 2016 minutes, as presented.

**B. CALAFCO presentation by Pamela Miller, Executive Director (ATTACHMENT 3B)**

Discussion was held in regards to CALAFCO presentation. Mr. Williamson introduced CALAFCO Executive Director Pamela Miller, who was invited visit as part of her statewide LAFCo outreach. Ms. Miller thanked the Board for giving her the opportunity to share what CALAFCO does and distributed presentation materials. She reported the CALAFCO mission is to provide education information and provide technical support for its members. Ms. Miller explained CALAFCO is a non-profit organization, registered with Attorney General/Charitable Trust, not subject to public agency laws. CALAFCO is a private foundation exempt from Federal Income Tax, founded in 1971.

The staff is made up of volunteers from LAFCo's around the state. The first paid Executive Director started in 1998. There has been legal counsel representation since 1982 and the first office was made in

2005. Within the State there are 58 Statewide LAFCo's, which consist of six gold associate members and 21 silver associate members. Ms. Miller reported the state is divided into four regions. The four regions are North, South, Central, and Coastal. Ms. Miller reported as an organization there are a Board of Directors, Executive Officer, Executive Director, Legal Counsel, Deputy Executive Officers, and a Legislative Committee.

There is also volunteer staff that consists of Executive Officer, three Deputy Executive Officers, Vice Chair Legislative Committee, Legislative Committee, Conference/Workshop Host, Program Committees, CALAFCO U Committees, Special Projects, and support for Nominations/Awards Committees. Ms. Miller reported on Operational Policies, Policy Manual, Operational Clarity, IRS Compliance, and the Finances FY 2016/2017. Ms. Miller gave a brief description of the adopted budget and expenses.

Commissioner Gitlin asked if region placement has a particular criteria and why Del Norte LAFCo is considered in the Northern Region and not the Coastal Region. Ms. Miller responded the regionalization occurred about two years before she came on board. Ms. Miller explained the benefit of regionalization is equitable representation. Ms. Miller reported on CALAFCO 2015-16 Strategic Plan Policy, Legislative Priorities, LAFCo Purpose & Authority, Agricultural & Open Space Protection, Water Availability, Viability of Local Services, Issues of interest, Housing Transportation, Flood Control, and Adequate Municipal Services in Inhabited Territory. Ms. Miller reported on 2015-16 Strategic Areas and 2016 Legislative Issues.

Ms. Miller reported this fall at the annual conference there will be staff workshops and this spring CALAFCO will offer courses two times a year, a website, annual news magazine-The Sphere, quarterly reports, membership publications, legislative resource, and LAFCO/public resource. Ms. Miller wanted to thank Del Norte LAFCo for their long-standing partnership and on going support. Ms. Miller suggested Del Norte LAFCo have a representative from Special District so that there is a voice from everyone at the table. Chairman Hemmingsen thanked her for coming and it is nice to know what CALAFCO does. Chairman Hemmingsen is supportive of having Special Districts on Board. Commissioner Gitlin thanked Ms. Miller and asked if there has been any note worthy cases through the court system. Ms. Miller responded there have not been any recent cases.

**4. Inquiries, Correspondence, Application Status and Referrals**

**A. Staff - The Executive Officer will provide a report of current projects, issues of interest, and pending legislation.**

Mr. Williamson introduced Vanessa Blodgett and Julie Thomas, some of his staff. Mr. Williamson reported the Yurok Planning Director has been requested to help reconvene the Klamath parties to get that going again. Mr. Williamson would like to have another meeting this year. Mr. Williamson asked if the Board would like to have a meeting on October 24, 2016 or November 28, 2016. The Del Norte Local Agency Formation Commission unanimously agreed meet October 24, 2016 at 4:00 p.m.

**B. Commission - On their own initiative, Commission members may make brief announcements or reports on their own activities. They may ask questions for clarification, make a referral to staff or request a business matter for a future agenda per Government Code Section 54954.2 (a).**

The following Commissioner(s) reported: Chairman Hemmingsen asked in regards to the Mutual Aid Agreement not being signed by the Fort Dick Fire Department. Chief Steve Wakefield responded that Fort Dick did not sign because they did not want to be a part of Immediate Response. Mr. Wakefield reported the Immediate Response Agreement is to secure auto aid. A call is placed and the first responder on scene determines the incident severity. For a structure fire, support is required to respond, but if it is minor incident like a car accident, first responder would only radio the appropriate teams to be on scene. The Immediate Response Agreement is used only when there is a major Incident, not for all situations. Chairman Hemmingsen had a discussion with a Fort Dick Board Member in regards to the representation of the Immediate Response Agreement and felt there was a misunderstanding about the agreement. Mr. Wakefield responded there was plenty of information available about the agreement and he would be more than happy to speak with them again to clarify the terms of the agreement. Mr. Williamson commented he would do the same if needed.

**C. Public - Public comment on items of interest within LAFCo subject matter jurisdiction, and not otherwise appearing on the agenda. No action may be taken on any item not appearing on the agenda.**

The following person(s) addressed the Commission: None

**5. Adjournment**

There being no further business to come before the Commission, the Chairman Hemmingsen adjourned the meeting at 4:50 p.m. until the next regularly scheduled meeting on October 24, 2016.

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Respectfully submitted,  
Nicole L. Burshem, Recording  
Secretary