

Patrick Jones
County Member

Janice Powell
City Member

Tim Garman
County Member

Tenessa Audette
City Member

Mary Rickert
County Member Alternate

Stan Neutze
City Member Alternate



Fred Ryness
Special District Member

Ronnean Lund
Special District Member

Rosemary Smith
Special District Alternate

Larry Russell
Public Member

Michael Spencer
Public Member Alternate

REGULAR COMMISSION MEETING

Thursday, August 1, 2024 at 9:00 a.m.
Shasta County Board of Supervisors Chambers
1450 Court Street, Redding, CA 96001

AGENDA

1. CALL TO ORDER

- a. Roll Call
- b. Pledge of Allegiance

2. PUBLIC COMMENT

Members of the public are invited to address the Commission at this time regarding any item not scheduled for discussion as part of this agenda, and that is within the jurisdiction of LAFCO. Comments may be limited to three (3) minutes per person. No action will be taken by the Commission at this meeting as a result of items presented at this time.

3. AGENDA ADOPTION

- a. Agenda - Additions/ Changes
- b. Business/ Campaign Conflict Disclosures

Note: Only the following additions/changes are permitted: (1) to change the order of noticed agenda items, (2) determine to continue or not consider a noticed agenda item, or (3) discussion/action on an item not appearing on the posted agenda if a defined statutory emergency situation is determined to exist by majority vote (G.C. 56954.2(b)(1) and G.C. 54956.5).

4. SPECIAL PRESENTATIONS

- a. Update on Services Provided by Western Shasta Resource Conservation District

The Commission will receive an update on services provided by the Western Shasta Resource Conservation District including current and upcoming projects. Representatives from the District will provide the status update and take questions from the Commission as time allows.

5. CONSENT CALENDAR - ACTION ITEM

All consent items are considered routine and may be enacted by the Commission under one motion. With concurrence of the Chair, a Commissioner may request that an item be removed for discussion.

- a. June 6, 2024 Draft Meeting Minutes
- b. Recent Bank Statements for Checking and Savings

6. ITEMS PULLED FROM CONSENT CALENDAR

This item is reserved for any items that the Commission wishes to pull from the consent calendar to discuss prior to taking action.

7. CORRESPONDENCE - NONE

SHASTA LAFCO

8. SCHEDULED PUBLIC HEARINGS - NONE

Any member of the public may address the Commission on scheduled public hearing items. The Chair may regulate the order of such presentations and reserves the right to limit the time allowed for each person to speak.

9. BUSINESS ITEMS

Business items are for review and possible action by the Commission.

a. Composition of LAFCO

The Commission will review a request from the Mayors' City Selection Committee to increase the number of Regular City Member seats on the Commission from two to three and may discuss the overall composition of Shasta LAFCO.

b. LAFCO Office Closure

The Commission will consider options for closure of the LAFCO office located in Redding and potential liquidation of assets.

c. FY2023-24 Budget Amendment

The Commission will consider approving a budget amendment for FY2023-24 in order to cover staffing services provided in June 2024.

d. Planwest Partners June 2024 Invoice

The Commission will review and consider approval for the Planwest Partners invoices for staffing services.

10. EXECUTIVE OFFICER REPORT (INFORMATIONAL ONLY)

An applicant or member of the public may provide comments on an item at the discretion of the Chair. General direction to staff for future action may be provided by the Commission.

a. Status of Municipal Service Review/Sphere of Influence Update Preparations

The Commission will receive an update on MSR/SOI preparation for the City of Anderson, Intermountain Regional Fire Services, and CSA #1 - County Fire.

b. Status of Current and Future Applications

The Commission will receive an update on current and future applications including current annexation to CSA #8, and potential future annexation to the City of Redding.

c. CALAFCO Daily Legislative Report (July 2024)

The Commission will receive an update on current legislation that is being tracked by CALAFCO.

11. CLOSED SESSION - NONE

12. COMMISSIONER ANNOUNCEMENTS (INFORMATIONAL ONLY)

13. STAFF ANNOUNCEMENTS

14. ADJOURNMENT

The next Regular Commission Meeting is scheduled for Thursday October 3, 2024, at 9:00am at the City of Anderson Council Chambers located at 1887 Howard Street, Anderson, CA.

If you choose not to observe the LAFCO meeting but wish to make a comment on a specific agenda item, please submit your comment via email by 5:00 p.m. the day prior to the meeting. Please submit your comment to amber@shastalafco.org. Your comment will be placed into the record at the LAFCO meeting.

SHASTA LAFCO

Notice:

This agenda has been posted at least 72 hours prior to the meeting in a location freely accessible to members of the public, in accordance with the Brown Act. The full agenda packet (including staff reports) is also available on the LAFCO website at www.shastalafco.org.

For items appearing on the agenda, the public is invited to make comments at the time the item comes up for consideration by the Commission. The Chair will call for public comment as each item is heard by the Commission. For items not appearing on the agenda, the public is invited to make comments during the Public Comment period for non-agenda items. All speakers are invited to state their names but are not required to do so. If you wish to submit written material at the meeting, please supply 10 copies.

FPPC - Notice to All Parties and Participants in LAFCO Proceedings:

State law requires that a participant in LAFCO proceedings who has a financial interest in the decision and who has made a campaign contribution to any Commissioner in the past year must disclose the contribution. If you are affected, please notify LAFCO staff before the hearing.

Americans with Disabilities Act:

Commission meetings are held in a wheelchair accessible facility. Individuals requiring special accommodation to participate in this meeting are requested to contact the LAFCO representatives at (707) 825-8260. Notification 48 hours prior to the meeting will enable the Commission to make reasonable arrangements to ensure accessibility to this meeting.

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Fred Ryness
Special District Member

Ronnean Lund
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Rosemary Smith
Special District Alternate

Larry Russell
Public Member

Michael Spencer
Public Member Alternate

REGULAR COMMISSION MEETING

Thursday, June 6, 2024 at 9:00 a.m.
City of Redding Council Chambers
777 Cypress Avenue, Redding, CA 96001

DRAFT MEETING MINUTES

1. CALL TO ORDER

Chairman Russell called meeting to order at 9:00 a.m. at the City of Redding Council Chambers

a. Roll Call

Present: Chairman Russell; Commissioners Ryness, Audette, and Lund; and Alternates Smith and Spencer

Absent: Commissioners Garman, Jones, and Powell; Alternates Neutze and Rickert

Staff Present: Senior Advisor George Williamson; Legal Counsel Jim Underwood

b. Pledge of Allegiance

2. PUBLIC COMMENT

No public comment was provided.

3. AGENDA ADOPTION

- a. Agenda - Additions/ Changes
- b. Business/Campaign Conflict Disclosures

No changes were made to the agenda or disclosures made.

Motion Audette/ Ryness to adopt the agenda. Motion passed by 4-0-0 voice vote.

4. SPECIAL PRESENTATIONS

- a. Update on Services Provided by Fall River Valley Fire Protection District

Representatives provided an update on the current provision of services by the Fall River Valley Fire Protection District. Battalion Chief Ryan Booth provided a brief history of the District including prior annexations and mergers. He also described updates to the volunteer program, increased training efforts, and coordination of ambulance services. Chief Gomes provided an overview of the challenges they have faced over the past year and his approach to improving internal management and the provision of services.

5. CONSENT CALENDAR

- a. April 8, 2024 Draft Meeting Minutes
- b. Recent Bank Statements for Checking and Certified Deposit

Motion Lund/ Ryness to approve the consent calendar. Motion passed by a 4-0-0 voice vote.

6. CORRESPONDENCE - None

7. SCHEDULED PUBLIC HEARINGS

a. Final FY 2024-25 Budget

Senior Advisor Williamson introduced the staff report and provided additional comments on the CD account held at US Bank. No comments were received from member agencies on the draft budget. The public hearing was opened, and no comment was received.

Motion Lund/ Audette to adopt Resolution 2024-02 approving the final FY 2024-25 budget with intent to consider a budget amendment once the CD account matures in the fall. Motion passed by a 4-0-0 voice vote.

8. BUSINESS ITEMS

a. Composition of LAFCO

Legal Counsel Underwood introduced the staff report and provided an overview of the City Mayors' Selection Committee request to increase the number of City member seats on LAFCO from two to three. The Commissioners held discussion about possibly increasing the number of City seats and either Special District or Public Member seats, and also the potential cost of pursuing special legislation.

Motion Lund/ Russell to continue the discussion to the next regular commission meeting. Motion passed by a 4-0-0 voice vote.

b. FY 2023-24 Audit Contract

Senior Advisor Williamson introduced the staff report which includes the proposed contract for audit services. He also noted that he checked the reference for O'Connor & Company which resulted in a good recommendation.

Motion Ryness/ Lund to approve the contract with O'Connor & Company for FY 2023-24 audit services. Motion passed by a 4-0-0 voice vote.

c. FY 2024-25 Professional Services Contracts

Senior Advisor Williamson introduced the staff report and noted that a typo was corrected. The contracts include both Planwest Partners Inc. and Underwood Law Firm.

Motion Ryness/ Lund to approve the professional services contracts with Planwest Partners Inc. and Underwood Law Firm, P.C. Motion passed by a 4-0-0 voice vote.

d. Appointment of Executive Committee Members

Senior Advisor Williamson introduced the staff report and invited nominations for a third Executive Committee member.

Motion Audette/ Ryness to appoint Alternate Commissioner Neutze to the Executive Committee. Motion passed by a 4-0-0 voice vote.

e. Planwest Partners April & May 2024 Invoices

Motion Ryness/ Audette to approve the April and May invoices for Planwest Partners staffing services. Motion passed by a 4-0-0 voice vote.

9. EXECUTIVE OFFICER REPORT

- a. Status of Municipal Service Review/Sphere of Influence Update Preparations
- b. Status of Current and Future Applications
- c. CALAFCO Daily Legislative Report (June 2024)

Senior Advisor Williamson introduced the staff report and provided an overview of work being done on MSR/SOI Updates. It is anticipated that the Anderson MSR will be ready for review at the August meeting.

10. CLOSED SESSION - None

11. COMMISSIONER ANNOUNCEMENTS

Commissioner Lund asked about the current status of the office space in Redding. Staff is looking at options for potentially closing the office including options for digitizing and/or storing historical LAFCO files.

12. STAFF ANNOUNCEMENTS

Senior Advisor Williamson noted that Executive Officer Heaney was out on medical leave but will be returning to work shortly and will be attending the August meeting.

13. ADJOURNMENT - 10:18AM



P.O. Box 1800
Saint Paul, Minnesota 55101-0800

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SHASTA LOCAL AGENCY FORMATION
COMMISSION
999 MISSION DE ORO DR STE 106
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Business Statement

Statement
Period: May 1,
2024 through
May 31, 2024

Page 1 of 2

To Contact U.S. Bank

Commercial Customer Service: 877-295-2509

U.S. Bank accepts Relay Calls

Internet: usbank.com

INFORMATION YOU SHOULD KNOW

During February billing review, we determined that some accounts were set to bill incorrectly for Paper Statement services. To avoid incorrect charges to your account, no statement fees were charged for February activity. We have corrected the Paper Statement billing error and will be collecting the unbilled fees for February. You may see what appears to be a duplicate charge in your June statement; this is a combination of the February and May fees. If you have any questions, please contact your Relationship Manager or the customer service telephone number at the top of your statement.

Effective May 13, 2024, we would like to inform you of the upcoming changes to the *Business Pricing Information* and the *U.S. Bank Business Essentials® Pricing Information* documents that may impact your account. To obtain a current copy of the *Business Pricing Information* and *U.S. Bank Business Essentials® Pricing Information* disclosures, visit your local branch.

Primary updates in your revised Business Pricing Information disclosure

- Effective January 2024, the following fees are no longer being charged. The references to these fees were removed or changed to "no charge" throughout the document:
 - Mini and Full Statement Fee at a U.S. Bank ATM
 - Safe Deposit Box Paper Invoice
 - Tracer Fee
 - Foreign Draft Purchases
- Checks on Select Countries/Banks (non-collection) name is changed to Foreign Currency Check Deposit - Select Countries
- Domestic Internal Wire Transfer Fee clarification is being added for the following:
 - Internal Wire - outgoing - \$11.00
- The footnote for Business Overdraft Protection was updated to refer to the *Your Deposit Account Agreement* document in the section titled "Overdraft Protection Plans," under "Business Banking Overdraft Protection" for additional information.

Beginning May 13, 2024, a copy of the *Business Pricing Information* and the *U.S. Bank Business Essentials® Pricing Information* documents will be available by calling 800-673-3555 or by visiting your local branch.

If you have any questions, you can call us at 800-673-3555. Our business bankers are here to help 8 a.m. to 8 p.m. CT Monday through Friday and 8 a.m. to 6:30 p.m. CT on Saturday. We accept relay calls. Our bankers are also available to help at your local branch via appointment.

SILVER BUSINESS CHECKING

Member FDIC

U.S. Bank National Association

Account Summary

	# Items		
Beginning Balance on May 1		\$	83,354.71
Other Withdrawals	2		322.43-
Checks Paid	1		600.00-
Ending Balance on May 31, 2024		\$	82,432.28

Products and services available in U.S. only. Eligibility requirements and restrictions apply. For additional information, contact a U.S. Bank branch or call 800-872-2657.



SHASTA LOCAL AGENCY FORMATION
 COMMISSION
 999 MISSION DE ORO DR STE 106
 REDDING CA 96003-3861

Business Statement

Statement

Period: May 1,
 2024 through
 May 31, 2024

SILVER BUSINESS CHECKING (CONTINUED)

U.S. Bank National Association

Other Withdrawals

<i>Date</i>	<i>Description of Transaction</i>	<i>Ref Number</i>	<i>Amount</i>
May 14	Analysis Service Charge	1400000000	\$ 23.50-
May 20	Electronic Withdrawal REF=241380167324750N00	To SPECTRUM 0000358635SPECTRUM 8622101	298.93-
Total Other Withdrawals			\$ 322.43-

Checks Presented Conventionally

<i>Check</i>	<i>Date</i>	<i>Ref Number</i>	<i>Amount</i>
3499	May 6	8016902092	600.00
Conventional Checks Paid (1)			\$ 600.00-

Balance Summary

<i>Date</i>	<i>Ending Balance</i>	<i>Date</i>	<i>Ending Balance</i>	<i>Date</i>	<i>Ending Balance</i>
May 6	82,754.71	May 14	82,731.21	May 20	82,432.28

Balances only appear for days reflecting change.



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Internet:

usbank.com

NEWS FOR YOU

Scan here with your phone's camera to download the U.S. Bank Mobile App.



INFORMATION YOU SHOULD KNOW

Effective August 12, 2024, please review updates made to the *Your Deposit Account Agreement* document which may affect your rights.

Beginning July 8, 2024, you can review the full revised document at usbank.com/YDAA-upcoming-version, by calling 24-Hour Banking at 800-USBANKS (872-2657) or by visiting your local U.S. Bank branch. We accept relay calls.

Here's what you should know:

- Under the **Time Deposits** section, the early withdrawal fee will be removed.

If you have questions, please call us at 800-673-3555. Our business bankers are here to help 8 a.m. to 8 p.m. CT Monday through Friday and 8 a.m. to 6:30 p.m. CT on Saturday. You can also schedule an appointment at usbank.com/book to speak with a banker in person, by phone or virtually.

Effective August 12, 2024, we would like to inform you of the upcoming changes to the *Business Pricing Information* document that may impact your account. A current copy of the *Business Pricing Information* disclosure can be obtained by calling 800-673-3555 or by visiting your local branch.

Primary updates in your revised *Business Pricing Information* disclosure

- Platinum checking updates include the following:
 - U.S. Bank Payment Solutions Merchant Banking is being added as an option for the Monthly Maintenance Fee waiver
 - Transactions - 550 free per statement cycle, then \$0.40 each (previously 500 free transactions)
 - Cash Deposit Fee - 250 free units per month, then \$0.33 per \$100 (previously 200 free units)
- Gold Checking updates include the following:
 - Transactions - 350 free per statement cycle, then \$0.45 each (previously 300 free transactions)
 - Cash Deposit Fee - 125 free units per month, then \$0.33 per \$100 (previously 100 free units)
- The Non-U.S. Bank ATM transaction fee for denied transactions will be removed.
- Under the Foreign Currency section, the Foreign Exchange Fee (Admin Fee) will be charged for transactions of \$300 (previously \$250) U.S. Dollars or less, or for any currency purchases returned within seven days.

Beginning August 12, 2024, a copy of the *Business Pricing Information* document will be available by calling 800-673-3555 or by visiting your local branch.

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SHASTA LOCAL AGENCY FORMATION
COMMISSION
999 MISSION DE ORO DR STE 106
REDDING CA 96003-3861

Business Statement

Statement
Period: Jun 3,
2024 through
Jun 28, 2024

INFORMATION YOU SHOULD KNOW

(CONTINUED)

If you have any questions, you can call us at 800-673-3555. Our business bankers are here to help 8 a.m. to 8 p.m. CT Monday through Friday and 8 a.m. to 6:30 p.m. CT on Saturday. We accept relay calls. Our bankers are also available to help at your local branch via appointment.

SILVER BUSINESS CHECKING

Member FDIC

U.S. Bank National Association

Account Summary

	# Items		
Beginning Balance on Jun 3		\$	82,432.28
Other Withdrawals	3		253.44-
Checks Paid	2		2,035.00-
Ending Balance on Jun 30, 2024		\$	80,143.84

Other Withdrawals

Date	Description of Transaction	Ref Number	Amount
Jun 14	Analysis Service Charge	1400000000	\$ 23.50-
Jun 24	Electronic Withdrawal REF=241760007809810N00	To SPECTRUM 0000358635SPECTRUM 9690862	144.99-
Jun 25	Electronic Withdrawal REF=241760163683690N00	To GAN CA LOCALIQ A 1002010547descript cpsvkdv0i4761pb	84.95-
Total Other Withdrawals			\$ 253.44-

Checks Presented Conventionally

Check	Date	Ref Number	Amount	Check	Date	Ref Number	Amount
3500	Jun 3	8017105140	600.00	3502*	Jun 6	8914237098	1,435.00
* Gap in check sequence				Conventional Checks Paid (2)		\$	2,035.00-

Balance Summary

Date	Ending Balance	Date	Ending Balance	Date	Ending Balance
Jun 3	81,832.28	Jun 14	80,373.78	Jun 25	80,143.84
Jun 6	80,397.28	Jun 24	80,228.79		

Balances only appear for days reflecting change.



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SHASTA LOCAL AGENCY FORMATION
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To Contact U.S. Bank

Commercial Customer

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U.S. Bank accepts Relay Calls

Internet: usbank.com

INFORMATION YOU SHOULD KNOW

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MUNICIPAL INVESTOR

Member FDIC

U.S. Bank National Association

Account Summary

	# Items				
Beginning Balance on May 1		\$	1,730.68	Annual Percentage Yield Earned	0.08847%
Other Deposits	1		0.13	Interest Earned this Period	\$ 0.13
Ending Balance on May 31, 2024		\$	1,730.81	Interest Paid this Year	\$ 0.65
				Number of Days in Statement Period	31

Other Deposits

<u>Date</u>	<u>Description of Transaction</u>	<u>Ref Number</u>	<u>Amount</u>
May 31	Interest Paid	3100000302	\$ 0.13
Total Other Deposits			\$ 0.13



P.O. Box 1800
Saint Paul, Minnesota 55101-0800

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SHASTA LOCAL AGENCY FORMATION
COMMISSION
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Statement
Period: Jun 3,
2024 through
Jun 30, 2024

Page 1 of 1



To Contact U.S. Bank

Commercial Customer

Service: 877-295-2509

U.S. Bank accepts Relay Calls

Internet: usbank.com

INFORMATION YOU SHOULD KNOW

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Beginning July 8, 2024, you can review the full revised document at usbank.com/YDAA-upcoming-version, by calling 24-Hour Banking at 800-USBANKS (872-2657) or by visiting your local U.S. Bank branch. We accept relay calls.

Here's what you should know:

Under the **Time Deposits** section, the early withdrawal fee will be removed.

If you have questions or need to request a copy of the current *Your Deposit Account Agreement*, visit usbank.com/tmtermsandconditions or please call your customer service team at the phone number listed at the top of this statement.

MUNICIPAL INVESTOR

Member FDIC

U.S. Bank National Association

Account Summary

	# Items				
Beginning Balance on Jun 3		\$	1,730.81	Annual Percentage Yield Earned	0.08438%
Other Deposits	1		0.12	Interest Earned this Period	\$ 0.12
Ending Balance on Jun 30, 2024		\$	1,730.93	Interest Paid this Year	\$ 0.77
				Number of Days in Statement Period	30

Other Deposits

Date	Description of Transaction	Ref Number	Amount
Jun 28	Interest Paid	2800000330	\$ 0.12
Total Other Deposits			\$ 0.12

Products and services available in U.S. only. Eligibility requirements and restrictions apply. For additional information, contact a U.S. Bank branch or call 800-872-2657.

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Rosemary Smith
Special District Alternate

Larry Russell
Public Member

Michael Spencer
Public Member Alternate

AGENDA ITEM 9.A

Date: August 1, 2024

From: Krystle Heaney, Executive Officer

Subject: Mayors' City Selection Committee Request to Alter LAFCO Membership

The Commission will continue discussion on a request from the Mayors' City Selection Committee of Shasta County to change the number of Regular City Members seated on the Commission from two to three with one Alternate City Member.

BACKGROUND

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act) is the principal act that governs LAFCOs throughout the state. It defines the powers, composition, and processes for LAFCO. Specifically, Government Code (G.C.) Section 56325 specifies the general composition of LAFCO as follows:

- Two (2) Commission members appointed by the Board of Supervisors from their own membership and one (1) alternate.
- Two (2) Commission members appointed by the cities in the county, each of whom shall be a mayor or council member, appointed by the City Selection Committee, and one (1) alternate.
- Two (2) Commission members who are presiding officers or members of legislative bodies of independent special districts, appointed by the independent special district selection committee pursuant to G.C. Section 56332, and one (1) alternate.
- One (1) Commission member representing the general public appointed by the other members of the Commission, and one (1) alternate.

This composition provides for a seven (7) member commission with equal representation from county, city, and special district members, and with public member representation. It also provides for one (1) alternate for each category so that in the event a regular member cannot attend, a voting member representing that category may still participate in the meeting. The term of office of each member shall be four years (G.C. Section 56334).

There are five exceptions to the composition as defined in CKH Act which were enacted by special legislation. These exceptions are for each of the counties listed below:

- G.C. Section 56326 - Los Angeles County
Two (2) county members, one (1) resident of the San Fernando Valley Statistical Area, two (2) appointed by the city selection committee, one (1) appointed city member from a legislative body having a population in excess of 30 percent of the total population of the county, two (2) special district members, and one (1) public member, for a total of nine (9) commission members.

- G.C. Section 56326.5 - Sacramento County
Two (2) county members, one (1) City of Sacramento member, one (1) regular city member, two (2) special district members, and one (1) public member, for a total of seven (7) commission members.
- G.C. Section 56327 - Santa Clara County
Two (2) county members, one (1) city member from the city with the largest population, one (1) regular city member, and one (1) public member who is not a resident of cities already represented on the commission, for a total of five (5) commission members.
- G.C. Section 56328 - San Diego County
Two (2) county members, two (2) regular city members, one (1) city member from the city with the largest population, two (2) special district members, and one (1) public member, for a total of eight (8) commission members.
- G.C. Section 56328.5 - Kern County
Two (2) county members, two (2) regular city members, one (1) city member from the city with the largest population, two (2) special district members, and (2) public members, for a total of nine (9) commission members.

There are also provisions in the CKH Act for counties that do not have cities such as Trinity County, and those that do not have special district representation. To alter the composition of a specific LAFCO, special legislation would need to be passed by the state legislature and approved by the governor to amend the CKH Act.

DISCUSSION

At the April 19, 2024, Shasta County Mayors' City Selection Committee Special Meeting, the attending members made the following recommendation (Attachment B):

"By motion made, seconded (Neutze/Powell), and unanimously carried, the Mayors' City Selection Committee recommended changing the city membership of the Shasta County Local Agency Formation Commission (LAFCO) from two members and one alternate to three members, to reflect the three incorporated cities within Shasta County and to provide permanent representation on the LAFCO board for all three cities."

As stated above, in order to change the composition for Shasta County, special legislation for a statutory change to the CKH Act would be required. In order to introduce a bill for this change, a representative of the state assembly or senate would need to sponsor a bill and introduce it as part of the new legislative cycle. These cycles typically occur over two years and require authorship of the bill, lobbying to garner support, and continued coordination of legislative staff as the bill moves through both the assembly and senate prior to being presented to the governor for signature.

It should be noted that the majority of exceptions for LAFCO compositions are based on population size. For instance, the San Fernando Valley had an estimated 2022 population of 1.86 million and Los Angeles County has a total population of 9.7 million. Additionally, the largest city in Kern County is Bakersfield which had an estimated 2022 population of 410,647. By comparison, Redding had an estimated 2022 population of 92,906.

Pursuant to G.C. Section 56325 (b), the City Selection Committee is “encouraged to appoint members to fairly represent the diversity of the cities in the county, with respect to population and geography.” The current rules and regulations for the Shasta County Mayors’ City Selection Committee (below) specify an annual appointment for members as opposed to the four year term specified in G.C. Section 56334.

Rules and Regulations of the Mayors’ City Selection Committee – Rule V: Section 4

Two elected city representatives, and an elected alternate city member, shall be appointed to the Shasta Local Agency Formation Commission (LAFCO) based on those nominations submitted by the Mayors of each city as provided herein.

If the office of a regular city member becomes vacant, the alternate member may serve and vote in place of the former regular city member until the appointment of a new regular city member is made to fill the vacancy. If a member who is a city officer ceases to be an elected officer of a city during his or her term, his or her membership on the LAFCO shall be considered vacant.

Commission member rotation shall be as follows:

<u>Rotation</u>	<u>Representatives</u>	<u>Alternate</u>
Rotation 1	Anderson and Shasta Lake	Redding
Rotation 2	Shasta Lake and Redding	Anderson
Rotation 3	Redding and Anderson	Shasta Lake

Effective January 2017 rotating annually as stated above.

It should also be noted that the CKH Act contains a provision that specifies the role of Commissioners when seated on LAFCO. G.C. Section 56331.4 states that “while in service on the commission, all commission members shall exercise their independent judgement on behalf of the interests of residents, property owners, and the public as a whole in furthering the purposes of [LAFCO]. Any member appointed on behalf of local governments shall represent the interests of the public as a whole and not solely the interests of the appointing authority. This section does not require the abstention of any member on any matter, nor does it create a right of action in any person”. As such, when city members are appointed to the Commission, they are not representing their individual city interests nor the sole interests of the Mayors’ City Selection Committee but rather the public as a whole throughout Shasta County.

At the previous LAFCO meeting on June 6th, 2024, the Commission discussed the request including potential options for balancing the Commission by including another special district or public member in addition to an extra city member. The cost of introducing special legislation was also discussed. The cost is largely unknown and could vary greatly depending on the level of coordination and involvement of staff.

Since there was limited attendance at the prior Commission meeting, this item was continued for further discussion and potential action.

RECOMMENDATION

The Commission is invited to hold discussion on the composition of Shasta LAFCO and provide direction to staff.

Patrick Jones
County Member

Janice Powell
City Member

Tim Garman
County Member

Tenessa Audette
City Member

Mary Rickert
County Member Alternate

Stan Neutze
City Member Alternate



Fred Ryness
Special District Member

Ronnean Lund
Special District Member

Rosemary Smith
Special District Alternate

Larry Russell
Public Member

Michael Spencer
Public Member Alternate

AGENDA ITEM 9.B.

Date: August 1, 2024

From: Krystle Heaney, Executive Officer

Subject: **LAFCO Office Lease Renewal and Future Closure**

The Commission will consider renewing the lease for the current LAFCO office space and discuss options for closing the office in the future.

BACKGROUND

LAFCO currently maintains an office at 999 Mission De Oro Drive in the City of Redding. This small two room office houses the historical LAFCO files and miscellaneous office furniture and equipment. Since the departure of the former Office Manager, the space is largely unused.

Shasta LAFCO maintains the following policy in regard to office space:

Section 3. Provisions for Quarters, Equipment and Supplies - 3.1: Provisions for Quarters

It shall be the policy of Shasta LAFCO to establish and maintain an administrative office that is separate and independent from any other local governmental agency or private enterprise. Provisions for lease or rental of an appropriate administrative office shall be made in the annual operating budget. The Executive Officer or General Counsel are authorized to negotiate the terms of any lease or rental agreement for subsequent approval by the Commission. The Executive Officer shall also be responsible for on-going compliance with the terms and conditions of any lease agreement approved by the Commission.

DISCUSSION

The current lease for the LAFCO office ends on July 31, 2024. The Executive Officer contacted the building owner to discuss options for a month to month or 6-month lease. The building owner indicated that spaces are only available for one-year leases and LAFCO will need to sign a new lease (Attachment A) in order to keep utilizing the space. Based on this information and current LAFCO policy, it is recommended that LAFCO maintain the office until July 2025.

During the upcoming year, staff proposes the following to prepare for office closure next summer:

- Inventory assets: Staff will create a full inventory of assets that are currently located at the Redding office.
- Assess options for digitizing files: Staff will research options for digitizing all historical files so they can be easily accessed for research purposes.

- Assess storage options: Staff will research options for storage of historical files and any assets the Commission may wish to keep. The County currently uses North Court Storage which offers monthly storage rates of \$90 and up depending on the size of the unit.
- Assess Policy: Staff will review the policy of other LAFCOs, and provide potential options to the Commission for amending the current Shasta LAFCO policy. If amended, staff can proceed with the following steps.
 - Dispose of surplus property: Any office furniture, equipment or material that is no longer needed and that the Commission deems is surplus property will need to be disposed of or donated. During prior office relocations, unused furniture and equipment was offered as a donation to special districts.
 - Prepare files for storage: Staff will organize historical LAFCO files into storage boxes that will be easier to move and store. These will be labeled with sufficient detail to allow for easy access of documents in the future.
 - Move: Once office furniture and equipment has been disposed of per Commission direction, staff will move any remaining items, including the historical files, to a storage facility. The office will then be cleaned, and keys returned to the building owner.

RECOMMENDATION

Staff recommends the Commission approve the new one year lease for the current office space at 999 Mission de Oro Drive and provide direction to staff as needed on potential policy amendment and future office closure.

ATTACHMENTS

Attachment A - Draft Lease Agreement

COMMERCIAL LEASE AGREEMENT

Date: July 18, 2024

I. PARTIES

Debra L. Randell, hereinafter “Landlord”, and Shasta LAFCo, hereinafter “Tenant”, hereby enter into this Commercial Lease Agreement, hereinafter “Agreement”, on the above date.

II. LEASE PREMISES

Landlord is the owner of the land and improvements at 999 Mission De Oro Drive, Redding, CA 96003 (the “Property”).

III. LEASE

Landlord leases the Leased Premises (Suite 106) to the Tenant and Tenant leases the Leased Premises from Landlord on the terms and conditions set forth herein.

IV. LEASE TERM

The “Initial Term” of the Lease Agreement begins on August 1, 2024, for the period of one year, with the option to renew for one year. If the Landlord does not provide possession of the Leased Premises timely at the start of the Initial Term, lease hereinafter described shall be pro-rated until such time as Tenant takes possession.

V. LEASE AMOUNT

Tenant shall pay to the Landlord the sum of \$600.00 per month. Each payment shall be due on the 1st of the month payable to Landlord at 999 Mission De Oro Drive, Redding, CA 96003. Any rents received after the 5th of the month will result in a \$50 late fee.

VI. ASSIGNMENT

Tenant shall not sublease all or any part of the Leased Premises without Landlord’s written consent, save and except any assignment to any successor corporation to Tenant including any purchases of all or substantially all of the Tenant’s assets.

VII. REPAIRS

Tenant shall make, at Tenant's expense, all necessary repairs for damage caused by Tenant including normal wear and tear except for repairs and obligations as otherwise set forth herein.

VIII. ALTERATIONS

Tenant, at Tenant's expense, shall have the right to remodel, redecorate, and make additions, improvements, and replacements of and to all or any part of the Leased Premises, upon receipt of Landlord's written consent, provide the same are made in a workmanlike manner and utilizing good quality materials. An additional alarm system may be installed in the Leased Premises.

IX. TAXES ON RENTED PREMISES

Landlord shall pay, prior to delinquency, all general real estate taxes assessed on the Leased Premises.

X. INSURANCE

Tenant and Landlord shall, each at its own expense, maintain a policy or policies of comprehensive general liability insurance fully paid and without lapse. Such insurance shall afford minimum protections of not less than \$1,000,000 combined single limit coverage of bodily injury, property damage, or combination thereof. Landlord shall be listed as an additional insured on Tenant's policy or policies or comprehensive general liability insurance. Tenant shall provide Landlord with current Certificates of Insurance evidencing Tenant's compliance.

XI. UTILITIES

Landlord shall pay all charges for utilities with the exclusion of telephone and DSL charges. Tenant shall incur the charges for those services.

XII. SIGNS

Tenant shall have the right to put logo on sign facing Browning and Hilltop Dr. on allocated spot agreed on by tenant and landlord.

XIII. RIGHT OF ENTRY

Landlord shall have the right to enter upon the Leased Premises at reasonable hours to inspect the same, provided Landlord shall not thereby unreasonably interfere with Tenant's business.

XIV. PARKING

Tenant, Tenant's employees, guests, and invitees, shall have the non-exclusive use in common with Landlord, other tenants of the Property, their guests, and invitees of the non-reserved common automobile parking areas, driveways, and footways subject to rules and regulations for the use thereof as prescribed from time to time by the Landlord.

XV. DAMAGE TO PREMISES

If the Leased Premises or any part thereof is so damaged by fire, casualty, or structural defects that the Leased Premises cannot be used for Tenant's lawful purposes, then Tenant shall have the right to terminate this agreement as of the date of such damage. Such termination must be conveyed to Landlord, in writing, and will be effective ninety (30) days after receipt of such notice by Landlord. During said thirty-day period, Landlord shall have the right, but not the obligation, to attempt to return the Leased Premises to a useful condition. Tenant shall be relieved from paying rent and other charges during any portion of the Leased Term that the Leased Premises are inoperable or unfit for occupancy or use, in whole or in part, for the Tenant's purposes. Leases and other charges paid in advance for any such periods shall be credited on the next ensuing payment, if any, but if no further payments are made, any such advance payment shall be refunded to Tenant.

XVI. DEFAULT

Any default made by Tenant in the payment of rent when due which continues for fifteen (15) days after written notice thereof shall have been given to Tenant without correction thereof, Landlord may declare the term of this Agreement ended and terminated by giving Tenant written notice. Possession of the Leased Premises shall be immediately surrendered to Landlord.

XVII. WARRANTY OF QUIET POSSESSION

Landlord covenants and warrants that Landlord will keep and maintain Tenant in exclusive, quiet, peaceable, and undisturbed, uninterrupted possession of the Leased Premises so long as Tenant meets its obligations under this Agreement during the term of this Agreement.

XVIII. SECURITY

A Security Deposit in the amount of \$600 shall be held by Landlord without liability for interest and as security for the performance by Tenant's covenants obligations under this Agreement.

XIX. NOTICE

Any notice required or permitted under this Agreement shall be deemed sufficiently given or served if sent by United States certified mail, return receipt requested, addressed as follows:

If to Landlord:

Debra L. Randell
999 Mission De Oro Drive, Ste 208
Redding, CA 96003

If to Tenant:

XX. ENTIRE AGREEMENT

This Lease Agreement constitutes the entire agreement of the parties and cannot be modified or altered except in writing signed by the Landlord and Tenant.

IN WITNESS WHEREOF, the parties have executed this Lease Agreement as of the day and year first written above.

Debra L. Randell (Owner)

Tenant Printed Name

Tenant Signature

Tenant Address

Tenant Home phone_____

Tenant Cell_____

Patrick Jones
County Member

Janice Powell
City Member

Tim Garman
County Member

Tenessa Audette
City Member

Mary Rickert
County Member Alternate

Stan Neutze
City Member Alternate



Fred Ryness
Special District Member

Ronnean Lund
Special District Member

Rosemary Smith
Special District Alternate

Larry Russell
Public Member

Michael Spencer
Public Member Alternate

AGENDA ITEM 9.C.

Date: August 1, 2024

From: Krystle Heaney, Executive Officer

Subject: **FY2023-24 Budget Amendment**

The Commission will receive an update on the FY2023-24 budget and consider an amendment to cover staffing services costs for June 2024.

BACKGROUND

Shasta LAFCO adopted the FY2023-24 Budget on June 1, 2023 which was then distributed to member organizations with County Auditor apportioned annual contributions invoices. Two budget amendments were approved by the Commission in August and December 2023, respectively. Amendment 1 was approved primarily to reallocate planned payroll expenses to staffing services after the departure of the former Officer Manager. Amendment 2 was approved to reallocate additional payroll, employer taxes, office supplies, and MSR funds to cover staffing, communication, audit, website, and membership costs.

DISCUSSION

Due to the departure of the former Office Manager and the transition of Executive Officers, additional staffing services have been required to review current contract agreements, coordinate with project applicants, review and organize administrative files, and reconcile financial accounting records. As such, the total cost for staffing services has exceeded the budgeted amount. To cover these expenditures, the following fund reallocations are proposed:

- Decrease Communications - IT Support by \$1,000
- Decrease Info Tech Services by \$2,500
- Decrease Info Tech - Website by \$500
- Increase MSR/SOI Expenses by \$600
- Increase Contract Independent Executive Officer & Staff Services by \$3,400

The Executive Committee reviewed the proposed budget amendment at their July 15th meeting and recommended approval.

RECOMMENDATION

Staff recommends the Commission review the proposed reallocations and adopt Resolution 2024-03 approving the budget amendment as recommended by the Executive Committee.

ATTACHMENTS

Attachment A - Draft Resolution 2024-03

Attachment B - FY2023-24 Proposed Budget Amendment Spreadsheet

SHASTA LOCAL AGENCY FORMATION COMMISSION

RESOLUTION 2024-03

**RESOLUTION OF THE SHASTA LOCAL AGENCY FORMATION COMMISSION
APPROVING BUDGET AMENDMENT #3 FOR FY2023-24**

WHEREAS, the Shasta Local Agency Formation 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 by June 15; and

WHEREAS, the Fiscal Year 2023-24 Budget was approved on June 1, 2023, Resolution 2023-03; and

WHEREAS, the Fiscal Year 2023-24 Budget was subsequently amended (Amendment #1) on August 3, 2023, to allocate additional funds for several expenditures and add clerk expenses to the Executive Officer Services Agreement due to the prior Office Manager's resignation; and

WHEREAS, the Fiscal Year 2023-24 Budget was further amended (Amendment #2) by Resolution 2023-13 to allocate funds for several expenditures and balance expenses with revenues; and

WHEREAS, the Commission did receive a staff report outlining additional reallocation of funds to further balance expense with revenues at a regularly scheduled meeting on August 1, 2024; and

WHEREAS, the Commission determined that the proposed budget amendments were portrayed as accurately and appropriately as is possible.

NOW THEREFORE, IT IS RESOLVED, DETERMINED AND ORDERED as follows:

1. The amendments to the Fiscal Year 2023-24 Budget as outlined in Exhibit A are approved;
2. The Executive Officer is hereby ordered to publicly post the amended Fiscal Year 2023-24 Budget to the Commission's website and notify member agencies of the approved changes.

THE FOREGOING RESOLUTION was introduced at a regular meeting of the Shasta Local Agency Formation Commission on the 1st day of August, 2024, and adopted by the following vote:

AYES:
NOES:
ABSTAINS:
ABSENT:

Dated: _____

Larry Russell, Chairman
Shasta Local Agency Formation Commission

Attest:

Dated: _____

Krystle Heaney, Executive Officer
Shasta Local Agency Formation Commission

DRAFT

Budget Categories	FY 2021/22	FY 2022/23	FY 2023/24	23/24 Amended #2	23/24 Amended #3
REVENUES					
Interest	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Funding Agencies' Apportionments					
Cities	\$68,200.00	\$68,200.00	\$69,500.00	\$69,500.00	\$69,500.00
Shasta County	\$68,200.00	\$68,200.00	\$69,500.00	\$69,500.00	\$69,500.00
Special Districts	\$68,200.00	\$68,200.00	\$69,500.00	\$69,500.00	\$69,500.00
TOTAL REVENUES	\$204,600.00	\$204,600.00	\$208,500.00	\$208,500.00	\$208,500.00
EXPENSES					
Payroll, Benefits & Retirement Payout					
clerk/administrator	\$36,260.00	\$32,800.00	\$35,000.00	\$1,000.00	\$1,000.00
CalPERS Annual Retirement Payout - Previous Exec Officer	\$50,498.00	\$50,498.00	\$50,498.00	\$50,498.00	\$50,498.00
Employer Taxes	\$1,784.00	\$6,030.00	\$6,300.00	\$300.00	\$300.00
Total Payroll, Benefits & Retirement	\$88,542.00	\$89,328.00	\$91,798.00	\$51,798.00	\$51,798.00
Services and Supplies					
Contract Services					
Contract Independent Executive Officer & Staff Services	\$51,000.00	\$52,500.00	\$57,500.00	\$84,000.00	\$87,400.00
Contract Legal Counsel Services (annual service contract)	10,000	10,000	\$12,500.00	\$12,500.00	\$12,500.00
Total Contract Employment Services	\$61,000.00	\$62,500.00	\$70,000.00	\$96,500.00	\$99,900.00
Office Services & Supplies					
Bank & Transfer Fees	\$120.00	\$300.00	\$300.00	\$300.00	\$300.00
Communications - IT Support	\$1,420.00	\$1,619.52	\$1,620.00	\$2,500.00	\$1,500.00
Info Tech Tools & Equip	\$378.00	\$0.00	\$500.00	\$500.00	\$500.00
Memberships (CALAFCO)	\$4,850.00	\$3,650.00	\$4,000.00	\$4,000.00	\$4,000.00
Office Expense Supplies & Mileage Reimbursement	\$1,150.00	\$950.00	\$1,300.00	\$1,000.00	\$1,000.00
Postage, Shipping & Printing	\$550.00	\$500.00	\$500.00	\$500.00	\$500.00
Total Office Services & Supplies	\$8,888.00	\$7,019.52	\$8,220.00	\$8,800.00	\$7,800.00
Support /Fiscal/Tech Services					
Misc Professional Services					
Fiscal/Audit Services (bi-annual)	\$0.00	\$5,500.00	\$0.00	\$8,500.00	\$8,500.00
InfoTech Services	\$250.00	\$250.00	\$750.00	\$3,000.00	\$500.00
InfoTech- Website	\$720.00	\$720.00	\$120.00	\$2,000.00	\$1,500.00
Total Misc Professional Services	\$970.00	\$6,470.00	\$870.00	\$13,500.00	\$10,500.00
Total Professional Services	970	6,470	\$870.00	\$13,500.00	\$10,500.00
Rents, Leases & Misc					
Property/Gen. Liability Insurance-Membership (SDRMA-CSDA)	\$3,400	\$3,900	\$3,900.00	\$4,962.00	\$4,962.00
Publications/Legal Notices - Regular	\$800	\$800	\$1,000.00	\$1,000.00	\$1,000.00
Rents & Structure Leases (999 Mission De Oro Dr Suite 106)	\$6,000	\$7,200	\$7,200.00	\$7,200.00	\$7,200.00
Equipment & Software	\$0	\$0	\$512.00	\$1,000.00	\$1,000.00
Total Rents, Leases & Misc	\$10,200	\$11,900	\$12,612.00	\$14,162.00	\$14,162.00
Municipal Services Reviews/SOI Update Expenses					
GIS Services	\$5,500.00	\$4,000.00	\$4,500.00	\$4,500.00	\$4,500.00
Postage Printing	\$140.00	\$140.00	\$100.00	\$100.00	\$100.00
Public Hearing Notices	\$200.00	\$200.00	\$140.00	\$140.00	\$140.00
Preparing, Agency Review, Hearings, Postings	\$29,160.00	\$25,660.00	\$20,260.00	\$19,000.00	\$19,600.00
Total MSR/SOI Expenses	\$35,000.00	\$30,000.00	\$25,000.00	\$23,740.00	\$24,340.00
Total Services & Supplies	\$116,058.00	\$117,889.52	\$116,702.00	\$156,702.00	\$156,702.00
TOTAL EXPENSES	\$204,600.00	\$207,217.52	\$208,500.00	\$208,500.00	\$208,500.00



DATE:	07/01/2024
INVOICE #:	24-135-06
TOTAL DUE:	\$ 8,182.78

BILL TO:

Shasta LAFCO
 PO Box 8693
 South Lake Tahoe, CA 96158

PAY TO:

Planwest Partners, Inc
 P.O. Box 4581
 Arcata, CA 95518
 Tax ID #: 90-0262382

PROJECT:	SHASTA LAFCO PLANNING AND STAFFING SERVICES	JUNE 2024
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Staffing Coordination, General Staffing Services, Noticing & Staff Reports

Prepared for and attended June 6, 2024, Regular Commission meeting. Conducted additional research regarding CSA #4. Met with John Andoh to discuss history of CSA #4 and potential next steps for determining if approved special assessment from the agency’s formation is still valid. Reviewed financial documentation and QuickBooks files in preparation of FY2023-24 audit.

Municipal Service Reviews (MSR) Sphere of Influence (SOI) Updates

Drafted the following sections for internal review of the City of Anderson MSR/SOI Update: Agency Background (Formation, Boundary, Land Use and Zoning, Population), Organizational Structure (Governance, Staffing, Accountability and Transparency), and Municipal Services (Development, Finance, Parks and Recreation, Public Works, Law Enforcement, Other Service Providers).

Followed up with staff from CSA #1 – Shasta County Fire and Burney FPD regarding the information request sent out in May. Received and organized resources from CSA #1 – Shasta County Fire and Burney FPD. Set up the structure for the CSA #1 – Shasta County Fire MSR/SOI Update and the Intermountain Fire Services MSR/SOI Update.

Application – Shasta Fire Protection District Formation

Coordinated Shasta FPD boundary description for BOE filing. Spoke with representative from Vestra regarding official boundary and requirements for legal description. Spoke with Shasta CSD staff regarding asset transfer agreement.

<i>Staffing Services Amount Due:</i>	\$ 5,172.78
<i>MSR/SOI Update Amount Due:</i>	\$ 2,165.00
<i>Application Processing/Pre-App Review Expenses:</i>	\$ 195.00
TOTAL AMOUNT DUE THIS INVOICE:	\$ 8,182.78

(see attached spreadsheets for detailed cost breakdown)

EO /MSR Contract Amounts:	\$ 107,740.00
Total Billed to Date:	\$ 111,628.85
Amount Remaining:	- \$ 3,888.85

Shasta LAFCo Contract Planning Services FY 2023-24 Billing June 2024

Planwest Partners Inc.				Hours and Expenses									
Task	Account	FY 2023-24 Budget	Budget Amend	Principal Planner	Sr Advisor	Sr Analyst (EO)	Assoc. Planner	GIS Manager	Assist Planner/Serv Specialist	Expense	June Total	Total on Budget	Remaining Budget
Hourly Rate				\$150.00	\$140.00	\$130.00	\$110.00	\$110.00	\$95.00				
MSR/SOI - Review & Analysis		\$25,000.00	\$23,740.00								\$2,165.00	\$24,290.00	-\$550.00
GIS Services	52675										\$0.00	\$3,575.00	
MSRs SOI Updates	52680					3.50			18.00		\$2,165.00	\$20,715.00	
Staffing Services Planwest Partners Inc.		\$78,150.00	\$84,000.00								\$5,172.78	\$87,338.85	-\$3,338.85
General Staffing Services/ Transition	52006			0.50	3.00	13.50		0.50	4.00		\$2,685.00	\$48,251.50	
Accounting	52006					5.00					\$650.00	\$650.00	
Noticing, Staff Reports & Budgeting	52006				3.00						\$420.00	\$24,555.12	
Public/Agency Info Requests	52006					2.75					\$357.50	\$5,189.89	
Budget Preparation	52006					2.00					\$260.00	\$260.00	
Commission /Exec Committee Meetings	52006				9.00					\$190.28	\$1,450.28	\$8,432.34	
Application Processing /Pre-app review Expenses- EO											\$195.00	\$17,470.00	
Fall River Valley FPD Reorg re-application		\$2,500.00									\$0.00	\$2,550.00	-\$50.00
Fall River Valley CSD-Annexation		\$1,800.00									\$0.00	\$280.00	\$1,520.00
Shasta CSD - Fire Services Divestiture		\$22,500.00									\$0.00	\$2,845.00	\$19,655.00
Old Shasta FPD Formation by petition		\$30,000.00				1.50					\$195.00	\$9,387.50	\$20,612.50
Application Processing Supplies		\$0.00									\$0.00	\$0.00	\$0.00
Hours				0.50	15.00	28.25	0.00	0.50	22.00		\$0.00		
Total Costs		\$103,150.00	\$107,740.00	\$75.00	\$2,100.00	\$3,672.50	\$0.00	\$55.00	\$2,090.00	\$190.28	\$8,182.78	\$129,098.85	-\$3,888.85

Patrick Jones
County Member

Janice Powell
City Member

Tim Garman
County Member

Tenessa Audette
City Member

Mary Rickert
County Member Alternate

Stan Neutze
City Member Alternate



Fred Ryness
Special District Member

Ronnean Lund
Special District Member

Rosemary Smith
Special District Alternate

Larry Russell
Public Member

Michael Spencer
Public Member Alternate

AGENDA ITEM 10.A.

Date: August 1, 2024
From: Krystle Heaney, Executive Officer
Subject: **Status of MSR/SOI Updates**

The Commission will receive an update on the FY2024-25 MSR/SOI workplan, including the regional fire services MSR/SOI Update for the intermountain region of northeastern Shasta County, the MSR/SOI Update for the City of Anderson, and the MSR/SOI Update for CSA #1.

BACKGROUND

The Cortese-Knox-Hertzberg Local Government Reorganization Act directs Local Agency Formation Commissions (LAFCOs) to regularly prepare municipal service reviews (MSRs) in conjunction with establishing and updating each local agency's sphere of influence (SOI). The legislative intent of MSRs is to proactively assess the availability, capacity, and efficiency of local governmental services. MSRs may also lead LAFCOs to take other actions under their authority, such as forming, consolidating, or dissolving one or more local agencies in addition to any related sphere changes.

DISCUSSION

Intermountain Regional Fire Services MSR/SOI Update

The Intermountain MSR/SOI will then be limited to Fall River Valley FPD and Burney FPD. Staff has begun coordination with the Districts and requested initial information from each regarding services, equipment, staffing, finances, and other matters related to operation of the Districts. Staff has set up the document templates for each agency profile and will begin drafting sections as information is received. Fall River Valley FPD has indicated that their ISO rating will be updated this fall and would like the information to be included in the MSR/SOI Update.

City of Anderson MSR/SOI Update

Staff received ample information from the City on provided services, governance, and finances. Staff has prepared an administrative draft of the background and services sections of the document and will be completing the finances section by the end of July. The City will be provided a full administrative draft for review and comment prior to public review of the document. Adoption is planned for October 2024.

CSA #1 - County Fire

Based on public comments received over the last several months and additional input provided by commissioners, staff will be moving forward with an MSR/SOI Update for the entirety of CSA #1 - County Fire. Staff has submitted an initial information request to the Fire Chief and is beginning to draft document sections as information becomes available.

The Executive Officer has received several phone calls from members of the public expressing concerns about the existing CSA #1 contract with CAL FIRE, the increasing costs to provide fire services in the unincorporated part of Shasta County (Schedule A) , and declining volunteers.

RECOMMENDATION

Staff recommends the Commission review the status of the upcoming MSR/SOI Updates and provide direction to staff as needed.

Patrick Jones
County Member

Janice Powell
City Member

Tim Garman
County Member

Tenessa Audette
City Member

Mary Rickert
County Member Alternate

Stan Neutze
City Member Alternate



Fred Ryness
Special District Member

Ronnean Lund
Special District Member

Rosemary Smith
Special District Alternate

Larry Russell
Public Member

Michael Spencer
Public Member Alternate

AGENDA ITEM 10.B.

Date: August 1, 2024

From: Krystle Heaney, Executive Officer

Subject: **Current Status of Current and Future Applications**

The Commission will receive an update on the current status of applications and provide direction to staff as necessary.

BACKGROUND

LAFCOs are responsible, under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, to regulate the formation and development of local governmental agencies and their municipal services. This includes approving or disapproving proposed changes of organization, such as boundary changes (e.g. annexations), consistent with adopted policies and procedures pursuant to California Government Code (G.C.) §56375. LAFCOs have broad discretion in amending and conditioning changes of organization as long as they do not directly regulate land use, property development, or subdivision requirements.

DISCUSSION

The following application(s) are active with LAFCo:

- Proposed SOI Amendment and Annexation to CSA #8 (Palo Cedro): The proposal includes two parcels (APNs: 059-390-003 & 059-390-002) along Deschutes Road totaling approximately 5.4 acres. Both parcels are outside the existing CSA #8 SOI but adjacent to the northwesterly jurisdictional boundary. Surrounding land uses include rural residential, commercial, and planned development. Currently, the southern parcel has a single residential structure, and the northern parcel has one larger residential and multiple smaller structures. The applicants are requesting annexation to CSA #8 in order to obtain wastewater services for their properties. Water services are currently provided by Bella Vista Water District and no change of provider is proposed as this time.

The EO prepared a letter of incomplete application outlining the additional documentation needed to proceed with processing the application. The applicant has provided what additional information is available. However, since the County will need to complete their discretionary process first, it could take several months to a year depending on required CEQA documentation. Until the additional items are received, the application will remain on hold.

- Proposed Out of Agency Service Extension to Wooded Acres Subdivision (City of Anderson): This application was conditionally approved in February 2023 by Resolution 2023-01. Condition 11 stated, "Completion of proceedings shall be concluded within one year after adoption of this resolution. If the proceedings are not concluded within one year after passage of this resolution, all proceedings shall be terminated unless an extension is approved." Since

that time, the City has indicated that they no longer wish to extend water services to the area and no request for an extension of the time limit was received. The Executive Officer will be bringing forward a resolution of termination of proceedings at the next regular LAFCO meeting.

- Shasta Fire Protection District Formation: The Shasta FPD formation was approved in October 2022 by Resolution No. 22-14. At the same time, divestiture of fire services from Shasta Community Services District was approved by Resolution 22-08. Since then, the Shasta FPD has been working on conditions compliance. The FPD only has two conditions left to meet which include completing an asset transfer between the CSD and FPD, and providing LAFCO with a map and legal boundary description that meets Board of Equalization Guidelines. FPD representatives have provided LAFCO with a draft map that is to be finalized in the upcoming weeks and a signed asset transfer agreement between Shasta CSD and Shasta FPD.

The following pre-applications are being tracked by LAFCo:

- City of Redding Annexation: Property owners are proposing to annex approximately 90 acres of land within the City of Redding's primary growth area along Collyer Drive and Old Oregon Trail. The property is also located within the Bella Vista Water District boundary. The proposed annexation would allow for development that is estimated to create up to 300 dwelling units including single family housing, senior apartments, and multi-family/ mixed use development. There is also the potential for retail/ office space or additional multi-family development along Old Oregon Trail.

RECOMMENDATION

Staff recommends the Commission receive and file this report and provide direction to staff as needed.

CALAFCO List of Current Bills 7/22/2024

AB 805 (Arambula D) Sewer service: disadvantaged communities.

Current Text: Amended: 6/6/2024 [html](#) [pdf](#)

Introduced: 2/13/2023

Last Amend: 6/6/2024

Status: 6/24/2024-In committee: Referred to suspense file.

Location: 6/24/2024-S. APPR. SUSPENSE FILE

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
1st House				2nd House				Conc.			

Summary: The State Water Resources Control Board and the 9 California regional water quality control boards regulate water quality in accordance with the Porter-Cologne Water Quality Control Act and the federal Clean Water Act. Current law authorizes a regional board to order the provision of sewer service by a receiving sewer system, as defined, to a disadvantaged community served by an inadequate onsite sewage treatment system, as defined. This bill would authorize the state board, until January 1, 2029, and after it makes a specified finding or findings by resolution, to require a designated sewer system to contract with an administrator designated or approved by the state board for administrative, technical, operational, legal, or managerial services to assist a designated sewer system with the delivery of adequate sewer service, as defined.

Position

Watch

Subject

Disadvantaged
Communities,
Waste Water

CALAFCO Comments: 06/24/2024 Referred to Appropriations suspense file.

6/5/2024: Passed Senate Environmental Quality Committee and re-referred to Appropriations due to recent amendments.

5/15/2024: Amended. Now provides administrative, financial, and technical assistance to help address and correct sewer system failures or other regulatory non-compliance exhibited by existing infrastructure.

5/1/2024: Assigned to Senate Environmental Quality committee. No hearing date yet scheduled.

1/26/2024: Support, if amended, approved. Amendment requested is the inclusion of language requiring the state board to consult with the local LAFCO.

1/22/2024: Gutted and amended. No longer addresses consolidation of waste water systems but, rather, would set up a program in which the state would provide technical, managerial, administrative, and financial assistance, where applicable, to disadvantaged communities. Position changed to support if amended to include a provision requiring the state board to consult with the local LAFCO regarding the system.

As introduced, this bill would have authorized the state board, if sufficient funds are available, to order consolidation of sewer service along with an order of consolidation of drinking water systems when both of the receiving and subsumed water systems provide sewer service and after the state board engages in certain activities. It failed to meet 2023 deadlines and became a 2 year bill that cannot be acted upon until January, 2024.

AB 817 (Pacheco D) Open meetings: teleconferencing: subsidiary body.

Current Text: Amended: 5/29/2024 [html](#) [pdf](#)

Introduced: 2/13/2023

Last Amend: 5/29/2024

Status: 7/2/2024-Failed Deadline pursuant to Rule 61(b)(13). (Last location was L. GOV. on 5/1/2024)

Location: 7/2/2024-S. DEAD

Desk	Policy	Fiscal	Floor	Desk	Dead	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
1st House				2nd House				Conc.			

Summary: The Ralph M. Brown Act, requires, with specified exceptions, each legislative body of a local agency to provide notice of the time and place for its regular meetings and an agenda containing a brief general description of each item of business to be transacted. Current law authorizes the legislative body of a local agency to use alternate teleconferencing provisions during a proclaimed state of emergency (emergency provisions) and, until January 1, 2026, in certain circumstances related to the particular member if at least a quorum of its members participate from

a singular physical location that is open to the public and situated within the agency’s jurisdiction and other requirements are met (nonemergency provisions). Current law imposes different requirements for notice, agenda, and public participation, as prescribed, when a legislative body is using alternate teleconferencing provisions. The nonemergency provisions impose restrictions on remote participation by a member of the legislative body and require the legislative body to provide specific means by which the public may remotely hear and visually observe the meeting. This bill, until January 1, 2026, would authorize a subsidiary body, as defined, to use similar alternative teleconferencing provisions and would impose requirements for notice, agenda, and public participation, as prescribed. The bill would require at least one staff member of the local agency to be present at a designated primary physical meeting location during the meeting. The bill would require the local agency to post the agenda at the primary physical meeting location. The bill would require the members of the subsidiary body to visibly appear on camera during the open portion of a meeting that is publicly accessible via the internet or other online platform, as specified. The bill would also require the subsidiary body to list a member of the subsidiary body who participates in a teleconference meeting from a remote location in the minutes of the meeting. In order to use teleconferencing pursuant to this act, the bill would require the legislative body that established the subsidiary body by charter, ordinance, resolution, or other formal action to make specified findings by majority vote, before the subsidiary body uses teleconferencing for the first time and every 12 months thereafter.

Position	Subject
Watch	Brown Act

CALAFCO Comments: 7/2/2024: Died on 7/2/2024 for failing to meet the July 1st deadline, which was the last day for policy committees to meet and report bills.

6/5/2024: Considered by Senate Local Government Committee and failed, with reconsideration granted.

1/25/2024: Moved out of the Assembly and was assigned to Senate Local Government Committee and the Senate Judiciary Committee.

1/17/2024: Amended to add a Sunset date of January 1, 2026.

3/16/2023: The bill was amended to speak specifically to teleconferenced meetings of subsidiary bodies, defined as a body that serves exclusively in an advisory capacity, and is not authorized to take final action on legislation, regulations, contracts, licenses, permits, or any other entitlements. For qualifying bodies, this bill would remove the requirement to post an agenda at the location of the subsidiary body member who was participating from off site- providing that the legislative body that formed the subsidiary body has previously made findings noting that teleconferenced meetings of the subsidiary body would enhance public access, and would promote the attractions, retention and diversity of the subsidiary body. The superior legislative body would need to revisit the matter and repeat those finding every 12 months thereafter. This bill also reaffirms that other provisions of the Brown Act are applicable to subsidiary bodies.

Failed to meet deadlines and now a 2 year bill that cannot be acted upon until January, 2024.

AB 828 (Connolly D) Sustainable groundwater management: managed wetlands.

Current Text: Amended: 7/1/2024 [html](#) [pdf](#)

Introduced: 2/13/2023

Last Amend: 7/1/2024

Status: 7/1/2024-Read second time and amended. Re-referred to Com. on APPR.

Location: 6/25/2024-S. APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
1st House				2nd House				Conc.			

Calendar: 8/5/2024 10 a.m. - 1021 O Street, Room 2200

SENATE APPROPRIATIONS, CABALLERO, ANNA, Chair

Summary: The Sustainable Groundwater Management Act requires all groundwater basins designated as high- or medium-priority basins by the Department of Water Resources to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans, except as specified. Existing law defines various terms for purposes of the act. This bill would add various defined terms for purposes of the act, including the terms “managed wetland” and “small community water system.”

Position	Subject
None at this time	Water

CALAFCO Comments: 7/01/24: Read second time and amended. Re-referred to Appropriations where it is scheduled for hearing on 8/5/2024.

6/25/24: Passed out of Senate Committee on Natural Resources and Water with amendments, and re-referred to Appropriations.

1/29/24: Passed Assembly Floor and moved to Senate to be scheduled for policy hearing.

1/18/24: Passed out of Assembly Appropriations Committee.

1/11/24: Amended to strike provisions regarding small community water systems serving disadvantaged communities and pivots to groundwater sustainability agencies. New provisions were added to the bill that would have the effect of carving out of the existing law, until January 1, 2028, small community water systems serving disadvantaged communities from permitted public water supply wells. After January 1, 2028, that provision sunsets and the law would revert back to its current state without the carve out.

1/9/24: Passed Assembly Water, Parks and Recreation Committee.

4/17/2023: Amended to define agencies and entities required or excluded from existing 10726.4 (a) (4). Amends Water Code section 10730.2 to add language regarding fees, and amends Water Code section 10733 to address groundwater sustainability plans.

Failed to make April policy committee deadline and now cannot be acted upon until January 2024.

As introduced, would add definitions for Managed Wetlands, and Small community water system to Water Code Section 10721.

AB 2302 (Addis D) Open meetings: local agencies: teleconferences.

Current Text: Introduced: 2/12/2024 [html](#) [pdf](#)

Introduced: 2/12/2024

Status: 6/6/2024-Read second time. Ordered to third reading.

Location: 6/6/2024-S. THIRD READING

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered	
1st House				2nd House				Conc.				

Summary: The Ralph M. Brown Act generally requires for teleconferencing that the legislative body of a local agency that elects to use teleconferencing post agendas at all teleconference locations, identify each teleconference location in the notice and agenda of the meeting or proceeding, and have each teleconference location be accessible to the public. Current law also requires that, during the teleconference, at least a quorum of the members of the legislative body participate from locations within the boundaries of the territory over which the local agency exercises jurisdiction. The act provides an exemption to the jurisdictional requirement for health authorities, as defined. Current law, until January 1, 2026, authorizes the legislative body of a local agency to use alternative teleconferencing in specified circumstances if, during the teleconference meeting, at least a quorum of the members of the legislative body participates in person from a singular physical location clearly identified on the agenda that is open to the public and situated within the boundaries of the territory over which the local agency exercises jurisdiction, and the legislative body complies with prescribed requirements. Current law imposes prescribed restrictions on remote participation by a member under these alternative teleconferencing provisions, including establishing limits on the number of meetings a member may participate in solely by teleconference from a remote location, prohibiting such participation for a period of more than 3 consecutive months or 20% of the regular meetings for the local agency within a calendar year, or more than 2 meetings if the legislative body regularly meets fewer than 10 times per calendar year. This bill would revise those limits, instead prohibiting such participation for more than a specified number of meetings per year, based on how frequently the legislative body regularly meets.

Position

Watch

Subject

Brown Act

CALAFCO Comments: 7/3/2024: Was scheduled for Third Reading in Senate but not heard. No new date yet scheduled.

6/5/2024: Passed Senate Local Government Committee, read second time on June 5, 2024. Third Reading scheduled for 06/10/2024 but pushed out to 6/25/2024, then pushed again to 7/3/2024.

5/9/2024: Passed Assembly Third Reading and moved to Senate.

4/10/24 passed Assembly Local Government Committee and sent to Assembly Floor.

Introduced on 2/12/2024, this bill would enact changes to Brown Act provisions that allow members of legislative bodies to teleconference for meetings. Currently, the law limits teleconferencing to no more than 3 consecutive months, 20% of the regular meetings in a calendar year, or 2 meetings for bodies that meet less than 10 times in a calendar year. This bill redefines those limits as 2 meetings per year for bodies meeting monthly or less; 5 meetings per year for those meeting twice per month; or 7 meetings per year if the body meetings three times or more per month.

AB 2661 (Soria D) Electricity: Westlands Water District.

Current Text: Amended: 5/16/2024 [html](#) [pdf](#)

Introduced: 2/14/2024

Last Amend: 5/16/2024

Status: 7/3/2024-Read second time. Ordered to third reading.

Location: 7/3/2024-S. THIRD READING

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
1st House				2nd House				Conc.			

Summary: Would authorize the Westlands Water District to provide, generate, and deliver solar photovoltaic or hydroelectric electricity and to construct, operate, and maintain works, facilities, improvements, and property necessary or convenient for generating and delivering that electricity. The bill would require the district to use the electricity for the district’s own purposes, and the bill would authorize the district to sell surplus electricity to a public or private entity engaged in the distribution or sale of electricity. The bill would also authorize the district to construct, operate, and maintain energy storage systems and electric transmission lines, and to construct, operate, and maintain works, facilities, improvements, and property necessary or convenient for the operation of the energy storage system and electric transmission lines, within the boundaries of the district, as specified. The bill would require the district to report the amount of income, and the purposes for expenditure of that income, from these electricity facilities in a specified report.

Position

Watch

Subject

Special District Powers

CALAFCO Comments: 07/03/2024: Read second time, and ordered to third reading.
7/2/2024: Passed Senate Energy, Utilities, and Communications committee and ordered to second reading.
06/11/2024: Passed Senate Local Government Committee and re-referred to Senate Energy, Utilities, and Communications Committee.
06/05/2024: Referred to Senate Local Government Committee, and Energy, Utilities, and Communications Committee.
05/24/2024: In Senate. Read first time. To Rules Committee for assignment.
05/23/2024: Third reading passes in Assembly. Bill moves to Senate.
05/20/2024: Read second time in Assembly. Ordered to third reading.
05/16/2024: Passed by Appropriations as Amended. Second reading as amended.
05/08/2024: Referred to Appropriations suspense file.
04/25/2024: Re-referred to Appropriations.
04/24/2024: Read second time. Amended.
04/23/2024: Passed in Assembly Natural Resources Committee as amended. Re-referred to Appropriations.
04/18/2024: Passed Assembly Utilities and Energy Committee. Re-referred to Natural Resources Committee.
04/15/2024: Assembly Rule 56 suspended. (Pending re-refer to Natural Resources Committee.)
04/01/2024: Re-referred to Utilities and Energy Committee due to submission of author amendments.
03/28/2024: First hearing set, then canceled at the request of author.
03/21/2024: Passed Committee on Utilities & Energy.
02/14/2024: Read first time.

AB 2715 (Boerner D) Ralph M. Brown Act: closed sessions.

Current Text: Amended: 4/24/2024 [html](#) [pdf](#)

Introduced: 2/14/2024

Last Amend: 4/24/2024

Status: 6/27/2024-Read second time. Ordered to third reading.

Location: 6/27/2024-S. THIRD READING

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
1st House				2nd House				Conc.			

Summary: The Ralph M. Brown Act requires that all meetings of a legislative body of a local agency be open and public and that all persons be permitted to attend and participate. Current law authorizes a legislative body to hold a closed session with specified individuals on, among other things, matters posing a threat to the security of essential public services, as specified. This bill would additionally authorize a legislative body to hold a closed session with other law enforcement or security personnel and to hold a closed session on a threat to critical infrastructure controls or critical infrastructure information, as defined, relating to cybersecurity.

Position
None at this
time

Subject
Brown Act

CALAFCO Comments: 7/2/2024: Scheduled for third reading but not read. No new date yet scheduled.
06/27/2024: Read second time and ordered to third reading.
06/26/2024: Passed Senate Judiciary Committee.
6/5/2024: Passed Senate Local Government Committee and re-referred to the Senate Judiciary Committee; scheduled for 6/25.
5/1/2024: Passed Assembly Local Government Committee.
4/24/2024: Amended to include cybersecurity threats among the things that can be discussed in closed session. Provides a definition of "critical infrastructure controls" to include I.T. networks. As introduced on 2/14/2024, would make minor changes in the Brown Act. Monitoring.

AB 2986 (Carrillo, Wendy D) County of Los Angeles: East Los Angeles: report.

Current Text: Amended: 7/3/2024 [html](#) [pdf](#)

Introduced: 2/16/2024

Last Amend: 7/3/2024

Status: 7/3/2024-From committee: Amend, and do pass as amended and re-refer to Com. on APPR. (Ayes 5. Noes 0.) (July 3). Read second time and amended. Re-referred to Com. on APPR.

Location: 7/3/2024-S. APPR.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar: 8/5/2024 10 a.m. - 1021 O Street, Room 2200
SENATE APPROPRIATIONS, CABALLERO, ANNA, Chair

Summary: The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 provides the exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts, except as specified. The act continues in existence in each county a local agency formation commission (LAFCO) that consists of members appointed, as specified, and that oversees those changes of organization and reorganization. The act authorizes a LAFCO to, among other things, review and approve with or without amendment, wholly, partially, or conditionally, or disapprove proposals for changes of organization or reorganization, including incorporation of a city or formation of a district, as specified. Current law requires each county to have a board of supervisors and provides for the organization and powers of the board of supervisors. This bill would require the County of Los Angeles, no later than March 1, 2025, to submit to the Legislature a report that includes specified information, including, among other things, for East Los Angeles, the feasibility of forming a municipal advisory council, a local town council, or a coordinating council that could represent the comprehensive interests of the entire East Los Angeles community. If the county has produced a report that contains substantially similar information to the information required by the above-described provisions, this bill would authorize the county to submit that report in lieu of completing a separate report.

Position
None at this
time

Subject

CALAFCO Comments: 07/03/2024: Amended to remove LA LAFCO entirely from the process and shifts outreach requirements to the County of Los Angeles. Passed Local Government Committee as amended, and re-referred to Appropriations.
05/30/2024: Senate Local Government committee hearing postponed by the committee.
05/21/2024: Read third time. Passed and ordered to the Senate; assigned to the Local Government Committee.
05/20/2024: Read second time. Ordered to third reading.
05/16/2024: Joint Rule 62(a), file notice suspended. Passed out of Appropriations.
05/15/2024: In committee: Set, first hearing. Referred to suspense file.
04/30/2024: Re-referred to Appropriations.
4/29/2024: Amended version in print. Makes the bill contingent on appropriation of funds to reimburse LA LAFCO for the costs of the Task Force.
4/24/2024: Passed Assembly Local Government Committee hearing with amendments and re-referred to Appropriations.
3/21/2024: the bill was gutted and amended and now requires the LA LAFCO to develop an East Los Angeles Formation Task Force. Not a statewide issue.

AB 3277 (Committee on Local Government) Local agency formation commission: districts: property tax.

Current Text: Chaptered: 7/2/2024 [html](#) [pdf](#)

Introduced: 2/27/2024

Status: 7/2/2024-Chaptered by Secretary of State - Chapter 70, Statutes of 2024

Location: 7/2/2024-A. CHAPTERED

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
1st House				2nd House				Conc.			

Summary: The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 establishes the sole and exclusive authority and procedures for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts. Current law requires proceedings for the formation of a district to be conducted as authorized by the principal act of the proposed district, and authorizes the local agency formation commission in each county to serve as the conducting authority, as specified. Current law requires a commission to determine the amount of property tax revenue to be exchanged by an affected local agency, as specified, if the proposal includes the formation of a district, as defined. This bill would, instead, require a commission to determine the amount of property tax revenue to be exchanged by an affected local agency if the proposal includes the formation of a district and the applicant is seeking a share of the 1% ad valorem property taxes.

Position

Sponsor

Subject

Incorporation
Proceedings

CALAFCO Comments: CALAFCO Sponsored bill.

7/2/2024: Signed by the Governor and Chaptered. Will become effective on January 1, 2025.

06/25/2024: Enrolled and presented to the Governor at 4 p.m.

06/13/2024: Read third time in Senate and ordered to the Assembly. In Assembly. Ordered to Engrossing and Enrolling.

06/07/2024: Removed from Appropriations 6/10/2024 calendar. Awaiting new date.

05/29/2024: Passed by Senate Local Government Committee and re-referred to Appropriations, where it is scheduled to be heard on 6/10/24.

4/29/2024: Removed from Appropriations and sent to Assembly floor where it passed. Assigned to Senate Local Government Committee and Appropriations.

4/10/2024: Passed Assembly Local Government Committee and was referred to Appropriations.

[SB 1209](#) (Cortese D) Local agency formation commission: indemnification.

Current Text: Amended: 6/11/2024 [html](#) [pdf](#)

Introduced: 2/15/2024

Last Amend: 6/11/2024

Status: 6/24/2024-Read second time. Ordered to third reading.

Location: 6/24/2024-A. THIRD READING

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
1st House				2nd House				Conc.			

Summary: The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 provides the exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts, except as specified. The act continues in existence in each county a local agency formation commission (LAFCO) that consists of members appointed, as specified, and oversees those changes of organization and reorganization. The act authorizes a LAFCO to, among other things, review and approve with or without amendment, wholly, partially, or conditionally, or disapprove proposals for changes of organization or reorganization, as specified. This bill would authorize a LAFCO to require, as a condition for, among other things, processing a change of organization or reorganization, that the applicant agrees to defend, indemnify, and hold harmless the LAFCO, its agents, officers, and employees from and against any claim, action, or proceeding, as specified, to attack, set aside, void, or annul an approval by the LAFCO. The bill would require the LAFCO to promptly notify the applicant of any claim, action, or proceeding to attack, set aside, void, or annul an approval by the LAFCO and require the LAFCO to fully cooperate in the defense. The bill would specify that an applicant who is a party to the agreement is not responsible to defend, indemnify, or hold harmless the LAFCO if the LAFCO fails to notify the applicant or cooperate fully in the defense, and is not required to pay or perform any settlement relating to the agreement, unless the applicant approves the settlement.

Position

Sponsor

Subject

LAFCo
Administration

CALAFCO Comments: 07/03/2024, Scheduled for third reading in Assembly but not read. No new date yet scheduled.

06/24/2024, Read in Assembly second time. Ordered to third reading.

06/20/2024, Passed Assembly Local Government Committee.

06/11/2024, Author amends. Read second time and amended. Re-referred to Local Government Committee.

05/28/2024, Referred to Assembly Local Government Committee and waiting on hearing date.

05/21/2024, Passed out of Senate and moved to Assembly.

03/20/2024, Passed Senate Local Government Committee hearing. Now proceeds to Senate floor vote, then will move to Assembly.

CALAFCO sponsored bill in response to a 2022 appellate decision out of San Luis Obispo that held that LAFCOs could not use indemnification provisions in applications because indemnifications are a form of agreement that LAFCOs are currently not authorized to enter into. As introduced, the bill would allow LAFCOs to use provisions similar to counties and cities.

SCR 163 (Cortese D) Local agency formation commissions.

Current Text: Amended: 6/26/2024 [html](#) [pdf](#)

Introduced: 6/19/2024

Last Amend: 6/26/2024

Status: 7/3/2024-VOTE: [07-03-2024] hearing: Motion to Reconsider. [Reconsideration Granted.] (PASS)

Location: 6/26/2024-S. L. GOV.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary: Would reaffirm the sole authority of local agency formation commissions for the initiation, conduct, and completion of changes of organization, reorganizations, and extraterritorial services for cities and districts.

Position

Support

Subject

Other

CALAFCO Comments: 07/03/2024: Considered in Senate Local Government Committee but failed, with leave to reconsider.

06/26/2024: Re-referred to Senate Local Government Committee, read second time and amended by author.

06/19/2024: Introduced. Referred to Rules Committee for assignment.

Total Measures: 10

Total Tracking Forms: 10

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