

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

MEMBERS

Jerry Ward, Chair & Treasurer
Public Member

Carre Brown, Vice Chair
County Board of Supervisors

Kevin Doble
Ukiah City Council

Gerardo Gonzalez
Willits City Council

Dan Hamburg
County Board of Supervisors

Theresa McNerlin
Ukiah Valley Sanitation District

Tony Orth
Brooktrails Township CSD

ALTERNATE MEMBERS

Scott Ignacio
Point Arena City Council

John McCowen
County Board of Supervisors

Carol Rosenberg
Public Member

Angela Silver
Calpella County Water District

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

A G E N D A

Regular Meeting of Monday, June 5, 2017 9:00 AM

County Board of Supervisors Chambers 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.

Staff reports are available for review at: <http://mendolafco.org/meeting-documents-2017/>

CALL TO ORDER and ROLL CALL

PUBLIC EXPRESSION

1. The Commission welcomes participation in the LAFCo meeting. Any person may address the Commission on any subject within the jurisdiction of LAFCo which is not on the agenda. There is a three minute limit and no action will be taken at this meeting. Individuals wishing to address the Commission under Public Expression are welcome to do so throughout the meeting.

CONSENT CALENDAR

The following consent items are expected to be routine and non-controversial, and will be acted on by the Commission in a single action without discussion, unless a request is made by a Commissioner or a member of the public for discussion or separate action.

2. Approval of the May 1, 2017 Regular Meeting Summary Minutes
3. Approval of the May 2017 Claims and Financial Report
4. Executive Officer Contractor Business Name Change

PROTEST HEARING

5. Anderson Valley Community Service District Protest Hearing for the Application for Activation of Latent Powers for Ambulance Services (LAFCo File No. L-2016-01)

A public hearing to receive written protests from affected landowners and registered voters regarding the proposal from Anderson Valley Community Services District (AVCSD) to Activate Latent Powers for Ambulance Services. At the close of the Protest Hearing the Commission may order the activation of latent power provided it can be clearly determined that there are insufficient written protests.

PUBLIC HEARING ITEMS

6. Public Hearing for the Final Budget for Fiscal Year 2017-18
The Commission will consider adopting a resolution to approve the final LAFCo Budget for FY 2017-18. After considering testimony from members of the public and others, the Commission may adopt the budget and work plan as proposed or as amended.

WORKSHOP ITEMS

7. Public Workshop for the Little Lake Fire Protection District Sphere of Influence (SOI) Update
The Commission will hold a public workshop to discuss the Draft Sphere of Influence Update and invite public feedback from the Commission, participating agencies, and members of the public. Documents are available for review at: <http://mendolafco.org/meeting-documents-2017/>.

(Page 2, 6-5-17 Agenda)

MATTERS FOR DISCUSSION & POSSIBLE ACTION

8. Request for Authorization to Exceed the Basic Services Contract
Staff is requesting Commission approval of authorization to exceed the Basic Service contract by approximately \$4,500.
9. Request for AVCSA Application Fee Reimbursement
The Anderson Valley Ambulance Service is requesting partial reimbursement of costs associated with the AVCSA Application for Activation of Latent Powers. Request for discussion and direction to staff.
10. Special District Risk Management Authority (SDRMA) Board of Directors Election
Staff is requesting Commission consideration and possible selection of candidates for SDRMA Board of Directors.

INFORMATION/REPORT ITEMS

The following informational items are to report on current commission activities, communications, studies, legislation, and special projects. General direction to staff for future action may be provided by the Commission.

11. Status of Applications, Future Projects, MSR and SOI Updates (Written)
12. Correspondence (copies can be requested from Clerk):
 - Fiscal Year 2015-16 Final Audit received from Pehling & Pehling.
 - CALAFCO was featured in the March/April edition of the CA Special Districts Association (CSDA) Magazine. The article is titled ***LAFCO and Special Districts: A Special Relationship Between Two Unique Entities*** on the CALAFCO and CSDA websites. (<http://mendolafco.org/links/>) This was a special opportunity for CALAFCO to educate the members of CSDA and many others about LAFCo and LAFCo processes, and to highlight the benefits and challenges of the relationship between LAFCos and special districts. The article also discusses opportunities that lie ahead for LAFCos and special districts. CALAFCO will also participated on a panel at the CSDA Legislative Day event being held in Sacramento May 16-17 to share information and educate people of the successes and challenges of LAFCos throughout the state.
 - CALAFCO thanked Mendocino LAFCo for sending staff to the April Staff workshop.
 - State Water Resources Control Board support letter of Upper Russian River Water Agency (JPA).
13. Executive Officer's Report (Verbal)
 - CALAFCO University Course: *When LAFCo Opinions Collide: Exploring the unique perspectives of LAFCo Commissioners, Legal Counsel and Staff*. Course will be held June 26, 2017 in Sacramento. Deadline to register is June 19, 2017. Cost is \$75.
 - CALAFCo request for volunteers to host the 2019 Staff Workshop.
14. Committee Reports (Verbal)
 - Executive (May 5, 2017)
 - Policies & Procedure (none)
15. Commissioner Reports, Comments or Questions (Verbal)
 - Upper Russian River Water Agency (JPA) Update
16. Legislation Report
 - CALAFCO Legislative Update

ADJOURNMENT

The next Regular Commission Meeting is scheduled for
Monday, July 3, 2017 at 9:00 AM
in the County Board of Supervisors Chambers 501 Low Gap Road, Ukiah, California

Notes: Participation on LAFCo Matters

All persons are invited to testify and submit written comments to the Commission on public hearing items. Any challenge to a LAFCo action in Court may be limited to issues raised at a public hearing or submitted as written comments prior to the close of the public hearing.

Americans with Disabilities Act (ADA) Compliance: If you are a disabled person and need a disability-related modification or accommodation to participate in a meeting, please contact the LAFCo office at 707-463-4470, by e-mail to eo@mendolafco.org, or by FAX to 707-462-2088. Requests must be made as early as possible, and at least two full business days prior to the meeting.

Fair Political Practice Commission (FPPC) Notice: State Law requires that a participant in LAFCo proceedings who has a financial interest in a Commission decision, and who has made a campaign contribution of more than \$250 to any Commissioner in the past 12-months, must disclose the contribution. If you are affected, please notify the Commission prior to the agenda item.

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First Monday
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at 9:00 AM
at the Mendocino
County Board
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501 Low Gap Road

Agenda Item No. 2

MINUTES

LOCAL AGENCY FORMATION COMMISSION OF MENDOCINO COUNTY

Regular Meeting of Monday, May 1, 2017

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

CALL TO ORDER and ROLL CALL

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

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

Members Absent: None

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

Alternate Members Absent: None

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

1. City Alternate Representative Appointment (Video Time: 0:6:15)
Newly appointed City Alternate Representative Scott Ignacio was sworn in to Mendocino LAFCo.

PUBLIC EXPRESSION (Video Time: 7:17)

2. Public Expression
No one indicated an interest in speaking.

CONSENT CALENDAR (Video Time: 7:41)

3. Approval of the April 6, 2017 Regular Meeting Summary Minutes
4. Approval of the March 2017 Claims

The following edits were requested:

- Page 3 of 6, Item 5, the second was Commissioner Brown, not Hamburg
- Page 9 of 105, County of Mendocino credit adjustment was noted.

<u>April 2017 claims totaling:</u>	<u>\$9,993.07</u>
Uma Hinman Consulting:	\$ 7,721.08
Ukiah Valley Conf Ctr:	\$ 605.21
P. Scott Browne:	\$ 650.66
Commission Reimbursements:	\$ 156.48
County of Mendocino, audio/video & GIS	\$ 646.59
Newspapers (public hearing notices)	\$ 35.00
Petty Cash Replenishment	\$ 178.05

Upon motion by Commissioner Hamburg and second by Commissioner Gonzalez, the April 6, 2017 Regular Meeting Summary Minutes and April 2017 claims were approved with corrections by roll call vote:

Ayes: (6) Brown, Doble, Gonzalez, Hamburg, McNerlin, and Ward
 Abstain: (1) Orth

MATTERS SET FOR HEARING

5. Public Hearing for Anderson Valley Community Services District (AVCSD)
Application for Activation of Latent Powers (Video Time: 10:00)

Analyst, Larkyn Feiler, presented the AVCSD application, noting the staff was revising the recommendation in the staff report to recommend scheduling the protest hearing during the June 5, 2017 Regular Commission meeting, rather than the Executive Officer conducting a separate Protest Hearing. Comments and questions were offered by Commissioners Hamburg, Orth, McCowen, and Brown.

Commissioner Hamburg complimented staff work and the clarity and breadth of the application presentation.

Commissioner Hamburg noted for the record that prior to AVCSD dropping the annexation portion of their original application, District attempts to initiate discussions with the County Executive Office regarding the tax share agreement were unsuccessful. The County Auditor-Controller's office provided estimates of property tax revenue for the proposed annexation area, which were deemed by the District to be inadequate to sustain the proposed annexation. He noted the County Executive Office did not indicate willingness to enter into negotiations at this point or to share property tax revenue. Commissioner Hamburg shared his concern over the areas that will remain unserved with the withdrawal of the annexation/detachment application.

Commissioner Orth commended the Mendocino County Board of Supervisors on its recent decision to share the Proposition 172 Sales Tax Funds with Mendocino County fire districts who have little financial incentive to annex.

Commissioner McCowen commented for the record that the lack of property tax revenue available in the proposed annexation area resulted in the low revenue estimates given by the County and that tax share negotiations between AVCSD and the County Executive Office were never held. Commissioner Brown stated her consensus with Commissioner McCowen's comments.

**Chair Ward opened the Public Hearing for the Anderson Valley Community Service District
 Application for Activation of Latent Powers at 9:22am**

Chief Andres Avila of AVCSD addressed the Commission, thanking the LAFCo and AVCSD staff for their work on the application. Chief Avila shared his frustration with the process; especially the unwillingness of the County Executive Office to communicate with the District regarding tax share negotiations or discussion of alternative funding options, which delayed their ability to conclude the annexation was not a financially viable endeavor. He

noted it is unlikely the AVCS D will initiate annexing the unserved areas in the future due to lack of financial offset. He also stated his frustration with the LAFCo process and encouraged the Commission to review the efficiency of the annexation procedures. Chief Avila also clarified that the Inter-Governmental Transfer Funding, which reimburses government agencies for the difference between Medicare and Medical Insurance payments and the actual cost of service, is not a secured source of revenue for AVCS D. However, the approval of this application will make the District eligible for the funding.

Commissioner McNerlin asked Chief Avila who will respond to the out-of-District boundary areas in question now that the annexation application has been dropped. Chief Avila confirmed that AVCS D will continue to respond to calls in the area according to the mutual aid agreements in place and remain unpaid for these services. He shared his concern of limited resources to cover both the District boundaries and the out-of-District area in question.

Commissioner Hamburg noted that the lack of tax revenue previously mentioned was the ad valorem tax. He commented for the record that the County did not make a good faith effort to negotiate with AVCS D from the beginning of the process, indicating it held a general position to not share property taxes at this point. Commissioner McCowen disagreed, noting the County is currently in tax share agreement negotiations with City of Ukiah.

Commissioner Rosenberg stressed the need to review the resources of the fire districts to provide the essential services needed. Commissioner Ward acknowledged there is not enough tax revenue in the area in question and asked what the Board of Supervisors and LAFCo could do to encourage more funding that would prevent reduction of vital public services. Commissioner McCowen noted steps being taken by the County to increase tax sharing with districts. Commissioner Brown commented on the difficulty to balance all the vital needs within the County when County revenue, based on property taxes, has not increased significantly in the years since the recession.

Philip Thomas, Boonville resident and Board Member of Anderson Valley Ambulance Services, addressed the Commission, stressing frustration that the response to the District's efforts to communicate with the County were almost non-existent throughout this LAFCo process. He also asked the Commission, when considering the final application costs to AVCS D, it consider that direction was given to the District from the former LAFCo Executive Officer staff that the annexation/detachment was required to activate latent powers. (49:34 on video)

EO Hinman noted the Executive Committee would be reviewing the AVCS D Application fees at their May 1, 2017, 11:15am meeting.

Chair Ward closed the Public Hearing for the Anderson Valley Community Service District Application for Activation of Latent Powers at 9:46am

Upon motion by Commissioner Hamburg and second by Commissioner McNerlin, the following actions were approved by roll call vote:

- (1) Find the Anderson Valley Community Services District application to activate latent powers for ambulance services is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Class 20 (CCR Section 15320); and
- (2) Adopt LAFCo Resolution 16-17-10, thereby approving the activation of ambulance services authorized by California Government Code Section 61100(d) as detailed in the Plan for Services prepared by the Anderson Valley Community Services District.
- (3) Direct the Executive Officer to schedule a protest hearing pursuant to Government Code Section 57075.

Ayes: (7) Brown, Doble, Gonzalez, Hamburg, McNerlin, Orth, and Ward

6. Public Hearing for the Municipal Service Review (MSR) and Sphere of Influence (SOI) Update for Russian River Flood Control & Water Conservation Improvement (RRFC) District (Video Time: 52:18)

Clerk Salomone presented the RRFC MSR/SOI, reviewing the staff report. Comments and questions were offered by Commissioners Ward, Doble, McCowen, Brown, McNerlin, and Silver.

Commissioners Ward and McNerlin asked for clarification on the financial summary tables and a notation regarding the most current audit available. He also noted a bad debt showing in Fiscal Year 13/14 of \$27,000.

Commissioner Doble noted a very recently vacated board seat.

Commissioner Ward introduced a discussion on the financial health of the proposed consolidation of five water districts, including RRFC. Commissioners and staff offered comments. EO Hinman noted that when the application for the consolidation of water districts is brought before the Commission, it will include a detailed plan of services, including the finances of the proposed new district.

Chair Ward opened the Public Hearing for the Municipal Service Review (MSR) and Sphere of Influence (SOI) Update for Russian River Flood Control & Water Conservation Improvement (RRFC) District at 9:58am.

Tamara Alaniz, General Manager of RRFC, thanked LAFCo for moving forward with the District MSR and SOI. She noted a primary goal of the consolidation effort is to ensure each district remains either at status quo or in a better condition. GM Alaniz noted that the bad debt referred to by Commission Ward may have been credit memos and unapplied payments. The District QuickBooks records have recently been reconfigured to address these issues.

Chair Ward opened the Public Hearing for the Municipal Service Review (MSR) and Sphere of Influence (SOI) Update for Russian River Flood Control & Water Conservation Improvement (RRFC) District at 9:59am.

Upon motion by Commissioner Gonzalez and second by Commissioner Brown, the following actions were approved by roll call vote:

- (1) Find the Russian River Flood Control & Water Conservation Improvement District Municipal Service Review and Sphere of Influence Update is exempt from the California Environmental Quality Act (CEQA) pursuant California Code of Regulations Sections 15306 and 15061(b)(3); and
- (2) Adopt LAFCo Resolution 16-17-08, thereby approving the Russian River Flood Control & Water Conservation Improvement District Municipal Service Review and Sphere of Influence Update and affirming the SOI for the District.

Ayes: (7) Brown, Doble, Gonzalez, Hamburg, McNerlin, Orth, and Ward

7. Public Hearing for the Proposed Budget for Fiscal Year 2017-18 (Video Time: 1:21:22)

EO Hinman presented the staff report for the proposed budget, noting total operating costs of \$160,225 with a decrease of expenses from the current fiscal year of \$10,000. She noted anticipated rollover funds from unutilized account budgets. Comments and questions were offered by Commissioners Silver, McCowen, Ward, Hamburg, Orth, Rosenberg, Gonzalez, and Doble.

Commissioners Silver and McCowen supported Commission discussion on the apportionment fees, reserve fund amounts, and adequate staff budgeting.

Upon motion by Commissioner Gonzalez and second by Commissioner McNerlin, Resolution No. 16-17-09 approving the Proposed Budget for Fiscal Year 2017-18 was passed and staff directed to schedule a public hearing for the Final 2017-18 Budget by roll call vote:

Ayes: (7) Brown, Doble, Gonzalez, Hamburg, McNerlin, Orth, and Ward

MATTERS FOR DISCUSSION & POSSIBLE ACTION

8. LAFCo Legal Services (Video Time:1:41:14)

EO Hinman presented the staff report. Comments and questions were offered by Commissioners Brown, Orth, McNerlin, McCowen, and Gonzalez. Commission consensus was to remain with current LAFCo legal counsel, Scott Browne.

9. Upper Russian River Water Agency (URRWA) Joint Powers of Authority Letter of Support Request (Video Time 1:04:50)

EO Hinman presented the request from URRWA to provide a letter of support to Governor Brown for the voluntary consolidation of water districts in the Ukiah Valley. Comments and questions were offered by Commissioners Orth, Silver, Ward, Brown, Rosenberg, and Doble.

Commissioner Brown noted the Board of Supervisors has a letter of support on the agenda for their next meeting and Commissioner Doble noted the City of Ukiah is considering a letter of support at their next meeting as well.

EO Hinman shared that a call was received by the State Water Board area representative working with the consolidation efforts, encouraging LAFCo staff to participate early on in the process and meetings. The State Water Board would like to see the consolidation move along concurrently with the State Water Resources Control Board approval.

Upon motion by Commissioner Gonzalez and second by Commissioner McNerlin, the letter to Governor Brown regarding the voluntary consolidation of water districts in the Ukiah Valley was approved by unanimous vote:

Ayes: (7) Brown, Doble, Gonzalez, Hamburg, McNerlin, Orth, and Ward

Chair Ward called a break from 10:08 – 10:23 am.

10. Legislative Letters of Support from CALAFCO (Video Time: 1:49:15)

EO Hinman presented the staff report. Comments and questions were offered by Commissioners Ward, Brown, and Silver. Commissioner Brown asked for copies of the letter to be sent to Senator McGuire and Councilperson Woods.

Upon motion by Commissioner Orth and second by Commissioner Gonzalez, CALAFCO requested letters of support to Governor Brown on AB464 and AB 1725 were approved by unanimous vote:

Ayes: (7) Brown, Doble, Gonzalez, Hamburg, McNerlin, Orth, and Ward

11. Legislative Process (Video Time:1:53:04)

EO Hinman presented the staff report, noting that there are times when time-sensitive requests for legislative support letters are forwarded by CALAFCO, not always allowing time to bring forward at the next Commission meeting. Staff requests direction or direction to the Policies and Procedures Committee to develop a policy for handling such requests. Comments and questions were offered by Commissioners Gonzalez, McCowen, McNerlin, Brown, Rosenberg, and Hamburg.

Upon motion by Commissioner Brown and second by Commissioner Orth, direction to the Policies & Procedures Committee to develop a policy regarding time sensitive legislative support letter requests was approved by unanimous vote:

Ayes: (7) Brown, Doble, Gonzalez, Hamburg, McNerlin, Orth, and Ward

INFORMATION/ REPORT ITEMS

12. Status of Applications, Future Projects, MSR and SOI Updates (Video Time: 2:00:00)

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

Anderson Valley CSD Activation of Latent Powers to Provide Ambulance Services

Application was discussed in Agenda Item 5. A protest hearing will be held at the June 5, 2017 during the Regular Commission meeting. Provided that less than 25% of the registered owners protest, the application can be finalized at the June meeting and a certificate of completion recorded.

City of Ukiah Detachment of Ukiah Valley Sanitation District (UVSD) Served Areas

Commissioner Ward noted that a deposit is being held on this application, which the City requested be placed on hold. Commissioner Doble noted a new Planning Director has been hired at the City and there was no indication the application would be withdrawn at this point.

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 SOI updates workshop has been delayed to accommodate the urgency of the AVCSD 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.

13. Correspondence (Video Time: 2:05:00)

No correspondence to report.

14. Executive Officer's Report: (Video Time: 2:05:05)

- Information/Report Items: Attachment in packet includes the SB 1266 JPA letter from LAFCo to the special districts, cities, and the County, as well as a legislative update report. Commissioners were asked to provide staff with known JPA contact information to assist in compiling a complete list for the County.
- CALAFCO Staff Workshop in Fresno was attended by EO Hinman and Analyst Feiler, April. 5th-7th.

15. Committee Reports (Video Time: 2:13:15)

No reports offered.

16. Commissioners Reports, Comments or Questions (Video Time: 2:14:00)

Upper Russian River Water Agency (URRWA) JPA Update was provided by Commissioner Silver. She thanked the Commission for approval of the support letter to Governor Brown on behalf of URRWA.

Commissioner Silver shared information on Women of Water (WoW), a group developed to conduct public outreach on water issues in the Ukiah valley.

Commissioner Orth shared that the Brooktrails Township CSD maximized one of their reservoirs by restoring storage capacity.

Commissioner Orth noted that many districts in the County will be reviewing and choosing to change their election cycles by 2022, per state law requiring modification of their election cycles. Commissioner Brown offered further information on election scheduling changes.

Commissioner Ward reported that he authorized \$50,000 be transferred from the County-held LAFCo account to the checking account, noting three districts that have not yet paid apportionment fees. He requested the final audit be distributed to Commissioners.

Commissioner Ignacio thanked the Commissioners and staff for the warm welcome.

17. Legislation Report

EO Hinman noted that there was a legislative summary in the agenda packet and requested that Commissioners let her know if there were any of interest and she would follow up on those in particular.

ADJOURNMENT

There being no further business, at 11:20am the meeting was adjourned. The next regular meeting is scheduled for Monday, June 5, 2017 at 9:00am in the County Board of Supervisors Chambers at 501 Low Gap Road, Ukiah, California.

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May 1, 2017

<https://www.youtube.com/watch?v=CYTEJFXmF6E>

MENDOCINO Local Agency Formation Commission

Staff Report

DATE: June 6, 2017
 TO: Mendocino Local Agency Formation Commission
 FROM: Uma Hinman, Executive Officer
 SUBJECT: Financial Report and Claims for May 2017

Claims The following claims are recommended for payment authorization:

Name	Account Description	Amount	Total
Uma Hinman Consulting	5300 Basics Services	\$ 8,288.63	\$ 12,788.74
	6200 Bookkeeping	\$ 189.53	
	7001 MSRs	\$ 79.80	
	7501 SOI Updates	\$ 3,466.15	
	5601 Office Supplies	\$ 84.70	
	8016 Applications (AVCSD)	\$ 679.93	
Ukiah Valley Conf. Center	5502 Office space	\$ 404.00	\$ 838.40
	5503 Work room	\$ 30.00	
	5603 Photocopy - (April and May)	\$ 316.60	
	5605 Postage - (April and May)	\$ 87.80	
P. Scott Browne	6300 Legal Counsel		\$ 500.00
	Monthly flat fee (April 2017)		
Commissioner Reimbursements	6740 In-County Travel & Stipends:		\$ 233.48
	Rosenberg (May 2017)	\$ 51.08	
	McNerlin (May 2017)	\$ 50.00	
	Orth (May 2017)	\$ 77.00	
County of Mendocino	Silver (May 2017)	\$ 55.40	
	6000 Video Recording of Meetings	\$ 208.96	\$ 208.96
	7501 GIS Mapping	\$ -	
Newspapers	5900 Public Hearing Notices		\$ 599.07
	Budget, AVCSD, & RRFC	\$ 599.07	
Deluxe	Blank Checks	\$ 198.50	\$ 198.50
County of Mendocino	County Counsel Training	\$ 160.00	\$ 160.00
SDRMA	6500 Insurance	\$ 987.00	\$ 987.00
Total:			\$ 16,514.15

Notes:

- UVCC Photocopy & Postage charges for April 2017 were paid mid-May.

Other Financial Activity:

No application revenues. Deposit of \$50,000 made from County account to checking account will be shown on tracking in July.

Attachments: Budget Track Spreadsheet
 UHC Invoice & Scott Browne Invoice

Please note that copies of all invoices, bank statements, and petty cash register were forwarded to Commission Treasurer.
 Packet 6-5-17, 10 of 58

Mendocino Local Agency Formation Commission
 FY 2016-17 Budget and Application Tract - Through April 2017

Acct #	Task	FY 16-17 Budget	1st Qtr Subtotals	2nd Qtr Subtotal	3rd Qtr Subtotal	April	May	Year to Date	Remaining Budget
EXPENSES									
5301	Basic Services - EO/Analyst/Clerk	\$65,680.00	\$14,902.88	\$13,777.85	\$22,565.37	\$4,273.45	\$8,288.63	\$63,808.18	\$1,871.82
5502	Office Space	\$4,800.00	\$1,200.00	\$1,204.00	\$1,212.00	\$404.00	\$404.00	\$4,424.00	\$376.00
5503	Work Room	\$360.00	\$90.00	\$90.00	\$90.00	\$30.00	\$30.00	\$330.00	\$30.00
5601	Office Supplies	\$700.00	\$99.50	\$201.03	\$259.99	\$209.05	\$283.20	\$1,052.77	\$-352.77
5603	Photocopy	\$1,000.00	\$98.80	\$44.60	\$214.30	\$62.80	\$253.90	\$674.40	\$325.60
5605	Postage	\$300.00	\$219.87	\$52.17	\$41.51	\$40.90	\$46.90	\$401.35	\$-101.35
5607	Office Equipment	\$0.00	\$0.00	\$237.55	\$0.00			\$237.55	\$-237.55
5700	Internet & Website Costs	\$1,200.00	\$0.00	\$0.00	\$0.00			\$0.00	\$1,200.00
5900	Publication & Legal Notices	\$2,000.00	\$432.06	\$0.00	\$297.06	\$35.00	\$599.07	\$1,363.19	\$636.81
6000	Televising Meetings	\$1,700.00	\$0.00	\$1,350.80	\$924.85	\$208.96	\$208.96	\$2,693.57	\$-993.57
6100	Audit Services	\$3,025.00	\$1,550.00	\$0.00	\$1,450.00			\$3,000.00	\$25.00
6200	Bookkeeping	\$4,800.00	\$369.33	\$418.96	\$1,124.33	\$39.90	\$189.53	\$2,142.05	\$2,657.95
6300	Legal Counsel (S Browne)	\$6,000.00	\$1,500.00	\$1,470.00	\$1,500.00	\$650.66	\$500.00	\$5,620.66	\$379.34
6400	A-87 Costs County Services	\$2,010.00	\$0.00	\$0.00	\$1,060.00			\$1,060.00	\$950.00
6500	Insurance - General Liability	\$1,000.00	\$0.00	\$0.00	\$0.00		\$987.00	\$987.00	\$13.00
6600	Memberships (CALAFCO/CSDA)	\$2,100.00	\$0.00	\$1,231.00	\$0.00			\$1,231.00	\$869.00
6740	In-County Travel & Stipends	\$4,300.00	\$702.60	\$411.56	\$623.44	\$156.48	\$233.48	\$2,127.56	\$2,172.44
6750	Travel & Lodging Expenses	\$5,000.00	\$0.00	\$1,805.08	\$0.00			\$1,805.08	\$3,194.92
6800	Conferences (Registrations)	\$3,000.00	\$1,215.73	\$0.00	\$0.00			\$1,215.73	\$1,784.27
	Computer Support Technician		\$0.00	\$0.00	\$87.56			\$87.56	\$-87.56
	LAFCo Sponsored Training		\$0.00	\$0.00	\$0.00		\$160.00	\$160.00	\$-160.00
7000	MSR & SOI Updates	-	\$0.00	\$0.00	\$0.00			\$0.00	\$0.00
7001	MSR Reviews - Admin	\$15,000.00	\$0.00	\$245.00	\$1,343.75	\$787.50	\$79.80	\$2,456.05	\$12,543.95
7501	SOI Updates	\$39,000.00	\$1,313.35	\$6,115.95	\$8,769.41	\$369.30	\$3,466.15	\$20,034.16	\$18,965.84
	GIS Mapping	\$3,622.00	\$0.00	\$0.00	\$1,161.96	\$525.19	\$0.00	\$1,687.15	\$1,934.85
	Monthly/ Year to Date Totals	\$166,597.00	\$23,694.12	\$28,655.55	\$42,725.53	\$7,793.19	\$15,730.62	\$118,599.01	\$47,997.99
CONTRACTS/OTHER									
			1st Qtr Subtotals	2nd Qtr Subtotal	3rd Qtr Subtotal	April	May	Year to Date	Remaining Budget
7000	Cemetery Dist. MSRs (UHC) (Closed)	\$3,900.00	\$653.38	\$3,241.15	\$0.00	\$0.00	\$0.00	\$3,894.53	\$5.47
8000	N. of 10 Mile Map Correction (SHN)	\$2,000.00	\$2,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,000.00	\$0.00
7000	Baracco & Associates (Closed)	\$2,400.00	\$2,400.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,400.00	\$0.00
7000	Planwest Website Transition (Closed)	\$2,460.00	\$2,170.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,170.00	\$290.00
	Contracts/Other to Date Totals	\$10,760.00	\$7,223.38	\$3,241.15	\$0.00	\$0.00	\$0.00	\$10,464.53	\$295.47
EXPENSES AND CONTRACTS TOTALS		\$177,357.00	\$30,917.50	\$31,896.70	\$42,725.53	\$7,793.19	\$15,730.62	\$129,063.54	\$48,293.46
APPLICATIONS									
		DEPOSIT	1st Qtr Subtotals	2nd Qtr Subtotal	3rd Qtr Subtotal	April	May	Year to Date	Remaining Budget
	Irish Beach WD Moores Annexation	\$-610.56	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00	\$-610.56
	City Overlap Area from Ft Bragg RFPD (FBRFPD Detachment)	\$7,452.37	\$0.00	\$7,452.37	\$0.00	\$0.00		\$7,452.37	\$0.00
8016	AVCSD (Ambulance) Activation of Latent Powers & Annexation	\$6,000.00	\$1,898.75	\$178.75	\$1,102.50	\$2,219.93	\$679.93	\$6,079.86	\$-79.86
	City of Ukiah Detachment of UVCSD lands	\$1,532.75	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00	\$1,532.75
	Applications to Date Totals	\$14,374.56	\$1,898.75	\$7,631.12	\$1,102.50	\$2,219.93	\$679.93	\$13,532.23	
EXPENSES, CONTRACTS, AND APPLICATION TOTALS			\$32,816.25	\$39,527.82	\$43,828.03	\$10,013.12	\$16,410.55	\$142,595.77	

Operations (Checking) Account Balance \$ 36,685.51 as of 4/28/17 statement
 Legal Reserve Balance \$ 50,000.00 as of 3/31/17 (reported quarterly)
 Operations Reserve Balance \$ 40,226.63 as of 3/31/17 (reported quarterly)



Hinman & Associates Consulting

PO Box 1251 | Cedar Ridge, CA 95924

(916) 813-0818

uhinman@comcast.net

Date May 29, 2017
To Mendocino LAFCo
Project Executive Officer Services
Work Period April 24, 2017 - May 28, 2017

Invoice No. 328
Invoice Total \$ 12,838.73

Account	Description	Staff/Hours			Other (At Cost)	Totals
		Hinman EO (\$90)	Feiler Analyst (\$65)	Salomone Clerk (\$39.90)		
5300	Basic Services	59.75	21.00	38.75		\$ 8,288.63
5601	Office Supplies					\$ 84.70
	Quickbooks Online Fee				\$ 31.00	
	Application stamps				\$ 53.70	
6200	Bookkeeping			4.75		\$ 189.53
7001	Municipal Service Reviews			2.00		\$ 79.80
7501	Sphere of Influence Updates	9.00	40.25	1.00		\$ 3,466.15
8016	Applications (AVCSD)		10.00	0.75	\$ 50.00	\$ 679.93
Totals		\$ 6,187.50	\$ 4,631.25	\$ 1,885.28	\$ 134.70	\$ 12,838.73

5300 Basic Services

Prepared, posted and distributed May 1 Commission and Executive Committee meeting agenda and packet materials. Coordinated preparation of staff reports and meeting packets. Transcribed and reviewed draft minutes for May meetings for review at next meeting. Staffed office during the time period. Prepared June meeting agenda and staff reports, posted notices and agenda.

Preparation of final 2017/2018 budget. Prepared AVCSD application fee reimbursement request.

6200 Bookkeeping (Other Services)

Compiled claims for Commissioner review and approval at June meeting. Entered claims into Quickbooks and prepared checks for claims to be authorized at June 5 meeting. Reviewed claims, bank records, etc.

7501 Sphere of Influence Updates

Prepared workshop draft for Little Lake FPD. Finalized RRFC SOI Update. Distributed Cemetery Districts and RRFC MSR and SOI. Outreach to fire districts to solicit RFI responses.

7001 Municipal Service Reviews

Worked on draft Fort Bragg MSR/SOI Update.

8016 Applications

AVCSD: prepared public notice and staff report for protest hearing; prepared certificate of completion.

Law Offices of P. Scott Browne

131 South Auburn Street
Grass Valley, CA 95945

(530) 272-4250
(530) 272-1684 Fax

Marsha A. Burch
Of Counsel

Mendocino Lafco
200 South School Street, Suite F
Ukiah, CA 95482

Period Ending:

5/15/2017

Payment due by the 15th of next month

In Reference To: CLIENT CODE: MENDO-01

Professional Services

	<u>Hours</u>
4/17/2017 WJC Review and respond to email from Uma	0.10
4/18/2017 WJC Review and respond to emails from Uma	0.25
PSB Legislative Committee; Review and respond to emails. (Time split evenly between all LAFCo clients)	0.10
PSB Telephone call from Uma re: Anderson CSD	0.75
4/20/2017 PSB Review emails; Telephone call from Uma.	0.40
4/28/2017 PSB Telephone call from Uma; Research; Send relevant statutory provisions to Uma	1.00
5/12/2017 PSB Legislative Meeting. (Time split evenly between all LAFCo clients.)	0.65
PSB Review and respond to Uma re: conflict question.	0.75
5/15/2017 PSB Review and respond to emails. (Time split evenly between all LAFCo clients)	0.10

SUBTOTAL: [4.10]

Total Professional Hours	<u>4.10</u>	<u>Amount</u> \$500.00
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MENDOCINO
Local Agency Formation Commission

Staff Report

DATE: June 5, 2017
TO: Mendocino Local Agency Formation Commission
FROM: Uma Hinman, Executive Officer
SUBJECT: Executive Officer Contractor Business Name Change

Background

On July 1, 2016, Mendocino LAFCo entered into a two-year contract with Uma Hinman Consulting, a sole proprietorship, to provide Executive Officer Services.

As of April 25, 2017, Uma Hinman Consulting was incorporated as Hinman & Associates Consulting, Inc. There are no change to personnel, rates, address, or contact information.

Ms. Hinman is requesting that Mendocino LAFCo acknowledge and consent to assigning all rights and duties under the existing contract for “Mendocino LAFCo Executive Officer Services”, dated July 1, 2016, to Hinman & Associates Consulting, Inc. a California Corporation.

Recommendation

Authorize the Chair to sign the attached letter acknowledging the change in business name and structure and assigning all rights and duties of the existing Executive Officer Services contract.

Attachments:

- 1) Letter from Hinman & Associates Consulting, Inc.



May 26, 2017

Gerald Ward, Chair
Mendocino LAFCo
200 South School Street
Ukiah, CA 95482

RE: Change in Business Name and Structure

Dear Chair Ward,

I have incorporated my sole proprietorship known as Uma Hinman Consulting and request that Mendocino LAFCo consent to assigning all rights and duties under the existing contract for "Mendocino LAFCo Executive Officer Services", dated July 1, 2016, to Hinman & Associates Consulting Inc., a California Corporation. Services will continue to be provided by the same personnel as have provided services under Uma Hinman Consulting. There is no change to address, phone, or email contact information.

By signing the statement below, Mendocino LAFCo acknowledges the change in name and business structure and consents to the assignment of the contract.

Sincerely,

Uma Hinman
President

The Mendocino Local Agency Formation Commission acknowledges receipt of the foregoing letter and hereby consents to the assignment of all rights and duties under the above-described contract with Uma Hinman Consulting, a sole proprietorship, to Hinman & Associates Consulting, Inc., a California corporation.

Dated: _____

Mendocino Local Agency Formation Commission

By _____

Gerald Ward, Chair

MENDOCINO
Local Agency Formation Commission

Staff Report

DATE: June 5, 2017
TO: Mendocino Local Agency Formation Commission
FROM: Larkyn Feiler, Analyst
SUBJECT: **Protest Hearing** for the Anderson Valley Community Services District Activation of Latent Powers for Ambulance Services (LAFCo File No. L-2016-01)

Protest Hearing

This is a public hearing to receive written protests from affected landowners and registered voters regarding the proposal from Anderson Valley Community Services District (AVCSD) to Activate Latent Powers for Ambulance Services.

Background

On May 1, 2017, the Commission approved the AVCSD proposal to activate latent powers for ambulance services per LAFCo Resolution No. 16-17-10, subject to conducting authority proceedings as required by Government Code Section 57000 et seq. The Commission directed the Executive Officer to schedule the required protest hearing for this application pursuant to Government Code Section 57075. Public notice of the protest hearing was provided in compliance with the 21-day requirement, with publishing on May 10, 2017 in the Anderson Valley Advertiser newspaper and on May 6, 2017 in the Ukiah Daily Journal newspaper, and was posted at the Mendocino LAFCo office.

The purpose of the protest hearing is to receive written protests from affected landowners and registered voters regarding the proposed activation of latent powers or change of organization. The Commission is required to make a finding regarding the value of written protests filed and not withdrawn, and take one of the following actions not more than 30 days after the conclusion of the protest hearing:

- 1) Order the change of organization without an election if written protests have been filed by less than 25% of the registered voters, or less than 25% of the land owners owning less than 25% of the assessed value of land within the affected territory; or
- 2) Order the change of organization subject to a confirmation vote of the registered voters within the affected territory if written protests have been filed by at least 25% but less than 50% of the registered voters, or at least 25% but less than 50% of the land owners owning at least 25% of the assessed value of land within the affected territory; or
- 3) Terminate the proceedings if a majority protest exists. A majority protest constitutes 50% or more of the registered voters or 50% or more of the landowners owning at least 50% of the assessed value of land.

At the close of the protest hearing, staff may be directed to determine the value of valid protests received and not withdrawn. Should substantial valid protests be received and not withdrawn, staff may be directed to determine the value of all protests and issue written results to the Commission within 30 days. The change of organization (activation of latent powers) will be ordered if the number of protests filed with LAFCo (and not withdrawn) falls below the threshold numbers stated above.

Summary of Resolution

The following is a summary of the Commission's Resolution No. 16-17-10 making determinations related to approval of the AVCSO proposal to activate latent powers for ambulance services, which must be presented at the protest hearing prior to the Commission's consideration of any protest pursuant to Government Code Section 57050(b).

At its May 1, 2017 regular meeting, having considered all relevant factors and heard all interested parties wishing to speak regarding the proposal, the Commission determined that the proposal was categorically exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Class 20 and that the Anderson Valley Community Services District proposal to activate latent powers for ambulance services was consistent with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 and LAFCo Policies and Procedures.

The Commission, therefore, approved the proposal per LAFCo Resolution No. 16-17-10.

Having determined that the affected territory is inhabited and that not all landowners in the territory consented to the proposal in writing, the Commission directed staff to schedule a protest hearing pursuant to the requirements of California Government Code Sections 57000 and 57075.

Recommendation

Staff recommends that the Commission take the following action:

- (1) Conduct a protest hearing and receive any written protests submitted by the close of the hearing.
- (2) If, at the close of the protest hearing, it is determined that insufficient written protests were submitted by registered voters and landowners, it is recommended that the Commission adopt LAFCo Resolution No. 16-17-11 thereby ordering the activation of latent powers for ambulance services without an election pursuant to Government Code Section 57075(a)(3); or

If, at the close of the protest hearing, staff is unable to verify the results of the written protests received and not withdrawn, direct staff to return within 30 days with written results related to the value of all protests received.

Attachments:

- (1) LAFCo Resolution 16-17-10
- (2) Proof of Public Hearing Notice
- (3) LAFCo Resolution 16-17-11

Resolution No. 16-17-10
of the
Local Agency Formation Commission of Mendocino County

Approving the
Anderson Valley Community Services District
Activation of Latent Powers for Ambulance Services

WHEREAS, on June 15, 2016, the Anderson Valley Community Services District, hereinafter referred to as “AVCSD” or the “District”, held a public hearing and adopted Resolution No. 2016-05 requesting the Local Agency Formation Commission, hereinafter referred to as the “Commission”, to take proceedings for a reorganization consisting of the annexation of territory currently served by the District and the activation of latent powers to provide ambulance services; and

WHEREAS, On April 19, 2017, the District Board, at a regularly scheduled meeting authorized the Chair of the Board Directors to sign a letter to LAFCo requesting a change in the scope of their application to remove the annexation/detachment component of the proposal and proceed with the activation of latent powers for ambulance services. The reason for the revised application was that it was determined by the District Board that it is currently infeasible to reach a satisfactory agreement between AVCSD and the County regarding an exchange of ad valorem property tax within the originally proposed annexation area; and

WHEREAS, on April 24, 2017, the Executive Officer accepted the revised District application as complete and issued a Certificate of Filing; and

WHEREAS, the Executive Officer gave sufficient notice of a public hearing to be conducted by the Commission in the form and manner prescribed by law; and

WHEREAS, the Executive Officer’s report and recommendations on the AVCSD proposal to activate latent powers for ambulance services were presented to the Commission in the manner prescribed by law; and

WHEREAS, the Commission heard and fully considered all the evidence presented at a public hearing held on the AVCSD proposal to activate latent powers for ambulance services on May 1, 2017; and

WHEREAS, the Commission considered all the factors required under California Government Code Sections 56653 and 56824.12 before rendering a decision.

NOW, THEREFORE, the Mendocino Local Agency Formation Commission does hereby RESOLVE, DETERMINE, and ORDER as follows:

1. The Commission, as Lead Agency, finds the AVCSD proposal to activate latent powers for ambulance services is categorically exempt from further review under the California Environmental Quality Act pursuant to CEQA Guidelines Class 20 (CCR Section 15320) and authorizes the Executive Officer to record the Notice of Exemption (Exhibit A) attached hereto and incorporated herein by reference. Class 20 involves a change in the organization of a local governmental agency where the change does not alter the geographical area in which previously exercised powers are exercised.

2. This application is assigned the following distinctive short-term designation: “AVCSD Activation of Latent Powers for Ambulance Services”
3. The Commission approves AVCSD Activation of Latent Powers for Ambulance Services (LAFCo File No. L-2016-01) authorized by California Government Code Section 61100(d) as detailed in the Plan for Services prepared by AVCSD (Exhibit B), attached hereto and incorporated herein by reference, excepting therefrom any reference to annexation since it is no longer a component of the current project scope, and making the following findings:
 - A. The District’s activation of latent powers for ambulance services will not result in a conflict or divestiture of another government entity’s power to provide similar services within the same area; and
 - B. The District proposal, as presented and reviewed, appears to generate sufficient revenues to carry out the proposed new service.
4. The affected territory meets the definition of “inhabited territory” as defined in Government Code section 56046. All property owners within the affected territory have not consented in writing to the proposal. In accordance with Government Code Section 57000 and Section 57075, Conducting Authority proceedings are therefore required. The Commission hereby authorizes the Executive Officer to conduct the required protest proceedings for this application.
5. The applicant shall defend at its sole expense any action brought against LAFCo, the Commission and its staff, because of the approval of this application. The applicants will reimburse LAFCo for any court costs and attorneys’ fees which may be required by a court to pay as a result of such action. LAFCo may, at its discretion, after consultation with the applicants, participate in the defense of any such action; but such participation shall not relieve applicants of their obligations under this condition. The obligation on the part of the applicants to indemnify LAFCo is effective upon the adoption of this resolution and does not require any further action.

The foregoing Resolution was passed and duly adopted at a regular meeting of the Mendocino Local Agency Formation Commission held on this 1st day of May, 2017, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

GERALD WARD, Chair

UMA HINMAN, Executive Officer

SCHEDULED FOR SIGNATURE ON JUNE 5, 2017

ANDERSON VALLEY ADVERTISER

14111 Hwy 128 Suite B, Boonville CA 95415
Telephone (707) 895-3016
email ava@pacific.net

PROOF OF PUBLICATION
(2015.5 C.C.P)

STATE OF CALIFORNIA)
County of Mendocino)ss

Notice Type: Public Hearing

This space for County Clerk's Filing Stamp

Ad Description: AVCSD Ambulance
Latent Powers - 6/5/17

I am a citizen of the United States and a resident of the County aforesaid; I am over the age of eighteen years, and not a party to or interested in the above entitled matter. I am the principal clerk of the printer and publisher of the **ANDERSON VALLEY ADVERTISER**, a newspaper printed in published in the County of Mendocino which has been adjudged a newspaper general circulation by the Superior Court of the County of Mendocino, State California, under the date of July 13th, 1988, Case Number 10361. That notice, of which a copy is annexed, has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

5/10/17

I certify (or declare) under penalty of perjury that the foregoing is true and correct.



Signature

Dated at Boonville, California

this 10th day of May, 2017.

Notice of Public Hearing:

NOTICE IS HEREBY GIVEN that on Monday, June 5, 2017, at 9:00 AM (or as soon thereafter as the matter may be heard) in the Mendocino County Board of Supervisors Chambers, 501 Low Gap Road, Ukiah, California, the Mendocino Local Agency Formation Commission (LAFCo) will hold a public hearing to receive written protests from affected landowners and registered voters regarding the **Anderson Valley Community Services District Activation of Latent Powers for Ambulance Services (LAFCo File No. L-2016-01)**. LAFCo approved the Anderson Valley Community Services District (AVCSD) proposal to activate latent powers for ambulance services on May 1, 2017 (LAFCo Resolution No. 16-17-10) subject to conducting authority proceedings (known as protest proceedings), as required by Government Code Section 57000 et seq. Copies of all related documents are on file and may be reviewed at the LAFCo website (www.mendolafco.org) or at the LAFCo office. All landowners owning land within AVCSD and all registered voters residing within AVCSD have the right to file a written protest related to this proposal. Written protests may be filed as follows: (1) mailed or hand-delivered in advance of the Protest Hearing to Mendocino LAFCo at 200 South School Street, Ukiah, CA 95482 if received by Friday, June 2, 2017 at 5:00 p.m., or (2) hand-delivered at and prior to the conclusion of the Protest Hearing. Protests that have been filed may also be withdrawn prior to the close of the Protest Hearing. Written protests must comply with Government Code Section 57051. Please contact LAFCo staff for a copy of the written protest form: LAFCo office 200 South School Street, Ukiah, CA 95482; e-mail: co@mendolafco.org; phone: (707) 463-4470. All interested persons are invited to attend, be heard, and participate in the hearing.

BY ORDER OF THE MENDOCINO LOCAL AGENCY FORMATION COMMISSION: UMA HINMAN, Executive Officer

Published 5/10/2017

Ukiah Daily Journal

617 S. State St
Ukiah, California 95482
(707) 468-3500
advertising@record-bee.com

2117504

MENDOCINO COUNTY LAFCO
200 SOUTH SCHOOL ST
UKIAH, CA 95482

**PROOF OF PUBLICATION
(2015.5 C.C.P.)**

**STATE OF CALIFORNIA
COUNTY OF MENDOCINO**

I am a citizen of the United States and a resident of the County aforesaid; I am over the age of eighteen years, and not a party to or interested in the above entitled matter. I am the principal clerk of the printer of the Ukiah Daily Journal, a newspaper of general circulation, printed and published daily in the City of Ukiah, County of Mendocino and which newspaper has been adjudged a newspaper of general circulation by the Superior Court of the County of Mendocino, State of California, under the date of September 22, 1952, Case Number 9267; that the notice, of which the annexed is a printed copy (set in type not smaller than non-pareil), has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

05/06/2017

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

Dated at Ukiah, California,
May 18th, 2017



Molly E. Lane, LEGAL CLERK

Legal No. **0005952235**

2691-17

5-6/17

Notice of Public Hearing:

NOTICE IS HEREBY GIVEN that on Monday, June 5, 2017, at 9:00 AM (or as soon thereafter as the matter may be heard) in the Mendocino County Board of Supervisors Chambers, 501 Low Gap Road, Ukiah, California, the Mendocino Local Agency Formation Commission (LAFCo) will hold a public hearing to receive written protests from affected landowners and registered voters regarding the **Anderson Valley Community Services District Activation of Latent Powers for Ambulance Services (LAFCo File No. L-2016-01.)** LAFCo approved the Anderson Valley Community Services District (AVCSD) proposal to activate latent powers for ambulance services on May 1, 2017 (LAFCo Resolution No. 16-17-10) subject to conducting authority proceedings (known as protest proceedings), as required by Government Code Section 57000 et seq. Copies of all related documents are on file and may be reviewed at the LAFCo website (www.mendolafco.org) or at the LAFCo office. All landowners owning land within AVCSD and all registered voters residing within AVCSD have the right to file a written protest related to this proposal. Written protests may be filed as follows: (1) mailed or hand-delivered in advance of the Protest Hearing to Mendocino LAFCo at 200 South School Street, Ukiah, CA 95482 if received by Friday, June 2, 2017 at 5:00 p.m., or (2) hand-delivered at and prior to the conclusion of the Protest Hearing. Protests that have been filed may also be withdrawn prior to the close of the Protest Hearing. Written protests must comply with Government Code Section 57051. Please contact LAFCo staff for a copy of the written protest form: LAFCo office 200 South School Street, Ukiah, CA 95482; e-mail: eo@mendolafco.org; phone: (707) 463-4470. All interested persons are invited to attend, be heard, and participate in the hearing. BY ORDER OF THE MENDOCINO LOCAL AGENCY FORMATION COMMISSION UMA HINMAN, Executive Officer

Resolution No. 16-17-11
of the Local Agency Formation Commission of Mendocino County
Finding Insufficient Protest and Ordering Without an Election the
Anderson Valley Community Services District
Activation of Latent Powers for Ambulance Services

WHEREAS, on June 15, 2016, the Anderson Valley Community Services District, hereinafter referred to as “AVCSD” or the “District”, adopted Resolution No. 2016-05 requesting the Local Agency Formation Commission, hereinafter referred to as the “Commission”, to take proceedings for a reorganization proposal including annexation/detachment and activation of latent powers; and

WHEREAS, on April 21, 2017, the District Board submitted a letter to LAFCo requesting a change in the scope of their application to remove the annexation/detachment component of the proposal and proceed with the activation of latent powers for ambulance services; and

WHEREAS, on May 1, 2017, the Commission approved the AVCSD Activation of Latent Powers for Ambulance Services per LAFCo Resolution No. 16-17-10 subject to conducting authority proceedings as required by Government Code Section 57000 et seq.; and

WHEREAS, on June 5, 2017, the Commission conducted a duly noticed protest hearing on the AVCSD Activation of Latent Powers for Ambulance Services. At the hearing, the Commission heard and received all relevant oral and written protests, objections, and evidence presented or filed regarding the AVCSD proposal. At the conclusion of public testimony, the Commission closed the public hearing, determined the value of written protests filed against the AVCSD proposal and not withdrawn prior to the conclusion of the hearing, and voted to order the change of organization without an election, as set forth herein.

NOW, THEREFORE, the Mendocino Local Agency Formation Commission does hereby RESOLVE, DETERMINE, and ORDER as follows:

1. The value of written protests filed and not withdrawn is insufficient to order an election or terminate proceedings and therefore the AVCSD Activation of Latent Powers for Ambulance Services is ordered without an election pursuant to Government Code Section 57075(a)(3) and subject to LAFCo Resolution No. 16-17-10.
2. The Executive Officer is directed to prepare and execute a Certificate of Completion for the AVCSD Activation of Latent Powers for Ambulance Services and to record a certified copy thereof with the Mendocino County Recorder.

The foregoing Resolution was passed and duly adopted at a regular meeting of the Mendocino Local Agency Formation Commission held on this 5st day of June, 2017, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

GERALD WARD, Chair

UMA HINMAN, Executive Officer

MENDOCINO

Local Agency Formation Commission

Staff Report

DATE: June 5, 2017
TO: Mendocino Local Agency Formation Commission
FROM: Uma Hinman, Executive Officer
SUBJECT: Public Hearing for Final Budget FY 2017-18

Background

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 mandates operating costs for Local Agency Formation Commissions (LAFCo) shall be annually funded by the affected counties, cities, and independent special districts on a one-third apportionment process. Apportionments for cities and independent special districts are further divided and proportional to each agency's total revenues as a percentage of the overall revenue amount collected in the county. LAFCos are also authorized to establish and collect fees to offset agency contributions.

Local Agency Formation Commissions (LAFCos) are responsible under State law for annually adopting a proposed budget by May 1st and a final budget by June 15th. State law specifies the proposed and final budgets shall, at a minimum, be equal to the budget adopted for the previous fiscal year unless LAFCo finds the reduced costs will nevertheless allow the agency to fulfill its prescribed regulatory and planning duties.

Discussion

At the April 3, 2017 LAFCo meeting, the Commission approved a Preliminary Budget for FY 2017-18. The Commission reviewed increases to operating expenses that would be funded through the use of the unused funds from FY 2016-17 and operating reserves, as needed. No increases to member agency apportionment fees was recommended. The Preliminary Budget for FY 2017-18 and the May 1 public hearing notice was mailed and emailed to all member agencies on April 6, 2017. No comments were received as of the writing of this staff report.

At the May 1, 2017 LAFCo meeting, the Commission held a public hearing and adopted a Proposed Budget. The Proposed Budget allocated use of the Commission's reserves to maintain overall agency apportionment fees (Account #4000) at \$120,000, the same as FY 2016-17. As required by law, the Proposed Budget was distributed to member agencies, and public hearing notices for the Final Budget were posted and published.

No comments have been received and no changes to the Proposed Budget have been recommended or are included in the attached Final Budget for FY 2017-18 (Attachment 1).

Summary of Operating Expenses and Revenues

The Final Budget for FY 2017-18 is \$160,225, an overall reduction from the previous year's operating expenses of just under \$10,000. With apportionment fees to remain at \$120,000 for FY 2017-18, there will be an operating deficit of approximately \$40,000. However, it is anticipated that there will be a roll-over of approximately \$20,000 budgeted for FY 2016-17 into the next FY cycle.

Additionally, it is estimated that there will be approximately \$10,000-15,000 in unallocated funds available at the end of the FY. Depending on the outcome of two other items on the June 5, 2017 Commission meeting agenda, there will remain a deficit of approximately \$5,000-8,000 in the FY 2017-18 budget.

At the May 1, 2017 Proposed Budget hearing, rather than increase apportionment fees for Fiscal Year 2017-18, the Commission provided direction to utilize reserve funds to cover the deficit. With adoption of the Final Budget, the Commission will be authorizing use of reserves to close the gap in revenue and expenditures.

Recommendation

Staff recommends the Commission adopt Resolution No. 16-17-12, thereby approving the Final Budget for Fiscal Year 2017-18 and direct staff to distribute the Final Budget to cities, special districts, and the County as required by law.

Attachments:

- 1) Resolution No. 16-17-12 approving the Final Budget for FY 2017-18

Resolution No. 16-17-12
of the Local Agency Formation Commission of Mendocino County

Adopting the
Final Budget for Fiscal Year 2017-18

WHEREAS, the Mendocino Local Agency Formation Commission, hereinafter referred to as the “Commission”, annually adopts a proposed budget by May 1st and a final budget by June 15th to fulfill its purposes and functions that are set by State law; and

WHEREAS, the Executive Officer gave sufficient notice of a public hearing to be conducted by the Commission in the form and manner prescribed by law; and

WHEREAS, the Executive Officer’s report and recommendations on the proposed budget were presented to the Commission in the manner provided by law; and

WHEREAS, the Commission heard and fully considered all the evidence presented at a public hearing held on the proposed budget for fiscal year 2017-18 on May 1, 2017.

WHEREAS, the Commission heard and fully considered all the evidence presented at a public hearing held on the final budget for fiscal year 2017-18 on June 5, 2017.

NOW, THEREFORE, the Mendocino Local Agency Formation Commission does hereby RESOLVE, DETERMINE, and ORDER as follows:

1. The Commission hereby approves a final budget for fiscal year 2017-18 in the amount of \$160,225, as shown in Exhibit A.
2. The final budget reflects the use of unrestricted fund balance and/or reserves in the amount of \$40,225 for purposes of increasing necessary operating expenses without increasing apportionment fees of member agencies.
3. The final budget allows the Commission to fulfill its prescribed regulatory and planning duties.

BE IT FURTHER RESOLVED that the Commission directs staff to distribute the final budget to member agencies and the County Auditor-Controller.

The foregoing Resolution was passed and duly adopted at a regular meeting of the Mendocino Local Agency Formation Commission held on this 5th day of June 2017, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

GERALD WARD, Chair

UMA HINMAN, Executive Officer

Mendocino Local Agency Formation Commission
Final Operating Budget FY 2017-2018

LAFCo Resolution No. XX

ACCOUNT #	DESCRIPTION	FY 2016-17 Adopted	FY 2016-17 Amended	FY 2017-18 Proposed
REVENUE				
4000	LAFCo Apportionment Fees	\$ 120,000	\$ 120,000	\$ 120,000
4100	Service Charges	\$ -	\$ -	
4800	Miscellaneous	\$ -	\$ -	
4910	Interest Income	\$ 120	\$ 120	\$ 120
	Revenue Total	\$ 120,120	\$ 120,120	\$ 120,120
EXPENSES				
5300	Basic Services	\$ 62,000	\$ 65,680	\$ 66,815
5500	Rent	\$ 5,160	\$ 5,160	\$ 5,360
5600	Office Expenses	\$ 2,000	\$ 2,000	\$ 3,350
5700	Internet & Website Costs	\$ 1,200	\$ 1,200	\$ 1,300
5900	Publication and Legal Notices	\$ 2,000	\$ 2,000	\$ 2,000
6000	Televising Meetings	\$ 1,700	\$ 1,700	\$ 3,000
6100	Audit Services	\$ 3,025	\$ 3,025	\$ 3,100
6200	Bookkeeping	\$ 4,800	\$ 4,800	\$ 4,800
6300	Legal Counsel	\$ 6,000	\$ 6,000	\$ 7,200
6400	A-87 Costs County Services	\$ 2,010	\$ 2,010	\$ 1,100
6500	Insurance-General Liability	\$ 1,000	\$ 1,000	\$ 1,000
6600	Memberships (CALAFCO/CSDA)	\$ 2,100	\$ 2,100	\$ 2,200
6670	GIS Contract with County			\$ 5,000
6740	In-County Travel & Stipends	\$ 4,300	\$ 4,300	\$ 2,000
6750	Travel & Lodging Expense	\$ 5,000	\$ 5,000	\$ 4,000
6800	Conferences (Registrations)	\$ 3,000	\$ 3,000	\$ 3,000
7000	Work Plan (MSRs and SOIs)			\$ 45,000
7001	MSR Reviews - Admin	\$ 15,000	\$ 15,000	\$ -
7501	SOI Updates	\$ 39,000	\$ 42,622	\$ -
	Operating Expense Total	\$ 159,295	\$ 166,597	\$ 160,225
	REVENUE/EXPENSE DIFFERENCE	\$ (39,175)	\$ (46,477)	\$ (40,105)
	<i>(Negative balance indicates use of fund balance)</i>			
Unreserved/Unrestricted Fund Balance (estimated for end of FY 2016-17)				
	Anticipated Cash Balance			\$ 16,000
	Anticipated Work Plan roll over for FY 2017-18			\$ 20,000
	Total Unreserved/Unrestricted Funds			\$ 36,000
Reserve Fund Balance				
	Operational Reserves			\$ 40,226
	Legal Reserves			\$ 50,000
	Total Reserve Funds			\$ 90,226

DRAFT Mendocino LAFCO MSR/SOI 5-Year Work Plan (FY 2017/18 - 2021/22)

NOTE: The schedule and budget for each project identified in this two-year Work Plan is an estimate based on receiving complete information from applicable agencies within a reasonable time frame and minimal controversy through the public review process. This Work Plan will be reviewed and revised periodically to account for a more refined level of detail related to the

Year Adopted	Service Provider	MSR	SOI	Proposed Budget
<i>Estimated Work Plan roll-over from FY 2016/17</i>				\$ 20,000
Fiscal Year 2017/18				
2008	City of Fort Bragg	*	*	\$ 6,000
2006	Redwood Coast FPD	*	*	\$ 3,500
2011	Fort Bragg Rural FPD	*	*	\$ 5,000
2015	City of Willits		*	\$ 3,000
2010	Brooktrails Township CSD	*	*	\$ 8,000
2010	Covelo CSD	*	*	\$ 5,000
2008	Mendocino City CSD	*	*	\$ 8,000
2008	Mendocino Coast Rec & Park District	*	*	\$ 5,000
n/a	Mutual Water Companies (9) - profiles only			\$ 1,500
<i>Subtotal (FY 2017/18)</i>				\$ 45,000
Fiscal Year 2018/19				
2012	City of Ukiah	*	*	\$ 12,500
2013?	Ukiah Valley Sanitation District	*	*	\$ 10,000
n/a	Lighting Districts (11?)	*	*	\$ 6,500
n/a	CSAs (10? needs research)	*	*	\$ 7,500
<i>Subtotal (FY 2018/19)</i>				\$ 36,500
Fiscal Year 2019/20				
2015	City of Point Arena	*	*	\$ 7,500
2015	Anderson Valley CSD	*	*	\$ 4,000
2015, 2016	Water Districts (12)	*	*	\$ 20,000
<i>Subtotal (FY 2019/20)</i>				\$ 31,500
Fiscal Year 2020/21				
2016	Hopland PUD	*	*	\$ 3,500
2016	Mendocino Health Care District	*	*	\$ 5,000
2016	Mendocino County RCD	*	*	\$ 4,000
2016	Noyo Harbor District	*	*	\$ 5,000
2017	Cemetery Districts (8)	*	*	\$ 10,000
<i>Subtotal (FY 2020/21)</i>				\$ 27,500
Fiscal Year 2021/22				
2017	Russian River Flood Control District	*	*	\$ 3,500
2017	City of Fort Bragg	*	*	\$ 10,000
2017	Comptche CSD	*	*	\$ 3,500
2017	Elk Community CSD	*	*	\$ 3,500
2017	Potter Valley CSD	*	*	\$ 3,500
2017	Fire Districts (12)	*	*	\$ 18,000
<i>Subtotal (FY 2021/22)</i>				\$ 42,000
<p>Note: The estimated annual Work Plan tasks and budget may continue into the following FY depending on overall staff workload. It is advised that this Work Plan be viewed as a guideline and perhaps reviewed mid-year. For example, the City of Fort Bragg, City of Willits, and Redwood Coast FPD reports were started and partially billed in FY 2016/17.</p>				

Ukiah Daily Journal

617 S. State St
Ukiah, California 95482
(707) 468-3500
advertising@record-bee.com

2117504

MENDOCINO COUNTY LAFCO
200 SOUTH SCHOOL ST
UKIAH, CA 95482

**PROOF OF PUBLICATION
(2015.5 C.C.P.)**

**STATE OF CALIFORNIA
COUNTY OF MENDOCINO**

I am a citizen of the United States and a resident of the County aforesaid; I am over the age of eighteen years, and not a party to or interested in the above entitled matter. I am the principal clerk of the printer of the Ukiah Daily Journal, a newspaper of general circulation, printed and published daily in the City of Ukiah, County of Mendocino and which newspaper has been adjudged a newspaper of general circulation by the Superior Court of the County of Mendocino, State of California, under the date of September 22, 1952, Case Number 9267; that the notice, of which the annexed is a printed copy (set in type not smaller than non-pareil), has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

05/06/2017

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

Dated at Ukiah, California,
May 18th, 2017



Molly E. Lane, LEGAL CLERK

Legal No. **0005952250**

2692-17

5-6/17

Notice of Public Hearing:

NOTICE IS HEREBY GIVEN that on Monday, June 5, 2017, at 9:00 AM (or as soon thereafter as the matter may be heard) in the Mendocino County Board of Supervisors Chambers, 501 Low Gap Road, Ukiah, California, the Mendocino Local Agency Formation Commission (LAFCo) will hold a public hearing to consider adoption of the **Final Budget for Fiscal Year 2017-2018**. The LAFCo Budget for the coming fiscal year anticipates revenues in the amount of \$120,000 and expenditures in the amount of \$160,225, not including reimbursable application costs. The proposed final budget utilizes a portion of the unrestricted fund balance to offset expenditures that exceed revenues. Copies of all related documents are on file and may be reviewed at the LAFCo website (www.mendolafco.org) or at the LAFCo office. If you cannot attend the public hearing described in this notice, you may submit written comments prior to the hearing. Please direct comments, questions, and requests to review documents to LAFCo, 200 South School Street, Ukiah, CA 95482; e-mail: eo@mendolafco.org; phone: (707) 463-4470. All interested persons are invited to attend, be heard, and participate in the hearings. BY ORDER OF THE MENDOCINO LOCAL AGENCY FORMATION COMMISSION UMA HINMAN, Executive Officer

The Willits News

77 W Commercial Street
PO Box 628
Willits, CA 95490
707-459-4643

2117504

MENDOCINO COUNTY LAFCO
200 SOUTH SCHOOL ST
UKIAH, CA 95482

PROOF OF PUBLICATION

**STATE OF CALIFORNIA
COUNTY OF MENDOCINO**

I am a citizen of the United States and a resident of the County aforesaid; I am over the age of eighteen years, and not a party to or interested in the above-entitled matter. I am the principal clerk of the printer of The Willits News, a newspaper of general circulation, printed and published Every Wednesday and Friday in the City of Willits, California, County of Mendocino, and which newspaper has been adjudged a newspaper of general circulation by the Superior Court of the County of Mendocino, State of California, in the year 1903, Case Number 9150; that the notice of which the annexed is a printed copy (set in type not smaller than nonpareil), has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to-wit:

05/10/2017

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

Dated at Willits, California this 10th day of May, 2017.



Signature

Legal No. **0005951382**

WN17025

Notice of Public Hearing

NOTICE IS HEREBY GIVEN that on Monday, June 5, 2017, at 9:00 AM (or as soon thereafter as the matter may be heard) in the Mendocino County Board of Supervisors Chambers, 501 Low Gap Road, Ukiah, California, the Mendocino Local Agency Formation Commission (LAFCo) will hold a public hearing to consider adoption of the **Final Budget for Fiscal Year 2017-2018**. The LAFCo Budget for the coming fiscal year anticipates revenues in the amount of \$120,000 and expenditures in the amount of \$160,225, not including reimbursable application costs. The proposed final budget utilizes a portion of the unrestricted fund balance to offset expenditures that exceed revenues. Copies of all related documents are on file and may be reviewed at the LAFCo website (www.mendolafco.org) or at the LAFCo office. If you cannot attend the public hearing described in this notice, you may submit written comments prior to the hearing. Please direct comments, questions, and requests to review documents to LAFCo, 200 South School Street, Ukiah, CA 95482; e-mail: eo@mendolafco.org; phone: (707) 463-4470. All interested persons are invited to attend, be heard, and participate in the hearings. BY ORDER OF THE MENDOCINO LOCAL AGENCY FORMATION COMMISSION
UMA HINMAN, Executive Officer
5/10/2017

Fort Bragg Advocate-News

690 S. Main Street
PO Box 1188
Fort Bragg, California 95437
707-964-5642

2117504

MENDOCINO COUNTY LAFCO
200 SOUTH SCHOOL ST
UKIAH, CA 95482

**PROOF OF PUBLICATION
(2015.5 C.C.P.)**


**STATE OF CALIFORNIA
COUNTY OF MENDOCINO**

I am a citizen of the United States and a resident of the County aforesaid; I am over the age of eighteen years, and not a party to or interested in the above entitled matter. I am the Office Clerk of the Fort Bragg Advocate-News, a newspaper of general circulation by the Superior Court of the County of Mendocino, State of California under the date of May 9, 1952 - Case Number 9151, that the notice, of which the annexed is a printed copy (set in type not smaller than nonpareil), has been printed in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates:

05/11/2017

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

Dated at Ukiah, California,
May 11th, 2017



Mary Martin, LEGAL CLERK

Legal No. **0005951518**

**NOTICE OF
PUBLIC
HEARING:**

NOTICE IS HEREBY GIVEN that on Monday, June 5, 2017, at 9:00 AM (or as soon thereafter as the matter may be heard) in the Mendocino County Board of Supervisors Chambers, 501 Low Gap Road, Ukiah, California, the Mendocino Local Agency Formation Commission (LAFCO) will hold a public hearing to consider adoption of the **Final Budget for Fiscal Year 2017-2018**. The LAFCO Budget for the coming fiscal year anticipates revenues in the amount of \$120,000 and expenditures in the amount of \$160,225, not including reimbursable application costs. The proposed final budget utilizes a portion of the unrestricted fund balance to offset expenditures that exceed revenues. Copies of all related documents are on file and may be reviewed at the LAFCO website (www.mendolafo.org) or at the LAFCO office. If you cannot attend the public hearing described in this notice, you may submit written comments prior to the hearing. Please direct

comments, questions, and requests to review documents to LAFCO, 200 South School Street, Ukiah, CA 95482; e-mail: eo@mendolafo.org; phone: (707) 463-4470. All interested persons are invited to attend, be heard, and participate in the hearings. BY ORDER OF THE MENDOCINO LOCAL AGENCY FORMATION COMMISSION UMA HINMAN, Executive Officer
Publish:
05/11/2017

MENDOCINO
Local Agency Formation Commission

Staff Report

DATE: June 5, 2017
TO: Mendocino Local Agency Formation Commission
FROM: Larkyn Feiler, Analyst
SUBJECT: **Workshop** for Little Lake Fire Protection District Draft Sphere of Influence Update

Background

This is a workshop to introduce the Draft Sphere of Influence (SOI) Update for the Little Lake Fire Protection District (LLFPD). LLFPD was part of the Multi-District Fire Protection Services Municipal Service Review (MSR), which the Commission adopted on April 4, 2016. This report includes informational updates to the MSR that support the SOI analysis, recommendation, and determinations.

The District's boundary area is approximately 239 square miles and encompasses the City of Willits and the surrounding Little Lake Valley. The District's SOI is coterminous with the District boundary and was established by LAFCo on October 4, 1993, along with other special districts providing fire service in Mendocino County (LAFCo Resolution No. 93-4). The District has not requested a modification to the existing SOI and the SOI Update recommends the Commission affirm the existing coterminous sphere of influence.

SOI Update for Multiple Fire Protection Service Providers

To assist in preparing a Multi-District Fire SOI Update, staff mailed a Request for Information (RFI) to the following fourteen fire protection service providers in September 2016 and received a response from Comptche, Elk, Leggett Valley, and Little Lake. Staff is in the process of following up with all the fire districts to re-engage them in the process and to receive information in order to prepare the SOI Updates and move forward with scheduling items for workshop and public hearing.

1. Albion-Little River Fire Protection District
2. Comptche Community Services District
3. Covelo Fire Protection District
4. Elk Community Services District
5. Hopland Fire Protection District
6. Leggett Valley Fire Protection District
7. Little Lake Fire Protection District
8. Long Valley Fire Protection District
9. Mendocino Fire Protection District
10. Piercy Fire Protection District
11. Potter Valley Community Services District
12. Redwood Valley-Calpella Fire Protection District
13. South Coast Fire Protection District
14. Ukiah Valley Fire Protection District

Recommendation

Staff recommends the Commission hold a workshop on the Draft SOI Update, provide comments and requested revisions, and direct staff to notice the matter for public hearing once SOI Updates are completed for multiple fire protection service providers in order to bring them together for consideration.

Attachments:

(1) Little Lake Fire Protection District Draft Sphere of Influence Update

Workshop Draft

**LITTLE LAKE
FIRE PROTECTION DISTRICT**

Sphere of Influence Update

Prepared for:

MENDOCINO LAFCO

200 South School Street
Ukiah, California 95482

<http://www.mendolafco.org/>

June 5, 2017

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1 INTRODUCTION

1.1 LOCAL AGENCY FORMATION COMMISSION

Local Agency Formation Commissions (LAFCo) are quasi-legislative, independent local agencies that were established by State legislation in 1963 to oversee the logical and orderly formation and development of local government agencies including cities and special districts. There is one LAFCo for each county in California.

LAFCo is responsible for implementing the Cortese-Knox-Hertzberg (CKH) Local Government Reorganization Act of 2000 (California Government Code Section 56000 et. seq.) in order to promote orderly growth, prevent urban sprawl, preserve agricultural and open space lands, and oversee efficient provision of municipal services.

LAFCo has the authority to establish and reorganize cities and special districts, change their boundaries and authorized services, allow the extension of public services, perform municipal service reviews, and establish spheres of influence. Some of LAFCo's duties include regulating boundary changes through annexations or detachments and forming, consolidating, or dissolving local agencies.

1.2 MENDOCINO LAFCO

The CKH Act provides for flexibility in addressing State regulations to allow for adaptation to local needs. Mendocino LAFCo has adopted policies, procedures and principles that guide its operations. These policies and procedures can be found on Mendocino LAFCo's website at the following location: <http://www.mendolafco.org/policies.html>.

Mendocino LAFCo has a public Commission with seven regular Commissioners and four alternate Commissioners. The Commission is composed of two members of the Mendocino County Board of Supervisors, two City Council members, two Special District Representatives, and one Public Member-At-Large. The Commission also includes one alternate member for each represented category.

1.3 MUNICIPAL SERVICE REVIEW

The CKH Act (GC §56430) requires LAFCo to prepare a Municipal Service Review (MSR) for all local agencies within its jurisdiction. MSRs are required prior to and in conjunction with the update of a Sphere of Influence (SOI).

An MSR is a comprehensive analysis of the services provided by a local government agency to evaluate the capabilities of that agency to meet the public service needs of their current and future service area. An MSR must address the following seven factors:

1. Growth and population projections for the affected area
2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence
3. Present and planned capacity of public facilities and adequacy of public services including infrastructure needs or deficiencies
4. Financial ability of agency to provide services

5. Status of, and opportunities for, shared facilities
6. Accountability for community service needs, including government structure and operational efficiencies
7. Any other matter related to effective or efficient service delivery, as required by commission policy

MSRs include written statements or determinations with respect to each of the seven mandated areas of evaluation outlined above. These determinations provide the basis for LAFCo to consider the appropriateness of a service provider's existing and future service area boundary.

1.4 SPHERE OF INFLUENCE

The CKH Act requires LAFCo to adopt a Sphere of Influence (SOI) for all local agencies within its jurisdiction. A Sphere of Influence (SOI) is "a plan for the probable physical boundary and service area of a local agency or municipality as determined by the Commission" (GC §56076).

When reviewing an SOI for a municipal service provider, LAFCo will consider the following five factors:

1. The present and planned land uses in the area, including agricultural and open space lands
2. The present and probable need for public facilities and services in the area
3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide
4. The existence of any social or economic communities of interest in the area if LAFCo determines that they are relevant to the agency
5. The present and probable need for sewer, water, and/or fire protection public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence

SOI Updates include written statements or determinations with respect to each of the five mandated areas of evaluation outlined above. These determinations provide the basis for LAFCo to consider the appropriateness of establishing or modifying a service provider's sphere of influence or probable future boundary.

1.5 FIRE PROTECTION AND EMERGENCY MEDICAL SERVICES

The following general information is provided as background regarding municipal fire service operations and issues. Fire districts are formed and regulated pursuant to Health and Safety Code Section 13801 et seq. This enabling legislation authorizes fire districts to provide services relating to the protection of lives and property.

The range of services provided by public fire protection agencies vary depending on the level of financial and staff resources available, but generally entails serving as first responders to incidents related to structure fires, rescue, medical emergencies, hazardous materials (HAZMAT), public assistance, and any other emergency condition for which the agency is dispatched. Some public fire protection agencies also provide advanced life support and ambulance or medical transport services.

The primary issues for fire service providers include funding constraints, unpredictable community growth, and providing fire protection and emergency medical response in compliance with increasingly complex local and state standards.

EMS SYSTEM

The Emergency Medical Services (EMS) system consists of first responder services provided by local fire agencies within the county, advanced life support and medical transport services, and area hospitals that provide medical intervention and emergency receiving facilities. By state law, the EMS system is a county government function. Coastal Valley EMS has been designated as the Local Emergency Medical Services Agency (LEMSA) for Mendocino County and is responsible for managing the EMS system and regulating and monitoring out-of-hospital emergency medical services providers. This includes the licensing and/or permitting of ambulance provider companies and hospitals, coordination and monitoring of air and ground ambulances, certification and/or accreditation of pre-hospital care personnel (EMT and paramedics), policy development and implementation, medical control, quality improvement, and disaster medical response preparedness.

MUTUAL AND AUTOMATIC AID

While fire protection and emergency medical service providers primarily serve residents and property within their jurisdictional boundary, due to the critical need for rapid response in emergency situations, when a call for service is received, the nearest available response unit is dispatched regardless of jurisdictional boundary.

There are large areas in Mendocino County that are located outside the boundaries of any fire protection service provider. These areas are located within County Service Area (CSA) #3 by default, although this entity does not provide fire protection or emergency medical services. In order to meet the urgent needs of those located outside district boundaries, most fire protection agencies have mutual and automatic aid agreements with adjacent service providers to cover the areas in between jurisdictions.

Mutual aid refers to reciprocal service and support provided to another agency upon request under a mutual aid agreement between one or more agencies. Automatic aid refers to reciprocal service and support provided to another agency with no need for a request to be made under an automatic aid agreement between one or more agencies. These types of pre-arrangements allow for the dispatch and use of additional equipment and personnel that a single jurisdiction cannot provide on its own and also entails a reciprocal return of resources when needed.

DISPATCH

In Mendocino County, Fire and EMS dispatch services are provided by the CALFIRE Emergency Communications Command Center (ECC) at Howard Forest near Willits. The emergency medical system consists of the initial medical response and ambulance transport to the appropriate medical facility. Due to the dynamic and unpredictable nature of emergency medical services, more than one public agency could be dispatched to an emergency. In responding to emergencies, local fire departments and ambulance service providers are often dispatched to medical calls simultaneously. In most cases, fire departments arrive on scene prior to the ambulance and provide first aid and basic life support such as gathering vital signs, stabilizing the patient, and preparing the patient for transport to the hospital.

RESPONSE TIMES

Response time relates to the time elapsed between the dispatch of personnel and the arrival of the first responder on the scene of an incident. There are different response time expectations and first responder capabilities in serving urban, suburban, and rural areas. For fire and paramedic service, there

are service standards relating to response times. In general, the faster the response time the higher the likelihood of a positive outcome related to managing and addressing the incident. A fast response time for medical care is especially important for incidents involving patients who are suffering from a life threatening condition. Further, a fast response time for fire suppression is important to prevent a structure fire from rapidly spreading to other structures and/or wildland interface areas.

FUNDING

Fire districts generate revenue primarily from a share of Mendocino County's ad valorem property tax, special assessments, fees for services, and fundraising. Since the adoption of Proposition 13, fire protection districts have received less funding through property taxes. The reduction in the underlying revenue base for fire protection districts became more challenging as a result of the state-mandated Educational Revenue Augmentation Fund (ERAF) property tax re-alignment.

In response, some fire protection districts have increased their revenue base by gaining voter support through Proposition 218 for special assessments and taxes. In general, fire protection districts operate with limited resources and are very resourceful in using volunteers, surplus and donated equipment, and by working cooperatively with other fire agencies to deliver services. Long-range financial planning is needed to sustain fire protection services in the future as these districts face higher costs for providing existing levels of service due to more complex regulations and increasing employee benefit contributions, in addition to meeting future demand for services from new development and growth.

1.6 DISADVANTAGED UNINCORPORATED COMMUNITIES

Senate Bill (SB) 244, which became effective in January 2012, requires LAFCo to evaluate any Disadvantaged Unincorporated Communities (DUCs), including the location and characteristics of any such communities, when preparing an MSR that addresses agencies that provide water, wastewater or structural fire protection services. A DUC is an unincorporated geographic area with 12 or more registered voters with a median household income of 80 percent or less of the statewide median household income (MHI). This State legislation is intended to ensure that the needs of these communities are met when considering service extensions and/or annexations in unincorporated areas. The identification and discussion of DUCs is provided in the recent MSR prepared for these public fire agencies and is also addressed in the SOI Determinations section of this report.

1.7 SENATE BILL 215

Senate Bill (SB) 375 (Sustainable Communities and Climate Protection Act) requires each metropolitan planning organization (MPO) to address regional greenhouse gas (GHG) emission reduction targets for passenger vehicles in their Regional Transportation Plan (RTP) by integrating planning for transportation, land-use, and housing in a sustainable communities strategy. Senate Bill (SB) 215 (Wiggins) requires LAFCo to consider regional transportation plans and sustainable community strategies developed pursuant to SB 375 before making boundary decisions.

Mendocino County is not located within an MPO boundary and therefore is not subject to the provisions of SB 375. However, the Mendocino Council of Governments (MCOG) supports and coordinates the local planning efforts of Mendocino County and the Cities of Fort Bragg, Point Arena, Ukiah, and Willits to address regional housing and transportation needs and helps provide a framework for sustainable

regional growth patterns through the Vision Mendocino 2030 Blueprint Plan. MCOG is also responsible for allocating regional transportation funding to transportation improvement projects consistent with the 2010 RTP for Mendocino County.

Mendocino County and the Cities of Fort Bragg, Point Arena, Ukiah, and Willits are the local agencies primarily responsible for planning regional growth patterns through adoption and implementation of a General Plan and Zoning Regulations. The public fire agencies in Mendocino County were established to provide fire protection services and do not have the legal authority to make land use policy decisions that would impact growth in Mendocino County. Therefore, there will be no further discussion of the requirements of SB 375 or SB 215 in this SOI Update.

2 SPHERE OF INFLUENCE UPDATE

2.1 BACKGROUND

LAFCo prepares a Municipal Service Review (MSR) prior to or in conjunction with the Sphere of Influence (SOI) Update process. The SOI Update considers whether a change to a district sphere, or probable future boundary, is warranted to plan the logical and orderly development of a district in a manner that supports CKH Law and the Policies of the Commission. This SOI Update and associated determinations is prepared pursuant to California Government Code §56425(e).

LAFCo approved the Multi-District Fire Protection Services Municipal Service Review on April 4, 2016 (LAFCo Resolution No. 15-16-18) which addressed twelve Special Districts providing fire protection services including the Little Lake Fire Protection District (LLFPD) as shown in Figure 1-1. This previously approved MSR and associated determinations form the basis of analysis and information for this SOI Update. To ensure the Commission has the most updated information for consideration, the MSR determinations were reviewed and updates provided in the relevant sections as appropriate.

2.2 DETERMINATIONS

2.2.1 SPHERE OF INFLUENCE

The District's boundary area is approximately 239 square miles (153,212 acres) and encompasses the City of Willits and the surrounding Little Lake Valley area. The District's SOI is coterminous with the District boundary and was established by LAFCo on October 4, 1993 along with other Special Districts providing fire service in Mendocino County (LAFCo Resolution No. 93-4).

2.2.2 OUT-OF-AREA SERVICES

The District participates with Brooktrails Fire Department in a joint powers authority (JPA) and formal automatic aid agreement. The District also maintains the following mutual aid agreements with other agencies: Long Valley (Laytonville) and Redwood Valley-Calpella Fire Protection Districts, and the California Department of Forestry and Fire Protection (CALFIRE) for wildland fire incidents. LLFPD is a member of the Zone 2 Planning Mutual Aid Association.

2.2.3 AREAS OF INTEREST

Area A: There are two small pockets near the southeast District boundary that are also adjacent to Potter Valley Community Services District and Redwood Valley-Calpella Fire Protection District, but are not included within any fire service district.

Area B: There is also an area along US 101 between LLFPD and Redwood Valley-Calpella Fire Protection District that is not within a fire service district, although a portion of this area is the Ridgewood Ranch (Seabiscuit Heritage Foundation), which is served.

Area C: Existing residential development between the LLFPD boundary and the Brooktrails Township Community Services District is apparently not served.

As determined in the 2016 MSR prepared for LLFPD, at the time the District Sphere of Influence is updated, these areas identified as un-served should be considered for inclusion in an appropriate fire

protection district. These areas do not constitute a community of interest that is relevant to LLFPD and distinguishable from adjacent un-served areas within County Service Area (CSA) 3.

2.2.4 MSR UPDATE

The MSR information and associated determinations prepared for the District in 2016 remain accurate and serve as a reliable basis for the SOI Determinations contained in this report.

FINANCIAL UPDATE

The following table provides updated financial information for Fiscal Year 2014-2015 provided by LLFPD for the preparation of this document.

Table 2-1 LLFPD Financial Summary			
	FY 13-14	FY 14-15	FY 15-16
Beginning Fund Balance	\$1,113,789	\$1,280,046	
Ending Fund Balance	\$1,280,046	\$1,209,102	
Revenue			
Special Tax	\$607,144	\$622,420	
Taxes & Intergovernmental	\$313,976	\$309,424	
Interest Income	\$4,611	\$3,471	
Other Revenue	\$27,006	\$15,420	
Total Revenue	\$952,737	\$950,735	
Expenses			
Salaries & Employee Benefits	\$490,873	\$750,787	
Fixed Assets	\$104,541	\$104,274	
Services, Supplies, & Refunds	\$191,065	\$166,618	
Total Expenses	\$786,479	\$1,021,679	
Net Income/Loss	\$166,257	-\$70,944	

Source: Pehling, November 2014. Pehling, November 2015.

SUMMARY OF MSR DETERMINATIONS

The following table summarizes the MSR Determinations contained in the 2016 MSR for the Little Lake Fire Protection District; no changes are proposed based on the updates received from the District.

Table 2-2 Summary of MSR Determinations
Growth and Population Projections
<ol style="list-style-type: none"> 1. There are approximately 10,000 residents within the District according to District estimates. The population of the City of Willits is 5,000. 2. The population of the District is expected to grow at relatively low levels (less than 1% per year).
Location And Characteristics of any Disadvantaged Unincorporated Communities Within or Contiguous to the Sphere Of Influence
<ol style="list-style-type: none"> 3. The City of Willits, as well as the surrounding area appears to qualify as a Disadvantaged

<p>Unincorporated Community (DUC). Any future annexations to the District will require consideration of any DUC in proximity to the annexation area.</p> <p>4. For LLFPD, structural fire protection is provided by the District and is considered to be satisfactory. The District does not provide water or sewer services, and is therefore not responsible for assuring that these services are adequately provided to the community.</p>
<p>Present and Planned Capacity of Public Facilities and Adequacy of Public Services, Including Infrastructure Needs and Deficiencies</p>
<p>5. The District's current facilities are considered marginal to adequately serve current demand for fire protection services. Any future growth within the District will require new facilities and equipment to serve the area.</p> <p>6. The LLFPD reported that its main station at 74 East Commercial Street in Willits is in need of expansion. The District is attempting to acquire sufficient funds to accomplish this work.</p> <p>7. Capital improvement needs for the District are generally planned in the budget; most of this work has been limited through the use of reserve funds.</p>
<p>Financial Ability of Agency to Provide Services</p>
<p>8. LLFPD reported that current financing levels are adequate to deliver the current level of services for several more years. There is not enough funding to accommodate expansion of medical response services (ambulance), and training of additional fulltime paid personnel.</p>
<p>Additional financing opportunities identified by the District include being able to accrue sufficient funding to expand the existing main station or build a new station.</p>
<p>9. The District manages to function on limited revenues, and has been able to utilize unspent funds for equipment and firehouse improvements.</p> <p>10. Annual District costs continue to rise and will require the District to address future funding mechanisms and may include increasing the special tax.</p> <p>11. In order to more accurately reflect actual costs for salaries and fringe benefits of paid personnel, District financial documents (including the annual audit) should separate out volunteer firefighter reimbursements as a separate line item category.</p>
<p>Status and Opportunities for Shared Facilities</p>
<p>12. The District collaborates with other fire service providers through statewide and countywide mutual aid agreements. The District is a member of the California Special District Association (CSDA), the Fire Safe Council, the Mendocino County Fire Chief's Association, and the Mendocino County Special District Association.</p> <p>13. The District did not identify any future opportunities for facility sharing.</p>
<p>Accountability for Community Services, Including Governmental Structure and Operational Efficiencies</p>
<p>14. LLFPD is governed by an elected five-person Board of Directors. However, all recent Board positions have been filled by appointment of the Mendocino County Board of Supervisors. While difficult to achieve, the District should renew its efforts to identify more than one candidate for each Board position so that voters within the District will be afforded a choice and an opportunity to vote.</p> <p>15. Over the years, discussions have been held with the Brooktrails Fire Department regarding consolidation. There are no discussions currently ongoing.</p> <p>16. Board Members conduct the business of the District and administer most of the requisite paperwork.</p> <p>17. In addition to the required agendas and minutes, the District tries to inform its constituents through multiple outreach activities.</p> <p>18. Development of a District website would enhance opportunities to inform the public.</p>

19. At the time the District Sphere of Influence is updated, those areas identified in this MSR as 'Unserved Areas' should be considered for inclusion in an appropriate fire protection district.
20. The agency demonstrated accountability in its cooperation with the Mendocino LAFCo information requests.

Source: Multi-District Fire Protection Services Municipal Service Review, April 2016.

2.2.5 SOI RECOMMENDATION

It is recommended that the Commission affirm an SOI for LLFPD that is coterminous with the District boundary. The following statements have been prepared in support of this recommendation.

2.2.5.1 Present and planned land uses in the area

The District's boundary area includes Federal Bureau of Land Management (BLM) land on the eastern edge of the District, a small portion of the Jackson State Forest on the western boundary, and the City of Willits. A majority of the land within the District and outside the City Limits consists of forest land with recreational uses. The land use authority for unincorporated areas of the District is the County of Mendocino. The City of Willits is the land use authority for areas within the City Limits. The City of Willits has a full range of residential, commercial, industrial, public, and open space lands.

2.2.5.2 Present and probable need for public facilities and services in the area

LLFPD is an urban/rural fire protection agency headquartered in the City of Willits. The District serves all of the City of Willits, as well as the highway corridors (Highways 101 and 20) and outlying rural areas. LLFPD provides structural fire protection, wildland fire protection, emergency medical services to an EMT/First Responder level, rescue and extraction, hazardous material response, and fire prevention. The 2016 MSR prepared for LLFPD found that the District serves approximately 10,000 residents, of which 5,000 reside in the City of Willits, and the population of the District is expected to increase minimally (less than 1% per year). Based on the City of Willits 2015 MSR, the current growth rate within the City of Willits is 0.3% per year, which equates to approximately 15 additional residents per year.

2.2.5.3 Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide

As determined in the 2016 MSR prepared for LLFPD, the District's current facilities are considered marginal to adequately serve current demand for fire protection services. Any future growth within the District will require new facilities and equipment to serve the area. The LLFPD reported that its main station at 74 East Commercial Street in Willits is in need of expansion and the District is attempting to acquire sufficient funds to accomplish this work.

As determined in the 2016 MSR prepared for LLFPD, the District's current financing levels are adequate to deliver the current level of services for several more years. The District manages to function on limited revenues, and has been able to utilize unspent funds for equipment and firehouse improvements. Annual District costs continue to rise and will require the District to address future funding mechanisms and may include increasing the special tax.

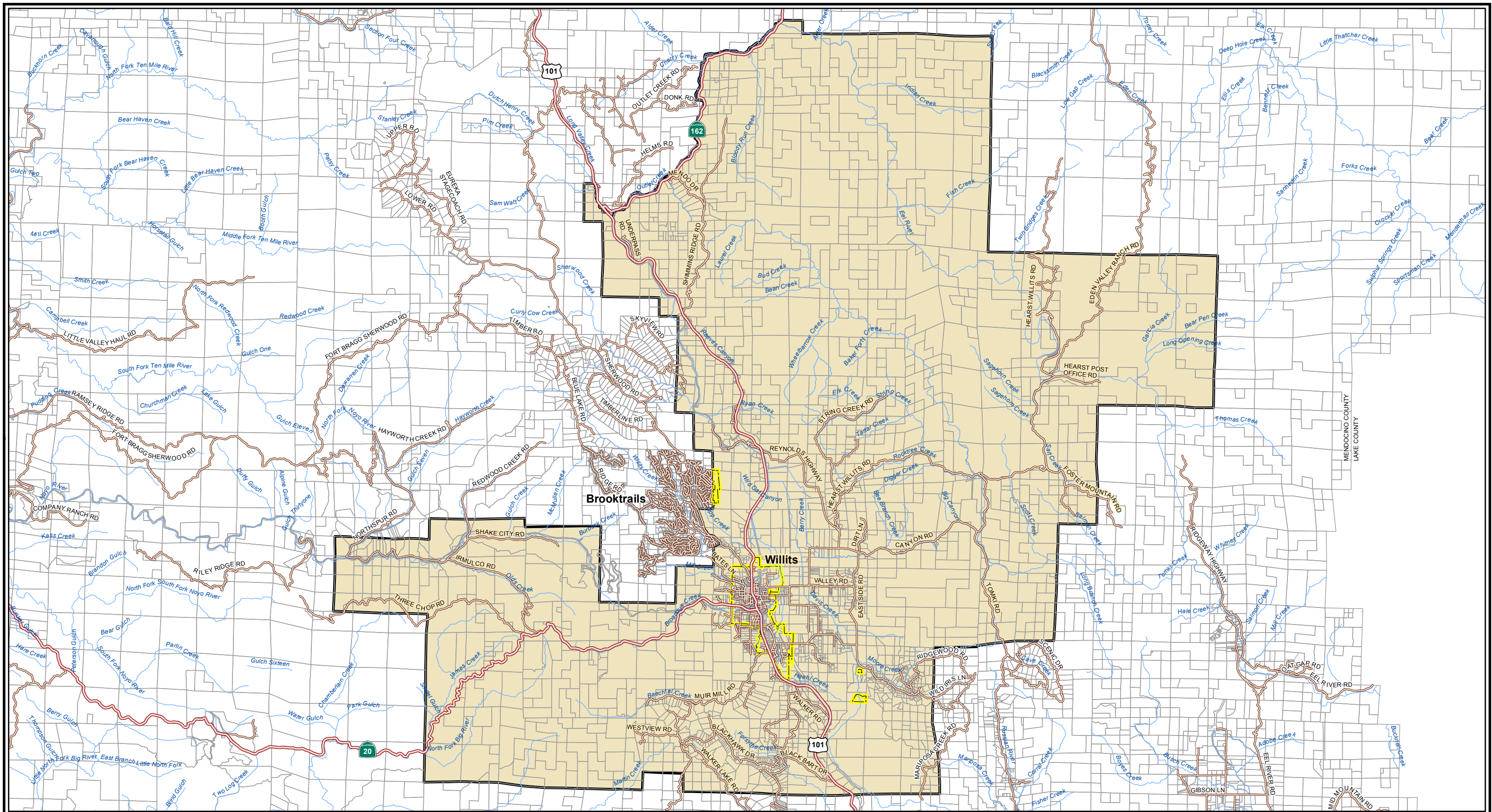
2.2.5.4 Existence of social or economic communities of interest in the area if the Commission determines that they are relevant to the agency

No social or economic communities of interest have been identified in the immediate vicinity of the District in the preparation of this SOI Update that should be included in the District boundary.

2.2.5.5 Present and Probable need for Public Facilities and Services of Disadvantaged Unincorporated Communities

The City of Willits and the surrounding area appears to qualify as a Disadvantaged Unincorporated Community (DUC). Any future annexations to the District will require consideration of any DUC in proximity to the annexation area.

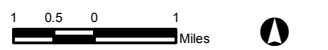
Structural fire protection provided by the District is considered to be satisfactory. The District does not provide water or sewer services, and is therefore not responsible for ensuring that these services are adequately provided to the community.



Little Lake Fire Protection District

Source: This map was prepared by the Mendocino County Department of Information Services GIS Program, June 2013.
 Note: This map is not a survey product.

- Little Lake FPD
- Parcels
- Roads
- City of Willits
- Highways
- Streams



3 REFERENCES

Little Lake Fire Protection District (LLFPD). October 3, 2016. District Response to Information Request from the Local Agency Formation Commission of Mendocino County in preparation for the 2017 Sphere of Influence Update. 3-pages. Available at LAFCo's office upon request.

Mendocino LAFCo. April 4, 2016. Multi-District Fire Protection Services Municipal Service Review. 222-pages. Available online at:
<http://mendolafco.org/msr/Final%20Fire%20MSR%20for%20Hearing%2004-04-16.pdf>.

Pehling & Pehling, CPAs. November 24, 2014. Independent Auditor's Report for Little Lake Fire Protection District. Truckee, CA.

Pehling & Pehling, CPAs. November 24, 2015. Independent Auditor's Report for Little Lake Fire Protection District. Truckee, CA.

4 ACKNOWLEDGEMENTS

4.1 ASSISTANCE AND SUPPORT

This Sphere of Influence Update could not have been completed without the assistance and support from the following organizations and individuals.

LAFCo Staff	Uma Hinman, Executive Officer Larkyn Feiler, Analyst Beth Salomone, Commission Clerk
Little Lake Fire Protection District	Carl Magann, Former Fire Chief Chris Wilkes, Training Chief

MENDOCINO Local Agency Formation Commission

Staff Report

DATE: June 5, 2017
 TO: Mendocino Local Agency Formation Commission
 FROM: Uma Hinman, Executive Officer
 SUBJECT: Request to Exceed Basic Services Budget

Background

During the May 1, 2017 Executive Committee meeting, staff presented a status report of the budget to date, projecting out to the end of the year for the Executive Officer Basic Services budget. The budget for Basic Services includes the Executive Officer, Analyst, and Clerk. The overall budget line for Basic Services for Fiscal Year 2016-17 is \$65,680, with \$21,600 of that specified for the Clerk.

As we near the end of the year, at the current level of service it is apparent that the Basic Services budget is going to be short approximately \$4,500.

Contract	Contract Amount	Remainder (as of 5/28/17)	Estimated Additional Need
Basic Services	\$65,680	\$1,871	\$4,500

This being a transition year has resulted in unanticipated work including extensive time verifying and correcting Quickbooks entries, and a backlog of project clean-up and final steps for completion. Additionally, staff has spent unanticipated time attending a Fire District Association meeting and several follow up meetings with EMS management entities, including members of the Fire District Association, Coastal Valley EMS, and the County Health and Human Services Department. Staff believes the time spent has been valuable in developing relationships with agencies and County departments.

It is anticipated there will be unused funds from other budget accounts and that there will be no need to go above the overall fiscal year budget. However, the budget for Basic Services (Account 5301) will be exceeded. Options for consideration are reduction of staff time/effort through the end of the fiscal year or approval of use of additional funds above the 5301 Basic Services budget line.

The Executive Committee expressed support for keeping current level of services through the end of the fiscal year and directed staff to present a request for approval to exceed the Basic Services budget line for full Commission consideration.

Recommendation

Staff requests Commission approval to exceed the Basic Services budget line no more than \$4,500.

MENDOCINO

Local Agency Formation Commission

Staff Report

DATE: June 5, 2017
TO: Mendocino Local Agency Formation Commission
FROM: Uma Hinman, Executive Officer
SUBJECT: Request for AVCSD Application Fee Reimbursement

Background

The Anderson Valley Community Services District (AVCSD) and Anderson Valley Ambulance Service (AVAS) are working together to bring the AVAS ambulance service under AVCSD governance and operations. To this end, AVAS funded, and AVCSD submitted, a LAFCo application involving annexation/detachment and activation of latent powers for ambulance services based on information received from a pre-application review with LAFCo staff in spring 2016.

While working through the tax share negotiation process with the County in winter 2016-17, it became evident to AVCSD that the tax share amount identified for negotiation would not be sufficient to cover the costs of annexing the area. LAFCo staff consulted with legal counsel and it was determined that the annexation/detachment portion of the application was not mandatory for AVCSD to activate latent powers for ambulance services. As a result, AVCSD modified their application scope to remove the annexation/detachment project component and requested to proceed with only the activation of latent powers. AVCSD and AVAS expressed dissatisfaction with the change in direction provided by LAFCo staff and have submitted a letter (Attachment 1) requesting a reimbursement of application fees in the amount of \$3,761.57, which they believe to be associated with processing the annexation/detachment project component.

This matter was discussed at the May 1, 2017 Executive Committee meeting and staff was directed to (a) further refine the breakdown of the AVCSD application processing costs to differentiate between staff time associated with the annexation/detachment project component and the activation of latent powers project component, and (b) bring this matter to the full Commission for direction.

The following table presents the breakdown of pre-application and application processing costs by general categories of tasks and proposed cost adjustments identified by staff. Please note that current LAFCo staff was not able to provide detailed information for the staff time and associated activities provided under the prior Executive Officer contract for the \$1,500 AVCSD pre-application deposit.

Task	Deposit	Actual Cost	Staff Adjusted Cost
Pre-Application Review	\$1,500.00	\$1,464.00	\$1,464.00
Subtotal			\$1,464.00
Application Processing			
Application Processing	\$6,000.00		
General application review and routing for comment		\$972.50	\$972.50
Research		\$520.00	0
Annexation		\$1,162.50	0
Latent Powers		\$4,044.86	\$4,044.86
Subtotal		\$6,699.86	\$5,017.36
Grand Totals	\$7,500.00	\$8,163.86	\$6,481.36
Suggested Adjustment			<\$1,682.50>
Notes: The minimum application deposit of \$6,000 was calculated for an annexation/detachment and activation of latent powers plus CEQA costs. A minimum application deposit for latent powers is \$1,500 plus CEQA costs. All applications are processed at cost regardless of the minimum deposit amount.			

Staff identified \$1,682.50 in application processing costs that are attributable to the annexation/detachment portion of the AVCSD application. In addition, the Commission may consider refunding all or a portion of the pre-application costs. Costs incurred since May 1 consist of \$779.93 and include public noticing for the June 5 protest hearing, preparation of the staff report and certificate of completion, and includes the recording fees of \$50 each for filing the CEQA Exemption and Certification of Completion with the County Recorder.

For more background information, please refer to Attachment 2 which provides a timeline of activities/events associated with the AVCSD application.

There are no Mendocino LAFCo policies or procedures related to reimbursement of fees. Reimbursed costs would be paid from unallocated funds and/or reserves accrued from fees paid by LAFCo member agencies.

Recommendation

Discuss and provide direction to staff regarding the application fee reimbursement request from AVAS.

Attachments:

- 1) AVAS Request for Reimbursement
- 2) Timeline of AVCSD Application Processing Tasks/Events

May 22, 2017

Mendocino Local Agency Formation Commission
 200 South School Street
 Ukiah, CA 95482

Dear Jerry Ward and Uma Hinman,

Anderson Valley Community Service District (AVCSD) believes it is entitled to a return of a portion of the fees we paid for pre-application and application work related to Activation of Latent Power: Emergency Medical Services.

Following the guidance of LAFCO, we paid a total of \$7500.00 in fees to cover two applications: the Activation of Latent Power application and LAFCO work on an application for Annexation and Detachment, which we were told was necessary for approval of the Activation of Latent Power.

The AVCSD would not have applied for Annexation and Detachment if we had been properly informed that it is not required for approval of our application for Activation of a Latent Power. Therefore we believe that we should pay only the application fees related to work on our Activation of Latent Power application. From the Summary of staff time etc. accounting sheet dated April 27, 2017, we feel the following dates and charges are appropriate to our application:

	Billed	Accept		Billed	Accept
May 2016	\$1,464.00	\$732.00	4/15/17	\$130.00	\$130.00
7/27/16	\$65.00	\$65.00	4/16/17	\$81.25	\$81.25
7/29/16	\$130.00	\$130.00	4/17/17	\$341.25	\$341.25
7/30/16	\$32.50	\$32.50	4/18/17	\$305.00	\$305.00
7/31/16	\$32.50	\$32.50	4/19/17	\$32.50	\$32.50
9/11/16	\$65.00	\$65.00	4/20/17	\$422.50	\$422.50
9/14/17	\$130.00	\$130.00	4/21/17	\$130.00	\$130.00
12/8/16	\$16.25	\$16.25	4/23/17	\$97.50	\$97.50
12/13/16	\$16.25	\$16.25	4/24/17	\$260.00	\$260.00
3/16/17	\$81.25	\$81.25	4/25/17	\$97.50	\$97.50
3/21/17	\$45.00	\$45.00	4/27/17	\$65.00	\$65.00
3/30/17	\$211.25	\$211.25			\$1962.50
4/4/17	\$23.93	\$23.93	Total		\$3738.43
4/13/17	\$97.50	\$97.50			
4/14/17	\$97.50	\$97.50			

We have deposited \$7500.00 with LAFCO for the pre-application work and application process and we feel we are entitled to a refund of \$3761.57.

Sincerely,

Philip Thomas
Treasurer
Anderson Valley Ambulance Service

Member for the Ambulance
Anderson Valley Community Service District Merger Committee

ATTACHMENT 2

Timeline of AVCS D Application Processing Tasks/Events

Date	Activity
January 2016	LAFCo staff provided overview of LAFCo process to AVCS D.
May 2016	Pre-application Review request and \$1,500 deposit submitted to LAFCo.
June 15, 2016	AVCS D Board of Directors held a public hearing and adopted Resolution No. 2016-05 requesting LAFCo to take proceedings for a reorganization consisting of the annexation of territory within the sphere of influence and currently served by the District and the activation of latent powers to provide ambulance services.
July 2017	Application and \$6,000 processing deposit submitted to LAFCo.
August 2, 2016,	AVCS D application was deemed incomplete and application processing was effectively put on hold pending completion of a property tax exchange agreement, as evidenced by submittal of an adopted resolution by AVCS D and the County pursuant to Government Code Section 56658 & RTC Section 99(b)(6).
August 18, 2016	Application was referred to 22 affected agencies for review and comment.
September 19, 2016	LAFCo staff issued a Notice of Filing to the County Assessor and Auditor pursuant to Revenue and Taxation Code (RTC) Section 99(b).
December 5, 2016	LAFCo staff met with the County Assessor and Auditor regarding the process of developing, and the estimated time frame of receiving, the analysis which forms the basis for the negotiation of the amount of property tax revenue to be exchanged among local agencies pursuant to RTC Section 99(b)(4).
February 14, 2017	County Auditor notified local agencies of the amount of property tax revenue generated within the territory proposed for annexation and the allocation factors for each of the local agencies in the territory in accordance with RTC Section 99(b)(3).
February 21, 2017	At the District’s request, staff met with AVCS D, AVAS, Supervisor Hamburg, and the County Assessor to discuss the tax share negotiation process, public noticing requirements, and next steps.
February 27, 2017	County Auditor issued a revised memo correcting the list of estimated base transfer amounts per Section 99.02(f)(4), which stipulates that “The transfer will not result in a reduction of property tax revenues to school entities.”
March 6, 2017	During the regularly scheduled LAFCo meeting, the District notified the Commission during the public comment period that it appeared no tax share agreement would be reached and indicated they would likely be withdrawing the annexation portion of the application.
April 3, 2017	During the regular Commission meeting, District staff again spoke during the public comment period requesting staff proceed with the application for latent powers and dropping the annexation and detachment portion. The Commission directed staff to proceed with processing the activation of latent

	powers as soon as possible in response to the District's urgency for meeting an eligibility deadline for an upcoming Exclusive Operating Agreement (EOA) solicitation by the County. Staff made processing the application a priority, scheduling it for a May 1 public hearing, and requested the District provide an official change in application letter as soon as possible.
April 10, 2017	AVCSD activation of latent powers for ambulance services noticed for public hearing on May 1, 2017.
April 19, 2017	The District Board, at a regularly scheduled meeting, authorized the Chair of the Board Directors to sign a letter to LAFCo requesting a change in the scope of their application to remove the annexation/detachment component of the proposal and proceed with the activation of latent powers for ambulance services. LAFCo staff received this letter digitally on April 21, 2017.
April 24, 2017	Application was deemed complete and EO Hinman sent a Certificate of Filing to the applicant.
May 1, 2017	Public hearing for the AVCSD Activation of Latent Powers.
June 5, 2017	Protest hearing for the application.

MENDOCINO Local Agency Formation Commission

Staff Report

DATE: June 5, 2017
TO: Mendocino Local Agency Formation Commission
FROM: Uma Hinman, Executive Officer
SUBJECT: SDRMA Board of Directors Election

Background

Special District Risk Management's Authority (SDRMA) Board of Directors is soliciting ballots for election of four seats. The SDRMA Election Committee has confirmed seven candidates as meeting the qualification requirements to serve. The newly elected Directors will serve four-year terms from January 1, 2018 to December 31, 2021.

Candidate briefs have been emailed to the Commissioners with the agenda packet; hard copies are available from the Clerk upon request (clerk@mendolafco.org). The candidates include the following:

- **Timothy Unruh**, District Manager - Kern County Cemetery District No. 1
- **James M. Hamlin**, Board Director – Burney Water District
- **Mike Scheafer** (incumbent), Director/President – Costa Mesa Sanitary District
- **Michael J. Karen**, Board Director – Apple Valley Fire Protection District
- **David Aranda** (incumbent), General Manager – Mountain Meadows Community Services District
- **Cindi Beaudet**, General Manager – Temecula Public Cemetery District
- **Jean Bracy**, SDA (incumbent, Deputy Director – Administration, Mojave Desert Air Quality Management District

The Commission may select up to four candidates, which must be formalized through adopting the Official Election Resolution provided by the SDRMA (attached). The deadline for members to return the signed Official Election Resolution Ballot is August 29, 2017.

Recommendation

Staff requests Commission discuss and provide direction to staff:

1. Determine whether Commission would like to participate in the SDRMA election of directors.
2. Vote on selection of candidates, directing staff to
 - a. Prepare Resolution for SDRMA Ballot for the July 3, 2017 Consent Calendar, or
 - b. Place on the July 3, 2017 agenda as an item for discussion and possible action

Attachments: SDRMA Selection of Directors Ballot

RESOLUTION NO. _____

**A RESOLUTION OF THE GOVERNING BODY OF THE
Local Agency Formation Commission of Mendocino County
FOR THE ELECTION OF DIRECTORS TO THE SPECIAL DISTRICT
RISK MANAGEMENT AUTHORITY BOARD OF DIRECTORS**

WHEREAS, Special District Risk Management Authority (SDRMA) is a Joint Powers Authority formed under California Government Code Section 6500 et seq., for the purpose of providing risk management and risk financing for California special districts and other local government agencies; and

WHEREAS, SDRMA's Sixth Amended and Restated Joint Powers Agreement specifies SDRMA shall be governed by a seven member Board of Directors nominated and elected from the members who have executed the current operative agreement and are participating in a joint protection program; and

WHEREAS, SDRMA's Sixth Amended and Restated Joint Powers Agreement Article 7 - Board of Directors specifies that the procedures for director elections shall be established by SDRMA's Board of Directors; and

WHEREAS, SDRMA's Board of Directors approved Policy No. 2017-03 Establishing Guidelines for Director Elections specifies director qualifications, terms of office and election requirements; and

WHEREAS, Policy No. 2017-03 specifies that member agencies desiring to participate in the balloting and election of candidates to serve on SDRMA's Board of Directors must be made by resolution adopted by the member agency's governing body.

NOW, THEREFORE, BE IT RESOLVED that the governing body of the Local Agency Formation Commission of Mendocino County selects the following candidates to serve as Directors on the SDRMA Board of Directors:

(continued)



OFFICIAL 2017 ELECTION BALLOT
SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY
BOARD OF DIRECTORS

VOTE FOR ONLY FOUR (4) CANDIDATES

Mark each selection directly onto the ballot, voting for no more than four (4) candidates. Each candidate may receive only one (1) vote per ballot. A ballot received with more than four (4) candidates selected will be considered invalid and not counted. All ballots must be sealed and received by mail or hand delivery in the enclosed self-addressed, stamped envelope at SDRMA on or before 4:30 p.m., Tuesday, August 29, 2017. Faxes or electronic transmissions are NOT acceptable.

- TIMOTHY UNRUH
District Manager, Kern County Cemetery District No. 1
JAMES M. HAMLIN (Jim)
Board Director, Burney Water District
MIKE SCHEAFER (INCUMBENT)
Director/President, Costa Mesa Sanitary District
MICHAEL J. KAREN
Board Director, Apple Valley Fire Protection District
DAVID ARANDA (INCUMBENT)
General Manager, Mountain Meadows Community Services District
CINDI BEAUDET
General Manager, Temecula Public Cemetery District
JEAN BRACY, SDA (INCUMBENT)
Deputy Director - Administration, Mojave Desert Air Quality Management District

ADOPTED this ___ day of ___, 2017 by the Local Agency Formation Commission of Mendocino County by the following roll call votes listed by name:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST: APPROVED:

MENDOCINO Local Agency Formation Commission

Staff Report

DATE: June 5, 2017
TO: Mendocino Local Agency Formation Commission
FROM: Uma Hinman, Executive Officer
SUBJECT: Status of Applications, Future Projects, MSR & SOI Updates

ACTIVE APPLICATIONS

There are currently three (3) active applications on file with the Commission:

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

The AVCSD application was approved by the Commission on May 1, 2017 and scheduled for a protest hearing on June 5, 2017. If insufficient protests are received, the Commission may order the activation of latent powers and a Certificate of Completion will be recorded, thereby finalizing the application.

2. City of Ukiah Detachment of Ukiah Valley Sanitation District (UVSD) Served Areas

The City of Ukiah was notified in December 2014 that their detachment application was incomplete pending submittal of a Plan for Services and property tax exchange agreement.

3. Fort Bragg RFPD North of 10 Mile Annexation

Staff to request map note removal from SHN Engineers and new files at no additional cost to LAFCo.

FUTURE PROJECTS:

There are five (5) potential project proposals that have been brought to LAFCo's attention:

1. Anderson Valley CSD Proposed Activation of Latent Powers to Provide Water and Sewer Services

2. Millview CWD Annexation

Potential application for annexation of an area located outside the District boundaries but within its sphere of influence.

3. Proposed Nicolls Annexation to Millview CWD and UVSD

Potential annexation of an undeveloped parcel. Owners are discussing options for coordinating with the annexation noted in No. 2, above.

4. Calpella CWD Proposed Annexation

Potential annexation of the Central Avenue Area, which has been receiving water services since 2000. The area has been identified for future annexation in the recent SOI Plan. This application will be unnecessary upon consolidation of the five water districts.

(Continued...)

5. Proposed Consolidation of Five Water Districts in the Ukiah Valley area

Potential consolidation of five water districts in the Ukiah valley area: Calpella CWD, Millview CWD, Willow CWD, Redwood Valley CWD, and Russian River Flood Control. LAFCo sent a letter of support for the consolidation to Governor Brown in May 2017. EO Hinman has spoken with the SWRCB staff regarding the consolidation; LAFCo has been encouraged to participate in the process early on with the goal of processing concurrent applications.

MSR & SOI UPDATES:

The following MSR and/or SOI Studies are included in the 2016/2017 Work Plan and are in progress:

MSR	SOI	MSR/SOI	Start Date	Targeted Workshop Date	Status
	X	Fire Districts (14)	9/27/16	6/5/17 (some, not all)	The first SOI update is set for workshop on 6/5/17; staff continues to follow up with districts to obtain information. SOI updates will be brought to workshop for individual districts as they are ready.
	X	City of Willits	11/10/16	9/4/17	In progress; waiting for City to provide information on SOI
X	X	City of Fort Bragg	1/6/17	8/7/17	City has submitted information in response to RFI; MSR in process.