

**Resolution No. 2022-23-09**  
**of the Mendocino Local Agency Formation Commission**

**Conditionally Approving the Ford Road, Kunzler Ranch Road, and Carter Lane Out-of-Agency Services Agreement Area for Wastewater Services from the City of Ukiah and Ukiah Valley Sanitation District and Finding of Exemption Pursuant to the California Environmental Quality Act**

WHEREAS, the Local Agency Formation Commission of Mendocino County, hereinafter referred to as the “Commission”, administers California Government Code Section 56000 et. seq., known as the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000; and

WHEREAS, the Commission may authorize a city or district to provide new or extended services by contract or agreement outside its jurisdictional boundary but within its sphere of influence (SOI) in anticipation of a later change of organization in accordance with California Government Code Section 56133; and

WHEREAS, the Commission received an out-of-agency services agreement (OASA) application on November 18, 2022 from the City of Ukiah (City) and Ukiah Valley Sanitation District (UVSD or District), hereinafter referred to as “application”, requesting the approval of an OASA involving wastewater services to twelve parcels within the unincorporated area located on Ford Road, Kunzler Ranch Road, and Carter Lane, identified by the Mendocino County Assessor’s Office as APNs 170-200-03, 170-200-04, 170-200-05, 170-200-06, 170-200-07, 170-200-08, 170-200-09, 170-200-18, 170-180-08, 170-180-13, 170-180-14, 169-130-76 (the “OASA Area”); and

WHEREAS, the application for the OASA Area is located outside the jurisdictional boundaries of the City and District and is located within the City’s SOI boundary adopted by the Commission on December 19, 2022; and

WHEREAS, although there are no known proposed development projects within the OASA Area to determine the extended wastewater service demands, the City/District has sufficient capacity to serve the properties in the proposed OASA Area at the current zoning and density; and

WHEREAS, the application, located outside the City and District boundaries but within the City’s sphere of influence, satisfies the anticipation of later annexation requirement pursuant to Government Code Section 56133(b) and extraordinary circumstances and applying strict limitations for extensions of service to new development pursuant to Mendocino LAFCo Policy 12.2.2; and

WHEREAS, the application meets the statutory criteria outlined in LAFCo law and adopted local policy requirements; and

WHEREAS, the Executive Officer gave sufficient notice of a public hearing on the application to be conducted by the Commission in the form and manner provided by law; and

WHEREAS, the Executive Officer’s report and recommendations on the application were presented to the Commission in the manner provided by law and adopted local policy; and

WHEREAS, the Commission heard and fully considered all the testimony and evidence presented at a public hearing held on the application on March 6, 2023.

NOW, THEREFORE, the Mendocino Local Agency Formation Commission does hereby RESOLVE, DETERMINE, and ORDER as follows:

1. The Commission finds the application is exempt from further review under the California Environmental Quality Act under the General Rule Exemption pursuant to Title 14 of the California Code of Regulations (14 CCR) §15061(b)(3), and approves the Notice of Exemption for filing. It can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. This is because the application seeks to extend sewer services to parcels that will otherwise develop with the installation of septic systems, which are not suitable for the anticipated scale of development. The application will not have a significant effect on the environment, and may have an environmental benefit by avoiding the need for the development of multiple septic systems in a floodplain area, which could present cumulative environmental concerns due to known flood hazards in the area and proximity to the Russian River.
2. The Ford Road, Kunzler Ranch Road, and Carter Lane Out-of-Agency Services Agreement Area for Wastewater Services from the City of Ukiah and Ukiah Valley Sanitation District is conditionally approved, subject to the following terms and conditions.
  - a) The properties subject to the out-of-agency services agreement area approval shall be defined by the map depicted in Exhibit “A”, attached hereto and incorporate herein by reference.
  - b) The Commission’s approval of the identified OASA Area for extension of wastewater services is not anticipated to induce growth or create a significant change in buildout potential since the OASA Area is expected to develop with septic systems in the absence of sewer connection. The extension of wastewater services is to ensure that expected growth under the zoning and General Plan can be supported by appropriate infrastructure and followed by annexation. The City and/or District shall provide the Executive Officer annual written updates on development and annexation progress in the OASA Area (electronic communication is adequate).
  - c) The continued cooperation between the City and District is required to ensure the commitment for orderly annexation to the City, which requirement has been satisfied by the execution of the City-District Interim Service Agreement shown in Exhibit “B”, attached hereto and incorporated herein by reference. If the City and/or District anticipate terminating the Interim Service Agreement under its terms allowing cancellation by either the City or the District upon five-years prior written notice to the other party, or by mutual agreement to terminate, the City and District must provide prompt written notification to the Executive Officer of any interagency notice or mutual agreement to terminate the Interim Service Agreement. In advance of termination of the Interim Service Agreement, the City and District will be required to appear before the Commission on the matter. Upon notice received by LAFCo, no additional applications for extension of services within the OASA Area will be processed by LAFCo under this approval. LAFCo will not prevent, limit or interrupt wastewater services subject to this OASA Area approval for individual properties that already have a sewer connection in place or that have commenced construction of the sewer connection line, so long as those properties have completed the LAFCo Annexation Consent Agreement and Covenant document.
  - d) The LAFCo Annexation Consent Agreement and Covenant document is required for each property to be signed by the existing owners on title consenting to future annexation of

the subject territory to the City of Ukiah. The document shall be recorded to bind future owners of the property, among other things.

- e) Upon City and/or District receipt of written notice from the Executive Officer confirming the Annexation Consent Agreement and Covenant documentation is valid, and satisfactory completion of any other conditions of approval, the City and/or District may commence construction of sewer connection lines and associated infrastructure to the subject property in compliance with all applicable federal, state, and local laws and regulations.
3. A Certificate of Completion is not filed for out-of-agency services agreements. Therefore, the effective date of the out-of-agency services agreement conditional approval for the OASA Area shall be the date of execution of this resolution. Any work commenced or costs incurred by the City and/or District prior to satisfying all conditions of this conditional approval, and within the CEQA statute of limitations timeframe related to discretionary actions, are completed at the agency's own risk.

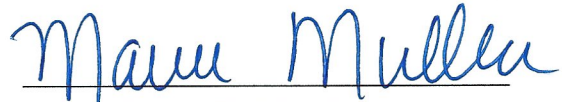
PASSED and ADOPTED by the Local Agency Formation Commission of Mendocino County this 6th day of March 2023 by the following vote:

AYES: *Gonzalez, Ward, Mulheren, Rodin, Christen, Horsley*

NOES:

ABSTAIN:

ABSENT:



MAUREEN MULHEREN, Commission Chair

ATTEST:

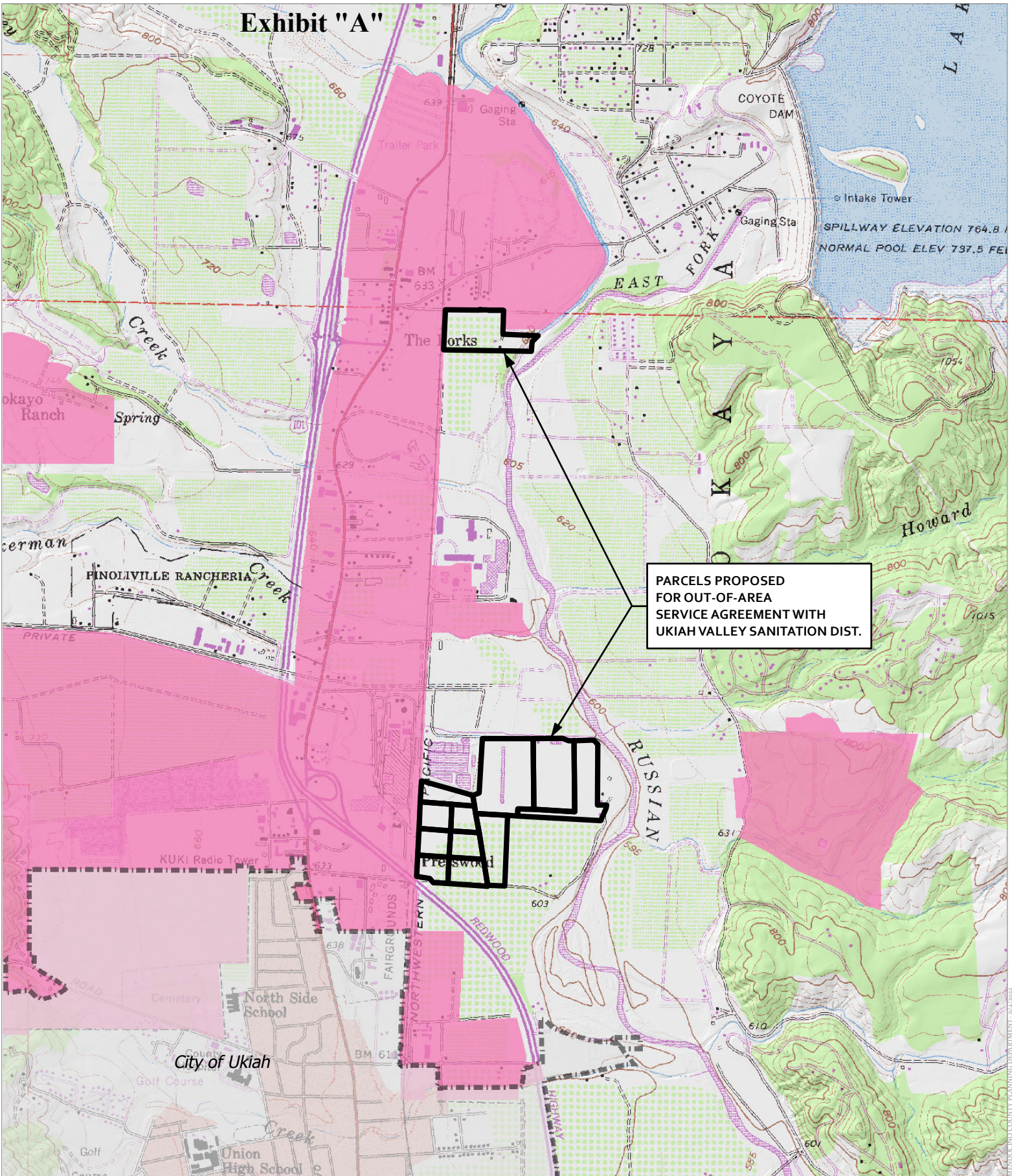
  

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UMA HINMAN, Executive Officer

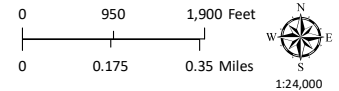


# Exhibit "A"



Map produced by the Mendocino County Planning & Building Svcs. Dept., November 2022  
 Coordinate System: NAD 83, Calif. State Plane Zone II  
 Projection: Lambert Conformal Conic  
 Parcel Data: Mendocino County Information Services, October, 2018  
 Aerial Imagery: US Dept. of Agriculture/ArcGIS Online mosaic  
 Topographic Data: USGS 7.5 minute quad series Mount Diablo Base & Meridian  
 Parcel numbers are for tax purposes only and do not represent legal or salable parcels.  
 All spatial data is approximate. This map is not a substitute for a proper land survey.

-  Major Towns & Places
-  City Limits



## LOCATION MAP

**THIS MAP AND DATA ARE PROVIDED WITHOUT WARRANTY OF ANY KIND.  
 DO NOT USE THIS MAP TO DETERMINE LEGAL PROPERTY BOUNDARIES**



AGREEMENT BETWEEN  
THE UKIAH VALLEY SANITATION DISTRICT AND THE CITY OF UKIAH  
REGARDING PROVISION OF INTERIM SEWER SERVICES AND OUT OF AREA  
SERVICE AGREEMENTS

This Agreement Regarding Out of Area Service Agreements and Interim Sewer Services ("Agreement") is made and entered into this 8<sup>th</sup> day of June, 2022, by and between the UKIAH VALLEY SANITATION DISTRICT, a county sanitation district organized under the laws of the State of California ("District") and the CITY OF UKIAH, a California municipal corporation ("City"). District and City are individually referred to as a "Party" and together as the "Parties."

RECITALS

WHEREAS, the Parties provide sewer services within their respective jurisdictions and have received requests to extend sewer service to various properties outside of their jurisdictional boundaries; and

WHEREAS, under Government Code section 56133, the Mendocino Local Agency Formation Commission ("LAFCo") may authorize a district to provide services outside its boundaries and sphere of influence ("SOI") pursuant to a written out of area service agreement ("OASA"); and

WHEREAS, the Parties desire to provide sewer service to those properties; and

WHEREAS, the City has submitted an annexation application to the Mendocino Local Agency Formation Commission (LAFCo) to annex City-owned properties in five areas within Mendocino County and a pre-application for the proposed annexation of areas north of Ukiah (Masonite/Ford Road area), and desires to annex other areas within the County, including the District (collectively referred to in this Agreement as "City Annexations"); and

WHEREAS, LAFCo is developing the Municipal Service Review (MSR)/SOI Update Study for LAFCo consideration of City and District proposals for annexations and/or extensions of service; and

WHEREAS, the Parties desire to enter into this Agreement regarding (i) the provision of interim sewer services for properties requesting out of area service until (1) the area upon which those properties are situated are annexed by the City or (2) the City annexes sufficient additional portions of the District to qualify the District for reorganization as a subsidiary district of or merger with the City under applicable provisions of the Cortese–Knox–Hertzberg Local Government Reorganization Act of 2000 ("CKH Act"), including Government Code §57105 and (ii) the terms under which both Parties are willing to support City annexation.

NOW, THEREFORE, for and in consideration of the mutual promises and covenants herein contained, and subject to the terms, conditions, and provisions hereof, the Parties hereto agree as follows:

## AGREEMENT

1. Incorporation of Recitals. The recitals set forth above are hereby incorporated into this Agreement as if set forth herein in full.

2. Term. The term of this Agreement shall commence on June 8, 2022 ("Commencement Date") and continue in effect until (1) the District becomes either a subsidiary district within the City or the District is merged with the City pursuant to Government Code Section 57105 or other applicable provisions of the CKH Act or state law, (2) the entire District is annexed by and detached from the City, (3) either the City or the District cancels this Agreement on 5 year's prior written notice to the other party, or (4) both the City and District mutually agree to terminate this Agreement.

3. Sewer Service. Until such time as the earliest of the following occurs, District shall have first rights of refusal to provide, at its sole discretion, sewer service to the areas outside the City's and District's jurisdictions: (1) the area is annexed to City; or (2) the Parties mutually agree otherwise. Said sewer service shall be at the same level of service as that provided throughout the District.

### 4. Mutual Cooperation

A. Out of Area Service Agreement (OASA). The City, as the applicant for annexation, shall prepare OASAs at the direction of the District to serve areas where development could occur with sewer services. The City shall submit sewer service related OASAs to the District for review and approval prior to filing with LAFCo. This Agreement and any OASA related tax sharing agreement with Mendocino County shall be attached to and incorporated by reference into any OASA submitted to LAFCo under this Agreement. The District shall reimburse the City for costs the City incurs to file the OASA, and the District may recover those costs from the property owners that request and receive out of area sewer service. For OASAs approved by LAFCo under this Agreement, the District shall collect all fees associated with providing such services from sewer customers of the affected parcels. During the term of this Agreement, the District shall be responsible for all costs associated with providing such services.

B. The City agrees that it will not apply to LAFCo for detachment of District territory from the City's jurisdictional boundaries as those boundaries currently exist or as they are changed by future City Annexations.

- C. District agrees to support City Annexations and to work cooperatively with City regarding revisions to the City's General Plan, Municipal Service Review and Sphere of Influence necessary or advisable to enable City Annexations and not to propose or seek LAFCo approval for or support proposed provisions in the District's MSR or SOI that would inhibit, conflict with, or prevent such City Annexations and/or reorganizations, as described in this Agreement.
- D. Pursuant to Government Code Section 57105 or other applicable provisions of state law, the District will support and urge LAFCo to approve either designating the District as a subsidiary district of the City or merger of the District with the City at such time as 70% or more of registered voters in the District are within the City limits and 70% of the area of land within the District is within the City's jurisdictional boundaries or when those reorganizations are otherwise authorized by state law.
- E. The District will support and cooperate with the City in seeking special legislation to amend the CKH Act to authorize merger of the District with the City when 70% or more of registered voters in the District are within the City limits without regard to the area of District land that is within the City, subject to reasonable conditions that are agreeable to both parties.

5. Indemnity. Neither Party, its officers, agents or employees, shall have any liability for intentional or negligent acts, by omission or commission, by the other party, or of any officer, agent or employee thereof. Each Party shall indemnify, defend and hold the other party, including their respective officers, agents, employees and independent contractors, harmless from any claim or action arising out of performance of this Agreement with respect to any work to be performed by or authority delegated to such party.

6. Modification and Termination. This Agreement may not be modified, terminated or rescinded, in whole or in part, except by a written instrument duly executed and attested by the Parties hereto or their successors or assigns.

7. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

8. Notices. All notices to be delivered hereunder, if personally delivered, shall be deemed received when delivered. If mailed in the United States mail, notices shall be mailed postage prepaid, registered or certified, with return receipt requested, and shall be deemed delivered on the date stated on the return receipt. If mailed in any other manner, including by email with acknowledgment of receipt, notices shall be deemed received on actual receipt. Notices shall be mailed in the above manner to the following addresses:



**UKIAH VALLEY SANITATION DISTRICT**

151 Laws Avenue  
Ukiah, CA 95482  
Attn: General Manager  
Email: [aa@uvsd.org](mailto:aa@uvsd.org)

**CITY OF UKIAH**

City of Ukiah Civic Center  
300 Seminary Avenue  
Ukiah, CA 95482  
Attn: City Manager  
Email: [cityclerk@cityofukiah.com](mailto:cityclerk@cityofukiah.com)

Either Party may from time to time change its address for notice by notifying the other party of such new address.

9. Entire Agreement. This instrument and any authorized attachments thereto contains the entire Agreement between the Parties relating to the obligations of the City and District as described in this Agreement. All prior or contemporaneous agreements, understandings, representations and statements, oral or written, are merged into this Agreement and shall be of no further force or effect.

10 Waiver. Failure of any Party to insist upon strict performance of any of the terms, conditions or covenants in this Agreement will not be deemed a waiver of any right or remedy that Party may have and will not be deemed a waiver of any right or remedy for a subsequent breach or default of the terms, conditions or covenants contained in this Agreement, nor will it constitute a precedent for interpretation of this Agreement.

11. Severability. If any term, provision, covenant or condition of this Agreement is held to be invalid, void or otherwise unenforceable, to any extent, by any court of competent jurisdiction, the remainder to this Agreement shall not be affected thereby, and each term, provision, covenant or condition of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

12. Counterparts. This Agreement may be executed and delivered in any number of counterparts, each of which, when executed and delivered shall be deemed an original and all of which together shall constitute the same agreement. Facsimile or electronic signatures will be permitted.

13. Authority to Execute Agreement. The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that, by so executing this Agreement, the parties hereto are formally bound to the provisions of this Agreement.

14. No Third Party Beneficiaries Intended. No person or entity not a named party to this Agreement is intended as a beneficiary of any provision of this Agreement or to have



any standing or authority to enforce any provision of this Agreement. No such third-party beneficiaries are intended or created.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

**UKIAH VALLEY SANITATION DISTRICT      CITY OF UKIAH**

  
\_\_\_\_\_  
Ernie Wipf, Chair, Board of Directors

  
\_\_\_\_\_  
Jim Brown, Mayor

ATTEST:

  
\_\_\_\_\_  
Chelsea Teague, Board Secretary

ATTEST

  
\_\_\_\_\_  
Kristine Lawler (Jun 20, 2022 14:04 PDT)  
Kristine Lawler, City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Joanna Gin, General Counsel

APPROVED AS TO FORM:

  
\_\_\_\_\_  
David Rapport, City Attorney