

Colusa Local Agency Formation Commission

Regular Meeting Agenda

Thursday –June 1, 2017

3:00 PM

**Board of Supervisors Chambers
546 Jay Street
Colusa, CA.**

1. Call to Order/Roll Call

Commissioners

Chuck Bergson, (City Member)
Brandon Ash, (Vice Chair, Public)
Denise Carter (County)
John Loudon (County)
Tom Reische, Colusa, (Chair, City
Member)

Alternates

Kent Boes, (County Alternate)
David Womble (City Alternate)
Mary Winters, (Public Member Alternate)

Staff

John Benoit, Executive Officer
P. Scott Browne, Legal Counsel
Lora Ceccon, Clerk to the Commission

2. Consider Minutes for May 4, 2017

a. Approval of the May 4, 2017 meeting will take place at the next LAFCo meeting

3. Public Comment

This is the time for the public to address the Commission on any matter not on the agenda. Testimony related to an item on the agenda should be presented at the time that item is considered

4. Consent Agenda

a. Payment of claims for the month of May 2017

5. Correspondence:

6. Review Service Agreements for P. Scott Browne for LAFCo Legal Services from 2003 and last updated in 2007 (monthly salary) and John Benoit for LAFCo Staff Services from 2003 and last updated in 2007 (Clerk Services Portion).

a. Review Contract for P. Scott Browne, and take possible action regarding updates in contract language or compensation.

Pursuant to Government Code Sections 56100.1, 56300(b), 56700.1, and 81000 et seq., and Colusa LAFCO's Policies and Procedures for the Disclosure of Contributions and Expenditures in Support of and Opposition to Proposals, any person or combination of persons who directly or indirectly contribute \$1000 or more or expend \$1000 or more in support of or opposition to a change of organization or reorganization that has been submitted to Colusa LAFCO must comply with the disclosure requirements approved by Colusa LAFCO. These requirements contain provisions for making disclosures of contributions and expenditures at specified intervals. Additional information may be obtained at the Colusa County Elections Department 546 Jay Street, Colusa, CA 95932. (530) 458-0500

A LAFCO Commissioner must disqualify herself or himself from voting on an application involving an "entitlement for use" (such as an annexation or sphere amendment) if, within the last twelve months, the Commissioner has received \$250 or more in campaign contributions from the applicant, any financially interested person who actively supports or opposes the application, or an agency (such as an attorney, engineer, or planning consultant) representing the applicant or an interested party. The law (Government Code Section 84308) also requires any applicant or other participant in a LAFCO proceeding to disclose the contribution amount and name of the recipient Commissioner on the official record of the proceeding.

Contact LAFCO Staff LAFCO staff may be contacted at (530) 458-0593 or by mail at Colusa LAFCO P.O. Box 2694, Granite Bay Ca 95746 or by email at lafco@countyofcolusa.org or johnbenoit@surewest.net or by Fax (916) 797-7631

Webpage Reports, agendas, minutes and general information about LAFCO are available on the LAFCO Webpage at www.colusacountylafco.org

Colusa Local Agency Formation Commission

CLAIMS

For May 2017

Authorize payment of the following claims:

FY 2016-2017 EXPENSES:

June 1, 2017	Staff Svcs and Expenses – May 17	\$ 5,056.21
May 7, 2016	Frontier Phone May 7, 2017	\$ 35.18
4.16.17- 5.15.2017	Legal Services P. Scott Browne	\$ 1,750.00
TOTAL:		\$ 6,841.39

DATED: June 1, 2017

APPROVED: June 1, 2017

**Tom Reische, Chair or Brandon Ash, Vice Chair
Colusa Local Agency Formation Commission**

Attest:

**John Benoit
Executive Officer**

Colusa LAFCO

Shadow Accounting
2016-2017

EXPENSE	Executive Off. Cont 53180	Clerical Support 53180	Workers Comp 51035	Atty Contract 53180	Insurance 53100	Office Supplies 53170	Postage 53171	Copies 53170	Membership 53150
	48000.00	2100.00	50.00	21000.00	1705.00	375.00	500.00	2000.00	840.00
CALAFCO Dues 16-17									-840.00
SDRMA Insurance 16-17					-1624.60				
Staff Servics June 2016	-4000.00	-175.00				-15.00	-17.86	-57.37	
Frontier Phone June 7, 2016									
Browne Legal Svcs 5.16.2016-6.15.2016				-1750.00					
Long Distance Mar, Apr, May, June 16									
Staff Svcs July 2016	-4000.00					-10.00		-89.80	
Browne Ending 7.15.15				-1750.00					
Frontier Phone July 7, 2016									
Carter and Reische Regi CALAFCO									
Browne Ending 8.15.16				-1750.00					
Staff Svcs August 2016	-4000.00	-175.00					-23.31	-23.39	
Frontier PH August 2016									
Staff Svcs September 2016	-4000.00					-19.50	0.00	-15.00	
Browne Ending 9.15.16				-1750.00					
Frontier Ph Sept 2016									
App Democrat WRFPD Annex									
Browne ending 10.15.16				-1750.00					
Staff Svcs Oct 2016	-4000.00	-175.00				-10.00	-13.34	-52.07	
Frontier Ph Oct 7, 2016									
Staff Svcs November 2016	-4000.00							-10.00	
Browne Ending 11.15.16				-1750.00					
Carter Conf. Reimbursement SBA Oct 16									
Reiche Conf. Reimb SBA Oct 2016									
Front Ph Nov 7, 2016									
LONG DIST july-Dec 2016									
Frontier Ph Dec 7, 2016									
Staff Svcs Dec 2016	-4000.00	-175.00				-44.72	-17.04	-58.80	
Browne Ending 12.15.16				-1750.00					
Frontier Phone Jan 7, 2017									
Staff Svcs Jan 2017	-4000.00					-15.00	-0.47	-30.00	
Browne Ending 1.15.17				-1750.00					
Revenue Westsite WD Able Annex									
Revenue State Parks annex									
Appeal Democrat Colusa SRA Reorg									
Appeal Democrat Prince WWD MSR-SOI									
Staff Svcs February 2017	-4000.00	-175.00					-12.88	-40.00	
Browne Ending 2.15.17				-1750.00					
Frontier Phone Feb 7, 2017									
Workers Comp 1.1.17			-37.53						
A-87 overhead									
Browne ending 3.15.17				-1750.00					
Staff Svcs March 2017	-4000.00	-175.00					-7.00	-31.60	
Frontier Ph March 7, 2017									
Staff Svcs April 2017	-4000.00					-30.00	-0.96	-19.00	
Appeal Democrat Pub Memb Recruit									
Appeal Democrat 17-18 prop budget									
Browne Ending 4.15.17 & Calafco				-1750.00					
Frontier Phone April 7, 2017									
Frontier Long Dist Jan-Apr 2017									
Staff Svcs May 2017	-4000.00	-175.00					-5.46	-39.00	
Browne ending 5.15.17				-1750.00					
Frontier Phone May 7, 2017									
Total Expended in FY 16-17	-48000.00	-1225.00	-37.53	-21000.00	-1624.60	-144.22	-98.32	-466.03	-840.00
Total Remaining in FY 16-17	0.00	875.00	12.47	0.00	80.40	230.78	401.68	1533.97	0.00

COLUSA LAFCO

EXECUTIVE OFFICER'S REPORT

June 1, 2017

TO: Local Agency Formation Commission
FROM: John Benoit, Executive Officer
RE: Recommended Final Budget for FY 2017-2018

Since the passage of AB-2838 in 2000, LAFCO has become independent from the County. Costs for the operation of LAFCO were entirely paid by the County including costs for staff time, legal services, miscellaneous office expenses, and insurance.

I provided a "recommended" budget of \$132,715 which was adopted at the May 4, 2017 meeting. A Budget Justification Report was prepared for the Proposed Budget Hearing. During the past year staff has made substantial progress in completing Service Reviews, Spheres of Influence and Mapping.

Information regarding contracts with Counsel and the Executive Officer were discussed at the May 4th Proposed Budget hearing.

1. The LAFCo Counsel's salary was amended in 2007 from \$1,500.00 per month to \$1,750.00 per month. This rate has not been changed in 10 years. Updating the rate will require a change from the proposed budget. **Does the Commission wish to update this rate?**

Also, in reviewing Counsel's contract it came to my attention that a Litigation hourly rate remains at \$180.00, which was established in July 2003. The average litigation hourly rate for a LAFCo Counsel is \$225.00. Use of outside Counsel is much higher. Updating the current counsel litigation rate would not affect the 2017-2018 budget amounts. Typically an applicant seeking a specific entitlement pays for litigation. Updating the Litigation rate will not increase the 2017-2018 LAFCo Budget. **Does the Commission wish to update this rate?**

2. We discussed the feasibility and ramifications for increasing compensation for the Executive Officer. First, a brief synopsis of the staff contract. In 2003 a monthly rate for general services was established at \$4,000.00 and a \$75.00 hourly rate for special projects, such as MSR-SOI preparation. In 2007 the Clerk's pay was raised from \$160.00 to \$175.00.

As discussed at the last LAFCo meeting staff had done some research to determine the hourly rate others are paid for special projects such as MSR-SOI preparation for contract LAFCo staff in rural areas of California who do not have employees performing LAFCo duties. Results are as follows in hourly rates.

Merced	\$110	
Solano	\$104.50	
Humboldt	\$108	
Del Norte	\$108	
Shasta	\$108	
San Benito	\$147	
Glenn	\$ 75	
Mendocino	\$ 90	
Amador	\$ 90	
AVERAGE:	\$104.50	<i>Colusa \$75.00</i>

MSR Consultant rates range from \$110 to \$250.00 per hour. \$110 is the more realistic figure since the \$250 figure is for those with special expertise.

Adjusting the \$75.00 rate for LAFCo Special Project costs would not immediately change the amounts requested from the Cities, County and Districts and will not affect the amount for FY 2017-2018.

While the \$4,000.00 monthly salary rate plus expenses is adequate for those services, Staff would request a discussion and possible action regarding the \$75.00 hourly rate.

Does the Commission wish to amend the hourly rate to reflect the average market rate for these services? Amending the hourly rate will not change the proposed 17-18 LAFCo Budget.

3. Currently for complex projects the Executive Officer provides services, which are uncompensated. These projects have the potential to take significantly more hours than originally anticipated. A new section should be added to the EO contract in the event this occurs.

"Complex Projects. The parties agrees that Consultant may charge on an hourly basis time for time spent on projects that the parties deem "complex". A "complex project" is a proposal or other LAFCo action that is expected to be extraordinarily time-consuming and/or controversial. Consultant shall agendize the request for complex project classification and, if the Commission agrees, Consultant shall be entitled to bill at his usual contract hourly rate for all time spent on the project beyond the initial 10 hours."

Does the Commission wish to amend the EO's contract to include the language above?

SUMMARY OF EXPENSES:

Executive Officer Services The Commission recommended in its proposed budget \$48,000 for this item. This translates into an average of \$4,000.00 per month for LAFCO administration. Notwithstanding a very complex reorganization or incorporation project for Colusa LAFCO, this amount should cover LAFCO administration. Complex projects would be fee supported thereby increasing revenue to LAFCO.

Clerk Support The Commission recommended in its proposed budget \$3,657 for this item.

Webhosting This has been eliminated since LAFCo staff is managing its own website.

Legal Services The Commission recommended in its proposed budget \$21,000 for this item. LAFCO Counsel attends all LAFCO meetings.

Liability Insurance The Commission recommended in its proposed budget \$1,741.00 This covers liability for the Commission and Staff and \$50.00 for Worker's comp to cover the Public Member and Public Member Alternate.

Office Supplies The Commission recommended in its proposed budget \$2,875.00 for this item combined with copies and postage. This budget includes \$375.00 for Office Supplies, \$500.00 for Postage and \$1,500 for copies.

Memberships The Commission recommended in its proposed budget \$899.00 for Calafco dues since Calafco raised its dues this year.

Transportation and Travel and Training The Commission recommended in its proposed budget \$6,500 for this item. This includes miscellaneous mileage and lodging for the Calafco Annual Conference in San Diego, October 24-27, 2017 and the annual Staff Workshop.

Legal Notices/Publications The Commission recommended in its proposed budget \$1,500 for legal notices. Given the cost of increased legal advertising and the projected workload this amount remains reasonable.

Communications The Commission recommended in its proposed budget \$1,250.00 for this item.

Special Projects:

File Scanning The proposed budget includes an allocation to electronically scan and index LAFCo's old files in accordance with LAFCo's records retention policy. \$7,500 has been budgeted for this effort. A permanent storage location for the LAFCo files is needed.

Service Reviews The Commission recommended in its proposed budget \$16,000.00 for this effort. This would cover costs of preparing reviews as required by the LAFCO Act including some carryover from this fiscal year and initiating the reviews in the work program for next fiscal year .

Sphere of Influence Updates The Commission recommended in its proposed budget \$15,000.00 to cover the costs of updating Spheres of Influence as required by the LAFCO Act.

Sphere of Influence Mapping The Commission recommended in its proposed budget \$5,000.00 for mapping.

Other Charges A-87 While LAFCO is an independent agency, claims processing and other functions are performed by the County Auditor's office. This amount of A-87 costs last year was \$2,045.00. In theory, A-87 reflects the reasonable and necessary cost of various county services used by LAFCO. **LAFCo does not yet have a final figure for A-87 for FY 17-18.**

In addition, the County is proposing to upgrade its email software. LAFCo has one email address so the amount of this upgrade would be an additional \$47.00 for this fiscal year. In the event the County does not approve the upgrade the funds will not be spent.

Contingency The Commission recommended in its proposed budget a contingency of \$10,000.

Reserve Fund The commission has a general reserve of \$50,000.00.

CARRYOVER

This year LAFCO will expend nearly its entire budget. Therefore, an anticipated rollover will be more this year, which is estimated at \$100,000. Most of this amount will be needed to fund ongoing Municipal Service Reviews and Sphere of Influence Updates as well as the reserve fund.

APPORTIONMENT TO AGENCIES

The amount to be apportioned to the Cities and the County is reduced to \$92,564.50 for this fiscal year.

Recommendation:

- a. Review, discuss, amend, and consider the Final Budget. A budget justification report for FY was prepared by staff prior to the adopted proposed budget.
- b. Adopt LAFCO Resolution 2017-0003 approving a final budget for FY 17-18.

Resolution 2017-0003
of the
Colusa Local Agency Formation Commission

*Resolution of the Colusa Local Agency Formation Commission Adopting a
Final Budget for 2017-2018*

WHEREAS, Colusa LAFCO is required by Government Code Section 56381(a) to adopt annually, following a noticed public hearing, a proposed budget by May 1st and a final budget by June 15th; and,

WHEREAS, the Commission has prepared a final budget for public review; and,

WHEREAS, the Executive Officer has given notice of hearing in the form and manner specified by law for adoption of the final budget and upon the date, time and place specified in said notice of hearing, the Commission heard, discussed and considered all oral and written testimony submitted including, but not limited to, the approved budget priorities for Fiscal Year 2017-2018 and the Executive Officer's report and recommendations; and

WHEREAS, the Commission has considered the attached final Budget in light of the requirements of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000;

NOW THEREFORE, the Colusa Local Agency Formation Commission does hereby determine, resolve, and order the following:

1. That Colusa LAFCO hereby adopts the attached final 2017-2018 budget.
2. Directs the Executive Officer to transmit the final budget to the Auditor and all parties specified in Government Code Section 56381 (a) as promptly as possible.
3. The Commission hereby requests the Auditor to collect the funds, in accordance with Government Code Section 56381 (c). In the event of non-payment of LAFCO funds by any entity subject to the LAFCO's apportionment, the Commission hereby requests and authorizes the Auditor to collect the funds from property tax revenues or any other revenue

source and deposit the funds into the LAFCO account.

4. Any unexpended funds not otherwise re-budgeted into the 2017-2018 budget shall be retained by LAFCO and be either re-budgeted or placed into LAFCO's general reserve fund.

PASSED AND ADOPTED by the Colusa Local Agency Formation Commission at a regular meeting of said Commission held on June 1, 2017 by the following roll call vote:

AYES: -

NOES: -

ABSTAINS: -

ABSENT: -

Signed and approved by me after its passage this first day of June 2017.

Tom Reische, Chair or Brandon Ash, Vice-Chair
Colusa LAFCO

Attest:

John Benoit
Colusa LAFCO

EXHIBIT "A"
Proposed 2017-2018 Budget 04060

REV, CATEGORICAL and CARRYOVER ESTIMATES

	2014-2015 Budget	2015-2016 Budget	2016-2017 Budget	Proposed 2017-2018 Budget	FINAL 2017-2018 Budget
466920 City and County Contributions	\$ (100,000.00)	\$ (100,000.00)	\$ (92,555.00)	\$ (92,555.00)	\$ (92,555.00)
10100 Carryover Prior-Year Contingency (Restriction to Fund Balance)	\$ (65,289.00)	\$ (80,000.00)	\$ (94,091.00)	\$ (100,000.00)	\$ (100,000.00)
466920 Processing Fees	\$ (5,000.00)	\$ (5,000.00)	\$ (5,000.00)		
Municipal Service Review Fees					
City of Colusa SOI/MSR	\$ (1,069.00)	\$ (1,069.00)	\$ (1,069.00)		
441900 Interest					
A-87 Adjustment	\$ (171,358.00)	\$ (186,069.00)	\$ (192,715.00)	\$ (192,555.00)	\$ (192,555.00)
TOTAL REVENUE AND CARRYOVER EST.					

EXPENDITURES

51035 Worklets Comp	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00
53180 Executive Officer Contract	\$ 48,000.00	\$ 48,000.00	\$ 48,000.00	\$ 48,000.00	\$ 48,000.00
53180 Clerical Support	\$ 2,100.00	\$ 2,100.00	\$ 2,100.00	\$ 3,657.00	\$ 3,657.00
53180 Webhosting					
53180 Legal Services (attorney contract)	\$ 21,000.00	\$ 21,000.00	\$ 21,000.00	\$ 21,000.00	\$ 21,000.00
53100 Liability Insurance	\$ 1,664.04	\$ 1,705.00	\$ 1,705.00	\$ 1,741.50	\$ 1,741.50
53170 Office Supplies	\$ 375.00	\$ 375.00	\$ 375.00	\$ 375.00	\$ 375.00
53171 Postage	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00
53170 Copies	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 1,500.00	\$ 1,500.00
53150 Memberships	\$ 769.00	\$ 785.00	\$ 840.00	\$ 899.00	\$ 899.00
53250 Transportation and Travel	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 4,000.00	\$ 4,000.00
1002.5 Training	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,500.00	\$ 2,500.00
53190 Legal Notices and Publications	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
53060 Communications	\$ 1,000.00	\$ 1,100.00	\$ 1,100.00	\$ 1,250.00	\$ 1,250.00
53180 Special Projects -File Scanning				\$ 7,500.00	\$ 7,500.00
8062.5 Sphere of Influence Updates	\$ 12,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00	\$ 15,000.00
53180 Municipal Service Reviews	\$ 12,000.00	\$ 15,000.00	\$ 15,000.00	\$ 16,000.00	\$ 16,000.00
53180 Mapping	\$ 8,408.40	\$ 10,000.00	\$ 10,000.00	\$ 5,000.00	\$ 5,000.00
53229 A-87/Administration Fees	\$ 2,135.00	\$ 2,954.00	\$ 2,045.00	\$ 2,046.00	\$ 2,092.00
TOTAL EXPENDITURE BUDGET	\$ 117,501.44	\$ 126,069.00	\$ 132,715.00	\$ 132,517.50	\$ 132,564.50
59400 CONTINGENCY	\$ 10,523.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
RESERVE FUND	\$ 43,333.56	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00
TOTAL Funds needed for expenditures-Cont and Reserv	\$ 171,358.00	\$ 186,069.00	\$ 192,715.00	\$ 192,517.50	\$ 192,564.50
FY 16-17 Estimated Carryover				\$ (100,000.00)	\$ (100,000.00)
Amount to be apportioned to the Cities and the County	\$ 100,000.00	\$ 100,000.00	\$ 92,555.00	\$ 92,517.50	\$ 92,564.50

**LAFCO OF COLUSA COUNTY
AGREEMENT FOR THE PROVISION OF LEGAL SERVICES**

This Agreement for the Provision of Legal Services (hereinafter, the "Agreement") is entered into this Third day of July, 2003, by and between the Local Agency Formation Commission of Colusa County (hereinafter "LAFCO" or the "Commission") and P. Scott Browne, Attorney at Law (hereinafter, "Contractor").

RECITALS

WHEREAS, LAFCO was formed and operates pursuant to the provisions of the Cortese/Knox Local Governmental Reorganization Act (Government Code Sections 56000, et seq.) Sections 56375 and 56384 provide that the Commission may appoint legal counsel and may contract for professional services to carry out and effect the functions of the Commission; and

WHEREAS, LAFCO desires to retain Contractor as its legal counsel; and

WHEREAS, Contractor has the necessary expertise and qualifications to act as legal counsel for LAFCO and is willing to do so.

NOW, THEREFORE, IT IS HEREBY AGREED as follows:

I.

CONTRACTOR'S RESPONSIBILITIES

Contractor shall provide legal advice to the Commission on all LAFCO matters upon request and shall attend LAFCO meetings of the Commission.

II.

LAFCO'S RESPONSIBILITIES

A. Compensation

LAFCO shall pay Contractor fifteen-hundred dollars per month (\$1,500.00) for legal services rendered pursuant to this Agreement. Funding for this Agreement is included in the LAFCO budget and payment shall be made upon monthly submission of an itemized statement.

Should the parties hereto contemplate any renewal of this Agreement, the amount of compensation paid to Contractor shall be reviewed and adjusted on an annual basis coinciding with an evaluation of performance and the preparation and approval of the LAFCO budget.

B. **Compensation for Litigation** Contractor shall be paid at a rate of One-Hundred Eighty Dollars (\$180.00) per hour for litigation.

III.

TERM

This agreement shall continue in full force and effect until terminated in the manner described herein below.

The Agreement may be terminated without cause by LAFCO upon 10 days notice or by Contractor upon ninety (90) days written notice to the other party, subject to payment by LAFCO of any outstanding charges accumulated prior to the effective date of such termination.

Upon such termination, the Contractor shall make available for inspection and if requested by LAFCO, deliver to LAFCO copies of all data; reports, estimates, summaries, and other such materials as may have been prepared or accumulated by the Contractor in performing this Agreement.

IV.

CONFLICTS OF INTEREST

During the term of this Agreement, Contractor shall not perform any work under this Agreement which action is considered detrimental to LAFCO's interests. Contractor shall take such measures as are deemed necessary in the performance of this Agreement to prevent actual and/or perceived conflicts of interest.

V.

NONEXCLUSIVE AGREEMENT

Nothing in this Agreement shall be construed to restrict Contractor's

right to enter into other Agreements and to provide services for others, provided such agreements or services do not interfere with Contractor's timely performance of the services which Contractor is required to provide on behalf of LAFCO pursuant to the terms of this Agreement, create a conflict of interest, or be deleterious to the interests of the Commission.

VI.

INSURANCE

Contractor shall not commence work under this Agreement until he has obtained all the insurance required herein, certificates of insurance have been submitted to LAFCO and said insurance has been approved by LAFCO. The certificates of insurance shall contain a provision that coverage afforded under the policies will not be cancelled until at least twenty (20) days prior written notice has been given to LAFCO.

Any failure of Contractor to maintain the insurance required by this paragraph, or to comply with any of the requirements of this paragraph, shall constitute a material breach of the entire Agreement.

Certificates evidencing the issuance of the following insurance shall be filed with LAFCO within ten (10) days after the date of execution of this Agreement by Contractor:

(a) Compensation Insurance. Contractor shall procure and maintain, at Contractor's own expense during the term hereof, Workers' Compensation Insurance for all of his employees to be engaged in work.

(b) Public Liability and Property Damage Insurance. Contractor shall procure and maintain, at Contractor's own expense during the term hereof, Comprehensive Public Liability Insurance, both bodily injury and property damage, in an amount of not less than One million dollars (\$1,000,000) combined single limit coverage per occurrence, including but not limited to endorsements for the following coverages: personal injury, premises-operations, products and completed operations, blanket contractual, and independent contractor's liability.

Contractor shall not commence work under this Agreement until he has had delivered to LAFCO an "Additional Insured Endorsement" naming LAFCO, its

officers, employees and agents as additional insured under each of the aforesaid policies in this sub-paragraph.

(c) Automobile Liability Insurance. Contractor shall procure and maintain, at Contractor's own expense during the term hereof, Comprehensive Automobile Liability Insurance, both bodily injury and property damage, on owned, hired, leased and non-owned vehicles used in connection with Contractor's business in an amount of not less than Five hundred thousand dollars (\$500,000) combined single limit coverage per occurrence.

VII.

ASSIGNMENT

Contractor shall not assign any interest in this Agreement and shall not transfer any interest in the same without the prior written consent of LAFCO.

VIII.

INDEPENDENT CONTRACTOR

It is specifically understood and agreed that in the making and performance of this Agreement, Contractor is an independent contractor and is not an employee, agent, or servant of LAFCO.

IX.

MODIFICATION

This Agreement may only be modified by a written amendment hereto, executed by both parties; however, matters concerning scope of services which do not affect the agreed price may be modified by mutual written consent of Contractor and LAFCO.

X.

NON-DISCRIMINATION IN EMPLOYMENT

In the performance of the work authorized under this Agreement, Contractor shall not unlawfully discriminate against any qualified worker because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status or age (over 40).

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XI.

ATTORNEY'S FEES AND COSTS

If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which such party may be entitled.

XII.

SEVERABILITY

If any provision of this Agreement is held to be unenforceable, the remainder of this Agreement shall be severable and not affected thereby.

XIII.

NOTICES

All notices that are required to be given by one party to the other under this Agreement shall be in writing and shall be deemed to have been given if delivered personally or enclosed in a properly addressed envelope and deposited with a United States Post Office for delivery by registered or certified mail addressed to the parties at the following addresses, unless such addresses are changed by notice, in writing, to the other party.

LAFCO of Colusa County
% John Benoit, Executive Officer
6883 Brandy Circle
Granite Bay, California 95746

P. Scott Browne
Attorney at Law
The Old Post Office
131 South Auburn Street
Grass Valley, California 95945-6501

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XIV.

ADDITIONAL PROVISIONS

This Agreement shall be governed by the laws of the State of California. It constitutes the entire agreement between the parties regarding its subject matter. This Agreement supersedes all proposals, oral and written, and all negotiations, conversations or discussions heretofore and between the parties related to the subject matter of this Agreement.

Executed at Colusa, California, on the day and year first written above.

Colusa County Local Agency
Formation Commission


David G. Womble, Chairman
LAFCO


P. Scott Browne, Esq.
Contractor

APPROVED AS TO FORM:
P. Scott Browne
LAFCO Counsel

By: 

LAFCO OF COLUSA COUNTY
FIRST AMENDMENT TO AGREEMENT FOR
LEGAL SERVICES

This is the First Amendment to the Agreement for Legal Services between the Colusa Local Agency Formation Commission, a public agency, and P. Scott Browne, Attorney at Law, dated July 3rd, 2003.

Section II, Paragraph A is amended to read in its entirety as follows:

A. Compensation

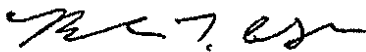
LAFCo shall pay Contractor One-Thousand Seven-Hundred and Fifty dollars per month (\$1,750.00) for legal services rendered pursuant to this Agreement. Funding for this Agreement is included in the LAFCO budget and payment shall be made upon monthly submission of an itemized statement.

Should the parties hereto contemplate any renewal of this Agreement the amount of compensation paid to Contractor shall be reviewed and adjusted on an annual basis coinciding with an evaluation of performance and the preparation and approval of the LAFCo budget.

Except as specifically set forth herein, all remaining terms and conditions of the Agreement for Professional Services dated July 3rd, 2003 shall remain in full force and effect.

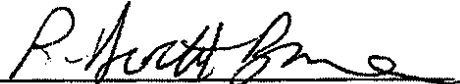
IN WITNESS WHEREOF, the parties hereto have executed this Agreement on July 5, 2007.

LAFCo



Chairperson

CONTRACTOR



P. Scott Browne, Contractor

APPROVED AS TO FORM:



P. Scott Browne
LAFCO Counsel

AGREEMENT FOR THE PROVISION OF EXECUTIVE OFFICER SERVICES

This Agreement for the Provision of Executive Officer Services (hereinafter, the "Agreement") is entered into effective March 6, 2003, by and between the Colusa County Local Agency Formation Commission (hereinafter "LAFCO" or the "Commission") and John Benoit (hereinafter, "Contractor").

RECITALS

WHEREAS, LAFCO was formed and operates pursuant to the provisions of the Cortese/Knox Local Governmental Reorganization Act (Government Code Sections 56000, et seq.) Sections 56375 and 56384 provide that the Commission may appoint an Executive Officer and may contract for professional and consulting services to carry out and effect the functions of the Commission; and

WHEREAS, LAFCO desires to retain Contractor as its Executive Officer; and

WHEREAS, Contractor has the necessary expertise to perform such services, is qualified, and willing to perform these services for LAFCO.

NOW, THEREFORE, IT IS HEREBY AGREED as follows:

Article 1

CONTRACTOR'S RESPONSIBILITIES

Section 1.1 Duties.

Contractor shall serve as Executive Officer and shall perform all Executive Officer duties as specified in the Cortese-Knox-Hertzberg Local Government Reorganization Act and other applicable statutes and as directed by the Commission. Said duties shall include but are in no way limited to:

1.1.1 Contractor shall provide necessary secretarial and support services, including clerking meetings and maintaining the records of the Commission.

1.1.2 Contractor shall provide general information to the public, individually and to groups, regarding LAFCO statutes, policies, and concepts of orderly governmental boundaries through direct participation.

1.1.3 Contractor shall oversee the maintenance and updating of the LAFCo web page.

Agreement for the Provision of Executive Officer Services

Colusa County Local Agency Formation Commission

Contractor shall provide a toll-free telephone service for the Commission and the general public.

1.1.4 Contractor shall maintain LAFCO's policies and procedures and bylaws.

1.1.5 Contractor shall implement a program of work to update the Spheres of Influence, conduct Municipal Services Reviews, complex environmental reviews, and other special studies, as authorized.

1.1.6 Contractor shall attend all LAFCO meetings, unless otherwise directed by the Commission.

1.1.7 Contractor shall generate all necessary staff reports for matters before the Commission and will prepare all necessary CEQA (California Environmental Quality Act) documents.

1.1.8 It is the responsibility of the Contractor to operate within LAFCO's given budgetary appropriations. Contractor shall manage LAFCO's budget and shall not expend monies outside an approved budget account amount without Commission approval, or, in the case of matters that cannot wait to the next Commission meeting, the Commission Chair's approval.

Section 1.2 Independent Contractor

It is specifically understood and agreed that in the making and performance of this Agreement, Contractor is an independent contractor and is not an employee, agent, or servant of LAFCO.

Section 1.3 Insurance

1.3.1 Contractor shall promptly after execution of this agreement obtain all the insurance required herein, and submit certificates of insurance to LAFCO. The certificates of insurance shall contain a provision that coverage afforded under the policies will not be canceled until at least twenty (20) days prior written notice has been given to LAFCO.

1.3.2 Any failure of Contractor to maintain the insurance required by this paragraph, or to comply with any of the requirements of this paragraph, shall constitute a material breach of the entire Agreement.

1.3.3 Certificates evidencing the issuance of the following insurance shall be filed with LAFCO within ten (10) days after the date of execution of this Agreement by Contractor:

1.3.3.1 Compensation Insurance. Contractor shall procure and maintain, at

Contractor's own expense during the term hereof, Workers' Compensation Insurance for any employees to be engaged in work for LAFCo.

1.3.3.2 Public Liability and Property Damage Insurance.

Contractor shall procure and maintain, at Contractor's own expense during the term hereof, Comprehensive Public Liability Insurance, both bodily injury and property damage, in an amount of not less than One million dollars (\$1,000,000) combined single limit coverage per occurrence, including but not limited to endorsements for the following coverages: personal injury, premises-operations, products and completed operations, blanket contractual, and independent contractor's liability.

1.3.3.3 Automobile Liability Insurance. Contractor shall procure and maintain, at Contractor's own expense during the term hereof, Comprehensive Automobile Liability Insurance, both bodily injury and property damage, on owned, hired, leased and non-owned vehicles used in connection with Contractor's business in an amount of not less than One million dollars (\$1,000,000) combined single limit coverage per occurrence.

1.3.4. Contractor shall promptly deliver to LAFCo an "Additional Insured Endorsement" naming LAFCo, its officers, employees and agents as additional insured under each of the aforesaid policies in this sub-paragraph.

Section 1.4 Standard of Care

Contractor represents that he has the appropriate training and is experienced and competent to perform all the services, responsibilities and duties specified herein.

Section 1.5 Non-Exclusive Agreement.

Nothing in this Agreement shall be construed to restrict Contractor's right to enter into other Agreements and to provide services for others, provided such agreements or services do not interfere with Contractor's timely performance of the services which Contractor is required to provide on behalf of LAFCo pursuant to the terms of this Agreement, create a conflict of interest, or be deleterious to the interests of the Commission.

**Article 2
LAFCO'S RESPONSIBILITIES**

Section 2.1 Compensation

2.1.1 LAFCo shall pay Contractor the monthly amount of \$4,000.00 for general services together with reimbursement for office expenses as provided in Section 2.2 below. Funding for this

Agreement is included in the adopted LAFCO budget and payment shall be made upon monthly submission of an invoice. General services do not include the items specified as special projects set forth in Section 2.1.2 below nor monthly hosting costs and other out of pockets costs, if any, of maintaining the LAFCo website.

2.1.2 The Commission from time to time may authorize the Executive Officer to undertake special projects including but not limited to complex environmental reviews, Municipal Services Reviews, Sphere of Influence Updates or other special studies pursuant to LAFCO's Purpose and Authority as stated in LAFCO's adopted bylaws. Compensation and expenses for said activities shall be on a project or hourly basis and budgeted and authorized by the Commission. Contractor shall base any such project or hourly charges on the hourly service rates set forth in Exhibit "A".

2.1.3 The compensation and hourly rates are subject to review and adjustment on an annual basis coinciding with an evaluation of performance and the preparation and approval of the LAFCO budget.

Section 2.2 Clerk Costs and Other Expenses

2.2.1 In addition to the monies to be paid to Contractor pursuant to Section 2.1 of this Agreement, LAFCO shall either pay directly or reimburse the Contractor for the following office and clerical expenses:

(a) Cost of providing a Clerk to the Commission in an amount not to exceed \$160.00 per month, without prior approval by the Chair or the Commission. The clerk shall not be an employee of LAFCo.

(b) Phone and internet access costs

(c) Mileage for Commission related travel at the IRS mileage rate, including travel to and from Contractor's office to Colusa County.

(d) Postage, paper and photocopy expenses at cost

2.2.2 In addition, Contractor shall be entitled to reimbursement for any costs which are directly reimbursable by an applicant, such as public notice costs, photocopy costs, property owner and registered voter mailings, costs and time, for special meetings requested by an applicant, etc

2.2.3 Any such expense reimbursements shall be itemized and approved by the Commission as part of warrant approvals prior to payment

Article 3
GENERAL PROVISIONS

Section 3.1 Term

This Agreement shall continue in full force and effect until terminated in the manner described herein below.

3.1.1 The Agreement may be terminated without cause by LAFCO upon 10 days notice and by Contractor upon ninety (90) days written notice to the other party, subject to payment by LAFCO of any outstanding charges accumulated prior to the effective date of such termination.

3.1.2 Upon such termination, the Contractor shall deliver to LAFCO the originals of all files, data; reports, estimates, summaries, and other such materials as may have been prepared or accumulated by the Contractor in performing this Agreement.

Section 3.2 Indemnification-hold Harmless

3.2.1 Contractor shall indemnify and defend LAFCO and its officers, employees, and agents against and hold them harmless from any and all claims losses, damages, and liability for damages, including attorney's fees and other costs of defense incurred by LAFCO, whether for damage to or loss of property, or injury to or death of person, including properties of LAFCO and injury to or death of LAFCO officials, employees or agents, arising out of, or connected with the negligence or wrongful acts of Contractor hereunder.

3.2.2 LAFCO shall indemnify and defend and hold Contractor harmless from any and all claims losses, damages, and liability for damages, including attorney's fees and other costs of defense incurred by Contractor, whether for damage to or loss of property, or injury to or death of person, arising out of, or connected with Contractor's proper performance of his duties described herein.

Section 3.3 Assignment

Contractor shall not assign any interest in this Agreement and shall not transfer any interest in the same without the prior written consent of LAFCO.

Section 3.4 Non-discrimination in Employment

In the performance of the work authorized under this Agreement, Contractor shall not unlawfully discriminate against any qualified worker because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status or age (over 40).

Section 3.5 MEDIATION/ARBITRATION OF DISPUTES

3.5.1 Any controversy between the parties involving the construction, application or performance of any of the terms, provisions, or conditions of this agreement shall, on the written request of either party served on the other, be submitted to mediation before a mediator acceptable to all parties. The mediation shall occur within 45 days of the initial request, unless extended by agreement of the parties. Should any party commence arbitration or court action based on a dispute or claim to which this Section applies, without first attempting to resolve the matter through mediation, then that party shall not be entitled to recover attorney's fees, even if they would otherwise be available to that party in any such action or arbitration.

3.5.2 If the mediation is unsuccessful, either party may, within 5 days thereafter, serve a written request on the other demanding that the matter be submitted to binding arbitration.

3.5.3 Exceptions to Mediation/Arbitration. Neither mediation, nor arbitration is required under the following limited circumstances::

If the matter is justiciable in small claims court, than the dispute shall be resolved through that court.

If the controversy to be arbitrated also involves third parties who are not willing to submit the matter to arbitration, and multiple proceedings would result from enforcement of this arbitration clause, then the dispute shall be resolved through the courts without referral to arbitration.

If it is alleged that irreparable harm would occur prior to the completion of the arbitration, a party may immediately apply for injunctive relief to prevent the irreparable harm, but the matter shall be stayed and submitted to mediation/arbitration after the Court has acted on the issue of injunctive relief.

The filing of an action for the purpose of recording a *lis pendens*, provided that the action is immediately stayed and submitted to mediation/arbitration.

3.5.4 Except as provided herein, Arbitration shall comply with and be governed by the provisions of the California Arbitration Act, Section 1280 et.seq. of the California Code of Civil Procedure.

3.5.5 Upon receipt of a notice of intent to arbitrate, the parties shall mutually agree on an arbitrator. If they are unable to agree on a single arbitrator, each party shall appoint an arbitrator and the two arbitrators shall select a third impartial arbitrator. The appointment of all arbitrators should be completed within 21 days of receipt of notice, and the matter set for hearing within 45 days

Agreement for the Provision of Executive Officer Services

Colusa County Local Agency Formation Commission

thereafter. The decision of a majority of the arbitrators, after close of the hearing, shall be final and conclusive upon the parties.

3.5.6 The parties agree to do all acts necessary to expedite the arbitration proceedings such that the matter can be arbitrated within 90 days of service of the notice of intent to arbitrate.

3.5.7 Upon a showing of good cause and the approval of the arbitrator, either party may obtain discovery necessary for the proof of their case. Provided that the arbitrator shall supervise the discovery process to insure that it is carried out in an expeditious manner and that it is not permitted to be unduly burdensome or delay the hearing.

3.5.8 Up to the time of award, the cost of arbitration shall be split by the parties. In the event a party fails to pay their share in a timely fashion, the Arbitrator shall treat the omission as a default and enter judgement in favor of the other party. The Arbitrator(s) may award the prevailing party reimbursement for any fees and expenses incurred, including arbitration costs paid, or allocate the attorneys fees and expenses between the parties in such proportions as the arbitrator decides is just and reasonable.

3.5.9 In making his or her decision, the arbitrator shall issue a written decision and follow California Law. The Arbitrator is not authorized to deviate from the law or from legally permitted legal or equitable remedies. Either party may seek clarification or reconsideration of the award within 10 days of issuance.

NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL.

BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY.

**WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO
SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE
'ARBITRATION OF DISPUTES' PROVISION TO NEUTRAL ARBITRATION.**

Initial:


LAFCo


John Benoit

Section 3.6 Attorney's Fees and Costs

If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which such party may be entitled.

Section 3.7 Severability

If any provision of this Agreement is held to be unenforceable, the remainder of this Agreement shall be severable and not affected thereby.

Section 3.8 Notices

All notices that are required to be given by one party to the other under this Agreement shall be in writing and shall be deemed to have been given if delivered personally or enclosed in a properly addressed envelope and deposited with a United States Post Office for delivery by registered or certified mail addressed to the parties at the following addresses, unless such addresses are changed by notice, in writing, to the other party.

COLUSA LAFCO
c/o Scott Browne
131 S. Auburn St.
Grass Valley, CA 95945

John Benoit
LAFCo Executive Officer
6883 Brandy Circle
Granite Bay, CA 95746
Telephone and Fax (916) 797-6003
Cell (707) 592-7528

Section 3.9 Venue/Applicable Law.

This Agreement shall be governed by the laws of the State of California. Venue for any action regarding this agreement shall be Colusa County, California.

Section 3.10 Entire Agreement; Modification.

3.10.1 This agreement constitutes the entire agreement between the parties regarding its subject matter. This Agreement supersedes all proposals, oral and written, and all negotiations, conversations or discussions heretofore and between the parties related to the subject matter of this Agreement.

3.10.2 This Agreement may only be modified by a written amendment hereto, executed by both parties or by official action of the Commission memorialized in the approved minutes of the Commission.

Executed at Colusa County, California, on March 6, 2003.

**Colusa County Local Agency
Formation Commission:**

Contractor:

David G. Womble
David Womble, Chairman

John Benoit
John Benoit

APPROVED AS TO FORM:

P. Scott Browne
P. Scott Browne
LAFCO Counsel

Exhibit A

Hourly Rate Schedule for Special Projects

John Benoit

Hourly Rate: \$75 per hour

Other Consultants

Rate as charged to Benoit and approved by
Commission in proposal plus 10%
administrative expense

**LOCAL AGENCY FORMATION COMMISSION
OF COLUSA COUNTY**

**Minute Order of the
Local Agency Formation Commission of Colusa County**

March 6, 2003

On March 6, 2003, The Local Agency Formation Commission of Colusa County
unanimously voted to designate John Benoit as its Executive Officer.


David G. Womble, Chairman


Karen Anania, Clerk

LAFCO OF COLUSA COUNTY
FIRST AMENDMENT TO AGREEMENT FOR
EXECUTIVE OFFICER SERVICES

This is the First Amendment to the Agreement for Executive Officer Services between the Colusa Local Agency Formation Commission, a public agency, and John Benoit, Contractor, dated March 6th, 2003 thereby amending compensation for the LAFCo Clerk.

Article 2, Section 2.2.1 (a), **Clerk Costs and Other Expenses** is amended to read in its entirety as follows:

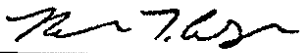
2.2.1 (a) Cost of providing a Clerk to the Commission in an amount not to exceed \$175.00 per month, without prior approval by the Chair or the Commission. The Clerk shall not be an employee of LAFCo.

Except as specifically set forth herein, all remaining terms and conditions of the Agreement for Executive Officer Services dated March 6th, 2003 shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on July 5, 2007.

LAFCo

CONTRACTOR



Chairperson



John Benoit, Contractor

APPROVED AS TO FORM:



P. Scott Browne
LAFCO Counsel