

MEETING AGENDA



Del Norte Local Agency Formation Commission
REGULAR MEETING
In Person: Del Norte County Board of Supervisors Chambers
Flynn Center - 981 H St. Crescent City, CA 95531
April 22, 2024, 4:00 pm

1. Call to Order/Roll Call/ Commission Introductions & Appointments
 - A. Pledge of Allegiance
2. Public Hearings
 - A. Draft FY 2024-25 Budget (ATTACHMENT 2A)
3. Regular Business
 - A. Draft April 1 2024 Minutes (Continued to June 3 Meeting)
 - B. Del Norte County Fair Recreation & Park District – Municipal Services Review Determination Reconsideration Update (ATTACHMENT 3B)
 - C. Klamath FPD Fire Services Planning – Update (ATTACHMENT 3C)
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.
 - FY 2024-25 Staffing Services Contract Extensions
 - Klamath CSD Annexation status
 - 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. .
5. Adjournment

Next Meeting scheduled for June 3, 2024, including a public hearing on the final FY 2024-25 Budget, unless alternate date scheduled.



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

AGENDA ITEM 2A

MEETING DATE: April 22, 2024
TO: Del Norte Local Agency Formation Commission
FROM: George Williamson AICP, Executive Officer
SUBJECT: FY 2024-25 Draft Budget

DISCUSSION

The Commission will consider a Draft FY 2024-25 budget at a public hearing held on April 22, 2023. For the first time in several years, the budget is proposed to increase. The following changes are proposed:

- Insurance: Increasing from \$3,500.00 to \$3,800.00
- CALAFCO Membership: Increasing from \$1,466.00 to \$1,603.00
- Professional Services (MSR/SOI Preparation): stays at \$30,000.00
- Professional Services (Legal Counsel) Increasing from \$5,000.00 to \$8,500.00
- Professional Services (Executive Officer/Admin): increases from \$47,000.00, to \$49,000.00 (includes office lease: (12 months @ \$350/month= \$ 4,200.00)
- Travel/Training (CALAFCO Conference): \$2,500.00 for Commissioner offset from contingency fund

Overall expenditures increase to \$107,803.00. For the last six years expenses had been maintained at just under \$96,000. City - County contributions to cover increase costs proposed to be \$ 47,266.50 each, up from just under \$40,000 in prior years . Contingency fund balance proposed to be reduced from \$30,890.44 to \$28,393.44.

RECOMMENDATION

The following procedures are recommended for the Commission's consideration:

- Receive verbal report from staff;
- invite testimony; and
- Discuss item and consider action on the recommendation:

1) Approve Draft FY 2024-2025 Budget and direct staff to distribute to City & County

ATTACHMENTS

Draft FY 2024-2025 Budget

Del Norte LAFCo FY 2024-25 Draft Budget

Account	EXPENDITURES	Draft FY 2024-25
Line #	SERVICES & SUPPLIES	
20150	Insurance	\$3,800.00
20200	CALAFCO Membership	\$1,603.00
20221	Printing	\$50.00
20223	Postage	\$50.00
20230	Professional Services	
	MSR/SOI Preparation	\$30,000.00
	Application Processing	\$10,000.00
20231	Prof. Serv. Exec. Officer/ Admin. **	\$49,000.00
20232	Prof. Serv. Legal Counsel	\$8,500.00
20240	Advertising/Publications	\$500.00
20290	Travel-Training (CALAFCO Board Mtgs/Conference)	\$2,500.00
70530	Interfund-Cost Plan (\$150/mo budget amount)	\$1,800.00
20233	Public Member Stipend (Commissioners delined)	\$0.00
	TOTAL EXPENDITURES	\$107,803.00
	** includes Office Lease Space: 12 months @ \$350/month	
	REVENUES	
91125	Project Revenue (Application Deposit)*	\$10,000.00
90300	Interest	\$770.00
90780	Del Norte County	\$47,266.50
90781	City of Crescent City	\$47,266.50
07100	From Account #42801007100 (CALAFCO Board Exp.)	\$2,500.00
	TOTAL REVENUES	\$107,803.00
Contingency (Unrestricted) Fund		
7100	As Reported by Auditor March 2024	\$30,894.44
	FUND BALANCE	
07100	Acct #42801 007 100 reduced by \$3,000.00 to 07100	\$28,394.44

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



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ATTACHMENT 3B

MEETING DATE: April 22, 2024
TO: Del Norte Local Agency Formation Commission
FROM: George Williamson AICP, Executive Officer
SUBJECT: Del Norte County Fairgrounds Recreation and Park District
Municipal Services Review Reconsideration Update

Background

Del Norte County Fairgrounds Recreation and Park District (DNCFRPD) formation was approved by Del Norte Local Agency Formation Commission (LAFCo) on May 19, 2014, as an independent special district for purposes of receiving and allocating voter approved sales tax revenues to benefit the Del Norte County Fairgrounds. On November 4 2014, voters approved a 0.25 % sales tax to be collected for 5 years. In accordance with LAFCo condition No. 3, a portion of the Countywide Del Norte County Fair sales tax revenues (collected from 2014-2021) were allocated to a reserve fund, for future use, in addition to other coordination/funding conditions.

3. The District shall allocate at least 30% of annual sales tax revenue to build a reserve fund. These funds shall accrue in a separate account with the Del Norte County Auditor and shall not be used, except in an emergency situation approved by the commission, for the initial seven years the sales tax revenues are accruing.

The DNCFRPD Municipal Services Review (MSR), prepared as part of District Formation was updated in June 2020 with the following MSR Determination:

The District should continue to work with the 41st DAA to implement specific processes to follow when providing financial assistance and update the MOU between them and the 41st DAA if necessary, to reflect agreed upon terms and conditions. This should include a post sales tax recreational use funding program.

This financial assistance coordination determination was intended guide use of the approximately \$1.6 million in reserve funds that have accrued from sales tax revenues and the approximately \$1.5 million in unrestricted sales tax revenue funds.

Commission staff has been working with the DNCFRPD Board of Directors on a 2020 MSR Reconsideration application. The MSR Reconsideration would allow for preparing a Post Sales Tax Fairgrounds Use Funding Program. The funding program would be based on an updated Del Norte County Fairgrounds Facility 5-year Capital Improvement Program.

The District approved a Resolution of Application to Del Norte LAFCo requesting the reserve restriction be reviewed and reconsidered, with said review to include a Post Sales Tax Fairgrounds Use funding Program and Facility 5-year Capital Improvement Program. As part of the MSR Update the sales tax revenue reserve restriction condition will be reviewed in conjunction with the need to complete a funding program for post sales tax recreational use and 5-year CIP update.

Attachments

DNCFRPD Resolution of Application
Draft 2024-29 Capital Improvement Program Template
Draft Post Sales Tax Recreational Use Funding Program Outline

Resolution No. 23-01

A RESOLUTION OF APPLICATION BY THE DEL NORTE COUNTY FAIRGROUNDS RECREATION AND PARK DISTRICT BOARD OF DIRECTORS REQUESTING THE DEL NORTE LOCAL AGENCY FORMATION COMMISSION INITIATE PROCEEDINGS FOR REVIEW OF CONDITIONS AND DETERMINATIONS

RESOLVED, by the Del Norte County Fairgrounds Recreation and Park District (DNCFRPD) Board of Directors, that:

WHEREAS, Del Norte Del Norte Local Agency Formation Commission (LAFCo) took action pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, California Government Code, Section 56000 et seq. Part 3, Division 3, Title 5, to approve LAFCo Resolution No. 14-02, conditionally approving the DNCFRPD formation, with said resolution providing findings, determinations, conditions of approval, and pertinent to the district formation; and,

WHEREAS, one of the conditions of Resolution No. 14-02 was:

3. The District shall allocate at least 30% of annual sales tax revenue to build a reserve fund. These funds shall accrue in a separate account with the Del Norte County Auditor and shall not be used, except in an emergency situation approved by the commission, for the initial seven years the sales tax revenues are accruing.

WHEREAS, now that the sales tax is no longer being collected, the condition of maintaining a reserve fund should be reviewed so that all sales tax revenues may be applicable for fairgrounds use; and

WHEREAS The review should include a Post Sales Tax Fairgrounds Use Funding Program and Facility 5-year Capital Improvement Program Update; and

NOW, THEREFORE, The Del Norte County Fairgrounds Recreation and Park District makes application to Del Norte LAFCo, Including an initial \$1,000.00 deposit for reconsideration of LAFCo conditions and determinations:

The Del Norte Local Agency Formation Commission is hereby requested to initiate proceedings for the proposed review of conditions and determinations in the manner provided by the Cortese/Knox/Hertzberg Local Government Reorganization Act of 2000.

Passed and adopted by the District Board of Directors at a regular meeting thereof held on ~~February 23~~ ^{April} 23, 2023, by the following vote:

AYES, Directors: Wakefield, Westbrook, Wier, Hopkins

NOES, Directors:

ABSENT, Directors: Renner

Approved: [Signature]
Board Chair

Attest: [Signature]
Secretary Board Member

Del Norte County Fairgrounds Facilities - DRAFT 5-year Capital Improvement Program 2024-2029

Building/ Arena	Size (sq. ft.)/ space	Construction Type	Year Built	Condi- tion	Needed Repairs/ Replacement	Year(s) Scheduled	Amount
Main Exhibit Building	13,600	Steel & wood frame	1953				
Arts & Crafts Building	5,000	Wood frame	1972				
Grandstands	2,000 seats	Steel	replaced 2023				
Concessions Building	1,800	Wood	1941				
Livestock Stables	80 stalls	Wood frame	1961/ 68/ 2001				
Floral Building	5,500	Wood Frame	1984				
Indoor Tennis/ Commercial	12,000	Steel/concrete block	1962				
ACE Arena	20,000	Steel	2001				
Outdoor Horse Arena	30,000	n/a	n/a				
Livestock Building	17,500	Block and steel	1966				
Poultry Building	4,800	Wood frame	1923				
Junior Building	2,000	Steel	1944				
Driving Range	1,380	Steel/ wood frame	1994				
Outdoor Rodeo Arena	60,000 open	n/a	n/a				
Main Office (2 story)	1,500	Wood frame	1954				
Shop	1,030	Wood frame	2001				
School House	1,000	Wood frame	1991				
Other Facilities							
7 portable bleachers	350 seats	n/a	n/a				
Main Parking Lots							
North Parking Lot							
Bandstand shell	240	n/a	n/a				
Mgr's Res & Garage	1,140/ 864	Modular /Woode	1989				
Red Rover Ranch							

Attachment

DRAFT* Post Sales Tax Fairgrounds Use Funding Program -*OUTLINE

Introduction/ Overview

Background information, funding program basis, roles and responsibilities, sequence of events for reserve condition reconsideration.

Funding Program Objectives

- Identify Fairgrounds funding needs in updated 2024-2029 Capital Improvement Program
- Determine funding priorities (DNCFRD/41st DAA MOA & Community Input)
- Consider Energy Efficiency, Sustainability and Fairground Use Trends
- Assess Priority needs, allocating a portion (percentage) of revenues for 2024-2029 allocations in CIP & reserving / investing remainder for future use
- Allocate revenues to renovate/maintain recreational facilities in 2024-2029 CIP
- Invest any remaining revenues to meet future 2030 + obligations

Current Fairgrounds Layout and Facilities

Insert Site Plan & Available Floor Plans

Fairgrounds Capital Improvement Program 2024-2029

Insert 2024-2029 Capital Improvement Program Table when Costs Added

Implementation

Annual Budgets

Fund Transfer procedures

Appendices

Del Norte County Fairgrounds Recreation and Park District MSR - 2020 Update



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Klamath FPD Board President Walt Lara III & Board Members
P.O. Box 369,
Klamath California 95548

April 16, 2024

RE: Klamath Fire Protection District Fire Services Planning

To District Board President Walt Lara III & Board Members:

I've appreciated being invited to several of your board meeting to discuss Fire Services Planning matters of interest to the Del Norte Local Agency Formation Commission (LAFCO). Commissioner and Public Member Lyle Armstrong, a former Fire Chief, plans to attend your April 17, 2024 Board Meeting at the Command Center in Klamath.

Key issues you've discussed include planning, funding revenue generation proposals and capacity building. Finding funds for this, in addition to operations expenses, is always a challenge. The Klamath FPD FY 2023-24 Budget filed with the Del Norte County Auditor includes a \$55,065 Department Allotment, as Line Item 30500. The Auditor has confirmed these funds are in the Auditor's Klamath FPD account. They appear to be unallocated funds transferred from FY 2022-23 revenues. If you're considering using these funds for Fire Services Planning, here's a set of tasks other districts have used for that purpose:

- Developing a Fire Services Plan outline, objectives and schedule: collecting/reviewing relevant data. Compiling a local hazards & resources dataset;
- Gathering Stakeholder & Community Input: Conducting interviews & gathering information including: holding Klamath community & stakeholders meetings;
- Evaluating Current Conditions: Conducting a services & performance assessment, including organizational & financial overviews; Assessing volunteer levels & recruitment needs as well as mutual aid, station & equipment inventories;
- Financial Planning & Analysis: Analyzing existing financial conditions and revenue levels; Evaluating potential revenue streams; making financing recommendations;
- Evaluation, Conclusions & Recommendations - Developing & analyzing operational models for providing emergency services with the specific intent of identifying those options that can deliver optimum service levels given financial limitations and rural characteristics of the service area.

Should you Board be interested in this type of planning, let Lyle know so this can be relayed to the Commission at their April 22 meeting. Thank You for your consideration.

George Williamson, Executive Officer
Del Norte LAFCo

cc: Del Norte LAFCo Commission
Del Norte LAFCo Legal Counsel James Underwood