

MENDOCINO

Local Agency Formation Commission

Ukiah Valley Conference Center | 200 South School Street | Ukiah, California 95482
Telephone: (707) 463-4470 | E-mail: eo@mendolafo.org | Web: www.mendolafo.org

COMMISSIONERS

Tony Orth, Chair
Brooktrails Township CSD

Scott Ignacio, Vice-Chair
Point Arena City Council

Gerald Ward, Treasurer
Public Member

Matthew Froneberger
Special District Member

Gerardo Gonzalez
Willits City Council

Glenn McGourty
County Board of Supervisors

Maureen "Mo" Mulheren
County Board of Supervisors

Jenifer Bazzani, Alternate
Ukiah Valley Fire District

John Haschak, Alternate
County Board of Supervisors

Mari Rodin, Alternate
City Member

Richard Weinkle, Alternate
Public Member

STAFF

Executive Officer
Uma Hinman

Analyst
Larkyn Feiler

Commission Clerk
Kristen Meadows

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, Ukiah

A G E N D A

Regular Meeting of **Monday, June 7, 2021** at 9:00 AM
County Board of Supervisors Chambers 501 Low Gap Road, Ukiah, California

*Live web streaming and recordings of Regular Commission meetings are available via the
[Mendocino County YouTube Channel](#).*

*Links to recordings, approved minutes, and meeting documents are available on the LAFCo
website: <https://www.mendolafo.org/commission-meetings>*

Important Notice

Pursuant to State Executive Order N-29-20 pertaining to the convening of public meetings in response to the COVID-19 pandemic, effective April 5, 2020, the Mendocino Local Agency Formation Commission (LAFCo) meetings will be conducted via Zoom and will not be available for in person public participation until further notice. See website [meeting documents](#) webpage for participation information.

Zoom meeting link: <https://mendocinocounty.zoom.us/j/82361582311>

Submit **written comments** electronically to eo@mendolafo.org by 8:00 a.m. on June 7. In the subject line, specify the agenda item number for your comments, "To be read aloud" if desired, and in the body of the email include your name. If to be read aloud, please keep your comments to 500 words or less. All written comments will be provided as soon as feasible to the Commission and posted on the [meeting documents](#) webpage.

Provide **verbal comments** via teleconference with the information provided on the [website](#). Please pre-register by email to eo@mendolafo.org by 8:00 a.m. on June 7. In the subject line, specify the agenda item number for your comments, "...Live", and your name (Example: Item 4a Public Comment Live, John Doe). Participants will also receive instructions for participation in the meeting. Each participant will have three minutes to provide comments related to the agenda item.

1. CALL TO ORDER and ROLL CALL

2. PUBLIC EXPRESSION

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. See public participation information above.

3. 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.

3a) Approval of the May 3, 2021 Regular Meeting Summary

3b) Approval of the May 2021 Claims & Financial Report

3c) Ratification of Corrected January 4, 2021 Meeting Summary

3d) Ratification of Corrected Resolution No. 2020-21-03

4. WORKSHOP ITEMS

None

5. MATTERS FOR DISCUSSION AND POSSIBLE ACTION

5a) Development of Sphere of Influence Policy Amendments

Receive an update from staff on the status and outreach efforts for the proposed sphere of influence policy amendments and provide additional direction to the Policies & Procedures Committee regarding policy development goals and stakeholder involvement.

5b) City of Ukiah Appeal of Executive Officer Determination for 2014 Amended Ukiah Valley Sanitation District Detachment Application (LAFCo File No. D-2020-01)

Continuance of the Commission's consideration of the City of Ukiah's appeal of the Executive Officer's determination of an incomplete application for the City's 2014 application for detachment of Ukiah Valley Sanitation District overlap areas.

5c) Update on the City of Ukiah and Ukiah Valley Sanitation District Consultant Prepared Municipal Service Review and Sphere of Influence Update Process

- 1) Receive an update from staff on the status of the Draft Memorandum of Understanding with the City of Ukiah for funding the City's MSR/SOI Update to be prepared by the Planwest Partners Team under contract with LAFCo and discuss options for moving the process forward.
- 2) Receive an update from staff on the status of the Ukiah Valley Sanitation District MSR/SOI Update process and consider funding options for the project.

5d) Proposed Budget Amendment for Fiscal Year 2020-21

The Commission will consider and take action on a proposed budget amendment for Fiscal Year 2020-21 to shift funds between budget accounts to support increased staff and legal services workload.

6. PUBLIC HEARING ITEMS

6a) Final Budget and Work Program for Fiscal Year 2021-22

The Commission will consider and take action on the Final Budget and Work Program for Fiscal Year (FY) 2021-2022.

7. INFORMATION AND REPORT ITEMS

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

7a) Work Plan, Current and Future Proposals (Written)

7b) Countywide Planning Activities Report

7c) Correspondence (Copies provided upon request)

7d) Executive Officer's Report (Verbal)

7e) Committee Reports (Executive Committee/Policies & Procedures) (Verbal)

7f) Commissioner Reports, Comments or Questions (Verbal)

7g) CALAFCO Business and Legislative Report

ADJOURNMENT

The next Regular Commission Meeting is scheduled for Monday, **July 12, 2021** at 9:00 AM
Location to be determined based on current State and local mandates related to the COVID-19 pandemic.

Notice: This agenda has been posted at least five (5) calendar days prior to the meeting and in accordance with the temporary Brown Act Guidelines instated by State Executive Order N-29-20.

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: Because the meeting is being held by teleconference, if you are hearing impaired or otherwise would have difficulty participating, please contact the LAFCo office as soon as possible so that special arrangements can be made for participation, if reasonably feasible.

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 to any Commissioner in the past year must disclose the contribution. If you are affected, please notify the Commission before the hearing.

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REGULAR MEETINGS

First Monday of each month

at 9:00 AM in the

Mendocino County

Board of Supervisors

Chambers

501 Low Gap Road, Ukiah

Agenda Item No. 3a

DRAFT MINUTES

Local Agency Formation Commission of Mendocino County

Regular Meeting of Monday, May 3, 2021

Meeting held via Zoom due to COVID-19 Pandemic Emergency Conditions

1. **CALL TO ORDER and ROLL CALL** (Video Time 2:29)

Chair Orth called the meeting to order at 9:00 a.m.

Regular Commissioners Present: Tony Orth, Scott Ignacio, Gerardo Gonzalez, Matthew Froneberger, Maureen Mulheren, Glenn McGourty, and Gerald Ward (9:03)

Regular Commissioners Absent: none

Alternate Commissioners Present: Jenifer Bazzani, Richard Weinkle, and Mari Rodin

Alternate Commissioners Absent: John Haschak

Staff Present: Uma Hinman, Executive Officer; Larkyn Feiler, Analyst; Kristen Meadows, Clerk; and Scott Browne, Legal Counsel

2. **PUBLIC EXPRESSION** (Video Time 6:13)

Elizabeth Salomone, General Manager for the Russian River Flood Control and Water Conservation Improvement District, offered to answer questions about water supply conditions in the County. *(See item 7f)*

3. **CONSENT CALENDAR** (Video Time 6:52)

4a) Approval of the April 5, 2021 Regular Meeting Summary

4b) Approval of the April 2021 Claims & Financial Report

April 2021 Claims totaling:	\$ 11,937.60
Hinman & Associates Consulting	\$ 9,495.00
Ukiah Valley Conference Center	\$ 480.10
P. Scott Browne	\$ 4,462.50
Streamline	\$ 50.00

Commissioner Ward expressed concern for the budget regarding legal fees.

Motion by Commissioner Ignacio: Approve the Consent Calendar Items

Second by Commissioner Froneberger.

Approved by roll call vote: unanimous.

Ayes: (7) Ignacio, Gonzalez, Ward, Froneberger, Mulheren, McGourty, Orth

4. **PUBLIC HEARING ITEM** (Video Time 10:34)

4a) Proposed Budget and Work Program for Fiscal Year 2021-22

EO Hinman introduced the item, verifying proper public noticing occurred and proceeded with presentation of the proposed budget and work program.

The preliminary FY 2021-22 budget was presented to the Commission at the previous meeting on April 3 and the proposed budget was distributed to the agencies for review.

- The proposed expenses are \$205,150 (an increase of \$28,975). The most significant increase is for the Proposed Work Plan.
- The proposed revenues, consisting of apportionments and interest, total \$225,100.
- Other revenues are applications and grant funds, both of which are not included because they are zero sum.

Summary of FY 2020-21 and Proposed FY 2021-22 Budgets

Budget Summary	FY 2020-21		FY 2021-22
	Amended (\$)	Projected (\$)	Proposed Budget
Staffing Total	92,060	95,000	95,000
Services and Supplies Total	49,633	45,133	58,650
Work Plan Total	34,500	20,000	51,500
Operations Total	176,193	160,133	205,150
Change in Reserves	(25,743)	(10,063)	19,950

EO Hinman presented a proposal to increase Account 6750 Travel & Lodging and Account 6800 Conference Registrations to provide for three staff members to participate in the Annual CALAFCO Staff Workshop in Newport Beach in March 2022. The request is for expense reimbursement for registration and travel and lodging only, no labor. Staff did not propose an increase in revenue (apportionments); rather, the \$3,50 increase in budget would result in a reduction in the intended deposit to reserves. During the April Commission meeting, several Commissioners expressed support for funding staff participation in CALAFCO events and training courses. No budget has been allocated for staff training purposes since 2011.

EO Hinman noted that the Work Plan for FY 2021-22 consisted of the following MSR/SOI Updates:

Agency	Last MSR and/or SOI Update	Estimated Cost ¹
City of Ukiah ²	MSR 2012	\$12,500
Ukiah Valley Sanitation District	N/A	\$20,000
Ukiah Valley Fire District	MSR/SOI 2008	\$6,000
County Service Area No. 3	N/A	\$6,000
Covelo Community Services District	MSR/SOI 2010	\$7,000

The Final Budget & Work Program is to be completed by June 15, 2021 following a public hearing on June 7th.

Questions and Comments from the Commission:

- Commissioner Ignacio requested a copy of the PowerPoint presentation.
- Commissioner Gonzalez asked if each of the agencies received notice of the change in apportionment fees.
 - EO Hinman responded that the notice was included on page 24 of the agenda packet. Following the adoption of the budget, the County Auditor implements a formula for each agency’s fee, which is based on its annual operating revenue of the previous year.
- Commissioner Ward asked about the staff training request and historic practices.
 - EO Hinman responded that current policy provides for reimbursement of the EO’s registration for the CALAFCO Annual Conference only and does not include expenses. There has been no budget for the Staff Workshop or for other staff to attend any CALAFCO offerings. She further clarified the difference between the CALAFCO Staff Workshop and the Annual Conference.
- Commissioner Ward asked for a status update to the Sanitation District MSR/SOI and expressed concern with the lack of progress of the Work Plan.
 - EO Hinman relayed that the District is ready to move forward with the update and will be discussing funding options with its Board and staff.
- Commissioner McGourty also expressed concern for Work Plan progress and asked for comment on the presented comparison of LAFCo budgets. He expressed support for adequate staffing in order to facilitate more timely processing of applications and completion of Work Plan studies.

- EO Hinman stated that other LAFCo's have substantially larger budgets for their Work Plans, staffing, and outreach. She further stated that, when possible, subcontractors are utilized to bolster staffing, particularly for completing MSR/SOI Updates. For example, staff has moved forward with the Covelo CSD MSR/SOI Update utilizing a subcontractor and anticipates an administrative draft should be available for review by the end of the month.
- Commissioner Rodin asked why the City of Ukiah detachment application is not listed on the Work Plan. She expressed concern for staff time and asked if applications are causing delays in completing the Work Plan. She would like to explore ways to increase capacity. EO Hinman clarified the applications not included on the Work Plan, clarifying the following two categories: Work Program - defines the basic services; and Work Plan - defines mandated work on MSR/SOI Updates. Applications are processed at cost and are not included in the budget revenues or expenditures. Applications do impact staff capacity, in particular in completing Work Plan studies. There are two primary causes for delays in Work Plan progress: application processing and policy development.
- Commissioner Mulheren asked about labor costs for the CALAFCO Staff Workshop.
 - EO Hinman clarified that the requested reimbursement is only for lodging and travel and that her firm will cover the labor costs.
- The Commission discussed options for budget revisions during the fiscal year, proposed ideas for ways to increase revenue, facilitation of timely completion of the Work plan, and clarified the motion to be voted on and the Final Budget Public Hearing. Participants in the discussion included Commissioners Rodin, Orth, Ignacio, Ward, Mulheren, Counsel Browne and EO Hinman.
- Commissioner Rodin suggested taking a closer look at the budget comparison and practices of other LAFCo's before approving the budget. Commissioner McGourty asked about the possibility of amending the budget after approval.
- Chair Orth said that the budget cannot be amended due to the calculation of apportionments based on the final budget. He suggested directing the Executive Committee to review and provide a recommendation. He noted the economic impact from the pandemic and increases to legal fees for consideration.
- Counsel Browne confirmed that funds may be moved between accounts within the budget; however, it cannot increase revenue (apportionments) outside of the budget development process.
- Commissioner Ignacio noted that the current resolution is for the proposed budget; there will another public hearing for the final budget before June 15, 2021.
- Commissioner Ward expressed the need for increased capacity to complete the Work Plan and concern for increasing apportionment fees. He would like to explore other ways to increase revenue.
- EO Hinman clarified:
 - Apportionment fees are fixed with adoption of the Final Budget, but reserves can be utilized during the year, if the Commission determines it necessary and/or appropriate.
 - The current public hearing is for the proposed budget which will be distributed to the agencies for review and comment following the Commission's action. The Final Budget Public Hearing will be scheduled for June 7.
 - An Ad Hoc Committee was formed to review the Work Plan on April 3. They have not met yet.
- Commissioner Mulheren suggested changing application fees – awarding agencies for timely processing.
 - EO Hinman said that staff has been working on developing a proposal for weighted staff rates for consideration with a fee schedule update, which will be presented to the Policies & Procedures Committee in the near future.

Motion by Commissioner Gonzalez: Adopt Resolution 20-21-04, approving the Proposed Budget and Work Plan for Fiscal Year 2021-2022 with direction to staff to revise the Draft Budget expenditures to include \$3,350 for staff training; and direction to the EO to distribute the Draft Budget and Work Plan for review and comment to the 53 funding agencies and to schedule a public hearing, pursuant to Government Code Section 56381, for consideration and adoption of a Final Budget and Work Plan for FY 2021-2022 at the June 7, 2021 Regular Meeting.

Second by Commissioner McGourty.

Approved by roll call vote: unanimous.

Ayes: (7) Ignacio, Gonzalez, Ward, Froneberger, Mulheren, McGourty, Orth

Phil Williams, Special Counsel for the City of Ukiah, requested to comment before the Commission entered closed session. He made two points: The City (1) has no intent to litigate Mendocino LAFCo and (2) looks forward to a conversation regarding its application for detachment of Ukiah Valley Sanitation District areas.

5. CLOSED SESSION

5a) Conference with Legal Counsel – Anticipated Litigation

At 9:55 a.m. the Commission entered closed session. (Video Time 53:33)

At 10:40 a.m. the Commission exited Closed Session. (Video Time 1:42:56)

Counsel Browne reported that the Commission met in closed session to discuss anticipated litigation and that no reportable actions occurred.

At 10:42 a.m. Chair Orth called for a five-minute break. (Video Time 1:43:38)

BREAK

At 10:47 a.m. the Commission reconvened. (Video Time: 1:51:20)

ROLL CALL (Video Time 1:52:00)

Regular Commissioners Present: Tony Orth, Scott Ignacio, Gerardo Gonzalez, Matthew Froneberger, Maureen Mulheren, Glenn McGourty, and Gerald Ward (9:03)

Regular Commissioners Absent: none

Alternate Commissioners Present: Jenifer Bazzani and Mari Rodin

Alternate Commissioners Absent: John Haschak and Richard Weinkle

Staff Present: Uma Hinman, Executive Officer; Larkyn Feiler, Analyst; Kristen Meadows, Clerk; and Scott Browne, Legal Counsel

6. MATTERS FOR DISCUSSION AND POSSIBLE ACTION

6a) City of Ukiah Appeal of Executive Officer Determination for 2014 Amended Ukiah Valley Sanitation District Detachment Application (LAFCo File No. D-2020-01) (Video Time 1:53:30)

Analyst Feiler presented the item. (Video Time 1:54:27)

Commissioner McGourty rejoined the meeting at (10:55 a.m.)

The City of Ukiah made a presentation including the following speakers: Phillip Williams, Special Counsel for the City; Sean White, City Director of Water Resources; and Andrea Matarazzo, Special CEQA Counsel for the City. (Video Time 1:54:27 – 2:26:52)

Commissioner Bazzani left the meeting at 11:15 a.m.

Commissioner Weinkle left the meeting at 11:20 a.m.

Commissioner Gonzalez inquired about whether the City's 2014 Resolution of Application specified the CEQA exemptions determined by the City and Mr. Williams responded that he believed so and it is not relevant based on Ms. Matarazzo's presentation.

Commissioner Mulheren inquired about whether there are any separate or different water districts that also serve areas within the City limits and Mr. White responded affirmatively pointing to a small area served by the Willow County Water District and an overlap area with the Millview County Water District that does not have customers.

Alternate Commissioner Rodin requested clarification on the intent of the agenda item language related to the City's appeal of the Executive Officer's determination on the City's application and EO Hinman responded that staff's determination of an incomplete application was related to application processing and not an action on the outcome of the application, which is a Commission decision.

Chair Orth requested public comments on the item. (Video Time 2:32:43)

Wing-See Fox, Interim General Manager for the Ukiah Valley Sanitation District, commented regarding statements made related to there being no change to customers in the overlap area in the case of detachment and there being no clarity regarding the Sanitation District taking issue with financial information presented in the Plan for Services and noted that it is unclear whether there would be a rate impact to customers from detachment. Ms. Fox commented on the importance of de-escalating the issue and keeping incendiary comments to a minimum. Ms. Fox also encouraged collaboration between the agencies to work through the financial implications of detachment while keeping the greater good of the Ukiah Valley in mind and ensuring that overlap area customers and remaining District customers are not burdened with unreasonable rates after detachment.

Joshua Nelson, Special Counsel for the Ukiah Valley Sanitation District, introduced himself and noted he had no comments at the time.

The Commission deliberated on the three staff recommendations. (Video Time 2:35:13)

Commissioner Mulheren made a motion that the Commission discuss today the three items before moving forward, seconded by Commissioner McGourty.

Counsel Browne requested that the motion be repeated and EO Hinman noted that the motion was to discuss the items of impasse before moving forward. Counsel Browne requested clarification from the maker of the motion regarding the timing for discussion of the impasse items and Commissioner Mulheren confirmed that the motion entails discussion of the impasse items immediately within the current agenda item and the possible outcome of resolving one or all of the items of impasse today. Commissioner Ignacio requested clarification on the motion and Counsel Browne clarified that the motion addresses whether or not to continue the item to allow staff additional time to address the issues raised in the City's letter. Commissioner Mulheren clarified the motion she made was to continue to have the current conversation right now regarding the three impasse items listed by staff before the Commission directs staff to find more information and so that staff knows the Commission's questions. Commissioner Froneberger noted that Commissioners have been provided multiple opportunities to ask staff questions throughout the duration of agenda item 6a. Alternate Commissioner Rodin noted as clarification on the motion that if the Commission can address impasses identified by staff then the application can potentially move forward to the public hearing process for Commission consideration.

The motion failed upon the following roll call vote:

Ayes: (2) Mulheren, McGourty

Nays: (5) Gonzalez, Ward, Froneberger, Ignacio, Orth

Commissioner Ignacio made a motion to uphold the Executive Officer's determination and deny the City's appeal, seconded by Commissioner Ward.

Commissioner Mulheren requested clarification from the maker of the motion as to whether he agrees with the three impasse items and Commissioner Ignacio responded that was not the intent of the motion. Alternate Commissioner Rodin requested further clarification from the maker of the motion as to whether the three impasse items are legitimate and warrant the application not to be heard and Commissioner Ignacio responded that the motion is not specific to such notion. Commissioner McGourty commented that it seems to be an opportune time to address the items of impasse now and inquired as to what additional information will become available by continuing the item. Commissioner Ignacio responded that the motion is intended to resolve the impasse today and emphasized concern regarding setting a precedent that the Commission can rely on data that is 35 years old in current decision making processes. Commissioner McGourty inquired about whether an SOI Update is needed to move the application forward and Commissioner Ignacio responded that a complete application is needed to move the application forward. Commissioner Froneberger noted that presentations from both City and LAFCo staff have been heard and continuing the item will simply continue delaying the process. Chair Orth noted the controversy surrounding the issues before the Commission and the critical nature of defining the path forward and supports providing staff more time to respond to the issues. Commissioner Mulheren emphasized concern regarding setting a precedent that new governing body members are required to validate prior actions of the governing body.

The motion failed upon the following roll call vote:

Ayes: (3) Ward, Froneberger, Ignacio,
Nays: (4) Mulheren, McGourty, Gonzalez, Orth

Commissioner Gonzalez made a motion of staff recommended option 1 and for the item to come back at the next meeting, seconded by Commissioner Mulheren if the maker of the motion agreed that each of the three items of impasse be brought forward with various options for the Commission to discuss, and Commissioner Gonzalez so amended the motion.

Commissioner McGourty requested that staff recommended option 1 be read into the record.

Commissioner Gonzalez repeated the motion to postpone the item to allow additional time for staff review and response and when the item comes back at the next meeting it include the three items in dispute with possible recommendations. Commissioner Mulheren read the following impasse items into the record:

- 1) The need for a new Resolution of Application
- 2) The need for the City to act as Lead Agency and explicitly address CEQA
- 3) The need for City and UVSD MSR/SOI Updates prior to issuing a Certificate of Filing

Counsel Browne noted that the motion would allow staff time to respond to the City's 200-page letter and Mr. Williams responded that the letter mostly contained information already provided to date. Alternate Commissioner Rodin commented that with the motion the Commission would likely be in the same position at the next meeting and hoped that Commissioners would be ready to discuss the issues in depth.

The motion passed upon the following roll call vote:

Ayes: (5) Gonzalez, Ignacio, McGourty, Mulheren, Orth
Nays: (2) Froneberger, Ward

6b) Proposed Policy Amendments Regarding Indemnification Agreements and Application Options (Video Time 3:09:06)

EO Hinman presented the item. Historically, Mendocino LAFCo has required applicants to indemnify LAFCo as part of the Agreement to Pay form. The agreement indicates that if a LAFCo action is challenged, the applicant is required to defend the action or reimburse LAFCo for all related expenses. Recently, the San Luis Obispo LAFCo's use of an indemnification agreement was successfully challenged by the City of Pismo Beach (*San Luis Obispo LAFCo v. City of Pismo Beach, et.al. 2021 WL 803740*) (SLO case). At its April 13, 2021 meeting, the Policies & Procedures Committee reviewed options to address indemnification in response to the recent SLO case and recommended the Draft Indemnification Policy to the Commission for consideration.

There were no questions or comments from the Commission or the public.

Motion by Commissioner Ward: Adopt Resolution No. 2020-21-05 approving the proposed amendments to Mendocino LAFCo Policies 11.4.3 and 11.4.8 as identified in Exhibit A of the Resolution, or as modified, and directing staff to update the Policies & Procedures Manual; accordingly, and approve the Voluntary Indemnification Agreement, directing staff to include with application packet materials and post to the website.

Second by Commissioner Gonzalez.

Approved by roll call vote: unanimous.

Ayes: (7) Ignacio, Gonzalez, Ward, Froneberger, Mulheren, McGourty, Orth

6c) Proposed Policy for Electronic Signatures (Video Time 3:13:50)

The Policies & Procedures Committee considered the draft policy at its April 13, 2021 meeting and recommends it to the Commission and consideration. The Policy:

- Establishes when electronic signature technology may replace a hand-written signature.
- Encourages the use of paperless, electronic documents whenever appropriate and allowed by law.
- Applies to all signatures used in processing various LAFCo documents and assumes the signer has been given the authority to sign as determined by the Commission.
- Encourages but does not require the use of electronic signatures, nor can LAFCo mandate that any third party signing a document use electronic signature.

Commissioner Ward asked if checks can be signed electronically. Staff will explore the possibility.

Motion by Commissioner McGourty: Adopt Resolution 2020-21-06, approving the Draft Electronic Signature Policy and directing staff to update the Policies & Procedures Manual accordingly.

Second by Commissioner Ignacio.

Approved by roll call vote: unanimous.

Ayes: (7) Ignacio, Gonzalez, Ward, Froneberger, Mulheren, McGourty, Orth

6d) Update on Proposed Sphere of Influence Policy Amendments (Video Time 3:18:83)

EO Hinman presented, reporting that the cities and special districts have been invited to attend a public workshop with the Policies & Procedures Committee on May 11, 2021 at 3 p.m. to discuss the draft sphere of influence policies. The workshop will be held via Zoom and information has been posted on the LAFCo website.

Commissioner Mulheren advised that the Board of Supervisors may have a special meeting on the 11th, and will confirm if the meeting will adjourn by 3 p.m.

Mr. Williams noted that the 2nd Tuesday of the month is typically when various local and statewide public agencies meet. Specifically, the State Water Board is scheduled to meet and make actions concerning the drought on the 11th. He suggested changing the date to accommodate maximum participation.

There was discussion about the planning, timing, and potential scheduling conflicts for the workshop. EO Hinman will reach out and follow up as necessary to finalize scheduling of the workshop date.

7. INFORMATION/REPORT ITEMS

7a) Work Plan, Current, and Future Proposals

 (Video Time: 3:25:02)

EO Hinman presented the report:

Five Active Proposals:

1. City of Ukiah Detachment of Ukiah Valley Sanitation District (UVSD) Served Areas: see item 6a.
2. City of Ukiah Annexation of City-Owned Properties: Staff is waiting on additional information to complete the application submittal. The tax-share agreement process has been initiated with the County.
3. City of Ukiah Pre-Application for Annexation of Areas North of the City: no change.
4. Ukiah Valley Fire District Pre-Application for Annexation of the City of Ukiah: Staff has been coordinated with Mr. Williams and has encouraged the UVFD/City to submit the application as soon as possible so that staff can initiate the tax share negotiation process with the County.
5. Millview County Water District Pre-Application for Annexation of Masonite Properties: Staff are anticipating an application submittal.

Future Proposal(s):

1. City of Ukiah Annexation of the Western Hills Home Properties: Staff has provided comments to the initial referral and is reviewing the draft initial study.

Work Plan:

- Ukiah Valley Sanitation District – The District has received direction from their Board to work with Staff to develop funding options.
- City of Ukiah - The MOU is being negotiated between City and LAFCo attorneys.
- Ukiah Valley Fire District – Staff anticipates processing the update concurrently with the UVFD/City application for annexation.
- CSA 3 – Has been on hold due to the pandemic. Staff has initiated work on a map for the update.
- Covelo CSD – Due to delays with other Work Plan projects, staff began work on the update and anticipates an administrative draft this month. Staff hopes to schedule the public workshop in July.

Commissioner Ward requested policy clarification asking if LAFCo only processes applications for agencies with current MSR/SOIs. EO Hinman confirmed that has been the Commission's practice. He asked specifically about the status of the City of Ukiah's SOI Update. EO Hinman responded that issue is part of the impasse with the City discussed under item 6a.

Commissioner McGourty suggested that the timely processing of MSR/SOI is a big issue with the City of Ukiah. EO Hinman responded that updated MSR/SOIs for the City and UVSD are necessary to adequately inform the Commission regarding the provision of services in the Ukiah Valley, enabling it to make informed decisions on requested boundary changes within the affected areas. Initially, Staff's goal was to complete the City's update concurrently with the General Plan Update, which would have allowed for comprehensive planning and shared CEQA review. Unfortunately, the pandemic delayed the General Plan update significantly and the decision was made to move forward with the MSR/SOI Update. Currently, the MOU for the funding agreement is causing the delay in beginning the MSR/SOI Update. To expedite the process, Staff has offered to process the City's application for detachment of UVSD areas and SOI Update concurrently, holding final action on the application until adoption of the SOI Update. In addition, a tax share agreement with the County (historically a minimum 3–6-month process) is needed. Supervisor Mulheren has put together a Board of Supervisor's Ad Hoc Committee that will hopefully improve and expedite the tax share agreement process.

7b) Countywide Planning Activities Report None

7c) Correspondence None.

7d) Executive Officer's Report (Video Time: 3:34:31)

EO Hinman reported that Staff will resume holding regular office hours again on Tuesdays and Fridays from 9 a.m. to 1 p.m. and are working to implement proper safety protocols.

Additionally, Staff has been working to secure a reliable and cost-effective provider to replace Pacific Internet for phone and internet services.

EO Hinman thanked her team for their hard work and dedication.

Commissioners Gonzalez, Orth, Mulheren, McGourty and Rodin all expressed appreciation for Staff's work and understands the challenges they face have been long-standing.

EO Hinman said that Staff is here to provide information and welcomes contact from the Commissioners. She invited and encouraged the Commission to reach out to staff to ask questions and discuss any issues.

7e) Committee Reports (Executive Committee/Policies & Procedures) (Video Time 3:40:58)

Commissioner Rodin asked for the Commissioner Committee Assignments.

Executive Committee: Chair Orth, Vice Chair Ignacio, and Treasurer Ward.

Policies & Procedures Committee: Commissioners Mulheren (Chair), Froneberger, and Gonzalez.

Ad Hoc Committee: Mulheren, Froneberger, and Rodin.

7f) Commissioners Reports, Comments or Questions (Video Time: 3:42:44)

Commissioner Mulheren reported that the proposed County Board of Supervisors Ad Hoc Committee for the Tax Share Agreement will be considered by the Board of Supervisors on May 11, 2021. She hopes that each of the independent cities will also create similar ad hoc committees.

Commissioner Froneberger reported briefly on the drought condition. The drought conditions within the Russian River Watershed is unchartered waters. There is just under 40% storage in Lake Mendocino and the area has received only 38% (12-13 in.) of its average rainfall (36 in.), making this drought unprecedented. The Governor has declared a drought emergency in Sonoma and Mendocino Counties. Commissioner Froneberger said that it is imperative for folks in the Upper and Lower Russian River areas to continue to support the Eel River Water Project. The Eel River diversion, the source of a large amount of water currently in Lake Mendocino, is about to be cut due to flow restrictions out of Lake Pillsbury and on the Eel River. He encourages everyone to be mindful, to spread the word, and prepare for long-term implications from the drought.

Commissioner Ignacio reported that Point Arena is serviced by Point Arena Water Works, a privately-owned company off the Garcia River. The marine weather provides sufficient moisture and light rain fall through the season.

Commissioner Gonzalez reported that the City of Willits has installed its splash boards. Although the drought will tax the system, an alternate source of well water is also available should the need arise.

Chair Orth reported that Brooktrails has upgraded to a rubber, air bag actuated, steel dam that has allowed the community to collect water throughout the rainy season. The technology has allowed them to maintain water flow and currently restrictions are not anticipated. However, he expressed concern that restrictions may be necessary should they need to share water with its neighbors.

Commissioner McGourty reported that the County declared a drought emergency the day before the Governor made his declaration. There are about 42 entities that deliver water and the status of each one is being investigated individually. The County has set up a task forces for the drought and the Russian River to encourage implementation of water conservation techniques. He believes that LAFCo and the City may play an important role in deciding the future of water in the Ukiah area.

7g) CALAFCO Business and Legislation Report None.

ADJOURNMENT (Video Time: 3:54:46)

There being no further business, the meeting adjourned at 12:51 p.m. The next regular meeting is scheduled for Monday, June 7, 2021 at 9:00 a.m. The location is to be determined based on guidelines recommended by the Mendocino County Public Health Officer and Executive Orders regarding the COVID-19 pandemic.

Live web streaming and recordings of Commission meetings are available via the County of Mendocino's YouTube Channel. Links to recordings and approved minutes are also available on the [LAFCo website](#). [May 3, 2021 meeting recording on YouTube](#)

MENDOCINO Local Agency Formation Commission Staff Report

DATE: June 7, 2021
 TO: Mendocino Local Agency Formation Commission
 FROM: Uma Hinman, Executive Officer
 SUBJECT: **Financial Report and Claims for May 2021**

RECOMMENDED ACTION

Approve the May 2021 claims and financial report.

Name	Account Description	Amount	Total
Hinman & Associates Consulting, Inc.	5300 Basics Services	\$ 13,627.00	\$ 20,981.70
	5601 Office Supplies (QB, printer ink)	\$ 195.20	
	6200 Bookkeeping	\$ 80.00	
	7000 Work Plan (Covelo CSD, Ukiah, UVSD)	\$ 5,356.50	
	8010 City of Ukiah Detach	\$ 1,723.00	
P. Scott Browne	6300 Legal Counsel - General Services	\$ 6,367.50	\$ 8,651.25
	8010 Ukiah Detachment of UVSD Areas	\$ 2,283.75	
Ukiah Valley Conf. Center	5502 Office Space	\$ 464.00	\$ 466.53
	5600 Postage	\$ 2.53	
Streamline	5700 Internet & Website Costs (June)	\$ 50.00	\$ 50.00
Newspapers	5900 Proposed Budget Public Hearing Pub.	\$ 282.52	\$ 282.52
Penny's Trophies & Gifts	5600 Commissioner Name Plates	\$ 41.13	\$ 41.13
Total:			\$ 30,473.13

Deposits: None

Attachments:

- Budget Tracking Spreadsheet
- Work Plan Tracking
- Invoices: Hinman & Associates Consulting, P. Scott Browne

Please note that copies of all invoices, bank statements, and petty cash register were forwarded to the Commission Treasurer.

Mendocino Local Agency Formation Commission
 FY 2020-21 Budget and Application Tracking

Acct #	Task	FY 20-21 Budget Amended	1st Qtr Subtotals	2nd Qtr Subtotal	3rd Qtr Subtotal	April	May	June	Year to Date	Remaining Budget	% of Budget Expended
EXPENSES											
5300	Basic Services - EO/Analyst/Clerk	\$92,060	\$28,703.00	\$21,841.00	\$22,624.00	\$8,222.00	\$13,627.00		\$95,017.00	\$-2,957.00	103%
	Unfunded Mandates	\$0		\$0.00	\$0.00						
5500	Rent	\$5,568	\$898.00	\$1,856.00	\$1,392.00	\$464.00	\$464.00		\$5,074.00	\$494.00	91%
5600	Office Expenses	\$3,550	\$916.04	\$1,869.12	\$471.67	\$86.10	\$238.86		\$3,581.79	\$-31.79	101%
5700	Internet & Website Costs	\$1,550	\$1,197.52	\$42.00	\$200.00	\$50.00	\$50.00		\$1,539.52	\$10.48	99%
5900	Publication & Legal Notices	\$2,000	\$274.64	\$0.00	\$0.00		\$282.52		\$557.16	\$1,442.84	28%
6000	Televising Meetings	\$2,000	\$166.40	\$466.78	\$361.38				\$994.56	\$1,005.44	50%
6100	Audit Services	\$3,380	\$1,690.00	\$0.00	\$1,690.00				\$3,380.00	\$0.00	100%
6200	Bookkeeping	\$4,500	\$1,000.00	\$830.00	\$2,280.00	\$270.00	\$80.00		\$4,460.00	\$40.00	99%
6300	Legal Counsel (S Browne)	\$14,700	\$2,400.00	\$2,727.00	\$3,700.40	\$900.00	\$6,367.50		\$16,094.90	\$-1,394.90	109%
6400	A-87 Costs County Services	\$2,093	\$0.00	\$2,093.00	\$0.00				\$2,093.00	\$0.00	100%
6500	Insurance - General Liability	\$2,815	\$2,815.00	\$0.00	\$0.00				\$2,815.00	\$0.00	100%
6600	Memberships (CALAFCO/CSDA)	\$3,727	\$2,245.00	\$1,482.00	\$0.00				\$3,727.00	\$0.00	100%
6670	GIS Contract with County	\$2,500	\$0.00	\$0.00	\$0.00				\$0.00	\$2,500.00	0%
6740	In-County Travel & Stipends	\$1,000	\$0.00	\$50.00	\$100.00				\$150.00	\$850.00	15%
6750	Travel & Lodging Expenses	\$100	\$0.00	\$0.00	\$0.00				\$0.00	\$100.00	0%
6800	Conferences (Registrations)	\$150	\$0.00	\$0.00	\$0.00				\$0.00	\$150.00	0%
7000	Work Plan (MSRs and SOIs)	\$34,500	\$2,380.00	\$1,741.00	\$4,734.25	\$200.00	\$5,356.50		\$14,411.75	\$20,088.25	42%
Monthly/ Year to Date Totals		\$176,193.00	\$44,685.60	\$34,997.90	\$37,553.70	\$10,192.10	\$26,466.38	\$0.00	\$153,895.68	\$22,297.32	87%
APPLICATIONS											
		DEPOSIT (total by application)	1st Qtr Subtotals	2nd Qtr Subtotal	3rd Qtr Subtotal	April	May	June	Project Total to Date	Remaining Budget	Notes
D-2014-8010	City of Ukiah Detachment of UVSD lands	\$11,532.75	\$3,436.00	\$1,556.00	\$1,228.00	\$1,569.50	\$4,006.75		\$12,994.25	\$-1,461.50	
P-2020-01 (8022)	City of Ukiah North Annexation Pre-Application	\$1,500.00	\$0.00	\$850.00	\$272.00				\$1,122.00	\$1,228.00	
P-2020-02 (8023)	City of Ukiah/UVFD Annexation Pre-Application	\$3,000.00	\$930.00	\$417.50	\$1,170.00				\$2,517.50	\$482.50	
P-2020-03 (8024)	Millview CWD Annexation Pre-Application	\$3,500.00	\$0.00	\$853.00	\$1,692.25	\$176.00			\$2,721.25	\$778.75	
A-2021-01 (8025)	City of Ukiah Annexation of City-Owned Properties	\$5,000.00	\$0.00	\$0.00	\$1,747.00				\$1,747.00	\$3,253.00	
8601	Sustainable Ag Lands Committee Grant Project	\$5,100.00	\$100.00	\$225.00	\$250.00				\$575.00	\$4,525.00	grant reimbursement
Application Totals		\$29,632.75	\$4,466.00	\$3,901.50	\$6,359.25	\$1,745.50	\$4,006.75	\$0.00			
EXPENSES AND APPLICATION TOTALS		\$205,825.75	\$49,151.60	\$38,899.40	\$43,912.95	\$11,937.60	\$30,473.13	\$0.00			

DEPOSITS

ACCOUNT BALANCES

County of Mendocino Account Balance	\$ 12,466	MUNIS report balance as of	5/17/2021
Operations (Checking) Account Balance	\$ 21,491	Quickbooks balance as of	5/31/2021
Legal Reserve Balance	\$ 35,000	Bank statement as of	4/30/2021
Operations Reserve Balance	\$ 55,495	Bank statement as of	4/30/2021
Total	\$ 124,452		

Mendocino LAFCo
FY 2020-21 Estimated Work Plan Implementation Schedule and Cost Tracking
 May 2021

Subject to Change: The estimated schedule and costs for the Fiscal Year 2020-21 Work Plan are subject to change based on agency responsiveness, timely provision of requested information, complexity of issues, level of public and affected agency controversy, and changing needs and priorities.

CEQA: Based on LAFCo practice, the work plan assumes minimal costs for CEQA compliance related to preparing a Notice of Exemption, unless an agency proposes a non-coterminous SOI and pays for any necessary studies and preparation of a Negative Declaration or Environmental Impact Report.

Rolling Work Plan: It is difficult to completely contain staff activities in a single fiscal year; therefore, completion of a study may roll over to the next fiscal year. This estimated work plan implementation schedule and cost tracking table is intended to enhance communication and transparency.

Agency	Request for Information	Admin Draft	Public Workshop	Public Hearing	Final Study	Cost Estimate ¹	FY 2020-21 Amended Budget	FY 2020-21 Expenses	Cost to Date ²
Mendocino City CSD	Complete	Complete	6/1/20	8/3/20	Complete	\$10,000	\$0	\$1,224	\$13,573
Ukiah Valley Sanitation District	Complete	In progress	TBD	TBD	TBD	\$20,000	\$10,000	\$1,039	\$3,741
City of Ukiah	Pending	Pending	TBD	TBD	TBD	\$25,000	\$12,500	\$4,270	\$4,270
Ukiah Valley Fire District	Complete	Pending	TBD	TBD	TBD	\$7,000	\$6,000	\$1,666	\$1,666
County Service Area 3	In progress	In progress	TBD	TBD	TBD	\$10,000	\$6,000	\$119	\$3,995
Covelo CSD	Complete	In progress	7/12/21	TBD	TBD	\$8,000	\$0 ³	\$6,094	\$6,740
Estimated Total						\$80,000	\$34,500	\$14,412	\$33,985

¹ Column indicates the initial cost estimated for each study and accounts for in process studies rolled over from prior fiscal years.

² Column indicates a running total for actual expenses incurred to date for each study in process and is not limited to a specific fiscal year.

³ With the FY 2020-21 Amended Budget, the Commission transferred budget from the Work Plan (Account 7000) to Basic Services (Account 5300) and Legal Services (Account 6300). In so doing, the Work Plan was modified to delay preparation of the Covelo CSD to FY 2021-22. However, due to delays within FY 2020-21 on other Work Plan tasks, staff moved forward with preparation of the Covelo CSD which was ready to proceed.



Hinman & Associates Consulting

PO Box 1251 | Cedar Ridge, CA 95924
 (916) 813-0818
 uhinman@comcast.net

Date June 1, 2021
To Mendocino LAFCo
Project Executive Officer Services
Work Period April 25 - May 31, 2021

Invoice No. 575
Invoice Total \$ 20,981.70

Account Description	Staff/Hours			Other (At Cost)	Totals
	Executive Officer \$100	Analyst \$68	Clerk \$40		
5300 Basic Services Public Records Act Requests	90.75	34.00	56.00		\$ 13,627.00
5601 Office Supplies Quickbooks Online Fee Office Equipment				\$ 70.00 \$ 125.20	\$ 195.20
6200 Bookkeeping			2.00		\$ 80.00
7000 Work Plan (MSR/SOI/Special Studies) UVFD City of Ukiah UVSD CSA 3 Covelo CSD	1.00 2.00 4.75	1.75		\$ 4,462.50	\$ - \$ 100.00 \$ 200.00 \$ 119.00 \$ 4,937.50
8010 City of Ukiah Detachment Application	1.25	23.50			\$ 1,723.00
8022 City of Ukiah North Annex Pre-App					\$ -
8024 Millview CWD Annex Pre-App					\$ -
8025 City of Ukiah Annex City Properties					\$ -
8601 SALC Project (grant reimbursed)					\$ -
Totals	\$ 9,975.00	\$ 4,029.00	\$ 2,320.00	\$ 4,657.70	\$ 20,981.70

5300 Basic Services

Administrative tasks and Clerk duties. File research and maintenance. Comprehensive city/special District directory update. Research new internet/domain/email/phone providers. May claims. Schedule, agenda packet, outreach and participation in May 11 Policies & Procedures Committee meeting/workshop. Communications with Commissioners, public inquiries, etc. FY 2021-22 budget development process and public notice distribution. Agenda packet development for June 7 Commission meeting. Policies & Procedures Manual update and posting. SOI policy development and communications with Commissioners and agencies. Review and respond to City of Ukiah CEQA document referral for proposed Western Hills Annexation project.

6200 Bookkeeping

Prepared and coordinated with Treasurer regarding claims. Entered claims into Quickbooks and prepared checks. Reconciled Quickbooks.

7000 Work Plan (Sphere of Influence Updates, Municipal Service Reviews, and Special Studies)

Preparation of Administrative Draft Covelo CSD MSR/SOI Update; provided to District for review (5/20). Coordinated with City of Ukiah and UVSD regarding MSR/SOI Updates, MOU development and funding options. Coordinated with GIS to develop a current map of CSA 3.

8010 City of Ukiah Detachment of UVSD Area

Coordinated with Legal Counsel on responses to City comments and points of application and CEQA component. Staff reports and preparation for June 7th agenda item on the appeal of EO's determination of incomplete application.

Uma Hinman

From: Intuit QuickBooks Team <intuit@notifications.intuit.com>
Sent: Wednesday, May 19, 2021 11:35 AM
To: eo@mendolafco.org
Subject: We received your QuickBooks subscription payment!

Follow Up Flag: Follow up
Flag Status: Flagged



Payment success

Executive Officer, thank you for your payment.

Invoice number:
1000199839542
Invoice date: 05/19/2021
Total: \$70.00
Payment method: VISA ending
in

Sign in to QuickBooks where you can see your billing history and view, save, and print your invoice.

[View billing history](#)

Account details

Billed to: Mendocino LAFCo
Company ID ending:
Items on this invoice: QuickBooks Online Plus

(1) For subscriptions, your payment method on file will be automatically charged monthly/annually at the then-current list price until you cancel. If you have a discount it will apply to the then-current list price until it expires. To cancel your subscription at any time, go to [Account & Settings](#) and cancel the subscription. (2) For one-time services, your payment method on file will reflect the charge in the amount referenced in this invoice. Terms, conditions, pricing, features, service, and support options are subject to change without notice.

Staples Connect

1225 Airport Park Blvd
Ukiah, CA 95482
(707) 463-7110

SALE 1991375 1 001 22459
0800 04/16/21 12:23

QTY SKU PRICE

REWARDS NUMBER 3574359208

1 HP 952 XL BLK/STD **LAFCo**
889894824653 114.99

4 SPLS 8.5X11 3-HOLE *return / ream*
718103026901 10.790ea 43.16

110% Price Guarantee \$6.98 -16.76

~~120T SIDEWALK CHAL~~
814550014086 ~~1.99~~

SUBTOTAL 143.38

Standard Tax 8.8750% 12.73

TOTAL \$156.11

US DEBIT USD\$156.11

Card No.: XXXXXXXXXXXX1719 [C]

Chip Read

Auth No.: 000169

AID.: A0000000980840

Verified By PIN

TOTAL ITEMS 6

LAFCo Ink: \$ 114.99
Tax (8.8750%): 10.21
Total: \$ 125.20

Law Office of P. Scott Browne

131 South Auburn Street
Grass Valley, CA 95945
5302724250

Tax ID: 68-0348904

May 15, 2021

Mendocino LAFCo
200 South School St. Ste F
Ukiah, CA 95482

Invoice Number: 912

Invoice Period: 04-16-2021 - 05-15-2021

Payment due by the 15th of next month.

RE: Multiple Projects

CALAFCo

Mendocino LAFCo - General

CALAFCo

Time Details

Date	Staff Member	Description	Hours
05-07-2021	PSB	Legislative Committee Meeting (Time split between all LAFCo clients)	0.30
Total			0.00

Mendocino LAFCo - General

Time Details

Date	Staff Member	Description	Hours
04-16-2021	PSB	Monthly flat rate, as agreed upon in Legal Representation Agreement	
04-21-2021	PSB	Review multiple emails; Revise indemnification policy end; Email to Uma;	1.00
04-27-2021	PSB	Review agenda and revise; Review other emails;	0.40
05-03-2021	PSB	General meeting of Commission	1.25
05-06-2021	PSB	Work on revisions to MOU with city; Memo to Uma	5.00
05-07-2021	PSB	Review email from Uma; Continue work on MOU revisions;	1.00
05-11-2021	PSB	Complete revisions to MOU and email to Williams;	1.20

We appreciate your business.

Page 1 of 3

Date	Staff Member	Description	Hours
05-11-2021	PSB	Meeting with Policy Committee by Zoom	2.50
05-12-2021	PSB	Email to Uma re: meeting to discuss policy issues;	0.50
05-15-2021	PSB	Overage hours for last 3 billing cycles, per agreement	24.30
			Total 6,367.50
			Total for this Invoice 6,367.50
			Total Amount to Pay 6,367.50

We appreciate your business.

Project Statement of Account

As of 05-15-2021

Project	Balance Due
Mendocino LAFCo - General	6,367.50
Total Amount to Pay	6,367.50

CALAFCo

Transactions				
Date	Transaction	Applied	Invoice	Amount
11-15-2020	Previous Balance			0.00
05-15-2021	Invoice 912			0.00
			Balance	0.00

Mendocino LAFCo - General

Transactions				
Date	Transaction	Applied	Invoice	Amount
04-15-2021	Previous Balance			900.00
05-15-2021	Payment Received - Reference Check # 1657			(900.00)
05-15-2021	Payment Applied	900.00	889	
05-15-2021	Invoice 912			6,367.50
			Balance	6,367.50

We appreciate your business.

Page 3 of 3

Time Entry Summary
Law Office of P. Scott Browne

Staff Member = Scott Browne (Active Only)
 Client = MENDO-01 (Active Only)
 Group By = Client / Staff Member
 Summarize By = Time
 View = Original
 Report By = Month
 From 02-16-2021 To 05-15-2021

	Feb 2021	Mar 2021	Apr 2021	May 2021	Total
MENDO-01	3.450	5.250	12.500	19.100	40.300
Browne, Scott	3.450	5.250	12.500	19.100	40.300
Total	3.450	5.250	12.500	19.100	40.300

Law Office of P. Scott Browne
 131 South Auburn Street
 Grass Valley, CA 95945
 5302724250
Tax ID: 68-0348904

May 15, 2021

Mendo-02
 200 South School St. Ste F
 Ukiah, CA 95482

Invoice Number: 913
 Invoice Period: 04-16-2021 - 05-15-2021

RE: Ukiah Detachment of UVSD Areas (#D-2020-01)

Time Details

Date	Staff Member	Description	Hours	Rate	Amount
04-22-2021	PSB	Review emails from Williams and respond to Uma	0.50	225.00	112.50
04-23-2021	PSB	Review email from Phil and advise Uma how to respond	1.00	225.00	225.00
04-26-2021	PSB	Review and respond to emails from Uma re: responding to City	0.50	225.00	112.50
04-28-2021	PSB	Review emails from Uma; Review Williams appeal; Revise staff report and revise it; Email to Uma with memo;	2.50	225.00	562.50
04-29-2021	PSB	Review multiple emails re: Monday appeal hearing;	0.40	225.00	90.00
04-30-2021	PSB	Conference call with Uma and Larykyn to prepare for Monday's meeting; telephone call from John Sharp re: meeting;	1.50	225.00	337.50
05-03-2021	PSB	Meeting of Commission re: Appeal of Ukiah application issues;	2.75	225.00	618.75
05-14-2021	PSB	Conference call with Uma and Larykyn	1.00	225.00	225.00
Total					2,283.75

Time Summary

Staff Member	Hours	Rate	Amount
PSB	10.15	225.00	2,283.75
Total			2,283.75

We appreciate your business.

Page 1 of 3

Total for this Invoice	2,283.75
Previous Invoice Balance	562.50
Payment - Check # 1657 on 05-15-2021	(562.50)
Total Amount to Pay	2,283.75

We appreciate your business.

Page 2 of 3

Project Statement of Account

As of 05-15-2021

Project		Balance Due
Ukiah Detachment of UVSD Areas (#D-2020-01)		2,283.75
	Total Amount to Pay	2,283.75

Ukiah Detachment of UVSD Areas (#D-2020-01)

Transactions

Date	Transaction	Applied	Invoice	Amount
04-15-2021	Previous Balance			562.50
05-15-2021	Payment Received - Reference Check # 1657			(562.50)
05-15-2021	Payment Applied	562.50	890	
05-15-2021	Invoice 913			2,283.75
			Balance	2,283.75

Open Invoices and Credits

Date	Transaction	Amount	Applied	Balance
05-15-2021	Invoice 913	2,283.75		2,283.75
			Balance	2,283.75

We appreciate your business.

Page 3 of 3

MENDOCINO

Local Agency Formation Commission

Ukiah Valley Conference Center | 200 South School Street | Ukiah, California 95482
Telephone: (707) 463-4470 | E-mail: eo@mendolafco.org | Web: http://mendolafco.org

COMMISSIONERS

Carre Brown, Chair

County Board of Supervisors

Tony Orth, Vice Chair

Brooktrails Township CSD

Gerald Ward, Treasurer

Public Member

Gerardo Gonzalez

Willits City Council

Scott Ignacio

Point Arena City Council

John McCowen

County Board of Supervisors

Vacant

Special District Member

Jenifer Bazzani, Alternate

Ukiah Valley Fire District

Vacant, Alternate

City Member

Richard Weinkle, Alternate

Public Member

John Haschak, Alternate

County Board of Supervisors

STAFF

Executive Officer

Uma Hinman

Analyst

Larkyn Feiler

Commission Clerk

Kristen Meadows

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

Agenda Item No. 3c

CORRECTED MINUTES

Local Agency Formation Commission of Mendocino County

Regular Meeting of Monday, January 4, 2021

Meeting held via Zoom due to COVID-19 Pandemic Emergency Conditions

1. **CALL TO ORDER and ROLL CALL** (Video Time 5:13)

Chair Brown called the meeting to order at 9:03 a.m.

Regular Commissioners Present: Carre Brown, Tony Orth, Gerald Ward, Gerardo Gonzalez, John McCowen, and Scott Ignacio

Regular Commissioners Absent: none

Alternate Commissioners Present: Jenifer Bazzani (immediately seated for the vacant Regular Special District seat)

Alternate Commissioners Absent: Richard Weinkle, John Haschak

Staff Present: Uma Hinman, Executive Officer; Larkyn Feiler, Analyst; Kristen Meadows, Clerk; Scott Browne, Legal Counsel

2. **PUBLIC EXPRESSION** (Video Time 6:38) None

3. **CONSENT CALENDAR** (Video Time 7:14)

3a) **Approval of the December 7, 2020 Regular Meeting Summary**

There were no corrections or comments from the Commission.

3b) **Approval of the December 2020 Claims & Financial Report**

December 2020 Claims totaling:		\$ 10,522.06
Hinman & Associates Consulting	\$	6,728.00
Ukiah Valley Conference Center	\$	468.60
P. Scott Browne	\$	1,170.00
County of Mendocino	\$	2,213.46
Streamline	\$	50.00
Pacific Internet (Web Hosting Refund)	\$	(108.00)

EO Hinman noted a correction on page 8. The account number for Website Hosting should be 5700. The amounts are correct.

Motion by Commissioner Ward: Approve the December 7 Meeting Summary and the December Claims & Financial Report with noted correction.

Seconded by Commissioner McCowen.

Approved by roll call vote: unanimous.

Ayes: (7) McCowen, Bazzani, Ward, Orth, Ignacio, Gonzalez, Brown

Chair Brown asked how checks will be signed. EO Hinman responded that three Commissioner signature cards are needed for the file. Chair Brown suggested that Commissioner Ward provide the wet signature and she will call in the 2nd signature.

4. **PUBLIC HEARING ITEM** None.

5. **WORKSHOP ITEMS** None.

6. **MATTERS FOR DISCUSSION AND POSSIBLE ACTION** (Video Time 14:52)

6a) SOI Policy Update and Work Plan Budget Discussion

EO Hinman provided a report on the development process of the Sphere of Influence (SOI) policy, the costs associated with current LAFCo practices and the potential impact on the Fiscal Year 2021-22 Work Plan Budget.

The proposed policy changes were intended to seek guidance from the outgoing commissioners, put into writing the current practices of the Commission, establish uniform treatment, secure cost recovery from agencies requesting SOI expansion, and ensure that LAFCo continues to carry out its statutory mandate to prepare MSR/SOI and CEQA review in a timely manner. There is not consensus in the LAFCo Community regarding interpretation of the SOI Update timing. Some review every agency every five years, others conduct updates on an as needed basis.

The 5-Year Rolling Work plan is a schedule and cost estimate plan for conducting MSR/SOI Updates for every agency on a five-year cycle and allows for flexibility to shift priorities during the year. However, budget limitations make it difficult to carry out the Work Plan in a timely manner. The current approach is to establish a coterminous sphere during the SOI Update process and to prepare studies in-house which helps keep apportionment fees low. As a result, the LAFCo budget is not sufficient for a non-coterminous SOI Update with CEQA review within a single fiscal year. The current Work Plan includes the City of Ukiah and the Ukiah Valley Sanitation District (a two-year process for each), plus three other agencies, but does not address CEQA. EO Hinman noted that CEQA costs can range from \$5,000 to \$100,000 and more depending on the scope of analysis.

Apportionment fees are the primary revenue source for LAFCo, and the Work Plan accounts for approximately a quarter of the overall budget. During the Fiscal Year 2021-22 Budget development process, the Commission will need to consider the Work Plan priorities and budgeting for CEQA review in addition to potential cost recovery from agencies and an increase in apportionment fees. EO Hinman noted staff provided a list of options in the staff report and invited Commission input to support the Budget and Work Plan development process.

Commissioner Orth asked if determining the lead agency for purposes of CEQA is an important initial step when beginning work on any application or MSR/SOI Review. Counsel Browne confirmed that the agency that acts first is generally the lead agency for the purposes of CEQA and explained that an SOI Update is a LAFCo action initiated by the Commission and in cases of an application the other agency may be lead agency. Commissioner Orth stated that the current policy does not clearly define or designate a lead agency and, if modified, could address some of the issues noted by the cities. He commented that special districts have far less revenue than cities or the county and usually do not have the authority to spend budget dollars on planning unless they adopt that power through the State. He commented that cost recovery is a critical component of an application process and believes there should be distinct verbiage to illustrate the difference between an application from an agency and a LAFCo-initiated process. He commented that the budget process should accurately reflect the costs of doing business and suggested adding a Policy Review Process budget line item to allow for a more thorough vetting process and collaboration with member agencies.

Commissioner McCowen agreed with the comments noted and encouraged the Commission to find a way to pass along the cost to the agency that would benefit from any update or boundary change. He suggested looking into frequency and necessity of review for agencies that do not provide municipal services.

Chair Brown reminded the Commission that the requirements for agency reviews is a State unfunded mandate and given the difference in interpretation, suggested seeking clarification from the state and or legislation so that LAFCo can be reimbursed for the associated costs.

Commissioner Orth suggested changing the designation of Fire Protection District to Fire/EMS Services. Counsel Brown clarified that under the Health and Safety Code, the districts are statutorily held as Fire Protection Districts and therefore the name cannot be changed, but EMS can be included when referring to the service provided. Commissioner Orth recommended a policy change to include EMS services in the Fire Protection District definition.

Chair Brown invited public expression and asked Staff to bring interested parties into the meeting.

Sage Sangiacomo, City of Ukiah City Manager, acknowledged that a lot more work is needed to appropriately develop the policy. He suggested identifying the appropriate approach to minimize costs while allowing LAFCo to carry out its duties of good governance should be the major objectives of the policy. He encouraged the Commission to allow the Policies and Procedures Committee to work through the issues to avoid unintended consequences and unnecessary costs for any of the governmental entities.

Commissioner McCowen expressed concern that if in depth environmental review is deemed necessary, significant costs could be added to an MSR/SOI Update when there is no immediate intention to make a change. He supports creating a policy that minimizes adding significant cost to an update and that reserves environmental review for applications. He believes that no environmental change is made by re-drawing the lines of an SOI. He asked if there is a way to assure agencies protection from environmental review costs through policy or other legal means.

Counsel Brown responded citing Supreme Court case *Bozung vs Local Agency Formation Commission of Ventura County* in which the question whether LAFCo decisions are subject to environmental review was raised. Counsel Brown explained that the potential eligibility for municipal services is changed when the SOI of an agency is changed, CEQA should be conducted at the earliest possible time when irrevocable steps are being taken that will lead to direct or indirect physical impacts on the environment, and one must consider to what extent a change will encourage later development that will ultimately have impacts on the environment when planning a project.

Commissioner Ward expressed concern with correspondence from Attorneys that suggest LAFCo is in violation of its Policies and LAFCo law and requested clarification from Counsel Browne at the next Policies and Procedures Committee meeting before they proceed with a recommendation to the Commission.

Chair Brown requested comments from Mr. Sangiacomo related to Commissioner Ward's comments and EO Hinman noted that Mr. Phil Williams would also like to speak to this item. Mr. Sangiacomo commented that there are approaches that LAFCo can take that would avoid a lengthy and expensive CEQA process. He reminded the Commission that Cities and the County have land use authority and encouraged partnerships and collaboration for both LAFCo and the Cities to reach their goals.

Phil Williams, Special Counsel for the City of Ukiah, encouraged the Commission to review the memo from the City of Ukiah written by Attorney Matarazzo which explains the steps to be taken under CEQA to address the questions and concerns of the Commission.

Commissioner Orth expressed support of Option 10 identified in the staff report.

Commissioner Ward expressed support of Options 1, 4 and 5 in addition to 10.

Motion by Commissioner Ignacio: To direct Staff to focus on options 1 and 10 as a start to the budget development process and to reach out to CALAFCO to help address questions.

Seconded by Commissioner Gonzalez

Approved by roll call vote: unanimous.

Ayes: (7) Gonzalez, Bazzani, Ignacio, McCowen, Orth, Ward, Brown

Following the vote, Chair Brown called for a 10-minute break at 10:11 a.m.

TEN MINUTE BREAK (Video Time: 1:12:57)

At 10:21 a.m. Chair Brown called for the next item and noted a correction to the Staff report for item 6b.

6b) Mid-Year Budget Review, Work Plan Report, and Proposed Budget Amendment (Video Time 1:23:52)

EO Hinman presented an overview of the current budget as of 12/30/20 and introduced a proposed budget amendment to address shortfalls in basic and legal service budget accounts. As noted in the staff report, 70% of basic services has been expended for the first half of the year.

Mid-Year Expense Summary	Adopted	Mid-Year Total	% of total
Staffing Total	72,060	50,544	70
Services and Supplies Total	47,090	25,066	53

Work Plan Total	42,500	4,121	10
Expense Total	161,650	57,197	36

- Revenues: \$150,000 Apportionment fees plus \$11,200 from reserves to close budget gap.
- Expenses: \$79,731 Basic services/staffing & office operations
- Reserves: \$90,469 as of 11/30/20. \$35,000 – Legal, \$55,469 – operational.

Work Plan Status

Agencies scheduled for MSR/SOI Updates:

- City of Ukiah
- Ukiah Valley Sanitation District
- Covelo Community Services District
- Community Service Area 3
- Ukiah Valley Fire District

Staffing Efforts - Current and anticipated

- Processing Applications
- Managing Work Plan
- Policy Development
- Special District Election
- Sustainable Agricultural Lands Committee meetings and grant project participation.
- New Commissioner orientation and training.
- Participation in the City of Ukiah General Plan update.
- Prepare agency comments for circulating land use permit applications and CEQA review.

Budget Amendment Proposal

- 70% of the Basic Services budget has been expended.
- Staff proposed budget increase total: \$22,543.
 - \$20,000 Basic Services.
 - \$4,500 Legal Services.
- Increased reserves use from \$11,200 to \$33,743.
- Reserves remaining: \$21,726 (Below policy threshold of 25%)

Commissioner Ward asked if funds for basic services should be taken out of legal reserves in order to maintain maximum operational reserves. He expressed concern with the proposal to take reserves down below 25%. He suggested modifying the Work Plan and welcomed comments from the Commission.

Commissioners Gonzalez and McCowen echoed Commissioner Ward’s comments.

Commissioner Orth supported utilizing legal reserves and added the importance of determining if the Ukiah Valley Sanitation District wishes to move forward with its MSR/SOI Update this fiscal year.

Commissioner Ignacio supported the other comments and encouraged replenishing reserves so the Commission can functionally respond to the public.

Chair Brown encouraged consideration of presenting the SOI Policy to the full Commission instead of the Policies and Procedures Committee since having one conversation with the whole Commission could save on legal fees for all parties and avoid having the debate twice.

Commissioner Ignacio suggested the policy stay before the Policies and Procedures Committee and the policy will return to the Commission for ultimate resolution.

Commissioner Ward noted that he anticipated multiple Policies and Procedures Committee meetings and the Committee can meet more frequently than the Commission and potentially expedite the process. He also noted with the upcoming changes with new Commissioners it is important to keep the full Commission informed.

Commissioners Orth and McCowen suggested use of staff reports and Committee reporting under Agenda item 7d.

Chair Brown invited public Comment.

Mr. Sangiacomo stated that since the cost related to the City's SOI has been resolved, he suggested avoiding unintended consequences is the major issue before the Commission, not cost apportionment, and reaching agreement on a policy that works for everyone is feasible.

Commissioner Ward suggested postponing studies for Covelo Community Services District, County Service Area 3, and/or the Ukiah Valley Fire District to avoid reducing reserves below 25%.

EO Hinman replied that Staff has started working on the Ukiah Valley Fire District Update related to a pending application, it is possible to postpone the Covelo CSD, and Staff will reach out to the County regarding the CSA 3.

Commissioner Orth asked if postponing the Ukiah Valley Sanitation District would resolve the issue.

EO Hinman confirmed that the budgeted two-year process would provide some savings this fiscal year and further information is pending from the District Board of Directors.

Chair Brown requested a motion. (Video Time: 1:50:00)

Motion by Commissioner Ignacio: Adopt Resolution No. 2020-21-03 ~~authorizing a budget amendment of \$24,500, thereby increasing the Fiscal Year 2020-21 budget from \$161,650 to \$184,193.~~ with the amendments listed by the Executive Officer:

- Increase the Basic Services Account 5300 by \$20,000 and the Legal Services Account 6300 by \$4,500 for a total budget of \$184,193*;
- Delay the Covelo CSD MSR/SOI Update and authorizing shifting those funds from Account 7000 to Accounts 5300 and 6300; and
- Authorize the remaining increase be withdrawn from operational and legal reserves, respectively.

**Note: the intent of the motion was to reduce the Proposed Amended Budget total by the savings from delaying the Work Plan's Covelo CSD MSR/SOI Update and transference of associated budget from the Work Plan Account 7000 to Basic Services Account 5300 and Legal Services Account 6300. Therefore, the Amended Budget total is \$176,193.*

Seconded by Commissioner Gonzalez

Approved by roll call vote: unanimous.

Ayes: (7) Gonzalez, Bazzani, Ignacio, McCowen, Orth, Ward, Brown

Chair Brown reminded Staff to email the Resolution to her for her signature.

INFORMATION/REPORT ITEMS (Video Time: 1:56:27)

7a) Work Plan, Current, and Future Proposals

EO Hinman presented the staff report.

7b) Correspondence None.

7c) Executive Officer's Report (Video Time: 2:00)

EO Hinman presented the report.

- The Special District Election ends on January 25. A quorum has not yet been reached, with 1 ballot needed for the remainder term and 4 ballots for the full term. Email reminders have been sent to districts that had not yet turned in ballots.
- Swearing in of new Commissioners, Officer Selection and Committee appointments will be held at the beginning of the February 1st Regular Meeting.
- As discussed under Agenda Item 3, letters to the banks regarding new signatories will be delivered when assigned.
- Staff participated in a City of Ukiah General Plan Community Update on December 8.
- The LAFCo Office remains closed to the public due to the pandemic and local health orders. Staff maintains office functions and responds to information needs.
- Staff continues work on the year-end financial audit.

Chair Brown asked if any of the (non-voting) Districts have contacted the office. EO Hinman confirmed that they have not and regular email reminders have and continue to be sent. Chair Brown confirmed that she has reached out to some of the Districts and will do so again and encouraged her colleagues to do so as well.

7d) Committee Reports (Executive Committee/Policies & Procedures) (Video Time 2:03:22)

- Executive Committee – None
- Policies & Procedures Committee – Any report items were covered earlier in the meeting.

7e) Commissioners Reports, Comments or Questions (2:04:18)

Commissioner Orth reported that Brooktrails has received a little over 14 inches of rain this season.

7f) CALAFCO Business and Legislation Report (Video Time: 2:05:01)

EO Hinman reported:

- The 2020 CKH is now available and posted on the LAFCo Website. It has been emailed to Commissioners and Staff.
- Commissioner Gonzalez attended the Northern Regions Roundtable on December 9th. He reported that it was sparsely attended and the discussion was informal.

Chair Brown asked if CALAFCO offers training for new commissioners on their website.

EO Hinman responded she has been working with Counsel Browne to prepare a LAFCo 101 presentation for the February or March Regular Meeting. CALAFCO offers a PowerPoint to assist with the training.

Commissioner Orth thanked Commissioners Brown and McCowen for their dedicated service on LAFCo and the County of Mendocino.

ADJOURNMENT (Video Time: 2:12:47)

There being no further business, the meeting adjourned at 11:10 a.m. The next regular meeting is scheduled for Monday, February 1, 2021 at 9:00 a.m. The location is to be determined based on guidelines recommended by the Mendocino County Public Health Officer and Executive Orders regarding the COVID-19 pandemic.

*Live web streaming and recordings of Commission meetings are available via the County of Mendocino's YouTube Channel. Links to recordings and approved minutes are also available on the [LAFCo website](#).
[January 4, 2021 Meeting Recording on YouTube](#)*

**Resolution No. 2020-21-09
of the Local Agency Formation Commission of Mendocino County**

**Approving
Correction of Resolution No. 2020-21-03 Budget Amendment
for Fiscal Year 2020-21**

WHEREAS, Local Agency Formation Commissions have been created under the provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Sections 56000 et. seq. of the Government Code, as independent agencies, with the power to adopt policies and procedures to carry out their functions, (§56300); and

WHEREAS, the Mendocino Local Agency Formation Commission, hereinafter referred to as the “Commission”, annually approves a final budget to fulfill its purposes and functions that are set by State law; and

WHEREAS, the Commission, at its January 4, 2021 public meeting, adopted Resolution No. 2020-21-03 approving the Fiscal Year 2020-21 budget amendment, thereby increasing the Basic Services (Account 5300) by \$20,000 and the Legal Services (Account 6300) by \$4,500.

WHEREAS, in adopting the budget amendment, the Commission directed delaying the Covelo Community Services District Municipal Service Review and Sphere of Influence Update and shifting those funds from Account 7000 to 5300, and authorizing the remaining increase in Basic Services be withdrawn from the Commission’s operational reserves fund balance and the increase in Legal Services be withdrawn from the legal reserves; and

WHEREAS, Resolution No. 2020-21-03 incorrectly stated the total amended budget as \$184,193, while Exhibit A to the Resolution correctly stated the budget amendment total to be \$176,193; and

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

1. This Resolution No. 2020-21-09 corrects Resolution No. 2020-21-03, clarifying that the total amended budget for Fiscal Year 2020-21 is \$176,193, as shown in Exhibit A.

PASSED and ADOPTED by the Local Agency Formation Commission of Mendocino County this 7th day of June 2021 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

CHARLES A. ORTH, Commission Chair

UMA HINMAN, Executive Officer

Exhibit A

Mendocino Local Agency Formation Commission Amended Final Budget FY 2020-21

4-Jan-21

ACCOUNT #	DESCRIPTION	FY 2020-21 Adopted	FY 2020-21 Amended
REVENUE			
	<i>Anticipated Cash Balance</i>	\$ -	
4000	LAFCO Apportionment Fees	\$ 150,000	\$ 150,000
4100	Service Charges		
4800	Miscellaneous		
4910	Interest Income	\$ 450	\$ 450
Revenue Subtotal		\$ 150,450	\$ 150,450
8000	Applications		
8601	Special Project (SALC Grant Project Reimbursement)	\$ 5,100	\$ 5,100
Revenue Total		\$ 155,550	\$ 155,550
EXPENSES			
5300	Basic Services	\$ 72,060	\$ 92,060
5500	Rent	\$ 5,568	\$ 5,568
5600	Office Expenses	\$ 3,450	\$ 3,550
5700	Internet & Website Costs	\$ 1,300	\$ 1,550
5900	Publication and Legal Notices	\$ 2,000	\$ 2,000
6000	Televising Meetings	\$ 2,000	\$ 2,000
6100	Audit Services	\$ 3,500	\$ 3,380
6200	Bookkeeping	\$ 4,500	\$ 4,500
6300	Legal Counsel	\$ 10,200	\$ 14,700
6400	A-87 Costs County Services	\$ 2,131	\$ 2,093
6500	Insurance-General Liability	\$ 3,000	\$ 2,815
6600	Memberships (CALAFCO/CSDA)	\$ 3,691	\$ 3,727
6670	GIS Contract with County (Counsel training, IT support)	\$ 2,500	\$ 2,500
6740	In-County Travel & Stipends	\$ 3,000	\$ 1,000
6750	Travel & Lodging Expense	\$ 100	\$ 100
6800	Conferences (Registrations)	\$ 150	\$ 150
7000	Work Plan (MSRs and SOIs)	\$ 42,500	\$ 34,500
9000	Miscellaneous (Special District Training Support, bank fees)	\$ -	
Operating Expenses Subtotal		\$ 161,650	\$ 176,193
8000	Application Filing Expenses	\$ -	
8601	Special Project (SALC Grant Project)	\$ 5,100	\$ 5,100
Expenses Total		\$ 166,750	\$ 181,293

REVENUE/EXPENSE DIFFERENCE	\$ (11,200)	\$ (25,743)
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(Negative balance indicates use of fund balance and/or reserves)

MENDOCINO
Local Agency Formation Commission
Staff Report

DATE: June 7, 2021
TO: Mendocino Local Agency Formation Commission
FROM: Uma Hinman, Executive Officer
SUBJECT: **Development of Sphere of Influence Policy Amendments**

RECOMMENDATION

Receive an update from staff on the status and outreach efforts for the proposed sphere of influence policy amendments and provide additional direction to the Policies & Procedures Committee regarding policy development goals and stakeholder involvement.

BACKGROUND

Policy Intent

The intent of the proposed policy changes was to put into written policy the current Sphere of Influence (SOI) practices of the Commission. The proposed policy changes were intended to establish uniform treatment and ensure cost recovery from agencies requesting SOI expansion that result in additional costs associated with increased analysis and necessary CEQA review in an effort to keep apportionment fees low for all agencies.

Current Practice

The current practice of the Commission has been to establish a coterminous sphere during the MSR/SOI Update process, unless an agency requests a non-coterminous sphere and assumes the costs associated with CEQA review, and to prepare MSR/SOI studies in-house at lower staff rates. This approach has allowed the Commission to keep apportionment fees low. As a result, LAFCo does not have budget sufficient to prepare a non-coterminous SOI Update for growth-inducing or multi-service agencies with CEQA review beyond an exemption within a single fiscal year.

New Commission Guidance

There have been changes in the composition of the Commission since the SOI policy development process began and it is important for the new Commission to weigh in on the overarching policy principles in order to guide further development of policy language, stakeholder involvement, work plan budget implications, and dedication of limited staff resources for next steps.

Budget Implications

The level of concern from stakeholders involved regarding the SOI policy development has resulted in more robust dialogue and will likely lead to better policy development. In addition, it is important for the new Commissioners on the Policies & Procedures Committee to have sufficient time to become familiar with the issues involved.

However, it is important to report that a large amount of limited staff time has been and continues to be dedicated to the policy development effort. It is also noteworthy that smaller local agencies that would pay more without cost recovery policies have not been present in the Committee meetings to date.

While full participation of stakeholders is preferable, it appears unlikely without a concerted and more costly effort by staff and is ultimately delaying reaching a decision on fundamental SOI policies that affect multiple applications.

In relation to the work plan budget, in continuing the SOI policy development process, if the Commission decides that agencies requesting SOI expansion should not be required to assist in cost recovery, there will be associated budget implications. Without cost recovery, the Commission would need to significantly increase apportionment fees to carry out its statutory mandate to prepare MSR/SOI Updates and associated CEQA review in a timely manner, or only adopt coterminous spheres.

Discussion of the SOI policy budget implications is timely to revisit in anticipation of establishing the Fiscal Year 2021-22 budget, and more specifically the upcoming work plan budget and schedule considerations.

Overarching Policy Principles

LAFCo staff is seeking Commission guidance on the following overarching SOI policy principles:

- a) An outdated sphere is when circumstances have changed significantly since the last SOI update
- b) Outdated spheres no longer provide a reliable or relevant basis of information for Commission consideration of major boundary changes
- c) Outdated spheres must be updated prior to Commission consideration of major boundary changes
- d) Major boundary changes based on an outdated sphere will likely be recommended for denial
- e) Minor boundary changes may be considered based on consistency with an outdated sphere
- f) Cost recovery is required from an agency for non-coterminous spheres that are not subject to CEQA exemption
- g) The 5-year SOI update timeframe applies to municipal service providers only
- h) Sphere actions are subject to CEQA, even if ultimately determined to be exempt
- i) The baseline for CEQA review is the current jurisdictional boundary of the agency
- j) The Commission has sole authority for establishing and making changes to MSRs and SOIs

Summary of Outreach Process

On November 24, 2020, the Policies & Procedures Committee reviewed proposed policy language regarding spheres of influence and postponed the item to allow staff time to incorporate Commissioner McCowen's requested changes and reach out to the City Planning Departments.

On December 2, 2020, LAFCo staff revised the SOI policies based on comments received and distributed the draft policy to the four City Planning Departments and interested special districts for review, and subsequently met with staff from the City of Ukiah, City of Fort Bragg, City of Willits, and the Ukiah Valley Sanitation District upon request to discuss questions and concerns on the draft policy.

On December 7, 2020, the Commission directed staff to bring an item forward at the January 4, 2021 meeting for the Commission to consider adoption of the proposed SOI policies, once further vetted through the Policies and Procedures Committee.

On December 28, 2020, the Policies & Procedures Committee reconvened to discuss the revised SOI policies after LAFCo staff conducted outreach with interested agencies. The meeting was well attended by staff and legal representatives of multiple agencies including the Cities of Ukiah, Fort Bragg, Willits, the Ukiah Valley Sanitation District, and Russian River Flood Control District.

The Committee provided staff direction to postpone the item to allow more time to continue to engage with stakeholders, further refine the SOI policies, and limit unintended consequences. The Committee also directed staff to provide an update at the January 4, 2021 Regular Commission meeting.

On January 4, 2021, the Commission directed staff to perform additional outreach to cities and special districts on the proposed changes.

The SOI policy development process was delayed by the seating of new Commissioners and was not an attempt to undermine the stakeholder engagement process.

On April 13, 2021, the Policies & Procedures Committee considered feedback from public attending its meeting and supported staff's intent to host a workshop to both inform and solicit feedback on the proposed policy changes.

On May 11, 2021, the Policies & Procedures Committee held a Workshop on the SOI Policies and continued discussion to another SOI Policy Workshop to allow new Commissioners time to become familiar with the issues involved and to hear from all agencies on the matter.

Continued Outreach Efforts

LAFCo staff is seeking Commission guidance on the dedication of limited staff resources toward next steps for stakeholder engagement and continued public outreach.

Work Plan

Pursuant to GOV §56425(g), on or before January 1, 2008, and every five years thereafter, the commission shall, as necessary, review and update each sphere of influence. There is not consensus in the LAFCo community regarding this statutory requirement. Some LAFCo's interpret this legislation as requiring an SOI Update every five-years for every agency, and some interpret it to mean that once the first-round SOI Update is completed, subsequent SOI Updates can occur as needed on a five-year basis.

Further, the following existing LAFCo Policy 10.1.3 clarifies that SOIs for municipal service providers be reviewed every five years and SOIs for non-municipal service providers be updated as necessary.

10.1.3 SPHERE UPDATES

In updating spheres of influence, the Commission's general policies are as follows:

- a) The Commission will review all spheres of influences every five years for each governmental agency providing municipal services. Municipal services include water, wastewater, police, and fire protection services.*
- b) Sphere of influence changes initiated by any agency providing a municipal service shall generally require either an updated or new service review unless LAFCo determines that a prior service review is adequate.*
- c) Spheres of influence of districts not providing municipal services including, but not limited to, ambulance, recreation, hospital, resource conservation, cemetery, and pest control shall be updated as necessary.*

Mendocino LAFCo strives to prepare MSR/SOI Updates for agencies providing municipal service on a five-year cycle; however, due to budget limitations this timeframe can be difficult to achieve.

The annual Work Plan is a schedule and estimated cost plan for conducting MSR/SOI Updates for local agencies under LAFCo jurisdiction (this does not include school districts). The annual Work Plan is designed to allow for flexibility in addressing unforeseen changes in the needs and circumstances of local agencies, budget limitations, and to shift priorities accordingly during the year. Consequently, there can be a domino effect of pushing the studies of other agencies to subsequent years.

CEQA Review

There is not consensus in the LAFCo community regarding the appropriate level of CEQA review for changes in SOIs. Some approaches include: relying primarily on CEQA exemptions and deferring further CEQA review until the individual project level; completing CEQA review in conjunction with a land use entitlement process or General Plan Update process as a Responsible Agency; tiering from a General Plan EIR; preparing an Initial Study and Negative Declaration or Environmental Impact Report (EIR) for

SOI Updates; and fully considering the reasonably foreseeable indirect impacts of facilitating annexation and the provision of municipal services in an Initial Study at the time of proposed sphere change.

Not all CEQA approaches work in all circumstances and the level of controversy involved in a specific sphere change may result in a higher level of CEQA review than anticipated. Also, the Lead Agency for CEQA can differ depending on which agency is first to act on a project. For a LAFCo-initiated SOI Update that is independent of a change of organization application, land use entitlement permit, and/or General Plan Update, LAFCo would likely be the Lead Agency and responsible for the costs of CEQA review.

The estimated cost of CEQA review for a SOI Update is project specific and cannot be known until the SOI Update is undertaken. However; as a general estimate, Negative Declaration/Mitigated Negative Declarations (ND/MND) can cost \$5,000-\$20,000 and Environmental Impact Reports (EIR) can range upwards of \$100,000 and more for a project, depending on the scope of analysis.

Attachments: None

MENDOCINO
Local Agency Formation Commission
Staff Report

DATE: June 7, 2021
TO: Mendocino Local Agency Formation Commission
FROM: Uma Hinman, Executive Officer
SUBJECT: **City of Ukiah Appeal of Executive Officer Determination for 2014 Amended Ukiah Valley Sanitation District Detachment Application (LAFCo File No. D-2020-01)**

STAFF RECOMMENDATION

Consider an application processing appeal from the City of Ukiah related to the Executive Officer's determination of an incomplete application for the City's 2014 amended application for detachment of overlap areas from the Ukiah Valley Sanitation District and take one of the following actions:

- (1) Uphold the Executive Officer's determination of incomplete application and deny the City's appeal.
- (2) Deny the City's incomplete application processing appeal related to the requirement for a new Resolution of Application and associated CEQA compliance as Lead Agency and defer resolution of the requirement for an SOI Update to the SOI policy development process currently underway.
- (3) Overturn the Executive Officer's determination, and assume Lead Agency status for CEQA.

BACKGROUND

At the May Commission meeting, this item was continued to allow additional time for staff review and response related to the following three items of impasse reached between LAFCo and City of Ukiah staff in addressing application incomplete issues.

- 1) The need for a new Resolution of Application
- 2) The need for the City to act as Lead Agency and explicitly address CEQA
- 3) The need for City and UVSD MSR/SOI Updates prior to issuing a Certificate of Filing

The staff report and attachments for this item from the May Commission meeting can be accessed from the following link, starting on page 33 of 362: <https://www.mendolafco.org/files/8423ca829/2021-05-03+Agenda+Packet+for+May+Regular+Meeting.pdf>.

LAFCo staff and Counsel have prepared the attached information in response to statements from the City's appeal of the Executive Officer's determination of an incomplete application for the City's 2014 amended application for detachment of overlap areas from the Ukiah Valley Sanitation District.

Fundamental Questions

There has been a considerable volume of information presented by LAFCo and City staff in relation to this appeal item, and there are multiple members of the Commission that are still relatively new to LAFCo. Therefore, the following fundamental questions are intended to guide the Commission.

- 1) Whether or not to uphold the Inactive Applications Policy as it relates to the City of Ukiah's reactivated 2014 application to detach overlap areas from the City and Ukiah Valley Sanitation District (UVSD), and other inactive applications now and in the future.
- 2) If the Inactive Applications Policy is not upheld, whether to assume Lead Agency status for CEQA.
- 2) Whether the 37-year old overlapping spheres of the City and UVSD provide a reliable and relevant basis of information for Commission consideration of a major boundary change application.

In addition, the following information on the Inactive Applications Policy is provided for context.

Inactive Applications Policy

In January 2020, LAFCo staff received a request from a property owner to re-activate an annexation application based on a 2008 resolution of application from the Irish Beach Water District. This prompted discussion at the February 2020 Commission meeting regarding the need for a local policy to address applications that remain on-hold for extended periods of time. In February 2020, the Policies and Procedures Committee reviewed draft policy options for limiting time that projects may remain inactive to address the many difficulties in restarting applications that have been idle for long periods of time.

While LAFCo law stipulates time requirements for applications once a Certificate of Filing has been issued, the law does not speak to on-hold, stale, or inactive applications. LAFCo has the authority to develop local policies to further refine the broad principles of LAFCo law in light of local circumstances.

Restarting long-inactive or stale applications often requires updated information, indemnification agreements, and additional deposits for staff time to review project files and determine next steps. Other complications that develop over time include changes to statutes and codes, Mendocino LAFCo Policies & Procedures and Fee Schedule, applications forms, staff, etc. Due to the lapse in time it may also be necessary to redistribute the application materials for agency comment so as to ensure transparency and involvement in the processes as there may be changes in circumstances.

Similar to most local agencies in response to the COVID-19 pandemic stay-at-home orders in March 2020, LAFCo staff focused on essential services and an immediate shift to remote meetings and operations. As a result, adoption of the Inactive Applications Policy was waylaid by the unprecedented impacts of the pandemic. The Inactive Applications Policy below was adopted in November 2020 and represents the Commission's broad policy decision on the matter and affirms that merely the passage of time is sufficient to invalidate an application which has remained inactive for years.

POLICY 11.10 INACTIVE APPLICATIONS

If an application has not, in the opinion of the Executive Officer, seen substantial activity for a period of 18 months, a letter shall be sent to the applicant notifying them that unless documents or other requested information needed to process the application are received within 30 days, the application shall be deemed terminated and placed on inactive status, and the Commission shall be so notified at the next regularly scheduled meeting of LAFCo. If the applicant responds within the initial 30-day notice period and represents that the requested documents or other information will be available shortly, the applicant, at the discretion of the Executive Officer, shall be granted an additional six (6) months from date of submission (for a total of 24 months) to submit said documents. If said documents or information are not received within the 24-month period, the application shall be deemed terminated and the Executive Director shall so notify the applicant and the Commission. Any application remaining inactive for a period of three (3) years shall automatically be deemed terminated. Information on applications that have been terminated and placed on inactive status shall be retained in conformance

to LAFCo's document retention policy. A new application with the required fee and/or deposit shall be required to re-activate the process for said terminated/inactive project. (Resolution No. 2020-21-02)

Precedent Setting Nature of Decision

The City's detachment application remained in an incomplete status for 5.5-years due to inactivity on the part of the applicant. In April 2020 when LAFCo staff received a request to reactivate the City's 2014 application, the Commission had already provided staff direction to proceed with development of an inactive application policy. It is noteworthy that many of the incomplete issues identified by staff in 2020 related to the City's 2014 application provide a representative example of the many difficulties in restarting applications that have been idle for long periods of time.

This is the first opportunity to apply the Inactive Applications Policy, and as such, granting an exception naturally calls into question the future applicability of the policy and issues of fairness and uniform treatment. Given the precedent setting nature of the decision before the Commission, it is important to keep in mind the other possible types of applicants that could have initiated a boundary change application in the context of the area in question. The District could have initiated detachment from the City with a resolution of application and landowners or registered voters could have initiated detachment from the City or the District with a petition.

Regardless of who initiated the application 5.5-years ago, LAFCo staff would still have determined that it was no longer a valid initiation of Commission proceedings today based on the Commission's direction to develop a policy that limits the amount of time that projects may remain inactive before terminated. There is a considerable amount of resources and effort that go into Commission proceedings, and it is critical from a staff perspective that applications are properly initiated before commencing the process. Adherence to the Inactive Applications Policy will further the goal of a transparent, consistent, and proper application process for all applicants now and in the future.

Attachments: LAFCo Response to City Statements
Map of City of Ukiah

LAFCo Response to City Appeal Statements

Resolution of Application

City Statement

The City does not need to adopt a new Resolution of Application because there is no such requirement anywhere in the law and such a position is antithetical to fundamental principles of American government.

The Statutory and Legal Authority

Commission proceedings for a change of organization or reorganization pursuant to Part 3 of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH) are initiated by petition or resolution of application only (GOV §56650).

An annexation or detachment application from a local agency must be initiated by a resolution of application adopted by a legislative body (GOV §56658(a), 56017.2(a), 56652(a), & 56073.1).

Application terms and conditions proposed for Commission consideration are required to be set forth in the resolution of application adopted by a legislative body (GOV §56654(d) & 56700(4)).

The Executive Officer has broad authority to require application materials pursuant to GOV §56652(e).

GOV §56107 provides that the CKH Act must be liberally construed to effectuate its purposes.

In the case of San Luis Obispo Local Agency Formation Commission v. City of Pismo Beach (2021) 61 Cal.App.5th 595, the court recognized that public agencies have implied powers necessarily arising or reasonably inferred from those expressly granted, or indispensable to fulfill the purposes for which it was organized.

Outdated 2014 Resolution

The Resolution of Application (Resolution No. 2014-43) of the City Council of the City of Ukiah Initiating Proceedings for a Detachment from the Ukiah Valley Sanitation District (City Area Detachment) is outdated and no longer constitutes a valid and timely filing to initiate Commission proceedings.

In the 5.5-years between the City's original 2014 application submittal and the amended application submittal in 2020, changes have occurred in the circumstances and agreements between the City of Ukiah (City) and the Ukiah Valley Sanitation District (UVSD), as evidenced by the 2018 Lawsuit Settlement Agreement, 2018 Operating Agreement, 2020 Refinancing Agreement, 2020 Joint Sewer Rate Study, in local policies and procedures, and state laws and regulations governing changes of organization or reorganizations.

The City's 2014 resolution of application needs to be updated to reflect current circumstances, not due to a need for the current City Council to ratify or validate the action taken by the City Council in 2014.

Rule of "equal dignity"

During the public hearing for a proposed change of organization or reorganization, the Commission considers terms and conditions specified in the resolution of application adopted by a legislative body.

The terms and conditions from the City's 2014 resolution of application contain outdated and partially incomplete information that needs to be remedied prior to Commission consideration.

In the August 21, 2020 correspondence from Phillip Williams, Special Counsel for the City, it was explained that changes in the circumstances between the City and District make the effect of detachment on the continued provision of sewer services easier to understand and predict and noted that the City intends to rely on the 2014 resolution as supplemented by the 2020 Plan for Services.

The rule of “equal dignity” requires amendments of resolution by resolution, not by a motion, letter by the Mayor, or supplementation by staff or a plan, which are acts of less “dignity” than a resolution.

Changes to the terms and conditions for an application need to be approved in the same manner as originally contemplated. Therefore, the City Council needs to adopt a new resolution of application to properly initiate Commission proceedings.

Inactive Application Policy

The requirement for a new resolution of application is consistent with LAFCo Policy 11.10 regarding Inactive Applications which specifies that any application remaining inactive for a period of 3-years shall automatically be deemed terminated.

Commission direction to prepare the Inactive Application Policy predated the City’s amended application submittal, and the Commission’s underlying intent of the policy was uniformly practiced prior to its adoption in November 2020.

The City claims that LAFCo has no legal authority to require a new application. LAFCo staff and Counsel disagree. The City is technically correct that there is no specific case or statute exactly on point, but that is a common situation in interpreting broad statutes. Such authority is implied from the existing statutes and caselaw and overall statutory scheme. As noted under legal authority above, CKH gives broad authority to the Executive Officer to establish application requirements. Having a current application with accurate and current information is necessary for Commission consideration and a reasonable requirement for an application. Since the CKH must be construed liberally to accomplish its purpose, a court would very likely find that requiring a current application is legally authorized by CKH.

CEQA

City Statement

The Proposed Detachment is statutorily exempt from CEQA, the record is clear that the City made such a determination at the time it adopted the Resolution of Application, there are no exceptions that apply to the applicable statutory exemptions, and LAFCo’s options at this point for disagreeing with that determination are likely limited to LAFCo assuming lead agency status and performing its own CEQA analyses at its own expense.

2014 Proof of CEQA Compliance

As part of adopting a resolution of application, the legislative body normally acts as Lead Agency and prepares documentation of a CEQA determination for the project. The exemption determination is normally circulated to responsible agencies such as LAFCo, and LAFCo, normally provides comments on the lead agency’s CEQA determination. A notice of exemption is then filed and LAFCo relies on it for its own discretionary action.

None of this happened here. There is no clear record of the City’s declaration of lead agency status and CEQA determination as part of City Council’s adoption of the 2014 resolution of application on November 5, 2014 for the proposed detachment application.

The City's 2014 resolution does not mention CEQA. It is only in the City's LAFCo detachment application that the City included reference to the following categorical exemption from and non-applicability of CEQA: (1) Class 20 which consists of changes of organization where the change does not change the geographical area in which the existing powers are exercised, and (2) 14 CCR §15061(b)(3) which is the general rule that CEQA only applies to projects which have the potential for causing a significant effect on the environment.

The historic records available are limited, but do not appear to reference the Ongoing Projects statutory exemption (14 CCR §15261) referenced in the July 8, 2020 correspondence from Andrea Matarazzo, Special Counsel for the City, noted as absolute, not subject to unusual circumstances, and not requiring CEQA review. It is not at all clear that this exemption is applicable. While the sewer system operation is continuing, the project proposes to change the governance of that sewer system. Such a change in governance is not an "ongoing project".

The detachment application may be exempt from CEQA; however, this is not responsive to the request for proof that CEQA was properly complied with in connection with actions by the lead agency in 2014.

This raises the question of whether the public and responsible and affected agencies were given the opportunity to know about and challenge the City's CEQA determination at the time.

Without clear record of CEQA compliance, and certainly no notice circulated to LAFCo as a responsible agency, LAFCo has the legal right to assume lead agency status pursuant to 14 CCR §15052 for Commission consideration of the proposed detachment application. This is a choice the Commission must make.

The City claims that no public process at all is required for the application of an exemption. If a project is exempt it is exempt, and in any event the statute of limitations has run since 2014 to challenge whether it is exempt.

According to the LAFCo Fee Schedule, LAFCo preparation of environmental review is subject to cost recovery from the applicant.

Possibility of Significant Impacts on the Environment

According to the July 8, 2020 correspondence from Andrea Matarazzo, Special Counsel for the City, the City concluded, on the basis of substantial evidence, that the proposed detachment results in no change in the existing physical environment, is exempt from CEQA, and no possibility exists that the detachment could result in a significant impact on the environment because it would not disturb, disrupt, change, or affect the existing physical environment in any way.

The UVSD claims that approval of the detachment application would result in a considerable loss of revenue likely to affect the continuing viability of the District. If the district's ability to provide service is impaired, it could result in physical impacts on the environment. This, the District argues creates an unusual circumstance that creates an exception to the exemption.

Ms. Matarazzo noted that an assertion that the economic effects of a proposed action may result in significant physical environmental impacts must be supported by substantial evidence, including facts, reasonable assumptions predicated upon facts, or expert opinion supported by facts. This is true, but the District has not been given any notice or opportunity to present such evidence. Only if LAFCo assumes lead agency status and commences its own CEQA process will the District have the opportunity to present such evidence.

Ms. Matarazzo also noted that even if the District claims that its future ability to provide services outside the City's boundaries is adversely affected by the detachment of the Overlap Area, impacts to required public services are not environmental impacts that are subject to review under CEQA (See *City of Hayward v. Board of Trustees of California State University* (2015) 242 Cal.App.4th 833, 843 [impacts on required public services are not environmental impacts].) Again, if the District can show that the financial impact is likely to lead to physical impacts – for example increased sewer spills due to inadequate maintenance – then this would be a legitimate CEQA concern.

It is unclear whether the UVSD intends to provide a response related to the requirement for substantial evidence. The issue for the Commission is whether it willing to assume lead agency status so that the District and public has an adequate opportunity to present their environmental concerns.

SOI Update

City Statement

The City's Application is Complete, and LAFCo Staff's Position that the Detachment Application Cannot be Completed Until an Updated SOI is Performed Contradicts the Cortese-Knox-Hertzberg Act and LAFCo's Own Policies
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Overlapping SOIs Create Confusion

The Sphere of Influence (SOI) plan is a policy decision of how urban growth will occur for an area and who will provide services within that area. As such, the SOI Update currently scheduled for the City and UVSD is the suitable avenue for determining the appropriate service provider for the jurisdictional area overlapping the City and UVSD boundaries.

An SOI plan does not always recommend growth for an agency. Sometimes the SOI plan recommends a sphere reduction within agency boundaries indicating ultimate detachment of a particular area or a zero sphere indicating ultimate dissolution of an agency.

It is critical to update and possibly eliminate the overlapping SOIs for the City and UVSD. This is needed both to promote logical and orderly growth and efficient provision of municipal services pursuant to GOV §56425 and to address SOI consistency findings required for proposed changes of organization or reorganizations pursuant GOV §56375.5.

Overlapping SOIs make it unclear which agency should be providing services in a particular area and complicates the ability of the Commission to make a finding of SOI consistency for applications.

City MSR/SOI Brief History

The City and UVSD overlapping SOIs date back to 1984. There has not been conclusive consideration of anticipated service provision and area expansions for the City or UVSD in modern times. SOI recommendations are based on current and reliable information from a Municipal Service Review (MSR).

The most recent MSR for the City was adopted by the Commission on September 4, 2012 in anticipation of updating the City SOI. On February 20, 2013, the City Council adopted a resolution of application, per Resolution No. 2013-05, for a SOI amendment proposal to reduce their valley wide 1984 SOI consistent with their 1995 General Plan as shown in the attached 2014 map prepared by LAFCo staff at the time.

It appears that based on comments received from circulation of a proposed Initial Study and Mitigated Negative Declaration in October 2014, a Request for Proposals was released by LAFCo in the summer of

2015 for consultant preparation of an Environmental Impact Report for the proposed SOI amendment. Proposals received from three consultants included cost estimates of \$67,100, \$72,245, and \$81,295. In the fall of 2015, the City requested to withdraw their application pending the City General Plan Update.

Defer to SOI Policy Development

The City asserts once again that there is no legal authority in CKH to require updated spheres before considering major annexations. This assumes that CKH must be narrowly construed and only where there is specific language does LAFCo have authority. This is not how CKH is interpreted. The Legislature gave LAFCo broad discretion to liberally construe and apply the CKH in light of local circumstances. The CKH states general principles in support of LAFCo's legislative mission and local policies provide an interpretation that takes the law to its logical conclusion.

It is indisputable that CKH requires that LAFCo decisions be made consistent with the SOI of applicable agencies. It is also indisputable that CKH requires these SOIs to be periodically updated. The obvious purpose is to assure that LAFCo decisions on changes of organization be made based on a reasonably current and updated sphere. LAFCo also has clear authority to adopt policies to implement CKH and adjust them to "local conditions".

Therefore it is entirely consistent with CKH for LAFCo to require an updated sphere before moving forward with major annexations and put such a requirement in its policies.

The current practice of the Commission is not to accept as complete applications involving outdated SOIs because an outdated SOI plan is no longer reliable and relevant to guide Commission decisions. This practice has been in place for 10-15 years and does not represent independent judgment on the part of current LAFCo staff.

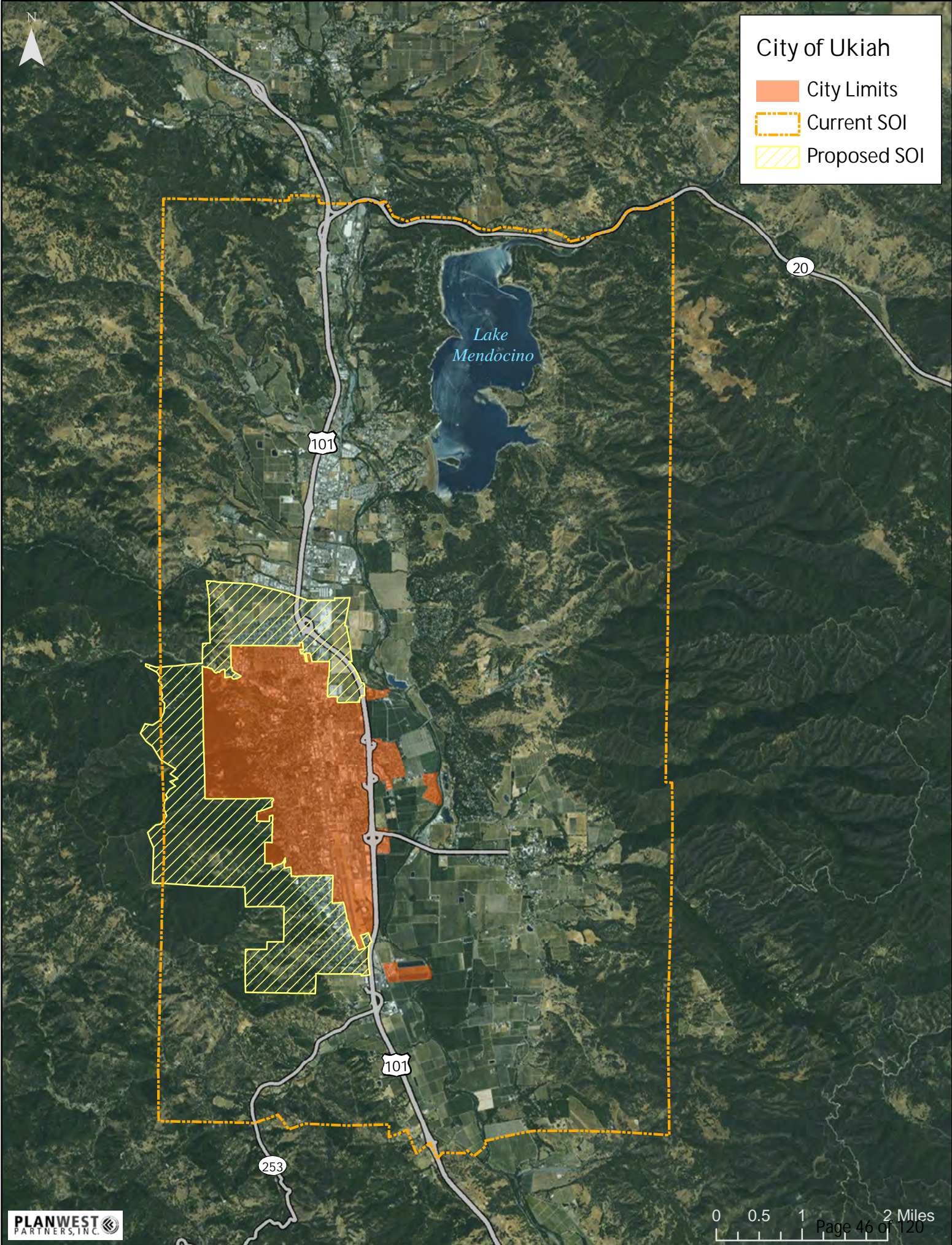
There have been multiple changes in Commission staffing over the years and it is difficult to know for certain whether this practice has been uniformly applied; however, the issue of outdated spheres has consistently surfaced especially in processing applications for major boundary changes.

LAFCo staff has prepared SOI Policy changes to put into written policy the current practice of the Commission, including a definition of outdated spheres, the requirement for outdated spheres to be updated prior to consideration of major boundary changes, a provision to allow minor applications to be considered based on consistency with an outdated SOI, and cost recovery for non-coterminous spheres that are not subject to CEQA exemption.

It is prudent to make an important policy decision regarding outdated SOIs at a broad-scale instead of on a case-by-case basis. Therefore, making a determination of whether to rely on the 1984 overlapping SOIs of the City and UVSD for the detachment application should be decided in the SOI policy development process currently underway in order to establish uniform treatment.

City of Ukiah

- City Limits
- Current SOI
- Proposed SOI



MENDOCINO

Local Agency Formation Commission

Staff Report

DATE: June 7, 2021
TO: Mendocino Local Agency Formation Commission
FROM: Uma Hinman, Executive Officer
SUBJECT: **Update** on the City of Ukiah and Ukiah Valley Sanitation District Consultant Prepared Municipal Service Review and Sphere of Influence Update Process

RECOMMENDATION

Receive update on the MSR/SOI Update process for the City of Ukiah and the Ukiah Valley Sanitation District and, if appropriate, provide direction to staff.

BACKGROUND

The Fiscal Year (FY) 2020-21 Work Plan identified the City of Ukiah (City) and the Ukiah Valley Sanitation District (UVSD) as multi-year Municipal Service Reviews and Sphere of Influence (MSR/SOI) Updates to be initiated in the current FY. There have been no updates to the SOIs for either agency since their initial establishment in 1984. Although the Commission prepared MSRs in anticipation of updating the City and UVSD SOIs nearly a decade ago, progress stalled out related to CEQA compliance, among other things.

A SOI plan is a policy decision of how urban growth will occur for an area and who will provide services within that area. As such, SOI Updates are the suitable avenue for determining the appropriate service provider within and surrounding the City and will facilitate the Commission's consideration of applications for reorganization, such as annexations and detachments.

The Ukiah Valley faces numerous development pressures, including a critical need for additional housing. There has not been conclusive consideration by LAFCo of anticipated service provision and area expansions for the City or UVSD in modern times. Updating the overlapping SOIs for the City and UVSD is crucial to carry out the Commission's directive to promote logical and orderly growth and efficient provision of municipal services pursuant to GOV §56425 and in order for the Commission to make a finding of SOI consistency for proposed changes of organization pursuant GOV §56375.5.

LAFCo's Work Plan identified a multi-year process for both agencies' MSR/SOI Update in order to accommodate reasonable budgeting to fund the expensive studies. The FY 2020-21 budget assumed in-house preparation of the studies that were estimated at approximately \$25,000 each, and not including budget for the cost of CEQA compliance. However, due to staff capacity limitations, in September 2020, the Commission authorized staff to outsource the preparation of MSR/SOI Updates for the City and the UVSD identified in the FY 2020-21 Work Plan. Consultant estimates received were in the \$40,000 to \$80,000 range for each study, without the CEQA component.

City of Ukiah MSR/SOI Update

In order to facilitate an expeditious study for the City, at its December 2, 2020 meeting the Ukiah City Council unanimously approved fully funding consultant costs associated with preparation of the City

MSR/SOI Update and expressed their support in retaining the Planwest Partners team to conduct the study. Planwest Partners' Team budget estimate was approximately \$66,500 for the MSR/SOI Update and \$25,000 for a CEQA Initial Study.

On December 7, 2020, the Commission approved the selection of Planwest Partners Team to prepare the City of Ukiah MSR/SOI Update and directed staff to negotiate agreements with the City of Ukiah for funding and Planwest Partners for preparing the City's MSR/SOI Update. A description of the agreements is as follows:

- Memorandum of Understanding (MOU) between LAFCo and the City for City funding of the consultant costs associated with preparing the MSR/SOI Update and associated CEQA document. LAFCo to retain control over the preparation of the MSR/SOI Update and coordinate closely with the City throughout the process. The City to act as Lead Agency for the CEQA documentation process, with LAFCo as Responsible Agency.
- Consulting Services Agreement (Agreement) between LAFCo and Planwest Partners for preparation of the MSR/SOI Update and associated CEQA documentation. LAFCo to manage the contract, scope, deliverables and schedule, keeping the City informed throughout the process.

In January 2021, LAFCo Legal Counsel provided a draft MOU to the City for review. Since that time, the draft MOU has undergone numerous revisions between attorneys to define and clarify terms, conditions, and roles and responsibilities of each agency. Additionally, the Agreement between LAFCo and Planwest Partners has undergone several reviews and revisions. Resultant delays have stretched to a six-month overall delay in establishing a contract with Planwest Partners to initiate the study. The fundamental issues, which appear to have reached a point of impasse at the staff level, is consensus on terms describing control over the processes, documents and conditions of payment.

Should we reach an impasse in development of the MOU, an option to consider in light of budget establishment today is potentially returning to the original plan of developing a multi-year study process and Work Plan budget. Impacts of this approach would be delays on other agency MSR/SOI updates and higher apportionment rates to fund increased Work Plan budget needs.

In order for the Commission to make informed decisions regarding the most efficient and appropriate provision of services in the region, it is critical that the City SOI update proceed as soon as possible. With several applications for reorganization from Ukiah Valley municipal service providers in various stages of submittal, there is considerable pressure to complete the City's SOI Update, and as such, staff is seeking to both inform the Commission of the delay and issues at hand, and to provide opportunity for discussion on moving the process forward.

Ukiah Valley Sanitation District MSR/SOI Update

Initiation of the UVSD MSR/SOI Update and selection of a consultant to prepare the Update was postponed several months so that District staff could explore the matter further with the UVSD Board of Directors. A number of issues were being considered, including current consolidation discussions through the [Upper Russian River Water Agency](#) (URRWA), in which they are a JPA member, and potential funding options for the Update.

The UVSD Board recently directed its staff to work with LAFCo to move forward with the preparation of the UVSD MSR/SOI Update and to develop a funding agreement to do so. The UVSD is in support of advancing funds to pay Planwest Partners to prepare the study, with reimbursement from LAFCo over the next few years. The Planwest Partners estimated budget for the UVSD study is approximately \$52,000, not including CEQA.

An option for reimbursement to the UVSD is allocation of Work Plan funds through the annual budget development process on a schedule to be developed and incorporated into an MOU. A reimbursement schedule would likely span two-four years and delay other agency MSR/SOI updates up to several years.

There is substantial benefit in a concurrent preparation of the UVSD and City of Ukiah MSR/SOI Updates: efficiency and consistency of analysis, a more comprehensive assessment of service provision of the agencies in concert, a thorough analysis of the overlapping services of the two agencies to support the Commission’s ultimate determination of providers, and cost efficiency of study preparation.

Additionally, should the UVSD MSR/SOI Update proceed concurrently with the City of Ukiah MSR/SOI Update and with Planwest Partners, there is potential for a shared CEQA process which would be more cost effective and efficient. Such an arrangement would need to be worked out with both agencies and prior to establishing an MOU with the City for its MSR/SOI Update.

Staff is requesting Commission discussion and direction regarding the UVSD Board’s interest in developing an agreement to provide up-front funding subject to reimbursement over multiple years for the MSR/SOI Update, which would allow for the two Updates to proceed concurrently and with the same consulting team.

The Proposed FY 2021-22 Work Plan identifies several agencies scheduled for MSR/SOI Updates. Staff has identified rough estimates for preparing the studies, which, with the exception of the City of Ukiah, have been assumed to be prepared by staff (Table 1). In general, studies prepared by LAFCo staff cost less than consultant-prepared studies due to lower hourly rates.

Table 1. Proposed FY 2021-22 Work Plan

Agency	Last MSR and/or SOI Update	Estimated Cost¹
City of Ukiah ²	MSR 2012	\$12,500
Ukiah Valley Sanitation District	N/A	\$20,000
Ukiah Valley Fire District	MSR/SOI 2008	\$6,000
County Service Area No. 3	N/A	\$6,000
Covelo Community Services District	MSR/SOI 2010	\$7,000
Work Plan Notes: ¹ Costs have been estimated for the identified Work Plan studies for this FY; however, actual costs may vary depending on timely receipt of requested information and issues that may arise during preparation of studies. Additionally, no CEQA costs have been included in the estimates beyond Exemptions. ² Under an MOU between LAFCo and the City of Ukiah, the City is funding the preparation of its MSR/SOI Update and associated CEQA document. The cost associated with the City’s study is for LAFCo staff time to manage the consultant-prepared MSR/SOI Update and participate in the update process.		

Attachments: Work Plan Status

Sphere of Influence Update Tracking

April 2021

Agency	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
City of Fort Bragg	SOI completed									SOI completed										
City of Point Arena								SOI completed												
City of Ukiah													Scheduled	Scheduled						
City of Willits					SOI completed															
County Service Area 3														Scheduled	Scheduled					
Anderson Valley Community Services District								SOI completed												
Brooktrails Township Community Services District													SOI completed							
Covelo Community Services District	SOI completed														Scheduled					
Gualala Community Services District									SOI completed											
Mendocino City Community Services District	SOI completed																			
Albion-Little River Fire Protection District																				
Comptche Community Services District																				
Covelo Fire Protection District																				
Elk Community Services District																				
Fort Bragg Rural Fire Protection District													SOI completed							
Hopland Fire Protection District																				
Leggett Valley Fire Protection District																				
Little Lake Fire Protection District																				
Long Valley Fire Protection District																				
Mendocino Fire Protection District																				
Piercy Fire Protection District																				
Potter Valley Community Services District																				
Redwood Coast Fire Protection District																				
Redwood Valley-Calpella Fire District																				
South Coast Fire Protection District																				
Ukiah Valley Fire District																				
Mendocino Coast HealthCare District																				
Noyo Harbor District																				
Potter Valley Irrigation District																				
Hopland Public Utility District																				
Mendocino County Resource Conservation District																				
Mendocino Coast Recreation and Park District	SOI completed																			
Ukiah Valley Sanitation District																				
Calpella County Water District																				
Caspar South Water District																				
Elk County Water District																				
Irish Beach Water District																				
Laytonville County Water District																				
Millview County Water District																				
Pacific Reefs Water District																				
Redwood Valley County Water District																				
Round Valley County Water District																				
Mendocino County Russian River Flood Control and Water Conservation Improvement District																				
Westport County Water District																				
Willow County Water District																				
Anderson Valley Cemetery District																				
Cemetery District of the Redwoods																				
Covelo Public Cemetery District																				
Hopland Cemetery District																				
Mendocino-Little River Cemetery District																				
Potter Valley Cemetery District																				
Russian River Cemetery District																				
Westport-Ten Mile Cemetery District																				

Key: ■ SOI completed ■ Scheduled ■ Tentative Schedule

Note 1: Consistent with the Cortese-Knox-Hertzberg Act and Mendocino LAFCo policies, agencies providing municipal services will be reviewed and SOIs updated, as necessary, every five years. Municipal services are locally defined as water, wastewater, police, and fire protection services (Mendocino LAFCo Policy 10.1.3(a)).

Note 2: Current practice is to prepare a Municipal Service Review (MSR) concurrently with the Sphere of Influence (SOI) update for an agency. In some cases, the MSR was completed without updating the SOI; however, in these cases the MSR is currently out of date and will need to be updated in conjunction with the SOI Update.

MENDOCINO Local Agency Formation Commission Staff Report

DATE: June 7, 2021
 TO: Mendocino Local Agency Formation Commission
 FROM: Uma Hinman, Executive Officer
 SUBJECT: **Proposed Budget Amendment 2 for FY 2020-21**

RECOMMENDATION

Adopt Resolution No. 2020-21-07 authorizing a budget amendment to shift unutilized budget from several accounts to increase Basic Services (Account 5300) to \$107,060 and Legal Services (Account 6300) to \$19,150 to meet projected staffing needs, and with no overall increase to the current budget operating expenses total of \$176,193.

BACKGROUND

In June 2020, the Commission adopted a budget of \$161,650, with a subsequent amendment in January 2021 increasing operating expenses to \$176,193 to support increased staff workload. With the January adoption of the Fiscal Year 2020-21 amended budget, the Commission authorized use of reserve funds totaling \$25,743 to meet budget needs.

The following table summarizes the adopted and amended budgets, current expenditure totals, including May claims, and the proposed budget amendment for the current fiscal year.

Mid-Year Expense Summary	Adopted	Amendment 1	Expenditures To Date	Amendment 2 (Proposed)
Staffing Total ¹	72,060	92,060	95,017	107,060
Services and Supplies Total ²	47,090	49,633	44,467	50,133
Work Plan Total ³	42,500	34,500	14,412	19,000
Expense Total	161,650	176,193	153,896	176,193
¹ Consists of Executive Officer, Analyst and Clerk time, not including time spent on applications and preparation of MSR/SOI Updates (Work Plan). ² Includes office operating expenses and Legal Services. ³ Consists of preparation of MSR/SOI Updates.				

Including claims through the month of May, 103% of the Basic Services budget and 109% of Legal Services budget has been expended. In order to continue to carry out the responsibilities and direction of the Commission for the remainder of this fiscal year, an increase in budget for Basic Services (Account 5300) and Legal Services (Account 6300) will be necessary, consisting of \$15,000 and \$4,450, respectively.

Basic Services (Account 5300)

Basic Services consists of staffing the Executive Officer, Analyst and Clerk positions and covers the day-to-day activities required to maintain office operations, carry out the direction of the Commission, respond to public and agency inquiries and information needs, and to comply with state-mandated functions. This

fiscal year, staff has experienced a significant increase in activity over past years as we work to support the Policies & Procedures Committee in implementing numerous policy development directives, implement the Work Plan, address an emergency rebuild of the LAFCo website, comply with COVID-19 guidelines for the office operations and meetings, and work with agency staff and consultants in outsourcing and negotiating agreements and contracts to implement the Work Plan.

Legal Services (Account 6300)

The current Legal Services contract is \$900 per month, which covers a monthly average of 4 hours of general legal services at a reduced client rate of \$225. General legal services above the average are calculated and billed at cost every few months. Legal Counsel time spent on applications is billed separately and at cost to the applicant. General legal services include but are not limited to legal support on general matters, participation in Commission and Committee meetings, advice on Brown Act and public notice requirements, and review of contracts, policy language, and staff reports.

Legal Counsel has surpassed the average of four hours per month this year on non-application activities. Increased legal support has been necessary for reviewing proposed policies and participating in agency and Committee meetings, and a substantial amount of time spent on development and negotiation of legal agreements and contracts.

The first five months of this year resulted in an additional 24 hours of time above the average hours per contract, which has been included in the May claims. The budget amendment approved by the Commission in January anticipated the increased need; however, contract negotiations and policy development has taken significantly more time than expected. It is anticipated that there will be a need for up to an additional 10-12 hours of Legal Counsel time over the contract average through the end of the fiscal year and based on current time burn rates.

The Proposed Budget Amendment 2 identifies savings in a number of other accounts that would be shifted to meet the proposed increase to Basic Services and Legal Services budget accounts with no increase to the total budget for operating expenses.

Attachment Resolution No. 2020-21-07 Proposed Budget Amendment 2

Attachment
Resolution No. 2020-21-07
of the Local Agency Formation Commission of Mendocino County
Approving
Budget Amendment 2 for Fiscal Year 2020-21

WHEREAS, Local Agency Formation Commissions have been created under the provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Sections 56000 et. seq. of the Government Code, as independent agencies, with the power to adopt policies and procedures to carry out their functions, (§56300); and

WHEREAS, the Mendocino Local Agency Formation Commission, hereinafter referred to as the “Commission”, annually approves a final budget to fulfill its purposes and functions that are set by State law; and

WHEREAS, the Commission adopted a Fiscal Year 2020-21 budget for \$161,650 at its June 1, 2020 meeting; and

WHEREAS, the Commission, at its January 4, 2021 meeting, considered and adopted a Budget Amendment increasing the Fiscal Year 2020-21 Budget to \$176,193; and

WHEREAS, since January 2021, staff workload associated with Basic Services and Legal Services has been greater than anticipated due to multiple policy development processes and stakeholder outreach, increased Committee meetings, and extended negotiation of legal agreements for implementing the Work Plan, requiring additional funds to complete the Fiscal Year; and

WHEREAS, the Commission considered a proposed Fiscal Year 2020-21 Budget Amendment 2, shifting unutilized budget from several budget accounts to increase Basic Services (Account 5300) to \$107,060 and Legal Services (Account 6300) to \$19,150, with no overall increase to the current operating expenses total of \$176,193; and

WHEREAS, the Commission heard and fully considered all the evidence presented at a public meeting held on the proposed fiscal year 2020-21 Budget Amendment 2 on June 7, 2021.

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

1. The Commission approves Fiscal Year 2020-21 Budget Amendment 2, shifting funds between budget accounts to increase Basic Services (Account 5300) to \$107,060 and Legal Services (Account 6300) to \$19,150, and with no change to the total budget of \$176,193, as shown in Exhibit A.

PASSED and ADOPTED by the Local Agency Formation Commission of Mendocino County this 7th day of June 2021 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:

UMA HINMAN, Executive Officer

CHARLES A. ORTH, Commission Chair

Exhibit A

Mendocino Local Agency Formation Commission Amendment 2 Final Budget FY 2020-21

7-Jun-21

ACCOUNT #	DESCRIPTION	FY 2020-21 Adopted	FY 2020-21 Amended	FY 2020-21 Amendment 2
REVENUE				
	<i>Anticipated Cash Balance</i>	\$ -		
4000	LAFCO Apportionment Fees	\$ 150,000	\$ 150,000	\$ 150,000
4100	Service Charges			
4800	Miscellaneous			
4910	Interest Income	\$ 450	\$ 450	\$ 450
	Revenue Subtotal	\$ 150,450	\$ 150,450	\$ 150,450
8000	Applications			
8601	Special Project (SALC Grant Project Reimbursement)	\$ 5,100	\$ 5,100	\$ 5,100
	Revenue Total	\$ 155,550	\$ 155,550	\$ 155,550
EXPENSES				
5300	Basic Services	\$ 72,060	\$ 92,060	\$ 107,060
5500	Rent	\$ 5,568	\$ 5,568	\$ 5,568
5600	Office Expenses	\$ 3,450	\$ 3,550	\$ 3,550
5700	Internet & Website Costs	\$ 1,300	\$ 1,550	\$ 1,550
5900	Publication and Legal Notices	\$ 2,000	\$ 2,000	\$ 1,000
6000	Televising Meetings	\$ 2,000	\$ 2,000	\$ 1,500
6100	Audit Services	\$ 3,500	\$ 3,380	\$ 3,380
6200	Bookkeeping	\$ 4,500	\$ 4,500	\$ 4,500
6300	Legal Counsel	\$ 10,200	\$ 14,700	\$ 19,150
6400	A-87 Costs County Services	\$ 2,131	\$ 2,093	\$ 2,093
6500	Insurance-General Liability	\$ 3,000	\$ 2,815	\$ 2,815
6600	Memberships (CALAFCO/CSDA)	\$ 3,691	\$ 3,727	\$ 3,727
6670	GIS Contract with County (Counsel training, IT support)	\$ 2,500	\$ 2,500	\$ 1,000
6740	In-County Travel & Stipends	\$ 3,000	\$ 1,000	\$ 300
6750	Travel & Lodging Expense	\$ 100	\$ 100	\$ -
6800	Conferences (Registrations)	\$ 150	\$ 150	\$ -
7000	Work Plan (MSRs and SOIs)	\$ 42,500	\$ 34,500	\$ 19,000
9000	Miscellaneous (Special District Training Support, bank fees)	\$ -		
	Operating Expenses Subtotal	\$ 161,650	\$ 176,193	\$ 176,193
8000	Application Filing Expenses	\$ -		
8601	Special Project (SALC Grant Project)	\$ 5,100	\$ 5,100	\$ 5,100
	Expenses Total	\$ 166,750	\$ 181,293	\$ 181,293

REVENUE/EXPENSE DIFFERENCE \$ (11,200) \$ (25,743) \$ (25,743)

(Negative balance indicates use of fund balance and/or reserves)

**MENDOCINO
Local Agency Formation Commission**

Staff Report

DATE: June 7, 2021
TO: Mendocino Local Agency Formation Commission
FROM: Uma Hinman, Executive Officer
SUBJECT: **Public Hearing** for the Final Budget and Work Plan for FY 2021-22

RECOMMENDATION

- 1) Adopt Resolution 20-21-08 with Exhibits A and B, approving the Final Budget and Work Plan for Fiscal Year 2021-2022, which reflect the priorities for the coming fiscal year; and
- 2) Direct the Executive Officer to transmit the Final Budget and Work Plan for FY 2021-2022 to the funding agencies and others as specified in Government Code §56381.

BACKGROUND

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH) mandates operating costs for Local Agency Formation Commissions (LAFCos) shall be annually funded by the affected counties, cities, and independent special districts on a one-third apportionment basis. 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.

The Proposed Budget and Work Program for Fiscal Year (FY) 2021-22 was approved by the Commission at its May 3, 2021 Regular Meeting. Pursuant to California Government Code §56381, the Proposed and Final Budgets have been circulated to all member agencies including the County, Cities and Independent Special Districts. We received one question asking for clarification and several comments in support during the budget proceedings for FY 2021-22.

Expenditures

As presented to the funding agencies for the June 7th public hearing, the proposed operating expenses for Fiscal Year (FY) 2021-22 are \$208,500 and reflect the anticipated staffing services for day-to-day operations and for implementing the Work Plan tasks scheduled for FY 2021-22. The following table provides a summary of the FY 2020-21 budget, as amended and projected through year-end, and the Proposed Budget for FY 2021-22 (Table 1). A more descriptive breakdown of Basic Services (Table 1, Staffing Total) is provided in the Work Program (Attachment 2).

Table 1. Summary of FY 2020-21 and Proposed FY 2021-22 Budgets with Options

Budget Summary	FY 2020-21		FY 2021-22		
	Amendment 1 (\$)	Projected/ Amendment 2 (\$)	Option 1 Final Budget (\$)	Option 2 Revised Final Budget (\$)	Option 3 Revised Final Budget (\$)
Staffing Total	92,060	107,060	95,000	95,000	108,000
Services and Supplies Total	49,633	50,133	62,000	62,000	67,500
Work Plan Total	34,500	19,000	51,500	51,500	51,500
Operations Total	176,193	176,193	208,500	208,500	227,000

The proposed FY 2021-22 expenses are an increase of \$32,307 above the FY 2020-21 amended budget (Table 2 and Attachment 1). The most significant increase in budget is for the Proposed Work Plan, which is further discussed below.

Additionally, the Sustainable Agricultural Lands Commission (SALC) grant-funded project is a two-year project that began in FY 2020-21 and will continue to incur staff time in the next FY. Staff time on the project is reimbursed through the grant. For budget development purposes, it is anticipated that approximately \$9,200 in grant reimbursement will be accounted for in the next fiscal year (Attachment 1).

Budget Option 1

Budget Option 1 is the proposed operating budget as adopted by the Commission on May 3, 2021 and distributed to the funding agencies and included in the public notice for today’s public hearing on the final budget.

Budget Option 2

Budget Option 2 makes no change to the proposed operating budget expenses as adopted by the Commission on May 3, 2021. It varies from Budget Option 1 with an increase in apportionment fees to meet the Commission’s intent to increase legal reserves to \$50,000 in FY 2021-22 and meet the local policy for operations reserves of 25% of operating expenses (Table 2).

Budget Option 3

Budget Option 3 is in response to the increasing workload for staff, including legal counsel, that has necessitated two budget amendments this fiscal year. The upward trend in staffing needs has been evident the past two to three years, and is anticipated to continue at the current level or more over the next few years as LAFCo responds to development and service pressures associated with housing needs, water service provision and the adequate provision of fire services, in particular. Additionally, comments were made by several Commissioners during the May public hearing on the FY 2021-22 Proposed Budget that an increase in staff capacity is needed to better and more-timely respond to workload demands, a sentiment of which staff is in strong agreement. The proposed increases in Budget Option 3 match the projected budget for Basic Services and Legal Services for FY 2020-21 and include an increase in the Work Plan budget as well to accommodate the UVSD MSR/SOI Update and continue to make progress on the other identified agencies scheduled for FY 2021-22.

Revenues

LAFCo's Revenues consist of apportionments and interest. Other revenues include applications and grant funds, both of which are zero sum and have not been included in this discussion.

The CKH mandates operating costs for LAFCos shall be annually funded by the affected county, cities, and independent special districts, each category responsible for a one-third apportionment (Section 56381(b)). 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.

Mendocino LAFCo Policy 5.1.5 directs maintenance of reserves for fiscal stability, unforeseen operating or capital needs, cash flow requirements, revenue source stability from revenue shortfalls, and unanticipated legal fees. Per policy, the reserves consist of an operations reserve of 25% of the annual operating budget and legal reserves of \$35,000.

Due to indemnification uncertainties surrounding the very recent *San Luis Obispo v. City of Pismo* case, the Commission directed an initial increase in Legal Reserves to \$50,000 in FY 2021-22, with future incremental increases to reach a goal of \$100,000. The proposed apportionment fees will allow for building both legal and operational reserves back to policy levels and in the case of legal reserves, to the recommended balance for the coming fiscal year (Table 2).

Table 2 provides a summary of proposed apportionment fees for the three Budget Options discussed above and the impact those options will have on reserves.

Table 2. Summary of FY 2021-22 Apportionments, Options and Impacts to Reserves

	FY 2020-21	Fiscal Year 2021-22		
	Projected (\$)	Option 1 Final Budget ¹ (\$)	Option 2 Revised (\$)	Option 3 Revised (\$)
Budget	\$176,193	\$208,150	\$208,150	\$227,000
Revenue/Funds				
Apportionment fees	150,000	225,000	245,000	265,000
Interest	70	100	100	100
Anticipated reserves change	(22,860)	16,600	36,600	38,100
Anticipated Reserve Balances				
Balance at beginning of FY	90,484	67,684	67,684	67,684
Estimated balance at FY end	67,684	84,284	104,284	105,784
<i>Target Reserves balance</i>	<i>79,048²</i>	<i>102,125³</i>	<i>102,125³</i>	<i>106,750³</i>
<i>Difference</i>	<i>(14%)</i>	<i>(17%)</i>	<i>2%</i>	<i>(1%)</i>
¹ Option 1, the Proposed Final FY 2021-22 Budget was distributed to funding agencies in May. ² Target reserves consist of operations reserves of 25% of operating expenditures and legal reserves of \$35,000 (FY 2020-21). ³ The Commission directed an increase in legal reserves to \$50,000 in FY 2021-22, with subsequent increases in the next fiscal years until \$100,000 is achieved.				

Assuming approval of the May claims, the total unrestricted funding available for operations is \$3,421. The projected budget expenses through the remainder of FY 2020-21 are approximately \$22,000. *Note: Item 5c on the June 7, 2021 agenda is Amendment 2 to the FY 2020-21 Budget, which moves funds between accounts, but makes no change to the adopted budget expenses.*

As a reminder, LAFCo practices zero-based budgeting whereby unused budget appropriations lapse at the end of the fiscal year and may be allocated in the subsequent budget cycle. Therefore, any “savings” realized from unutilized budget accounts simply reduces the utilization of reserves to balance the budget.

LAFCo’s ability to raise revenues occurs only once a year, during the annual budget cycle. Otherwise, reliance on reserves becomes necessary. As anticipated with the adoption of the FY 2020-21 Amended Budget 2, and with the projected expenses, operations through the end of this fiscal year will require utilizing approximately \$23,000 from reserves. With the Commission’s direction to increase legal reserves to \$50,000 in FY 2021-22, the overall reserves target is \$102,125.

At the time of adoption of the Proposed Budget in May, projections through the end of this year were \$16,000 under budget. However, greater than anticipated workload is now expected to use most of the budget. The proposed apportionment fees of \$225,000 adopted with the Proposed Budget (Budget Option 1) will no longer allow us to achieve the intended increase in reserves (Table 2).

Work Plan

The Work Plan is an adaptive schedule developed by staff to plan for completing state-mandated Municipal Service Reviews and Sphere of Influence (MSR/SOI) Updates, which are to be reviewed every five years, as needed. Developed by staff and adopted with the annual budget, the Work Plan is periodically reviewed in response to workload, applications, development pressures, local planning processes, and availability of agency staff to participate in the process.

While it is the intent to implement the entire identified Work Plan in one fiscal year, actual completion of a specific study may span multiple fiscal years. Work Plan implementation can change due to various factors, such as: (a) agency responsiveness and timely provision of requested information, (b) complexity of issues involved, (c) level of public and affected agency controversy, (d) changing needs and priorities, (e) overall staff workload, and (f) higher than anticipated costs.

Since the May 3rd adoption of the Proposed Budget and Work Plan, staff has again reviewed the on-going Work Plan needs and confirms the recommendation of the five agencies previously prioritized for completion of a LAFCo-initiated MSR/SOI Update for FY 2021-22 (Table 3). Due to delays in establishing agreements to initiate the City of Ukiah and Ukiah Valley Sanitation District studies in the current fiscal year, staff proceeded with the Covelo Community Services District (Covelo CSD). The proposed Work Plan and associated budget is the same for all Budget Options.

Table 3 identifies updated cost estimates for each agency, including a reduction in the Covelo CSD estimated cost as the administrative draft and workshop draft are anticipated to be completed in FY 2020-21, and an increase in the CSA 3 estimate. Further, the Work Plan budget assumes minimal costs for CEQA compliance related to filing a Notice of Exemption (NOE). For those agencies with SOI Updates that result in a non-coterminous SOI, the agency may expedite a potential multi-fiscal year process by contributing to the cost of preparing an Initial Study and associated environmental document (ND/MND, EIR, etc.).

Table 3. Proposed FY 2021-22 Work Plan with estimated costs (Budget Options 1-3)

Agency	Last MSR and/or SOI Update	Estimated Cost ¹
City of Ukiah ²	MSR 2012	\$12,500
Ukiah Valley Sanitation District	N/A	\$20,000
Ukiah Valley Fire District	MSR/SOI 2008	\$6,000
County Service Area No. 3	N/A	\$10,000
Covelo Community Services District	MSR/SOI 2010	\$3,000
<p>Work Plan Notes:</p> <p>¹Costs have been estimated for the identified studies for the FY; however, actual costs may vary depending on timely receipt of requested information and issues that may arise during preparation of studies. Additionally, no CEQA costs have been included in the estimates beyond Exemptions.</p> <p>² The City has offered to fund the preparation of its MSR/SOI Update and associated CEQA document; LAFCo and the City are negotiating the terms of an MOU for funding.</p>		

NEXT STEPS

Following Commission direction on the Proposed Budget, staff will make any changes as directed by the Commission and distribute the Final Budget and Work Program to funding agencies and others as specified in Government Code §56381.

- Attachments:
- (1) FY 2021-22 Proposed Final Budget with Options
 - (2) FY 2021-22 Proposed Final Work Program with Options
 - (3) Draft Resolution No. 2020-21-08
 - (4) Option 1 Resolution Exhibit A
 - (5) Option 2 Resolution Exhibit A
 - (6) Option 3 Resolution Exhibit A
 - (7) Options 1 and 2 Resolution Exhibit B
 - (8) Option 3 Resolution Exhibit B
 - (9) Proof of Public Notice

Attachment 1

Mendocino Local Agency Formation Commission Final Budget for FY 2021-2022

7-Jun-21

ACCOUNT		FY 2020-21	FY 2020-21	FY 2020-21	FY 2021-22	FY 2021-22	FY 2021-22
#	DESCRIPTION	Adopted	Amended	Projected	Option 1	Option 2	Option 3
REVENUE							
	<i>Anticipated Cash Balance</i>						
4000	LAFCO Apportionment Fees	\$ 150,000	\$ 150,000	\$ 150,000	\$ 225,000	\$ 245,000	\$ 265,000
4100	Service Charges						
4800	Miscellaneous						
4910	Interest Income	\$ 450	\$ 450	\$ 70	\$ 100	\$ 100	\$ 100
	Revenue Subtotal	\$ 150,450	\$ 150,450	\$ 150,070	\$ 225,100	\$ 245,100	\$ 265,100
EXPENSES							
5300	Basic Services	\$ 72,060	\$ 92,060	\$ 107,060	\$ 95,000	\$ 95,000	\$ 108,000
5500	Rent	\$ 5,568	\$ 5,568	\$ 5,568	\$ 5,775	\$ 5,775	\$ 5,775
5600	Office Expenses	\$ 3,450	\$ 3,550	\$ 3,550	\$ 3,000	\$ 3,000	\$ 3,300
5700	Internet & Website Costs	\$ 1,300	\$ 1,550	\$ 1,550	\$ 1,600	\$ 1,600	\$ 2,500
5900	Publication and Legal Notices	\$ 2,000	\$ 2,000	\$ 1,000	\$ 2,000	\$ 2,000	\$ 2,000
6000	Televising Meetings	\$ 2,000	\$ 2,000	\$ 1,500	\$ 2,000	\$ 2,000	\$ 2,000
6100	Audit Services	\$ 3,500	\$ 3,380	\$ 3,380	\$ 3,500	\$ 3,500	\$ 3,500
6200	Bookkeeping	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500	\$ 4,500
6300	Legal Counsel	\$ 10,200	\$ 14,700	\$ 19,150	\$ 14,700	\$ 14,700	\$ 19,000
6400	A-87 Costs County Services	\$ 2,131	\$ 2,093	\$ 2,093	\$ 2,100	\$ 2,100	\$ 2,100
6500	Insurance-General Liability	\$ 3,000	\$ 2,815	\$ 2,815	\$ 2,450	\$ 2,450	\$ 2,450
6600	Memberships (CALAFCO/CSDA)	\$ 3,691	\$ 3,727	\$ 3,727	\$ 3,525	\$ 3,525	\$ 3,525
6670	GIS Contract with County (Counsel training, IT support)	\$ 2,500	\$ 2,500	\$ 1,000	\$ 2,500	\$ 2,500	\$ 2,500
6740	In-County Travel & Stipends	\$ 3,000	\$ 1,000	\$ 300	\$ 4,000	\$ 4,000	\$ 4,000
6750	Travel & Lodging Expense	\$ 100	\$ 100	-	\$ 6,250	\$ 6,250	\$ 6,250
6800	Conferences (Registrations)	\$ 150	\$ 150	-	\$ 4,100	\$ 4,100	\$ 4,100
7000	Work Plan (MSRs and SOIs)	\$ 42,500	\$ 34,500	\$ 19,000	\$ 51,500	\$ 51,500	\$ 51,500
	Operating Expense Total	\$ 161,650	\$ 176,193	\$ 176,193	\$ 208,500	\$ 208,500	\$ 227,000
	REVENUE/EXPENSE DIFFERENCE	\$ (11,200)	\$ (25,743)	\$ (26,123)	\$ 16,600	\$ 36,600	\$ 38,100
	<i>(Negative balance indicates use of fund balance and/or reserves)</i>						

Attachment 2

Work Program (Basic Services and Work Plan) FY 2021-22 Proposed Final Budget

Tasks	Description & Assumptions	Options 1 and 2 Estimated Budget	Option 3 Estimated Budget
Basic Services			
Office Hours & Administrative Duties	Clerk duties not related to projects; office hours; public assistance; PRA requests; budget development, tracking, amendments; accounts payable, QuickBooks; annual audit; EO correspondence; response to requests for Agency Comments for projects and/or environmental documents routed to LAFCo for review, etc.; carrying out Commission direction.	\$ 54,000	\$ 58,000
Commission & Committee Meetings	Commission & Committee meeting attendance (12 Regular and 8 Committee); agenda packet development, staff reports, presentations, minutes.	\$ 30,000	\$ 34,000
Work Plan Support	Prepare and distribute Public Notices, development of staff reports specifically related to MSR/SOI studies, presentation at Commission meetings for Public Workshops and Public Hearings.	\$ 4,500	\$ 4,500
Consult Legal Counsel	Contract allows for a minimum of 5 hours per month.	Existing Contract	Existing Contract
Application Processing	Process change of organization or reorganization applications initiated by landowner petition or resolution of application from Cities and Special Districts to modify existing powers, annex and/or detach territory from agency boundaries, and create, dissolve, or consolidate/merge local agencies.	Paid by applicant	Paid by applicant
Policy Development	Prepare expedited process for out-of-area fire services; outreach and update SOI policy; policy amendment and development as needed.	\$ 5,000	\$ 10,000
Grants	Participation in the Sustainable Agricultural Lands Commission (SALC) grant project.	Match accounted for in Basic Services (\$4,000)	Match accounted for in Basic Services (\$4,000)
Application Forms	Overhaul LAFCo application forms.	\$ 800	\$ 800
Transparency Improvements to Website	Assess/implement website improvements (JPAs, Special Districts, etc.); Post JPA Agreements on website (SB 1266).	\$ 700	\$ 700
Total		\$ 95,000	\$ 108,000
Work Plan			
MSR/SOI Update	Prepare and adopt combined Municipal Service Review and Sphere of Influence (MSR/SOI) Update studies pursuant to GOV §56425 and §56430, either in-house or by contract.	\$ 51,500	\$ 51,500
<p>The agencies listed below have priority for preparation of a LAFCo-initiated MSR/SOI Update in Fiscal Year 2021-22. The actual completion of a specific study may span multiple fiscal years. The budget allocation for each agency is based on estimated costs. Actual costs for study completion may be higher or lower than estimated below.</p> <p>Work Plan implementation is subject to change due to various factors, such as: (a) agency responsiveness and timely provision of requested information, (b) complexity of issues involved, (c) level of public and affected agency controversy, (d) changing needs and priorities, (e) overall staff workload, and (f) higher than anticipated costs.</p> <p>The Work Plan budget assumes minimal costs for CEQA compliance related to filing a Notice of Exemption (NOE). Agencies requesting a non-coterminous SOI may expedite a potential multi-fiscal year process by contributing to the cost of preparing an Initial Study and associated environmental document (ND/MND, EIR, etc.).</p>			
The total Work Plan Budget of \$51,500 is not limited to the following designations. These budget allocations may shift to other agencies as needed during the year.	City of Ukiah	\$ 12,500	\$ 12,500
	Ukiah Valley Sanitation District	\$ 20,000	\$ 20,000
	Ukiah Valley Fire District	\$ 6,000	\$ 6,000
	County Service Area No. 3	\$ 10,000	\$ 10,000
	Covelo Community Services District	\$ 3,000	\$ 3,000
Total		\$ 51,500	\$ 51,500

Attachment 3

Resolution No. 2020-21-08 of the Local Agency Formation Commission of Mendocino County

Adopting the Final Budget and Work Program for Fiscal Year 2021-22

WHEREAS, in accordance with the Cortese Knox Hertzberg Act of 2000, the Mendocino Local Agency Formation Commission, hereinafter referred to as the “Commission”, annually adopts a budget pursuant to Government Code Section 56381(a) to fulfill its purposes and functions that are set by State law; and

WHEREAS, at a minimum, the proposed and final budget shall be equal to the budget adopted for the previous fiscal year unless the Commission finds that reduced staffing or program costs will nevertheless allow the Commission to fulfill the purposes and program of this chapter pursuant to Government Code Section 56381(a); and

WHEREAS, the Commission adopted a proposed budget and work program and held a duly noticed hearing as required by law on May 3, 2021 for the purposes of developing a proposed budget and work program for Fiscal Year 2021-22; and

WHEREAS, the Proposed Fiscal Year 2021-22 Budget and Work Program has been circulated to all affected agencies pursuant to Government Code Section 56381(a); and

WHEREAS, the Commission hereby advises member agencies of the potential necessity to incrementally increase agency apportionment rates in the fiscal years to follow in order for the Commission to achieve its expanding state mandated responsibilities, consistent with Government Code Section 56381; and

WHEREAS, the Commission heard and fully considered all evidence presented at a duly noticed public hearing held on the Fiscal Year 2021-22 Final Budget and Work Program on June 7, 2021.

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

1. The Commission hereby adopts the Proposed Budget as the Final Budget for Fiscal Year 2021-22 as set forth in Exhibit A, attached hereto; and
2. Establishes the Fiscal Year 2021-22 Work Program priorities as identified in Exhibit B, attached hereto; and
3. Establishes the agency apportionment fees at \$_____, which contributes to an increase of legal reserves towards a minimum of \$50,000; and
4. Finds that the Fiscal Year 2021-22 Final Budget and Work Program allows the Commission to fulfill its prescribed regulatory and planning duties.

BE IT FURTHER RESOLVED that aforementioned Fiscal Year 2021-22 Final Budget and Work Program is officially adopted and ordered to be circulated to all affected agencies pursuant to Government Code Section 56381(a).

PASSED and ADOPTED by the Local Agency Formation Commission of Mendocino County this 7th day of June 2021 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

CHARLES A. ORTH, Commission Chair

ATTEST:

UMA HINMAN, Executive Officer

DRAFT

Exhibit A - Option 1

Mendocino Local Agency Formation Commission
Final Budget for FY 2021-2022

7-Jun-21

ACCOUNT #	DESCRIPTION	FY 2020-21 Adopted	FY 2020-21 Amended	FY 2021-22 Final
REVENUE				
<i>Anticipated Cash Balance</i>				
4000	LAFCO Apportionment Fees	\$ 150,000	\$ 150,000	\$ 225,000
4100	Service Charges			
4800	Miscellaneous			
4910	Interest Income	\$ 450	\$ 450	\$ 100
Revenue Subtotal		\$ 150,450	\$ 150,450	\$ 225,100
EXPENSES				
5300	Basic Services	\$ 72,060	\$ 92,060	\$ 95,000
5500	Rent	\$ 5,568	\$ 5,568	\$ 5,775
5600	Office Expenses	\$ 3,450	\$ 3,550	\$ 3,000
5700	Internet & Website Costs	\$ 1,300	\$ 1,550	\$ 1,600
5900	Publication and Legal Notices	\$ 2,000	\$ 2,000	\$ 2,000
6000	Televising Meetings	\$ 2,000	\$ 2,000	\$ 2,000
6100	Audit Services	\$ 3,500	\$ 3,380	\$ 3,500
6200	Bookkeeping	\$ 4,500	\$ 4,500	\$ 4,500
6300	Legal Counsel	\$ 10,200	\$ 14,700	\$ 14,700
6400	A-87 Costs County Services	\$ 2,131	\$ 2,093	\$ 2,100
6500	Insurance-General Liability	\$ 3,000	\$ 2,815	\$ 2,450
6600	Memberships (CALAFCO/CSDA)	\$ 3,691	\$ 3,727	\$ 3,525
6670	GIS Contract with County (Counsel training, IT support)	\$ 2,500	\$ 2,500	\$ 2,500
6740	In-County Travel & Stipends	\$ 3,000	\$ 1,000	\$ 4,000
6750	Travel & Lodging Expense	\$ 100	\$ 100	\$ 6,250
6800	Conferences (Registrations)	\$ 150	\$ 150	\$ 4,100
7000	Work Plan (MSRs and SOIs)	\$ 42,500	\$ 34,500	\$ 51,500
Operating Expense Total		\$ 161,650	\$ 176,193	\$ 208,500
REVENUE/EXPENSE DIFFERENCE		\$ (11,200)	\$ (25,743)	\$ 16,600
<i>(Negative balance indicates use of fund balance and/or reserves)</i>				

Exhibit A - Option 2

Mendocino Local Agency Formation Commission
Final Budget for FY 2021-2022

7-Jun-21

ACCOUNT #	DESCRIPTION	FY 2020-21 Adopted	FY 2020-21 Amended	FY 2021-22 Final
REVENUE				
<i>Anticipated Cash Balance</i>				
4000	LAFCO Apportionment Fees	\$ 150,000	\$ 150,000	\$ 245,000
4100	Service Charges			
4800	Miscellaneous			
4910	Interest Income	\$ 450	\$ 450	\$ 100
Revenue Subtotal		\$ 150,450	\$ 150,450	\$ 245,100
EXPENSES				
5300	Basic Services	\$ 72,060	\$ 92,060	\$ 95,000
5500	Rent	\$ 5,568	\$ 5,568	\$ 5,775
5600	Office Expenses	\$ 3,450	\$ 3,550	\$ 3,000
5700	Internet & Website Costs	\$ 1,300	\$ 1,550	\$ 1,600
5900	Publication and Legal Notices	\$ 2,000	\$ 2,000	\$ 2,000
6000	Televising Meetings	\$ 2,000	\$ 2,000	\$ 2,000
6100	Audit Services	\$ 3,500	\$ 3,380	\$ 3,500
6200	Bookkeeping	\$ 4,500	\$ 4,500	\$ 4,500
6300	Legal Counsel	\$ 10,200	\$ 14,700	\$ 14,700
6400	A-87 Costs County Services	\$ 2,131	\$ 2,093	\$ 2,100
6500	Insurance-General Liability	\$ 3,000	\$ 2,815	\$ 2,450
6600	Memberships (CALAFCO/CSDA)	\$ 3,691	\$ 3,727	\$ 3,525
6670	GIS Contract with County (Counsel training, IT support)	\$ 2,500	\$ 2,500	\$ 2,500
6740	In-County Travel & Stipends	\$ 3,000	\$ 1,000	\$ 4,000
6750	Travel & Lodging Expense	\$ 100	\$ 100	\$ 6,250
6800	Conferences (Registrations)	\$ 150	\$ 150	\$ 4,100
7000	Work Plan (MSRs and SOIs)	\$ 42,500	\$ 34,500	\$ 51,500
Operating Expense Total		\$ 161,650	\$ 176,193	\$ 208,500
REVENUE/EXPENSE DIFFERENCE		\$ (11,200)	\$ (25,743)	\$ 36,600
<i>(Negative balance indicates use of fund balance and/or reserves)</i>				

Exhibit A - Option 3

Mendocino Local Agency Formation Commission
Final Budget for FY 2021-2022

7-Jun-21

ACCOUNT #	DESCRIPTION	FY 2020-21 Adopted	FY 2020-21 Amended	FY 2021-22 Final
REVENUE				
<i>Anticipated Cash Balance</i>				
4000	LAFCO Apportionment Fees	\$ 150,000	\$ 150,000	\$ 265,000
4100	Service Charges			
4800	Miscellaneous			
4910	Interest Income	\$ 450	\$ 450	\$ 100
Revenue Subtotal		\$ 150,450	\$ 150,450	\$ 265,100
EXPENSES				
5300	Basic Services	\$ 72,060	\$ 92,060	\$ 108,000
5500	Rent	\$ 5,568	\$ 5,568	\$ 5,775
5600	Office Expenses	\$ 3,450	\$ 3,550	\$ 3,300
5700	Internet & Website Costs	\$ 1,300	\$ 1,550	\$ 2,500
5900	Publication and Legal Notices	\$ 2,000	\$ 2,000	\$ 2,000
6000	Televising Meetings	\$ 2,000	\$ 2,000	\$ 2,000
6100	Audit Services	\$ 3,500	\$ 3,380	\$ 3,500
6200	Bookkeeping	\$ 4,500	\$ 4,500	\$ 4,500
6300	Legal Counsel	\$ 10,200	\$ 14,700	\$ 19,000
6400	A-87 Costs County Services	\$ 2,131	\$ 2,093	\$ 2,100
6500	Insurance-General Liability	\$ 3,000	\$ 2,815	\$ 2,450
6600	Memberships (CALAFCO/CSDA)	\$ 3,691	\$ 3,727	\$ 3,525
6670	GIS Contract with County (Counsel training, IT support)	\$ 2,500	\$ 2,500	\$ 2,500
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6750	Travel & Lodging Expense	\$ 100	\$ 100	\$ 6,250
6800	Conferences (Registrations)	\$ 150	\$ 150	\$ 4,100
7000	Work Plan (MSRs and SOIs)	\$ 42,500	\$ 34,500	\$ 51,500
Operating Expense Total		\$ 161,650	\$ 176,193	\$ 227,000
REVENUE/EXPENSE DIFFERENCE		\$ (11,200)	\$ (25,743)	\$ 38,100
<i>(Negative balance indicates use of fund balance and/or reserves)</i>				

Exhibit B - Options 1 and 2

Work Program (Basic Services and Work Plan)
FY 2021-22 Proposed Final Budget

Tasks	Description & Assumptions	Estimated Budget
Basic Services		
Office Hours & Administrative Duties	Clerk duties not related to projects; office hours; public assistance; PRA requests; budget development, tracking, amendments; accounts payable, QuickBooks; annual audit; EO correspondence; response to requests for Agency Comments for projects and/or environmental documents routed to LAFCo for review, etc.; carrying out Commission direction.	\$ 54,000
Commission & Committee Meetings	Commission & Committee meeting attendance (12 Regular and 8 Committee); agenda packet development, staff reports, presentations, minutes.	\$ 30,000
Work Plan Support	Prepare and distribute Public Notices, development of staff reports specifically related to MSR/SOI studies, presentation at Commission meetings for Public Workshops and Public Hearings.	\$ 4,500
Consult Legal Counsel	Contract allows for a minimum of 5 hours per month.	Existing Contract
Application Processing	Process change of organization or reorganization applications initiated by landowner petition or resolution of application from Cities and Special Districts to modify existing powers, annex and/or detach territory from agency boundaries, and create, dissolve, or consolidate/merge local agencies.	Paid by applicant
Policy Development	Prepare expedited process for out-of-area fire services; outreach and update SOI policy; policy amendment and development as needed.	\$ 5,000
Grants	Participation in the Sustainable Agricultural Lands Commission (SALC) grant project.	Match accounted for in Basic Services (\$4,000)
Application Forms	Overhaul LAFCo application forms.	\$ 800
Transparency Improvements to Website	Assess/implement website improvements (JPAs, Special Districts, etc.); Post JPA Agreements on website (SB 1266).	\$ 700
		Total \$ 95,000
Work Plan		
MSR/SOI Update	Prepare and adopt combined Municipal Service Review and Sphere of Influence (MSR/SOI) Update studies pursuant to GOV \$56425 and \$56430, either in-house or by contract.	\$ 51,500
The agencies listed below have priority for preparation of a LAFCo-initiated MSR/SOI Update in Fiscal Year 2021-22.		
The actual completion of a specific study may span multiple fiscal years. The budget allocation for each agency is based on estimated costs. Actual costs for study completion may be higher or lower than estimated below.		
Work Plan implementation is subject to change due to various factors, such as: (a) agency responsiveness and timely provision of requested information, (b) complexity of issues involved, (c) level of public and affected agency controversy, (d) changing needs and priorities, (e) overall staff workload, and (f) higher than anticipated costs.		
The Work Plan budget assumes minimal costs for CEQA compliance related to filing a Notice of Exemption (NOE). Agencies requesting a non-coterminous SOI may expedite a potential multi-fiscal year process by contributing to the cost of preparing an Initial Study and associated environmental document (ND/MND, EIR, etc.).		
The total Work Plan Budget of \$51,500 is not limited to the following designations. These budget allocations may shift to other agencies as needed during the year.	City of Ukiah	\$ 12,500
	Ukiah Valley Sanitation District	\$ 20,000
	Ukiah Valley Fire District	\$ 6,000
	County Service Area No. 3	\$ 10,000
	Covelo Community Services District	\$ 3,000
	Total	\$ 51,500

Exhibit B - Option 3

Work Program (Basic Services and Work Plan)
FY 2021-22 Proposed Final Budget

Tasks	Description & Assumptions	Estimated Budget
Basic Services		
Office Hours & Administrative Duties	Clerk duties not related to projects; office hours; public assistance; PRA requests; budget development, tracking, amendments; accounts payable, QuickBooks; annual audit; EO correspondence; response to requests for Agency Comments for projects and/or environmental documents routed to LAFCo for review, etc.; carrying out Commission direction.	\$ 58,000
Commission & Committee Meetings	Commission & Committee meeting attendance (12 Regular and 8 Committee); agenda packet development, staff reports, presentations, minutes.	\$ 34,000
Work Plan Support	Prepare and distribute Public Notices, development of staff reports specifically related to MSR/SOI studies, presentation at Commission meetings for Public Workshops and Public Hearings.	\$ 4,500
Consult Legal Counsel	Contract allows for a minimum of 5 hours per month.	Existing Contract
Application Processing	Process change of organization or reorganization applications initiated by landowner petition or resolution of application from Cities and Special Districts to modify existing powers, annex and/or detach territory from agency boundaries, and create, dissolve, or consolidate/merge local agencies.	Paid by applicant
Policy Development	Prepare expedited process for out-of-area fire services; outreach and update SOI policy; policy amendment and development as needed.	\$ 10,000
Grants	Participation in the Sustainable Agricultural Lands Commission (SALC) grant project.	Match accounted for in Basic Services (\$4,000)
Application Forms	Overhaul LAFCo application forms.	\$ 800
Transparency Improvements to Website	Assess/implement website improvements (JPAs, Special Districts, etc.); Post JPA Agreements on website (SB 1266).	\$ 700
		Total \$ 108,000
Work Plan		
MSR/SOI Update	Prepare and adopt combined Municipal Service Review and Sphere of Influence (MSR/SOI) Update studies pursuant to GOV \$56425 and \$56430, either in-house or by contract.	\$ 51,500
<p>The agencies listed below have priority for preparation of a LAFCo-initiated MSR/SOI Update in Fiscal Year 2021-22.</p> <p>The actual completion of a specific study may span multiple fiscal years. The budget allocation for each agency is based on estimated costs. Actual costs for study completion may be higher or lower than estimated below.</p> <p>Work Plan implementation is subject to change due to various factors, such as: (a) agency responsiveness and timely provision of requested information, (b) complexity of issues involved, (c) level of public and affected agency controversy, (d) changing needs and priorities, (e) overall staff workload, and (f) higher than anticipated costs.</p> <p>The Work Plan budget assumes minimal costs for CEQA compliance related to filing a Notice of Exemption (NOE). Agencies requesting a non-coterminous SOI may expedite a potential multi-fiscal year process by contributing to the cost of preparing an Initial Study and associated environmental document (ND/MND, EIR, etc.).</p>		
The total Work Plan Budget of \$51,500 is not limited to the following designations. These budget allocations may shift to other agencies as needed during the year.	City of Ukiah	\$ 12,500
	Ukiah Valley Sanitation District	\$ 20,000
	Ukiah Valley Fire District	\$ 6,000
	County Service Area No. 3	\$ 10,000
	Covelo Community Services District	\$ 3,000
		Total \$ 51,500

Ukiah Daily Journal

617 S. State St
Ukiah, California 95482
(707) 468-3500
sfullbright@ukiahdj.com

2117504

MENDOCINO COUNTY LAFCO
200 SOUTH SCHOOL ST
UKIAH, CA 95482

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

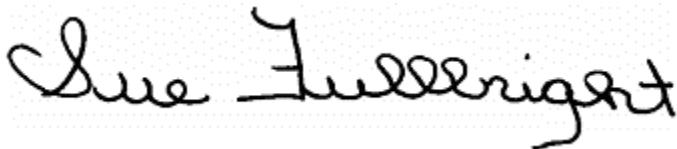
**STATE OF CALIFORNIA
COUNTY OF MENDOCINO**

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:

05/12/2021

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

Dated at Ukiah, California,
May 12th, 2021



Sue Fullbright, LEGAL CLERK

Legal No. **0006574543**

5111-21 **5-12/21**
Mendocino Local Agency Formation Commission (LAFCo) NOTICE OF PUBLIC HEARING. NOTICE IS HEREBY GIVEN that on Monday, June 7, 2021, 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, and livestreamed at www.youtube.com/MendocinoCountyVideo, the Mendocino Local Agency Formation Commission (LAFCo) will hold a public hearing to consider the following: **Final Budget for Fiscal Year 2021-2022**. The LAFCo Budget for the upcoming fiscal year anticipates revenues in the amount of \$225,100 and expenditures in the amount of \$208,500, not including reimbursable application costs. The proposed Final Budget includes revenue to increase LAFCo's legal reserves. Copies of all related documents are on file and may be reviewed at the LAFCo website (www.mendolafco.org) or at the LAFCo office by appointment. 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 Date Posted: Pub: 5-12/21

Fort Bragg Advocate-News

690 S. Main Street
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.)

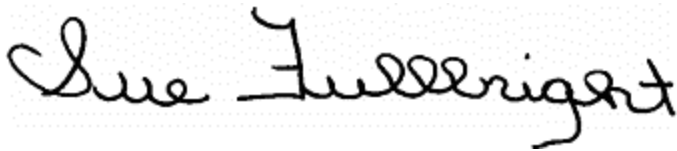
STATE OF CALIFORNIA COUNTY OF MENDOCINO

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:

05/13/2021

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

Dated at Fort Bragg, California,
May 13th, 2021



Sue Fullbright, LEGAL CLERK

Legal No. **0006574534**

A21-102
Mendocino Local Agency Formation Commission (LAFCo) NOTICE OF PUBLIC HEARING. NOTICE IS HEREBY GIVEN that on Monday, June 7, 2021, 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, and livestreamed at www.youtube.com/MendocinoCountyVideo, the Mendocino Local Agency Formation Commission (LAFCo) will hold a public hearing to consider the following: **Final Budget for Fiscal Year 2021-2022.** The LAFCo Budget for the upcoming fiscal year anticipates revenues in the amount of \$225,100 and expenditures in the amount of \$208,500, not including reimbursable application costs. The proposed Final Budget includes revenue to increase LAFCo's legal reserves. Copies of all related documents are on file and may be reviewed at the LAFCo website (www.mendolafco.org) or at the LAFCo office by appointment. 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 Date Posted: Pub: 5-13/21

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

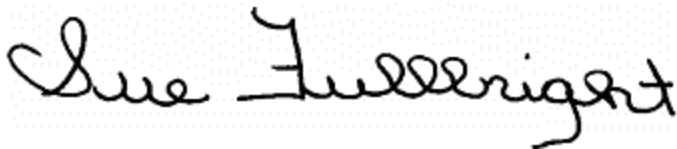
**STATE OF CALIFORNIA
COUNTY OF MENDOCINO**

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:

05/12/2021

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

Dated at Willits, California this 12th day of May, 2021.



Signature

Legal No. **0006574548**

WN21051 **5-12/21**
Mendocino Local Agency Formation Commission (LAFCo) NOTICE OF PUBLIC HEARING. NOTICE IS HEREBY GIVEN that on Monday, June 7, 2021, 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, and livestreamed at www.youtube.com/MendocinoCountyVideo, the Mendocino Local Agency Formation Commission (LAFCo) will hold a public hearing to consider the following: **Final Budget for Fiscal Year 2021-2022**. The LAFCo Budget for the upcoming fiscal year anticipates revenues in the amount of \$225,100 and expenditures in the amount of \$208,500, not including reimbursable application costs. The proposed Final Budget includes revenue to increase LAFCo's legal reserves. Copies of all related documents are on file and may be reviewed at the LAFCo website (www.mendolafco.org) or at the LAFCo office by appointment. 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 Date Posted: Pub: 5-12/21

MENDOCINO Local Agency Formation Commission

Staff Report

MEETING June 7, 2021
TO Mendocino Local Agency Formation Commission
FROM Uma Hinman, Executive Officer
SUBJECT **Status of Applications, Proposals, and Work Plan**

RECOMMENDATION

Informational report.

BACKGROUND

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 delegates Local Agency Formation Commissions (LAFCo) with regulatory and planning duties to coordinate the logical formation and development of local government agencies. This includes approving or disapproving proposals for reorganizations (i.e., annexations, detachments, dissolutions, etc.), activation of latent powers, sphere of influence amendments, and outside service agreements.

APPLICATIONS

Following is a summary of active and future proposals.

Active Proposals

There are currently five (5) active proposals.

Applications

City of Ukiah Detachment of UVSD Served Areas (LAFCo File No. D-2020-01)

In April 2020, the City of Ukiah submitted a request to restart a 2014 application for detachment of Ukiah Valley Sanitation District (UVSD) served areas from the City that had been deemed incomplete and placed on-hold by the City in 2015. LAFCo staff responded to the City in May, requiring a new application submittal due to the lapse of time and change in conditions, as well as noting the application as premature pending completion of the UVSD SOI Update. The application will be processed concurrently with the City of Ukiah Municipal Service Review and Sphere of Influence Update. The City submitted an Appeal to the Commission of the Executive Officer's determination that the application is incomplete (letter dated April 26, 2021). The Commission continued the item to June 7, 2021 (Item 5d).

City of Ukiah Annexation of City-Owned Properties (LAFCo File No. A-2021-01)

On February 22, 2021, LAFCo received an application from the City of Ukiah proposing to annex City-owned parcels that are used for government purposes and consisting of approximately 446 acres in total. Parcels include the City's Wastewater Treatment Plant, solid waste transfer station, a portion of the municipal airport and open space. The application referral and notice to the County to initiate the tax share negotiation were routed and comments received. An incomplete letter identifying additional

information needs was sent to the City of Ukiah on March 23, 2021. No further information has been received.

Pre-Applications

City of Ukiah Pre-Application for Annexation of Areas North of the City (LAFCo File No. P-2020-02)

Pre-Application request for consultation on the process and potential issues regarding the City's proposal to annex the Brush Street Triangle and Masonite area properties. Staff is coordinating with City staff regarding appropriate process and timing of application processing.

Ukiah Valley Fire District Pre-Application for Annexation of the City of Ukiah (LAFCo File No. P-2020-03)

Joint Pre-Application request for initial consultation on the proposed annexation of the City of Ukiah into the Ukiah Valley Fire District. LAFCo staff attended a conference call with City and District staff on September 17, 2020 and provided a written response outlining the application process and submittal checklist items.

On October 3, 2020, LAFCo provided an outline of the annexation process and examples of plans for services to aid the District's preparation of that requirement. Also provided to the City and UVFD staff were checklists of items needed for, 1) a complete application submittal, and 2) a prima facie application that would allow LAFCo staff to initiate the RTC §99(b) Tax Share Agreement process with the County.

LAFCo encouraged the City to submit the prima facie application as soon as possible in order to get the RTC §99(b) Tax Share Agreement process initiated. The deadline for the State Board of Equalization is December 1st of each year in order to process the jurisdictional changes for the year after the following (i.e., complete BOE submittal by December 1, 2021 changes will reflect in the 2023 tax year).

Millview County Water District Pre-Application for Annexation of Masonite Properties (LAFCo File No. P-2020-04)

Pre-Application request for consultation on process and draft documents associated with the MCWD's proposal to annex the Masonite area properties. LAFCo staff have participated in several conference calls with the District and its consultants regarding the proposal and has provided feedback on draft CEQA and application materials.

Potential Future Proposals

City of Ukiah Annexation of Western Hills (Hull Properties)

The City has routed a project referral package stating its intent to acquire and annex approximately 695 acres in the Western Hills for open space preservation, while allowing the potential for future low density residential development on the approximately 55 easternmost acres, consistent with existing development in the Western Hills within the City of Ukiah limits. LAFCo received and provided written comments on the project referral in February and a revised referral in March. Staff also provided written comments on the Draft Initial Study/Mitigated Negative Declaration for the project in May.

WORK PLAN

Local policy directs the Commission to annually adopt a Work Plan for purposes of providing a comprehensive overview of municipal service reviews and sphere of influence updates over the course of the fiscal year. This report provides an update on progress made in terms of accomplishing the activities scheduled in the Work Plan. This report also serves to inform the Commission of any changes in circumstances or priorities.

Ukiah Valley Sanitation District (UVSD)

The UVSD has provided a response to the Request for Information (RFI) and staff has been collecting available documentation for the MSR/SOI report. The RFP Ad Hoc Committee has postponed selection of a consultant for this study pending additional feedback from the District on schedule for the Update. Staff has been discussing funding options and timing with UVSD staff. The UVSD Board has provided direction to its staff to work with LAFCo to develop funding terms for consideration by the Board and Commission. Staff is working with the UVSD and Legal Counsel to develop a plan for funding and implementing the UVSD MSR/SOI Update for the Commission's consideration.

City of Ukiah

On December 7, 2020, the Commission approved a consultant selection for the City of Ukiah MSR/SOI Update and directed staff to negotiate and execute agreements with the City of Ukiah for funding and the Planwest Partners Team for preparing the City's MSR/SOI Update. The City has offered to fully fund the Update in order to expedite the process, which would otherwise have required a minimum of two years for LAFCo to fund through its normal budget cycles. LAFCo Counsel and City attorneys are developing an MOU agreement between the City and LAFCo for funding the MSR/SOI Update. Additionally, LAFCo's draft contract with the consultant is also under review by LAFCo and City attorneys.

Ukiah Valley Fire District (UVFD)

The UVFD MSR/SOI Update was postponed in 2019 to track with the City of Ukiah MSR/SOI Update. Based on previously submitted responses to the Request for Information (RFI), and in anticipation of an application for annexation from the District and City, staff has begun drafting the Administrative Draft MSR/SOI report, which is anticipated to track with the application once it is submitted.

County Service Area (CSA) No. 3

This will be the first MSR/SOI report for the CSA. Due to the COVID-19 emergency, there have been delays in receiving a response to requests for information from the County. However, staff is working with County GIS to develop a current map of the CSA and will be performing outreach with the County regarding next steps.

Covelo Community Services District (Covelo CSD)

Due to delays in other Work Plan tasks for Fiscal Year 2020-21, the Covelo CSD MSR/SOI study has been re-initiated. An Administrative Draft study has been provided to the District for initial internal review and includes a request for additional information.

**MENDOCINO
Local Agency Formation Commission**

Staff Report

MEETING June 7, 2021
TO Mendocino Local Agency Formation Commission
FROM Uma Hinman, Executive Officer
SUBJECT **CALAFCO Business and Legislative Report**

RECOMMENDATION

Informational reports.

BACKGROUND

Attached are updates and reports from CALAFCO. All are hyperlinked for direct navigation.

Attachments

1. Office of the Governor – Transitional Period Prior to Repeal of COVID-related Executive Orders
2. 2021 CALAFCO Achievement Award Nominations
3. May 2021 CALAFCO Legislative Report
4. CALAFCO Quarterly Report



OFFICE OF THE GOVERNOR

June 2, 2021

VIA EMAIL

Graham Knaus, Executive Director
CA State Assoc. of Counties
gknaus@counties.org

Jean Kinney Hurst, Legislative Advocate
Urban Counties of CA
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Carolyn Coleman, Executive Director
League of CA Cities
ccoleman@cacities.org

Laura Preston, Legislative Advocate
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Staci Heaton, Acting Vice President of
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Amber King, Vice President, Advocacy
and Membership
Assoc. of CA Healthcare Districts
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Pamela Miller, Executive Director
CA Assoc. of Local Agency Formation
Commissions
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Danielle Blacet-Hyden, Deputy Executive
Director
CA Municipal Utilities Assoc.
dblacet@cmua.org

Niel McCormick, Chief Executive Officer
CA Special Districts Assoc.
neilm@csga.net

Kristopher M. Anderson, Esq., Legislative
Advocate
Assoc. of CA Water Agencies
krisa@acwa.com

RE: Transition Period Prior to Repeal of COVID-related Executive Orders

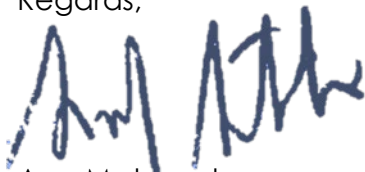
Dear Mr. Knaus, Ms. Miller, Ms. Hurst, Ms. Preston, Ms. Heaton, Ms. King, Ms. Coleman, Ms. Blacet-Hyden, Mr. McCormick, Mr. Anderson, and colleagues,

Thank you for your correspondence of May 18, 2021, inquiring what impact the anticipated June 15 termination of the Blueprint for a Safer Economy will have on Executive Order N-29-20, which provided flexibility to state and local agencies and boards to conduct their business through virtual public meetings during the COVID-19 pandemic.

Please be assured that this Executive Order Provision will not terminate on June 15 when the Blueprint is scheduled to terminate. While the Governor intends to terminate COVID-19 executive orders at the earliest possible date at which conditions warrant, consistent with the Emergency Services Act, the Governor recognizes the importance of an orderly return to the ordinary conduct of public meetings of state and local agencies and boards. To this end, the Governor's office will work to provide notice to affected stakeholders in advance of rescission of this provision to provide state and local agencies and boards time necessary to meet statutory and logistical requirements. Until a further order issues, all entities may continue to rely on N-29-20.

We appreciate your partnership throughout the pandemic.

Regards,

A handwritten signature in blue ink, appearing to read 'Ana Matosantos', written in a cursive style.

Ana Matosantos
Cabinet Secretary

Date: May 24, 2021

To: CALAFCO Members
LAFCo Commissioners and Staff
Other Interested Organizations

From: CALAFCO Achievement Awards Committee

Subject: 2021 CALAFCO Achievement Award Nominations



On behalf of the Association, we are pleased to announce the newly updated CALAFCO Achievement Awards program and the opening of the nomination period. During the past year while the Committee and program were in hiatus due to the pandemic, the program underwent a comprehensive review and update. On April 30, 2021, the Board of Directors unanimously approved and adopted the program.

Each year, CALAFCO recognizes outstanding achievements by dedicated and committed individuals and/or organizations from throughout the state at the Annual Conference Achievement Awards Ceremony. This year's ceremony will be on October 7 at the Hyatt Regency Newport Beach John Wayne Airport, during the awards banquet.

Recognizing individual and organizational achievements is an important responsibility. It provides visible recognition and support to those who go *above and beyond* in their work to advance the principles and goals of the Cortese-Knox-Hertzberg Act. We invite you to use this opportunity to nominate the individuals and organizations you feel deserve this important recognition based on the criteria outlined. *Please carefully review the nomination instructions and the criteria for each category. Incomplete nominations will not be considered by the Committee, nor will nominations that do not adhere to the submittal guidelines.*

For this year only, the nomination period covers the 2020 and 2021 timeframe. This is because there were no awards last year. This will be a one-time only expansion of the timeframe. ***SPECIFICALLY, THAT IS JULY 1, 2019 THROUGH JUNE 30, 2020. Please ensure your nomination highlights achievements only during this timeframe.***

To make a nomination, please use the following procedure:

1. Nominations may be made by an individual, a LAFCo, a CALAFCO Associate Member, or any other organization.
2. Each nomination must meet the specific award category criteria for consideration. The Committee will not consider any nomination for an award for any category other than the one for which it was submitted. Duplicate nominations *will not be considered by the Committee.*
3. Nominations *must be submitted with a completed nomination form.* Please use a separate form for each nomination. The form is your opportunity to highlight the most important points of your nomination.
4. Nomination *Executive Summaries* must be *limited to no more than 250 words in length.* Nomination *Summaries* must be *limited to no more than 1,000 words or 2 pages in length maximum.* You are encouraged to write them in a clear, concise and understandable manner. If the Awards Committee members require additional information, you will be contacted with that request. Any nomination received that exceeds this amount *will not be considered by the Committee.*

5. All supporting information (e.g. reports, news articles, etc.) must be submitted with the nomination. *Limit supporting documentation to no more than 3 pages.* If the Awards Committee members require additional information, you will be contacted with that request. Any nomination received that exceeds this amount *will not be considered by the Committee.*
6. All nomination materials must be submitted at one time and must be received by the deadline. No late nominations will be accepted – no exceptions. Electronic submittals are required and must be submitted as pdf document, using the fillable pdf document provided.
7. **Nominations and supporting materials must be received no later than 3:00 p.m., Friday, August 13, 2021.** Send nominations via e-mail to:

Stephen Lucas, CALAFCO Executive Officer
slucas@buttecounty.net

AND

Christine Crawford, CALAFCO Deputy Executive Officer
christine.crawford@yolocounty.org

Please contact Steve Lucas, CALAFCO Executive Officer, at slucas@buttecounty.net or (530) 538-7784 with any questions.

Members of the 2021 CALAFCO Board of Directors Awards Committee

Board Members:

Anita Paque, Committee Chair (Calveras LAFCo, Central Region)
Daron McDaniel (Merced LAFCo, Central Region)
Jo MacKenzie (San Diego LAFCo, Southern Region)
Margie Mohler (Napa LAFCo, Coastal Region)
Josh Susman (Nevada LAFCo, Northern Region)

apaque@calafco.org
dmcdaniel@calaco.org
jmackenzie@calafco.org
mmohler@calafco.org
jsusman@calafco.org

Regional Officer Members:

Christine Crawford, CALAFCO Deputy Executive Officer (Central Region)
Steve Lucas, CALAFCO Executive Officer (Northern Region)
Martha Poyatos, CALAFCO Deputy Executive Officer (Coastal Region)
Gary Thompson, CALAFCO Deputy Executive Officer (Southern Region)

christine.crawford@yolocounty.org
slucas@buttecounty.net
mpoyatos@smcgov.org
gthompson@lafco.org

Included as attachments:

- Achievement Awards Program Summary
- 2021 Achievement Award nomination form
- Achievement Award categories, nomination and selection criteria
- Listing of prior Achievement Award recipients





CALAFCO ACHIEVEMENT AWARDS SUMMARY OF PROGRAM CHANGES

AS ADOPTED BY THE BOARD OF DIRECTORS ON APRIL 30, 2021

Purpose of the changes

There are several goals to updating the CALAFCO Achievement Awards program.

First, nomination criteria did not exist for any award. By adding specific nomination criteria to each award, it will be easier for those considering submittal of a nomination to have clear standards that must be met in order for any nomination to be considered. Further, the criterion creates guidelines for the author of a nomination submittal.

Next, also non-existent were selection criteria. By creating selection criteria for each award, the Awards Committee has clear guidelines by which to review and consider each nomination within a given award category. Each proposed selection criteria is customized to the nomination criteria for that award category. This clear criterion also allows nominators to understand what will be considered by the Awards Committee as the nominations for a given category are considered.

We believe both of these goals create a more transparent and comprehensive Achievement Awards program for our membership.

Additionally, the updated Awards Program does several other things. First, it spotlights achievements *above and beyond* what is expected in the normal course of business. Second, it streamlines the current Award categories. Finally, it links specific achievements back to the mission and purpose of LAFCo, thereby enhancing their value and meaning.

On April 30, 2021, the Board of Directors unanimously approved the updated program. This approval was preceded by months of comprehensive review and work by the Association's Executive Director and Regional Officers, followed by a unanimous approval and recommendation to the Board by the Awards Committee.

Difference of the prior program to the updated program

In addition to the differences noted above, there are other notable differences:

- Prior program had eleven (11) total award categories whereas the updated program has eight (8).
- Eliminated *Distinguished Service Award* (already awarding longevity in *Lifetime Achievement Award*).
- Rolled *Outstanding LAFCo Clerk* into *Outstanding LAFCo Professional* and expanded to all LAFCo personnel. With the new criteria, each LAFCo personnel role shall be treated equally.
- Changed *Outstanding CALAFCO Member* to *Outstanding CALAFCO Volunteer*, thereby excluding "staff person" and expanding scope to all who volunteer for the Association, not just Board or staff.
- Added nomination criteria to *Outstanding CALAFCO Associate Member*.
- Combined the following four awards into one (with two distinct categories): *Most Effective Commission, Project of the Year, Government Leadership Award and Mike Gotch Courage and Innovation in Local Government Award*. These are now the *Mike Gotch Excellence in Public Service Award*.

- Criteria for this new award was taken from all four eliminated awards and tied directly to several aspects of the mission of LAFCo through the creation of the two distinct award subcategories.

Adopted changes to the membership and voting of the Achievement Awards Committee

There are two other changes directly affecting the Awards Committee. One relates to the membership structure of the Awards Committee and the other is to the voting.

First, the four Regional Officers are full voting members of the Committee. These Officers enhance the perspective of the Board Committee Members through their technical expertise and “on the ground” experiences. By adding them as voting members (they were previously “advisors” to the Committee), the full voting membership is nine (9).

And finally, it is now a policy of the Committee that any voting member abstain from voting on any category in which a nomination has been submitted by/for their LAFCo or a member (staff or commissioner) of their LAFCo. With bringing the voting membership to nine, this abstention should not pose a problem in terms of not having a quorum of votes cast.



Achievement Award Nomination Form

NOMINEE - Person or Agency Being Nominated

Name:

Organization:

Address:

Phone:

E-mail:

NOMINATION CATEGORY (check one – see category criteria on attached sheet)

- Outstanding CALAFCO Volunteer
- Outstanding CALAFCO Associate Member
- Outstanding Commissioner
- Outstanding LAFCo Professional
- Mike Gotch Excellence in Public Service (choose one category below)
 - Protection of agricultural and open space lands and prevention of sprawl*
 - Innovation, collaboration, outreach and effective support of the evolution and viability of local agencies, promotion of efficient and effective delivery of municipal services*
- Legislator of the Year (must be approved by the full CALAFCO Board)
- Lifetime Achievement Award

NOMINATION SUBMITTED BY:

Name:

Organization:

Address:

Phone:

E-mail:



**2021 Achievement Award Nominations
Due by Friday, August 13, 2021 at 3:00 p.m.**

EXECUTIVE SUMMARY

In no more than 250 words, summarize why this recipient is the most deserving of this award.



**2021 Achievement Award Nominations
Due by Friday, August 13, 2021 at 3:00 p.m.**

NOMINATION SUMMARY

Please indicate the reasons why this person or agency deserves to be recognized (this section must be no more than 1,000 words or 2 pages maximum).



CALAFCO ACHIEVEMENT AWARD CATEGORIES, NOMINATION & SELECTION CRITERIA

CALAFCO recognizes excellence within the LAFCo community and the full membership by presenting the *Achievement Awards* at the CALAFCO Annual Conference. Nominations are being accepted until **3:00 p.m., Friday, August 13, 2021** in the following categories:

Outstanding CALAFCO Volunteer

Award Summary:

Recognizes a CALAFCO volunteer who has provided exemplary service during the past year. Exemplary service is service which clearly goes above and beyond that which is asked or expected in the charge of their responsibilities. This category may include a CALAFCO Board member, regional officer, program volunteer, or any other requested volunteer.

Nomination criteria:

1. Nominee must have volunteered for the Association during the year in which the nomination is being made.
2. Nominee does not have to be a CALAFCO member.
3. Volunteer efforts must have demonstrated the individual going above and beyond what was asked/expected with positive and effective results.
4. Nominee can be a CALAFCO Board member, regional officer, program volunteer or any other volunteer.

Selection criteria:

1. Must meet all nomination criteria requirements for consideration.
2. Equal consideration shall be given to each nominee, regardless of their position or role as a volunteer. Only the contributions and outcomes shall be considered, not the individual's position.
3. The extent of the volunteerism and the overall impact to the statewide Association and membership based on that volunteerism shall be considered.
4. Preference may be given to individuals who have not previously received this award and meet all the required criteria.

Outstanding CALAFCO Associate Member

Award Summary:

Presented to an active CALAFCO Associate Member (person or agency) that has advanced or promoted the cause of LAFCos by consistently producing distinguished work that upholds the mission and goals of LAFCos and has helped elevate the role and mission of LAFCos through its work. Recipient consistently demonstrates a collaborative approach to LAFCo stakeholder engagement. Further, the individual or firm has a proven commitment to the Association membership through volunteering time and resources to further the cause of LAFCo and CALAFCO.

Nomination criteria:

1. Nominee must be a CALAFCO Associate Member in good standing with the Association.
2. Nominee shall be an Associate Member for the full year in which the nomination is being made.
3. The Associate Member nominated shall have been an Associate Member in good standing with the Association for at least one year prior to the year for which the nomination is being made.
4. As an Associate Member, the nominee may be an individual, firm or agency.
5. The nominee may be an individual within an Associate Member firm or agency.
6. Nominee shall demonstrate that through their work as an Associate Member, the role and mission of LAFCo has been upheld and furthered.
7. Nominee must have proven cooperative and collaborative approaches to situations and solutions that affect LAFCos statewide as an Associate Member.
8. Proven commitment to the Association's membership as an Associate Member by volunteering resources to the Association during the year in which the nomination is made.

Selection criteria:

1. Must meet all nomination criteria requirements for consideration.
2. Equal consideration shall be given to all nominees that meet the nominating criteria.
3. The level of volunteering time and resources to the Association shall be a consideration with all other nomination criteria.

Outstanding Commissioner

Award Summary:

Presented to an individual Commissioner for extraordinary service to his or her Commission. Extraordinary service is considered actions above and beyond those required in the course of fulfilling their statutory responsibilities as a Commissioner. It requires consistently demonstrating independent judgment on behalf of the interest of the entire county, developing innovative and collaborative solutions to local issues, and leading the commission and community by example.

Nomination criteria:

1. Nominee must be a Commissioner of a LAFCo in good standing with the Association.
2. Nominee shall be a Commissioner for the full year in which the nomination is being made.
3. Proven demonstration of consistently exercising independent judgment for the greater good of the County is required.
4. Proven leadership of the commission and the community through collaborative, innovative and creative solutions to local issues is required.
5. Proven effective results and outcomes shall be demonstrated in the nomination.

Selection criteria:

1. Must meet all nomination criteria requirements for consideration.
2. Equal consideration shall be given to all nominees that meet the nominating criteria.
3. Representation type (city-county-district-public) shall not be a consideration nor shall be the size or geographic area of the LAFCo on which the Commissioner serves.
4. The overall impact of the leadership of the Commissioner shall be considered.
5. Preference may be given to individuals who have not previously received this award and meet all the required criteria.

Outstanding LAFCo Professional

Award Summary:

Recognizes an Executive Officer, Staff Analyst, Clerk, Legal Counsel or any other LAFCo staff person for exemplary service during the past year. Exemplary service is considered actions which clearly go above and beyond that which is asked, expected, or required in the charge of their LAFCo responsibilities.

Nomination criteria:

1. Nominee must be a staff person of a LAFCo in good standing with the Association.
2. Nominee shall be a staff person for the full year in which the nomination is being made.
3. As a staff person, the nominee can be either an employee of the LAFCo or a contractor providing employee-type services to the LAFCo.
4. Efforts must be demonstrated that the individual has consistently gone above and beyond or outside the scope of their role or job responsibilities, with proven results that otherwise would not have occurred.

Selection criteria:

1. Must meet all nomination criteria requirements for consideration.
2. Equal consideration shall be given to all nominees that meet the nominating criteria.
3. Position within a LAFCo shall not be a consideration, nor shall be the size or geographic area of the LAFCo.
4. The overall impact of the LAFCo professional to their LAFCo and the greater community shall be considered.
5. Preference may be given to individuals who have not previously received this award and meet all the required criteria.

Lifetime Achievement Award

Award Summary:

Recognizes any individual who has made extraordinary contributions to the statewide LAFCo community in terms of longevity of service, exemplary advocacy of LAFCo-related legislation, proven leadership in approaching a particular issue or issues, and demonstrated support in developing and implementing innovative and creative ways to support the goals of LAFCos throughout California. At a minimum, the individual should be involved in the LAFCo community for at least twenty (20) years.

Nomination criteria:

1. Nomination must be received from a member LAFCo or Associate Member in good standing with the Association.
2. A minimum of 20 years direct involvement with the LAFCo community is required for consideration.
3. During that time, nominee shall have a proven positive impact and effect on the support and evolution of LAFCos statewide.
4. This includes advocacy of LAFCos statewide through legislation, developing creative and innovative solutions to LAFCo issues that serve beyond their LAFCo to the greater good, and collaborative stakeholder approaches to issues and opportunities to further the cause and mission of LAFCo.

Selection criteria:

1. Must meet all nomination criteria requirements for consideration.
2. Preference may be given to nominees who also have proven experience volunteering for CALAFCO through a regional officer role, serving on committees, serving on the CALAFCO Board, or any other method of volunteering for the Association that serves to promote and support the mission and work of LAFCos throughout the state.

Legislator of the Year

Award Summary:

Presented to a member of the California State Senate or Assembly in recognition of leadership and valued contributions in support of LAFCo goals that have a statewide effect. The recipient shall have demonstrated clear support and effort to further the cause and ability of LAFCos to fulfill their statutory mission. Selected by CALAFCO Board by super majority.

Nomination criteria:

1. Nominee shall be a California State legislator during the full year in which the nomination was made.
2. Nominee must have demonstrated extraordinary leadership in the Legislature on behalf of LAFCos statewide, with efforts resulting in a positive impact for all LAFCos.

Selection criteria:

1. Must meet all nomination criteria requirements for consideration.
2. All Legislator of the Year nominations shall be forwarded by the Achievement Awards Committee to the Board for consideration.
3. Selection of the recipient of this award shall be done with a super majority approval of the Board (present at the time of the vote).

Mike Gotch Excellence in Public Service Award

Awarded to an individual, group or agency for actions that rise above expected or common functions or actions that are LAFCo-related; *and* reduce or eliminate common institutional roadblocks; *and* result in a truly extraordinary public service outcome. Individuals, a LAFCo, or collaborative effort among multiple LAFCos or a LAFCo with other entities are eligible. Other entities shall be decision-making bodies at the local, regional or state level. This award has two distinct categories, each focusing on specific areas of the LAFCo mission.

Mike Gotch Excellence in Public Service Award categories:

1. *Protection of agricultural and open space lands and prevention of sprawl*
2. *Innovation, collaboration, outreach and effective support of the evolution and viability of local agencies, promotion of efficient and effective delivery of municipal services*

Mike Gotch Excellence in Public Service Award categories:

Protection of agricultural and open space lands and prevention of sprawl

Includes the development and implementation of programs or other actions associated with agriculture, water, flood control, parks and recreation, habitat conservation plans and public lands. Demonstrates the recipient has identified, encouraged and ensured the preservation of agricultural and open space lands. Proven actions that encourage cities, counties and special districts to direct development away from all types of agricultural lands, including prime agricultural lands and open space lands. Includes demonstrated consideration given in decisions to Regional Transportation Plans, including sustainable communities strategies and other growth plans to ensure reliable services, orderly growth, and sustainable communities.

Innovation, collaboration, outreach and effective support of the evolution and viability of local agencies, promotion of efficient and effective delivery of municipal services

Includes the development and implementation of innovate support and systems within internal LAFCo operations in the support of local agencies. Actions produce systemic and sustainable improvements and innovation of local government. Proven facilitation of constructive discussions with local and regional agencies and proactive outreach to local and regional agencies as well as local stakeholders and communities to identify issues and solutions and demonstrated action as a coordinating agency in offering and supporting unique local solutions to meet local challenges. Successful demonstration of development of capacities and abilities of local agencies. Provide tools and resources to local agencies to address aging infrastructure, fiscal challenges and the maintenance of existing services. Demonstrated action to streamline the provision of local services with proven results that services are consistent or have been improved as a result, with little to no increased cost to the consumer. Focused efforts and proven results to ensure delivery of services to all communities, especially disadvantaged communities.

Nomination criteria:

1. Clear demonstration that the actions rise above expected or common functions or actions.
2. The actions reduced or eliminated common institutional roadblocks.
3. The actions clearly proven a truly extraordinary public service outcome that is systemic and sustainable.
4. Identified unique circumstances and factors leading to the solution/project.
5. The innovative steps taken by the LAFCo or entity/entities/individual to solve the problem, overcome the situation, or to take action.
6. Clear description of the results/outcomes of the work and the short- and long-term effects.
7. How this work can be promoted as a LAFCo best practice.
8. Clear demonstration how this nomination meets all criteria.

Selection Criteria:

1. Must meet all nomination criteria requirements for consideration.
2. Equal consideration shall be given to each nominee within each category. The size or geographic area of the LAFCo within a given category shall not be a consideration.
3. The overall impact of the actions and outcomes to the greater community being served shall be considered.
4. The level of impact based on the required nomination criteria shall be considered.



PREVIOUS CALAFCO ACHIEVEMENT AWARD RECIPIENTS

2019

Distinguished Service Award	Charley Wilson , Orange LAFCo
Most Effective Commission	Contra Costa LAFCo
Outstanding Commissioner	Jim DeMartini , Stanislaus LAFCo
Outstanding LAFCo Professional	David Church , San Luis Obispo LAFCo
Project of the Year	Orange LAFCo , for <i>San Juan Capistrano Utilities MSR</i>
Government Leadership Award	CA State Water Resources Control Board, Los Angeles County and Los Angeles LAFCo , for <i>Sativa Water District</i>
Mike Gotch Courage & Innovation in Local Government Leadership Award	Butte LAFCo
Legislator of the Year	Assembly Member Mike Gipson
Lifetime Achievement Award	John Benoit , various LAFCos, Jurg Heuberger , Imperial LAFCo

2018

Distinguished Service Award	John Withers , Orange LAFCo
Most Effective Commission	Santa Clara LAFCo
Outstanding Commissioner	Margie Mohler , Napa LAFCo
Outstanding LAFCo Professional	George Williamson , Del Norte LAFCo
Outstanding LAFCo Clerk	Elizabeth Valdez , Riverside LAFCo
Outstanding CALAFCO Associate Member	Best Best & Krieger
Project of the Year	Lake LAFCo , water services consolidation
Government Leadership Award	City of Porterville, County of Tulare, Dept. of Water Resources, State Water Resources Control Board, Governor’s Office of Emergency Services, Self Help Enterprises, Community Water Center for East Porterville water supply project
Mike Gotch Courage & Innovation in Local Government Leadership Award	Mike Ott , San Diego LAFCo
Legislator of the Year	Assembly Member Anna Caballero
Lifetime Achievement Award	Pat McCormick , Santa Cruz LAFCo, George Spiliotis , Riverside LAFCo

2017

Most Effective Commission	Los Angeles LAFCo
Outstanding CALAFCO Member	Sblend Sblendorio , Alameda LAFCo
Outstanding Commissioner	John Marchand , Alameda LAFCo
Outstanding LAFCo Professional	Paul Novak , Los Angeles LAFCo
Outstanding LAFCo Clerk	Richelle Beltran , Ventura LAFCo
Outstanding CALAFCO Associate Member	Policy Consulting Associates
Project of the Year	County Services MSR , Butte LAFCo, and Santa Rosa Annexation , Sonoma LAFCo

Government Leadership Award
Lifetime Achievement Award

San Luis Obispo County Public Works Dept.
Kathy Rollings McDonald (San Bernardino)

2016

Distinguished Service Award
Most Effective Commission
Outstanding CALAFCO Member
Outstanding Commissioner
Outstanding LAFCo Professional
Outstanding LAFCo Clerk
Project of the Year
Government Leadership Award
Lifetime Achievement Award

Peter Brundage, Sacramento LAFCo
San Luis Obispo LAFCo
John Leopold, Santa Cruz LAFCo
Don Tatzin, Contra Costa LAFCo
Steve Lucas, Butte LAFCo
Cheryl Carter-Benjamin, Orange LAFCo
Countywide Water Study, (Marin LAFCo)
Southern Region of CALAFCO
Bob Braitman (retired Executive Officer)

2015

Mike Gotch Courage & Innovation in
Local Government Leadership Award
Distinguished Service Award
Most Effective Commission
Outstanding CALAFCO Member
Outstanding Commissioner
Outstanding LAFCo Professional
Outstanding LAFCo Clerk
Project of the Year

Government Leadership Award

CALAFCO Associate Member of the Year
Legislators of the Year Award
Lifetime Achievement Award

Yuba County Water Agency

Mary Jane Griego, Yuba LAFCo
Butte LAFCo
Marjorie Blom, formerly of Stanislaus LAFCo
Matthew Beekman, formerly of Stanislaus LAFCo
Sam Martinez, San Bernardino LAFCo
Terri Tuck, Yolo LAFCo
Formation of the Ventura County Waterworks District No. 38 (Ventura LAFCo) and **2015 San Diego County Health Care Services five-year sphere of influence and service review report** (San Diego LAFCo)
The Cities of Dublin, Pleasanton, Livermore and San Ramon, the Dublin San Ramon Services District and the Zone 7 Water Agency
Michael Colantuono of Colantuono, Highsmith & Whatley
Assembly member Chad Mayes
Jim Chapman (Lassen LAFCo) and **Chris Tooker** (formerly of Sacramento LAFCo)

2014

Mike Gotch Courage & Innovation in
Local Government Leadership Award
Distinguished Service Award
Most Effective Commission
Outstanding CALAFCO Member
Outstanding Commissioner
Outstanding LAFCo Professional
Outstanding LAFCo Clerk
Project of the Year

David Church, San Luis Obispo LAFCo

Kate McKenna, Monterey LAFCo
Santa Clara LAFCo
Stephen Lucas, Butte LAFCo
Paul Norsell, Nevada LAFCo
Kate McKenna, Monterey LAFCo
Paige Hensley, Yuba LAFCo
LAFCo Procedures Guide: 50th Year Special Edition,
San Diego LAFCo

Government Leadership Award

Orange County Water District, City of Anaheim, Irvine Ranch Water District, and Yorba Linda Water District

Legislators of the Year Award

Assembly member Katcho Achadjian

Lifetime Achievement Award

Susan Wilson, Orange LAFCo

2013

Mike Gotch Courage & Innovation in Local Government Leadership Award

Simón Salinas, Commissioner, Monterey LAFCo

Distinguished Service Award

Roseanne Chamberlain, Amador LAFCo

Most Effective Commission

Stanislaus LAFCo

Outstanding CALAFCO Member

Harry Ehrlich, San Diego LAFCo

Outstanding Commissioner

Jerry Gladbach, Los Angeles LAFCo

Outstanding LAFCo Professional

Lou Ann Texeira, Contra Costa

LAFCo Outstanding LAFCo Clerk

Kate Sibley, Contra Costa LAFCo

Project of the Year

Plan for Agricultural Preservation, Stanislaus LAFCo

Government Leadership Award

Orange County LAFCo Community Islands Taskforce, Orange LAFCo

Legislators of the Year Award

Senators Bill Emmerson and Richard Roth

Lifetime Achievement Award

H. Peter Faye, Yolo LAFCo; Henry Pellissier, Los Angeles LAFCo; Carl Leverenz, Butte LAFCo; Susan Vicklund-Wilson, Santa Clara LAFCo.

2012

Mike Gotch Courage & Innovation in Local Government Leadership Award

Bill Chiat, CALAFCO Executive Director

Distinguished Service Award

Marty McClelland, Commissioner, Humboldt LAFCo

Most Effective Commission

Sonoma LAFCo

Outstanding CALAFCO Member

Stephen A. Souza, Commissioner, Yolo LAFCo and CALAFCO Board of Directors

Outstanding Commissioner

Sherwood Darington, Monterey

LAFCo Outstanding LAFCo Professional

Carole Cooper, Sonoma LAFCo

Outstanding LAFCo Clerk

Gwenna MacDonald, Lassen LAFCo

Project of the Year

Countywide Service Review & SOI Update, Santa Clara LAFCo

Government Leadership Award

North Orange County Coalition of Cities, Orange LAFCo

Lifetime Achievement Award

P. Scott Browne, Legal Counsel LAFcos

2011

Mike Gotch Courage & Innovation in Local Government Leadership Award

Martin Tuttle, Deputy Director for Planning, Caltrans

Distinguished Service Award

Mike McKeever, Executive Director, SACOG

LAFCo Most Effective Commission

Carl Leverenz, Commissioner and Chair, Butte San Bernardino LAFCo

Outstanding CALAFCO Member

Keene Simonds, Executive Officer, Napa LAFCo

Outstanding Commissioner

Louis R. Calcagno, Monterey LAFCo

Outstanding LAFCo Professional

June Savala, Deputy Executive Officer, Los Angeles LAFCo

Outstanding LAFCo Clerk

Debbie Shubert, Ventura LAFCo

Project of the Year

Cortese-Knox-Hertzberg Definitions Revision

Bob Braitman, Scott Browne, Clark Alsop, Carole Cooper, and George Spiliotis

Government Leadership Award

Contra Costa Sanitary District

Elsinore Water District and Elsinore Valley Municipal Water District

2010

Mike Gotch Courage & Innovation in Local Government Leadership Award

Helen Thompson, Commissioner, Yolo LAFCo

Distinguished Service Award

Kathleen Rollings-McDonald, Executive Officer, San Bernardino LAFCo

Bob Braitman, Executive Officer, Santa Barbara LAFCo

Most Effective Commission

Tulare LAFCo

Outstanding CALAFCo Member

Roger Anderson, Ph.D., CALAFCo Chair, Santa Cruz LAFCo

Outstanding Commissioner

George Lange, Ventura LAFCo

Outstanding LAFCo Professional

Harry Ehrlich, Government Consultant, San Diego LAFCo

Outstanding LAFCo Clerk

Candie Fleming, Fresno LAFCo

Project of the Year

Butte LAFCo

Sewer Commission - Oroville Region Municipal Service Review

Government Leadership Award

Nipomo Community Services District and the County of San Luis Obispo

Special Achievement

Chris Tooker, Sacramento LAFCo and CALAFCo Board of Directors

2009

Mike Gotch Courage & Innovation in Local Government Leadership Award

Paul Hood, Executive Officer, San Luis Obispo LAFCo

Distinguished Service Award

William Zumwalt, Executive Officer, Kings LAFCo

Most Effective Commission

Napa LAFCo

Outstanding CALAFCo Member

Susan Vicklund Wilson, CALAFCo Vice Chair

Jerry Gladbach, CALAFCo Treasurer

Outstanding Commissioner

Larry M. Fortune, Fresno LAFCo

Outstanding LAFCo Professional

Pat McCormick, Santa Cruz LAFCo Executive Officer

Outstanding LAFCo Clerk

Emmanuel Abello, Santa Clara LAFCo

Project of the Year

Orange LAFCo Boundary Report

Government Leadership Award

Cities of Amador City, Jackson, Ione, Plymouth & Sutter Creek; Amador County; Amador Water Agency; Pine Grove CSD – Countywide MSR Project

Legislator of the Year Award

Assembly Member Jim Silva

2008

Distinguished Service Award

Peter M. Detwiler, Senate Local Government Committee Chief Consultant

Most Effective Commission

Yuba LAFCo

Outstanding Commissioner

Dennis Hansberger, San Bernardino LAFCo

Outstanding LAFCo Professional

Michael Ott, San Diego LAFCo Executive Officer

Martha Poyatos, San Mateo Executive Officer

Outstanding LAFCo Clerk Project of the Year	Wilda Turner , Los Angeles LAFCo Kings LAFCo City and Community District MSR and SOI Update
Government Leadership Award Legislator of the Year Award	San Bernardino Board of Supervisors Assembly Member Anna M. Caballero

2007

Outstanding CALAFCo Member Distinguished Service Award Counsel Most Effective Commission Outstanding Commissioner	Kathy Long , Board Chair, Ventura LAFCo William D. Smith , San Diego Legal Santa Clara LAFCo Gayle Uilkema , Contra Costa LAFCo
Outstanding LAFCo Professional Outstanding LAFCo Clerk Project of the Year	Joyce Crosthwaite , Orange LAFCo Executive Officer Debby Chamberlin , San Bernardino LAFCo San Bernardino LAFCo and City of Fontana Islands Annexation Program
Government Leadership Award Lifetime Achievement	City of Fontana - Islands Annexation Program John T. "Jack" Knox

2006

Outstanding CALAFCo Member Distinguished Service Award Most Effective Commission Award Outstanding Commissioner Award	Everett Millais , CALAFCo Executive Officer and Executive Officer of Ventura LAFCo Clark Alsop , CALAFCo Legal Counsel Alameda LAFCo Ted Grandsen , Ventura LAFCo Chris Tooker , Sacramento LAFCo
Outstanding LAFCo Professional Award Outstanding LAFCo Clerk Award Project of the Year Award	Larry Calemine , Los Angeles LAFCo Executive Officer Janice Bryson , San Diego LAFCo Marilyn Flemmer , Sacramento LAFCo Sacramento Municipal Utility District Sphere of Influence Amendment and Annexation; Sacramento LAFCo
Outstanding Government Leadership Award Legislator of the Year Award	Cities of Porterville, Tulare, and Visalia and Tulare LAFCo Island Annexation Program Senator Christine Kehoe

2005

Outstanding CALAFCo Member Distinguished Service Award Most Effective Commission Award Outstanding Commissioner Award	Peter Herzog , CALAFCo Board, Orange LAFCo Elizabeth Castro Kemper , Yolo LAFCo Ventura LAFCo Art Aseltine , Yuba LAFCo Henri Pellissier , Los Angeles LAFCo
Outstanding LAFCo Professional Award Outstanding LAFCo Clerk Award Project of the Year Award	Bruce Baracco , San Joaquin LAFCo Danielle Ball , Orange LAFCo San Diego LAFCo MSR of Fire Protection and Emergency Medical Services
Outstanding Government Leadership Award	Sacramento Area Council of Governments (SACOG)

2004

Outstanding CALAFCo Member Distinguished Service Award Most Effective Commission Award	Scott Harvey , CALAFCo Executive Director Julie Howard , Shasta LAFCo San Diego LAFCo
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Outstanding Commissioner Award
Outstanding LAFCo Professional Award
Project of the Year Award

Edith Johnsen, Monterey LAFCo
David Kindig, Santa Cruz LAFCo
San Luis Obispo LAFCo
Nipomo CSD SOI Update, MSR, and EIR

2003

Outstanding CALAFCo Member
Distinguished Service Award
Most Effective Commission Award
Outstanding Commissioner Award
Outstanding LAFCo Professional Award
Outstanding LAFCo Clerk Award
Project of the Year Award

Special Achievement Award

Michael P. Ryan, CALAFCo Board Member
Henri F. Pellissier, Los Angeles LAFCo
San Luis Obispo LAFCo
Bob Salazar, El Dorado LAFCo
Shirley Anderson, San Diego LAFCo
Lori Fleck, Siskiyou LAFCo
Napa LAFCo
Comprehensive Water Service Study
James M. Roddy

2002

Outstanding CALAFCo Member
Most Effective Commission Award
Commissioner Award
Outstanding LAFCo Professional Award
Outstanding LAFCo Clerk Award
Project of the Year Award
Outstanding Government Leadership Award

Ken Lee, CALAFCo Legislative Committee Chair
San Diego LAFCo Outstanding
Ed Snively, Imperial LAFCo
Paul Hood, San Luis Obispo LAFCo
Danielle Ball, Orange LAFCo
San Luis Obispo LAFCo
Napa LAFCo, **Napa County Farm Bureau**, **Napa Valley Vintners Association**, **Napa Valley Housing Authority**, **Napa County Agricultural Commissioner's Office**, **Napa County Counsel Office**, and **Assembly Member Patricia Wiggins**

2001

Outstanding CALAFCo Member
Distinguished Service Award

Outstanding Commissioner Award
Outstanding LAFCo Professional Award
Project of the Year Award
Outstanding Government Leadership Award

Legislator of the Year Award

SR Jones, CALAFCo Executive Officer
David Martin, Tax Area Services Section, State Board of Equalization
H. Peter Faye, Yolo LAFCo
Ingrid Hansen, San Diego LAFCo
Santa Barbara LAFCo
Alameda County Board of Supervisors, **Livermore City Council**, **Pleasanton City Council**
Senator Jack O'Connell

2000

Outstanding CALAFCo Member
Distinguished Service Award

Most Effective Commission Award
Outstanding Commissioner
Outstanding LAFCo Professional Award
Outstanding LAFCo Clerk Award
Project of the Year Award
Legislator of the Year Award

Ron Wootton, CALAFCo Board Chair
Ben Williams, Commission on Local Governance for the 21st Century
Yolo LAFCo
Rich Gordon, San Mateo LAFCo
Annamaria Perrella, Contra Costa LAFCo
Susan Stahmann, El Dorado LAFCo
San Diego LAFCo
Robert Hertzberg, Assembly Member

1999

Distinguished Service Award	Marilyn Ann Flemmer-Rodgers , Sacramento LAFCo
Most Effective Commission Award	Orange LAFCo
Outstanding Executive Officer Award	Don Graff , Alameda LAFCo
Outstanding LAFCo Clerk Award	Dory Adams , Marin LAFCo
Most Creative Solution to a Multi-Jurisdictional Problem	San Diego LAFCo
Outstanding Government Leadership Award	Assembly Member John Longville
Legislator of the Year Award	Assembly Member Robert Hertzberg

1998

Outstanding CALAFCO Member	Dana Smith , Orange LAFCo
Distinguished Service Award	Marvin Panter , Fresno LAFCo
Most Effective Commission Award	San Diego LAFCo
Outstanding Executive Officer Award	George Spiliotis , Riverside LAFCo
Outstanding Staff Analysis	Joe Convery , San Diego LAFCo Joyce Crosthwaite , Orange LAFCo
Outstanding Government Leadership Award	Santa Clara County Planning Department

1997

Most Effective Commission Award	Orange LAFCo
Outstanding Executive Officer Award	George Finney , Tulare LAFCo
Outstanding Staff Analysis	Annamaria Perrella , Contra Costa LAFCo
Outstanding Government Leadership Award	South County Issues Discussion Group
Most Creative Solution to a Multi-Jurisdictional Problem	Alameda LAFCo and Contra Costa LAFCo
Legislator of the Year Award	Assembly Member Tom Torlakson



CALAFCO Daily Legislative Report as of Saturday, May 29, 2021

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AB 339 (Lee D) Local government: open and public meetings.**Current Text:** Amended: 5/4/2021 [html](#) [pdf](#)**Introduced:** 1/28/2021**Last Amended:** 5/4/2021**Status:** 5/20/2021-Read second time. Ordered to third reading.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chapters
1st House				2nd House							

Calendar:

6/1/2021 #30 ASSEMBLY THIRD READING FILE - ASSEMBLY BILLS

Summary:

Would, until December 31, 2023, require all open and public meetings of a city council or a county board of supervisors that governs a jurisdiction containing least 250,000 people to include an opportunity for members of the public to attend via a telephonic option or an internet-based service option. The bill would require all open and public meetings to include an in-person public comment opportunity, except in specified circumstances during a declared state or local emergency. The bill would require all meetings to provide the public with an opportunity to comment on proposed legislation in person and remotely via a telephonic or an internet-based service option, as provided.

Attachments:[AB 339 Fact Sheet](#)**Position:** Watch**Subject:** Other

CALAFCO Comments: This bill allows for continued remote participant in local (and state) hearings/meetings while adding requirements for both call-in and internet service based options for all public meetings; requires providing closed caption services; and requires agencies to provide language access services. The bill requires teleconferenced meetings to include an in-person public comment opportunity that creates a place where members of the public can gather at a designated site to give public comment (barring any in-person restrictions). Further, the bill requires the agenda and instructions for accessing the meeting to be translated into all languages for which 5% of the population in the area governed by the local agency is a speaker.

The bill adds requirements for local agencies to employ a sufficient amount of qualified bilingual people to provide translation services during the meeting in the language of the non-English speaking person (consistent with all languages for which 5% of the population in the area governed by the local agency speak). The bill adds similar requirements for any state legislative body. All of these new requirements are unfunded mandates.

This bill is sponsored by the Leadership Counsel for Justice and Accountability. A fact sheet is posted in the tracking section of the bill.

UPDATE AS OF 4/20/21 - The bill was significantly amended on 4-15-21. These amendments removed all state requirements as noted above. Further, they require public participation by phone or internet (with video/audio), and allow agencies to create a registration process for public comments so long as people can register to speak via phone and in person.

The amendments remove the blanket requirement to translate the agenda and meeting access information and makes those an on-request requirements. The amendments also remove the blanket requirement for agencies to have sufficient qualified bilingual translators during meetings and changes that requirement to on-request, and requires agencies to make public the process to make such a request.

All requirements remain unfunded mandates.

UPDATE: Amended on 5-4-21 as a result of the ALGC hearing, this version of the bill now:

- Limits the bill's applicability to the meetings of city councils and county boards of supervisors

only, the jurisdictions of which contain a population of at least 250,000 people;

- Requires public access via telephone OR internet (not both);
- Removes language requiring two-way operability for internet;
- Removes all language translation requirements;
- Removes language allowing local agencies to require members of the public to register in order to provide public comment;
- Removes language allowing teleconferencing to be used by members of the legislative body (to avoid inadvertently precluding the use of teleconferencing by the public);
- Refines language referring to "all meetings" to state "all open and public meetings" (to ensure closed sessions are not subject to the provisions of the bill);
- Restores current law allowing public comment before an agenda item is taken up; and,
- Adds a sunset date of December 31, 2023.

[AB 361](#) (Rivas, Robert D) Open meetings: local agencies: teleconferences.

Current Text: Amended: 5/10/2021 [html](#) [pdf](#)

Introduced: 2/1/2021

Last Amended: 5/10/2021

Status: 5/27/2021-Referred to Coms. on GOV. & F. and JUD.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chapters
1st House				2nd House							

Summary:

Would authorize a local agency to use teleconferencing without complying with the teleconferencing requirements imposed by the Ralph M. Brown Act when a legislative body of a local agency holds a meeting for the purpose of declaring or ratifying a local emergency, during a declared state of emergency or local emergency, as those terms are defined, when state or local health officials have imposed or recommended measures to promote social distancing, and during a declared local emergency provided the legislative body determines, by majority vote, that meeting in person would present imminent risks to the health or safety of attendees.

Attachments:

[AB 361 Fact Sheet](#)

Position: Watch

Subject: Brown Act

CALAFCO Comments: Executive Order No. N-29-20 suspends the Ralph M. Brown Act's requirements for teleconferencing during the COVID-19 pandemic provided that certain requirements are met (noticing, public access, etc.). This bill allows a local agency to conduct meetings using teleconference methods without complying with certain teleconferencing requirements if they are meeting for the purposes of declaring or ratifying a local emergency, during a declared state or local emergency (as defined in statute), when state or local health officials have imposed or recommended certain measures to promote social distancing, and during a declared local emergency provided the legislative body makes certain determinations by majority vote.

The legislative body must give notice of the meeting and post agendas to allow members of the public to access the meeting and address the legislative body, offer public comment, and protect rights of the parties and public appearing before the legislative body. The bill also rescinds the requirement that at least a quorum of the body must meet within the jurisdictional boundaries of the agency under these circumstances when meeting via telecon.

UPDATE: As amended on 4/6/21, the bill now specifies that the new statute can be applied if meeting in person presents imminent risk to the health & safety of attendees; Requires the agenda to provide opportunity for anyone to attend via call-in or internet option; should there be a service disruption that prevents remote public participation, the agency must take no further action on any agenda item until service is restored; the agency cannot require submittal of public comments in advance of the meeting; and requires the legislative body, every 30 days after the initial declaration of emergency, should the emergency remain active, to make certain findings that the emergency still exists and prevents in-person meetings.

UPDATE: As amended on 5-10-21, the amendments tighten restrictions for in-person meetings to only the determination that meeting in person presents imminent risk to the health and safety of attendees (removing the option to consider if attendance by one of more members of the legislative body is hindered).

This bill is sponsored by the CA Special Districts Association (CSDA). The bill is not marked fiscal. A fact sheet is posted in the tracking section of the bill.

AB 703 (Rubio, Blanca D) Open meetings: local agencies: teleconferences.

Current Text: Amended: 4/29/2021 [html](#) [pdf](#)

Introduced: 2/16/2021

Last Amended: 4/29/2021

Status: 5/7/2021-Failed Deadline pursuant to Rule 61(a)(3). (Last location was L. GOV. on 2/25/2021)(May be acted upon Jan 2021)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chapters
1st House				2nd House							

Summary:

Current law, by Executive Order N-29-20, suspends the Ralph M. Brown Act’s requirements for teleconferencing during the COVID-19 pandemic, provided that notice requirements are met, the ability of the public to observe and comment is preserved, as specified, and that a local agency permitting teleconferencing have a procedure for receiving and swiftly resolving requests for reasonable accommodation for individuals with disabilities, as specified. This bill would remove the notice requirements particular to teleconferencing and would revise the requirements of the act to allow for teleconferencing subject to existing provisions regarding the posting of notice of an agenda, provided that the public is allowed to observe the meeting and address the legislative body directly both in person and remotely via a call-in option or internet-based service option, and that a quorum of members participate in person from a singular physical location clearly identified on the agenda that is open to the public and situated within the jurisdiction.

Position: Watch

Subject: Brown Act

CALAFCO Comments: As amended on 4/29/21, the bill requires local agencies to allow for public participation during meetings of the legislative body both at in-person and via a call-in or internet-based option. It further requires that if the agency holds a teleconference meeting, at least a quorum of the governing body shall participate in person from a single location which shall be open to the public (and located within the boundaries of the jurisdiction).

Despite these requirements, the bill is not marked fiscal. Further, it applies only to local agencies, not state agencies.

The bill is sponsored by Three Valleys Municipal Water Agency.

AB 1581 (Committee on Local Government) Local government: omnibus.

Current Text: Amended: 4/19/2021 [html](#) [pdf](#)

Introduced: 3/9/2021

Last Amended: 4/19/2021

Status: 5/27/2021-Referred to Com. on GOV. & F.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chapters
1st House				2nd House							

Summary:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 provides the authority and procedure for the initiation, conduct, and completion of changes of organization, reorganization, and sphere of influence changes for cities and districts, as specified. Current law requires a local agency formation commission to develop and determine the sphere of influence of each city and each special district within the county and enact policies designed to promote the logical and orderly development of areas within each sphere. Current law requires, when a proposed change of organization or reorganization applies to 2 or more affected counties, that exclusive jurisdiction vest in the commission of the principal county, unless certain things occur. This bill would add the determination of a sphere of influence to the types of proposed changes for which exclusive jurisdiction may or may not vest in a principal county.

Attachments:

[LAFCo Support letter template](#)

[CALAFCO Support letter](#)

Position: Sponsor

Subject: CKH General Procedures

CALAFCO Comments: This is the annual ALGC Omnibus bill which CALAFCO sponsors. Sections amended are: 56133(a) and (f); 56325.1 (renumbered to 56331.4); 56427; and 56879(a).

As amended on 4/19, additional sections amended include 56066, 56123, 56124, 56375. Further the bill repeals sections 56375.2, 56387, 56388, 56747, 56760, 57001.1, 57075.5, 57202.1 and 57383.

SB 810 (Committee on Governance and Finance) Validations.

Current Text: Introduced: 2/23/2021 [html](#) [pdf](#)

Introduced: 2/23/2021

Status: 5/13/2021-Referred to Com. on L. GOV.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

6/9/2021 1:30 p.m. - State Capitol, Room 4202 ASSEMBLY LOCAL GOVERNMENT, AGUIAR-CURRY, Chair

Summary:

This bill would enact the First Validating Act of 2021, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

Attachments:

[CALAFCO Support Letter March 2021](#)

Position: Support

Subject: Other

CALAFCO Comments: These are the annual validating Acts.

SB 811 (Committee on Governance and Finance) Validations.

Current Text: Introduced: 2/23/2021 [html](#) [pdf](#)

Introduced: 2/23/2021

Status: 5/13/2021-Referred to Com. on L. GOV.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

6/9/2021 1:30 p.m. - State Capitol, Room 4202 ASSEMBLY LOCAL GOVERNMENT, AGUIAR-CURRY, Chair

Summary:

This bill would enact the Second Validating Act of 2021, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

Attachments:

[CALAFCO Support Letter March 2021](#)

Position: Support

Subject: Other

CALAFCO Comments: These are the annual validating Acts.

SB 812 (Committee on Governance and Finance) Validations.

Current Text: Introduced: 2/23/2021 [html](#) [pdf](#)

Introduced: 2/23/2021

Status: 5/13/2021-Referred to Com. on L. GOV.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

6/9/2021 1:30 p.m. - State Capitol, Room 4202 ASSEMBLY LOCAL GOVERNMENT, AGUIAR-CURRY, Chair

Summary:

This bill would enact the Third Validating Act of 2021, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

Attachments:

[CALAFCO Support Letter March 2021](#)

Position: Support

Subject: Other

CALAFCO Comments: These are the annual validating Acts.

AB 1195 (Garcia, Cristina D) Drinking water.**Current Text:** Amended: 5/24/2021 [html](#) [pdf](#)**Introduced:** 2/18/2021**Last Amended:** 5/24/2021**Status:** 5/28/2021-In Senate. Read first time. To Com. on RLS. for assignment.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law establishes the Safe and Affordable Drinking Water Fund in the State Treasury to help water systems provide an adequate and affordable supply of safe drinking water in both the near and long terms. Current law authorizes the state board to provide for the deposit into the fund of certain moneys and continuously appropriates the moneys in the fund to the state board for grants, loans, contracts, or services to assist eligible recipients. This bill would prohibit a public water system from transferring or abandoning a water right held by the public water system except upon approval of the state board, as prescribed.

Attachments:[AB 1195 Fact Sheet](#)**Position:** Watch With Concerns**Subject:** Water

CALAFCO Comments: As amended on 4-6-21, the bill was gut and amended and now creates the So LA County Human Rights to Water Collaboration Act. It requires the Water Board to appoint a commissioner to implement the Safe & Affordable Funding for Equity & Resilience Program and gives the commissioner certain authorities (although they are not clearly spelled out). It requires the commissioner by 12-31-24 to submit to the Water Board a plan for the long-term sustainability of public water systems in southern LA County and prescribes what shall be included in the plan. The bill also creates a technical advisory board and requires the commissioner to oversee the Central Basin Municipal Water District.

In its current form the bill creates numerous concerns. CALAFCO's letter of concern is posted in the tracking section of the bill, and includes: (1) Focus of the bill is very broad as is the focus of the commissioner; (2) In an attempt to prevent privatization of water systems there is language regarding severing water rights. That language could be problematic should a consolidation be ordered; (3) Diminishing local control that is being invested in the state (an ongoing concern since SB 88); (4) A clear distinction needs to be made between an Administrator and Commissioner; (5) The poorly written section on the technical advisory board; and (6) The lack of LAFCo involvement in any consolidation process.

UPDATE: As amended on 5-24-21, the bill changes the water rights provision now requiring approval by the water Board; uses the definitions of "at risk system" and "at risk domestic well" found in SB 403 (Gonzalez) as well as the 3,300 connect cap; requires the commissioner appointed by the board to be from the local area; requires the commissioner to do certain things prior to completing the regional plan; and requires the commissioner to apply to LA LAFCo for extension of service, consolidation or dissolution as appropriate. The bill also creates a pilot program for LA LAFCo giving them the authority to take action rather than the water board, providing it is within 120 days of receipt of a completed application. If the LAFCo fails to take action within that time, the matter goes to the water board for their action.

The pilot program also gives LA LAFCo the authority to approve, approve with conditions or deny the application; further giving LAFCo authority to consider consolidation or extension of service with a local publicly owned utility that provides retail water, a private water company or mutual; the bill also waives protest proceedings, gives the LAFCo authority to address governance structure and CEQA is waived, provides full LAFCo indemnification and funding.

There are still issues with the proposed technical advisory board section of the bill, and questions about timing of some of the processes. CALAFCO continues to work with the author and speakers' offices as well as other stakeholders on ongoing amendments.

The bill is author-sponsored and we understand there is currently no funding source. A fact sheet is posted in the tracking section of the bill. CALAFCO's letter of concern is also posted there.

AB 1250 (Calderon D) Water and sewer system corporations: consolidation of service.

Current Text: Amended: 5/24/2021 [html](#) [pdf](#)

Introduced: 2/19/2021

Last Amended: 5/24/2021

Status: 5/25/2021-Read second time. Ordered to third reading.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

6/1/2021 #249 ASSEMBLY THIRD READING FILE - ASSEMBLY BILLS

Summary:

The California Safe Drinking Water Act, provides for the operation of public water systems and imposes on the State Water Resources Control Board related regulatory responsibilities and duties. Current law authorizes the state board to order consolidation of public water systems where a public water system or state small water system serving a disadvantaged community consistently fails to provide an adequate supply of safe drinking water, as provided. This bill, the Consolidation for Safe Drinking Water Act of 2021, would authorize a water or sewer system corporation to file an application and obtain approval from the commission through an order authorizing the water or sewer system corporation to consolidate with a public water system or state small water system. The bill would require the commission to approve or deny the application within 8 months, except as provided.

Attachments:

[AB 1250 Fact Sheet 2021](#)

Position: Watch

Subject: Municipal Services, Water

CALAFCO Comments: The intent of the bill is to prescribe response timelines for the PUC in terms of processing consolidations. This bill creates the Consolidation for Safe Drinking Water Act of 2021. The bill allows a water or sewer corp to file an application with the Public Utilities Commission (PUC) to approval to consolidate with a public or state small system. The bill requires the PUC to act on the application within 8 months of receipt. If a consolidation is valued at \$5 million or less, the water or sewer corp can file an advise letter and get the PUC approval via resolution. In this instance, the PUC has 120 days to act on the request. The bill also give the PUC authority to designate a different procedure to request consolidation for systems valued less than \$5M.

The bill requires the PUC to prioritize consolidation requests based on compliance records and requires the entity requesting consolidation to conduct a thorough public process.

The bill is sponsored by the California Water Association and does not have an impact on LAFcos. Nevertheless, CALAFCO will keep a watch on the bill. A fact sheet is posted in the tracking section of the bill.

SB 403 (Gonzalez D) Drinking water: consolidation.

Current Text: Amended: 4/27/2021 [html](#) [pdf](#)

Introduced: 2/12/2021

Last Amended: 4/27/2021

Status: 5/28/2021-Referred to Coms. on E.S. & T.M. and L. GOV.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

The California Safe Drinking Water Act authorizes the State Water Resources Control Board to order consolidation with a receiving water system where a public water system or a state small water system, serving a disadvantaged community, consistently fails to provide an adequate supply of safe drinking water or where a disadvantaged community is substantially reliant on domestic wells that consistently fail to provide an adequate supply of safe drinking water. This bill would authorize the state board to also order consolidation where a water system serving a disadvantaged community is an at-risk water system, as defined, or where a disadvantaged community is substantially reliant on at-risk domestic wells, as defined.

Attachments:

[CALAFCO Oppose Unless Amended Letter April 2021](#)

[SB 403 Fact Sheet 2021](#)

Position: Oppose unless amended

Subject: Disadvantaged Communities, Water

CALAFCO Comments: Current law (Health & Safety Code Section 116682) authorizes the State Water Resources Control Board (Board) to order consolidation (physical or operational) of a public water system or state small water system serving a disadvantaged community that consistently fails to provide an adequate supply of safe drinking water, or a disadvantaged community (in whole or part) that is substantially reliant on domestic wells that consistently fail to provide an adequate supply of safe drinking water. This bill would add to that a water system or domestic well(s) that are at risk of failing to provide an adequate supply of safe drinking water, as determined by the Board. The bill also requires the Board, before ordering consolidation, to conduct outreach to ratepayers and residents served by the at-risk system and to consider any petition submitted by members of a disadvantaged community being served by the at-risk system.

There appears to be several problems with this bill: (1) The bill does not define "at risk" and there is no definition of "at risk" currently in H&S Code Sec. 116681; (2) There is a lack of consultation with GSAs by the State Board when considering ordering consolidation or extension of service; (3) There is no requirement or even consideration for annexation upon extension of service; and (4) there does not appear to be a limitation of the number of connections or the extent to which the system can be extended.

The bill is co-sponsored by the Leadership Counsel for Justice and Accountability, Clean Water Action and Community Water Center. A fact sheet is posted in the tracking section of the bill. CALAFCO's position letter is also posted there.

Specific to SB 403, we requested 3 amendments: (1) Define "at risk"; (2) Add a requirement for the SWRCB to consult with GSAs when considering a domestic well consolidation; and (3) Put a cap on the number of users to be added by the subsuming system or the extent to which the service is being extended. Additionally, CALAFCO recommended a comprehensive review of the current mandatory consolidation process citing a host of issues the current process creates.

UPDATE: As amended on 4/27/21, the bill now defines "at risk system" and "at risk domestic well"; creates an appeal process for potentially subsumed water systems; requires inspection or testing of wells to determine "at risk" status; and allows the Board to prioritize systems historically overburdened by pollution and industrial development or other environmental justice concerns. It also puts a cap of 3,300 or fewer connections on systems that can be subsumed. These amendments address 2 of our 3 requested amendments. We will continue to work with the author on requiring the SWRCB to consult with GSAs on wells.

3

AB 11 (Ward D) Climate change: regional climate change authorities.

Current Text: Amended: 1/21/2021 [html](#) [pdf](#)

Introduced: 12/7/2020

Last Amended: 1/21/2021

Status: 4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was NAT. RES. on 1/11/2021)(May be acted upon Jan 2022)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would require the Strategic Growth Council, by January 1, 2023, to establish up to 12 regional climate change authorities to coordinate climate adaptation and mitigation activities in their regions, and coordinate with other regional climate adaptation authorities, state agencies, and other relevant stakeholders.

Attachments:

[AB 11 Fact Sheet](#)

Position: Watch

Subject: Other

CALAFCO Comments: As amended on 1/21/21, this bill authorizes/requires the Strategic Growth Council (SGC) to establish up to 12 regional climate change authorities by January 1, 2023, to include local agencies and regional stakeholders. The SGC is required to adopt guidelines that: (1) Define the authority; (2) Include guidelines for establishing an authority via a stakeholder-driven process; (3) Consult with OPR (and other state authorities) in development of the guidelines and award annual grants to authorities.

The bill outlines the regional climate change authorities in summary as: coordination, capacity-building, and technical assistance activities within their boundaries, promote regional alignment and assist local agencies in creating and implementing plans developed pursuant to Section 65302 of the Government Code, other federal or state mandates, and programs designed address climate change impacts and risks. The bill also requires the authority to submit annual reports to the SGC, with the scope of the report outlined in the bill.

This is an author-sponsored bill. There is no appropriation to fund the cost of the program. A fact sheet is posted in the tracking section of the bill.

UPDATE 3/17/21: CALAFCO learned from the author's office they do not intend to move the bill forward, but instead work with Assm. Mullin on AB 897 and merge the two bills.

[AB 473](#) (Chau D) California Public Records Act.

Current Text: Introduced: 2/8/2021 [html](#) [pdf](#)

Introduced: 2/8/2021

Status: 5/24/2021-Read second time. Ordered to third reading.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

6/1/2021 #64 ASSEMBLY THIRD READING FILE - ASSEMBLY BILLS

Summary:

The California Public Records Act requires state and local agencies to make their records available for public inspection, unless an exemption from disclosure applies. This bill would recodify and reorganize the provisions of the act. The bill would include provisions to govern the effect of recodification and state that the bill is intended to be entirely nonsubstantive in effect. The bill would contain related legislative findings and declarations. The bill would become operative on January 1, 2023.

Position: Watch

Subject: Public Records Act

CALAFCO Comments: This bill is a redo of AB 2138 from 2020 that did not move forward. According to the author's office, this bill and AB 474 are part of recommendations from the California Law Revision Commissions to reorganize and restructure the CPRA based on a request by the legislature for them to do that. CALAFCO will keep watch on the bill to ensure there are no substantive changes to the PRA.

[AB 474](#) (Chau D) California Public Records Act: conforming revisions.

Current Text: Amended: 5/27/2021 [html](#) [pdf](#)

Introduced: 2/8/2021

Last Amended: 5/27/2021

Status: 5/27/2021-Read third time and amended. Ordered to third reading.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

6/1/2021 #65 ASSEMBLY THIRD READING FILE - ASSEMBLY BILLS

Summary:

Would enact various conforming and technical changes related to another bill, AB 473, which recodifies and reorganizes the California Public Records Act. This bill would only become operative if AB 473 is enacted and becomes operative on January 1, 2023. The bill would also specify that any other bill enacted by the Legislature during the 2021 calendar year that takes effect on or before January 1, 2022, and that affects a provision of this bill shall prevail over this act, except as specified.

Position: Watch

Subject: Public Records Act

CALAFCO Comments: This bill is a redo of AB 2438 from 2020 that did not move forward. According to the author's office, this bill and AB 473 are part of recommendations from the California Law Revision Commissions to reorganize and restructure the CPRA based on a request by the legislature for them to do that. CALAFCO will keep watch on the bill to ensure there are no substantive changes to the PRA.

[AB 897](#) (Mullin D) Office of Planning and Research: regional climate networks: climate adaptation

action plans.

Current Text: Amended: 4/19/2021 [html](#) [pdf](#)

Introduced: 2/17/2021

Last Amended: 4/19/2021

Status: 5/24/2021-Read second time. Ordered to third reading.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

6/1/2021 #86 ASSEMBLY THIRD READING FILE - ASSEMBLY BILLS

Summary:

Current law requires, by July 1, 2017, and every 3 years thereafter, the Natural Resources Agency to update, as prescribed, the state’s climate adaptation strategy, known as the Safeguarding California Plan. Current law establishes the Office of Planning and Research in state government in the Governor’s office. Current law establishes the Integrated Climate Adaptation and Resiliency Program to be administered by the office to coordinate regional and local efforts with state climate adaptation strategies to adapt to the impacts of climate change, as prescribed. This bill would authorize eligible entities, as defined, to establish and participate in a regional climate network, as defined. The bill would require the office to encourage the inclusion of agencies with land use planning authority into regional climate networks. The bill would authorize a regional climate network to engage in activities to address climate change, as specified.

Attachments:

[AB 897 Fact Sheet](#)

Position: Watch

Subject: Climate Change

CALAFCO Comments: As introduced, the bill builds on existing programs through OPR by promoting regional collaboration in climate adaptation planning and providing guidance for regions to identify and prioritize projects necessary to respond to the climate vulnerabilities of their region.

As amended, the bill requires OPR to develop guidelines (the scope of which are outlined in the bill) for Regional Climate Adaptation Action Plans (RCAAPs) by 1-1-23 through their normal public process. Further the bill requires OPR to make recommendations to the Legislature on potential sources of financial assistance for the creation & implementation of RCAAPs, and ways the state can support the creation and ongoing work of regional climate networks. The bill outlines the authority of a regional climate network, and defines eligible entities. Prior versions of the bill kept the definition as rather generic and with each amended version gets more specific. As a result, CALAFCO has requested the author add LAFCOs explicitly to the list of entities eligible to participate in these regional climate networks.

As amended on 4/7, AB 11 (Ward) was joined with this bill - specifically found in 71136 in the Public Resources Code as noted in the amended bill. Other amendments include requiring OPR to, before 7-1-22, establish geographic boundaries for regional climate networks and prescribes requirements in doing so.

This is an author-sponsored bill. The bill necessitates additional resources from the state to carry out the additional work required of OPR (there is no current budget appropriation). A fact sheet is posted in the tracking section of the bill.

[AB 903](#) (Frazier D) Los Medanos Community Healthcare District.

Current Text: Amended: 4/19/2021 [html](#) [pdf](#)

Introduced: 2/17/2021

Last Amended: 4/19/2021

Status: 5/19/2021-Referred to Com. on GOV. & F.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would require the dissolution of the Los Medanos Community Healthcare District, as specified. The bill would require the County of Contra Costa to be successor of all rights and responsibilities of the district, and require the county to develop and conduct the Los Medanos Area Health Plan Grant Program focused on comprehensive health-related services in the district’s territory. The bill would require the county to complete a property tax transfer process to ensure the transfer of the district’s health-related ad valorem property tax revenues to the county for the sole purpose of funding the Los Medanos Area Health Plan Grant Program. By requiring a higher level of service

from the County of Contra Costa as specified, the bill would impose a state-mandated local program.

Position: Watch

CALAFCO Comments: This bill mandates the dissolution of the Los Medanos Community Healthcare District with the County as the successor agency, effective 2-1-22. The bill requires the County to perform certain acts prior to the dissolution. The LAFCo is not involved in the dissolution as the bill is written. Currently, the district is suing both the Contra Costa LAFCo and the County of Contra Costa after the LAFCo approved the dissolution of the district upon application by the County and the district failed to get enough signatures in the protest process to go to an election.

The amendment on 4/5/21 was just to correct a typo in the bill.

As amended on 4/19/21, the bill specifies monies received by the county as part of the property tax transfer shall be used specifically to fund the Los Medanos Area Health Plan Grant Program within the district's territory. It further adds a clause that any new or existing profits shall be used solely for the purpose of the grant program within the district's territory.

AB 959 (Mullin D) Park districts: ordinances: nuisances: abatement.

Current Text: Amended: 5/10/2021 [html](#) [pdf](#)

Introduced: 2/17/2021

Last Amended: 5/10/2021

Status: 5/28/2021-Read third time. Passed. Ordered to the Senate. (Ayes 77. Noes 0.) In Senate. Read first time. To Com. on RLS. for assignment.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law prescribes procedures, including the election of a board of directors, for the formation of regional park districts, regional park and open-space districts, or regional open-space districts. Current law authorizes a city legislative body to declare what constitutes a nuisance. Current law authorizes the legislative body of a city, county, or city and county to provide for the summary abatement of any nuisance resulting from the defacement of the property of another by graffiti or other inscribed material, at the expense of the minor or other person creating, causing, or committing the nuisance, and, by ordinance, authorizes the legislative body to make the expense of abatement of the nuisance a lien against property of the minor or other person and a personal obligation against the minor or other person. This bill would authorize the board of directors of a district to declare what constitutes a nuisance, as provided. The bill would, among other things, authorize a district to exercise the authority granted to a city, as described above, for purposes of abating a nuisance, as provided.

Attachments:

[AB 959 Fact Sheet](#)

Position: Watch

CALAFCO Comments: As introduced, this bill gives authority to independent regional park & open space districts governed by PRC 5500 to: (1) Declare by ordinance what constitutes a public nuisance; (2) Abate those public nuisances by either administrative or civil actions; and (3) Ability to recover costs incurred in abating the public nuisance, including attorneys' fees. There are 4 of these independent special districts: (1) Midpeninsula Regional Open Space District; (2) East Bay Regional Park District; (3) Monterey Peninsula Regional Park District; and (4) Napa County Regional Park and Open Space District. A fact sheet is posted in the tracking section of the bill.

UPDATE: As amended on 5-10-21, the bill requires the district Board to adopt an ordinance declaring what constitutes a nuisance. It authorizes the district to initiate civil action and recover damages.

AB 975 (Rivas, Luz D) Political Reform Act of 1974: statement of economic interests and gifts.

Current Text: Amended: 5/18/2021 [html](#) [pdf](#)

Introduced: 2/18/2021

Last Amended: 5/18/2021

Status: 5/27/2021-From Consent Calendar. Ordered to third reading.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

6/1/2021 #266 ASSEMBLY THIRD READING FILE - ASSEMBLY BILLS

Summary:

The Political Reform Act of 1974 regulates conflicts of interests of public officials and requires that public officials file, with specified filing officers, periodic statements of economic interests disclosing certain information regarding income, investments, and other financial data. The Fair Political Practices Commission is the filing officer for statewide elected officers and candidates and other specified public officials. If the Commission is the filing officer, the public official generally files with their agency or another person or entity, who then makes a copy and files the original with the Commission. This bill would revise and recast these filing requirements to make various changes, including requiring public officials and candidates for whom the Commission is the filing officer to file their original statements of economic interests electronically with the Commission.

Position: Watch

Subject: FPPC

CALAFCO Comments: As introduced, this bill makes two notable changes to the current requirements of gift notification and reporting: (1) It increases the period for public officials to reimburse, in full or part, the value of attending an invitation-only event, for purposes of the gift rules, from 30 days from receipt to 30 days following the calendar quarter in which the gift was received; and (2) It reduces the gift notification period for lobbyist employers from 30 days after the end of the calendar quarter in which the gift was provided to 15 days after the calendar quarter. Further it requires the FPPC to have an online filing system and to redact contact information of filers before posting.

The amendment on 4/21/21 just corrects wording (technical, non-substantive change).

The amendments on 5/18/21 clarify who is to file a statement of economic interest to include candidates (prior text was office holders).

AB 1021 (Mayes I) Imperial Irrigation District.

Current Text: Amended: 5/24/2021 [html](#) [pdf](#)

Introduced: 2/18/2021

Last Amended: 5/24/2021

Status: 5/25/2021-Read second time. Ordered to third reading.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

6/1/2021 #229 ASSEMBLY THIRD READING FILE - ASSEMBLY BILLS

Summary:

Would require the commissions for the County of Imperial and the County of Riverside to conduct and publish on their internet websites a joint study of voting rights in the Imperial Irrigation District, options for providing electricity in the Imperial Irrigation District, and options for alternative governance structures for the Imperial Irrigation District board of directors, as specified. The bill would require the study to be published no later than July 1, 2023. By imposing new duties on the specified local agency formation commissions, the bill would impose a state-mandated local program.

Attachments:

[CALAFCO Oppose Unless Amended 5-26-21](#)

Position: Oppose unless amended

Subject: Special Districts Governance

CALAFCO Comments: As amended on 3/18/21, the bill focuses on the Imperial Irrigation District. The bill requires Imperial and Riverside LAFcos to conduct a special study of voting rights and options for providing electricity in the district area should the district decide it no longer desires to provide that serve, to be completed by December 31, 2022, as an unfunded mandate. The bill also requires membership of the district board to increase from 5 to 8 members, with the additional 3 members residing in Riverside County in the area being serviced by the district and appointed by the County Supervisor of that County district. The three new members will be non-voting members.

CALAFCO met with the author's staff on March 18 to discuss concerns on the bill, with input from Riverside and Imperial LAFcos (who will meet with the author's office as well). Concerns include: (1) The unfunded mandate and timing of the study; (2) As representation in the Riverside County service area is the issue, governance structure should also be a part of the study; (3) Section 21562.6 of the Water Code as added is far too vague. CALAFCO offered specific suggestions for clarification in this section.

This bill is similar to AB 854 (2019), which died in Appropriations. CALAFCO had a Watch position on that bill as the two member LAFcos had opposing positions, and this is a local matter. However, there is concern about requiring a study without funding (the last time the Legislature mandated a special study on a district it required the study be funded by the district).

The bill is author-sponsored and as of now there is no budget appropriation to cover cost.

UPDATE AS OF 4/21/21 - As amended on 4/19/21, the bill makes substantive changes including: (1) Requires state funding for the study and prescribes an 18-month timeline for completion upon receipt of funds; (2) Adds study content of options for governance structure of the district; (3) Changes the number from 3 to 1 of nonvoting board members appointed to the district Board; and (4) Specifies requirements for the appointment.

UPDATE: The amendments of 5/24/21 remove the funding for the special study, making it an unfunded mandate. The bill also now requires the study to be completed by 7-1-23. As a result of the funding removal and the concerning precedent setting nature of requiring LAFco to conduct a special study without funding, CALAFCO has taken an OPPOSE UNLESS AMENDED position requesting funding be restored.

AB 1053 (Gabriel D) City selection committees: County of Los Angeles: quorum: teleconferencing.

Current Text: Amended: 4/20/2021 [html](#) [pdf](#)

Introduced: 2/18/2021

Last Amended: 4/20/2021

Status: 5/7/2021-Failed Deadline pursuant to Rule 61(a)(3). (Last location was L. GOV. on 3/18/2021)(May be acted upon Jan 2021)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law creates a city selection committee in each county that consists of 2 or more incorporated cities for the purpose of appointing city representatives to boards, commissions, and agencies. Under current law, a quorum for a city selection committee requires a majority of the number of the incorporated cities within the county entitled to representation on the city selection committee. Current law requires a city selection committee meeting to be postponed or adjourned to a subsequent time and place whenever a quorum is not present at the meeting. This bill, for the city selection committee in the County of Los Angeles, would reduce the quorum requirement to 1/3 of all member cities within the county for a meeting that was postponed to a subsequent time and place because a quorum was not present, as long as the agenda is limited to items that appeared on the immediately preceding agenda where a quorum was not established.

Attachments:

[CALAFCO Removal of Opposition Letter April 2021](#)

[CALAFCO Oppose Unless Amended April 2021](#)

Position: Watch

Subject: Other

CALAFCO Comments: As amended on 3/18/21, the bill reduces the quorum requirement for a city selection committee to 1/3 of all member cities within the county for a meeting that was postponed to a subsequent time and place because a quorum was not present, as long as the agenda is limited to replicate the meeting for which a quorum was not established. The bill also authorizes a city selection committee to conduct their meetings be teleconference and electronic means.

The bill is sponsored by the Las Virgenes-Malibu Council of Governments.

CALAFCO's letter of Oppose Unless Amended is posted in the bill detail area.

UPDATE AS OF 4/21/21 - As amended on 4/20/21, the scope of the bill is significantly narrowed to apply only to the County of Los Angeles' City Selection Committee. This amendment resolves CALAFCO's concerns and we have removed our opposition and will retain a Watch position. CALAFCO's letter of opposition removal is posted in the bill detail area.

UPDATE: The bill failed to move out of committee so it is now a 2-year bill.

AB 1246 (Nguyen R) Community services districts.

Current Text: Introduced: 2/19/2021 [html](#) [pdf](#)

Introduced: 2/19/2021

Status: 5/7/2021-Failed Deadline pursuant to Rule 61(a)(3). (Last location was PRINT on 2/19/2021)(May be acted upon Jan 2021)

2 year	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law, the Community Services District Law, authorizes the formation of community services districts for various specified purposes, including supplying water, treating sewage, disposing of solid waste, and providing fire protection. The law specifies its relation and effect on certain districts organized pursuant to former laws and to actions taken by them, among other things. This bill would make nonsubstantive changes to those provisions.

Position: Watch

CALAFCO Comments: This is a spot bill.

AB 1295 (Muratsuchi D) Residential development agreements: very high fire risk areas.

Current Text: Introduced: 2/19/2021 [html](#) [pdf](#)

Introduced: 2/19/2021

Status: 5/7/2021-Failed Deadline pursuant to Rule 61(a)(3). (Last location was L. GOV. on 3/4/2021)(May be acted upon Jan 2021)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law requires the Director of Forestry and Fire Protection to identify areas in the state as very high fire hazard severity zones based on the severity of fire hazard that is expected to prevail in those areas, as specified, and requires each local agency to designate, by ordinance, the very high fire hazard severity zones in its jurisdiction. Current law additionally requires the director to classify lands within state responsibility areas into fire hazard severity zones. This bill, beginning on or after January 1, 2022, would prohibit the legislative body of a city or county from entering into a residential development agreement for property located in a very high fire risk area. The bill would define "very high fire risk area" for these purposes to mean a very high fire hazard severity zone designated by a local agency or a fire hazard severity zone classified by the director.

Attachments:

[AB 1295 Fact Sheet](#)

Position: Watch

Subject: Growth Management, Planning

CALAFCO Comments: This bill prohibits a city or county from entering into a residential development agreement for property located within a very high fire risk area as of 1-1-2022.

This bill appears similar to SB 55 (Stern) except: (1) This bill explicitly calls out residential development, whereas SB 55 addresses new development (housing, commercial, retail or industrial) in a very high fire hazard severity zone; and (2) SB 55 adds a state responsibility area.

The bill is not marked fiscal. This is an author-sponsored bill and a fact sheet is posted in the tracking section of the bill.

SB 10 (Wiener D) Planning and zoning: housing development: density.

Current Text: Amended: 5/26/2021 [html](#) [pdf](#)

Introduced: 12/7/2020

Last Amended: 5/26/2021

Status: 5/27/2021-Read second time. Ordered to third reading.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

6/1/2021 #178 SENATE SENATE BILLS -THIRD READING FILE

Summary:

Would, notwithstanding any local restrictions on adopting zoning ordinances, authorize a local government to adopt an ordinance to zone any parcel for up to 10 units of residential density per parcel, at a height specified in the ordinance, if the parcel is located in a transit-rich area or an urban infill site, as those terms are defined. The bill would specify that an ordinance adopted under these provisions, and any resolution to amend the jurisdiction's General Plan, ordinance, or other

local regulation adopted to be consistent with that ordinance, is not a project for purposes of the California Environmental Quality Act. The bill would impose specified requirements on a zoning ordinance adopted under these provisions, including a requirement that the zoning ordinance clearly demarcate the areas that are subject to the ordinance and that the legislative body make a finding that the ordinance is consistent with the city or county's obligation to affirmatively further fair housing.

Position: Watch

Subject: Housing

CALAFCO Comments: While not directly affecting LAFcos, the requirements in the bill are of interest. As amended on 4/13/21, the bill authorizes a local government to adopt an ordinance to zone any parcel for up to 10 units of residential density per parcel, at a height specified in the ordinance, if the parcel is located in a transit-rich area, a jobs-rich area, or an urban infill site, as those terms are defined in the bill. In this regard, the bill would require the Department of Housing and Community Development, in consultation with the Office of Planning and Research, to determine jobs-rich areas and publish a map of those areas every 5 years, commencing January 1, 2023, based on specified criteria. The bill would specify that an ordinance adopted under these provisions, and any resolution adopted to amend the jurisdiction's General Plan Plan, ordinance, or other local regulation adopted to be consistent with that ordinance, is exempt from CEQA. The bill imposes specified requirements on a zoning ordinance adopted under these provisions. The bill would prohibit a legislative body that adopts a zoning ordinance pursuant to these provisions from subsequently reducing the density of any parcel subject to the ordinance and makes void and unenforceable any covenant, restriction, or condition contained in any deed, contract, security instrument, or other instrument affecting the transfer or sale of any interest in a planned development, and any provision of a governing document, that effectively prohibits or unreasonably restricts a use or density authorized by an ordinance adopted pursuant to the provisions in the bill.

UPDATE: The amendment of 4/27/21 amends 65913.5(a)(3) to remove exemption of parcels excluded from specified hazard zones by a local agency pursuant to 51179(b).

SB 12 (McGuire D) Local government: planning and zoning: wildfires.

Current Text: Amended: 5/4/2021 [html](#) [pdf](#)

Introduced: 12/7/2020

Last Amended: 5/4/2021

Status: 5/20/2021-From committee: Do pass. (Ayes 5. Noes 2.) (May 20). Read second time. Ordered to third reading.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

6/1/2021 #31 SENATE SENATE BILLS -THIRD READING FILE

Summary:

Current law requires that the Office of Planning and Research, among other things, coordinate with appropriate entities, including state, regional, or local agencies, to establish a clearinghouse for climate adaptation information for use by state, regional, and local entities, as provided. This bill would require the safety element, upon the next revision of the housing element or the hazard mitigation plan, on or after July 1, 2024, whichever occurs first, to be reviewed and updated as necessary to include a comprehensive retrofit strategy to reduce the risk of property loss and damage during wildfires, as specified, and would require the planning agency to submit the adopted strategy to the Office of Planning and Research for inclusion into the above-described clearinghouse.

Position: Watch

Subject: Growth Management, Planning

SB 13 (Dodd D) Local agency services: contracts: Counties of Napa and San Bernardino.

Current Text: Amended: 5/11/2021 [html](#) [pdf](#)

Introduced: 12/7/2020

Last Amended: 5/11/2021

Status: 5/28/2021-Referred to Com. on L. GOV.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 establishes a pilot

program under which the commissions in the Counties of Napa and San Bernardino, upon making specified determinations at a noticed public hearing, may authorize a city or district to provide new or extended services outside its jurisdictional boundary and outside its sphere of influence to support existing or planned uses involving public or private properties, as provided. Current law requires the Napa and San Bernardino commissions to submit a report to the Legislature on their participation in the pilot program, as specified, before January 1, 2020, and repeals the pilot program as of January 1, 2021. This bill would reestablish the pilot program, which would remain in effect until January 1, 2026. The bill would impose a January 1, 2025, deadline for the Napa and San Bernardino commissions to report to the Legislature on the pilot program, and would require the contents of that report to include how many requests for extension of services were received under these provisions.

Attachments:

[CALAFCO Oppose Unless Amended letter May 2021](#)

Position: Oppose unless amended

Subject: CKH General Procedures

CALAFCO Comments: This bill is the same as SB 799 from 2020 and seeks to re-establish and continue the pilot program for five more years. The program ended as of January 1, 2021 but due to the pandemic, SB 799 from 2020 to extend the sunset was not moved forward in the legislature.

UPDATE: As amended on 4/29/21, the bill now adds 56133.6 which seeks to address several projects in the City of St. Helena, and resolve a current law suit between the winery and the city. The amendments authorize Napa LAFCo to consider new or extended service by the city to specific parcels with certain conditions. The bill requires the Napa LAFCo make certain determinations if approving, include any decision in their required report to the Legislature and has a sunset of 1-1-26.

CALAFCO has made a request for several technical amendments to the version dated 4-29-21, and has concern this addition strays too far from the original intent of the pilot program. Requested amendments on the table now include: (1) Rewording of both sections 56133.5(a)(2) and 56133.6(a)(3) to explicitly state both (A) and (B) are required; (2) Reword the new addition to 56133.5(d) so that it does not presume Napa LAFCo will authorize the new or extension of service; and (3) Rewrite 56133.6(a)(1) to clarify that (A) must apply to both (B) and (C).

As amended on 5-11-21, all requested technical amendments were made, however the intent of the pilot program has changed with the addition of 56133.6 and Napa LAFCo's ability to approve extension of service for parcels that do not meet the pilot program's requirement of planned use as defined in 56133.5. For this reason, CALAFCO is opposed unless amended, requesting the removal of 56133.6. Our letter is in the bill detail section.

SB 55 (Stern D) Very high fire hazard severity zone: state responsibility area: development prohibition: supplemental height and density bonuses.

Current Text: Amended: 4/5/2021 [html](#) [pdf](#)

Introduced: 12/7/2020

Last Amended: 4/5/2021

Status: 4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was GOV. & F. on 3/3/2021)(May be acted upon Jan 2022)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chapters
1st House				2nd House							

Summary:

Would, in furtherance of specified state housing production, sustainability communities strategies, greenhouse gas reduction, and wildfire mitigation goals, prohibit the creation or approval of a new development, as defined, in a very high fire hazard severity zone or a state responsibility area unless there is substantial evidence that the local agency has adopted a comprehensive, necessary, and appropriate wildfire prevention and community hardening strategy to mitigate significant risks of loss, injury, or death, as specified. By imposing new duties on local governments with respect to the approval of new developments in very high fire hazard severity zones and state responsibility areas, this bill would impose a state-mandated local program.

Attachments:

[SB 55 Fact Sheet](#)

Position: Watch

Subject: Growth Management, Planning

CALAFCO Comments: This bill prohibits the creation or approval of a new development (housing, commercial, retail or industrial) in a very high fire hazard severity zone or a state responsibility area. The bill is author-sponsored and imposes unfunded mandates. A fact sheet is posted in the tracking section of the bill.

As amended on 4/5/21, the bill removes the "blanket approach" to prohibiting development as noted above by adding specificity. The bill prohibits development in either of the areas noted above unless there is substantial evidence that the local agency has adopted a comprehensive, necessary and appropriate wildfire preventions and community hardening strategy to mitigate significant risks of loss, injury or death as specified in the bill. Additionally, the bill provides a qualifying developer a supplemental height bonus and a supplemental density bonus, as specified, if the development is located on a site that meets certain criteria, including, among others, not being located in a moderate, high, or very high fire hazard severity zone, as specified. These requirements are unfunded mandates.

This bill appears similar to AB 1295 (Muratsuchi) except this bill appears to be broader in scope in terms of the type of development prohibited and includes a state responsibility area, whereas AB 1295 only addresses residential development in a very high fire risk area.

[SB 96](#) (Dahle R) Fallen Leaf Lake Community Services District Fire Department Protection Act of 2021: elections.

Current Text: Introduced: 12/21/2020 [html](#) [pdf](#)

Introduced: 12/21/2020

Status: 4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was GOV. & F. on 1/28/2021)(May be acted upon Jan 2022)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptured
1st House				2nd House							

Summary:

Would require the El Dorado County elections official, with the assistance of the Fallen Leaf Lake Community Services District, to conduct district elections pursuant to the Uniform District Election Law, except as otherwise provided in the bill. The bill, notwithstanding existing law, would provide that voters who are resident registered voters of the district, and voters who are not residents but either own a real property interest in the district or have been designated by the owner of a real property interest to cast the vote for that property, may vote in a district election in the Fallen Leaf Lake Community Services District, as specified. The bill would require the designations of voters and authority of legal representatives to be filed with the El Dorado County elections official and the secretary of the Fallen Leaf Lake Community Services District and maintained with the list of qualified voters of the district. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: Special Districts Governance

CALAFCO Comments: This bill is the same as SB 1180 from 2020 which did not move through the legislature. It is a local El Dorado County/district bill. This bill does several things. (1) Provides that voters who are resident registered voters of the district, and voters who are not residents but either own a real property interest in the district or have been designated by the owner of a real property interest to cast the vote for that property, may vote in a district election in the Fallen Leaf Lake Community Services. (2) The bill also would authorize a voter who is not a resident of the district but owns a real property interest in the district to designate only one voter to vote on their behalf, regardless of the number of parcels in the district owned by the nonresident voter. (3) This bill would prohibit the Fallen Leaf Lake Community Services District from providing any services or facilities except fire protection and medical services, including emergency response and services, as well as parks and recreation services and facilities.

[SB 261](#) (Allen D) Regional transportation plans: sustainable communities strategies.

Current Text: Introduced: 1/27/2021 [html](#) [pdf](#)

Introduced: 1/27/2021

Status: 4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was TRANS. on 3/15/2021)(May be acted upon Jan 2022)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptured
1st House				2nd House							

Summary:

current law requires certain transportation planning agencies to prepare and adopt a regional transportation plan directed at achieving a coordinated and balanced regional transportation

system. Certain of these agencies are designated under federal law as metropolitan planning organizations. Existing law requires that each regional transportation plan include a sustainable communities strategy developed to achieve greenhouse gas emission reduction targets for the automobile and light truck sector for 2020 and 2035 established by the State Air Resources Board. This bill would require that the sustainable communities strategy be developed to additionally achieve greenhouse gas emission reduction targets for the automobile and light truck sector for 2045 and 2050 and vehicle miles traveled reduction targets for 2035, 2045, and 2050 established by the board. The bill would make various conforming changes to integrate those additional targets into regional transportation plans.

Position: Watch

Subject: Sustainable Community Plans

SB 273 (Hertzberg D) Water quality: municipal wastewater agencies.

Current Text: Introduced: 1/29/2021 [html](#) [pdf](#)

Introduced: 1/29/2021

Status: 5/13/2021-Referred to Coms. on L. GOV. and E.S. & T.M.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

6/9/2021 1:30 p.m. - State Capitol, Room 4202 ASSEMBLY LOCAL GOVERNMENT, AGUIAR-CURRY, Chair

Summary:

Would authorize a municipal wastewater agency, as defined, to enter into agreements with entities responsible for stormwater management for the purpose of managing stormwater and dry weather runoff, to acquire, construct, expand, operate, maintain, and provide facilities for specified purposes relating to managing stormwater and dry weather runoff, and to levy taxes, fees, and charges consistent with the municipal wastewater agency’s existing authority in order to fund projects undertaken pursuant to the bill. The bill would require the exercise of any new authority granted under the bill to comply with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. To the extent this requirement would impose new duties on local agency formation commissions, the bill would impose a state-mandated local program.

Attachments:

[SB 273 Fact Sheet](#)

Position: Support

Subject: Municipal Services

CALAFCO Comments: This bill is a redo of SB 1052 from 2020 that was not moved forward because of the pandemic. This bill adds authority to municipal wastewater agencies as outlined in 13911(a) and (b) relating to stormwater runoff and management. The bill authorizes this additional authority while keeping the LAFCo process to activate these latent powers intact.

CALAFCO is requesting an amendment to add a requirement that upon entering into the agreement, the agency has 30 days to file a copy of that agreement or amended agreement with the LAFCo.

The bills is sponsored by the CA Assn of Sanitation Agencies. A fact sheet is posted in the tracking section of the bill.

SB 274 (Wieckowski D) Local government meetings: agenda and documents.

Current Text: Amended: 4/5/2021 [html](#) [pdf](#)

Introduced: 1/29/2021

Last Amended: 4/5/2021

Status: 5/13/2021-Referred to Com. on L. GOV.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Calendar:

6/9/2021 1:30 p.m. - State Capitol, Room 4202 ASSEMBLY LOCAL GOVERNMENT, AGUIAR-CURRY, Chair

Summary:

The Ralph M. Brown Act requires meetings of the legislative body of a local agency to be open and public and also requires regular and special meetings of the legislative body to be held within the boundaries of the territory over which the local agency exercises jurisdiction, with specified exceptions. Current law authorizes a person to request that a copy of an agenda, or a copy of all

the documents constituting the agenda packet, of any meeting of a legislative body be mailed to that person. This bill would require a local agency with an internet website, or its designee, to email a copy of, or website link to, the agenda or a copy of all the documents constituting the agenda packet if the person requests that the items be delivered by email. If a local agency determines it to be technologically infeasible to send a copy of the documents or a link to a website that contains the documents by email or by other electronic means, the bill would require the legislative body or its designee to send by mail a copy of the agenda or a website link to the agenda and to mail a copy of all other documents constituting the agenda packet, as specified.

Attachments:

[CALAFCO Support SB 274 \(3-15-21\)](#)
[SB 274 Fact Sheet](#)

Position: Support

Subject: Public Records Act

CALAFCO Comments: This bill is a modified redo of SB 931 from 2020 that did not move forward because of the pandemic. This bill updates the Government Code to require a public agency to email the agenda or agenda items to anyone who requests it or the link to the website where the documents can be accessed (current law requires the mailing of such documents upon request, this bill adds the option to email if requested). A fact sheet is posted in the tracking section of the bill.

The amendment on 4/5/21 was to correct a typo reflecting the authority to email information.

[SB 475](#) (Cortese D) Transportation planning: sustainable communities strategies.

Current Text: Amended: 3/10/2021 [html](#) [pdf](#)

Introduced: 2/17/2021

Last Amended: 3/10/2021

Status: 4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was TRANS. on 4/26/2021)(May be acted upon Jan 2022)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would require the State Air Resources Board, on or before June 30, 2023, and in coordination with the California Transportation Commission and the Department of Housing and Community Development, to issue new guidelines on sustainable communities strategies and require these guidelines to be updated thereafter at least every 4 years. The bill would delete the provisions related to the Regional Targets Advisory Committee and instead require the State Air Resources Board to appoint, on or before January 31, 2022, the State-Regional Collaborative for Climate, Equity, and Resilience, consisting of representatives of various entities. The bill would require the State-Regional Collaborative for Climate, Equity, and Resilience to develop a quantitative tool for metropolitan planning organizations to use to evaluate a transportation plan’s consistency with long-range greenhouse gas emission reduction targets and recommend guidelines for metropolitan planning organizations to use when crafting long-range strategies that integrate state goals related to climate resilience and social equity.

Position: Watch

Subject: Sustainable Community Plans

[SB 499](#) (Leyva D) General plan: land use element: uses adversely impacting health outcomes.

Current Text: Introduced: 2/17/2021 [html](#) [pdf](#)

Introduced: 2/17/2021

Status: 4/30/2021-Failed Deadline pursuant to Rule 61(a)(2). (Last location was GOV. & F. on 2/25/2021)(May be acted upon Jan 2022)

Desk	2 year	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Would prohibit the land use element from designating land uses that have the potential to significantly degrade local air, water, or soil quality or to adversely impact health outcomes in disadvantaged communities to be located, or to materially expand, within or adjacent to a disadvantaged community or a racially and ethnically concentrated area of poverty. By expanding the duties of cities and counties in the administration of their land use planning duties, the bill would impose a state-mandated local program.

Attachments:

[SB 499 Fact Sheet](#)

Position: Watch

Subject: Disadvantaged Communities

CALAFCO Comments: As introduced, this bill would prohibit the land use element of a general plan from designating or expanding land uses that have the potential to significantly degrade local air, water, or soil quality or to adversely impact health outcomes within or adjacent to disadvantaged communities (DACs) or a racially and ethnically concentrated area of poverty.

The sponsor of this bill is the Leadership Counsel for Justice and Accountability. A fact sheet is posted in the tracking section of the bill.

SB 574 (Laird D) Agricultural preserves: Williamson Act.

Current Text: Amended: 3/4/2021 [html](#) [pdf](#)

Introduced: 2/18/2021

Last Amended: 3/4/2021

Status: 5/13/2021-Referred to Coms. on AGRI. and L. GOV.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Under the California Land Conservation Act of 1965, the board of supervisors or city council may grant tentative approval for a cancellation by petition of a landowner as to all or any part of land subject to a contract, as specified. Prior to any action by the board or council giving tentative approval to the cancellation of any contract, the county assessor is required to determine the current fair market value of the land as though it were free of the contractual restriction, and requires the assessor to send the fair market value to the Department of Conservation, hereafter department, at the same time the assessor sends the value to the landowner. Current law provides for a certificate of tentative cancellation upon tentative approval of a petition by a landowner accompanied by a proposal for a specified alternative use of the land, as provided. Current law requires the board of supervisors or city council to provide notice to the department related to cancellation of the contract as well as in other specified instances. This bill would revise and recast these provisions to no longer require the assessor to provide notice to the department and to require the board of supervisors or city council to provide notice to the department if the certificate of tentative cancellation is withdrawn, as specified.

Position: Watch

CALAFCO Comments: This bill narrows the role of Department of Conservation (DOC) in administering the Williamson Act. It does not change other provisions in the Act except for lessening reporting requirements by local governments to the DOC. The bill repeals the ability of the DOC to agree on a cancellation value for contracted land with a landowner, along with the requirement that the department provide a preliminary valuation to the applicable assessor, and repeals the requirement that the DOC approve cancellation of a farmland security contract. The bill also repeals and narrows reporting requirements by requiring the DOC to post all local government reports on Williamson Act lands/contracts on its website rather than create a report and submit to the Legislature. The bill also repeals certain reporting requirements by local governments (cities and counties) to the DOC regarding Williamson Act contracts.

As amended on 3/4/21, the bill requires cities/counties to file annual maps on Act lands; and removes the requirement for state approval for the amount of security to be paid when paying cancellation fee.

CALAFCO will continue to watch this bill to ensure no detrimental changes are made to the Act through future amendments.

SB 813 (Committee on Governance and Finance) Local Government Omnibus Act of 2021.

Current Text: Amended: 4/12/2021 [html](#) [pdf](#)

Introduced: 2/23/2021

Last Amended: 4/12/2021

Status: 5/20/2021-Referred to Com. on L. GOV.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

Summary:

Current law requires the officer of each local agency, who has charge of the financial records of the local agency, to furnish to the Controller a report of all the financial transactions of the local agency during the preceding fiscal year within 7 months of the close of each fiscal year in a form required by the Controller. Current law requires the report to include, among other things, the annual compensation of a local agency's elected officials, officers, and employees, as specified. This bill

would specify that the reports shall be furnished at the time prescribed by the Controller and would revise the amount of time in which the report is required to be furnished to either 7 months or within the time prescribed by the Controller, whichever is later

Position: Watch

CALAFCO Comments: This is the annual Senate Governance & Finance Committee Omnibus bill.

Total Measures: 33

Total Tracking Forms: 33

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News from the Board of Directors

CALAFCO QUARTERLY

May 2021

**A
message
from the
Executive
Director**

Greetings from your CALAFCO Board of Directors and Executive Director. Spring is in the air and things seem to be shifting. Spring is a time of renewal and re-awakening and that is exactly what it feels like this year - in so many ways.

This Second Quarterly Report of 2021 will begin by highlighting the good news in our CALAFCO family first, followed by Association updates. Happy reading!

LAFCoS in the News

Alameda LAFCo Awarded Sustainable Agricultural Lands Conservation (SALC) Grant

In our last Quarterly Report we announced SALC grants for San Bernardino and San Diego LAFCos. CALAFCO inadvertently omitted Alameda LAFCos grant award and apologize for the oversight. We are pleased to announce their grant award.

Alameda LAFCo, in partnership with the Alameda County Resource Conservation District, was awarded a SALC planning grant for \$250,000. The planning grant project is aimed at collaborative stakeholder planning in Alameda County to ensure the identification and preservation of agricultural and working lands, an infill development focus on healthy and resilient communities for disadvantaged and low-income populations, and a reduction in greenhouse gas emissions.

The Strategic Growth Council (SGC) added LAFCos to the list of eligible entities to apply for SALC grants in January 2019 after many years of CALAFCO trying to get LAFCos eligible for state-level grant funding. We are pleased that to date, three of our member LAFCos have received these grants.

Los Angeles LAFCo Executive Officer Receives State Appointment

On January 4, 2021, Assembly Speaker Anthony Rendon appointed **Los Angeles LAFCo Executive Officer Paul Novak** to the Board for Professional Engineers, Land Surveyors, and Geologists. The Board regulates the practices of engineering (civil, electrical, structural, geotechnical/soils), land surveying, geology, and geophysics in the State of California to safeguard the life, health, property and welfare of the public. The Board licenses qualified individuals, based on experience and successfully passing examinations; establishes regulations and promotes professional conduct; enforces laws and regulations; and provides information to the public on using professional engineering and land surveying services. Paul's term runs to June 30, 2023.

Marin LAFCo Holds Shared Services Workshop For Agencies

Marin LAFCo held a Shared Services Workshop on April 29, 2021. Partners for the workshop included Marin County Council of Mayors and Councilmembers, Marin County Special Districts Association, and Marin County Office of Education. The workshop had 2 panels, one on successful shared services in Marin, and another exploring how to successfully implement shared services. Marin LAFCo reports the workshop was a success with 78 people attending, including elected officials and staff throughout the County, as well as staff from 2 other LAFCos. If you are curious about this event, a recording is posted on their website at www.marinlafco.org. Marin LAFCo thanks CALAFCO for offering their Zoom account, noting the webinar function played a large role in the success of this workshop.

Orange LAFCo Welcomes New Assistant EO

Orange LAFCo is pleased to welcome a new member to the Orange LAFCo team. **Raymond Barragan** will serve as Orange LAFCo's Assistant Executive Officer and brings extensive experience in local government to his new role. Before joining Orange LAFCo, he served as the Acting Director of Community Development with the City of Gardena where he was employed since 2012. Raymond holds a bachelor's degree in urban and regional planning and is a master's candidate in Community and Economic Development at Penn State.

San Luis Obispo Announces New Hire and Promotion

San Luis Obispo LAFCo is excited to announce **Robert "Rob" Fitzroy** as its new Executive Officer. Most recently he was the Director of the Community Development Department for the City of Arroyo Grande. Prior to that, Rob was the Asst. Director for the County Planning & Building Department. Rob graduated from Cal Poly San Luis Obispo with a bachelor's degree and has a master's of Natural Resource Management, Environmental Planning & Public Policy. He begins his new role on May 24, 2021.

Imelda Marquez, **San Luis Obispo LAFCo** Clerk, was promoted to Analyst late last year. Imelda has been with SLO LAFCo for about 19 months. Her broad range of skills and analytical abilities are numerous. She is a proud Fresno St. Bulldog with a Geography degree and according to Interim EO David Church, "is an absolute delight to work with".

Congratulations!



Welcome to Our Newest Associate Members

CALAFCO is pleased to welcome two new Silver Associate Members.

We welcome the return of **SWALE, Inc.** SWALE's consulting services focus on LAFCo's critical issues including MSRs, SOIs, CEQA compliance, strategic planning, workshops and mapping with GIS. Their northern California office is expanding to bring you the best of consulting services. To learn more about the services provided by SWALE, contact **Kateri Harrison** at harrison@swaleinc.com, or visit their website at www.swaleinc.com.

We also welcome **DTA**. DTA is a national public finance and urban economics consulting firm specializing in infrastructure and public service finance. Their financing programs have utilized a variety of public financing mechanisms such as Ads, CFDs, LLDs and various types of fee programs. To learn more about DTA, contact **Nathan Perez** at Nate@FinanceDTA.com, or visit their website at www.FinanceDTA.com.

CALAFCO Educational Events

MARK YOUR CALENDARS FOR THESE UPCOMING CALAFCO EDUCATIONAL EVENTS!

CALAFCO 2021 ANNUAL CONFERENCE

Join us **October 6-8** at the **Hyatt Regency Newport Beach John Wayne Airport** for the 2021 Annual Conference. It's been so long since we've gathered in person and the time is finally here! The program planning committee is forming and CALAFCO staff is working with the facility on details to keep all of our attendees safe. Watch for Conference registration and hotel reservations to be open soon. Conference registration rates will be at the 2019 rates. We look forward to seeing you in Newport Beach later this year.

CALAFCO UNIVERSITY

We are pleased to continue offering webinars at no cost to our membership and are preparing several great sessions for you. Registration is now open for our **June 7** session: **Financial Health Indicators for Cities and Districts**. Registration is open until June 2. You will find all the details on the CALAFCO website at www.calafco.org.



We are also working on a very unique 4-part series on **Fire & EMS** services and a session on **Forming a CSD**. Watch for details and registration for these offerings coming soon.

CALAFCO Board of Directors

CALAFCO BOARD ACTIONS

The Board met virtually on April 30 with a full agenda. Under the leadership of **Chair Mike Kelley**, the Board took a number of important actions.



- ✓ **The FY 2021-22 budget was adopted.** For the first time, the Board considered a rolling 2-year budget. The FY 21-22 budget reflects a decrease of 2.1% over the current FY operating budget. The adopted budget can be found on the CALAFCO website.
- ✓ **The 2021-22 Strategic Plan was adopted.** The three primary strategies for the Association are: (1) Serve as an educational resource to member LAFCo Commissioners, LAFCo staff, Associate Members, and stakeholders; (2) Focus efforts on Association member relations, development, recognition and communication. Continue development of a strong and sustainable Association; and (3) Serve as an information resource to all Association members, work as a legislative and policy advocate for LAFCo issues and provide information to the Legislature and other stakeholders. The adopted Strategic Plan can be found on the CALAFCO website.
- ✓ **Updated Policies for Sections I and II of the current CALAFCO Policies were adopted.** One of the goals for 2021 is to conduct a comprehensive review of CALAFCO Policies, considering two sections per quarter. This is the first of a three-phase update process. The updated policies can be found on the CALAFCO website.
- ✓ **The new Annual Achievement Awards program was approved.** As the membership is aware, last year the Board approved consideration of an update to the Achievement Awards program. CALAFCO staff and Regional Officers worked for many months in crafting two options for the Achievement Awards Committee to consider. The Committee unanimously approved one of the options and recommended adoption of that option to the Board, which was unanimously approved. Watch for an announcement on the new program and the opening of the nomination period coming soon!
- ✓ **The Board ratified approval of filing an amicus letter in support of San Luis Obispo (SLO) LAFCo's appeal to the State Supreme Court.** As a follow up to the Superior Court decision in favor of the City of Pismo Beach, and at the request of SLO LAFCo, CALAFCO filed an amicus letter requesting the court review the case. The Court of Appeal opinion in *San Luis Obispo Local Agency Formation Commission v. City of Pismo Beach*



threatens to change operations across of LAFCos throughout the state.

By limiting the ability of LAFCos to require indemnification agreements from annexation applicants, the opinion conflicts with a number of decisions on which LAFCos reasonably relied to require indemnification as part of their implied powers. We thank **BBK** for their work on this amicus letter (which was preceded by an amicus brief). CALAFCO will keep our members posted on the appeal process.

- ✓ **The Board received the 3rd quarter financial reports and the projected FY 20-21 year-end fiscal report.**
- ✓ **The Board received several verbal updates from staff.**

All Board meeting documents are on the CALAFCO website.

CALAFCO Administrative Update

The 2021-22 CALAFCO Membership Directory is out! Each LAFCo received their requested number of hard copy directories and each Associate Member also received a copy. There is an electronic version of the Membership Directory on the CALAFCO website.



CALAFCO Legislative Update



What an interesting and busy legislative year this is turning out to be! CALAFCO is sponsoring the 2021 Assembly Local Government Committee (ALGC) **Omnibus bill, AB 1581**. This year's Omnibus contains a record number of items, totaling 13. Six of the items came from member LAFCos and seven from the protest provisions rewrite working group (deleting obsolete provisions). CALAFCO is currently tracking 32 bills, has a formal position on 9, and has been actively engaged on amendment negotiations for 10 bills.

This year there seems to be a number of bills addressing the same issue by several different authors, who, at the beginning of the year, did not appear to be talking with each other. The primary topics include COVID relief, wildfire prevention, climate resilience, homelessness and affordable housing, bridging the equity divide and transparency and public participation.

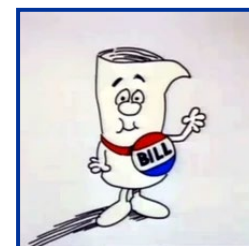
To complicate matters, the Legislature is still meeting under COVID restrictions with the majority of their staff working remotely. There are only a handful of meeting rooms in the Capitol that allow for social distancing, so the number of committee meetings have been reduced and the timeframe condensed.

Here are a few of the bills of importance we are tracking or working on:

- ✓ **AB 339 (Lee) CALAFCO Watch** - Open meetings. Requirements recently drastically amended and narrowed the scope to now apply only to cities and counties with a population over 250,000 with a sunset of 12-31-23 (requirements no longer applies to LAFCo).
- ✓ **AB 1195 (C. Garcia) CALAFCO Watch With Concerns** - Drinking water. Creates the So LA County Human Rights to Water Collaboration Act and gives the Water Board authority to appoint a Commissioner to oversee the Central Basin Municipal Water District.
- ✓ **SB 403 (Gonzalez) CALAFCO Oppose Unless Amended** - Drinking water consolidation. Authorizes the Water Board to order consolidation where a water system serving a disadvantaged community is an at-risk water system, as defined, or where a disadvantaged community is substantially reliant on at-risk domestic wells, as defined. Two of our three requested amendments have been taken (define "at risk" and put a cap on the number of users to be added to the subsuming system). The third request to add GSAs to the list of entities the Board must consult with has not yet been taken.

The last day for all policy committees to pass bills originating in their house was May 14. With one additional week for fiscal committees to pass bills to the respective floors, the Legislature will spend the last several weeks of May focusing on passing bills to the other house and the first part of June negotiating last minute budget deals for the June 15 budget passage deadline.

All bills being tracked by CALAFCO can be found on the CALAFCO website inside the Legislation section of the site (log in with your member id first to access this section). CALAFCO's position on all bills is reflected there, and any letters issued by CALAFCO are posted. The CALAFCO Legislative Committee meets regularly and all meeting materials are located in the Legislation section of the CALAFCO website.





CALAFCO Associate Members' Corner



This section is dedicated to highlighting our Associate Members. The information below is provided to CALAFCO by the Associate member upon joining the Association. All Associate member information can be found in the CALAFCO Member Directory.

Cucamonga Valley Water District

The **Cucamonga Valley Water District** has been a Silver Associate Member since 2014.

Formed in 1995, the district provides water and wastewater service to 200,000 customers in a 47 square mile area. The district has a mission of providing high quality, reliable water and wastewater service while practicing good stewardship of natural and financial resources. CVWD's water supply is comprised of two main sources: groundwater and imported water. Supplemented by surface water, recycled water and water conservation, the district's average daily demand is 43 million gallons. For more information on the district, contact **Cindy Cisneros** at cindyc@cvwdwater.com or visit their website at www.cvwdwater.com.



P. Scott Browne

Scott Browne has been a Silver Associate member since 2007. Scott provides legal services and staff support to various LAFcos throughout the state. He has served as a member of the CALAFCO Legislative Committee for a number of years. To learn more about the services he provides or to contact him, email him at scott@scottbrowne.com or visit his website at www.scottbrowne.com.

E Mulberg & Associates

E Mulberg & Associates has been a Silver Associate Member since 2011. Services offered include Municipal Service Reviews, Sphere of Influence updates, changes in organization, staff reports, CEQA analysis, and assistance with applications to LAFco. For more information, contact **Elliot Mulberg** at elliott@emulberg.com or visit their website at www.emulberg.com.

Policy Consulting Associates

A Silver Associate member since 2010, **Policy Consulting Associates** (PCA) prepares interdisciplinary research studies for LAFcos, councils of government, counties, cities, states, elected representatives and candidates, with an emphasis on MSRs and fiscal studies. The PCA team's combined experience covers the spectrum of governance configurations and alternatives, and runs the gamut of services under LAFco jurisdiction. For more information on PCA, contact **Jennifer Stephenson** or **Oxana Wolfson** at info@pcateam.com, or visit their website at www.pcateam.com.

CALAFCO wishes to thank all of our Associate Members for your ongoing support and partnership. We look forward to continuing to highlighting you in future Quarterly Reports.

Did You Know??

Meeting Documents Online

Did you know that all **CALAFCO Board of Directors and Legislative Committee meeting documents are online?** Visit the Boards & Committees pages in the Members Section of the site. Board documents cover 2008 to present and Legislative Committee documents span 2007 to present.



CALAFCO Webinars & Courses Archived

Did you know that all **CALAFCO Webinar recordings are archived on the CALAFCO website and available at no cost for on-demand viewing?** Visit the CALAFCO website in the CALAFCO Webinars section (log in as a member first).

Certificate of Recognition Program

Did you know that CALAFCO has a **Certificate of Recognition Program** and offers it at no cost to our members (both LAFco and Associate members)? The program has been in place several years and while a few of you utilize this service, most of you do not. For details, visit the CALAFCO website in the Member Services Section and upload the program packet or contact the CALAFCO Executive Director.



Mark Your Calendars For These Upcoming CALAFCO Events

- ❖ CALAFCO Legislative Committee virtual meeting – 6/18
- ❖ CALAFCO Legislative Committee virtual meeting – 7/23
- ❖ CALAFCO Board of Directors virtual meeting – 7/30



The **CALAFCO 2021 Calendar of Events** can be found on the CALAFCO website.