

# MENDOCINO

# Local Agency Formation Commission

Ukiah Valley Conference Center ◊ 200 South School Street ◊ Ukiah, California 95482  
Telephone: 707-463-4470 Fax: 707-462-2088 E-mail: eo@mendolafco.org Web: www.mendolafco.org

## CHAIR

**Jerry Ward**  
Public Member

## VICE CHAIR

**John McCowen**  
County Board  
of Supervisors

## MEMBERS

**Dan Hamburg**  
County Board  
of Supervisors

**Doug Hammerstrom**  
Fort Bragg City Council

**Holly Madrigal**  
Willits City Council

**Theresa McNerlin**  
Ukiah Valley Sanitation District

**Vacant**  
Special District Member

## ALTERNATE MEMBERS

**Carre Brown**  
County Board  
of Supervisors

**Kevin Doble**  
Ukiah City Council

**Carol Rosenberg**  
Public Member

**Angela Silver**  
Calpella County Water District

**Executive Officer**  
George Williamson

**Counsel**  
Scott Browne

**Analyst**  
Colette Metz

**Commission Clerk**  
Elizabeth Salomone

## Regular Meetings

First Monday  
of each month  
at 9:00 AM  
at the Mendocino  
County Board  
of Supervisors Chambers  
501 Low Gap Road

*Approved by Commission Feb 1, 2016*

## MINUTES LOCAL AGENCY FORMATION COMMISSION OF MENDOCINO COUNTY

### Regular Meeting of Monday, January 4, 2016

County Board of Supervisors Chambers, 501 Low Gap Road, Ukiah, California

Call to Order Chair Ward called the meeting to order at 9:06am.

### Roll Call

Members Present:

Commissioners Dan Hamburg, Doug Hammerstrom, Holly Madrigal, John McCowen (arrived 9:09am departed 1:18pm), Theresa McNerlin(out 9:33am-10:06am), and Jerry Ward

Members Absent:

None

Alternate Members Present:

Commissioners Carre Brown (departed 11:12am) Kevin Doble, Carol Rosenberg, and Angela Silver

Alternate Members Absent:

None

Staff Present:

George Williamson, Executive Officer  
Elizabeth Salomone, Clerk  
Sarah West

*Alternate Commissioner Silver immediately took seat as Special District Representative. Alternate Commissioner Brown immediately took seat as County Representative until Commissioner McCowen arrived.*

### Annual Appointments

#### 1. Officer Appointments

Upon motion by Commissioner Brown and second by Commissioner Hamburg, Jerry Ward was appointed Commission Chair by roll call vote:

Ayes: Commissioners Brown, Hamburg, Hammerstrom, Madrigal, McNerlin Silver, and Ward

Absent: McCowen

Motion was made by Commissioner Madrigal to appoint John McCowen for Vice Chair. The motion was not seconded and therefore dropped.

Upon motion by Commissioner Silver and second by Commissioner Hamburg, Holly Madrigal was appointed Commission Vice Chair by roll call vote:

Ayes: Commissioners Hamburg, Hammerstrom, Madrigal, McCowen, McNerlin, Silver, and Ward

Upon motion by Commissioner Madrigal and second by Commissioner McNerlin, Doug Hammerstrom was appointed Commission Treasurer by roll call vote:

Ayes: Commissioners Hamburg, Hammerstrom, Madrigal, and Ward

Abstain: Commissioners McNerlin, McCowen and Silver

## 2. Committee Appointments 2016

Chair Ward noted the Executive Committee consists of the Chair, Vice Chair, and Treasurer appointed in the previous action. Chair Ward appointed Commissioners Hamburg, McNerlin, and Doble to the Planning Committee. (Note: later in the meeting, the updated Policies and Procedures were approved that change this Committee name to the Policies and Procedures Committee.)

## **Consent Calendar**

3. Approval of the December 7, 2015 Regular Meeting Summary Minutes

4. Approval December 2015 Claims

5. Acceptance of the Monthly Financial Report

6. Approval of Lease Renewal

Commissioner Ward asked for Item 5 to be pulled from the Consent Calendar for discussion.

Clarification was made that the Lease Renewal includes \$50 raise in office rent, as negotiated at time of office move.

Upon motion by Commissioner Madrigal and second by Commissioner Hammerstrom, Items 3, 4, & 6 of the Consent Calendar were approved by unanimous vote:

Ayes: Commissioners Doble, Hamburg, Hammerstrom, Madrigal, McCowen, McNerlin, Silver, and Ward

Commissioner Ward noted the following in regards to Item 5: Monthly Financial Report:

- E. Salomone (Clerk) timesheet shows hours allocated to Contract Services that may be more appropriately allocated to another budget line. Comments and questions were offered by Commissioners Silver, Hammerstrom, Rosenberg, Ward, and Mr. Williamson. It was noted the work is finalizing the MSRs prepared by Baracco & Associates. Chair Ward held further discussion until Agenda Item 14.
- Mr. Williamson confirmed the Access TV estimated charges are based on the previous fiscal year charges. It was noted Access TV has not invoiced for some time, despite requests from staff.

Upon motion by Commissioner Silver and second by Commissioner Madrigal, Item 5 of the Consent Calendar was approved by unanimous vote:

Ayes: Commissioners Hamburg, Hammerstrom, Madrigal, McCowen, McNerlin, Silver, and Ward

## 7. Public Expression

Lee Howard, private citizen, commented the public had not been invited to comment during the meeting until this point. He suggested a public copy of the agenda packet was not available and the Clerk pointed out the Public Copy to Mr. Howard.

## **Continued Public Hearing**

### 8. Gualala Community Service District Sphere of Influence Update

A Public Hearing Notice was published in the newspapers on November 10, 2015 for the Public Hearing of Gualala CSD SOI Update.

**The Public Hearing was opened on December 7, 2015 and continued until today.**

Staff recommended approval of the Gualala CSD SOI Update. Comments and questions were offered by Commissioners McCowen, Rosenberg, Hamburg, Doble, and Hammerstrom. Commissioner Hammerstrom complimented staff on the report with specific appreciation to the practice of citing references. He also noted the letter from Sonoma LAFCo reflects well on the working relationship with Mendocino LAFCo.

***The Public Hearing was closed at 9:36am.***

Upon motion by Commissioner Madrigal and second by Commissioner Silver, approval of the Gualala Community Services District Sphere of Influence Update as stated in Resolution 15-16-10 with changes listed below was approved by roll call vote:

Edits: Pg 10: eliminate sentence regarding expansion of the treatment plant

Ayes: Commissioners Hamburg, Hammerstrom, Madrigal, McCowen, Silver, and Ward  
Absent: McNerlin

## **Workshops**

### 9. Calpella County Water District Sphere of Influence Update

Mr. Williamson presented the Calpella CWD SOI Update taking comments, questions, and suggested edits from Commissioners McCowen, Hamburg, Hammerstrom, Rosenberg, Madrigal, and Brown. Commissioner Silver complimented staff on the document. The SOI update will be scheduled for Public Hearing.

### 10. Redwood Valley County Water District Sphere of Influence Update

Mr. Williamson presented the Redwood Valley CWD SOI Update taking comments, questions, and suggested edits from Commissioners McCowen and Rosenberg. Bill Kohler, General Manager, and Lee Howard, private citizen, spoke. The SOI update will be scheduled for Public Hearing.

### 11. Countywide Fire Protection Services Municipal Service Review (Part 3)

**Comptche Community Services District  
Piercy Fire Protection District  
Westport Volunteer Fire Department**

**Elk Community Services District  
South Coast Fire Protection District**

Commissioner Madrigal read out an email that was received from Baracco & Associates at 8:42 am providing an update. Comptche CSD and Elk CSD were distributed before today's meeting. South Coast FPD and Piercy FPD are expected later this week. There will also be short write ups on Westport Fire Company and Whale Gulch Fire Company. Commissioner Doble asked for clarification on the version of the draft that was being considered at today's meeting.

Comptche CSD MSR

Comments and questions were offered by Commissioners McCowen, Madrigal, Rosenberg, Ward, and Silver. Commissioner Rosenberg asked if the District had been shown the current draft. Staff was not able to answer this question on behalf of Baracco & Associates.

The Commission directed staff to bring the Comptche CSD MSR to Public Hearing with the suggested edits and confirmations.

#### Elk CSD MSR

Comments and questions were offered by Commissioners McCowen, Brown, Hamburg, Madrigal, Doble, and McNerlin. Commissioner McNerlin asked why the information in the Three-Year Revenues and Expenditures Comparison was so old, requesting more up to date reporting. Commissioner McNerlin also noted the inconsistency between the numbers in Comparison and the District Balance Sheet.

The Commission directed staff to bring the Elk CSD MSR to Public Hearing with the suggested edits and confirmations.

#### *Workshop Action*

Upon motion by Commissioner Madrigal and second by Commissioner Silver, direction to staff to complete the requested edits and provide further analysis as needed to bring the Comptche and Elk draft MSRs to Public Hearing was approved by unanimous vote:

Ayes: Commissioners Hamburg, Hammerstrom, Madrigal, McCowen, McNerlin, Silver, and Ward

***Chair Ward called a break from 10:48am – 10:55am.***

#### **Closed Session**

Chair Ward reviewed Legal Counsel opinions received regarding the inclusion of Alternate Members in Closed Sessions. Comments and questions were offered by Commissioners McCowen, McNerlin, Hammerstrom, Madrigal, and Brown. Consensus was to exclude the Alternates from the scheduled Closed Session until further legal counsel can be obtained.

#### 12. Significant Exposure to litigation pursuant to subdivision (b) of Section 54956.9: (1 potential case)

The Commission entered closed session at 11:10am and reconvened at 11:38am. Chair Ward stated Staff was directed to proceed with direction from the Commission and no other action reported from closed session.

#### **Matters for Discussion & Possible Action**

#### 13. Mid-Year Budget Review and MSR/SOI Work Plan

George Williamson reviewed the staff reports which included a mid-year review of the FY 2015/16, request for an amended budget, request for one year contract extension for Planwest, proposal for FY 2016/17 budget, review of the MSR and SOI work completed and scheduled, and a letter from Commissioner Silver.

Mr. Williamson noted the additional amount being requested for the FY 2015/16 budget amendment would come from unrestricted funds in the account at this time and have no impact on member contributions or reserves. Comments and questions were offered by Commissioners Madrigal, Hamburg, McCowen, Ward, and Rosenberg.

#### *FY 2015/16 Budget Amendment*

Commissioner Madrigal noted that the Executive Committee held a healthy discussion on the proposals. She further clarified Mr. Williamsons assurance that should the Commission proceed with recommendation for the budget amendment, for no reason would overruns beyond the proposed budget amendments incurred by Planwest be charged to the Commission. Mr. Williamson confirmed.

Commissioner Hamburg asked how the proposed budget amendment amount for Line Item 18, Account # 7501 SOI Updates can be so small, considering the previous 6 months charges. Mr. Williamson noted the work has been “front loaded” and less staff expense is expected for the remaining 6 months.

#### *Planwest Contract Amendment*

Commissioner Ward noted if the budget amendment was approved, a Planwest contract amendment would also be required. Mr. Williamson noted it would be placed on the next agenda.

#### *Proposed FY 16/17 Budget*

Commissioner Rosenberg noted concern that there is enough in the FY 16/17 Budget to cover the actual costs.

Commissioner Ward noted the proposed FY 16/17 budget needs to show the excess funds. He also noted A-87 costs are being incurred and both the budget amendment and the proposed budget need to be adjusted.

Commissioner Hammerstrom noted the procedure for presenting the proposed budget to the Executive Committee before bringing to the full Commission.

#### *MSR/SOI Overview*

Commissioner McCowen asked for clarification on the report schedules.

Commissioner Silver presented her letter included in the packet. She noted that in 2015, 74 reports, only 22 being original (11 MSRs and 11 SOIs) and the remaining reappearing, were reviewed. Of those, 18 were approved (11 MSRs and 7 SOIs.) Her letter suggests an alternative procedure. Comments and questions were offered by Commissioner McCowen, Madrigal, Ward, and Rosenberg.

#### *Action*

Mr. Williamson noted the following will be brought to the February regular meeting:

- Noticed public hearing to amend the FY 2015/16 budget
- Contract amendment discussion (after Executive Committee review)
- Proposed FY 2016/17 budget (after Executive Committee review)
- Contract Executive Officer Services for RFP (after Executive Committee review)

Upon motion by Commissioner McCowen and second by Commissioner Hammerstrom, approval to place the FY 2015/16 budget amendment and the 2015/16 Planwest contract amendment on the February Regular meeting agenda was approved by roll call vote:

Ayes: Commissioners Hamburg, Hammerstrom, Madrigal, McCowen, McNerlin, Silver, and Ward

Upon motion by Commissioner Hammerstrom and second by Commissioner Hamburg, approval to place discussion of the Executive Committee recommendations regarding the requested contract Planwest extension and the RFP for Contract Executive Officer Services on the February Regular Meeting agenda was approved by unanimous vote:

Ayes: Commissioners Hamburg, Hammerstrom, Madrigal, McCowen, McNerlin, Silver, and Ward

#### 14. MSR Completion

George Williamson presented the staff report. Comments and questions were offered by Commissioners Madrigal, Ward, McCowen, and McNerlin.

#### 15. Caspar South Water District MSR Review

George Williamson presented the staff report. Comments and questions were offered by Commissioners Ward, Hammerstrom, Madrigal, McCowen.

Commissioner Hammerstrom noted the District is not meeting the requirement of having an SSMP and the District is not adequately addressing funding needs without a Capital Improvement Plan. Commissioner McCowen noted the MSR required the processes to be initiated, which they have been.

Upon motion by Commissioner McCowen and second by Commissioner Madrigal, approval to add the one year review as an addendum to the Caspar South Water District MSR was approved by roll call vote:

Ayes: Commissioners Hamburg, Madrigal, McCowen, McNerlin, Silver, and Ward

Noes: Commissioners Hammerstrom

#### 16. Policies and Procedures Manual Revision

Comments and questions were offered by Commissioners Madrigal, McCowen, Ward, and McNerlin.

##### *Officers*

Discussion was held regarding Chapter 3, section 9A, Standing Committees. The Commission requested to edit the document to read: "The Executive Committee consists of the Chair, Vice Chair, and Treasurer or a third Commissioner appointed by the Chair."

##### *Participation of Alternate Members in closed sessions*

It was noted that the current version of Policies and Procedures Chapter 3, Section 6C does not support Alternate Commissioners attending closed sessions unless the Regular Member in their category is not present. If legal counsel advises otherwise, the P&P will be revised at a later date.

##### *Overlapping Spheres*

Comments and questions were offered by Commissioners McNerlin, Silver, Madrigal, Hamburg, McCowen, Ward, and Rosenberg.

##### *Stipend*

Commissioner McNerlin noted Chapter 3 Section 7A&B has been changed dramatically from the previous version. Commissioner Madrigal noted for the record that she supports adding City Council members to the stipend eligibility.

Upon motion by Commissioner McCowen and second by Commissioner Hammerstrom, approval to adopt the presented Policies and Procedures including the points listed below was approved by roll call vote:

1. Chapter 3, section 9A, Standing Committees. To read: "The Executive Committee consists of the Chair, Vice Chair, and Treasurer or a third Commissioner appointed by the Chair."
2. No change to Chapter 3, Section 6C regarding the participation of Alternate Commissioners in closed sessions.
3. Inclusion of suggested language regarding overlapping spheres in Chapter 9, Section 1-10 as shown below:

Where an area could be assigned to the sphere of influence of more than one agency, the following hierarchy typically applies:

- a. Inclusion within a city's sphere
- b. Inclusion within a multi-purpose district's sphere
- c. Inclusion within a single-purpose district's sphere

Territory placed within a city's sphere indicates that the city is the most logical provider of urban services. LAFCo encourages annexation of developing territory (i.e., area not currently receiving services) that is currently within a city's sphere to that city rather than to one or more single-purpose special districts. LAFCo discourages the formation of special districts within a city's sphere. To promote efficient and

coordinated planning among the county's various agencies, districts that provide the same type of service shall not have overlapping spheres.

Ayes: Commissioners Hamburg, Hammerstrom, McCowen, Silver, and Ward

Noes: Commissioners Madrigal and McNerlin

## **Information/Report Items**

### 17. Status of Commissioner Terms

The Commission supported reappointing Carol Rosenberg for Alternate Public Member however, the reappointment needs to be on the February 1, 2016 agenda as an action item.

### 18. Correspondence

Mr. Williamson reviewed the presented correspondence.

### 19. Executive Officer's Report

#### *Special District Elections*

Mr. Williamson provided an update on the Special District Election. Commissioner Rosenberg volunteered to assist Mr. Williamson in the counting of ballots. Commissioner McNerlin asked that in the future, 90 days be given to the Districts submitting their vote.

#### *CSDA Special District Training*

Mr. Williamson noted the first training is to be held in March. Commissioner Hammerstrom asked for a report from CSDA on response from the Special Districts.

#### *FY 2013-14 Audit*

Mr. Williamson noted the first draft is expected later this week.

### 20. Commissioners Reports, Comments or Questions

*Commissioner Silver:* presented information on the class she attended regarding Implementing SB88 Water System Consolidations; What Does it Mean for LAFCo. She reported that some limited role will be played by LAFCo in the consolidation of the water systems. Funding is made available by grants and low interest loans.

*Commissioner Ward:* Asked for a report on the Round Valley County Water District and Tribe meeting. Sarah West noted a meeting is still being scheduled between the two agencies and LAFCo.

He also requested placing on the next agenda The Role of LAFCo in JPAs.

### 21. Legislation Report

No report was offered.

## **Adjournment**

There being no further business, at 1:22pm the meeting was adjourned to the next regular meeting on Monday, February 1, 2016 at 9:00 AM in the County Board of Supervisors Chambers at 501 Low Gap Road, Ukiah, California.