

**LOCAL AGENCY
FORMATION COMMISSION
OF NEVADA COUNTY**

(LAFCo)

BYLAWS

Adopted April 18, 1991
Amended June 15, 2017

**Nevada County Local Agency Formation Commission
LAFCo Bylaws**

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**Local Agency Formation Commission (LAFCo)
Nevada County**

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1. Statement of Purpose and Authority

1.1 Mission

Nevada County LAFCo is committed to serving the citizens, governmental agencies, and applicants of its jurisdiction by using its authority, knowledge and expertise to make beneficial changes in the structure of public agencies through special studies, programs and actions resulting in the resolution of conflicts; orderly growth, development, and governance; cost-effective delivery of services; and timely processing of applications.

In accordance with the policies and procedures established by the State Legislature in the Cortese-Knox Hertzberg Local Government Reorganization Act of 2000, Sections 56000 et seq. of the California Government Code, the primary function of California LAFCOs is to encourage the orderly growth and development of local agencies. LAFCo's responsibilities include review of and action on proposals for 1) formation of new local public agencies, 2) change in boundaries of existing local agencies, and 3) other changes in organization of local agencies, such as consolidations. In making such determinations, LAFCo's efforts are directed to encouraging the efficient and economic delivery of public services, while protecting other important state interests such as the preservation of agricultural and open-space lands.

1.2 Governing Law

The conduct of the Nevada County Local Agency Formation Commission is governed by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Sections 56000 et seq. of the California Government Code, as amended (hereinafter referred to as "The LAFCo Act"). In any conflict between provisions of the LAFCo Act and these Bylaws, the former shall prevail.

1.3 Funding

LAFCo annually adopts a budget in accordance with the provisions of the LAFCo Act. The County Auditor is responsible for apportioning the Commission's net operational costs to the County, the cities, and the independent special districts according to a formula established by Section 56381 of the LAFCo Act.

2. Definitions

2.1 Alternate Member

The person appointed to serve and vote in place of a regular member under any of the circumstances set forth in Section 4.3, below.

2.2 Board of Supervisors

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The Nevada County Board of Supervisors.

2.3 Commission

The Nevada County Local Agency Formation Commission.

2.4 Commissioners

All members of the Commission, both regular and alternate.

2.5 County

The County of Nevada.

2.6 LAFCo

The Nevada County Local Agency Formation Commission.

2.7 Members

All regular and alternate members of the Nevada County Local Agency Formation Commission.

3. Powers and Duties

3.1 General

The Commission's powers and duties to review and approve or disapprove with or without amendment, wholly, partially, or conditionally, municipal service reviews, sphere adoption and modification, proposals for changes of organization or reorganization, and other actions are as authorized in the LAFCo Act, Sections 56000 *et seq.* of the California Government Code.

3.2 Budget

- a) The LAFCo Budget Committee shall prepare and submit a budget to the Commission for review each spring in a manner consistent with the provisions and deadlines of the LAFCo Act, Section 56381. A review and comment period of two months shall be provided between the Commission's first consideration of the proposed budget and its adoption of a final budget. The budget shall contain funding adequate for the Commission to fulfill its purposes and programs. The Commission will normally include funds adequate for potential compensation and cost of living adjustments; the inclusion or omission of such funding should not be regarded as a guarantee or prohibition of such adjustments, the process for which is set forth in the Commission's Personnel Policies.
- b) Contingency, Fund Balances and Reserves: The Commission wishes to ensure that funding levels are adequate to fulfill its responsibilities and carry out its programs. It also wishes to avoid significant year to year fluctuations in the amount of LAFCo's costs that are apportioned to LAFCo's funding agencies (County of Nevada, cities and independent special districts). Therefore, the Commission's budgetary practices include the following measures:

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- 1) The Commission's annual expenditure budget shall normally designate an amount of 5% of total expenditures as Contingency, to be used for unforeseen expenses in the current fiscal year.
- 2) The Commission shall designate specific amounts of fund balance to be held in reserve to fund future specific projects and purposes. Use of reserved funds requires Commission approval. During its annual budget adoption process, the Commission will review and confirm fund balance reserve amounts. Fund balance reserves include the following categories:
 - i) **Municipal Service Reviews and Sphere Updates:** LAFCo law requires the Commission update each agency's sphere of influence every five years and also requires the preparation of associated Municipal Service Reviews to support sphere of influence actions. In order to ensure adequate funding to meet these requirements, the Commission has designed a multi-year schedule for the update of each agency's sphere of influence plan and preparation of the associated municipal service review(s). Funding to complete this work will be allocated to this fund balance reserve annually in an amount determined by the Commission; normally the annual contribution will be in the range of \$40,000 until adequate funds have been saved to complete the next scheduled round of updates. In addition the Commission will normally allocate funding in the amount equivalent to the interest earned on the reserved funds.
 - ii) **Equipment Replacement:** The Commission shall allocate fund balance to this reserve in an amount adequate for the replacement of existing equipment, as calculated by the Commission's CPA during the annual budget preparation process.
 - iii) **CEQA and Other Studies:** The Commission has established this fund balance reserve to provide for the completion of studies required by the California Environmental Quality Act, and for studies for other topics that the Commission finds necessary. The normal amount of fund balance allotted to this category will be at least \$20,000.
 - iv) **Litigation:** The Commission has established this fund balance reserve to provide funding for litigation. The normal level of funding reserved for this purpose will be at least \$50,000.
 - v) **General:** The Commission has established this fund balance reserve to ensure funding is available for operational expenses in events of unforeseen circumstances. The level of funding held in this reserve shall normally be fifty percent of the average previous three fiscal years actual non-personnel expenditures.

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- vi) PERS Liability: The Commission has established this fund balance reserve to provide funding to address unexpected increases in the amount of unfunded pension liability payments assessed by the California Public Employees' Retirement System. The target level of funding in this reserve shall be equal to the average previous three fiscal years actual assessed amounts.
 - vii) Undesignated: Fund balance not designated for other purposes may be utilized by the Commission for purposes it deems necessary and appropriate.
- c) The Commission may at any time and at its own discretion modify its approved budget.
 - d) 4) The LAFCo Executive Officer shall be responsible for managing the day-to-day business of the Commission and for directing expenditures for that purpose within the guidelines established by the adopted budget. This responsibility shall include the power to enter into contracts on behalf of the Commission, provided that the Executive Officer shall obtain the concurrence of the Chair and consult with Staff Counsel prior to entering into any contract outside the scope of day-to-day business, including contracts for attorney, consultant, or other professional services. Staff shall promptly notify the members of the Commission regarding establishment of contracts entered into on the Commission's behalf.

4. Commission Organization

4.1 Composition

Nevada County LAFCo shall consist of seven regular voting Commissioners and four alternate members, as explained in detail below.

4.2 Appointment of Members

County Members

Two Commissioners are appointed by the Board of Supervisors from the Board's membership. The Board of Supervisors shall also appoint a third supervisor to serve as the alternate County member of the Commission.

Cities/Town Members

Two Commissioners shall be appointed by the City Selection Committee from among the City/Town Council members of the County's incorporated communities. Such appointments shall be made in accordance with the procedure established by the City Selection Committee and described in the Rules and Regulations of that body. The City Selection Committee shall also appoint an alternate city member in the same manner as it appoints a regular city member.

Special District Members

Two Commissioners shall be selected from the members of the legislative bodies of the independent special districts within the County by the Special District Selection Committee as provided by Government Code Section 56332. One alternate special

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district member of the Commission shall be appointed in the same manner as regular special district members.

Public Members

One Commissioner shall be appointed from the general public by vote of the other six regular (voting) members of the Commission, in accordance with Government Code Section 56325(d). The Commission shall also appoint an alternate public member in the same manner as the regular public member. The LAFCo Act requires an affirmative vote from at least one each of the city, county and district members for appointment of the regular and alternate public member, and specifies that neither the regular nor the alternate public member may be an officer or employee of a city, the County, or a district having territory within the County.

Commission selection procedures include the following steps:

1. Advertisement of the positions in newspapers of general circulation in the county,
2. Interviews of the candidates by the full Commission. If appropriate, the Commission may appoint a screening committee to screen applications to reduce the number to be interviewed to a manageable number.
3. Voting by written ballot which is read and tallied in open session. The candidate with both the most votes and the requisite affirmative vote from each category will be appointed.
4. If the Commission is unable to select a candidate after two ballots, it may agree to reduce the field of candidates to the two who have secured the highest number of votes. If the result of the first two ballots does not justify a run-off, or if a run-off does not result in a candidate receiving both the necessary number and configuration of votes to be elected, the Commission shall confer and determine an alternate selection process, which may include additional rounds of balloting or reopening the position and making a selection from additional candidates at a subsequent meeting.

4.3 Role of Alternate Members

- a) In each member category, the alternate member shall serve and vote in place of a regular member who is absent or disqualifies himself or herself from voting on a matter before the Commission.
- b) All alternate members are expected to attend all Commission meetings, even if the regular member(s) is (are) present. As a matter of policy, because alternate members may at any time be called upon to vote in place of a regular member, the Nevada LAFCo encourages alternate members to participate in discussion of issues before the Commission and to attend closed sessions, even when they may not vote.

4.4 Terms of Office

- a) Unless other arrangements are made by the appointing authority, the term of office of each member shall be four years, expiring on the first Monday in May in the year in which the term of the member expires. A member may continue in office after expiration of his or her term until the appointment and seating of a successor.

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- b) Any member may be removed at any time and without cause by the body appointing that member. If a member who is a city, County, or special district officer ceases to hold that position during his or her term, that member's seat on the Commission shall become vacant.
- c) Any vacancy in the regular membership of the Commission shall be filled for the unexpired term by appointment by the body that originally appointed the member whose office has become vacant. The alternate member in that category shall serve in his/her place until such time as a new regular member has been appointed.

4.5 Removal of Members

The Commission may recommend to the appointing authority that a member be removed for the following reasons:

- a) The absence of that member for three (3) consecutive meetings or more than half of the meetings in any twelve-month period.
- b) Malfeasance of office or dereliction of duty by that member.
- c) Refusal to sign and comply with the Code of Ethics (Appendix 2) adopted by Nevada LAFCo.

4.6 Commission Officers

The officers of the Commission shall be a Chair and a Vice Chair, chosen by the current regular members of the Commission from their number.

- a) The Chair and the Vice Chair shall be elected each year at the June meeting or the next regular meeting thereafter and shall take office immediately. If a vacancy occurs in any Commission office during the year, it shall be filled by election at the next regular meeting following occurrence of the vacancy.
- b) The term of office for the Chair and Vice Chair shall normally be twelve months or until the officer's membership on the Commission terminates, whichever occurs sooner. However, if either is a city member who rotates into the alternate city position pursuant to rules of the City Selection Committee, he or she may serve on a *pro tempore* basis until his or her successor is elected.
- c) The Chair shall preside at all meetings of the Commission and shall conduct the business of the Commission pursuant to and in compliance with the procedures prescribed by these rules. The Chair shall preserve order and decorum at all meetings and shall decide all questions of order and procedure, subject to the action of the majority of the Commission.
- d) The Chair has the authority to act outside a meeting, in consultation with the Executive Officer, on procedural and administrative matters that cannot reasonably be deferred to the next Commission meeting. The Chair's authority shall include the signing of contracts for urgently needed goods and services if the Executive Officer is unavailable.

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- e) The Chair has authority to appoint members to all committees of the Commission, including the authority to create special-purpose committees not named in these Bylaws.
- f) In the event of the Chair's absence or inability to act as the Chair, the Vice Chair shall have all the powers and duties of the Chair.
- g) In the event both the Chair and the Vice Chair are absent from a Commission meeting at which a quorum is present, the voting members present may select one of themselves by majority vote to act as Chair *pro tempore* for that meeting.

4.7 Compensation

- a) Each member in attendance at any Commission meeting, regular or special, shall receive a stipend to be set annually by the Commission.
- b) Members will be reimbursed at currently applicable IRS rates, as promulgated by the Nevada County Auditor, for reasonable and necessary mileage expense incurred for meeting attendance and other Commission business, including committee meetings and CALAFCo conferences. When the difference between costs of driving or flying to a given destination exceeds \$50, members will be reimbursed at the lower of the two rates.
- c) Members will be reimbursed for meal expense, consistent with County policy, when their participation in meetings or other business of the Commission necessitates their eating away from home during normal lunch or dinner periods.
- d) When budgetary funding permits, members appointed to committees shall receive a stipend for attendance at committee meetings equal to half the amount paid for attendance at Commission meetings (as set forth in item a, above).

4.8. Financial Disclosure

- a) LAFCo members are subject to the requirements of the California Fair Political Practices Commission, including annual filing of the Statement of Economic Interests (Form #700) with the Clerk of the Board of Supervisors. The Nevada County Local Agency Formation Commission Conflict of Interest Code is attached to these Bylaws and incorporated herein as Appendix 1.
- b) Any member of the Commission not in compliance with the requirements of the LAFCo **Conflict of Interest Code** shall be ineligible to take part in LAFCo business until she or he has complied.

4.9 Code of Ethics

Each Commissioner, regular and alternate, shall sign and file with the LAFCo office a copy of the Code of Ethics adopted by Nevada LAFCo November 24, 1997, and shall adhere to its standards and precepts. Failure to comply with this provision shall be sufficient cause for the Commission to request replacement of a Commissioner as provided by Section 4.5, above. A copy of this Code of Ethics is incorporated herein as Appendix 2.

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4.10. Eligibility of Commissioners for Staff Positions

The Commission shall not accept the application of any current regular or alternate Commissioner for a LAFCo staff position unless such application is accompanied by the Commissioner's signed letter of resignation incorporating a commitment to refuse subsequent appointment to the Commission during a period of six months after the staff position has been filled.

5. Conduct of Business

5.1 Regular Meetings

Regular meetings of the Commission are scheduled for the third Thursday of each month at 9:30 a.m. in the Board of Supervisors' Chambers, Eric Rood Administration Building, Nevada City, California. The Commission may at its own discretion meet at a different time or place from time to time, provided that public notice of such time and place is given in accordance with the Open Meeting Law, Government Code Section 54954, and applicable provisions of the LAFCo Act.

5.2. Special Meetings

The Chair or Executive Officer may call a special meeting of the Commission. The Chair shall call a special meeting if requested by three or more Commissioners. Any special meetings of the Commission shall be called in the manner provided by Section 54956 of the Government Code. The order calling the special meeting shall specify the time and place of the meeting and the business to be conducted, and no other business shall be conducted at that meeting. The special meeting may be called for any day prior to the date established for the next regular meeting of the Commission.

5.3. Notice of Meetings

General Notice

The Executive Officer shall provide notice of all regular and special meetings in accordance with the Open Meeting Law, Section 54954.1 of the Government Code, and applicable provisions of the LAFCo Act. Written notice of regular and special meetings of the Commission in the form of a meeting agenda shall be mailed, faxed, or sent by other electronic means to at least the following:

- a) Each LAFCo member and staff
- b) Local news media, including but not limited to:
 - The Union
 - The Sierra Sun
 - KNCO
 - KVMR
- c) To any person or entity requesting a copy of the agenda in writing.
- d) By posting the agenda of each meeting on or near the door of the public building to be used for the meeting at least 72 hours in advance of the meeting.

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Special Notice

The Executive Officer shall provide additional notice of specific applications in the manner required by the LAFCo Act for that application. Such special notices shall be sent to the applicant, affected property owners or citizens, and such other persons or entities as the Commission or the Executive Officer may deem appropriate. Notice to affected property owners and citizens shall also comply with Commission policy on Notice and Public Participation, as set forth in Section VI-B of the **LAFCo Policies**.

Staff Reports and Meeting Packets

Not less than five days prior to the hearing, the Executive Officer shall complete a staff report including his or her recommendations for each item to be heard. Copies, along with the agenda, shall be furnished to each member of the Commission and to other parties as required by the LAFCo Act (Section 56665). Any Commissioner may request postponement of the hearing on a particular item by reason of his or her receiving the agenda packet less than five days prior to the meeting. The Commission may, but is not obligated to, honor such a request.

5.4. Compliance with Open Meeting Laws

Notwithstanding any other provision of these Bylaws, all meetings of the Commission shall be noticed and held in accordance with the Ralph M. Brown Act, the Open Meeting Law, Government Code Sections 54950-54962.

5.5. Quorum and Action of Commission

- a) Four Commissioners present in person and entitled to vote shall constitute a quorum.
- b) An affirmative vote of four or more Commissioners is required to make an action of the Commission, unless a more specific vote requirement is provided in the LAFCo Act. Proxy votes are not allowed.

5.6. Adjournment and Continuance of Meetings and Public Hearings

- a) Any hearing being held, or any hearing noticed or ordered to be held, may by order or notice of continuance or adjournment be continued, re-continued, adjourned, or re-adjourned to any subsequent meeting in the same manner and to the same extent set forth for the continuance or adjournment of meetings.
- b) If any meeting or hearing is continued or adjourned to a time less than twenty-four (24) hours later, a copy of the order or notice of continuance or adjournment shall be posted immediately following the meeting at which the order of declaration of continuance or adjournment was adopted or made.
- c) Procedures for adjourned and continued meetings shall also comply with any additional requirements of Sections 54955 and 54955.1 of the Government Code and any other applicable statutes.
- d) If there is not a quorum at any meeting of the Commission, the Chair may adjourn the meeting to another date and time. If all members are absent, the Executive Officer of the Commission may adjourn the meeting to a stated time and place. The Executive Officer shall announce the date and time of such adjourned meeting to all present at the meeting and provide such written and posted notice as required by the California Open Meeting Law.

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5.7. Conduct of Meetings

Agendas

The Executive Officer, in consultation with the Chair, shall prepare the agenda for each meeting. Unless otherwise directed by the Commission, the Executive Officer shall set as many matters for hearing as can be reasonably heard.

Items Limited to One Subject

Each agenda item shall specify a single subject to be considered.

Agenda Item Requests

Members of the public may request the Commission to take specific actions by submitting their requests in writing to the LAFCo office at least 10 days prior to the next regularly scheduled meeting of the Commission. If determined by the Chair to be proper for Commission consideration, such an item shall be placed on the agenda. Requests for special meetings of the Commission shall be directed to the Chair through the LAFCo office.

Order of Business

Commission agendas shall include the following items:

- Call to Order, including roll call
- Consent Items, including approval of minutes
- Public Comment
- Business Items with Public Hearings
- Business Items without Public Hearings
- Announcements
- Executive Officer's Report
- Correspondence
- Closed Session (if needed)
- Adjournment

Motions

Any voting Commissioner may introduce or second any motion.

Voting

The question of approval or denial of a change of organization or reorganization and of all resolutions shall be by roll call vote. All other questions may be voted upon by voice vote, or may be put to the question by the Chair with a unanimous vote stipulated and recorded if there is no objection.

A roll call vote shall be taken on any question upon demand of any Commissioner, regular or alternate.

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A regular member of the Commission arriving after a particular agenda item has been introduced and discussed is encouraged to abstain in favor of the appropriate alternate if the alternate has been present during the discussion and is prepared to vote.

Rules of Procedure

Except as otherwise provided herein, the rules of order governing the conduct of business at all meetings of the Commission shall be the latest edition of Robert's Rules of Order.

5.8. Public Hearing Procedure

The Commission shall conduct matters noticed for public hearing as follows:

- a) The Executive Officer shall present the staff report. The report should describe the nature of the application, discuss all factors required in Section 56668 of the Government Code, and present the Executive Officer's recommendations.
- b) Commissioners may ask questions concerning matters in the staff report.
- c) The public hearing shall be opened.
- d) The applicant or applicant's representative and a representative from the agency involved in the change of organization will be asked to speak first to add any pertinent data or testimony to the staff report.
- e) The public will then be invited to give testimony.
- f) The applicant's representative may rebut any testimony.
- g) The public will be invited to briefly respond to any new information presented in the applicant's rebuttal.
- h) Each Commissioner may question any participant in the proceedings.
- i) The public hearing will be closed.
- j) Following closure of the public hearing, the members will discuss the matter under consideration among themselves. Such discussion may or may not be preceded by a motion made by any Commissioner and a second made by another. Further testimony from the applicant or the public may not be accepted without reopening the public hearing, except that Commissioners may direct questions to specific members of the public who have already offered testimony in order to clarify any point made during the public hearing.

5.9. Public Testimony

- a) The applicant and any member of the public desiring to address the Commission shall, when recognized by the Chair, step forward and give his/her name and address to the clerk.
- b) The Chair may, within the limits stipulated by the Commission's agenda, allocate and limit the time and scope of testimony from any interested person as necessary for the expeditious conduct of the Commission's business.
- c) Debate between members of the public shall not be permitted.

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- d) When any group wishes to address the Commission, the Chair may request a spokesperson be chosen by the group to address the Commission.

5.10. Record of Proceedings

- a) Minutes

The Clerk to the Commission shall record and prepare minutes of each meeting. The minutes shall record the major actions of the Commission at the meeting but are not intended as a complete transcript of discussions at the meeting. Draft copies thereof shall be mailed to all members, usually as part of the agenda packet, prior to the meeting at which they are offered for Commission approval. Normally, minutes shall be submitted to the Commission not later than two meetings after the meeting at which they were taken. Upon approval, the minutes, with any corrections thereto, shall become the official record of the action of the Commission.

- b) Recordings

All proceedings of regular and special meetings shall be recorded.

- i) Copies of meeting recordings and/or transcripts of such recordings will be made available upon request, the costs involved (including staff time at rates stated in the LAFCo Fee Schedule) being paid by the person or entity making the request.
- ii) Recordings may be destroyed after 5 years.

- c) Records Management

- i) For purposes of compliance with GC Section 56382 and implementation of the schedules set forth in Appendix 3, “records” are defined as documents that evince decisions or actions taken by the Commission in fulfillment of its statutory responsibilities.
- ii) Whether in electronic or material form, documents that do not evince Commission decisions or actions, although they may support or inform them, are not records. Such documents would include, but not necessarily be limited to, notes; drafts; transmittal letters; requests for comments and information from County staff, affected agencies or other sources, and their responses; expressions of support or opposition to proposals from members of the public; undeliverable notices; intermediate versions of reports, maps, legal descriptions, notices; intermediate versions of reports, maps, legal descriptions, proposed budgets, and other documents not in final or approved form.
- iii) To comply with GC Section 56382, records must be kept indefinitely in paper, photographic, or electronic form. Other documents will be kept and disposed of as scheduled in Appendix 3.

6. Conflict of Interest

- a) No Commissioner shall vote on any matter where it is reasonably foreseeable that the action of the Commission could materially affect a financial interest of the Commissioner.

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- b) Government Code Section 84308 requires that a Commissioner disqualify him- or herself from voting on an application involving an “entitlement for use” (such as an annexation or sphere amendment) if, within the last twelve months, the Commissioner has accepted campaign contributions of \$250 or more from an individual or firm that actively supports or opposes such application or from an agent (e.g., attorney, engineer, or planning consultant) representing an applicant or other interested participant.
- c) Commissioners having a conflict of interest on any matter before the Commission shall publicly disclose such conflict and thereafter shall not participate in any discussions, debates, questioning or votes on the matter in their official capacity. This restriction shall not prevent a disqualified Commissioner from testifying as a member of the public.
- d) Unless provided by the appointing authority pursuant to Section 56335 or Section 56332 (d) of the Government Code, no member shall be disqualified from participation in the consideration of a matter as a result of his or her membership on an agency affected by the Commission's decision on the matter.

7. Committees of the Commission

7.1 General

- a) The Commission or the Chair may establish any committee deemed necessary for the conduct of Commission business; a chair for the committee may be designated when it is appointed. If a committee is appointed by the Chair between meetings of the Commission, he or she shall report this action to the Commission at its next regular meeting.
- b) No more than one member from any single category (County, city, district, or public) shall be appointed to serve on a committee, unless the Commission authorizes an exception. At the time a committee is established, alternate committee members for each category may be named, if appropriate.
- c) Committees which have continuing jurisdiction over a particular subject matter (e.g., Standing Committees as listed under 7.2) are subject to the California Open Meeting Law (“Brown Act”). Their meetings must be noticed to the public even when the subject matter (e.g., personnel issues) qualifies for closed session. Ad hoc committees composed of less than a quorum of the Commission and charged with a specific, limited task are not subject to the Open Meeting Law.

7.2 Standing Committees

Budget Committee

- a) The Budget Committee shall be comprised of the Chair (or his or her designee), the Executive Officer, and three other members of the Commission selected by the Chair.
- b) This committee is responsible for preparation and recommendation to the Commission of an annual work plan and budget, and for

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recommendation on any questions of finance that may arise during the fiscal year, which is July 1 through June 30.

Policy Committee

- a) The Policy Committee shall be comprised of the Executive Officer, Staff Counsel, and four members of the Commission selected by the Chair.
- b) This committee is responsible for review and recommendation to the Commission of amendments to the Nevada LAFCo **Policies** and **Bylaws**.

Personnel Committee

A Personnel Committee comprised of no more than three members of the Commission shall be appointed annually to draft a performance evaluation of the Executive Officer and recommendation regarding merit increases for consideration and action by the Commission.

From time to time, but at least every five years, the Personnel Committee will review the salary and benefits structure for LAFCo staff to assure equitability and competitiveness with comparable positions and make recommendations to the Commission.

8. Policies

The Commission has adopted policy guidelines to assist in reviewing any proposal brought before it. These guidelines are contained in the **LAFCo Policies**.

9. Bylaw Amendments

9.1 Regular Amendments

Regular amendments to these Bylaws shall be made as follows:

- a) The full text of any proposed amendment including additions and strikeouts shall be sent to all members in the same manner as agenda packets, as specified in Section 5.3 c), above.
- b) A noticed public hearing shall be held to consider the proposed amendment. At the meeting, the proposed amendment shall be read aloud in its entirety by the Chair, unless such reading is waived by the Commission. Discussion and modifications may be made to the proposed amendment and it may be adopted at this time.

9.2 Urgency Amendments

An amendment to the Bylaws may be adopted as an urgency amendment effective immediately when the amendment is determined to be essential to the immediate functioning of the Commission. Any such urgency amendment may only be adopted by the affirmative vote of at least five Commissioners.

9.3 Posting of Bylaws

Upon approval of these Bylaws they shall be posted on the LAFCo Website.

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Passed and Adopted by the Nevada County Local Agency Formation Commission the 18th day of April, 1991.

Amendments:

Amended by Resolution 93-07, April 30, 1993

Amended by Resolution 96-07, August 15, 1996

Amended by Resolution 00-10, October 19, 2000

Amended July 19, 2001

Amended October 17, 2002

Amended May 27, 2004

Amended July 21, 2005

Amended by Resolution 05-18, November 17, 2005

Amended by Resolution 07-06, May 17, 2007

Amended by Resolution 08-01, January 17, 2008

Amended by Resolution 08-13, August 28, 2008

Amended by Resolution 15-08, September 17, 2015

Amended by Resolution 17-04, June 15, 2017

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Appendix 1
**Nevada County
Local Agency Formation Commission
Conflict of Interest Code**

I. TERMS

The Political Reform Act, Government Code Section 81000, *et seq.*, requires state and local government agencies to adopt and promulgate Conflict of Interest Codes. Title 2, California Code of Regulations, Section 18730, adopted by the Fair Political Practices Commission (FPPC), contains the provisions required to be included in a Conflict of Interest Code and can be incorporated by reference. Section 18730 may be amended from time to time to conform to amendments in the Political Reform Act after public notice and hearings conducted by the FPPC. Therefore, **the terms of Title 2, California Code of Regulations, Section 18730, and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference** and, along with the following list of designated persons and disclosure requirements, constitute the Conflict of Interest Code of the Local Agency Formation Commission of Nevada County.

II. DESIGNATED PERSONS

The following persons are subject to the provisions of this Code:

- A. All members and alternate members of the Commission
- B. The Executive Officer
- C. Legal Counsel to the Commission
- D. Independent contractors and consultants who, as determined by the Executive Officer and/or the Commission, perform duties or provide services of a substantial and continuing nature such that they serve in a staff capacity to the Commission and participate in making governmental decisions as defined in FPPC Regulation 18702.2 or perform the same or substantially all the same duties for the Commission that would otherwise be performed by an individual holding a designated officer position specified in this Code.

III. FULL DISCLOSURE REQUIRED

Designated persons must disclose all investments, sources of income or interests in real property within the jurisdiction of Nevada County LAFCo, and business positions in which the designated person is a director, officer, partner, trustee, employee or holds any position of management, if that business does any contracting with the Commission or is located within its jurisdiction. **NOTE: The jurisdiction of Nevada LAFCo includes territory outside Nevada County that is within the boundaries of multi-county districts.**

IV. PROCEDURES

- A. Commissioners holding elective positions (County Supervisors, City Council Members, and Special District Board members) may list Nevada LAFCo on the same Statements of Economic Interest prepared for those offices. The Public and Alternate Public Member may also file this way if they hold appointive positions requiring the filing of Form 700.
 - 1. A separate cover sheet must be prepared for LAFCo, however, and **must bear an original signature**. It should list "Nevada LAFCo" as the additional agency and the position as "Commissioner." The "Multi-County" jurisdiction box should be checked and the following blank line should show "Nevada; parts of Placer, Yuba, and Sierra."
 - 2. The schedules attached to the cover sheet **must include all interests within Nevada LAFCo's jurisdiction**. (Alternatively, separate schedules may be prepared for LAFCo, and those filed with any other office may be limited to interests within that jurisdiction.)
 - 3. The original Form 700 should be sent to the appropriate City, County, or District office. Photocopies of the schedules may be provided to the LAFCo office along with the separate cover sheet bearing an original signature (see Item 1, above).
- B. Any Commissioner not also required to file elsewhere (e.g., Public Member and/or Alternate Public Member), the Executive Officer, Legal Counsel and any independent contractor/consultant required to file will file their Statements of Economic Interests with Nevada LAFCo.
- C. All forms filed with Nevada LAFCo will be copied and the originals forwarded to the Clerk of the Board of Supervisors, the designated Filing Officer; the Board serves as the Code Reviewing Body for Nevada LAFCo under Government Code section 875900.

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D. The copies of forms filed with Nevada LAFCo will be retained for seven years.

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Appendix 2

**Nevada County
Local Agency Formation Commission
Code of Ethics**

The legislative intent for LAFCo is contained in Government Code Section 56300:

It is the intent of the Legislature that each commission establish policies and exercise its powers pursuant to this part in a manner that encourages and provides planned, well-ordered efficient urban development patterns with appropriate consideration of preserving open-space lands within those patterns.

Nevada LAFCo's mission statement provides focus for the Commission as it carries out its statutory responsibilities:

Nevada LAFCo is committed to serving the citizens, government agencies, and applicants of its jurisdiction by using its authority, knowledge and expertise to make beneficial changes in the structure of public agencies through special studies, programs, and actions resulting in the resolution of conflicts; orderly growth, development, and governance; cost-effective delivery of services; and timely processing of applications.

LAFCo is an independent commission and is not a part of or subordinate to the County, any city or any special district. Each Commissioner is independent in weighing and reviewing information and making determinations based upon the particular matter under review and in consideration of LAFCo's underlying purposes, as provided by the law:

56325.1. While serving on the commission, all commission members shall exercise their independent judgment on behalf of the interests of residents, property owners, and the public as a whole in furthering the purposes of this division. 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 section does not require the abstention of any member on any matter, nor does it create a right of action in any person.

LAFCo's composition is a balanced membership consisting of City, County, Public, and Special District members. The mixed membership ensures that various backgrounds and perspectives are reflected on the Commission.

As they carry out their LAFCo responsibilities, Commission members rely on the expertise and experiences they have gained while serving on their appointing agencies. However, members will base their decisions on the policies and requirements of LAFCo law and the best interests of all the citizens.

The members of the Commission include both regular and alternate members. All members, both regular and alternate, should attend all meetings if at all possible, and all members, both regular and alternate are responsible for participating in discussions of issues and in facilitating the work of the commission.

Standards of conduct have been adopted by the Commission in order to conduct its business in a productive, thoughtful manner. Participants in LAFCo proceedings are encouraged to be courteous and respectful. LAFCo expects to hear differing opinions and points of view during the course of its deliberations

Interruptions and discourteous comments will not be tolerated by the Commission.

Additionally, Commissioners agree to actively listen to each other, to voice their opinions, and to be respectful of staff, the public, and fellow commission members. Commissioners further agree to focus discussion on issues (as opposed to personalities), and to conclude issues in a timely manner. Each member accepts responsibility to stay focused on issues germane to the topic.

Signature

Date

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Appendix 3

**Nevada County
Local Agency Formation Commission**

Schedule for Retention of Records and Disposition of Other Materials

<i>MEETING RECORDS</i>	
Agendas, Minutes, and Resolutions	Permanently (in separate files from project records)
<i>RECORDS RELATING TO LAFCo PROJECTS</i> <i>(“projects” are all actions subject to Commission approval including, without limitation, changes of organization, sphere plans, municipal service reviews, activation of latent powers, and extension of services by contract)</i>	
Application, petition or other initiating document (including statement of justification, agreement to pay fees/indemnification)	Permanently
Evidence of fee payment (copy of check, deposit receipt, etc.)	“
Environmental documentation (e.g., Initial Study; Negative Declaration; Environmental Impact Report; Notice of Determination)	“
Assessor’s statement of property valuation	“
Auditor’s statement of Tax Rate Area assignment	“
Copies of public hearing notice (if required)	“
Staff report (attachments to be included only if not elsewhere available)	“
Resolution approving proposal (copy; original retained in resolutions file)	“
Map, legal description, and plan for services (e.g., Master Service Element of a Sphere Plan) as approved by Commission	“
Commission Resolution approving action; Order for Change of Organization if a protest hearing was held	“
Impartial analysis for election, if required	“
Documentation of election and its result, if required	“
Certificate of Completion	“
Statement of Boundary Change	“
State Board of Equalization acknowledgment letter	“
<i>PROJECT-RELATED DOCUMENTS OF TRANSITORY VALUE</i>	
Owner/voter notice lists	1 year after filing of Certificate of Completion OR Commission action, whichever is later
Transmittal letters; requests for comments and responses	“
Notes	“
Correspondence	“
Undeliverable owner/voter notices	“
Intermediate versions of maps, legal descriptions, etc.	“

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Duplicate copies of any documents scheduled for permanent retention	Dispose when filing completed project folder
<i>ADMINISTRATIVE DOCUMENTS</i>	
Contracts and agreements (e.g., for consulting, auditing or other professional services; lease of space; equipment rental); amendments	5 years following completion of term
Budget preparation documents, including adopted budgets	3 years
Accounting and financial materials (deposits, payments); audit reports	5 years
Payroll documents (including W-2, W-3, and W-4 forms; retirement contributions, etc.)	4 years
Employment applications, resumes, disciplinary letters, etc.	7 years following separation from service
District Member election materials (including nominating resolutions, ballots, and return receipts from ballot distribution)	90 days following date set for return of ballots
Forms 700, Statements of Economic Interests (copies only—originals are held in Board of Supervisors Office)	5 years following due date
Litigation materials	3 years following decision or settlement As long as useful
Reference Files (reports, procedures, etc.)	One year
General correspondence	
Audits	5 years
Digital Recordings	
<i>ELECTRONIC CORRESPONDENCE</i>	
Relating to organizational changes, SOIs, MSRs, and other LAFCo projects	60 days after filing of Certificate of Completion OR Commission action, whichever is later
Relating to litigation (may be printed out for retention in file)	3 years following decision or settlement
Other (including correspondence relating to potential litigation that does not go to court)	30 days (or longer, if future action is anticipated)