

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

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

Richard Weinkle, Alternate
Public Member

John Haschak, Alternate
County Board of Supervisors

STAFF

Executive Officer
Uma Hinman

Analyst
Larkyn Feiler

Commission Clerk
Kristen Meadows

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

A G E N D A

Regular Meeting of **Monday, March 2, 2020** at 9:00 AM
County Board of Supervisors Chambers 501 Low Gap Road, Ukiah, California

*Live web streaming and recordings of Commission meetings are available via the County of Mendocino's YouTube Channel. Links to recordings and approved minutes are available on the LAFCo website <http://mendolafco.org/recorded-meetings/>
Meeting documents are available online: <http://mendolafco.org/meeting-documents/>*

1. CALL TO ORDER and ROLL CALL

2. PUBLIC EXPRESSION

The Commission welcomes participation in the LAFCo meeting. Any person may address the Commission on any subject within the jurisdiction of LAFCo which is not on the agenda. There is a three minute limit and no action will be taken at this meeting. Individuals wishing to address the Commission under Public Expression are welcome to do so throughout the meeting.

3. OTHER BUSINESS

None

4. CONSENT CALENDAR

The following consent items are expected to be routine and non-controversial, and will be acted on by the Commission in a single action without discussion, unless a request is made by a Commissioner or a member of the public for discussion or separate action.

4a) Approval of the February 3, 2020 Regular Meeting Summary

4b) Approval of the February 2020 Claims & Financial Report

5. MATTERS FOR DISCUSSION AND POSSIBLE ACTION

5a) Annual Legislative Platform and Priorities

The Commission will consider the Draft 2020 Legislative Platform and Priorities as recommended by the Policies and Procedures Committee: RECOMMENDED ACTION: 1) Adopt the proposed 2020 Legislative Platform and Priorities, directing staff to update the Policies & Procedures Manual Appendix C; or 2) provide direction to the Policies & Procedures Committee or staff.

6. PUBLIC HEARING ITEMS – Scheduled for 9:30 A.M.

Public Hearings are scheduled for Commission consideration and possible adoption of items. Questions and comments from the Commission, participating agencies, and members of the public are welcome. Documents are available for review at: <http://mendolafco.org/meeting-documents/>

6a) CONTINUANCE of the PUBLIC HEARING for the Weger Detachment from Mendocino Coast Health Care District (LAFCo File No. D-2019-01)

Continuance of the December 2, 2019 public hearing for the Commission to consider an application initiated by landowner petition to detach approximately 35,000 acres from the Mendocino Coast Health Care District. RECOMMENDED ACTIONS: (1) Find the Weger Detachment from Mendocino Coast Health Care District exempt from the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations §15061(b)(3) and approve the Notice of Exemption for filing; and (2) Adopt LAFCo Resolution 19-20-02, approving the Weger Detachment from Mendocino Coast Health Care District Change of Organization application as depicted in Exhibit A; and (3) Waive Protest Proceedings pursuant to GOV §56663 unless written opposition to the proposal is received from landowners or registered voters within the affected territory before the conclusion of the Public Hearing; or (4) Adopt LAFCo Resolution 19-20-02, denying the Weger Detachment from Mendocino Coast Health Care District Change of Organization application.

7. WORKSHOP ITEMS

Workshops are scheduled for Commission review of draft reports prior to noticing for public hearing. The Commission is invited to discuss and provide feedback to staff in anticipation of considering formal action as part of a public hearing at a future meeting. No action will be taken by the Commission as part of the following item. Questions and comments from the Commission, participating agencies, and members of the public are welcome. Documents are available for review at: <http://mendolafco.org/meeting-documents/>

7a) Preliminary Budget and Work Plan for Fiscal Year 2020-21

Commission workshop to consider the Draft Preliminary FY 2020-21 Budget and Work Plan, directing staff to revise as necessary and notice the Preliminary FY 2020-21 Budget and Work Plan for a public hearing on April 6, 2020.

8. INFORMATION AND REPORT ITEMS

The following informational items are reports on current LAFCo activities, communications, studies, legislation, and special projects. General direction to staff for future action may be provided by the Commission.

- 8a) Work Plan, Current and Future Proposals** (Written)
- 8b) Correspondence** (Copies provided upon request)
- 8c) Executive Officer's Report** (Verbal)
- 8d) Committee Reports (Executive Committee/Policies & Procedures)** (Verbal)
- 8e) Commissioner Reports, Comments or Questions** (Verbal)
- 8f) CALAFCO Business and Legislative Report**

ADJOURNMENT

The next Regular Commission Meeting is scheduled for Monday, **April 6, 2020** at 9:00 AM in the County Board of Supervisors Chambers 501 Low Gap Road, Ukiah, California

Notice: This agenda has been posted at least five (5) calendar days prior to the meeting in a location freely accessible to members of the public, in accordance with the Brown Act.

Participation on LAFCo Matters: All persons are invited to testify and submit written comments to the Commission on public hearing items. Any challenge to a LAFCo action in Court may be limited to issues raised at a public hearing or submitted as written comments prior to the close of the public hearing.

Americans with Disabilities Act (ADA) Compliance: Commission meetings are held in a wheelchair accessible facility. Individuals requiring special accommodations to participate in this meeting are requested to contact the LAFCo office at (707) 463-4470 or by e-mail to eo@mendolafco.org. Notification 48 prior to the meeting will enable the Commission to make reasonable arrangements to ensure accessibility to this meeting.

Fair Political Practice Commission (FPPC) Notice: State Law requires that a participant in LAFCo proceedings who has a financial interest in a Commission decision and who has made a campaign contribution to any Commissioner in the past year must disclose the contribution. If you are affected, please notify the Commission before the hearing.

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Regular Meetings

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

Agenda Item No. 4a

DRAFT MINUTES

Local Agency Formation Commission of Mendocino County

Regular Meeting of Monday, February 3, 2020

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

- 1. CALL TO ORDER and ROLL CALL** (Video Time 2:05)
EO Hinman called the meeting to order at 9:01 a.m.

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

Commissioner Bazzani was immediately seated for Commissioner Huff.

Regular Commissioners Absent: John Huff

Alternate Commissioners Absent: Will Lee

Staff Present: Uma Hinman, Executive Officer; Kristen Meadows, Clerk

- 2. PUBLIC EXPRESSION** (Video Time 3:13)
No one from the public indicated interest in public expression.
- 3. OTHER BUSINESS** (Video Time 3:29)

3a) Announcements of Appointments and Oaths of Office

EO Hinman announced that the Board of Supervisors re-appointed Commissioners Brown and McCowen as the Regular County Members and appointed Supervisor John Haschak as the Alternate County Member. On December 2, 2019 the Commission appointed Mr. Richard Weinkle as the alternate public member. EO Hinman conducted the Oaths of Office for New Commissioners Haschak and Weinkle.

Clerk Meadows conducted a roll call to include the newly seated Commissioners.

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

Alternate Commissioners Present: Jen Bazzani, John Haschak, and Richard Weinkle

Alternate Commissioners Absent: Will Lee

3b) Selection of Officers and Appointments to Committees

Upon motion by Commissioner Orth to re-nominate the current, Chair, Vice Chair, and Treasurer and second by Commissioner Ignacio, Chair Brown, Vice Chair Orth, and Treasurer Ward were unanimously re-appointed to their positions by roll call vote.

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

EO Hinman turned the meeting over to Chair Brown to conduct the Appointments to Committees. Commissioners Orth and Ignacio were appointed to the Executive Committee and Commissioners Gonzalez, Ward, and McCowen to the Policies & Procedures Committee. Chair Brown instructed the Policies & Procedures Committee to develop/review policies regarding inactive applications and Areas of Interest.

4. CONSENT CALENDAR (Video Time 11:36)

4a) Approval of December 2, 2019 Regular Meeting Summary

4b) Ratification of the December 2019 Claims & Financial Report

<u>December 2019 Claims totaling</u>	<u>\$ 11,156.10</u>
Hinman & Associates Consulting	\$ 8,163.00
P. Scott Browne	\$ 600.00
Ukiah Valley Conference Center	\$ 465.20
Newspapers	\$ 498.48
Commissioner Reimbursements	\$ 196.28
Travel & Lodging Expenses	\$ 1,052.03
County of Mendocino	\$ 181.11

4c) Approval of the January 2020 Claims & Financial Report

<u>January 2020 Claims totaling</u>	<u>\$ 11,955.49</u>
Hinman & Associates Consulting	\$ 8,342.99
P. Scott Browne	\$ 600.00
Ukiah Valley Conference Center	\$ 464.50
Zach Pehling, CPA	\$ 1,625.00
Commissioner Reimbursements	\$ 79.00
Petty Cash	\$ 163.00
Russian River Flood Control District (refund)	\$ 681.00

4d) Acceptance of the Fiscal Year 2018-19 Audit

Commissioner McCowen recommended the following corrections to the audit for next year and budget tracking:

- Audit Management Discussion & Analysis of Fiscal Years Ending June 30, 2019 & 2018, Item 6: revise wording for next year's audit to reflect that roll over money does not increase reserves.
- Move travel charges for Legal Counsel from Account 6300 Legal Fees to 6750 Travel & Lodging.

Upon motion from Commissioner Orth and second by Commissioner McCowen the Consent Calendar was unanimously approved by roll call vote.

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

5. PUBLIC HEARING ITEMS (Video Time 15:50) **None.**

6. WORKSHOP ITEMS (Video Time 15:58) **None.**

The next workshop item will be in April on Mendocino City CSD MSR and SOI update.

7. MATTERS FOR DISCUSSION AND POSSIBLE ACTION (Video Time: 16:31)

EO Hinman noted the links requested for the Agenda Packet to the Staff Report are now present and active.

7a) Legal Counsel Contract Amendment (Video Time 16:53)

EO Hinman presented an overview of the proposed amendment to the Legal Counsel contract with Attorney P. Scott Browne to include a clause providing for reimbursement for Commission-designated Special Projects. Special projects, which are included in the Policies & Procedures, would be processed similarly to a Pre-Application Agreement. Examples include participation in general plan updates, extended SOI processing, and other projects that require a significant amount of staff time.

The purpose of the amendment is to allow Legal Counsel to participate in special projects without impacting LAFCo's budget and is consistent with a similar clause in the Executive Officer Services contract. There currently is no clause in the Legal Services contract allowing for billing above the standard rate.

Questions and comments were offered by Commissioners Ward and McCowen.

- Confirmed that the amendment would not be retroactive.
- Requested amendment: "Such special project billing by Attorney shall be subject to the approval for payment by the ~~Executive Officer, Chair of the Commission and/or the Commission, as they shall determine.~~"

Upon motion from Commissioner Orth and second by Commissioner Gonzalez the Contract Amendment was approved with changes by roll call vote.

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

7b) Sustainable Agricultural Lands Conservation Grant (SALC) (Video Time 25:24)

The County of Mendocino Department of Agriculture and Committee partners submitted a grant proposal for the Mendocino County Sustainable Agricultural Lands Conservation Program in September 2019, requesting a total of \$208,600 to implement the strategies identified in the Mendocino County Sustainable Agricultural Lands Strategy 2017. Establishment of the two -year project grant agreement is in process. Objectives include:

- Develop an agricultural component for a Mendocino County Climate Action Plan.
- Expand the Carbon Farm Planning Program and local Soil Health Initiative.
- Increase participation in Williamson Act and Conservation Easement programs.
- Increase communication with diverse stakeholders regarding Ag Land Strategy objectives.

LAFCo's Roll: Lead Objective 4 of the work plan - Increase communication with stakeholders regarding the coalescence of agricultural land conservation and sustainable housing development. The tasks include:

- Attendance of monthly SALC meetings (Task 12)
- Organize and convene stakeholder meetings to explain Agricultural Lands Strategies
- Participate in meetings discussing zoning and housing (Task 13)
- Distribute project-related educational materials (Task 16).

LAFCo's budget is a total of \$14,200 over two years. Of that total, \$4,000 is a match funding requirement of in-kind services, accounted for by tracking staff time on typical tasks that have a related component.

Commissioner Ward asked about tracking of time spent on the project. EO Hinman explained that there will be separate tracking of staff time which will be submitted as part of the grant administration process. Once the in-kind contribution is met, LAFCo will be reimbursed for extra time spent working on the Grant. There will be no impact to LAFCo's adopted budget.

7c) Mid-Year Financial Report (Video Time 31:26)

EO Hinman presented the informational report, which provides a review of budget and expenses midway through the fiscal year to determine the need for adjustments. No adjustments were proposed.

7d) Redevelopment Agency (RDA) Oversight Board Special District Member Selection (Video Time 47:41)

EO Hinman provided a report on the request to perform the Special District Selection Committee selection process to fill the vacant special district member seat on the RDA Oversight Board. Mr. Pete Bushby of the Ukiah Valley Fire Protection District was the sole applicant and thus was appointed as the special district member.

8. INFORMATION/ REPORT ITEMS

8a) Work Plan, Current, and Future Proposals (Video Time: 53:45)

EO Hinman briefly reviewed the current and future applications and status of the Work Plan. EO Hinman reminded the Commission that the Public Hearing for the Weger application for detachment from the Mendocino Coast Health Care District was continued until March 2, 2020 to allow time for the County to complete the Revenue and Tax Code Section 99 requirements. Staff has corresponded with the County Auditor's office and County Counsel to confirm the process is proceeding and that it anticipated the Board of Supervisors will have the tax share resolution on the agenda in late February. Thank you to Commissioner McCowen for following this effort through the Board of Supervisors office. Commissioner McCowen directed the EO to share the Auditor's tax share analysis

memo with the full Commission. Commissioners Ward and McCowen directed staff to send a letter to the District requesting a timely submittal of comments.

8b) Correspondence (Video Time 1:02:06) None

8c) Executive Officer's Report (Video Time 1:02:14)

EO Hinman reported the following:

- Form 700 from Commissioners is due to Clerk Meadows on April 1, 2020. Each commissioner is responsible for submitting a wet signed form to the LAFCo Office. Forms are held on file and are available by request.
- Staff received the State Controllers list of inactive districts; none identified for Mendocino County.
- AB-5 is a recently imposed legislation that places additional limits on employee/contractor definitions and conditions. EO has been in contact with Legal Counsel and, it is believed, the LAFCo staffing contracts are not affected.

8d) Committee Reports (Executive Committee/Policies & Procedures) (Video Time 1:13:10)

Commissioner Orth reported:

- The Executive Committee met on January 22, 2020. They reviewed applications on hold, conducted a mid-year budget review, and held a closed session regarding potential litigation.

8e) Commissioners Reports, Comments or Questions (Video Time: 1:14:58)

- Commissioner Ward notified the Commission that he signed the management letter as Treasurer from the Auditor attesting to the accuracy of the information provided.
- Commissioner McCowen provided an update on recent Ukiah City Council meetings in which staff and Council revisited the City's SOI and directed staff to pursue the 1984 SOI for the General Plan Update.
- Chair Brown confirmed there will be a comprehensive staff report packet for the March 2, 2020 Weger Detachment Continued Public Hearing. Chair Brown asked new Commissioners to review the videos regarding the Weger Application, and asked EO Hinman to send the meeting links.
- Commissioner Ignacio thanked staff for including the links in the agenda packet.

8f) CALAFCO Business and Legislation Report (Video Time: 1:16:00)

- CALAFCO Survey Report
EO Hinman summarized the Report's statistics on the average number and schedule of MSR and SOI reports completed by LAFCos throughout the State, noting that Mendocino LAFCo is in the upper 23%, having completed 39 reviews in the past 5 years.
- CALAFCO Legislative Report

CHAIR BROWN CALLED A 10 MINUTE BREAK & ADJOURNED THE COMMISSION TO CLOSED SESSION AT 10:30 a.m.

9. CLOSED SESSION (Video Time: 1:32:05 – 2:25:40)

9a) Contract Executive Officer Performance Evaluation

THE COMMISSION RETURNED TO OPEN SESSION AT 11:24 a.m.

An evaluation of the Contract Executive Officer was performed.

ADJOURNMENT

There being no further business, at 11:25 a.m. the meeting was adjourned. The next regular meeting is scheduled for Monday, March 2, 2020 at 9:00 a.m. in the County Board of Supervisors Chambers at 501 Low Gap Road, Ukiah, California.

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<https://www.youtube.com/watch?v=bcQhqWDREBc>

MENDOCINO Local Agency Formation Commission Staff Report

DATE: March 2, 2020
 TO: Mendocino Local Agency Formation Commission
 FROM: Uma Hinman, Executive Officer
 SUBJECT: **Financial Report and Claims for February 2020**

RECOMMENDED ACTION

Approve the February 2020 claims and financial report.

Name	Account Description	Amount	Total
Hinman & Associates Consulting, Inc.	5300 Basics Services	\$ 10,533.00	\$ 20,971.09
	5600 Office Expenses	\$ 221.09	
	6200 Bookkeeping	\$ 500.00	
	7000 Work Plan	\$ 8,799.00	
	8020 Weger Application	\$ 663.00	
	8001 Moores Annexation to IBWD	\$ 255.00	
P. Scott Browne	6300 Legal Counsel-Monthly		
Ukiah Valley Conf. Center	5502 Office space	\$ 434.00	\$ 464.00
	5503 Work room	\$ 30.00	
	5603 Photocopy		
	5605 Postage		
County of Mendocino ISD	6000 Televising Meetings	\$ 181.11	\$ 181.11
Penny's Trophies	5600 Office Expenses	\$ 48.11	\$ 48.11
Mendocino County Auditor- Controller	6400 A-87 Costs County Services	\$ 1,633.00	\$ 1,633.00
Commissioner Reimbursement In-County Travel & Stipends	6740 Bazzani	\$ 50.00	\$ 299.50
	6740 Huff	\$ -	
	6740 Ignacio	\$ 94.30	
	6740 Weinkle	\$ 76.45	
	6740 Orth	\$ 78.75	
Total:			\$ 23,596.81

Deposits: Weger (Mendocino Redwood Company, LLC) \$3,733.15

Attachments:

- Budget Track Spreadsheet
- Invoices: Hinman & Associates Consulting, County of Mendocino IS, Penny's Trophies

Please note that copies of all invoices, bank statements, and petty cash register were forwarded to the Commission Treasurer.

Mendocino Local Agency Formation Commission
 FY 2019-20 Budget and Application Tracking

Acct #	Task	FY 19-20 Budget	1st Qtr Subtotals	2nd Qtr Subtotal	January	February	March	3rd Qtr Subtotal	Year to Date	Remaining Budget	% of Budget Expended
EXPENSES											
5300	Basic Services - EO/Analyst/Clerk	\$72,060	\$13,977.00	\$18,484.00	\$5,475.00	\$10,533.00		\$16,008.00	\$49,409.00	\$22,651.00	69%
	Unfunded Mandates (RDA Oversight)	\$0		\$525.00	\$415.00			\$415.00			
5500	Rent	\$5,460	\$1,365.00	\$1,374.00	\$464.00	\$464.00		\$928.00	\$3,667.00	\$1,793.00	67%
5600	Office Expenses	\$2,700	\$450.20	\$414.01	\$152.99	\$269.20		\$422.19	\$1,286.40	\$1,413.60	48%
5700	Internet & Website Costs	\$1,300	\$1,152.52	\$0.00				\$0.00	\$1,152.52	\$147.48	89%
5900	Publication & Legal Notices	\$2,000	\$54.87	\$1,078.08				\$0.00	\$1,132.95	\$867.05	57%
6000	Televising Meetings	\$3,000	\$0.00	\$457.71		\$181.11		\$181.11	\$638.82	\$2,361.18	21%
6100	Audit Services	\$3,500	\$1,625.00	\$0.00	\$1,625.00			\$1,625.00	\$3,250.00	\$250.00	93%
6200	Bookkeeping	\$4,500	\$1,090.00	\$1,120.00	\$670.00	\$500.00		\$1,170.00	\$3,380.00	\$1,120.00	75%
6300	Legal Counsel (S Browne)	\$7,200	\$1,800.00	\$1,800.00	\$600.00			\$600.00	\$4,200.00	\$3,000.00	58%
6400	A-87 Costs County Services	\$428	\$0.00	\$0.00		\$1,633.00		\$1,633.00	\$1,633.00	\$-1,205.00	382%
6500	Insurance - General Liability	\$1,100	\$0.00	\$0.00				\$0.00	\$0.00	\$1,100.00	0%
6600	Memberships (CALAFCO/CSDA)	\$2,750	\$1,075.00	\$1,446.00				\$0.00	\$2,521.00	\$229.00	92%
6670	GIS Contract with County	\$2,500	\$0.00	\$77.13				\$0.00	\$77.13	\$2,422.87	3%
6740	In-County Travel & Stipends	\$4,000	\$673.06	\$609.37	\$79.00	\$299.50		\$378.50	\$1,660.93	\$2,339.07	42%
6750	Travel & Lodging Expenses	\$3,500	\$0.00	\$1,052.03				\$0.00	\$1,052.03	\$2,447.97	30%
6800	Conferences (Registrations)	\$3,000	\$2,080.00	\$0.00				\$0.00	\$2,080.00	\$920.00	69%
7000	Work Plan (MSRs and SOIs)	\$41,250	\$1,309.00	\$2,108.00	\$1,700.00	\$8,799.00		\$10,499.00	\$13,916.00	\$27,334.00	34%
Monthly/ Year to Date Totals		\$160,248.00	\$26,651.65	\$30,545.33	\$11,180.99	\$22,678.81	\$0.00	\$33,859.80	\$91,056.78	\$69,191.22	57%
APPLICATIONS											
		BALANCE (total by application)	1st Qtr Subtotals	2nd Qtr Subtotal	January	February	March	3rd Qtr Subtotal	Year to Date	Remaining Budget	Notes
A-2009-8001	Irish Beach WD Moores Annexation	\$2,889.44	\$0.00	\$0.00	\$0.00	\$255.00	\$0.00	\$255.00	\$255.00	\$2,634.44	
P-2014-8010	City of Ukiah Detachment of UVSD lands	\$1,532.75	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,532.75	
D-2019-1 (8020)	Weger Detachment from MCHD	\$10,470.15	\$5,647.00	\$2,173.15	\$93.00	\$663.00	\$0.00	\$0.00	\$8,576.15	\$1,377.00	includes activity from FY 2018-19
P-2019-2 (8021)	RRFC Annexation Pre-Application	\$1,200.00	\$244.00	\$275.00	\$681.00			\$681.00	\$1,200.00	\$0.00	\$681 refunded 01/20
Applications to Date Totals		\$14,892.34	\$5,891.00	\$2,448.15	\$774.00	\$918.00	\$0.00	\$1,692.00	\$10,031.15		
EXPENSES AND APPLICATION TOTALS			\$32,542.65	\$32,993.48	\$11,954.99	\$23,596.81	\$0.00	\$35,551.80	\$101,087.93		

DEPOSITS

2/14/2020 Weger Application (Mendocino Redwood Company, I) \$3,733.15

ACCOUNT BALANCES

County of Mendocino Account Balance	\$ 1,754	from statement as of	2/18/2020
Operations (Checking) Account Balance	\$ 71,094	from Quickbooks as of	2/21/2020
Legal Reserve Balance	\$ 35,000	from statement as of	1/31/2020
Operations Reserve Balance	\$ 55,416	from statement as of	1/31/2020
Total	\$ 163,264		



Hinman & Associates Consulting

PO Box 1251 | Cedar Ridge, CA 95924
 (916) 813-0818
 uhinman@comcast.net

Date February 23, 2020
To Mendocino LAFCo
Project Executive Officer Services
Work Period January 27 - February 23, 2020

Invoice No. 458
Invoice Total \$ 20,971.09

Account Description	Staff/Hours			Other (At Cost)	Totals
	Executive Officer \$100	Analyst \$68	Clerk \$40		
5300 Basic Services	68.25	31.00	40.00		\$ 10,533.00
5601 Office Supplies					
Quickbooks Online Fee				\$ 70.00	\$ 221.09
Office Supplies				\$ 151.09	
6200 Bookkeeping	4.00		2.50		\$ 500.00
7000 Work Plan (MSR/SOI/Special Studies)					
MCCSD		10.75		\$ 8,000.00	\$ 8,731.00
UVSD					\$ -
CSA 3		1.00			\$ 68.00
8020 Weger MCHD Detachment Application		9.75			\$ 663.00
8001 Moores Annexation to IBWD		3.75			\$ 255.00
Totals	\$ 7,225.00	\$ 3,825.00	\$ 1,700.00	\$ 8,221.09	\$ 20,971.09

5300 Basic Services

Office hours, administrative tasks and Clerk duties. Website updates and postings. File research and maintenance. Communications with Commissioners, public inquiries, etc. File research to respond to public inquiries. February 3rd and March 2nd agenda packets for regular Commission meeting; agenda packets for February 24 Exec Comm and Policies & Procedures Committee meetings. Coordination with Legal Counsel. Policy research and development. Coordinated with Auditor-Controller's Office regarding invoices.

6200 Bookkeeping

Prepared February claims. Entered claims into Quickbooks and prepared checks. Coordinated with Treasurer regarding claims. Reconciled Quickbooks. Budget development reports and confirmation of financials.

7000 Work Plan (Sphere of Influence Updates, Municipal Service Reviews, and Special Studies)

Prepared Administrative Draft MCCSD MSR/SOI Update and sent to District for review. Coordinated with District for additional information. Worked on development of Administrative Draft CSA 3 MSR/SOI. Coordinated with UVSD board members and attorney regarding information request.

8020 Weger MCHD Detachment Application

Prepared staff report for March 2nd Public Hearing; coordinated with applicant and Legal Counsel; reviewed comments.

8001 Moores Annexation to IBWD

Reviewed application files and prepared letter to applicant.

Jessica Hankins

INVOICE

181 Lucas Lane
 Grass Valley, CA 95945

(530) 277-1783

SERVICES RENDERED FOR:
 Hinman & Associates Consulting, Inc.
 c/o Uma Hinman
 PO Box 1251
 Cedar Ridge, CA 95924

INVOICE NUMBER | 1
 INVOICE DATE | February 22, 2020

SHIPPED TO:
uhinman@comcast.net

QUANTITY	DESCRIPTION	UNIT PRICE	AMOUNT
1	Mendocino City CSD Municipal Service Review	8,000.00	\$8,000.00
		SUBTOTAL	8,000.00
			\$8,000.00
			PAY THIS AMOUNT

MAKE ALL CHECKS PAYABLE TO:
 Jessica Hankins

Uma Hinman

From: Intuit QuickBooks Team <intuit@notifications.intuit.com>
Sent: Wednesday, February 19, 2020 2:47 PM
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Subject: We received your QuickBooks subscription payment!



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Executive Officer, thank you for your payment.

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QTY SKU PRICE

REWARDS NUMBER 2635230879

1 9X12 CLEAR CLASP E *
718103146593 4.99

1 SIGNATURE CRAYOLIG
071662205560 13.46

1 HP 952 XL BLK/STD
889894824653 114.99

1 STAPLES 2 1/4 IN X
718103259385 18.99

1 CRAYOLA 4CT SDWLK
071662241049 0.76

1 KEYNOTES SMALL FLO
718103139113 4.49

1 SCOTCH REUSABLE 1X
051141910611 4.79

1 MINI 2 IN AST
705105859774 2.99

SUBTOTAL 165.46

Standard Tax 8.8750% 14.68

TOTAL \$180.14

VISA CREDIT USD\$180.14

Card No.: XXXXXXXXXXXXX7107 [C]

Chip Read

Auth No.: 021227

AID.: A0000000031010

LAFCO Total \$151.09

TOTAL ITEMS 8

*Item is currently on promotion. Some coupons are only valid on regular priced items. Please see coupon terms and conditions for details.

Penny's Trophies & Gifts

280 S. State St.
 Ukiah, CA. 95482
 (707) 468-0710
 Info@pennystrophies.com
 Phone # 7074680710

info@pennystrophies.com
 pennystrophies.com

Date	Invoice #
2/25/2020	3786

Bill To
MENDOCINO LAFCO 200 S. School St Ukiah, CA. 95482 (707)463-4470

Ship To

P.O. Number	Terms	Rep	Ship	Via	F.O.B.	Project
			2/25/2020			
Quantity	Item Code	Description	Price Each	Amount		
2	Sale Item	- 2x10 Black plastic Name Plate with White Letters (Black Brush Top)	7.50	15.00T		
2	Engraving, Machine	- Engraving JOHN HASCHAK COMMISSIONER	5.00	10.00		
2	Sale Item	RICHARD WEINKLE COMMISSIONER - JDS - 2x10 Desk Name Holder - Black - #JSR48-10BL	10.00	20.00T		
		1) Gothic 0.563 2) Gothic 0.438 0.938 1.688 0.250 0.250 0.250 0.250				
		Sales Tax	8.875%	3.11		
			Total	\$48.11		

MENDOCINO
Local Agency Formation Commission
Staff Report

DATE: March 2, 2020
TO: Mendocino Local Agency Formation Commission
FROM: Uma Hinman, Executive Officer
SUBJECT: Draft 2020 Legislative Platform

STAFF RECOMMENDATION

- a) Adopt the Draft 2020 Legislative Platform as recommended by the Policies & Procedures Committee; or
- b) Provide direction to the Policies and Procedures Committee or staff.

BACKGROUND

Mendocino LAFCo Policy 3.11.6 *Legislative Policy* directs the Commission to annually adopt a Legislative Platform to assist the Commission and staff with review and responses to proposed legislation. The Policies & Procedures Committee has reviewed Mendocino LAFCo's 2019 Legislative Platform and CALAFCO's 2020 Legislative Platform, and recommends the attached Draft 2020 Legislative Platform for consideration. The Draft is consistent with CALAFCO's 2020 Legislative Platform and remains unchanged from our 2019 Platform, save for Orderly Growth Item 4.6:

4.6 Support the recognition of extreme fire events and disaster preparedness when considering growth and service delivery issues.

The added language supports recent legislation [Chaptered as Government Code Section 56668(q)] that requires the review of local hazard mitigation plans, information contained in a safety element of a general plan, and any maps that identify land as a very high fire hazard zone, or maps that identify land determined to be in a state responsibility area (CAL FIRE). Further it recognizes the increasingly devastating wildfires that have affected communities throughout the state in recent years, encouraging LAFCo to participate in planning for disasters as it carries out its statutory obligations.

Proposed new language is noted with underline.

Attachments:

- (1) Draft 2020 Legislative Platform

15| APPENDIX C

As adopted by the Commission on XXXXX XX, 2020

15.1 2020 Legislative Platform

1. LAFCo Purpose and Authority

- 1.1. Support legislation which enhances LAFCo authority and powers to carry out the legislative findings and authority in Government Code §56000 et seq., and oppose legislation which diminishes LAFCo authority.
- 1.2. Support authority for each LAFCo to establish local policies to apply Government Code §56000 et seq. based on local needs and conditions, and oppose any limitations to that authority.
- 1.3. Oppose additional LAFCo responsibilities, which require expansion of current local funding sources. Oppose unrelated responsibilities which dilute LAFCo ability to meet its primary mission.
- 1.4. Support alignment of responsibilities and authority of LAFCo and regional agencies, which may have overlapping responsibilities in orderly growth, preservation, and service delivery, and oppose legislation or policies which create conflicts or hamper those responsibilities.
- 1.5. Oppose grants of special status to any individual agency or proposal to circumvent the LAFCo process.
- 1.6. Support individual commissioner responsibility that allows each commissioner to independently vote his or her conscience on issues affecting his or her own jurisdiction.

2. LAFCo Organization

- 2.1. Support the independence of LAFCo from local agencies.
- 2.2. Oppose the re-composition of any LAFCo to create special seats and recognize the importance of balanced representation provided by cities, the county, the public, and special districts in advancing the public interest.
- 2.3. Support representation of special districts on all LAFCos in counties with independent districts and oppose removal of special districts from any LAFCo.
- 2.4. Support communication and collaborative decision-making among neighboring LAFCos when growth pressures and multicounty agencies extend beyond a LAFCo's boundaries.

3. Agricultural and Open Space Protection

- 3.1. Support legislation which clarifies LAFCo authority to identify, encourage and ensure the preservation of agricultural and open space lands.
- 3.2. Encourage a consistent definition of agricultural and open space lands.
- 3.3. Support policies which encourage cities, counties and special districts to direct development away from all types of agricultural lands, including prime agricultural lands and open space lands.
- 3.4. Support policies and tools, which protect all types of agricultural lands, including prime agricultural lands and open space lands.
- 3.5. Support the continuance of the Williamson Act and restoration of program funding through State subvention payments.

4. Orderly Growth

- 4.1. Support the recognition and use of spheres of influence as a management tool to provide better planning of growth and development, and to preserve agricultural and open space lands.
- 4.2. Support recognition of LAFCo spheres of influence by other agencies involved in determining and developing long-term growth and infrastructure plans.
- 4.3. Support orderly boundaries of local agencies and the elimination of islands within the boundaries of agencies.
- 4.4. Support communication among cities, counties, and special districts through a collaborative process that resolves service, housing, land use, and fiscal issues, prior to application to LAFCo.
- 4.5. Support cooperation between counties, cities, and special districts on decisions related to development within the city's designated sphere of influence.
- 4.6. Support the recognition of extreme fire events and disaster preparedness when considering growth and service delivery issues.

5. Service Delivery and Local Agency Effectiveness

- 5.1. Support the use of LAFCo resources to review Regional Transportation Plans, including sustainable communities strategies and other growth plans to ensure reliable services, orderly growth, sustainable communities, and conformity with LAFCo's legislative mandates. Support efforts that enhance meaningful collaboration between LAFCo and regional planning agencies.
- 5.2. Support LAFCo authority as the preferred method of local governance. Support the availability of LAFCo tools which provide options for local governance and efficient service delivery, including the authority to impose conditions that assure a proposal's conformity with LAFCo's legislative mandates.
- 5.3. Support the creation or reorganization of local governments in a deliberative, open process which will fairly evaluate the proposed new or successor agency's long-term financial viability, governance structure and ability to efficiently deliver proposed services.
- 5.4. Support the availability of tools for LAFCo to insure equitable distribution of revenues to local government agencies consistent with their service delivery responsibilities.
- 5.5. Support collaborative efforts, including consolidation, among agencies and LAFCo that encourage opportunities for sharing of services, staff and facilities to provide more efficient and cost effective services. Support legislation which provides LAFCo with additional opportunities to encourage shared services.

15.2 2020 Legislative Priorities

15.2.1 Primary Issues

A. Authority of LAFCo

Support legislation that maintains or enhances LAFCo's authority to condition proposals to address any or all financial, growth, service delivery, and agricultural and open space preservation issues. Support legislation that maintains or enhances LAFCo's ability to make decisions regarding boundaries and formations, as well as to enact recommendations related to the delivery of services and the agencies providing them, including changes of organization and reorganizations.

B. Agriculture and Open Space Protection

Support policies, programs and legislation that recognize LAFCo's mission to protect and mitigate the loss of all types of agricultural lands, including prime agricultural lands and open space lands, and that encourage other agencies to coordinate with local LAFCOs on land preservation and orderly growth. Support efforts that encourage the creation of habitat conservation plans.

C. Water Availability

Support policies, programs and legislation that promote an integrated approach to water availability and management. Promote adequate water supplies and infrastructure planning for current and planned growth as well as to support the sustainability of all types of agricultural lands, including prime agricultural lands and open space lands. Support policies that assist LAFCo in obtaining accurate and reliable water supply information to evaluate current and cumulative water demands for service expansions and boundary changes, including impacts of expanding water company service areas on orderly growth, and the impacts of consolidation or dissolution of water companies providing services.

D. Viability of Local Services

Support legislation that maintains or enhances LAFCo's ability to review and act to determine the efficient and sustainable delivery of local services and the financial viability of agencies providing those services to meet current and future needs, including those identified in regional planning efforts such as sustainable communities strategies. Support legislation which provides LAFCo and local communities with options for local governance and service delivery to ensure efficient, effective, and quality service delivery. Support efforts that provide tools to local agencies to address aging infrastructure, fiscal challenges, the maintenance of services, and services to disadvantaged communities.

15.2.2 Issues of Interest

A. Housing

Provision of territory and services to support housing plans consistent with regional land use plans and local LAFCo policies.

B. Transportation

Effects of Regional Transportation Plans and expansion of transportation systems on future urban growth and service delivery needs, and the ability of local agencies to provide those services.

C. Flood Control

The ability and effectiveness of local agencies to maintain and improve levees and protect current infrastructure. Carefully consider the value of uninhabited territory, and the impact to public safety of proposed annexation to urban areas of uninhabited territory which is at risk for flooding. Support

legislation that includes assessment of agency viability in decisions involving new funds for levee repair and maintenance. Support efforts that encourage the creation of habitat conservation plans.

D. Adequate Municipal Services in Inhabited Territory

Expedited processes for inhabited annexations should be consistent with LAFCo law and be fiscally viable. To promote environmental justice for underserved inhabited communities, funding sources should be identified for extension of municipal services, including options for annexation of contiguous disadvantaged unincorporated communities. Support policies, programs, and legislation which would provide municipal services to disadvantaged communities. Promote the delivery of adequate, sustainable, efficient, and effective levels of service through periodic updates of Municipal Service reviews, Spheres of Influence, and other studies.

MENDOCINO
Local Agency Formation Commission

Staff Report

MEETING: March 2, 2020
TO: Mendocino Local Agency Formation Commission
FROM: Uma Hinman, Executive Officer
SUBJECT: **Continued Public Hearing** for Weger Detachment from Mendocino Coast Health Care District (File No. D-2019-01)

RECOMMENDATION

Staff recommends that the Commission take the following action:

- (1) Find the Weger Detachment from Mendocino Coast Health Care District exempt from the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations §15061(b)(3) and approve the Notice of Exemption for filing; and
- (2) Adopt LAFCo Resolution 19-20-02, approving the Weger Detachment from Mendocino Coast Health Care District Change of Organization application as depicted in Exhibit A; and
- (3) Waive Protest Proceedings pursuant to GOV §56663 unless written opposition to the proposal is received from landowners or registered voters within the affected territory before the conclusion of the Public Hearing; or
- (4) Adopt LAFCo Resolution 19-20-02, denying the Weger Detachment from Mendocino Coast Health Care District Change of Organization application.

DISCUSSION

This is a continued Public Hearing to consider public testimony and the Executive Officer's Report regarding a proposed change of organization application initiated by landowner petition involving detachment of approximately 35,000 acres of unincorporated territory from the Mendocino Coast Health Care District (MCHCD or District) pursuant to GOV §56700 et seq. and §56864.

The Commission held a Public Hearing on October 7, 2019 on the proposed application and continued the hearing to November 4, 2019 at the request of the District to allow further time for District staff and the District Board of Directors to review the Executive Officer's Report. The continued Public Hearing scheduled for November 4, 2019 was cancelled due to the ongoing PG&E Public Safety Power Shutoffs. The Commission re-noticed and held a Public Hearing on December 2, 2019 on the proposed application and continued the hearing to March 2, 2020 to allow time to complete the property tax agreement process required by Revenue and Taxation Code Section 99.

The Executive Officer's (EO) Report for the October and December Public Hearings related to this matter are attached and are part of the public record for this proceeding (Attachments 7 and 8). In addition, the video recordings of the prior Public Hearings are also part of the public record for this proceeding and can be accessed from the Mendocino LAFCo website (<http://mendolafco.org/recorded-meetings/>) by

navigating to the LAFCo 2019 folder on Mendocino County's YouTube channel. The Public Hearing agenda item video start time for October 7, 2019 is 05:41 and for December 2, 2019 is 14:04.

Tax Share Agreement

On February 25, 2020, the Mendocino County Board of Supervisors adopted a Tax Share Agreement by Resolution related to the proposed detachment application. A draft resolution is included in Attachment 4; the final version was not available at time of print. This resolution authorized the property tax share of the Mendocino Coast Health Care District within the detachment territory, including all future tax increments, to be reallocated in accordance with the proportional allocation calculated by the Mendocino County Auditor-Controller pursuant to Revenue and Tax Code section 99(b)(2) as circulated to the affected districts on December 2, 2019.

Hospital Use Data

On November 25, 2019, the District's Attorney provided a letter that included a summary of District Hospital use data related to zip codes 95482, 95470, and 95466. LAFCo staff requested that the District further refine this hospital use data to be representative of the proposed detachment area and to provide the resulting dataset in a spreadsheet format with location information for each patient visit. In response, the District provided the below summary of District hospital use data related to the proposed detachment area on February 20, 2020.

There were 69 individual visits to District facilities by residents of the proposed detachment area between February of 2010 and November of 2019. Over the same time period, these individual uses of District facilities by residents of the proposed detachment area contributed \$194,204.35 in revenue to the District. Over the most recent five-year period, there have been 40 visits to District facilities from residents of the proposed detachment area, averaging 8 visits per year. Given the voter records, the remoteness of the proposed detachment area, and the likelihood that many of the property owners in this area are second homeowners, it is likely that no more than 100 residents actually reside in the proposed detachment area. When considering 100 or fewer residents living in the proposed detachment area, we can see that substantial portions of the residents of the proposed detachment area are in fact using the District's facilities.

In summarizing the above, over a roughly ten-year period, residents from the proposed detachment area visited District facilities 69 times amounting to \$194,204.35 in revenue. If equally distributed over the roughly ten-year period, this results in approximately 7 patient visits and \$19,420 in associated revenue a year from the proposed detachment area. Based on the District's Statement of Revenues and Expenses for the Fiscal Year 2018-19 Budget, the District's Fiscal Year 2017-18 net patient service revenue was \$51,872,360. In comparison to overall annual hospital use based on associated revenue, the estimated annual use of District facilities from the proposed detachment area is approximately 0.04%. Therefore, the estimated use of District facilities from the proposed detachment area is minimal in comparison to the overall annual use of District facilities. In addition, since residents that live within and outside the District boundaries are charged the same amount to use District facilities, there will be no patient service revenue loss to the District related to the proposed detachment area.

Ambulance Service

The November letter from the District's Attorney included a memo from Mr. Davey Beak, the Comptche Fire Chief and Director of Ambulance Services for the District. This memo included a study of travel time and distance between the District's closest ambulance posted in the Town of Mendocino and the Ukiah Fire Department's closest ambulance posted at the eastern end of Orr Springs Road. The District's Attorney subsequently provided a letter on February 20, 2020 stating that the proposed boundary is inappropriate based on the fact that there has not been an adequate study analyzing potential weather, mudslides, floods, fallen trees, snow covered roads, or other conditions. The February letter from the District also included another memo from Mr. Beak.

In consultation with Coastal Valleys EMS Agency, the LEMSA for Mendocino County, LAFCo staff reviewed CAL FIRE dispatch data regarding the actual provision of ambulance services to the proposed detachment area over an eight-year period in analyzing the level of service provided by the District. Refer to Attachment 7 for more information.

Measure C Parcel Tax

In the October Public Hearing EO Report, LAFCo staff estimated a maximum Measure C parcel tax revenue loss of \$60,336 by multiplying the 419 APNs in the proposed detachment area by the \$144 parcel tax. However, this calculation did not account for properties held in common ownership that are subject to the Measure C parcel tax exemptions for contiguous parcels or consolidated APNs granted by the District.

The District's Attorney provided a letter on February 20, 2020 which clarified that between the contiguous parcel exemption and the consolidations of legal parcels, the District is levying the Measure C parcel tax on 248 parcels within the proposed detachment area, resulting in a \$35,712 annual Measure C parcel tax revenue loss to the District, and approximately \$357,120 in overall Measure C parcel tax over the remaining 10-year life of this special tax.

CEQA Compliance

The District's Attorney provided a letter on October 4, 2019 indicating that an Initial Study is required for the proposed detachment application based on an interpretation that CEQA exemptions only apply to changes of organization where there is no change in the geographical area. Class 20 authorizes a categorical exemption for changes in the organization or reorganization of local governmental agencies where the changes do not change the geographical area in which previously existing powers are exercised (Title 14, California Code of Regulations, §15320).

Class 20 of categorical exemptions does not mean that changes of organization involving changes in geographical area are excluded from the provisions of statutory exemptions, categorical exemptions, or the General Rule exemption. Class 20 is applicable when there is no change in the existing provision of services, and the reason this exemption does not apply to the proposed detachment application is because the area served by the Ukiah Hospital is not a Health Care District. Although, the substance of purpose under Class 20 is the same for the proposed detachment application because ambulance and medical services currently provided to the proposed detachment area will continue to be provided regardless of the proposed jurisdictional boundary change.

Refer to Attachment 2 for a detailed CEQA compliance justification for the proposed detachment application.

Public Comments

Refer to Attachments 5 and 6 for recent comment letters from the District and Chief Petitioner related to the proposed detachment application. Attachment 6 also includes the Chief Petitioner's comment letter from November 30, 2019. The District's November 25, 2019 comment letter was included in the December 2, 2019 Executive Officer's Report (Attachment 8).

LAFCo staff has received multiple phone calls and correspondence from landowners and residents in the proposed detachment area in support of detachment since public notice was provided for the October 7, 2019 Public Hearing.

During the Public Comment Period at the October 7, 2019 Public Hearing, fourteen residents or landowners of the proposed detachment area spoke in support of the application: Charlotte Jacobs, James Weger-Hodge, Tom Madden, Bill Johnson, Cathy Ellis, Craig Blencowe, Barry Vogel, Donald Hodge, Stuart Marcus, Terry d'Selkie, Roland Sanford, Joseph Silverman, Randolph Wood, and Ray Bentley.

Attachments:

(1) Financial Effects of Detachment

- (2) CEQA Compliance Justification
- (3) Factors for Consideration
- (4) Tax Share Agreement Resolution
- (5) February 20, 2020 Letter from District's Attorney
- (6) February 22, 2020 and November 30, 2019 Letters from Chief Petitioner
- (7) October 7, 2019 Executive Officer's Report
- (8) December 2, 2019 Executive Officer's Report
- (9) Notice of Exemption
- (10) LAFCo Resolution 19-20-02 (Approval)
- (11) LAFCo Resolution 19-20-02 (Denial)

ATTACHMENT 1

Financial Effects of Detachment

The District receives multiple forms of revenue from landowners located within its boundary including an apportioned share of Ad Valorem property taxes, General Obligation (GO) bonds, and Measure C parcel tax. In addition, the District generates revenue from health care service fees.

The estimated revenue loss to the District related to Ad Valorem property tax is approximately \$5,456 per the Mendocino Auditor-Controller's Office.

GOV §57354 specifies that any area detached from a district (or city) shall continue to be liable for the payment of principal, interest, and any other amounts which become due on account of any bonds or other contracts of obligations of the district as outstanding on the effective date of detachment. The properties will be subject to the levying or fixing and collection of any of the following which may be necessary to provide for that payment:

- a. Taxes or assessments.
- b. Service charges, rentals, or rates.
- c. Both taxes or assessments and service charges, rentals, or rates.

GOV §57354 requires landowners within the proposed detachment area to remain responsible for their apportioned share of debt that the District has incurred up to the date of detachment. Therefore, landowners within the proposed detachment area will continue to pay for the District's existing GO bonds regardless of the detachment application. If the detachment application is approved, this requirement will be imposed as part of the terms and conditions in the Commission's approving resolution pursuant to GOV §56886(c) and the actual calculation and schedule for payment will continue to be facilitated each fiscal year by the Mendocino County Auditor-Controller through the Mendocino County Property Tax Bill.

Voters within MCHCD approved a tax measure in the June 5, 2018 Primary Election to levy a health care parcel tax of \$144 per parcel per year for 12 years starting on July 1, 2018. The purpose of the parcel tax is to provide funding to help maintain local emergency room services, attract and retain high quality doctors and nurses, maintain local ambulance and related 911 services, make critical repairs and upgrades to medical equipment and facilities, maintain local surgical services, and maintain local obstetric services. Measure C parcel tax includes a provision for independent taxpayer oversight as an accountability measure and specifies that revenue raised by this annual parcel tax may not be used for MCHD administrators' salaries, benefits, and pensions.

Based on information provided by County Counsel for Mendocino County, Measure C parcel tax is not subject to GOV §57354 because those funds are for the purpose of hospital operations and maintenance. Therefore, landowners within the proposed detachment area will no longer pay the Measure C parcel tax upon detachment.

In regard to estimated revenue loss from the Measure C parcel tax for the District, the estimated revenue loss is approximately \$35,712 resulting from multiplying the 248 APNs in the proposed detachment area subject to the this tax levy by the \$144 parcel tax.

Based on the District's Statement of Revenues and Expenses for the Fiscal Year 2018-19 Budget, the District's Fiscal Year 2017-18 annual operating and non-operating revenue was \$55,622,160, which was the last year before the Measure C parcel tax was levied. The potential combined revenue loss to the District from the parcel tax and property tax within the proposed detachment area is approximately \$41,168 or 0.07% of the District's annual operating and non-operating revenue. The estimated revenue loss to the District from the proposed detachment area is minimal in comparison to the District's overall revenue.

ATTACHMENT 2

CEQA Compliance Justification

The proposed application for detachment of approximately 35,983 acres from the Mendocino Coast Health Care District is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations §15061(b)(3) because it can be seen with certainty that there is no possibility that the detachment may have a significant effect on the environment.

Justifications:

1. The detachment will not result in any direct physical impacts to the environment as it merely reduces the jurisdictional boundaries of the District. The detachment will not result in any indirect or secondary impacts for the reasons that follow.
2. Residents and landowners within the detachment area are presently receiving limited health care services from the District.
3. The detachment area represents approximately 8% of the total land area of the District and approximately 3% of the total APNs. The detachment area is primarily comprised of undeveloped private timber holdings (52%) and public land (10%) with most of the balance in large parcel rural residential. The detachment area generates approximately \$5,456 in property tax revenue for the District.
4. On June 5, 2018, District voters approved a tax measure to levy a health care parcel tax of \$144 per parcel per year for 12 years starting on July 1, 2018 for hospital operations and maintenance. The estimated Measure C parcel tax revenue loss from the detachment area is approximately \$35,712.
5. The potential combined revenue loss to the District from the parcel tax and property tax within the proposed detachment area is approximately \$41,168 or 0.07% of the District's annual operating and non-operating revenue of \$55,622,160 for Fiscal Year 2017-18. The estimated revenue loss to the District from the proposed detachment area is minimal in comparison to the District's overall revenue.
6. Landowners within the proposed detachment area will continue to pay for the District's existing general obligation bonds until these debts are fully discharged.
7. Approval of the detachment application would not result in a loss of revenue likely to affect the continuing viability of the District. No other indirect physical impacts on the environment are foreseeable.

Based on the above considerations, no physical changes to the environment, either direct or indirect, are reasonably foreseeable as a result of the detachment application, nor is there any evidence of unusual circumstances related to the proposed detachment application that would create a potential for impacts.

ATTACHMENT 3

Factors for Consideration

There are seventeen factors to be considered in the Commission’s review of an application pursuant to GOV §56668 which are outlined and addressed in the following table. A number of the factors are not relevant to the subject detachment application.

Factors for Consideration	
Factor	Analysis
(a) Population and population density; land area and land use; assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; the likelihood of significant growth in the area, and in adjacent incorporated and unincorporated areas, during the next 10 years.	The population within the affected territory is not expected to grow in a manner affecting the provision of health care services by the District. (The aging of the population and changes to the availability and access to health care plans have a greater impact on health service needs in the region.) All other factors are not applicable.
(b) Need for organized community services; the present cost and adequacy of governmental services and controls in the area; probable future needs for those services and controls; probable effect of the proposed incorporation, formation, annexation, or exclusion and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas. "Services," as used in this subdivision, refers to governmental services whether or not the services are services that would be provided by local agencies subject to this division, and includes the public facilities necessary to provide those services.	The need for governmental services for the provision of health care in the transition area between coastal and inland portions of central Mendocino County is unclear, in that the majority of health care services in the County are provided by non-governmental organizations. Detachment would not, in and of itself, preclude residents in the detachment area from accessing services provided by the District through the hospital or ambulance operation based on service fees, but potential future plans by the District to offer community-based services near the detachment area would likely be unavailable if detachment is approved.
(c) The effect of the proposed action and of alternative actions, on adjacent areas, on mutual social and economic interests, and on the local governmental structure of the county.	Approval of the detachment application would not result in a loss of revenue likely to affect the continuing viability of the District.
(d) The conformity of both the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development, and the policies and priorities set forth in Section 56377. (Note: Section 56377 encourages preservation of agricultural and open-space lands.)	Not applicable.
(e) The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by Section 56016.	Not applicable.
(f) The definiteness and certainty of the boundaries of the territory, the nonconformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of unincorporated territory, and other similar matters affecting the proposed boundaries.	The parcels that comprise the affected territory have specific boundary lines that are certain and identifiable. Further, their detachment will not result in irregular boundaries or islands.

Factors for Consideration	
Factor	Analysis
(g) A regional transportation plan adopted pursuant to Section 65080.	Not applicable.
(h) The proposal's consistency with city or county general plans.	The application is consistent with the County of Mendocino General Plan.
(i) The sphere of influence of any local agency that may be applicable to the proposal being reviewed.	The proposed detachment area is within the District's sphere of influence; a sphere amendment may be considered if detachment is granted.
(j) The comments of any affected local agency or other public agency.	Comments from the District regarding concerns related to the detachment application have been received and provided to the Commission. The sole comment letter received was from the Mendocino Coast Health Care District.
(k) The ability of the newly formed or receiving entity to provide the services which are the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change.	Not applicable.
(l) Timely availability of water supplies adequate for projected needs as specified in Section 65352.5.	Not applicable.
(m) The extent to which the proposal will affect a city or cities and the county in achieving their respective fair shares of the regional housing needs as determined by the appropriate council of governments consistent with Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7.	Not applicable.
(n) Any information or comments from the landowner or landowners, voters, or residents of the affected territory.	Based on the signed landowner petitions received, there is considerable landowner consent for the detachment application. No comments from other landowners or voters were received.
(o) Any information relating to existing land use designations.	Not applicable.
(p) The extent to which the proposal will promote environmental justice. As used in the law, "environmental justice" means the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services.	The proposed detachment area does not include any disadvantaged unincorporated communities identified to date. Residents and landowners within the detachment area are presently receiving very limited health care services from the District, mostly involving ambulance operations.

Factors for Consideration	
Factor	Analysis
(q) Information contained in a local hazard mitigation plan, information contained in a safety element of a general plan, and any maps that identify land as a very high fire hazard zone pursuant to Section 21178 or maps that identify land determined to be in a state responsibility area pursuant to Section 4102 of the Public Resources Code, if it is determined that such information is relevant to the area that is the subject of the proposal.	Not applicable.

ATTACHMENT 4
RESOLUTION NO. 20-

**RESOLUTION OF THE MENDOCINO COUNTY BOARD OF SUPERVISORS APPROVING A
TAX SHARING AGREEMENT FOR THE WEGER DETACHMENT (LAFCO APPLICATION
REFERRAL FILE NO. D-2019-01)**

WHEREAS, the Mendocino County Local Agency Formation Commission (“LAFCo”) has received an application for detachment of certain lands from the territory of the Mendocino Coast Healthcare District; and

WHEREAS, the aforementioned detachment is identified as LAFCo Application Referral File No. D-2019-01, and also known as the Weger Detachment; and

WHEREAS, prior to acting on the application, Revenue and Tax Code section 99(b)(6) requires LAFCo to obtain a resolution from those bodies negotiating the revised distribution of property tax in the event that the detachment becomes effective; and

WHEREAS, pursuant to Revenue and Tax Code section 99(b)(5), the Mendocino County Board of Supervisors is the entity responsible for negotiating tax sharing agreements on behalf of both the County of Mendocino and any affected special districts; and

WHEREAS, the Weger Detachment only affects those entities for which the Mendocino County Board of Supervisors is responsible for negotiating; and

WHEREAS, the County Auditor has estimated that the amount of property tax affected by the detachments is approximately \$5,456, based on 2019-20 property values.

WHEREAS, the Mendocino County Auditor has distributed an estimate of the proportion of property tax revenue attributable to each legal agency as required by Revenue and Tax Code section 99(b)(2), which estimate has been transmitted to each district affected by the proposed detachment, and a copy of which is attached hereto as Exhibit A; and

WHEREAS, no district has commented on the proposed allocation after a reasonable time to do so; and

WHEREAS, the Mendocino County Board of Supervisors wishes to approve a tax sharing agreement on behalf of all districts impacted by the proposed detachment consistent with the proportional allocation calculated by the County Auditor and circulated to the affected districts.

NOW, THEREFORE, BE IT RESOLVED that the property tax share of the Mendocino Coast Health Care District within the detachment territory, including all future tax increments shall be reallocated pursuant to the proportional allocation previously calculated by the County Auditor pursuant to Revenue and Tax Code section 99(b)(2), which formed the basis of the estimate circulated to the affected districts on December 2, 2019.

IT IS FURTHER RESOLVED AND ORDERED that the Clerk of the Board of Supervisors shall notify the County Auditor and the Mendocino County Local Agency Formation Commission of such negotiated exchange of property tax revenues by forthwith forwarding a certified copy of this resolution to the Auditor, the Mendocino Coast Healthcare District, the Mendocino County Local Agency Formation Commission, and, upon completion of the detachment, to the State Board of Equalization.

The foregoing Resolution introduced by Supervisor _____, seconded by Supervisor _____, and carried this _____ day of _____, 2020, by the following vote:

AYES:
NOES:
ABSENT:

WHEREUPON, the Chair declared said Resolution adopted and SO ORDERED.

ATTEST: CARMEL J. ANGELO
Clerk of the Board

JOHN HASCHAK, Chair
Mendocino County Board of Supervisors

Deputy

I hereby certify that according to the provisions of Government Code section 25103, delivery of this document has been made.

APPROVED AS TO FORM:
CHRISTIAN M. CURTIS, Acting County
Counsel

BY: CARMEL J. ANGELO
Clerk of the Board

Deputy

Deputy

ATTACHMENT 5

ATKINSON, ANDELSON, LOYA, RUUD & ROMO

A PROFESSIONAL LAW CORPORATION

ATTORNEYS AT LAW

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PASADENA
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PLEASANTON
(925) 227-9200

RIVERSIDE
(951) 683-1122

SACRAMENTO
(916) 923-1200

SAN DIEGO
(858) 485-9526

OUR FILE NUMBER:

Wendy.wiles@aalrr.com

February 20, 2020

VIA EMAIL

Mendocino Local Agency Formation
Commission
Ukiah Valley Conference Center
200 South School Street
Ukiah, California 95482
eo@mendolafco.org

Re: Public Hearing Regarding Weger Detachment from Mendocino Coast Health Care District (LAFCO File No. D-2019-01)

Dear Commissioners:

We are writing to update the Commission on information related to the Mendocino Coast Health Care District (“District”) regarding the above-referenced proceeding. Additionally, we want to address comments made by Ms. Lisa Weger in a letter to the Mendocino Local Agency Formation Commission (“LAFCO”) dated November 30, 2019, as well as requests made by LAFCO to the District in a letter dated January 16, 2020.

I. Introduction

As stated in our November 25, 2019, letter, the District is in a precarious financial position. The District has been working hard to stabilize itself because it is a critical access hospital, which is a defined term meaning that it provides vital healthcare services to people living in rural areas. To maintain these services and to maintain its project budget, every dollar counts. When a person needs medical care, they will not care whether they live in the District or not. If LAFCO approves this detachment petition, and a person living in the detachment area comes to the District’s hospital, the District will still treat that person.

The District undertook an analysis of the people residing within the proposed detachment area that use the District’s facilities. Between February of 2010 and November of 2019, people from the detachment area visited District facilities 69 times. This amounts to revenue of

Mendocino Local Agency Formation Commission
February 20, 2020
Page 2

\$194,204.35. This clearly contradicts the assertion that people living in the detachment area “never” use District facilities. The claim is simply not accurate.

As described below, the detachment petition is an attempt to circumvent the District’s Measure C parcel tax, which was passed for legitimate and worthy healthcare purposes. We cannot let this happen. The District respectfully requests that LAFCO deny this petition.

II. History of this proposed detachment

The District has had concerns about the detachment petition since it was received in late 2018. The District’s initial responses were structured to address the assertions in the petition and the associated correspondence from Ms. Weger, which the District nearly uniformly disputed. Among the many issues that were addressed, the District stated that it is willing to work with LAFCO on this review but a blanket exemption for the 419 parcels within the proposed detachment areas was rejected because it would effectively invalidate Measure C.

On Thursday, November 7, 2019, the District’s Board reviewed the initial LAFCO Staff Report from October of 2019, further discussed the potential detachment, and unanimously decided to oppose the Petition. The District maintains serious concerns regarding the proposal to detach approximately 35,983 acres from the District’s jurisdiction and respectfully urges LAFCO to deny this application.

III. Ms. Weger’s attacks on the District show that her petition is nothing more than an attempt to overturn a duly approved election

Without offering any evidence, Ms. Weger made the serious and offensive accusation that the District’s Measure C parcel tax was successful due to the District’s alleged “voter suppression” and “election fraud.” Ms. Weger claims that the District “grossly misrepresented the boundaries of the District” on its website. The District’s website does contain a page with a map showing the District’s primary service areas. It is correct that the depicted primary service areas do not reflect the entirety of the District’s legal boundaries. This page, however, has nothing to do with Measure C and does not mention Measure C at all. Nor was this map ever used to specifically discuss Measure C.

The voter materials distributed to all registered voters within the proposed detachment area and the entire District, however, clearly demonstrate that Measure C would apply to the entirety of the District’s boundaries. Ms. Weger does not, and cannot, claim that the voter materials distributed by the County of Mendocino in the weeks and months leading to the June 5, 2018 election are “fraudulent.” If Ms. Weger truly believed that the voter materials were fraudulent, the law provided a specific mechanism for her to challenge the election, but her ability to do so expired a long time ago.

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Moreover, all parcels of property within the boundaries of the District have been paying taxes to repay certain bonded indebtedness issued by the District since approximately 2001. Accordingly, prior to the Measure C election, it is logical to assume that all property owners residing within the District's boundaries knew they were located within the District. So, when the property owners who are registered voters received election materials from the County of Mendocino, and the ballot text defined "parcel" as "any parcel of land which lies wholly or partially within the boundaries of the [District]," every registered voter/property owner residing within the legal boundaries understood that the Measure C would apply to them as well.

Ms. Weger's accusations confirm the District's belief that this petition is not about hospital boundaries or the frequency in which people use one hospital versus another. Instead, Ms. Weger plainly shows that this petition is an attempt to escape the will of the voters and the effects of the democratic process. Approving this petition will set a troubling precedent.

As a timely comparison, on March 3, 2020, California voters will be asked to vote on Proposition 13, which will authorize the State to issue \$15 billion in bonds for school and college facilities. If passed, this proposition will apply to everyone in California. No person will be able to argue that they should not have to pay taxes regarding such bonds because they do not have children attending schools or colleges. That is not how our society works. Similarly, LAFCO should not allow the petitioners here to escape their responsibilities under Measure C because the petitioners allege that they do not use the District's services or facilities.

Ms. Weger also made several comments stating that the District's legal counsel is either confusing issues or being disingenuous regarding how this detachment petition would affect the District. Neither is correct. Our prior correspondence never stated that "existing bond charges" would be removed from the tax bills of those living within the detachment area. Nor have we ever stated or implied that the District could use Measure C parcel tax funds to pay off other long-term bonded indebtedness. To the contrary, our letter states:

"Measure C' asked voters to authorize a parcel tax for a period of twelve years to help, among other things, maintain local emergency room services, attract and maintain high quality doctors and nurses and make critical repairs and upgrades to equipment and facilities. Measure C was designed to improve necessary medical services provided by the District." (Emphasis added.)

All of this misses the main point the District is trying to make, however, which is that the District *does* provide crucial medical services to persons living within the proposed detachment area. Every dollar counts in achieving that goal.

Mendocino Local Agency Formation Commission

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Ms. Weger next cites a private website, the American Hospital Directory (ahd.com), to make certain claims about the amount of revenue the District takes in from patient visits. While it appears that Ms. Weger correctly copied the data from this website, she is cherry-picking the data and fails to mention that this data only represents Medicare revenue, not total revenue.

Ms. Weger finally repeats the assertion that the District is presently violating Health and Safety Code section 32001. As previously stated, this is demonstrably false. This statute discusses the formation of a hospital district and does not say anything about parcel taxes or any type of taxation. The fact that Ms. Weger believes that “both the Hospital District and the LAFCO Board failed in their duties almost 50 years ago when setting up the boundaries of the District” is irrelevant to the present issue, which is whether people living in the proposed detachment area use the District’s facilities/services.

IV. People living within the detachment area do use District facilities

The detachment petition is expressly premised on a claim that people living within the proposed detachment area do not use the District’s facilities. That is incorrect. And, Ms. Weger’s November 30, 2019, letter sends mixed messages in that regard. The letter claims that people living within the detachment area “have NEVER been served by the Coast Hospital.” (Section 8 of the 11/30/2019 letter; emphasis in original.) Yet, the letter also admits that people from the detachment area do use the District’s facilities, but that they use it less frequently than other hospitals. (See section 5 of 11/30/2019 letter.) The frequency of use of District facilities is irrelevant. This detachment petition asserts that people living within the proposed detachment area “NEVER” use District facilities. This is simply untrue and is not reasonably subject to dispute. Because people living within the proposed detachment area use the District’s facilities, there is no rational basis upon which to remove them from the District’s boundaries.

Initially, in an attempt to maintain as much privacy as possible, the District used zip codes to demonstrate the usage of District facilities by people within the detachment area. In its January correspondence, LAFCO requested that the District refine its search and provide more specific information that is not based on zip codes. To comply, the District’s consultant, Eastshore Consulting, LLC, reviewed the voter file for registered voters living within the detachment area *and* the District¹. The consultants then cross-referenced this information with

¹ To do this, Eastshore Consulting, LLC, pulled voters who resided in the Orr Springs and Leonard Lake precincts within a voter file of the entire District voter population. Based on an overlay of precinct maps with Google Earth (see Exhibit A), these are the only two precincts with registered voters that fall entirely within the area proposed for detachment, so 100% of these voters would also fall within the area proposed for detachment. The analysis did not include registered voters within two other apparently unpopulated precincts within the proposed detachment area as well as the Comptche precinct, as it is only partially located within the proposed detachment area. These areas, had they been included, could only add to the count of visits by residents within the area proposed for detachment. This analysis also did not include any use of a “buffer zone” as referenced in the initial LAFCO staff report from October of 2019.

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the ownership information from the parcel roll of the 419 parcels within the detachment area. Using this information, the District then identified 69 individual visits to District facilities by residents of the proposed detachment area between February of 2010 and November of 2019. Over the same time period, these individual uses of District facilities by residents of the proposed detachment area contributed \$194,204.35 in revenue to the District.

Over the most recent five-year period, there have been 40 visits to District facilities from residents of the proposed detachment area, averaging 8 visits per year. Given the voter records, the remoteness of the proposed detachment area, and the likelihood that many of the property owners in this area are second homeowners, it is likely that no more than 100 residents actually reside in the proposed detachment area². When considering 100 or fewer residents living in the proposed detachment area, we can see that substantial portions of the residents of the proposed detachment area are in fact using the District's facilities. As such, Ms. Weger's assertion that these residents "NEVER" use District facilities is incorrect.

V. Measure C revenue loss

The proposed detachment area contains 419 parcels. Yet, between the contiguous parcel exemption and the consolidations of legal parcels, the District is only levying parcel taxes on 248 parcels within the detachment area. At \$144 per parcel, the total Measure C revenue loss would be \$35,712 per year. Over the remaining 10-year life of Measure C, the total revenue loss will be approximately \$357,120.

While this revenue might not seem significant to some, the revenue is critical to helping the District meet its goals and serve the community. While Measure C parcel tax revenue cannot be used to pay other bonded indebtedness or fix the District's issues involving the Office of Statewide Health Planning and Development, Cal-Mortgage Loan Insurance Division ("Cal-Mortgage"), this revenue is necessary to help the District maintain services and facilities. If the District loses this Measure C revenue, it will have to use non-Measure C funds to maintain local emergency room services, attract and maintain high quality doctors and nurses, and make critical repairs and upgrades to equipment and facilities. Using non-Measure C funds for these purposes means that these funds cannot be used elsewhere, like helping to stabilize the District. Losing Measure C parcel tax revenue will significantly magnify the District's financial troubles.

² In its cross-referencing of the voter file (Orr Springs and Leonard Lake precincts) and the 419 parcel owners within the proposed detachment area, Eastshore Consulting, LLC, found there were 69 voters and could be as many as 60 additional, unique, unduplicated and non-business property owners, for a combined total of approximately 129 voters/property owners. However, given that these property owners are not registered voters within the area – and given that by the petitioner's own admission, many do not actually live in this area – Eastshore Consulting, LLC, estimated that at least half of these 60 property owners are second home owners or otherwise do not live in the proposed detachment area. Hence, there are likely no more than 100 actual residents of the proposed detachment area (69 voters + 60 additional, unique, unduplicated and non-business property owners / 2 = 99).

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VI. LAFCO has not properly analyzed the detachment petition under the California Environmental Quality Act

LAFCO has asked the District to explain its objections involving the California Environmental Quality Act (“CEQA”). In short, LAFCO declared that the detachment petition is exempt from CEQA under the “common sense” exemption without having performed any analysis to come to that conclusion. To date, we have not seen any findings from LAFCO that establish that the detachment petition is exempt under “common sense.”

In our October 4, 2019, letter, we provided LAFCO with legal authority showing that a change in a local agency’s organization is only categorically exempt from CEQA when there is no change in geographical area. (Title 14, California Code of Regulations, § 15320.) When a change in organization or reorganization will alter the local agency’s geographical area, the Legislature and the State require some sort of analysis under CEQA. LAFCO, therefore, is prohibited from claiming that the detachment petition is exempt per “common sense.”

At a minimum, LAFCO must conduct an initial study demonstrating that LAFCO is certain the detachment petition will not affect the environment. Until such a study has been duly performed, LAFCO has not complied with CEQA and cannot approve the detachment petition.

VII. Approximate detachment area vote on “Measure C” and prior input

Per the request of the LAFCO Board at its December 2, 2019, meeting, we will also share details about how Measure C was voted on (and shaped by) residents of the proposed detachment area. This information again comes from the District’s consultant, Eastshore Consulting, LLC. We are attaching their analysis and maps to this letter as Exhibit “A.”

VIII. Mr. Beak’s response

Ms. Weger’s November 30, 2019, letter also made several critiques of a memorandum prepared by Mr. Davey Beak, the Comptche Fire Chief and Director of Ambulance Services at the District. Attached, please find Mr. Beak’s response. Mr. Beak explains why he chose to start his study at the Mendocino Volunteer Fire Department and why the proposed boundary is inappropriate based on the fact that there has not been an adequate study analyzing weather, mudslides, floods, fallen trees, snow covered roads, or other conditions.

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ATKINSON, ANDELSON, LOYA, RUUD & ROMO

Mendocino Local Agency Formation Commission

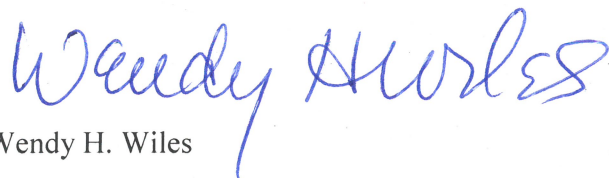
February 20, 2020

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Please contact us if you have any questions or desire additional information.

Very truly yours,

ATKINSON, ANDELSON, LOYA, RUUD & ROMO

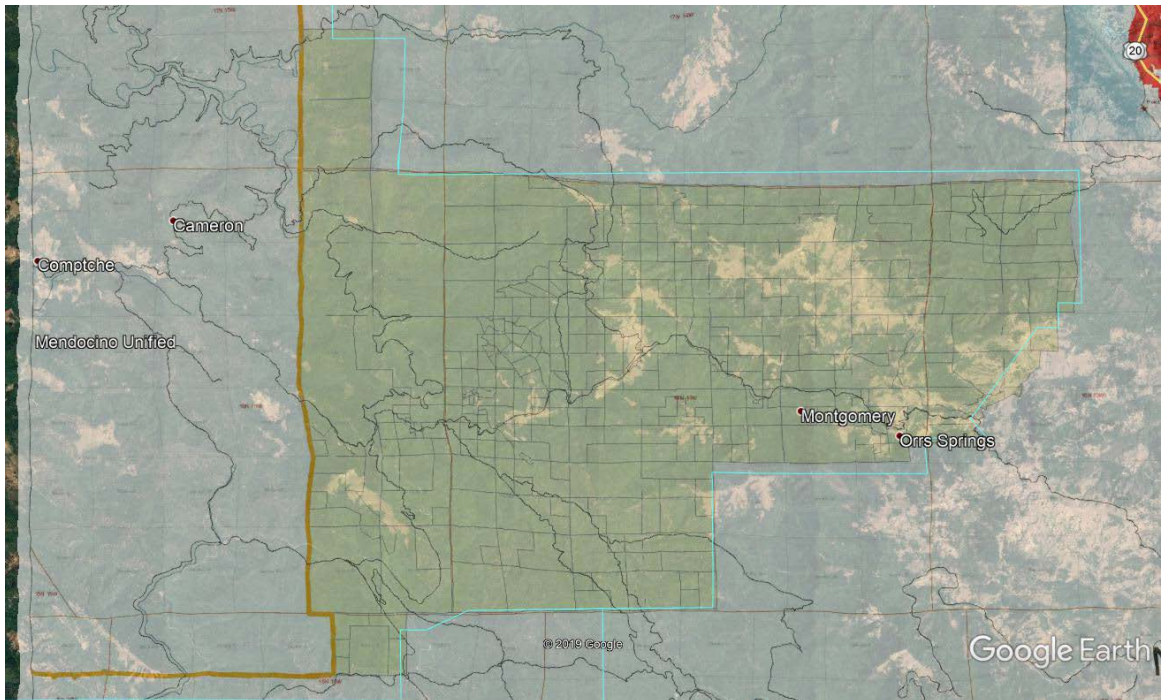


Wendy H. Wiles

Exhibit A

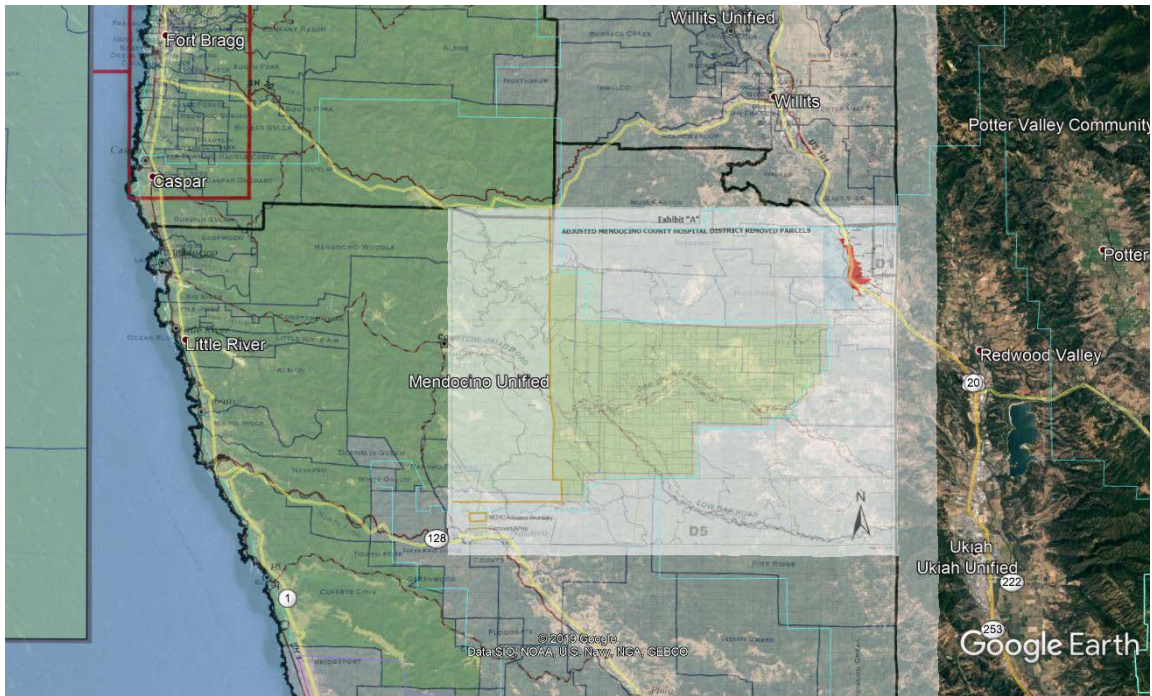
Approximate detachment area vote on “Measure C” and prior input

The immediate map below shows the approximate detachment area, overlaid on Google Earth with rough Google Earth boundaries defined in the teal lines and the area proposed for detachment in the yellow shaded area.



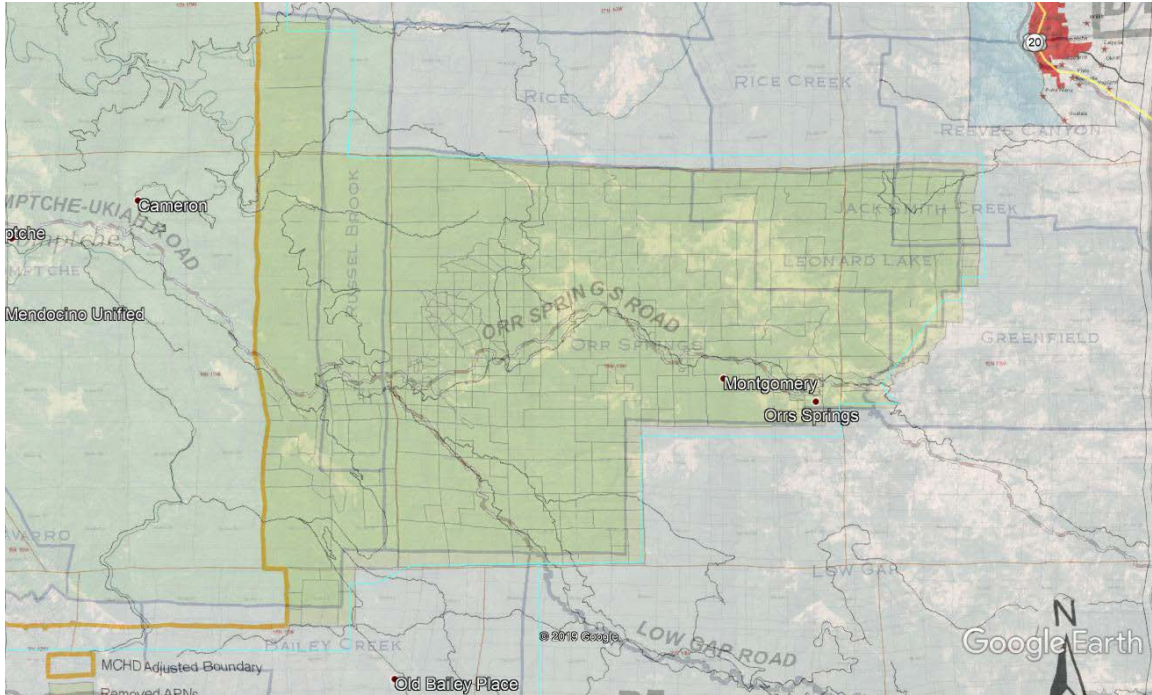
(Reminder of page left blank.)

Here is that same area, somewhat ‘zoomed out’, showing the Mendocino County precinct map roughly overlaid on top of the proposed detachment area (still in yellow).



Zooming in, you can see that the vast majority of the area proposed for detachment is included in Orr Springs, Leonard Lake, Russel Brook and Jack Smith Creek precincts, with a small western portion falling within the Comptche precinct.

(Reminder of page left blank.)



At the time of the Measure C election, Russel Brook did not appear to have any registered voters. Leonard Lake and Jack Smith Creek appear to have been consolidated with Orr Springs, as they do not appear to have any District voters in the Statement of Votes Cast (see below). Furthermore, the potential number of voters within the Comptche precinct and the area proposed for detachment is difficult to ascertain and likely small. As such, for purposes of this review, please see the June 5, 2018, Statement of Votes Cast specific to Measure C within the Orr Springs precinct (which is almost certainly the vast majority of residents within the area proposed for detachment). We have attached a true and correct copy of the Statement of Votes Cast to this Exhibit A.

Of the 63 registered voters in the Orr Springs precinct, all received informational materials from the County on Measure C. Forty (40) residents voted on Measure C, 23 people voted yes, and 17 voted no. Accordingly, more than 60% of the voting population within the Orr Springs precinct voted on Measure C and approximately 58% of those voted in favor of the parcel tax.

Statement of Votes Cast
(To begin on the next page.)

Statement of Votes Cast
 2018 STATEWIDE DIRECT PRIMARY ELECTION
 SOVC For Jurisdiction Wide, All Counters, All Races
 STATEMENT OF ALL VOTES CAST
 COUNTY OF MENDOCINO - JUNE 5, 2018
 FINAL OFFICIAL REPORT

Date:06/22/18
 Time:13:34:20
 Page:809 of 902

	MEASURE C Coast Hlthcare			
	Reg. Voters	Times Counted	YES	NO
Total	190	129	87	37
999508-NORTH FORK				
Polling	145	0	0	0
Vote By Mail	145	78	55	19
Total	145	78	55	19
999509-ORR SPRINGS				
Polling	63	0	0	0
Vote By Mail	63	41	23	17
Total	63	41	23	17
999510-GREENWOOD				
Polling	213	0	0	0
Vote By Mail	213	132	81	44
Total	213	132	81	44
999511-ELK				
Polling	63	0	0	0
Vote By Mail	63	41	33	8
Total	63	41	33	8
999512-MELLO PASS				
Polling	-	-	-	-
Vote By Mail	-	-	-	-
Total	-	-	-	-
999513-MOUNTAIN VIEW				
Polling	-	-	-	-
Vote By Mail	-	-	-	-
Total	-	-	-	-
999514-ARENA				
Polling	-	-	-	-
Vote By Mail	-	-	-	-
Total	-	-	-	-
999515-CRISPIN				
Polling	-	-	-	-
Vote By Mail	-	-	-	-
Total	-	-	-	-
999516-SCHOONER LANDING				
Polling	-	-	-	-
Vote By Mail	-	-	-	-
Total	-	-	-	-
999517-IVERSEN LANDING				
Polling	-	-	-	-
Vote By Mail	-	-	-	-
Total	-	-	-	-
999518-ANCHOR BAY				
Polling	-	-	-	-
Vote By Mail	-	-	-	-
Total	-	-	-	-
999519-OLD STAGE EAST				
Polling	-	-	-	-
Vote By Mail	-	-	-	-
Total	-	-	-	-
999520-RANCHO NAVARRO				



February 18, 2020

To Whom It May Concern:

I am writing this letter to respond to Ms. Lisa Weger's comments about a memorandum I prepared for the Mendocino Coast District Hospital on November 21, 2019. In the memorandum, I discussed my opinion about how a proposed detachment petition did not use an appropriate boundary. Ms. Weger criticized the study I performed to form my conclusion about the proposed boundary line.

Regarding the starting point for my study, we historically post an ambulance in Mendocino during the day in order to minimize response times to the South and South East. Additionally, the drive time to Mendocino Code 3 (lights and sirens) is between 7-8 minutes.

Regarding the midway point and Orr Valley, we operate in a dynamic staffing system. When a response is needed in Orr Valley, the dispatcher sends the appropriate unit. This may be from Ukiah or it may be from Fort Bragg depending on the systems status, weather, mud slides, floods, fallen trees, or snow covered roads.

The reality is this: we will respond to the emergencies in the Orr Valley regardless of whether LAFCO approves this detachment petition or not. We will treat them at our hospital no matter what. So, to ensure fairness for everyone, we believe that this detachment area should stay within the jurisdiction of the Hospital.

We strive to serve our neighbors with excellence.

Sincerely,

Davey Beak

ATTACHMENT 6

**Lisa Weger
Weger Ranch
18471 Orr Springs Rd.
Ukiah, CA 95482**

February 22, 2020

Board of Directors
Uma Hinman, Executive Director
Mendocino County LAFCO
200 S. School St. #2
Ukiah, CA 95482

Re: Detachment from Mendocino Coast Hospital District

Dear Board Members and Ms. Hinman:

This letter is written in response to the most recent and repeated assertions of the Mendocino Coast Health Care District (MCHD) in response to the landowner petition for detachment that was properly submitted to this Board on June 12, 2019. I welcome the additional facts put forth in Ms. Wiles' letter, which, as I will explain, only strengthens the arguments supporting the detachment.

1. Petitioners do not seek to overturn the Measure C election, but instead we seek the revision of the boundaries of MCHD to accurately reflect the sphere of influence and the emergency service area of the Mendocino Coast Hospital (the "Hospital").

The issue that is dispositive is whether or not the Mendocino Coast Hospital "serves" the area proposed for detachment. Contrary to Ms. Wiles' interpretation, "serves" does not mean that an occasional person from our region seeks elective medical care at the Hospital. The appropriate question is "Where would the Petitioning landowners seek emergency medical care?"

The landowners within the boundaries of the proposed detachment have come before this Board and unanimously and repeatedly testified that, in an emergency situation, they would seek medical care at the Adventist Ukiah Hospital. There were various reasons cited:

- a.) length of travel time to a hospital for emergency services
- b.) superior healthcare
- c.) proximity to Santa Rosa if additional healthcare were required.

Petitioners have repeatedly explained that for the past 25 years the Comptche fire chief used the intersection of the Orr Springs and Comptche Ukiah Roads as the unofficial dividing line between the Coast and Ukiah ambulance service. This is very close to milepost 21 on the Comptche Ukiah Road. Petitioners adopted the section line closest to milepost 21 as the proposed boundary of detachment.

2. MCHD failed to accurately depict its boundary on its website, which I believe resulted in voter misunderstanding and suppression.

Petitioners have never asserted that the County of Mendocino distributed fraudulent election materials.

But how would landowners who were unable to vote, who did not register to vote, or who did not review the election materials provided by the County, discover if they were subject to Measure C?

- First, there is the common sense analysis: “Do I live close to Fort Bragg or use the Hospital? No—I live much closer to Ukiah—this tax could not possibly apply to me”
- Second, a more focused analysis would involve research. If one researched this issue, as I did, it is reasonable to expect that said landowners would view the maps and descriptions on the MCHD website. They would find, as Ms. Wiles admits, those maps and descriptions **did not accurately portray the MCHD boundaries**. Based upon these maps, if a landowner believed their land was not included in the MCHD, why would they have voted or campaigned against Measure C? Therefore, as a result of these inaccuracies, landowners were deprived of such a legal right.

California law defines “Fraud” as “using deceit or dishonest means for the purpose of depriving another of money, property, or a legal right”. Actionable Fraud can be intentional or **negligent** or both. If MCHD did not act intentionally, at the very minimum, it acted negligently in not accurately depicting their District boundary on their website.

Again, Ms. Wiles confuses our assertions—we are not seeking to overturn the election. We are merely suggesting that the MCHD acted at the minimum, negligently, to deprive another, namely all the Petitioners seeking the detachment, of a legal right. The statute of limitations for fraud in California is 3 years (Section 338 (d) of the California Code of Civil Procedure).

3. The financial impact of individual Hospital visits from neighboring landowners is insignificant to the financial viability of MCHD.

Ms. Wiles explains that over a 10 year period, there were 69 **individual visits**, by an unknown number of individuals, living in the area proposed for detachment, generating \$194,204 in Hospital revenues. Ms. Wiles fails to disclose if the visits were by one individual—seeking medical care at the Hospital 7 times a year or 69 individuals each with one visit to the Hospital, or something in between.

For purposes of discussion, let's assume that there were an average of 7 people from the Orr Springs area who visited the Hospital each year generating a total yearly average of \$19,420 for MCDH. Based upon the audited financial reports on the MCHD website, during calendar year 2018, the "net patient service revenues" were \$51,872,360. The \$19,420 amounts to 0.00037 of the annual patient revenues for the Hospital. I think it is fair to say that 37/1000 of 1 percent of revenue will neither sustain nor undermine MCHD's financial viability.

Ms. Wiles also implies that MCHD is doing patients a favor by allowing them to use the Hospital. Hospitals want and need patients--that is how they make money and stay in business. In the United States, we are all free (depending upon our insurance situation or ability to pay) to choose whatever hospital we want. If, for example, I elected to go to Stanford Hospital, I don't think Stanford would expect my neighbors to chip in to keep their doors open. But Ms. Wiles asserts that because 0.00037 of the Hospital revenue is generated from patients who are my neighbors, I should pay the parcel tax. This is ludicrous.

4. Parcel Tax revenue loss as a result of the detachment is insignificant.

According to Ms. Wiles, if the detachment is approved, the annual revenue loss to MCHD would be \$35,712. Per the 2018 audited MCHD Statement of Revenues and Expenses, the net patient service revenues were \$51,872,360 and the other operating revenues were \$2,459,666, thus bringing total operating revenues to \$54,332,026. The detachment would result in a 0.00066 loss of total operating revenue. Even though "every dollar counts", this is clearly an insignificant loss.

5. LAFCO properly complied with CEQA and Petitioners are entitled to rely upon the Common Sense Exemption.

Once again, MCHD has not put forth one factual allegation supporting their assertion that a lengthy and expensive CEQA inquiry must be undertaken. Instead, Ms. Wiles only repeats the conclusions previously put forth by her legal partner, Mr. Frey, in his October 4, 2019 letter to the Board as legal authority for undertaking a CEQA study.

Let's look more closely at Mr. Frey's analysis. As he states, pursuant to 14 CCR Section 15061 (b)(3), projects are exempt from CEQA if:

*“The activity is covered by the common sense exemption that CEQA applies **only** to projects which have the potential for causing a **significant effect on the environment**. Where it can be shown with certainty that there is no possibility that the activity in question may have a **significant effect on the environment**, the activity is not subject to CEQA.”* (emphasis added)

Mr. Frey states that if a geographical boundary is not changed, the activity is exempt from CEQA, citing Section 15320. He then concludes, without proof or relevant citation, that if a geographical boundary changes, a CEQA analysis must be conducted. That is a clever legal manipulation, but his conclusion (that the opposite must be true) is neither legal authority nor accurate. The opposite of a proposition may or may not be true depending upon the facts.

In our instance, the real question is: Does drawing a new boundary line on a map **significantly** impact the environment? In their many letters to the LAFCO Board, MCHD has not provided evidence of one single significant environmental impact. They have not supplied the Board with factual evidence because none exists. **There are no significant environmental impacts from this project.** Therefore, Petitioners were and are entitled to rely upon the common sense CEQA exemption. This conclusion was reached months ago by both LAFCO's legal counsel and staff.

6. Conclusion

As I am sure you are all aware, MCHD has placed a new Measure C on the March 3rd ballot requesting that landowners approve a 30 year lease of the Mendocino Coast Hospital to Stone Point Health, an affiliate of Adventist Health System. I am not familiar with the legal complexities of this lease, but it is conceivable that if this new Measure C is approved by the voters then the Measure C parcel tax will no longer be viable because another organization will be fulfilling the functions that the parcel tax was designed to support.

Why is MCHD then so vigorously opposing our detachment? I do not know.

What I do know is that their opposition has delayed this process and cost the Petitioners thousands of extra dollars and will allow the MCHD to levy the Measure C tax for an additional year. I ask that the Board stop the unnecessary and expensive delays, and support the detachment.

Best Regards,

Lisa Weger, Petitioner

Mendocino Coast District Hospital
Statement of Revenues and Expenses

	audited FY 2018	↑↓	Budget FY 2019
NET PATIENT SERVICE REVENUES	\$51,872,360	145,640	\$52,018,000
OTHER OPERATING REVENUES	<u>2,459,666</u>	<u>(359,666)</u>	<u>2,100,000</u>
TOTAL OPERATING REVENUES	54,332,026	(214,026)	54,118,000
OPERATING EXPENSES			
SALARIES & WAGES - STAFF	17,487,285	511,715	17,999,000
EMPLOYEE BENEFITS	8,920,442	(64,442)	8,856,000
PROFESSIONAL FEES - PHYSICIAN	6,409,033	117,967	6,527,000
OTHER PROFESSIONAL FEES - REGISTRY	6,542,128	(1,975,128)	4,567,000
OTHER PROFESSIONAL FEES - OTHER	1,466,110	(52,110)	1,414,000
SUPPLIES - DRUGS	4,589,929	276,071	4,866,000
SUPPLIES - MEDICAL	2,918,135	104,865	3,023,000
SUPPLIES - OTHER	963,985	20,015	984,000
PURCHASED SERVICES	1,580,236	(13,236)	1,567,000
REPAIRS & MAINTENANCE	937,926	36,074	974,000
UTILITIES	806,116	36,884	843,000
INSURANCE	541,866	20,134	562,000
DEPRECIATION & AMORTIZATION	1,511,526	24,474	1,536,000
RENTAL/LEASE	550,044	(44)	550,000
OTHER EXPENSE	<u>1,608,708</u>	<u>(100,708)</u>	<u>1,508,000</u>
TOTAL OPERATING EXPENSES	<u>56,833,469</u>	<u>(1,057,469)</u>	<u>55,776,000</u>
NET OPERATING (LOSS)	(2,501,443)	843,443	(1,658,000)
NON-OPERATING REVENUES (EXPENSES)			
OPERATING TAX REVENUES	831,003	(35,003)	796,000
INVESTMENT INCOME	57,068	(68)	57,000
DONATIONS	338,841	159	339,000
INTEREST EXPENSE (ALL)	(555,671)	(98,329)	(654,000)
EXTRAORDINARY GAINS/(LOSS)	63,482	(63,482)	0
BOND EXPENSE (ALL)	42,516	(30,516)	12,000
TAX SUBSIDIES FOR GO BONDS	512,895	(179,895)	333,000
PARCEL TAX REVENUES	<u>0</u>	<u>1,600,000</u>	<u>1,600,000</u>
TOTAL NON OPERATING INCOME (LOSS)	<u>1,290,134</u>	<u>1,192,866</u>	<u>2,483,000</u>
TOTAL NET INCOME (LOSS)	(1,211,309)	2,036,309	825,000

Weger Ranch
18471 Orr Springs Rd.
Ukiah, CA 95482

November 30, 2019

Board of Directors
Uma Hinman, Executive Director
Mendocino County LAFCO
200 S. School St. #2
Ukiah, CA 95482

Re: Detachment from Mendocino Coast Hospital District

Dear Board Members and Ms. Hinman:

This letter responds to the fanciful depictions set forth in Ms. Wiles' letter to the LAFCO Board dated November 25, 2019 submitted on behalf of the Mendocino Coast Hospital District ("the District") in opposition to the proposed Detachment. I request that this letter be included in the record in favor of the Detachment.

I also understand that the entire Staff Report dated October 7, 2019 shall be included as part of the record for purposes of facts and analysis of Ms. Wiles' letter.

I would like to address the following points:

1. To suppress voter involvement and opposition to Measure C, the District intentionally misrepresented the boundaries to the voting public prior to the election. This misrepresentation strongly supports the claim that the District perpetrated election fraud.

Measure C passed by 8 votes. As set forth in the Justification in Support of Detachment, the District's map and listed zip codes, made available on its website depicting who would be paying for Measure C, grossly misrepresented the boundaries of the District. This fraud deterred impacted landowners who live in the area of the proposed Detachment from either voting in this election or from campaigning against Measure C. Material misrepresentation resulting in voter suppression equals election fraud.

2. The proposed Detachment does not change the results of the Measure C election.

The landowners who are legitimately proximate to the Coast Hospital will still pay the Measure C tax. Ms. Wiles confuses the Comptche voting district and the Orr Springs voting district.

3. All pre-existing bonds levied against landowners in the proposed Detachment area will remain in full force and effect.

Ms. Wiles confuses two simple facts:

1. That the existing bond charges will remain on our tax bills
2. The District is subject to oversight of Cal-Mortgage as a result of its financial woes

Ms. Wiles disingenuously implies that the District's long-term obligations will not be met if the Detachment proceeds. As set forth in the language of Measure C, its proceeds must be used in essence to "keep the Hospital running" and not for long-term debts, mortgages, or other expenses. Additionally, as discussed in paragraph 4 below, the financial impact of the proposed Detachment to the District is insignificant..

4. The financial impact of the proposed Detachment to the District has been grossly overstated.

I have obtained data which indicates the 10 largest landowners in the area proposed for Detachment collectively own 24,493 acres. This is 70% of the land we are proposing to detach. These landowners own 205 parcels, but because of Homeowners' exemptions (as established in Measure C) and the Legal Parcel Exemption (required by Government Code 53087.4), they pay Measure C taxes on 39 parcels. This amounts to \$5,616 annually.

Even if the remaining landowners in the proposed Detachment area, which represent 10,000 acres, pay \$30,000 (which I believe is a gross overestimate), then the District would lose \$35,600 annually as a result of the Detachment. As recently as a few months ago, the District was losing approximately \$80,000 per month or almost a \$1,000,000 per year. Thirty-five thousand dollars, when compared to the District's total budget and annual losses, is clearly insignificant.

5. The District's assertion that Ukiah and Redwood Valley residents (as defined by zip codes) frequently use the Coast Hospital is not supported by the evidence.

According to the website AHD.com (American Hospital Directory) in 2018, the residents from the top three zip codes that used the services of the Coast Hospital and attending revenues generated were as follows:

Fort Bragg	95437	\$7,392,208	of revenue
Mendocino	95460	\$1,399,362	of revenue
Albion	95410	\$ 413,000	of revenue

The same data for the Adventist Ukiah Hospital is as follows

Ukiah	95482	\$40,225,000	of revenue
Redwood Valley	95470	\$6,978,000	of revenue
Willits	95490	\$2,491,000	of revenue

The Petitioners' zip codes are Ukiah and Redwood Valley, so people from those two areas spent \$47,203,000 at the Adventist Hospital in Ukiah.

The Petitioners' zip codes were not in the top three of the Coast Hospital (therefore not available on this website), but we can conclude that they spent less than \$413,000 at the Coast Hospital.

I tried to analyze and compare Ms. Wiles' questionable conclusion that residences from the Ukiah and Redwood Valley zip codes spent \$3,449,352 at the Coast Hospital "since 2015". Unfortunately she did not specify over how many years the \$3,449,532 was generated as Hospital revenue—unless she is suggesting that it was spent over three years from 2016-2018, in which case her numbers fail to comport with the data on the AHD.com website.

Last year, residents from Ukiah and Redwood Valley spent \$47,203,000 at the Ukiah Adventist Hospital; neither zip code was in the top three at the Mendocino Coast Hospital. A full analysis of the data supports our conclusion that the residents from the 95482 and 95470 zip codes overwhelmingly use the Adventist Ukiah Hospital.

6. LAFCO properly complied with CEQA.

To date, the District has not made one assertion of fact to support the notion that the proposed Detachment has any impact to the environment. In such instances (where there is clearly no environmental impact), the proponents of a project are legally entitled to seek and obtain a categorical exemption. This is exactly the reason that a categorical exemption exists! Please see Attachment 8 of the October 7, 2019 Staff Report. This issue was examined and determined. No contrary facts have been submitted.

The District is again only trying to delay and cost the Petitioners thousands of more dollars to chase this illusory issue.

7. All State and Local Agencies were fully and appropriately notified by the LAFCO staff.

LAFCO staff legally and appropriately notified all State and Local agencies per the requirements of the statutes governing detachments in California.

8. Health and Safety Code Section 32001 is exactly the issue before the Board.

If we agree that Section 32001 of the H&S Code applies to the formation of a District, then clearly both the Hospital District and the LAFCO Board failed in their duties almost 50 years ago when setting up the boundaries of the District, otherwise our area would never have been included. We have NEVER been served by the Coast Hospital. That is exactly why we are now seeking a Detachment. In the meantime, the District is in violation of their legal obligation under Section 32001 and by point of law should not be taxing the properties we are seeking to detach.

9. Mr. Davey Beak's memo dated November 21, 2019 reaffirms the location of the western boundary for the proposed Detachment.

First I am astonished that Mr. Beak sent the east bound ambulance used in his study from the Mendocino Volunteer Fire Department on Little Lake Road in Mendocino rather than from the Mendocino Coast Hospital in Fort Bragg. Obviously the Hospital is at least 15 minute north of the Mendocino Volunteer Fire Department and far more relevant to the issue raised—the meeting point of the two ambulances.. So it seems that he was shaving 15 minutes off of the drive time of the east bound ambulance to draw his conclusion.

As discussed in prior communications to this Board, we placed the western boundary of the proposed Detachment as close as possible to the intersection of Orr Springs Road and Low Gap Road. As previously explained, for the prior 25 years, the previous Comptche fire chief used this intersection as the unofficial dividing line between the Coast and Ukiah ambulance service.

After appropriating the resources to conduct “the study” involving two ambulances, Mr. Beak concluded that meeting point was at 21489 Orr Springs Rd. This is less than a mile from the intersection of Orr Springs Road and Low Gap Road. The proposed boundary is placed on the closest section line for ease of mapping and accurate legal descriptions

Had the east bound ambulance actually begun its trip from the Coast Hospital, Mr. Beak would have concluded that we located the western boundary of the proposed detachment too far to the east. . For all intents and purposes Mr. Beak's “study” confirms the location of the proposed western boundary

Conclusion

I believe that the District has repeatedly perpetrated misstatements, obfuscations and outright falsehoods to support their claims that they serve the landowners in the area of the proposed Detachment.

As Petitioners we have not sought to fabricate facts, but instead have repeatedly and tirelessly worked within the legal frame work, as set forth in the relevant Government code sections, to provide facts and data necessary to conclude this process.

This Board has heard first-hand from many of the landowners living and working in the area of the proposed Detachment who spoke in favor of said Detachment. To date, we have spent over \$7500 on this process and will likely owe LAFCO and the State another \$5,000 to complete it.

It is time to end the unnecessary delays and close public comment. When this matter comes before the Board for a vote we urge you to vote in favor of Detachment.

Best Regards,

Lisa Weger

**MENDOCINO
Local Agency Formation Commission**

Staff Report

MEETING: October 7, 2019
 TO: Mendocino Local Agency Formation Commission
 FROM: Uma Hinman, Executive Officer
 SUBJECT: **Public Hearing** for Weger Detachment from Mendocino Coast Health Care District (File No. D-2019-01)

RECOMMENDATION

Staff recommends that the Commission take the following action:

- (1) Find the Weger Detachment from Mendocino Coast Health Care District exempt from the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations §15061(b)(3) and approve the Notice of Exemption for filing; and
- (2) Adopt LAFCo Resolution 19-20-02, approving the Weger Detachment from Mendocino Coast Health Care District Change of Organization application as depicted in Exhibit A; and
- (3) Waive Protest Proceedings pursuant to GOV §56663 unless written opposition to the proposal is received from landowners or registered voters within the affected territory before the conclusion of the Public Hearing.

Application Profile	
LAFCo File No.:	D-2019-01
Application Type:	Landowner Petition Application for Change of Organization
Proposal:	Detachment from Mendocino Coast Health Care District (MCHCD)
Applicant Name:	Lisa Weger, Chief Petitioner
Date Filed:	June 14, 2019
Number of Parcels:	419
Size:	35,983 acres (approximately)
Affected Territory:	Inhabited (12 or more registered voters residing in the area)
Location:	The central portion of Mendocino County along the Orr Springs Road corridor and located east of Comptche, west of Ukiah Valley (U.S. Hwy 101), north of Anderson Valley (State Hwy 128), and south of the Jackson State Forest (State Hwy 20). The proposed detachment area extends from approximately Comptche-Ukiah Road Mile Marker 21 in the west and Orr Springs Road Mile Marker 33.33 in the east.

DISCUSSION

This is a Public Hearing to consider public testimony and proposed adoption of a Change of Organization application initiated by landowner petition involving detachment of approximately 35,000 acres of unincorporated territory from the Mendocino Coast Health Care District (MCHCD or District) pursuant to GOV §56700 et seq. and §56864 (Attachment 1).

Summary of Application Process

Landowner Petition

The Chief Petitioner filed a Notice of Intent to Circulate Petition with the Executive Officer on February 4, 2019 pursuant to §56700.4(a) and then filed the signed petitions and Detachment Application on June 14, 2019. The landowner petition was examined by the Mendocino County Assessor pursuant to GOV §56708 and it was determined that more than 25% of the landowners within the proposed detachment area owning at least 25% percent of the assessed value of land within the proposed detachment area signed the petition for detachment pursuant to GOV §56864(a)(2). A Certificate of Sufficiency was issued on August 30, 2019 indicating that the petition was signed by the requisite number of qualified signers for a sufficient petition pursuant to GOV §56706.

Public Hearing

A Certificate of Filing was issued on August 30, 2019 indicating receipt of a complete application pursuant to GOV §56658 and requiring the Commission to formally consider the application within 90 days at a Public Hearing. Once the Commission hears public testimony and deliberates, it will make a determination to approve, with or without conditions, or disapprove the application. If approved, the Commission will adopt a resolution that states the Commission's determinations and conditions, if any. If disapproved, no similar proposal involving the same or substantially the same territory may be submitted to the Commission for at least one year after the Commission adopts a resolution terminating the proceedings.

Reconsideration Period

Within 30 days of the Commission's adoption of a resolution regarding the application, any person or affected agency may file a written request for reconsideration. The request must be based on new or different facts that could not have been known to the Commission at the time of the hearing that would warrant the reconsideration. Upon timely receipt of a valid reconsideration request, the request would be noticed for the next available Commission meeting consistent with notice requirements for the original Public Hearing, and the Commission must consider the request no more than thirty-five days from the date specified in the published notice. After the Commission considers a request for reconsideration, it would either amend its determination or let it stand. The Commission's determinations would then be final and conclusive.

Protest Proceedings

If the Commission approves the application and protest proceedings are not waived pursuant to GOV §56663, then the provisions of GOV §57000 et seq. would apply and the Commission must hold a noticed Protest Hearing not less than 21 days or more than 60 days after the date the notice is given. The Commission may delegate or authorize the Executive Officer to initiate and conduct protest proceedings for the application. At any time between the date of publication of the protest hearing notice and the close of the protest hearing, any owner of land or registered voter within the proposed detachment area may file a written protest. For protests to be valid, they must be written, signed, and contain specific information. At the conclusion of the Protest Hearing, the Commission, or Executive Officer if delegated authority of conducting protest proceedings, would determine the value of written protests.

Pursuant to GOV §57075(a), approval of the application would be confirmed unless the Commission receives written protests, that are not withdrawn by the conclusion of the protest hearing, by at least 25% of registered voters residing within the detachment area or at least 25% of the number of landowners within the detachment area who own at least 25% of the assessed value of land within the detachment area. If more than 25% of owners or voters protest, an election by registered voters must be conducted. If more than 50% of registered voters submit written protests, the proposal is terminated.

Background

District Name

The Mendocino Coast Healthcare District was established in 1966 as the Mendocino Coast Hospital District. The District's hospital facility is named the Mendocino Coast District Hospital. In 1994, Senate Bill 1169 (Maddy) renamed the Hospital District Principal Act to Health Care Districts to reflect that health care was increasingly being provided outside of the hospital setting. The District's Board of Directors meeting agendas and minutes and Measure C refer to the Mendocino Coast Health Care District as the correct name of the District.

District Formation and Boundary

The formation of the Mendocino Coast Health Care District was approved by LAFCo on May 2, 1966 per Resolution No. 66-3. The MCHCD boundary was established primarily based on school district boundary lines in existence at the time and generally followed the Mendocino Unified School District in the southern portion of the District and the Fort Bragg Unified School District in the northern portion of the District (Attachment 5). Since it is expensive to survey large areas to prepare legal descriptions when initially forming a local agency, it is not uncommon to base the boundary of a new local agency on the boundary lines of existing local agencies.

Justification of Proposal

The primary reasons for the proposed detachment as submitted by the petitioners are summarized as follows: the detachment area receives ambulance and medical services from the Ukiah Valley area instead of MCHCD, and the parcel tax invoked by the passage of Measure C imposes an unfair burden. Following are the detailed reasons for the proposed detachment from the Petition for Proceedings:

The area proposed for the detachment from the Mendocino Coast Hospital District is significantly closer to the Adventist Health Ukiah Valley Hospital, in Ukiah, CA than to the Mendocino Coast Hospital located in Fort Bragg, CA. Currently, the area proposed for detachment is served by ambulances from the Ukiah area in order to minimize response time. Response time and ease of access make the Ukiah Hospital the one used by the residents and landowners of the proposed Detachment area. This area was mistakenly included in the MCHD almost 50 years ago because it was part of the Comptche School District and although children from the proposed detachment area may attend grammar school in Comptche that does not speak to where medical services would be obtained since Fort Bragg is almost 40 minutes west and north of Comptche. Comptche itself is significantly west of the area proposed for detachment. The parcel tax invoked by the passage of Measure C imposes an unfair burden and is prohibited by Cal Health and Safety Code Section 32001. For all these reasons the area should be detached.

As background, HSC §32001 states: A local hospital district may be organized, incorporated and managed, as provided in this division and may exercise the powers herein granted or necessarily implied. Such a district may include incorporated or unincorporated territory, or both, or territory in any one or more counties. The territory comprising this district need not be contiguous but the territory of a municipal corporation shall not be divided; provided, that land either in a municipal corporation or in

unincorporated territory which the supervising authority finds will not be benefited shall not be included.

The Justification of Proposal application form and associated Justification in Support of Detachment provides further details regarding the proposed detachment application (Attachment 2).

MCHCD Comments

The District provided comments on July 10, 2019 related to the proposed detachment (Attachment 3). Of most significant relevance to the petitioners' proposal justification, MCHCD states that it does provide some ambulance dispatch services to the very small population in locations east of Comptche and there are options available to the petitioners to limit the amount they must pay within the existing rules of Measure C which applies to all property owners throughout the District. MCHCD did not state that the detachment area receives medical services from the District's hospital or community-based health care facilities. Therefore, the following information regarding District services provided to the detachment area focuses on ambulance services.

Ambulance Services

EMS System

Emergency Medical Services (EMS) include paramedic treatment, ambulance transport, and trauma services for the victims of sudden illness or injury. The EMS System consists of first responder service providers including local fire protection and law enforcement agencies, basic and advanced life support and medical transport services provided by qualified local public agencies and private ambulance companies, and area hospitals that provide medical intervention and emergency receiving facilities. The EMS system also encompasses the medical management of 911 calls for service including medical priority dispatching of EMS resources and pre-arrival instructions given by 911 dispatchers to callers.

By State law, the EMS System is a County government function. Coastal Valleys EMS Agency (CVEMSA) has been designated as the Local Emergency Medical Services Agency (LEMSA) for Mendocino and Sonoma Counties and is responsible for managing the EMS System and regulating and monitoring out-of-hospital emergency medical services providers. LEMSAs are tasked by State law with planning, implementing, and evaluating the delivery of EMS within the geographic area served by the LEMSA. All LEMSAs are required to address these mandates by assessing system needs and developing plan objectives in the EMS System Plan annually.

LEMSA oversight of the EMS system is accomplished via the licensing and/or permitting of ambulance provider companies and hospitals, coordination and monitoring of air and ground ambulances, certification and/or accreditation of pre-hospital care personnel (Emergency Medical Technicians (EMT) and paramedics). In addition to credentialing system providers, the LEMSA provides overall physician medical control for all system participants that provide care within the LEMSA's jurisdiction. Under the direction of the LEMSA Medical Director, the LEMSA develops and implements policies for dispatch of medical resources, patient care, interagency coordination, quality improvement, documentation and transportation, and disaster medical response preparedness.

The EMS System Plan includes an Ambulance Service Zones map (Attachment 6). The Ambulance Service Zones were created based on an analysis of multiple deployment factors such as population centers and associated service demand, where EMS resources are located, traffic patterns, and speed of travel. The proposed Detachment Area is located in the transition area between the Fort Bragg Ambulance Service Zone 4 and the Ukiah Valley/Willits Ambulance Service Zone 5. The boundary line between these two Ambulance Zones in the proposed Detachment Area has been in place since at least the 2011-2012 EMS System Plan.

EMS Definitions

The following definitions are from the 2019 Mendocino County Request for Proposals (RFP) for Exclusive Operating Area (EOA) Provider for Emergency Ambulance Service and provide a framework for understanding the next section on EMS deployment.

Advanced Life Support (ALS) – Special services designed to provide definitive pre-hospital emergency medical care as defined in Health and Safety Code Section 1797.52, including, but not limited to, cardiopulmonary resuscitation, cardiac monitoring, cardiac defibrillation, advanced airway management, intravenous therapy, administration of specified drugs and other medicinal preparations, and other specified techniques and procedures administered by authorized personnel under the direct supervision of a base hospital.

Basic Life Support (BLS) – As defined in Health and Safety Code Section 1797.60.

Computer-Aided Dispatch (CAD) – A system consisting of associated hardware and software to facilitate call taking, system status management, unit selection, ambulance coordination, resource dispatch and deployment, event time stamping, creation and real time maintenance of incident database, and providing management information.

Demand Analysis – The deployment of ambulances in a specific service area based on experience and the predicted likelihood of requests for service in that area at the time deployed.

Deployment – The procedures by which ambulances are distributed throughout the service area. Deployment includes the locations at which the ambulances are placed (or posted) and the number of ambulances placed in service for the particular time period.

EMS System – The EMS System consists of those organizations, resources and individuals from whom some action is required to ensure timely and medically appropriate response to medical emergencies.

First Responder – An agency with equipment and staff (e.g., fire department, police or non-transporting ambulance unit) with personnel capable of providing appropriate first responder pre-hospital care.

Priority Dispatching – A structured method of prioritizing requests for ambulance and first responder services, based upon highly structure telephone protocols and dispatch algorithms. Its primary purpose is to safely allocate available resources among competing demands for service.

System Status Controller (SSC) – Personnel with special SSM training who are responsible for on-line implementation and management of the system status plan.

System-Status-Management (SSM) - A management tool to define the "unit hours" of production time, their positioning and allocation, by hour and day of week to best meet demand patterns.

System Status Manager – An experienced System Status Controller with advanced SSM training (Level 3) that manages control center operations and oversees the development and continuous refinement of the SSP.

System Status Plan (SSP) – A planned protocol or algorithm governing the deployment and event-driven redeployment of system resources, both geographically and by time of day/day of week. Every system has a system status plan. The plan may or may not be written, elaborate or simple, efficient or wasteful, effective or dangerous.

EMS Deployment

In Mendocino County, EMS deployment or dispatch is provided by the California Department of Forestry and Fire Protection (CAL FIRE) at the Howard Forest Emergency Command Center (ECC) near Willits. EMS dispatch is complex and dynamic with the determination of best resource for a given call

dependent on multiple factors such as closest available ambulance at a given time, the level of care needed by the patient, and the need to provide on-going ambulance coverage in the service area.

Computer-Aided Dispatch (CAD) is used to help the ECC dispatcher make the best decision regarding which resources should respond to service calls based on the System Status Plan (SSP). The SSP is governed by dispatch algorithms or rules that are defined by EMS System stakeholders and approved by the LEMSA at monthly meetings. The SSP or CAD rules are constantly being monitored, managed, and adjusted based on system performance and real world conditions, a concept known as System-Status-Management (SSM). The CAD software includes the Ambulance Service Zones, but the geography of the zones do not provide the basis of dispatch protocols for determining the appropriate resource for a given call for service.

Due to the dynamic and unpredictable nature of emergencies, multiple public agencies and/or private service providers could be dispatched to a single service call. In responding to medical emergencies, local fire protection and ambulance service providers are often dispatched simultaneously. When local fire or law enforcement agencies are the first to arrive on scene, these first responders provide first aid and pre-hospital care while preparing the patient for transport to a hospital when the transporting ambulance arrives.

The MCHCD ambulance primarily serves residents and visitors within the District’s jurisdictional boundary. However, due to the critical need for rapid response in emergency situations, when a call for service is received, the nearest available response unit is dispatched regardless of jurisdictional boundary. Therefore, the MCHCD ambulance response area can be different than the District boundary based on mutual aid responses and dispatched service calls.

EMS Dispatch Data

Mendocino County CAD-based EMS dispatch data was analyzed for an 8-year period (2010-2014 and 2016-2018) to determine the percent of ambulance provider types serving the proposed detachment and adjacent areas. There were originally approximately 99,500 EMS dispatch records that were further refined by geographic location to the proposed detachment area and within 2-miles of the proposed detachment area. A 2-mile buffer was selected to limit the influence of service calls on the adjacent highway system (U.S. Highway 101, State Route 128, and State Route 20) that might skew the results for the remote detachment area. The resulting dataset was small in relation to the original number of records. Within the 8-year period, there were approximately 80 ambulance providers dispatched within the proposed detachment area and 105 ambulance providers dispatched within 2-miles of the proposed detachment area. The following tables show the EMS dispatch data broken down by air and ground ambulance providers within the proposed detachment area, within 2-miles of the proposed detachment area, and combined.

EMS Dispatch Data in Detachment Area		
EMS Responder	# Service Calls	% Service Calls
Air Response	32	40%
Coastal Response	5	6%
Inland Response	43	54%
Total	80	100%

EMS Dispatch Data in 2-mile Buffer Area		
EMS Responder	# Service Calls	% Service Calls
Air Response	35	33%
Coastal Response	14	14%
Inland Response	56	53%
Total	105	100%

Combined EMS Dispatch Data		
EMS Responder	# Service Calls	% Service Calls
Air Response	67	36%
Coastal Response	19	10%
Inland Response	99	54%
Total	185	100%

This data shows that over the 8-year period, air ambulance providers responded to approximately 36% of the total service calls, coastal ambulance providers responded to approximately 10% of the total service calls, and inland ambulance providers responded to approximately 54% of the total service calls. Of the coastal ambulance providers, MCHCD ambulance service responded to a total of 11 or 6% of service calls. This dataset indicates that primarily inland and secondarily air ambulance providers routinely serve the proposed detachment and adjacent areas.

Effects of Detachment

Representation

Approval of the detachment application would affect the District, residents, registered voters, and landowners within the proposed detachment area as well as the owners of land remaining within the District boundary. Registered voters within the proposed detachment area would lose their right to run for the District Board of Directors and to vote in District elections. Voters and landowners within the remaining District would see no change to their rights with regard to District elections or representation.

Boundary

The proposed detachment area boundary splits one minor line of assessment or ownership. Assessor Parcel Number (APN) 125-280-61 is owned by a timber production company and extends 0.25-miles at the longest length and 400-feet at the shortest length over the western boundary of the proposed detachment area and comprises approximately 18 acres of the 1,153-acre parcel. Unless the petitioners choose to modify this boundary, it will create a small new APN or parcel for assessment purposes that will remain within the MCHCD boundary.

Financial

The District receives multiple forms of revenue from landowners located within its boundary including Ad Valorem property taxes, General Obligation (GO) bonds, and Measure C parcel tax. In addition, the District generates revenue from health care service fees.

GOV §57354 specifies that any area detached from a district (or city) shall continue to be liable for the payment of principal, interest, and any other amounts which become due on account of any bonds or other contracts of obligations of the district as outstanding on the effective date of detachment. The properties will be subject to the levying or fixing and collection of any of the following which may be necessary to provide for that payment:

- a. Taxes or assessments.

- b. Service charges, rentals, or rates.
- c. Both taxes or assessments and service charges, rentals, or rates.

GOV §57354 requires landowners within the proposed detachment area to remain responsible for their apportioned share of debt that the District has incurred up to the date of detachment. Therefore, landowners within the proposed detachment area will continue to pay for the District's existing GO bonds regardless of the detachment application. If the detachment application is approved, this requirement will be imposed as part of the terms and conditions in the Commission's approving resolution pursuant to GOV §56886(c) and the actual calculation and arrangements for payment will be determined by the Mendocino County Auditor-Controller prior to filing the Certificate of Completion.

Voters within MCHCD approved a tax measure in the June 5, 2018 Primary Election to levy a health care parcel tax of \$144 per parcel per year for 12 years starting on July 1, 2018. The purpose of the parcel tax is to provide funding to help maintain local emergency room services, attract and retain high quality doctors and nurses, maintain local ambulance and related 911 services, make critical repairs and upgrades to medical equipment and facilities, maintain local surgical services, and maintain local obstetric services. Measure C parcel tax includes a provision for independent taxpayer oversight as an accountability measure and specifies that revenue raised by this annual parcel tax may not be used for MCHD administrators' salaries, benefits, and pensions.

Based on information provided by County Counsel for Mendocino County, Measure C parcel tax is not subject to GOV §57354 because those funds are for the purpose of hospital operations and maintenance. However, if the District raises any factual or legal issues that have not been considered to date, the Mendocino County Auditor-Controller would evaluate that new information and reassess. Therefore, unless subsequently advised otherwise, landowners within the proposed detachment area will no longer pay the Measure C parcel tax upon detachment.

In regard to estimated revenue loss from the Measure C parcel tax for the District, the maximum estimated revenue loss is approximately \$60,336 resulting from multiplying the 419 APNs in the proposed detachment area by the \$144 parcel tax. However, the estimated revenue loss is likely lower because the above calculation does not account for properties held in common ownership that are subject to the Measure C parcel tax exemptions for contiguous parcels or consolidated APNs granted by the District. The \$60,336 estimated Measure C parcel tax revenue loss is minor in comparison to the District's \$40 million annual operating budget, of which approximately \$1 million is property tax revenue with \$700,000 utilized for routine operations and \$400,000 for retirement of bonds, based on the 2014 Municipal Service Review prepared for the District.

The detachment area represents a small portion of the overall MCHCD boundary with approximately 8% of the total land area and approximately 3% of the total APNs, and is primarily comprised of private timber holdings (52%) and public land (10%). Approval of the detachment application would not preclude the District from continuing as an agency or make the District insolvent, but would reduce non-debt service financial resources for health care services under the auspices of the District, potentially affecting ongoing sustainability of those services.

Factors for Consideration

There are seventeen factors to be considered in the Commission's review of an application pursuant to GOV §56668 which are outlined and addressed in the following table. A number of the factors are not relevant to the subject detachment application.

Factors for Consideration	
Factor	Analysis
(a) Population and population density; land area and land use; assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; the likelihood of significant growth in the area, and in adjacent incorporated and unincorporated areas, during the next 10 years.	The population within the affected territory is not expected to grow in a manner affecting the provision of health care services by the District. (The aging of the population and changes to the availability and access to health care plans have a greater impact on health service needs in the region.) All other factors are not applicable.
(b) Need for organized community services; the present cost and adequacy of governmental services and controls in the area; probable future needs for those services and controls; probable effect of the proposed incorporation, formation, annexation, or exclusion and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas. "Services," as used in this subdivision, refers to governmental services whether or not the services are services that would be provided by local agencies subject to this division, and includes the public facilities necessary to provide those services.	The need for governmental services for the provision of health care in the transition area between coastal and inland portions of central Mendocino County is unclear, in that the majority of health care services in the County are provided by non-governmental organizations. Detachment would not, in and of itself, preclude residents in the detachment area from accessing services provided by the District through the hospital or ambulance operation based on service fees, but potential future plans by the District to offer community-based services near the detachment area would likely be unavailable if detachment is approved.
(c) The effect of the proposed action and of alternative actions, on adjacent areas, on mutual social and economic interests, and on the local governmental structure of the county.	The application, if granted, would not preclude the District from continuing as an agency or make the District insolvent, but would reduce non-debt service financial resources for health care services under the auspices of the District, potentially affecting ongoing sustainability of those services.
(d) The conformity of both the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development, and the policies and priorities set forth in Section 56377. (Note: Section 56377 encourages preservation of agricultural and open-space lands.)	Not applicable.
(e) The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by Section 56016.	Not applicable.
(f) The definiteness and certainty of the boundaries of the territory, the nonconformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of unincorporated territory, and other similar matters affecting the proposed boundaries.	The parcels that comprise the affected territory have specific boundary lines that are certain and identifiable. Further, their detachment will not result in irregular boundaries or islands.
(g) A regional transportation plan adopted pursuant to Section 65080.	Not applicable.
(h) The proposal's consistency with city or county general plans.	The application is consistent with the County of Mendocino General Plan.

Factors for Consideration	
Factor	Analysis
(i) The sphere of influence of any local agency that may be applicable to the proposal being reviewed.	The proposed detachment area is within the District's sphere of influence; a sphere amendment may be considered if detachment is granted.
(j) The comments of any affected local agency or other public agency.	Comments from the District regarding concerns related to the detachment application have been received and provided to the Commission. The sole comment letter received was from the Mendocino Coast Health Care District.
(k) The ability of the newly formed or receiving entity to provide the services which are the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change.	Not applicable.
(l) Timely availability of water supplies adequate for projected needs as specified in Section 65352.5.	Not applicable.
(m) The extent to which the proposal will affect a city or cities and the county in achieving their respective fair shares of the regional housing needs as determined by the appropriate council of governments consistent with Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7.	Not applicable.
(n) Any information or comments from the landowner or landowners, voters, or residents of the affected territory.	Based on the signed landowner petitions received, there is considerable landowner consent for the detachment application. No comments from other landowners or voters were received.
(o) Any information relating to existing land use designations.	Not applicable.
(p) The extent to which the proposal will promote environmental justice. As used in the law, "environmental justice" means the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services.	The proposed detachment area does not include any disadvantaged unincorporated communities identified to date. Residents and landowners within the detachment area are receiving very limited health care services from the District involving ambulance operations.
(q) Information contained in a local hazard mitigation plan, information contained in a safety element of a general plan, and any maps that identify land as a very high fire hazard zone pursuant to Section 21178 or maps that identify land determined to be in a state responsibility area pursuant to Section 4102 of the Public Resources Code, if it is determined that such information is relevant to the area that is the subject of the proposal.	Not applicable.

Sphere of Influence

The District's Sphere of Influence (SOI) boundary is the same as the District's jurisdictional boundary (Attachments 4) and was reaffirmed by the Commission in 2016 based on a Municipal Service Review (MSR) prepared for the District in 2014. If the detachment application is approved by the Commission, staff will amend the MCHCD's SOI to remove the detachment area from the District's sphere during the next MSR/SOI Update process scheduled for Fiscal Year 2022-23.

CEQA Compliance

The proposed detachment application is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations §15061(b)(3) because it can be seen with certainty that there is no possibility that the detachment application may have a significant effect on the environment.

Public Notice

The 21-day Notice for this Public Hearing was properly published, posted, and distributed by Monday September 16, 2019, as follows: (1) Posted at the Public Hearing meeting location on September 12, 2019 and at the LAFCo office and on the LAFCo website on September 13, 2019; (2) Published on September 12, 2019 in the Fort Bragg Advocate News newspaper and on September 14, 2019 in the Ukiah Daily Journal newspaper according to the attached proof of publication (Attachment 7); (3) Distribution by postal mail on September 9, 2019 to interested and affected agencies and landowners and registered voters within the proposed detachment area and within 300-feet of the proposed detachment area; and (4) Distribution by email to the petitioners that provided an email address and to interested and affected agencies as possible.

Public Comments

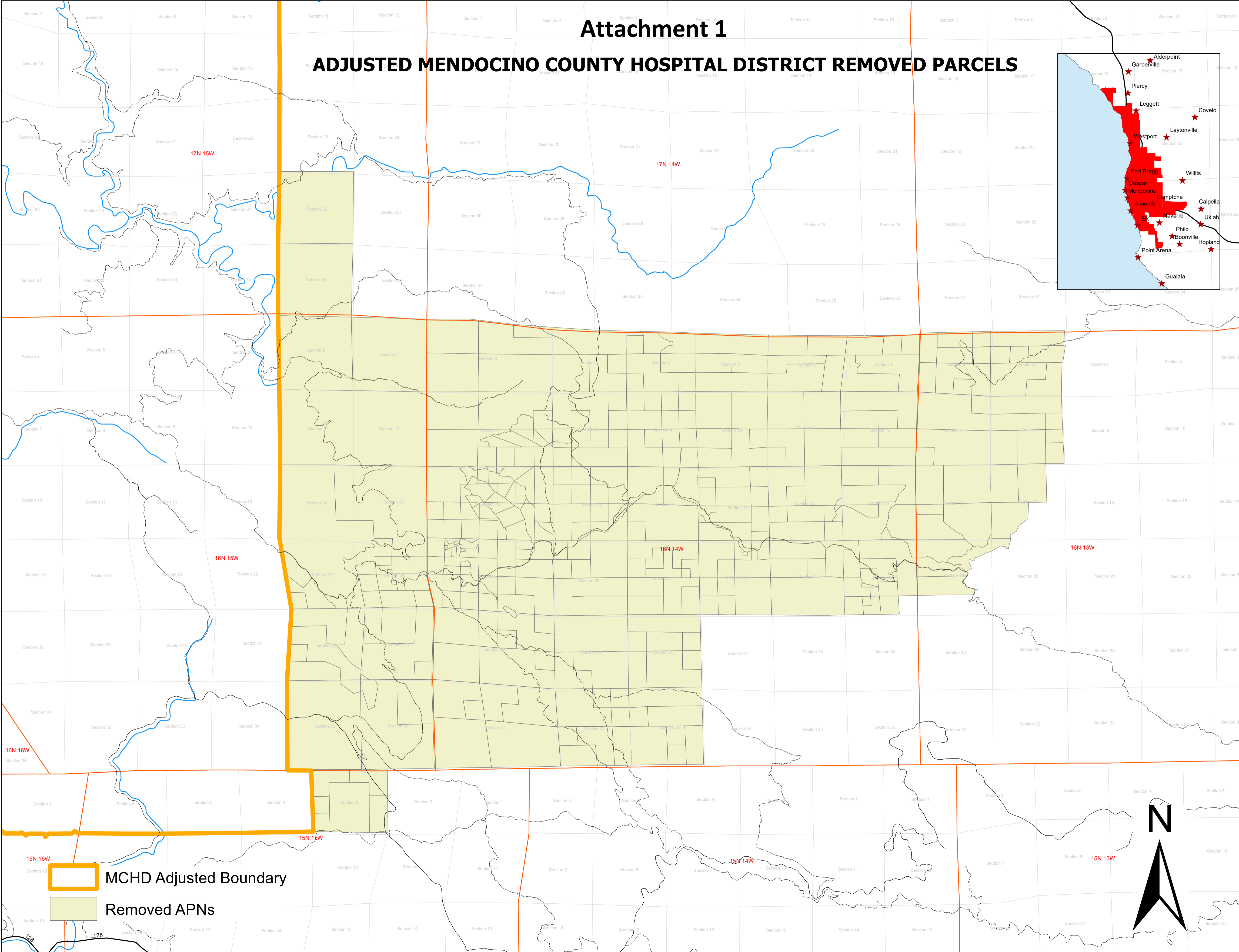
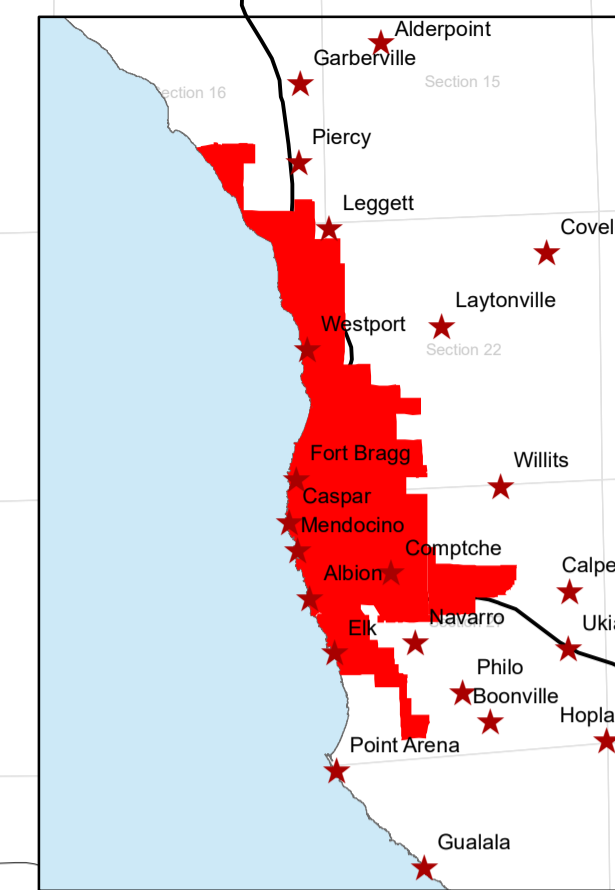
No public comments have been received to date.


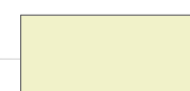
Attachments:

- (1) Weger Proposed Detachment Area Map
- (2) Weger Application Proposal Justification
- (3) MCHCD Comment Letter
- (4) MCHCD SOI Boundary Map
- (5) Mendocino County School Districts Map
- (6) Mendocino County Ambulance Service Zones Map
- (7) Public Notice Proof of Publication
- (8) Notice of Exemption
- (9) LAFCo Resolution 19-20-02

Attachment 1

ADJUSTED MENDOCINO COUNTY HOSPITAL DISTRICT REMOVED PARCELS



 MCHD Adjusted Boundary
 Removed APNs

Attachment 2

Mendocino
Local Agency Formation Commission
 200 South School Street, Ukiah CA 95482
 707-463-4470 www.mendolafco.org



RECEIVED
 6/14/2019

JUSTIFICATION OF PROPOSAL

Please complete the following information to process an application under the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (indicate N/A if Not Applicable)

SHORT TITLE OF THE PROPOSAL: Detachment of lands east of Mile Post 21 Comptche/Ukiah Rd from the Mendocino Coast Healthcare District.

TYPE OF PROPOSAL

- | | | |
|--|---|---|
| <input type="checkbox"/> City Incorporation | <input type="checkbox"/> Sphere of Influence Amendment | <input type="checkbox"/> District Formation |
| <input type="checkbox"/> Annexation | <input type="checkbox"/> Sphere of Influence Update | <input type="checkbox"/> District Dissolution |
| <input checked="" type="checkbox"/> Detachment | <input type="checkbox"/> Out-of-Agency Service | <input type="checkbox"/> Consolidation |
| <input type="checkbox"/> Add Latent Power | <input type="checkbox"/> Reorganization (involving an Annexation and Detachment(s)) | |

AGENCY CHANGES RESULTING FROM THIS PROPOSAL

Agency or Agencies gaining territory:
 None

Agency or Agencies losing territory: Mendocino Coast Healthcare District

NOTIFICATION

Please indicate the names, addresses and telephone numbers of all Applicants, Applicant's Agents, and all affected Agencies who are to receive the hearing notice and the Executive Officer's Report:

Name	Mailing Address	Telephone/Email Address
Mendocino Co LAFCO, Mendocino Coast Healthcare District, Coastal Valleys EMS, Mendocino County,	<u>See Attached Addresses & Tele</u>	

CAL FIRE, County Auditor-Controller, County Assessor, County Executive Office, Comptche Fire, Anderson Valley Fire , Ukiah Valley Fire Lisa Weger--Applicant		

(Attach a separate sheet if necessary.)

PROJECT INFORMATION

Please provide project-related information for the following questions:

- 1. Do the proposed boundaries create an island of non-agency territory? Yes No
- 2. Do the proposed boundaries split lines of assessment or ownership? Yes No *Unknown*
- 3. Does the proposal involve public rights-of-way or easements? Yes No
- 4. Does the proposal involve public land or land assessed by the State? Yes No
- 5. Does any part of the proposal involve land under a Williamson Act Contract or Farmland Security Zone? Yes No
- 6. Does any part of the proposal involve land with a Wildlife/Habitat Easement or Agricultural Land Conservation Easement? Yes No *Unknown*

List the affected Assessor Parcel Numbers, Owners of Record and Parcel Sizes (attach separate sheet if necessary):

Assessor's Parcel Number (APN)	Owner of Record	Parcel Size (Acres)
<u>See Attached List</u>		

7. Physical Location of Proposal: Area east of Milepost 21 Comptche/Ukiah Road

_____ (Street/Road, distance from and name of Cross Street, quadrant of City)

8. Has an application been filed for an underlying project (such as Development Plan, Conditional Use Permit, or Tentative Subdivision Map)? Yes No
 If Yes, please attach a Project Site Plan or Tentative Subdivision Map.
 If No, please provide an estimate of when development will occur: NONE

9. List those public services or facilities which will be provided to the affected territory as a result of the proposed action: NONE

10. Indicate which of these services or facilities will require main line extensions or facility up-grades in order to serve the affected territory: N/A

11. Has the affected agency negotiated a tax share agreement or made a determination that the proposal is revenue neutral (Section 99 of the California Revenue & Taxation Code)? Please include documentation or explanation. NO

12. Provide any other justification that will assist the Commission in reviewing the merits of this request. (Attach separate sheets as necessary) Justification Attached.

SUBMITTALS

In order for this application to be processed, the following information needs to be provided:

- Two copies of this Justification of Proposal, completed and signed with original signature(s)
- Agreement to Pay form, completed and signed with original signature(s)
- Five prints of a full-scale proposal map showing the affected territory and its relationship to the affected jurisdiction (and prepared to State Board of Equalization specifications) – include an electronic version if available
- Five copies of an 8.5” x 11” or 11” x 17” reduction of the proposal map, include an electronic version if available
- Three copies of a metes and bounds description of the affected territory, include an electronic version if available
- One certified copy of the City Council and/or Special District Board of Directors Resolution of Application; or a petition making application to LAFCo (as appropriate) *N/A*
- Written permission from each affected property owner (or signature form)
- One copy of the project environmental document (One Compact Disc if more than 25 pages) *N/A*
- One copy of the project Notice of Determination
- Three 8.5” x 11” copies of the Vicinity Map (if not included on the proposal map);
- One copy of the plan for providing services along with a schematic diagram of water, sewer and storm drainage systems (refer to Government Code Section 56653); *N/A*
- One copy of the Tax Share Agreement *N/A*
- One copy of the Pre-Zoning map or description (as required by Section 56375); *NA*
- One copy of the Statement of Open Space (Ag) Land Conversion (refer to Section 56377); *N/A*
- One Copy of the Statement of Timely Availability of Water Supplies (refer to Section 56668(l); *N/A*
- One copy of the Statement of Fair Share Housing Needs (if residential land uses are included in the proposal) (refer to Section 56668(m)); *N/A*
- One copy of the project design (site plan, development plan, or subdivision map); *N/A*
- One copy of the Residential Entitlement matrix form (if residential land uses are included in the proposal); and *N/A*
- Filing and processing fees in accordance with the LAFCo Fee Schedule and the State Board of Equalization Fee Schedule.

Note: Additional information may be required during staff review of the proposal.

CERTIFICATION

The undersigned hereby certifies that all LAFCo filing requirements will be met and that the statements made in this application are complete and accurate to the best of my knowledge.

Lisa Weger
(Signature)

6-12-19
(Date)

Print or Type Name: Lisa Weger

Daytime Telephone: (207) 272-2158

Justification in Support of Detachment

MCHD Does Not Serve Our Area

One needs to look no further than the map attached to our proposal to understand why the landowners in the area east of Mile Post 21 on the Comptche/Ukiah road (hereafter “the landowners”) should not be included in the Mendocino Coast Healthcare District (“MCHD”).

A parcel tax employed by a special district is supposed to be for services rendered to the inhabitants of the area served by the district. The landowners in the proposed detachment area are not served by the MCHD. If any one of us were urgently ill, we would seek medical care at the nearest facility---the Adventist Health Ukiah Valley Hospital (hereafter “UVH”). For your reference, our ranch is 35 minutes from Ukiah and an hour and 15 minutes from MCDH.

Almost 50 years ago, the area which we propose to detach from the MCHD was mistakenly included in the MCHD because this area was part of the Comptche School District. It was apparently easier for the Assessor to “drop box” the entire eastern portion of the school district into the Hospital district, rather than parse out where the landowners would actually seek medical care. Unfortunately, the agencies doing the oversight at that time also failed to notice this issue. The distinction is that the MCHD does not have a hospital in Comptche (as the school district has a school). Instead the Hospital is located an additional 40 minutes drive west and north from Comptche to Fort Bragg.

As citizens and taxpayers, we collectively believe that for a governmental entity to tax its citizens, the taxing body should be serving that citizenry. This is a basic principal of fairness passed down from our Founding Fathers. It is interesting to note that in the case of Measure C, the MCHD sought to tax Assessor Parcel Numbers (APNs), not citizens. It is people that use hospitals—not APNs. This could have easily been rectified by taxing improved property which would have supported the nexus between taxation and hospital use.

But it appears that the MCHD sought instead to tax those people whose voices would not be heard at election time. For example, a landowner with many APNs and no residence (and therefore likely no ability to vote on the proposition) would be paying a disproportionately large share of this tax. There are several landowners in the proposed detachment area that suffer this burden. This would include my cousins, whose land surrounds the Orr Springs Resort, and whose tax bill tripled because of Measure C. Their property is a 22 minute drive to Ukiah and almost an hour and 25 minutes to the Fort Bragg hospital.

In order to minimize response times for seriously ill patients, the area proposed for detachment is currently served by the ambulance from the UVH. Please reference my letter to the Board dated January 21, 2019. However, as I also noted in my letter, the new Comptche fire chief is an employee of the MCHD and an ambulance driver. As Comptche fire chief, he could conceivably direct the 911 first responders to use the existing district boundary, instead of Mile Post 21, as

the demarcation for the origination of ambulance service. In other words, he could turn back the clock and require that gravely ill inhabitants of our area be served by an ambulance from the MCDH. If response times are significantly increased, people's lives could be jeopardized. Response time and ease of access make UVH the hospital that is used by the residents and landowners of the proposed detachment area. This should be reflected by the legal boundaries of the District.

MCHD Failed to Accurately Portray its Boundary, Misappropriating Landowner Opportunity to Oppose Measure C

In their response to the Pre-Application, the District asserted that they did not include a map of the MCDH boundary in the material supporting Measure C. One wonders, why not? By their own admission, sometime before election, they briefly presented, for public viewing, an accurate map of the District's boundaries to those attending this meeting.

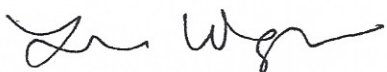
Moreover, MCDH has an excellent map accurately depicting their boundary on page 4 of their MSR which could have easily been included on their website. Instead, the only easily available map describing the MCHD boundary to the public, is the one I referenced in my prior letter to the Board. This map indicates that most of the area now in the proposed detachment was not included in the District. As we all now know, that map was inaccurate and misleading. What we also now belatedly know is that our area is in fact included in the District.

Additionally, adjacent to the (misleading) map on the MCHD website, the District lists the zip codes in the District. However, neither the Ukiah and Redwood Valley zip codes are listed in this itemization. Ironically, these are the zip codes of nearly every landowner in our group. The Hospital again makes a point that such representations were not in their election material. That, I cannot confirm. However, I do know that if a person who owns land in the area proposed for detachment were looking for information about the District boundary, and they referenced MCHD's website, they would have believed that the tax did not apply to them. I consider myself reasonably sophisticated in such matters and yet this is what happened to me.

Sadly, MCDH's financial situation is dismal and for that we all feel great sympathy. However, it is unfair and impractical for the landowners seeking this detachment to continue as part of the District. Our inclusion was a mistake from the outset. Our voices were not heard prior to, and during, the election because we did not know we would be subject to this tax.

The attached Petitions convincingly establish landowner approval for the detachment. Over 75% of the landowners have signed the Petition for Proceedings in support of such a detachment.

For the reasons cited above, we request the LAFCO Board approve the proposed detachment.



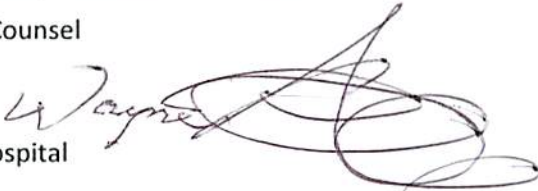
Attachment 3



700 River Drive
Fort Bragg, CA 95437
Phone: 707 961-1234
Email: info@mcdh.org

To: Uma Hinman, Executive Officer
Mendocino County Local Agency Formation Commission

CC: Katharine L. Elliott, County Counsel
Mendocino County

From: Wayne Allen, Interim CEO 
Mendocino Coast District Hospital

Date: July 10, 2019

Re: Response to Application Referral for Weger Detachment
from Mendocino Coast Healthcare District

Intro

Mendocino Coast District Hospital ("MCDH", "the Hospital", "the District", or "Mendocino Coast Health Care District") has engaged in discussions with Lisa Weger who informally represents a number of other property owners, and we can somewhat understand her concerns, given the geographic isolation of her and her neighbors' properties. We have made efforts to address their concerns related to the inclusion of certain parcels in the Hospital's legal boundaries – and the resulting application of the Measure "C" parcel tax to such parcels – though clearly they are now formally seeking detachment from the District.

To more broadly reiterate the context, like many small, rural hospitals, MCDH has struggled financially, so we are extremely grateful to have the community's support and investment in the form of the Measure "C" parcel tax. Measure "C" received 66.8% support in June of 2018 and will provide a secure, local source of additional funding to help the Hospital continue to serve our community by providing high quality healthcare.

While some seem to believe otherwise, at no point does the Hospital intend to levy the parcel tax in such a way as to be 'unfair'. Indeed, it is the Hospital's intent to uniformly apply the Measure "C" parcel tax to all parcels which fall within our legal boundaries, as is legally required.

Reiteration of Prior Points

To briefly reflect on the points that were raised in our previous response to the Pre-Application:

- MCDH's legal boundaries were established when the District was established in 1966, based largely on previously existing boundary lines (chiefly Fort Bragg Unified School District and Mendocino Unified School District). This is common practice throughout California.
- In communicating about the status of the Hospital in the years preceding the Measure "C" parcel tax election – and as is still available on the District's website – we did share a map of our approximate service area and the zip codes most frequently served. It is true that neither our approximate service area map nor the zip codes we most frequently serve exactly match the legal boundaries of the District.
- The Hospital maintains that it does provide some ambulance 'dispatch' services to the very small population in locations east of Comptche.

- Further, the parcels within the area of the District proposed for detachment have been paying General Obligation (GO) Bond property taxes since 2001, subsequent to voting on and approving a GO Bond measure for the Hospital on November 7, 2000.
- None of the informational materials specific to Measure “C” referenced the approximate service area map or the zip codes the Hospital most frequently serves. The map shared specifically in the Measure “C” context included our legal boundaries.
- In fact, all voters within this area received informational materials (i.e. the sample ballot) about Measure “C” from the County prior to the election. More than half actually voted on Measure “C”, and the majority of those were in support.
- Prior to the election, many residents (and very likely many property owners) of the area proposed for detachment participated in surveys commissioned by the District and/or otherwise provided feedback that shaped Measure “C”.
- There are options available to these property owners – already granted to many in the area proposed for detachment – to limit the amount they must pay within the existing rules of Measure “C” (as applies to all property owners throughout the District).

Direct Responses to Ms. Weger’s Most Recent Communications

To Ms. Weger’s points in the justification attached to her formal application for detachment last month, we have already addressed the matter about our primary service area map and most frequently served zip codes in our prior communications (as summarized above), and we have attempted to share the full context about these concerns with LAFCO and Ms. Weger. Inevitably for any public agency with specific boundaries, there will be those on the periphery who may prefer to be a part of an adjacent entity, particularly when there is a new tax levy involved. However, LAFCO will need to carefully evaluate if any of these concerns have merit, particularly considering that such concerns may frequently be motivated by reductions in individuals’ tax bills as opposed to the provision of critical public services.

Specific to the assertion that property owners were not provided with the opportunity to provide feedback, the history of outreach efforts that led to Measure “C” was extensive and ongoing over many years. It quantifiably included feedback from the area proposed to be detached, and non-resident property owners had the opportunity to join us at any number of the dozens of public meetings conducted on the topic – hundreds of people did. More than 50% of resident voters *did* represent themselves in the most direct (and best) way, by voting on Measure “C”. The majority of those resident voters voted in favor (see our previous response to the Pre-Application for more specific information).

As far as options to pursue a revenue measure which limits taxes to developed property, there are questions as to the legality and constitutionality of such limitations, which effectively levy a tax in a non-uniform manner on different properties (see *Borikas v. Alameda Unified School District*). While we understand some of Ms. Weger’s concerns about the nature of the laws surrounding such special taxes in California, the Hospital (and any special district) can only pursue revenue measures within the confines of those laws. Furthermore, we are not familiar with any property tax ballot measures that allow a property owner within a district to vote on a measure while not being subject to its tax. Also, we’re quite sure that many *resident* property owners would have objected to a measure that did not subject all owners of property within the District’s boundaries to the same tax obligation.

Mendocino County EOA RFP & Map

Upon further research after receiving the application referral notification from LAFCO, the Hospital has become aware of the Mendocino County RFP for an Exclusive Operating Area (EOA) for Emergency Ambulance Services. We have uncovered the EOA map in one of the appendices of this RFP and on the County's website. This proposed map for ambulatory services certainly does not appear to exactly match our legal boundaries *nor* our primary and secondary service areas. Most germane to the current topic, however, it *does* appear to presume that MCDH will be responsible for ambulance services for much of the area proposed for detachment, consistent with the letter from David Beak, Comptche Fire Department Chief.

We are still reviewing this document and would very much like to engage in discussions with the Mendocino County Executive Office, Mendocino County Emergency Services, LAFCO and any other involved agency in the County to better understand your plans – *and* to collaborate to provide the best possible emergency services to our portion (and all) of the County.

Next Steps

Given the EOA map included in the County RFP and our uncertainty about the status of the RFP (of which MCDH was previously unaware), we would suggest that the Hospital and the County begin a discussion about where the service boundary line actually should be – and place this proposed detachment on 'pause' until such a discussion can occur to clarify questions about specific service areas. If it is determined that these property owners actually are receiving emergency services from another agency (despite the fact that the County's EOA RFP map would seem to suggest many currently are receiving such services from MCDH), perhaps there will be cause to reinstate this detachment application process.

For Ms. Weger and the group of property owners sponsoring the detachment proposal, we invite them to engage with the Hospital about their tax bills. If they are residents and their APNs are contiguous, they will likely be eligible for the Measure "C" parcel tax exemptions for their properties adjacent to their primary residence. And/or if their APNs are all a part of the same legal parcel and appear on the same legal deed, they may also be able to consolidate their APNs into a single Measure "C" parcel tax charge. The Hospital feels that these exemptions allow for application of Measure "C" in a manner uniformly throughout the District and consistent with requirements of State law – while also providing some of the relief from taxation the petitioner seems to desire. Indeed, many residents of the territory requesting detachment have applied for and been granted such exemptions.

Conclusion

To reiterate the conclusions of our prior communications, the initiation of a new voter approved parcel tax appears to have been the trigger for certain owners to question their inclusion in the legal boundaries of MCDH. These owners have historically been in the District and have been engaged through the ballot box, decades of annual property taxation and a variety of forms of outreach. Specific to the Measure "C" parcel tax, the controlling State code most notably requires uniform application of

the tax – but also contemplates the complexities of the parcel tax levy and contains specific procedures to allow for valid exemptions and consolidations to be corrected.

As such, MCDH continues to be open to any and all questions about its Measure “C” parcel tax. To the broader question of the inclusion of these parcels within the boundaries of the District, we assert that many of these residents are being provided a service by MCDH, as the County’s own ambulance services EOA map appears to confirm. Furthermore, all stakeholders had equal opportunity to participate in the years of outreach efforts shaping what became Measure “C” – and *resident* property owners in this area for potential detachment also had the right to vote on Measure “C” (as they would for any MCDH revenue measure).

However, now that there has been a formal request for amendment of the Hospital’s legal boundaries, we will continue working with LAFCO to address it in the months and years to come. Most immediately, as mentioned above, we would invite all concerned entities at Mendocino County to have a discussion with MCDH about the EOA map in the recent RFP (and ambulance services throughout the County) as a first step to finding resolution to this matter.

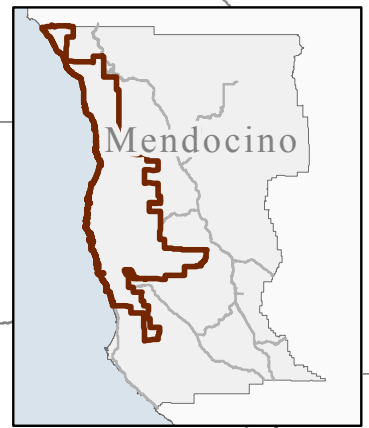


FIGURE 1.

HUMBOLDT

TRINITY

MENDOCINO



Southern Humboldt
Community Healthcare District

Pacific Ocean

Rockport

Laytonville

Branscomb Rd.

Fort Bragg

Sherwood Rd.

162

20

Willits

Tonki Rd.

LAKE

Mendocino

Compche Ukiah Rd.

Orr Springs Rd.

Ukiah

Elk

128

253

1



Mountain View Rd.

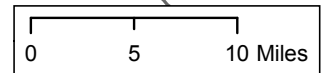
101

Point Arena

Gualala

SONOMA

 District Boundary
 SOI



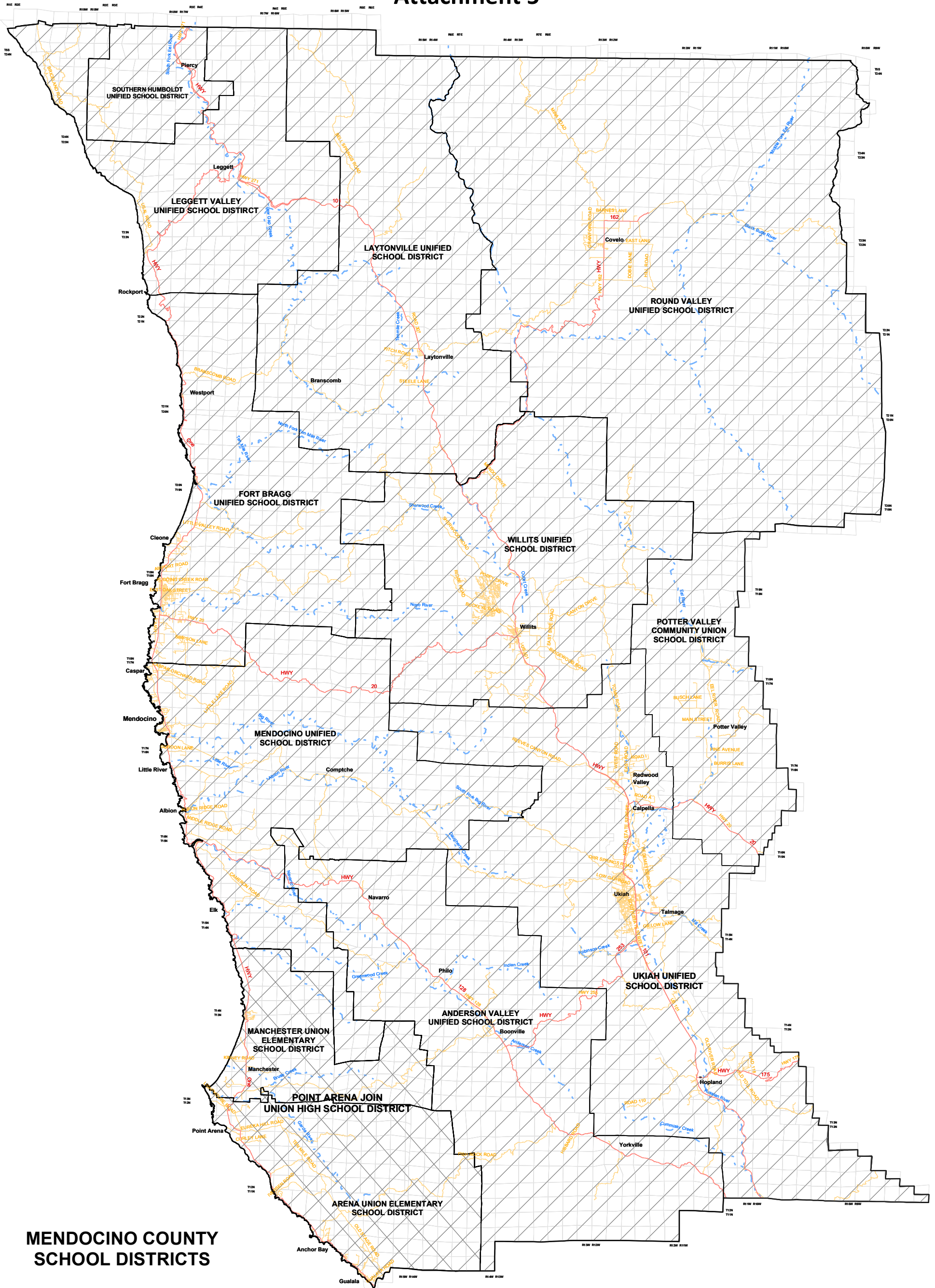
Mendocino Coast Healthcare District

Prepared for **PLANWEST PARTNERS, INC.**
 Mendocino
 LAFCo by: **Page 75 of 122** 84
Date: 4/25/2016





Sources: Boundaries: Mendocino County; Roads: US Census TIGER.

Path: D:\Planwest_GIS\projects\current\Mendocino_LAFCo\Other_Districts\Mendocino_Coast_Healthcare_District.mxd

Attachment 5



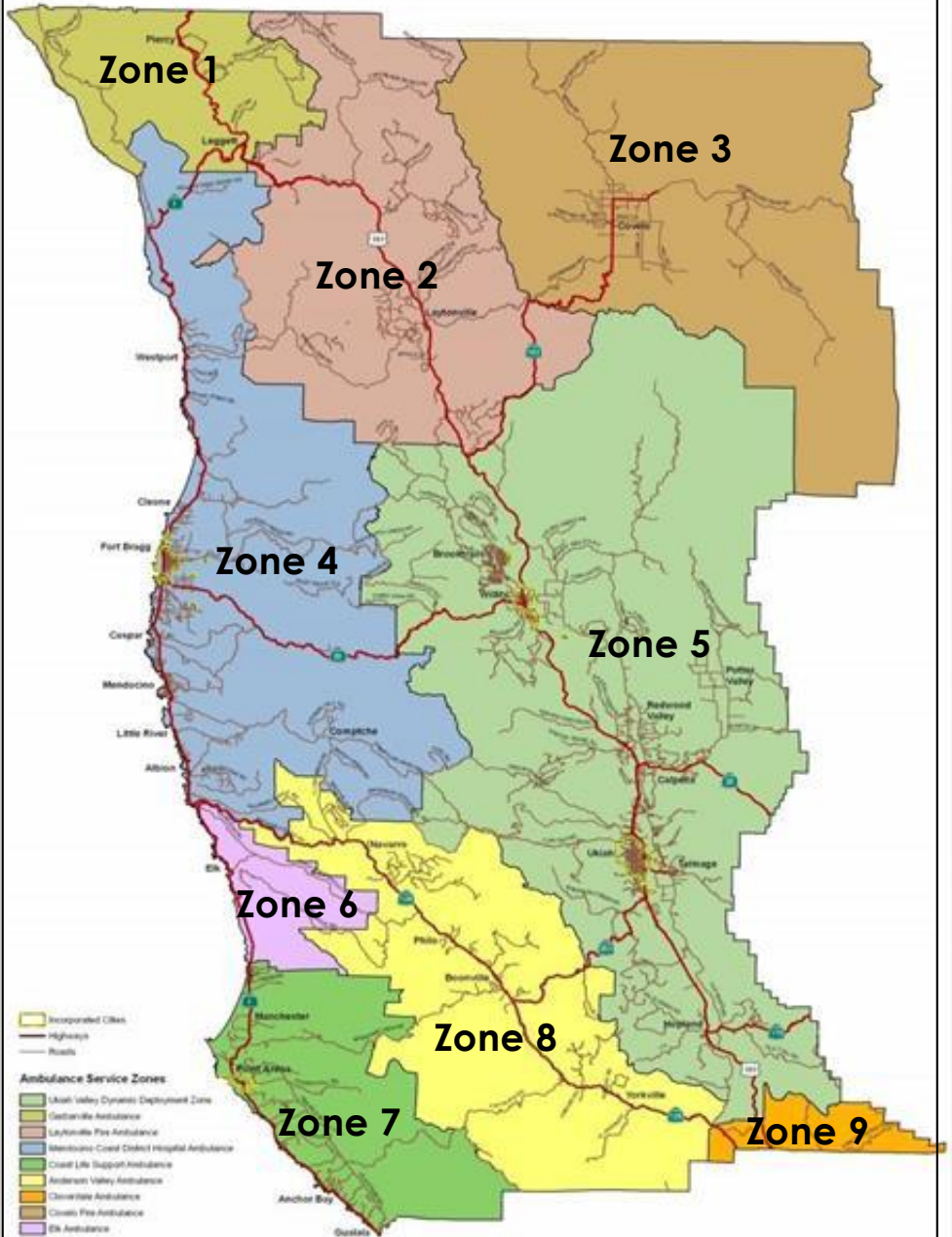
MENDOCINO COUNTY SCHOOL DISTRICTS

-  School Districts
-  Highways
-  County Maintained & Private Roads
-  Major Rivers

Source: Map prepared by the Department of Planning and Building Services Cartographic Section, June 2009. Data was extracted from the County's Property System Database using the appropriate use codes assigned by the Assessors Office.

This map is provided as a visual display of County Information. Reasonable effort has been made to ensure the accuracy of the map and data provided: nevertheless, some information may not be accurate. The positional accuracy of the data is approximate and not intended to represent map accuracy from a published record of survey. THE MAPS AND ASSOCIATED DATA ARE PROVIDED WITHOUT WARRANTY OF ANY KIND. Either expressed or implied, including but not limited to, the implied warranties of merchantability and fitness for a particular purpose. Do not make a business decision based on these data without first validating the information with appropriate County agency or other government entity.

Mendocino County Ambulance Service Zones



Fort Bragg Advocate-News

690 S. Main Street
Fort Bragg, California 95437
707-964-5642

2117504

MENDOCINO COUNTY LAFCO
200 SOUTH SCHOOL ST
UKIAH, CA 95482

**PROOF OF PUBLICATION
(2015.5 C.C.P.)**

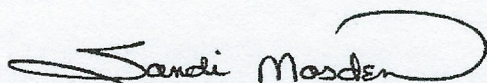
**STATE OF CALIFORNIA
COUNTY OF MENDOCINO**

I am a citizen of the United States and a resident of the County aforesaid; I am over the age of eighteen years, and not a party to or interested in the above entitled matter. I am the Office Clerk of the Fort Bragg Advocate-News, a newspaper of general circulation by the Superior Court of the County of Mendocino, State of California under the date of May 9, 1952 - Case Number 9151, that the notice, of which the annexed is a printed copy (set in type not smaller than nonpareil), has been printed in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates:

09/12/2019

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

Dated at Fort Bragg, California,
September 12th, 2019



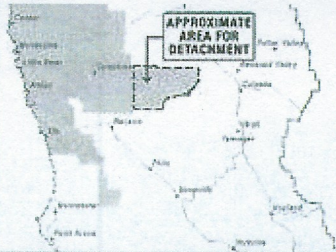
Sandi Mosden, LEGAL CLERK

Legal No. 0006395366

**NOTICE OF PUBLIC HEARING
AND NOTICE OF INTENT TO
WAIVE PROTEST PROCEEDINGS**

NOTICE IS HEREBY GIVEN that on Monday, October 7, 2019, at 9:00 AM (or as soon thereafter as the matter may be heard) in the Mendocino County Board of Supervisors Chambers, 501 Low Gap Road, Ukiah, California, the Mendocino Local Agency Formation Commission (LAFCo) will hold a Public Hearing to consider approval of the following proposed change of organization application: **Weger Detachment from Mendocino Coast Health Care District (File No. D-2019-01)**. NOTICE IS HEREBY GIVEN that LAFCo intends to waive Protest Proceedings pursuant to GOV Section 56663 unless written opposition to the proposal is received from landowners or registered voters within the affected territory before the conclusion of the Public Hearing on the proposal. Please be advised that, if the proposal is approved, the detachment area is potentially subject to the extension or continuation of any previously authorized charge, fee, assessment, or tax by the Mendocino Coast HCD. The proposal was initiated by landowner petition and involves detachment of approximately 35,000 acres from Mendocino Coast HCD (see map). The reasons for detachment as submitted by the petitioners include: the detachment area receives ambulance and medical services from the Ukiah Valley area instead of the District, and the parcel tax invoked by the passage of Measure C imposes an unfair burden. The proposal is exempt from the California Environmental Quality Act pursuant to Section 15061(b)(3). Copies of all related documents may be reviewed once available at the LAFCo website (www.mendolafco.org) or at the LAFCo office. If you cannot attend the Public Hearing described in this notice, you may submit written comments prior to the hearing. Please direct comments, questions, and requests to review documents to LAFCo, 200 South School Street, Ukiah, CA 95482; e-mail: eo@mendolafco.org; phone: (707) 463-4470. All interested persons are invited to attend, be heard, and participate in the hearings.





BY ORDER OF THE MENDOCINO
LOCAL AGENCY FORMATION
COMMISSION. UMA HINMAN,
Executive Officer.
Publish: 09/12/2019

PROOF OF PUBLICATION
(2018 C.C.P.)


STATE OF CALIFORNIA
COUNTY OF MENDOCINO

I am a citizen of the United States and a resident of the County of Mendocino. I am over the age of eighteen years, and not a party to or interested in the above entitled matter. I am the Office Clerk of the Fort Bragg Advocates, a newspaper of general circulation in the Superior Court of the County of Mendocino, State of California under the date of May 2, 1982 - Case Number 8151, that the notice of which the attached is a printed copy (and in type not submitted nonpartially) has been printed in each regular and other issue of said newspaper and that in said supplement thereof on the following dates:

09/12/2019

I testify (or declare) under the penalty of perjury that the foregoing is true and correct.

Given at Fort Bragg, California
September 12th, 2019


Sarah Madigan LEGAL CLERK

Ukiah Daily Journal

617 S. State St
Ukiah, California 95482
(707) 468-3500
advertising@record-bee.com

2117504

MENDOCINO COUNTY LAFCO
200 SOUTH SCHOOL ST
UKIAH, CA 95482

Legal No. **0006397311**

PROOF OF PUBLICATION (2015.5 C.C.P.)

STATE OF CALIFORNIA COUNTY OF MENDOCINO

I am a citizen of the United States and a resident of the County aforesaid; I am over the age of eighteen years, and not a party to or interested in the above entitled matter. I am the principal clerk of the printer of the Ukiah Daily Journal, a newspaper of general circulation, printed and published daily in the City of Ukiah, County of Mendocino and which newspaper has been adjudged a newspaper of general circulation by the Superior Court of the County of Mendocino, State of California, under the date of September 22, 1952, Case Number 9267; that the notice, of which the annexed is a printed copy (set in type not smaller than non-pareil), has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

09/14/2019

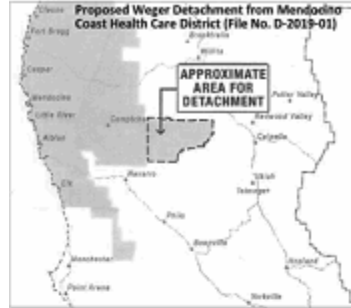
I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

Dated at Ukiah, California,
September 26th, 2019



Molly E. Lane, LEGAL CLERK

9-14/19



Mendocino Local Agency Formation Commission (LAFCo): NOTICE OF PUBLIC HEARING AND NOTICE OF INTENT TO WAIVE PROTEST PROCEEDINGS

NOTICE IS HEREBY GIVEN that on Monday, October 7, 2019, at 9:00 AM (or as soon thereafter as the matter may be heard) in the Mendocino County Board of Supervisors Chambers, 501 Low Gap Road, Ukiah, California, the Mendocino Local Agency Formation Commission (LAFCo) will hold a Public Hearing to consider approval of the following proposed change of organization application: **Weger Detachment from Mendocino Coast Health Care District (File No. D-2019-01)**. NOTICE IS HEREBY GIVEN that LAFCo intends to waive Protest Proceedings pursuant to GOV Section 56663 unless written opposition to the proposal is received from landowners or registered voters within the affected territory before the conclusion of the Public Hearing on the proposal. Please be advised that, if the proposal is approved, the detachment area is potentially subject to the extension or continuation of any previously authorized charge, fee, assessment, or tax by the Mendocino Coast HCD. The proposal was initiated by landowner petition and involves detachment of approximately 35,000 acres from Mendocino Coast HCD (see map). The reasons for detachment as submitted by the petitioners include: the detachment area receives ambulance and medical services from the Ukiah Valley area instead of the District, and the parcel tax invoked by the passage of Measure C imposes an unfair burden. The proposal is exempt from the California Environmental Quality Act pursuant to Section 15061(b)(3). Copies of all related documents may be reviewed once available at the LAFCo website (www.mendolafco.org) or at the LAFCo office. If you cannot attend the Public Hearing described in this notice, you may submit written comments

prior to the hearing. Please direct comments, questions, and requests to review documents to LAFCo, 200 South School Street, Ukiah, CA 95482; e-mail: eo@mendolafco.org; phone: (707) 463-4470. All interested persons are invited to attend, be heard, and participate in the hearings.

BY ORDER OF THE MENDOCINO LOCAL AGENCY FORMATION COMMISSION. UMA HINMAN, Executive Officer.

Attachment 8

Notice of Exemption

Appendix E

To: Office of Planning and Research
P.O. Box 3044, Room 113
Sacramento, CA 95812-3044

County Clerk

County of: Mendocino

From: (Public Agency): Mendocino LAFCo
200 South School Street
Ukiah, California 95482

(Address)

Project Title: Weger Detachment from Mendocino Coast HCD

Project Applicant: Chief Petitioner Lisa Weger

Project Location - Specific:

The proposed detachment area extends from approximately Comptche-Ukiah Road Mile Marker 21 in the west and Orr Springs Road Mile Marker 33.33 in the east.

Project Location - City: Btw Comptche & Ukiah Project Location - County: Mendocino

Description of Nature, Purpose and Beneficiaries of Project:

Change of Organization application initiated by landowner petition involving detachment of approximately 35,000 acres of unincorporated territory from the Mendocino Coast Health Care District (File No. D-2019-01).

Name of Public Agency Approving Project: Mendocino Local Agency Formation Commission

Name of Person or Agency Carrying Out Project: Mendocino Local Agency Formation Commission

Exempt Status: **(check one):**

- Ministerial (Sec. 21080(b)(1); 15268);
- Declared Emergency (Sec. 21080(b)(3); 15269(a));
- Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
- Categorical Exemption. State type and section number: §15061(b)(3)
- Statutory Exemptions. State code number: _____

Reasons why project is exempt:

§15061(b)(3) (General Rule): It can be seen with certainty that there is no possibility that the application may have a significant effect on the environment.

Lead Agency

Contact Person: Uma Hinman Area Code/Telephone/Extension: (707) 463-4470

If filed by applicant:

1. Attach certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project? Yes No

Signature: _____ Date: 10/7/2019 Title: Executive Officer

Signed by Lead Agency Signed by Applicant

Authority cited: Sections 21083 and 21110, Public Resources Code.
Reference: Sections 21108, 21152, and 21152.1, Public Resources Code.

Date Received for filing at OPR: _____

Attachment 9

Resolution No. 2019-20-02 of the Mendocino Local Agency Formation Commission

Approving the Weger Detachment from Mendocino Coast Health Care District

WHEREAS, the landowner petition-initiated detachment from the Mendocino Coast Health Care District application was filed by Chief Petitioner Lisa Weger on June 14, 2019 (File No. D-2019-01); and

WHEREAS, a Certificate of Sufficiency was issued on August 30, 2019 indicating that the landowner petition was signed by the requisite number of qualified signers for a sufficient petition pursuant to California Government Code Section 56706; and

WHEREAS, a Certificate of Filing was issued on August 30, 2019 indicating receipt of a complete application pursuant to California Government Code Section 56658; 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 prescribed 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

WHEREAS, the Commission conducted a duly noticed public hearing on the application on October 7, 2019. At the hearing, all interested persons were given the opportunity to hear and be heard. At the conclusion of public testimony, the Commission closed the public hearing and considered and deliberated on all relevant oral and written testimony and evidence presented or filed, the Executive Officer's report, the applicant's justification of proposal, and all the factors required under California Government Code Section 56668; and

WHEREAS, the Commission has reviewed and considered this resolution and hereby finds that it accurately sets forth the intentions of the Commission with respect to the application.

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

1. The Commission, as Lead Agency, finds the Weger Detachment from Mendocino Coast Health Care District exempt from further review under the California Environmental Quality Act pursuant to Title 14 of the California Code of Regulations Section 15061(b)(3). The Commission finds and determines that it can be seen with certainty that there is no possibility that the application may have a significant effect on the environment. The Executive Officer is directed to file a Notice of Exemption.
2. The Weger Detachment from Mendocino Coast Health Care District (File No. D-2019-01) is approved, subject to the following terms and conditions:
 - a. The boundaries of the Detachment Area shall be defined by the map depicted in Exhibit "A", attached hereto and incorporate herein by reference.

- b. The landowners within the Detachment Area shall continue to be liable for the payment of principal, interest, and any other amounts which become due on account of any bonds or other contracts of obligations of the Mendocino Coast Health Care District as outstanding on the effective date of detachment pursuant to California Government Code Section 57354 and shall be responsible for payment of their apportioned share annually with the actual calculation and arrangements for payment being determined by the Mendocino County Auditor-Controller prior to filing the Certificate of Completion.
3. The application is assigned the following distinctive short-term designation: “Weger Detachment from Mendocino Coast HCD”.
4. The Commission waives Protest Proceedings for the application pursuant to California Government Code Section 56663 finding that no written opposition to the proposal was received from landowners or registered voters within the affected territory before the conclusion of the public hearing.
5. The effective date of the detachment shall be the date of the filing of the Certificate of Completion for the application. The Certificate of Completion shall not be filed until all charges assessed and fees due to the Commission have been paid by the applicant(s) and all materials required by the Commission for final processing of the application have been submitted.
6. The applicant(s) shall defend at its sole expense any action brought against LAFCo, the Commission and its staff, because of the approval of this application. The applicant(s) will reimburse LAFCo for any court costs and attorneys’ fees which may be required by a court to pay as a result of such action. LAFCo may, at its discretion, after consultation with the applicant(s), participate in the defense of any such action; but such participation shall not relieve applicant(s) of their obligations under this condition. The obligation on the part of the applicant(s) to indemnify LAFCo is effective upon the adoption of this resolution and does not require any further action.
7. The Clerk of the Commission is designated as the custodian of the documents and other materials that constitute the record of the proceedings upon which the Commission’s decision herein is based. These documents may be found at the office of the Clerk of the Commission, 200 South School Street, Ukiah, CA 95482.

The foregoing Resolution was passed and duly adopted at a regular meeting of the Mendocino Local Agency Formation Commission held on this 7th day of October 2019, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

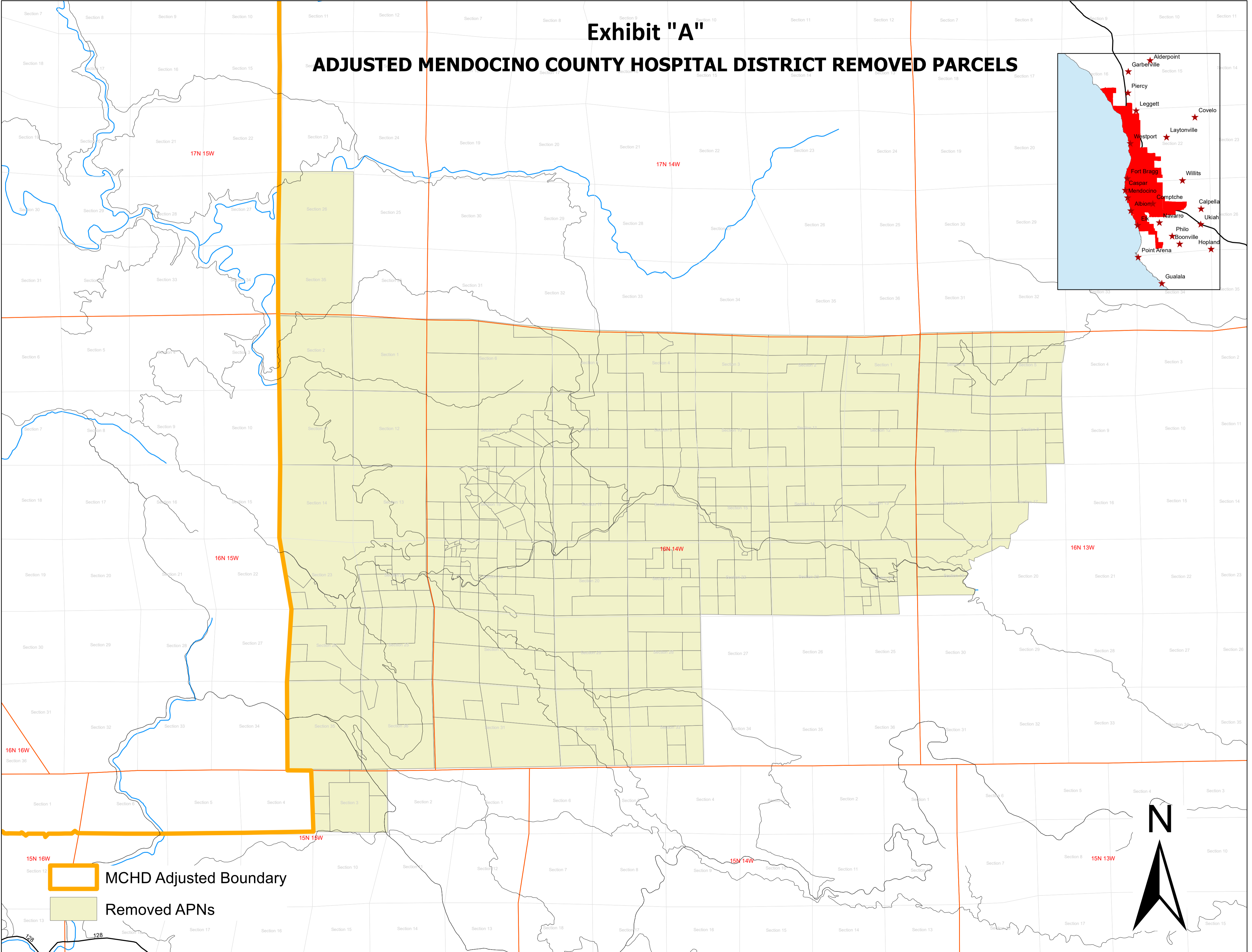
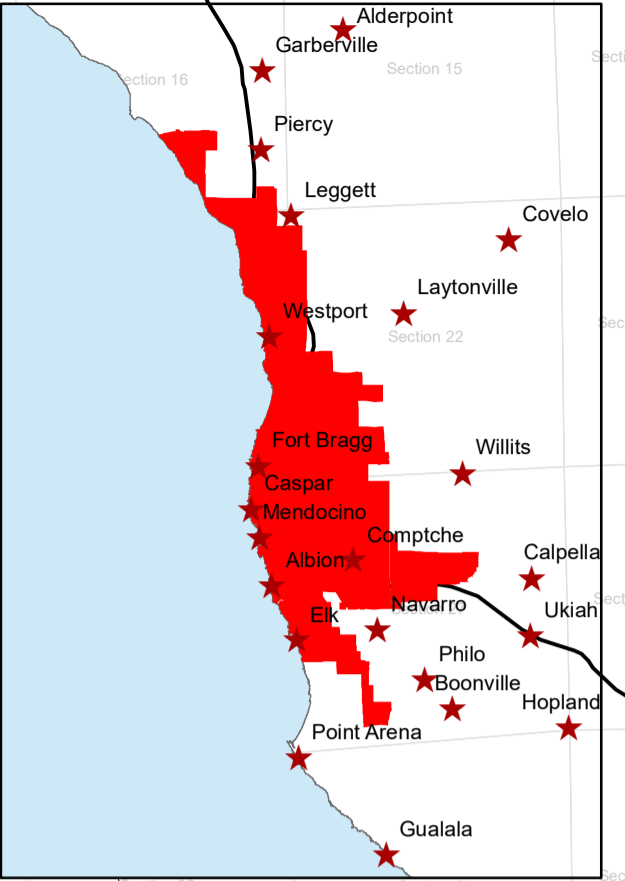
ATTEST:



UMA HINMAN, Executive Officer

CARRE BROWN, Chair

Exhibit "A"

ADJUSTED MENDOCINO COUNTY HOSPITAL DISTRICT REMOVED PARCELS



 MCHD Adjusted Boundary
 Removed APNs

**MENDOCINO
Local Agency Formation Commission**

Staff Report

MEETING: December 2, 2019
TO: Mendocino Local Agency Formation Commission
FROM: Uma Hinman, Executive Officer
SUBJECT: **Public Hearing** for Weger Detachment from Mendocino Coast Health Care District (File No. D-2019-01)

RECOMMENDATION

Staff recommends that the Commission take the following action:

- (1) Continue the Public Hearing to the January 6, 2020 Commission meeting at 9 a.m., or as soon thereafter as the matter may be heard; or
- (2) Close the Public Hearing and direct staff to renotice at a future date.

DISCUSSION

This is a Public Hearing to consider a Change of Organization application initiated by landowner petition involving detachment of approximately 35,000 acres of unincorporated territory from the Mendocino Coast Health Care District (MCHCD or District).

The Commission held a Public Hearing on October 7, 2019 on the proposed application and continued the Public Hearing to November 4, 2019 at the request of the District (Attachment 1) to allow further time for District Board of Directors and staff to review the Executive Officer's Report. The continued Public Hearing scheduled for November 4, 2019 was cancelled due to the ongoing PG&E Public Safety Power Shutoffs. A video recording of the October meeting is available for review at the following site (the Public Hearing item commences at video time 05:41): https://www.youtube.com/watch?v=v-ISU_a6eG8&list=PLraKTU7AyZLQSWrivynWsfVnleKBpqK-f&index=8&t=0s.

As it became clear that the application was generating controversy, LAFCo staff reviewed project processing with LAFCo Counsel. LAFCo Counsel advised that the application must proceed through the property tax transfer process required by Revenue and Taxation Code Section 99 before the Public Hearing process may continue. We are therefore requesting that the Public Hearing be continued to allow the County time to complete that process.

Public Notice

The 21-day Notice for this Public Hearing was properly published, posted, and distributed by Monday November 11, 2019, as follows: (1) Posted at the Public Hearing meeting location on November 8, 2019 and on the LAFCo website on November 11, 2019; (2) Published on November 7, 2019 in the Fort Bragg Advocate News newspaper and on November 9, 2019 in the Ukiah Daily Journal newspaper according to the attached proof of publications (Attachment 2); (3) Distributed by postal mail on November 8, 2019 to interested and affected agencies and landowners and registered voters within the proposed detachment area and within 300-feet of the proposed detachment area; and (4) Distributed by email to the petitioners that provided an email address and to interested and affected agencies as possible.

Attachments:

- (1) October 4, 2019 letter from law firm representing MCHCD
- (2) November 25, 2019 letter from law firm representing MCHCD
- (3) Proof of Publications

ATKINSON, ANDELSON, LOYA, RUUD & ROMO

A PROFESSIONAL LAW CORPORATION

ATTORNEYS AT LAW

20 PACIFICA, SUITE 1100
IRVINE, CALIFORNIA 92618-3371
(949) 453-4260

FAX (949) 453-4262
WWW.AALRR.COM

CERRITOS
(562) 653-3200

FRESNO
(559) 225-6700

MARIN
(628) 234-6200

PASADENA
(626) 583-8600

PLEASANTON
(925) 227-9200

RIVERSIDE
(951) 683-1122

SACRAMENTO
(916) 923-1200

SAN DIEGO
(858) 485-9526

OUR FILE NUMBER:
016605.00010
25197633.2

October 4, 2019

***VIA EMAIL
VIA HAND DELIVERY***

Mendocino Local Agency Formation
Commission
Ukiah Valley Conference Center
200 South School Street
Ukiah, California 95482
eo@mendolafco.org

**Re: Public Hearing for Weger Detachment from Mendocino Coast Health Care District
(LAFCO File No. D-2019-01)**

To whom it may concern:

By way of introduction, our Firm represents the Mendocino Coast Health Care District (“District”) regarding the above-referenced matter. It has come to our attention that, on October 7, 2019, the Mendocino Local Agency Formation Commission (“LAFCO”) intends to take action on a detachment application that would remove approximately 35,983 acres from the District’s jurisdiction. Please accept this correspondence as the District’s respectful request that LAFCO postpone and continue the above-referenced public hearing and any related resolution involving the detachment application.

We base our request for postponement on: (1) what we believe is a deficiency in LAFCO’s analysis of this matter under the California Environmental Quality Act (“CEQA”); and (2) the fact that the District was not provided with LAFCO’s Staff Report until approximately September 30, 2019, or October 1, 2019, and has not had sufficient time to analyze the Staff Report or to receive direction from the District’s Board of Directors (“Board”).

I. LAFCO has not yet properly complied with CEQA

The Staff Report regarding the Weger Detachment Application (“Application”) recommends that LAFCO declare the Application exempt from CEQA under the “common sense” exemption provided by Title 14 of the California Code of Regulations (“14 CCR”) section

Mendocino Local Agency Formation Commission
October 4, 2019
Page 2

15061, subdivision (b)(3). This Application cannot be exempt under the “common sense” exemption and LAFCO must perform an Initial Study regarding the Application.

14 CCR section 15061, subdivision (b)(3), exempts projects only where it is undisputable that the project will not have a significant effect on the environment:

“The activity is covered by the common sense exemption that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen *with certainty* that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.”

(Emphasis added.)

Neither the LAFCO Staff Report for the Application, nor the record, provides any analysis, or offers any facts, demonstrating that LAFCO is certain that the Application will not have a significant effect on the environment. Similarly, neither LAFCO’s proposed Resolution No. 2019-20-02 nor the proposed Notice of Exemption provides any basis, or findings of fact, to support such an exemption. Instead, all of these documents only offer a conclusory statement declaring LAFCO’s purported certainty that the exemption applies. LAFCO simply fails to provide any factual basis as to why it believes it can rely on the “common sense” exemption.

To the contrary, however, the law demonstrates that the Application is not exempt based on “common sense.” First, the law offers a categorical exemption for organizations or reorganizations when geographical boundaries are not changed:

“Class 20 consists of changes in the organization or reorganization of local governmental agencies where the changes *do not* change the geographical area in which previously existing powers are exercised.”

(14 CCR § 15320; emphasis added.)

Logically, then, because the Application will change geographical boundaries, the Application cannot be automatically exempt. The way the Class 20 categorical exemption is worded indicates that the law anticipates that a change in geographical boundaries might affect the environment. So, at the very least, LAFCO should conduct an Initial Study regarding the Application.

Moreover, Appendix G to the Guidelines for Implementation of CEQA provide LAFCO with a list of questions for LAFCO’s “thoughtful assessment of impacts.” The effect to public services and whether the project will impact “acceptable service ratios, response times, or other

Mendocino Local Agency Formation Commission
October 4, 2019
Page 3

performance objectives” is but one item to consider. Here, it does not appear that LAFCO has performed any analysis, but has simply concluded that any significant effect on the environment is beyond the realm of possibility.

There is ample evidence demonstrating that the Application cannot be deemed automatically exempt from CEQA. Instead, LAFCO must postpone the public hearing and the consideration of Resolution No. 2019-20-02 until LAFCO has performed an Initial Study per 14 CCR § 15063.

If LAFCO proceeds under the “common sense” exemption provided by 14 CCR section 15061, subdivision (b)(3), the District reserves the right to explore all of its legal options with regard to such error including, but not necessarily limited to, initiating litigation.

II. Insufficient time provided to rebut the Staff Report

We are informed and understand that LAFCO did not provide the District with the Staff Report on the Application until approximately September 30, 2019, or October 1, 2019. Accordingly, LAFCO has provided the District with less than one week to analyze the Staff Report. Put simply, the District has not been provided with adequate time to review the Staff Report and will not have an opportunity to consult the District’s Board for direction.¹ This could lead to a denial of the District’s due process rights.

Government Code section 56658 requires LAFCO to consider the Application within 90 days after the issuance of a certificate of filing. Here, the certificate of filing was issued on August 30, 2019. LAFCO, therefore, is not required to hold a hearing on the Application until November 28, 2019. LAFCO has another meeting scheduled on November 4, 2019. Postponing LAFCO’s consideration until November 4, 2019, will permit the District’s Board to have an opportunity to review this matter.

Based on the above, neither LAFCO nor the applicant(s) will be prejudiced by a one-month continuance. To the contrary, the District will be prejudiced if it is not given adequate time to analyze the Staff Report, consult with its Board, and prepare a thorough response to the Staff Report.

¹The District’s Board last met on September 26, 2019, which is before receiving the Staff Report, and will not meet again until October 31, 2019.

ATKINSON, ANDELSON, LOYA, RUUD & ROMO

Mendocino Local Agency Formation Commission
October 4, 2019
Page 4

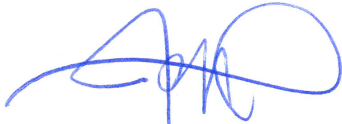
III. Conclusion

The District respectfully requests that LAFCO postpone its Agenda Item No. 5a until November 4, 2019.

Please contact us if you have any questions.

Very truly yours,

ATKINSON, ANDELSON, LOYA, RUUD & ROMO

A handwritten signature in blue ink, appearing to read 'J. Frey', with a large loop at the end.

Jeffrey W. Frey

ATKINSON, ANDELSON, LOYA, RUUD & ROMO

A PROFESSIONAL LAW CORPORATION

ATTORNEYS AT LAW

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PLEASANTON
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RIVERSIDE
(951) 683-1122

SACRAMENTO
(916) 923-1200

SAN DIEGO
(858) 485-9526

Wendy.wiles@aalrr.com

OUR FILE NUMBER:

November 25, 2019

***VIA EMAIL
VIA HAND DELIVERY***

Mendocino Local Agency Formation
Commission
Ukiah Valley Conference Center
200 South School Street
Ukiah, California 95482
eo@mendolafco.org

Re: Public Hearing Regarding Weger Detachment from Mendocino Coast Health Care District (LAFCO File No. D-2019-01)

Dear Commissioners:

As may be recalled from our letter dated October 4, 2019, this Firm represents the Mendocino Coast Health Care District ("District") regarding the above-referenced matter. We appreciate that the Mendocino Local Agency Formation Commission ("LAFCO") granted the District's request to continue consideration of the detachment application in order for the District's Board to have an opportunity to review the Staff Report. Now, we understand from LAFCO staff that the Public Hearing set for December 2, 2019 will be opened and continued to January 6, 2020. Accordingly, although we are submitting our correspondence at this time, we will provide testimony at the January 6, 2020 continued Public Hearing.

On Thursday, November 7, 2019, the District's Board reviewed the LAFCO Staff Report, discussed the potential detachment, and unanimously decided to oppose the Petition. The District has serious concerns regarding the proposal to detach approximately 35,983 acres from the District's jurisdiction and respectfully urges LAFCO to deny this application. As discussed herein, the proposed detachment would place a significant financial burden on the District, affect its projected budget, and affect its ability to comply with certain credit requirements set by the Office of Statewide Health Planning and Development, Cal-Mortgage Loan Insurance Division ("Cal-Mortgage"). In addition, the detachment proposes an arbitrarily revised boundary that does not take into consideration safety concerns involving road conditions, weather issues,

Mendocino Local Agency Formation Commission
November 25, 2019
Page 2

hospital travel times, or the dynamic conditions of available ambulance services. The recent fires and power outages highlight the need to protect access to healthcare and the detachment significantly complicates this access process.

The detachment application is simply an effort to change the results of an authorized and approved parcel tax election that occurred on June 5, 2018. As LAFCO is aware, the District's "Measure C" asked voters to authorize a parcel tax for a period of twelve years to help, among other things, maintain local emergency room services, attract and maintain high quality doctors and nurses and make critical repairs and upgrades to equipment and facilities. Measure C was designed to improve necessary medical services provided by the District. The District operates a critical access hospital and maintaining comprehensive healthcare services is vital.

The proposed detachment would also impact the District's efforts to meet the requirements set by Cal-Mortgage and the basis for the Measure C election. The anticipated Measure C revenues are considered by Cal-Mortgage in evaluating the District's overall finances and such revenues are intended to offset the District's negative budget and deferred maintenance needs. The removal of the detachment area makes it more difficult for the District to achieve its financial goals.

Measure C passed with the required 2/3rds vote and the District is authorized by the voters to levy the parcel tax. More than 2/3rds of the voters want these parcel taxes to be levied to enable the District to provide necessary hospital and emergency services. Of significance here, we understand that a majority of voters registered at the time of the "Measure C" election in the Orr Springs precinct, which encompasses the considerable majority of the proposed detachment area, voted on "Measure C" and a majority of those voted in favor of the parcel tax. In short, the residents of the proposed detachment area approved "Measure C." It is apparent that Ms. Weger, being unsatisfied with the results of the election (and the preferences of many of her neighbors), is now attempting to undo that which the voters approved.

As explained in more detail below, the District is requesting that LAFCO deny the detachment request. Hospital care is priceless to those persons needing care. To each person affected, the decision is critical. Every patient visit is important. The voters of the District voted to maintain and improve the District's services. This is not just about relieving the Petitioners from paying the parcel taxes because they may not use the District's services. The necessary costs are spread across the entirety of the District and some use the services more than others. That is how our system works. Allowing the detachment of properties based on an excuse that such properties/individuals do not or will not use the services is a dangerous precedent that has far-reaching implications for any taxing authority.

The District's objection to the detachment is based on both the short and long-term impacts such a decision will have and the potential consequences of the decision. Detachment is permanent. A denial of the detachment at this time does not prevent a future consideration of a

Mendocino Local Agency Formation Commission
November 25, 2019
Page 3

less arbitrarily defined detachment request. But granting the detachment application now prevents any later modification even if a more thorough investigation discloses that detachment was not warranted.

In addition to the serious financial and logistical implications of a detachment, we believe denial of the detachment application is warranted because of procedural defects: (1) LAFCO has not properly analyzed this matter under the California Environmental Quality Act (“CEQA”); and (2) LAFCO appears to have failed to comply with Government Code section 56131.5 by not notifying certain divisions of State of California agencies of the detachment application.

I. LAFCO has not properly analyzed the permanent, long-term impact of the detachment application.

A. Detachment will magnify financial issues facing the District.

The District is facing serious financial challenges. While LAFCO’s Staff Report claims that detachment will not result in a significant monetary loss to the District, the Staff Report makes such claims without considering all of the relevant facts. While the financial loss appears small, it is crucial to the District. At the end of the next fiscal year, the District anticipates that it will only “be in the black” by about \$200,000. This figure does not include the nearly \$10 million dollars needed for deferred maintenance.

As mentioned above, Cal-Mortgage is a bond insurer that has insured the District’s revenue bonds. Presently, the District is on “credit watch” with Cal-Mortgage, which has the power to appoint a receiver to take over the District, because the District has been unable to meet two of three financial covenants set by Cal-Mortgage. As the District continues to strengthen its financial position, every dollar matters.

Cal-Mortgage is not directly involved in the District’s parcel tax. Nevertheless, Cal-Mortgage is closely watching the District’s finances.

B. The proposed new boundary is arbitrary and could create dangerous conditions for the local populace.

The proposed detachment seeks to modify the boundaries in which hospitals will serve particular properties. Mendocino County includes a network of hospitals that are separated by terrain but that operate as a safety net for all persons to utilize hospital services when needed. The detachment application should be denied because the proposed new boundary line is entirely arbitrary. The Comptche Fire Chief and the District’s Director of Ambulance Services, Davey Beak, has reviewed the proposed detachment application. Based on his expertise, Mr. Beak believes that the proposed boundary line adjustment is not appropriate. In other words, this

Mendocino Local Agency Formation Commission
November 25, 2019
Page 4

detachment application removes too much territory to ensure safe operations. Mr. Beak came to this conclusion based on his review and consideration of travel times, road conditions, and weather conditions as they fluctuate throughout the year. Mr. Beak specifically notes that road conditions traveling east from the proposed detachment area are poor when compared to the roads heading west. Road conditions are worsened heading east if there are fallen trees, mudslides, icy/snowy roads, etc. Because time is of the essence in emergencies, and depending on the conditions, the nearest appropriate facility in some circumstances will be the District's Mendocino Coast District Hospital ("Hospital"). We are attaching a Memorandum from Mr. Beak to provide additional detail about his concerns.

C. The detachment application is an attempt to disregard a valid parcel tax election.

The detachment application is nothing more than an attempt to evade the District parcel tax that was duly approved by 66.8% of the electorate in 2018. Because the Petitioners are unhappy that their neighbors approved this crucial parcel tax, the Petitioners seek detachment based on the claim that they do not use the District's Hospital. This claim fails in several respects.

First, LAFCO's Staff Report appears to accept at face value the Petitioners' claim that they are not using the Hospital. To address the District's rebuttals to the Petitioners' contentions about not receiving emergency services from the Hospital – which the District would still contest, per the prior section – the Staff Report does include a seemingly thoughtful review of ambulance service calls from an approximation of the area proposed for detachment. However, we are unaware that LAFCO has performed any full investigation or complete analysis regarding the Hospital use issue. The Hospital should be included in any analysis regarding Hospital use or services. The District's records are the only true way to review whether residents of this area are actually receiving services from the Hospital.

A review of the Hospital's records demonstrates that some residents within the detachment area are clearly using the Hospital. Since 2015, the residents living within the zip codes encompassing the detachment area¹ have visited the Hospital approximately 1,399 times. This equates to gross revenues to the District of approximately \$3,449,532. We also understand that, at the October 4, 2019 LAFCO meeting, one resident purporting to support detachment admitted that he receives healthcare treatment at the District's Hospital. If LAFCO approves the detachment application, the District must still provide services to residents from the detachment

¹ Because of legal and privacy concerns, the District cannot share individual patient records. Nevertheless, the data shows that the District is providing considerable healthcare services to people living further inland than Comptche. And, while the proposed detachment area does not compose the entirety of these zip codes (95482, 95470 and 95466), much of those areas are as far or farther away from Fort Bragg and the Hospital than some or all of the proposed detachment area. This all shows that the Petitioners' argument, that residents this far away from the Hospital would not use its services, is demonstrably incorrect.

Mendocino Local Agency Formation Commission

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area, but will be unable to assess the parcel tax that was duly approved to fund and support such services and care.

Ultimately, while the Petitioners may have met certain minimum requirements to submit their Petition, this involves only a small group of property owners, led by second-home owners and business interests that do not like paying the Measure "C" parcel tax, approved by the vast majority of resident voters (including many of their neighbors). Indeed, upon initial review of the Petitioners themselves, of the less than 40, only between 15 and 20 appear to actually be registered to vote within the area proposed for detachment -- and they are trying to usurp the will of more than 2/3rds of the voters throughout the District (more than 4,500 voters in total). Parcel taxes (and most other property tax revenue measures in California) are decided by local voters. Allowing such a small group to circumvent the will of the much larger resident population, should not be permitted, especially, when dealing with such important services as healthcare.

As we all know, adequate healthcare is a priceless, crucial service. The District's parcel tax, which is not permanent and only lasts 12 years, does not enable the District to enrich itself or its administrators. As LAFCO's Staff Report concedes, the parcel tax provides funding to maintain local emergency room services, attract and retain high-quality doctors and nurses, maintain local ambulance and related 911 services, make critical repairs and upgrades to medical equipment and facilities, maintain local surgical services, and maintain local obstetric services. The parcel tax cannot be used to pay District administrators' salaries, benefits, and pensions. Approving this detachment application will only result in a reduction of the services and care the District will be able to provide.

Second, the Petitioners' argument on purported non-use should not be the guiding factor. By analogy, this situation is no different from property owners that pay school district taxes when they no longer have children attending the schools. We cannot expect only the users of the specific public services to pay the total cost of providing such services. That is why things like parcel taxes exist in the first place. By analogy, this type of argument also ignores the fact that, in the future, families may use the schools or that future homeowners may use such schools and services. Similarly, and despite Petitioners' inaccurate argument that they do not presently use the Hospital, such residents may use the Hospital in the future and/or future residents may use the Hospital. These residents, therefore, should pay their fair share to support the District's facilities and services.

Petitioners improperly cite Health and Safety Code section 32001 ("Section 32001") as purported support that "if a particular area is not served (or benefited) by the Hospital District which is taxing it, then that area shall not be included in the boundaries of the Hospital District." Section 32001 says nothing about taxation. Instead, Section 32001 deals solely with the formation of local health care districts, which is not at issue here.

D. Approving this detachment application will encourage the piecemeal destruction of the District and possibly other local agencies.

LAFCO's approval of this detachment application will set a dangerous precedent. If approved, LAFCO will demonstrate that any people who do not want to pay duly approved taxes can simply detach themselves from the situation. Our system cannot be allowed to be twisted in this manner. Not only will approval of this detachment application encourage the piecemeal dismantling of the District, but it will also serve as an example for attacking a wide range of public service entities throughout Mendocino County.

II. LAFCO has not yet properly complied with CEQA

In our prior correspondence, we objected to LAFCO's proposal to exempt the detachment application from CEQA using the "common sense" exemption provided by Title 14 of the California Code of Regulations ("14 CCR") section 15061, subdivision (b)(3). This exemption is permitted only "Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, ..." (*Id.*) As discussed above, the proposed detachment may affect potential hospital services provided by the District. The restructuring of the District's boundary may impact emergency transportation and the ability to provide critical services. In addition, the detachment will reduce critically needed funds for the District which similarly can affect the ability to provide both ambulance and hospital services.

The Staff Report did not include any analysis as to how the determination of "no possibility" was reached and how the requirement for "certainty" was determined. (*Davidon Homes, et al., v City of San Jose* (1997) 54 Cal.App.4th, 106.) It is the position of the District that the "common sense" exemption is not proper for the proposed detachment and an Initial Study must be undertaken as required by CEQA Guidelines section 15063.

III. It appears that LAFCO has not complied with the law by failing to notify the appropriate State of California agencies.

The District is a local health care district formed under Health and Safety Code 32000 *et seq.* Accordingly, and upon the filing of the detachment application, LAFCO was required to have notified certain State of California ("State") agencies about the detachment application:

"Upon the filing of an application for ... detachment from ... a local health care district created pursuant to Division 23 (commencing with Section 32000) of the Health and Safety Code ... [LAFCO] shall notify all state agencies that have oversight or

Mendocino Local Agency Formation Commission

November 25, 2019

Page 7

regulatory responsibility over, or a contractual relationship with, the local health care district that is the subject of the proposed change of organization or reorganization, of its receipt of the application ... including, but not limited to, the following:

“(1) The State Department of Health Care Services, including, but not limited to, the Medi-Cal Division.

“(2) The Office of Statewide Health Planning and Development, including, but not limited to, the Cal-Mortgage Loan Insurance Division.

“(3) The California Health Facilities Financing Authority.

“(4) The State Department of Public Health, including, but not limited to, the Licensing and Certification Division.”

(Gov. Code, § 56131.5; emphasis added.)

The State agencies then have 60 days to comment on the detachment application. (*Id.*)

We are in possession of a June 18, 2019, “Application Referral” that LAFCO’s Executive Officer appears to have forwarded to numerous agencies including the State Department of Health Care Services, the Office of Statewide Health Planning and Development, the California Health Facilities Financing Authority, and the State Department of Public Health. Despite the appearance of compliance, however, Government Code section 56131.5 requires notification to specific divisions/departments within these State agencies, not just the overarching agency.

There is no evidence that LAFCO specifically notified: (a) the Medi-Cal Division of the Department of Health Care Services; or (b) the Licensing and Certification Division within the State Department of Public Health.

If LAFCO failed to comply with the required legal notifications, such a failure necessarily constitutes a prejudicial abuse of discretion and LAFCO must deny the detachment application. If LAFCO has fully complied with Government Code section 56131.5, please forward copies of the June 18, 2019, “Application Referral” showing the addresses to which it was sent. Also, please forward any comments from these State agencies as soon as possible.

The detachment application will have permanent, serious, and far-reaching impacts. This will detrimentally affect the District and the District respectfully requests that LAFCO deny this detachment application in its entirety.

ATKINSON, ANDELSON, LOYA, RUUD & ROMO

Mendocino Local Agency Formation Commission

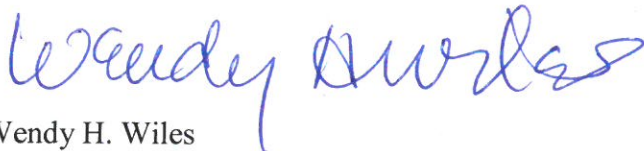
November 25, 2019

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Please contact us if you have any questions.

Very truly yours,

ATKINSON, ANDELSON, LOYA, RUUD & ROMO



Wendy H. Wiles



MEMO

To: Wayne Allen, Interim, CEO

From: Davey Beak Comptche Fire Chief / MCDH Director of Ambulance Services

Date: November 21, 2019

Re: Ambulance Service Area

- A study was completed regarding travel time by ambulance from MCDH ambulance's South Post at MVFD (Mendocino Volunteer Fire Department) and from Ukiah Fire Departments North Station 1 block from the East end of Orr Spring Rd.
- The Total time traveled from point to point was 1 hour 10 minutes (Deviation +/- 1.5 minutes) $70/2 = 35$ minutes +/- 45 seconds.
- Equal time traveled point is between the addresses of 21200 to the East and 21489 to the West (Shambhala Ranch and the Big River Crossing). This is considerably East of the boundary of the area proposed for detachment.
- Road Conditions: Traveling West from this point the condition of the pavement is good with a few small sections through which speeds must be dramatically reduced for safety and patient comfort. Traveling East from this point road conditions are very poor and must be traveled over slowly most of the way to Ukiah. So travel time from the mid-point with a critical or fragile patient may take much longer towards the East.
- Weather Conditions: Road Conditions in our County can be dramatically affected by weather. Trees fall, mud slides, roads wash out and flood, and snowy or icy conditions can make travel on back roads even more challenging. Passable routes can often change quickly. And destinations sometimes change due to changes in road condition.

More broadly, I have reviewed the proposed detachment petition and have some serious concerns. This area appears to be arbitrarily defined and likely removes too much territory to maintain safe emergency services, ignoring the availability of ambulances in Ukiah as well as the realities of road and weather conditions, particularly heading East to Ukiah. Some of the residents of the Orr Valley are stating that they should not be taxed for the support of the Coast Hospital because they will never use the services offered there. These residents do not really understand that they may not want to use the services offered on the Coast; however, in the case of an emergency transport, they may be transported to the nearest appropriate facility and, in some conditions, that will be the Coast Hospital.

Fort Bragg Advocate-News

690 S. Main Street
Fort Bragg, California 95437
707-964-5642

2114461

MENDOCINO COUNTY LOCAL AGENCY FORMATION
COMMISSION
200 S SCHOOL ST STE 2
UKIAH, CA 95482

**PROOF OF PUBLICATION
(2015.5 C.C.P.)**

**STATE OF CALIFORNIA
COUNTY OF MENDOCINO**

I am a citizen of the United States and a resident of the County aforesaid; I am over the age of eighteen years, and not a party to or interested in the above entitled matter. I am the Office Clerk of the Fort Bragg Advocate-News, a newspaper of general circulation by the Superior Court of the County of Mendocino, State of California under the date of May 9, 1952 - Case Number 9151, that the notice, of which the annexed is a printed copy (set in type not smaller than nonpareil), has been printed in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates:

11/07/2019

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

Dated at Fort Bragg, California,
November 7th, 2019

Sandi Mosden

Sandi Mosden, LEGAL CLERK

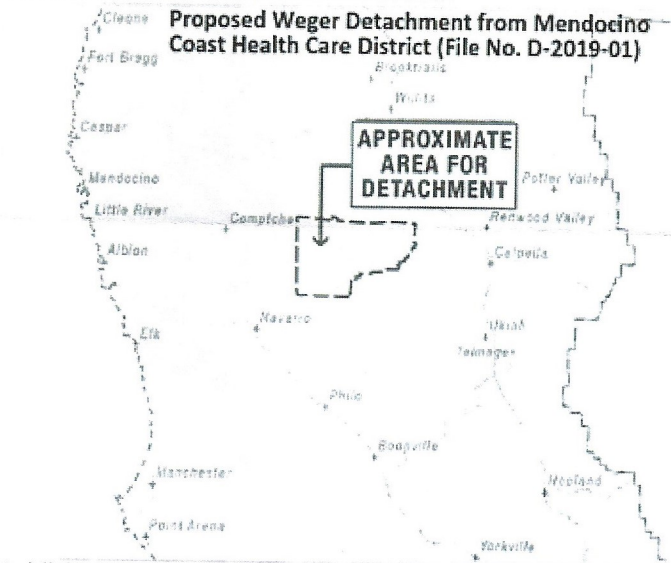
Legal No. **0006421957**

**NOTICE OF PUBLIC HEARING AND
NOTICE OF INTENT TO WAIVE PROTEST PROCEEDINGS**

NOTICE IS HEREBY GIVEN that on Monday, December 2, 2019, at 9:00 AM (or as soon thereafter as the matter may be heard) in the Mendocino County Board of Supervisors Chambers, 501 Low Gap Road, Ukiah, California, the Mendocino Local Agency Formation Commission (LAFCo) will hold a Public Hearing to consider the following proposed change of organization application: **Weger Detachment from Mendocino Coast Health Care District (File No. D-2019-01)**.

NOTICE IS HEREBY GIVEN that LAFCo intends to waive Protest Proceedings pursuant to GOV Section 56663 unless written opposition to the proposal is received from landowners or registered voters within the affected territory before the conclusion of the Public Hearing on the proposal. Please be advised that, if the proposal is approved, the detachment area is potentially subject to the extension or continuation of any previously authorized charge, fee, assessment, or tax by the Mendocino Coast HCD. The proposal was initiated by landowner petition and involves detachment of approximately 35,000 acres from Mendocino Coast HCD (see map). The reasons for detachment as submitted by the petitioners include: the detachment area receives ambulance and medical services from the Ukiah Valley area instead of the District, and the parcel tax invoked by the passage of Measure C imposes an unfair burden. The proposal is exempt from the California Environmental Quality Act pursuant to Section 15061(b)(3). Copies of all related documents may be reviewed once available at the LAFCo website (www.mendolafco.org) or at the LAFCo office. If you cannot attend the Public Hearing described in this notice, you may submit written comments prior to the hearing. Please direct comments, questions, and requests to review documents to LAFCo, 200 South School Street, Ukiah, CA 95482; e-mail: eo@mendolafco.org; phone: (707) 463-4470. All interested persons are invited to attend, be heard, and participate in the hearings.

BY ORDER OF THE MENDOCINO LOCAL AGENCY FORMATION COMMISSION. UMA HINMAN, Executive Officer.



Publish: November 6, 2019



_(/).

Ukiah Daily Journal

The Ukiah Mendocino County's
local newspaper
DAILY JOURNAL

Publication Name:

Ukiah Daily Journal

Publication URL:

www.ukiahdailyjournal.com (<http://www.ukiahdailyjournal.com>)

Publication City and State:

Ukiah, CA

Publication County:

Mendocino

Notice Popular Keyword Category:

Notice Keywords:

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201911261412377285327

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Notice URL:

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Notice Publish Date:

Saturday, November 09, 2019

Notice Content

11-10/19 Mendocino Local Agency Formation Commission (LAFCo): NOTICE OF PUBLIC HEARING AND NOTICE OF INTENT TO WAIVE PROTEST PROCEEDINGS NOTICE IS HEREBY GIVEN that on Monday, December 2, 2019, at 9:00 AM (or as soon thereafter as the matter may be heard) in

the Mendocino County Board of Supervisors Chambers, 501 Low Gap Road, Ukiah, California, the Mendocino Local Agency Formation Commission (LAFCo) will hold a Public Hearing to consider the following proposed change of organization application: Weger Detachment from Mendocino Coast Health Care District (File No. D-2019-01). NOTICE IS HEREBY GIVEN that LAFCo intends to waive Protest Proceedings pursuant to GOV Section 56663 unless written opposition to the proposal is received from landowners or registered voters within the affected territory before the conclusion of the Public Hearing on the proposal. Please be advised that, if the proposal is approved, the detachment area is potentially subject to the extension or continuation of any previously authorized charge, fee, assessment, or tax by the Mendocino Coast HCD. The proposal was initiated by landowner petition and involves detachment of approximately 35,000 acres from Mendocino Coast HCD (see map). The reasons for detachment as submitted by the petitioners include: the detachment area receives ambulance and medical services from the Ukiah Valley area instead of the District, and the parcel tax invoked by the passage of Measure C imposes an unfair burden. The proposal is exempt from the California Environmental Quality Act pursuant to Section 15061(b)(3). Copies of all related documents may be reviewed once available at the LAFCo website (www.mendolafco.org) or at the LAFCo office. If you cannot attend the Public Hearing described in this notice, you may submit written comments prior to the hearing. Please direct comments, questions, and requests to review documents to LAFCo, 200 South School Street, Ukiah, CA 95482; e-mail: eo@mendolafco.org; phone: (707) 463-4470. All interested persons are invited to attend, be heard, and participate in the hearings. BY ORDER OF THE MENDOCINO LOCAL AGENCY FORMATION COMMISSION. UMA HINMAN, Executive Officer.

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ATTACHMENT 9

Notice of Exemption

Appendix E

To: Office of Planning and Research
P.O. Box 3044, Room 113
Sacramento, CA 95812-3044
County Clerk
County of: Mendocino

From: (Public Agency): Mendocino LAFCo
200 South School Street
Ukiah, California 95482
(Address)

Project Title: Weger Detachment from Mendocino Coast HCD

Project Applicant: Chief Petitioner Lisa Weger

Project Location - Specific:

The proposed detachment area extends from approximately Comptche-Ukiah Road Mile Marker 21 in the west and Orr Springs Road Mile Marker 33.33 in the east.

Project Location - City: Btw Comptche & Ukiah Project Location - County: Mendocino

Description of Nature, Purpose and Beneficiaries of Project:

Change of Organization application initiated by landowner petition involving detachment of approximately 35,000 acres of unincorporated territory from the Mendocino Coast Health Care District (File No. D-2019-01).

Name of Public Agency Approving Project: Mendocino Local Agency Formation Commission

Name of Person or Agency Carrying Out Project: Mendocino Local Agency Formation Commission

Exempt Status: **(check one):**

- Ministerial (Sec. 21080(b)(1); 15268);
- Declared Emergency (Sec. 21080(b)(3); 15269(a));
- Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
- Categorical Exemption. State type and section number: §15061(b)(3)
- Statutory Exemptions. State code number: _____

Reasons why project is exempt:

§15061(b)(3) (General Rule): It can be seen with certainty that there is no possibility that the application may have a significant effect on the environment.

Lead Agency
Contact Person: Uma Hinman Area Code/Telephone/Extension: (707) 463-4470

If filed by applicant:

1. Attach certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project? Yes No

Signature: _____ Date: 3/2/2020 Title: Executive Officer

Signed by Lead Agency Signed by Applicant

Authority cited: Sections 21083 and 21110, Public Resources Code.
Reference: Sections 21108, 21152, and 21152.1, Public Resources Code.

Date Received for filing at OPR: _____

ATTACHMENT 10

Resolution No. 2019-20-02 of the Mendocino Local Agency Formation Commission

Approving the Proposed Weger Detachment from Mendocino Coast Health Care District

WHEREAS, the landowner petition-initiated detachment from the Mendocino Coast Health Care District application was filed by Chief Petitioner Lisa Weger on June 14, 2019 (File No. D-2019-01); and

WHEREAS, a Certificate of Sufficiency was issued on August 30, 2019 indicating that the landowner petition was signed by the requisite number of qualified signers for a sufficient petition pursuant to California Government Code Section 56706; and

WHEREAS, the proposal was referred to the County Auditor for negotiation of a property tax exchange pursuant to Revenue and Tax Code Section 99 and a Resolution adopted by the County Board of Supervisors has been received allocating the property tax within the detachment area; and

WHEREAS, a Certificate of Filing was issued on August 30, 2019 indicating receipt of a complete application pursuant to California Government Code Section 56658; and

WHEREAS, the Commission conducted a duly noticed public hearing on the application on October 7, 2019 and the Commission continued the public hearing to November 4, 2019 to allow further time for District staff and the District Board of Directors to review the Executive Officer's Report; and

WHEREAS, the continued Public Hearing scheduled for November 4, 2019 was cancelled due to the ongoing PG&E Public Safety Power Shutoffs; and

WHEREAS, the Commission conducted a duly noticed public hearing on the application on December 2, 2019 and the Commission continued the public hearing to March 2, 2020 to allow time to complete the property tax agreement process required by Revenue and Taxation Code Section 99; and

WHEREAS, the Executive Officer gave sufficient notice of a public hearing on the application to be conducted by the Commission on March 2, 2020 in the form and manner prescribed by law; and

WHEREAS, the Executive Officer's report and recommendations on the application were presented to the Commission on March 2, 2020 in the manner provided by law; and

WHEREAS, the Commission conducted a duly noticed public hearing on the application on March 2, 2020. At the hearing, all interested persons were given the opportunity to hear and be heard. At the conclusion of public testimony, the Commission closed the public hearing and considered and deliberated on all relevant oral and written testimony and evidence presented or filed, the Executive Officer's report, the applicant's justification of proposal, and all the factors required under California Government Code Section 56668; and

WHEREAS, the Commission has reviewed and considered this resolution and hereby finds that it accurately sets forth the intentions of the Commission with respect to the application.

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

1. The Commission, as Lead Agency, finds the Weger Detachment from Mendocino Coast Health Care District exempt from further review under the California Environmental Quality Act pursuant to Title 14 of the California Code of Regulations Section 15061(b)(3). The Commission finds and determines that it can be seen with certainty that there is no possibility that the application may have a significant effect on the environment according to the justifications outlined in the Executive Officer's report. The Executive Officer is directed to file a Notice of Exemption.
2. The Weger Detachment from Mendocino Coast Health Care District (File No. D-2019-01) is approved. The Commission finds the limited use of the District facilities by landowners and residents of the detachment area justifies the detachment and that the loss to the District of \$35,712 a year in parcel tax and \$5,456 a year in property tax will not unduly harm the District with its approximate \$50,000,000 annual revenue.
3. The Detachment shall be subject to the following terms and conditions:
 - a. The boundaries of the Detachment Area shall be defined by the map depicted in Exhibit "A", attached hereto and incorporate herein by reference.
 - b. The landowners within the Detachment Area shall continue to be responsible for the payment of their apportioned share of existing Mendocino Coast Health Care District General Obligation bonds that are outstanding on the effective date of detachment pursuant to California Government Code Section 57354 and shall continue payment based on the actual calculation and schedule for payment as facilitated each fiscal year by the Mendocino County Auditor-Controller through the Mendocino County Property Tax Bill.
4. The application is assigned the following distinctive short-term designation: "Weger Detachment from Mendocino Coast HCD".
5. The Commission waives Protest Proceedings for the application pursuant to California Government Code Section 56663 finding that no written opposition to the proposal was received and not withdrawn from landowners or registered voters within the affected territory before the conclusion of the public hearing.
6. The effective date of the detachment shall be the date of the filing of the Certificate of Completion for the application. The Certificate of Completion shall not be filed until all charges assessed and fees due to the Commission have been paid by the applicant(s) and all materials required by the Commission for final processing of the application have been submitted.
7. The applicant(s) shall defend at its sole expense any action brought against LAFCo, the Commission and its staff, because of the approval of this application. The applicant(s) will reimburse LAFCo for any court costs and attorneys' fees which may be required by a court to pay as a result of such action. LAFCo may, at its discretion, after consultation with the applicant(s), participate in the defense of any such action; but such participation shall not relieve applicant(s) of their obligations under this condition. The obligation on the part of

the applicant(s) to indemnify LAFCo is effective upon the adoption of this resolution and does not require any further action.

7. The Clerk of the Commission is designated as the custodian of the documents and other materials that constitute the record of the proceedings upon which the Commission's decision herein is based. These documents may be found at the office of the Clerk of the Commission, 200 South School Street, Ukiah, CA 95482.

The foregoing Resolution was passed and duly adopted at a regular meeting of the Mendocino Local Agency Formation Commission held on this 2nd day of March 2020, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

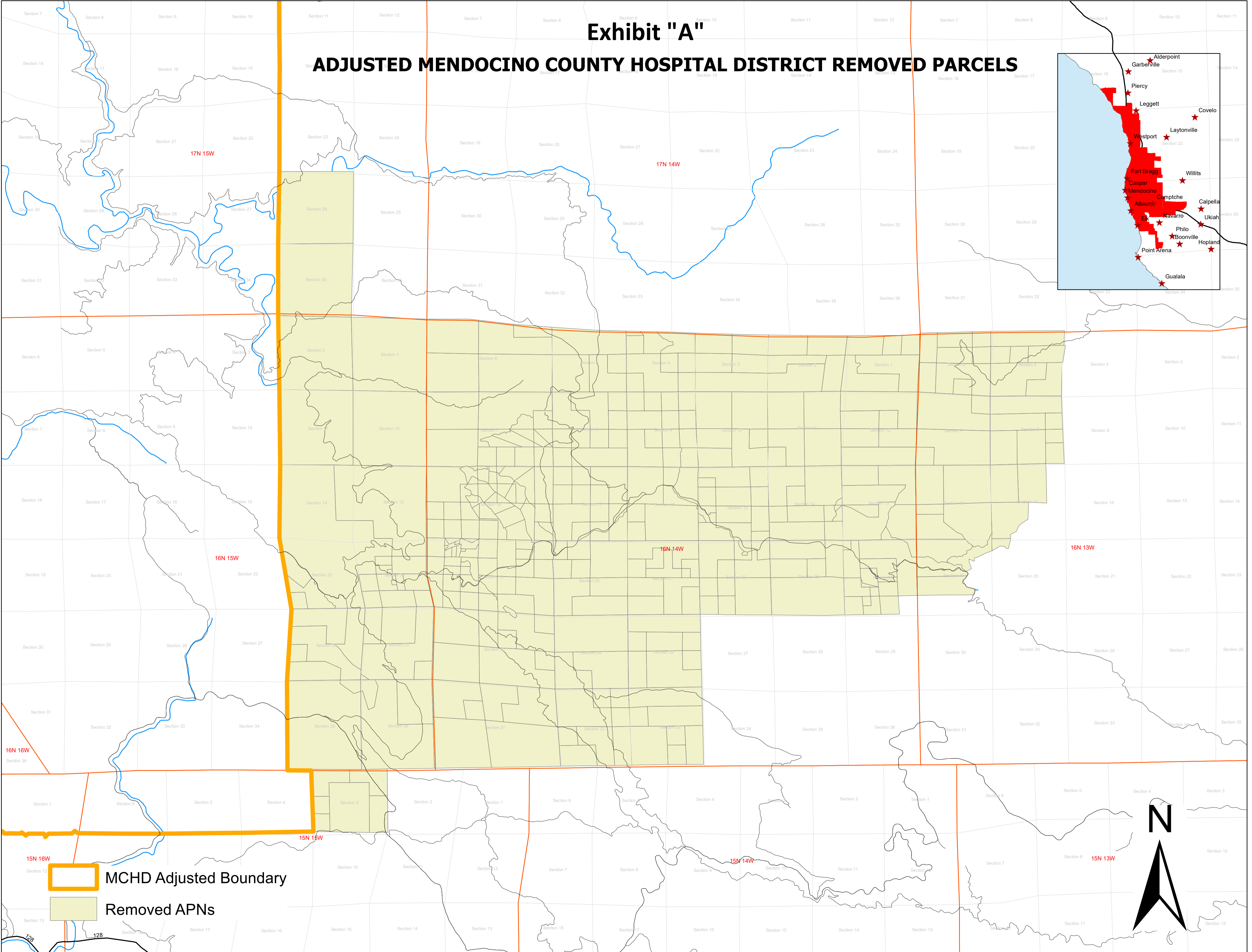
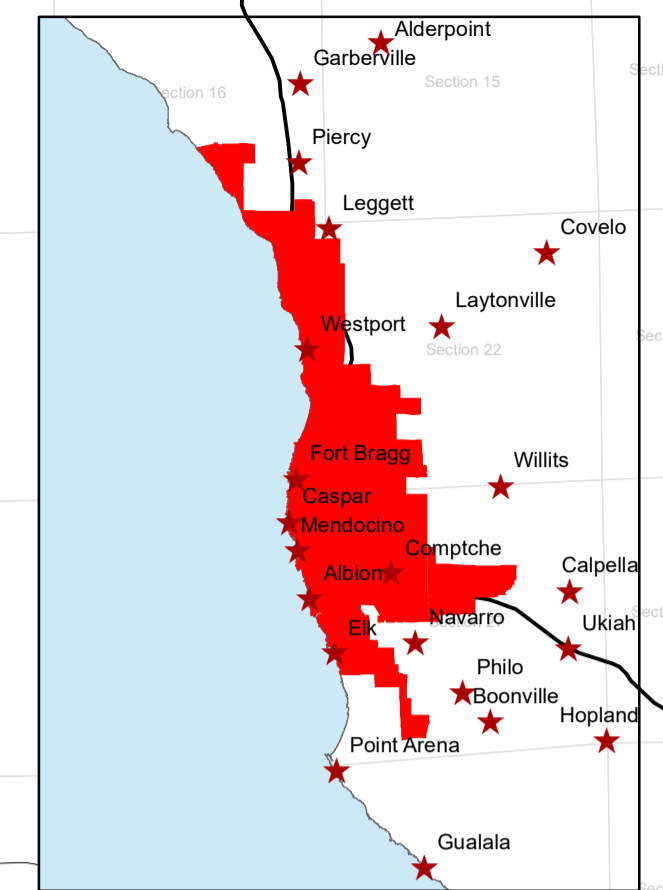
ATTEST:

UMA HINMAN, Executive Officer

CARRE BROWN, Chair

Exhibit "A"

ADJUSTED MENDOCINO COUNTY HOSPITAL DISTRICT REMOVED PARCELS



ATTACHMENT 11

Resolution No. 2019-20-02 of the Mendocino Local Agency Formation Commission

Denying the Proposed Weger Detachment from Mendocino Coast Health Care District

WHEREAS, the landowner petition-initiated detachment from the Mendocino Coast Health Care District application was filed by Chief Petitioner Lisa Weger on June 14, 2019 (File No. D-2019-01); and

WHEREAS, a Certificate of Sufficiency was issued on August 30, 2019 indicating that the landowner petition was signed by the requisite number of qualified signers for a sufficient petition pursuant to California Government Code Section 56706; and

WHEREAS, a Certificate of Filing was issued on August 30, 2019 indicating receipt of a complete application pursuant to California Government Code Section 56658; and

WHEREAS, the Commission conducted a duly noticed public hearing on the application on October 7, 2019 and the Commission continued the public hearing to November 4, 2019 to allow further time for District staff and the District Board of Directors to review the Executive Officer's Report; and

WHEREAS, the continued Public Hearing scheduled for November 4, 2019 was cancelled due to the ongoing PG&E Public Safety Power Shutoffs; and

WHEREAS, the Commission conducted a duly noticed public hearing on the application on December 2, 2019 and the Commission continued the public hearing to March 2, 2020 to allow time to complete the property tax agreement process required by Revenue and Taxation Code Section 99; and

WHEREAS, the Executive Officer gave sufficient notice of a public hearing on the application to be conducted by the Commission on March 2, 2020 in the form and manner prescribed by law; and

WHEREAS, the Executive Officer's report and recommendations on the application were presented to the Commission on March 2, 2020 in the manner provided by law; and

WHEREAS, the Commission conducted a duly noticed public hearing on the application on March 2, 2020. At the hearing, all interested persons were given the opportunity to hear and be heard. At the conclusion of public testimony, the Commission closed the public hearing and considered and deliberated on all relevant oral and written testimony and evidence presented or filed, the Executive Officer's report, the applicant's justification of proposal, and all the factors required under California Government Code Section 56668; and

WHEREAS, the Commission has reviewed and considered this resolution and hereby finds that it accurately sets forth the intentions of the Commission with respect to the application.

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

1. The Commission, as Lead Agency, finds the Weger Detachment from Mendocino Coast Health Care District application is not subject to the provisions of the California Environmental Quality Act pursuant to Title 14 of the California Code of Regulations Section 15061(b)(4), which states that a project is exempt from CEQA if the project will be rejected or disapproved by a public agency.
2. The Commission has considered the factors determined by the Commission to be relevant to this proposal, including, but not limited to, the Mendocino LAFCo Policies & Procedures and factors pursuant to Government Code Section 56668, and as described in the staff report for the meeting of March 2, 2020.
3. The application is assigned the following distinctive short-term designation: “Weger Detachment from Mendocino Coast HCD”.
4. The Commission denies the request of the petitioners to detach from the Mendocino Coast Health Care District. The Commission is not unmindful of the equitable arguments of the applicants seeking detachment. However, weighing the application from the perspective of the broader interest of the community as a whole, the Commission finds that the detachment is not in the public interest.
5. No further proceedings will be taken on this proposal.
6. The Clerk of the Commission is designated as the custodian of the documents and other materials that constitute the record of the proceedings upon which the Commission’s decision herein is based. These documents may be found at the office of the Clerk of the Commission, 200 South School Street, Ukiah, CA 95482.

The foregoing Resolution was passed and duly adopted at a regular meeting of the Mendocino Local Agency Formation Commission held on this 2nd day of March 2020, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

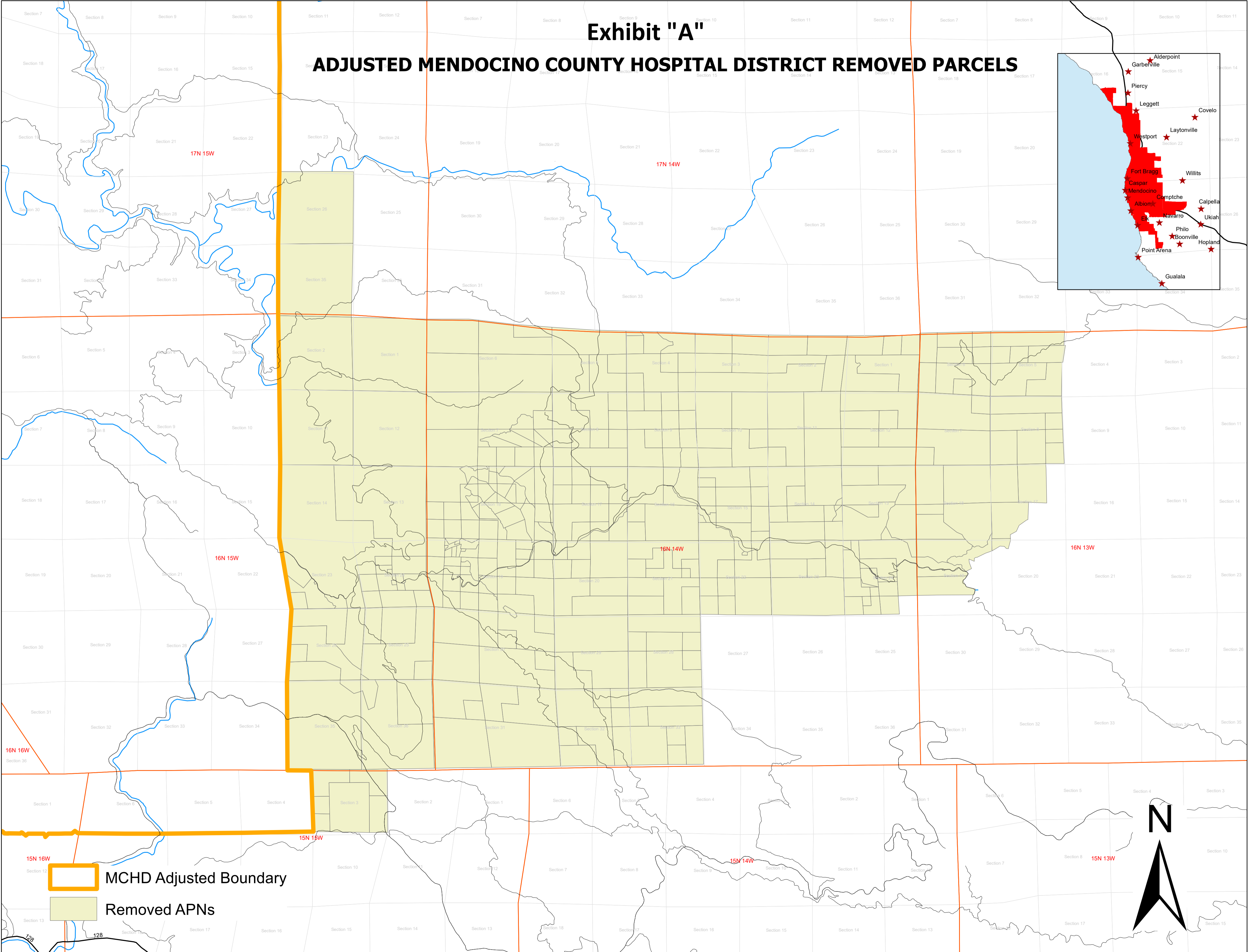
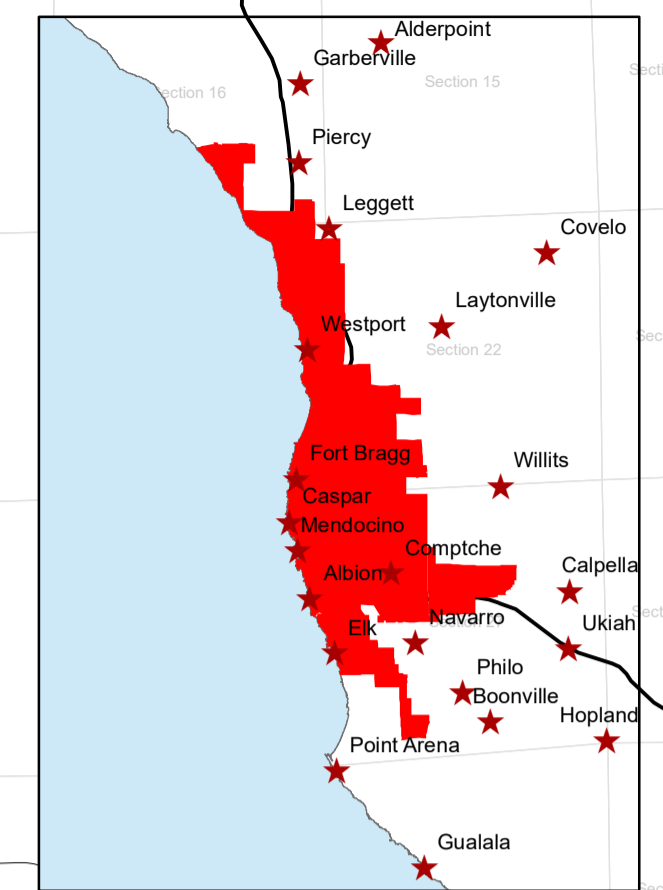
ATTEST:

UMA HINMAN, Executive Officer

CARRE BROWN, Chair

Exhibit "A"

ADJUSTED MENDOCINO COUNTY HOSPITAL DISTRICT REMOVED PARCELS



**MENDOCINO
Local Agency Formation Commission**

Staff Report

DATE: March 2, 2020
 TO: Mendocino Local Agency Formation Commission
 FROM: Uma Hinman, Executive Officer
 SUBJECT: **Workshop** for the Preliminary Budget and Work Plan for FY 2020-21

RECOMMENDATION

Hold a workshop on the Draft Preliminary Budget and Work Plan for Fiscal Year 2020-21, provide comments and direction to staff, and direct staff to notice the FY 2020-21 Draft Budget and Work Plan for Public Hearing as soon as possible for consideration.

BACKGROUND

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 mandates operating costs for Local Agency Formation Commissions (LAFCo) shall be annually funded by the affected counties, cities, and independent special districts on a one-third apportionment process. Apportionments for cities and independent special districts are further divided and proportional to each agency’s total revenues as a percentage of the overall revenue amount collected in the county. LAFCos are also authorized to establish and collect fees to offset agency contributions.

Proposed Operating Expenses

The proposed operating expenses for Fiscal Year (FY) 2020-21 are \$174,350 and reflect the anticipated staffing services for day-to-day operations and for conducting Municipal Services Reviews and Sphere of Influence (MSR/SOIs) updates scheduled for FY 2020-21.

Table 1. Summary of FY 2019-20 and Proposed Preliminary FY 2020-21 budgets

Estimated Budget Summary	FY 2019-20		FY 2020-21 Proposed Preliminary Budget (\$)
	Adopted (\$)	Projected (\$)	
Apportionment	135,000	135,000	175,000
Interest	350	450	450
Special Project (SALC Grant)			5,100
Estimated Revenues Total	135,350	135,450	180,550
Staffing Total	72,060	72,060	72,060
Services and Supplies Total	46,938	43,198	54,290
Work Plan Total	41,250	36,250 ¹	48,000 ¹
Estimated Operations Total	160,248	151,508	174,350
Special Project (SALC Grant)			5,100
Total Expenditures			179,450
Estimated Use of Reserves	24,898	16,058	(1,100)

¹ Staff intends to roll the current UVSD MSR/SOI Update into FY 2020-21 in order to coordinate data analysis with the City of Ukiah and Ukiah Valley FPD MSR/SOIs, reducing the projected Work Plan budget by \$5,000 in the current FY and including that amount in the next FY budget.

The proposed FY 2020-21 expenses are an increase of \$14,102 above the FY 2019-20 budget. Additionally, the Sustainable Agricultural Lands Commission (SALC) grant funded project is a two-year project that will incur staff time in FY 2020-21 and the following FY, which will be reimbursed through the grant. For purposes of the budget development, half of the overall grant reimbursement for the project (\$10,200) is accounted for in each of the next two fiscal years (Attachment 2). Changes from last year's budget are summarized in Table 2, not including anticipated applications and the Special Project SALC grant project, which are zero sum items.

Table 2. Explanation of budget changes from FY 2019-20 to 2020-21

Account No.	Account Description	Adopted FY 2019-20 (\$)	Preliminary FY 2020-21 (\$)	Difference (\$)	Notes
5500	Rent	5,460	5,568	108	Increase in rent per contract (4%/yr)
5600	Office Expenses	2,700	3,450	750	New office computer
6000	Televising Meetings	3,000	2,000	(1,000)	Based on last few years' fees
6300	Legal Counsel	7,200	10,000	2,800	Anticipated additional time for agenda review and complex issues
6400	A-87 Costs	428	2,131	1,703	Estimate from County
6500	Insurance-General Liability	1,100	1,150	50	Potential increase
6600	Memberships (CALAFCO/CSDA)	2,750	3,691	941	CALAFCO increase
6740	In-County Travel & Stipends	4,000	5,000	1,000	Due to change in policy that allows City Members to request mileage reimbursement
6750	Travel & Lodging Expenses	3,500	4,000	500	The 2020 CALAFCO Conference in Monterey; assumes expenses for four Commissioners
6800	Conferences	3,000	3,500	500	Based on 2020 CALAFCO Conference in Monterey; assumes expenses for four Commissioners
7000	Work Plan (MSR/SOI)	41,250	48,000	6,750	City of Ukiah, Ukiah Valley FPD, Covelo CSD, UVSD (roll over)
Difference				14,102	

Proposed Operating Revenues

The following table summarizes the FY 2019-20 and Proposed FY 2020-21 budget options for apportionment fees and the impact to reserves.

Table 3. Summary of projected and proposed budgets and apportionment fee options

	Projected FY 2019-20 (\$)	Proposed FY 2020-21 (\$)				
Budget	151,508	174,350				
Revenue/Funds						
Apportionment Fees	135,000	160,000	170,000	175,000	180,000	190,000
Interest	350	450	450	450	450	450
Projected use of reserves ¹	16,058	13,900	3,900	1,100	(6,100)	(16,100)
Anticipated Reserve Balances						
Balance at beginning of FY	90,383	74,325	74,325	74,325	74,325	74,325
Estimated balance at end of FY	74,325	60,425	70,425	75,425	80,425	90,425
<i>Target Reserves balance per policy</i>	<i>72,877</i>	<i>78,588</i>	<i>78,588</i>	<i>78,588</i>	<i>78,588</i>	<i>78,588</i>
<i>Difference</i>	<i>1,448</i>	<i>(18,163)</i>	<i>(8,163)</i>	<i>(3,163)</i>	<i>1,837</i>	<i>11,837</i>
¹ Based projected end of FY 2019-20 expenditures.						

As of February 21, 2020, the total funds available for operations was \$72,944. The projected expenses for the remainder of FY 2019-20 are approximately \$83,530, which will require utilizing approximately \$16,058 from reserves. As anticipated in the adoption of the FY 2019-20 budget, this will be the second year that reserve funds will be used to meet expenses.

The previous six adopted budgets included utilization of cash balances and reserves to meet operational expenditures. FY 2018-19 was the first year that necessitated withdrawing from reserves in the amount of \$4,000, which were replaced with revenue from this FY.

Proposed FY 2020-21 Work Plan

Staff has reviewed the 5-Year Rolling Work Plan and recommends the following MSR/SOI Updates for FY 2020-21. The full 5-year Rolling Work Plan is included as Attachment 3. Staff anticipates rolling the UVSD MSR/SOI Update into FY 2020-21 in order to coordinate data analysis with the City of Ukiah and Ukiah Valley FPD MSR/SOIs.

Table 4. Proposed FY 2020-21 Work Plan

Agency	Last MSR and/or SOI Update
Ukiah Valley Sanitation District	(roll over from FY 2019-20)
City of Ukiah	MSR 2012
Ukiah Valley Fire Protection District	MSR/SOI 2008
Covelo Community Services District	MSR/SOI 2010
Work Plan Notes: <ul style="list-style-type: none"> No CEQA costs have been included in the estimates other than Exemptions Future budget numbers noted in Attachment 3 are estimates only and will be reviewed annually and adjusted as needed as part of the budget development process for the next FY. 	

NEXT STEPS

Budget development steps and schedule are set forth in the Mendocino LAFCo Policies and Procedures (Chapter 5) and Government Code Section 56381(a).

Table 5. Budget development schedule

Budget Phase	Schedule
Preliminary Budget and Proposed Work Plan – Workshop	March 2
Proposed Budget and Work Plan – Public Hearing	April 6
Final Budget and Work Plan – Public Hearing	May 4 or June 1

- Attachments: (1) FY 2019-20 Financial Summary and Projection
(2) Preliminary FY 2020-21 Budget
(3) Preliminary Draft 5-year Work Plan

Attachment 1

Financial Summary

The following table summarizes LAFCo's current financial status and end of FY 2019-20 projection, as of February 21, 2020.

Cash in Savings Bank, February 2020	\$ 71,094
Cash in Treasury (County) January 2019	1,754
Total Funds in Accounts	\$ 72,848
Accounts Receivable - Apportionment still due	\$ 96
Total Funds Available	\$ 72,944
Accounts Payable – Estimated remaining Claims due by June 30, 2020	(91,870)
Application Deposit Held - City of Ukiah Detachment/UVSD	(1,532)
2019/2020 Operating Budget Deficit ¹	8,740
2019/2020 Proposed Additions to Operating Budget	-
Estimated Net Funds Available 6-30-20	\$ (11,718)
Reserves: Operations	\$ 55,416
Legal	\$ 35,000

¹ See attached FY 2019-20 Budget Review. Staff intend to roll the UVSD MSR/SOI over into FY 2020-21 so as to coordinate the analysis with other Ukiah Valley municipal providers scheduled for MSR/SOI updates next fiscal year. It is anticipated that approximately \$5,000 of the FY 2019-20 Work Plan budget will follow the UVSD into the next FY.

Mendocino Local Agency Formation Commission
FY 2019-20 Budget Year End Projections

Acct #	Task	FY 19-20 Budget	Year to Date	Remaining Budget	Projected Year End	% of Budget Expended	Anticipated Remainder
EXPENSES							
5300	Basic Services - EO/Analyst/Clerk	\$72,060	\$38,876.00	\$33,184.00	\$72,060.00	54%	
	Unfunded Mandates (RDA Oversight)	\$0					
5500	Rent	\$5,460	\$3,203.00	\$2,257.00	\$5,460.00	59%	
5600	Office Expenses	\$2,700	\$1,017.20	\$1,682.80	\$1,950.00	38%	\$ 750
5700	Internet & Website Costs	\$1,300	\$1,152.52	\$147.48	\$1,152.00	89%	\$ 148
5900	Publication & Legal Notices	\$2,000	\$1,132.95	\$867.05	\$2,000.00	57%	
6000	Televising Meetings	\$3,000	\$457.71	\$2,542.29	\$2,000.00	15%	\$ 1,000
6100	Audit Services	\$3,500	\$3,250.00	\$250.00	\$3,250.00	93%	\$ 250
6200	Bookkeeping	\$4,500	\$2,880.00	\$1,620.00	\$4,500.00	64%	
6300	Legal Counsel (S Browne)	\$7,200	\$4,200.00	\$3,000.00	\$8,000.00	58%	\$ (800)
6400	A-87 Costs County Services	\$428	\$0.00	\$428.00	\$1,633.00	0%	\$ (1,205)
6500	Insurance - General Liability	\$1,100	\$0.00	\$1,100.00	\$1,100.00	0%	
6600	Memberships (CALAFCO/CSDA)	\$2,750	\$2,521.00	\$229.00	\$2,521.00	92%	\$ 229
6670	GIS Contract with County	\$2,500	\$77.13	\$2,422.87	\$2,500.00	3%	
6740	In-County Travel & Stipends	\$4,000	\$1,361.43	\$2,638.57	\$4,000.00	34%	
6750	Travel & Lodging Expenses	\$3,500	\$1,052.03	\$2,447.97	\$1,052.00	30%	\$ 2,448
6800	Conferences (Registrations)	\$3,000	\$2,080.00	\$920.00	\$2,080.00	69%	\$ 920
7000	Work Plan (MSRs and SOIs)	\$41,250	\$5,117.00	\$36,133.00	\$36,250.00	12%	\$ 5,000
Year to Date Totals		\$160,248.00	\$68,377.97	\$91,870.03	\$151,508.00	43%	\$ 8,740

Mendocino Local Agency Formation Commission
Preliminary Budget FY 2020-21

Attachment 2

2-Mar-20

ACCOUNT #	DESCRIPTION	FY 2018-19 Adopted	FY 2018-19 Actual	FY 2019-20 Adopted	FY 2019-20 Projected	FY 2020-21 DRAFT Preliminary	Increase/ (Decrease)
REVENUE							
	<i>Anticipated Cash Balance</i>			\$ -		\$ -	
4000	LAFCO Apportionment Fees	\$ 135,000	\$ 135,000	\$ 135,000	\$ 135,000	\$ 175,000	\$ 40,000
4100	Service Charges		\$ -				\$ -
4800	Miscellaneous						
4910	Interest Income	\$ 465	\$ 502	\$ 350	\$ 450	\$ 450	\$ 100
	Revenue Subtotal	\$ 135,465	\$ 135,502	\$ 135,350	\$ 135,450	\$ 175,450	\$ 40,100
8000	Applications		\$ 7,250		\$ 13,532		
8601	Special Project (SALC Grant Project Reimbursement)		\$ -			\$ 5,100	\$ 5,100
	Revenue Total	\$ 135,465	\$ 142,752	\$ 135,350	\$ 148,982	\$ 180,550	\$ 45,200
EXPENSES							
5300	Basic Services	\$ 70,560	\$ 72,017	\$ 72,060	\$ 72,060	\$ 72,060	\$ -
5500	Rent	\$ 5,360	\$ 5,410	\$ 5,460	\$ 5,460	\$ 5,568	\$ 108
5600	Office Expenses	\$ 3,450	\$ 1,603	\$ 2,700	\$ 1,950	\$ 3,450	\$ 750
5700	Internet & Website Costs	\$ 1,300	\$ 1,153	\$ 1,300	\$ 1,152	\$ 1,300	\$ -
5900	Publication and Legal Notices	\$ 2,000	\$ 1,181	\$ 2,000	\$ 2,000	\$ 2,000	\$ -
6000	Televising Meetings	\$ 3,000	\$ 1,817	\$ 3,000	\$ 2,000	\$ 2,000	\$ (1,000)
6100	Audit Services	\$ 3,100	\$ 3,100	\$ 3,500	\$ 3,250	\$ 3,500	\$ -
6200	Bookkeeping	\$ 4,000	\$ 3,522	\$ 4,500	\$ 4,500	\$ 4,500	\$ -
6300	Legal Counsel	\$ 7,200	\$ 7,200	\$ 7,200	\$ 8,000	\$ 10,000	\$ 2,800
6400	A-87 Costs County Services	\$ -	\$ -	\$ 428	\$ 1,633	\$ 2,131	\$ 1,703
6500	Insurance-General Liability	\$ 1,000	\$ 1,076	\$ 1,100	\$ 1,100	\$ 1,150	\$ 50
6600	Memberships (CALAFCO/CSDA)	\$ 2,300	\$ 2,302	\$ 2,750	\$ 2,521	\$ 3,691	\$ 941
6670	GIS Contract with County (Counsel training, IT support)	\$ 3,500	\$ 2,767	\$ 2,500	\$ 2,500	\$ 2,500	\$ -
6740	In-County Travel & Stipends	\$ 2,000	\$ 2,477	\$ 4,000	\$ 4,000	\$ 5,000	\$ 1,000
6750	Travel & Lodging Expense	\$ 3,000	\$ 4,236	\$ 3,500	\$ 1,052	\$ 4,000	\$ 500
6800	Conferences (Registrations)	\$ 3,000	\$ 2,600	\$ 3,000	\$ 2,080	\$ 3,500	\$ 500
7000	Work Plan (MSRs and SOIs)	\$ 35,000	\$ 29,514	\$ 41,250	\$ 36,250	\$ 48,000	\$ 6,750
9000	Miscellaneous (Special District Training Support, bank fees)	\$ 500	\$ 140	\$ -	\$ -	\$ -	\$ -
	Operating Expenses Subtotal	\$ 150,270	\$ 142,115	\$ 160,248	\$ 151,508	\$ 174,350	\$ 14,102
8000	Application Filing Expenses	\$ -	\$ 2,017	\$ -	\$ 12,000	\$ -	
8601	Special Project (SALC Grant Project)	\$ -	\$ -	\$ -	\$ -	\$ 5,100	\$ 5,100
	Expenses Total	\$ 150,270	\$ 144,132	\$ 160,248	\$ 163,508	\$ 179,450	
	REVENUE/EXPENSE DIFFERENCE	\$ (14,805)	\$ (6,613)	\$ (24,898)	\$ (16,058)	\$ 1,100	
	<i>(Negative balance indicates use of fund balance and/or reserves)</i>						
	Legal Reserves Total			\$ 35,000	\$ 35,000	\$ 35,000	
	Operations Reserves Total			\$ 30,518	\$ 39,358	\$ 40,458	
	<i>Target Balance for Operations Reserves per Policy (25%)</i>			\$ 40,062	\$ 37,877	\$ 43,588	

Attachment 3

DRAFT Mendocino LAFCo 5-Year Rolling Work Plan

FY 2020-21 through 2024-25

March 2, 2020

Disclaimer: The schedule for each study identified in this Work Plan is an estimate and is subject to change based on overall staff workload, agency responsiveness and timely provision of requested information, complexity of issues, and public controversy. Each study is assumed to consist of a combined MSR and SOI Update and be exempt from CEQA. The cost estimate reflects the minimum staff time to: coordinate a response to the Request for Information (RFI), draft the study for agency review and make revisions, prepare the study for one Public Workshop and Public Hearing and make revisions, and finalize the study to post online and mail to the subject agency. This Work Plan will be reviewed mid-year, or sooner as needed, and revised to account for a more refined level of detail related to the anticipated scope of work for specific studies. The estimated Work Plan schedule and costs may roll over to the next Fiscal Year.

Prior Study	Service Provider	Estimated Cost
Fiscal Year 2020-21		
n/a	Ukiah Valley Sanitation District (continued from FY 2019-20)	\$ 5,000
2012	City of Ukiah	\$ 25,000
2013	Ukiah Valley FD (Ukiah Valley Fire Authority JPA)	\$ 7,000
2010	Covelo CSD	\$ 8,000
n/a	Lighting Districts Discovery Only (11?)	TBD
	Contingency	\$ 3,000
		Estimated Subtotal \$ 48,000
Fiscal Year 2021-22		
2015	City of Point Arena	\$ 8,000
2015	Anderson Valley CSD	\$ 7,500
2015, 2016	Water/Wastewater Districts (14) - include Mutual Water Companies	\$ 20,000
2008	Mendocino Coast Recreation and Park District	\$ 8,000
	Contingency	\$ 4,350
		Estimated Subtotal \$ 47,850
Fiscal Year 2022-23		
2017	City of Fort Bragg	\$ 10,000
2016	Mendocino County Resource Conservation District	\$ 5,000
2016	Noyo Harbor District	\$ 8,000
2017	Cemetery Districts (8)	\$ 10,000
2016	Mendocino Coast Health Card District	\$ 10,000
	Contingency	\$ 4,300
		Estimated Subtotal \$ 47,300
Fiscal Year 2023-24		
2016	Hopland PUD	\$ 8,000
2019	Brooktrails Township CSD	\$ 8,000
2018	Fire Districts (16)	\$ 10,000
2019	City of Willits	\$ 12,000
	Contingency	\$ 3,800
		Estimated Subtotal \$ 41,800
Fiscal Year 2024-25		
2008	Mendocino City CSD	\$ 8,000
n/a	Ukiah Valley Sanitation District	\$ 15,000
n/a	County Service Area 3	\$ 8,000
	Contingency	\$ 3,100
		Estimated Subtotal \$ 34,100

MENDOCINO Local Agency Formation Commission

Staff Report

MEETING March 2, 2020
TO Mendocino Local Agency Formation Commission
FROM Uma Hinman, Executive Officer
SUBJECT **Status of Applications, Proposals, and Work Plan**

RECOMMENDATION

Informational report.

BACKGROUND

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 delegates Local Agency Formation Commissions (LAFCos) with regulatory and planning duties to coordinate the logical formation and development of local government agencies. This includes approving or disapproving proposals for reorganizations (i.e., annexations, detachments, dissolutions, etc.), activation of latent powers, sphere of influence amendments, and outside service agreements.

APPLICATIONS

Following is a summary of active and future proposals.

Active Proposals

There are currently two (2) active proposals.

Weger Mendocino Coast Health Care District Detachment Application Review

Ms. Weger submitted an application for detachment by petition of landowners of approximately 35,983 acres making up the eastern portion of the Mendocino Coast Health Care District. Public hearings were held on October 7, 2019 and December 2, 2010, and continued to March 2, 2020 for the County to complete the Revenue and Tax Code Section 99 requirements. The Tax Share Agreement has been adopted by the Mendocino County Board of Supervisors.

Moore's Annexation to Irish Beach Water District (IBWD)

The application to annex a parcel of approximately 16.8 acres directly north of the IBWD into the District has been on-hold since 2015 pending completion of a concurrent processing of a Local Coastal Plan (LCP) amendment and rezone. The applicant has submitted a deposit and requested the application be processed. Staff is in the process of reviewing the application.

Applications On-Hold

There is currently one (1) application on hold. Any updates available are noted below in addition to the date of last activity.

City of Ukiah Detachment of Ukiah Valley Sanitation District (UVSD) Served Areas

The application by the City of Ukiah to detach UVSD served areas from the City was deemed incomplete in December 2014. The City has requested the application remain on hold; there remains a balance of \$1,532 held in LAFCo's account.

Future Proposals

Following is a summary of potential new proposals to the Commission in the near future:

Anderson Valley CSD Proposed Activation of Latent Powers to Provide Water/Sewer Services

The Anderson Valley CSD has obtained two state planning grants to prepare a feasibility study and CEQA review for wastewater and water treatment plants and infrastructure to serve the community area of Boonville. Public workshops and a CEQA document are in process. The AVCSD has provided periodic updates to LAFCo staff.

Millview County Water District Proposed Annexation of Masonite Properties

A Pre-Application Review for the proposed annexation of the Masonite properties into the Millview County Water District (MCWD) was completed in September 2017. An application for the annexation is anticipated in the coming months.

WORK PLAN

Local policy directs the Commission to annually adopt a Work Plan for purposes of providing a comprehensive overview of municipal service reviews and sphere of influence reports over the course of the fiscal year. This report provides an update on progress made in terms of accomplishing the activities scheduled in the Work Plan. This report also serves to inform the Commission of any changes in circumstances or priorities.

Fiscal Year 2019-20 Work Plan

County Service Area (CSA) No. 3

Staff has initiated the project with County staff and started collecting documentation for the CSA 3 MSR/SOI report. The Administrative Draft is in process. This will be the first MSR/SOI report for the CSA.

Mendocino City Community Services District

The Administrative Draft MSR/SOI has been provided to the District for review. It is anticipated that a Workshop will be scheduled for the April Commission meeting.

Ukiah Valley Sanitation District (UVSD)

The Request for Information (RFI) has been sent to the District and staff is collecting documentation for the MSR/SOI report. The District has requested additional time to respond to the RFI as they are in finishing up a number of substantial projects that have dominated staff time; they have committed to a March 30, 2020 submittal of information.

Uma Hinman

From: pmiller@calafco.org
Sent: Saturday, February 22, 2020 10:57 AM
To: info@calafco.org
Subject: [CALAFCO Executive Officer] Important CALAFCO news

Good morning CALAFCO Members.

Over its 49 year history (so far), CALAFCO has seen much growth and transformation, and the Association continues to strive to support the great work of each of you, our member LAFcos and Associate members. It has been a privilege for me to be a part of that rich history for the past 7 ½ years as the Executive Director.

During yesterday's Board meeting I announced my plan to retire from CALAFCO to pursue on a full-time basis my organizational development and training consulting practice and am now sharing that with you. I will be staying on through the recruitment/hiring/transition of the new Executive Director to ensure a seamless and thorough transition and through the CALAFCO Annual Conference in Monterey this year to do my part to ensure its success. A comprehensive plan was developed yesterday for the recruitment, hiring and transition, and I will be reaching out to CALAFCO's primary Sacramento stakeholders this coming week to share the news. It is important for everyone to know I am committed to completing the many critical projects and issues CALAFCO is working on right now on your behalf.

I want to thank each of you for your support throughout the past 7 ½ years and the opportunity to work with you and your commissions. Your dedication to the work of making our local communities the best they can be has inspired and encouraged me and I am now forever connected to you and that work.

Warmest regards,

Pamela

Pamela Miller
Executive Director
California Association of Local Agency Formation Commissions
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Sacramento, CA 95814
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www.calafco.org

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