

**Resolution No. 2021-22-13  
of the Mendocino Local Agency Formation Commission**

**Establishing Service Rates and Updating the LAFCo Fee Schedule**

WHEREAS, the Mendocino Local Agency Formation Commission, hereinafter referred to as the “Commission”, has the authority to establish a schedule of fees for the cost of proceedings pursuant to California Government Code Section 56383; and

WHEREAS, Policy 11.4.5 of the Mendocino Local Agency Formation Commission Policies and Procedures Manual provides that Staff’s work on applications will be billed on an hourly basis and will include overhead costs; and

WHEREAS, the Commission adopted an updated fee schedule on May 12, 2016, and services subject to the fee schedule have been billed at staff hourly rates with no cost recovery for overhead or indirect costs; and

WHEREAS, at its March 7, 2022 regular meeting, the Commission discussed the proposed establishment of weighted service rates that will allow for partial recovery of overhead and long-term planning costs for services subject to the fee schedule, and directed staff to notice the matter for a public hearing; and

WHEREAS, the Executive Officer gave notice of this matter in the manner required by law; and

WHEREAS, the Commission discussed and considered all oral and written testimony for and against this matter including, but not limited to, the Executive Officer’s Report and recommendation; and

WHEREAS, the Commission duly considered the matter on April 4, 2022.

NOW, THEREFORE, the Mendocino Local Agency Formation Commission does hereby RESOLVE, DETERMINE, and ORDER as follows:

- (1) The fee schedule with weighted service rates identified as “Mendocino LAFCo Service Rates,” set forth in Exhibit A attached hereto, is hereby adopted; and
- (2) The service rates set forth in Exhibit A attached hereto do not exceed the estimated reasonable costs of providing the services for which the fees are charged, and are necessary to pay the costs of operation of Mendocino Local Agency Formation Commission; and
- (3) In compliance with Government Code Section 66017(a), the service rates will become effective July 1, 2022; and
- (4) The Executive Officer is directed to notify all cities and all special districts in Mendocino County of this action by July 1, 2022.

PASSED and ADOPTED by the Mendocino Local Agency Formation Commission this 4th day of April, 2022, by the following vote:

AYES: (7) Mulheren, McGourty, Rodin, Ward, Froneberger, Ignacio, Orth

NOES:

ABSTAIN:

ABSENT:

Charles A. Orth  
Charles A. Orth (Apr 28, 2022 08:40 PDT)

CHARLES A. ORTH, Commission  
Chair

ATTEST:

Uma Hinman  
Uma Hinman (Apr 28, 2022 12:37 PDT)

UMA HINMAN, Executive Officer

## Exhibit A

# MENDOCINO LAFCO FEE SCHEDULE

(All fees are deposits, unless otherwise noted)

<b>Boundary Changes – City or District Annexation, Detachment or Combination</b>	
With 100% landowner consent - all owners within the affected territory have provided written consent to the proposed action	\$5,000 + CEQA fees + BOE fees
Without 100% landowner consent - all owners within the affected territory have not provided written consent to the proposed action	\$6,000 + CEQA fees + BOE fees
Complex proposal, as determined by EO, including but not limited to, the potential for substantial development (50 or more residential units or 10,000 square feet of non-residential development), significant effect on the community, and/or sphere of influence amendment	\$7,000 + CEQA fees + BOE fees

<b>Sphere of Influence Amendments or Updates</b>	
Sphere Amendment concurrent with annexation, detachment, or reorganization	+\$500
Sphere Update (not initiated by LAFCo)	\$2,500
Municipal Service Review Preparation	Actual cost

<b>Other Changes of Organization or Reorganization</b>	
District Formations, Dissolutions, or Consolidations	\$10,000
District Merger or Establishment of Subsidiary District(s)	\$5,000
District Activation or Deactivation of Latent Powers	\$2,500
City Incorporation or Disincorporation	\$15,000

<b>Outside Agency Service Agreements</b>	
Extension of Services by Contract or Agreement	\$2,500
Request for Exemption from G.C. Section 56133	\$500

<b>Environmental Document (CEQA) Fees – LAFCo as Lead Agency</b>	
Statutory/Categorical Exemption	\$100
Negative Declaration/Mitigated Negative Declaration	\$5,000
Environmental Impact Report (initial deposit in conjunction with payment schedule)	\$20,000
California Department of Fish and Wildlife Environmental Document Filing Fees	<a href="#">CDFW Filing Fees</a>

<b>State Board of Equalization Fees</b>	
State Board of Equalization Change of Jurisdictional Boundary filing <i>(necessary for agencies that are funded by property taxes and/or use the assessment roll for the collection of its revenue by reference to tax rate areas)</i>	<a href="#">BOE Filing Fees</a>

<b>Other Application Fees</b>	
Pre-Application Fees	No charge limited to one hour of staff time, then actual cost
Petition Signature Verification by Registrar of Voters	Actual cost
Request for Reconsideration	\$1,000
Request for Time Extension to Complete Proceedings	\$500
Special Meeting or Hearing	\$1,000
Special or Supplemental Studies	Actual cost

<b>Miscellaneous Service/Duplication Fees</b>	
Copies of documents	\$.10 per page (after 10 pages)
Copies of Audio Recording	\$10 per CD
Staff Research/Archive Retrieval	No charge limited to one half-hour of staff time, then actual cost

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## **Mendocino LAFCo Service Rates**

*Effective July 1, 2022*

Services subject to the LAFCo Fee Schedule are processed at cost and billing is calculated based on current service rates. LAFCo service rates include overhead costs and are reviewed annually, or as needed.

The weighted hourly service rates are as follows:

<b>Contract Staff Position</b>	<b>Hourly Service Rate</b>
Executive Officer	\$ 160.00
LAFCo Analyst	\$ 125.00
LAFCo Clerk	\$ 90.00
Legal Counsel	\$ 275.00

## FEE POLICIES

**Deposits:** Where indicated in the Fee Schedule, deposits toward the actual cost of processing proposals must be paid at the time an application is submitted. All deposits are initial payments toward the actual costs of processing proposals, including staff time and materials (e.g., noticing, postage, copying). Applicants must sign a [Fee Agreement and Voluntary Indemnification](#), consenting to reimburse LAFCo for all costs incurred in processing, including pre-application assistance.

**Billing Procedure:** Staff's work on applications, which includes overhead costs, is tracked on an hourly basis. LAFCo will provide monthly invoices to the applicant. If actual costs exceed the deposit amount, LAFCo will invoice the applicant for the additional costs. Processing of the application may be suspended until payment is received. All final invoices must be paid by the applicant prior to filing the Certificate of Completion. Any portion of the deposit not used for processing is refunded.

**Outside Assistance Fees:** The Commission may, at its sole discretion, contract for outside assistance in processing and review of an application. The types of assistance include, but are not limited to, legal, engineering, environmental, and planning. The estimated or actual costs, as determined by the Commission for such assistance shall be deposited with the Executive Officer before an application will be processed further.

**Legal Counsel Fees:** Applicants will be charged the actual costs of fees associated with legal consultation or review. While most applications do not require legal review, occasionally a proposal will develop significant legal issues that require considerable legal counsel involvement. Legal fees must be paid in full prior the final processing of an application.

**Voluntary Indemnification:**

As part of the application, applicant shall be asked to sign and submit a [voluntary indemnification agreement](#) for all reasonable expenses and attorney fees incurred from proceedings brought by a third party in connection with the application. While LAFCo retains the discretion in all cases to decide whether to defend an action, the Applicant's voluntary agreement to indemnify LAFCo will have a significant bearing on LAFCo's decision whether to defend its decision. (*Resolution No. 2020-21-05*)

**Refunds of Fees:** Except for unused portions of deposits, all fees paid to LAFCo are non-refundable. If an application is withdrawn by the applicant prior to the time that the application has been publicly noticed for hearing by the Commission, all unexpended funds shall be returned to the applicant. Otherwise, payment of fees is not a guarantee of approval of the submitted proposal.

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