

MENDOCINO

Local Agency Formation Commission

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CHAIR

Jerry Ward
Public Member

VICE CHAIR

John McCowen
County Board
of Supervisors

MEMBERS

Carre Brown
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

Kevin Doble
Ukiah City Council

Dan Hamburg
County Board
of Supervisors

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 March 7, 2016

MINUTES LOCAL AGENCY FORMATION COMMISSION OF MENDOCINO COUNTY

Regular Meeting of Monday, February 1, 2016

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

Call to Order Chair Ward called the meeting to order at 9:03am.

Roll Call

Members Present: Commissioners Carre Brown, Doug Hammerstrom, Holly Madrigal, John McCowen, Theresa McNerlin, and Jerry Ward

Members Absent: None

Alternate Members Present: Commissioners Kevin Doble, Dan Hamburg, Carol Rosenberg, and Angela Silver

Alternate Members Absent: None

Staff Present: George Williamson, Executive Officer
Elizabeth Salomone, Clerk

Alternate Commissioner Silver immediately took seat as Special District Representative.

CONSENT CALENDAR

1. Approval of the January 4, 2016 Regular Meeting Summary Minutes
2. Approval of the January 2016 Claims
3. Acceptance of the Monthly Financial Report

Upon motion by Commissioner Madrigal and second by Commissioner McCowen, the Consent Calendar was approved unanimously.

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

4. Public Expression

There was no one from the public interested in speaking at this time.

PUBLIC HEARINGS

Public Hearing Notice was published in the newspapers on January 11, 2016.

5. Calpella County Water District Sphere of Influence Update

The Public Hearing was opened at 9:08am.

George Williamson presented the SOI Update, noting the extensive cooperation of the Calpella County Water District. Lee Howard, private citizen, addressed the Commission and submitted the following documents to the Commission: Agreement for Water Supply and Construction of Millview-Calpella Intertie Project (1992) and State of California Domestic Water Supply Permit Issued to Calpella County Water District (2005).

Comments and questions were offered by Commissioners Madrigal, McCowen, Ward, Brown, Silver, McNerlin, Hammerstrom, and Doble. It was noted that Mr. Williamson would discuss the issues raised with the Millview County Water District and Redwood Valley County Water District General Manager at the scheduled meeting and Commissioner Brown asked for an email update on the meeting as soon as possible. Mr. Williamson recommended approving the SOI Update with changes suggested by the Commission which he confirmed address the issues in the public testimony. The Commission directed staff to note comments from today for the Calpella County Water District MSR future update.

Upon motion by Commissioner Madrigal and second by Commissioner Silver, adoption of Resolution 15-16-11 approving the Calpella County Water District Sphere of Influence Update with the following changes was approved by roll call vote:

Page 6, 1st Paragraph: Strike “due to a lack of water availability for any new customers.”

Page 8, 5th Paragraph: Strike “but lacks additional water capacity.”

Page 8, 5th Paragraph: Strike “Calpella CWD is currently under a moratorium for new service hookups because the District currently does not have water available for any new customers.”

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

6. Redwood County Water District Sphere of Influence Update

George Williamson presented the SOI Update. Lee Howard, private citizen, addressed the Commission and submitted the following documents: State of California State Water Resources Control Board Order WR 2005-0013 and Superior Court of California Ruling on District’s Renewed Motion to Modify Judgement and Write of Mandate (1994).

Comments and questions were offered by Commissioners Ward, McCowen, Brown, Madrigal, Silver, Hammerstrom, Hamburg, and Rosenberg. It was noted that Mr. Williamson would discuss the issues raised with the Millview County Water District and Redwood Valley County Water District General Manager at the scheduled meeting and Commissioner Brown asked for an email update on the meeting as soon as possible.

Upon motion by Commissioner McCowen and second by Commissioner Brown, adoption of Resolution 15-16-12 approving the Redwood Valley County Water District Sphere of Influence Update with the following changes was approved by roll call vote:

Page 6, 5th Paragraph: to read: “The Redwood Valley CWD’s current SOI is coterminous with District’s boundaries. Furthermore, there are no reported out of district service connections. Services provided are limited by water availability, infrastructure, and elevational changes in the surrounding valley....”

Page 7, 4th Paragraph: Strike “mostly unusable”

Ayes: Commissioners Brown, Hammerstrom, McCowen, McNerlin, Silver, and Ward
Noes: Commissioner Madrigal

The Public Hearing was closed at 10:07am.

7. Round Valley County Water District Sphere of Influence Update (CONTINUED Hearing Item)

The Public Hearing was originally noticed for and opened on September 14, 2015, subsequently continued to the December 7, 2015 meeting, and further continued until today.

Upon motion by Commissioner Madrigal and second by Commissioner Brown, the recommended action to approve the continuance for the Round Valley County Water District Sphere of Influence Update to the April 4, 2016 meeting was approved by roll call vote:

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

8. Proposed Budget Amendment for FY 2015-16

George Williamson presented, noting the Executive Committee has reviewed and made suggestions for update and presentation to full Commission. He stressed the proposed adjustments would come from the unrestricted funds with no impact on contributions or reserves.

The Public Hearing was open at 10:15am and closed at 10:15am, with no one from the public indicating an interest in speaking.

Comments and questions were offered by Commissioners Silver, Madrigal, McCowen, and Ward. It was noted the in-county travel and stipends may need to be increased.

Upon motion by Commissioner McCowen and second by Commissioner Hammerstrom, the recommended action to approve the Proposed Budget Amendment for FY 2015-16 was approved by roll call vote:

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

Workshops

9. Preliminary Budget Review for FY 2016-17

Chair Ward presented, reviewing the process for developing the preliminary budget and reviewing the process of special district notification. Comments and questions were offered by Commissioners Brown, Ward, Doble, McNerlin, Rosenberg, and McCowen.

#01 4000, LAFCo Apportionment Fees: Reduce to \$125,000.00 as per discussion at Executive Committee.

#09, 5300, Basic Services: Executive Committee proposal to separate the Clerk Services Contract to a separate line item.

#20, 6100, Audit Services: Review invoices and payment schedule of auditor.

#26 6740, In-County Travel and Stipends: Reevaluate as per discussion at Executive Committee meeting.

#27 6750, Travel & Lodging: Reevaluate as per discussion at Executive Committee meeting.

#30, 7001, MSR Reviews – Admin: Discussion was held regarding the allocation to this line item.

#33 Total Operating Expenses to be adjusted accordingly.

Tony Orth spoke, suggesting a review of the Reserves Policy.

A motion was made by Commissioner McCowen directing the Executive Officer publish and distribute the Preliminary Budget with the changes listed below:

#01 4000, LAFCo Apportionment Fees: Reduce to \$125,000.00 as per discussion at Executive Committee and available fund balance be utilized for the additional expenses budgeted.

#26 6740, In-County Travel and Stipends: Adjust to \$4,300

#27 6750, Travel & Lodging: Adjust to \$5,000

#33 Total Operating Expenses to be adjusted accordingly.

Upon order of the Chair, the motion was withdrawn and made as a direction to the Executive Officer.

The Executive Committee will review the Policy for unreserved funds and reserves. They will also meet with the Clerk for preliminary discussions on contracting directly between Clerk and Commission.

Commissioner McNerlin requested the special districts be provided the Reserve Policy and the amount of money held in the reserves. Commissioner Hammerstrom requested the reserves and the unrestricted funds be reflected on the proposed budget.

The Commission directed the Executive Officer to make the changes, distribute the preliminary budget to Special Districts, Cities, and County, and to continue with the procedure as outlined in the staff report.

10. Potter Valley Irrigation District Sphere of Influence Update

George Williamson presented. Comments and questions were offered by Commissioners Madrigal, Hammerstrom, and Brown. Commissioner Madrigal asked for clarification on the “gaps” or “islands” in the mapping of the District. The Commission asked for District response to be provided at the Public Hearing in March.

Workshop Action: Update to be brought to Public Hearing in March 2016 with discussed issues addressed.

11. Hopland Public Utility District Sphere of Influence Update

George Williamson presented, noting Commissioner Silver’s comments were received by staff and would be incorporated in the public hearing version of the document to be presented in March. Comments and questions were received by Commissioners Hamburg, McCowen, Brown, Madrigal, and McNerlin. Commissioner Hamburg asked for clarification describing the District as located in the Ukiah Valley rather than in the Sanel Valley. Commissioner Brown asked for further information on the Tribal relationship with the District.

Workshop Action: Update to be brought to Public Hearing in March 2016 with discussed issues addressed.

12. 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

Whale Gulch Volunteer Fire Company

Tony Orth, Brooktrails Township CSD Director presented a handout titled “Comments by Tony Orth for Mendocino LAFCO Workshop Feb. 1, 2016 regarding California State Proposition 172 sales tax revenues.

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

Workshop Action: Commissioners are to respond directly to Baracco & Associates with any feedback on the documents, and to copy the Commission Clerk on all correspondence. The expectation is for these documents to be reviewed at Public Hearing at the March Regular Meeting.

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

Closed Session

13. Annual Performance Evaluation. Title: Contract Executive Officer

The Commission entered closed session at 11:09am and returned to open session at 12:14pm. Chair Ward reported the Commission reviewed and completed a rating sheet and will be discussing it with the Executive Officer.

MATTERS FOR DISCUSSION/POSSIBLE ACTION

14. Planwest Contract Amendment for FY 2015-16

George Williamson presented. Comments and questions were offered by Commissioners McCowen, McNerlin, and Ward. Commissioner McNerlin suggested a number of edits in the original contract.

Upon motion by Commissioner McCowen and second by Commissioner Hammerstrom the Planwest FY 2015-16 contract amendments with conditions noted below was approved by roll call vote:

- Chair to work with the Executive Office to address the typographical errors and references as noted by Commissioner McNerlin in the original contract
- Work plan completion chart be expanded as per the direction of the Executive Committee

Ayes: Commissioners Brown, Hammerstrom, Madrigal, McCowen, McNerlin, and Ward

Absent: Commissioner Silver

15. Planwest Contract Extension or Staffing RFP Options for FY 2016-17

Chair Ward presented the item. Comments and questions were offered by Commissioners Madrigal, McCowen, Ward, McNerlin, Hammerstrom, Rosenberg, Doble, Brown, and Hamburg. Chair Ward noted he had received a letter from Uma Hinman expressing interest in being included in the RFP process. Commissioner Brown suggested detaching the Clerk contract to work directly under the Commission rather than through Executive Office services.

Commissioner Brown moved to approve the Planwest Contract Extension excepting the Clerk position which will become a direct contract between Clerk and Commission. The motion was not seconded and therefore failed.

Commissioner Hammerstrom moved to approve the Planwest Contract Extension, authorizing the Executive Committee to finalize the action. Commissioner Brown seconded the motion. The motion was not approved through roll call vote:

Ayes: Hammerstrom, Ward, and Brown

Noes: McNerlin, Madrigal, and McCowen

Absent: Silver

Commissioner McCowen suggested that the noted support for extending the Planwest Contract is not invalidated by supporting the RFP option and there has been interest in the publishing of the RFP by other parties.

Upon motion by Commissioner McCowen and second by Commissioner Madrigal authorization for the Executive Committee to work with staff to develop an RFP for Executive Services excepting the Clerk position which will become a direct contract between Clerk and Commission was approved by roll call vote:

Ayes: McNerlin, Madrigal, McCowen, and Brown

Noes: Hammerstrom and Ward
Absent: Silver

Commissioner Madrigal noted her vote does not reflect a lack of confidence in the current Executive Officer and Commissioner McCowen agreed.

Commissioner Brown asked for details on the cost for the RFP process, asking for expenses to be tracked.

16. MSR Completion – No discussion

17. Alternate Public Member Appointment

George Williamson presented. Based on Government Code cited in the staff report, the vacancy will be posted. Interviews of applicants will be conducted at the March Regular Meeting.

18. Status of Audits for FY 2012-13, FY 2013-14, and FY 2014-15

Chair Ward noted the first draft of the FY 13-14 Fiscal Audit did not include the information he had sent for the Auditor. After Chair Ward sent the information to the auditor directly, the second draft was provided within two days and reflected the information correctly.

Chair Ward asked Mr. Williamson to provide the FY 14/15 financial statements to him before sending to the Auditor.

Upon motion by Commissioner Madrigal and second by Commissioner McCowen the FY 2013-14 Audit and the contract for execution of engagement with Pehling and Pehling for the FY 14-15 Audit was approved unanimously:

Ayes: Brown, Hammerstrom, Madrigal, McCowen, McNerlin, and Ward
Absent: Silver

INFORMATION/REPORT ITEMS

19. Status of Current and Future Projects – No discussion

20. Correspondence

Chair Ward asked for the outstanding charges for Annexation and LCP Status as noted in the correspondence to William Moores be reflected in the financials.

21. Executive Officer's Report

Special District Elections

CSDA Special District Training, Commissioner Silver reviewed the proposed CALAFCO Legislation regarding LAFCo's role in JPA's (Joint Powers of Authority.) In summary, legislation would not require LAFCos to conduct MSRs for JPAs. The JPAs would be stand-alone entities and though LAFCos would have an interest, they would have no authority or prepare MSRs for the JPAs. It was noted that no letters of support are being requested at this time. Commissioner Silver was asked to forward the information to the Clerk to forward to the Commissioners.

22. Commissioners Reports, Comments or Questions

Commissioner Ward asked to have the MSRs and SOIs be sent as attachments to the agenda packet rather than embedded within it.

23. Legislation Report

No report was offered.

Adjournment

There being no further business, at 1:10pm the meeting was adjourned to the next regular meeting on Monday, March 7, 2016 at 9:00 AM in the County Board of Supervisors Chambers at 501 Low Gap Road, Ukiah, California.