



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
County Manager's Office



DATE: March 13, 2012

BOARD MEETING DATE: March 27, 2012

SPECIAL NOTICE/HEARING: None

VOTE REQUIRED: Majority

TO: Honorable Board of Supervisors
FROM: John L. Maltbie, County Manager
SUBJECT: Agreement with Local Agency Formation Commission

RECOMMENDATION:

Adopt a Resolution authorizing the President of the Board of Supervisors to execute an agreement with the Local Agency Formation Commission (LAFCo) for the provision of staffing, quarters and services for Fiscal Year 2011/2012.

BACKGROUND:

The San Mateo Local Agency Formation Commission or LAFCo is an independent Commission consisting of two County Supervisors, two city council members, two special district members and a public member. Government Code Section 56380 permits County Local Agency Commissions to independently provide for personnel, office space, supplies and legal counsel, or to contract with another public agency for services. San Mateo LAFCo has contracted with the County of San Mateo since 1996. The LAFCo agreement with San Mateo County includes staffing (Principal Management Analyst serving as the LAFCo Executive Officer and secretarial support), office space, supplies and legal counsel.

Although the proposed contract is for Fiscal Year 2011/2012, it is being brought to your Board for consideration now due to processing delays.

DISCUSSION:

For Fiscal Year 2011/2012, the LAFCo contract amount is \$325,349, which is a not to exceed total. The contract amount includes salary and benefits for the LAFCo Executive Officer, a part-time secretarial position shared with the Public Works Department, County Counsel time, office space and miscellaneous services and supplies. The agreement with the County allows San Mateo LAFCo to provide for staff services, office space and legal counsel more cost effectively than if it operated in separate facilities

and directly hired staff and legal counsel.

Approval of the agreement contributes to the 2025 Shared Vision outcome of a Collaborative Community by continuing the County and Commission partnership which enables the Commission to provide a cost effective program that serves the County, cities and the special districts.

County Counsel has reviewed and approved the Resolution and Agreement as to form.

FISCAL IMPACT:

There is no fiscal impact on the General Fund. The contract revenue funds all services provided by LAFCo. LAFCo pays for this agreement with application revenues, fund balance carry-over and interagency revenue from county, city and special district contributions determined by State Law.

Although separate from this agreement, the County contribution to LAFCo is one-third of the net operating budget. For Fiscal Year 2011/2012, the County share is \$77,004 which was included in the adopted 2011/2012 budget.

RESOLUTION NO. _____
BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

* * * * *

**RESOLUTION AUTHORIZING THE PRESIDENT OF THE BOARD OF
SUPERVISORS TO EXECUTE AN AGREEMENT WITH THE LOCAL AGENCY
FORMATION COMMISSION (LAFCO) FOR THE PROVISION OF STAFFING,
QUARTERS AND SERVICES FOR FISCAL YEAR 2011/2012**

RESOLVED, by the Board of Supervisors of the County of San Mateo, State of California, that

WHEREAS, the Cortese Knox Hertzberg Local Government Reorganization Act of 2000 provides that LAFCo may contract for staff services, office space, supplies and legal counsel with any public agency; and

WHEREAS, the County of San Mateo has provided staff services, office space, supplies and legal counsel to LAFCo by contract since 1996; and

WHEREAS, LAFCo has adopted a Fiscal Year 2011-2012 appropriations budget that reflects provision of such services, facilities and supplies by contract with the County of San Mateo including a Principal Management Analyst acting as Executive Officer and County Counsel acting as legal counsel; and

WHEREAS, both parties now wish to enter into an Agreement for provision of said services, facilities and supplies for the period of July 1, 2011 to June 30, 2012, with LAFCo's total obligation under the Agreement not to exceed \$325,349; and

WHEREAS, there has been presented to this Board of Supervisors for its consideration and acceptance such an Agreement, reference to which is hereby made for further particulars, whereby the County shall provide staff, office quarters, supplies and equipment, and legal counsel; and

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the President of this Board of Supervisors be, and is hereby authorized to, execute the Agreement with LAFCo for and on behalf of the County of San Mateo, and the Clerk of this Board of Supervisors shall attest the President's signature thereto.

* * * * *

**AGREEMENT BETWEEN THE COUNTY OF SAN MATEO
AND THE SAN MATEO LOCAL AGENCY FORMATION COMMISSION
FOR SUPPORT SERVICES**

This Agreement is made on _____ 2012, by and between the County of San Mateo ("County") located at 400 County Center, Redwood City, California, and the San Mateo County Local Agency Formation Commission, ("LAFCo").

WITNESSETH

WHEREAS, Government Code Section 56380 provides that: The commission shall make its own provision for necessary quarters, equipment, and supplies as well as personnel and the commission may choose to contract with any public agency or private party for personnel and facilities; and

WHEREAS, Government Code section 56384 (a), of the Cortese-Knox-Hertzberg Reorganization Act of 2000, Government Code section 56000, et seq., ("the Act") provides: "The commission shall appoint an executive officer who shall conduct and perform the day-to-day business of the commission. If the executive officer is subject to a conflict of interest on a matter before the commission, the commission shall appoint an alternate executive officer;" and

WHEREAS, Government Code section 56384 (a) of the Act further provides: "The commission may recover its costs by charging fees pursuant to Section 56383;" and

WHEREAS, Government Code section 56384(b) of the Act provides: "The commission shall appoint legal counsel to advise it. If the commission's counsel is subject to a conflict of interest on a matter before the commission, the commission shall appoint alternate legal counsel to advise it;" and

WHEREAS, Government Code section 56384(b) of the Act further provides that "The commission may recover its costs [for legal services] by charging fees pursuant to Section 56383."

NOW THEREFORE, in order to implement the above-described provisions of the Act, the parties enter into the following agreement:

AGREEMENT

1. SERVICES TO BE PROVIDED BY COUNTY:

A. APPOINTMENT OF EXECUTIVE OFFICER. The County shall appoint and designate a County employee, whose appointment and designation shall be subject to approval by LAFCo, to perform LAFCo day-to-day activities.

For purposes of LAFCo activities, said appointee shall have the title of LAFCo Executive Officer. The appointee shall provide the following services, including but not limited to the following:

- 1) Preparing staff analyses, reports, proposed findings and other agenda materials for the LAFCo Commission relating to boundary proposals, contracts for provision of new and extended services outside city and district jurisdictional boundaries, sphere of influence amendments, periodic review of sphere of influence designations and any other matters that are within the commission's authority under the Act.
- 2) Calling and noticing commission meetings in accordance with the Act and LAFCo policies and procedures.
- 3) Preparing, mailing, filing, publishing and keeping records of agendas, notices and other required official documents on behalf of the LAFCo Commission.
- 4) Responding to inquiries and providing information and technical assistance to interested public agencies and individuals.
- 5) Providing supporting fiscal services such as the development of the annual LAFCo budget, management of LAFCo financial accounts including the

processing of LAFCo fees and charges, the processing of payment of commission charges and expenses, and the preparation of required fiscal reports.

6) Informing LAFCo commissioners of new legislation, correspondence with the commission, CALAFCo activities, current events and matters of interest related to LAFCo.

B. PROVISION OF RELATED SERVICES. In addition, County shall provide LAFCo with related support services and supplies, including but not limited to facilities, administrative services, payroll, copier, insurance, postage, information technology services, and motor pool. The level or type of services and the cost of providing those services may fluctuate and change from time to time upon agreement of LAFCo and the County Manager or the Manager's designee. .

C. APPOINTMENT OF ALTERNATE EXECUTIVE OFFICER IN CASE OF CONFLICT; PAYMENT OF COSTS BY APPLICANT. If the commission determines that a conflict of interest exists for its Executive Officer in a matter before the commission, the commission shall appoint an Alternate Executive Officer for the purpose of that matter only. In such a conflict situation, the commission may make final approval of a proposal contingent upon payment of any outstanding costs in excess of the deposit on hand with the County Auditor. The commission may require an applicant to bear the costs of an Alternate Executive Officer. The commission shall require an applicant who is to bear the costs of an Alternate Executive Officer to put on deposit with the County Auditor funds deemed by the commission to be sufficient to cover associated costs in advance of the commission's appointment of an Alternate Executive Officer. The County Auditor shall return to the applicant any unexpended portion of funds on deposit at the conclusion of the matter for which Alternate Executive Officer was appointed and upon confirmation from the Executive Officer that all billing matters have been resolved.

D. LAFCo's PAYMENT TO COUNTY FOR OFFICES, SERVICES, SUPPLIES, AND STAFF. Except as specified in subsection F, below, in consideration of the County's provision of offices, supplies, and staff, LAFCo shall pay to County at a rate equal to the County's actual cost of providing said offices, services, supplies and staff, which may fluctuate and change from time to time upon agreement of LAFCo and the County Manager or the Manager's designee.

E. APPOINTMENT OF LEGAL COUNSEL. In addition to the other County services described herein, LAFCo hereby appoints County Counsel as its legal counsel. The County, through the office of the County Counsel, will provide all legal services required by LAFCo. These services shall include, but are not limited to:

- 1) Day-to-day legal advice to LAFCo and staff;
- 2) Review and advise concerning contracts;
- 3) Attendance at LAFCo Board meetings and other meetings as requested;

- 4) Defending and conducting litigation and administrative actions concerning LAFCo.

F. RATE OF PAYMENT FOR LEGAL SERVICES. In consideration of the County's provision of legal services, LAFCo shall pay to County a single rate of \$190 per hour. County Counsel will submit invoices to LAFCo quarterly for legal services, which invoices shall be payable upon receipt.

G. APPOINTMENT OF ALTERNATE LEGAL COUNSEL IN CASE OF CONFLICT; PAYMENT OF LEGAL FEES BY APPLICANT. If the commission determines that a conflict of interest exists for County Counsel in a matter before the commission, the commission shall appoint alternate legal counsel for purposes of that matter only. The commission may require an applicant to bear the costs of alternate legal counsel. The commission shall require an applicant who is to bear the costs of alternate legal counsel to put on deposit with the County Auditor funds deemed by the commission to be sufficient to cover associated costs in advance of the commission's appointment of alternate legal counsel. In such a conflict situation, the commission may make final approval of a proposal contingent upon payment of any outstanding costs in excess of the deposit on hand with the County Auditor. The County Auditor shall return to the applicant any unexpended portion of funds on deposit at the conclusion of the matter for which alternate legal counsel was appointed and upon confirmation from the Executive Officer that all billing matters have been resolved.

H. LAFCO'S MAXIMUM FISCAL OBLIGATION. In consideration of all services, and supplies described herein, LAFCO shall pay the County an amount not to exceed \$325,349. In the event LAFCo requires or requests additional services and supplies, the parties may negotiate and agree to an amendment to this agreement. The parties agree that the County shall not provide any services or supplies for which it is not compensated.

I. TERM. The term of this agreement shall be from July 1, 2011 to June 30, 2012 unless terminated earlier pursuant to this agreement. Either party may terminate this agreement for any reason upon 30 days notice to the other party.

J. MERGER CLAUSE. This agreement constitutes the sole agreement of the parties hereto and correctly states the rights, duties, and obligations of each party. Any prior agreement, promises, negotiations or representations between the parties not expressly stated in this document are not binding. All subsequent modifications shall be in writing and signed by the parties.

IN WITNESS WHEREOF, the parties hereto, or their duly authorized representative, affix their hands.

San Mateo Local Agency Formation Commission

Dated: _____


Chair of the Commission

County of San Mateo

Dated: _____

President, Board of Supervisors

Regularly passed and adopted this 19th day of October, 2011.

Ayes and in favor of said resolution:


Commissioners: David Altscher
Linda Craig
Richard Garbarino
Rose Jacobs Gibson
Sepi Richardson
Adrienne Tissier
Iris Gallagher, Chair

Noes and against said resolution:


None

Commissioners Absent and/or Abstentions:

Commissioners: None


Chair
Local Agency Formation Commission
County of San Mateo
State of California

ATTEST:


Executive Officer
Local Agency Formation Commission

Date: October 19, 2011

I certify that this is a true and correct copy of the resolution above set forth.

Date: _____

Martha Poyatos
Clerk to the Commission
Local Agency Formation Commission