

MENDOCINO

Local Agency Formation Commission

Ukiah Valley Conference Center | 200 South School Street | Ukiah, California 95482
Telephone: (707) 463-4470 | E-mail: eo@mendolafco.org | Web: www.mendolafco.org

Approved April 18, 2023

Executive Committee Meeting Minutes

Meeting (Hybrid) of March 22, 2023, 11:00 a.m.

Chardonnay Room, Ukiah Valley Conference Center, 200 S School St, Ukiah, California

COMMISSIONERS

Maureen Mulheren, Chair
County Member

Gerald Ward, Vice-Chair/Treasurer
Public Member

Gerardo Gonzalez
City Member

Katharine Cole
Special District Member

Candace Horsley
Special District Member

Glenn McGourty
County Member

Mari Rodin
City Member

Francois Christen, Alternate
Special District Member

Douglas Crane, Alternate
City Member

John Haschak, Alternate
County Member

Richard Weinkle, Alternate
Public Member

STAFF

Executive Officer
Uma Hinman

Clerk/Analyst
Larkyn Feiler

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, Ukiah

1. CALL TO ORDER & ROLL CALL

Chair Mulheren called the meeting to order at 11:00 a.m.

Members Present: Chair Mulheren, Vice Chair/Treasurer Ward, Commissioner Rodin
Staff Present: Executive Officer Uma Hinman, Clerk/Analyst Larkyn Feiler, Legal Counsel Marsha Burch

2. AB 2449 COMMISSIONER REQUEST

2a) Commissioner Teleconference Request for "Just Cause"

Upon motion by Commissioner Ward and second by Chair Mulheren, the request from Commissioner Rodin to participate via videoconference under the "just cause" circumstance per AB 2449 and Mendocino LAFCo Policy 3.8.1.1 was approved unanimously. The brief general description of the circumstances necessitating remote participation was child care and Commissioner Rodin confirmed verbally and through video technology that no other individuals were present in the room.

3. PUBLIC EXPRESSION

None

4. MATTERS FOR DISCUSSION & POSSIBLE ACTION

4a) Approval of the January 9, 2023 Executive Committee Minutes

Upon motion by Commissioner Ward and second by Chair Mulheren, the January 9, 2023 Executive Committee Meeting Minutes, including an amendment to Item 3c to clarify staff direction to discuss with Mr. Browne a legal services Request for Proposals (RFP) process, were approved unanimously.

Commissioner Rodin requested a status update on the RFP for Legal Counsel Services and EO Hinman explained that eight RFP responses were received, the Personnel Committee is scoring the responses, and the Executive Committee will consider firms/attorneys in the first two weeks of April and make a recommendation to the Commission.

4b) Proposed Draft Preliminary Budget and Work Plan for Fiscal Year 2023-24

The Executive Officer presented a preliminary Fiscal Year 2022-23 budget and work plan.

The following local agency staff participated in the discussion: Craig Schlatter, Community Development Director for the City of Ukiah.

Following is a summary of the discussion points organized by topic for ease of review:

Work Plan

There is on-going concern that the Work Plan does not get completed each year and results in unused budget. Mendocino LAFCo is not keeping up with the 5-year MSR/SOI schedule, and 50% of the total agencies are due. Local policy of MSR/SOI updates every 5-years for agencies providing municipal services (water, sewer, fire, police). Although the 5-year review schedule is in the CKH, most LAFCOs hit the 8 to 10-year mark for MSR/SOI updates. Comprehensive studies are relevant longer than 5-years and are useful for agency and State Legislative staff. Mr. Schlatter noted that the recent process of aligning the MSR/SOI Update with the City of Ukiah General Plan Update was very successful. He further added that cities provide an annual update to the Office of Planning and Research on General Plan implementation and any significant changes and, if helpful, these updates could be provided to LAFCo.

For many special districts, there are no significant changes in the organization or operations in a 5-year period. One suggestion for streamlining the 5-year MSR/SOI schedule is to identify agencies without significant changes since the prior study and bring an item to the Commission to confirm no changes are needed for the agency's SOI. An MSR review checklist type approach would require developing guidelines for what triggers or demonstrates significant changes since the prior study. A significant change could be represented by a proposed agency annexation and result in a concurrent MSR/SOI. For a city, a significant change could be relative to the lack of progress on annexations identified in their General Plan.

Commissioner Ward noted that it would be helpful for commissioners to attend agency Board meetings to outreach/educate on LAFCo and MSR/SOI studies.

Policies & Procedures Update, Application Forms/Streamlining

One area of streamlining application processes involves mapping requirements and timing discrepancies between the State Board of Equalization and County Surveyor for jurisdictional boundary changes.

Legal Services

The proposed \$11,000 budget increase is to allow for potential rate increases through the legal services RFP process and to rely more heavily on Counsel for policy/procedure development support and CEQA review/comments.

Staff Capacity

There was a cost savings when Clerk activities included bookkeeping, drafting minutes, answering calls, etc. The EO needs to be directly involved in the finances and all calls were already directed to the EO from the Clerk. It is difficult to find a qualified applicant to fill the Clerk position, especially due to the need for local government experience. The goal is to hire an Administrative Assistant that can eventually graduate into a Clerk role. Since we are not seeking a full-time employee, finding candidates with the technical experience and skills needed to supplement the Analyst role is difficult to obtain. The additional support will be most readily and effectively met by contractors already in the field at higher rates. Hinman & Associates has received over 70 job applications and none are qualified applicants. It is difficult to attract and retain quality employees for part-time work; training potentially short-term staff can be a wasteful investment of limited resources.

LAFCo staff capacity is getting consumed with application processing. Once the tax share process is complete, multiple applications will move forward.

Commissioner Rodin noted that outsourcing is more feasible for the work plan than application processing because there are more contractors that prepare MSR/SOI Updates and applications require local knowledge and familiarity with local policies and practices.

Prior Commission direction has been to prioritize application processing and core staff services over the work plan.

LAFCo staff recognizes the in-house staff limitations and is recommending an outsourcing solution to get the outstanding workload completed.

The options to boost staff capacity include hiring part-time employees or subcontractors under Hinman & Associates and a LAFCo RFP for more complex, costly, and/or controversial MSR/SOI studies.

Budget Increases

The budget continues to increase every year, and it is necessary to demonstrate that we are producing results.

Commissioner Ward noted that there are proposed increases in budget categories that are currently underutilized (Basic Services, Legal, Work Plan).

The proposed budget increases address inflation (current CPI is 8.27%), the need for Policies & Procedures updates and application streamlining, and to outsource the Work Plan at higher contractor rates.

The preliminary Work Plan includes the coastal water agencies. Water agencies provide critical services and there are many water districts struggling to meet their service demands. It is premature to address the inland water agencies during State Water Board (SWRCB) consolidation efforts so it is proposed to delay those until the following FY

The Ukiah Valley Sanitation District RFP bids in 2020 were roughly \$50,000 for one, single-service agency.

The prior 2014 coastal water/wastewater MSR study will need to be expanded to address interagency water hauling, to include potential consolidation determinations, and to research and address SWRCB regulations for failing systems. Staff also recommend including mutual water companies in the studies to gain a more comprehensive picture of water service provision in the region, particularly as the SWRCB has the authority to mandate consolidation of systems.

LAFCo Comparison

The comparison chart shows the overall budget breakout by staffing, work plan, and office costs.

Commissioner Rodin requested that for comparison purposes, it would be helpful to know how many agencies (cities & districts) are under LAFCos of similar population size.

Other LAFCo approaches to managing workload could offer some best practices and ideas for improvement.

Commissioner Ward noted that some other LAFCos put less work into their MSR/SOI studies.

Issues on the ground can be very unique to the locality and other LAFCos may not reflect this distinction.

Feedback/Direction

Commissioner Mulheren recommended highlighting the work and accomplishments from last year and overall progress made, further explain the more substantial unused or roll-over budget line items, and emphasize the plan for moving forward to get things done.

Emphasize the priority of doing comprehensive work upfront (MSR/SOI updates) to streamline processes down the line.

Committee members noted their support of the middle option for the budget increase and staff's proposed direction overall.

The Committee directed staff to schedule a Workshop on the preliminary Fiscal Year 2022-23 budget and work plan for the Commission's regular meeting in April, recognizing there are multiple new Commissioners who have not yet been through LAFCo's budget process.

5. INFORMATION AND REPORT ITEMS

5a) Executive Officer Report

EO Hinman noted that the Legal Counsel Services RFP process had already been discussed. Also noting that Katharine Cole from the Hopland Cemetery District was the only nomination received to fill the special district regular member seat and will be seated in April. Staff anticipates holding a LAFCo 101 training in May.

Chair Mulheren requested that all agency staff and Municipal Advisory Committees (MAC) be invited to LAFCo 101 for Brown Act and general local government support and training.

ADJOURNMENT

There being no further business, the meeting was adjourned at 12:27 p.m.