

MENDOCINO

Local Agency Formation Commission

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

Approved April 3, 2023

MINUTES

Mendocino Local Agency Formation Commission

Regular Meeting (Hybrid) of Monday, March 6, 2023

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

1. CALL TO ORDER and ROLL CALL (Video Time 9:50)

Chair Mulheren called the meeting to order at 9:06 a.m.

Regular Commissioners Present: Maureen Mulheren, Gerald Ward, Gerardo Gonzalez, Mari Rodin, Francois Christen (immediately seated as a regular member), and Candace Horsley (seated at 9:09 a.m. after the Oath of Office)

Regular Commissioners Absent: Glenn McGourty

Alternate Commissioners Present: Richard Weinkle and Douglas Crane

Alternate Commissioners Absent: John Haschak

Staff Present: Uma Hinman, Executive Officer; Larkyn Feiler, Clerk /Analyst; Marsha Burch, Legal Counsel

2. PUBLIC EXPRESSION (Video Time 11:15)

None

3. OTHER BUSINESS

Note: Item 3b was taken up again by the Commission after item 8c.

3a) Announcement of Commission Appointments and Oath of Office (Video Time 11:49)

Appointments to the Commission were announced, including Maureen Mulheren and Glenn McGourty as regular members and John Haschak as an alternate from the County Board of Supervisors, and Gerardo Gonzalez and Mari Rodin as regular members and Douglas Crane as an alternate from the City Selection Committee. The Oath of Office was administered to Special District elected representative Candace Horsley and City Alternate Douglas Crane.

3b) Selection of Officers and Committee Appointments (Video Time 14:02)

The Commission voted on officers for 2023.

Motion: Nominate Maureen Mulheren to serve as Chair for 2023.
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Motion Maker: Commissioner Gonzalez	Motion Second: Commissioner Rodin
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Roll Call Vote: Ayes: (6) Ward, Gonzalez, Rodin, Horsley, Christen, Mulheren

Motion: Nominate Gerald Ward to serve as Vice-Chair and Treasurer for 2023.
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Motion Maker: Commissioner Mulheren	Motion Second: Commissioner Christen
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Roll Call Vote: Ayes: (6) Christen, Horsley, Rodin, Gonzalez, Ward, Mulheren

4. CONSENT CALENDAR (Video Time 19:05)

4a) January 9, 2023 Regular Meeting Summary

4b) Ratify the January 2023 Claims & Financial Report

January 2023 Claims totaling:	\$ 23,487.19
Hinman & Associates Consulting	18,480.97
P. Scott Browne	2,205.00
Commissioner Stipends	199.13
Pehling (PNP CPA)	1,875.00
Streamline	50.00
Ukiah Daily Journal	99.59
Ukiah Valley Conference Center	577.50

4c) February 2023 Claims & Financial Report

February 2023 Claims totaling:	\$ 15,038.52
Hinman & Associates Consulting	12,183.62
P. Scott Browne	1,325.00
Comcast	99.66
Streamline	50.00
Mendocino County	825.24
Ukiah Valley Conference Center	555.00

4d) Fiscal Year 2021-22 Audit

4e) Renewal of Office Space Lease in the Ukiah Valley Conference Center

Motion: Approve the consent calendar.	
Motion Maker: Commissioner Rodin	Motion Second: Commissioner Gonzalez
Roll Call Vote: Ayes: (6) Ward, Gonzalez, Rodin, Horsley, Christen, Mulheren	

5. PUBLIC HEARING ITEMS (Video Time 20:50)

5a) PUBLIC HEARING 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 (File No. O-2022-03) and Finding of Exemption Pursuant to the California Environmental Quality Act

Chair Mulheren opened the Public Hearing at 9:17 a.m. to consider adoption of the Ford Road, Kunzler Ranch Road, and Carter Lane Out-of-Agency Services Agreement (OASA) Area application from the City of Ukiah (City) and Ukiah Valley Sanitation District (UVSD) to provide wastewater services to 12-parcels (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).

EO Hinman noted that the following agency representatives were present to answer questions: Craig Schlatter, City of Ukiah Community Development Director; Wing-See Fox, UVSD Interim General Manager; and Ernie Wipf, UVSD Board Chair.

Analyst Feiler provided a [staff presentation](#) on the item. (Video Time 22:00 - 28:37)

Commissioner Ward asked how septic systems are built in a floodplain, why the extension of services cannot wait until annexation, and what happens if the sewer line is constructed but the project does not proceed. Analyst Feiler responded that the septic systems are installed based on County permits and codes, an agricultural supply business in the Masonite Area has already developed with septic, and it is expected that development supported by septic systems would continue to occur. Staff also explained that the OASA is an interim step to prevent further development on septic systems and ensure future annexation through conditions of approval. Staff noted that the applicant might better address the infrastructure question and understood that projects would come forward one at a time; further, that since there is significant expense involved, property owners would likely have a high level of commitment.

Chair Mulheren noted, in response to Commissioner Ward's comment about doing this right, that the tax share process has been a hurdle to annexation for decades and has led to the need for an interim step so that development can move forward with sewer service. She further explained that the County Tax Share Ad Hoc Committee meets regularly and even multiple times a month to move that part of the process forward as soon as possible.

Commissioner Ward asked about the County's position on the sales tax revenue generated in this specific area and Chair Mulheren responded that it is the purpose of the Committee to address these questions. She explained that the Master Tax Share Agreement is being negotiated between all four cities and the two Supervisors with the goal to bring the draft agreement before the full Board of Supervisors as soon as possible.

In response to Commissioner Ward's question about the likelihood for success since development of a master tax share agreement has a long history of delays, Commissioner Horsley noted that she has been involved for a long time also and this is further along than ever before, the cooperation among the agencies is very high, and it appears that this will be the time that it actually happens.

Commissioner Ward noted that part of the difficulty has been the turn-over of elected officials involved and if the cooperation is there now then it is important to complete the process. Chair Mulheren added that it is a matter of timing and this is the right time with the level of cooperation to move this forward for the benefit of the community.

Commissioner Christen commented that especially if the agreement is not forthcoming, the extension of services is a good interim solution. He explained that it has been a seven-year process so far to create a wastewater system in the Boonville community and, in the meantime, wells are contaminated so this seems like a responsible plan for progress.

Commissioner Crane emphasized the importance of separating groundwater from septic to prevent water contamination and therefore a public sewer system is the safer approach.

EO Hinman noted that this area is within the annexation plan of the recently adopted City General Plan and a pre-application for annexation of this area is already on file.

Chair Mulheren opened the Public Comment Period at 9:35 am.

Ernie Wipf, UVSD Board Chair, explained in response to Commissioner Ward's question regarding extension of the sewer line, that the collector main already exists for most of the areas, with the exception of a minor extension that might be needed for two properties on Kunzler Ranch Road. He further stated that the District feels confident that the property owners will be committed to follow through.

Commissioner Ward asked how long the infrastructure has been in place and why septic tanks were needed. Mr. Wipf responded that the collector mains were built with the El Dorado development and septic systems have been needed because this area is not within the City or District service area.

Craig Schlatter, City of Ukiah Community Development Director, gave thanks for the Commission leadership and to LAFCo staff, District staff, and the City-District Ad Hoc Committee for the continued collaboration over the last year and successfully addressing long-standing issues. Mr. Schlatter explained that timing is the key issue with this OASA application and provides an alternative to septic systems in a floodplain due to the development pressures in this area; providing sewer service in the interim before annexation mitigates that undesired outcome; and the City intends to annex this area as soon as possible (one to two years), but these processes take time.

Wing-See Fox, UVSD General Manager, echoed Mr. Schlatter's comments and gave appreciation to everyone involved; noted that the success of these efforts is based on the common interest to do what is best for the community; assured that the interagency interim services plan is documented and clear to prevent future decisionmakers from unraveling the progress made; and everyone is motivated to continue working together for the greater good.

Chair Mulheren closed the Public Comment Period at 9:40 am.

Commissioner Gonzalez thanked the agencies for coming together and noted that ultimately this is a safety issue and the OASA will help put the focus on the County to assist in accomplishing an annexation plan.

Commissioner Ward asked if there were other parcels that needed sewer services and Analyst Feiler confirmed that there may be additional applications later, but the scope of this first application is focused on this area.

Commissioner Ward asked about the significance of the parcel on Carter Lane which is separate from the other group of parcels and Analyst Feiler responded that the property is adjacent to existing sewer infrastructure and the property

owner in interested in development. Mr. Wipf explained that the property is zoned for a subdivision but the proposed project is for a cannabis processing facility.

Commissioner Ward asked whether property owners are required to agree to annexation and EO Hinman confirmed that as a condition of approval each property owner will be required to sign the annexation consent document before receiving sewer service.

Commissioner Ward requested that the Commission review this item annually and Chair Mulheren confirmed that there is a condition of approval included addressing this.

Commissioner Horsley explained that the primary reason that she and Mr. Wipf ran for another four-year term with the UVSD Board of Directors was to see this process through. She further noted that the City is working very hard to complete the annexation process and the District is dedicated to supporting the City's efforts.

Chair Mulheren closed the Public Hearing at 9:46 am.

Motion: (1) Find 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 exempt from the California Environmental Quality Act (CEQA) under the General Rule Exemption pursuant to Title 14 of the California Code of Regulations (14 CCR) §15061(b)(3), and approve the Notice of Exemption for filing; and (2) Adopt LAFCo Resolution 2022-23-09, 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 (File No. O-2022-03).	
Motion Maker: Commissioner Gonzalez	Motion Second: Commissioner Rodin
Roll Call Vote: Ayes: (6) Gonzalez, Rodin, Horsley, Ward, Christen, Mulheren	

6. WORKSHOP ITEMS None

7. MATTERS FOR DISCUSSION AND POSSIBLE ACTION

7a) Draft Policy for Commissioner Teleconferencing (Video Time 49:53)

EO Hinman presented the item related to a draft policy implementing AB 2449 rules (GOV 54953) regarding limited remote meeting capabilities for elected officials based on a recommendation of the Policies & Procedures Committee.

Commissioner Horsley asked if the policy is applicable to Alternate Commissioners and EO Hinman responded that she believed so.

Commissioner Ward asked if there are any deviations from State law in the policy and EO Hinman confirmed there are no deviations from State law and there is a provision in the policy for adherence to any future changes in State law that are currently being contemplated by the Legislature.

Commissioner Ward noted policy provisions related to posting the meeting agenda at the remote location and stating whether anyone present is a minor. Chair Mulheren noted that decision-making bodies are effectively returning to in-person meetings.

Alternate Commissioner Crane asked for clarification on whether the in-person requirement applies to Alternates. Chair Mulheren responded that non-voting alternate members and the public can participate remotely. Commissioner Gonzalez noted the practice of voting members contacting the EO regarding an absence prior to the meeting and the Alternate Commissioner being seated as a regular voting member during the absence.

Commissioner Horsley asked about the source of the AB 2449 Summary in the packet and EO Hinman responded that it was prepared by a legal firm and distributed through the CSDA listserv.

There were no public comments were made.

LAFCo Counsel Marsha Burch confirmed there was nothing further to add and the item was ready for consideration.

Motion: Adopt Resolution No. 2022-23-10 approving the policy for Commission Teleconferencing consistent with the provisions of Assembly Bill 2449.	
Motion Maker: Commissioner Ward	Motion Second: Commissioner Gonzalez

Chair Mulheren called for a 10-minute recess (9:53 am - 10:02 am)

7b) Mid-Year Budget and Work Plan Report (Video Time 1:06:11)

EO Hinman presented the informational report on the mid-year budget and work plan status for Fiscal Year (FY) 2022-2023.

Commissioner Rodin gave appreciation for the high level of organization and transparency of LAFCo staff and the really good work to keep the Commission apprised of staff activities and project status updates.

Commissioner Ward noted that the timeframe in Table 1 is seven months, so the mid-year estimates would be less. Commissioner Ward also noted that the Work Plan is 33% complete and asked whether staff anticipated completion by FY end and EO Hinman responded that each the coastal and inland studies involve multiple agencies and staff will commence the coastal agencies in April; the inland agencies will occur after the coastal study. Commissioner Ward asked if there will be excess Work Plan funds again this FY and whether staff positions will be filled. EO Hinman confirmed that a budget roll-over is likely to occur and is due to the heavy workload on applications and staffing limitations and staff is working to develop the job duties and solicitation materials for recruitment. Commissioner Ward emphasized the need to stay on task and complete the work plan, especially for water agency consolidations. EO Hinman agreed there is a large workload and noted that extra help consultants are booked out 10-months.

Commissioner Rodin asked for an elaboration on the Mutual Water Companies (MWC) and what is entailed in adding these providers to the MSR/SOI study workload. EO Hinman responded that MWC are private water providers that do not fall under the purview of LAFCo, although they are required to respond to LAFCo requests for information. In 2018 LAFCo prepared a brief [study](#) of MWC, focused primarily on developing profiles and service area maps based on information from the State Water Board. The goal with the regional water MSR/SOI studies is to consider MWCs in the overall picture of water demand and capacity for the coastal and inland regions.

Commissioner Horsley asked if there will be a significant demand on LAFCo staff time once the delays in application processing related to the tax share agreement are remedied and EO Hinman confirmed that is anticipated to occur and noted that applications take precedence over the work plan based on prior Commission direction.

8. INFORMATION AND REPORT ITEMS

8a) Work Plan, Current and Future Proposals (Video Time 1:17:14)

EO Hinman presented the staff report, noting that a written summary of the Work Plan and current proposals is located on pages 127 – 130 of the Agenda Packet. All applications are incomplete at this time, pending, among other things, tax share agreements, which is a process involving the County Assessor, Auditor, CEO, and Board of Supervisors.

A new application was received from the Anderson Valley Community Services District for annexation of the District's Sphere of Influence area for fire and ambulance services.

Commissioner Ward asked about the Elk CSD application status and EO Hinman confirmed that the activation of latent powers is subject to the tax share process per Revenue and Taxation Code Section 99, which has not yet been completed.

8b) Correspondence None

8c) CALAFCO Business and Legislation Report (Video Time 1:18:48)

EO Hinman noted that the CALAFCO Board adopted new annual fees consistent with the Consumer Price Index (CPI) of 8.27%.

8d) Executive Officer's Report (Video Time 1:22:02)

EO Hinman provided the following updates: the deadline to submit nominations to fill the remainder of the Regular Special District Seat term 2021-2024 is March 14th at 5 p.m.; the Legal Counsel Services RFP period closed on February 8th and eight proposals were received, which will be reviewed by the Executive Committee for recommendation to

the Commission; 700 Forms are due in the LAFCo office on April 1st and all Commissioners need to submit a form specifically naming LAFCo; 700 Forms are also required for all new Commissioners upon being sworn in.

3b) Selection of Officers and Committee Appointments (Video Time 1:24:18)

The Commission voted on members for the Executive Committee and Policies & Procedures Committee.

Motion: Nomination of Mari Rodin to serve on the Executive Committee in addition to the Chair and Vice-Chair/Treasurer, and to approve maintaining the existing Policies and Procedures Committee members of Commissioners Mulheren, Gonzalez, and Rodin.	
Motion Maker: Commissioner Gonzalez	Motion Second: Commissioner Horsley
Roll Call Vote: Ayes: (6) Gonzalez, Rodin, Horsley, Christen, Ward, Mulheren	

8e) Committee Reports (Executive Committee, Policies & Procedures, Work Plan Ad Hoc) None

8f) Commissioners Reports, Comments or Questions (Video Time 1:25:52)

Commissioner Ward noted the limited seating capacity in the Chambers for all the Commissioners and EO Hinman confirmed that there is space for the voting members of the Commission on the dais and there is room for alternate members to sit with staff, in the audience, or to attend remotely.

Commissioner Horsley noted, in relation to the public hearing item, that this is a perfect example of LAFCo’s purpose to ensure orderly development and the health and safety of our citizens and to promote cooperation between agencies to meet those goals. Commissioner Horsley gave appreciation to LAFCo staff and emphasized the importance for continuation of the interagency collaborative efforts.

ADJOURNMENT (Video Time 1:27:27)

There being no further business, the meeting adjourned at 10:23 a.m.

The next regular meeting of the Commission is scheduled on Monday, April 3, 2023 at 9:00 a.m. The meeting will be conducted in a hybrid format to accommodate both in-person and remote participation. The in-person meeting will be held in the County Board of Supervisors Chambers at 501 Low Gap Road, Ukiah.

<p><i>Live web streaming and recordings of Commission meetings are available via the County of Mendocino’s YouTube Channel. March 6, 2023 YouTube meeting recording. Links to recordings and approved minutes are also available on the LAFCo website.</i></p>
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