



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

1030 Seminary Street, Suite B  
Napa, California 94559  
Phone: (707) 259-8645  
Fax: (707) 251-1053  
www.napa.lafco.ca.gov

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

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**April 7, 2014**

**Agenda Item No. 5c (Consent/Action)**

March 31, 2014

**TO:** Local Agency Formation Commission

**FROM:** Laura Snideman, Executive Officer

**SUBJECT: Amendments to Support Services Agreement with the County of Napa**  
The Commission will consider approving amendments to its support services agreement with the County of Napa involving the provision of information technology services. The proposed amendments are highlighted by establishing the Commission's 2014-2015 annual charge for information technology services in the amount of \$23,663 and represents an approximate 5.8% increase over the current fiscal year.

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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 specifies 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 a range of 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 and contracted agencies to proportionally recover operating costs. Key inputs underlying the existing calculation include the number of (a) personnel and (b) network computers assigned in each department or contracting agency. The County and the Commission have used this existing calculation in amending the SSA over the last several years. This includes calculating the current fiscal year charge of \$22,374.

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Joan Bennett, Vice Chair  
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County of Napa Supervisor, 2nd District

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Representative of the General Public

Gregory Rodeno, Alternate Commissioner  
Representative of the General Public

Laura Snideman  
Executive Officer

## **B. Discussion/Analysis**

The County proposes new amendments to the SSA for the principal purpose of resetting and increasing the Commission's annual charge for ITS to \$23,663 in 2014-2015. The proposed amount represents an 5.8% increase over the current fiscal year and attributed to (a) accommodating labor expense increases for ITS due to scheduled cost-of-living adjustments for all County employees and (b) network enhancement projects associated with system security improvements and storage needs.

It is important to note the Commission's annual fee for ITS is all-inclusive with respect to covering 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 increase in its proposed budget scheduled for adoption as part of Agenda Item No. 6d.

## **C. Recommendation**

Staff believes the proposed amendments to the ITS portion of the SSA are reasonable and will provide the Commission will sufficient and needed technology services to support its responsibilities in 2014-2015. Approval is recommended.

## **D. Alternatives for Action**

### Alternative Action One (Recommendation):

Adopt the attached draft resolution approving the amendments to the SSA with any desired changes.

### Alternative Action Two:

Continue the item to a future meeting and provide direction to staff as appropriate.

## **E. Procedures for Consideration**

This item has been agendized as part of the consent calendar. Accordingly, a successful motion to approve the consent calendar will include taking affirmative action on the staff recommendation unless otherwise specified by the Commission.

Respectfully submitted,

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Laura Snideman  
Executive Officer

### Attachments:

- 1) Proposed Amendment No. 8 to LAFCO Agreement No. 03-02

**AMENDMENT NO. 8  
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. 8 OF NAPA COUNTY AGREEMENT NO. 4433** is made and entered into as of this 1<sup>st</sup> day of July, 2014, by and between NAPA COUNTY, 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 56000et.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, July 1, 2009, July 1, 2010, July 1, 2011, July 1, 2012 and amended on July 1, 2013 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. Background. County allocates Internet Technology Service (ITS) costs to all of the County's internal departments each year as part of its budgeting process. The County performs this task by breaking out all ITS costs – into subdivisions, which align with the major services being provided: Administration, Land Use Application, Network Operations, Development, Help Desk, Enterprise Resource Planning and Customer Management. County then allocates ITS costs throughout the County's departments based on either the number of personal computers ("PCs") or full-time equivalent employees ("FTE"). It is the intent and understanding of the parties that County shall calculate LAFCO's Annual Fee by multiplying the total costs per PC or FTE County utilized for setting the County's own departmental budgets by the number of LAFCO's

PCs or FTE.

b. Payment.

The Annual Fee shall be payable in arrears on or before the first of the month succeeding the month of service, with the payable monthly rate being 1/12 of the annual rate in effect on the first date of the month of service.

c. 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
2011-2012	\$20,261.00
2012-2013	\$22,009.00
2013-2014	\$22,374.00
2014-2015	\$23,663.00

The Annual Fee for Fiscal Year 2015-2016 and thereafter shall remain \$23,663.00 until this Agreement is amended.

2. This Amendment No. 8 of the MA shall be effective as of July 1, 2014.

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3. Except as set forth in (1) through (2), above, the terms and provisions of the MA shall remain in full force and effect as previously approved.

**IN WITNESS WHEREOF**, this Amendment No. 8 of Napa County Agreement No. 4433 was executed by the parties hereto as of the date first above written.

**LOCAL AGENCY FORMATION COMMISSION OF  
NAPA COUNTY**

By \_\_\_\_\_  
BRIAN J. KELLY, Chair of the Agency Board

"LAFCO"

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

By \_\_\_\_\_  
MARK LUCE, Chairman of the Board of  
Supervisors

" COUNTY "

ATTEST: GLADYSI. COIL,  
Clerk of the Board of Supervisors

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

**APPROVED AS TO FORM**  
Office of County Counsel  
By: Thomas S. Capriola  
Date: March 17, 2014

**APPROVED BY THE NAPA  
COUNTY  
BOARD OF SUPERVISORS**  
Date: \_\_\_\_\_  
Processed by:  
\_\_\_\_\_  
Deputy Clerk of the Board

**APPROVED AS TO FORM**  
Commission Counsel  
By: Jackie Gong  
(E-Signature)  
Date: 3/18/14