



Local Agency Formation Commission
LAFCO of Napa County

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June 2, 2008
Agenda Item No. 5b

May 27, 2008

TO: Local Agency Formation Commission

FROM: Jacqueline M. Gong, Commission Counsel

SUBJECT: Second Amendment to Support Services Agreement with the County of Napa (Consent: Action)

The Commission will consider rescinding its action approving the Second Amendment to its support services agreement with the County of Napa, effective September 1, 2008. The Commission will further consider approving the Second Amendment, effective date of July 1, 2008.

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. Each LAFCO is responsible for making its own provisions for personnel and facilities. In making its own provisions, LAFCOs may choose to contract with a public or private entity.

Background

In July 2003, LAFCO of Napa County 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 LAFCO to fulfill its responsibilities. The SSA was amended in September 2007 to incorporate a new billing methodology involving the provision of information technology services (ITS).

At its meeting of April 7, 2008, LAFCO of Napa County approved the County's Second Amendment to the SSA between LAFCO and the County of Napa. The Second Amendment established LAFCO's 2008-2009 annual fee for ITS in the amount of \$17,768, effective September 1, 2008.

Discussion

The County is requesting the effective date of the Second Amendment be changed to July 1, 2008 to implement the new fee rate as of the beginning of fiscal year 2008-2009. This request requires the Commission to rescind its prior action of approval of the Second Amendment and to approve the attached Second Amendment, effective July 1, 2008. All other terms and conditions are the same.

Jack Gingles, Commissioner
Mayor, City of Calistoga

Juliana Inman, Commissioner
Councilmember, City of Napa

Cindy Coffey, Alternate Commissioner
Councilmember, City of American Canyon

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

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

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

Brian J. Kelly, Vice Chair
Representative of the General Public

Gregory Rodeno, Alternate Commissioner
Representative of the General Public

Keene Simonds
Executive Officer

Recommendation

It is recommended the Commission take the following actions:

- 1) Rescind its action on April 7, 2008, approving the Second Amendment to LAFCO's Support Services Agreement with the County (LAFCO Agreement 03-02), effective September 1, 2008; and
- 2) Approve and direct the Chair to sign the proposed Second Amendment to LAFCO's Support Services Agreement with the County (LAFCO Agreement 03-02), effective July 1, 2008; and
- 3) Direct staff to forward the approved Second Amendment to the County for approval by the Board of Supervisors.

Respectfully submitted,

Jacqueline M. Gong
Commission Counsel

Attachment:

- 1) Proposed Amendment No. 2 to LAFCO Agreement No. 03-02, effective July 1, 2008

AMENDMENT NO. 2 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. 2 OF NAPA COUNTY AGREEMENT NO. 4433 is made and entered into as of this 1st day of July, 2008 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"), subsequently amended on or about September 1, 2007, 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
Beginning 2008-2009*	\$17,768.00

* Future Modifications. Notwithstanding the foregoing, it is anticipated that County and LAFCO may amend this Agreement, beginning with Fiscal Year 2009-2010, 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 2008-2009 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. 2 of the MA shall be effective as of July 1, 2008.
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. 2 of Napa County Agreement No.

/////

4433 as of the date first above written.

LOCAL AGENCY FORMATION COMMISSION OF
NAPA COUNTY

By _____
BRAD WAGENKNECHT, Chair of the Local Agency
Formation Commission of Napa County

ATTEST: KEENE SIMONDS,
Executive Director/Clerk of LAFCO

"LAFCO"

By: _____

APPROVED AS TO FORM:
Commission Counsel
By: Jacqueline M. Gong
(By e-signature)
Date: 5/23//08

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

By _____
BRAD WAGENKNECHT, Chair of the Board of
Supervisors

"COUNTY"

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

By: _____

APPROVED AS TO FORM
Office of County Counsel

By: *Margaret L. Woodbury*,
Chief Deputy
(by e-signature)
Date: May 23, 2008

**APPROVED BY THE NAPA COUNTY
BOARD OF SUPERVISORS**

Date: _____

Processed by: _____
Deputy Clerk of the Board