

TRINITY LOCAL AGENCY FORMATION COMMISSION

April 20, 2021 at 4:00 p.m.

By Virtual Teleconference Only

AGENDA

Pursuant to the provisions of California Governor's Executive Order N-29-20, issued on March 17, 2020, this meeting will be held by teleconference only. No physical location will be available for this meeting. However, members of the public are encouraged to access and participate in the meeting.

DIRECTIONS FOR LISTENING TO THE MEETING AND COMMENT REMOTELY:

Join Zoom Meeting:

<https://us02web.zoom.us/j/85765518979?pwd=MFVra1VNZWpRd3BaNzIDVEJvUEovZz09>

Meeting ID: 857 6551 8979

Password: 622136

OR dial in using the following telephone number(s):

+1 669 900 6833 US (San Jose)

+1 408 638 0968 US (San Jose)

Meeting ID: 857 6551 8979

Password: 622136

How to use Zoom:

The Trinity LAFCo Meeting will start promptly at 4:00 P.M. so we recommend downloading Zoom prior to this time. Please make sure that you have [downloaded and installed the Zoom program on your computer or mobile device in advance](#). It's fairly fast and easy, but does take a few minutes. And if this is your first time here is a short video tutorial on YouTube from Geeks on Tour: [How do I join a Zoom meeting?](#)

How to Submit Public Comment:

If you are joining the meeting via Zoom and which to make a comment on an item, press the "raise a hand" button. For call-in only attendees, you can mute/unmute by pressing *6, and raise your hand by pressing *9.

The chair will call you by name or phone number when it is your turn to comment. Please state your name for the record before sharing comments, and please do not unmute your microphone during times when public comment has not yet been invited. Speakers will be limited to three minutes.

If you choose not to observe the LAFCo meeting but wish to make a comment on a specific agenda item, please submit your comment via email by 12:00 p.m. the day of the meeting. Please submit your comment to Kathy Bull at kathy@trinitylafco.org. Your comment will be placed into the record at the LAFCo meeting.

If you require an accommodation due to a disability under the Americans with Disability Act that does not allow you to participate remotely please notify Kathy Bull at kathy@trinitylafco.org as soon as possible to make other arrangements for viewing the meeting and/or commenting.

AGENDA

1. CALL TO ORDER/ROLL CALL

A. Roll Call

2. NEW APPOINTMENTS

- A. Special District Member Appointment Process Update (Informational)
- B. Public Member Appointment (Potential Action)

3. PRESENTATIONS/ANNOUNCEMENTS

None

4. CONSENT CALENDAR (Action Item)

- A. Approval of Minutes from February 16, 2021 Commission Meeting

5. PUBLIC COMMENT OPPORTUNITY

This portion of the meeting provides an opportunity for members of the public to address the Commission on matters not on the agenda, provided that the subject matter is within the jurisdiction of the Commission. No action may be taken on off-agenda items unless authorized by law. All statements that require a response will be referred to staff for reply in writing.

6. PUBLIC HEARINGS

- A. MSR/SOI Update for Trinity Public Utilities District (Potential Action)
- B. Proposed Budget for Fiscal Year 2021/2022 (Potential Action)
- C. Policies and Procedures Update (Potential Action)
- D. Deposit/Fee Schedule (Potential Action)

7. NEW BUSINESS

- A. Trinity County Waterworks #1 Tule Creek Road Annexation – Time Extension (Potential Action)

8. OLD BUSINESS

None

9. EXECUTIVE OFFICER'S REPORT/CORRESPONDENCE

10. COMMISSIONER'S COMMENTS

11. ADJOURNMENT

The next LAFCo meeting is scheduled for June 15, 2021, at 4:00 p.m. via Zoom Videoconference.

TRINITY LOCAL AGENCY FORMATION COMMISSION

February 16, 2021 at 4:00 p.m.

Via Virtual Teleconference

MINUTES

These minutes are not intended to be a verbatim transcription of the proceedings and discussion associated with the business on the Commission's agenda; rather, what follows is a summary of the order of business and general nature of testimony, Commission deliberation, and action taken.

1. CALL TO ORDER/ROLL CALL

A. Chair Groves called the meeting to order at 4:03 p.m.

Members present: Anna Burke, Jill Cox, Dan Frasier, Keith Groves, Joseph Kasper, and Alternate Commissioner Frost (seated as voting member)

Members absent: Evan Barrow and Alternate Liam Gogan

B. Acknowledge Member Changes

Chair Groves acknowledged new County members Jill Cox and Dan Frasier

2. PRESENTATIONS/ANNOUNCEMENTS

No presentations were presented.

3. CONSENT CALENDAR

A. Approval of Minutes from December 15, 2020 Commission Meeting

Motion to approve the consent calendar was presented by Commissioner Kasper, seconded by Commissioner Frost and passed by the following votes:

Ayes: Burke, Cox, Frasier, Frost, Groves, and Kasper

Noes: None

Abstain: None

Absent: Barrow

4. PUBLIC COMMENT OPPORTUNITY

There were no comments received from the public.

5. PUBLIC HEARINGS

No public hearings were scheduled.

6. NEW BUSINESS

A. Approval of 2021 Commission Meeting Schedule

Ms. Santsche explained this item had been tabled from previous meeting to allow feedback from new members.

Motion to approve the Commission meeting schedule was presented by Commissioner Burke, seconded by Commissioner Kasper, and passed by the following votes:

Ayes: Burke, Cox, Frasier, Frost, Groves, and Kasper

Noes: None

Abstain: None

Absent: Barrow

B. Status of Commissioner Terms in 2021

The Commission was presented with information of upcoming vacancies as well as the Special District nomination process and public member vacancy announcement. By order of the Chair, the Commission received and filed the report.

C. Fee Schedule Update

Staff submitted a draft update to the fee schedule. There was discussion with some portions of the revisions. The Commission suggested title change from Fee Schedule to Schedule of Deposits. The Commission directed staff to proceed with noticing the fee schedule update as a public hearing item in April.

D. Workshop – Draft Trinity PUD MSR/SOI Update

Ms. Santsche provided information in the form of a workshop for updating of the Municipal Service Review and Sphere of Influence (MSR/SOI) for the Trinity Public Utilities District. She provided an overview of the MSR/SOI and answered questions from the Commission. Commissioner Kasper noted Director Terms in Table 2 needs to be updated in addition to other edits. The Commission directed staff to proceed with noticing the Trinity PUD MSR/SOI update as a public hearing item in April.

7. **OLD BUSINESS**

A. Commission Policies and Procedures Update – Section 6. Conflict of Interest and Final Disclosure

Ms. Santsche provided background on the previously approved sections with plans to provide a completed policy and procedure document at the April meeting for a public hearing.

B. Review Financial Mid-Year Report

Mid-year actuals were discussed and determined that all costs are on track to be under budget.

8. **EXECUTIVE OFFICER'S REPORT/CORRESPONDENCE**

A. Form 700 submission

A brief reminder regarding the mandated submission of Form 700 was provided.

B. CALAFCO Quarterly, February 2021

The quarterly news flyer provided by CALAFCO was provided and briefly discussed.

9. **COMMISSIONERS' COMMENTS**

Commissioner Frost welcomed the two new members. Chair Groves added both Ms. Santsche and Ms. Bull do a great job for LAFCo.

10. **ADJOURNMENT**

There being no further business, Chair Groves adjourned the meeting at 4:51 p.m.

ATTEST:

APPROVED:

Kathy Bull
Administrator/Clerk

Keith Groves
Chair

DATE: _____

DATE: _____



Agenda Item: 2.A.

Meeting: April 20, 2021

To: Trinity LAFCo Commissioners

From: Colette Santsche, Executive Officer & Kathy Bull, Administrator/Clerk

Subject: Special District Member Appointment Process Update

BACKGROUND:

The Commission consists of seven regular and three alternate members as follows:

County - Three regular members and one alternate appointed by the Board of Supervisors;

Special Districts - Two regular members and one alternate appointed by the Independent Special Districts; and

Public Members - Two regular members and one alternate appointed by the Commission.

The term of office for each member pursuant to CKH Act § 56334 is four years and until the appointment of a successor. Pursuant to CKH Act § 56332, Special Districts Members are appointed by the Independent Special District Selection Committee via a nomination and mailed ballot election process conducted by the LAFCo Executive Officer.

DISCUSSION:

One special district regular member position that was previously held by Thomas Walz (Trinity Public Utilities District) became vacant in December 2020. Following the vacancy, a letter announcing the LAFCo Special District Vacancy and Call for Nominations was sent to each independent special district. The deadline to receive nominations was April 2, 2021. Considering only one nomination was received, no mailed ballot election process was required. A letter announcing the appointment of **Andrew Johnson (Trinity Public Utilities District)** was sent to all independent special districts.

The terms of office for the Special District Member positions are as follows:

- Andrew Johnson, Regular Special District Member, term ending 4/30/2024
- Joseph Kasper, Regular Special District Member, term ending 4/30/2022
- Pat Frost, Alternate Special District Member, term ending 4/30/2022

We wish to congratulate Commissioner Johnson on his appointment to LAFCo and look forward to working with him in his upcoming term of office.

RECOMMENDATION:

Staff recommends the Commission receive and file this report. The Commission is invited to discuss the item and provide direction to staff as needed.

Attachment: Letter - Notice of Nomination Results for Special District Members to serve on LAFCo



TRINITY LAFCo

www.trinitylafco.org
1125 16th Street, Suite 200
Arcata, California 95521

Date: April 9, 2021

To: Each Presiding Officer, Board Member, and General Manager/Clerk of Each Independent Special District in Trinity County

From: Colette Santsche, LAFCo Executive Officer

Subject: **Notice of Nomination Results for Special District Members to serve on LAFCo**

The Trinity Local Agency Formation Commission (LAFCo) has compiled all nominations received for the open Regular Special District seat on LAFCo. Considering only one nomination was received, no election will be required. The successful candidate has been notified and will be seated at the next regular LAFCo Commission meeting at 4:00 p.m. on April 20, 2021. Anyone who wishes to participate should consult the meeting agenda for the Zoom call-in telephone number which will be posted on the Commission's website at least 72 hours before the scheduled start time of the meeting.

We wish to congratulate Andrew Johnson, Trinity Public Utility District for his appointment to LAFCo and look forward to working with him in his upcoming term of office.

Current Special District Terms - Updated

Designations	Current Member	Term of Office
Regular Member (Seat 1 - Enterprise District)	Andrew Johnson, Trinity PUD	4/30/2024
Regular Member (Seat 2 - Non-Enterprise)	Joseph Kasper, Lewiston CSD	4/30/2022
Alternate Member (Enterprise or Non-Enterprise)	Pat Frost, Trinity Center CSD	4/30/2022



Agenda Item: 2.B.

Meeting: April 20, 2021

To: Trinity LAFCo Commissioners

From: Colette Santsche, Executive Officer & Kathy Bull, Administrator/Clerk

Subject: Public Member Appointment

BACKGROUND:

The Commission consists of seven regular and three alternate members as follows:

County - Three regular members and one alternate appointed by the Board of Supervisors;

Special Districts - Two regular members and one alternate appointed by the Independent Special Districts; and

Public Members - Two regular members and one alternate appointed by the Commission.

The term of office for each member pursuant to CKH Act § 56334 is four years and until the appointment of a successor. Pursuant to CKH Act § 56325, Public Member appointments are subject to the affirmative vote of at least one of the members appointed by each of the other appointing authorities.

DISCUSSION:

Currently, one Regular Public Member term ends April 30, 2021, and one Alternate Public Member position is vacant. A press release and Notice of Vacancy for the open public member positions was published in the Trinity Journal on March 24, 2021. This notice was also posted on the Trinity LAFCo website and mailed to various agencies within Trinity County.

The terms of office for the Public Member positions are as follows:

- Anna C. Burke, Regular Public Member, term ending 4/30/2021 (upcoming 4/30/2025)
- Evan Barrow, Regular Public Member, term ending 4/30/2023
- Vacant, Alternate Public Member, term ending 4/30/2023

Trinity LAFCo has received one application from Anna C. Burke who indicated her interest in the Regular Public Member seat with the term ending April 30, 2025. The vacant positions will remain open until filled.

RECOMMENDATION:

Staff recommends the Commission consider the appointment of Anna C. Burke for the Regular Public Member term ending April 30, 2025. Selection of the Public Member requires a majority vote of the Commission and the affirmative vote of at least one County and one Special District member. The Commission also has the option of extending the application period to solicit more candidates, if desired.

Attachment: Anna C. Burke Application

Colette Santsche, Executive Officer/e-mail: colette@trinitylafco.org
Kathy Bull, Clerk Administrator/e-mail: kathy@trinitylafco.org

Trinity Local Agency Formation Commission

Regular/Alternate Public Member Application

Contact Information

Name	Anna C. Burke
Street Address	
City, Zip Code	
Primary Phone	
Secondary Phone	
E-Mail Address	

Availability

Trinity LAFCO regularly meets at 4:00 p.m. on the 3rd Tuesday of even numbered months. Are you available during this time?

Yes ☒ No ☐ I might have to work things out with my school employer in order to attend at 4:00 p.m.

Interest in LAFCO

Tell us why you are interested in serving on LAFCO?

I applied for, and was accepted, the position on LAFCO, of the Public Member, last year, 2020-21 and at that time I did not actually know term what LAFCO did. During the one year of my membership on the Commission, I have learned much more about Trinity LAFCO, and thus am interested in applying again for the 4-year term as Public Member.

Special Skills or Qualifications

Summarize special skills and qualifications you have acquired from employment, volunteer work, or previous public service experience that may be of benefit in this position.

- Former civic participation on various boards, or at least with various boards, such as: School boards, Mutual Water Co. Boards, City Council Boards (Santa Cruz, via Parks & Recreation Dept. Safety Committee), Union Shop Steward → S.E.I.U., Teamster's Union, local neighborhood organizations, etc.
- In addition to having a college degree (Environmental Science - Natural History emphasis - and Politics), I have numerous technical certificates obtained during many years as a maintenance person in the Santa Cruz Parks & Rec. division, as well as those earned while working for Trinity County Schools for the last 16 years.

*UCSC = University of California
Santa Cruz

Previous Public Service Experience

Summarize your previous public service experience.

(1978-1984) then after graduating as well...
*UCSC, I have been employed in Public Service; Technical Assistant to the Hardware Maintenance Coordinator, Computer Center, UCSC; Park's Maintenance Worker (then Senior, then Field Crew leader), Santa Cruz Parks & Rec Dept.; then the past 16 years (working in many capacities) for Trinity County Public Schools, primarily K-8, occasionally as a Sub-Teacher for higher Grades.

Disqualification

The LAFCo Public Member cannot be an officer or employee of the County or any Special District with territory in Trinity County.

Are you employed by the County or by a Special District within Trinity County? Yes ☐ No ☒

Do you sit on the Board of Directors of a Special District within Trinity County? Yes ☐ No ☒

Agreement and Signature

By submitting this application, I affirm that the facts set forth in it are true and complete. I understand that if I am chosen to be a LAFCo Commissioner, any false statements, omissions, or other misrepresentations made by me on this application may result in my immediate dismissal.

Name (printed) Anna C. Burke
Signature Anna C. Burke
Date 3/4/21

Please mark position(s) of interest:

<input checked="" type="checkbox"/>	Regular Public Member
<input checked="" type="checkbox"/>	Alternate Public Member (if Regular Public Member is already taken.)

Our Process

The deadline for receiving this completed application is April 12, 2021 by 5:00 p.m.

Interviews for qualifying candidates will occur at the April 20, 2021 Trinity LAFCo meeting which shall begin at 4:00 p.m. via zoom videoconference. Interviews will take place during open session. The Commission will then appoint a Regular Public Member and Alternate Public Member. Selection of Public Members are subject to the affirmative vote of at least one of the members selected by each of the other appointing authorities (California Government Code Section 56325 (d)).

Questions

For any questions you may have, please contact Kathy Bull, Commission Clerk/Administrator via e-mail at kathy@trinitylafco.org.



Agenda Item: 6.A.

Meeting: April 20, 2021

To: Trinity LAFCo Commissioners

From: Colette Santsche, Executive Officer & Kathy Bull, Administrator/Clerk

Subject: Trinity Public Utilities District Draft MSR & SOI Update

BACKGROUND:

In accordance with the CKH Act, LAFCOs are required to prepare municipal service reviews (MSRs) prior to or in conjunction with its mandate to review and update each local agency's sphere of influence (SOI) every five years or as needed. The legislative intent of the MSR is to inform the Commission as to the availability, capacity, and efficiency of local governmental services prior to making sphere of influence determinations. Municipal service reviews may also lead LAFCOs to take other actions under their authority, such as forming, consolidating, or dissolving one or more local agencies in addition to any related sphere changes.

DISCUSSION:

This MSR evaluates electricity services provided by the Trinity Public Utilities District (PUD). This report incorporates technical information collected and analyzed by LAFCo staff, including information compiled as part of the 2006 MSR. Staff worked closely with Trinity PUD staff to review the draft report and update services information for the District.

The sphere of influence for Trinity PUD is proposed to remain coterminous with the district boundary apart from the expanded SOI in the Post Mountain area which generally corresponds with the service area of the Post Mountain PUD. Currently the Post Mountain area has no grid electrical service. Post Mountain PUD is authorized to provide fire protection and limited road maintenance services only. Should the Post Mountain area ever wish to have electrical services provided, annexation to the Trinity PUD would be required.

Staff respectfully seeks Commission input with regards to content, conclusions, and recommendations provided in the Trinity PUD MSR. A public hearing notice was previously posted on the Commission's website and published in the *Trinity Journal*.

RECOMMENDATION:

This item has been agendized for consideration as part of a public hearing. Staff recommends the Commission hold the public hearing, invite testimony, and approve the Trinity PUD MSR/SOI Update (Attachment 1). A draft resolution for the Commission's review and consideration is enclosed (Attachment 2).

Attachments:
Trinity PUD MSR/SOI Update
Resolution 2021-01

Colette Santsche, Executive Officer/e-mail: colette@trinitylafco.org
Kathy Bull, Clerk Administrator/e-mail: kathy@trinitylafco.org



Trinity Public Utilities District

Municipal Service Review &
Sphere of Influence Update

Public Hearing Draft
April 20, 2021

Trinity
Local Agency Formation Commission

TABLE OF CONTENTS

1. INTRODUCTION	1
2. AGENCY OVERVIEW	4
2.1 FORMATION	4
2.2 SERVICES	5
2.3 BOUNDARY AND SPHERE	5
3. GOVERNMENT STRUCTURE	7
3.1 GOVERNING BODY	7
3.2 ADMINISTRATION, MANAGEMENT & STAFFING	7
3.3 BUILDINGS, LANDS & OTHER ASSETS	8
3.4 PUBLIC OUTREACH	8
3.5 ACCOUNTABILITY	8
4. SERVICES & INFRASTRUCTURE	9
4.1 SERVICES PROVIDED	9
4.2 ELECTRICITY SOURCE	9
4.3 SUBSTATIONS	10
4.4 DISTRIBUTION SYSTEM	11
4.1 WILDFIRE RISK REDUCTION	12
4.2 ELECTRICITY DEMAND	14
4.3 ELECTRICITY RATES	14
5. FINANCING	16
5.1 FISCAL OVERVIEW	16
5.2 REVENUE & EXPENSES	16
5.3 CAPITAL OUTLAY	17
5.4 BUDGET RESERVES	18
5.5 AUDIT INFORMATION	18
5.6 DEBT AND CAPITAL LEASES	19
6. GROWTH AND POPULATION	20
6.1 LAND USE	20
6.2 EXISTING POPULATION AND PROJECTED GROWTH	20
6.3 DISADVANTAGED UNINCORPORATED COMMUNITIES	20
7. MUNICIPAL SERVICE REVIEW DETERMINATIONS	22
8. SPHERE OF INFLUENCE DETERMINATIONS	24
9. REFERENCES	25

LIST OF FIGURES AND TABLES

TABLE 1: AGENCY PROFILE	4
TABLE 2: BOARD OF DIRECTORS	7
TABLE 3: EXISTING SUBSTATIONS	11
TABLE 4: EXISTING DISTRIBUTION SYSTEM	12
TABLE 5: ELECTRICITY RATES	15
TABLE 6: BUDGET SUMMARY	17
TABLE 7: CAPITAL OUTLAY	17
TABLE 8: BUDGET RESERVE BALANCES	18
TABLE 9: AUDIT INFORMATION	19
FIGURE 1: DISTRICT BOUNDARY AND SOI	6
FIGURE 2: DISTRICT LAND USE	21

1. INTRODUCTION

This Municipal Service Review (MSR) and Sphere of Influence (SOI) Update was prepared as part of a mandated review of the municipal services of all government entities in the county by the Trinity Local Agency Formation Commission (LAFCo). This report focuses on the Trinity Public Utilities District (PUD). The purpose of this study is to assess existing and future public service conditions and to evaluate organizational options for accommodating growth and ensuring critical services are provided efficiently. This MSR presents a discussion, analysis, and recommendations regarding services provided by Trinity PUD.

1.1 Trinity LAFCo

Local Agency Formation Commissions (LAFCos) are quasi-legislative, independent local agencies that were established by State legislation in 1963 to oversee the logical and orderly formation and development of local government agencies including cities and special districts. There is one LAFCo for each county in California.

LAFCo is responsible for implementing the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (California Government Code Section 56000 et. seq.) in order to promote orderly growth, prevent urban sprawl, preserve agricultural and open space lands, and oversee the efficient provision of municipal services.

LAFCo has the authority to establish and reorganize cities and special districts, change their boundaries and authorized services, allow the extension of public services, perform municipal service reviews, and establish spheres of influence. Some of LAFCo's duties include regulating boundary changes through annexations or detachments and forming, consolidating, or dissolving local agencies.

Trinity LAFCo has a public Commission with seven regular Commissioners and three alternate Commissioners. The Commission is composed of three members of the Trinity County Board of Supervisors, two Special District Representatives, and two Public Members-At-Large. The Commission also includes one alternate member for each represented category.

1.2 Public Utility Districts and Principal Act Overview

Public Utility Districts are independent special districts governed under the Public Utility District Act (Public Utilities Code § 15501 – 18055). A PUD may be authorized to acquire, construct, own, operate, control, or use works for supplying light, water, power, heat, transportation, telephone service, or other means of communication, or means for the disposal of garbage, sewage, or refuse matter. In addition, a PUD can be authorized to provide a wide variety of services including fire protection, street lighting system, public parks and other recreation facilities, and stormwater drainage of roads, streets, and public places. PUDs are governed by a board of directors, all of whom are elected at large.

Trinity PUD is authorized to provide electricity services only. All other remaining services, facilities, functions or powers enumerated in the District's principal act but not being exercised are considered "latent". Activation of these latent powers and services requires LAFCo authorization.

1.3 Municipal Service Review Determinations

Government Code § 56430 requires LAFCo to conduct a review of municipal services provided in the county by region, sub-region or other designated geographic area, as appropriate, for the service or services to be reviewed, and prepare a written statement of determinations with respect to each of the following topics:

1. Growth and population projections for the affected area;
2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence;
3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies (including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence);
4. Financial ability of agencies to provide services;
5. Status of, and opportunities for, shared facilities;
6. Accountability for community service needs, including governmental structure and operational efficiencies; and
7. Any other matter affecting or related to effective or efficient service delivery, as required by Commission policy.

State Guidelines and Commission policies encourage stakeholder cooperation in the municipal service review process. It also provides a basis to evaluate, and make changes to Spheres of Influence, if appropriate.

1.4 Sphere of Influence Determinations

A Sphere of Influence (SOI) is a LAFCo-approved plan that designates an agency's probable physical boundary and service area. Spheres are planning tools used to provide guidance for individual boundary change proposals and are intended to encourage efficient provision of organized community services, discourage urban sprawl and premature conversion of agricultural and open space lands, and prevent overlapping jurisdictions and duplication of services.

LAFCo is required to establish SOIs for all local agencies and enact policies to promote the logical and orderly development of areas within the SOIs. Furthermore, LAFCo must update those SOIs every five years or as needed. For a SOI update, LAFCo is required to conduct an MSR and adopt related determinations. It must also make the following SOI determinations:

1. The present and planned land uses in the area, including agricultural and open-space lands;
2. The present and probable need for public facilities and services in the area;

3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide;
4. The existence of any social or economic communities of interest in the area if the Commission determines that they are relevant to the agency; and
5. The present and probable need for public facilities and services related to sewers, municipal or industrial water, or structural fire protection of any disadvantaged unincorporated communities within the existing sphere of influence (effective July 1, 2012).

1.5 Review Methods

The following information was considered in the development of this service review:

- Agency-specific data: responses to LAFCo Requests for Information
- Demographic data: U.S. Census Bureau; Department of Finance
- Finances: budgets, audits, rates and fees
- Other Reports: Trinity PUD 2020 Wildfire Mitigation Plan

Information gathered was analyzed and applied to make the required determinations. All information gathered for this report is filed by LAFCo for future reference.

1.6 California Environmental Quality Act

The California Environmental Quality Act (CEQA) is contained in Public Resources Code § 21000 et seq. Public agencies are required to evaluate the potential environmental effects of their actions. MSRs are statutorily exempt from CEQA pursuant to § 15262 (feasibility or planning studies) and categorically exempt pursuant to CEQA Guidelines § 15306 (information collection). CEQA requirements are applicable to SOI Updates. The CEQA lead agency for SOI Updates is most often LAFCo, unless an agency has initiated an SOI expansion or update.

2. AGENCY OVERVIEW

Table 1: Trinity PUD Agency Profile	
Formation	
Agency Name	Trinity Public Utilities District
Formation Date	1981
Principal Act	Public Utility District Act (Public Utilities Code § 15501 – 18055)
Contact	
Main Contact	Paul Hauser, General Manager
E-mail	phauser@trinitypud.com
District Office Address	26 Ponderosa Lane, Weaverville, CA 96093
Mailing Address	PO Box 1216, Weaverville, CA 96093
Alternate Contact	Sarah Sheetz, Administrative Services Manager
Phone	(530) 623-5536
Website	www.trinitypud.com
Governance	
Governing Body	5 Member Board of Directors
Board Meetings	2 nd Thursday of the month at 2PM
Staffing	4 Administrative staff members
Services	
Services Provided	Electricity
Areas Served	Approximately 1.4 million acres (2,200 square miles)
Population Served	Approximately 12,000

2.1 Formation

The Trinity Public Utilities District (Trinity PUD) was originally formed by general election in 1981 and included approximately 10 square miles, or less than 1% of the area of Trinity County. In 1992, voters in substantially the entire county approved, via election, the annexation of approximately 64% of the area of the County into the District. The expanded District as it exists today currently includes approximately 2,200 square miles, which is approximately 65% of the land area of Trinity County and 85% of the population.

The District is the exclusive provider of retail electric distribution service within its boundaries. The District purchases its power from the Western Area Power Administration pursuant to a first preference right granted by Congress as part of the Trinity River Division Act of 1955. The TRD Act provided for the United States Government to build Trinity Dam and reserves, in perpetuity, the first twenty-five percent of the resulting energy generated to be sold at cost for use within Trinity County. The Act also provides for the Federal government to build those facilities necessary to deliver the power to Trinity County. The District has spent decades working to maximize power allocation, protect first preference rights, expand transmission infrastructure, and improve reliability and cost of service to District customers.

2.2 Services

The electric system of the District is primarily an electricity distribution and sub-transmission system; the District does not operate any generation assets. The District's assets include nine substations located within the County, approximately 600 miles of overhead distribution lines that are located in rugged and mountainous terrain. Its service area covers approximately 2,200 square miles in Trinity County and is sparsely populated, with fewer than 12 customers per mile of line.

Pursuant to federal legislation passed in 1955, the District has a first preference right to power produced by the Trinity River Division of the Central Valley Project. The District's entitlement has always exceeded the peak usage of the Electric System and is expected to continue to do so for the foreseeable future.

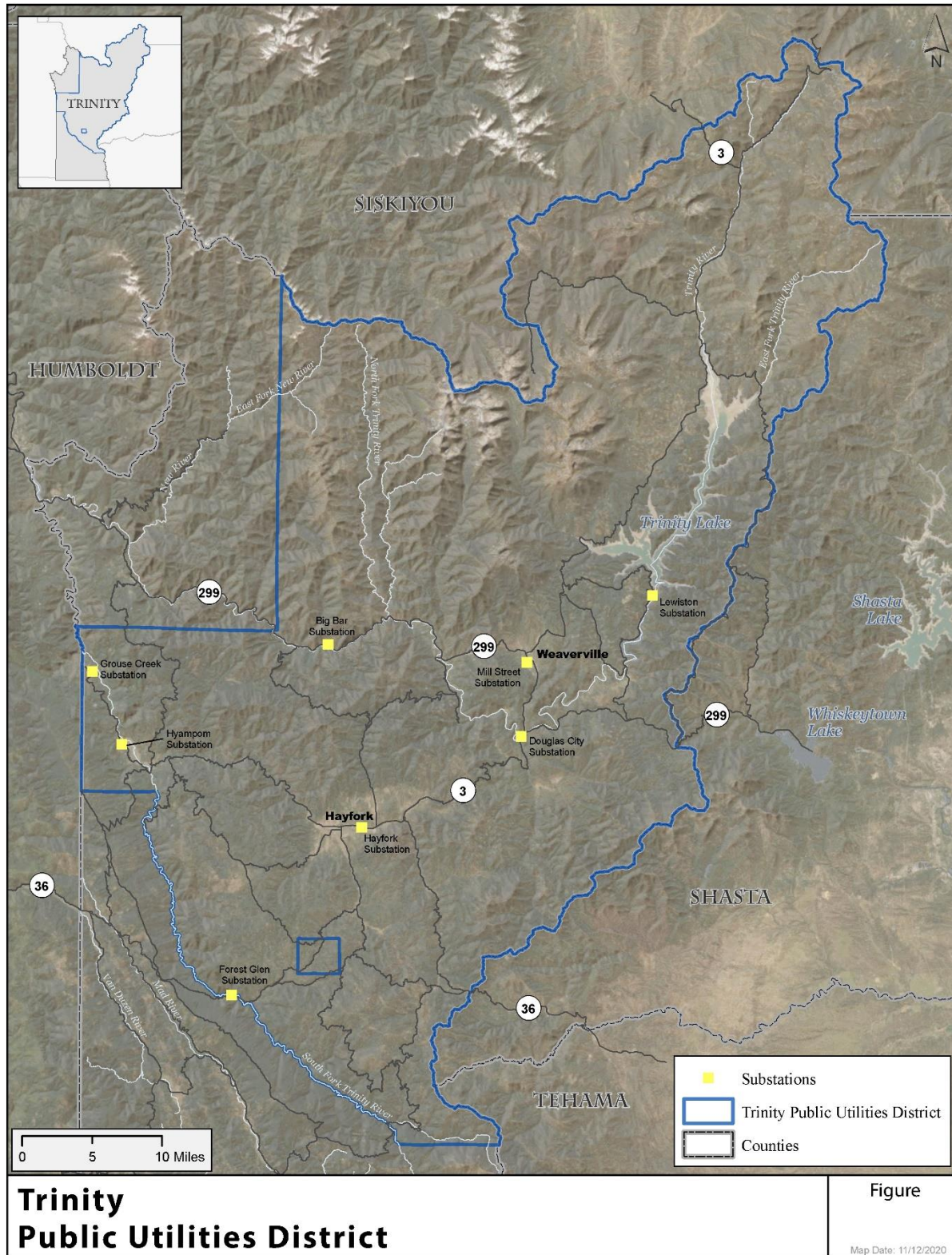
2.3 Boundary and Sphere

Trinity PUD covers approximately 1.4 million acres in Trinity County including the communities of Big Bar, Big Flat, Coffee Creek, Douglas City, Forest Glen, Helena, Junction City, Lewiston, Hayfork, Hyampom, Trinity Center, Weaverville, and Wildwood. The District boundary does not include the communities of Ruth, Mad River, Zenia and Kettenpom in the southern portion of Trinity County, nor does it include the communities of Denny, Del Loma, Burnt Ranch, Hawkins Bar and Salyer in the western portion of the County. In addition, the territory covering Post Mountain PUD is not included within the District; however, the Post Mountain PUD area is included within the District's sphere of influence (see Figure 1). Post Mountain PUD currently provides fire protection and limited road maintenance services.

There have been no changes to the District's boundary since 1993, when Trinity PUD entered into a \$12,000,000 Settlement Agreement with PG&E, which provided for Trinity PUD to acquire the Hayfork Valley PUD and purchase the distribution facilities for most of Trinity County, specifically those areas served by what was then known as the Weaverville Service Center of PG&E. As part of this reorganization, Trinity LAFCo approved the annexation of territory previously served by PG&E's Weaverville Service Center and the area served by Hayfork Valley PUD, and concurrently dissolved Hayfork Valley PUD (Resolution No. 92-04). The annexation did not include the area within Post Mountain PUD (Trinity Pines Subdivision area). There was no change to the five-member Board makeup of Trinity PUD, which continued to be elected at-large. An election was held to obtain approval from registered voters within the existing service area of Trinity PUD, the areas proposed to be annexed, and the service area of Hayfork Valley PUD.

There is no consideration by the District of combining with any public utility districts since there are no other districts that provide electrical distribution in the County, other than PG&E, a privately held utility.

Figure 1. District Boundary and SOI



3. GOVERNMENT STRUCTURE

3.1 Governing Body

Trinity PUD is governed by a five-member Board of Directors, elected at large by District residents to serve staggered four-year terms (Table 2). Each year the members select officers, including a President, Vice President and Clerk of the Board. The Board meets on the 2nd Thursday of each month at the District Office, 26 Ponderosa Lane in Weaverville. Meeting dates and agendas are posted at least 72 hours prior to meetings at the District Office and are available on the District's website.

Table 2: Trinity PUD Board of Directors		
Board Member	Title	Term Expiration
Mike Rourke	President	December 2022
Alex Cousins	Vice President	December 2024
Andy Johnson	Director	December 2024
Kelli Gant	Director	December 2024
Richard "Dick" Morris	Board Clerk	December 2022

3.2 Administration, Management & Staffing

The management of the District is the responsibility of the General Manager as appointed by the Board. Administrative and fiscal recommendations are made by the General Manager to the District Board for approval. Three employees report directly to the General Manager including the Chief Financial Officer, the Electric Superintendent, and the Administrative Services Manager.

There are a total of 23 full-time and 2 part-time District employees. The District has a policy and procedures manual for all employees. Annual audits performed by an independent accounting firm, attorney needs, and the majority of studies are contracted out to save the costs that would otherwise be associated with additional staff positions for those services.

The District participates in the Local Agency Investment Fund (LAIF) a voluntary program created by statute (California Government Code Sections 16429). The District participates in risk pools with the Special District Risk Management Authority (SDRMA) which provides property, liability, and workers' compensation insurance to its member districts.

Effective July 4, 2004, the District became a participant in the California Public Employees Retirement System (PERS) and began making contributions into the pension plan. The District offers its employees an employee funded deferred compensation plan created in accordance with

Internal Revenue Code Section 457. The District provides vacation, holiday and sick leave payments to its employees.

3.3 Buildings, Lands and Other Assets

The District owns approximately 3.5 acres in Weaverville which contains the approximate 5,000 square foot office plus an approximate 10,000 square foot maintenance and warehouse facility, in addition to customer and employee parking, and vehicle storage. The District owns a fleet of 19 vehicles including snow cats, pick-ups, and line trucks. In addition, the District owns the seven sub-station lands, which range from one-quarter to one-half-acre in size, and one sub-station permitted on Forest Service land (Forest Glen).

3.4 Public Outreach

The District maintains a website at www.trinitypud.com which is a helpful communication tool to enhance government transparency and accountability. The website provides service-related information, includes multiple years of budgets and audit information, and includes archived meeting agendas and minutes.

SB 929 (McGuire) was signed into law on September 14, 2018 requiring all independent special districts to have and maintain a website by January 1, 2020, meeting all the special district transparency requirements of State law including the availability of agendas, policies, and financial information. Trinity PUD currently complies with the SB 929 requirements.

Trinity PUD has adopted a series of Strategic Directions that were last updated in 2020. These include consideration of safety, reliability, competitive rates, enterprise risk management, customer relations, environmental leadership, and resource planning. The Strategic Directions are used as a guide in the decisions made about Trinity PUD's policies and operations.

3.5 Accountability

The Political Reform Act requires all state and local government agencies to adopt and promulgate a conflict of interest code pursuant to Government Code §81000 et seq. The Political Reform Act also requires persons who hold office to disclose their investments, interests in real property, and incomes by filing a Statement of Economic Interests (Fair Political Practices Commission Form 700) each year pursuant to Government Code §87203. Trinity PUD has a conflict of interest code and otherwise complies with the Political Reform Act requirements.

According to AB 1234, if a local agency provides compensation or reimbursement of expenses to local government officials, then all local officials are required to receive two hours of training on public service ethics laws and principles at least once every two years and establish a written policy on reimbursements pursuant to Government Code §53235. In addition, AB 1661 went into effect in 2016 and addresses local government sexual harassment prevention training and education. Trinity PUD provides both ethics training and sexual harassment training to all Board members.

4. SERVICES & INFRASTRUCTURE

4.1 Services Provided

Trinity PUD provides sub-transmission and electricity distribution to approximately 12,000 consumers in a 2,200 square mile area in Trinity County. Trinity PUD is directly connected to the Western Area Power Administration grid by 60-kV sub-transmission facilities and a 230-kV transmission line. Trinity PUD receives 100% of its power from the Western Area Power Administration (WAPA).¹ Total annual retail load was approximately 125 million kilowatt hours (kWh) for 2020. Trinity PUD's annual peak load has averaged 25 Megawatts (MW) over the last three years.

4.2 Electricity Source

Electricity for distribution by Trinity PUD is supplied by hydroelectric dams that are part of California's Central Valley Project. The Bureau of Reclamation manages the dams that create hydroelectricity. This electricity is managed by the WAPA, which then delivers the electricity to Trinity PUD.

As mentioned previously, the 1955 Trinity River Division Act authorized the construction of the Trinity River Division and the transfer of water resources of the Trinity River to the Central Valley. Reclamation completed the Trinity River Division in 1964. Water from the Trinity River Basin is stored, regulated, and diverted through a system of dams, reservoirs, tunnels, and powerplants as described below:

- Trinity Dam and Lake: Trinity Dam regulates flows and stores water for various uses. Completed in 1962, Trinity Dam is an earthfill structure 538 feet high with a crest length of 2,450 feet. The dam forms Trinity Lake, which has a storage capacity of 2,448,000 acre-feet.
- Trinity Powerplant: Trinity Powerplant at Trinity Dam has two generators with a total capacity of 140,000 kilowatts.
- Lewiston Dam and Lake: Lewiston Dam is about 8 miles downstream from Trinity Dam. The dam creates an afterbay to Trinity Powerplant and regulates releases into the Trinity River. Lewiston Dam is an earthfill structure 91 feet high and 754 feet long, forming a reservoir

¹ WAPA is a power marketing administration within the Department of Energy (DOE). WAPA has a statutory responsibility to make the necessary arrangements to deliver Federal power to Federally authorized water projects and to market and deliver cost-based Federal power in excess of that needed to meet Federal load to wholesale preference customers in regions within the central and western United States. WAPA's preference customers include Federal and State agencies, Native American tribes, electric cooperatives, municipal utilities, public utility districts, irrigation districts, and water districts.

with a storage capacity of 14,660 acre-feet. The trans-basin diversion begins at Lewiston Lake via Clear Creek Tunnel to Whiskeytown Lake.

- Lewiston Powerplant: Lewiston Powerplant at Lewiston Dam has one generator with a capacity of 350 kilowatts.
- Clear Creek Tunnel: Clear Creek Tunnel, 17.5 feet in diameter and 10.7 miles long, conveys up to 3,200 cfs from Lewiston Lake to Judge Francis Carr Powerhouse and Whiskeytown Lake. It is the conduit for the trans-basin diversion.
- Carr Powerhouse: Judge Francis Carr Powerhouse, on Clear Creek, has two generators with a total capacity of 154,400 kilowatts.
- Whiskeytown Dam and Lake: Located on Clear Creek, Whiskeytown Dam stores Clear Creek runoff and diverted Trinity River flows discharged from Carr Powerhouse. The dam is an earthfill structure 282 feet high with a crest length of 4,000 feet. Whiskeytown Lake has a capacity of 241,100 acre-feet.
- Spring Creek Tunnel: The Spring Creek Tunnel diverts water from Whiskeytown Lake to the Spring Creek Powerhouse and Keswick Dam on the Sacramento River.

On average, approximately 50% of Trinity County water passes through four sets of hydroelectric turbines before it heads down to the farmers in the Central Valley. All four plants are included in the Central Valley Project's Trinity River Division, and under the 1955 Trinity River Division Act, Trinity County residents are entitled to 25 percent of energy produced at the plants, at cost. The District's entitlement has always exceeded the peak usage of the Electric System and is expected to continue to do so for the foreseeable future.

4.3 Substations

There are nine substations within the District, four of which are served from PG&E's transmission system; and five of which are served by the Western Area Power Administration Service's transmission system and Trinity PUD's sub-transmission system. The District receives and meters 60-kV service as it enters the District substations. In the substations, the electricity is transformed to a 12-kV distribution system and leaves the substation by means of 18 major feeder circuits. The substations also have relays, recorders, lightning arresters, and standard equipment to protect the transformers from overload or ground fault. The distribution system is principally an overhead service type on wooden poles, with some underground lines. The substations are identified in Table 3.

Table 3: Existing Substations				
Substation	Meters	Capacity	Voltage	# of Transformers
Big Flat	126meters	1,000 kVA	60-12 kV	4
Douglas City	424 meters	3,000 kVA	60-12 kV	4
Forest Glen	14 meters	250 kVA	115-12 kV, single phase	2
Grouse Creek	7 meters	250 kVA	60-20.8 kV, single phase	1
Hayfork	1,510 meters	3,000 kVA	60-12 kV	4 and 1
Hyampom	187 meters	2,000 kVA	60-12 kV	4
Lewiston	1187 meters	3,750 kVA	60-12kV	4
Mill Street (Weaverville)	2,954 meters	13,333 kVA and 22,400 kVA	60-12.47 kV	4 and 4
WAPA-Trinity	823 meters	345 kVA	21kV	2

PG&E also has a substation (Trinity Substation) in Weaverville which has a 45 MVA, 115-60 kV autotransformer bank. It is the western termination of PG&E's Trinity-Keswick 60 kV circuit and the eastern termination of PG&E's Trinity-Maple Creek circuit. The District owns 12 spans of 60 kV that originates in the Trinity Substation and terminates at the Mill Street Substation. The District also owns 27 miles of 60kV that supplies Douglas City and Hayfork Substations from Trinity Substation.

4.4 Distribution System

The District's distribution system consists of over 600 miles of primarily overhead distribution lines on wooden poles, with some underground lines. Power is distributed throughout Trinity County via a 21 kV, 12.47 kV, 12 kV and 7.2 kV sub-transmission system. The District's distribution system is composed of three distinct types:

- Unigrounded System: The feeders are grounded at the substation. Distribution transformer high side windings are 12 kV connected phase to phase.
- Multigrounded System: The ground wire is grounded at the substation and at multiple points along the feeder. The Distribution transformer high side windings are connected phase to ground. This includes most of Weaverville and Grouse Creek. The high side windings of distribution transformers at Weaverville and Grouse Creek are 7.2 and 12.47 kV, respectively.
- The Delta System: Distribution transformer high side windings are 12 kV connected phase to phase (Forest Glen area).

Table 4: Existing Distribution System		
Item	Number	
	1999 (source 2006 MSR)	2020
Poles	11,253	12,355
Pads, vaults or junction boxes	435	313
Overhead distribution circuits	468.2 miles	600 miles
Underground distribution circuits	61.7 miles	150 miles

Trinity PUD is a member of the Northern California Joint Pole Association.

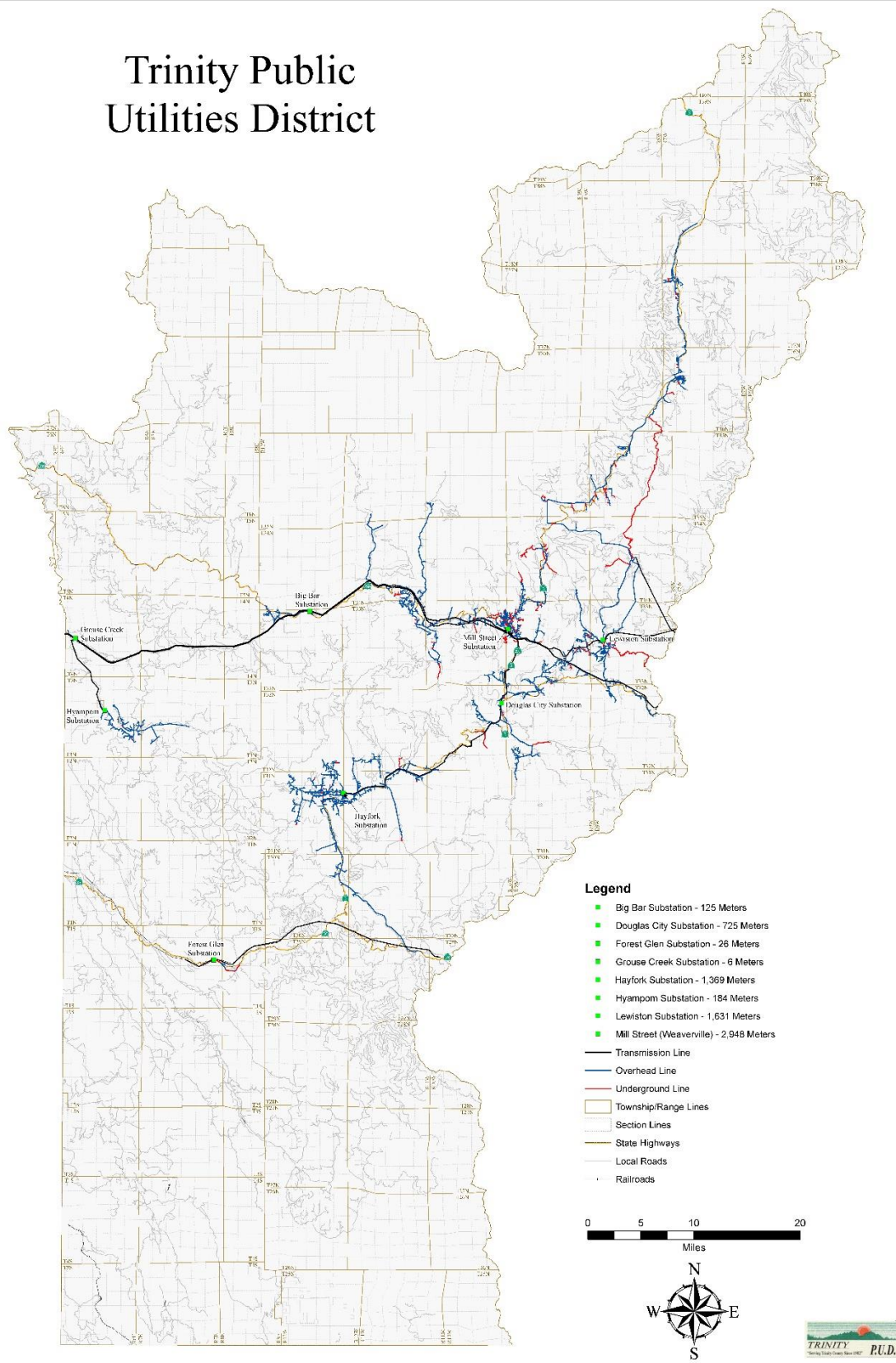
4.5 Wildfire Risk Reduction

The areas surrounding Trinity PUD's electric transmission and distribution systems are particularly vulnerable to fire risk due to the dense vegetation and steep terrain. Trinity PUD and WAPA have partnered to propose a proactive Wildfire Risk Reduction, Reliability, and Asset Protection (WRAP) Project to reduce fire risk to the surrounding communities and public lands, as well as to increase electric reliability to maintain critical services in local communities². A Notice of Intent to prepare a joint Environmental Impact Statement/Environmental Impact Report was circulated during a 45-day public scoping period in December 2020. WAPA intends to prepare a joint EIS/EIR for the proposed WRAP Project. Trinity PUD will be the lead agency for the CEQA EIR review process.

The project would reduce these fire risks by expanding WAPA's and Trinity PUD's existing transmission/distribution rights-of-way (ROWs) and implementing a proactive, integrated vegetation management program within the expanded ROWs. WAPA proposes to expand the width of its ROW for its 17.5-mile, 60-kV transmission line between Trinity Substation and Weaverville Switchyard from 80 feet to up to 130 feet on USFS, BLM, and private lands. This transmission line provides the majority of the electricity to the Trinity PUD system. Trinity PUD proposes to expand its utility ROW width from 20 feet to up to 130 feet for its overhead transmission and distribution system (216.8 miles) in high-fire risk areas on USFS, BLM, BOR, and private or other lands. The existing ROW easement for the underground distribution lines would not change.

² <https://www.federalregister.gov/documents/2020/12/11/2020-27147/wildfire-risk-reduction-reliability-and-asset-protection-wrap-project-trinity-county-california>

Trinity Public Utilities District



4.6 Electricity Demand

Total annual retail load was approximately 125 million kilowatt hours (kWh) for 2020. Trinity PUD's annual peak load has averaged 25 megawatts (MW) over the last three years. This peak demand occurs in the winter.

4.7 Electricity Rates

Trinity PUD maintains some of the cheapest electricity rates in the state. Trinity PUD divides its residential service territory into two geographic zones, Geographic Zone A and Geographic Zone B. Geographic Zone A customers pay an energy rate of \$0.055, and Geographic Zone B customers pay an energy rate of \$0.078; electricity generation from solar photovoltaic (PV) systems installed on customers' homes are compensated at these same rates.

The difference in rates between the two zones is based on which part of the Trinity PUD distribution system served each zone at the time distribution assets were acquired from investor-owned utilities. All debts associated with the purchase of the older parts of the distribution system have been paid (Geographic Zone A). The other parts of the distribution system were acquired through a bond purchase in 1993.

On March 15, 2019, Trinity PUD submitted an application identifying that its residential energy rates of \$0.055 and \$0.078 per kilowatt-hour are lower than the energy rates used by the California Energy Commission (CEC) when determining cost-effectiveness of solar PV system requirements, and that the 2019 Energy Code residential solar PV requirements are not cost-effective when the Trinity PUD rates are used. Trinity PUD compensates customers at the full retail rate for any customer-owned on-site generation. Based on this application, CEC staff performed a cost-effectiveness analysis and found that applying Trinity PUD's residential rates and its net energy metering rules for the analysis resulted in solar PV to not be cost effective in their service territory. Results showed that the energy bill savings from installation of an onsite solar PV system is less than the solar PV system cost, resulting in a benefit-to-cost ratio of less than 1.0. As a result, the CEC approved a resolution determining that the solar photovoltaic requirements in the 2019 Energy Code shall not apply to newly constructed low-rise residential buildings in the Trinity PUD service area.

A residential rate comparison with other power providers in the state shows Trinity PUD's residential rate of \$0.055 per kWh and \$0.078 per kWh for Zones A and B respectively compared to two other regional power providers with a rate of \$0.240 per kWh for PG&E and 0.1711 per kWh for Sacramento Municipal Utility District (SMUD).

A summary of rates for Trinity PUD can be seen in Table 5.

Table 5: Trinity PUD Electricity Rates³			
Energy Charge per kWh	Geographic Zone A	Geographic Zone B	System Access Charge
Residential	\$0.055	\$0.078	\$24.00
Commercial-General Service	\$0.073	\$0.093	\$36.00
Commercial-Unmetered	\$0.12	\$0.14	\$36.00
Industrial	\$0.048	\$0.65	Demand charge: \$3.51 per/kWh
Agricultural pumping	\$0.056	\$0.056	\$24.00
Street lighting-Public Lighting Authorities	Variable-dependent on lamp type and wattage	Variable-dependent on lamp type and wattage	
Street Lighting	Variable-dependent on lamp type and wattage	Variable-dependent on lamp type and wattage	
State Agencies	\$0.087	\$0.114	\$36.00
High Impact	\$0.087	\$0.111	\$45.00

In addition to base service charges there are miscellaneous service charges that the District may make including Connection or Reconnection Fees and Deposits that were last approved May 2020. Detailed information is available on their website⁴.

³ Rates available at <https://www.trinitypud.com/rates>

⁴ <https://www.trinitypud.com/pdf/policies/miscellaneous-service-charges.pdf>

5. FINANCING

5.1 Fiscal Overview

The Board of Directors is responsible for establishing and maintaining a system of internal accounting control. The Board operates as a financial committee with guidance from the General Manager. The annual budget is drafted and recommendations are made to the Board for approval. In addition, monthly financial statements are presented to the Board for review and approval. The basic financial statements of the District are prepared in accordance with Generally Accepted Accounting Principles (GAAP).

The District approves its annual budget pursuant to Budget Guidelines adopted by the Board. In accordance with the Budget Guidelines, the General Manager of the District presents to the Board the Budget assumptions and District goals in the May Board meeting. A proposed budget for the District is presented to the Board during the June Board meeting for the Fiscal Year commencing the following July 1, together with a four-year financial plan, thus projecting the District's fiscal position for the next five years. The resulting five-year financial plan must project a debt service coverage ratio for senior obligations of not less than 1.35 on a cash basis. The Budget Guidelines require each proposed budget to project monthly cash flow and be "zero based" (i.e., based on salient estimates rather than fixed escalators).

In 1989, the District formed the Trinity County Public Utilities District Financing Corporation, a nonprofit public benefit corporation to provide assistance to the District in financing capital improvements. The Board of Directors of the Corporation is the same as the District's Board of Directors. This entity was dissolved in 2020.

In 2010, the District formed the Trinity Public Utilities Financing Authority, a Joint Powers Authority, to provide assistance to the District in financing and refinancing capital improvements. The Board of Directors of the Authority is the same as the District's Board of Directors.

5.2 Revenue and Expenses

The District budget for fiscal year 2020-21 shows operating receipts projected at \$13,553,810, operating expenditures of \$10,890,738, thereby resulting in \$2,663,072 available for capital expenditures. The District's primary revenue sources include energy sales and surcharge receipts. The District's expenses include power acquisition, operations and maintenance, customer accounts, administrative and general and debt repayment. For the 2019-20 fiscal year the District's revenues exceeded its expenses by \$1,990,648 (Table 6).

Table 6: Trinity PUD Budget Summary					
	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Preliminary	FY 2020-21 Budgeted
Revenues					
Energy Sales	\$9,789,242	\$9,893,492	\$9,817,175	\$10,334,904	\$10,334,904
Surcharge Receipts	\$1291,278	\$381,510	\$1,818,284	\$90,000	\$1,360,912
Other Receipts	\$1,610,277	\$1,230,890	\$2,217,089	\$2,707,163	\$1,857,995
Total Revenues	\$12,690,797	\$11,505,892	\$13,215,548	\$13,132,067	\$13,553,810
Expenses					
Power Acquisition	\$3,243,996	\$1,570,385	\$2,656,541	\$3,060,547	\$2,986,218
Operations & Maintenance	\$2,673,277	\$2,715,801	\$3,495,026	\$3,698,415	\$3,766,483
Customer Accounts	\$894,235	\$682,428	\$708,997	\$884,797	\$801,482
Administrative & General	\$1,204,666	\$1,219,960	\$1,409,236	\$1,276,531	\$1,705,688
Debt & Financing	\$1,802,770	\$1,960,469	\$1,622,736	\$2,221,130	\$1,630,866
Total Expenses	\$9,818,944	\$8,149,043	\$9,892,536	\$11,141,419	\$10,890,738
Net Income	\$2,871,853	\$3,356,849	\$3,323,012	\$1,990,648	\$2,663,072

5.3 Capital Outlay

The District's net income is used for capital outlay, which includes improvements to District electricity infrastructure and property. If the amount needed exceeds the annual net income then the reserve funds are used to make up the difference.

Table 7: Trinity PUD Capital Outlay					
	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21 Budgeted
Distribution/ Transmission	\$1,936,603	\$1,957,902	\$2,190,299	\$3,637,155	\$5,368,499
Substations	\$26,681	\$27,535	\$104,445	\$746,000	\$447,575
Customer Accounts	\$17,336	\$2,389,724	\$472,532	\$245,772	\$350,205
Property & Facilities	\$13,627	\$33,220	\$9,931	\$110,000	\$155,008
Total Revenues	\$1,994,277	\$4,408,381	\$2,777,207	\$4,738,927	\$6,321,286

5.4 Budget Reserves

Trinity PUD maintains significant budget reserves details of which can be seen in Table 8 below. Trinity PUD has a goal to maintain reserves in the amount of six months or more of Operations and Maintenance Expenses, excluding power costs.

Table 8: Trinity PUD Budget Reserve Balances					
	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21 Budgeted
Restricted	\$1,790,202	\$610,607	\$606,171	\$22,500	\$15,000
Encumbered	\$601,128	\$779,059	\$599,710	\$500,000	\$1,123,645
Customer Funds	\$382,502	\$438,172	\$419,737	\$455,593	\$437,873
Dedicated	\$153,333	\$219,000	\$297,000	\$442,407	\$636,667
Contingency	\$7,578,129	\$7,554,939	\$8,370,668	\$6,274,507	\$1,973,608
Total Reserves	\$10,504,845	\$9,601,777	\$10,293,286	\$7,695,007	\$4,186,793

5.5 Audit Information

The District conducts annual audits and the available audit information indicates that the financial health of the District is strong due to an increase in net position of \$1.140 million. Audit results are often not available for as much as six months after the end of the fiscal year.

As of this writing, the FY 19/20 audit has been completed and information from it can be seen in Table 9. Total assets and deferred outflows of resources increased \$0.433 million over the course of FY 19/20. Total liabilities and deferred inflows of resources decreased \$0.707 million for a net increase to net position of \$1.140 million.

Table 9: Trinity PUD FY 2019-20 Audit Information		
	2019	2020
Assets and Deferred Outflows of Resources	\$52,772,030	\$53,204,961
Liabilities and Deferred Inflows of Resources	\$30,001,569	\$29,294,542
Total Net Position	\$22,770,461	\$23,910,419

Prepared by Baker Tilly Virchow Krause, LLP

5.6 Debt and Capital Leases

According to the FY 19/20 Audit, during FY 17/18, the District undertook a project to refinance the majority of its debt obligations. At the end of fiscal year 2020, the District had total long-term debt outstanding of \$19.831 million, including current maturities. \$19.570 million is comprised of 2017 Series A Electric Revenue Bonds and \$0.261 million note payable to the United States Department of Agriculture.

6. GROWTH AND POPULATION

6.1 Land Use

The Trinity County General Plan (2003) and Zoning Code guides land use decisions within Trinity County. Trinity County encompasses approximately 3,208 square miles of land (or roughly 2.05 million acres). The predominant features of the county include the Trinity River, Trinity Lake, and the Trinity Alps. Approximately 76 percent of the land is in State and Federal ownership, including a large portion of the Trinity National Forest, Six Rivers National Forest, and the Shasta Trinity National Recreational Area, as well as Bureau of Land Management lands. Of the roughly 24 percent of land in private hands, approximately 15 percent is industrial timber lands, while the remaining 9 percent of land is mainly in agricultural, commercial and residential uses.

The area served by Trinity PUD is largely agricultural, commercial timber production lands, recreation areas, and low density residential. More concentrated residential areas are located in the communities of downtown Weaverville and Hayfork. The District also contains areas of light industrial and commercial areas, generally along the Highway 299 corridor and includes areas along the Trinity River and Weaver Creek (See Figure 2).

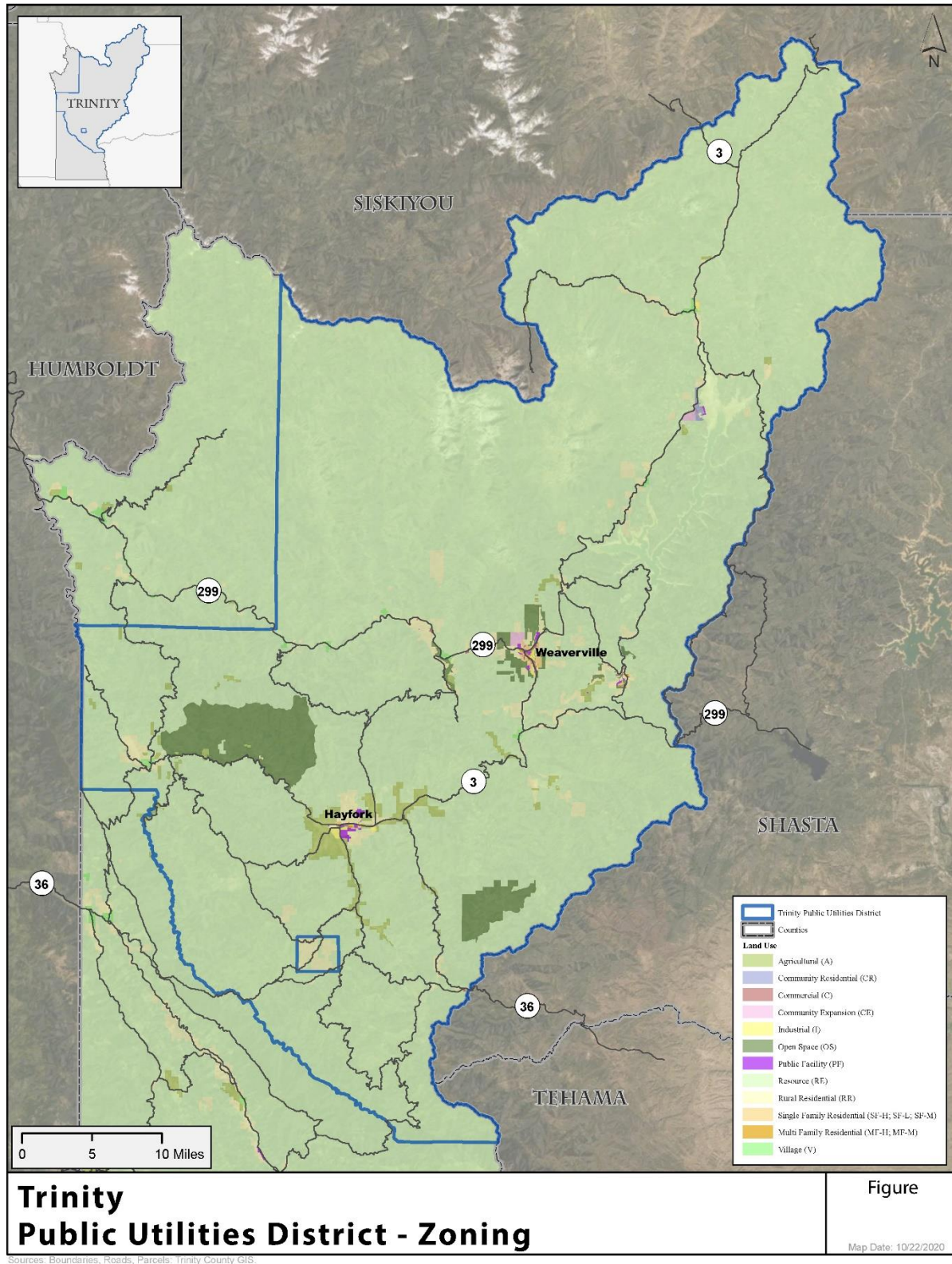
6.2 Existing Population and Projected Growth

Trinity PUD estimates a District population of approximately 12,000. The District will continue to grow based on current countywide growth rates. Trinity County's total 2019 countywide population is estimated to be 12,285, a decrease of -10.9% over the 2010 population of 13,786. Opportunities for growth exist within communities, but constraints such as flood plains and steep terrain are growth barriers for the remaining private lands within Trinity County.

6.3 Disadvantaged Unincorporated Communities

LAFCo is required to evaluate water service, sewer service, and structural fire protection within disadvantaged unincorporated communities as part of municipal service reviews, including the location and characteristics of any such communities. A disadvantaged unincorporated community (DUC) is defined as any area with 12 or more registered voters where the annual median household income is less than 80 percent of the statewide annual median household income (pursuant to Government Code Section 56033.5 and Water Code Section 79505.5). Within a DUC, three basic services are evaluated: water, sewage, and fire protection. Trinity PUD provides electricity services only and is therefore responsible for assuring that this service is adequately provided to the community. It can be assumed that communities outside of the Trinity PUD boundary qualify as disadvantaged based on average median household incomes for Trinity County.

Figure 2: District Land Use



7. MUNICIPAL SERVICE REVIEW DETERMINATIONS

This section addresses the requirements of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (California Government Code Section 56430). As part of the municipal service review process, LAFCo makes the following written determinations.

1) Growth and population projections

Trinity PUD estimates a District population of approximately 12,000. The District will continue to grow based on current countywide growth rates. Opportunities for growth exist within communities, but constraints such as flood plains and steep terrain are growth barriers for the remaining private lands within Trinity County.

2) The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the Sphere of Influence

LAFCo is required to evaluate water service, sewer service, and structural fire protection within disadvantaged unincorporated communities as part of municipal service reviews. Trinity PUD provides electricity services only and is therefore responsible for assuring that this service is adequately provided to the community. It can be assumed that communities outside of the Trinity PUD boundary qualify as disadvantaged based on average median household incomes for Trinity County.

3) Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies

Trinity PUD provides sub-transmission and electricity distribution to approximately 12,000 consumers in a 2,200 square mile area in Trinity County. Under the 1955 Trinity River Division Act, Trinity County residents are entitled to 25 percent of energy produced at the plants, at cost. The District's entitlement has always exceeded the peak usage of the Electric System and is expected to continue to do so for the foreseeable future.

Trinity PUD receives 100% of its power from the Western Area Power Administration (WAPA). Total annual retail load was approximately 125 million kilowatt hours (kWh) for 2020. Trinity PUD's annual peak load has averaged 25 Megawatts (MW) over the last three years. This peak demand occurs in the winter.

The areas surrounding Trinity PUD's electric transmission and distribution systems are particularly vulnerable to fire risk due to the dense vegetation and steep terrain. Trinity PUD and WAPA have partnered to propose a proactive Wildfire Risk Reduction, Reliability, and Asset Protection (WRAP) Project to reduce fire risk to the surrounding communities and public lands, as well as to increase electric reliability to maintain critical services in local communities.

4) Financial ability of agencies to provide services

Trinity PUD has adequate resources to provide services. For the 19/20 and 20/21 fiscal years the District's revenues exceeded its expenditures by \$1,990,648 and \$2,663,072 respectively. The District conducts annual audits with the FY 20/21 audit most recently completed. Total

assets and deferred outflows of resources increased \$0.433 million over the course of FY 19/20. Total liabilities and deferred inflows of resources decreased \$0.707 million for a net increase to net position of \$1.140 million.

5) Status of, and opportunities for, shared facilities

There currently exists no opportunities to share facilities with other electric service providers since there are no other districts that provide electrical distribution in the County, other than PG&E, a privately held utility.

6) Accountability for community service needs, including governmental structure and operational efficiencies

Trinity PUD is governed by a five-member Board of Directors. The District demonstrated accountability and transparency by disclosing financial and service-related information in response to LAFCo requests. Trinity PUD has a website that complies with new special district website regulations (SB 929).

7) Any other matter related to effective or efficient service delivery, as required by commission policy

Trinity PUD's SOI is coterminous with the district boundary apart from the Post Mountain area which corresponds with the service area of the Post Mountain PUD. Currently this area is not served electrical services by Trinity PUD or Post Mountain PUD, which only provides fire protection and limited road maintenance services. Should the Post Mountain area ever wish to have electrical services provided, annexation to the Trinity PUD would be required. No change to the District's SOI is proposed at this time.

8. SPHERE OF INFLUENCE DETERMINATIONS

1) Present and planned land uses in the area, including agricultural and open-space lands.

The area served by the Trinity PUD is primarily agricultural, commercial timber production lands, recreation areas, and rural residential uses. There are also areas of light industrial and commercial uses. Opportunities for growth exist, but physical constraints such as flood plains and steep terrain are barriers to growth.

2) Present and probable need for public facilities and services in the area.

The District boundary does not include the communities of Ruth, Mad River, Zenia and Kettenpom in the southern portion of Trinity County, nor does it include the communities of Denny, Del Loma, Burnt Ranch, Hawkins Bar and Salyer in the western portion of the County. In addition, the territory covering Post Mountain PUD is not included within the District; however, the Post Mountain PUD area is included within the District's sphere of influence. Prior to considering expanded services outside the current service area and within the sphere of influence, Trinity PUD must demonstrate the ability to provide services to those areas.

3) Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

Electricity for distribution by Trinity PUD is supplied by hydroelectric dams that are part of California's Central Valley Project. The Bureau of Reclamation manages the dams that create hydroelectricity. This electricity is managed by the WAPA, which then delivers the electricity to Trinity PUD. The current capacity of public facilities provided by the District appear to be adequate to serve current and future demand within the District Boundary.

4) Existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

Trinity PUD provides sub-transmission and electricity distribution to approximately 12,000 consumers in a 2,200 square mile area in Trinity County. The District is the exclusive provider of retail electric distribution service within its boundaries. The District works to maximize power allocation, protect first preference rights, expand transmission infrastructure, and improve reliability and cost of service to District customers.

5) For an update of a sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere.

Trinity PUD provides electricity services only and is therefore responsible for assuring that this service is adequately provided to the community. It can be assumed that communities outside of the Trinity PUD boundary qualify as disadvantaged based on average median household incomes for Trinity County.

9. REFERENCES

State of California Department of Finance:

<http://www.dof.ca.gov/Forecasting/Demographics/Estimates/E-1/>

Trinity PUD FY 2018-19 Audited Financial Statements. Baker Tilly Virchow Krause, LLP

Trinity PUD 2006 Municipal Service Review.

Trinity PUD 2020 Wildfire Mitigation Plan.

US Census Bureau: <https://www.census.gov/quickfacts/table/PST045215/06>



RESOLUTION NO. 2021-01

ATTACHMENT B

APPROVING THE TRINITY PUBLIC UTILITIES DISTRICT MUNICIPAL SERVICE REVIEW AND SPHERE OF INFLUENCE UPDATE

WHEREAS, the Trinity Local Agency Formation Commission, hereinafter referred to as the “Commission”, is authorized to conduct municipal service reviews and establish, amend, and update spheres of influence for local governmental agencies whose jurisdictions are within Trinity County; and

WHEREAS, the Commission conducted a municipal service review to evaluate the availability and performance of services provided by the Trinity Public Utilities District, hereinafter referred to as the “District”, pursuant to California Government Code Section 56430; and

WHEREAS, the Commission conducted a sphere of influence review for the District pursuant to California Government Code Section 56425; and

WHEREAS, the Executive Officer gave sufficient notice of a public hearing to be conducted by the Commission in the form and manner provided by law; and

WHEREAS, the Executive Officer’s report and recommendations on the municipal service review and sphere of influence update were presented to the Commission in the form and manner prescribed by law; and

WHEREAS, the Commission heard and fully considered all the evidence presented at a public hearing held on the municipal service review and sphere of influence update on April 20, 2021; and

WHEREAS, the Commission considered all the factors required under California Government Code Section 56430 and 56425.

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

1. The Commission, as Lead Agency, finds the municipal service review is exempt from further review under the California Environmental Quality Act pursuant to Title 14 California Code of Regulations Section 15306. This finding is based on the use of the municipal service review as a data collection and service evaluation study. The information contained within the municipal service review may be used to consider future actions that will be subject to additional environmental review.
2. The Commission, as Lead Agency, finds the sphere of influence update is exempt from further review under the California Environmental Quality Act pursuant to Title 14 California Code of Regulations Section 15061(b)(3). This finding is based on the

Commission determining with certainty the update will have no possibility of significantly affecting the environment given no new land use or municipal service authority is granted.

3. This municipal service review and sphere of influence update is assigned the following distinctive short-term designation: "Trinity PUD MSR/SOI Update 2021".
4. Pursuant to Government Code Section 56430(a), the Commission makes the written statement of determinations included in the municipal service review, hereby incorporated by reference.
5. Pursuant to Government Code Section 56425(e), the Commission makes the written statement of determinations included in the sphere of influence update, hereby incorporated by reference.

BE IT FURTHER RESOLVED by the Commission that:

The Trinity PUD MSR/SOI Update 2021 is hereby approved, with no change to the sphere of influence for the District which is coterminous with the district boundaries apart from the expanded sphere in the Post Mountain area, as depicted in Exhibit "A", attached hereto.

PASSED AND ADOPTED at a regular meeting of the Trinity Local Agency Formation Commission on the 20th day of April 2021, by the following roll call vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST:

APPROVED:

Kathy Bull
Administrator/Clerk

Keith Groves
Chair



Agenda Item: 6.B.

Meeting: April 20, 2021

To: Trinity LAFCo Commissioners

From: Colette Santsche, Executive Officer & Kathy Bull, Administrator/Clerk

Subject: Proposed Fiscal Year 2021/2022 Budget and Work Plan

BACKGROUND:

Local Agency Formation Commissions (LAFcos) are responsible for annually adopting a proposed budget by May 1st and a final budget by June 15th in accordance with Government Code Section 56381. State law specifies the proposed and final budgets shall, at a minimum, be equal to the budget adopted for the previous fiscal year unless LAFCo finds the reduced costs will nevertheless allow the agency to fulfill its prescribed regulatory and planning duties.

DISCUSSION:

Funding Sources:

Trinity LAFcos annual operating expenses are principally funded through appropriations from the County and Special Districts, in addition to application fees. Each fiscal year, after the Commission adopts the final budget, the County Auditor apportions operating expenses between the County and the independent special districts. Statutory authority allows the County Auditor to collect the amounts apportioned.

Operating Expenses:

The proposed operating expenses reflect the anticipated staffing services, daily operational needs, and preparation of municipal service reviews and sphere of influence updates. No changes in operating expenses are proposed from the prior fiscal year.

Operating Revenues:

The operating revenues are proposed to remain equal with last year without an increase to local funding agencies. Staff is examining the possibility of an increase to contributions from local funding agencies in the Fiscal Year 2022/2023 in order to reduce reliance on reserves needed to balance the operational budget.

RECOMMENDATION:

Staff recommends the Commission approve the Proposed Budget for Fiscal Year 2021/2022 referenced in Resolution 2021-02 and as outlined in Attachment A, with any requested changes; direct staff to forward the proposed budget to local funding agencies; and direct staff to prepare the final budget at a public hearing scheduled for June 15, 2021.

Exhibit A: Trinity LAFCo FY 2021/2022 Proposed Budget
Exhibit B: Resolution Number 2021-02

Trinity LAFCo Budget

Fund No. 270-0100
Department No. 8270

Categories	Acct #	FY 2019/20 Adopted Budget	FY 2019/20 Budget Adjustments	FY 2019/20 Year End Actual	FY 2020/21 Adopted Budget	FY 2020/21 Q3 Actual	FY 2021/22 Proposed Budget
REVENUES:							
Interest	6601	-	-	1,671	-	-	-
LAFCo Fees (Applications)	8404	-	-	1,216	5,000	2,952	5,000
Cont From Other Agencies:							
County	9282	14,000	14,000	14,000	14,000	14,000	14,000
Indep Spec Districts	9285	14,000	14,000	13,450	14,000	9,328	14,000
TOTAL Revenues		\$ 28,000	\$ 28,000	\$ 30,337	\$ 33,000	\$ 26,280	\$ 33,000

EXPENDITURES:							
Memberships	2240	1,500	1,500	1,075	1,500	1,185	1,500
Office	2260	600	600	655	600	36	600
Professional & Specialized:	2300	40,800	40,800	39,837	45,800	25,090	45,800
- Staffing services		15,000	25,000	24,985	25,000	14,546	25,000
- MSR/SOI		25,000	15,000	11,732	15,000	9,858	15,000
- Applications		-	-	2,839	5,000	686	5,000
- Legal Counsel		500	500	-	500	-	500
- Web Service		300	300	282	300	-	300
Publications & Legal Notices	2500	500	500	947	500	268	500
Transportation & Travel	2750	1,500	1,500	406	1,500	58	1,500
Training	2756	-	-	-	-	-	-
Contrib to Non LAF Agency	3200	-	-	-	-	-	-
Transfer Out		-	-	-	-	-	-
TOTAL Expenditures		\$ 44,900	\$ 44,900	\$ 42,921	\$ 49,900	\$ 26,637	\$ 49,900

Operating Difference		\$ (16,900)	\$ (16,900)	\$ (12,584)	\$ (16,900)	\$ (357)	\$ (16,900)
<i>(Negative Balance Indicates Use of Reserves)</i>							

FUND BALANCE/RESERVES

Beginning Year Fund Balance		\$ 109,160			\$96,576		
Ending Year Fund Balance				\$ 96,576			
Assigned/Designated Reserve Funds:	\$90,000						
Litigation Defense:	\$ 60,000						
Special Legal Counsel:	\$ 10,000						
Unanticipated Sp. Studies:	\$ 20,000						



RESOLUTION NO. 2021-02

ATTACHMENT B

ADOPTING A PROPOSED BUDGET FOR FISCAL YEAR 2021/2022

WHEREAS, the Trinity Local Agency Formation Commission is required by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 to adopt a proposed budget for the next fiscal year no later than May 1; and

WHEREAS, the Executive Officer prepared a report concerning the proposed budget, including recommendations thereon; and

WHEREAS, the Executive Officer's report was presented to the Commission in the manner provided by law; and

WHEREAS, the Commission heard and fully considered all the evidence presented at its public hearing on the proposed budget held on April 20, 2021; and

WHEREAS, the Commission determined the proposed budget projects staffing and program costs of the agency as accurately and appropriately as is possible.

NOW THEREFORE, IT IS RESOLVED, DETERMINED AND ORDERED as follows:

1. The proposed budget for Fiscal Year 2021/2022 as outlined in Exhibit A is hereby approved and by this reference incorporated herein;
2. The overall operating costs provided in the proposed budget will allow the Commission to fulfill its regulatory and planning responsibilities as required under Government Code Section § 56381(a);
3. The adopted proposed budget for Fiscal Year 2021/2022 shall be circulated to funding agencies for review and comment.

THE FOREGOING RESOLUTION was introduced at a regular meeting of the Trinity LAFCO Commission on the 20th day of April, 2021, and adopted by the following roll call vote:

AYES:

NOES:

ABSTAINS:

ABSENT:

ATTEST:

APPROVED:

Kathy Bull
Administrator/Clerk

Keith Groves
Chair



Agenda Item: 6.C.

Meeting: April 20, 2021

To: Trinity LAFCo Commissioners

From: Colette Santsche, Executive Officer & Kathy Bull, Administrator/Clerk

Subject: Commission Policies and Procedures Update

BACKGROUND:

Trinity LAFCo has drafted Policies and Procedures pursuant to Section 56300(a) of the Cortese-Know-Hertzberg Local Government Reorganization Act of 2000. At previous meetings, the Commission reviewed and accepted staff edits to the following sections:

- Section 1. General, "Bylaws" and Related Administration Policies
- Section 2. LAFCo Operations and Financial Policies
- Section 3. Policies, Requirements and Criteria for Applications
- Section 4. Services by Contract
- Section 5. Conducting Authority Proceedings
- Section 6. Conflict of Interest and Financial Disclosure

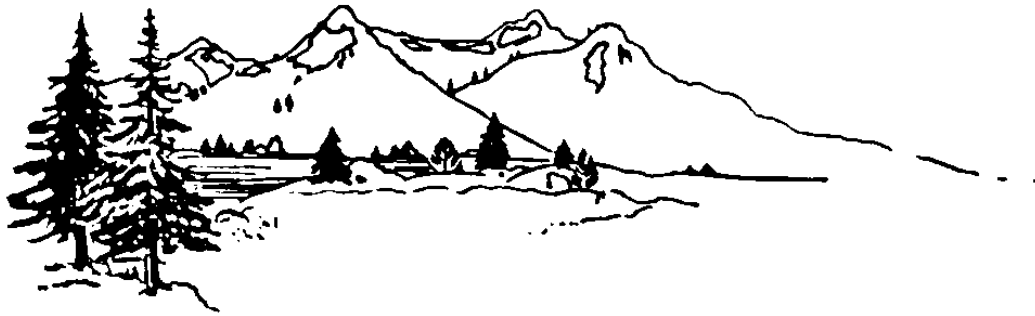
DISCUSSION:

All sections of the Policies and Procedures have now been revised and updated. Staff has included a complete Policy and Procedures document in its entirety for the Commission's final review and approval.

RECOMMENDATION:

Staff recommends that the Commission consider accepting proposed changes and adopting Resolution No. 2021-03, thereby approving the Policy and Procedures in its entirety as referenced in Attachment A, or provide staff with further direction.

Attachments: Complete Policy and Procedures
Resolution 2021-03



TRINITY LAFCO

Trinity Local Agency Formation Commission

POLICIES AND PROCEDURES

Updated 4/20/2021

Table of Contents

Section 1. “BYLAWS” AND RELATED ADMINISTRATION POLICIES

1.1 COMMISSION TITLE	1
1.2 MISSION, AUTHORITY AND PURPOSES.....	1
1.3 INTEGRATION WITH STATE LAWS	1
1.4 MEMBERSHIP	2
1.5 OTHER	3
1.6 DOCUMENTS	3
1.7 OFFICERS	4
1.8 MEETINGS	5
1.9 AGENDAS	5
1.10 QUORUM, VOTING AND CONDUCT OF MEETINGS	5
1.11 PUBLIC HEARINGS.....	8
1.12 RECORD OF PROCEEDINGS.....	10

Section 2. LAFCO OPERATIONS AND FINANCIAL POLICIES

2.1 LAFCo BUDGET	11
2.2 LAFCo FEES	12
2.3 LAFCo EXPENDITURES	14

Section 3. POLICIES, REQUIREMENTS & CRITERIA FOR APPLICATIONS

3.1 APPLICATIONS	16
3.2 PLAN FOR SERVICE	18
3.3 COORDINATION OF APPLICATIONS.....	19
3.4 SPHERES OF INFLUENCE	20

Section 4. SERVICES BY CONTRACT

4.1 SERVICES BY CONTRACT OUTSIDE OF AGENCY BOUNDARIES	23
4.2 FIRE PROTECTION SERVICES BY CONTRACT.....	24

Section 5: CONDUCTING AUTHORITY PROCEEDINGS

5.1 AUTHORITY, WAIVER, AND SCHEDULING	27
---	----

Section 6: CONFLICT OF INTEREST AND FINANCIAL DISCLOSURE

6.1 CONFLICTS AND DISCLOSURES	28
-------------------------------------	----

Section 1. “BYLAWS” AND RELATED ADMINISTRATION POLICIES

1.1 COMMISSION TITLE

This Commission shall be entitled and known as the Trinity Local Agency Formation Commission (“Trinity LAFCo”).

1.2 MISSION, AUTHORITY AND PURPOSES

Trinity LAFCo was established and operates under the provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act) (California Government Code Sections 56000 et seq.)¹

The Local Agency Formation Commission coordinates logical and timely changes in local governmental boundaries (§56001); conducts special studies which review ways to reorganize, simplify and streamline governmental structures (§56031); and prepares spheres of influence for each city and special district within the County (§56425). The Commission promotes provision of efficient and economical services while encouraging protection of agricultural and open space lands (§56001, §56300). Further efforts include discouraging urban sprawl and encouraging orderly formation and development of local agencies based upon local conditions and circumstances (§56301).

Local Agency Formation Commissions are independent commissions that are not a part of county government and are not under the County Board of Supervisors authority. Each Commissioner is independent when weighing and reviewing information and when making determinations (§56325.1 and Attorney General Opinion 98.802).

The mission of the Trinity LAFCo is to implement the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 with an understandable and open public process leading to informed decisions.

1.3 INTEGRATION WITH STATE LAWS

This document and its subsequent sections will contain the policies, procedures and guidelines needed to implement LAFCo’s statutory purposes and its mission. They are general guidelines for the Commission to follow; however, they are not mandatory or binding. The Commission can and will consider each action upon its merits within the parameters set forth in state law. The provisions of this document are not intended to preempt state law. In the event of a conflict between these policies and guidelines, and the provisions set forth in the Cortese-Knox-Hertzberg

¹ Note: All code notations in the Policies and Guidelines refer to the California Government Code unless otherwise noted.

Local Government Reorganization Act of 2000, the provisions of the Act shall prevail.

1.4 MEMBERSHIP

1.4.1 Membership: Trinity LAFCo shall be composed of seven (7) regular members and three alternate members (§56325, §56332). All members must be residents of Trinity County.

(a) County: Three members and one alternate from the County Board of Supervisors are selected by that Board (§56329).

(b) Special Districts: Two Special District Members and one alternate are designated by the Independent Special District Selection Committee (§56332).

(c) Public Member: ~~The Two~~ Public Members and one alternate Public Member are appointed by the other five Commissioners (§56325(d) & 56329). A Public Member cannot be an officer or employee of the County or any Special District having territory within Trinity County. Appointments are made in the following manner:

(i) The vacancy shall be posted by the Executive Officer within 21 days after the vacancy occurs or term of office ends (§54974). At the same time notice shall be published in a newspaper of general circulation.

(ii) The application period will run not less than 30 days from the date of posting and publication. Letters of application with attached resumes, or similar demonstration of qualifications and interest, shall be submitted to the LAFCo Executive Officer within the time period specified in the posted notice of vacancy.

(iii) The Commission may, at its discretion, designate a committee to review applications and recommend an appointment. Depending on the number of applicants, the Commission or committee may interview the most qualified applicants.

(iv) Selection of the public member and alternate public member shall be subject to the affirmative votes of at least one County and at least one District member seated on LAFCo. (§56325(d))

1.4.2 Alternate Commissioners: Alternate members may vote in place of the regular member who is absent or who disqualifies himself or herself from participating in an action (§56325). Alternate Commissioners may participate in closed sessions when sitting in and voting for an absent Commissioner.

1.4.3 Term of Office: The term of each member shall be four years. Commissioners serve until the appointment and qualification of a successor or until removed by the appointing body (§56334). A Commissioner is required to vacate their seat if he or she ceases to hold the originating office (§56337). LAFCo terms begin on the first day of May.

1.4.4 Independent Judgement: All Commission 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. This does not require the abstention of any member on any matter, nor does it create a right of action in any person. (§56325.1)

1.5 OTHER

1.5.1 It is the policy of Trinity LAFCo to be a member of CALAFCO and to support and actively participate in the State association.

1.6 DOCUMENTS

1.6.1 No staff member will distribute campaign related documents or items unrelated to the business of LAFCo (Government Code §54964, Penal Code 424).

1.6.2 Subject to the discretion of the Executive Officer, printed material relevant to the business of LAFCo, including proposed or anticipated LAFCo actions, may be included in the meeting packet on an informational basis.

1.6.3 All persons are invited to submit written comments for any matters set for hearing before LAFCo. Members of the public are strongly urged to submit their comments sufficiently in advance of meetings to allow Commissioners to review the information.

(a) Written comments will be included in the meeting packet if received by the Executive Officer prior to the distribution of the packet.

(b) Written comments received up to 48 hours prior to the LAFCo meeting will be duplicated by Executive Officer for distribution at the meeting.

(c) Persons submitting written comments less than 48 hours before a LAFCo meeting must provide at least fifteen (15) copies for distribution.

1.7 OFFICERS

1.7.1 Elections: The Chair (§56334) and Vice-Chair shall be elected by a majority vote of the Commission. Elections shall be held annually at the ~~regular Commission meeting in April~~first regular meeting of the calendar year.

1.7.2 Terms of Office: The offices of Chair and Vice Chair are one--year terms to coincide with the calendar year. ~~The term of office begins the first day of May. Terms of office shall rotate each year between the County, Special District and Public members. The Chair and Vice Chair shall not be members of the same appointing authority (county, special district, or public). Should the Chair or Vice Chair position become vacant during the calendar year, the Commission shall, at the meeting at which the vacancy occurs, elect a successor to serve the balance of that calendar year.~~

1.7.3 Duties of Chair: The Chair, when present, shall preside at all meetings of the Commission and shall conduct the business of the Commission in the manner prescribed by these ~~rules~~policies. The Chair shall preserve order and decorum, set time limits for speakers, and shall decide all questions of order subject to the action of a majority of the Commission.

The Chair may also, from time to time, appoint Commission members to subcommittees and may call special meetings as necessary and as provided by law (§54956). All documents involving official acts of the Commission shall be signed in accordance with appropriate statutes relating to such acts. In the absence of specific regulations, the signature of the presiding officer shall be deemed sufficient.

1.7.4 Duties of Vice-Chair: In the absence of the Chair or if for any reason the Chair is unable to act as Chair, the Vice-Chair shall act as Chair and exercise all the powers and duties of the Chair.

1.7.5 Chair Pro Tem: In the absence of the Chair or Vice Chair or if the Chair or Vice-Chair is unable to participate in the proceedings, the immediate past chair of the Commission will act as Chair. If the Chair, Vice Chair and immediate past Chair are not available, then the members of the Commission present shall, by an order entered in the minutes, select one of their members to act as Chair Pro-Tem with all the powers and duties of the Chair.

1.7.6 Spokesperson: The Commission may, from time to time, designate a spokesperson to represent the Commission for a particular matter.

1.7.7 Speaking in Public: All Commissioners, when speaking in public forums of any kind, must clearly state that they are expressing their own views, unless they

have been designated to be the spokesperson on that matter and to represent the Commission.

1.8 MEETINGS

1.8.1 Regular meetings are conducted monthly (§54954) and are usually held in the Trinity County Library Conference Room (Board Chambers) located at 351 Main Street, Weaverville, California. Regular meetings are held, as necessary, on the third Tuesday of ~~each~~ even numbered months at 4:00 pm. The Commission may change the meeting schedule or location, add or cancel hearings.

1.8.2 The Chair, Executive Officer or a majority of the Commission may call a special meeting at any time, pursuant to the provisions of Government Code ~~Section §~~54956. "For the majority to act, there is implied authority for them to communicate to determine if they want to call a special meeting" (Open & Public III: A user's guide to the Ralph M. Brown Act).

1.8.3 Notice of meetings will be provided in accordance with the provisions of the Cortese-Knox-Hertzberg Act, the Brown Act, and the California Environmental Quality Act, as applicable. The Executive Officer may provide public notice, above that required by law, when appropriate. The meeting agenda will be provided to LAFCo's established agenda mailing list, including appropriate media, project proponents, and interested parties requesting notice for a specific hearing.

1.9 AGENDAS

1.9.1 Items are placed on the meeting agenda by any member of the Commission, the Executive Officer, or by the Commission's direction or consensus.

1.9.2 Meeting agendas and packets shall be posted on the LAFCo website and available to Commissioners approximately five days prior to the meeting. Copies of the staff reports shall be made available to proponents, affected local agencies, and agendas will be provided to LAFCo's established agenda mailing list, including appropriate media, project proponents, and interested parties requesting notice for a specific hearing.

1.9.3 In accordance with the Ralph M. Brown Act, the Commission may not take action on any items that do not appear on the Trinity LAFCo agenda posted 72 hours prior to the meeting unless an exception is made as permitted under Government Code ~~§Section~~ 54954.2 (immediate action required, etc).

1.10 QUORUM, VOTING AND CONDUCT OF MEETINGS

1.10.1 Quorum: Four (4) 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. In the

absence of a quorum, the members present shall adjourn the hearing to a stated time and place (Rosenberg's Rules of Order).

1.10.2 Voting: When applicable, a roll call vote shall be conducted by the Commission Clerk, with the Chair voting last. No act of the Commission shall be valid or binding unless four (4) or more members concur. A tie vote, or any failure to act by at least four affirmative votes, shall constitute a denial.

1.10.3 Order of Business: The business of the Trinity LAFCo at its meetings will be conducted in accordance with the following order of business unless otherwise specified. The Executive Officer or any member of the Commission may request that the order of business be changed to accommodate a special circumstance.

The usual order of business is as follows:

1. Call to Order/Roll Call
2. Presentations/Announcements
3. ~~Approval of Minutes~~Consent Calendar
4. Public Comment Opportunity
5. Public Hearings
6. ~~Action Items~~ New Business
7. ~~Administrative Business~~ Old Business
8. Executive Officer's Report/Correspondence
9. Commissioner's Comments
10. Adjournment

1.10.4 Public Comment/Public Forum: Any person wishing to address the Commission on any item within LAFCo's jurisdiction but **not** appearing on the agenda may do so during this section of the agenda (Section 54954.3). The Commission cannot take action on a matter that is not listed on the agenda, including matters raised during Public Comments. The Chair, however, may request the Executive Officer to provide brief additional information on a matter of general interest to the Commission or public-at-large. The time limit is three minutes per speaker, subject to the discretion of the Chair.

1.10.5 Public Hearings: For a full discussion of public hearing procedures and policies, please refer to Section 1.11.

1.10.6 Executive Officer's Report: The Executive Officer shall provide periodic reports to the Commission on agency activities, pending projects, and the budget.

1.10.7 Commissioner's Comments: Commissioners' reports may include individual or committee activities, intergovernmental items, announcements and other relevant matters.

1.10.8 Speakers:

- (a) All communications from the floor are addressed to the Commission.
- (b) Members of the public who speak at a meeting are requested to identify themselves ~~and to sign in with the Clerk (Section 54953.3) to facilitate preparation of the minutes and address remarks to the Commission, as a body, and not to any member thereof.~~ Those attending a meeting are not required to identify themselves.
- (c) No person is allowed to speak from the audience.
- (d) Each speaker is allowed to speak once on an agenda item.

1.10.9 Time Limits: The Chairman may limit the time for speakers or may limit the total time allotted for any individual item (Brown Act). The usual time limit is three minutes for speakers.

1.10.10 Motions: Motions may be made by any regular member of the Commission or alternate member acting in place of a regular member, including the presiding officer, provided that before the presiding officer offers a motion the opportunity for making a motion should be offered to other members of the Commission. Any regular member of the Commission or alternate member acting in place of a regular member, other than the person offering the motion, may second a motion.

1.10.11 Procedure for Motion: The following is the general procedure for making motions:

- (a) Before a motion can be considered or debated it must be seconded.
- (b) A commission member wishing to second a motion should do so through a verbal request to the Chair.
- (c) Once the motion has been properly made and seconded, the Chair shall open the matter for discussion offering the first opportunity to the moving party and, thereafter, to any Commission member or alternate properly recognized by the Chair.
- (d) Once the matter has been fully discussed and the Chair calls for a vote, no further discussion will be allowed, provided, however, Commission members may be allowed to explain their vote.

1.10.12 Motion Amendments: When a motion is on the floor, and an amendment is offered, the amendment should be acted upon prior to acting on the main motion.

1.10.13 Voting: Any regular member of the Commission, or alternate member acting in place of a regular member, present at a meeting when a question comes up for a vote should vote for or against the measure unless he/she is disqualified from voting and abstains because of such disqualification. If the vote is a voice

vote, the Chair shall declare the result. The Commission may also vote by roll call. Regardless of the manner of voting, the results reflecting all “ayes” and noes” must be clearly set forth for the record.

Whenever a roll call vote is in order, the Commission Clerk shall call the names of the members in the following order: the mover, the second, other members, providing that the name of the Chair shall be called last.

1.10.14 Abstention:

- (a) Commission members should declare their intention to abstain on an item on the agenda as soon as the agenda item is announced.
- (b) When Commission members abstain or excuse themselves from a portion of a Commission meeting because of a legal conflict of interest, the Commission member must briefly state on the record the nature of the conflict. Including this information in the public record as required by law. A Commissioner excusing him/herself for a legal conflict shall leave the meeting room.
- (c) Whenever a regular member of the Commission abstains, for whatever reason, that member’s alternate is eligible to replace the abstaining regular member and participate fully in all actions, provided the alternate member does not have a conflict of interest.

1.10.15 Motions for Reconsideration: Reconsideration of any resolution of the Commission making determinations must comply with the provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

1.11 PUBLIC HEARINGS

1.11.1 General Procedure: The Commission procedure for the conduct of public hearings is generally as follows:

- (a) The Chair announces the item to be considered.
- (b) LAFCo staff presents its report
- (c) Commission members and alternates may ask questions of staff if they so desire.
- (d) The Chair opens the public hearing to statements from the applicant and public
- (e) The applicant or applicant representative then has the opportunity to present comments, testimony, or argument.
- (f) Members of the public are provided with the opportunity to present their comments, testimony or argument.
- (g) The applicant or applicant representative is given an opportunity for rebuttal or concluding comments. No new information shall be introduced except by specific permission of the Chair, in which event opponents shall, again, be given an opportunity to rebut.

- (h) LAFCo staff is given an opportunity for concluding comments.
- (i) The public hearing is closed.
- (j) The Commission deliberates on the issue.
- (k) If the Commission raises new issues through deliberation and seeks to take additional public testimony (questions of the public, applicant or appellant), the Public Hearing must be reopened. At the conclusion of the public testimony, the Public Hearing is again closed.
- (l) The Commission deliberates and takes action.
- (m) The Chair announces the final decision of the Commission.

1.11.2 Time for Consideration: Matters noticed to be heard by the Commission will commence at the time specified in the notice of hearing, or as soon thereafter as is reasonably possible, and will continue until the matter has been completed or until other disposition of the matter has been made.

1.11.3 Continuance of Hearings: Any hearing being held or noticed or ordered to be held by the Commission at any meeting of the Commission may, by order or notice of continuance, be continued or re-continued to any subsequent meeting within the time limits require by law.

1.11.4 Public Discussion at Hearings:

- (a) When a matter for public hearing comes before the Commission, the Chair will open the public hearing. Upon opening the public hearing and before any motion is adopted related to the merits of the issue to be heard, the Chair shall call for presentation of the staff report. Following any staff presentation and Commissioner questions, the Chair shall inquire if there are any persons present who desire to speak on the matter which is to be heard or to present evidence respecting the matter. The applicant or applicant's representative would generally speak first.
- (b) Request to Speak – Any person desiring to speak shall make his/her presence known to the Chair and upon being recognize by the Chair, the person may speak relevant to the matter being heard. No person may speak without first being recognized by the Chair.
- (c) Commission Questions of Speakers – Members of the Commission or alternates who wish to ask questions of the speakers or each other during the public hearing portion may do so buy only after first being recognized by the Chair. Interactions with a speaker shall be limited to a question or questions, rather than an ongoing dialogue. Commission members and alternates should avoid raising question as a method to extend the allocated time for a speaker.
- (d) Material for Public Record – All persons interested in the matter being heard by the Commission shall be entitled to speak and to submit written or graphic information. All written and graphic information presented will be retained by the Clerk of the Commission as part of the record of the hearing, unless otherwise directed.

- (e) Germane Comments – No person will be permitted during the hearing to speak about matters or present information not germane to the matter being considered. A determination of relevance shall be made by the Chair, subject to approval by the full Commission if requested by and Commission member or alternate.

1.11.5 Communications and Petitions: Written communications and petitions concerning the subject matter of the hearing will be noted, read aloud, or summarized by the Chair, or at the Chair's direction by the Executive Officer. A reading in full shall take place if requested by the Commission.

1.12 RECORD OF PROCEEDINGS

1.12.1 General Procedure: The Commission Clerk or designee shall record and prepare minutes of each meeting. The minutes are intended to be a summary of the order of business and general nature of testimony, Commission deliberation, and action taken. After approval, the minutes shall become the official record of actions of the Commission.

Section 2. LAFCO OPERATIONS AND FINANCIAL POLICIES

2.1 LAFCO BUDGET

Government Code §56381, et. seq., and the following policies will apply to the LAFCo budget process:

2.1.1 The Commission shall adopt annually, following noticed public hearings, a proposed budget by May 1 and final budget by June 15 in the manner prescribed by §56381.

2.1.2 LAFCo will encourage an open process in the development and approval of its budget. LAFCo will encourage cooperation and collaborative efforts among agencies in order to reduce the costs of special projects, studies and state mandates.

2.1.3 LAFCo will annually review and consider budget priorities to fulfill the purposes and programs of state law and local policy. These work priorities will help guide the development of the budget.

2.1.4 The budget will identify the resources available for LAFCo's use under the law and those resources necessary for the purpose of carrying out state law and the Commission's goals and policies.

2.1.5 The LAFCo Executive Officer shall serve as budget administrator to prepare, present, transmit, review, execute and maintain the LAFCo budget.

2.1.6 Contingency/Reserve:

- (a) The annual budget shall include a contingency appropriation of 10% of total operating expenses, but not less than \$5,000, unless the Commission deems a different amount appropriate. If a shortfall is shown to occur in the processing of the annual budget, the Executive Officer will present the budget showing the shortfall with the need to expend monies from the reserve. An amount should be left in reserve consistent with costs estimated for emergencies.
- (b) Funds budgeted for contingency reserve shall not be used or transferred to any other expense account code without the prior approval of the Commission.
- (c) Whenever the actual year-end closing figures for the LAFCo general fund show that available financing exceeds financing requirements, the excess fund balance shall be transferred to a designated reserve account unless allocated to the next fiscal year, as determined by the Commission.~~an account designated for subsequent years financing, lawsuits or other unanticipated events.~~ These designated funds will be considered as a

- reserve account for subsequent years financing, lawsuits or other unanticipated events. The County of Trinity Auditor-Controller, with the concurrence of the Executive Officer, is authorized to transfer an amount equal to the amount of excess financing to this account, which shall be augmented, as funds may be available, until it contains an amount equal to at least 25% of the current year budget, but not less than \$30,000. Once the account equals at least this amount any remaining funds in excess of the actual fund balance amount may be appropriated for any allowed expense at the Commission's discretion.
- (d) Whenever actual year end closing figures of the LAFCo general fund show that financing requirements exceed available financing, the Executive Officer shall notify the Commission at its next regular meeting. Any associated reductions in appropriations may not be made without prior approval of the Commission.
 - (e) Funds in the ~~designation the LAFCo designated~~ reserve accounts~~s~~, shall not be used for any current year's expenses or considered as a financing source for on-going operations without the prior approval of the Commission. It is the intent of the Commission that any funds considered as reserves only be used in the case of extraordinary expenses that could not have been anticipated.

2.1.7 Budget Adjustments:

- (a) The Commission may make adjustments to its budget at any time during the fiscal year, as it deems necessary.
- (b) Adjustments between accounts within the same budget income group may be approved by the Executive Officer.
- (c) Transfers between budget income groups shall be subject to approval by the Commission.

2.1.8 Audits. An independent audit of LAFCo finances will be conducted as the Commission deems necessary. Cash handling, receipts, deposits and claims procedures will be processed through the Trinity County Auditor. ~~At each regular meeting the Commission will review the 'budget-to-actual' report.~~

2.1.9 Apportionments. Funding for the normal operational expenses of Trinity LAFCo shall be borne from Trinity County and its special districts. Trinity County shall apportion ½ of LAFCo budget from Trinity County and ½ from the special districts. The apportionment funds shall be collected by the Trinity County Auditor.

2.2 LAFCO FEES

2.2.1 Application Fees

- (a) The Commission shall periodically review fees and adopt a ~~fee~~ schedule of deposits for the purpose of recovering the costs pursuant to the Cortese-Knox-Hertzberg Act (§56383(a), §56384, §66016).
- (b) The schedule of ~~fees—deposits~~ shall not exceed the estimated reasonable cost of providing the service for which the fee is charged and shall be imposed pursuant to §66016 and §56383. Charges listed on the schedule of fees are initial payments toward the total cost of processing (“project cost”).
- (c) Project cost is defined as staff time plus materials. ~~Staff charge-out rates include personnel costs plus a percentage of LAFCo operating expense and administrative overhead.~~ Materials include, but are not limited to, mailing costs, charges for advertisement of hearings, petition reviews, as well as fees charged for project reviews by affected agencies.
- (d) No petition shall be deemed filed and a Certificate of Filing shall not be issued until fees have been deposited (§56383(c)). Charges must be paid by the applicant prior to recording the Certificate of Completion or at other times during the LAFCo process as deemed appropriate by the Executive Officer. The Certificate of Completion shall not be recorded until outstanding fees and charges are paid.
- (e) Any individual or entity that requests a LAFCo initiated study or service review of special district changes of organization or reorganization shall be responsible for required fees. Charges for Reconsideration of a LAFCo Determination are the responsibility of the requesting party.
- (f) Applicants are responsible for payment of other agency fees, such as: State Board of Equalization fees, County Surveyor fees, County Elections Department costs, Environmental Document preparation fees, mapping, Fish and ~~Game~~ Wildlife fees, and County Recording Fees.
- (g) Staff time will be monitored against the deposit paid. If cost of processing an application begins to exceed the deposited amount, additional deposits will be required. Any hearing on the application may be deferred or continued pending receipt of the additional deposit.
- (h) If extensive staff assistance is required prior to receipt of an application, a deposit will be required at the time the work is requested.

- (i) Pre-Application Expenses: LAFCo will charge its pre-application staff time spent conducting research, reviewing environmental and other documents and participating in the process as the lead agency or responsible agency, as part of the processing costs. The initial deposit for proposals will be due and payable at the time LAFCo initiates preliminary work on the proposal or when the estimated time of preliminary work exceeds 2 hours.
- (j) Public inquiries and one-time general research requiring less than ~~30 minutes~~ 2 hours will not be subject to charges for staff time.

2.2.2 Reimbursement Agreements: Whenever a deposit of funds is required, the applicant shall enter into an agreement providing for LAFCo to be reimbursed for all costs related to the application based on the fee schedule in place at the time funds are deposited.

2.2.3 Legal Defense Fees: LAFCo retains the right to control its defense. The applicant may provide his or her own legal counsel in the defense of the action taken, under the supervision of LAFCo legal counsel, or, if LAFCo consents, the applicant may elect to use the services of LAFCo in that defense. In any case, the Executive Officer may require a deposit of funds by the applicant sufficient to cover LAFCo's estimated expenses of the legal defense litigation.

2.2.4 Appeal or Waiver of Fees:

- (a) Appeals shall be submitted in writing with the application and contain specific justification for the request. The appeal will be considered at the next LAFCo hearing.
- (b) Project processing will not begin until a fee determination is rendered by LAFCo.
- (c) The Commission may reduce or waive a fee or deposit if it finds that payment would be detrimental to the public interest; however, it is the Commission's policy to not waive fees except in the direst of circumstances because most special districts, which would share in the costs that are waived or reduced, have severely limited financial resources (56383(d)). The Commission will also consider the budget impacts of any fee waivers or reductions. Absent compelling circumstances, the Commission will not normally adjust or waive deposits and/or fees.

2.2.5 Refunds: Deposits on file with LAFCo which exceed the cost of processing the application by \$25 or more will be refunded to the applicant after LAFCo completes its final filings.

2.3 LAFCO EXPENDITURES

2.3.1 While CKH allows Commission members and alternates, sitting in and voting at a meeting, to receive a meeting stipend, the Commission has chosen not to receive any stipend or reimbursement for expenses incurred in performing the duties of their office (§56334).

2.3.2 Commission members, including alternates, and staff compelled to travel out of-county in the performance of their duties shall be reimbursed for their actual and necessary expenses, including reasonable incidental expenses. Reimbursement shall be made at the rates specified for officers or employees of Trinity County, or as otherwise specified by the Commission. Travel claims will be made in the form and manner as such claims are processed for officers or employees of Trinity County subject to approval of the Executive Officer, or if the Executive Officer is making the claim pursuant to Section 2.3.5.

2.3.3 All travel arrangements are coordinated through the Executive Officer and should be as economical as possible.

2.3.4 In order to avoid late payment penalties, or to secure an early payment discount, the Executive Officer is authorized to approve all claims for payment, except his/her own claims. At each regular meeting, the listing of approved claims shall be submitted to the Commission.

2.3.5 The Executive Officer shall submit his/her claims to the Chair and Vice-Chair for approval. Two signatures are required. If either the Chair or Vice-Chair is not available, then any other regular member of the Commission may sign. Claims approved for the Executive Officer shall also be reported to the Commission along with other approved claims.

2.3.6 The Executive Officer is designated as the financial officer of LAFCo and shall review all invoices, including claims and payment requests received by LAFCo and shall be responsible to process documents necessary for payment in a timely manner.

Section 3. POLICIES, REQUIREMENTS & CRITERIA FOR APPLICATIONS

This section includes general policies, requirements and criteria that apply to all LAFCo actions.

There may be cases when the Commission must use its discretion in the application of these policies so that potential or real conflicts among policies are balanced and resolved, based on project specifics and so that these policies remain consistent with the requirements of the Cortese-Knox-Hertzberg Act of 2000.

3.1 APPLICATIONS, GENERAL

3.1.1 All applications to the Commission ~~are to~~shall be submitted on LAFCo application forms (§56652, §56653). The application shall also include an agreement to pay costs and indemnification pursuant to the current fee schedule. The agreement to pay costs and indemnification must be signed by the applicant for the application to be deemed complete.

3.1.2 Applications shall be processed in an efficient and orderly manner that reduces hardship upon the applicant while ensuring consistency with the Cortese-Knox-Hertzberg Act of 2000. Applicant or the applicant's representative shall be required to attend a pre-application meeting to receive information, direction and advice regarding the processing needs and requirements of the specific action proposed.

- (a) Trinity LAFCO encourages a pre-application discussion between the proponent and Trinity LAFCO staff, which can save the prospective applicant substantial time once the process has begun. Trinity LAFCO staff will review procedures, applicable spheres of influence, information requirements, environmental review requirements, processing fees, and provide application forms.
- (b) As part of the pre-application discussion, LAFCO will review information on development plans, if applicable. LAFCO generally requires approved development plans, such as tentative maps or specific plans when vacant territory is proposed for annexation to a district. A key consideration of LAFCO's review of annexation requests is the timing of the action. LAFCO discourages the annexation of vacant land until it can be demonstrated that services are required. Approved development plans also provide the information necessary to evaluate a proposal. The plans show what land uses are planned, the level of services required, how services will be provided, and the conditions under which service will be extended. They also enable LAFCO to evaluate the impact of a jurisdictional change on adjacent areas.

~~(a)(c)~~ Where the application is initiated by resolution of application from an agency, the application and related agreements must be signed by an authorized officer of the agency. LAFCo prefers that the resolution procedure be used wherever feasible, to involve the affected public agency early and assure timely consideration of its needs. A resolution also establishes the affected public agency as Lead Agency under the California Environmental Quality Act (CEQA), for early review of potential environmental effects. Applications initiated by petition should also include a record of efforts to obtain affected agency sponsorship.

3.1.3 Any application submitted to LAFCo is considered preliminary and will not be deemed filed, until all required information, fees and materials are received and reviewed by the Executive Officer.

3.1.4 Applicants will be required to provide information adequate to permit LAFCo to fully consider all factors required by law including, but not limited to those areas described in Government Code §56668, 56668.3, 56668.5 and §56375:

3.1.5 No application shall be deemed filed until any applicable resolutions providing for an agreement for redistribution of property tax are received (§56810, §56815). Once property tax exchange negotiations have been initiated by transmittal of the schedules prepared by the County Auditor/Controller, time requirements of the Revenue and Taxation Code will apply (R&T §99 (b)(6), §99.01 (4)).

3.1.6 An application shall not be deemed filed until the Executive Officer makes an environmental determination pursuant to the requirements of the California Environmental Quality Act. When LAFCo is not the lead agency, the Certificate of Filing will be issued following completion of the environmental review by the lead agency. When LAFCo is the lead agency, the application may be deemed filed and the Certificate of Filing issued when environmental documentation has progressed sufficiently to set a hearing date (56658 (d)). ~~3.1.7 — Planning and pre-zoning for city annexations: All territory proposed for annexation must be specifically planned and/or pre-zoned by the appropriate planning agency. The planning or pre-zoning of the territory must be consistent with the applicable General or Specific Plan and sufficiently specific to determine the likely intended use of the property.~~

~~3.1.8 If an application remains incomplete for six months following notification of an incomplete application, the project will be closed and the proposal will be terminated.~~

~~3.1.9~~ 7 Immediately after receiving an application and before issuing a Certificate of Filing, LAFCo shall notify the appropriate agencies pursuant to §56658(b), provide relevant application related information, and request review and comment on the proposal.

3.1.8 Within 30 days of receipt of an application, LAFCo will review the proposal materials for completeness and issue a status letter to the applicant. If deemed complete, a Certificate of Filing will accompany the status letter specifying the date upon which the proposal will be heard by LAFCo. The hearing date must be set within 90 days of the date the Certificate of Filing is issued. If an application remains incomplete for six months following notification of an incomplete application, the project will be closed and the proposal will be terminated.

3.2 PLANS OF SERVICE

An evaluation of a local agency's plan of service is essential to the consideration of any change of organization or reorganization (§56375) that will expand or diminish a service provider's responsibilities. Descriptive plans of service are submitted with an application to ensure that the capacity, cost and adequacy of services within the district will be part of the LAFCo review and the service effects of the proposal will be identified and included in the decision making process (§56668).

3.2.1 General

- (a) All applications shall include a plan for providing services (§56653) which describes the project specific services to be extended and takes into account the services, capacity, cost and adequacy of services provided by an agency and how those services would be affected by the proposed LAFCO action. The Plan of Service includes information needed to render an informed decision on the proposed project.
- (b) Plan of Service submittals are required to contain, but are not limited to, the following information:
 - (1) An enumeration and description of the service to be extended to the affected territory;
 - (2) The level and range of those services;
 - (3) An indication of when those services can feasibly be extended to the affected territory;
 - (4) An indication of the improvement or upgrading of structures, roads, sewer or water facilities, or other conditions the local agency would impose or require within the affected territory if the change of organization or reorganization is completed;
 - (5) Information with respect to how those services will be financed.

(6) Any additional information required by the Commission or the Executive Officer relevant to the specific application (§56653).

(c) An application shall not be deemed filed until plan of service information is received and accepted as complete by the Executive Officer.

3.2.2 Agency Review of Plan of Service

(a) The Plan of Service submittal shall include a written statement by the agency of its intent to provide services within the estimated timeframe, including a description of the applicant's requirements to fund infrastructure or take other measures. The agency statement shall demonstrate that areas within the district can be served, or will continue to be served, at the same or higher level of service and will not result in significant negative fiscal, service, capacity or other impacts (within the special district).

(b) If the agency cannot provide the latter guarantees, then the applicant or agency ~~or applicant~~ shall provide a written justification for project approval despite anticipated negative impacts.

(c) In the event that the agency will provide service by expanding its service capabilities in the future, the Commission will consider plans for such expansion and the agency's progress toward implementation of such plans in its review of the proposal. LAFCO may require a full description of any such plan. The Commission will evaluate such documentation and may make determinations pursuant to §56668. The Commission may also impose conditions related to progress toward completion of any such plans.

3.3 COORDINATION OF APPLICATIONS

3.3.1 LAFCO encourages consolidated applications when related changes of organization are expected for adjacent territories. Applicants are strongly encouraged to include the adjacent territory and combine applications where possible.

(a) If the applicants choose to proceed with separate proposals, each applicant will provide a map that indicates the location, size and boundaries of adjacent applications.

(b) LAFCO will consider related applications at the same hearing when feasible, and may modify boundaries, including the addition of adjacent parcels, to encourage the orderly formation and development of local agencies based upon local conditions and circumstances (§56001, §56300, §56301).

3.3.2 If a ~~project site~~proposal can be anticipated to require one or more additional changes of organization that are timely and not part of the submitted application, LAFCO shall require that the application be filed as a reorganization.

3.3.3 Agencies shall comply fully with the Commission's requests for information necessary to prepare studies or process an application (§56378, §56386).

3.4 SPHERES OF INFLUENCE

3.4.1 Carefully considered, up-to-date sphere of influence determinations are critical to LAFCo's responsibility to assure orderly growth and development and prevent sprawl within their jurisdictions.

3.4.2 Staff shall identify needed updates of spheres of influence each year as part of the annual work plan and budget deliberations. Pursuant to 56425(g) spheres of influence are reviewed and updated as necessary, every 5 years, based on a review of municipal services and changes that have occurred in local conditions since the last review. Due to limited funding capabilities, it is the policy of the Commission to conduct Municipal Service Reviews and Sphere of Influence updates on a 5 to 10-year cycle or primarily when accompanied by other applications. Further justification for this policy is the limited growth experienced by special districts in Trinity County.

3.4.3 Definitions:

- (a) "Sphere of Influence" is defined at Government Code ~~§Section~~ 56076 and is the plan for the probable physical boundaries and service area of a local agency, as determined by the commission.
- (b) "Coterminous Sphere" is an area identical to the boundaries of a district and includes only lands which are within the boundaries of the agency.
- (c) "Expanded Sphere" – includes an area beyond the boundaries of the agency to accommodate planned and orderly urban development.
- (d) "Reduced Sphere" – includes removal of land from an agency's sphere of influence if the territory consists of agricultural lands, open space lands or agricultural preserves whose preservation would be jeopardized by inclusion within the agency's sphere, and/or if the land is not expected to be developed for urban uses or require urban-type services within the next 10 years or more. If the land is inside the affected agency's jurisdictional boundary, exclusion of these areas from an agency's sphere indicates that detachment is appropriate.
- (~~ee~~) "Zero Sphere of Influence" includes no territory and means that no territory will be served by the agency in the future. A zero sphere implies that the public service functions of the agency are either nonexistent, no longer needed, or should be reallocated to some other agency. The local agency which has been assigned a zero sphere should ultimately be dissolved, a change of organization of that agency's services is planned within the time frame of the sphere.
- (f) Consolidated Sphere – Two or more local agencies providing the same service(s) may be allocated a consolidated Sphere of Influence to include the areas served by both agencies. This would be the case where LAFCo

determines that the particular service(s) should be provided to the entire area by a single local agency

(dg) ~~“Sphere Update of a sphere”~~ shall mean LAFCO’s periodic overall review and modification of the sphere of an agency in light of changes since the last update as required by Section 56425 (g).

(eh) “Substantial Sphere Amendment” is a change in the sphere which is characterized by one or more of the following: plans for extension of service into the area with new infrastructure or substantial improvements to existing infrastructure (such as new water transmission or distribution lines, new sewer collection or transmission lines, fire flow, lift stations, etc.), or when a significant change in population is anticipated with annexation.

(fi) “Minor sphere amendment” is a sphere amendment limited to small areas or single parcels with a negligible change or no change in population. Re-alignment of an existing sphere to property lines, or certain extensions of service in very limited areas to correct pre-existing health and safety hazards might be considered minor sphere amendments. Minor sphere amendments, as determined by the Commission, will not require a municipal service review when tied to a boundary change proposal.

3.4.4 Amendments to a sphere of influence will generally be processed concurrently with proceedings for boundary change requests (annexations, etc.).

3.4.5 Spheres of influence shall be consistent with the plans of other relevant service providers, in addition to the plans of the district for which the sphere is being amended, updated or adopted.

3.4.6 Individual requests from landowners to be included or excluded from a sphere of influence will be considered in light of overall service plans and the need for the effective and efficient delivery of services.

3.4.7 Sphere Applications or Requests for Amendment of a Sphere of Influence:

(a) Shall state the time frame for anticipated annexation.

(b) Shall identify infrastructure needed and/or planned for services and the constraints on developing the infrastructure (e.g. securing water rights, state or federal regulatory processes, permits, etc.).

(c) Shall generally describe financing plans and potential fiscal considerations related to providing future services.

(d) Shall generally describe the anticipated need for services & facilities, including services provided by agencies other than the agency that will later annex.

- (e) Shall describe any provisions for preservation of open space and agriculture lands

3.4.8 Costs for processing a sphere review or any change to a sphere are paid by the party requesting the review or change.

3.4.9 Agreements between neighboring local agencies with regard to preservation of agriculture and open space lands, as appropriate, are encouraged by LAFCO. Such agreements may be incorporated by the Commission into its conditions of approval, or may be required as a condition precedent to approval of an application by the Commission.

3.4.10 Agreements between landowners and local agencies with regard to preservation of agricultural and open space lands are encouraged by LAFCO.

~~3.4.11 County land use designations, zoning and other regulations continue to apply to lands within a city's sphere until annexation is completed. Annexation is not complete until the annexation documents are recorded, or on a date after recording the boundary change if so specified by LAFCO. [Note: When these policies and procedures were adopted there were no incorporated communities within Trinity County.]~~

~~3.4.12 LAFCO encourages developed land in a city's sphere to annex to the city.~~

3.4.13 LAFCO has sole discretion to determine the sphere of influence for each local agency, and may initiate sphere review, update, amendment, and other changes. LAFCO may approve, disapprove, modify, amend, and add conditions in its review and determination of spheres of influence.

3.4.14 Each agency subject to a review of its sphere shall be invited to participate/communicate/engage with LAFCO staff to compile information, identify agency goals, discuss options for the sphere update, etc.

3.4.15 The sphere of influence of each local agency shall include those lands that a special district intends to annex and serve in the foreseeable future (i.e. ten years).

3.4.16 Areas included or excluded from sphere determinations generally follow parcel lines, lines of assessment or lines of ownership. In Trinity County section lines ~~are~~ generally may also be appropriate for ~~most~~ districts.

3.4.17 Determinations of spheres of influence, sphere amendments and updates shall have a 10 year planning horizon and shall be consistent with agency plans for that time frame. LAFCO may exclude lands from a sphere of influence that will not need services within a 10 year planning horizon. This includes land that is designated open space, agriculture or other areas that may be determined to be inappropriate to receive development-supporting services such as water, sewer, and/or structural fire protection.

~~3.4.18 LAFCO may exclude lands from a sphere of influence that will not need services within a 10 year planning horizon.~~

~~3.4.19 A sphere shall be consistent with the district's plans for providing future public services within ten years.~~

~~3.4.20 LAFCO will encourage infill and development within a district's existing boundaries and within the existing sphere of influence.~~

~~3.4.21 LAFCO may remove land that is open space, agriculture or other areas that may be determined to be inappropriate to receive development supporting services such as water, sewer, and/or structural fire protection, within 10 years, particularly when the landowner requests removal from the sphere of influence.~~

~~3.4.22 LAFCO may remove land from the sphere of influence where the agency is incapable of providing service within a 10 year time frame.~~

3.4.18 With respect to time frames indicated in these policies, individual sphere applications will be reviewed by LAFCO on a case-by-case basis.

~~3.4.24 A decision by a local agency to identify land in their planning documents or an Environmental Impact Report as a potential sphere of influence area does not constrain the future actions by the local agency to apply for a sphere amendment for a smaller/different geographic area.~~

~~3.4.25 Cities, if any, are encouraged to adopt policies to buffer agricultural areas from developing areas or urban uses at the time sphere amendments are proposed. Buffer areas to protect the physical and economic viability of agricultural lands shall be located within the city.~~

~~3.4.26 An agreement among a city, if any, the county and landowners regarding agricultural buffers to protect the physical and economic viability of agricultural lands is required prior to LAFCO approval of proposals for annexation or reorganization.~~

Section 4. SERVICES BY CONTRACT

4.1 SERVICES BY CONTRACT OUTSIDE OF AGENCY BOUNDARIES & DELEGATION OF AUTHORITY TO EXECUTIVE OFFICER

4.1.1 Requests for ~~extensions of service~~new or extended services by contract or agreement beyond the boundaries of the providing agency shall be considered and acted upon by the Commission pursuant to the provisions of Government Code ~~§Section~~-56133 (hereinafter referred to as "out of agency service (OAS) contracts or agreements").

4.1.2 Government Code §56133 permits approval of ~~OAS~~extension requests to be delegated by the Commission to the Executive Officer. The Executive Officer shall consult with districts to determine whether OAS agreements are subject to Commission review or qualify for an exemption under §56133.

4.1.3 It is the policy of the Commission to delegate to the Executive Officer the authority to issue written approval for ~~extension of service~~OAS requests under the following conditions:

- (a) There is an impending threat to the public health and safety of the residents of the affected territory and the affected agency or landowners have submitted documentation of such to the satisfaction of the Executive Officer; and
- (b) The Executive Officer has notified any alternate service provider that has filed a map and a statement of its service capabilities with the Commission; and
- (c) The Executive Officer has provided notice to the Trinity County Environmental Health Department of the request and has provided such agency a reasonable amount of time to review and comment upon such request.
- (d) The delegation of authority as referenced herein shall only apply to requests for extension of services that are within the Sphere of Influence of the affected agency.
- (e) The Executive Officer shall notify the Commission of his/her decision on an OAS agreement within two business days. Within ten days after the Executive Officer's decision, any member of the Commission may request the Commission to review the decision by filing a written request with the Executive Officer. The Executive Officer shall set the request for review as an agenda item for the next meeting of the Commission for which notice can be given. After consideration of the issue, the Commission may affirm, reverse, or modify the decision of the Executive Officer.
- (f) Should the Executive Officer determine, for any reason, to not exercise her/his delegated authority, the Executive Officer shall process the request consistent with the directives of Government Code §Section-56133.

4.1.4 Except as otherwise stated herein, OAS requests ~~for extension~~ shall be processed consistent with Section 56133.

4.1.5 The filing requirements for review of OAS requests shall consist of:

- (a) Official Request from Applying Agency. A written request signed by a designated representative of the agency requesting approval for the OAS request, or an adopted resolution from the district board proposing to serve outside its boundaries must be submitted.
- (b) Payment of Appropriate Filing Fees. The applying agency must submit as part of the application the appropriate filing fees as outlined in the LAFCo Fee Schedule.
- (c) A completed application form including the submission of a copy of the proposed contract or agreement that has been signed by the property owner(s) and the agency extending service(s), and maps showing the location of the property to be served and the location of existing and proposed infrastructure to be extended.
- (d) Any other information deemed appropriate by the Executive Officer in order to review the OAS request based upon local conditions and circumstances.

4.1.~~65~~ As a condition of approval the Commission may require the completion of the annexation within a specified time frame or may impose other conditions as necessary. Annexations to districts involving territory located within the affected agency's sphere of influence are generally preferred to OAS agreements. The Commission recognizes, however, there may be instances when OAS agreements are appropriate given local circumstances.

4.1.7 The Commission and the Executive Officer shall limit OAS agreements to public health and safety emergencies and circumstances where:

- (a) Sufficient service capacity exists;
- (b) Annexation would not be practicable (in determining whether an annexation is practicable, the Commission shall consider the sphere of influence determinations for the affected territory in accordance with Government Code §56425(e); and
- (c) The out of agency service request is determined by the Commission to be consistent with the policies adopted in and pursuant to the Cortese-Knox-Hertzberg Act.

4.2 FIRE PROTECTION SERVICES BY CONTRACT

4.2.1 Effective January 1, 2016, Government Code §~~Section~~ 56134 requires the Commission to approve fire protection contracts or agreements for the exercise of new or

extended fire protection services outside a public agency's jurisdictional boundaries if the contract meets any of the following thresholds:

- (a) Transfers responsibility for providing services in more than 25 percent of the area within the jurisdictional boundaries of any public agency affected by the contract or agreement; or
- (b) Changes the employment status of more than 25 percent of the employees of any public agency affected by the contract or agreement.
- (c) A contract or agreement for fire protection services outside a public agency's jurisdictional boundaries that, in combination with other contracts or agreements, would produce the results described in either threshold (a) or (b) above.

Note: This section applies primarily to fire protection contracts and agreements between public agencies as they relate to Amador Agreements and Joint Powers Agreements. The provision of new or extended services by contract or agreement outside jurisdictional boundaries to support existing or planned uses involving public or private properties are subject to Government Code ~~§Section~~ 56133 (see Chapter 4.1 Service by Contract Outside of Agency Boundaries).

4.2.2 Except for the specific situations exempted by Government Code ~~§Section~~ 56134, a public agency may provide new or extended services pursuant to a fire protection contract that meets the above-defined thresholds only if it first requests and receives written approval from the Commission.

4.2.3 Public agencies shall consult with the Executive Officer to determine whether fire protection contracts or agreements are subject to Commission review. Pursuant to Government Code ~~§Section~~ 56134 and Trinity LAFCo policy, the following contracts and agreements are exempt from LAFCo review:

- (a) Renewal of existing contracts, unless the renewal included amendments or the inclusion of new territory that triggered the 25% change in service area or employment status.
- (b) Ambulance service agreements.
- (c) Pre-hospital emergency medical services.
- (d) Mutual or automatic aid agreements.
- (e) Subordinate or subsidiary fire protection activities including, but not limited to the following: pre-planning, subdivision review, use permit review, administrative permit review and inspections; fire alarm system plan review and inspections; defensible space inspections and enforcement; business/ occupancy inspections in existing structures; vehicle maintenance and repair; sharing of management or

other personnel between or among multiple agencies; sharing or loaning of equipment or property between or among multiple agencies.

- (f) Cooperative agreements with the California Department of Forestry and Fire Protection, pursuant to Sections 4143 and 4144 of the Public Resources Code.

4.2.4 Fire Protection Contracts and Agreements, except those determined to be exempt from LAFCo review, shall be considered using the following procedures:

- (a) A request by a public agency for Commission approval of new or extended services provided pursuant to a fire protection contract shall be made by resolution of application and include all information regarding proposed services and financial information as required by Government Code §Section-56134.

The Commission will review proposals for consistency with the required findings of 56134(h)(2)(i) and (j), as well as the overall purposes of LAFCo that encourage the efficient provision of government services. Notably, the Commission shall not approve an application for approval of a fire protection contract unless the Commission determines that the public agency will have sufficient revenues to carry out the exercise of the new or extended fire protection services outside its jurisdictional boundaries.

Section 5. CONDUCTING AUTHORITY PROCEEDINGS

5.1 AUTHORITY, WAIVER, AND SCHEDULING

5.1.1 Delegation of Authority. The Executive Officer is designated as the hearing officer for conducting authority proceedings. All functions and duties of the Conducting Authority as specified in §57000, et. seq., shall be delegated to the Executive Officer. The purpose of delegating certain duties to the Executive Officer is to increase scheduling flexibility, to avoid extending Commission meetings to conduct non-discretionary procedures, and to expedite the boundary change process. If the Commission chooses to retain such authority, this decision shall be stated in the terms and conditions for approval of the subject proposal. The Executive Officer shall have the authority to issue the appropriate order upon completion of the protest proceedings.

~~5.1.2 The Executive Officer shall report the results of Conducting Authority Proceedings to the Commission.~~

5.1.2 Waiver of Conducting Authority Proceedings. The Commission may waive final Conducting Authority proceedings in accordance with CKH Act. §56662 and 56663, and otherwise authorize the Executive Officer to file a Certificate of Completion upon approval of a change of organization or reorganization and satisfaction of all terms and conditions pursuant to G.G. §57200.

5.1.3 Setting the Matter for Hearing. Within 35 days of final Trinity LAFCO action, the Executive Officer shall set the matter for hearing and cause a notice thereof to be published in accordance with G.C. §57025. The date of the hearing shall not be less than 21 nor more than 60 days, after the date the notice is given. The hearing may be continued for up to 60 days.

5.1.4 Conclusion of Hearing. Within thirty (30) days of the protest hearing, the Executive Officer shall, based on the value of written protests filed and not withdrawn as specified under G.C. §57052, either order the change, order the change subject to an election, or terminate the proposal. The Executive Officer shall report to the Commission at its next meeting the outcome of any protest hearing that is conducted.

Section 6. CONFLICT OF INTEREST AND FINANCIAL DISCLOSURE

6.1 CONFLICTS AND DISCLOSURES

6.1.1 Conflict of Interest.

The Political Reform Act, §81000 *et seq.* requires each state and local government agency to adopt and promulgate a Conflict of Interest Code^s. The Fair Political Practices Commission (FPPC) has adopted a regulation, 2 California Code of Regulations §18730, which contains the terms of a standard Conflict of Interest Code. This standard Code can be incorporated by reference and may be amended by the FPPC after public notice and hearings to confirm to amendments in the Political Reform Act. The terms of 2 California Code of Regulations §18730 and any amendments to it duly adopted by the FPPC, are hereby incorporated by reference.

Pursuant to section 4 of the standard code, persons serving in Designated Positions must file statements of economic interest:

Commissioners and Alternate Commissioners
Executive Officer
Legal Counsel
Consultants*

*The disclosure by consultants is subject to the following limitation: The LAFCO consultant filing a Designated Position, is hired to perform a range of duties that is limited in scope and thus is not required to fully comply with the disclosure requirements duties and, based upon that description, a statement of the extent of disclosure requirements. The Executive Officer's determination is a public record and shall be retained for public inspection in the same manner and location as this ~~C~~onflict of ~~I~~nterest ~~C~~ode.

Subject to the definitions set forth in the Political Reform Act and applicable regulations, disclosure shall be made in the following Disclosure Categories:

- 1) All sources of income, including gifts;
- 2) Interests in real property located in whole or in part within, or not more than two (2) miles outside, the boundaries of Trinity County; and
- 3) Investments and business positions in business entities located in or doing business in Trinity County.

6.1.2 Financial Disclosure.

Pursuant to §56700.1, expenditures for political purposes related to an application must be disclosed. All applicants, including individual property owners and other

representatives who are a party to a proceeding, are required to submit a financial disclosure statement as part of any application package [§84308]. Disclosure must be made in the same manner as disclosures for local initiative measures presented to the electorate.

Any applicant or an agent of an applicant who has made business or campaign contributions totaling \$250 or more to any Commissioner (regular or alternate) in the past twelve months, must disclose that fact for the official record of the Commission §84308(d). The disclosure of any such contribution (including amount of contribution and name of recipient Commissioner/s) must be made: (1) in writing and delivered to the Executive Officer prior to the hearing on the matter; or (2) by oral declaration made at the time the hearing on the matter is opened.

LAFCo members are disqualified and are not able to participate in any proceeding involving an “entitlement for use” if, within the 12 months preceding the LAFCO decision, the Commissioner received \$250 or more in campaign contributions from the applicant, and agent of the applicant or any financially interested person who actively supports or opposes the LAFCO decision on the matter.

LAFCo members listed in Government Code ~~§Section~~ 87200 are subject to Levine Act Statement and California Fair Political Practices Commission requirements, including annual filing of the Statement of Economic Interests (Form #700) with the Trinity County Elections Office.



RESOLUTION NO. 2021- 03

ATTACHMENT B

APPROVAL OF THE TRINITY LOCAL AGENCY FORMATION COMMISSION REVISING POLICIES AND PROCEDURES ADOPTED PURSUANT TO THE CORTESE-KNOX-HERTZBERG LOCAL GOVERNMENT REORGANIZATION ACT

WHEREAS, the Trinity Local Agency Formation Commission (hereinafter “LAFCo”) adopted and established written Policies and Procedures on March 1, 2001 pursuant to Chapter 1, Part 2, Section 56300(a) of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000; and

WHEREAS, the Commission last approved a revised written Policies and Procedures in 2013; and

WHEREAS, the Commission considered a proposed revision of the Policies and Procedures in its entirety.

NOW, THEREFORE, IT IS RESOLVED, DETERMINED AND ORDERED as follows:

1. The Policies and Procedures as outlined in Exhibit A is hereby approved and by this reference incorporated herein.

THE FOREGOING RESOLUTION was introduced at a regular meeting of the Trinity LAFCo Commission on the 20th day of April, 2021, and adopted by the following roll call vote:

AYES:

NOES:

ABSTAINS:

ABSENT:

ATTEST:

APPROVED:

Kathy Bull
Administrator/Clerk

Keith Groves
Chair



Agenda Item: 6.D.

Meeting: April 20, 2021

To: Trinity LAFCo Commissioners

From: Colette Santsche, Executive Officer & Kathy Bull, Administrator/Clerk

Subject: Commission Schedule of Fees/Deposits Update

BACKGROUND:

The Commission is authorized to establish a schedule of fees/deposits in accordance with Government Code Section 56383. Fees shall not exceed the estimated reasonable cost of providing the service for which the fee is charged. Application and processing fees are based on time and materials and are deposits toward actual costs incurred by LAFCo staff. Fees paid in excess of the actual cost of service are refunded at the conclusion of proceedings.

DISCUSSION:

Staff is providing the Commission with modifications to its adopted Schedule of Deposits, which was initially reviewed at the February meeting. Staff recommendation is to adjust the deposits for annexations based on landowner consent vs non-consent instead of being based on the number of parcels. This is in recognition that 100% consent proposals can be processed without notice and hearing, and without protest hearing. Typically, applications that do not receive 100% consent are more complex either because there are more parcels or there may be underlying landowner opposition to the proposal. More complex proposals typically require more coordination/inquiries with affected agencies, county departments, and the public.

RECOMMENDATION:

Staff recommends that the Commission consider adopting Resolution No. 2021-04, thereby approving the updated Schedule of Deposits.

Attachment: Fee Schedule Update



ATTACHMENT A

FEE SCHEDULE OF DEPOSITS

Annexations & Detachments

Single Parcel (for reasons of public health or safety)	\$ 1,000.00
With 100% Landowner Consent	\$ 2,000.00
Without 100% Landowner Consent	\$ 3,000.00
Complex Proposal*	\$ 5,000.00

* Complex proposal, as determined by the Executive Officer, including but not limited to, the potential for substantial development (25 or more residential units or 10,000 square feet of non-residential development), significant effect on the community, and/or sphere of influence amendment.

First parcel	\$ 750.00 * plus notification fee
Each additional parcel	\$ 50.00 * plus notification fee
50 + parcels	\$ 3,000.00 * plus notification fee

(Annexation/Detachment fees will be reduced by one half if submitted with a Sphere of Influence application.) For contractual service agreements, payment of the applicable annexation or detachment fees must be made upon submittal of a contractual service agreement application.

Landowner notification process:

* Calculation: Total number of parcels included (parcels within proposal area and those within 300 feet of the surrounding boundary) .50cents each for address verification.
(Note: the applicant must supply the addressed stamped envelopes)

<u>Spheres of Influence Amendment/Update</u>	\$ 3,000.00*
(If done separately from a proposal/MSR/SOI update schedule)	

Activation of Latent Powers	\$ 2,000.00*
------------------------------------	--------------

Formation	\$ 3,000.00*
------------------	--------------

Dissolution	\$ 1,500.00*
--------------------	--------------

Consolidation	\$ 500.00 <u>750.00</u> per agency
----------------------	---

Incorporation:	\$ 6,000.00 <u>15,000</u>
-----------------------	--------------------------------------

Reconsideration of Commission Action:	\$ 250.00 <u>500.00</u>
--	------------------------------------

Out of Agency Services (OAS) by Contract or Extension

Non-Development Related OAS	\$ 750.00
Development Related OAS	\$ 1,500.00

Fire Protection Contracts pursuant to G.G. Section 56134	\$ 1,500.00
Request for Exemption from G.C. Section 56133 or 56134	\$ 500.00

Environmental Review:

a. Categorical Exemption	\$ 40.00
b. Initial Study	\$ 520.00
c. Environmental Impact Report	
Prepared by LAFCo under contract with consultant:	
Consultant fee + 15% + \$30 hr (\$1500 deposit required)	
Applicant Contract	Mitigation Monitoring: \$30 hr (\$200 deposit required)
d. Fish & Game Fee — Neg. Dec.	\$ 1,250.00
e. Fish & Game Fee — EIR	\$ 850.00
f. County Clerk Processing Fee	\$ 25.00
g. De Minimis Finding Fee	\$ 25.00

Petition Filing Fees: In addition to the proposal processing fee, each application submitted by petition will be charged LAFCo's actual costs to verify signatures.

Hourly charge out rate: \$30/hr
Photo copies .10 /copy

A fee shall be charged to a project applicant for the processing of any application in accordance with approved LAFCo fee schedule.

Fees are due when proposals are submitted to LAFCo. A supplemental fee may be charged and collected prior to the LAFCo hearing if additional acreage or actions are required. The Executive Officer will not issue a certificate of completion until any balance owing has been paid.

The fees listed above are for Trinity LAFCo only, additional fees from other agencies (e.g., Fish & Game, Elections, Board of Equalization, State Controller) may also apply.

Note: All deposit amounts are subject to increase, if the Executive Officer determines that the magnitude of the project justifies the increase.

A. All deposits are initial payments toward the total cost of processing ("project cost"). Project cost is defined as staff time plus materials. **Hourly staff charge out rate sheet available upon request.** Materials include, but are not limited to, charges for advertisement of hearings, mapping, petition reviews, as well as fees charged for project reviews by affected agencies.

- B. Applicants are also responsible for payment of appropriate State Board of Equalization fees, County Surveyor, County Election, CEQA preparation fees, California Department Fish and Wildlife fees, and County Recording Fees, as applicable.
- C. Staff time and materials will be monitored against the deposit on file with LAFCo; if the cost of processing an application begins to exceed the deposited amount, additional deposits will be required. Any hearing on the application may be continued pending receipt of the additional deposit.
- D. If extensive staff assistance is required prior to receipt of an application, a pre-application deposit will be required at the time the work is requested.
- E. Absent compelling circumstances, the Commission will not normally adjust or waive deposits and/or fees. Staff will not waive fees for any reason.
- F. All final invoices must be paid by the applicant prior to filing of the Certificate of Completion or during other times during the LAFCo process as deemed appropriate by the Executive Officer.
- G. Charges for Reconsideration of a LAFCo determination are the responsibility of the requesting party.
- H. Deposits on file with LAFCo which exceed the cost of processing the application by \$25 or more will be refunded after LAFCo completes its final filings.
- I. Pre-Application Expenses: LAFCo will also charge its pre-application staff time spent reviewing environmental and other documents and participating in the process as the lead agency, as part of the processing costs.
- J. If LAFCo is required to act as lead agency and an Initial Study is required as part of environmental review, the applicant is also responsible for an additional \$1,000 deposit plus actual costs. An additional deposit will be necessary if it is determined that an Environmental Impact Report is necessary.
- K. If a LAFCo application is withdrawn any time prior to the completion of proceedings, the unused portion of the initial deposit received by LAFCo (deposit less any expended staff time and project expenses) will be returned to the persons paying the initial fee deposit upon receipt of a letter of withdrawal.



RESOLUTION NO. 2021-04

ATTACHMENT B

THE TRINITY LOCAL AGENCY FORMATION COMMISSION ADOPTING A REVISED SCHEDULE OF DEPOSITS

WHEREAS, under the provisions of California Government Code Section 56383 the Commission is authorized to establish a schedule of deposits; and

WHEREAS, in accordance with Section 56150, proper notice has been given and a public hearing was held regarding revisions to the schedule of deposits.

NOW, THEREFORE, IT IS RESOLVED, DETERMINED AND ORDERED as follows:

1. The schedule of deposits set forth in the attached Exhibit A is hereby adopted, becoming effective on July 1, 2021.
2. The deposits set forth in the attached Exhibit A do not exceed the estimated reasonable costs of providing the services for which the fees are charged.
3. The Executive Officer is directed to notify the county and all special districts in Trinity County of this action prior to July 1, 2021.

DULY PASSED AND ADOPTED by the Trinity Local Agency Formation Commission at a regular commission meeting held April 20, 2021 by the following votes:

AYES:

NOES:

ABSTAINS:

ABSENT:

ATTEST:

APPROVED:

Kathy Bull
Administrator/Clerk

Keith Groves
Chair



Agenda Item: 7.A.

Meeting: April 20, 2021

To: Trinity LAFCo Commissioners

From: Colette Santsche, Executive Officer & Kathy Bull, Administrator/Clerk

Subject: Trinity County Waterworks #1 Tule Creek Road Annexation – Time Extension

BACKGROUND:

On December 4, 2018, the Commission approved an annexation of approximately 40 acres into the boundaries of Trinity County Waterworks District #1. This annexation consisted of a portion of APN 014-430-75 located in the Tule Creek Rd/Salt Creek area, west of One Wizards Way, Hayfork. The property owner had previously submitted a tentative map application to the County to subdivide a portion of the affected property into two parcels that are within the existing district boundaries and one parcel outside the district that is currently served with water. Due to 100 percent property owner consent, a protest hearing was waived by the Commission. Final steps to record a Certificate of Completion with the County Recorder's Office and file the annexation with the State Board of Equalization is still needed. Therefore, a one-year time extension for completion of LAFCo proceedings is requested.

DISCUSSION:

LAFCo staff has been in contact with former executive officer John Jelich and District General Manager Craig Hair to obtain a complete record of the annexation proceedings. Once received, a Certificate of Completion will be recorded at the County and a statement of boundary change will be filed with the State Board of Equalization.

RECOMMENDATION:

It is recommended that the Commission authorize a one-year time extension for completion of the annexation, effective December 4, 2020 and extending to December 4, 2021. A draft resolution for the Commission's review and consideration is enclosed (Attachment 1).

Attachments:
Resolution 2021-05
Resolution 2018-02



RESOLUTION NO. 2021-05

AUTHORIZING A ONE YEAR TIME EXTENSION FOR THE TRINITY COUNTY WATERWORKS DISTRICT #1 TULE CREEK ROAD ANNEXATION

WHEREAS, on December 4, 2018, the Trinity Local Agency Formation Commission, hereinafter referred to as the "Commission," approved the Trinity County Waterworks District #1 Tule Creek Road Annexation (Resolution No. 18-02); and

WHEREAS, Government Code Section 57001 requires that a Certificate of Completion be recorded within one year unless extended by LAFCo; and

WHEREAS, the Commission previously approved a one year time extension effective December 4, 2019 through December 4, 2020; and

WHEREAS, an additional time extension is necessary to record a Certificate of Completion with the County Recorder's Office and file a Statement of Boundary Change with the State Board of Equalization.

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

1. The time extension for the above referenced reorganization is hereby approved, effective December 4, 2020.
2. The time frame for completion of terms and conditions and for recording a Certificate of Completion is hereby extended to December 4, 2021.
3. All provisions, terms and conditions of LAFCo Resolution No. 18-02 shall remain in effect.

PASSED AND ADOPTED at a regular meeting of the Trinity Local Agency Formation Commission on the 20th day of April 2021, by the following roll call vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

APPROVED:

Kathy Bull
Administrator/Clerk

Keith Groves
Chair

TRINITY LOCAL AGENCY FORMATION COMMISSION

STATE OF CALIFORNIA

4TH DAY OF DECEMBER, 2018

RESOLUTION NO. LAFCO-18-02

**RESOLUTION APPROVING THE
“TULE CREEK ROAD” ANNEXATION TO
TRINITY COUNTY WATERWORKS DISTRICT #1
(File # LAF-18-01)**

The following Resolution is now offered and read:

WHEREAS, a proposal for the annexation of certain territory to the Trinity County Waterworks District #1 in the County of Trinity has been filed with the Executive Officer of this Commission pursuant to Title 5, Division 3, commencing with Section 56000 of the Government Code; and

WHEREAS, the proposal is for the annexation of approximately 38.58 acres; and

WHEREAS, the proposal is for the annexation of an area on Tule Creek Road consisting of a 38.58 portion of one parcel (por. APN: 014-430-75); the result of the annexation is to include all of APN: 014-430-75 (approx. 53.9 acres), currently separated by a tax area boundary along the common line between Sections 10 and 11, T.31.N, R.12 W., MDB&M, into the district; and

WHEREAS, the Executive Officer has reviewed the proposal and prepared a report, including his recommendation thereon, the proposal and report having been presented to and considered by this Commission; and

WHEREAS, this Commission called for and held a public hearing on the proposal on December 4, 2018 and at the hearing this Commission heard and received all oral and written protests, objections and evidence which were made, presented or filed, and all persons present were given an opportunity to hear and be heard with respect to this proposal and the report of the Executive Officer; and

WHEREAS, the area to be annexed lies within the Sphere of Influence of the Trinity County Waterworks District #1, as amended by LAFCO resolution No. 15-02.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED that the Trinity Local Agency Formation Commission does hereby determine as follows:

1. The proposal is approved without terms and conditions.
2. The boundaries of the annexation are hereby approved as described in Exhibit A (legal description) and Exhibit B (Map) attached hereto and by this reference incorporated herein.

3. The territory to be annexed includes approximately 38.58 acres, is found to be uninhabited, and is assigned the following distinctive short-term designation: "Tule Creek Road" Annexation to the Trinity County Waterworks District #1.
4. Conducting Authority proceedings (protest hearing) is waived pursuant to California Government Code, Section 56662(d) based on the following: 1) the territory is uninhabited; 2) the land owner contacted the district to initiate proceedings for annexation and consents to the annexation; 3) the Board of Directors of the Trinity County Waterworks District #1 adopted Resolution No. 04182017 to initiate the annexation application and has since expressed no opposition to the annexation.
5. The effective date of the annexation shall be the date that the Certificate of Completion is recorded with the Trinity County Recorder.
6. All subsequent proceedings in connection with this reorganization shall be conducted only in compliance with the approved boundaries set forth in the attachments and any terms and conditions specified in this resolution.
7. To the extent that there are disputes regarding the meaning or implementation of these terms and conditions, Trinity LAFCO shall resolve such disputes.
8. The Executive Officer is hereby authorized and directed to mail certified copies of this resolution as provided in Section 56853 of the Government Code.

Upon motion of Commissioner _____, seconded by Commissioner _____, and on the following vote, to-wit:

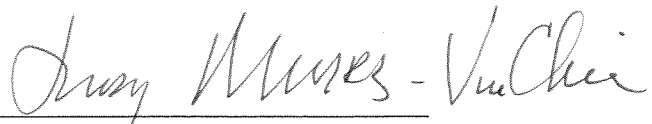
AYES:

NOES:

ABSENT:

ABSTAINING:

The foregoing resolution is hereby adopted:



Clarence Rose, Chair of the
Trinity Local Agency Formation Commission,
County of Trinity, State of California

ATTEST:

John Alan Jelich,
Trinity LAFCO Executive Officer,
County of Trinity, State of California

ANNEX No. _____

TO
Trinity County Waterworks District No. 1

Salt Creek Annexation

DATE: March 1, 2017

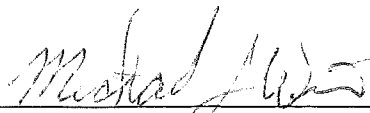
Being a portion of the Southeast $\frac{1}{4}$ of Section 10 and a portion of the Northwest $\frac{1}{4}$ of Section 15, T.31N., R.12W., M.D.B.&M. and more particularly described as follows:

Beginning at the Northeast Corner of said Section 10 and shown on that certain Parcel Map for A.A. Emmerson, Ida Emmerson and Sierra Pacific Industries and recorded in the Trinity County Records Office in Book 18 of Maps and Surveys, at page 183 and being the true point of beginning of the herein described parcel:

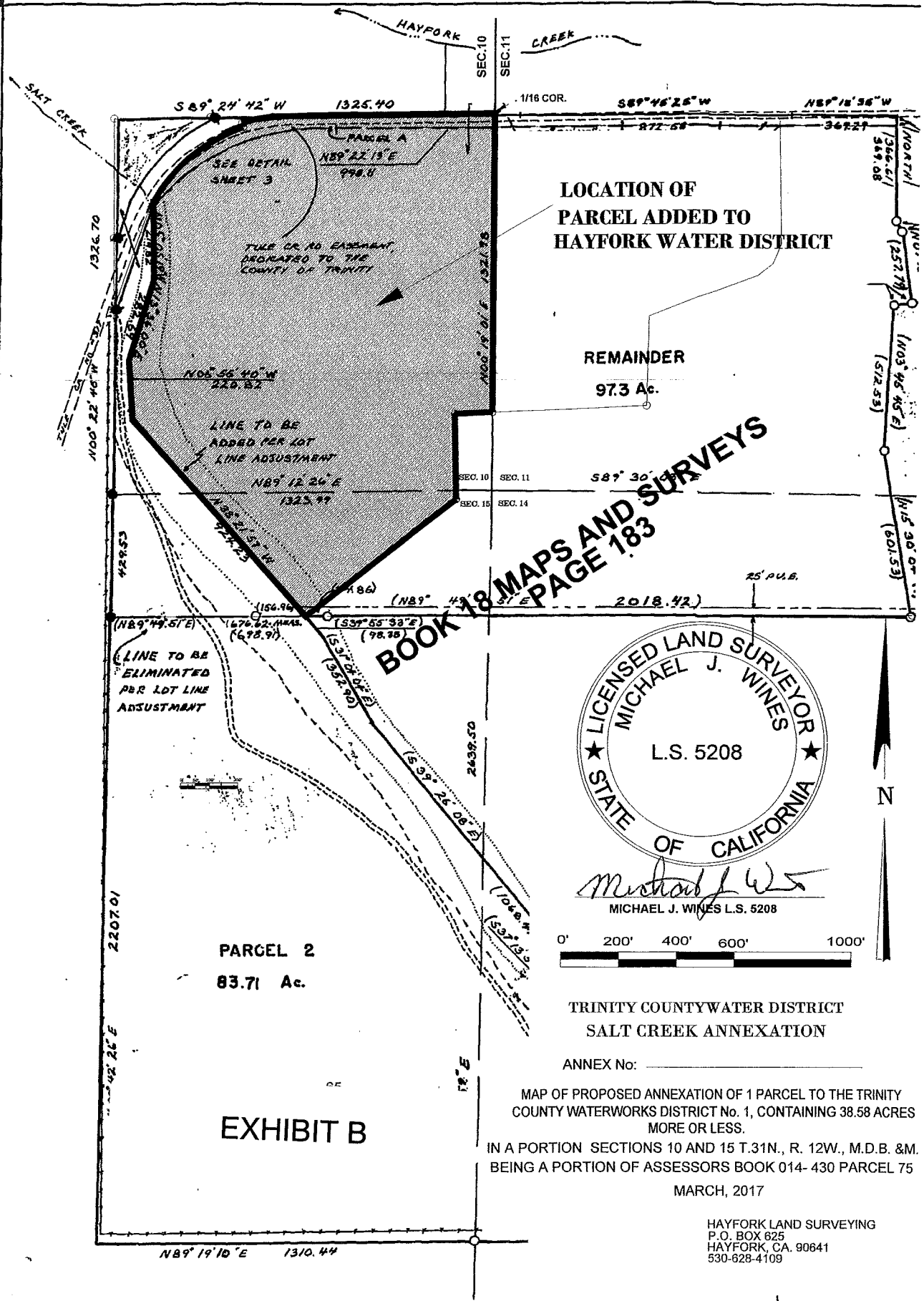
1. Thence S 0° 19' 01" W along the east line of said Section 10 for a distance of 1051.03 feet to a point on the south line that certain lot line adjustment, certificate NO. P-07-51 recorded November, 20, 2007, as instrument NO. 200704716 Official Records.
2. Thence S 87° 36' 39" W along said south line for a distance of 126.46 feet;
3. Thence continuing along said south line S 1° 12' 04" E for a distance of 300.14 feet;
4. Thence continuing along said south line S 51° 38' 03" W for a distance of 662.41 feet to the end of said south line, said point also being the Southwest corner of the remainder parcel shown on said Emmerson Parcel Map;
5. Thence N 38° 21' 57" W for a distance of 924.23 feet;
6. Thence N 6° 55' 40" W for a distance of 220.82 feet;
7. Thence N 13° 36' 00" E for a distance of 282.69 feet;
8. Thence N 5° 05' 21" W for a distance of 219.82 feet to the beginning of a curve to the right and having a radius of 560 feet, the radial line at this point being S 63° 47' 13" E;
9. Thence along the arc of said curve through a central angle of 45° 07' 04" for an arc length of 440.97 feet;
10. Thence N 18° 40' 09" W for a distance of 15 feet to the beginning of a curve to the right and having a radius of 575 feet;
11. Thence along the arc of said curve through a central angle of 10° 48' 38" for an arc length of 108.33 feet to a point on the north line of said Southeast $\frac{1}{4}$ of Section 10;
12. Thence N 89° 24' 42" E for a distance of 774.80 feet to the point of beginning and containing approximately acres 38.58 more or less.

License expires 6-30-2017

EXHIBIT A



Michael J. Wines L.S. 5208



LOCATION OF
PARCEL ADDED TO
HAYFORK WATER DISTRICT

REMAINDER
97.3 Ac.

BOOK 18 MAPS AND SURVEYS
PAGE 183



Michael J. Wines
MICHAEL J. WINES L.S. 5208

0' 200' 400' 600' 1000'

TRINITY COUNTY WATER DISTRICT
SALT CREEK ANNEXATION

ANNEX No: _____

MAP OF PROPOSED ANNEXATION OF 1 PARCEL TO THE TRINITY
COUNTY WATERWORKS DISTRICT No. 1, CONTAINING 38.58 ACRES
MORE OR LESS.

IN A PORTION SECTIONS 10 AND 15 T.31N., R. 12W., M.D.B. & M.
BEING A PORTION OF ASSESSORS BOOK 014- 430 PARCEL 75

MARCH, 2017

HAYFORK LAND SURVEYING
P.O. BOX 625
HAYFORK, CA. 90641
530-628-4109

EXHIBIT B

PARCEL 2
83.71 Ac.