

Shasta Local Agency Formation Commission Pre-Application Agreement

Introduction:

Shasta LAFCo encourages prospective applicants (applicant) to consult with LAFCo staff early in the formation, change of organization, or reorganization process. An initial consultation is offered at no cost to the applicant. It is LAFCo policy that applicants, including public agencies, pay the direct cost attributable to application processing. When pre-application consultation with LAFCo staff and staff assistance on filing materials requires more than an initial consultation, these costs are considered direct cost attributable to application processing. These direct costs include all out-of-pocket expenses, staff time, and LAFCo legal counsel time and other forms of staff assistance. A schedule of LAFCo staff charge-out rates is attached.

To facilitate payment, parties requesting LAFCo services must submit a deposit along with this Agreement. The amount of the deposit will be determined by the LAFCo Executive Officer. The deposit set by the Executive Officer is based on the estimated cost of pre-application assistance. These cost can seldom be estimated in advance and are, to large extent, determined by the Applicant. Therefore, the actual pre-application assistance cost may exceed the deposit r amount, and cost estimate.

Terms:

1. DEPOSIT

Applicant agrees to pay the following deposit with execution of this agreement: **\$5,000.00**. The deposit shall be applied toward services performed and costs expended on the Applicant's behalf. The deposit will be placed in LAFCo's general account and pre-application expenses incurred by LAFCo will be tracked separately from other LAFCo expenses. No interest will accrue on the deposit. LAFCo will keep an accounting of amounts charged against the deposit. In the event any balance of the deposit remains after subtraction of all LAFCo charges, the balance will be refunded to Applicant upon completion of pre-application services. When the deposit is exhausted, LAFCo will begin monthly billing or request an additional deposit.

2. MONTHLY BILLING OR ADDITIONAL DEPOSIT

Should LAFCo pre-application expenses exceed the initial deposit, an additional deposit will be requested or the Applicant will be billed monthly for services performed and costs expended in the previous billing month. Applicant agrees to pay all amounts shown as due and owing by the 10th of the following month, unless an alternate payment schedule is agreed to by LAFCo. The period from the time of billing to the 10th of the following month is known as the "payment period".

3. STAFF ASSIGNMENTS; CONFLICTS OF INTEREST

(1) Except as provided below, LAFCo will assign staff to tasks as it determines appropriate. However where LAFCo determines there is a need for an outside consultant, it will hire outside consultants. If Applicant believes that any staff or consultant has a conflict of interest that could adversely affect application processing, a written request for disqualification must be submitted. The request should state the conflict of interest. The

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Executive Office will make an initial determination. If the request is denied, Applicant may request that the Commission consider the conflict.

(2) In the event of a staff disqualification, applicant understands that outside contract staff must be hired. Applicant agrees to pay the charges for any such contract staff even though they may exceed the charge-out rates of staff member being replaced.

4. PAYMENT NOT DEPENDENT ON FUTURE ACTIONS

Applicant understands and agrees that the LAFCo charges are payable regardless of whether the application is ultimately filed, withdrawn, denied or otherwise terminated prior to completion. In the event of withdrawal, Applicant shall be responsible for all charges incurred prior to the time of receipt of written notice of application withdrawal, plus LAFCo's reasonable charges for file closure.

5. INDEMNITY

Applicant agrees to indemnify, save harmless, and defend LAFCo, its officers, employees and agents from all liability from loss, damage, or injury to LAFCo in any manner arising out of or incident to LAFCo's processing of Applicant's project. In the event a writ of mandate or other action is filed, and LAFCo determines to defend against it, Applicant shall reimburse LAFCo for all LAFCo's legal fees and litigation expenses incurred. LAFCo shall have the right to select its own counsel to defend it.

6. WAIVER

LAFCo's failure to enforce any term hereof shall not be deemed to be a waiver. No delay or omission in the exercise of any remedy of LAFCo on default shall impair such right or remedy or be construed as a waiver thereof, unless waiver is set forth clearly in writing and signed by the waiving party. Such written waiver shall not be construed as a waiver of any other default concerning the same or any other agreement provision, charge, or payment of principal amount owing to LAFCo.

7. AUTHORITY TO SIGN

The party executing this agreement on behalf of Applicant personally warrants that they have full authority to enter into this agreement on behalf of the Applicant for which they are signing, and that said entity will be legally bound to the agreement by their signature hereto. In the event that such authority does not exist, the individual who has signed this agreement agrees that he or she shall be personally liable for the charges.

Applicant: _____

Authorized Signature

Date: _____

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Attachment: Staff Charge-Out Rates

Shasta LAFCo Staff	Rate
Legal Counsel	\$145.00
Executive Officer	\$108.00
Analyst	\$ 84.00
GIS / Spatial Analyst	\$ 62.00
Environmental Planner	\$ 76.00
Assistant Planner	\$ 58.00
Service Specialist	\$ 58.00
Clerk	\$ 35.00