

**LOCAL AGENCY FORMATION COMMISSION
MENDOCINO COUNTY**

The Local Agency Formation Commission convened a regular meeting on Monday, May 4, 2009 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 McCowen, Rodin, Kisslinger and Chair Melo. Alternate Commissioners Orth and Executive Officer McMichael were also present. Commissioner Smith arrived at 10:06 a.m. Commissioners Brown, Shoemaker, Ward and Madrigal had previously indicated their expected absence. Commissioner Orth was immediately seated as the district representative.

AGENDA ITEM 2 - PUBLIC EXPRESSION

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

AGENDA ITEM 3 – APPROVAL/CORRECTION/ADOPTION OF MINUTES

After Commissioner McCowen provided comments as to two typos in the minutes and upon a motion by Commissioner Orth, seconded by Commissioner McCowen, the submitted minutes of April 6, 2009 were approved with the noted corrections on the following vote: Ayes: Smith, McCowen, Rodin, Kisslinger, Orth and Chair Melo; Nays: None; Abstain: None; Absent: Shoemaker and Ruff.

Chair Melo announced that while the agenda did not indicate approval of the minutes of the April 20, 2009 Executive Committee meeting, they had been provided in the packet and that without objection he would seek approval of those minutes. No objection was forthcoming, therefore upon a motion by Commissioner Kisslinger seconded by Commissioner Smith the Executive Committee minutes of April 20, 2009 were approved on the following vote: Ayes: Smith, Kisslinger and Chair Melo; Abstain: None; Nays: None; Absent: None.

The completion of the vote for approval of the minutes occurred at 10:08 a.m. Because it was not yet time for the 10:15 timed item, Executive Officer McMichael requested the opportunity to report on an issue regarding the Fort Bragg Rural Fire District and its SOI/MSR process. Upon direction of the Chair, Executive Officer McMichael reported that in the process of developing the SOI/MSR Report for the District, it was discovered that there were approximately 513 parcels in the District that overlapped into the City. These overlap parcels should have been detached from the District when the City annexed these locations but they were not. This failure to detach created voting issues and parcel tax allocation issues for the City of Fort Bragg and the District. He indicated that the respective agencies wanted to correct this oversight and were willing to pay for the cost of the mapping and legal description for the detachment process.

He further indicated that LAFCO policy allows “corrective actions” to be de Minimis for application processing and fee collection if staff determines the project: (1) Is consistent with Section 56668, Factors to be Considered, and LAFCO Policies and Procedures; (2) Will not cause significant adverse impacts upon an agency or individual; (3) Is defined as ministerial or qualifies for an exemption from the requirements of CEQA; (4) May be approved without notice or public hearing.

Executive Officer McMichael indicated that this issue met all of the requirements except for the “without notice or public hearing requirement”, however the SOI determination and adoption of the SOI/MSR Report would need to occur at a public hearing, so the cost of the public hearing for the detachment Minutes Regular Meeting May 4, 2009

process would be included in the public hearing for these items. That being the case, he had determined that the fees could be waived and he was prepared to proceed accordingly unless the Commission directed him to place this item on the next agenda for their consideration. It was the general agreement of the Commission that they did not want an agenda item and Executive Officer McMichael could proceed as policy allows.

Lee Howard, Redwood Valley, asked to speak to the issue and upon agreement of the Chair, indicated that there may be an “ad valorem tax issue” with the detachment and that should be reviewed as well. Executive Officer McMichael indicated that he would contact the County Auditor regarding that issue.

AGENDA ITEM 4 –10:15 A.M. PUBLIC HEARING FOR FY 2009-2010 BUDGET

This item began at 10:20 a.m.

Upon direction of the Chair, Executive Officer provided a review of the budget and the Executive Committees decision to continue to support the budget as adopted by the Commission at the April meeting. Additionally, he reviewed the explanation of LAFCO and the Budget that the Committee had directed him to prepare for this meeting.

At 10:38 Chair Melo opened the public hearing and then requested a motion for approval of the Proof of Publication for the hearing. Upon a motion by Commissioner Rodin, seconded by Commissioner Orth the Proof of Publication was unanimously adopted by the Commission on the following vote: Ayes: Rodin, Kisslinger, McCowen, Orth, Smith and Chair Melo. After this vote, Chair Melo invited members of the public to speak on the item.

Roy Falk from Caspar South community urged the Commission to not approve the budget until the issue of the service review for the Caspar South Water District was accounted for in the budget.

Lee Howard, Redwood Valley, stated that because of the changing membership of the Commission the Commissioners had little institutional memory of past decisions giving direction to the Executive Officer regarding the SOI/MSR process and that there was little continuity from year to year. He indicated that he thought that LAFCO needed a five-year plan for this process.

After Mr. Howard, no one else indicated an interest in speaking to this issue. The Commission then provided discussion as to the need for a work plan for the SOI/MSR studies in process that would include a flow chart and timeline for completion. After this discussion, the public hearing was closed at 10:53 a.m.

After closure of the Public Hearing, Commissioner Kisslinger, seconded by Commissioner Orth entered a motion to adopt the Proposed Budget indicated below as the Final Budget for the Commission for Fiscal Year 2009-2010. The motion was unanimously approved by the following roll call vote: Ayes: Rodin, Kisslinger, McCowen, Orth, Smith and Chair Melo. Nays: None; Abstain: None; Absent: Ruff.

LAFCO’s Fiscal Year 2009-2010 Final Budget

	Line Item	Detail Description	Amount Budgeted	
1	862150	CALAFCO Membership	775.00	
2	862150	CSDA Membership	775.00	
3	862101	General Liability Insurance--CSDA	3,000.00	
4	862181	Audit Services	3,000.00	
5	862182	Website—DSL	2,000.00	

6	862060	Communications	1,000.00	
7	862184	Engineering and Plan Services--GIS	2,000.00	
8	862194	A-87 Costs (County Services)	2,800.00	
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 Commissioner Travel	6,000.00	
15	862190	Publication and Legal Notices	1,000.00	
16	862189	56425 and 56430 Mandates [Sphere of Influence (SOI) and Municipal Service Reviews (MSR)]	57,040.00	
17	860010	Appropriation for Contingency	7,000.00	
18	860011	General Reserve	3,000.00	
19	Total apportionment Budget FY 09-10			195,202.32
20	One-Third Apportionment for County-Cities-Districts			65,067.44
21	Fiscal Year 08-09 Comparison			
22	Total Budgeted FY 08-09			225,277.32
23	Total Apportionment Budget FY 08-09			195,552.32
24	Apportionment for County-Cities-Districts FY 08-09			65,092.44
25	Reserve Commitment to Budget			
26	Reserve Commitment to SOI/MSR Mandated Process FY 09-10			30,000.00
27	Total Budgeted FY 09-10 For SOI/MSR Mandates			87,040.00
28	Total Budgeted FY 09-10			225,202.32
29	Balance of Reserves From Prior Fiscal Years			
30	Legal Reserves			20,000.00
31	Service Review Reserves			15,000.00
32	Operational Reserves			97,000
33	Total			132,000

AGENDA ITEM 5—CASPAR SOUTH WATER DISTRICT REPORT

Upon direction of Chair Melo, Executive Officer McMichael provided a review of this issue and the agenda report. After this review, discussion ensued amongst the commissioners and questions were provided to Executive Officer McMichael and to Deputy County Counsel Terry Gross regarding the information in the agenda report and E.O. McMichael's recommendation that a MSR not be conducted at this time. After this question and review process, Chair Melo provided the opportunity for public input from the audience.

Roy Falk from Caspar South community spoke about the remaining CSWD board members making decisions without a quorum by the board, David Berry's historical conflict of interest because of his involvement in decisions about purchase by CSWD of property adjacent to his ownership and the general failure of the CSWD board to follow the rules and requirements of law for board members. He also took issue with E.O. McMichael's recommendation to not conduct a service review at this time.

Lee Howard, Redwood Valley, encouraged the Commission to not change the priorities of the service review process and indicated that members of the community had other options as detailed in the agenda report to pursue but it would take local effort.

After receipt of this information and additional discussion, the Commission indicated that a service review for the CSWD should not be pursued at this time and that this item should not be returned again as an agenda item.

AGENDA ITEM 6—FORMATION OF COMMUNITY ENERGY AUTHORITY IN MENDOCINO COUNTY

Commissioner Orth reported on the status of the REMADE proposal to add an Area Energy Authority power to the Joint Powers Agreement of MCOG at their meeting that afternoon. He said that due to the Executive Officer's illness, he would not ask him to appear at that meeting as proposed in the agenda information but if the commission showed support he would provide that information to the MCOG commissioners. After discussion, Commissioner Orth entered a motion that Mendocino LAFCO supported approval of the REMADE proposal by the MCOG commission, seconded by Commissioner Kisslinger. The motion was unanimously approved by the following vote: Ayes: Rodin, Kisslinger, McCowen, Orth, Smith and Chair Melo. Nays: None: Abstain: None; Absent: Ruff.

AGENDA ITEM 7—EFFECT ON LAFCO OF PROPOSED INITIATIVE TO AMEND THE GENERAL PLAN AND THE INLAND ZONING CODE OF THE COUNTY OF MENDOCINO AND ENACT THE MENDOCINO CROSSINGS MIXED USE MASONITE PLAN

This item was placed on the agenda as direction from the Commission at the April meeting.

Upon direction of the Chair, Executive Officer reviewed his agenda report. After review of this report, various commissioners directed questions to the E.O. and provided observations about their understanding of this issue. In addition, various comments were provided as to the need for more detailed information and the need for continued review of this issue. After extensive discussion, Executive Officer McMichael was directed to develop additional information and a more detailed report regarding service impact issues, to work with County staff regarding this issue and to provide information as appropriate to the Board of Supervisors. Additionally, direction was given to provide an agenda item for this issue for the next meeting of LAFCO.

AGENDA ITEM 8—REPORTS

Executive Officer McMichael had previously provided a report regarding waiver of fees for the Fort Bragg Rural Fire District. There were no reports from Commissioners.

AGENDA ITEM —ADJOURNMENT

Having no further business, the meeting adjourned at 12:40 p.m.