



Local Agency Formation Commission of Napa County
Subdivision of the State of California

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We Manage Local Government Boundaries, Evaluate Municipal Services, and Protect Agriculture

Agenda Item 7c

TO: Local Agency Formation Commission

PREPARED BY: Laura Snideman, Executive Officer

MEETING DATE: October 6, 2014

SUBJECT: Commission Policies Update: Appointment of Chair and Vice-Chair; Budget Policy; Commission Meetings; Disclosure of Political Expenditures for Change of Organization or Reorganization Proposals; Executive Officer Performance Review; Executive Officer Purchasing Authority; Fees and Deposits; Indemnification

RECOMMENDATION

By motion adopt the following Commission policies:

- 1) Appointment of Chair and Vice-Chair
- 2) Budget Policy
- 3) Commission Meetings
- 4) Executive Officer Performance Review
- 5) Executive Officer Purchasing Authority
- 6) Fees and Deposits
- 7) Indemnification

SUMMARY

The Commission currently has over two dozen locally-adopted policies covering areas such as general Commission goals, proceedings of the Commission itself, budget, staff, and other administrative items. As a new staff member I've undertaken a review of the policies and am starting with updates to the attached policies. Key reasons to update a policy include improving readability, clarifying the language, reducing redundancy between the policy and other guiding documents, allowing for flexibility where needed, and updating the policies to reflect current laws. In addition to the language changes being recommended to you, note that once all language changes have been adopted by the Commission a consistent format will be applied to all of the policies. There is one policy, the Disclosure of Political Expenditures for Change of Organization or Reorganization Proposals, which sunset for reasons noted in the analysis. Updates to other policies will be considered at future Commission meetings.

Joan Bennett, Vice Chair
Councilmember, City of American Canyon

Brad Wagenknecht, Commissioner
County of Napa Supervisor, 1st District

Brian J. Kelly, Chair
Representative of the General Public

Greg Pitts, Commissioner
Councilmember, City of St. Helena

Bill Dodd, Commissioner
County of Napa Supervisor, 4th District

Gregory Rodeno, Alternate Commissioner
Representative of the General Public

Juliana Inman, Alternate Commissioner
Councilmember, City of Napa

Mark Luce, Alternate Commissioner
County of Napa Supervisor, 2nd District

Laura Snideman
Executive Officer

ANALYSIS

Below is a summary of the changes in each policy.

Appointment of Chair and Vice-Chair

- Formatting and removal of 2005 information only

Budget Policy

- Eliminates repetition of State law which could change over time, thereby reducing risk that State law and policies could conflict
- Adds in a reminder about annually reviewing the Fee Schedule in conjunction with the budget process
- Eliminates mandatory prescriptive three-phase budget process to allow greater flexibility for committee direction as needs change and allows for more informal discussions with contributing agencies; Per current State law, the budget will be considered during a minimum of two public LAFCO meetings with the full Commission.
- Preserves Commission's budget committee
- Significantly shortened to communicate the key components more quickly

Commission Meetings

- Reflects current meeting schedule and does not require Commission review every six months
- Updates new meeting locations and describes the noticing procedures
- Substitutes the legal authority references with the more appropriate Brown Act references instead of LAFCO law

Disclosure of Political Expenditures for Change of Organization or Reorganization Proposals

- Pursuant to the below provision in the originally adopted policy, this policy has officially sunset and will be removed from the policy manual as the California Fair Political Practices Commission has been charged with enforcing various disclosure provisions.

Sunset provision

This policy is intended to implement California Government Code Sections 56700.1 and 57009 and shall be of no further force and effect upon the effective date of legislation repealing or amending those sections to transfer responsibility for enforcing disclosure of expenditures for political purposes affecting commission proceedings to the Fair Political Practices Commission or otherwise terminates the responsibility of this commission to adopt and implement this policy.

Executive Officer Performance Review

- Modified components of the process in section #2 including to allow for someone other than the Chair to receive input and ensure that person is not the Executive Officer
- Added reference allowing possible use of a facilitator
- Removed the specific form to allow for modifications to the form as necessary over time depending on the Commissioners' goals for the Executive Officer

Executive Officer Purchasing Authority

- Title and formatting only (no change in limits)

Fees and Deposits

- Removed references to a specific fee schedule and modified statements to reflect more generalized policies
- Grouped items more suited for the specific fee schedule so they may be appropriately incorporated at the next fee schedule update and later removed from the policy document
- Minor language clarifications
- No changes to the current fee schedule

Indemnification

- Clarified that other types of applications may require an indemnification agreement as determined by the Executive Officer or Legal Counsel. The Executive Officer already has the broad authority under Section 56652 (e) to determine what is required as part of a complete application package.
- Added some language and modified sentence order for clarity and readability
- Reference to the specific agreement is removed to allow for changes as necessary by legal counsel as noted in the policy

ATTACHMENT(S)

- 1) Appointment of Chair and Vice-Chair
- 2) Budget Policy
- 3) Commission Meetings
- 4) Disclosure of Political Expenditures for Change of Organization or Reorganization Proposals
- 5) Executive Officer Performance Review
- 6) Executive Officer Purchasing Authority
- 7) Fees and Deposits
- 8) Indemnification



Local Agency Formation Commission of Napa County
Appointment of Chair and Vice-Chair

It is the policy of the Commission that:

1. This policy becomes effective January 1, 2005.
2. The terms of office of the Chair and Vice-Chair shall be one calendar year and shall begin on January 1.
3. Upon the date of adoption of this policy, for the purposes of establishing a rotational system for the appointment of the chair and vice-chair, each regular member seat on the Commission shall have a designation as indicated in the following table:

<u>Seat Designation</u>	<u>Occupant of Seat on Aug. 1, 2004</u>
City Member I	Lori Luporini
City Member II	Ken Slavens
County Member I	Mike Rippey
County Member II	Brad Wagenknecht
Public Member	Guy Kay

It shall be the responsibility of the Executive Officer to maintain a record of the seat designations and occupants.

4. The Chair on January 1, 2005 shall be the occupant of the seat designated City Member I.
5. The Vice-Chair of the Commission shall be appointed according to the following:

<u>Seat Designation of the Chair</u>	<u>Seat Designation of the Vice-Chair</u>
City Member I	County Member I
County Member I	City Member II
City Member II	County Member II
County Member II	Public Member
Public Member	City Member I

6. Upon completion of a term as Vice-Chair, that member shall be appointed to serve as the Chair of the Commission.
7. If a vacancy should be created in the office of the Chair for any reason, the members shall, at the next regular meeting, appoint the Vice-Chair to fill the vacancy for the remaining unexpired term.
8. If a vacancy should be created in the office of the Vice-Chair for any reason, the members shall, at the next regular meeting, appoint a Vice-Chair to fill the vacancy

Adopted: August 3, 2004

Updated: July 25, 2005; October 6, 2014

for the remaining unexpired term in accordance with the system set forth in Statement #5.

9. If a member fulfills an unexpired term of the Chair, he shall be appointed to fulfill the subsequent full term of the office.
10. The Commission may create temporary changes to the schedule in Statement #5 as part of an action item placed on the agenda.

Summary of changes:

- *Formatting and removal of 2005 information only*



LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

BUDGET POLICY

- 1) An annual budget shall be prepared, adopted and administered in accordance with Government Code 56381.
- 2) The Commission should annually consider the Fee Schedule in conjunction with the budget process.
- 3) The Commission is committed to ensuring the agency is appropriately funded each fiscal year to effectively meet its prescribed regulatory and planning responsibilities. The Commission is also committed to controlling operating expenses to reduce the financial obligations on the County of Napa and cities, hereafter referred to as the "funding agencies," whenever possible and appropriate.
- 4) The budget shall include an undesignated/unreserved fund balance equal to a minimum of one-fourth of annually budgeted operating expenses.
- 5) The Commission shall establish an ad-hoc budget committee at the last meeting of each calendar year comprising of two Commissioners and the Executive Officer which will terminate each year with the adoption of the final budget. Commissioners appointed to a budget committee shall receive a regular per diem payment for each meeting attended.
- 6) The adopted final budget should be posted on the Commission's website for public viewing for the entirety of the affected fiscal year.

Summary of changes:

- *Eliminates repetition of State law which could change over time, thereby reducing risk that State law and policies could conflict*
- *Adds in a reminder about annually reviewing the Fee Schedule in conjunction with the budget process*
- *Eliminates mandatory prescriptive three-phase budget process to allow greater flexibility for committee direction as needs change and allows for more informal discussions with contributing agencies; Per current State law, the budget will be considered during a minimum of two public LAFCO meetings with the full Commission.*
- *Preserves Commission's budget committee*
- *Significantly shortened to communicate the key components more quickly*



LOCAL AGENCY FORMATION COMMISSION OF NAPA

Commission Meetings

I. Background

Meetings will be noticed and conducted in accordance with the Ralph M. Brown Act, Government code Section 54950 et seq. In response to Government Code Section 54954, this policy establishes the time and place for regular meetings and additionally establishes how a special meeting may be scheduled.

II. Guidelines

A. Regular Meetings

- 1) The regular meeting day of the Commission is the first Monday of each even-number month (February, April, June, August, October, and December) at 4:00 PM. The location will be the regular meeting chamber for each of the five cities in Napa County plus the County of Napa on a rotating basis accounting for equal frequency in each location and room availability. Notice of the location for each meeting will be printed on the agenda for the preceding meeting in addition to distribution through all other required locations and channels including through the use of the internet and direct email. The meeting addresses are as follows:

City of American Canyon
 City Hall
 4381 Broadway Street, Suite
 201
 American Canyon, CA 94503

City of St. Helena
 City Hall
 480 Main Street
 St. Helena, CA 94574

City of Calistoga
 City Hall
 1232 Washington Street
 Calistoga, CA 94515

Town of Yountville
 Town Council Chambers
 6550 Yount Street
 Yountville, CA 94599

City of Napa
 City Hall
 955 School Street
 Napa, CA 94559

Napa County
 Board of Supervisors
 Chambers
 1195 Third Street, Suite 310
 Napa, CA 94559

- 2) The Chair may cancel or change the date or time of a regular meeting if he or she determines the Commission cannot achieve a quorum or there is a lack of business. Regular meetings may also be canceled or changed with the consent of a majority of the regular members of the Commission. For the purpose of this policy, a majority includes at least one member representing the cities and one member representing the county.

Adopted: June 14, 2001

Last Amended: December 1, 2008; October 6, 2014

B. Special Meetings

- 1) Special meetings may be scheduled in accordance with the Ralph M. Brown Act which at the time of the adoption of this policy allows the Commission Chair to schedule special meetings as needed. The Chair shall consult with the Executive Officer in scheduling special meetings to ensure a quorum is available at a specified place and time.
- 2) Requests from outside parties for special meetings must be made in writing and submitted to the Executive Officer. If approved and scheduled by the Chair, the affected outside party requesting the special meeting will be responsible for any related charges pursuant to the Commission's *Schedule of Fees and Deposits*.
- 3) Notices for scheduled special meetings will be posted on the Commission website and transmitted to all interested parties in accordance with the Ralph M. Brown Act.

Summary of changes

- 1) *Reflects current meeting schedule and does not require Commission review every six months*
- 2) *Updates new meeting locations and describes the noticing procedures*
- 3) *Substitutes the legal authority references with the more appropriate Brown Act references instead of LAFCO law*



LOCAL AGENCY FORMATION COMMISSION OF
NAPA COUNTY

**DISCLOSURE OF POLITICAL EXPENDITURES FOR CHANGE OF
ORGANIZATION OR REORGANIZATION PROPOSALS**

Adopted on February 4, 2008

Summary of changes:

Pursuant to the below provision in the originally adopted policy, this policy has officially sunset and will be removed from the policy manual as the California Fair Political Practices Commission has been charged with enforcing various disclosure provisions.

Sunset provision

This policy is intended to implement California Government Code Sections 56700.1 and 57009 and shall be of no further force and effect upon the effective date of legislation repealing or amending those sections to transfer responsibility for enforcing disclosure of expenditures for political purposes affecting commission proceedings to the Fair Political Practices Commission or otherwise terminates the responsibility of this commission to adopt and implement this policy.

Local Agency Formation Commission of Napa County

EXECUTIVE OFFICER PERFORMANCE REVIEW

Adopted: April 11, 2001

Amended: May 7, 2007; October 6, 2014

Recognizing that the intent of the Cortese-Knox-Hertzberg Local Government Reorganization Act is that the Commission should function independent of any local agency, the policy of the Commission is that, pursuant to Government Code §56384, it shall appoint an Executive Officer who serves at-the-will of the Commission. The Executive Officer shall be subject to regular performance review by the Commission. With respect to this performance review, the policy of the Commission is:

1. The first performance review of the Executive Officer shall occur six months following the date of hire. The second performance review shall occur twelve months following the date of hire. Thereafter performance reviews shall occur annually.
2. The process for these performance reviews shall be:
 - a) At least three weeks prior to the meeting at which the review is to take place, the Executive Officer shall send to each Commissioner a letter of self-evaluation and a performance review form.
 - b) At least one week prior to the review, each Commissioner shall send a completed form to the Commission Chair or the Chair's designee who should be someone other than the Executive Officer.
 - c) The Chair or designee shall tabulate and summarize the forms and present this information to the Commission and the Executive Officer during the performance review.
3. At the completion of the performance review, the Commission will consider any appropriate action with respect to the compensation of the Executive Officer.
4. Any Commissioner or the Executive Officer may request the use of an outside facilitator. The Chair shall appoint the facilitator in consultation with the Executive Officer. Should the cost of the facilitator's services exceed the Executive Officer delegated purchasing authority, the cost will be subject to a vote of the Commission at either a regular or special meeting and the facilitator may not commence services until budget authority has been obtained.

Summary of Changes

- *Modified components of the process in section #2 including to allow for someone other than the Chair to receive input and ensure that person is not the Executive Officer*
- *Added reference allowing possible use of a facilitator*
- *Removed the specific form to allow for modifications to the form as necessary over time depending on the Commissioners' goals for the Executive Officer*



Local Agency Formation Commission of Napa County

Executive Officer Purchasing Authority

Pursuant to Government Code Section 56380, the Commission shall make its own provision for necessary quarters, equipment, supplies and services. The associated operating costs are provided for through the Commission's adoption of its annual budget in the manner prescribed in Government Code Section 56381.

It is the intent of the Commission to charge the LAFCO Executive Officer with the responsibility and authority for coordinating and managing the procurement of goods, equipment, and services. The policy of the Commission is:

1. The Executive Officer is charged with the responsibility and authority for coordinating and managing the procurement of goods, equipment, and services in accordance with applicable laws, regulations and policies.
2. The Executive Officer is authorized to act as the agent for LAFCO in procuring personal property and services.
3. Only the Commission itself or the Executive Officer may commit LAFCO funds for the purchase of any goods, supplies or services for LAFCO use.
4. The Executive Officer is delegated purchasing authority on behalf of LAFCO for goods and supplies not to exceed \$3,000 per transaction and purchasing authority for services not to exceed \$5,000 aggregate per vendor. The Commission must approve any purchase of goods, supplies and services that exceed the monetary limits set forth in this paragraph.

Summary of Changes:

- *Title and formatting only (no change in limits)*



Local Agency Formation Commission of Napa County

Subdivision of the State of California

We Manage Local Government Boundaries, Evaluate Municipal Services, and Protect Agriculture

Fees and Deposits

These are the policies of the Local Agency Formation Commission (LAFCO) of Napa County with respect to setting fees and deposits in fulfilling the agency's regulatory and planning duties prescribed under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

1. This policy shall be administered in accordance with the provisions of California Government Code Section 56383.
2. Fees and deposits should be reviewed annually by the Commission in conjunction with the annual budget process. A fee schedule remains in effect until the Commission adopts a new fee schedule.
3. The fee schedule may include both "fixed" and "at-cost" fees. Fixed fees represent reasonable cost estimates for processing routine proposals and based on a number of predetermined staff hours. At-cost fees apply to less routine proposals and will be based on the number of actual staff hours.
4. Proposals submitted to the Commission shall be accompanied by a non-refundable initial fee as detailed in the annual fee schedule. All deposit amounts tied to at-cost proposals shall be determined by the Executive Officer. The Executive Officer shall provide a written accounting of all staff time and related expenses billed against the deposit. If the cost in processing a proposal begins to approach or exceed the deposited amount, the Executive Officer shall request additional monies from the applicant.
5. All initial fees shall be submitted in check and made payable to the "Local Agency Formation Commission of Napa County."
6. Proposals will not be deemed complete until the initial fee has been collected by the Executive Officer.
7. Applicants are responsible for any fees or charges incurred by the Commission and/or required by other governmental agencies in the course of the processing of a proposal.
8. Applicants are responsible for any extraordinary administrative costs as determined by the Executive Officer and detailed for the applicant in a written statement.
9. If the processing of a proposal requires the Commission contract with another agency firm, or individual for services beyond the normal scope of staff work, such as the drafting of an Environmental Impact Report or Comprehensive Fiscal

Analysis, the applicant shall be responsible for all costs associated with that contract. The applicant will provide the Commission with a deposit sufficient to cover the cost of the contract.

10. The Executive Officer may stop work on any proposal until the applicant submits a requested deposit.
11. Upon completion of an at-cost proposal, the Executive Officer shall issue to the applicant a statement detailing all billable expenditures from a deposit. The Executive Officer shall refund the applicant for any remaining monies remaining from the deposit less one-half hour of staff time to process the return.
12. Applicants may request the Commission reduce or waive a fee. All requests must be made in writing and cite specific factors justifying the reduction or waiver and will be considered by the Commission relative to public interest and agency mission. Examples of appropriate requests include, but are not limited to, addressing public health or safety threats, affordable housing development, and community serving projects. Requests by landowners or registered voters shall be considered by the Commission at the next regular meeting. Requests by local agencies may be considered at the time the application is presented to the Commission for action.

Items to incorporate into the next fee schedule and thereafter remove from this policy

13. Additional staff time and administrative costs shall not be charged for city annexation proposals involving one or more entire unincorporated island subject to California Government Code Section 56375.3.
14. With respect to instances where the Commission approves an outside service agreement under California Government Code Section 56133, the fee for a subsequent change of organization or reorganization involving the affected territory will be reduced by 50% if filed within one calendar year.
15. Requests for research on any particular subject will be provided at no cost for the first two hours. This includes, but is not limited to, archival retrieval, identifying properties relative to agency boundaries, and discussing potential proposals. Any additional research time will be billed at the hourly rate provided in this schedule.

Summary of Changes

- *Removed references to a specific fee schedule and modified statements to reflect more generalized policies*
- *Grouped items more suited for the specific fee schedule so they may be appropriately incorporated at the next fee schedule update*
- *Minor language clarifications*
- *NO changes to the current fee schedule*



LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

Indemnification

As part of any application, the applicant and the real party in interest shall agree to indemnify the Local Agency Formation Commission of Napa County (LAFCO) in the following circumstances:

- A change of organization or reorganization which shall include all actions listed under California Government Code Section 56021
- A request for a sphere of influence amendment under California Government Code 56425
- Other applications as deemed necessary by the Executive Officer or Legal Counsel

A real party in interest includes the landowner of the property subject to the application and/or registered voter.

LAFCO may additionally require an applicant and/or real party in interest to execute an additional indemnity agreement as a condition of approval for any application.

LAFCO's Legal Counsel shall prescribe the terms and conditions of the indemnification agreement that shall be part of the application or subsequent conditions of approval.

Summary of changes

- *Clarified that other types of applications may require an indemnification agreement as determined by the Executive Officer or Legal Counsel. The Executive Officer already has the broad authority under Section 56652 (e) to determine what is required as part of a complete application package.*
- *Added some language and modified sentence order for clarity and readability*
- *Reference to the specific agreement is removed to allow for changes as necessary by legal counsel as noted in the policy*