



**Local Agency Formation Commission**  
**LAFCO of Napa County**

1700 Second Street, Suite 268  
Napa, California 94559  
Telephone: (707) 259-8645  
Facsimile: (707) 251-1053  
<http://napa.lafco.ca.gov>

**August 2, 2010**

**Agenda Item No. 5a (Consent: Action)**

July 26, 2010

**TO:** Local Agency Formation Commission

**FROM:** Keene Simonds, Executive Officer

**SUBJECT: Amendment to Support Services Agreement with County of Napa**

The Commission will consider approving an amendment to its support services agreement with the County of Napa. The proposed amendment establishes the Commission's 2010-2011 annual charge for information technology services from the County in the amount of \$14,945.

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The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 directs Local Agency Formation Commissions (LAFCOs) to plan and coordinate the orderly formation and development of local governmental agencies and services within their jurisdictions. State law states LAFCOs are individually responsible for making their own provisions for personnel and facilities. In making their own provisions, LAFCOs may choose to contract with a public or private entity.

**A. Background**

In July 2003, LAFCO of Napa County ("Commission") entered into a support services agreement (SSA) with the County of Napa. The SSA establishes terms and conditions for the County to provide personnel and related services necessary for the Commission to fulfill its responsibilities. The SSA was amended in September 2007 to incorporate a new billing calculation involving the provision of information technology services (ITS), which is applied to all County departments to proportionally recover operating costs. Key calculation factors include the number of personnel and network computers within each department or agency. The County and the Commission have used this calculation method in amending the SSA over the last several years. The last amendment in August 2009 raised the annual ITS charge to \$18,705.

**B. Discussion/Analysis**

The County proposes a new amendment to the SSA based on ITS' budgeted operating costs in 2010-2011. The proposed rate would set the Commission's ITS charge in 2010-2011 to \$14,945. This amount has been calculated based on the aforementioned billing method and represents an approximate 20% decrease in costs. The decrease is attributed to overall cost-reductions for ITS for the upcoming fiscal year.

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Juliana Inman, Vice Chair  
Councilmember, City of Napa

Lewis Chilton, Commissioner  
Councilmember, Town of Yountville

Joan Bennett, Alternate Commissioner  
Councilmember, City of American Canyon

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

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

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

Brian J. Kelly, Chair  
Representative of the General Public

Gregory Rodeno, Alternate Commissioner  
Representative of the General Public

Keene Simonds  
Executive Officer

The Commission's annual fee for ITS covers all network administration and monitoring costs. This includes providing e-mail, technical support, database maintenance for accounting and payroll, and access to the County's geographic information system. The level and range of these services are exceptional. The Commission has allocated sufficient funds to cover the proposed rate in its final budget adopted in June 2010.

### **C. Alternatives for Commission Action**

Staff has identified two alternative actions for Commission consideration with respect to the proposed fourth amendment to its SSA with the County. These alternatives are:

**Option One:** Authorize the Chair to sign the attached fourth amendment to the SSA.

**Option Two:** If more information is needed, continue consideration of the item to a future meeting and provide direction to staff as appropriate.

### **D. Recommendation**

Staff recommends the Commission approve and direct the Chair to sign the proposed fourth amendment to the SSA as outlined in the preceding section as Option One.

Respectfully submitted,

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Keene Simonds  
Executive Officer

Attachment:

- 1) Proposed Amendment No. 4 to LAFCO Agreement No. 03-02
- 2) LAFCO Agreement No. 03-02

**AMENDMENT NO. 4 OF**  
**NAPA COUNTY AGREEMENT NO. 4433**  
**LOCAL AGENCY FORMATION COMMISSION OF**  
**NAPA COUNTY AGREEMENT NO. 03-02**

**SUPPORT SERVICES BY THE COUNTY OF NAPA TO THE LOCAL AGENCY  
FORMATION COMMISSION OF NAPA COUNTY**

**THIS AMENDMENT NO. 3 OF NAPA COUNTY AGREEMENT NO. 4433** is made and entered into as of this 1st day of July, 2010 by and between the COUNTY OF NAPA, a political subdivision of the State of California, hereinafter referred to as "County", and the LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY (hereinafter "LAFCO"), a local public agency formed pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act (Government Code Section 56000 et. seq.);

**RECITALS**

**WHEREAS**, on or about July 1, 2003, County and LAFCO entered into Napa County Agreement No. 4433 (hereinafter referred to as "MA"), amended on or about September 1, 2007, June 17, 2008, and amended on July 1, 2009 for the provision by County of support services needed for LAFCO's performance of its functions and responsibilities, including information technology services; and

**WHEREAS**, the parties now desire to amend the MA to modify the annual rates of compensation to County for services provided by its Information Technology Services Department ("ITS") to reflect changes in the costs to County to provide such services;

**TERMS**

**NOW, THEREFORE**, County and LAFCO hereby amend the Agreement as follows:

1. The portion entitled "Services of Information Technology (annual rate)" of Attachment AA of the Agreement is hereby amended to read in full as follows:

1. **Services of Information Technology (annual rate):**

- a. Calculation of Annual Fee and Method of Payment. The parties acknowledge that reimbursement of County by LAFCO for the costs of providing the information technology services required of County under Section 4 of Attachment D of this Agreement are calculated utilizing the ITS Cost Allocation Method for County's own departments and agencies which was approved by the Napa County Board of Supervisors on June 19, 2001, a copy of which is attached to Amendment No. 1 of the Agreement as Attachment "BB". At the option of LAFCO, the Annual Fee shall be payable either in advance in a single payment due on or before July 1 of

the applicable fiscal year or in monthly payments in arrears, each payment due on or before the first of the month succeeding the month of service, with the payable monthly rate being 1/12 of the Annual Fee then in effect.

b. Amount of Annual Fee. The Annual Fee shall be as follows:

<u>Fiscal Year</u>	<u>Annual Rate</u>
2003-2004	\$12,900.00
2004-2005	\$12,999.96
2005-2006	\$13,377.96
2006-2007	\$17,799.00
2007-2008	\$16,387.00
2008-2009	\$17,768.00
2009-2010	\$18,705.00
2010-2011*	\$14,945.00

\* Future Modifications. Notwithstanding the foregoing, it is anticipated that County and LAFCO may amend this Agreement, beginning with Fiscal Year 2010-2011, to conform subsequent fiscal year compensation amounts to the above-referenced Cost Allocation Method or such other Method as the parties may subsequently agree to by amendment, or may amend this Agreement within Fiscal Year 2009-2010 or any subsequent fiscal year during the term of this Agreement or extension thereof to reflect additional services requested by LAFCO.

- 2. This Amendment No. 4 of the MA shall be effective as of July 1, 2010.
- 3. Except as provided in (1) through (2), above, the terms and provisions of the MA shall remain in full force and effect as originally approved.

**IN WITNESS WHEREOF**, this Amendment No.4 of Napa County Agreement No.

/////

4433 as of the date first above written.

LOCAL AGENCY FORMATION COMMISSION OF  
NAPA COUNTY

By \_\_\_\_\_  
JULIANA INMAN, Chair of the Local Agency  
Formation Commission of Napa County

ATTEST: KEENE SIMONDS,  
Executive Director/Clerk of LAFCO

"LAFCO"

By: Jackie Gong (E-Signature)  
Date: 6/3/10

APPROVED AS TO FORM:  
Commission Counsel  
By:

Date:

COUNTY OF NAPA, a political subdivision of  
the State of California

By \_\_\_\_\_  
DIANE DILLON, Chair  
Napa County Board of Supervisors

"COUNTY"

ATTEST: GLADYS I. COIL  
Clerk of the Board of Supervisors

By: \_\_\_\_\_

<p><b>APPROVED AS TO FORM</b> Office of County Counsel</p> <p>By: _____</p> <p>Date: _____</p>
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<p><b>APPROVED BY THE NAPA COUNTY BOARD OF SUPERVISORS</b></p> <p>Date: _____</p> <p>Processed by: _____</p> <p>Deputy Clerk of the Board</p>
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NAPA COUNTY AGREEMENT NO. 4433LAFCO OF NAPA COUNTY AGREEMENT NO. 03-02

**AGREEMENT FOR THE PROVISION OF SUPPORT SERVICES  
BY THE COUNTY OF NAPA TO THE NAPA COUNTY  
LOCAL AGENCY FORMATION COMMISSION**

**THIS AGREEMENT** is entered into as of this 1st day of July, 2003, by and between the COUNTY OF NAPA (hereinafter "County"), a political subdivision of the State of California, and the LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY (hereinafter "LAFCO"), a local public agency formed pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act (Government Code Section 56000 et. seq.);

**RECITALS**

**WHEREAS**, pursuant to Government Code Section 56380 of the Cortese-Knox-Hertzberg Local Government Reorganization Act (enacted effective January 1, 2001 and hereinafter referred to as "Act"), LAFCO is authorized to contract with any public agency for necessary personnel, facilities, and equipment to carry out and effect its functions and responsibilities; and

**WHEREAS**, pursuant to Government Code Section 56380, LAFCO must make its own provisions for independent staffing and operations; and

**WHEREAS**, LAFCO has need of specified personnel, accounting and legal services for its independent operations which County is willing and able to provide under the terms and conditions set forth herein below; and

**WHEREAS**, the County and LAFCO have entered into agreements for the provision of support services for fiscal years 2001-2002 and fiscal year 2002-2003;

**TERMS**

**NOW THEREFORE**, in consideration of the foregoing and the mutual promises hereinafter expressed, the parties mutually agree as follows:

1. **TERM.** The term of this Agreement shall become effective upon the date first written above and shall expire on June 30, 2004, unless terminated earlier in accordance with Paragraph 14 (Termination); except that the obligations of the parties under Paragraph 8 (Indemnification) and 10 (Confidentiality) shall continue in full force and effect after said expiration date or early termination in relation to acts or omissions occurring prior to such dates during the term of the Agreement. The term of this Agreement shall be automatically renewed for an additional year at the end of each fiscal year, under the same terms and conditions, unless terminated pursuant to Paragraph 14. For purposes of this Agreement, "fiscal year" shall mean the period commencing on July 1 and ending on June 30.

2. **SERVICES TO BE PROVIDED BY COUNTY.** County shall provide the following services subject to LAFCO abiding by County policies and procedures governing such services, except that whenever such policies and procedures provide for the Board of Supervisors to approve the appropriation of funds, or to approve the acquisition of services, goods or assets, or to make any other legislative decisions to carry out such services, the LAFCO Commission shall act in lieu of the Board of Supervisors:

(a) **Executive Officer.** County shall designate its at-will employee Daniel Schwarz to serve as LAFCO Executive Officer (hereinafter "Executive Officer"). The Executive Officer shall perform the duties as specified in the Act and other applicable laws and such other duties as specified by LAFCO. County agrees that the LAFCO Commission, as the appointing authority of the LAFCO Executive Officer, shall have the responsibility for evaluating the performance and setting compensation for the Executive Officer, so long as these actions are implemented in a manner consistent with County personnel policies, rules and regulations. The duties to be provided by the Executive Officer shall include, but not be limited to:

- Preparing staff analyses, reports, proposed findings and other agenda materials for 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 LAFCO's authority under the Act.
- Calling and noticing LAFCO meetings in accordance with the Act and LAFCO policies and procedures.
- Preparing, mailing, filing, publishing and keeping records of agendas, notices and other required official documents on behalf of LAFCO.
- Responding to inquiries and providing information and technical assistance to interested public agencies and individuals.
- Providing supporting fiscal services such as the development of the annual LAFCO budget, management of LAFCO financial accounts, including the processing of LAFCO fees and charges, the processing of payment of LAFCO charges and expenses, and the preparation of required fiscal reports.
- Informing LAFCO Commissioners of new legislation, correspondence to LAFCO, CALAFCO activities, current events and matters of interest relating to LAFCO.

(b) **Support Staff.** County shall provide part-time clerical staff (.5 F.T.E.) and one full-time analyst to assist the Executive Officer in carrying out the day-to-day operations of

LAFCO and such other staff as the LAFCO Commission deems necessary, appropriates funds for, and directs County to provide, as set forth in (c).

(c) **Additional Services.** County, through its departments and divisions, shall further provide LAFCO those services set forth in Attachments "A" through "G", attached hereto and incorporated by reference as if set forth herein. It is the intention of both parties that the level of service provided shall be at least equal to that provided in County fiscal year 2002-2003 unless otherwise specifically agreed to by LAFCO and County.

3. **OFFICE SPACE.** It is the understanding of the parties that LAFCO has made direct arrangements with third parties to secure and maintain office space and such services are therefore not included within this Agreement.

#### 4. **REIMBURSEMENT.**

(a) **Rates.** In consideration of County's fulfillment of the promised services and personnel, LAFCO shall reimburse County for the actual costs (including the costs of labor, equipment, supplies, materials, and incidental travel/transportation) incurred by County and its departments and divisions in providing these services. The rates shall be determined and mutually agreed to by the parties as follows:

(1) FY 2003-2004. The rates for fiscal year 2003-2004 are set forth in Attachment "AA" and hereby attached and incorporated by reference.

(2) **Procedure for Subsequent Annual Determination of Rates.** During the fourth quarter of each fiscal year of this Agreement the County Executive Officer, or his designee, and the Executive Officer of LAFCO shall meet prior to adoption of the respective annual County and LAFCO budgets to determine and calculate the proposed rates for County staff and services to be furnished during the succeeding fiscal year which will be necessary to achieve the cost reimbursement provided for in (a), subject to the additional factors set forth in (b) through (f), below. The annual adjustment of these reimbursement rates so determined shall be approved in writing by the County Executive Officer and the Executive Officer of LAFCO and when so approved shall become effective for the subsequent fiscal year unless this Agreement is not renewed or otherwise terminated by the County and/or LAFCO.

(b) **LAFCO Staffing Reimbursement.** LAFCO shall reimburse County for the salary and benefits of County staff primarily assigned to serve LAFCO, including any increases in salary and benefits that County provides such staff during the term of this Agreement.

(c) **LAFCO-Requested Travel Expense Reimbursement.** LAFCO shall reimburse County for expenses incurred by County departments and divisions for travel by their assigned personnel when such travel has been requested by LAFCO in writing. Such reimbursement shall be in accordance with the travel expense policy approved by County's Board of Supervisors in effect on the date of the travel. Notwithstanding the foregoing, travel costs incurred through use of a County vehicle shall be reimbursed in accordance with the County Equipment Pool rates in effect at the time of the travel.



(d) **Bank Analysis Pass-through Charge.** LAFCO shall reimburse County on a pass-through basis for the costs incurred by County for bank charges relating to LAFCO activities.

(e) **General Liability Coverage/Workers' Compensation Coverage:** LAFCO shall reimburse County for general liability coverage and workers' compensation coverage at the rates established by County each fiscal year.

(f) **Adjustment for Additional LAFCO-Requested Services.** LAFCO shall reimburse County for the actual costs (including the costs of labor, equipment, supplies, materials, and incidental travel/transportation) incurred by County in providing any new or increased services requested by LAFCO. Such additions or increases in services shall be permitted only if approved in writing by the County Executive Officer and LAFCO Executive Officer, including approval of the applicable reimbursement rates.

5. **METHOD OF REIMBURSEMENT.** Reimbursement for the costs of services, related supplies, and authorized travel incurred by County under this Agreement shall be made only upon presentation by the performing County department or division to LAFCO of an itemized billing invoice in a form acceptable to the Executive Officer of LAFCO and to the Napa County Auditor which indicates, at a minimum, an itemization of the services provided, the costs of any LAFCO-requested travel, and any documentation relating to adjustments in maximum compensation authorized in the manner provided in Paragraph 4 above. If the Executive Officer of LAFCO requires further information regarding the invoice, County shall make a good faith effort to provide such information, including documentation that the Executive Officer requests to justify the invoice charges. County shall submit such invoices quarterly to the Executive Officer of LAFCO who shall review each invoice for compliance with the requirements of this Agreement and shall, within ten working days of receipt, either approve or disapprove the invoice in light of such requirements. If the invoice is approved, the Executive Officer of LAFCO shall direct reimbursement be made by journal entry from the LAFCO Operations Fund to the account designated by the submitting County department or division as of the first day of the County fiscal year quarter immediately succeeding the quarter in which the services were rendered. Notwithstanding the foregoing, the final quarterly invoices for the fourth quarter reimbursement shall be submitted no later than the first working day following the close of the County fiscal year (June 30) and, if approved, shall be paid on or before July 15 of the next County fiscal year.

6. **ADMINISTRATION OF SERVICES.** The provision of services under this Agreement shall be under the administrative supervision and direction of the Executive Officer of LAFCO on behalf of LAFCO, and the County Executive Officer on behalf of County.

7. **APPROPRIATIONS.** LAFCO shall be responsible for operating within the appropriations budgeted for the current fiscal year. The process for reimbursement of expenses that exceed the given appropriation shall involve review and approval by LAFCO prior to County approval by the Board of Supervisors of a contingency transfer. Any County appropriations in

excess of LAFCO's budget for the current fiscal year shall be charged as an expense in LAFCO's current fiscal budget and shall be reimbursed to County in the following fiscal year.

8. **TAXES.** As between LAFCO and County, County agrees to be solely liable and responsible for all required tax withholdings and other obligations including, without limitation, those for state and federal income and FICA taxes relating to employees or subcontractors retained by County to provide the services provided to LAFCO under this Agreement. County agrees to indemnify and hold LAFCO harmless from any liability either may incur to the United States or the State of California as a consequence of County's failure to withhold or pay such amounts when due. In the event that LAFCO is audited for compliance regarding any such withholding or payment of taxes, County agrees to furnish LAFCO with proof of the withholding or payment action by County.

9. **ACCESS TO RECORDS/RETENTION.** LAFCO shall have access to any books, documents, papers and records of County which are directly pertinent to the subject matter of this Agreement for the purpose of making audit, examination, excerpts and transcriptions. Except where longer retention is required by any federal or state law, County shall maintain all required records for seven (7) years after LAFCO makes final reimbursement for any of the services provided hereunder and all pending matters are closed, whichever is later. County shall cooperate with LAFCO in providing all necessary data in a timely and responsive manner to comply with all LAFCO reporting requirements.

10. **CONFLICT OF INTEREST.** The parties to the Agreement acknowledge that they are aware of the provisions of the Government Code Section 1090 et seq., and Section 87100 et seq., relating to conflict of interest of public officers and employees. During the term of this Agreement, the Executive Officer of LAFCO and all other LAFCO staff shall not perform any work under this Agreement that might reasonably be considered detrimental to LAFCO's interests. LAFCO staff shall take such measures as are deemed necessary in the performance of this Agreement to prevent actual conflicts of interest. County hereby covenants that it presently has no interest not disclosed to LAFCO and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its services or confidentiality obligation hereunder, except such as LAFCO may consent to in writing.

11. **COMPLIANCE WITH LAWS.** In providing the services required by this Agreement, County shall observe and comply with all applicable federal, state and local laws, ordinances, codes, and regulations. Such laws shall include, but not be limited to, the following, except where prohibited by law:

(a) **Non-Discrimination.** During the performance of this Agreement, County and its subcontractors shall not deny the benefits thereof to any person on the basis of sex, race, color, ancestry, religion or religious creed, national origin or ethnic group identification, sexual orientation, marital status, age (over 40), mental disability, physical disability or medical condition (including cancer, HIV and AIDS), nor shall they discriminate unlawfully against any employee or applicant for employment because of sex, race, color, ancestry, religion or religious creed, national origin or ethnic group identification, sexual orientation, marital status, age (over

40), mental disability, physical disability or medical condition (including cancer, HIV and AIDS), or use of family care leave. County shall ensure that the evaluation and treatment of employees and applicants for employment are free of such discrimination or harassment. In addition to the foregoing general obligations, County shall comply with the provisions of the Fair Employment and Housing Act (Government Code section 12900, et seq.), the regulations promulgated thereunder (Title 2, California Code of Regulations, section 7285.0, et seq.), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (sections 11135-11139.5) and any state or local regulations adopted to implement any of the foregoing, as such statutes and regulations may be amended from time to time. To the extent this Agreement subcontracts to County services or works required of LAFCO by the State of California pursuant to agreement, state or federal regulations or statutes, the applicable regulations of the Fair Employment and Housing Commission implementing Government Code section 12990 (a) through (j), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of regulations are expressly incorporated into this Agreement by reference and made a part hereof as if set forth in full, and County and any of its subcontractors providing services under this Agreement shall give written notice of their obligations thereunder to labor organizations with which they have collective bargaining or other MOUs.

(b) **Documentation of Right to Work.** County agrees to abide by the requirements of the Immigration and Control Reform Act pertaining to assuring that all newly-hired employees of County performing any services under this Agreement have a legal right to work in the United States of America, that all required documentation of such right to work is inspected, and that INS Form I-9 (as it may be amended from time to time) is completed and on file for each employee. County shall make the required documentation available upon request to LAFCO for inspection.

(c) **Inclusion in Subcontracts.** To the extent any of the services required of County under this Agreement are subcontracted to a third party, County shall include the provisions of (a) and (b), above, in all such subcontracts as obligations of the subcontractor.

**12. INDEPENDENT CONTRACTOR.** County shall perform this Agreement as an independent contractor. While the County employee assigned to serve as the Executive Officer of LAFCO shall operate as an officer of LAFCO, County and its officers, agents and employees are not, and shall not be deemed, LAFCO employees for any purpose, including workers' compensation and employee benefits. County shall determine, at its own risk and expense, the method and manner by which duties imposed on County in general and its officers, agents and employees in particular by this Agreement shall be performed, provided, however, that LAFCO may monitor the work performed, and LAFCO rather than County shall be responsible for directing the actions of the Executive Officer of LAFCO when such person is acting on behalf of LAFCO. LAFCO shall not deduct or withhold any amounts whatsoever from the reimbursement paid to County, including, but not limited to amounts required to be withheld for state and federal taxes or employee benefits. County alone shall be responsible for all such payments.

**13. INDEMNIFICATION.** County and LAFCO shall each defend, indemnify and hold harmless each other as well as those of their respective officers, agents and employees who

perform any services or duties under this Agreement from any claims, loss or liability, including without limitation, those for personal injury (including death) or damage to property, arising out of or connected with any aspect of the performance by that party or its officers, agents, or employees, of the services or obligations required of that party under this Agreement.

Notwithstanding the foregoing, LAFCO shall defend, indemnify and hold harmless County from any claims, loss or liability, including those for personal injury (including death) or damage to property, arising out of or connected with any act or omission of the Executive Officer of LAFCO when such act or omission is the pursuant to specific direction by LAFCO.

**14. TERMINATION.** This Agreement may be terminated prior to the expiration date only with the mutual written consent of both County and LAFCO. The sole remedy for default by County relating to provision of the services required under this Agreement shall be through the equitable remedy of specific performance and the sole remedy for default by LAFCO relating to reimbursement for the cost of the services provided shall be through legal action for damages.

**15. WAIVER.** Waiver by either party of any breach or violation of any requirement of this Agreement shall not be deemed to be a waiver of any such breach in the future, or of the breach of any other requirement of this Agreement.

**16. NOTICES.** All notices required or authorized by this Agreement shall be in writing and shall be delivered in person; or by deposit in the United States mail, first class postage, prepaid; or by deposit in a sealed envelope in County's internal mail system, when available; or by fax transmission; or by electronic mail. Such notices shall be addressed as noted below, in accordance with the mode of communication selected or, where desired to be sent to a specific County department or division, at the address noted in the applicable Attachment. Either party may change its addresses by notifying the other party of the change. Any notice delivered in person shall be effective as of the date of delivery. Any notice sent by fax transmission or electronic mail shall be deemed received as of the recipient's next working day. Any notice sent by U.S. mail or County internal mail shall be deemed to have been received as of the date of actual receipt or five days following the date of deposit, whichever ever is earlier.

**LAFCO**

**County**

Mail: LAFCO Executive Officer  
1804 Soscol Ave., Suite 205A  
Napa CA. 94559-1346

Napa County Executive Officer  
1195 Third Street, Suite 310  
Napa CA. 94559

Fax: (707) 251-1053

(707) 253-4176

E-Mail: dschwarz@napa.lafco.ca.gov

bchiat@co.napa.ca.us

**17. CONFIDENTIALITY.** Confidential information is defined as all information disclosed to either party by the other in the course of County's performance of services under this Agreement, where such information relates to that party's past, present, and future activities, as well as activities under this Agreement. Each party and its officers, agents and employees

providing services or performing activities under this Agreement shall use their best efforts to hold all such information as they may receive, if any, in trust and confidence, except with the prior written approval of each party's Executive Officer. Notwithstanding the foregoing, nothing in this Paragraph or Agreement shall be construed to abrogate the independent authority and responsibilities of the County, any of its elected or appointed officers and the members of their respective County departments or divisions.

**18. ASSIGNMENTS AND DELEGATION.** Neither party may delegate its obligations hereunder, either in whole or in part, without the prior written consent of the other party; provided, however, that obligations undertaken by County pursuant to this Agreement may be carried out by means of subcontract, provided such subcontracts are approved in writing by LAFCO, meet the requirements of this Agreement as they relate to the service or activity under subcontract, and include any other provision that LAFCO may require. No subcontract shall terminate or alter the responsibilities of either party pursuant to this Agreement. LAFCO may not assign its rights hereunder, either in whole or in part, without prior written consent of the County.

**19. AUTHORITY TO CONTRACT.** LAFCO and County each warrant hereby that they are respectively legally permitted and otherwise have the authority to enter into and perform this Agreement.

**20. THIRD PARTY BENEFICIARIES.** Nothing contained in this Agreement shall be construed to create any rights in third parties and the parties do not intend to create such rights.

**21. ATTORNEY'S FEES.** In the event that either party commences legal action of any kind or character to either enforce the provisions of this Agreement or to obtain damages for breach thereof, the prevailing party in such litigation shall be entitled to all costs and reasonable attorney's fees incurred in connection with such action.

**22. AMENDMENT/MODIFICATION.** Except as otherwise provided herein, this Agreement may be modified or amended only in writing and with the prior written consent of both parties. Except where otherwise provided in this Agreement only LAFCO, through its Chair or, where permitted by law and LAFCO policy, through its Executive Officer, in the form of an amendment of this Agreement, may authorize extra or changed work if beyond the scope of services prescribed by this Agreement. Failure of County to secure such authorization in writing in advance of performing any such extra or changed work shall constitute a waiver of any and all rights to a corresponding adjustment in the reimbursement maximum or rates and no reimbursement shall be due and payable for such extra work.

**23. INTERPRETATION.** The headings used herein are for reference. The terms of the Agreement are set out in the text under the headings. This Agreement shall be governed by the laws of the State of California. The venue for any legal action filed by either party in state Court to enforce any provision of this Agreement shall be Napa County, California. The venue for any legal action filed by either side in federal court to enforce any provision of this Agreement lying within the jurisdiction of the federal courts shall be the Northern District of California. The

appropriate venue for arbitration, mediation or similar legal proceedings under this Agreement shall be Napa County, California; however, nothing in this sentence shall obligate either party to submit to mediation or arbitration any dispute arising under this Agreement.

**24. SEVERABILITY.** If any provision of this Agreement, or any portion thereof, is found by any court of competent jurisdiction to be unenforceable or invalid for any reason, such provision shall be severable and shall not in any way impair the enforceability of any other provision of this Agreement.

**25. DUAL REPRESENTATION.** LAFCO consents to the Napa County Counsel's dual representation of both the County and LAFCO with regards to the preparation of this Agreement.

**26. ENTIRE AGREEMENT.** This Agreement contains the entire and complete understanding of the parties and supersedes any and all other agreements, oral or written, with respect to the provision of administrative services under this Agreement.

**IN WITNESS WHEREOF,** this Agreement was executed by the parties hereto as of the date first above written.

"LAFCO":

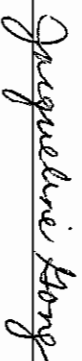
LOCAL AGENCY FORMATION COMMISSION OF NAPA COUNTY

By   
HARRY MARTIN, Chairman of the Local Agency Formation Commission

ATTEST: DANIEL SCHWARZ,  
Executive Officer of LAFCO

APPROVED AS TO FORM:  
LAFCO Legal Counsel

By 

By 

"County":

COUNTY OF NAPA, a political subdivision of the State of California

By   
Mark Luce, ~~Chair of the Board of Supervisors~~

ATTEST: PAMELA A. MILLER,  
Clerk of the Board of Supervisors

APPROVED BY THE BOARD  
OF SUPERVISORS:

By 

Date 1-27-04

APPROVED AS TO FORM: ROBERT  
WESTMEYER, Napa County Counsel

Processed by:   
Deputy Clerk of the Board

By 



## ATTACHMENT A

### PROVISION OF STAFFING, INSURANCE, PURCHASING, ADMINISTRATION, SUPERVISION, COORDINATION AND MANAGEMENT ASSISTANCE SERVICES TO LAFCCO BY THE NAPA COUNTY EXECUTIVE OFFICER

#### 1. SCOPE OF SERVICES

The Napa County Executive Officer (NCEO) shall provide, at a minimum, the following services to LAFCCO under this Attachment:

(a) Administration and Supervision: NCEO shall administer and supervise all County departments or divisions providing services to LAFCCO.

(b) Purchasing: Upon request by the LAFCCO Executive Officer or his duly-authorized representatives, NCEO shall provide purchasing services for LAFCCO, including solicitation and evaluation of proposals for goods and services, issuance of purchase orders and/or development of purchase agreements, and processing of payment upon receipt of the purchased good/services. LAFCCO will abide by County purchasing policies and procedures when using such services, except that LAFCCO, in lieu of the County Board of Supervisors, shall appropriate funds for and approve the acquisition of goods and services, including fixed assets. County shall purchase and provide LAFCCO at cost with copier paper in the same manner as such material is purchased and supplied to County departments and divisions. Nothing in this section shall preclude LAFCCO from purchasing goods or services without utilizing the services of NCEO or County.

(c) Insurance: NCEO shall obtain for LAFCCO, its Commissioners, staff and operations the same type and level of insurance coverage provided by County for its own boards, commissions, staff and operations, and shall provide claims/litigation administration. General liability coverage shall be provided for LAFCCO and its employees under County's currently existing self insurance and liability insurance program with LAFCCO allocated and obligated to reimburse County for the portion of the total net premium as determined by County for the then current Fiscal Year . Workers' compensation coverage shall be obtained through County's carrier and program, with the cost thereof payable each pay period at the rate/\$100 of covered payroll for LAFCCO Budget Unit employees as established by County's Board of Supervisors for the County workers' compensation program generally, including the costs of self-insurance, excess insurance coverage premiums, and claims management.

#### 2. STAFFING

In providing the above services, County shall provide LAFCCO with the services of the following specific County staff or positions:

- Administration and Supervision: County Executive Officer and Assistant County Executive Officer

- **Coordination/Management:** Principal Management Analyst
- **Purchasing:** Purchasing Agent and/or Assistant Purchasing Agent.

3. **NCEO CONTACT:**

Mail: Napa County Executive Office  
Suite 310, Co. Admin. Bldg.  
1195 Third Street  
Napa, California 94559

Fax: (707) 253-4176

Email: [mstoltz@co.napa.ca.us](mailto:mstoltz@co.napa.ca.us)

## ATTACHMENT B

### PROVISION OF SERVICES TO LAFCO BY THE NAPA COUNTY AUDITOR-CONTROLLER

#### 1. SCOPE OF SERVICE

Under the financial and policy direction of LAFCO, County (through the Napa County Auditor-Controller, hereinafter referred to as "Auditor") shall provide LAFCO with the following services relating to LAFCO financial operations:

- Accounts payable, purchasing and contract payment processing services
- Accounts receivable (deposit) services
- Services relating to preparation, adoption and administration of LAFCO's budget
- Accounting services
- Payroll services
- Audit services upon request by LAFCO
- Assistance in determining the apportionment of costs and collection of payments in support of LAFCO pursuant to Government Code Section 56831.
- Audit services requested by LAFCO

#### 2. LEVEL AND MANNER OF SERVICE

The foregoing services shall be provided in accordance with the following provisions:

- (a) The LAFCO Operations Fund shall be administered in accordance with all applicable provisions of the Government Code.
- (b) All expenditures made from this Fund shall be made only at the direction of LAFCO's Executive Officer or designee with no requirement for approval by County's Board of Supervisors.
- (c) At LAFCO's request, Auditor shall make diligent efforts to assist in the development of accounting policies and procedures that increase the efficiency and effectiveness of the administration of LAFCO, including policies and procedures including the electronic interchange of data and efforts to minimize reliance on County services.
- (d) Auditor shall provide LAFCO with all requested revenue and expenditure information necessary to effectively manage LAFCO's fiscal affairs and perform all financial reporting to LAFCO and other applicable agencies. Such information shall be provided in a responsive and timely manner and include clear and concise cash flow reporting.
- (e) All needed corrections to financial reports shall be completed within two working days of notification of Auditor. Auditor shall correct all payroll errors within one working day. For purposes of this Attachment B, "working days" shall mean Monday through Friday, 8:00 a.m. to 5:00 p.m., County holidays excluded.
- (f) Auditor shall provide all necessary equipment and electronic interface to fully utilize Auditor's financial systems, including electronic access to view and print all requested financial reports.

3. **AUDITOR CONTACT:**

Mail:

Pamela Kindig  
Napa County Auditor-Controller  
1195 Third Street, Suite B-10  
Napa, California 94559

Fax:

(707) 226-9065

E-mail:

pkindig@co.napa.ca.us

ATTACHMENT C  
PROVISION OF LEGAL SERVICES TO LAFCO  
BY THE NAPA COUNTY COUNSEL

**1. SERVICES TO BE PROVIDED BY COUNTY COUNSEL**

County, through the Napa County Counsel ("County Counsel"), shall provide legal services to LAFCO including, but not necessarily limited to, legal advice, document drafting, and representation of LAFCO in its operations pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act (Government Code Section 56000 et. seq.). County Counsel hereby designates Jacqueline M. Gong to serve as LAFCO Counsel for fiscal year 2003-2004. Upon written notification to and assent by the governing board of LAFCO, County Counsel may designate other attorney members of his office to serve as LAFCO Counsel.

**2. LEGAL SERVICES COUNTY COUNSEL SHALL NOT PROVIDE**

County Counsel shall not provide legal services to LAFCO in the following situations, County and LAFCO understanding that in such situations LAFCO will obtain the necessary legal assistance at LAFCO's own expense from other legal counsel retained directly by LAFCO:

- Legal services to LAFCO regarding contracts to which LAFCO and County are both parties unless LAFCO's Executive Officer and Chair have given express written consent to dual representation of County and LAFCO by County Counsel.
- Legal services determined by LAFCO to present a conflict of interest for its LAFCO Counsel (in accordance with LAFCO Policy for the Appointment of Counsel).

**3. COUNTY COUNSEL CONTACT:**

Mail: Napa County Counsel  
Suite 301, Co. Admin. Bldg.  
1195 Third Street  
Napa, California 94559

Fax: (707) 259-8245

Email: [twestmey@co.napa.ca.us](mailto:twestmey@co.napa.ca.us)

## ATTACHMENT D

### PROVISION OF TELECOMMUNICATIONS, MAIL, INFORMATION TECHNOLOGY SERVICES AND RECORD MANAGEMENT SERVICES TO LAFCCO BY THE NAPA COUNTY EXECUTIVE OFFICER

#### 1. TELECOMMUNICATION SERVICES

The Napa County Executive Officer, through the Communications Division shall provide LAFCCO with installation, maintenance and repair of, and maintenance of service records and inventory for, all telecommunications equipment involved in any of the following systems used by LAFCCO:

- telephone systems, including voice mail
- data cabling and terminations
- CCTV monitors and cameras
- intercom and PA systems
- all wireless communications, i.e. pagers, cellular phones, two way radios, security alarm systems

#### 2. MAIL SERVICES

The Napa County Executive Officer shall provide the following mail services to LAFCCO:

- Pickup, delivery of all interdepartmental (LAFCCO) and County/LAFCCO internal mail
- Pickup, metering and delivery to the Post Office of all LAFCCO outgoing USPS mail

#### 3. RECORDS MANAGEMENT SERVICES FOR LAFCCO RECORDS

The Napa County Executive Officer, through the records management division, shall provide LAFCCO with records management services for LAFCCO records, including storage, retrieval and interfiling of LAFCCO records at the Napa County Records Center; destruction of LAFCCO records stored at the Napa County Records Center when such destruction is authorized by LAFCCO; and shall assist LAFCCO in developing policies and procedures that increase the efficiency and effectiveness by which LAFCCO records are archived, retrieved and disposed.

#### 4. INFORMATION TECHNOLOGY SERVICES

The Napa County Executive Officer, through the Information Technology Services (ITS) division, shall provide LAFCCO with information technology services at a level at least equivalent to that by provided by County on February 15, 2001. The services shall include installation, maintenance, upgrades and repair of hardware and software provided by County to LAFCCO, including, but not limited to: Geographic Information Systems, Financial Information Systems, Personnel Systems and the electronic mail service, calendaring, and task manager systems

maintained by the County. LAFCCO shall have access to County's Helpdesk for information technology assistance and to computer training offered by County. Special projects outside the scope of routine information technology services shall be provided only upon request by LAFCCO and prior approval by the Director of the Information Technology Services Division. Use of the systems, hardware, and software provided by County to LAFCCO under this Attachment shall be subject to compliance by LAFCCO and its officers, agents, employees and consultants with the Napa County Information Technology Use and Security Policy in effect at the time of the use.

**5. SUPPLIES AND EQUIPMENT TO BE DIRECTLY PURCHASED**

There shall be no separate reimbursement for supplies and equipment provided under this Attachment because LAFCCO shall be responsible for directly purchasing any systems and equipment to be installed by the foregoing departments and divisions (other than fixtures which shall remain owned by County).

**6. NCEO/DIVISION CONTACT:**

Mail: Napa County Executive Officer  
Suite 310, Co. Admin. Bldg.  
1195 Third Street  
Napa, California 94559

Fax: (707) 253-4176

Email: [mstoltz@co.napa.ca.us](mailto:mstoltz@co.napa.ca.us)

## ATTACHMENT E

### PROVISION OF PERSONNEL SERVICES TO LAFCCO BY THE HUMAN RESOURCES DIVISION OF THE NAPA COUNTY EXECUTIVE OFFICE

#### 1. SCOPE OF SERVICES

The Human Resources division ("HR") of the Napa County Executive Office shall provide the following services to LAFCCO within the financial, personnel and policy guidelines established by the LAFCCO Commission, so long as such guidelines are not in conflict with County personnel policies, rules and regulations. The HR Director shall act to oversee and carry out the following services upon direction by the LAFCCO Commission:

- **Recruitment and selection:** shall include consultation regarding hiring procedures, advertising (costs of certain advertisements will be the responsibility of LAFCCO), screening of applications, and development of a hiring list.
- **Personnel transactions:** shall include implementation of PARs (hires, releases, promotions, salary increases, etc.), benefit sign-ups and coordination (health, wellness program, dental, etc.); as authorized and directed by the LAFCCO Commission, HR shall implement salary surveys and adjustments, job allocations, reclassifications, performance review processes, and changes (including increases) in personnel staffing appointed to serve LAFCCO, so long as such implementation is consistent with and not in conflict with County policies and regulations. County agrees that the LAFCCO Commission, as the appointing authority of the LAFCCO Executive Officer, shall have the responsibility for evaluating the performance and setting compensation for the LAFCCO Executive Officer.
- **Labor Relations:** shall include implementing salaries and other terms and conditions of compensation and performance established for LAFCCO staff by the LAFCCO Commission, so long as such implementation is consistent with and not in conflict with County policies and regulations; negotiations with employee union representatives regarding wages, hours, terms and conditions of employment; consultation and assistance with disciplinary and grievance issues; administration and coordination of worker's compensation cases.
- **Training:** shall include County workshops for employees and supervisors when attended at LAFCCO direction by LAFCCO employees or by County employees whose primary responsibilities involve providing services to LAFCCO.
- **Staffing:** HR shall provide staffing as requested by LAFCCO and agreed to by County, including staff as described in Paragraph 2 of the Agreement.



2. **HR CONTACT:**

Mail:

Human Resources Director  
Suite 110, Co. Admin.Bldg.  
1195 Third Street  
Napa, California 94559

Fax: (707) 259-8189

Email: [dmorris@co.napa.ca.us](mailto:dmorris@co.napa.ca.us)

## ATTACHMENT F

### PROVISION OF CLERKING SERVICES TO LAFCO BY THE CLERK OF THE NAPA COUNTY BOARD OF SUPERVISORS

#### 1. SCOPE OF SERVICES

As requested by the LAFCO Executive Officer, the Clerk of the Napa County Board of Supervisors ("COTB"), or her designee, shall serve as Clerk to the LAFCO Commission. Services shall include, but not be limited to, maintaining records of all LAFCO meetings, hearings and other proceedings and minutes for such proceedings as directed by LAFCO.

#### 2. COTB CONTACT:

Mail:

Pamela Miller  
Napa County Clerk of the Board of Supervisors/  
Rm. 310, Co. Admin. Bldg.  
1195 Third Street  
Napa, California 94559

Fax:

(707) 253-4176

Email:

pmiller@co.napa.ca.us

## ATTACHMENT G

### PROVISION OF SERVICES TO LAFCO BY THE NAPA COUNTY TREASURER-TAX COLLECTOR

#### 1. SERVICES TO BE PROVIDED

(a) The Napa County Treasurer-Tax Collector ("Treasurer") shall provide LAFCO with banking and investment services at a level of service at least equivalent to that provided to LAFCO during County fiscal year 2001-2002, except that bank processing services shall be provided by County's banking provider on a cost pass-through basis. The scope of services shall include:

- Banking services for LAFCO funds, including warrant processing and bank reconciliation.
- Portfolio Management for all LAFCO accounts, including receipt, safeguarding, investment and disbursement.

(b) The services shall be provided in accordance with the following provisions:

(1) Treasurer shall notify LAFCO within three (3) working days of receipt of all funds received and deposited into the LAFCO Operations Fund. For purposes of this Attachment, "working days" shall mean Monday through Friday, 8 a.m. to 5 p.m., County holidays excluded.

(2) LAFCO shall be permitted electronic access through County's PeopleSoft computerized systems to all reports detailing deposits received and interest earned. These reports shall specify amount and source of revenue, as well as the date of deposit.

#### 2. STAFFING TO BE PROVIDED

Treasurer the staffing in order to provide the foregoing services:

<u>Service</u>	<u>Position</u>
Banking Services	Account Clerk I-II
Portfolio Mgmt	Treas/Tax Collector Treasury Supervisor Senior Account Clerk Account Clerk II

#### 3. TREASURER CONTACT:

Mail: Marcia Humphrey Hull

Napa County Treasurer-Tax Collector  
1195 Third Street, Room 108  
Napa, California 94559

Fax: (707) 253-4337

Email: [mhumpire@co.napa.ca.us](mailto:mhumpire@co.napa.ca.us)

ATTACHMENT AA

**SERVICES REIMBURSEMENT RATES FOR FISCAL YEAR 2003-2004**

**Services of the Napa County Executive Office:**

- Executive Officer's hourly rate: \$159.50
- Assistant Executive Officer's hourly rate: \$126.10
- Principal Management Analyst's hourly rate: \$ 81.12
- Assistant Purchasing Agent's hourly rate: \$ 55.70
- Telecommunications staff:
  - Hourly rate: \$ 58.73
  - Plus actual cost of materials
- Mail Service staff:
  - Hourly rate: \$ 49.39
  - Postage shall be recovered at cost.
- Records Management staff:
  - Hourly rate: \$ 49.39
  - Document Shredding is \$1.75 per box (1 cubic foot) plus \$0.10 per pound.
- Personnel (Human Resources) staff:
  - Human Resource Director: \$ 97.37
  - Human Resource Principal Analyst: \$ 75.81
  - Benefits Administrator: \$ 62.30
  - Other Human Resource Services:
    - Recruitment Advertisement shall be recovered at cost
    - Training services shall be prorated by the ratio of the attendees who are LAFCO employees or County employees primarily providing LAFCO services to the total number of attendees during each training hour for which reimbursement is sought.]
- Deputy Clerk of the Board's hourly rate: \$ 64.42

**Services of the County Auditor-Controller:**

1. Hourly labor rates, by position:
  - Auditor-Controller: \$ 96.00
  - Assistant Auditor-Controller (Step 5) \$ 91.00
  - Assistant Auditor-Controller (Step 1) \$ 74.00
  - Supervising Accountant-Auditor (Step 5 ~ CPA)Audits \$ 65.00
  - Supervising Accountant-Auditor (Step 5)Acctg. \$ 62.00
  - Accountant-Auditor III (Step 5) Acctg. \$ 56.00
  - Accountant-Auditor III (Step 4) Acctg. \$ 54.00
  - Accountant-Auditor II (Step 5) Acctg. \$ 54.00
  - Accountant-Auditor II (Step 3) Audits \$ 48.00
  - Accountant-Auditor I (Step 2) Acctg \$ 40.00

- Accounting Technician (Step 5) Acctg. \$ 46.00
- Administrative Secretary I (Step 4) Adm. \$ 35.00

2. Weighted hourly labor rates by service:

- Administration \$74.00
- Audits \$53.00
- Accounting \$52.00

3. Unit Rates:

- Per Voucher \$0.83
- Per Payroll Warrant \$5.15

Services of the County Counsel:

- Deputy County Counsel – Jacqueline Gong’s hourly rate: \$107.15

Services of the Treasurer-Tax Collector:

- Account Clerk II’s hourly rate: \$ 37.55
- Treasurer/Tax Collector’s hourly rate: \$114.87
- Treasury Manager’s hourly rate: \$ 68.59
- Senior Account Clerk’s hourly rate: \$ 40.91

Services of Information Technology (annual rate): \$12,900.00