

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

COMMISSIONERS

Jerry Ward, Chair & Treasurer
Public Member

Carre Brown, Vice Chair
County Board of Supervisors

Kevin Doble
Ukiah City Council

Gerardo Gonzalez
Willits City Council

John McCowen
County Board of Supervisors

Theresa McNerlin
Ukiah Valley Sanitation District

Tony Orth
Brooktrails Township CSD

Scott Ignacio, Alternate
Point Arena City Council

Dan Hamburg, Alternate
County Board of Supervisors

Carol Rosenberg, Alternate
Public Member

Special District Seat, Alternate
(Jenifer Bazzani to be sworn in September 2018.)

STAFF
Executive Officer
Uma Hinman

Analyst
Larkyn Feiler

Commission Clerk
Elizabeth Salomone

Counsel
Scott Browne

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

Executive Committee Meeting

A G E N D A

September 10, 2018

Directly after the Regular Commission Meeting and no sooner than 10:00am
County Board of Supervisors Chamber
Mendocino County Administrative Building
501 Low Gap Road, Ukiah, CA 95482

1. CALL TO ORDER & ROLL CALL

Chair Jerry Ward, Vice Chair Carre Brown, and Kevin Doble

2. MATTERS FOR DISCUSSION & POSSIBLE ACTION

2a) Approval of the June 20, 2018 Executive Committee Minutes

2b) Executive Officer Contract

Review of final language to the Executive Contract Services amendment.

2c) FY 2017-18 Work Plan Quarterly Review

Executive Officer will present a detailed update on Work Plan progress and budget.

2d) Fire Service Out of Area Service Agreements

Executive Officer to provide update.

2e) FY 2017-18 Audit

Executive Officer and Treasurer to provide update.

2f) Items for Future Meetings

3. INFORMATION AND REPORT ITEMS

3a) Executive Officer Report

ADJOURNMENT

The next Regular Commission Meeting is scheduled for
Monday, October 1, 2018
in the County Board of Supervisors Chambers,
501 Low Gap Road, Ukiah, California

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Agenda Item No. 2a

Executive Committee Minutes

Wednesday, June 20, 2018 10:00am

Chardonnay Room

Ukiah Valley Conference Center, 200 S School Street, Ukiah, CA 95482

1. CALL TO ORDER & ROLL CALL

Chair Ward called the meeting to order at 10:05am.

Members Present: Commissioners Carre Brown, Kevin Doble, and Gerald Ward

Staff Present: Uma Hinman and Elizabeth Salomone

2. MATTERS FOR DISCUSSION & POSSIBLE ACTION

2a) Approval of the June 4, 2018 Executive Committee Minutes

The following changes were requested to the minutes:

- Write out the full name of all acronyms used.
- Item 2e) add further explanation of the work to be suspended by legal counsel.

Upon motion by Commissioner Doble and second by Commissioner Brown, the Executive Committee meeting minutes of June 4, 2018 were unanimously approved with changes:

Ayes: Commissioners Brown, Doble, and Ward

2b) July Regular Meeting

The Commission's July regular meeting was cancelled with consent of Chair and Vice Chair prior to the Executive Committee meeting.

2c) Legal Counsel Contract Amendment

EO Hinman presented and the Committee discussed.

Upon motion by Commissioner Brown and second by Commissioner Doble, the Executive Committee recommendation to accept the proposed Legal Counsel contract amendment, based on the not-to-exceed limit of \$450 per year for out of pocket contractor costs as outlined in the amendment and direction to staff to track and report said expenses, was unanimously approved:

Ayes: Commissioners Brown, Doble, and Ward

2d) FY 2017-18 Budget Review and Work Plan

EO Hinman presented and the Committee discussed.

(continued...)

Upon motion by Commissioner Doble and second by Commissioner Brown, the Executive Committee recommendation to pay the balance of the work plan and contract services expenses to Hinman & Associates Consulting and to revisit the Executive Officer Services Agreement with Hinman & Associates to build in further flexibility, be based upon estimated fees, and to be paid upon a time and expenses basis with tracking per project was unanimously approved:

Ayes: Commissioners Brown, Doble, and Ward

Upon motion by Commissioner Brown and second by Commissioner Doble, a withdrawal of \$5,000 from the reserves account held at Westamerica Bank and deposit of \$5,000 into the checking account held at Savings Bank of Mendocino was approved by roll call vote:

Ayes: Commissioners Brown, Doble, and Ward

2e) Items for Future Meetings

No new items were presented.

3. INFORMATION AND REPORT ITEMS

3a) Executive Officer Report

EO Hinman provided updates on the following items:

- Redevelopment Agency (RDA) Oversight Board selection process.
- Quickbooks software rate increase.

ADJOURNMENT

There being no further business, the meeting was adjourned at 11:25am.

**Mendocino Local Agency Formation Commission
Executive Officer Services Agreement**

AMENDMENT NO. 1

This Agreement, dated as of August 6, 2018, is by and between the Mendocino Local Agency Formation Commission, hereinafter referred to as "COMMISSION", and Hinman & Associates Consulting, Inc., hereinafter referred to as "CONTRACTOR".

WITNESSETH

WHEREAS, pursuant to Government Code Section 56375(k) COMMISSION may contract for professional or consulting services; and,

WHEREAS, COMMISSION'S contract for professional services with CONTRACTOR to provide Executive Officer Services includes management of office workload; and

WHEREAS, CONTRACTOR, consistent with Mendocino LAFCo policy and in order to manage workload efficiently, may require limited budget flexibility between fiscal year budgets; and,

WHEREAS, COMMISSION may authorize CONTRACTOR to undertake or manage special or complex projects including but not limited to complex environmental reviews, Municipal Service Reviews, Sphere of Influence Updates and studies, or other special studies or applicant initiated changes of organization or Sphere Amendments pursuant to LAFCo's purpose and authority as stated in LAFCo's adopted bylaws; and

WHEREAS, CONTRACTOR agrees to the amendment included as "Exhibit A" to Payment Terms as were contained in the Executive Officer Services Agreement, Exhibit C, dated July 1, 2018.

NOW, THEREFORE it is agreed that COMMISSION does hereby amend the Executive Officer Services contract to include Amendment No. 1 as stated in the attached "Exhibit A."

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

Mendocino LAFCo

Contractor

By: _____
Gerald Ward, Chair

Uma Hinman, Principal

“RESOLUTION EXHIBIT A”

(CONTRACT EXHIBIT C)

PAYMENT TERMS

1. COMMISSION shall pay CONTRACTOR for actual time spent in completion of BASIC SERVICES at the rates and within task payment limits shown below. COMMISSION shall also reimburse CONTRACTOR for allowable costs incurred in the performance of those services. Office overhead, preparation of invoices, travel time by CONTRACTOR and incidental expenses other than the allowable costs set forth below will not be compensated.
2. The following designated contract personnel and their hourly rates are specified under this Agreement as follows:

| | |
|-------------------------------|-------------------|
| Uma Hinman, Executive Officer | \$100.00 per hour |
| Larkyn Feiler, Analyst | \$70.00 per hour |
| Elizabeth Salomone, Clerk* | \$40.00 per hour* |

(*plus 5% subcontractor administrative fee)
3. CONTRACTOR will submit monthly invoices to COMMISSION on the first day of each subsequent month. Said invoices shall identify the task completed and payment due for such task, and provide an itemization of allowable costs incurred, accompanied by receipts for all expenditures and an explanation of same. Except as otherwise set forth in this Agreement, payment for services and reimbursement of allowable costs will be made by COMMISSION within 30 days of approval of the invoice by COMMISSION.
4. Payment for BASIC SERVICES, as outlined in Exhibit A, shall not exceed Fiscal Year budgeted amount, except as is consistent with budget and financial policies. In addition, CONTRACTOR may not bill for more than \$10,000 for BASIC SERVICES in any one month without prior approval from COMMISSION.
5. COMMISSION shall pay CONTRACTOR for completion of Municipal Service Reviews, Sphere of Influence Updates, and/or special studies, in accordance with the annual work plan and budget. Work plan billing will be on a time and materials basis and consistent with adopted budget and financial policies. Progress payments for MSR will be included in monthly invoices. Final payment to be made within 30 days of acceptance of the MSR and/or SOI by COMMISSION.
6. COMMISSION from time to time may authorize the CONTRACTOR, as Executive Officer, to undertake or manage special or complex projects including but not limited to complex environmental reviews, Municipal Service Reviews, Sphere of Influence Updates and studies, or other special studies or applicant initiated changes of organization or Sphere Amendments pursuant to LAFCo’s purpose and authority as stated in LAFCo’s adopted bylaws. Compensation and expenses for said activities shall be on a project or hourly basis and shall be in addition to the Executive Officer’s regular budgeted compensation. All such special projects costs shall be paid after they have been approved by the COMMISSION or by the LAFCo Chair where there is no COMMISSION meeting during the month. If the COMMISSION has approved a project budget for the special project, CONTRACTOR billings consistent with the budget shall be deemed approved and budgeted, previously authorized, and payment authorized by the COMMISSION or by the LAFCo Chair where there is no COMMISSION meeting during the month. The CONTRACTOR may use COMMISSION Legal Counsel, and

subcontractors or staff as CONTRACTOR deems appropriate to complete the work and shall base any such project or hourly charges on the hourly service rates set forth in Exhibit “C”.

- 7. In addition, CONTRACTOR shall be entitled to reimbursement for any costs which are directly reimbursable by the applicant, such as public notice costs, photocopy costs, property owner lists, GIS mapping, mileage, registered voter or property owner mailings, costs and time, for special meetings requested by the applicant, reconsideration requests, and conducting authority proceedings and costs and time involved in litigation. Any such expense reimbursement shall be itemized and approved by the COMMISSION as part of warrant approvals prior to payment.

[END OF PAYMENT TERMS]

DRAFT

MENDOCINO Local Agency Formation Commission

Staff Report

DATE: September 10, 2018
TO: Mendocino Local Agency Formation Commission - Executive Committee
FROM: Uma Hinman, Executive Officer
SUBJECT: FY 2018-19 Work Plan Quarterly Review

RECOMMENDATION:

Discuss and provide direction to staff regarding the FY 2018-19 Work Plan Quarterly Review and the following staff recommendations:

- a) Maintain the 5-Year Rolling Work Plan as a staff resource instead of adopting the plan as an exhibit to the resolution for the final budget.
- b) Provide a monthly Gantt Chart as a higher level view status update on changes to the work plan priorities and associated implementation schedule.
- c) Develop a template for providing a more detailed monthly tracking of the work plan implementation schedule and costs to date.
- d) Review the work plan implementation schedule and costs with the Executive Committee on a quarterly basis, or as needed.

DISCUSSION

This FY 2018-19 Work Plan Quarterly Review is intended to improve communication and transparency related to the work plan program.

Rolling Plan Concept

Staff activities are rarely contained in a single fiscal year; therefore, the rolling plan concept is a very helpful way to design the work plan. A rolling plan is by nature flexible and allows staff to shift priorities based on new opportunities and unforeseen needs as they arise. As part of the 5-Year Rolling Work Plan, studies that were not completed in the prior fiscal year roll over or move to the following fiscal year. In order to remain useful to staff, Commissioners, interested member agencies, and the public, the work plan needs to be updated more often than once a year.

Adopting the 5-Year Rolling Work Plan as an exhibit to the resolution for the final budget may be resulting in a misconception that the work plan schedule and costs are fixed or unchangeable, even though there is a disclaimer that the plan is subject to change. Therefore, staff recommends that the 5-Year Rolling Work Plan be maintained as a staff resource instead of being memorialized in an annually adopted resolution and potentially misleading users as to the intended purpose of the plan. This way the Work Plan will serve as an effective program management and communication tool instead of just a budget development tool.

Revised 5-Year Rolling Work Plan

Due to unanticipated delays and subsequent changes in project scope for specific studies, the 5-Year Rolling Work Plan (FY 2018-19 through 2022-23) exhibit to the resolution adopting the 2018-19 Budget no longer accurately reflects the FY 2018-19 Work Plan. Staff recommends maintaining the 5-Year Rolling Work Plan as a staff resource instead of adopting the plan as an exhibit to the resolution for the final budget.

The proposed revisions to the 5-Year Rolling Work Plan (Attachment 1) incorporate studies from the FY 2017-18 Work Plan that have rolled over to the FY 2018-19 Work Plan and adjusts the FY 2019-20 Work Plan accordingly. In addition, a 10% Contingency has been added to future fiscal years to allow for a small margin of error in estimating costs.

FY 2018-19 Work Plan Gantt Chart

The Draft FY 2018-19 Work Plan Gantt Chart provides an overall framework for the current work plan priorities (Attachment 2). Staff recommends preparing a Gantt Chart on a monthly basis to provide the Commission a higher level view status update on changes to the work plan priorities and associated implementation schedule. Please note the following related to the Gantt Chart:

- Staff intentionally has not scheduled any Workshop or Public Hearing items for the 1/7/2019 regular LAFCo meeting to lighten the schedule around the holiday season and to allow new Commissioners a meeting to adjust to their new position.
- Staff works concurrently on multiple studies at a time to maintain progress on the different phases of the study development process.

FY 2018-19 Work Plan Implementation Schedule and Cost Tracking

The Draft FY 2018-19 Work Plan Implementation Schedule and Cost Tracking provides a template for Executive Committee to discuss (Attachment 3). Staff recommends developing a template for providing a more detailed monthly tracking of the work plan implementation schedule and costs to date. Please note that it is difficult to estimate the implementation schedule beyond the Public Workshop date; therefore, the Public Hearing and Final Study steps in the study development process are scheduled as TBD (to be determined).

Attachments:

- (1) Revised 5-Year Rolling Work Plan (FY 2018-19 through 2022-23)
- (1) Draft FY 2018-19 Work Plan Gantt Chart
- (1) Draft FY 2018-19 Work Plan Implementation Schedule and Cost Tracking

Mendocino LAFCo 5-Year Rolling Work Plan

FY 2018-19 through 2022-23

September 2018 Draft

| Prior Study | Municipal Service Provider | Estimated Cost |
|----------------------------|---|------------------|
| Fiscal Year 2018-19 | | |
| n/a | Mutual Water Companies Profile and Map (9) | \$ 1,750 |
| 2015 (MSR) | City of Willits | \$ 16,000 |
| 2010 | Brooktrails Township CSD | \$ 9,000 |
| 2013 | Ukiah Valley FD (Ukiah Valley Fire Authority JPA) | \$ 5,500 |
| 2011 | Fort Bragg Rural FPD (Fort Bragg Fire Protection Authority JPA) | \$ 5,000 |
| 2008 | Mendocino City CSD | \$ 8,000 |
| Estimated Subtotal | | \$ 45,250 |
| Fiscal Year 2019-20 | | |
| 2010 | Covelo CSD | \$ 5,000 |
| 2012 | City of Ukiah | \$ 20,000 |
| ?? | Ukiah Valley Sanitation District | \$ 20,000 |
| n/a | Lighting Districts Discovery Only (11?) | \$ 1,000 |
| n/a | CSAs Discovery Only (10?) | \$ 1,000 |
| | 10% Contingency | \$ 4,700 |
| Estimated Subtotal | | \$ 51,700 |
| Fiscal Year 2020-21 | | |
| 2008 | Mendocino Coast Recreation and Park District | \$ 8,000 |
| 2015 | City of Point Arena | \$ 8,000 |
| 2015 | Anderson Valley CSD | \$ 7,500 |
| 2015, 2016 | Water/Wastewater Districts (14) | \$ 20,000 |
| | 10% Contingency | \$ 4,350 |
| Estimated Subtotal | | \$ 47,850 |
| Fiscal Year 2021-22 | | |
| 2016 | Hopland PUD | \$ 7,500 |
| 2016 | Mendocino Health Care District | \$ 7,500 |
| 2016 | Mendocino County Resource Conservation District | \$ 5,000 |
| 2016 | Noyo Harbor District | \$ 7,500 |
| 2017 | Cemetery Districts (8) | \$ 8,000 |
| | 10% Contingency | \$ 3,550 |
| Estimated Subtotal | | \$ 39,050 |
| Fiscal Year 2022-23 | | |
| 2017 | City of Fort Bragg | \$ 8,000 |
| 2018 | Brooktrails Township CSD | \$ 7,500 |
| 2018 | Fire Districts (16) | \$ 20,000 |
| | 10% Contingency | \$ 3,550 |
| Estimated Subtotal | | \$ 39,050 |

Disclaimer: The schedule and cost for each study identified in this Work Plan is an estimate and is subject to change based on overall staff workload, agency responsiveness and timely provision of requested information, complexity of issues, and public controversy. Each study is assumed to consist of a combined MSR and SOI Update and be exempt from CEQA. A separate cost estimate will be prepared for studies subject to a Negative Declaration or EIR. The cost estimate reflects the minimum staff time to: coordinate a response to the Request for Information (RFI), draft the study for agency review and make revisions, prepare the study for one Public Workshop and Public Hearing and make revisions, and finalize the study to post online and mail to the subject agency. This Work Plan will be reviewed mid-year, or sooner as needed, and revised to account for a more refined level of detail related to the anticipated scope of work for specific studies. The estimated Work Plan schedule and costs may roll over to the next Fiscal Year.

Mendocino LAFCo FY 2018-19 Work Plan Gantt Chart

September 10, 2018 Draft



Study Development Process



September 10, 2018

Mendocino LAFCo

FY 2018-19 Estimated Work Plan Implementation Schedule and Cost Tracking

September 10, 2018 Executive Committee Meeting

Disclaimer: The estimated schedule and costs for the Fiscal Year 2018-19 Work Plan are subject to change based on agency responsiveness and timely provision of requested information, complexity of issues, and public controversy. Each study is assumed to be exempt from CEQA; therefore, a separate cost estimate would be necessary for studies subject to a Negative Declaration or EIR. It is difficult to completely contain staff activities in a single fiscal year; therefore, completion of the studies listed below may roll over to the next fiscal year. This estimated work plan implementation schedule and cost tracking table will be prepared on a monthly basis to enhance communication and transparency.

| Agency | Request for Information | Outreach | Admin Draft | Public Workshop | Public Hearing | Final Study | Initial Cost Estimate | Current Cost Estimate | Cost to Date ⁽¹⁾ |
|---|-------------------------|-------------|-------------|-----------------|----------------|-------------|-----------------------|-----------------------|-----------------------------|
| Mutual Water Companies | Completed | Completed | Completed | Completed | N/A | N/A | \$1,500 | \$1,750 | \$1,750 |
| City of Willits ⁽²⁾ | Completed | Completed | In Progress | 10/1/2018 | TBD | TBD | \$9,000 | \$16,000 | \$11,434 |
| Brooktrails Township CSD ⁽³⁾ | Completed | In Progress | In Progress | 11/5/2018 | TBD | TBD | \$6,000 | \$9,000 | \$2,974 |
| Ukiah Valley FD | In Progress | In Progress | In Progress | 3/4/2019 | TBD | TBD | \$5,500 | \$5,500 | \$1,105 |
| Fort Bragg Rural FPD | In Progress | In Progress | In Progress | 4/1/2019 | TBD | TBD | \$5,000 | \$5,000 | \$683 |
| Mendocino City CSD | Pending | Pending | Pending | 5/6/2019 | TBD | TBD | \$8,000 | \$8,000 | \$0 |
| Estimated Total | | | | | | | \$35,000 | \$45,250 | \$17,945 |

(1) The Cost to Date category accounts for all staff activities related to each study and is not limited to a specific fiscal year.

(2) The project scope for the City of Willits study changed from a stand-alone SOI Update to include a partial MSR Update and has also involved subconsultant activities and consulting with Legal Counsel related to complex SOI issues.

(3) The estimated cost for the Brooktrails Township CSD study was reduced from \$8,000 to \$6,000 to account for staff activities in FY 2017-18 and was not intended to reduce the overall project cost to \$6,000.