

# 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](mailto:eo@mendolafco.org) | Web: [www.mendolafco.org](http://www.mendolafco.org)

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### **COMMISSIONERS**

**Jerry Ward, Chair & Treasurer**  
Public Member

**Carre Brown, Vice Chair**  
County Board of Supervisors

**Kevin Doble**  
Ukiah City Council

**Gerardo Gonzalez**  
Willits City Council

**John McCowen**  
County Board of Supervisors

**Theresa McNerlin**  
Ukiah Valley Sanitation District

**Tony Orth**  
Brooktrails Township CSD

**Scott Ignacio, Alternate**  
Point Arena City Council

**Dan Hamburg, Alternate**  
County Board of Supervisors

**Carol Rosenberg, Alternate**  
Public Member

**Vacant**  
Special District Seat, Alternate

**STAFF**  
**Executive Officer**  
Uma Hinman

**Analyst**  
Larkyn Feiler

**Commission Clerk**  
Elizabeth Salomone

**Counsel**  
Scott Browne

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

## Executive Committee Meeting

### A G E N D A

Wednesday, February 14, 2018

9:30am

Ukiah Valley Conference Center

Chardonnay Room

200 S School Street, Ukiah, CA 95482

#### 1. CALL TO ORDER & ROLL CALL

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

#### 2. MATTERS FOR DISCUSSION & POSSIBLE ACTION

a) Approval of the February 5, 2018 Executive Committee Minutes

b) Executive Officer Contract

Review revised Executive Officer contract for recommendation to Commission.

c) FY 2018-19 Budget Development

Review preliminary drafts of FY 2018-19 work plan and budget.

d) Items for Future Meetings

#### ADJOURNMENT

The next Regular Commission Meeting is scheduled for

Monday, March 5, 2018

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

# MENDOCINO

# Local Agency Formation Commission

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Telephone: 707-463-4470 Fax: 707-462-2088 E-mail: eo@mendolafco.org Web: www.mendolafco.org

## Agenda Item No. 2a

### COMMISSIONERS

**Jerry Ward, Chair & Treasurer**  
Public Member

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County Board of Supervisors

**Kevin Doble**  
Ukiah City Council

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**John McCowen**  
County Board of Supervisors

**Theresa McNerlin**  
Ukiah Valley Sanitation District

**Tony Orth**  
Brooktrails Township CSD

**Scott Ignacio, Alternate**  
Point Arena City Council

**Dan Hamburg, Alternate**  
County Board of Supervisors

**Carol Rosenberg, Alternate**  
Public Member

**Angela Silver, Alternate**  
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

## Executive Committee Minutes

Executive Committee Meeting of Monday, February 5, 2018  
Mendocino County Administrative Building  
501 Low Gap Road, Ukiah, CA 95482  
Conference Room B

### 1. CALL TO ORDER & ROLL CALL

Chair Ward called the meeting to order at 12:25pm.

Members Present: Commissioners Carre Brown, Kevin Doble, and Gerald Ward  
Staff Present: Uma Hinman and Elizabeth Salomone

### 2. MATTERS FOR DISCUSSION & POSSIBLE ACTION

#### 2a) Approval of the January 8, 2018 Executive Committee Minutes

Upon motion by Commissioner Doble and second by Commissioner Brown, the Executive Committee meeting minutes of January 8, 2018 were unanimously approved with no changes.

Ayes: Commissioners Brown, Doble, and Ward

#### 2b) Executive Officer Contract Extension

Executive Officer presented proposed contract edits. Committee directed staff to make edits as discussed and present the Committee recommendation at the March Regular Commission meeting.

*Commissioner Doble left the meeting at 12:50pm.*

#### 2c) LAFCo Commissioner Trainings

No comments or questions were offered.

#### 2d) Review of Financial Institutions for Reserves Account

Committee reached consensus to recommend transfer of the reserve accounts from Community First Credit Union to West America Bank in order to establish a two-signature requirement for withdrawals. Committee directed staff to present the Committee recommendation at the March Regular Commission meeting.

#### 2e) FY 2018-19 Budget Development

Committee directed staff to continue to this item for further discussion at the next Executive Committee meeting.

#### 2f) Items for Future Meetings

No new items were presented.

### ADJOURNMENT

There being no further business, the meeting was adjourned at 12:55pm.

**MENDOCINO  
Local Agency Formation Commission**

**Staff Report**

DATE: February 14, 2018  
TO: Mendocino Local Agency Formation Commission - Executive Committee  
FROM: Uma Hinman, Executive Officer  
SUBJECT: FY 2018-19 Budget Development

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**RECOMMENDATION:**

- a. Discuss and provide direction to staff for development of Preliminary Budget FY 2018-19 and Preliminary Work Plan.
- b. Schedule March meeting to finalize Preliminary Budget and Work Plan.

**DISCUSSION**

Budget development steps set forth in the Mendocino LAFCo Policies and Procedures (Chapter 5) and Government Code Section 56381(a).

Preliminary Budget and Proposed Work Plan – March

- Executive Officer prepare Preliminary Budget and Work Plan prior to March 1<sup>st</sup>
- Preliminary Budget and Work Plan submitted to the Executive Committee during March for review, input, comment
- Include Anticipated revenues and expected expenditures by line item
- Work Plan include narrative of expected work products to be accomplished during the fiscal year

Proposed Budget and Work Plan – April 2, 2018

- Present Proposed Budget and Work Plan to full Commission at April meeting
- Noticed public hearing for adoption of the Proposed Budget and Work Plan
- Distribute to member agencies (County, cities, special districts)

Final Budget and Work Plan – June 4, 2018

- Noticed public hearing for adoption of the final budget
- Distributed to member agencies (County, cities, special districts)

Attachments: Proposed Preliminary FY 2018-19 Budget and 5-Year Work Plan

**Mendocino Local Agency Formation Commission**  
**DRAFT Budget FY 2018-2019**

ACCOUNT #	DESCRIPTION	FY 2014-15 Adopted	FY 2014-15 Actual	FY 2015-16 Adopted	FY 2015-16 Actual	FY 2016-17 Adopted	FY 2016-17 Actual	FY 2017-18 Adopted	FY 2017-18 Actual to Date	FY 2018-19 Proposed	Difference
<b>REVENUE</b>											
4000	LAFCO Apportionment Fees	\$ 135,000	\$ 135,000	\$ 125,000	\$ 135,000	\$ 120,000	\$ 120,000	\$ 120,000	\$ 109,480	\$ 135,000	\$ 15,000
4100	Service Charges	\$ -	\$ 60	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
4800	Miscellaneous	\$ 100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
4910	Interest Income	\$ 500	\$ 60	\$ 128	\$ 232	\$ 120	\$ 140	\$ 120	\$ 120	\$ 120	
	<b>Revenue Total</b>	<b>\$ 147,600</b>	<b>\$ 147,276</b>	<b>\$ 125,128</b>	<b>\$ 135,232</b>	<b>\$ 120,120</b>	<b>\$ 120,140</b>	<b>\$ 120,120</b>	<b>\$ 109,600</b>	<b>\$ 135,120</b>	<b>\$ 15,000</b>
<b>EXPENSES</b>											
5300	Basic Services	\$ 55,000	\$ 56,282	\$ 59,000	\$ 60,218	\$ 65,680	\$ 68,716	\$ 66,815	\$ 37,762	\$ 69,060	\$ 2,245
5301	Executive Officer Contract			\$ -	\$ 41,257	\$ 44,080		\$ 44,135		\$ 46,380	\$ 2,245
5302	Clerk Contract			\$ -	\$ 18,961	\$ 21,600		\$ 22,680		\$ 22,680	\$ -
5500	Rent	\$ 6,100	\$ 5,355	\$ 5,035	\$ 5,035	\$ 5,160	\$ 5,188	\$ 5,360	\$ 3,060	\$ 5,360	\$ -
5502	Office Space	\$ -	\$ -	\$ 4,675	\$ 4,675	\$ 4,800	\$ 4,828	\$ 5,000	\$ 2,850	\$ 5,000	\$ -
5503	Work Room	\$ -	\$ -	\$ 360	\$ 360	\$ 360	\$ 360	\$ 360	\$ 210	\$ 360	\$ -
5600	Office Expenses	\$ 3,100	\$ 1,450	\$ 3,500	\$ 2,991	\$ 2,238	\$ 2,463	\$ 3,350	\$ 942	\$ 3,450	\$ 100
5601	Office Supplies (petty cash)	\$ -	\$ -	\$ 700	\$ 735	\$ 700	\$ 1,109	\$ 800	\$ 545	\$ 800	\$ -
5603	Photocopy	\$ -	\$ -	\$ 1,000	\$ 1,345	\$ 1,000	\$ 707	\$ 1,000	\$ 252	\$ 1,000	\$ -
5605	Postage	\$ -	\$ -	\$ 300	\$ 766	\$ 300	\$ 410	\$ 300	\$ 145	\$ 400	\$ 100
5607	Office Equipment	\$ -	\$ -	\$ 1,500	\$ 145	\$ 238	\$ 238	\$ 1,250		\$ 1,250	\$ -
5700	Internet & Website Costs	\$ 920	\$ 1,038	\$ 1,200	\$ 1,267	\$ 1,200	\$ 979	\$ 1,300	\$ -	\$ 1,300	\$ -
5900	Publication and Legal Notices	\$ 1,950	\$ 3,144	\$ 2,000	\$ 1,883	\$ 2,000	\$ 1,735	\$ 2,000	\$ 114	\$ 2,000	\$ -
6000	Televising Meetings	\$ 1,760	\$ 1,480	\$ 1,700	\$ 1,030	\$ 2,900	\$ 2,903	\$ 3,000	\$ 832	\$ 3,000	\$ -
6100	Audit Services	\$ 3,000	\$ 1,475	\$ 3,025	\$ 4,575	\$ 3,025	\$ 3,000	\$ 3,100	\$ 1,550	\$ 3,100	\$ -
6200	Bookkeeping	\$ 4,100	\$ 4,117	\$ 4,800	\$ 4,819	\$ 4,800	\$ 2,242	\$ 4,800	\$ 3,005	\$ 4,000	\$ (800)
6300	Legal Counsel	\$ 6,000	\$ 5,005	\$ 6,000	\$ 6,180	\$ 6,000	\$ 6,121	\$ 7,200	\$ 4,200	\$ 7,200	\$ -
6400	A-87 Costs County Services	\$ 6,000	\$ -	\$ 2,010		\$ 1,060	\$ 1,060	\$ 1,100	\$ 123	\$ -	\$ (1,100)
6500	Insurance-General Liability	\$ 1,050	\$ 1,939	\$ 1,000	\$ 807	\$ 1,000	\$ 987	\$ 1,000	\$ -	\$ 1,000	\$ -
6600	Memberships (CALAFCO/CSDA)	\$ 1,755	\$ 2,635	\$ 2,000	\$ 1,996	\$ 2,100	\$ 2,130	\$ 2,200	\$ 1,299	\$ 2,200	\$ -
6670	Professional Fees (SHN Consulting - North of Ten Mile Annex map fix)					\$ 2,000	\$ 2,000	\$ -	\$ -	\$ -	\$ -
6670	Professional Fees (Planwest website transition)					\$ 2,170	\$ 2,170	\$ -	\$ -	\$ -	\$ -
6670	GIS Contract with County (Counsel training, IT support)					\$ 3,622	\$ 1,935	\$ 5,000	\$ 892	\$ 3,500	\$ (1,500)
6740	In-County Travel & Stipends	\$ 1,500	\$ 255	\$ 2,000	\$ 1,949	\$ 2,500	\$ 2,306	\$ 2,000	\$ 790	\$ 2,000	\$ -
6750	Travel & Lodging Expense	\$ 6,000	\$ 1,251	\$ 2,500	\$ 1,487	\$ 2,500	\$ 1,805	\$ 4,000	\$ 1,895	\$ 3,000	\$ (1,000)
6800	Conferences (Registrations)	\$ 3,000	\$ 1,021	\$ 3,000	\$ 1,876	\$ 1,250	\$ 1,216	\$ 3,000	\$ 2,126	\$ 3,000	\$ -
7000	Barraco & Associates MSR Contract	\$ -	\$ 7,700	\$ 6,300	\$ 385	\$ 2,400	\$ 2,400	\$ -	\$ -	\$ -	\$ -
7000	Uma Hinman Consulting Cemetery District MSR Contract					\$ 3,900	\$ 3,895	\$ -	\$ -	\$ -	\$ -
7000	Work Plan (MSRs and SOIs)	\$ 34,000	\$ 30,015	\$ 47,000	\$ 46,999	\$ 54,000	\$ 28,553	\$ 45,000	\$ 24,770	\$ 35,000	\$ (10,000)
7001	MSR Reviews - Admin	\$ 5,000	\$ 60	\$ 5,000	\$ 4,995	\$ 15,000	\$ 6,762	\$ -		\$ -	\$ -
7501	SOI Updates	\$ 29,000	\$ 29,955	\$ 42,000	\$ 42,004	\$ 39,000	\$ 21,790	\$ -		\$ -	\$ -
9000	Special District Training Support	\$ -	\$ -	\$ 12,000	\$ 12,000	\$ 160	\$ -	\$ -		\$ -	\$ -
	<b>Operating Expense Total</b>	<b>\$ 135,235</b>	<b>\$ 124,161</b>	<b>\$ 152,070</b>	<b>\$ 143,497</b>	<b>\$ 171,505</b>	<b>\$ 143,802</b>	<b>\$ 160,225</b>	<b>\$ 83,360</b>	<b>\$ 148,170</b>	<b>\$ (12,055)</b>
	<b>REVENUE/EXPENSE DIFFERENCE</b>	<b>\$ 365</b>	<b>\$ 5,792</b>	<b>\$ (26,942)</b>	<b>\$ (8,265)</b>	<b>\$ (51,385)</b>	<b>\$ (23,661)</b>	<b>\$ (40,105)</b>	<b>\$ 26,240</b>	<b>\$ (13,050)</b>	
	<i>(Negative balance indicates use of fund balance)</i>										

**Unreserved/Unrestricted Fund Balance** (estimated for end of FY 2017-18)

Anticipated Cash Balance	\$	10,150
Anticipated Work Plan roll over for FY 2018-19	\$	-
- Total Unreserved/Unrestricted Funds	\$	10,150

**Reserve Fund Balance (as of 12/31/17)**

SBMC (December 29, 2017)	\$	34,679
County Account (November , 2017)	\$	40,105
Apportionment outstanding (December 31, 2017)	\$	520

**Total Fund Balance (December 31, 2017)** \$ **75,304**

Application Deposit Held - City of Ukiah Detachment/UVCSD \$ (1,533)

**Total Available Fund Balance (December 31, 2017)** \$ **73,771**

Proposed MSR & SOI Reserves (estimated) (From FY 16/17) \$ 20,000

Operational Reserves \$ 40,280

Legal Reserves \$ 50,000

Total Reserve Funds (December 31, 2017) \$ **90,280**

<b>DRAFT Mendocino LAFCO MSR/SOI 5-Year Rolling Work Plan (FY 2018/19 - 2022/23)</b>		
<p><b>Project Scope:</b> The schedule and budget for each project identified in this Work Plan is an <u>estimate</u> based on receiving complete information from applicable agencies within a reasonable time frame and minimal controversy through the public review process. Each study is assumed to consist of a combined MSR and SOI Update. Budget estimates reflect the anticipated staff time to: coordinate a response to the Request for Information (RFI), draft the study for agency review and make revisions, prepare the study for the Public Workshop and Public Hearing process and make revisions, and file a Notice of Exemption for CEQA compliance. A separate budget will be prepared for studies subject to Negative Declaration or EIR analysis.</p>		
<p><b>Rolling Plan:</b> The estimated annual Work Plan tasks and budget may <u>roll over</u> into the following fiscal year depending on overall staff workload and the level of agency responsiveness. It is advised that this Work Plan be viewed as a guideline that is subject to change. This Work Plan will be reviewed mid-year and revised to account for a more refined level of detail related to the anticipated scope of work for individual projects.</p>		
Year Adopted	Service Provider	Estimated Budget
<b>Fiscal Year 2017/18 (Remainder)</b>		
<i>Remaining Work Plan Budget (2/5/17)</i>		\$ 20,500
2016	13 Fire Protection Service Providers - SOI Update	\$ 3,000
2006	Redwood Coast FPD	\$ 3,000
2010	Brooktrails Township CSD	\$ 5,000
2015 (MSR)	City of Willits	\$ 12,000
<i>Estimated Subtotal</i>		\$ 23,000
<i>Estimated Work Plan roll-over to FY 2018/19</i>		\$ (2,500)
<b>Fiscal Year 2018/19</b>		
2011	Fort Bragg Rural FPD	\$ 5,000
2013	Ukiah Valley FPD	\$ 5,000
2010	Covelo CSD	\$ 5,000
2008	Mendocino City CSD	\$ 8,000
2008	Mendocino Coast Rec & Park District	\$ 8,000
n/a	Mutual Water Companies (9) - profiles and maps only	\$ 2,000
n/a	Lighting Districts (11? Discovery Only)	\$ 1,000
n/a	CSAs (10? Discovery Only)	\$ 1,000
<i>Estimated Subtotal</i>		\$ 35,000
<b>Fiscal Year 2019/20</b>		
2012	City of Ukiah	\$ 20,000
??	Ukiah Valley Sanitation District	\$ 20,000
n/a	Lighting Districts (needs research)	TBD
n/a	CSAs (needs research)	TBD
<i>Estimated Subtotal</i>		\$ 40,000
<b>Fiscal Year 2020/21</b>		
2015	City of Point Arena	\$ 8,000
2015	Anderson Valley CSD	\$ 7,500
2015, 2016	Water/Wastewater Districts (14)	\$ 20,000
<i>Estimated Subtotal</i>		\$ 35,500
<b>Fiscal Year 2021/22</b>		
2016	Hopland PUD	\$ 7,500
2016	Mendocino Health Care District	\$ 7,500
2016	Mendocino County RCD	\$ 5,000
2016	Noyo Harbor District	\$ 7,500
2017	Cemetery Districts (8)	\$ 8,000
<i>Estimated Subtotal</i>		\$ 35,500
<b>Fiscal Year 2022/23</b>		
2017	City of Fort Bragg	\$ 8,000
2017	Brooktrails Township CSD	\$ 7,500
2017	Fire Districts (16)	\$ 20,000
<i>Estimated Subtotal</i>		\$ 35,500

**Fire Districts**

Albion-Little River FPD  
 Comptche CSD  
 Covelo FPD  
 Elk CSD  
 Fort Bragg Rural FPD  
 Hopland FPD  
 Leggett Valley FPD  
 Little Lake FPD  
 Long Valley FPD  
 Mendocino FPD  
 Piercy FPD  
 Potter Valley CSD  
 Redwood Valley-Calpella FPD

Redwood Coast FPD  
 South Coast FPD  
 Ukiah Valley FPD

**Cemetery Districts**

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

**Water Districts**

Calpella CWD  
 Caspar South WD  
 Elk CWD  
 Gualala CSD  
 Irish Beach WD  
 Laytonville CWD  
 Millview CWD  
 Pacific Reefs WD  
 Redwood Valley CWD  
 Round Valley CWD  
 Russian River FCD  
 Westport CWD  
 Willow CWD  
 Potter Valley ID

**Basic Services Contract  
FY 2018-19 Proposed Tasks**

<b>Tasks</b>	<b>Description &amp; Assumptions</b>	<b>Estimated Budget</b>
<b>Baseline Tasks</b>		
Office hours/Administrative duties	Clerk duties not related to projects; office hours; budget development, tracking; EO correspondence; response to requests for Agency Comments for projects and/or environmental documents routed to LAFCo for review; policy development as directed, etc.	\$ 39,260
Commission & Subcommittee Meetings	Commission & Subcommittee meeting attendance (2/month); agenda packet development, staff reports, presentations.	\$ 22,800
Consult Legal Counsel	Counsel Contract provides for a minimum of 2 hours per month.	Existing Contract
Application Processing	Process change in organization or reorganization applications from Cities and/or Special Districts to modify existing powers and/or annex/detach territory from agency boundaries.	Paid by applicant
Work Plan Support	Prepare Public Notices, development of staff reports specifically related to MSR/SOI studies, presentation at Commission meetings for Public Workshops and Public Hearings.	\$ 3,500
Policy & Procedures Manual	Include definitions in PP Manual (municipal services, etc.); reformat; SB 239 application and definition of "proof"	\$ 1,200
Special District Appointment	Fill the current vacancy for Special District Alternate Commissioner; District Appointment to Consolidated RDA Oversight Board (AB 979)	\$ 1,000
Transparency Action Plan	Assessment/develop/implement Plan; website improvements (JPAs, Special Districts, etc.); Enterprise Catalog (SB 272); Homepage Link to Meeting Agenda (AB 2257); Post JPA Agreements on website (SB 1266)	\$ 1,300
<b>Subtotal</b>		<b>\$ 69,060</b>
<b>Proposed Tasks for Consideration</b>		
File Management	Develop file management system; systematically organize and streamline files	\$ 2,500
File Scanning Project (future)	Consider a comprehensive hardcopy file scanning project	TBD
Manual Development	Clerk's Manual, Commissioners' Manual, Office Procedures Manual	\$ 2,500
Outreach to Member Agencies (County/4 cities/51 special districts)	EO attend two member agency meetings per month, connected to MSR/SOI updates when possible	\$ 6,500
Potential State funding opportunity	Identify potential consolidations/reorganizations for further and more in-depth studies to be ready for grant application (This is a result of the Little Hoover Commission Report, and if approved, will result in a one-time funding opportunity available for next fiscal year only)	\$ 1,500
<b>Total</b>		<b>\$ 82,060</b>