



AGENDA ITEM 7B

MEETING: July 18, 2018
TO: Humboldt LAFCo Commissioners
FROM: Colette Metz, Executive Officer
SUBJECT: **Administrative Policies and Procedures Amendment**
The Commission will consider amending its Administrative Policies and Procedures governing LAFCo administrative processes and functions of the Commission. This is an update to the Commission's administrative policies originally adopted in 2012.

Government Code (GC) Section 56300(a) requires each LAFCo to establish written policies and procedures. Most recently, Humboldt LAFCo adopted "Boundary Change Policies and Procedures" (adopted July 2018) that govern common applications and studies considered by the Commission. Additionally, the Commission has "Administrative Policies and Procedures" (adopted November 2012) that guide the administrative processes and daily functions of the Commission.

DISCUSSION

The Commission's Administrative Policies and Procedures are organized as follows:

1. General Provisions
2. Commission Organization
3. Commission Meetings
4. Budget and Financial Procedures

Proposed amendments to these policies are highlighted in track changes (see [Attachment A](#)). These amendments serve to update and further clarify policies concerning the Commission's organization, meetings, and budgetary procedures.

In particular, the draft amendments include:

- Regular and Alternate Commissioner Roles. Further clarification of commissioner and alternate commissioner roles and participation in meetings.
- Absences and Expense Reimbursements. Definition of the existing processes for Commissioner absences and expense reimbursements.
- Ethics Training. Ethics training language which clarifies that Humboldt LAFCo commissioners and staff are encouraged to attend this type of training, although not required.
- Ad Hoc Committee. Amending "special committee" language to the standard "ad hoc" committee language commonly used in public meetings.

- Off-site Commission Meetings in Affected Communities. New language providing for off-site LAFCo Commission meetings and workshops in affected communities.
- Legislative Policy Responses. New language defining the process by which staff and the Commission respond to legislative policy.
- Annual Work Plan. New language codifying the existing process of utilizing an annual work plan in conjunction with the annual budget.
- Budget Procedures. Further definition of the budget adoption process, clarifying public notification and circulation procedures.

The draft revisions to Administrative Policies, included in Attachment A, are intended to guide Commission decision-making consistent with the CKH Act.

ENVIRONMENTAL ANALYSIS AND REVIEW

The adoption of Policies and Procedures is considered to be continuing administrative or maintenance activity with no potential for a direct or indirect physical change to the environment. Therefore, the action is not a “project” for the purposes of the California Environmental Quality Act (CEQA), pursuant to Section 15378(b)(2).

RECOMMENDATION

Staff recommends that the Commission either:

- 1) Review and discuss the policies, then provide direction to staff to make changes and bring the policies back before the Commission at a future meeting; or
- 2) Following consideration of all relevant information presented, approve the proposed amendment, with any revisions incorporated, and adopt Resolution 2018-13 (attached as Exhibit B), which:
 - a) Finds that the proposed *Administrative Policies and Procedures* amendment is consistent with State Law as well as the overall goals of Humboldt LAFCo;
 - b) Finds that the proposed *Administrative Policies and Procedures amendment* is not a project for the purposes of the California Environmental Quality Act (CEQA) pursuant to Section 15378(b)(2); and,
 - c) Adopts the proposed policy and procedures update, known as *Administrative Policies and Procedures* to be effective immediately.

Attachments

Attachment A: Proposed Administrative Policies and Procedures Amendment
Attachment B: Draft Resolution No. 18-13

Humboldt LAFCo

Administrative Policies and Procedures

Adopted November 14, 2012
Proposed for Amendment July 18, 2018

Humboldt LAFCo

Administrative Policies and Procedures

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1.0 GENERAL PROVISIONS

"It is the intent of the Legislature that each commission ... establish written policies and procedures and exercise its powers ... in a manner consistent with those policies and procedures to encourage and provide planned, well-ordered, efficient urban development patterns with appropriate consideration of preserving open-space lands within those patterns... Among the purposes of a commission are discouraging urban sprawl, preserving open-space and prime agricultural lands, efficiently providing government services, and encouraging the orderly formation and development of local agencies based upon local conditions and circumstances" (Government Code Section 56300 and 56301).

1.1 Title

The Humboldt Local Agency Formation Commission ("LAFCo" or "Commission") hereby adopts the following Administrative Policies and Procedures governing LAFCo administrative processes and functions of the Commission. These policies supersede those previously adopted, shall apply to LAFCo and are adopted pursuant to the authority vested in the Commission by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Government Code Section 56000, et seq. ("CKH Act"). These policies shall guide the decision-making of the LAFCo Executive Officer and the Commission. Should any part of these policies be inconsistent with the CKH Act, as it is presently enacted or as may be amended in the future, the provisions of the CKH Act shall prevail.

1.2 Purpose of LAFCo

Local agency formation commissions (LAFCOs) were created in each county in California by state law in 1963 to encourage the orderly formation and development of local government agencies, preserve agricultural and open space land, and discourage urban sprawl.

LAFCOs have jurisdiction over proposed city and special district annexations, incorporations/ formations, consolidations, and other changes of organization or reorganization. The State delegates each LAFCo the power to review and approve with or without amendment, wholly, partially, or conditionally, or disapprove proposed changes of organization or reorganizations, consistent with written policies and procedures adopted by the Commission.

Each LAFCo operates independently of the State and of local government agencies. However, LAFCo is expected to act within a set of State-mandated parameters encouraging "planned, well-ordered, efficient urban development

patterns,” the preservation of open-space lands, and the discouragement of urban sprawl. The Legislature has taken care to guide the actions of the LAFCOs by providing Statewide policies and priorities (Government Code Section 56301), and by establishing criteria for the delineation of spheres of influence (Government Code Section 56425).

1.3 Mission Statement

Humboldt LAFCo facilitates changes in local governmental structure and boundaries that foster orderly growth and development, promote the efficient delivery of services, and encourage the preservation of open space and agricultural lands.

1.4 General Legislative Authority

These administrative policies and procedures shall apply to Humboldt LAFCo and are adopted pursuant to the authority vested in the Commission by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Part I, commencing with Government Code Section 56000.

1.5 Responsibilities

LAFCOs are granted regulatory powers through the Cortese-Knox-Hertzberg Act to oversee city and special district boundaries and service provision. Although LAFCOs are not authorized to make land-use decisions, many LAFCo actions indirectly affect land use. The Commission has a number of key responsibilities as presented below.

- a. Changes of Organization: LAFCOs regulate, through approval or denial, proposals for a change of organization or reorganization such as the annexation or detachment of territory into cities or special districts, city incorporation or disincorporation, district formation or dissolution, consolidation of cities or districts, merger or establishment of a subsidiary district and proposals for the exercise of new or different services within districts. LAFCOs do not have the power to initiate boundary changes on their own, except for proposals involving the formation, dissolution or consolidation of special districts, mergers, and the establishment of subsidiary districts.
- b. Spheres of Influence: LAFCo establishes spheres of influence – plans for the probable physical boundaries and service area of a local agency – for each city and special district within the county. Municipal Service Reviews (MSRs) are required in order to prepare and update spheres of influence every five years. All proposals to amend spheres of influence must be reviewed and approved by LAFCo.

- c. Out of Agency Service Area Agreements: LAFCo reviews proposals that would extend services beyond the jurisdictional boundary of a local agency.
- d. Special Studies: LAFCo conducts studies of existing local government services with the goal of improving the efficiency and reducing the cost of providing local government services.

1.6 Agencies Subject to Humboldt LAFCo Jurisdiction

The Commission has jurisdiction over seven (7) cities and 53 special districts.

Cities

- ◆ Arcata
- ◆ Blue Lake
- ◆ Eureka
- ◆ Ferndale
- ◆ Fortuna
- ◆ Rio Dell
- ◆ Trinidad
- ◆ Phillipsville
- ◆ Redway
- ◆ Riverside
- ◆ Scotia
- ◆ Weott
- ◆ Westhaven
- ◆ Willow Creek

Cemetery Districts (*Health & Safety Code Section 9000 et seq.*)

- ◆ Fortuna
- ◆ Petrolia

County Service Area (*Government Code Section 25210 et seq.*)

- ◆ County Service Area No. 4 (fire protection) *

Community Services Districts (*Government Code Section 61000 et seq.*)

- ◆ Big Lagoon
- ◆ Briceland
- ◆ Carlotta
- ◆ Fieldbrook-Glendale
- ◆ Humboldt
- ◆ Loleta
- ◆ Manila
- ◆ McKinleyville
- ◆ Miranda
- ◆ Orick
- ◆ Orleans
- ◆ Palmer Creek
- ◆ Patrick Creek

County Water Districts (*Water Code Section 30000 et seq.*)

- ◆ Alderpoint County Water District
- ◆ Hydesville County Water District
- ◆ Jacoby Creek County Water District

Fire Protection Districts (*Health & Safety Code Section 13800 et seq.*)

- ◆ Arcata
- ◆ Blue Lake
- ◆ Briceland
- ◆ Bridgeville
- ◆ Ferndale
- ◆ Fortuna*
- ◆ Fruitland Ridge

- ◆ Garberville
- ◆ Humboldt No. 1
- ◆ Kneeland
- ◆ Loleta*
- ◆ Myers Flat
- ◆ Petrolia
- ◆ Redway
- ◆ Rio Dell
- ◆ Samoa Peninsula
- ◆ Telegraph Ridge
- ◆ Whitethorn*
- ◆ Willow Creek

Health Care District (*California Health & Safety Code Section 32000 et seq.*)

- ◆ Southern Humboldt Community Healthcare District

Municipal Water District (*Water Code Section 71000 et seq.*)

- ◆ Humboldt Bay Municipal Water District

Recreation and Park Districts (*Public Resources Code Section 5780 et seq.*)

- ◆ North Humboldt Recreation and Park District

- ◆ Rohner Community Recreation and Park District*

Resort Improvement District (*Public Resources Code Section 13000 et seq.*)

- ◆ Resort Improvement District No. 1

Resource Conservation District (*Public Resources Code Section 9151 et seq.*)

- ◆ Humboldt County Resource Conservation District

Sanitary District (*Health & Safety Code Section 6400 et seq.*)

- ◆ Garberville Sanitary District

Harbor and Recreation

- ◆ Humboldt Bay Harbor Recreation and Conservation District

* *Dependent Districts*

2.0 COMMISSION ORGANIZATION

2.1 Composition

The Commission shall consist of seven members and four alternates selected as follows:

- a. County Members: The Humboldt County Board of Supervisors shall appoint two regular commissioners and one alternate commissioner from the Board's membership to serve on the Commission (Government Code Section 56325). The appointments shall be made in accordance with the Board of Supervisors' appointment policies and procedures.
- b. City Members: The Mayor City Selection Committee shall appoint two regular commissioners and one alternate commissioner to serve on the Commission, each of whom shall be a mayor or city council member from one of the county's incorporated communities (Government Code Section 56325). The appointments shall be made in accordance with the Mayor City Selection Committee's appointment policies and procedures.
- c. Special District Members: ~~The Independent Special District Selection Committee shall appoint two regular commissioners and one alternate commissioner, each of whom shall be a member of a board of directors of an independent special district in Humboldt County, to serve on the Commission (Government Code Section 56325). The appointments shall be made in accordance with the Independent Special District Selection Committee's appointment policies and procedures. In absence of an independent special district selection committee, the Executive Officer shall conduct a mailed ballot election in the manner detailed in Section 2.8 of this Handbook to select one regular commissioner and one alternate commissioner to serve on the Commission, each of whom shall be a presiding officer or board member from one of the county's independent special districts (Government Code Section 56332(c)).~~
- d. Public Members: One public member and one alternate public member ~~are shall be~~ appointed by the other regular members of the Commission (Government Code Section 56325) ~~in the manner detailed in Section 2.9 of this Handbook~~. Selection of the public member and alternate public member shall require the affirmative vote of a majority of all the other regular members, including the affirmative vote of at least one regular member selected by each of the other appointing authorities. The public

member and alternate public member cannot be a current officer¹ or employee of the County of Humboldt or of any city or special district located within ~~the county~~Humboldt County (Government Code Section 56331).

2.2 Role of Commissioners

~~Commissioners shall independently fulfill their responsibilities while serving on Humboldt LAFCo in the best interests of the general public, irrespective of interests of their appointing authorities. Alternate Commissioners are encouraged to take an active role in Humboldt LAFCo to help further inform all related discussions and actions and should attend all meetings if possible. Alternate members may not vote, however, unless a regular member, from the same representation category as the alternate, is absent or disqualified from participating in an open meeting of the Commission. An alternate member may participate in a closed session. However, alternate members may not vote or make a motion in closed session when the regular member(s) is (are) present.~~

2.3 Terms of Office

The term of office of each member shall be four years and until the appointment and qualification of his or her successor. The expiration date of the term of office of each regular and alternate member, as adopted by the Commission, shall be June 30 in the year in which the term of the member expires. The length of a term of office shall not be extended more than once (Government Code Section 56334).

If a member who is a city, county or district officer ceases to hold that position during his or her term, that member's position on the Commission shall be considered vacant (Government Code Section 56337). Any vacancy in the membership of the Commission shall be filled for the unexpired term by appointment by the body which originally appointed the member whose office has become vacant. The alternate member in that category shall serve on the Commission until a new regular member has been appointed.

2.3 Independent Judgment

~~While serving on the Commission, all members shall exercise their independent judgment on behalf of the interests of residents, property owners, and the public as a whole. Any member appointed on behalf of local governments shall represent the interests of the public as a whole and not solely the interests of the appointing authority.~~

¹ In accordance with Government Code Section 84308(a)(4), "officer" means any elected or appointed officer of an agency, any alternate to an elected or appointed officer of an agency, and any candidate for elective office in an agency.

2.4 Removal of Members

Any member may be removed at any time and without cause by the body appointing that member (Government Code Section 56334). The Commission may recommend to the appointing authority that a member be removed for the following reasons:

- a. The absence of that member from three consecutive meetings or more than half of the meetings in any twelve-month period.
- b. Malfeasance of office or dereliction of duty by that member.
- c. Failure to complete required financial disclosure documents in a timely manner.

2.5 Absence of Members

In the event a regular Commissioner will be absent from a Humboldt LAFCo meeting or disqualify themselves from voting on a proposal, they shall so notify the Executive Officer at the earliest possible date in advance of the meeting. The Executive Officer shall notify and request the attendance of the appropriate alternate commissioner.

2.6 Compensation

Commissioners and alternates shall be entitled to reimbursement for all actual and necessary expenses incurred in the transaction of Commission business in accordance with the following provisions:

- a. Non-County commissioners and alternates shall receive \$20.00 per Commission meeting, regular, special, or committee, in order to help defray the costs of attending the meetings. The maximum amount paid to any commissioner in a given month shall not exceed \$60.
- b. Non-County commissioners and alternates will be reimbursed at the currently applicable IRS rates for reasonable and necessary mileage expenses incurred for meeting attendance. Mileage expenses are ~~not included in monthly payments paid on a per meeting basis.~~
- c. Commissioners, alternates, and staff shall be reimbursed in conformance with current County policy for out-of-county travel, registration, meals, lodging, and related expenses incurred while on Commission business.
- d. Travel reimbursements for lodging at rates higher than County policy shall be permitted when commissioners, alternates, and staff stay at the host facility for the CALAFCO meeting.
- e. No travel expenses beyond mileage expenses for regular meetings shall be reimbursable unless authorized in advance by the Commission.

2.7 Expense Reimbursements

Claims for expense reimbursement for Commissioners shall be submitted to the Commission Executive Officer for processing. Claims for expense reimbursement for all staff members shall be submitted to the Chair for approval and returned to the Executive Officer for processing. Disputes regarding reimbursable expenses shall be resolved by the Chair or his/her designee. All expense claims shall be submitted with the use of a standard expense claim form approved for use by the Commission.

2.8 Financial Disclosure

LAFCo members are subject to the requirements of the Levine Act and California Fair Political Practices Commission (FPPC), including the annual filing of the Statement of Economic Interests (Form #700) with the Humboldt County Elections Office by the date determined by the FPPC.

2.9 Staff

The Commission shall appoint an Executive Officer who shall conduct and perform the day-to-day business of the Commission. The Commission shall appoint Legal Counsel to advise it. The Legal Counsel shall attend Commission meetings, provide requested advice on legal matters, and represent the Commission in legal actions.

2.10 Ethics Training

The California Government Code requires that legislative body or local agency officials receiving compensation, salary, stipends or reimbursement for expenses receive ethics training as specified in Government Code Section 53234-53235.2. LAFCo Commissioners and staff are generally considered to not be included in these provisions and are therefore not required to complete such training. However, Humboldt LAFCo encourages its Commissioners and staff to receive at least two hours of training in general ethics principles and ethics laws relevant to their public service every two years, per the requirements of Government Code Section 53234-53235.2.

2.11 Member Vacancies

- a. County Members: In accordance with Board of Supervisors policies and procedures, the chair of the Board appoints county members in January of each year. The Executive Officer shall provide updated information to the Commission as to the status of the selection.

b. City Members: When a regular or alternate city member position becomes vacant during a term, or at least 90 days prior to the expiration of the term, the Executive Officer shall notify the clerk of the Mayor City Selection Committee requesting appointment of a replacement member to complete the term of office. The Executive Officer shall provide updated information to the Commission as to the status of the selection. Until a regular member is selected and qualified, the alternate member in that category shall serve on the Commission.

a-c. Special District Members: When a regular or alternate special district member position becomes vacant during a term, or at least 90 days prior to the expiration of the term, the Executive Officer shall notify the Independent Special District Selection Committee of the vacancy. If the Executive Officer determines that a meeting of the Independent Special District Selection Committee for this purpose is not feasible due to the likelihood that a quorum would not be achieved, the Executive Officer may conduct the business of the committee in writing, including notification to districts of the vacancy, call for nominations, and provision of a mail-ballot election. For an election to be valid, at least a quorum of the independent special districts must submit valid ballots. The nominee receiving the most votes shall be deemed appointed. Any ballot received after the date specified is invalid, provided, however, that if a quorum of ballots is not received by that date, the Executive Officer shall extend the date to submit ballots by 60 days and notify all districts of the extension. The Executive Officer shall provide updated information to the Commission regarding the status of the election process. Until a regular member is selected and qualified, the alternate member shall serve on the Commission.

d. Public Members: When a regular or alternate public member position becomes vacant during a term, or at least 90 days prior to the expiration of a term, the Executive Officer shall place on the Commission's next agenda consideration of filling the vacancy. The Commission shall direct staff to give notice of vacancy to the clerk or secretary of the legislative body of each local agency within the county. The Executive Officer shall provide notice to at least one newspaper of general circulation and to community and other organizations, as is deemed appropriate. The Executive Officer shall also cause notice to be posted on the Commission's website.

The Executive Officer shall, unless otherwise directed by the Commission, establish an application period of 30 days from the date of the posting of the notice, for acceptance of applications. The Executive Officer shall review all applications received within the established time period, for

completeness. This does not preclude the incumbent public member or alternate public member from applying for appointment.

The Commission shall appoint an ad hoc subcommittee consisting of one regular county member, one regular city member, and one regular special district member. The Commission, at its discretion, may appoint an alternate county, city, or special district member, in lieu of appointing a regular member. The ad hoc subcommittee shall screen applications, interview applicants, and make a recommendation to the Commission. In selecting a candidate, the ad hoc subcommittee shall consider the applicant's qualifications as described in his or her application and the reasons he or she wishes to serve as a member of the Commission.

After considering the ad hoc subcommittee's recommendation, the Commission in open session by majority vote, shall choose one of the following three courses of actions:

- a) Make an appointment from the list of candidates
- b) Invite all candidates to make oral presentations
- c) Reopen the application period

Selection of the regular and alternate public member shall be subject to the affirmative votes of at least one city, county, and district member seated on LAFCo (Government Code Section 56325). The public member may participate as a commissioner as soon as he or she has been qualified. Until the public member is selected and qualified, the alternate public member shall serve on the Commission.

2.11 Special District Member Election

~~When the special district member or alternate special district member position becomes vacant during a term, or four months in advance of either of these member's terms ending, the Executive Officer shall place on the Commission's next agenda consideration of filling the vacancy. At the meeting, the Commission shall direct the Executive Officer to initiate the mailed ballot election process for the independent special districts.~~

~~A call for nominations shall be distributed to each independent special district, including a schedule of the election process. Nominations must be submitted in writing by the special district governing boards within 45 days of the date of the call for nominations. The nomination submittal may be accompanied by a brief statement of qualifications on the form provided by LAFCo.~~

~~Within five working days of the close of the nomination period, the Executive Officer shall distribute one ballot form to each independent special district. The distribution of ballots shall include the name of each candidate and voting instructions. Ballots cast by each independent special district must bear the signature of the district's presiding officer or designated member authorized by the board to cast the district's vote. Ballots must be returned by mail or fax within 45 days of ballot distribution.~~

~~All ballots received by the deadline shall be counted and the results announced within seven days. A candidate for a regular or alternate member of the Commission must receive at least a majority of the votes cast in order to be selected. In the event that no candidate receives the required number of votes, a run-off election shall be conducted by mailed ballot, at the discretion of the Executive Officer.~~

~~2.12 Public Member Appointment~~

~~When the public member or alternate public member position becomes vacant during a term, or two months in advance of either of these member's terms ending, the Executive Officer shall place on the Commission's next agenda consideration of filling the vacancy. This does not preclude the incumbent public member or alternate public member from applying for appointment.~~

~~At the meeting, the Commission shall direct staff to give notice of the vacancy and solicit applications. The notice of vacancy shall include a summary of the qualifications for the position as specified in Government Code Section 56331 (e.g., can't be an officer or employee of the county, any city, or special district). The notice of vacancy shall be posted on the LAFCo website, published in at least one newspaper of general circulation, posted on or near the doors of the meeting room of the Commission, and mailed to the clerk or secretary of the legislative body of each local agency within Humboldt County. In an effort to advertise the opening to the broadest selection of potential candidates, the notice shall also be sent to all chambers of commerce and other local organizations.~~

~~The application period shall run not less than 21 days from the date of posting and publication. Application forms with attached resumes shall be submitted to the LAFCo Executive Officer within the time period specified in the notice of vacancy. A candidate may withdraw an application before or after the application deadline. If a candidate withdraws an application after the deadline, the candidate shall not be considered for the appointment unless the Commission votes to reopen the process and the person reapplies.~~

~~The Commission shall designate a special committee consisting of one county, city and district member to review applications and recommend an appointment. Depending on the number of applicants, the committee may interview the most qualified applicants. The committee shall present its findings and recommendation at a regular Commission meeting.~~

~~Selection of the public member and alternate public member shall be subject to the affirmative votes of at least one city, county, and district member seated on LAFCo (Government Code Section 56325(d)). The Commission, in open session by majority vote, shall choose one of the following three courses of actions:~~

- ~~To make an appointment from the list of candidates,~~
- ~~To invite all candidates to make oral presentations at a subsequent LAFCo meeting, or~~
- ~~To reopen the application period.~~

3.0 COMMISSION MEETINGS

3.1 Regular Meetings

The Humboldt Local Agency Formation Commission shall hold regular meetings on the third Wednesday of every ~~other~~ odd numbered month commencing at 9:00 a.m. in the Humboldt County Board of Supervisors' Chambers, Humboldt County Courthouse, 825 Fifth Street, Eureka, California.

The Commission, at their first meeting of the year, shall adopt a meeting schedule for the remainder of the year. Should a meeting date fall on a legal holiday, the meeting shall be rescheduled to a date and time within two weeks preceding or following the regular meeting date. The Commission may cancel or reschedule a meeting at their discretion provided that proper notice is given as required by law.

3.2 Special Meetings

Special meetings of the Commission may be called in the manner provided by law at the discretion of the Chair, or upon request of a majority of the members of the Commission. The order calling a special meeting shall specify the time and place of the special meeting and business to be transacted. The time set for a special meeting shall be at least 24 hours after the order thereof is received by Commissioners. No business other than that specified in the order calling the meeting shall be transacted at a special meeting. The Executive Officer shall cause notice of a special meeting to be delivered to Commission members and the news media in accordance with Government Code Section 54956.

3.3 Notice

The Executive Officer shall direct posting and publication of notices and agendas for all meetings in accordance with the Ralph M. Brown Act commencing with Government Code Section 54950, and applicable provisions of the Cortese-Knox-Hertzberg Act.

3.4 Agenda

The Executive Officer, in consultation with the Chair~~person~~, shall prepare the agenda for each meeting. Unless otherwise ordered by the Chair~~person~~, agendas shall be organized in the following manner:

- | | |
|------------------|-----------------------|
| 1. Call to Order | 4. Public Appearances |
| 2. Flag Salute | 5. Consent Calendar |
| 3. Roll Call | 6. Business Items |

7. Public Hearing Items
8. Informational and Continuing Items

9. Executive Officer's Report
10. Written Correspondence
11. Adjournment

The agenda packet shall be posted on the Humboldt LAFCo website and available for the Commissioners ~~approximately one week~~ at least five days before the meeting. Copies of the staff reports shall be made available to proponents and all affected local agencies.

All reports, communications, resolutions, or other matters to be submitted to the Commission shall be submitted to the Executive Officer no later than 12:00 p.m. on the Wednesday, seven days preceding a regular Commission meeting. Materials related to an agenda item submitted to the Commission after agenda packet distribution and not otherwise exempt from disclosure shall be made available for public review at the LAFCo office during normal business hours and at the Commission meeting.

Items not on the agenda should not be considered at the scheduled meeting but should be set for the next available meeting, unless the Commission grants its consent for urgent matters consistent with the Ralph M. Brown Act (Government Code Section 54950 et seq.).

3.5 Officers

The Commission shall, at its first regular meeting in January of each year, ~~choose~~ elect one of its members to serve as Chair~~person~~ and one of its members to serve as Vice Chair~~person~~, to serve the balance of the calendar year ~~or until the election of their successors.~~ The Chair and Vice Chair shall not be members of the same appointing authority (county, city, special district, or public). Should the Chair~~person~~ or Vice Chair~~person~~ position become vacant during the calendar year, the Commission shall, at the meeting at which the vacancy occurs, ~~choose~~ elect a successor to ~~fill the vacancy for~~ serve the balance of that calendar year, ~~or until the election of a successor.~~

The Chair~~person~~ shall preside at ~~the meetings of the~~ Commission meetings and shall conduct the business of the Commission in the manner prescribed by these policies. If the Chair~~person~~ is absent or unable to act, the Vice Chair~~person~~ shall preside at the meeting ~~serve until the Chairperson returns or is able to act.~~ If the Chair~~person~~ and Vice Chair~~person~~ are absent, the Executive Officer of the Commission shall preside until a Temporary Chair~~person~~ is elected by the members present. The Vice Chair~~person~~ or Temporary Chair~~person~~ has all of the powers and duties of the Chair~~person~~ while acting as Chairperson.

3.6 Quorum

A majority of the regular members of the Commission shall constitute a quorum for the transaction of business. Alternate members, when seated in place of regular members, shall be considered a regular member for quorum determination. When there is no quorum the Chair~~person~~ or Vice Chair~~person~~, or if not present, the Executive Officer shall adjourn the meeting.

3.7 Majority Vote

An affirmative vote of at least four members of the Commission, including alternate members when seated in place of regular members, shall be required to approve any motion before the Commission.

3.8 Minutes

The Executive Officer shall cause a staff member to take and transcribe the minutes of each meeting. Minutes will continue to be subject to comment and objection at the following meeting before approval.

Unless a Commissioner requests a reading of the minutes, the Commission may approve minutes without formal reading if the Executive Officer has previously furnished each member with a draft of the minutes.

Any Commissioner shall have the right to have the reasons for his or her dissent from, or protest against, any action of the Commission, entered in the minutes.

3.9 Rules of Order

Roberts Rules of Order shall be followed by the Commission to the fullest extent practicable, unless said rules conflict with provisions of the California Government Code concerning the meetings of public entities and agencies.

3.10 Public Participation

All meetings of the Commission shall be open to the public. Landowners, registered voters, interested parties, and members of the public are encouraged to participate in matters which come before LAFCo.

Any interested person(s) may address the Commission on matters not included on the agenda during the time allotted on the agenda for "Public Appearances". The Chair~~person~~ shall announce the opportunity for public comment during scheduled "Consent Calendar", "Business Items" and "Public Hearings Items" on the agenda. At the request of any Commissioner, public participation may be received regarding any other items on the agenda of public interest.

Persons wishing to speak to the Commission should approach the podium and, upon being recognized by the Chairperson, are asked to give their name, geographical area of residence, and their interest in the matter under consideration, in an audible tone of voice for the record. All remarks shall be addressed to the Commission, as a body, and not to any member thereof.

The Chairperson reserves the right to limit the time and scope of public comment from any interested party as necessary for the expedition of the Commission's business. No person, other than the Commission Chairperson and the person having the floor, shall be permitted to enter into any discussion, either directly or through a member of the Commission, without permission of the Chairperson. No question shall be asked a Commissioner except through the Chairperson.

Except as otherwise provided by law, only those issues that are brought up in the public meeting, or in any applicable public hearing conducted at the meeting, or in written correspondence delivered to the Commission at or prior to a meeting may be raised in any legal challenge to actions taken by the Commission.

3.11 Voting

The question of approval or denial of a proposal and of all resolutions shall be by roll call vote. All other questions may be voted upon by voice vote or may be put by the Chairperson and a unanimous vote recorded if there is no objection. A roll call vote shall be taken on any question upon demand of any member. Roll call voting shall be random with the Chairperson voting last.

Unless a member of the Commission states that the Commissioner is disqualified or abstaining from voting, silence during a voice vote shall be assumed to be an affirmative vote. No Commissioner shall abstain from voting without first notifying the Chairperson of the Commissioner's intent to abstain from the vote.

Whenever any Commissioner is disqualified from voting, that Commissioner shall leave the room and may then participate to the extent permitted by the California Political Reform Act.

3.12 Disqualification and Conflict of Interest

The representation by a member or alternate of a city or district shall not disqualify the member or alternate from acting on a proposal affecting that city or the district (Government Code Section 56336).

A regular or alternate Commissioner shall be disqualified from voting on matters in which the Commissioner has a reportable financial interest when it is reasonably foreseeable that such interest may be materially affected by the decision as provided by the Fair Political Practices Act (see Section 2.3.8, Public Disclosures).

3.13 Alternate Members

Whenever present at a Commission meeting, Alternate Commissioners ~~shall~~ may take part in all of the proceedings of the Commission but shall not vote on any matter before the Commission ~~nor attend a closed session~~ unless seated in place of an absent or disqualified regular member of the same membership category (county, city, special district, or public).

3.14 Summary Adjournment

The Chair~~person~~ is empowered to summarily, and without motion, second, or voting, declare a meeting of the Commission adjourned if the Chair~~person~~ is unable to enforce the proper decorum of a meeting.

Procedures for adjourned and continued meetings shall comply with the requirements of Government Code Sections 54955 and 54955.1 and any other applicable statutes.

3.15 Resolution

No resolution shall be adopted by the Commission unless it is presented before the Commission in writing and read aloud. When each Commissioner has received a copy of the resolution, the reading of the resolution is automatically waived unless a Commissioner specifically requests that it is read.

3.16 ~~Special Ad Hoc~~ Committees

Humboldt LAFCo shall utilize ad hoc committees as needed and specific to defined and limited-term topics as assigned by the Commission at public meetings. The Commission may appoint ad hoc special committees consisting of up to three commissioners ~~at any time for any lawful purpose of the Commission~~. Unless otherwise directed by the Commission, all special ad hoc committees shall be appointed by the Chair~~person~~, subject to approval of the Commission.

~~3.17 Protests and Dissents by Commissioners~~

~~Any Commissioner shall have the right to have the reasons for his or her dissent from, or protest against, any action of the Commission, entered in the minutes.~~

3.17 Off-Site Meetings and Workshops in Affected Communities

Humboldt LAFCo, from time to time, initiates special studies or considers applications that generate substantial public interest. These issues usually have significant regional implications and have periodically prompted the Commission to hold meetings in the affected community. Meetings in the community foster public input and make the LAFCo process readily available to citizens. To encourage public participation in the Humboldt LAFCo process while taking into consideration the administrative constraints of meeting in an affected community, it is the policy of this Commission that:

1. A request to hold a public workshop in the affected community shall be submitted by the applicant or an affected agency to the Executive Officer for review prior to being forwarded to the Commission for its consideration.
2. Humboldt LAFCo, at the request of the Executive Officer, may consider holding a public workshop or a public meeting in an affected community for any proposal or special study that is determined to have issues that affect a significant number of Humboldt County citizens or have significant financial, socio-political or land use considerations to one or more cities or defined communities.
- 4.3. Any member of Humboldt LAFCo at any time may request that the Commission hold a public workshop or a public meeting in an affected community for any proposal or special study. A majority of the Commission shall approve the scheduling of an off-site meeting of the Commission.

3.18 Legislative Policy

- a. The Executive Officer shall monitor proposed legislation and the California Association of Local Agency Formation Commission's legislative platform and present recommendations to the full Commission with respect to formal positions on proposed legislation as necessary.
- b. In the event that proposed legislation affecting LAFCo cannot be considered by the full Commission due to timing, the Executive Officer is authorized to submit written correspondence to the legislation's author regarding the Commission's position. The Chair, or the Vice Chair if the Chair is unavailable, shall review and approve the written correspondence prior to it being submitted by the Executive Officer.
- c. All submitted correspondence pursuant to this policy will be included on the next available Commission agenda.

4.0 Budget and Financial Procedures

4.1 Budget

It is the policy of Humboldt LAFCo to provide local agencies and the public full opportunity to participate in the development and adoption of its annual budget. LAFCo shall prepare an annual budget in conformance with Government Code Section 56381 and as follows:

1. In order to allow for careful consideration of budget options, the Commission may designate an ad hoc committee of up to three commissioners to work with staff on budget matters.
2. Staff in conjunction with an ad hoc budget committee (if formed), shall prepare and present a proposed budget and accompanying work plan for adoption by Humboldt LAFCo no later than May 1st at a noticed public hearing as provided under Government Code Section §56381. The work plan shall identify the service reviews, sphere of influence updates, and other mandated functions which the Commission anticipates taking action on or reviewing in the upcoming fiscal year.
3. Following adoption, Humboldt LAFCo's proposed budget and work plan will be made available for public review – including direct notices provided to all funding agencies – for a minimum of 45 days.
4. Humboldt LAFCo will hold a noticed public hearing for consideration and final action on the budget and accompanying work plan no later than June 15th as provided under Government Code §Section 56381. A certified copy of the adopted final budget shall be immediately transmitted to the County Auditor.
- ~~5. LAFCo shall adopt a proposed budget by May 1 and a final budget by June 15 of each year. In order to allow for careful consideration of budget options, the Commission may designate a special committee of up to three commissioners to work with staff on budget matters. Copies of the proposed and final budgets will be provided to the county, cities, and independent special districts within the county, for comment and review. In accordance with Government Code Section 56380(a)1, the proposed and final budgets shall equal the budget adopted for the previous fiscal year unless the Commission finds that reduced staffing or program costs will allow the Commission to fulfill its purposes and programs.~~
6. The Commission shall approve all budgetary adjustments occurring during a fiscal year.

4.2 Funding

Funding for Humboldt LAFCo's operational needs shall be provided through a combination of appropriations from the county, cities and independent special districts and application fees and charges in accordance with Government Code Section 56381 ~~(b)(1)(A)~~.

Each fiscal year, after the Commission adopts the final budget, the County Auditor shall apportion the net operating expenses in the following manner: The County of Humboldt will pay 1/3^a third of the net operating costs; the cities, as a whole, will pay 1/3^a third of the net operating costs; and the independent special districts, as a whole, will pay 1/3-a third of the net operating costs. Statutory authority provides mechanisms for the County Auditor to collect the amounts apportioned.

4.3 Budget Administrator

The Executive Officer shall serve as budget administrator to prepare, present, and transmit the budget to other agencies and to review, execute, and maintain the adopted budget.

4.4 Use of County Financial Functions

Humboldt LAFCo shall use the Humboldt County Auditor for the following functions:

- a. Process claims and pays warrants.
- b. Collect county, city, and independent district contributions to the LAFCo budget as required by Government Code Section 56381.
- c. Maintain the LAFCo trust fund.
- d. Deposit application fees and other revenues into the LAFCo trust fund.

4.5 Authorizations

It shall be the responsibility of the Executive Officer to authorize expenditures of funds within the framework and limitations of the budget adopted by the Commission. This responsibility shall include the power to enter into contracts on behalf of the Commission, provided that the Executive Officer shall obtain the concurrence of the Chair and consult with Legal Counsel prior to entering into any contract outside the scope of day-to-day business, including contracts for attorney, consultant, or other professional services. Staff shall promptly notify the members of the Commission regarding establishment of contracts entered into on the Commission's behalf.

4.6 Fund Balance

The Commission shall determine the amount of an unreserved/ undesignated fund balance to be maintained, to provide for contingency needs of the Commission. If the fund balance amount exceeds the Commission's determination, near or at the end of a fiscal year, the Commission, upon recommendation of Commission staff, may use the fund balance in the next fiscal year.

4.7 Fees

Each year, as part of the budget process, the Commission shall review fees proposed by staff and adopt a fee schedule, for the purpose of recovering costs associated with proceedings taken pursuant to the Cortese-Knox-Hertzberg Act. With notice, the Commission may change fee amount charged at any time.

In accordance with the Cortese-Knox-Hertzberg Act, fees will not exceed the reasonable cost of providing the service. Applications submitted to the Commission must be accompanied by a non-refundable fee or deposit, as determined from the Fee Schedule in effect at the time the application is submitted. Unless other circumstances exist or other determinations have been made, processing will not begin until the application fee or required deposit is paid in full.

The Commission may waive a fee in special circumstances or if it finds that payment is detrimental to or contrary to the public interest. Fees may be waived or reduced for applications filed in response to a condition imposed by or a recommendation made by the Commission. A request for waiver, including an explanation for the request, must be submitted in writing to the Commission. The Executive Officer will present the request to the Commission, along with analysis and recommendation, for its determination.

When deposits are made, the Executive Officer shall issue to the applicant, upon completion of a project, a statement detailing all expenditures in excess of the deposit, or credits, if warranted. Excess funds shall be refunded to the applicant, as appropriate, and additional funds owed will be charged; all fee amounts owed must be paid prior to recordation of a certificate of completion for a project that the Commission has approved. Should fees be owed for a project denied or terminated, the outstanding amount must be paid within 90 days of the billing date or risk collections. If an application is withdrawn by the applicant prior to the time that the application has been publicly noticed for hearing by the Commission, all unexpended funds shall be returned to the applicant.

If the Commission denies, without prejudice, an application for a change of organization or reorganization, processing fees may be waived at the time of re-application if all of the following occur:

- a. The Commission states its intention to waive fees upon re-application at the time of denial, or staff recommends a fee waiver at the time of re-hearing.
- b. Re-application is made to the Commission not less than one year or more than 18 months from the date of denial.
- c. The re-application request for a change of organization or reorganization is substantially similar to that of the original application. The Commission may also waive fees under other circumstances as deemed appropriate by the Commission.

4.8 Public Disclosures

State laws require members of the public to make certain public disclosures of money they have contributed to the campaign of a candidate for public office who is now sitting on LAFCo (see “a” below for explanation). Also, State laws require members of the public to make a public disclosure of certain contributions and expenditures they receive or make in advocating for or against a proposal being reviewed by LAFCo (see “b” below for explanation).

- a. Campaign Contributions. The Political Reform Act of 1974 (Government Code Section 81000 et seq.) requires that a LAFCo Commissioner 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 an applicant, any financially interested person who actively supports or opposes an application, or an agent (such as an attorney, engineer, or planning consultant) representing an applicant or interested participant. The law also requires any applicant or other participant in a LAFCo proceeding to disclose the amount and name of the recipient Commissioner on the official record of the proceeding. The law also prohibits an applicant or other participant from making a contribution of \$250 or more to a LAFCo Commissioner while a proceeding is pending or for 3 months afterward.
- b. Expenses Supporting and Opposing Proposals. Pursuant to Government Code Sections 56100.1, 56300(b), 56700.1, 57009, and 81000 et seq., any person or combination of persons who directly or indirectly contributes a total of \$1,000 or more or expends a total of \$1,000 or more in support of

or opposition to a LAFCo proposal must comply with the disclosure requirements of the Political Reform Act (Section 84250). These requirements contain provisions for making disclosures of contributions and expenditures at specified intervals. Additional information may be obtained at the Humboldt County Elections Department.



RESOLUTION NO. 18-13

**AMENDING ADMINISTRATIVE
POLICIES AND PROCEDURES**

WHEREAS, California Government Code Section 56300(a) and 56375 authorizes LAFCo to adopt policies and procedures governing Cortese-Knox-Hertzberg Local Government Reorganization Act implementation; and

WHEREAS, at the July 18, 2018 LAFCo meeting, the Commission considered revisions and additions to its Administrative Policies and Procedures; and

WHEREAS, the Commission heard, discussed and considered all oral and written testimony related to the proposed policies and procedures including, but not limited to, the staff report and recommendation.

NOW, THEREFORE, BE IT RESOLVED by the Commission as follows:

1. The Commission hereby adopts the Administrative Policies and Procedures, as amended July 18, 2018, incorporated herein by reference.
2. The Commission finds the approved written policies and procedures is exempt from further review under the California Environmental Quality Act (CEQA) pursuant to California Environmental Quality Act (CEQA), pursuant to Section 15378(b)(2).

PASSED AND ADOPTED at a meeting of the Humboldt Local Agency Formation Commission on the 18th of July, 2018, by the following roll call vote:

AYES: Commissioners:
NOES: Commissioners:
ABSENT: Commissioners:
ABSTAIN: Commissioners:

Attest:

Estelle Fennell
Humboldt LAFCo

Colette Metz, Executive Officer
Humboldt LAFCo