
MENDOCINO

Local Agency Formation Commission

Ukiah Valley Conference Center ♦ 200 South School Street, Suite F ♦ Ukiah, California 95482

CHAIR

RICHARD SHOEMAKER
RUSSIAN RIVER FLOOD
CONTROL AND WATER
CONSERVATION
IMPROVEMENT DISTRICT

VICE CHAIR

CARRE BROWN
COUNTY BOARD
OF SUPERVISORS

MEMBERS

DAN HAMBURG
COUNTY BOARD
OF SUPERVISORS

DOUG HAMMERSTROM
FORT BRAGG CITY COUNCIL

MICHAEL KISSLINGER
PUBLIC MEMBER

GUINNESS McFADDEN
POTTER VALLEY IRRIGATION
DISTRICT

VACANT
CITY MEMBER

ALTERNATE MEMBERS

HOLLY MADRIGAL
WILLITS CITY COUNCIL

JOHN McCOWEN
COUNTY BOARD
OF SUPERVISORS

TONY ORTH
BROOKTRAILS TOWNSHIP
COMMUNITY SERVICES
DISTRICT

GERALD WARD
PUBLIC MEMBER

EXECUTIVE OFFICER

BRUCE C. BARACCO

COUNSEL

THOMAS R. PARKER

COMMISSION CLERK

ELIZABETH SALOMONE

LAFCo ANALYST

CRAIG BARACCO

Regular Meetings

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

A G E N D A

Regular Meeting of
Monday, January 6, 2014 9:00 AM
County Board of Supervisors Chambers
501 Low Gap Road, Ukiah, California

Call to Order
Roll Call

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.

1. Approval of the Summary Minutes of the December 2, 2013 Regular Meeting
2. Approval of claims covering the period November 24 through December 28, 2013

PUBLIC EXPRESSION

3. 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.

MATTERS SET FOR HEARING

None

(OVER)

OTHER MATTERS

4. Election of Officers
Pursuant to Commission Policy and Procedures, Chapter III, Section E, nominations are in order to elect a Chair and Vice Chair to serve for the 2014 Calendar Year.
5. Appointment of Committees
Standing and Ad Hoc Committee assignments for the 2014 Calendar Year as proposed by the Chair and ratified by the Commission.
6. Monthly Financial Report
Report by the Commission Clerk for the Month of November, 2013
7. Ukiah Valley Water Forum – A Community Conversation
Follow-up and Commission discussion. Direction to staff.
8. Ukiah Valley Sanitation District Municipal Service Review (MSR), Part 2
Recommendation to suspend completion of the Ukiah Valley Sanitation District MSR until UVSD issues with the City of Ukiah are resolved.

OTHER ITEMS

9. Correspondence
 - Letter from the Ukiah Valley Conference Center dated November 29, 2013
RE: office space monthly rental increase from \$464 to \$474.
 - Letter from the Ukiah Valley Sanitation District dated November 29, 2013
RE: Water Forum Costs
10. Commissioner Reports, Comments or Questions
11. Executive Officer's Report
 - Municipal Service Review Completion Schedule
12. Legislation Report

ADJOURNMENT

The next Regular Commission Meeting is scheduled for
Monday, February 3, 2014 at 9:00 AM
in the County Board of Supervisors Chambers
501 Low Gap Road, Ukiah, California

Notes:

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.

MENDOCINO

Local Agency Formation Commission

Ukiah Valley Conference Center ♦ 200 South School Street, Suite F ♦ Ukiah, California 95482

Agenda Item No. 1

DRAFT

CHAIR

RICHARD SHOEMAKER
RUSSIAN RIVER FLOOD
CONTROL AND WATER
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CRAIG BARACCO

SUMMARY MINUTES

LOCAL AGENCY FORMATION COMMISSION OF MENDOCINO COUNTY

Regular Meeting of Monday, December 2, 2013

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

Call to Order	Chair Shoemaker called the meeting to order at 9:03 AM.
Roll Call	
Members Present:	Commissioners Carre Brown, Dan Hamburg, Doug Hammerstrom, Michael Kisslinger, Guinness McFadden (arrived at 9:30 AM) and Richard Shoemaker
Members Absent:	None
Alternate	
Members Present:	Commissioners John McCowen and Gerald Ward
Alternate	
Members Absent:	Commissioners Tony Orth and Holly Madrigal
Staff Present:	Bruce Baracco, Executive Officer; Elizabeth Salomone, Commission Clerk; Craig Baracco, LAFCo Analyst; Uma Hinman, Environmental Specialist

Consent Calendar

1. Approval of the Summary minutes of the November 4, 2013 Regular meeting. Agenda Item 1 was held over until Commissioner McFadden's arrival.

Commissioner McFadden commented that when there is palpable disagreement among Commissioners over a topic of discussion, it would be helpful for the minutes to reflect the Commissioners' opinions.

After discussion by the Commission, the following changes will be made to the November 4, 2013 minutes:

Commissioner Shoemaker presented a summary of the Water Forum. He indicated that the Facilitator's Report included in the agenda packet will be made available to the participants and to the public. Comments and questions were offered by Commissioners Ward, Brown, McCowen, Shoemaker, Orth, Hamburg, McFadden and Mr. Baracco.

Commissioners Ward and McCowen shared their impressions of the Water Forum, indicating the Forum was of value, especially in aiding communication between parties. Both supported some type of follow up from the Water Forum, as did Commissioners Brown, Orth, Hamburg, and Shoemaker.

Commissioner Orth noted that there was no mention in the summary report of climate change as a driving force in water planning. He indicated support in the value of the Water forum and that more control over the cost aspects would be beneficial. He also suggested scheduling future events after elections.

Commissioner Hamburg indicated that he did not attend the Water Forum due to public confusion and controversy. He supported the report being distributed to the attendees but also an expansive press release addressing why the Water Forum was worth having, why it was worth public expenditures, difficulties inherent in holding a meeting of this sort, how they were resolved, and what was achieved that will serve the citizens in the future.

Commissioner McFadden offered comments supporting the value of Water Forum. However, he strongly objected to LAFCo being involved at this point. He commented that it is not appropriate for LAFCo to host the event. He supports follow up from this event by another agency and most definitely not by LAFCo.

Commissioner Brown strongly supported Commissioner McFadden's comments.

Upon motion by Commissioner McFadden and second by Commissioner Hammerstrom, the motion to approve the November 4, 2013 Regular Meeting minutes with noted corrections and additions was approved unanimously with Commissioner Kisslinger abstaining.

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2. Approval of claims covering the October 7 through November 23, 2013 totaling \$5,983.64.

Commissioner McCowen commented on several specific expenditures.

Upon motion by Commissioner Kisslinger and second by Commissioner Hamburg, the motion to approve the presented claims approved unanimously by roll call vote:

Ayes: Commissioners Brown, Hamburg, Hammerstrom, Kisslinger and Shoemaker

Noes: None

Abstain: None

Absent: McFadden

Public Expression

3. There were no members of the public who indicated interest in speaking.

Other Matters

4. Ukiah Valley Water Forum – A Community Conversation

Mr. Baracco presented a summary of the participation and costs for the Water Forum. Commissioners Shoemaker and Hamburg suggested that staff produce a follow up of the Forum in the media.

Mr. Frank McMichael presented a letter from the Board of the Ukiah Valley Sanitation District protesting the expenditure of the Water Forum.

Commissioners Hammerstrom, McCowen and Brown commented in support of the Water Forum, suggesting a more specific expenditure plan for similar events in the future, and supported the proposed follow-up. Commissioners Kisslinger, Shoemaker and McCowen supported direction to staff to place further discussion of the Water Forum on the January 2014 Regular Meeting Agenda. Mr. Baracco and Commissioners Brown, Ward, McCowen and Shoemaker reviewed the actions taken at the November 4, 2013 regular meeting in regards to payment of expenditures of the Water Forum.

Upon motion by Commissioner Hammerstrom and second by Commissioner Kisslinger, the Ukiah Valley Water Forum Follow-up Report was approved unanimously by roll call vote:

Ayes: Commissioners Brown, Hamburg, Hammerstrom, Kisslinger and Shoemaker

Noes: None

Abstain: None

Absent: McFadden

5. Monthly Financial Reports

Mr. Baracco presented the Budget and Activity Report and Cash in Treasury Reports. Commissioner Ward pointed out that the October Cash in Treasury Report was omitted from the Agenda Packet. Mr. Baracco confirmed that the October and November Cash in Treasury reports will be presented at the January 2014 meeting.

Upon motion by Commissioner Kisslinger and second by Commissioner Brown, the Monthly Financial Reports were approved unanimously.

6. Ukiah Valley Sanitation District Municipal Service Review (MSR), Part 2

Mr. Baracco presented the Revised Administrative Draft of the Ukiah Valley Sanitation District MSR.

This draft includes revisions to address the concerns of the Commission including clarifying information on population projections, service connections, budgeting, and bonded indebtedness. Mr. Baracco confirmed that the MSRs for the remaining special districts included in the original MSR have been previously approved by the Commission. Commissioner Brown expressed interest in hearing from both the UVSD and the City of Ukiah in regards to the proposed revised MSR.

Mr. McMichael of the Ukiah Valley Sanitation District presented LAFCo with a letter including comments to the revised MSR.

Mr. McMichael also presented a letter indicating that it was the District's position that Mendocino County Counsel's Office has a conflict of interest with respect to any conflicts between the District and LAFCo.

At 9:36 AM, Chair Shoemaker called a short recess.

At 9:48 AM, Chair Shoemaker called the meeting back in order.

Mr. Baracco reviewed the purpose of a Municipal Service Review, including the provision of factual information about a district, its operations, including financial, and how it provides services. The responsibility to develop the data does not fall upon LAFCo; LAFCo must rely upon information deemed reliable, and in the case of the UVSD, there is not consensus on the reliability of information provided by all parties.

Mr. McMichael proposed to highlight his letter presented to LAFCo. Commissioners expressed interest in hearing Mr. McMichael's comments.

Mr. McMichael discussed the following topics:

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- The accuracy of ESSU numbers;
- Revisions to the UVSD Sphere of Influence;
- Annexation issues in regards to Rogina Water Company and Millview CWD;
- Disadvantaged unincorporated Community of Talmage;
- Expansion of the wastewater system/capacity of the wastewater treatment plant;
- Accurate accounting of past years fund balances for the sewer system;
- UVSD employees;
- UVSD lawsuit against the City of Ukiah;
- April 3, 2013 Grand Jury Report titled, City of Ukiah vs. Ukiah Valley Sanitation District, Round Three; and
- Time allowed for Draft USVD MSR review.

Commissioner Kisslinger recommended that LAFCo either publish the UVSD MSR with a disclaimer that the facts are presented to the best of LAFCo's ability; or not publish the MSR until the lawsuit is settled in the courts.

Commissioner Brown asked clarifying questions regarding the ownership of the water sewer treatment plant and supported going forward with publishing the UVSD MSR with comments regarding the current dispute. She asked for clarification on some numbers included in the revised draft.

Commissioner Hammerstrom asked Mr. McMichael for clarification on the definition and calculations of ESSU numbers. He also offered comments on the impending law suit in relation to completing the MSR and asked Mr. Baracco for clarification on sphere of influence determinations made based on future issues.

Commissioner McCowen commented in favor approval of the MSR as a "snapshot in time" based on the best information currently available. He suggested that the Commission could address the approval of the SOI as separate matter, possibly postponing approval of the SOI until the law suit is settled.

Commissioner Ward supported Commissioner McCowen's views, adding that the MSR will be up for review in three to five years.

Commissioner Kisslinger offered comments to support leaving mention of the Grand Jury reports out of the MSR.

Commissioner McFadden offered comments supporting a revised draft of the MSR made available for the January 2014 regular meeting that reflects the original draft, the revised draft, and the comments from UVSD, noting disputes of facts within the MSR text.

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Commissioner Shoemaker made comments supporting approving the MSR and SOI separately. He voiced appreciation to staff effort in attempting to reflect accurate information with the MSR text. He asked for clarification within the MSR on financial matters with regards to Long-Term Debt being addressed in the revision.

Mr. McMichael offered comments in response. Commissioner McCowen highlighted further financial areas that need clarification.

Commissioners directed LAFCo staff to present a revised draft of the UVSD MSR at the January 2014 Regular Meeting, including comments reflecting the current disputes and a disclaimer that facts are presented to the best of LAFCo ability.

7. Commission Meeting Schedule for 2014

Mr. Baracco presented the proposed meeting schedule for 2014 and recommended adoption.

Upon motion by Commissioner Brown and second by Commissioner Kisslinger, the 2014 Commissioner Meeting Schedule was approved unanimously.

Other Items

8. Correspondence

Mr. Baracco presented the CALAFCO Quarterly Newsletter.

9. Commissioners Reports, Comments or Questions

None.

10. Executive Officer's Report

- Mr. Baracco presented Commissioner Hammerstrom's travel reimbursement request for \$322.22 for the CALAFCO Annual Conference. Upon motion by Commissioner Kisslinger and second by Commissioner McFadden, the travel reimbursement request was approved unanimously.
- Mr. Baracco presented additional Water Forum Claims Request for \$997.50 for Bruce Baracco and \$833.00 for Kateri Harrison.

Commissioner Shoemaker supported paying the additional claims request, noting that though it was above his original estimate, circumstances led to additional work being required and he believes the request to be honest and correct. He suggested a practice of setting budgets before events in the future.

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Commissioner McCowen asked for clarification between Agenda Item No. 4, Ukiah Valley Water Forum Follow-Up Report, and the current item for additional claims. Mr. Baracco clarified that the costs reflected in the Follow-up Report included all of his costs, but not the additional amount for Ms. Harrison. Commissioner Hammerstrom offered comments that future events would hopefully not incur extensive legal costs. Commissioner McFadden commented that the work was done and the bill should be paid, but does not agree with the work having been done in the first place. Upon motion by Commissioner Kisslinger and second by Commissioner Hammerstrom, the additional claims request was approved by roll call vote:

Ayes: Commissioners Brown, Hamburg, Hammerstrom, Kisslinger, McFadden and Shoemaker

Noes: None

Abstain: None

Absent: None

- Mr. Baracco presented the current Commissioner Terms of Office and reported that the Mayors Selection Committee has not yet met to make an appointment, though efforts are being made.
- Uma Hinman, LAFCo Environmental Specialist, provided an update on current projects, including the City of Ukiah SOI. Commissioner McCowen asked Mr. Baracco who will be paying for the City of Ukiah SOI, questioning the cost being taken up by LAFCo based on LAFCo policy. Commissioner Brown agreed that the City should incur the cost.

Commissioner Ward asked Mr. Baracco for an update on the MSR Schedule, requesting a revised schedule be presented in January.

Commissioners Kisslinger, Shoemaker and Ward asked for an agenda item in January to address the process for hiring a new Executive Officer in anticipation of Mr. Baracco's contract ending at the end of June, 2014.

- Craig Baracco, LAFCo Analyst, provided an update on current projects and the LAFCo website.

11. Legislation Report

Mr. Baracco reported the legislature is in recess.

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Adjournment

There being no further business, at 11:24 AM the meeting was adjourned to the next regular meeting on Monday, January 6, 2014 at 9:00 AM in the County Board of Supervisors Chambers at 501 Low Gap Road, Ukiah, California.

Respectfully Submitted,

BRUCE C. BARACCO
Executive Officer

Agenda Item No. 2

MENDOCINO
Local Agency Formation Commission

January 6, 2014

MEMORANDUM

TO: Mendocino Local Agency Formation Commission
FROM: Bruce Baracco, Executive Officer
SUBJECT: Claims for the Period November 24 through December 28, 2013

The following items for payment have been presented during the past 36-days:

1.	Baracco and Associates	Executive Officer Services-Dec	\$6,803.41
2.	Mendocino Access Television	Aug, Oct, Nov meetings	300.00
3.	Ukiah Valley Conference Center	Rent for December	556.50
4.	AT&T	Telephone service – Oct	11.50
5.	CSDA	2014 Membership dues	1,005.00
6.	AT&T	Telephone service – Nov	10.01
7.	County GIS	MSR mapping	<u>2,721.99</u>
		Total	\$11,408.41

It is recommended that the claims listed be authorized for payment.

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Agenda Item No. 5

MENDOCINO Local Agency Formation Commission

January 6, 2014

MEMORANDUM

TO: Mendocino Local Agency Formation Commission
FROM: Bruce Baracco, Executive Officer
SUBJECT: Standing and Ad Hoc Committees for 2014

Appointments to the following Committees to serve for the 2014 Calendar Year are in order:

Standing Committees

Executive Committee
Policies and Procedures Committee

Ad Hoc Committees

Executive Officer Recruitment
Coastal Forum
Commissioner Appointments
(Public, Special District (2), Special District Alternate)

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Agenda Item No. 7

MENDOCINO Local Agency Formation Commission

January 6, 2014

MEMORANDUM

TO: Mendocino Local Agency Formation Commission
FROM: Bruce Baracco, Executive Officer
SUBJECT: Follow-Up Report on the Inland Water Forum

The LAFCo-sponsored forum 'Water in the Ukiah Valley – A Community Conversation' (which was held on October 23, 2013) was well received. A total of 44 people participated in the Forum, including four representatives from City or County, 14 from local water agencies, four from the business community, 12 members of the public, five LAFCo Commissioners, three LAFCo Staff, and two miscellaneous.

The Water Forum generated the following costs:

<u>Item</u>	<u>Amount</u>
Kateri Harrison, Facilitator	\$2,638.95
Bruce Baracco, Executive Officer	1,228.50
Craig Baracco, LAFCo Analyst	112.50
Beth Salomone, Commission Clerk	533.75
Tom Parker, Commission Legal Counsel	240.00
Room Rental, Alex Rorabaugh Center	280.00
Invitation printing	47.36
Invitation postage	14.26
Food, catered by Schat's	572.10
Name Tags	<u>32.97</u>
Total	\$5,700.39

Additional items to consider:

1. Appropriateness of the Commission to host such Forums.
2. Distribution of the Facilitator's Report to the attendees.
3. Generation of a Press Release addressing the reasons the Forum was worth having, why it was worth the expenditure of public funds, difficulty in holding a workshop of this sort, and what was achieved that will serve the public in the future.

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Agenda Item No. 8

MENDOCINO
Local Agency Formation Commission

January 6, 2014

MEMORANDUM

TO: Mendocino Local Agency Formation Commission

FROM: Bruce Baracco, Executive Officer

SUBJECT: Ukiah Valley Sanitation District Final Municipal Service Review

RECOMMENDATION

It is recommended that the Final MSR for the Ukiah Valley Sanitation District (UVSD) be held in abeyance until such time as unresolved issues between UVSD and the City of Ukiah are resolved.

BASIS FOR RECOMMENDATION

After meeting with Frank McMichael and John Dickerson of UVSD to discuss the District's MSR, it became evident that numerical data (both service-related and finance-related) would not be able to be determined to any degree of accuracy.

Pending resolution of the District's legal action against the City (when these issues are expected to be resolved), it appears best to defer completion of the UVSD MSR. Once final data are available, the District MSR can be completed. This will also necessitate revisions to the wastewater portion of the City MSR.

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Agenda Item No. 11

MENDOCINO
Local Agency Formation Commission

January 6, 2014

MEMORANDUM

TO: Mendocino Local Agency Formation Commission
FROM: Bruce Baracco, Executive Officer
SUBJECT: Executive Officer’s Report

Municipal Service Review Completion Schedule

While we are not as far along on the MSR completion schedule as we would like, we are making significant progress. There are currently five sub-consultants preparing MSRs. We expect to bring Administrative Draft MSRs to the Commission by part, as described below.

<u>Part</u>	<u>MSR Work Item</u>	<u>Status</u>
3	City of Willits	20% complete
3	City of Point Arena	60% complete
4	Anderson Valley CSD	95% complete
4	Noyo Harbor District	Public Review Draft complete
5	13 Fire Districts	40% complete
6	Mendocino Coast Hospital District	10% complete
6	Mendocino County RCD	10% complete
7	8 Water and Wastewater Districts	80% complete
8	9 Cemetery Districts	Not yet initiated
9	15 Dependent Special Districts	Not yet initiated
10	9 Private and Mutual Water Companies	Not yet initiated

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