

**LOCAL AGENCY FORMATION COMMISSION
MENDOCINO COUNTY**

The Local Agency Formation Commission convened a regular meeting on Monday, February 2, 2004 at 10:00 AM, at the City of Ukiah Council Chambers, 300 Seminary, Ukiah.

AGENDA ITEM 1—CALL TO ORDER / ROLL CALL

Chairwoman Ranker called the regular meeting of the Local Agency Formation Commission of Mendocino County to order at 10:03 AM. The following Commissioners were present and seated: Melo, Oslund, Colfax, Simon, O'Brien, Delbar, and Chairwoman Ranker. Also present were Alternate Commissioners Larson, Ward and Wagonet as well as Executive Officer McMichael.

AGENDA ITEM 2—PUBLIC EXPRESSION

There was no one from the public who expressed an interest in speaking.

AGENDA ITEM 3—APPROVAL/CORRECTION/ADOPTION OF MINUTES

Upon a motion by Commissioner O'Brien and seconded by Commissioner Colfax the minutes of December 1, 2004 were approved as submitted. (Ayes: Melo, Oslund, Colfax, Simon, O'Brien, Delbar, and Chairwoman Ranker; Nays: None; Abstain: None; Absent; None)

AGENDA ITEM 4— ELECTION OF OFFICERS

As required by Commission bylaws, Executive Officer McMichael conducted the election process for Chair and Vice-Chair.

Upon a motion by Commissioner O'Brien seconded by Commission Simon, Commissioner Ranker was nominated for Chair.

Upon a motion by Commissioner Melo, seconded by Commissioner O'Brien, nominations were moved closed and the motion was approved by a unanimous voice vote.

Following the closure vote, a unanimous voice vote approved Commissioner Ranker as Chair for the year 2004.

Upon a motion by Commissioner Simon, seconded by Commissioner Colfax, Commissioner Delbar was nominated for Vice-Chair.

Upon a motion by Commissioner Melo, seconded by Commissioner O'Brien, nominations were moved closed and the motion was approved by a unanimous voice vote.

Following the closure vote, a unanimous voice vote approved Commissioner Delbar as Vice-Chair for the year 2004.

AGENDA ITEM 5—APPOINTMENT TO COMMITTEES

After a brief discussion, it was agreed that the Executive Committee would continue to be Chairwoman Ranker, Vice-Chairman Delbar and Commissioner Simon.

After a brief discussion, it was agreed that the Planning Committee would continue to be Commissioner Melo, Commissioner Oslund and Alternate Commissioner Ward.

AGENDA ITEM 6—MID YEAR BUDGET REVIEW

Upon direction of Chairwoman Ranker, Executive Officer McMichael provided a mid-year budget review as indicated below:

LAFCO Mid-Year Budget Review for FY 2003-2004

	Line Item	Detail Description	Amount Budgeted FY 03-04	Amount Expended 12-31-03	Line Item Balance	Totals
1	862150	CALAFCO Membership	630.00	620.00	10.00	
2	862150	CSDA Membership	500.00	357.00	143.00	
3	862101	Insurance, General Liability	3,000.00	2,259.55	740.45	
4	862181	Audit and Fiscal Services	2,500.00	520.00	1,980.00	
5	862182	Website	1500.00	1,060.19	439.81	
6	862060	Communications	1,000.00	750.52	249.48	
7	862184	Engineering and Plan Services	4,000.00	0.00	4,000.00	
8	862194	A-87 Costs	3,000.00	0.00	3,000.00	
9	862183	Commission Counsel Contract	7,500.00	440.00	7,060.00	
10	862189	Contract Services Office & Staff	88,732.80	44,366.40	44,366.40	
11	862239	Special Dept. Expense	2,000.00	0.00	2,000.00	
12	862250	In County Commission Travel	2,000.00	47.52	1952.46	
13	862280	ADA Compliance	1,000.00	0.00	1,000.00	
14	862253	Out of County Conferences	6,000.00	4,024.39	1,975.60	
15	862190	Publication and Legal Notices	500.00	25.00	475.00	
16	862189	56425 and 56430 Mandates	25,000.00	12,500.00	12,500.00	

17	860010	Appropriation for Contingency	8,000.00	0.00	8,000.00	
18	869991	Legal Reserve	6,500.00	0.00	6,500.00	
19	860011	Operational Reserve	0.00	0.00	0.00	
20	Total Budgeted FY 03-04		163,362.80			
21	Fund Balance Carryover FY 02-03		20,000.00			
23	Total Apportioned for Revenues		143,362.80			
24	Apportionment Cities-County-Districts		47,787.60			
25	Total Expended to 12/31/03			66,970.57		
26	Balance Remaining in Budget				96,392.23	
27	REVENUE					
28	Realized Revenue to 12/31/03					88,671.47
29	Unrealized Revenue to 12/31/03					54,691.53
30	Fees to 12/31/03					1,000.00
31	RESERVES					
32	Allocated Reserve-FY 02-03 For P & P (6,500.00 contract & 1,500.00 printing)					8,000.00
33	Legal Reserve From FY 01-02 & FY 02-03					13,000.00
34	Service Review Reserve From FY 02-03					25,000.00
35	General Reserve From FY 01-02 (4,808.28) & FY 02-03 (3,288.05)					8,096.33
36	Operational Reserve					0.00
37	Total Reserves					54,096.33

After questions and discussions regarding various line items, the Commission agreed to receive the budget review as submitted.

AGENDA ITEM 7— WORKSHOP ON CHAPTERS 7 & 8 OF POLICY AND PROCEDURES

The Commission received draft Chapters 7 & 8 of the Policy and Procedures for review and discussion. These two chapters had previously undergone review and changes proposed by the Review Committee, comprised of Commissioners Ranker, Melo, Ward and Oslund.

After discussion and upon a motion by Commissioner Melo, seconded by Commissioner O'Brien and upon a voice vote with Commissioner Colfax dissenting it was decided to remove Paragraph 62 of the draft incorporation procedures.

After incorporating this change, Executive Officer McMichael was directed to provide notice to all agencies and the public that a public hearing would be held at the March 1, 2004 meeting for adoption of Chapters 7 & 8 of the Policy and Procedures.

AGENDA ITEM 8—CORRESPONDENCE

The Commission received the letter from Governor Schwarzenegger in reply to the Commission's letter dated December 1, 2003 regarding the budget crisis in local government because of unfunded mandates and reallocation of local tax dollars. It was the general agreement of the Commission that Governor Schwarzenegger's letter did not

address the Commission's concerns as provided in the above letter. Direction was given that a new letter be drafted. Chairwoman Ranker volunteered to hand carry it to a meeting that she would be attending where she would have an opportunity to present this new letter to the Governor or his staff.

AGENDA ITEM 9—REPORTS

- A. Executive Officer McMichael provided progress and update reports for the following items:
 - a. Presentation to Brooktrails CSD re: LAFCO
 - b. Meeting with Redwood Coast FPD re: application for annexation and MSR
 - c. Presentation to County Water Agencies/Water Agencies re: LAFCO and Water MSR
 - d. Meeting with Covelo CSD re: existing boundaries, future annexation and MSR
 - e. Presentation MC Farm Bureau re: LAFCO and Water MSR for UV/RR
 - f. Applications for annexation to Millview CWD
 - g. City of Ukiah/RCHDC service agreement and annexation
 - h. Coast Life Support District annexation of 47,000 acres
 - i. Anderson Valley CSD Raising of Latent Powers
 - j. Audit Progress
 - k. Expenditures for January 2004
 - l. FPPC Statement of Economic Interests—Form 700

- B. Reports from Commissioners—None

AGENDA ITEM 9—ADJOURNMENT

Being no further business the Commission adjourned at 11:08 AM.