

## LOCAL AGENCY FORMATION COMMISSION MENDOCINO COUNTY

The Local Agency Formation Commission convened a regular meeting on Monday, May 3, 2004 at 10:00 AM, at the City of Ukiah Council Chambers, 300 Seminary, Ukiah.

### AGENDA ITEM 1—CALL TO ORDER / ROLL CALL

Vice-Chairman Delbar called the regular meeting of the Local Agency Formation Commission of Mendocino County to order at 10:02 AM. The following Commissioners were present and seated: Melo, Oslund, Colfax, Simon, and Vice Chair Delbar. Also present were Alternate Commissioners Orth and Ward as well as Executive Officer McMichael. Alternate Commissioner Wagonet arrived at 10:25 AM. Commissioner Orth was seated as an alternate to Commissioner Ranker, who had notified the Commission of her expected absence. Commissioner O'Brien was not in attendance. Vice Chair Delbar conducted the meeting as Chair.

### AGENDA ITEM 2—PUBLIC EXPRESSION

There was no one from the public who indicated an interest in speaking at this time.

### AGENDA ITEM 3—APPROVAL/CORRECTION/ADOPTION OF MINUTES

Upon a motion by Commissioner Simon and seconded by Commissioner Melo the minutes of April 5, 2004 were approved and adopted as submitted. (Ayes: Melo, Oslund, Colfax, Simon, Orth and Chairman Delbar; Nays: None; Abstain: None; Absent: O'Brien & Ranker)

### AGENDA ITEM 4— PUBLIC HEARING ON ADOPTION OF FINAL BUDGET FOR FY 2004-2005

Upon examination of the proof of publication certification from the Ukiah Daily Journal and upon a motion by Commissioner Melo, seconded by Commissioner Oslund, proof of publication of public notice for the Final Budget public hearing was accepted by the Commission. (Ayes: Melo, Oslund, Colfax, Simon, Orth and Chairman Delbar; Nays: None; Abstain: None; Absent: O'Brien & Ranker)

Chairman Delbar opened the public hearing 10:05 AM. At this time there was no one in the audience who expressed an interest in speaking on the Final Budget.

Chairman Delbar closed the public hearing. Upon closure of the public hearing Commissioner Melo, seconded by Commissioner Simon, moved adoption of the Final Budget, as indicated below:

LAFCO Final Budget  
FY 2004-2005

	<b>Line Item</b>	<b>Detail Description</b>	<b>Amount Budgeted</b>	<b>Totals</b>
1	862150	CALAFCO Membership	700.00	
2	862150	CSDA Membership	500.00	
3	862101	General Liability Insurance--CSDA	3,500.00	
4	862181	Audit Services	2,500.00	
5	862182	Website—DSL	4,500.00	
6	862060	Communications	1,000.00	
7	862184	Engineering and Plan Services--GIS	2,000.00	
8	862194	A-87 Costs	3,000.00	
9	862183	Commission Counsel	5,000.00	
10	862189	Contract Services Office & Staff	92,282.11	
11	862239	Special Dept. Expense	2,000.00	
12	862250	In County Commissioner Travel	1,000.00	
13	862280	ADA Compliance	1,000.00	
14	862253	Out of County Conferences	6,000.00	
15	862190	Publication and Legal Notices	500.00	
16	862189	56425 and 56430 Mandates	25,000.00	
17	860010	Appropriation for Contingency	8,000.00	
18	869991	Legal Reserve	0.00	
19	860011	Operational Reserve	6,500.00	
20	Total Budgeted FY 04-05			164,982.21
21	Estimated Fund Balance Carryover			24,000.00
22	Total to be apportioned for revenues			140,982.21
23	Apportionment for Cities-Counties-Districts			46,994.07
24				
25	Total Budgeted FY 03-04			163,362.80
26	Fund Balance Carryover FY 03-04			20,000.00
27	Total Apportioned (revenues) FY 03-04			143,362.80
28	Apportionment for Cities-Counties-Districts FY 03-04			47,787.60
29				
30	Difference in Total Budgeted FY 03-04 vs. FY 04-05			1,619.92
31	Difference in Apportionment FY 03-04 vs. FY 02-03			(805.21)
32				
33	Legal Reserve			19,500.00
34	Service Review Reserve			25,000.00
35	General Reserve			8,096.33
36	Operational Reserve			0.00
37	Total Reserves			52,596.33

The motion was unanimously approved on the following roll call vote: Ayes: Melo, Oslund, Colfax, Simon, Orth and Chairman Delbar; Nays: None; Abstain: None; Absent: O'Brien & Ranker

AGENDA ITEM 5—PUBLIC HEARING ON OUT-OF-AREA SERVICE AGREEMENT FOR CITY OF UKIAH AND RURAL COMMUNITY HOUSING DEVELOPMENT CORPORATION

Upon examination of the proof of publication certification from the Ukiah Daily Journal and upon a motion by Commissioner Oslund, seconded by Commissioner Melo, proof of publication of public notice for the public hearing was accepted by the Commission on the following voice vote: Ayes: Melo, Oslund, Colfax, Simon, Orth and Chairman Delbar; Nays: None; Abstain: None; Absent: O'Brien & Ranker.

Chairman Delbar requested Executive Officer McMichael provide a review of his written report on the proposed out-of-area service agreement. Upon completion of this review, Chairman Delbar opened the public hearing 10:15 AM. The following people spoke in the following order:

1. Judy Pruden, 304 S. Hortense Ave, Ukiah spoke in opposition to approval of the proposed out-of-area Water Service Agreement.
2. Lee Howard, 3900 Parducci Road, Ukiah spoke in opposition to approval of the proposed out-of-area Water Service Agreement and that the City did not have water contract with the District.
3. Barbara Spacek, Executive Director, Russian River Flood Control and Water Conservation District, 151 Laws Ave. Ste. D, Ukiah stated that the City of Ukiah did not have a water contract with the District.
4. H. Posner, 116 Ford Rd, Ukiah spoke in opposition to the proposed out-of-area Water Service Agreement
5. Dianne Zucker, 624 Joseph St., Ukiah spoke in opposition to the proposed out-of-area Water Service Agreement
6. Bill Randolph, P.O. Box 912, Ukiah spoke in opposition to the proposed out-of-area Water Service Agreement
7. Susan Cher, 307 Clara Ave., Ukiah spoke in opposition to the proposed out-of-area Water Service Agreement
8. Emmett Jones, 237 E. Gobbi St., Ukiah spoke in support of the proposed out-of-area Water Service Agreement
9. Duane Hill, 237 E. Gobbi St., Ukiah spoke in support of the proposed out-of-area Water Service Agreement
10. Judy Hatch, Chairwoman of Russian River Flood Control and Water Conservation District, 151 Laws Ave. Ste. D, Ukiah indicated that the City of Ukiah did not have a water contract with the District.

After Judy Hatch spoke, Chairman Delbar polled the audience to see if there were additional persons who desired speak. Seeing none who indicated an interest in speaking, Chairman Delbar closed the public hearing at 10:52.

After questions to staff and comments to the audience by the Commissioners, Commissioner Melo, seconded by Commissioner Simon moved adoption of Resolution 2004-01 as indicated below:

LAFCO RESOLUTION 2004-01

APPROVING AN OUT-OF-CITY WATER SERVICE AGREEMENT BETWEEN  
CITY OF UKIAH AND RURAL COMMUNITY HOUSING DEVELOPMENT  
CORPORATION FOR APN 02-101-17

WHEREAS, Rural Communities Housing Development Corporation (RCHDC) has made application to the City of Ukiah for water service for a housing project for low and moderate income families to be constructed on subject property outside the City limits; and

WHEREAS, there is a shortage of housing which is affordable to low and moderate income families and limited opportunities within the City's limits to increase the supply of such housing; and

WHEREAS, the reason for this application is that the City believes that it is in the interest of the City to provide water service to this property for purposes of supporting the development of low and moderate income housing; and

WHEREAS, RCHDC must have proof of water availability in order to seek funding for the proposed low and moderate income housing project; and

WHEREAS, if RCHDC cannot provide proof of water availability to the funding authorities by July of 2004, then the opportunity for funding may not be available; and

WHEREAS, RCHDC and the City are willing to annex subject property to the City; and

WHEREAS, in order to secure funding for the project, RCHDC must secure commitment for water service before annexation of the property into the City can be completed; and

WHEREAS, Government Code Section 56133(b) provides the authority for the Commission to authorize the City of Ukiah to provide water service outside its jurisdictional boundaries and within its sphere of influence via an out-of-City service agreement in anticipation of a later change of organization (annexation); and

WHEREAS, an approved out-of-City Water Service Agreement will support the opportunity for RCHDC to obtain funding; and

WHEREAS, the subject property is outside the City's boundary but within the sphere of influence and contiguous to the City's boundary; and

WHEREAS, the subject parcel is in the City's land use or annexation element of the City's General Plan; and

WHEREAS, LAFCO policy requires that a defined date be set for undertaking the annexation process, if the out-of-area service agreement is approved by the Commission so as to meet the "anticipation of a later change of organization" requirement of G.C. 56133; and

WHEREAS, the Commission at its regular meeting on December 7, 2003 approved the concurrent processing of an out-of-area water service agreement application and annexation application; and

WHEREAS, processes for both applications have proceeded forward; and

WHEREAS, a public notice has been published on April 8, 2004 declaring that the Commission will be conducting a public hearing on May 3, 2004 on this proposed out-of-City Water Service Agreement; and

WHEREAS, the territory proposed to be served by the out-of-City Water Service Agreement has less than 12 voters and thus is considered uninhabited for purposes of notification and a map identifying the location of subject property is attached hereto as Exhibit "A"; and

WHEREAS, a Water Service Agreement concerning real property identified as AP# 02-101-17 will be executed between RCHDC and the City of Ukiah, in the form attached hereto as Exhibit "B", if the Commission approves said agreement; and

WHEREAS, the City agrees to provide water service limited to subject property, for RCHDC to provide low and moderate income housing, and will not provide water for any other development on this property and will not provide service to other parcels under the proposed Water Service Agreement in Exhibit "B"; and

WHEREAS, the City of Ukiah via letter from City Manager Candace Horsley has confirmed that the City can provide water to the project according to the terms and conditions of the Water Service Agreement.

WHEREAS, if RCHDC does not acquire title to the property, the City will have no obligation to serve water to the parcel; and

WHEREAS, the Executive Officer has reviewed the proposal and prepared a report as per the requirements of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 and Government Code Section 56133, including his recommendation thereon, and the proposal and report have been presented to and considered by this Commission; and

WHEREAS, this Commission called for and held a public hearing on the proposal on May 3, 2004 where the Commission heard and received any and all oral and written protests, objections and evidence which were made, presented or filed, and all persons present were given an opportunity to hear and be heard with respect to this proposal and the report of the Executive Officer; and

WHEREAS, the Commission certifies that they have reviewed and considered the environmental document prepared for this proposal by the City as the Lead Agency and accepts the Categorical Exemption developed by the City; and

NOW, THEREFORE, BE IT DETERMINED, RESOLVED AND ORDERED BY the Local Agency Formation Commission of the County of Mendocino, as follows:

1. The out-of-City Water Service Agreement noted as Exhibit “B” attached hereto and by reference incorporated herein, is approved according to the terms and conditions in Exhibit “B”, the City’s Resolution of Application and this Resolution of Approval.
2. The City of Ukiah is prohibited from providing service to any other development on the subject property or to other parcels utilizing this approved Out-of-City Water Service Agreement.
3. As a condition of approval of this Water Service Agreement, the City of Ukiah and RCHDC are required to submit a complete annexation application for this parcel and if they do not submit a complete application, then the Water Service Agreement is null and void.
4. RCHDC is required to pay for all costs of the annexation application process to LAFCO and the City including the environmental review.
5. RCHDC is required to pay a proportionate share of the costs, as determined by the Executive Officer, for LAFCO to complete the SOI/MSR process for the City.
6. RCHDC is required to pay a proportionate share of the costs, as determined by the Executive Officer, for completion of the Water Service Review for the Ukiah Valley/Russian River Watershed.
7. The territory of subject parcel is found to be uninhabited, and the application is found to have 100 per cent landowner consent and is assigned the following distinctive short form designation:

**CITY OF UKIAH-RCHDC OUT-OF-CITY WATER SERVICE AGREEMENT—MAY, 2004**

8. The end date for the reconsideration period as required in Government Code Section 56895 subdivision (b) and Section 57002 is determined to be June 3, 2004.
9. The Vice-Chair, as Chair for the public hearing, is hereby authorized to sign and date the Out-of-City Water Service Agreement.

Passed and adopted on May 3, 2004 by the following vote, to wit:

AYES:  
NAYS:  
ABSTAINS:  
ABSENT:

Dated: May 3, 2004

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Michael Delbar, Vice-Chairman—LAFCO

The motion was approved on the following roll call vote: Ayes: Melo, Oslund, Simon, Orth and Chairwoman Delbar; Nays: Colfax; Abstain: None; Absent: O'Brien and Ranker.

#### AGENDA ITEM 6—REPORTS

- A. Executive Officer McMichael provided the following reports:
  - a. An expenditure report for April. The Commission received the report without direction.
  - b. A report of his attendance at a water conference for SB619 and SB 221
  - c. A report of his attendance at a CSDA conference for personnel requirements for districts

#### AGENDA ITEM 7—ADJOURNMENT

Being no further business the Commission adjourned at 11:18 AM.