

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
June 3, 2024, 4:00 pm

1. Call to Order/Roll Call/ Commission Introductions
 - A. Pledge of Allegiance
2. Public Hearings
 - A. Final FY 2024-25 Budget (ATTACHMENT 2A)
3. Regular Business
 - A. Draft April 1 2024 Minutes (ATTACHMENT 3A)
 - B. Draft April 22 2024 Minutes (ATTACHMENT 3B)
 - C. Del Norte County Fair Recreation & Park District – Municipal Services Review Determination Reconsideration Update (ATTACHMENT 3C)
 - D. Klamath FPD Fire Services Planning – Update (ATTACHMENT 3D)
 - E. FY 2024-25 Staffing Services Contract Extensions (ATTACHMENT 3E)
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.
 - Smith River FPD Annexation status
 - Klamath CSD Annexation status
 - MSR/SOI Update Compliance Work Plan
 - 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 July 22, 2024, unless alternate date scheduled.



DEL NORTE LOCAL AGENCY FORMATION COMMISSION
670 9th Street, Suite 202
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AGENDA ITEM 2A

MEETING DATE: June 3, 2024
TO: Del Norte Local Agency Formation Commission
FROM: George Williamson AICP, Executive Officer
SUBJECT: FY 2024-25 Final Budget

DISCUSSION

The Commission will consider a Final FY 2024-25 budget at a public hearing held on June 3, 2023. For the first time in several years, the budget is proposed to increase.

Overall expenditures increase to \$107,303.00. For the last six years expenses had been maintained at just under \$96,000. City - County contributions to cover increase costs proposed to be \$ 46,775.50 each, up from just under \$40,000 in prior years .

In response to receiving the draft budget, Del Norte County CAO Neal Lopez wrote:

In previous Fiscal Year's the Fund Balance available has been considered for offsetting year over year cost increases, to limit the increase for the County and City's annual contributions. We are aware and committed to providing the necessary funding to support LAFCO operational expenses, but do feel the need to inquire about the availability of excess funds in light of the approximately \$9,000 increase from FY 23-24. Does LAFCO have a policy that establishes a prudent reserve in your annual budget? If so, can you share that with us for reference moving forward? If not, are there other factors being considered or other anticipated expenditures that would make it necessary to keep this contingency funding available?

The budget has remained at FY 2023-24 levels for the last 6+ years, without allocating contingency funding to cover expenses.

Many other LAFCOs have policies to maintain reserve accounts as a percentage (i.e., 50%) of the annual budget. Del Norte LAFCo does not have a policy to set a reserve amount. This is the current LAFCo policy:

If during the fiscal year, the Commission is without adequate funds to operate, the Board of Supervisors may loan the Commission funds and recover those funds in the budget for the following fiscal year. If at the end of the fiscal year the Commission has funds in excess of what it needs, the Commission may retain those funds and calculate them into the following fiscal year's budget (56381).

Contingency fund balance is currently \$27,890.44. These funds are held in Account #42801 007 100 as shown in the attached Final FY 2024-25 Budget. These funds have accumulated over several years by limiting expenses.



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RECOMMENDATION

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

- Receive verbal report from staff;
- Open the Public Hearing, invite testimony; and
- Discuss item, close the Public Hearing and consider recommendations:
 - 1) Approve Final FY 2024-2025 Budget with City /County Allocations as stated in the final budget; or
 - 2) Approve Final FY 2024-2025 Budget with a contingency fund reserve allocation reducing City /County Allocations.

ATTACHMENTS

Final FY 2024-2025 Budget

Resolution 2024-04 FY2024-25 Budget Adoption

Del Norte LAFCo FY 2024-25 Final Budget

Account	EXPENDITURES	Fiscal Year 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)	\$2,000.00
70530	Interfund-Cost Plan (\$150/mo budget amount)	\$1,800.00
20233	Public Member Stipend (up to 6 mtgs @ \$40/mtg)	\$0.00
	TOTAL EXPENDITURES	\$107,303.00
	** includes Office Lease Space: 12 months @ \$350/month	
	REVENUES	
91125	Project Revenue (Application Deposit)*	\$10,000.00
90300	Interest	\$753.00
90780	Del Norte County	\$46,775.00
90781	City of Crescent City	\$46,775.00
07100	Funds from Account #42801007100 (for CALAFCO Board)	\$3,000.00
	TOTAL REVENUES	\$107,303.00
Contingency (Unrestricted) Fund		
7100		\$0.00
	FUND BALANCE	
07100	Account #42801 007 100	\$27,890.44

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



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**RESOLUTION 24-04
ADOPTING A FINAL FISCAL YEAR 2024-25 BUDGET**

WHEREAS, the Del Norte Local Agency Formation Commission ("Commission") is required by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 to adopt a proposed budget for the next fiscal year no later than May 1 and a final budget no later than June 15th for the next fiscal year; and

WHEREAS, the Commission approved a proposed budget at a noticed public hearing on April 22, 2024; and

WHEREAS, at Commission direction, the Executive Officer circulated the proposed budget to local funding agencies that contribute to the Commission's budget; and

WHEREAS, the Executive Officer prepared a report with recommendations for a final budget, including an unrestricted funds expenditure to cover CALAFCO meeting expenses; and

WHEREAS, the Executive Officer's report was presented to the Commission in the manner provided by law; and

WHEREAS, the Commission heard fully and considered all of the evidence presented at its public hearing on the final budget held on June 3 2024; and

WHEREAS, the Commission may approve a reduced budget if it finds the reduced costs will nevertheless allow the agency to fulfill its prescribed regulatory and planning duties; and

WHEREAS, the Commission determined the final budget projects the staffing and program costs of the agency as accurately and appropriately as is possible and contains sufficient funds for LAFCo purposes.

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

1. The Final Fiscal Year 2024-25 Budget as presented in Exhibit A is approved.
2. The overall operating expenditures 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 3rd day of June 2024, by the following vote:

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

Blake Inscore, Chair

George Williamson, Executive Officer

ATTACHMENT: Exhibit A: FY 2024-25 Final Budget

AGENDA ITEM 3A

DRAFT MEETING MINUTES



Del Norte Local Agency Formation Commission SPECIAL MEETING

*In Person: Del Norte County Board of Supervisors Chambers
Flynn Center - 981 H St. Crescent City, CA 95531*

April 1, 2024, 4:00 pm

Members present: Blake Inscore (City Member & Chair), Dean Wilson (County Member & Vice Chair), Darrin Short (County Member), Jason Greenough (City Member), Lyle Armstrong (Public Member) and Donna DeWolf (Alternate Public Member)

Members absent: None

Others present: George Williamson (Executive Officer). Margaret Caldwell, Klamath Community Services District Board.

1. Call to Order/Roll Call/ Commission Introductions & Appointments

Commission Chair Inscore called the meeting to order at 4:00 p.m. Roll call was taken.

A. Pledge of Allegiance

2. Public Hearings

A. Klamath Community Services District Annexation and SOI Amendment

Staff presented the proposed annexation and SOI amendment. This is an annexation by Klamath CSD Board Resolution of Application # 2022-03 setting forth terms, conditions and transfers, including physical assets of the Del Ponte Water System (DPWS). Lateral property connections to remain property owners responsibility. Assets to include pumps, water transmission lines, outbuildings, valves and other water system improvements associated with the DPWS system. The Klamath CSD Board President attended the meeting and provided testimony about the water system annexation.

The Chair conducted the public hearing. On a motion by Commissioner Short, seconded by Commissioner Wilson and carried by a 5-0 vote the Commission approved the Klamath Community Services District Annexation and SOI Amendment, by Resolution 24-03, with amendments.

3. Regular Business

A. Draft Minutes February 26 2024

On a motion by Commissioner Short, seconded by Commissioner Wilson and carried by a 5-0 vote the Commission approved the February 26 2024 Minutes as submitted.

Del Norte Local Agency Formation Commission
APRIL 1 2024 MEETING MINUTES

B. Smith River Fire Protection District (FPD) proposed Annexation – Amended Application Filing by Board Resolution

Staff updated the Commission on the refiling of the Smith River FPD Annexation, due to exceeded property tax revenue negotiation time limits. There is no change in annex boundary. A Notice of Filing – Amended Application was prepared and distributed to affected agencies. A copy of the notice was included in the agenda packet. Correspondence between the FPD and the County has been initiated.

This was for Information Only and no Commission action required.

C. Klamath FPD Fire Services Plan – Update

The Commission received a report on the March 5 Klamath FPD Board Meeting staff attended, presenting an outline for Klamath Fire Services Planning, in (abbreviated) outlined below:

Task 1 – Plan Initiation - Develop Fire Services Plan outline; set schedule; collect/review relevant data. Compile dataset of local hazards & restrictions,.

Task 2 – Stakeholder & Community Input - Conduct interviews & gather information including: key issues from community and stakeholders,

Task 3 –Current Conditions Evaluation - Conduct current conditions and service performance baselines including Financial Overviews;

Task 4 – Financial Planning & Analysis - Analyze existing financial conditions and revenue levels; Evaluate potential revenue streams; define financing.

Task 5 – Evaluation, Conclusions & Recommendations - Develop & analyze emergency services operations models to deliver the adequate service levels.

Staff informed the FPD Board that the LAFCo Commission declined to contribute for specific district planning, beyond Municipal Services Reviews, and encouraged the FPD Board to authorize funds for this planning.

The Commission held an in-depth discussion about the critical conditions in the Klamath community and dire need for the FPD to organize and implement improved response and capacity. Commissioner Armstrong will attend the April FPD Board meeting.

This was for Information Only and no Commission action required.

D. AB 3277 Support

The Commission considered a letter of support to the California Legislature regarding AB 3277. This bill, if enacted, would clarify the tax exchange process for special district formations, explicitly when subject agencies waive the exchange of property tax revenue

On a motion by Commissioner Wilson, seconded by Commissioner Short and carried by a 5-0 vote the Commission approved sending a AB 3277 Letter of Support.

Del Norte Local Agency Formation Commission
APRIL 1 2024 MEETING MINUTES

E. SB 1209 Support

The Commission considered a letter of support to the California Legislature regarding SB 1209. This bill, if enacted, would authorize LAFCo to require an indemnification agreement as part of applications for reorganization or change in service.

On a motion by Commissioner Wilson, seconded by Commissioner Greenough and carried by a 5-0 vote the Commission approved sending a SB 1209 Letter of Support.

4. Inquiries, Correspondence, Application Status and Referrals

A. Staff - The Executive Officer provided reports of current projects, issues of interest, and pending legislation.

- HRC CSD water system update – The State Water Resources Control Board funded Preliminary Engineering report for the Jed Smith HOA water system consolidation system is underway
- FY 2024-25 Budget Process – The Commission will hold a public hearing on the Draft FY 2024-25 Budget at the Commissions regular April 22 meeting

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 Commission made additional comments on special district needs and the importance of accountability and community service.

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. Public comment is invited on items of interest within LAFCo subject matter jurisdiction, as specifically appearing on this special meeting agenda for Commission consideration.

5. **Adjournment** The meeting was adjourned at 4:48 PM.

Next Meeting scheduled for April 22, 2024, unless alternate date scheduled.

AGENDA ITEM 3B

DRAFT MEETING MINUTES



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

Members present: Blake Inscore (City Member & Chair), Dean Wilson (County Member & Vice Chair), Darrin Short (County Member), Lyle Armstrong (Public Member) and Donna DeWolf (Alternate Public Member)

Members absent: Jason Greenough (City Member)

Others present: George Williamson (Executive Officer); Jim Underwood, (Legal Counsel); Geoff Antill (Smith River FPD Project Coordinator)

1. Call to Order/Roll Call

Commission Chair Inscore called the meeting to order at 4:00 p.m. Roll call was taken. City Commissioner Greenough is out of town and unable to attend. Alternate City Commissioner Wright had a prior commitment and was also unable to attend.

- A. Chair Inscore led the Pledge of Allegiance

2. Public Hearings

- A. Draft FY 2024-25 Budget

Staff presented the proposed Draft FY 2024-25 Budget with projected expense increases and corresponding City and County revenue share increases. Chair Inscore pointed out issues related to the City and County allocations.

On a motion by Commissioner Wilson, seconded by Commissioner Short and carried by a 4-0 vote the Commission approved the Draft FY 2024-25 Budget was approved. The Draft FY 2024-25 Budget will be distributed to the Crescent City Manager and Del Norte County CAO, then scheduled for an adoption hearing on June 3 2024.

3. Regular Business

- A. Draft April 1 2024 Minutes (Continued to June 3 Meeting)

The minutes were continued.

- B. Del Norte County Fair Recreation & Park District – Municipal Services Review Determination Reconsideration Update

The LAFCo Resolution approving the Del Norte County Fairgrounds Recreation and Park District (DNCFRPD) formation, for receiving and allocating voter approved sales tax revenues included Condition No. 3, allocating a portion of Countywide Del Norte County Fair sales tax revenues to a reserve fund, in addition to other coordination/funding conditions.

Del Norte Local Agency Formation Commission
April 22 2024 MEETING MINUTES -

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.

Staff has contacted the DNCFRPD Board and requested that a funding program outline be considered at their May meeting as part of the reserve restriction application.

On a motion by Commissioner Short seconded by Commissioner Armstrong and carried by a 4-0 vote the Commission approved proceeding with a Capital Improvement Plan for 2024-2029 and Funding Program for release of reserve funds held as a DNCFRPD MSR condition.

C. Klamath FPD Fire Services Planning – Update

Commissioner Armstrong relayed his presentation to the FPD Board. This included information on:

- Building Maintenance
- Apparatus Maintenance including pump and ladder testing (annually).
- SCBA Maintenance including annual flow & fit testing (annually) & hydrostatic testing (3 or 5 Years).
- PPE wildland and structural (10 years), cleaning
- Tools and maintenance extrication tool maintenance
- Training and Certification
- ISO requirements what is current PPC?
- Command and Control
- Recruitment and Retention.
- Operating within your means, Decreased and realistic levels of service.
- Strategic Planning - What you do, your mission statement.
- Informing your stake holders of what you can and can't do: Community, Tribal, Working Partners.
- Budget enhancement: Increase Benefit Assessment; Serious talk with tribal entities on scheduled and fair participation payments.
- CalFire; OES & AFG/SAFER Grants.
- Decreasing District Boundaries and Sphere of Influence.
- Budgeting for the Future/Reserve Funds.
- Training Resources: Other Districts, DN County Fire Chiefs.
- Mutual Aid: Currently In place, possible contract with CCFPD, Cal Fire.

The Commission expressed support and appreciation for Commissioner Armstrong's efforts. He plans to attend the May Klamath FPD Board Meeting. The Commission also discussed the importance of addressing the lack of services as ongoing situation and need for other fire agencies and the Yurok Tribe to participate in fire services planning for Klamath. This was an informational item.

Del Norte Local Agency Formation Commission
April 22 2024 MEETING MINUTES -

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.

The Commission directed staff to include FY 2024-25 Planning and Legal Staffing Services Contract Extensions on the June 3 Agenda.

Klamath CSD Annexation status.

Staff presented the annexation status, noting that the 30 day reconsideration period will end May 1. The asset transfer from the Del Ponte Water System to the CSD will be needed for the Certificate of Completion and a BOE Filing will be submitted for the boundary change.

- 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).

Commission Commented on CALAFCO matters and ongoing service related issues for special districts in the County.

- C. Public - Public comment on items of interest within LAFCo subject matter jurisdiction, and not otherwise appearing on the agenda.

5. **Adjournment**

The meeting was adjourned at 5:01 PM. Next Meeting scheduled for June 3, 2024, including a public hearing on the final FY 2024-25 Budget, unless alternate date scheduled.



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AGENDA ITEM 3C

MEETING DATE: June 3, 2024
TO: Del Norte Local Agency Formation Commission
FROM: George Williamson AICP, Executive Officer
SUBJECT: Municipal Services Review Reconsideration Application Update

DISCUSSION

Staff attended the Del Norte County Fairgrounds Recreation and Park District Board May 14 meeting. This was to discuss Del Norte LAFCo’s request that the DNCFRPD take an action to jointly prepare, with the 41st DAA Board, a Post Sales Tax Fairgrounds Use Funding Program. This matter was on the agenda for Board consideration at their May 14 2024 Meeting.

The Del Norte County Fairgrounds Recreation and Park District (DNCFRPD) formation, as an independent special district, was LAFCo approved for receiving and allocating voter approved sales tax revenues collected for 5 years (2014-2021). LAFCo Resolution Condition No. 3, allocated a portion of Countywide Del Norte County Fair sales tax revenues to a reserve fund, in addition to other coordination/funding conditions.

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 accrued from sales tax revenues. The MSR Reconsideration Application 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 (CIP). A Draft CIP was submitted to Fairgrounds CEO Kim Floyd, who made edits (see attached)and attended the May 14 Board Meeting.

The Post Sales Tax Fairgrounds Use Funding Program and CIP, will allow LAFCo to update the MSR and address the sales tax revenue reserve restriction condition.

Attachments

- Draft 2024-29 Capital Improvement Program Template
- Draft Post Sales Tax Recreational Use Funding Program Outline

Del Norte County Fairgrounds CAPITAL IMPROVEMENT LIST *May 13 2024 – K Floyd*

Facility	Estimated Cost
Main Exhibit Building	
• Remodel Kitchen and bathrooms	\$2,000,000
• Replace halogen lights with LED lights	\$ 5,000
Grandstands	\$ 68,000
• ADA Stairs and Handrails	
Carnival Grounds Entrance	\$ 5,000
• Add ADA entrance gate key pad to existing gate	
• Pave unlevel grounds to reduce trip and falls	
Electronic Gate	\$ 9,770
• Upgrade with new system accessed from office	
• Repair damaged gate	
Electronic Reader Board	\$ 104,000
• Upgrade with new color LED board	
Red Rover Building	\$ 40,000
• Replace Roof, ceiling & fencing; Repaint Exterior & Interior;	
Horse Barns	\$ 100,000
• Reroof 3 barns Remodel 2 barns into storage units	
• Recap all barns eaves & upgrade electrical	
Ace Pavilion	\$ 5,000
• Repaint exterior & interior	
• Replace Ace Sign	
Livestock Barn	\$ 10,000
• Paint interior, Upgrade bathrooms	
• Estimated cost	
Arts & Crafts Building	\$ 1,000,000
• Upgrade kitchen and bathrooms	
• Replace flooring, Replace exterior siding and eaves.	
South RV spaces	\$ 10,000
• Extend fence to border; Add picnic tables to spots	
• Install sewer line	
Parking Lot	\$1,500,000
• Repave	
Transformer	\$ 75,000
• Upgrade 1 phase transformer next to Livestock barn	<i>Approx \$ 5million</i>

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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AGENDA ITEM 2A

MEETING DATE: June 3, 2024
TO: Del Norte Local Agency Formation Commission
FROM: George Williamson AICP, Executive Officer
SUBJECT: Klamath FPD Strategic Planning Update

DISCUSSION

LAFCo Commissioner attended the April Klamath FPD Meeting. A part of his presentation focused on Strategic Planning, including the following:

Strategic Planning - What you do, your mission should reflect

- In House Determinations
- What you do, Who you do it for, How you do it
- Values Statement
- Vision Statement
- Mandates" Fed, State, County, District
- External Environment: Challenges and Opportunities
- Internal Environment: Strengths and Weaknesses
- Strategic Issues. Strategy, and Strategic Goals
- Informing your stake holders of what you can and can't do: Community, Tribal, Working Partners

As a follow-up, LAFCo staff sent the Klamath FPD Board the following transmittal, for consideration at their May meeting. Commissioner Armstrong also attended that meeting.

May 15 LAFCo staff Transmittal to Klamath FPD

For the last several board meetings, the Del Norte LAFCo Commission and staff have been encouraging the Klamath FPD to commit funds for & engage in Strategic Planning. Now, more than ever, emergency services organizations are faced with increased expectations, limited resources, increasing service demands, community expectations & declining revenues. It's critical that governing boards ensure their organizations are operating in the most effective and efficient manner possible.

The Klamath FPD has an opportunity, due to a full board & unrestricted funds, to prepare a strategic plan. To formulate strategic initiatives, the Board must evaluate external and internal organizational factors critical to effective service delivery. This can be done through a Strategic Planning Process that includes:

- ✓ Organizational & services reviews;
- ✓ Identifying community expectations, concerns & establishing service priorities;
- ✓ Identifying District services (current & desired) the community views positively;

- ✓ Updating the District's vision and mission statement;
- ✓ Establishing the organization's guiding principles;
- ✓ Performing external (community) & internal (board, staff, volunteers) SWOT Analysis;
- ✓ Identifying District leadership/operations opportunities, potential threats & service gaps;
- ✓ Establishing organizational strategic initiatives (mission, specific goals);
- ✓ Identifying objectives supporting strategic initiatives & Identify implementation (critical) tasks for each objective; and
- ✓ Defining desired service outcomes, as performance measures and targets.

After updating the District's mission, vision & values (guiding principles), goals can be set & objectives established. Strategic goals and objectives provide the District with clear direction & are management tools to be updated on an ongoing basis, to acknowledge accomplishments & note organization / community changes. Strategic goals and objectives, as well as performance measures, help focus District efforts.

In strategic planning, the Board sets priorities for accomplishing specific goals & objectives. There's also a review process, to measure progress towards goals, & adjust timelines to reflect changes in the District's needs, environment, and resources.

Proposed Strategic Planning Scope

Task 1 -Define Strategic Plan process & access; set schedule; identify how relevant data will be collected, reviewed & presented (website). Compile hazards & restrictions dataset. Prepare current District overview. Identify methodology for engaging other service providers especially for mutual aid and complimentary services.

Task 2 - Stakeholder & Community Input - ,

As part of the strategic planning process, the District must solicit community and service provider input. This could be in the form of an online survey with questions regarding residency/business ownership status, services expectations District concerns, response times, partnerships, desired service prioritization. Conduct interviews & gather information on key issues from Klamath community members and stakeholders.

Task 3 -SWOT Analysis, including Organizational and Financial Overviews;

The Strengths, Weaknesses, Opportunities & Threats (SWOT) analysis involves identification of both internal and external factors. Strengths and weaknesses are generally thought of as internal factors within the District's control, while opportunities and threats (or challenges) are more typically external, outside the District's immediate control.

Strengths: the first step in the analysis, to assess the District's capability of providing constituent requested services, to determine whether its strengths are consistent with the issues it faces. Programs not matching strengths or primary functions should be reviewed to evaluate the rate of return for the District.

Weaknesses: the next step is to identify organizational weaknesses, that can hinder the District's ability to deliver the expected level of services. identification of weaknesses can lead to a process of continuous improvement

Opportunities: these can be multiple and varied. External opportunities offer real potential benefit. Being able to identify potential opportunities to assist the District in achieving goals and objectives is a critical strategic planning element.

Threats: like external opportunities, threats or challenges can be varied based on a number of factors such as population, demographics, socio-economic issues, etc. The

process of identifying challenges allows the District to address those issues and take the appropriate action to mitigate external effects.

Task 4 - Mission Vision Goals Objectives.

Mission The mission statement should clearly define the major services provided to the community, collaborations & what is most important to the District.

Vision In addition to knowing who they are, the District needs to define where they expect to be in the future. The District's vision provides members with a view of the future that can be shared, a clear sense of direction, a mobilization of energy & sense of being engaged in something important.

Goals The largest overarching element of a strategic plan, they address a broad enterprise where the District may have multiple areas of focus. A goal is usually defined as specific, measurable, action-oriented, realistic & time-sensitive.

Objectives A smaller component of & subordinate to a goal. If all objectives under a goal are accomplished, the goal will have been accomplished.

Task 5 - Draft and Final Strategic Plans

Prepare tables for each Goal with:

- ✓ Responsible Party: District Board, Chief, Volunteers, others?
- ✓ Objectives, Timelines, Critical Tasks & Completion Criteria.

A Draft Plan would be prepared for community comment & website posting. The District Board will hold one or more meetings to collect input and approve a final plan.

RECOMMENDATION

Allocate \$30,000 & authorize a strategic planning process at the May 15 Board meeting.

The following email was received after the FPD May Board Meeting:

I would like to take a moment to acknowledge receipt of your email and extend my gratitude on behalf of Klamath Fire Protection District for your efforts to provide us with multiple planning options in the recent months. Your latest proposal was reviewed at our May board meeting and we have unanimously decided to not pursue these services from Del Norte LAFCO. Realizing the importance and necessity of strategic planning our board prefers to move forward creating this document on our own. Again we thank you for your efforts and look forward to updating yourself and the entire LAFCO Commission with our progress soon.

Staff responded with a clarification that:

The Del Norte LAFCo May transmittal included a Strategic Planning recommendation to the FPD I should've been more clear that Del Norte LAFCO was not offering to provide these services. We fully agree with your board's realization of strategic planning's importance & necessity to the district. The transmittal was intended to provide a sample scope & objectives for your board moving forward creating this on its own. Apologies for any confusion, this would be the FPD's Strategic Plan, not LAFCo's!

ATTACHMENT 3E



PROFESSIONAL SERVICES CONTRACT - FISCAL YEAR 2024-2025

DATE: June 3 2024
TO: Blake Inscore, Chair
Del Norte Local Agency Formation Commission (LAFCo)
FROM: George Williamson, AICP, Contract Executive Officer
SUBJECT: Del Norte LAFCo Agreement for Executive Officer Services

Planwest Partners Inc. is authorized to continue providing professional staffing services to Del Norte LAFCo, for Fiscal Year 2024-2025. Planwest will perform the tasks and activities for Del Norte LAFCo identified in Exhibit A, Scope of Services (attached).

All provisions of the Agreement for the Provision of Executive Officer Services for the Del Norte LAFCo remain in effect.

Blake Inscore, Chair
Del Norte LAFCo

Date



“EXHIBIT A” - SCOPE OF SERVICES

Task 1 Performance of Executive Officer Duties

Perform Executive Officers duties including preparing staff reports, proposed findings and other agenda materials for routine Del Norte Local Agency Formation Commission (LAFCo) activities: This includes coordinating boundary adjustment proposals; reviewing applications for provision of new and extended services outside city and district boundaries; reviewing Sphere of Influence and Municipal Service Review reports and amendments; and reviewing environmental documents for California Environmental Quality Act (CEQA) compliance, submitted by member organizations. Duties to be compensated based on Planwest Partners current rate schedule which is updated annually. Preparation of all application materials for LAFCo actions would be the responsibility of the applicant and /or member organization, or may be prepared by the Executive Officer for an additional cost paid by applicant and /or member organization.

Task 2 Develop and Implement Policies

Develop and implement policies within Del Norte LAFCo's authority under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

Task 3 Maintain Website and Posting

Keep the Del Norte LAFCo website updated and make Agendas and Minutes available to the public in an electronic web-based format.

Task 4 Organization and Administration of LAFCo Business

Respond to inquiries and provide technical assistance and make information available to interested public agencies and individuals.

Task 5 Record Keeping

Distribute, file, publish and keep records of agendas, notices and other required official documents on behalf of LAFCo, and keep the Commission informed of LAFCo budget activities. Maintain an office space at 670 9th Street, Suite 202, Arcata CA, for Del Norte LAFCo files, records and storage (filing cabinets and shelving) at a cost of Three Hundred and Fifty Dollars (\$350.00) per month.

Task 6 Staff Support at Meetings

Schedule, post notices and provide staff support at up to six LAFCo meetings in accordance with the Act and LAFCo policies and procedures. Meetings may be attended remotely. Additional meeting support will be provided on a time and materials basis.

Task 7 Representation

Represent Del Norte LAFCo to CALAFCO and to various other policy-making agencies as directed by the Commission.

Task 8 Keep LAFCo Informed

Inform LAFCo of new legislation, correspondence, CALAFCO activities, current events and matters of interest related to LAFCo.

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**LEGAL SERVICES AGREEMENT BETWEEN THE DEL NORTE LOCAL AGENCY
FORMATION COMMISSION AND UNDERWOOD LAW OFFICES, P.C.**

This Agreement is entered into between the Del Norte Local Agency Formation Commission (LAFCO) and Underwood Law Offices, P.C. ("FIRM"), a professional law corporation, for the purpose of legal services.

1. PERIOD OF PERFORMANCE

This Agreement shall begin July 1, 2024, and shall continue until June 30, 2025 or until the completion of the matter(s) and case(s) identified in this Agreement in Attachment A (and any other matter(s) or cases LAFCO, assigns to FIRM as provided in this Agreement), whichever is later, or until this Agreement is terminated pursuant to the provisions of paragraph 6 or paragraph 7.

2. FIRM'S SERVICES AND RESPONSIBILITIES

FIRM shall act as general counsel to LAFCO and its officers and employees in matters or cases assigned to FIRM. This contract does not contemplate that FIRM shall provide litigation services.

FIRM shall make every effort to provide the most cost-effective services possible to LAFCO and shall suggest options and techniques to dispose of cases without unnecessary pleadings or discovery. In this regard, FIRM'S attendance at meetings of the Commission shall be optional, and shall be by telephone when feasible. LAFCO shall, through its Executive Officer, notify FIRM in advance of any meeting when personal attendance of FIRM's representative is needed, or specify when telephone attendance is preferred.

FIRM shall provide LAFCO with the necessary representation by and through services performed by James M. Underwood with support as needed from the FIRM's paralegal staff at no additional charge.

FIRM shall coordinate with LAFCO in performing services under this Agreement and shall report to LAFCO's Commission, or to the Executive Officer of LAFCO ("Executive Officer"), as requested, regarding the matters it is handling.

In the event of litigation to be handled by the FIRM, the following shall apply:

- (a) FIRM shall obtain LAFCO Executive Officer's written approval before retaining any consultant or expert witness.
- (b) FIRM shall assist LAFCO Executive Officer in settlement evaluations and negotiations, and shall obtain LAFCO Executive Officer's authority before making any settlement proposal on LAFCO's behalf or to the Court or to any other party to the case(s).
- (c) FIRM shall immediately notify Executive Officer verbally and in writing when a judgment, verdict or other award is rendered.
- (d) FIRM shall provide to LAFCO copies of all substantive pleadings and motions filed with the court or other administrative body, including those submitted by another party. FIRM shall also submit copies of all court rulings.

FIRM shall compile and maintain all backup documentation to support all entries included in its billings.

3. **REPORTING REQUIREMENTS**

In order to contain costs, many of FIRM's communications with LAFCO will be by way of electronic mail or telephone to LAFCO, which shall be attorney-client privileged and copies of which shall be kept in confidential electronic files by LAFCO and by FIRM. However, certain information must be provided in writing.

FIRM shall provide LAFCO with the following reports for litigation cases, if any:

A. **Case Evaluation, Plan and Budget**

- (i) In the event of litigation FIRM shall prepare and submit to LAFCO a *Case Evaluation, Plan and Budget*, which shall be a confidential independent evaluation of the case that will serve as the basis for developing LAFCO's legal position and strategy, and for controlling litigation costs.
- (ii) The *Case Evaluation, Plan and Budget* shall be submitted to LAFCO as soon as possible after FIRM's initial analysis of the case, but no later than 60 days after FIRM first appears in the case.

B. **Case Status Reports**

- (i) The FIRM shall prepare and present written to LAFCO a *Case Status Report* for each item of pending litigation, which shall be a summary of the significant actions and developments in the case since the last report or since the submission of the *Case Evaluation, Plan and Budget*, as applicable.
- (ii) FIRM shall ordinarily provide *Case Status Reports* no less than every six months. Between regularly scheduled reports, FIRM shall advise LAFCO of important case developments or re-assessment of LAFCO's exposure and, if requested, prepare an updated *Case Status Report*.

4. **COMPENSATION**

FIRM shall be paid at the hourly rate for the hours actually expended and for expenses actually incurred as identified in this Section of the Agreement for General Counsel services.

A. **Fees**

FIRM shall provide general counsel legal services at the following billing rates:

General Counsel Services - \$185 per hour

Litigation Services - \$200.00 per hour

B. Expenses

LAFCO shall reimburse FIRM for its actual out-of-pocket expenses but without any additional costs for having advanced the funds. Such expenses include but are not limited to the cost of transcripts, service fees, expedited postage or delivery charges, electronic legal research fees, etc. Non-reimbursable expenses shall include staff time or overtime for performing secretarial, clerical, or word processing functions.

5. BILLINGS AND PAYMENTS

A. Billings

1. FIRM shall submit its itemized billing statement monthly to LAFCO.
2. The original billing statement(s) and one copy shall be submitted to:

Executive Officer
Del Norte LAFCo
670 9th Street, Suite 202
Arcata, CA 95521

3. Each billing statement shall be itemized in a time reporting format acceptable to LAFCO and shall include original or genuine copies of invoices for reimbursement of expenses.
4. FIRM shall have and maintain all backup documentation to support all entries included in the monthly billing statement. Such documentation shall be in a form subject to audit and in accordance with generally accepted accounting principles. FIRM shall make such documentation available to auditors upon request and in accordance with paragraph 12E.

B. Payments

1. LAFCO's staff shall review all billing statements.
2. LAFCO shall make its best effort to process payments promptly after receiving FIRM's monthly billing statement, and shall be due within 30 days of receipt. LAFCO shall not pay interest or finance charges on any outstanding balance(s).

6. TERMINATION

This Agreement may be terminated in whole or in part at any time that LAFCO, in its sole discretion, deems termination to be in its best interest. LAFCO shall terminate services by delivering to FIRM a written Termination Notice specifying the extent to which services are terminated and the effective termination date. FIRM may terminate on sixty (60) days' written notice. During the sixty (60) day notice period,

FIRM shall at LAFCO's request, transfer pending files or complete specified services, which may include a final report.

7. **TERMINATION DUE TO CONFLICT OF INTEREST**

If either FIRM or LAFCO determines a matter of professional conflict has arisen which should not or could not be postponed until the conclusion of the litigation, FIRM or LAFCO may give written notice of immediate termination of this Agreement subject to FIRM's duty to provide adequate representation until the appropriate substitutions can be made.

8. **CLOSING REPORT UPON TERMINATION**

Upon LAFCO's request, FIRM shall deliver a *Closing Report* to LAFCO in the format required by LAFCO, after termination of this Agreement.

9. **ENTIRE AGREEMENT; AMENDMENTS; HEADINGS.**

A. This Agreement supersedes all previous agreements relating to the subject of this Agreement and constitutes the entire understanding of the parties hereto. FIRM shall be entitled to no other benefits other than those specified herein. FIRM specifically acknowledges that in entering into and executing this Agreement, FIRM relies solely upon the provisions contained in this Agreement and no others.

B. No changes, amendments or alterations to this Agreement shall be effective unless in writing and signed by both parties. However, minor amendments that do not result in a substantial or functional change to the original intent of this Agreement and do not cause an increase to the maximum amount payable under this Agreement may be agreed to in writing between FIRM and the LAFCO Executive Officer.

C. The headings that appear in this Agreement are for reference purposes only and shall not affect the meaning or construction of this Agreement.

10. **NOTICES**

All notices and required reports shall be written and hand-delivered or mailed by first class, postage prepaid, addressed to LAFCO or FIRM at the addresses below, or at any other address LAFCO or FIRM shall provide in writing to each other:

If to LAFCO: Executive Officer
Del Norte LAFCO
670 9th Street, Suite 202
Arcata, CA 95521

If to FIRM: James M. Underwood
Underwood Law Offices, P.C.
P.O. Box 2428
Weaverville, CA 96093

11. **ASSIGNMENT**

- A. No part of this Agreement or any right or obligation arising from it is assignable without LAFCO's written consent.
- B. However, FIRM may retain associated legal counsel and experts as FIRM deems appropriate after receiving LAFCO's written approval.

12. **STANDARD TERMS AND CONDITIONS**

A. **Indemnification**

FIRM shall indemnify, defend, and save harmless LAFCO, its agents, officers and employees from and against any and all liability expense, including defense costs and legal fees, and claims for damages of any nature whatsoever, including, but not limited to losses resulting from FIRM's errors or omissions or any bodily injury, death, personal injury, or property damage (including FIRM's property), in connection with FIRM'S operations or its services, including any workers' compensation suits, liability or expense, arising from or connected with services performed under this Agreement.

B. **Insurance**

FIRM shall indemnify, defend, and save harmless LAFCO, its agents, officers and employees from and against any and all liability (including defense costs and reasonable attorney fees) and claims for damages of any nature whatsoever, including, but not limited to FIRM's negligent acts or omissions, arising out of the performance of this Agreement, except liabilities and claims for damages (including reasonable attorneys fees) resulting from FIRM's professional negligence which may be covered by FIRM's professional liability insurance and except for any liabilities and claims for damages (including reasonable attorneys fees) caused by LAFCO's negligence or willful misconduct.

Such insurance shall be primary to and not contributing with any other insurance maintained by LAFCO, and shall include, but not be limited to:

- 1. Comprehensive General Liability Insurance endorsed for Premises-Operations, Products/Completed Operations, Contractual, Broad Form Property Damage, and Personal Injury with a combined single limit of not less than \$500,000 per occurrence.

If the above insurance is written on a Claims Made Form, the insurance shall be endorsed to provide an extended reporting period of not less than five years following termination of this Agreement.

- 2. Professional liability insurance with a liability limit of at least \$1,000,000 per claim.

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C. **Independent Contractor Status**

1. This Agreement is between the LAFCO and FIRM and is not intended, and shall not be construed to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between LAFCO and FIRM.
2. FIRM understands and agrees that all FIRM personnel furnishing services to LAFCO under this Agreement are employees solely of FIRM and not of LAFCO for purposes of workers' compensation liability.
3. FIRM shall bear the sole responsibility and liability for furnishing workers' compensation benefits to any FIRM personnel for injuries arising from services performed under this Agreement.

D. **Governing Laws**

This Agreement shall be construed in accordance with the laws of the State of California.

E. **Record Retention and Inspection**

Within ten (10) days of LAFCO's written request, FIRM shall allow LAFCO or authorized State or Federal agencies or any duly authorized representative to have the right to access, examine, audit, excerpt, copy or transcribe any pertinent transaction, activity, time cards or other records relating to this Agreement. FIRM shall keep such material, including all pertinent cost accounting, financial records, and proprietary data for a period of five (5) years after termination or completion of this Agreement unless LAFCO's written permission is given to dispose of material prior to the end of such period or until such time as all audits are complete, whichever is later.

F. **Communications with LAFCO**

FIRM understands that the LAFCO is the legally empowered representative of the LAFCO and its officers and employees, and FIRM shall not without specific direction from the LAFCO communicate with, advise, or represent the LAFCO, its Commission or any other officers or employees.

G. **Validity**

The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision.

H. **Waiver**

No waiver of a breach of any provision of this Agreement by either party shall constitute a waiver of any other breach of the provision or any other provision of this Agreement. Failure of either party to enforce any provision of this Agreement at any time shall not be construed as a waiver of that provision.

I. **Confidentiality**

During the term of this Agreement, both parties may have access to information that is confidential or proprietary in nature. Both parties agree to preserve the confidentiality of and to not disclose any such information to any third party without the express written consent of the other party or as required by law. This provision shall survive the termination, expiration, or cancellation of the Agreement.

13. **CONTRACT DOCUMENTS**

This Agreement shall constitute the complete and exclusive statement of understanding between LAFCO and FIRM and it supersedes all previous written or oral agreements, and all prior communications between the LAFCO and FIRM relating to the subject matter of this Agreement.

IN WITNESS WHEREOF, the LAFCO and FIRM have executed this Agreement on the day and year set forth below. By their signatures below, each signatory represents that he/she has the authority to execute this Agreement and to bind the party on whose behalf his/her execution is made.

Del Norte LAFCO

Date: June _____, 2024

Blake Inscore, Chairman

Underwood Law Offices, P.C.

Date: June 3, 2024



JAMES M. UNDERWOOD
TAX I.D. # 46-1983641