



SISKIYOU LOCAL AGENCY FORMATION COMMISSION

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GREG PLUCKER
EXECUTIVE OFFICER

VACANT
DEPUTY EXECUTIVE OFFICER

MINUTES SISKIYOU LAFCo APRIL 5, 2016

The meeting was called to order by Chair, April Gray at 4:30 p.m.

The **PLEDGE OF ALLEGIANCE** was recited.

ROLL CALL:

PRESENT: Deborah Baird
Grace Bennett
Ed Valenzuela
April Gray
Gary Peery (Alt.)

ABSENT: Michael Kobseff (Alt.)
Tim Stearns
Vacant (Alt.)

ALSO PRESENT: Richard Tinsman, Deputy Executive Officer
Vurl Trytten, Clerk to the Commission

APPROVAL OF MINUTES: January 5, 2016

MOTION: It was moved by Commissioner Valenzuela and seconded by Commissioner Baird to approve the minutes of the January 5, 2016 meeting as presented.

VOTED upon and the Chair declared the motion carried unanimously of the Commissioners present.

PRESENTATIONS FROM THE PUBLIC: NONE

CONFLICT OF INTEREST DECLARATION: NONE

CONSENT ITEMS: NONE

OLD BUSINESS: NONE

CITY MEMBERS

DEBORAH BAIRD, COMMISSIONER
TIM STEARNS, VICE CHAIR
VACANT, ALTERNATE

COUNTY MEMBERS

ED VALENZUELA, COMMISSIONER
GRACE BENNETT, COMMISSIONER
MICHAEL KOBSEFF, ALTERNATE

MEMBERS-AT-LARGE

APRIL GRAY, CHAIR
GARY S. PEERY, ALTERNATE

NEW BUSINESS:**A. SELECTION OF A CONSULTANT FOR THE MSR-SOI UPDATES****1. Staff Report:**

The Staff Report was circulated to the Commissioners before the Commission meeting and was reviewed by the Commissioners. Deputy Executive Officer Tinsman presented the staff report to the Commission.

Mr. Tinsman informed the Commission that there were two responses to the initial Request for Proposals (RFP) for the MSR/SOI updates, one with a budget that staff considered to be high relative to the anticipated workload and one that staff considered low. He said that because staff needed a minimum of three proposals, the RFP was modified slightly and recirculated; however, once again, only the same two firms submitted proposals, one with an increased budget and one with no changes. He said that staff decided to advertise the RFP a third time, this time directly contacting staff at the consulting firms, and the third attempt resulted in three proposals being received.

Mr. Tinsman informed the Commission that since the last MSR/SOI update in 2011, the local firm that prepared the previous report had been acquired by Michael Baker International. He said that during the RFP process, Michael Baker International had missed the deadline for submitting a proposal twice due to changes in processes that had been implemented with the acquisition. He said that despite this rough start, based upon the proposed scope and budget, the firm appeared to have an excellent grasp, possibly better than the competing firms, on what would be required to engage and obtain information from the county's small rural cities. However, due to the additional expense associated with the proposed work effort, he could not justify recommending Michael Baker International over Quad Knopf, another responsive firm that not only appeared to do good work, but also came highly recommended. Mr. Tinsman added that he did not anticipate a change order from Quad Knopf that would result in the competing proposals being closer in price. He stated that staff was recommending LAFCo select Quad Knopf for the project, but that if negotiations with the firm fail, staff was also recommending that the Executive Officer be authorized to enter into negotiations with Michael Baker International.

He said that the third proposal received was from Braitman and Associates and given Mr. Braitman's vast LAFCo experience, there is no doubt the documents would be legally adequate; however, based upon the examples of work reviewed, the MSR/SOIs would likely be very concise. He added that the typical MSR/SOI update may be 30 to 40 pages, but the examples reviewed were only 5 to 10 pages. He added that while they may be legally adequate, there is value to having more information in the documents. He concluded that staff was not recommending Braitman and Associates for this reason.

In response to a question from Chair Gray, Mr. Tinsman responded that he believed Quad Knopf was located in the Sacramento area. He explained that Quad Knopf was not proposing face to face meetings, and that everything would be handled via phone or internet. He said that firms typically gather information from the cities using questionnaires, so this approach should be okay. He added that the information for the MSR/SOI updates had been assembled only five years ago, and it was unlikely much had changed since that time. He explained that when LAFCo spent \$77,000 on the previous MSR/SOI updates five years ago, Etna and Yreka were not included, so the bid of \$95,320 from Michael Baker International seemed higher than it really is.

Alternate Commissioner at Large Gary Peery arrived at 4:40 p.m. and joined the meeting.

2. Discussion:

Commissioner Baird asked how the information contained in the MSR/SOI updates was used. Mr. Tinsman responded that each city's ability to provide services within their boundaries and sphere of influence must be evaluated every five years to determine whether annexations may occur. For example, he explained that the City of Dorris' sphere of influence is contiguous with the city limits so that they could not annex without first expanding their sphere of influence; but the City of Mt. Shasta's sphere of influence is large and would be more than adequate to accommodate growth for decades.

Chair Gray confirmed with Mr. Tinsman that LAFCo has sufficient funds for the MSR/SOI updates. Mr. Tinsman said that there are adequate funds to cover the highest bid of the three and still have money to operate for a few years without further contributions. He added that the Commission may even want to consider reducing member contributions given the budget surplus.

Chair Gray called for a vote.

3. Decision:

MOTION: It was moved by Commissioner Valenzuela and seconded by Commissioner Baird to authorize the Executive Director to negotiate and enter into a contract with Quad Knopf to prepare the required MSR/SOI updates for the nine incorporated cities within the county. It was further moved that in the event that negotiations with Quad Knopf are unsuccessful, the Executive Director is authorized to negotiate and enter into a contract with Michael Baker International for these services.

VOTED upon and the Chair declared the motion carried unanimously of the Commissioners present.

B. FY 2016-2017 PRELIMINARY BUDGET APPROVAL

1. Staff Report:

The Staff Report was circulated to the Commissioners before the Commission meeting and was reviewed by the Commissioners. Deputy Executive Officer Tinsman presented the staff report to the Commission.

Mr. Tinsman informed the Commissioners that the Commission's budget was healthy. He explained that application fees vary from year to year and cannot be relied on as a steady source of revenue. He said that the main source of revenue for budget purposes is member contributions. He said that contributions have adequately covered the current MSR/SOI updates. He explained that the formula for contributions was decided long ago, with half coming from the county and half coming from the cities.

He reviewed the expected costs for FY 2016-2017 and said that the main cost will be the 2016-2017 MSR/SOI updates, and there would likely be further costs associated with the CSA 6 formation if the voters approve the funding mechanism. He explained that LAFCo's fund balance is adequate to cover the both of these projected expenditures.

He said that staff was concerned that the projected expenditure for the County's cost allocation plan has increased significantly from approximately \$1,900 to \$7,900. He said that staff will need to confirm the accuracy of this increase, as well as whether LAFCo is required to use the county auditor. If not, then the Commission may want to see if they can get a better rate from a private accountant or one of the cities.

2. Discussion:

Mr. Tinsman said that the Commission may want to review member contribution amounts and may want to reduce or eliminate contributions in the coming years, as has been done in the past. Discussion was held and Commissioner Valenzuela recommended a reduction, so that revenue continues to grow, but at a lower rate. Chair Gray asked what else could come up that would cost. Mr. Tinsman responded that one example would be a lawsuit. Chair Gray then also recommended reducing but not waiving contributions. Mr. Tinsman suggested the Commission see what the costs are this year, especially the costs of the MSR/SOI updates and then revisit the amount of contributions.

Mr. Tinsman then explained that the approval of the budget by LAFCo was exempt from CEQA under the general rule, CEQA Guidelines section 15601(b)(3).

3. Decision:

MOTION: It was moved by Commissioner Baird and seconded by Alternate Commissioner Peery to: (A.) Adopt a "general rule" exemption from CEQA; (B.) Approve the Fiscal Year 2016-2017 preliminary budget provided in the staff report; (C.) Direct staff to transmit this budget to the Board of Supervisors, each city, and each independent special district in the County pursuant to Government Code section 56381; and (D.) Return to the Commission by June 14, 2016, for adoption of the final budget with any necessary changes.

VOTED upon and the Chair declared the motion carried unanimously of the Commissioners present.

MISCELLANEOUS:

1. FUTURE MEETINGS: 6-14-16

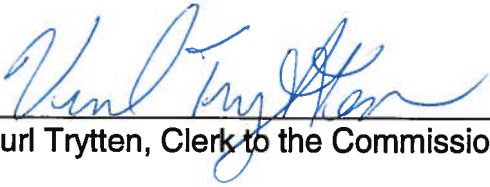
2. **CORRESPONDENCE:** The Commissioners were given a copy of a letter dated January 13, 2016 from Commissioner Stearns regarding the City Selection Committee and the process of selecting a new City Alternate Commissioner.

3. STAFF COMMENTS

Future Meeting Place and Dates: Mr. Tinsman said that staff was recommending that LAFCo begin using the Transportation Center Conference Room for their meetings, but that the Transportation Committee meets at the same time as LAFCo. He said that if there were no conflicts, he would be coming back with resolution to shift the meeting to the Transportation Center Conference Room on the second Tuesday of the month. Commissioner Valenzuela then recommended that LAFCo begin their meetings at 4:00 p.m. rather than 4:30 p.m.

4. COMMISSION COMMENTS: None

ADJOURN: There being no further business before the Commission; the Chair adjourned the meeting at 4:55 p.m.

By: 
Vurl Trytten, Clerk to the Commission