



Inyo Local Agency Formation Commission

168 North Edwards Street
Post Office Drawer L
Independence, California 93526

Phone: (760) 878-0263
FAX: (760) 872-2712
E-Mail: inyolafco@inyocounty.us

INYO LOCAL AGENCY FORMATION COMMISSION AGENDA

June 4, 2020 - 9:00 a.m.

To be held at: NOTICE TO THE PUBLIC: In order to minimize the spread of the COVID-19 virus, Governor Newsom has issued Executive Orders that temporarily suspend certain requirements of the Brown Act. Please be advised that the LAFCO will be conducting its hearing exclusively via videoconference by which LAFCO Members and staff will be participating. The videoconference will be accessible to the public by computer, tablet or smartphone at:

<https://us02web.zoom.us/j/84677498596?pwd=a081K2c3RXRsZXpudW1DUkxiTm91dz09>

You can also dial in using your phone at 1-669-900-6833 and then enter Access Code: 846 7749 8596

Commissioners: Rick Pucci (Inyo County)
Jeff Griffiths (Inyo County)
Laura Smith (City of Bishop) Vice Chairperson
Stephen Muchovej (City of Bishop) Chairperson
Alan Tobey (Public)

Alternates: Dan Totheroh (Inyo County), Jim Ellis (City of Bishop)

Executive Officer: Cathreen Richards

Staff Analyst/Clerk: Paula Riesen

Counsel: Marshall Rudolph

Items will be heard in the order listed on the agenda unless the Inyo Local Agency Formation Commission (LAFCO) rearranges the order or the items are continued.

The LAFCO Chairperson will announce when public testimony can be given for items on the agenda. Please be aware that the Commission will consider testimony on both the project and related environmental documents.

If you challenge in Court any findings, determination or decision made following any Public Hearing announced in this agenda in Court, you may be limited to raising only those issues you or someone else rose at the Public Hearing, or in written correspondence delivered to the Inyo LAFCO at, or prior to, the Public Hearing.

Public Notice: In Compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting please contact Inyo LAFCO at (760) 878-0263 (28 CFR 35.102-3.104 ADA Title II). Notification 48 hours prior to the meeting will enable the Commission to make reasonable arrangements to ensure accessibility to this meeting. Should you because of a disability require appropriate alternative formatting of this agenda, please notify Inyo LAFCO at least 72 hours prior to the meeting to enable the Commission to make the agenda available in a reasonable alternative format (Government Code Section 54954.2).

ITEM 1: Pledge of Allegiance

ITEM 2: Roll Call – Roll call will be taken by staff.

ITEM 3: Public Comment Period – This is the opportunity for anyone in the audience to address the Commission on any relevant subject that is not scheduled on the Agenda.

Closed Session: No Closed Session Items

Open Session:

ITEM 4: Approval of Minutes (Action Item) – the Commission will consider the minutes from, April 29, 2020.

ITEM 5: Approval of the 2020-2021 Final Budget (Public Hearing & Action Item - Requires 3/5 vote) – The Inyo LAFCO Executive Officer's FY 2020-2021 Preliminary Budget will be presented for discussion and Commission approval.

ITEM 6: Annual Contract between Inyo LAFCO and the County of Inyo for Professional Services for Fiscal Year 2020-2021 (Action Item) – The annual contract between Inyo LAFCO and the County of Inyo for professional services for Fiscal Year 2020-2021 will be presented to the Commission for consideration and authorization for the Chair to sign.

ITEM 7: Executive Officer's and Commissioners' Reports

ITEM 8: Determine Time and Location for the Next Meeting of Inyo LAFCO

ITEM 9: Adjournment



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Commissioners:

Rick Pucci – Inyo County
Laura Smith - City of Bishop (Vice-Chair)
Allen Tobey – Public
Stephen Muchovej – City of Bishop (Chair)
Jeff Griffiths – Inyo County

Alternates:

Dan Totheroh (Inyo County)
Jim Ellis (City of Bishop)

LAFCO Staff:

Cathreen Richards – Inyo County - (Executive Officer)
Marshall Rudolph (Counsel)
Paula Riesen – Inyo County – (Project Coordinator)
Ryan Standridge – Inyo County – (Associate Planner)

Minutes for Wednesday, April 29, 2020 – Meeting

To be held at: NOTICE TO THE PUBLIC: In order to minimize the spread of the COVID-19 virus, Governor Newsom has issued Executive Orders that temporarily suspend certain requirements of the Brown Act. Please be advised that the LAFCO will be conducting its hearing exclusively via videoconference by which LAFCO Members and staff will be participating. The videoconference will be accessible to the public by computer, tablet or smartphone at:

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You can also dial in using your phone at 1-669-900-6833 and then enter Access

Code: 332 605 0668.

These Minutes are for consideration for approval by Inyo LAFCO at its next meeting.

The Inyo Local Agency Formation Commission met on Wednesday, April 29, 2020, LAFCO's first Zoom (Virtual) Meeting. Chair Muchovej opened the meeting at 9:00 a.m.

ITEM 1: Pledge of Allegiance – All recited the Pledge of Allegiance.

ITEM 2: Roll Call – Commissioners Present: Chair Stephen Muchovej, Laura Smith – Vice Chair, Jeff Griffiths, Allen Tobey, and Rick Pucci.

Staff present: Cathreen Richards, Executive Officer, Ryan Standridge, Associate Planner, Marshall Rudolph, County Counsel and Paula Riesen, Project Coordinator/Lafco Clerk.

ITEM 3: Public Comment Period – This is the opportunity for anyone in the audience to address the Commission on any relevant subject not scheduled on the Agenda.

No one from the Public wished to speak at this time. 9:03 a.m.

Open Session:

ITEM 4: Approval of Minutes (Action Item) – the Commission will consider the minutes from, Thursday, March 19, 2020.

Rick Pucci asked for a correction on March 19, 2020 he was present at meeting.

Chair Muchovej made a motion to approve with the correction and it was seconded by Laura Smith.

The motion passed 5-0

ITEM 5: Approval of the 2020-2021 Preliminary Budget (Public Hearing & Action Item - Requires 3/5 vote) – The Inyo LAFCO Executive Officer's FY 2020-2021 Preliminary Budget will be presented for discussion and Commission approval. In Lafco meeting packet, two different budgets were presented for board to review. Yellow budget packet was a full budget request; the Green packet was a reduced Budget packet, in response to Covid19 related reduced taxes collected by both entities.

Ryan Standridge, Associate Planner presented staff report.

Chair Muchovej stated the City of Bishop's County sales Taxes are down 7%, Cities budget has been cut in half. He wants to reduce the amount paid by the City of Bishop.

Vice-Chair Laura Smith stated that we could temporarily reduce the \$15,000.00. She liked the Green budget packet with the Fee's being agreed upon the amount of \$10,000.00 and No travel or training for this fiscal year only.

Rick Pucci said he would also address the Inyo County Board of Supervisors about paying only \$10,000.00 for the Counties In-Kind Contribution to LAFCO as well for the 20-21 Budget.

LAFCO Director, Cathreen Richards stated we presented two budgets for discussion, since there are financial issues this year and the Green budget is a reduced option.

Jeff Griffiths asked if the \$10,000.00 each will cover all of the bills for Lafco for that fiscal year.

Ryan Standridge stated that it takes \$11,000.00 each to pay all of the bills without any travel.

Chair Muchovej wants to reduce amount of meetings and asked who really needs training for LAFCO.

Ryan Standridge answered with: many of us are still not real knowledgeable about LAFCO does, and that is why we need the training.

Vice-Chair Laura Smith stated that the City of Bishop could pay the \$10,000.00 for the LAFCO Annual Fee's for 20-21 Budget.

Director Cathreen Richards agrees with cutting all training this year.

Chair Muchovej would like to know if the BOS would be okay with changing the obligations, for the City of Bishop to pay the \$10,000.00 and Inyo County pay the \$15,000.00?

Director Richards said this is something that maybe the County Supervisors could answer.

Counsel Rudolph added that this is something that should be discussed by the County CAO and the City Manager. It is not something that LAFCO can determine.

Jeff Griffiths said he would bring it to the Boards attention.

Jeff Griffiths made a motion to approve the reduced green preliminary budget for Fiscal Year 2020/2021, Vice-Chair Smith seconded the motion.
The motion passed 5-0 at 9:50 a.m.

ITEM 6: Public Comment Period – This is the opportunity for anyone in the audience to address the Commission on any relevant subject that is not scheduled on the Agenda.

No one from the Public wished to speak at this time. 9:51 a.m.

ITEM 7: Executive Officer's and Commissioners' Reports

Cathreen Richards stated that at the next meeting we will be approving the Final LAFCO Budget for 20/21, and approving the new contract for LAFCO Auditing Services, both will require signatures.

ITEM 8: Determine Time and Location for the Next Meeting of Inyo LAFCO.

Cathreen Richards stated that due to the 21 day noticing the Public that the Next meeting will have to be in early June. The Commissioners indicated that this would work for their schedules.

ITEM 9: Adjournment

Chair Muchovej adjourned meeting at 9:56 a.m.



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LAFCO STAFF REPORT

AGENDA ITEM No. 5 (Action Item & Public Hearing)
DATE OF MEETING: June 4, 2020
SUBJECT: Inyo LAFCO Fiscal Year 2020-2021 Final Budget

EXECUTIVE SUMMARY

This report presents the Executive Officer's budget recommendations for adoption of a budget for the Fiscal Year (FY) 2020-2021. The proposed budgeted expenditures for FY 2020-2021 are **\$23,513** a decrease of \$8,780 from the FY 2019-2020 budget. The Inyo LAFCO Budget for FY 2020-2021 proposes funding from the County of Inyo and the City of Bishop in the amount of \$10,000 each, for a total contribution of \$20,000. This is a \$10,000 decrease from the FY 2019-2020 budget.

The total budget recommended by staff reflects revenues of **\$27,190** and expenditures of **\$23,513**. A cash fund balance of \$57,498 is projected to remain from FY 2019-2020 increasing funds available for the FY 2020-2021 budget. Funding for the FY 2020-2021 Budget may utilize fund balance.

The Final budget, as proposed here, is slightly different than the Preliminary budget. This is due to the County's Risk Manager requiring Inyo LAFCO to purchase public liability insurance. This increased the projected expenses by \$1,651.

Recommended Action: Conduct a public hearing and adopt the attached final budget as recommended by staff for FY 2020-2021 and find that the proposed staffing and program costs will allow the Commission to fulfill the purposes and programs of the Cortese Knox Hertzberg Local Government Reorganization Act of 2000 and authorize the Chairperson to sign.

Alternatives:

- 1) Amend the Final budget for FY 2020-2021.
- 2) Continue the public hearing and provide direction to staff regarding changes to the final budget for FY 2020-2021. This is not recommended as the final budget is required to be adopted by June 15th.

BACKGROUND INFORMATION

The Inyo Local Agency Formation Commission (LAFCO) is a state-mandated program funded jointly by the City of Bishop and Inyo County pursuant to Government Code 56381(b). The Commission's five members include one public representative, two Board of Supervisors representatives, and two Bishop City Council representatives. The objectives of LAFCO include the encouragement of orderly growth and development, the preservation of prime agricultural lands, discouragement of sprawl through coordination of local governmental boundaries, and establishment of spheres of influence and community service priorities that reflect local circumstances, conditions, and financial resources.

Presently, the Commission contracts with the Inyo County Planning Department for the services of LAFCO Executive Officer and support staff and with the Inyo County Office of the County Counsel for legal services. A single contract between LAFCO and Inyo County covers both planning staff and counsel services.

Inyo LAFCO Accomplishments for FY 2019-2020

- Processed an annexation.
- Processed two out of area service contracts.
- Entered into a contract with the Inyo County Planning Department/Inyo County Office of the County Counsel that provided staff and legal services to the Commission.
- Maintained the Inyo LAFCO website in compliance with Government Code Section 56661.
- Maintained membership in the California Association of LAFCOs (CALAFCO).
- Worked on the Independent Special District information.
- Provided a high level of customer service.
- Continued to lead efforts regarding the litigation with Southern Mono Healthcare District (SMHD).
- Monitored the challenges being experienced by the Southern Inyo Healthcare District.

Inyo LAFCO Goals for FY 2020-2021

- Enter into a contract with the Inyo County Planning Department/Office of County Counsel to provide staff and legal services to the Commission.
- Maintain Inyo LAFCO membership and participation in CALAFCO, which provides training to LAFCO Commissioners and staff at annual and staff conferences.

- Replace any vacant seats on LAFCO as necessary to keep LAFCO active.
- Process and consider applications for special district formations, annexations, reorganizations, out-of-area service agreements, and others in compliance with the provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act.
- Continue to maintain the Inyo LAFCO website in compliance with Government Code Section 56661.
- Continue to update the Independent Special District information.
- Continue to assist any efforts regarding the litigation with SMHD.
- Provide a high level of customer service.

EXECUTIVE OFFICER'S BUDGET REQUEST FOR FY 2020-2021

There is a projected available cash fund balance in the amount of \$ 57,498 from previous FY to be utilized for the FY 2020-2021 Budget. This amount is larger than in previous years due to conferences being budgeted, but not attended. During FY 2019-2020 the final adopted LAFCO budget proposed \$15,000 funding contributions from the City of Bishop and the County of Inyo each, for a total of \$30,000. For FY 2020-2021, staff is recommending \$10,000 in contributions from the County of Inyo and the City of Bishop for FY for a total of \$20,000. This is a decrease of \$10,000 from the FY 2019-2020 budget. The reduced contribution request is in response to financial uncertainties for both the City and County brought on by the Covid-19 pandemic. The proposed reduction in program costs will still allow for the commission to fulfill the purposes and programs of chapter 56081(a) in FY 2020-2021.

As with budgets adopted by a county or city government, adoption of the annual budget for Inyo LAFCO requires adoption at a noticed public hearing by a three-fifths vote. Amendment of the adopted budget requires a four-fifths vote of the Commission.

Expenditures

Applications

Although there are no known applications on the horizon, staff recommends including funding **(\$7,000)** in case one is submitted. If no applications are submitted, these funds will not be utilized – no revenues or expenses will be realized.

Annual Audit

Inyo LAFCO's cost for the annual mandated agency audit is **\$2,700**. Inyo LAFCO is currently processing a letter of engagement with Clifton Larson Allen to continue to provide this service.

LAFCO Meetings

The FY 2020-2021 budget assumes three Inyo LAFCO meetings, with participation by the Executive Officer, staff, Counsel, and Commissioners. Staff budgeted approximately **\$3,946** for

FY 2020-2021 for Commissioners' attendance fees, Commissioners' travel expenses, staff attendance, and staff transportation to Commission meetings.

CALAFCO Conferences

The FY 2020-2021 budget assumes that no staff or Commissioners will attend conferences. This is being done to reduce expenditures during the current economic uncertainties.

Proposed expenditures by Object Code for FY 2020-2021

1. Advertising (Object Code 5263)

The recommended amount in this object code is **\$300** which is the same as the FY 2019-2020 Budget to reflect possible applications. For FY 2020-2021 this cost includes required public notices for the three anticipated LAFCO meetings.

2. Professional and Special Service (Object Code 5265)

The recommended amount in this object code is **\$17,765** which is approximately \$6,127 lower than the FY 2019-2020 Budget. The lower amount reflects the removal of staff attending conferences and holding two less meetings. The recommended amount includes: meeting payments for commissioners and staff (\$3,946), and staff time to process projects, regular LAFCO administrative duties (\$11,118) and the FY 2018-2019 audit (\$2,700).

3. General Operating Expense (Object Code 5311)

The recommended amount in this object code is **\$1,558**, which is higher (\$333) than the FY 2019-2020 Budget. This category of expenditures includes purchases of supplies, miscellaneous supplies, and the CALAFCO Membership dues, which have increased from last year and are the sole reason for the increase. These dues will continue to increase in the coming budget years.

4. County Cost Plan (Object Code 5315)

The recommended amount in this object code is **\$1,189**. This category is the suggested amount by the County Auditor to cover expenses from that department.

Travel Expenses (Object Code 5331)

This object code includes expenses for CALAFCO annual conference travel, CALAFCO staff workshop travel, and travel mileage for the Inyo LAFCO meetings. The recommended amount in this object code is **\$336**, which decreased \$4,615 from the FY 2019-2020. This decrease is from removing conferences and two meetings from the Budget.

6. Motor Pool (Object Code 5333)

Expenditures in this object code include Motor Pool travel to LAFCO Meetings in Bishop. The recommended amount in this object code is **\$170**, which is lower (\$1,066) than the FY 2019-2020 Budget. This decrease is due to removing two meetings from the Budget.

7. Contingencies (Object Code 5901)

The recommended amount in this object code is **\$0**. In the past, LAFCO has budgeted contingencies in case of unexpected costs. However, since a budget amendment is required to access these funds, fund balance may be utilized in case such funds are required.

8. Public Liability Insurance (Object Code 5155)

The expenditure in this object code covers the cost to provide LAFCO its own insurance policy. This is a new expense in the FY 2020-2021 budget and is now mandatory.

Revenues

All revenues received are the result of LAFCO fees for services and payments from the County of Inyo and City of Bishop. LAFCO's fee schedule provides for the recovery of actual costs in processing applications for changes in organization under the Cortese-Knox-Hertzberg Act and environmental review and processing under the California Environmental Quality Act. Beyond the recovery of fees for services, Government Code Section 56381(b)(2) provides "in counties where there is no special district representation on the commission, the county and its cities shall each provide a one-half share of the commission's operational costs."

Details for each revenue category are as follows:

1. LAFCO Fees (Object Code 4817)

The recommended amount in this revenue code is **\$7,000**, which the same from the FY 2019-2020 Budget. Staff is recommending this amount for FY 2020-2021 in case applications for annexations, out-of-area service contracts, etc. are submitted. If no applications are submitted, neither the expenditures nor the revenues will be realized. If additional applications are received, staff will prepare a budget amendment to adjust accordingly. Applications for these services are actually paid by fees from the applicants and the \$7,000 is an estimate of what may 'pass through' the Budget.

2. Aid from Other Governmental Agencies (Object Code 4562 and 4599)

The recommended amount in these revenue codes is **\$20,000** which is less (\$10,000) than the FY 2019-2020 Budget. Staff recommends requesting \$10,000 in revenues from both the County of Inyo and the City of Bishop for FY 2020-2021. This level of funding is generally cost neutral, but could utilize fund balance.

3. Interest form Treasury (Object Code 4301)

The recommended amount in this revenue code is **\$190.00**, which is \$90 more than what was in the FY 2019-2020 Budget. The increase is due to having a higher fund balance.

Alternatives

Government Code Section 56425(g) requires that the Commission, as necessary, review and update spheres of influence every five years. Government Code Section 56425 indicates that the Commission shall conduct Municipal Service Reviews (MSR) to prepare and update spheres of influence. In 2007 Inyo LAFCO updated spheres of influence, including conducting MSRs. More than five years have passed since the last round of sphere updates and MSRs were completed, and if the Commission finds it necessary to review and update any spheres of influence, another round of sphere studies and/or MSRs could be undertaken. Funding for such investigation would need to be provided from the fund balance and/or the City and County.

The FY 2020-2021 budget includes expected revenues and expenses for anticipated applications. The Commission could choose to not include these funds in its budget. This is not recommended

because it may increase costs to process the applications if a budget amendment becomes necessary. This revenue is not included in the City/County contribution amount.

The Commission may choose to request even less of a contribution from the City of Bishop and the County of Inyo and rely more on Fund Balance for a portion of the FY 2020-2021 budget. Staff does not recommend this and instead, recommends retaining Fund Balance as much as realistically possible in the event of an unexpected need for resources.

STAFF RECOMMENDATION

Staff recommends following the public hearing the Commission approve the budget for FY 2020-2021 by taking the following action:

"Move to approve the Inyo Local Agency Formation Commission budget for fiscal year 2020-2021 as recommended by the Executive Officer and find that the reduced program costs will allow for the Commission to fulfill the purposes and programs of the Cortese Knox Hertzberg Local Government Reorganization Act of 2000."

Respectfully Submitted



Cathreen Richards, Executive Officer

Attachment: Budget Worksheets



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COMMISSION ORDER

FINAL BUDGET FOR THE FISCAL YEAR (FY) 2020-2021 INYO LOCAL AGENCY
 FORMATION COMMISSION (Inyo LAFCO) BUDGET (451001)

It is hereby ordered that pursuant to an affirmative vote of at least three of the Inyo Local Agency Formation Commissioners that the FINAL BUDGET for the FY 2020-2021 Inyo LAFCO Budget (451001) presented to the Commission on June 4, 2020 shall be effective July 1, 2020 and said Budget is as set forth below:

The FY 2020-2021 LAFCO Budget, Budget Unit 451001, Interest from Treasury (Revenue Code #4301) \$190; County Contribution (Revenue Code #4562) \$10,000; Other Agencies (Revenue Code #4599) \$10,000; LAFCO Fees (Revenue Code #4817) \$7,000; Operating Transfers (Revenue Code#4998) \$0; Total Revenues: \$27,190. Salaried Employees (Expense Code #5001) \$300; Retirement & Social Security (Expense Code #5021) \$38; PERS Retirement (Expense Code #5022) \$41; Medical Insurance (Expense Code #5031) \$65; Other Benefits (Expense Code #5043) \$100; Advertising (Expense Code #5263) \$300; Professional & Special Services (Expense Code #5265) \$17,765; General Operating Expense (Expense Code #5311) \$1,558; Travel (Expense Code #5331) \$336; County Cost Plan (Expense Code #5315) \$1,189; Motor Pool (Expense Code #5333) \$170; (Expense Code #5155) \$1,651 - Total Expenses: \$23,513.

IN WITNESS THEREOF, THE PARTIES HERETO HAVE SET THEIR HANDS AND SEALS
 THIS
 4th DAY OF JUNE 2020

INYO LAFCO

By: _____
 Stephen Muchovej, Chair

By: _____
 Cathreen Richards, Executive Officer

Dated: _____

Dated: _____

FY 2020-2021

Object Code			
Revenues			
4301 - Interest from Treasury	\$	190	
4562 - County Contributions	\$	10,000	
4599 - Other Agencies	\$	10,000	
4817 - LAFCO Fees	\$	7,000	
4998 - Operating Transfer	\$	-	
Total	\$	27,190	
Expenses			
5001 - Salaried Employees	\$	300	*
5021 - Retirement & Social Security	\$	38	
5022 - PERS Retirement	\$	41	
5031 - Medical Insurance	\$	65	
5043 - Other Benefits	\$	100	
5155 - Public Liability	\$	1,651	*
5263 - Advertising	\$	300	
5265 - Professional & Special Services	\$	17,765	*
5311 - General Operating Expense	\$	1,558	*
5331 - Travel Expense	\$	336	*
5315 - County Cost Plan	\$	1,189	
5333 - Motor Pool	\$	170	*
Total	\$	23,513	
Projected FY 2019-2020 Beginning Balance	\$	3,677	
FY 2018-19 End Balance	\$	53,821	
Projected Balance 6/30/2020	\$	57,498	
	\$	20,000	

* See attached Worksheets for details

FY 2020-2021 Prelim Budget

Description-Salary #5001		\$
3 meetings w/ 2 Commissioners *	= \$	300
	\$	300

* Board Of Supervisor Members are paid through regular payroll

FY 2020-2021 Prelim Budget

Description-Public Liability #5155		\$
Lafco Contract Liability Insurance	= \$	1,651
	\$	1,651

* Per County Counsel for Lafco Contract - AH 05/19/20

FY 2020-2021 Prelim Budget

Description-Prof Service #5265	\$	
3meetings w/ 4 Commissioners	= \$ 600	
Staff Time for meetings	= \$ 1,987	*
County Counsel for meetings	= \$ 1,359	
Staff Conference	= \$ -	*
Annual Conference	= \$ -	*
Special District Update	= \$ 499	*
Prep of prelim annual budget	= \$ 499	*
Prep of annual budget	= \$ 499	*
Staff time for the Audit	= \$ 374	*
Staff time for Sm Project	= \$ 2,000	*
Staff time for Lrg Proect (NIH)	= \$ 5,000	*
Audit cost (Gallina)	= \$ 2,700	*
Misc. acct	= \$ 749	*
Various public inquiries	= \$ 1,498	*
Meyers Nave Contract	= \$ -	
	\$ 17,765	

* Includes 20% Overhead charge

FY 2020-2021 Prelim Budget

Description-Gen Op #5311		\$
CALAFCO Membership	= \$	1,258
Misc. materials	= \$	300
	\$	1,558

FY 2020-2021 Prelim Budget

Description-Travel #5331		\$
3 meetings w/ 6 Commissioners	= \$	336
Staff Conference registration	= \$	-
Staff Conference per diem	= \$	-
Staff Conference hotel	= \$	-
Annual Conference registration	= \$	-
Annual Conference per diem	= \$	-
Annual Conference hotel	= \$	-
Annual Conference mileage	= \$	-
	\$	336

FY 2020-2021 Prelim Budget

Description-Motor Pool #5333		\$
3 meetings in Bishop	= \$	170
Annual Conference	= \$	-
Staff Conference	= \$	-
	\$	170

FY 2020-2021 Prelim Budget

LAFCO Meetings

3meetings w/ 6 commissioners	\$	1,144	Object 5265 plus Salary object codes
Staff Time for meetings	\$	1,987	
County Counsel for meetings	\$	1,359	
Commissioner Travel	\$	336	
Staff Travel	\$	170	
	\$	4,996	



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LAFCO STAFF REPORT

AGENDA ITEM No. : 6 (Action Item)
DATE OF MEETING: June 4, 2020
SUBJECT: Contract between Inyo LAFCO and the County of Inyo for Professional Services for FY 2020-2021

EXECUTIVE SUMMARY:

Inyo LAFCO contracts with the Inyo County Planning Department for the services of LAFCO Executive Officer and support staff. The Commission also contracts with the Inyo County Office of the County Counsel for legal services. A single contract between LAFCO and Inyo County covers both staff and counsel services.

Recommended Action: Authorize the Chair to sign the Contract between Inyo LAFCO and the County of Inyo for Professional Services for FY 2020-2021

Alternatives: The Commission could not authorize the chair to sign the contract. Other persons and/or entities would need to be identified to contract with for LAFCO services if the Commission chooses this alternative.

STAFF RECOMMENDATION:

Staff recommends the Commission authorize the chair to sign the contract between Inyo LAFCO and the County of Inyo for Professional Services, by taking the following action:

"Move to approve the contract between the Local Agency Formation Commission and the County of Inyo and authorize the chairperson to sign the contract and direct the Planning Department to proceed as required by the contract."

Respectfully Submitted,

Cathreen Richards, Executive Officer

**AGREEMENT BETWEEN THE COUNTY OF INYO
AND THE INYO LOCAL AGENCY FORMATION COMMISSION
FOR THE PROVISION OF SERVICES**

INTRODUCTION

WHEREAS, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code § 56000 et seq., hereinafter referred to as "Act") governs Local Agency Formation Commission operations, policies, and procedures; and

WHEREAS, Government Code § 56384 requires Inyo Local Agency Formation Commission (hereinafter referred to as ("Inyo LAFCO")) to appoint an Executive Officer and Legal Counsel, and Government Code § 56380 allows Inyo LAFCO to contract with any public agency or private party for personnel and facilities; and

WHEREAS, Inyo LAFCO has the need for the services of the County of Inyo (hereinafter referred to as "County"), and in consideration of the mutual promises, covenants, terms, and conditions hereinafter contained, the parties hereby agree as follows:

TERMS AND CONDITIONS

1. SCOPE OF WORK.

The County shall provide to Inyo LAFCO, those services and work set forth in Attachment A, attached hereto and by reference incorporated herein.

Services and work provided by the County under this Agreement will be performed by County employees or other County contractors in a manner consistent with the requirements and standards established by applicable federal, state, and county laws, ordinances, regulations, and resolutions. Such laws, ordinances, regulations, and resolutions include, but are not limited to, those which are referred to in this Agreement.

When County performs work or services under this Agreement, County may have such work or services performed either by its own employees or, upon approval by Inyo LAFCO, by one or more of County's contractors. County will have such work or services performed by employees or contractors who are qualified to, and capable of, doing such work. County has the right in its sole discretion to determine which employee(s) are qualified and capable, and to determine which employee(s) of those which are deemed qualified and capable, are to actually perform the work and services under this Agreement. Inyo LAFCO has no right to designate, or require the work or services to be performed by a particular County Department, class of County employees, or particular employee(s). Further, County need not obtain Inyo LAFCO's approval prior to or after incurring any travel and/or per diem, or overtime expenses in performing work or services under this Agreement.

2. TERM.

The term of this Agreement shall be from July 1, 2020 to June 30, 2021 unless sooner terminated as provided below.

3. CONSIDERATION.

A. County Employee(s). Where work and services are performed by County employee(s) under this Agreement, the consideration to be paid by Inyo LAFCO to County for such services and work is the sum total of the (1) hourly rate costs (including overtime, if any), (2) fringe benefits cost, and (3) overhead and administrative costs (including travel and per diem, if any), for each employee who performed any work or services under this Agreement. Hourly rate costs (non overtime), including fringe benefits are set forth in Attachment **B** to this Agreement.

(1) Hourly Rate Costs. The product of the number of hours (rounded up or down to the nearest 1/2 (0.50) of an hour) which a County employee worked under this agreement, multiplied by the employee's hourly rate of pay as set by the most recent County salary ordinance, resolution, or employee contract. Where the circumstances of the services and work requested by Inyo LAFCO under this Agreement require the County employee to work in excess of eight (8) hours per day or forty (40) hours per week (hereinafter referred to as "overtime"), and County is obligated by law or contract to compensate the employee for such overtime at a rate of one and one half (1½) times their hourly rate of pay, the hourly rate of pay for such overtime hours worked under this Agreement will be one and one half (1½) times the employee's hourly rate of pay as set by the most recent County salary ordinance, resolution, or employee contract.

(2) Fringe Benefit Costs. The product of the hourly rate costs multiplied by 40% (0.40).

(3) Overhead and Administrative Costs. The product of the hourly rate costs multiplied by 20% (0.20), plus special, travel and per diem costs if any. Where a County employee travels and/or incurs per diem expenses in performing work under this Agreement, the travel and per diem costs for such work will be the actual costs to the County for such travel and per diem. Actual costs to the County will be determined by the most recent County ordinance or resolution establishing travel and per diem reimbursement rates for County employees. Special costs are those approved in advance by Inyo LAFCO for particular specialized equipment, supplies, tools and materials to be used by County in performing under this Agreement.

(4) Exception For County Counsel. Notwithstanding the foregoing, the consideration to be paid for services of professional employees of the Office of the County Counsel shall be the flat hourly rate (inclusive of benefits and overhead) shown in Attachment **B** to this Agreement, plus any special, travel and per diem costs as provided in Paragraph 3.A.(3) above.

B. Other County Contractors. Where work and services under this Agreement are performed by another County contractor, the consideration to be paid by Inyo LAFCO to County for such services and work is the sum total of (1) the contract costs and (2) administrative costs for each County contractor who performs any work or services under this Agreement.

(1) Contract Costs. The total costs to the County (including all labor, travel and per diem, overhead, administrative costs, and other fees) charged by such other contractor to County for the performance of work or services under this Agreement.

(2) Administrative Costs. The product of the contract cost multiplied by 20% (0.20), plus any special costs as defined in Section 3.A.(3) above.

C. Limit Upon Amount Payable Under Agreement. Except for amounts payable to County under Section 6 for Defense and Indemnification, the total sum of all payments made by Inyo LAFCO to County for services and work performed under this Agreement, shall not exceed Forteen Thousand Four Hundred Sixty Four and Dollars (\$ 14,464.40) hereinafter referred to as "contract limit"). County expressly reserves the right to decline to perform any work or services which would be in excess of the contract limit.

D. Insurance. Inyo LAFCO shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection to Inyo LAFCO operations and thereby Inyo LAFCO's performance under the contract. For any claim related to this contract, Inyo LAFCO's coverage shall be primary as respects Inyo County. Coverage shall be at least as broad as the following:

1. (REQUIRED) General liability insurance on an occurrence basis, including products and completed operations, p[roperty damage, bodily injury, and personal and advertising injury with limits no less than \$1,000,000 per occurrence. Inyo County, its officers, officials, employees, and volunteers are to be covered as additional insureds on the general liability policy with respect to liability arising out of work or operations performed by or on behalf of Inyo LAFCO, including materials, parts, or equipment furnished in connection to such work or operations.

2. (REQUIRED) Hired and non-owned automobile liability insurance with limits no less than \$1,000,000 per accident for bodily injury and property damage.

3. (RECOMMENDED if Inyo LAFCO will be receiving/storing/transmitting personally identifiable information (PII) or personal medical information (PMI)) Cyber liability insurance with limits not less than \$1,000,000 per occurrence or claim.

E. Billing and Payment. County shall submit to Inyo LAFCO, once a month, an itemized statement of all services and work described in Attachment A. This statement will be submitted to Inyo LAFCO not later than the fifth (5th) day of the month. The statement to be submitted will cover the period from the first (1st) day of the preceding month through and including the last day of the preceding month. This statement will identify the date on which the services and work were performed and describe the nature of the services and work which were performed on each day. County's statement to the Inyo LAFCO will also include an itemization of any travel or per diem expenses incurred by County during that period. Upon timely receipt of the statement by the fifth (5th) day of the month, Inyo LAFCO shall make payment to County on or before the last day of the month.

F. Federal and State Taxes. Inyo LAFCO will not withhold any federal or state income taxes or social security from any payments made by Inyo LAFCO to County under the terms and conditions of this Agreement.

4. WORK SCHEDULE.

County's obligation is to perform, in a reasonably timely manner, those services and work identified in Attachment A. It is understood by Inyo LAFCO that the performance of these services and work will require cooperation and coordination between County, Inyo LAFCO, and other parties. Inyo LAFCO and County will use their best efforts to arrange their own schedules, and coordinate with other interested parties, to ensure that services and work under this Agreement can be performed within the time frames set by mutual agreement.

5. STATUS OF PARTIES.

County is a political subdivision of the State of California. Inyo LAFCO is a special district authorized by the Act. Each party is a public entity independent of the other. Inyo LAFCO by virtue of this Agreement has no authority to bind or incur any obligation on behalf of County. Except as expressly provided in Attachment A, County has no authority or responsibility to exercise any rights or power vested in the Inyo LAFCO. It is understood by both Inyo LAFCO and County that this Agreement shall not under any circumstances be construed or considered to create an employer-employee relationship or a joint venture. As an independent entity:

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A. County shall determine the method, details, and means of performing the work and services to be provided by County under this Agreement.

STATUS OF COUNTY OFFICERS AND EMPLOYEES.

A. County officers and employees while providing work and services under this Agreement, remain County officers and employees subject to the exclusive control, direction, and supervision by County.

B. County officers and employees providing work and services under this Agreement will do so in accordance with all federal and state laws applicable to the County, and in accordance with all County ordinances, resolutions, rules, regulations, policies, and Board of Supervisors directions. Exceptions to this will be made only for those Inyo LAFCO ordinances, resolutions, rules, regulations, policies, and directions which have been formally adopted by Inyo LAFCO and approved in writing by the County for implementation under this Agreement.

C. County expressly and specifically retains the right to hire, fire, and discipline any County officer or employee who provides work or services under this Agreement. If Inyo LAFCO is unsatisfied with the performance of any County officer or employee who provides work or services under this Agreement, Inyo LAFCO shall promptly notify the County and request that the County consider taking appropriate action.

D. Except as provided in this Agreement, no County officer or employee shall provide any work or services to Inyo LAFCO. Further, Inyo LAFCO shall not hire, retain, engage, contract or employ any County officer or employee except under the provisions of this Agreement.

6. WARRANTY OF ELIGIBILITY.

Contractor warrants that it is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in covered transactions by any federal department or agency. Contractor also warrants that it is not suspended or debarred from receiving federal funds as listed in the List of Parties Excluded from Federal Procurement or Non-procurement Programs issued by the General Services Administration available at: <http://www.sam.gov>.

8. DEFENSE AND INDEMNIFICATION.

To the extent permitted by law, each party hereto shall defend, indemnify, and hold harmless the other and its officers, employees, and agents from and against all claims, damages, losses, judgments, liabilities, expenses, and other costs, including litigation costs and attorney's fees, arising out of, or resulting from, its acts or omissions, or that of its officers, employees, or agents in the performance of this Agreement.

8. CANCELLATION.

This Agreement may be cancelled by either party without cause, and at will, for any reason by giving to the other party sixty (60) calendar day's written notice of such intent to cancel.

9. DEFAULT.

A. If Inyo LAFCO fails to pay County for the work and services performed by County in a timely manner, County may declare the Inyo LAFCO in default and terminate this Agreement upon thirty (30) calendar day's written notice to Inyo LAFCO. Upon such termination by default, Inyo LAFCO will pay to County all amounts owing to County for services and work performed to the date of termination.

B. Except as provided in paragraph "A" above, if a party to this Agreement should fail to comply with the terms and conditions of this Agreement in a timely manner, the other party may declare a default and notify the "defaulting" party in writing of the facts constituting such default. Upon making such written notification, the defaulting party will have thirty (30) calendar days to cure such default. A party shall be

deemed to cure the default if within the time period set forth herein, the defaulting party begins and thereafter diligently continues to completion curing such default. Service of a notice of default on the defaulting party and allowance of said thirty (30) calendar day period for the defaulting party to commence with diligence to cure such default shall be a condition precedent to any termination of this Agreement or to the bringing of any action based upon such default. If any default is not cured or deemed cured hereunder, the non-defaulting party, at its election, may terminate this Agreement by written notice thereof to the defaulting party. Upon such termination by default, Inyo LAFCO will pay to County all amounts owing to County for services or work performed to the date of termination and County will turn over to Inyo LAFCO all information, work papers, reports, analysis of other information in County's possession as may relate to the services and work being performed hereunder.

10. WAIVER OF DEFAULT.

Waiver of any default by either party to this Agreement shall not be deemed to be waiver of any subsequent default. Waiver of any breach of any provision of this Agreement shall not be deemed to be a waiver of any other or subsequent breach, and shall not be construed to be a modification of the terms of this Agreement unless this Agreement is modified as provided in Paragraph 18 below.

11. ASSIGNMENT/SUBCONTRACTING.

This is an agreement for the services of County. Inyo LAFCO has relied upon the skills, knowledge, experience, and training of County as an inducement to enter into this Agreement. County shall not assign this Agreement, or any part of it. However, County may, with the approval of Inyo LAFCO, subcontract work or services it is to perform under this Agreement.

12. PRODUCTS OF COUNTY'S WORK AND SERVICES.

Any and all compositions, publications, plans, designs, specifications, blueprints, maps, formulas, photographs, slides, video tapes, computer programs, computer disks, computer tapes, memory chips, soundtracks, audio recordings, films, audio-visual presentations, exhibits, reports, or studies, which are created, produced, assembled, compiled by, or are the result, product, or manifestation of County's services or work under this Agreement are, and at the termination of this Agreement remain, the sole and exclusive property of the Inyo LAFCO. At the termination of the Agreement, County will convey possession and title to all such properties to Inyo LAFCO. However, any and all works of art, inventions, patents, trademarks, copyrights or intellectual properties of any kind which are created, produced, assembled, compiled by, or are the result, product, or manifestation of County's services or work under this Agreement, are, and at the termination of this Agreement remain, the sole and exclusive property of County.

13. RECORDS AND AUDIT.

A. Records. County shall prepare and maintain all records required by the various provisions of this Agreement, and federal, state, county, and municipal, ordinances, regulations, and directions. County shall maintain these records for a minimum of four (4) years from the termination or completion of this Agreement. County may fulfill its obligation to maintain records as required by this paragraph by substitute photographs, microphotographs, or other authentic reproduction of such records.

B. Inspections and Audits. Any authorized representative of Inyo LAFCO shall have access to any books, documents, papers, and records, including, but not limited to, financial records of County, which County determines to be pertinent to this Agreement, for the purposes of making audit evaluation, examination, excerpts, and transcripts during the period such records are to be maintained by County. Further, Inyo LAFCO has the right to audit, inspect, or otherwise evaluate the work performed or being performed under this Agreement.

14. NONDISCRIMINATION.

During the performance of this Agreement, neither party, or their agents, officers and employees, shall unlawfully discriminate in violation of any federal, state, or local law, against any employee, or applicant for employment, or person receiving services under this Agreement, because of race, religion, color, national origin, ancestry, physical handicap, medical condition, marital status, ages, or sex. Both parties and their agents, officers, and employees shall comply with the provisions, of the Fair Employment and Housing Act (Government Code section 12900, et seq.), and the applicable regulations promulgated thereunder in the California Code of Regulations. The parties shall also abide by the Federal Civil Rights Act of 1964 (P.L. 88-352) and all amendments thereto, and all administrative rules and regulations issued pursuant to said act.

15. CONFIDENTIALITY.

Contractor further agrees to comply with the various provisions of the federal, state, and county laws, regulations, and ordinances providing that information and records kept, maintained, or accessible by Contractor in the course of providing services and work under this Agreement, shall be privileged, restricted, or confidential. Contractor agrees to keep confidential all such information and records. Disclosure of such confidential, privileged, or protected information shall be made by Contractor only with the express written consent of the County. Any disclosure of confidential information by Contractor without the County's written consent is solely and exclusively the legal responsibility of Contractor in all respects.

Notwithstanding anything in the Agreement to the contrary, names of persons receiving public social services are confidential and are to be protected from unauthorized disclosure in accordance with Title 45, Code of Federal Regulations Section 205.50, the Health Insurance Portability and Accountability Act of 1996, and Sections 10850 and 14100.2 of the Welfare and Institutions Code, and regulations adopted pursuant thereto. For the purpose of this Agreement, all information, records, and data elements pertaining to beneficiaries shall be protected by the provider from unauthorized disclosure.

16. SEVERABILITY.

If any portion of this Agreement or application thereof to any person or circumstance shall be declared invalid by a court of competent jurisdiction, or if it is found in contravention of any federal, state, or county statute, ordinance, or regulation, the remaining provisions of this Agreement, or the application thereof, shall not be invalidated thereby, and shall remain in full force and effect to the extent that the provisions of this Agreement are severable.

17. FUNDING LIMITATION.

The ability of Inyo LAFCO to enter this Agreement is based upon available funding from various sources. In the event that such funding fails, is reduced, or is modified, from one or more sources, Inyo LAFCO has the option to cancel, reduce, or modify this Agreement, or any of its terms within five (5) calendar days of its notifying County of the cancellation, reduction, or modification of available funding. Any reduction or modification of this Agreement made pursuant to this provision must comply with the requirements of Paragraph 18.

18. AMENDMENT.

This Agreement may be modified, amended, changed, added to, or subtracted from, by the mutual consent of the parties hereto, if such amendment or change is in written form and executed with the same formalities as this Agreement, and attached to the original Agreement to maintain continuity.

19. NOTICE.

Any notice, communication, amendments, additions, or deletions to this Agreement, including change of address of either party during the terms of this Agreement, which Inyo LAFCO or County shall be required, or may desire, to make, shall be in writing and may be personally served, or sent by prepaid first class mail to, the respective parties as follows:

County of Inyo
COUNTY ADMINISTRATOR
224 North Edwards
P.O. Box N
Independence, California 93526

Inyo LAFCO:
Cathreen Richards _____ Name
Executive Officer
168 North Edwards _____ Street
P.O. Box L
Independence, CA 93526 _____ City and State

20. ENTIRE AGREEMENT.

This Agreement contains the entire agreement of the parties, and no representations, inducements, promises, or agreements otherwise between the parties not embodied herein or incorporated herein by reference, shall be of any force or effect. Further, no term or provision hereof may be changed, waived, discharged, or terminated, unless the same be in writing executed by the parties hereto.

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**AGREEMENT BETWEEN THE COUNTY OF INYO
AND THE INYO LOCAL AGENCY FORMATION COMMISSION
FOR THE PROVISION OF SERVICES**

IN WITNESS THEREOF, THE PARTIES HERETO HAVE SET THEIR HANDS THIS
____ DAY OF _____, _____.

COUNTY OF INYO

INYO LAFCO

By: _____

By: _____

Dated: _____

Print or Type Name

Dated: _____

APPROVED AS TO FORM AND LEGALITY:

County Counsel

APPROVED AS TO ACCOUNTING FORM:

County Auditor

APPROVED AS TO PERSONNEL REQUIREMENTS:

Director of Personnel Services

APPROVED AS TO RISK ASSESSMENT:

County Risk Manager

ATTACHMENT A

**AGREEMENT BETWEEN THE COUNTY OF INYO
AND THE INYO LOCAL AGENCY FORMATION COMMISSION
FOR THE PROVISION OF SERVICES**

TERM:

FROM: July 1, 2020 **TO:** June 30, 2021

SCOPE OF WORK:

SERVICES TO BE PROVIDED BY THE COUNTY

- A. Services of the appointed Executive Officer as provided by 56384(a) of the Act.
- B. Services of the appointed legal counsel as provided by 56384(b) of the Act.
- C. Preparing staff analyses, reports, CEQA documents, proposed findings and other agenda materials for the Inyo County LAFCO relating to boundary proposals, contracts for provision of new and extended services outside city and district jurisdictional boundaries, sphere of influence amendments, periodic review of sphere of influence designations and any other matters that are within the Commission's authority under the Act.
- D. Calling, staffing, noticing, and otherwise coordinating Commission meetings in accordance with the Act and Inyo LAFCO policies and procedures.
- E. Preparing, mailing, filing, publishing and keeping records of agendas, notices and other required official documents on behalf of the Inyo LAFCO.
- F. Responding to inquiries, providing information, and technical assistance to interested public agencies and individuals.
- G. Providing supporting fiscal services such as the development of the annual Inyo LAFCO budget, management of Inyo LAFCO financial accounts including the processing of Inyo LAFCO fees and charges; the processing of payment of Commission charges and expenses, and the preparation of required fiscal reports.
- H. Informing Inyo LAFCO Commissioners of new legislation, correspondence with the Commission, CALAFCO activities, current events and matters of interest related to Inyo LAFCO.
- I. If, and at its sole discretion, the County financially contributes to Inyo LAFCO's acquisition of insurance pursuant to the contract, section D, such contribution shall in no way reflect an assumption of any responsibility for any losses caused or sustained by Inyo LAFCO.
- J. Maintain the Inyo LAFCO website in compliance with Government Code § 56661.
- K. Maintain membership in CALAFCO, and provide training of LAFCO Commissioners and staff involved in support of LAFCO.

ATTACHMENT B

**AGREEMENT BETWEEN THE COUNTY OF INYO
AND THE INYO LOCAL AGENCY FORMATION COMMISSION
FOR THE PROVISION OF SERVICES**

TERM:

FROM: July 1, 2020 TO: June 30, 2021

HOURLY RATES (NON OVERTIME) OF COUNTY PERSONNEL INCLUDING BENEFITS:

County employees shall be at rates and benefits as set forth for such employees by the Board of Supervisors. The hourly rate for County Counsel, Senior Assistant County Counsel and Deputy County Counsel shall be \$151.00 per hour or such rate as established by Code, whichever is higher.