

MENDOCINO

Local Agency Formation Commission

Ukiah Valley Conference Center | 200 South School Street | Ukiah, California 95482
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COMMISSIONERS

Carre Brown, Chair
County Board of Supervisors

Tony Orth, Vice Chair
Brooktrails Township CSD

Gerald Ward, Treasurer
Public Member

Gerardo Gonzalez
Willits City Council

John Huff
Mendocino Coast Recreation
and Park District

Scott Ignacio
Point Arena City Council

John McCowen
County Board of Supervisors

Jenifer Bazzani, Alternate
Ukiah Valley Fire District

Will Lee, Alternate
Fort Bragg City Council

Carol Rosenberg, Alternate
Public Member

Ted Williams, Alternate
County Board of Supervisors

STAFF

Executive Officer
Uma Hinman

Analyst
Larkyn Feiler

Commission Clerk
Vacant

Counsel
Scott Browne

Regular Meetings

First Monday
of each month
at 9:00 AM
in the Mendocino
County Board
of Supervisors Chambers
501 Low Gap Road

Approved by Commission October 7, 2019

MINUTES

Local Agency Formation Commission of Mendocino County

Regular Meeting of Monday, September 9, 2019

County Board of Supervisors Chambers, 501 Low Gap Road, Ukiah, California

1. CALL TO ORDER and ROLL CALL (Video Time 2:22)

Chair Brown called the meeting to order at 9:02 a.m.

Regular Commissioners Present: Carre Brown, Gerardo Gonzalez, Scott Ignacio, John McCowen, Tony Orth, and Gerald Ward

Regular Commission Absent: John Huff

Alternate Commissioners Present: Carol Rosenberg and Jen Bazzani

Alternate Commissioners Absent: Will Lee and Ted Williams

Staff Present: Uma Hinman, Executive Officer

Commissioner Bazzani was immediately seated as the Special District representative in Commissioner Huff's absence.

2. PUBLIC EXPRESSION (Video Time 2:58)

No one from the public indicated interest in public expression.

3. OTHER BUSINESS (Video Time 3:10)

None.

4. CONSENT CALENDAR (Video Time 3:16)

4a) Approval of the August 5, 2019 Regular Meeting Summary (Video Time 03:16)

The following edits were requested to the August 5, 2019 Regular Meeting Minutes:

- Item 5a) should read "Upon motion by ~~Treasurer~~ Commissioner Ward..."
- Item 7b) correct punctuation "The Treasure's..."

Upon motion by Commissioner McCowen and second by Commissioner Orth, Consent Calendar item 4a) Approval of the August 5, 2019 Regular Meeting Summary, with noted edits, was approved by roll call vote:

Ayes: (7) Bazzani, Brown, Gonzalez, Ignacio, McCowen, Orth, and Ward

4b) Approval of the August 2019 Claims & Financial Report (Video Time 05:06)

Treasurer Ward noted corrections to the budget tracking sheet and petty cash report:

- Russian River Flood Control District balance tracking should be \$956.
- Expense and Application total for 1st quarter should equal the year to date.
- Petty cash expense of \$93 for the Weger Application should be expensed in the month it is paid. Staff confirmed that it will be an expense billed to the Applicant.

<u>August 2019 Claims totaling</u>	<u>\$ 12,394.79</u>
Hinman & Associates Consulting	\$ 8,753.25
P. Scott Browne	\$ 600.00
Ukiah Valley Conference Center	\$ 512.95
Commissioner Stipends & Reimbursements	\$ 393.72
Newspapers	\$ 54.87
CALAFCO Conference Registrations	\$ 2,080.00
<i>(Commissioners Orth, McCowen, Ignacio, and EO Hinman)</i>	

NOTE: CALAFCO Conference Registrations totaling \$2,600 was approved for 4 Commissioners and the Executive Officer. The number of Commissioners attending went down to 3 following the meeting; the Claim was reduced accordingly to \$2,080.

Upon motion by Commissioner Gonzalez and second by Commissioner McCowen, Consent Calendar item 4b) Approval of the August 5, 2019 Claims and Financial Report, with noted edits, was approved by roll call vote:

Ayes: (7) Bazzani, Brown, Gonzalez, Ignacio, McCowen, Orth, and Ward

5. PUBLIC HEARING ITEMS (Video Time 07:16)

None

6. WORKSHOP ITEMS (Video Time 07:23)

None

7. MATTERS FOR DISCUSSION & POSSIBLE ACTION

7a) Informational Report on Tax-Share Agreements (Video Time 07:30)

EO Hinman presented the staff report, discussing the tax share negotiation and agreement process and outlining LAFCo's role and responsibility under Revenue & Tax Code Section 99. Comments and questions were offered by Commissioners Brown, Gonzalez, McCowen, Orth, Rosenberg and Ward.

Commissioner Orth suggested the report be provided to applicants and responsible parties. Commissioner McCowen offered the following edits for the report:

- Add language to clarify that any tax share agreement would require a 4/5ths vote.
- Page 18 of 50: Add clarifying language to second sentence: "...for that area and prior to annexation negotiates..."
- Page 21 of 50, Attachment B: Add in step for agency approval/denial of the negotiated agreement.

Commissioner Ward requested background on the expired City of Fort Bragg tax sharing agreement and the potential for future tax share agreements between the County and Cities. Commissioners Brown and McCowen offered their recollections on the history of tax share agreements and efforts to date between the City of Ukiah and the County. Commissioner Ward encouraged the preparation of a financial study for the tax share negotiation process prior to application submittal with deposit, which may be helpful to applicants.

Commissioner McCowen noted that only tax sharing agreement required by the state that applies to annexations is the property tax. Post Prop 13 there is a shift towards including sales tax and TOT in tax share negotiations.

Commission direction to staff:

- Send this staff report as information to member agencies and advise them that we will be updating our applications to align with state law and Mendocino LAFCo Policies & Procedures.
- Post information on the LAFCo website.

7b) CALAFCO 2019 Conference and Business Meeting (Video Time 32:00)

- A. Selection of Commissioners to attend the annual CALAFCO Conference in Sacramento on October 30 - November 1, 2019.

Commissioners Ignacio, McCowen and Orth will attend the 2019 CALAFCO Conference. Commissioner Gonzalez expressed interested in attending, and will advise staff by the end of the week.

- B. Assign a voting and alternate delegate to attend and participate in the regional caucus and CALAFCO Annual Business Meeting on October 31, 2019 during the annual conference. (Video Time: 38:54)

Upon motion by Commissioner Ignacio and second by Commissioner Gonzales, Commissioner McCowen was selected as the Voting Delegate and Commissioner Orth selected as the Alternate Delegate.

Ayes: (7) Bazzani, Brown, Gonzalez, Ignacio, McCowen, Orth, and Ward

- C. CALAFCO proposed new dues structure for consideration at the 2019 Annual Business Meeting. (Video Time: 41:36)

Comments and questions were offered by Commissioners Brown, Gonzalez, Ignacio, McCowen, Orth, Rosenberg, and Ward. Commissioners expressed concern that the base dues were too high, noting that the proposed dues structure benefits LAFcos of counties with larger populations. Chair Brown directed staff to solicit input from other small LAFcos and agendize the proposal for discussion at the next Regular Meeting.

8. INFORMATION/ REPORT ITEMS

8a) Work Plan, Current, and Future Proposals (Video Time: 50:35)

EO Hinman presented the staff report, noting that a new Pre-Application consultation request was received from the Russian River Flood Control District to explore options for providing water service to the Redwood Valley County Water District. Additionally, all Work Plan tasks have been initiated.

Commissioner Orth noted that the Mendocino Coast Health Care District is going through some organizational and/or service changes that may change the application of the Measure C tax and recommended making the applicant for the detachment application aware of the potential changes. Commissioner Orth also noted the potential nexus between emergencies and the Russian River Flood Control Pre-Application regarding providing water to Redwood Valley County Water District.

Commission Ward requested background information on the Moores' Annexation Application that is on hold. EO Hinman provided a summary of recent phone calls with Mr. Moores, noting that he has been advised that funds must be submitted to LAFco for both the outstanding balance due and a deposit to cost to restart the application.

8b) Correspondence (Video Time: 56:15)

EO Hinman noted the Letter of Commitment to the Strategic Growth Council for the Sustainable Ag Lands Program grant application. Chair Ward requested clarification regarding the number of staff match and reimbursable hours committed to the project. EO Hinman clarified commitment of a total of 142 hours, 40 of which will be match.

8c) Executive Officer's Report (Video Time: 57:40)

EO Hinman reported on the following:

- State Controller's Office notice that two districts had not submitted annual financial reports: Anderson Valley Cemetery District (failed to file) and Mendocino Coast Health Care District (non-compliant).

- Pacific Internet applied a \$15 refund to Mendocino LAFCo's account for email service disruptions in July. Staff is researching alternate providers for next fiscal year.
- Staff attended the City of Ukiah's Workshop on Land Use Policy Directives on August 27, 2019. The City Council voted to support reaffirming its existing 1984 sphere of influence. EO Hinman spoke, noting LAFCo policies related to preservation of agricultural lands and open space (Policies 1.2, 9.13, and 10.1.7).
- Notice of Selection sent to Audit firms who submitted proposals for LAFCo's FY 2018-19 Audit.
- Public Records Act request regarding the Mendocino City Community Service District.
- Initiating process to fill upcoming vacant Alternate Public Member seat.
- Status update on filling the Clerk position.

8d) Committee Reports (Video Time: 1:01:21)

None

8e) Commissioners Reports, Comments or Questions (Video Time: 1:01:41)

Chair Brown directed staff to set a procedure and schedule for an annual evaluation of the Executive Officer's staff services contract, at which time the contractor's Certificate of Insurance will be due. Commissioner Ward recommended a March to March timeframe to align with the annual budget development process. Chair Brown will initiate the process for the evaluation.

Chair Brown requested a status update of AB 1304, noting it may be applicable to the issues LAFCo Legal Counsel was researching regarding Tribal lands and water district boundaries and spheres of influence. Commissioner Ignacio reported that the legislative status indicates the bill was tabled. The Commission directed staff to contact the Round Valley County Water District and LAFCo's Legal Counsel for an update of the issue.

8f) CALAFCO Business and Legislation Report (Video Time: 1:12:50)

EO Hinman noted the legislative report was in the staff report, specifically noting pending legislation regarding failing wastewater districts and mandatory extensions of service.

ADJOURNMENT

There being no further business, at 10:15 a.m. the meeting was adjourned. The next regular meeting is scheduled for Monday, October 7, 2019 at 9:00 a.m. in the County Board of Supervisors Chambers at 501 Low Gap Road, Ukiah, California.

Live web streaming and recordings of Commission meetings are now available via the County of Mendocino's YouTube Channel. Links to recordings and approved minutes are also available on the LAFCo website.

<https://www.youtube.com/watch?v=3B7qrL-xfkw>