

3.15 Determinations

3.15.1 MSR Review Factors

3.15.1.1 GROWTH

Growth and population projections for the affected area

1. The City of Ukiah has land use authority over its jurisdictional boundary and makes land-use decisions based on the City's General Plan, which is currently being updated.
2. Areas adjacent to the City limits are under the jurisdiction of the County of Mendocino and are regulated through the County's General Plan and Zoning Code.
3. During the 2020 Census, the population for the City was 16,607. Based on the California Department of Finance, as of January 1, 2022, the population for the City of Ukiah was 16,228.
4. Population growth projections specific to the City are unavailable. The California Department of Finance estimates that Mendocino County as a whole will grow by six percent by 2040, or an average rate of 0.3% annually.

3.15.1.2 DISADVANTAGED UNINCORPORATED COMMUNITIES

The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence

5. A DUC is an unincorporated geographic area with 12 or more registered voters with a median household income (MHI) that is less than 80% of the State MHI of \$80,440 or \$64,000.
6. According to the CALAFCO Statewide DUC Mapping Tool, the following three DUCs have been identified adjacent to or near the City limits: DUC #1: Ukiah SXSX, DUC #2: Norgard/Airport South, DUC #3: Empire Gardens (Alexander Estates).
7. According to the City of Ukiah 2040 General Plan Update Land Use Element, the following five DUCs have been identified adjacent to or near the City limits: 1) Ukiah SXSX, 2) Norgard Lane, 3) Empire Gardens, 4) Talmage, 5) The Forks.
8. Special consideration will be given to any DUCs affected by future annexation proposals consistent with GC §56375(8)(A) and LAFCo Policy.

3.15.1.3 CAPACITY OF FACILITIES AND ADEQUACY OF SERVICES

Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged unincorporated communities within or contiguous to the sphere of influence

9. The City is a full-service city and provides Administration, Airport, Animal Control, Electric Utility, Fire and Emergency Medical Services, Law Enforcement, Community Services (Parks and Recreation), Public Works, Solid Waste, Stormwater, Wastewater, and Water municipal services.
10. The City provides wastewater services to approximately two-thirds of City residents. The remaining one-third of City residents receive service from the UVSD. The UVSD also serves areas located north and south of the City limits. In total, half of the UVSD service units are located within the City limits.
11. The City's WWTP was significantly upgraded twelve years ago and remains in good working order. The current WWTP dry weather flow is currently roughly 2 MGD, which is significantly lower than the WWTP design dry-weather flow capacity of 3.01 MGD. Based on the available capacity data, the City has 434 ESSUs or forty-eight percent capacity remaining for growth or expansion of existing uses.

12. The aging sewer collection system is the primary factor influencing the City's ability to provide wastewater services to customers, which is addressed through the 2020 Sewer System Management Plan to reduce and prevent sanitary sewer overflows.
13. The City's total annual potable water supply available through permitted rights is 21,184 AF. The City's total annual potable water supply available from surface and groundwater sources during dry years is 11,534 AF. In addition, the City's total non-potable water supply currently available for agriculture and recreational purposes is 1,000 AF. The City also maintains eight operating storage reservoirs with a combined potable water storage capacity of 6.153 MG.
14. The City maintains four groundwater wells with an annual total pumping capacity of 4,677 AF, a Ranney Collector with an annual capacity of 5,155 AF, a surface water well with an annual capacity of 483 AF, and a water treatment plant to produce potable water for City customers. The City's capacity to extract its total available surface water rights is limited by its current pumping infrastructure consisting of its Ranney Collector and Well #3, which draw water from an alluvial zone along the Russian River.
15. The City's total annual water consumption ranges between 2,800 to 3,000 AF, based on 2017 - 2020 water demand data. The City has sufficient water available to meet current demand and for considerable growth.
16. The City's WTP was built about 20 years ago and remains in good working order. The recycled water system was recently completed in 2019. It is common to have unaccounted for water in water distribution systems. The City's 2019 water audit showed that the City's Leakage Index (the ratio of real loss to unavoidable loss) was 2.39, which is a good score for water agencies.
17. The City has agreed to provide municipal water outside the City limits to a single parcel, located in the Brush Street Triangle area, to serve up to 151 units of affordable housing through a LAFCo approved Out-of-Agency Services Agreement (LAFCo Resolution No. 2004-01).
18. There are currently no water or wastewater capacity issues or infrastructure needs for the City that need to be addressed within the timeframe of this MSR.
19. On average, the Ukiah Police Department (UPD) has 27 sworn officers for a population of around 16,000, a ratio of 1.62 per thousand. Based on 2018 and 2021 data, the average total UPD calls for service is approximately 70 calls per day, with approximately 3% of calls assisting outside agencies. Since officers are responding to calls in excess of industry work and staffing standards, the department is operating at capacity. To accommodate growth, the department should maintain or exceed the current ratio of sworn officers per thousand.
20. The Ukiah Valley Fire Authority reports that the current paid staffing level is not adequate to deliver services. Based on the International City Managers Association's recommendation of 0.98 firefighters per 1,000 residents, the Fire Authority should have at least 33 firefighters. The Ukiah Valley Fire Authority currently has 22 career firefighters and 15 volunteer firefighters.
21. The City rates each of its roadways in terms of a pavement condition index (PCI) In order to determine maintenance needs. The average weighted PCI for the City's network in 2021 was 53 or considered at risk (light to moderate weathering, light load-related base failure, moderate linear cracking). This is an improvement from 2016 when 67% of Ukiah's streets were in poor or "failed" condition.
22. The Electric Utility (EU) serves 6,665 residential and 1,677 commercial customers for a total of 8,342 customers. The EU operates the Lake Mendocino Hydro Plant, which has the capability to produce 3.5MW, and yields an annual production of 10,000 MWh. Power is delivered to the Orchard Street substation, which serves as the main distribution center and has adequate capacity to serve current

demand. Power is also received from generation facilities, jointly owned with other utilities and operated by Northern California Power Agency (NCPA), and through power purchase contracts. The EU has sufficient capacity to meet power needs of the City and has the ability to purchase additional power. As the City grows, additional energy resources will be procured, and subsequent energy facilities will be built systematically to meet additional load. The Electric Utility has sufficient capacity to meet power needs of the City, and should there be an anticipated shortage, the City has the ability to purchase additional power.

23. The City has a franchise agreement with Ukiah Waste Solutions (UWS) for solid waste removal. UWS collects and transports solid waste to the Ukiah Transfer Station, operated by Solid Waste Systems and managed by C&S Waste Solutions, which is then transferred to the Potrero Hills Landfill in Solano County. Within the Ukiah Valley unincorporated areas, solid waste collection is undertaken by Redwood Waste Solutions (RWS); UWS and RWS are stand-alone companies managed by C&S Waste Solutions. The City continues to steadily reduce the amount of refuse material sent to the landfill and exceed the state mandated diversion rate of 50% with an estimated average of 69%. The Ukiah Transfer Station is operating at 65-percent capacity and 33-percent of permitted capacity and the Potrero Hills Landfill in Solano County has capacity through 2059, which is anticipated to be sufficient to serve the City and greater Ukiah Valley area.
24. The City has owned and operated the Ukiah Municipal Airport since the 1930s. This regional facility has longstanding commercial users and serves as a CAL FIRE air attack base to combat wildfires, including coordinated suppression efforts with the United States Forest Service across Mendocino, Lake, Trinity, Sonoma, and Tehama Counties. Based on 2019 data, the current activity level at the Airport is 15,458 annual operations and is expected to increase to 30,916 annual operations by 2040. In total, approximately 100 aircraft are based at the Airport with a capacity for 109.
25. The Community Services Department (CSD) provides parks and recreation services, including 53-acres of neighborhood and community parks. In addition, the 80-acre Low Gap Regional Park, in the County system, is located partially within the City limits, offering additional recreation opportunities. In addition to parks, the CSD maintains and operates the Grace Hudson Museum, Ukiah Valley Conference Center, Alex Rorabaugh Center, Ukiah Municipal Pool, Ukiah Civic Center, and Observatory Park. The City also recently acquired 700-acres of open space on the southwestern hills of Ukiah. 76.9-percent of Ukiah residents live within a 10-minute walk to a park or recreational asset. The City plays a significant role in providing recreational services opportunities to a broad population base, including those in unincorporated areas of the Ukiah Valley.
26. The City's 87-acre Ukiah Municipal Golf Course is a challenging asset and is maintained as an enterprise funded service. The City contracts with Tayman Park Golf Group, Inc. to manage the operations, maintenance, and improvements at the Ukiah Valley Golf Course. Revenue at the golf course was severely impacted by pandemic, and future operations are likely to be constrained by ongoing drought, as well as demographic changes in course users.
27. The Mendocino County Animal Shelters can house approximately 60 dogs and 60 cats at 100% occupancy. The Ukiah animal shelter has been operating near capacity for a number of years, and there are no plans to expand the animal shelter even though the Ukiah and Fort Bragg facilities generally operate at or near capacity.
28. The City maintains a system of surface and underground drainage facilities that drain into Orrs Creek, Gibson Creek, and Doolin Creek, and eventually to the Russian River. There is no central trunk line to collect and convey stormwater to the Russian River and the stormwater system capacity is unknown.

3.15.1.4 FINANCIAL ABILITY OF AGENCY

Financial ability of agencies to provide services

29. The City prepares and adopts an annual budget prior to the beginning of each fiscal year (July 1), which serves as a financial planning tool and an expense control system. The City also has annually audited financial statements prepared by a Certified Public Accountant (CPA) which serves as financial assurance for the use of public funds. The City's financial documents are posted on their website.
30. According to the audited financial information from Fiscal Years 2016-17 through 2020-21, certain City programs operated at a net loss, or revenue shortfall, during the five years studied; however, the overall governmental activities operated at a net income, or revenue gain, each year. Over the five fiscal years studied, the City's financial performance for governmental activities shows an increase in net position of \$29,166,237 or 61-percent, which signals a strengthening in financial position.
31. According to the audited financial information from Fiscal Years 2016-17 through 2020-21, several (six out of eleven) City enterprise programs and the overall business-type activities in FY 2016-17 and FY 2020-21 operated at a net loss, or revenue shortfall, during the five years studied. In addition, multiple enterprise programs operated at a net loss consistently (three out of five years) over the study period. Also, during the five years studied, several (seven out of eleven) City enterprise programs and the overall business-type activities in FY 2017-18, FY 2018-19, FY 2019-20 operated at a net income, or revenue gain. Over the five fiscal years studied, the City's financial performance for business-type activities shows an increase in net position of \$35,630,532 or 30-percent, which signals a strengthening in financial position.
32. The City maintains a Five-year Capital Improvement Plan (CIP) that prioritizes current and future major capital asset projects and identifies estimated costs and potential funding sources during the annual budget development process.

3.15.1.5 SHARED SERVICES AND FACILITIES

Status of, and opportunities for, shared facilities

33. The City works cooperatively with many other service providers to deliver services more effectively or efficiently by sharing public facilities, resources, and/or service delivery responsibility when feasible.
34. In 2017, the City and the Ukiah Valley Fire District (UVFD) entered into a joint powers agreement for combined fire services, known as the Ukiah Valley Fire Authority. Since then, the Fire Authority has been jointly managing, equipping, maintaining, and operating all-risk fire, medical, and emergency services in the City and Fire District boundaries.
35. In 2021, the UVFD annexed the Ukiah City limits to provide fire services, equalize the tax structure, and improve level of service for all residents within the previous service areas. The two agencies continue to coordinate service provision under the Ukiah Valley Fire Authority.
36. The Ukiah Valley Sanitation District boundaries include portions of Ukiah. The Willow County Water District serves customers in the City. The City provides wastewater services through an interconnected system of sewer collection and shared WWTP capacity that is operated and maintained under agreements with the City and the Ukiah Valley Sanitation District.
37. Due to prolonged and extreme drought conditions, in recent years multiple local water agencies have struggled with very limited to critically low local water supply to serve coastal and inland communities

resulting in interagency collaboration and mutual aid agreements for emergency short-term shared facilities and water resources.

3.15.1.6 ACCOUNTABILITY, STRUCTURE AND OPERATIONAL EFFICIENCIES

Accountability for community service needs, including governmental structure and operational efficiencies

38. The City is governed by a City Council comprised of five seats elected to serve staggered 4-year terms.
39. Regularly scheduled meetings for the City Council are held on first and third Wednesdays of each month at the Civic Center Council Chambers (300 Seminary Avenue) beginning at 6 p.m. All meetings are open to the public and are publicly posted a minimum of 72 hours prior to the meeting in accordance with the Brown Act. Meetings are currently being held via a hybrid model with both an in-person and virtual option for attendance and public participation.
40. The City Council conducts business and takes action by approving motions and adopting resolutions and ordinances by a majority vote of a sufficient quorum. The City Council has adopted policies and procedures related to elected officials including conflict of interest and reimbursement, finances, and personnel. The City Council members file a Statement of Economic Interests (Fair Political Practices Commission Form 700) each year pursuant to Government Code §87203 of the Political Reform Act and receive two hours of training on public service ethics laws and principles at least once every two years pursuant to AB 1234. The City Council considers proposed increases to rates and fees at a properly noticed public hearing and subject to mailing a notice of hearing for protests to all property owners pursuant to Proposition 218. The City complies with local government ethics laws and regulations and operates with accountability and transparency.
41. The City has a website at <https://www.cityofukiah.com>, which is a helpful communication tool to enhance government transparency and accountability. The City's website is user-friendly, well organized, regularly maintained, and provides extensive information on City departments, services, programs, policies, finances, and public meetings including agendas and minutes dating back to 2015.
42. The public can submit written or provide verbal comments or complaints in person or by phone at the City's Civic Center during business hours, Monday through Friday from 8:00 a.m. to 5:00 p.m., via the website, or at the City Council meetings during the general public comment period.
43. The interconnected sewer collection systems, shared WWTP capacity, and overlapping service areas suggest efficiencies could be gained by a reorganization with the Ukiah Valley Sanitation District.
44. The current provision of water service in the Ukiah Valley involves many public agencies, complex interagency service arrangements and relationships, and represents a significant opportunity to achieve both greater organizational and operational efficiencies.

3.15.1.7 OTHER SERVICE DELIVERY MATTERS

Any other matter related to effective or efficient service delivery, as required by commission policy

45. There are no other matters related to service delivery required by Mendocino LAFCo Policy.

4.1.6 Determinations

It is recommended that the Commission adopt the City's 2040 General Plan Update proposed SOI boundary for the City of Ukiah that is larger than the current City limits and smaller than the 1984 sphere boundary (Figure 4-2). The following statements have been prepared in support of this recommendation.

4.1.6.1 LAND USES

The City of Ukiah has land use authority over its jurisdictional boundary and makes land-use decisions based on the City's General Plan, which is currently being updated, and Zoning Regulations.

Over 33.1 percent of the City limits is comprised of residential development (i.e., single-family, multifamily, mobile home parks). Public and Quasi-Public uses make up nearly 18.7 percent of the City. Commercial areas comprise 12.2 percent of the City and are concentrated along Main and State Streets and near Highway 101. Parks and open space areas make up 9.74 percent of Ukiah, which include parks, the Ukiah Valley Golf Course, and trails.

Areas adjacent to the City limits are under the jurisdiction of the County of Mendocino and are regulated through the County's General Plan, Zoning Regulations, and Specific Plans. Existing development in the greater valley consists of a mix of uses, including agricultural, residential, commercial, and light industrial.

The Ukiah Valley Area Plan (UVAP) was adopted in 2011 and provides a comprehensive land use plan for the area from just south of Ukiah and north to Calpella. The following land use classifications are specific to the UVAP planning area: Mixed Use North State Street (MUNS), Mixed Use Brush Street Triangle (MUBST), and Mixed Use General (MU-2).

4.1.6.2 NEED FOR FACILITIES AND SERVICES

The City of Ukiah is estimated to serve a population of roughly 16,228. Population growth is expected to increase at an annual rate of 0.3 percent for Mendocino County as a whole. Based on the growth rate, the City can expect a small population increase of approximately 411 by 2030.

The City provides multiple services that are critical for public health and safety. The residents and visitors currently receiving City services will continue to need these public services.

Based on the City's proposed General Plan Update potential land use changes, there is a maximum buildout potential of an additional 2,350 housing units and an additional 4,514,820 square feet of non-residential use through the 2040 planning horizon.

As identified in the City's 2040 General Plan Update, the City is pursuing three separate annexation areas currently under the County of Mendocino's jurisdiction, totaling approximately 1,617 acres.

Annexation Area A consists of 16 City-owned properties located southeast, northeast, and west of the City, totaling approximately 437 acres. The City-owned properties currently host City operations, such as landfill, airport, and wastewater treatment uses. Once annexed, Annexation Area A would continue to be utilized as agriculture, open space, or municipal uses and the lands would be designated as Public and Open Space.

Annexation Area B consists of 63 properties comprised of the Bush Street Triangle/Masonite area located north of the City, totaling approximately 473 acres. The properties contain commercial, industrial, and manufacturing uses (both existing and decommissioned), as well as areas containing vacant and agricultural lands. Once annexed, most of Annexation Area B would be designated by the City as a new

land use category proposed under Ukiah 2040, Mixed-Use: Brush Street Triangle, which is consistent with its existing designation under the UVAP. Other portions of Annexation Area B would be designated as Industrial, while the lands currently vacant or developed with agriculture uses would be designated as Agriculture.

Annexation Area C is concentrated in the hills west of Ukiah and contains approximately 752 acres and a portion of that area (707 acres) is being pursued as part of the Western Hills Open Land Acquisition and Limited Development Agreement, approved by City Council on September 15, 2021. Most of the area is pre-zoned as Public Facilities and would be preserved for open space conservation. The remaining portions of Annexation Area C are pre-zoned as Rural Residential with a Single-Family Residential-Hillside Overlay designation. However, development on these parcels would be restricted to a maximum number of 14 units total (seven-single family homes and seven accessory dwelling units) due to the existing Development Agreement with the current property owner.

4.1.6.3 CAPACITY OF FACILITIES AND ADEQUACY OF SERVICES

The City of Ukiah is a full-service city and provides Administration, Airport, Animal Control, Electric Utility, Fire and Emergency Medical Services, Law Enforcement, Community Services (Parks and Recreation), Public Works, Solid Waste, Stormwater, Wastewater, and Water municipal services.

As determined in the MSR prepared for this agency, the City has adequate facilities, personnel, finances, and equipment to meet current and future growth demands for public services within the timeframe of this study.

4.1.6.4 COMMUNITIES OF INTEREST

Communities of interest are typically located adjacent to an agency's boundary or a proposed sphere.

The Ukiah Valley Area Plan Planning Area boundary has been designated as an Area of Interest for enhanced interagency coordination.

No other social or economic communities of interest have been identified that should be included in the City limits or SOI.

4.1.6.5 DISADVANTAGED UNINCORPORATED COMMUNITIES

According to the City of Ukiah 2040 General Plan Update Land Use Element, the following five DUCs have been identified adjacent to or near the City limits: 1) Ukiah SXSW, 2) Norgard Lane, 3) Empire Gardens (Alexander Estates), 4) Talmage, 5) The Forks. Special consideration will be given to any DUCs affected by future annexation proposals consistent with GC §56375(8)(A) and LAFCo Policy.