

**LOCAL AGENCY FORMATION COMMISSION  
MENDOCINO COUNTY**

The Local Agency Formation Commission convened a regular meeting on Monday, March 6, 2006 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 10:00 AM. The following Commissioners were present and seated: Delbar, Oslund, Simon, Melo and Chairwoman Ranker. Also present were Alternate Commissioners Orth and Ward as well as Executive Officer McMichael. Commissioner O'Brien called earlier in the week and Commissioner Oslund called that morning to indicate their expected absence. Alternate Commissioners Wattenburger also had called earlier in the week to indicate his expected absence. Commissioner Smith arrived at 10:10 am after the minutes had been approved. Alternate Commissioner Ashiku was absent. Alternate Commissioner Orth was immediately seated.

**AGENDA ITEM 2—PUBLIC EXPRESSION**

There was no one from the public in attendance at the meeting.

**AGENDA ITEM 3—APPROVAL/ADOPTION OF MINUTES**

Upon a motion of approval by Commissioner Simon and seconded by Commissioner Delbar the minutes of February 6, 2006 were approved with on the following vote: Ayes: Delbar, Simon, Orth, Melo and Chair Ranker; Nays: None; Abstention: None; Absent: Oslund--and Smith for minutes.

Upon a motion of approval by Commissioner Ranker seconded by Commissioner Melo the Executive Committee minutes of February 16, 2006 were approved on the following vote: Ayes: Ranker and Melo; Nays: None; Abstention: Simon; Absent: None

**AGENDA ITEM 4—RECEIPT OF FINAL AUDIT REPORT FOR FY 04-05**

Upon a motion by Commissioner Orth seconded by Commissioner Melo the Final Audit for Fiscal Year 2004-2005 was received and accepted with the following vote: Ayes: Delbar, Smith, Simon, Orth, Melo and Chair Ranker; Nays: None; Abstention: None; Absent: Oslund.

**AGENDA ITEM 5—PRESENTATION ABOUT THE USE OF RECYCLED WATER**

Chris Stone of Alephnull Investments provided a presentation about the value of using recycled water for development projects. After some questions and general discussion the Commission proceeded to the next agenda item.

**AGENDA ITEM 6—WORKSHOP ON PROPOSED BUDGET**

After review of the budget at it's meeting on February 23<sup>rd</sup>, the Executive Committee submitted the following proposed budget for the Commission's consideration:

|    | <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  | 2,500.00               |               |
| 6  | 862060  | Communications   | 1,000.00               |               |
| 7  | 862184  | Engineering and Plan Services--GIS   | 3,000.00               |               |
| 8  | 862194  | A-87 Costs (County Services)   | 2,000.00               |               |
| 9  | 862183  | Commission Counsel   | 4,000.00               |               |
| 10 | 862189  | Contract Services Office & Staff   | 99,812.32              |               |
| 11 | 862239  | Special Dept. Expense  | 1,000.00               |               |
| 12 | 862250  | In County Commissioner Travel  | 1,000.00               |               |
| 13 | 862280  | ADA Compliance   | 0.00                   |               |
| 14 | 862253  | Out of County Conferences  | 6,000.00               |               |
| 15 | 862190  | Publication and Legal Notices  | 500.00                 |               |
| 16 | 862189  | 56425 and 56430 Mandates (Sphere of Influence and Municipal Service Reviews) | 27,040.00              |               |
| 17 | 860010  | Appropriation for Contingency  | 7,500.00               |               |
| 18 | 869991  | Legal Reserve  | 0.00                   |               |
| 19 | 860011  | General Reserve  | 3,000.00               |               |
| 20 | Total Budgeted FY 06-07   |  |                        | 165,552.32    |
| 21 | Estimated/Proposed Fund Balance Carryover                         |  |                        | 20,000.00     |
| 22 | Total to be apportioned for revenues                              |  |                        | 145,552.32    |
| 23 | Apportionment for County-Cities-Districts                         |  |                        | 48,517.44     |
| 24 | <b>Fiscal Year 04-05 Comparison</b>                               |  |                        |               |
| 25 | Total Budgeted FY 05-06   |  |                        | 161,173.39    |
| 26 | Fund Balance Carryover FY 05-06                                   |  |                        | 20,000.00     |
| 27 | Total Apportioned (revenues) FY 05-06                             |  |                        | 141,173.39    |
| 28 | Apportionment for County-Cities-Districts FY 05-06                |  |                        | 47,057.79     |
| 29 | <b>Increase/Decrease Prior Fiscal Year</b>                        |  |                        |               |
| 30 | Increase/Decrease in Total Budgeted FY 06-07 vs. FY 05-06         |  |                        | 4,378.93      |
| 31 | Increase/Decrease in Apportionment FY 06-07 vs. FY 05-06          |  |                        | 1,459.65      |
| 32 | Increase/Decrease in Fund Balance Carryover FY 06-07 vs. FY 05-06 |  |                        | 0.00          |
| 33 | <b>Reserves From Prior Fiscal Years</b>                           |  |                        |               |
| 34 | Legal Reserve   |  |                        | 20,000.00     |
| 35 | Service Review Reserve  |  |                        | 25,000.00     |
| 36 | General Reserve   |  |                        | 50,639.00     |
| 37 | Total Reserves  |  |                        | 95,639.00     |

After receiving the proposed budget from the Executive Committee, the Commission discussed the proposed budget, the need for additional staff for the SOI/MSR process; the State mandated deadline of January 2008 for completion of the first five-year process; the amount of work yet to be done; and the future value to most agencies having these studies completed. After this discussion, the Commission unanimously directed that the Executive Committee Proposed Budget be sent back to the Executive Committee for development of a budget that includes sufficient resources for a staff analyst position. It was the general consensus of the Commission that while they were not eager to see the budget increased and additional costs imposed upon the funding agencies (County-cities-districts), their failure to provide sufficient resources for meeting the State deadline would potentially cost the agencies more in the future if this mandated process was not completed.

After review of the existing fee structure and upon a motion by Commissioner Orth, seconded by Commissioner Melo the Commission unanimously agreed to continue the present fee structure on the following vote: Ayes: Delbar, Smith, Simon, Orth, Melo and Chair Ranker; Nays: None; Abstention: None; Absent: Oslund.

#### AGENDA ITEM 7—REPORTS

- A. Executive Officer McMichael reported that the appointment period for the public commissioner was completed and that a new appointment or reappointment was needed. He indicated that the Policy and Procedures manual did not have a protocol for how to conduct this process and I asked for direction as to how the Commission wished to proceed. After discussion, the Commission unanimously directed the Executive Committee to develop a recommended protocol for appointing the public member and to bring a recommendation to the next meeting on April 3, 2006.
- B. There were no reports from Commissioners

#### Agenda Item 8—Adjournment

Having no further business the Commission adjourned at 11:38 am.