
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 & TREASURER

Jerry Ward
Public Member

Approved by the Commission May 1, 2017

VICE CHAIR

Carre Brown
County Board
of Supervisors

MINUTES LOCAL AGENCY FORMATION COMMISSION OF MENDOCINO COUNTY

MEMBERS

Kevin Doble
Ukiah City Council

Regular Meeting of Monday, April 3, 2017

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

Gerardo Gonzalez
Willits City Council

Dan Hamburg
County Board
of Supervisors

CALL TO ORDER and ROLL CALL

Theresa McNerlin
Ukiah Valley Sanitation District

Chair Ward called the meeting to order at 9:04am.

Tony Orth
Brooktrails Township CSD

Members Present: Commissioners Carre Brown, Kevin Doble, Gerardo Gonzalez, Theresa McNerlin, and Jerry Ward

ALTERNATE MEMBERS

Scott Ignacio
Point Arena City Council

Members Absent: Commissioners Dan Hamburg and Tony Orth

John McCowen
County Board
of Supervisors

Alternate Members Present: Commissioners John McCowen, Carol Rosenberg, and Angela Silver

Carol Rosenberg
Public Member

Alternate Members Absent: Commissioner Scott Ignacio

Angela Silver
Calpella County Water District

Staff Present: Uma Hinman, Executive Officer
Larkyn Feiler, Analyst
Elizabeth Salomone, Clerk

Executive Officer
Uma Hinman

Commissioner McCowen was immediately seated as the County Representative.
Commissioner Silver was immediately seated as the Special District Representative.

Analyst
Larkyn Feiler

Commission Clerk
Elizabeth Salomone

1. City Alternate Representative Appointment

Counsel
Scott Browne

Newly appointed City Alternate Representative Scott Ignacio was unable to attend the April meeting and is expected to be sworn in to Mendocino LAFCo at the May 1, 2017 Regular Meeting.

Regular Meetings

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

PUBLIC EXPRESSION (Video Time: 0:52)

2. Public Expression

Phillip Thomas, Boonville resident and Board Member of Anderson Valley Ambulance Services, expressed frustration on behalf of the ambulance service provider regarding the LAFCo process during the Anderson Valley Community Services District (AVCSD) application for activation of latent powers. He expressed that the applicants received a conflicting direction during and since their pre-application in early 2016 that changed the direction of the application process several times, costing the applicants deposit of \$6,000 to be spent down on what has now been deemed by legal counsel as unnecessary steps (the annexation portion of the application). Mr. Thomas also reported the unresponsiveness of the departments within the County of Mendocino that are required under the Cortese-Knox-Hertzberg Act to enter into tax share agreement negotiations with applicants seeking annexations has cost the AVCSD and ambulance provider extensive time and money. Commissioner McCowen acknowledged the unfortunateness of the situation, noting that he was not aware of any tax share negotiations having taken place between the County and the applicants, as actual negotiations would have been brought to the Board of Supervisors as an agenda item. Commissioner McCowen asked Chief Avila to clarify the status of the LAFCo application.

Chief Andres Avila, AVCSD, reported the ultimate desire of the District was to move forward with the annexation in order to provide more efficient and effective services for the public; however, the District has reluctantly withdrawn the annexation and detachment portion of their application because the estimate for tax revenue was too low to justify the cost of the process. The AVCSD application has been reduced to activation of latent powers for ambulance services.

Joy Andrews, General Manager of AVCSD, answered further questions regarding tax revenue to the District. She also stated that AVCSD expended money on the annexation detachment portion of the application, as advised by LAFCo staff at the time, later being advised that portion of the application was not required for the latent powers activation. She asked the Commission to take this in to consideration at the time of final fee billing.

CONSENT CALENDAR (Video Time: 11:54)

3. Approval of the March 3, 2017 Regular Meeting Summary Minutes

The following edits were requested:

- Page 1 of 6: change “siting” to “sighting”
- Page 2 of 6: “Recommended actions” section may confuse reader; the resolution was not approved.
- Page 4 of 5: change “During the tax share negotiations with the County” to “During discussions with the County”

Upon motion by Commissioner Brown and second by Commissioner Gonzalez, the March 3, 2017 Regular Meeting Summary Minutes were approved with corrections by roll call vote:

Ayes: (7) Brown, Doble, Gonzalez, McCowen, McNerlin, Silver, and Ward
Absent: (1) Hamburg, Orth

4. Approval of the March 2017 Claims

- Chair Ward noted a clerical error on the LAFCo payment for County of Mendocino resulting in an overpayment of \$87.56, which will be credited to the next invoice.

- Pehling & Pehling CPA corrected last month's invoice amount from \$1,550.00 to \$1,450.00 and payment was adjusted.

<u>March 2017 claims totaling:</u>	<u>\$13,454.91</u>
Uma Hinman Consulting:	\$11,405.73
Ukiah Valley Conf Ctr (excluding postage & copy charges):	\$ 434.00
P. Scott Browne:	\$ 500.00
Commission Reimbursements:	\$ 156.48
County of Mendocino, audio/video & GIS	\$ 661.64
Hometown Shopper (public hearing notices)	\$ 297.06

Upon motion by Commissioner McCowen and second by Commissioner Gonzalez, March 2017 Claims were approved with corrections by roll call vote:

Ayes: (7) Brown, Doble, Gonzalez, McCowen, McNerlin, Silver, and Ward
 Absent: (1) Hamburg and Orth

MATTERS SET FOR HEARING

5. CONTINUED Public Hearing for the Countywide Cemetery Districts Municipal Service Review (MSR) and Sphere of Influence (SOI) Update (Video Time: 16:00)

Analyst Feiler presented updates to the Draft MSR/SOI Update for the following eight cemetery districts:

- Anderson Valley Cemetery District
- Cemetery District of the Redwoods
- Covelo Public Cemetery District
- Hopland Cemetery District
- Mendocino-Little River Cemetery District
- Potter Valley Cemetery District
- Russian River Cemetery District
- Westport-Ten Mile Cemetery District

Updates consisted mainly of requested follow up and updates to the financial sections of the MSR. Comments and questions were received by Commissioners Gonzales, McCowen, and Brown.

- Commissioners Gonzales and McCowen thanked Staff for their work on the reports.
- Commissioners McCowen and Brown noted the need for legislative change regarding the fiscal impact of financial reporting for small special districts.

At 9:27am, Chair Ward noted the Public Hearing was opened on March 6, 2017 at 9:25am and continued to May 1, 2017. Hearing no request for public input, Chair Ward closed the Public Hearing at 9:27am.

Upon motion by Commissioner McCowen and second by Commissioner Brown, the Countywide Cemetery Districts Municipal Service Review (MSR) and Sphere of Influence (SOI) Update was found to be exempt from the California Environmental Quality Act (CEQA) pursuant to California Code of Regulations Section 15306 and 15061(b)(3), and approved LAFCo Resolution 16-17-06 adopting the Countywide Cemetery Districts MSR/SOI Update and affirming coterminous SOIs for Anderson Valley Cemetery District, Cemetery District of the Redwoods, Covelo Public Cemetery District, Hopland Cemetery District, Mendocino-Little River Cemetery District, Potter Valley Cemetery District, Russian River Cemetery District, and Westport-Ten Mile Cemetery District, by roll call vote:

Ayes: (7) Brown, Doble, Gonzalez, McCowen, McNerlin, Silver, and Ward
 Absent: (1) Hamburg and Orth

MATTERS SET FOR WORKSHOP

6. Municipal Service Review (MSR) and Sphere of Influence (SOI) Update for Russian River Flood Control & Water Conservation Improvement (RRFC) District (Video Time: 26:40)

Clerk Salomone presented the MSR/SOI Update. Comments and questions were offered by Commissioners Doble and McCowen.

Commissioner Doble asked if it is the intent of the RRFC District boundary to include all parcels within the City of Ukiah city limits. Tamara Alaniz, RRFC General Manager, addressed the question, noting that there are some parcels within the City of Ukiah boundary that are outside of the RRFC District boundary but are within the District's Sphere of Influence. Commissioner McCowen asked for notation within the document regarding any areas outside of the District boundary that are served. He also asked for more detailed financial reporting for the District.

Tamara Alaniz, GM of RRFC, thanked LAFCo staff for their cooperation, particularly Commissioner Silver for bringing information to LAFCo each month regarding the Upper Russian River Water Agency Joint Powers of Authority (URRWA JPA.) In addressing Commissioner McCowen's comments regarding services provided outside of the District boundary, GM Alaniz clarified that no services are provided by the District outside of its boundaries with the one exception of the sale of surplus water to the Redwood County Water District. She noted there are areas outside of the District that are not able to be served such as the area within the Willow County Water District along the Boonville Road (Highway 253.) In this case, Willow CWD cannot deliver RRFC water and must find other sources. She explained that this and other boundary issues will be addressed in the future through consolidation efforts of the water agencies involved in URRWA JPA.

The MSR/SOI Update for RRFC will be brought to Public Hearing on May 1, 2017.

MATTERS FOR DISCUSSION & POSSIBLE ACTION

Because the next three agenda items were related, they were discussed simultaneously: (Video Time: 37:00)

7. Apportionment Fee Adjustment for FY 2015-2016

EO Hinman presented the staff report, noting that during its annual financial review and audit LAFCo had determined that an extra \$10,000 was mistakenly collected by the County Auditor-Controller's office for Fiscal Year 2015-16. LAFCo's legal counsel advised sending a letter to special districts, cities, and the County noting the overage and application of a credit in the next Fiscal Year collection of apportionment fees.

8. Budget Amendment for FY 2016-17

EO Hinman presented the staff report, noting the intent of the proposed amendment was to reflect several non-budgeted, Commission-approved expenditures in early Fiscal Year 2016-17. The proposed amendment also included reductions of some accounts to reflect underused budget lines for balancing. The Commission consensus was to prepare and present an end of fiscal year reconciliation report to document the changes rather than pass a budget amendment.

9. Preliminary Budget for FY 2017-18

EO Hinman presented the staff report, reviewing the proposed changes from the previous fiscal year budget. She noted the application revenue and expense line items have been removed from the operating budget, as they will always balance out.

The Executive Committee held a meeting in March during which the proposed budget was discussed at length. The Committee members reached consensus on the proposed budget and directed staff to present it to the full Commission for review and discussion.

Comments and questions on the above three items were offered by Commissioners Ward, McCowen, McNerlin, Brown, Rosenberg, Doble, and Gonzalez.

Discussion was held on the following points:

- Clarifications regarding increases and decreases of specific line item expenses.
- Staff was directed to research cost alternatives for legal services and return with recommendation.
- In response to the over-collection of appropriation fees during Fiscal Year 2015-16, the Commission directed staff to send a letter to the County Auditor-Controller with the adopted Final Fiscal Year 2017-18 Budget, specifically identifying the apportionment fees for clarity.
- Overview of five-year work plan for municipal service reviews and sphere of influence updates, including discussion of benefits to the agencies of completed updates, and options for efficiency.
- Legislation (SB 1266) mandating LAFCo involvement with Joint Powers of Authorities.

A Public Hearing for the Proposed Fiscal Year 2017-18 Budget will be held on May 1, 2017.

Chair Ward called a break from 10:40 – 10:48 am.

INFORMATION/ REPORT ITEMS

10. Status of Applications, Future Projects, MSR and SOI Updates (Video Time: 1:38)

EO Hinman presented the staff report. Comments and questions were offered by Commissioner Ward.

Anderson Valley CSD Proposed Reorganization (Annexation, Detachment, and Activation of Latent Powers to Provide Ambulance Services)

Has been reduced to Activation of Latent Powers. Application was discussed under Public Expression.

Fort Bragg RFPD North of 10 Mile Annexation

EO Hinman reported steps being taken to clarify mapping issues for final completion.

Status of MSR/SOI Updates

EO Hinman reported the Fire District SOIs workshop has been delayed to accommodate the urgency of the AVCSO application. LAFCo staff is waiting for the City of Willits to respond with their input on the SOI. The City of Fort Bragg SOI workshop has been rescheduled for a later date in order to give city staff ample opportunity to review the document thoroughly.

11. Correspondence (Video Time 1:43)

The SDRMA noticed a rate increase. The Commission directed staff to review the policy and provide clarification to Commission.

12. Executive Officer's Report: (Video Time 1:46)

- A report on the March 23, 2017 LAFCo-hosted Brown Act & Ethics Training conducted by County Counsel, Katherine Elliot.
- EO Hinman and Analyst Feiler will be attending the April. 5th-7th CALAFCO Staff Workshop in Fresno.
- Staff distributed request letters to the special districts regarding the recent legislation requiring copies of formation documents of JPAs involving municipal services be filed with LAFCo.

13. Committee Reports (Video Time 1:47) No reports offered.

14. Commissioners Reports, Comments or Questions (Video Time 1:47)

Upper Russian River Water Agency JPA Update was provided by Commissioner Silver, noting no meeting was held.

Commissioner Silver reported the Calpella County Water District unanimously supported participation in the Groundwater Sustainability Act Joint Powers Authority. She also noted the District is discussing a postponement of annexation until the time of multi-district water agency consolidation.

15. Legislation Report

No report.

ADJOURNMENT

There being no further business, at 11:00am the meeting was adjourned. The next regular meeting is scheduled for Monday, May 1, 2017 at 9:00am in the County Board of Supervisors Chambers at 501 Low Gap Road, Ukiah, California.

Live web streaming and recordings of Commission meetings are now available via the County of Mendocino's YouTube Channel. Links to recordings and approved minutes are also available on the LAFCo website.

April 3, 2017

<https://www.youtube.com/watch?v=cGLloKCPBHA>