

## **LOCAL AGENCY FORMATION COMMISSION MENDOCINO COUNTY**

The Local Agency Formation Commission convened a regular meeting on Monday, March 5, 2007 at 10:00 a.m. at the City of Ukiah Council Chambers, 300 Seminary Ave, Ukiah, CA.

### **AGENDA ITEM 1 - CALL TO ORDER / ROLL CALL**

Chairman Melo called the regular meeting of the Local Agency Formation Commission of Mendocino County to order at 10:04 a.m. The following Commissioners were present and seated: Commissioners O'Brien, Delbar, Shoemaker, Oslund, Kisslinger and Chair Melo. Also present were Alternate Commissioners Ward and Orth, and Executive Officer McMichael. Commissioners Wattenburger and Smith were absent. Alternate Commissioner Wattenburger had indicated his expected absence prior to the meeting.

### **AGENDA ITEM 2 - PUBLIC EXPRESSION**

There was no one present from the public at the meeting thus no one requested the opportunity for public expression.

(Chairman Melo called for a brief delay in the meeting to allow for the removal of a piano from the meeting chambers. The meeting resumed at 10:08 a.m.)

### **AGENDA ITEM 3 - OATH OF OFFICE FOR NEW COMMISSIONER – RICHARD SHOEMAKER**

Chairman Melo administered the Oath of Office for Special District Member Richard Shoemaker. Commissioner Shoemaker was also provided with a Statement of Economic Interest Form 700 as required for this office.

(Commissioner Smith entered the meeting chambers and was seated at 10:09 a.m.)

### **AGENDA ITEM 4 - APPROVAL/CORRECTION/ADOPTION OF MINUTES**

A. Alternate Commissioner Orth indicated some corrections to Agenda Item 9 in the draft minutes for the February 5<sup>th</sup>, 2007 regular meeting as follows:

The draft minutes reported:

*Commissioner Orth reported that the Brooktrails dam projects were approved by the SWRCB in January 2007. It was noted that only one of the dams is currently needed to serve their agency needs at this time, and the second dam will be able to serve future demand for the "next generation."*

After advisement by Commissioner Orth the corrected minutes should reflect the following:

*Commissioner Orth reported that the Brooktrails dam boards were approved for installation on February 7<sup>th</sup> by the SWRCB this January. It was noted that only one of their redesigned dams will be needed to serve their community and the second dam redesign will be able to serve future demand for the “next generation.”*

Upon a motion by Commissioner Oslund, seconded by Commissioner Smith, the corrected minutes of the regular meeting for February 5, 2007 were approved by the following vote: Ayes: Melo, Smith, Oslund, Kisslinger; Nays: None; Abstentions: Delbar, Shoemaker and O’Brien; Absent: None.

B. Upon a motion by Commissioner Smith, seconded by Delbar, the minutes of the Executive Committee meeting of February 21, 2007 were approved by a unanimous vote of the Executive Committee members, Commissioners Smith and Delbar, and Chair Melo.

**AGENDA ITEM 5 – WORKSHOP ON PROPOSED BUDGET FOR YEAR 2007 – 2008**

A. Upon direction by Chairman Melo, Executive Officer McMichael gave a brief overview of the Executive Committee’s Proposed Budget noting that there were no changes in this year’s proposed budget over the Commission’s adopted 2006-2007 Final Budget. Questions regarding the budget process were expressed by Commission members and various clarifications were requested of E.O. McMichael.

Commissioner O’Brien questioned the need for the \$112,000 in total reserves as indicated in the Executive Committee’s Proposed Budget and was concerned as to the additional burden it posed to the special districts. Commissioner Shoemaker asked for clarification as to commission counsel representation and also had general questions regarding the budget. Commissioner Kisslinger expressed the possible need for greater legal reserves given the SOI/MSR January 1, 2008 deadline. Discussion ensued regarding the need, composition and adequacy of the budgeted reserves. Direction was given to Executive Officer McMichael to provide a retrospective of the circumstances of the reserves. Discussion also included questions about the number of annexation applications in process, the amount of time spent on applications and the progress of Municipal Service Reviews. Direction was given to E.O. McMichael to provide an accounting of his time as provided to applications and other processes.

Following discussion, a motion was entered by Commissioner Oslund, seconded by Commissioner Delbar, approving the Executive Committees Proposed Budget as the Commission’s Proposed Budget for the purpose of directing E.O. McMichael to publish a Notice for Public Hearing for the Proposed Budget for the next regular meeting on April 2, 2007; to provide Notice of Hearing and a copy of the Commission’s Proposed Budget to the affected agencies, cities, and the County. The motion was adopted by a roll call vote as follows: Ayes: Delbar, Oslund, Kisslinger, Smith and Melo; Nays: O’Brien; Abstentions: Shoemaker; Absent: None.

Commission’s Proposed Budget for Year 2007-2008

	<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 (SOI) and Municipal Service Reviews (MSR)]	57,040.00	
17	860010	Appropriation for Contingency	7,500.00	
18	869991	Legal Reserve	0.00	
19	860011	General Reserve	3,000.00	
20		Total Apportionment Budget FY 07-08	195,552.32	
21		Fund Balance Carryover	0.00	
22		Total to be apportioned for revenues	195,552.32	
23		Apportionment for County-Cities-Districts	65,184.10	
24		<b>Fiscal Year 06-07 Comparison</b>		
25		Total Budgeted FY 06-07	225,552.32	
26		Fund Balance Carryover FY 06-07	00.00	
27		Total Apportionment Budget FY 06-07	195,552.32	
28		Apportionment for County-Cities-Districts FY 06-07	65,184.10	
29		<b>Reserve Commitment to Budget</b>		
30		Reserve Commitment to SOI/MSR Mandated Process FY 07-08	30,000.00	
31		Total Budgeted FY 07-08 For SOI/MSR Mandates	87,040.00	
32		Total Budgeted FY 07-08	225,552.32	
33		<b>Balance of Reserves From Prior Fiscal Years</b>		
34		Legal Reserve	20,000.00	
35		Service Review Reserve	15,000.00	
36		General Reserve	77,000.00	
37		Total Reserves	112,000.00	

B. As prescribed by LAFCO Policy and Procedures, the Commission is required to annually review its fee schedule. As indicated by E.O. McMichael, the current fee schedule was adopted in 2002 and has been accepted by the Commission each following year without amendment. While a copy of the current fee schedule was not included in the agenda packet for this meeting, E.O. McMichael confirmed that it was included in the binder of information provided to each Commissioner upon entering office. Discussion ensued regarding the possible need to update said fee schedule.

Following discussion, a motion was entered by Commissioner Kisslinger, seconded by Commissioner O'Brien to adopt the current LAFCO fee schedule for the year 2007-2008. The motion was adopted unanimously by the following vote: Ayes: O'Brien, Kisslinger, Delbar, Smith, Melo, Oslund and Shoemaker; Nays: None; Abstentions: None; Absent: None.

(At this time, Chairman Melo directed the Commission to postpone Agenda Item 6 and move to the next agenda items to allow the meeting to progress while Mr. Dickerson set up for his presentation.)

### **AGENDA ITEM 7 – RESOLUTION OF APPRECIATION FOR PAST COMMISSIONER – CAMILLE RANKER**

A motion to adopt Resolution 2007-01, *Resolution of the Local Agency Formation Commission of Mendocino County Thanking Camille Ranker for Her Years of Service to LAFCO*, was entered by Commissioner Smith, seconded by Commissioner Delbar. The motion was adopted unanimously with the following vote: Ayes: Smith, Delbar, O'Brien, Melo, Oslund, Kisslinger and Shoemaker; Nays: None; Abstentions: None; Absent: None.

(There was no Agenda Item 8)

### **AGENDA ITEM 9 – REPORTS**

A. Executive Officer McMichael reported as to his upcoming meeting with the Westport CWD on Tuesday, March 06, regarding their MSR; addressed problematic issues regarding the past Special District election process; reported as to an upcoming meeting on March 16<sup>th</sup> with the Gualala Downtown Business Association providing an overview of LAFCO jurisdiction and processes; provided an update on the MSR process of Mendocino City CSD; reported that the nomination process for the next Special District election had begun.

B. Commissioner Kisslinger announced he will be holding a public workshop on how to research foundations to obtain grants on March 28 at the Mendocino Art Center on the coast and at NCO in Ukiah on March 29.

Commissioner Melo reported he is drafting a letter to the cities and the County requesting a meeting of City Select committee for the appointment of the Alternate City representative. He also reported that he will not be able to attend the next regular meeting.

(Return to Agenda Item 6)

### **AGENDA ITEM 6 – PRESENTATION REGARDING STATUS OF DATA BASE DESIGN FOR SOI/MSR RPOCESS**

John Dickerson, Data Base Consultant, provided a presentation regarding the status of the LAFCO data base project. He gave a brief overview of information and analysis that will be available that may facilitate the MSR process. He also reported further opportunities that will

make this design applicable at a statewide level. He indicated he would have an initial program ready to install at the LAFCO office within two weeks.

**AGENDA ITEM 10 - ADJOURNMENT**

Having no further business, the meeting adjourned at 12:45 p.m.