

# 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](mailto:eo@mendolafco.org) | Web: [www.mendolafco.org](http://www.mendolafco.org)

### COMMISSIONERS

**Jerry Ward, Chair & Treasurer**  
Public Member

**Carre Brown, Vice Chair**  
County Board of Supervisors

**Kevin Doble**  
Ukiah City Council

**Gerardo Gonzalez**  
Willits City Council

**John McCowen**  
County Board of Supervisors

**Theresa McNerlin**  
Ukiah Valley Sanitation District

**Tony Orth**  
Brooktrails Township CSD

**Scott Ignacio, Alternate**  
Point Arena City Council

**Dan Hamburg, Alternate**  
County Board of Supervisors

**Carol Rosenberg, Alternate**  
Public Member

**Jenifer Bazzani, Alternate**  
Ukiah Valley Fire District

### STAFF

**Executive Officer**  
Uma Hinman

**Analyst**  
Larkyn Feiler

**Commission Clerk**  
Elizabeth Salomone

**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

## A G E N D A

Regular Meeting of Monday, November 5, 2018 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-2018>*

### 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

#### 3a) Announcement of Special District Representatives

Announcement of Commissioner Jenifer Bazzani (Ukiah Valley Fire District) to continue as the Alternate Member and John Huff (Mendocino Coast Recreation & Park District) as the Regular Member Representative, with terms to being January 2019.

#### 3b) Public Member Representative Interviews

Introduction of the Public Member applicants with Commission led interviews.

### 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 September 10, 2018 Regular Meeting Summary Minutes

#### 4b) Approval of the September 2018 Claims

#### 4c) Approval of the October 2018 Claims & Financial Reports

### 5. PUBLIC HEARING ITEMS

None

### 6. WORKSHOP ITEMS

None

(11-5-18 Agenda Continued...)

## 7. MATTERS FOR DISCUSSION AND POSSIBLE ACTION

### 7a) Presentation: Mendocino County Sustainable Agricultural Lands Committee (SALC)

The Commission will hear a presentation from representative(s) of the SALC on the Sustainable Agricultural Lands Conservation Plan.

### 7b) Mendocino Coast Healthcare District Report

The Commission will hear the report it requested from the Executive Officer regarding the history of the District boundary and as well as review the possibility of scheduling the Municipal Service Review and Sphere of Influence update in 2019.

### 7c) Commissioner Compensation Policy Amendment

The Commission will consider the Policies & Procedures Committee's recommendation to amend the Commissioner Compensation Policy. RECOMMENDED ACTIONS: a) Adopt Resolution No. 2018-19-02, approving the Commissioner Compensation Policy amendment; or b) Provide further direction to the Policies and Procedures Committee and/or staff.

### 7d) Proposed Policies & Procedures Manual Update

The Commission will consider the Policies & Procedures Committee's recommendation to approve the updated Policies & Procedures Manual. RECOMMENDED ACTIONS: a) Adopt Resolution No. 2018-19-03, approving the Policies & Procedures Manual update; or b) Provide further direction to the Policies and Procedures Committee and/or staff.

## 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)

- SDRMA President's Special Acknowledgement Award-Property/Liability Program
- Creating Sustainable Communities and Landscapes: Recommended practices and tools for local collaboration on climate-smart growth

### 8c) Executive Officer's Report (Verbal)

### 8d) Committee Reports (Policies & Procedures and Executive) (Verbal)

### 8e) Commissioner Reports, Comments or Questions (Verbal)

### 8f) CALAFCO Business and Legislative Report

- CALAFCO Conference Reports

## ADJOURNMENT

The next Regular Commission Meeting is scheduled for Monday, December 3, 2018 at 9:00 AM in the County Board of Supervisors Chambers 501 Low Gap Road, Ukiah, California

Notes: 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: If you are a disabled person and need a disability-related modification or accommodation to participate in a meeting, please contact the LAFCo office at 707-463-4470, by e-mail to eo@mendolafco.org, or by FAX to 707-462-2088. Requests must be made as early as possible, and at least two full business days prior to the 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 of more than \$250 to any Commissioner in the past 12-months, must disclose the contribution. If you are affected, please notify the Commission prior to the agenda item.

**MENDOCINO**  
**Local Agency Formation Commission**

**Staff Report**

DATE: November 5, 2018  
TO: LAFCo Commission  
FROM: Uma Hinman, Executive Officer  
SUBJECT: Public Member Applicant Interviews

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**Recommendation**

- a) Complete the interview and selection process for the LAFCo Regular Public Member; and/or
- b) Select and appoint a candidate to the LAFCo Regular Public Member term to commence on January 1, 2019.

**Background**

State law establishes a four-year term for the LAFCo Regular Public Member. Before the regular public member's term expires, the Commission must appoint a Mendocino County resident to the seat at an open meeting. Public members cannot be a current officer (elected or appointed) or employee of the County of Mendocino or of any city or special district located within the county. There is no term limit and the incumbent regular member may be reappointed.

The current term for the incumbent regular public member expires on December 31, 2018. Per the direction of the Commission, the public member seat was advertised on August 17, 2018. LAFCo received one letter of interest by the deadline of October 26, 2018: incumbent regular public member, Gerald Ward. See attached letter.

The regular public member selected will hold the four-year term January 1, 2019 through December 2022.

As stated in the current LAFCo Policies & Procedures, selection of the public member shall be subject to the affirmative vote of at least one of the members selected by each of the other appointing authorities (City, County and Special District.)

Attachment:

- 1) Letter of Interest, Gerald Ward

Mendocino Local Agency Formation Commission  
200 S. School Street  
Ukiah, CA 95490

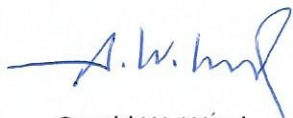
Re: Application for Public Member

Commissioners:

I am interested in continuing my position of Public Member on the Mendocino Local Agency Formation Commission for the 4 year term beginning January 1, 2019. As the Commission is aware, I began my service as a Public Member as an alternate in the year 2000 and was elevated to the regular Public Member position in 2010. For the past 3 years I have served as the Commission's Chair and Treasurer.

With the Commission's approval I would like to continue my service as a Public Member.

Respectfully,

A handwritten signature in blue ink, appearing to read "G. W. Ward", with a stylized flourish at the end.

Gerald W. Ward



# MENDOCINO

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### COMMISSIONERS

**Jerry Ward,**  
Chair & Treasurer  
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**Carre Brown, Vice Chair**  
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**Kevin Doble**  
Ukiah City Council

**Gerardo Gonzalez**  
Willits City Council

**John McCowen**  
County Board of Supervisors

**Theresa McNerlin**  
Ukiah Valley Sanitation District

**Tony Orth**  
Brooktrails Township CSD

**Scott Ignacio, Alternate**  
Point Arena City Council

**Dan Hamburg, Alternate**  
County Board of Supervisors

**Carol Rosenberg, Alternate**  
Public Member

**Special District Seat, Alternate**  
(Jenifer Bazzani to be sworn in August 2018.)

### STAFF

**Executive Officer**  
Uma Hinman

**Analyst**  
Larkyn Feiler

**Commission Clerk**  
Elizabeth Salomone

**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

Agenda Item No. 4a

## MINUTES

### Local Agency Formation Commission of Mendocino County

#### Regular Meeting of Monday, September 10, 2018

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

#### 1. CALL TO ORDER and ROLL CALL (Video Time 1:23)

Chair Ward called the meeting to order at 9:03am.

Members Present: Commissioners Carre Brown, Kevin Doble, Gerardo Gonzalez, John McCowen, Theresa McNerlin, Tony Orth, and Jerry Ward

Alternate Members Present: Commissioners Jenifer Bazzani and Dan Hamburg

Alternate Members Absent: Scott Ignacio and Carol Rosenberg with apologies

Staff Present: Uma Hinman, Executive Officer  
Elizabeth Salomone, Clerk

#### 2. PUBLIC EXPRESSION (Video Time 1:54)

Lisa Weger, Mendocino County resident, addressed the Commission regarding the Mendocino Coast Hospital District. She referred to her letter to the Commission (undated but received September 8, 2018 and distributed to Commissioner via email), in which she noted the pre-election literature from the District omitted areas of the District boundary map as approved by the Commission in 2014. She asked the Commissioner to consider reviewing the District's MSR in regards to boundary and detaching the parcels in question.

Barry Vogel Mendocino County resident, concurred with Lisa Weger, and asked the Commission for support in the suspension of the per parcel tax. Commissioner McNerlin explained that LAFCo does not have any authority in regards to taxes. Mr. Vogel further requested the Commission express support within their ability.

Tom Madden, Mendocino County resident, expressed support with Lisa Weger and described to the Commission his personal efforts in this situation.

Commissioner McCowen suggested giving direction to staff to review the issues and history of the Mendocino Coast Hospital District boundary, as well as review the possibility of scheduling the Municipal Service Review and Sphere of Influence update in 2019. Commissioners McNerlin and Gonzalez stressed the need for the Commission to be responsive to the public and asked the issue be brought back to the full Commission. The members of the public asked to be provided an update and notice of the agenda item.

**3. OTHER BUSINESS** (Video Time 20:20)

**3a) Alternate Special District Representative**

Jenifer Bazzani was sworn in as Alternate Special District Representative.

**4. CONSENT CALENDAR** (Video Time 22:00)

**4a) Approval of the August 6, 2018 Regular Meeting Summary Minutes**

**4b) Approval of the August 2018 Claims and Financial Report**

**4c) Approval of AB 2258 (grant program) support letter**

Chair Ward pulled Consent Item 4b) Approval of the August 2018 Claims.

Upon motion by Commissioner McCowen and second by Commissioner Gonzalez, Consent Calendar items 4a) Approval of the August 6, 2018 Regular Meeting Summary Minutes and 4c) Approval of AB 2258 (grant program) support letter were approved by roll call vote:

Ayes: (7) Brown, Doble Gonzalez, McCowen, McNerlin, Orth, and Ward

Chair Ward noted the Budget Track was \$30 off in the line for rent and the bookkeeping expense for August included audit preparation.

<u>August 2018 Claims totaling</u>	<u>\$ 14,342.94</u>
Hinman & Associates Consulting	\$ 11,564.50
P. Scott Browne	\$ 600.00
Ukiah Valley Conference Center	\$ 450.37
Commissioner Reimbursement	\$ 178.07
Pehling & Pehling	\$ 1,550.00

Upon motion by Commissioner Brown and second by Commissioner Gonzalez, Consent Calendar item 4b) Approval of the August 2018 Claims and Financial Report was approved by roll call vote:

Ayes: (7) Brown, Doble Gonzalez, McCowen, McNerlin, Orth, and Ward

**5. PUBLIC HEARING ITEMS** (Video 25:00)

None

**6. WORKSHOP ITEMS** (Video time 25:05)

None.

**7. MATTERS FOR DISCUSSION & POSSIBLE ACTION** (Video time 25:15)

**7a) Proposed Area of Interest**

EO Hinman presented the proposed "Area of Interest" policy that was considered by the Policies & Procedures Committee and recommended to the Commission for discussion. The policy is a tool to identify areas outside of a sphere of influence that would benefit from greater coordination between agencies. Comments and questions were offered by Commissioners Gonzalez, Orth, McCowen, Brown, and Ward.

Commissioner Orth noted the Brooktrails Township Community Services District Board voted in support of the LAFCo Area of Interest Policy.

Upon motion by Commissioner McNerlin and second by Commissioner Gonzalez, Resolution 2018-19-01 approving the Area of Interest Policy was adopted as presented by roll call vote:

Ayes: (7) Brown, Doble Gonzalez, McCowen, McNerlin, Orth, and Ward

## 7b) White Paper on Agricultural Preservation

EO Hinman presented an informational report regarding CALAFCO and American Farmland Trust's White Paper on Agricultural Preservation, noting the Commission's policies and procedures include recommended measures therefore not requiring any enhancement. Comments and questions were offered by Commissioners Ward, Orth, Brown, and Gonzalez.

Commissioner Orth suggested notifying the clearinghouse of the Commission's desire to make comment on any general plan updates in the County.

Commissioner Brown described the committee in place to continue monitoring sustainability of agriculture preservation, led by Mendocino County Resource Conservation District (MCRCD.) Commissioner Orth noted for the record that MCRCD is the main contractor for the mitigation lands near Willits and the bypass serves as an urban barrier.

## 8. INFORMATION/ REPORT ITEMS

### 8a) Work Plan, Current, and Future Proposals (Video Time: 43:09)

EO presented the staff report, noting no new changes to the applications on-hold, pre-applications, or potential future projects. She reviewed the updated project status Gantt Chart. Comments and questions were offered by Commissioners Ward and McCowen.

### 8b) Correspondence (Video Time: 45:43)

EO Hinman noted letters received from Norman de Vall and Lisa Weger that were provided to the Commission and verified approximately 32 property owner letters of support were submitted by Lisa Weger during the public comment portion of the Commission meeting.

### 8c) Executive Officer's Report (Video Time: 46:28)

EO Hinman reported on the following:

- Nominations for the Regular and the Alternate Special District member seats are due September 13.
- Letters of interest for the public seat are due October 26.
- Four commissioners and the Executive Officer are attending the upcoming CALAFCO conference.

### 8d) Committee Reports

The Executive Committee is meeting directly after the regular meeting for a quarterly review of the work plan and any other relevant issues. No Policies and Procedures committee meeting was held due to participants' summer scheduling difficulties.

### 8e) Commissioners Reports, Comments or Questions

*Commissioner McCowen* noted the Executive Office is working closely with CAL FIRE, property owners, the City of Ukiah, and other agencies in how to improve fire mitigation and prevention in the western hills of Ukiah and provided information, noting the inter-agency cooperation and that public meetings are expected to be held.

*Commissioner Orth* offered comments on similar efforts by the Brooktrails Township Community Services District to do pre-fire work on existing dirt road structures to allow for rapid ingress by emergency personnel, particularly in fire suppression efforts.

*Commissioner Brown* noted the legislature is looking at conflicting policies and the Board of Supervisors is looking into the Air Quality Management District.

### 8f) CALAFCO Business and Legislation Report

EO provided updates, noting that AB 2258 (grant program) has passed the legislature and is now ready for the Governor's signature. The funding portion for the bill was pulled for this year. The intent now is to get it signed by the Governor this year and budgeted next year. AB 2262, The Coast Life Support District bill, met challenges when the California Emergency Medical services opposed it and no resolution was found. The bill has been dropped for now.

### ADJOURNMENT

There being no further business, at 9:56am the meeting was adjourned. The next regular meeting is scheduled for Monday, October 1, 2018 at 9:00am in the County Board of Supervisors Chambers at 501 Low Gap Road, Ukiah, California.

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[https://www.youtube.com/watch?v=\\_aIEXv6z2P8&index=8&list=PLraKTU7AyZLTmV-2PpmufbzkvN3QCnog](https://www.youtube.com/watch?v=_aIEXv6z2P8&index=8&list=PLraKTU7AyZLTmV-2PpmufbzkvN3QCnog)

# MENDOCINO Local Agency Formation Commission

## Staff Report

DATE: November 5, 2018  
 TO: Mendocino Local Agency Formation Commission  
 FROM: Uma Hinman, Executive Officer  
 SUBJECT: Financial Report and Claims for September 2018

### Claims

The following claims are recommended for payment authorization:

Name	Account Description	Amount	Total
Hinman & Associates	5300 Basics Services	\$ 5,337.00	\$ 6,391.00
	6200 Bookkeeping	\$ 42.00	
	7000 MSR SOI Workplan	\$ 952.00	
	5601 Office Supplies	\$ 60.00	
P. Scott Browne	6300 Legal Counsel-Monthly flat fee	\$ 600.00	\$ 600.00
Ukiah Valley Conf. Center	5502 Office space	\$ 415.00	\$ 462.09
	5503 Work room	\$ 30.00	
	5603 Photocopy (Sept 2018)	\$ 13.80	
	5605 Postage (Sept 2018)	\$ 3.29	
Commissioner Reimbursements	6740 In-County Travel & Stipends: Rosenberg (absent September 2018)	\$ -	\$ 127.00
	McNerlin (September 2018)	\$ 50.00	
	Orth (September 2018)	\$ 77.00	
Mendocino County	6000 Televising meetings	\$ 193.62	\$ 385.86
	6670 GIS (mapping)	\$ 192.24	
UDJ, Ft Bragg Advocate, Willits News	5900 Publication & Legal Notice Public Member vacancy <b>(Paid 9/12/18)</b>	\$ 557.45	\$ 557.45
<b>Total:</b>			<b>\$ 8,523.40</b>

### Deposits:

- \$50,000 from County account to Checking account at SBMC (9/28/18)

### Attachments:

- Budget Track Spreadsheet
- Hinman & Associates Consulting Invoice & Scott Browne Invoice

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



# Hinman & Associates Consulting

PO Box 1251 | Cedar Ridge, CA 95924

(916) 813-0818

uhinman@comcast.net

**Date** September 25, 2018  
**To** Mendocino LAFCo  
**Project** Executive Officer Services  
**Work Period** September 1, 2018 - September 25, 2018

**Invoice No.** 381  
**Invoice Total** \$ 6,391.00

Account Description	Staff/Hours			Other (At Cost)	Totals
	Hinman EO (\$100)	Feiler Analyst (\$68)	Salomone Clerk (\$40)*		
5300 Basic Services	30.75	3.00	49.00		\$ 5,337.00
5601 Office Supplies					
Quickbooks Online Fee				\$ 60.00	\$ 60.00
Office Supplies					
6200 Bookkeeping			1.00		\$ 42.00
7000 Work Plan (MSR/SOI/Special Studies)					\$ -
City of Willits		8.25			\$ 561.00
Brooktrails CSD		5.75			\$ 391.00
<b>Totals</b>	<b>\$ 3,075.00</b>	<b>\$ 1,156.00</b>	<b>\$ 2,100.00</b>	<b>\$ 60.00</b>	<b>\$ 6,391.00</b>

### 5300 Basic Services

Scheduled and prepared September 10 and 24 Regular and Executive Committee meeting agenda packet and postings. Scheduled next Policies & Procedures meeting. Staffed office during the time period. Website updates. Responded to inquiries regarding IBWD and IBID recreation and district powers, and MCHD boundaries. Researched out of area fire service contract process. Coordinated with Commissioners attending CALAFCO Conference and the CALAFCO Business Meeting.

### 6200 Bookkeeping (Other Services)

Compiled claims for Commissioner review and approval at next regular meeting. Entered claims into Quickbooks and prepared checks for claims to be authorized at next Regular meeting. Reviewed claims, bank records, etc.

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

Finalized administrative draft Willits MSR/SOI Update and sent to City for review. Coordinated with Willits staff. Worked on preparing administrative draft Brooktrails CSD MSR/SOI.

#### Notes:

\* Plus administrative fee of 5% for subconsultant labor

**Law Offices of P. Scott Browne**

131 South Auburn Street  
Grass Valley, CA 95945

(530) 272-4250  
(530) 272-1684 Fax

**Marsha A. Burch**  
*Of Counsel*

Mendocino Lafco  
200 South School Street, Suite F  
Ukiah, CA 95482

Period Ending:

9/15/2018

*Payment due by the 15th of next month*

*In Reference To:* CLIENT CODE: MENDO-01

**Professional Services**

		<u>Hours</u>	
8/20/2018	PSB Review email from Uma re: Fire contracts; Review email from Steve Lucas to Uma; Review policies; Email to Uma.	1.00	
8/21/2018	PSB Review multiple CALAFCo emails and Legislations; Respond to Pamela (Time split evenly between all LAFCo clients).	0.25	
8/29/2018	PSB CALAFCo Conference Planning (Time split evenly between all LAFCo clients).	0.25	
SUBTOTAL:		[ 1.50 ]	
		<u>1.50</u>	<u>Amount</u>
<b>Total Professional Hours</b>		1.50	\$600.00
Per Representation Agreement, flat fee of \$600/month.			
<b>Previous balance</b>			\$600.00
 <b><u>Payments and Credit Activity</u></b>			
9/13/2018	Payment - Thank You. Check No. 1388		(\$600.00)
<b>Total payments and adjustments</b>			(\$600.00)
<b>TOTAL BALANCE NOW DUE</b>			<u><u>\$600.00</u></u>

# MENDOCINO Local Agency Formation Commission

## Staff Report

DATE: November 5, 2018  
 TO: Mendocino Local Agency Formation Commission  
 FROM: Uma Hinman, Executive Officer  
 SUBJECT: Financial Report and Claims for October 2018

### Claims

The following claims are recommended for payment authorization:

Name	Account Description	Amount	Total
Hinman & Associates	5300 Basics Services	\$ 5,285.50	\$ 10,560.25
	6200 Bookkeeping	\$ 42.00	
	7000 MSR SOI Workplan	\$ 4,590.00	
	5601 Office Supplies	\$ 60.00	
	6750 Conference Lodging (Commissioners)	\$ 582.75	
P. Scott Browne	6300 Legal Counsel-Monthly flat fee	\$ 600.00	\$ 600.00
Ukiah Valley Conf. Center	5502 Office space	\$ 415.00	\$ 445.00
	5503 Work room	\$ 30.00	
	5603 Photocopy (Oct 2018) TBA	-	
	5605 Postage (Oct 2018) TBA	-	
California Special Districts Association	6600 Memberships	\$ 1,377.00	\$ 1,377.00
CALAFCO Conference Travel & Lodging Expenses	6750 Bazzani (Oct 2018)	\$ 1,189.09	\$ 2,479.77
	6750 Gonzalez (Oct 2018)	\$ 868.68	
	6750 Ward (Oct 2018)	\$ 422.00	
<b>Total:</b>			<b>\$ 15,462.02</b>

### Deposits:

- none

### Attachments:

- Budget Track Spreadsheet
- Workplan Cost Tracking
- Hinman & Associates Consulting Invoice & Scott Browne Invoice

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





# Hinman & Associates Consulting

PO Box 1251 | Cedar Ridge, CA 95924

(916) 813-0818

uhinman@comcast.net

**Date** October 28, 2018  
**To** Mendocino LAFCo  
**Project** Executive Officer Services  
**Work Period** September 26, 2018 - October 28, 2018

**Invoice No.** 386  
**Invoice Total** **\$ 10,560.25**

Account Description	Staff/Hours			Other (At Cost)	Totals
	Hinman EO (\$100)	Feiler Analyst (\$68)	Salomone Clerk (\$40)*		
5300 Basic Services	19.25	19.00	49.25		\$ 5,285.50
5601 Office Supplies					
Quickbooks Online Fee				\$ 60.00	\$ 60.00
Office Supplies					
6200 Bookkeeping			1.00		\$ 42.00
Travel & Lodging Expenses					
6750 (Commissioner lodging)				\$ 582.75	\$ 582.75
7000 Work Plan (MSR/SOI/Special Studies)					
City of Willits					\$ -
Fort Bragg Rural FPD		22.25			\$ 1,513.00
Ukiah Valley FPD		0.75			\$ 51.00
Brooktrails CSD		44.50			\$ 3,026.00
<b>Totals</b>	<b>\$ 1,925.00</b>	<b>\$ 5,882.00</b>	<b>\$ 2,110.50</b>	<b>\$ 642.75</b>	<b>\$ 10,560.25</b>

### 5300 Basic Services

Scheduled, prepared agenda packet and attended October 1 Policies & Procedures meeting. Scheduled and prepared for November 5 Regular and Executive Committee meeting and postings. Staffed office during the time period. Website updates. Responded to inquiries regarding IBWD and IBID recreation and district powers, MCHD boundaries and detachment information, Albion-Little River FPD annexation history, and Fort Bragg Noyo Harbor Annexation. Researched out of area fire service contract process. Coordinated with Commissioners attending CALAFCO Conference and the CALAFCO Business Meeting. Attended CALAFCO Conference.

### 6200 Bookkeeping

Compiled claims for Commissioner review and approval at next regular meeting. Entered claims into Quickbooks and prepared checks for claims to be authorized at next Regular meeting. Reviewed claims, bank records, etc.

### 6750 Travel & Lodging Expenses

Reimbursement for CALAFCO Conference hotel reservation charges for three Commissioners (Gonzales, Ignacio, Bazani).

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

Coordinated and discussed administrative draft Willits MSR/SOI Update with the City. Worked on preparing Fort Bragg Rural FPD MSR/SOI Update. Continued preparing administrative draft Brooktrails CSD MSR/SOI. Corresponded with Ukiah Valley FPD regarding RFI response.

Notes:

\* Plus administrative fee of 5% for subconsultant labor



# TENAYA LODGE

AT YOSEMITE

1122 Highway 41 • P.O. Box 159  
Fish Camp, California 93623  
(559) 683-6555  
www.tenayalodge.com

FOLIO NO.	ROOM NO.	GUEST NO.
31G339	N189	30520S

RATE/PACKAGE	NO. IN PARTY	DEPOSIT REC'D.
	2	

RATE/PACKAGE DESCRIPTION
CALAFCO 10/1/18

ARRIVAL DATE	DEPARTURE DATE
10/02/18	10/06/18

ADDITIONAL INFORMATION
IND-EPO

Let us extend our thanks for choosing Tenaya Lodge for your trip to the Yosemite Area. We trust your experience with our resort has included warm and gracious service, and the type of accommodations you would expect. Your candid critique of our performance is always welcome.

NAME AND ADDRESS
Bazzani, Jenifer Hinman, Ms. Uma Po Box 1251 Cedar Ridge, CA 95924 United States

DATE	DESCRIPTION	CHARGES	PAYMENTS
06/01/18	1ABCD NDX52 1 XXXX4543	42	194.25
10/02/18	ROOM N189 1 CALAFCO 10/1/18	-- 175.00	
10/02/18	TX-RM N189 1 Room Tax	-- 17.50	
10/02/18	VTAX3 N189 1 MCTBID Assessment	-- 1.75	
10/02/18	NYFUND N189 1 Yosemite Conservancy	-- -1.00	
10/02/18	NYFUND N189 1 Yosemite Conservancy	B2 1.00	
10/02/18	NCTAF N189 1 CA Tourism Fee	B2 0.75	
10/02/18	NRSFEE N189 1 Resort Fee	B2 15.00	
10/03/18	NJK N189 1 Jackalopes Char#-317537	SY 34.09	
10/03/18	ROOM N189 1 CALAFCO 10/1/18	-- 175.00	
10/03/18	TX-RM N189 1 Room Tax	-- 17.50	
10/03/18	VTAX3 N189 1 MCTBID Assessment	-- 1.75	
10/03/18	NYFUND N189 1 Yosemite Conservancy	-- -1.00	
10/03/18	NRSFEE N189 1 Resort Fee	B2 15.00	
10/03/18	NYFUND N189 1 Yosemite Conservancy	B2 1.00	
10/03/18	NCTAF N189 1 CA Tourism Fee	B2 0.75	
10/04/18	ROOM N189 1 CALAFCO 10/1/18	-- 175.00	
10/04/18	TX-RM N189 1 Room Tax	-- 17.50	
10/04/18	VTAX3 N189 1 MCTBID Assessment	-- 1.75	
10/04/18	NYFUND N189 1 Yosemite Conservancy	-- -1.00	
10/04/18	NRSFEE N189 1 Resort Fee	NL 15.00	
10/04/18	NYFUND N189 1 Yosemite Conservancy	NL 1.00	
10/04/18	NCTAF N189 1 CA Tourism Fee	NL 0.75	
Subtotals		\$ 664.09	194.25
BALANCE DUE		\$ 469.84	

The undersigned agrees to make immediate payment upon receipt of statement. In the event such payment is not made after receipt of the original statement, it is agreed that the hotel may immediately impose a LATE PAYMENT CHARGE at the rate of 10% per month (ANNUAL RATE 18%), or the maximum allowed by law, on the unpaid balance, and the reasonable cost of collection, including attorney fees.

SIGNATURE \_\_\_\_\_

ROOM # \_\_\_\_\_







# TENAYA LODGE

AT YOSEMITE

1122 Highway 41 • P.O. Box 159  
Fish Camp, California 93623  
(559) 683-6555  
www.tenayalodge.com

FOLIO NO.	ROOM NO.	GUEST NO.
31G43G	N147	30520S

RATE/PACKAGE	NO. IN PARTY	DEPOSIT REC'D.
	1	

RATE/PACKAGE DESCRIPTION
CALAFCO 10/1/18

Let us extend our thanks for choosing Tenaya Lodge for your trip to the Yosemite Area. We trust your experience with our resort has included warm and gracious service, and the type of accommodations you would expect. Your candid critique of our performance is always welcome.

NAME AND ADDRESS
Gonzales, Geraldo Hinman, Ms. Uma Po Box 1251 Cedar Ridge, CA 95924 United States

ARRIVAL DATE	DEPARTURE DATE
10/02/18	10/05/18

ADDITIONAL INFORMATION
IND-EPO

DATE	DESCRIPTION			CHARGES	PAYMENTS
10/02/18	NYFUND	N147	1 Yosemite Conservancy	--	-1.00
10/02/18	NYFUND	N147	1 Yosemite Conservancy	B2	1.00
10/02/18	NCTAF	N147	1 CA Tourism Fee	B2	0.75
10/02/18	NRSFEE	N147	1 Resort Fee	B2	15.00
10/03/18	ROOM	N147	1 CALAFCO 10/1/18	--	175.00
10/03/18	TX-RM	N147	1 Room Tax	--	17.50
10/03/18	VTAX3	N147	1 MCTBID Assessment	--	1.75
10/03/18	NYFUND	N147	1 Yosemite Conservancy	--	-1.00
10/03/18	NRSFEE	N147	1 Resort Fee	B2	15.00
10/03/18	NYFUND	N147	1 Yosemite Conservancy	B2	1.00
10/03/18	NCTAF	N147	1 CA Tourism Fee	B2	0.75
10/04/18	ROOM	N147	1 CALAFCO 10/1/18	--	175.00
10/04/18	TX-RM	N147	1 Room Tax	--	17.50
10/04/18	VTAX3	N147	1 MCTBID Assessment	--	1.75
10/04/18	NYFUND	N147	1 Yosemite Conservancy	--	-1.00
10/04/18	NRSFEE	N147	1 Resort Fee	NL	15.00
10/04/18	NYFUND	N147	1 Yosemite Conservancy	NL	1.00
10/04/18	NCTAF	N147	1 CA Tourism Fee	NL	0.75
10/05/18	BCD	N147	1 XXXX7577	X9	435.75
06/11/18	1ABCD	NDX31	2 XXXX4543	22	194.25
10/02/18	ROOM	N147	2 CALAFCO 10/1/18	--	175.00
10/02/18	TX-RM	N147	2 Room Tax	--	17.50
10/02/18	VTAX3	N147	2 MCTBID Assessment	--	1.75
Subtotals				\$	630.00
					630.00

PAID IN FULL --- THANK YOU!

The undersigned agrees to make immediate payment upon receipt of statement. In the event such payment is not made after receipt of the original statement, it is agreed that the hotel may immediately impose a LATE PAYMENT CHARGE at the rate of 10% per month (ANNUAL RATE 18%), or the maximum allowed by law, on the unpaid balance, and the reasonable cost of collection, including attorney fees.

SIGNATURE \_\_\_\_\_

ROOM # \_\_\_\_\_







# TENAYA LODGE

AT YOSEMITE

1122 Highway 41 • P.O. Box 159  
Fish Camp, California 93623  
(559) 683-6555  
www.tenayalodge.com

FOLIO NO.	ROOM NO.	GUEST NO.
31G338	N285	30520S

RATE/PACKAGE	NO. IN PARTY	DEPOSIT REC'D.
	2	

RATE/PACKAGE DESCRIPTION
CALAFCO 10/1/18

ARRIVAL DATE	DEPARTURE DATE
10/02/18	10/06/18

ADDITIONAL INFORMATION
IND-EPO

NAME AND ADDRESS
Ignacio, Scott Hinman, Ms. Uma Po Box 1251 Cedar Ridge, CA 95924 United States

DATE	DESCRIPTION	CHARGES	PAYMENTS
06/01/18	1ABCD NDX52 1 XXXX4543	42	194.25
10/02/18	ROOM N285 1 CALAFCO 10/1/18	-- 175.00	
10/02/18	TX-RM N285 1 Room Tax	-- 17.50	
10/02/18	VTAX3 N285 1 MCTBID Assessment	-- 1.75	
10/02/18	NYFUND N285 1 Yosemite Conservancy	B2 1.00	
10/02/18	NCTAF N285 1 CA Tourism Fee	B2 0.75	
10/02/18	NRSFEE N285 1 Resort Fee	B2 15.00	
10/03/18	ROOM N285 1 CALAFCO 10/1/18	-- 175.00	
10/03/18	TX-RM N285 1 Room Tax	-- 17.50	
10/03/18	VTAX3 N285 1 MCTBID Assessment	-- 1.75	
10/03/18	NRSFEE N285 1 Resort Fee	B2 15.00	
10/03/18	NYFUND N285 1 Yosemite Conservancy	B2 1.00	
10/03/18	NCTAF N285 1 CA Tourism Fee	B2 0.75	
10/04/18	ROOM N285 1 CALAFCO 10/1/18	-- 175.00	
10/04/18	TX-RM N285 1 Room Tax	-- 17.50	
10/04/18	VTAX3 N285 1 MCTBID Assessment	-- 1.75	
10/04/18	NRSFEE N285 1 Resort Fee	NL 15.00	
10/04/18	NYFUND N285 1 Yosemite Conservancy	NL 1.00	
10/04/18	NCTAF N285 1 CA Tourism Fee	NL 0.75	
Subtotals		\$ 633.00	194.25
BALANCE DUE		\$ 438.75	

The undersigned agrees to make immediate payment upon receipt of statement. In the event such payment is not made after receipt of the original statement, it is agreed that the hotel may immediately impose a LATE PAYMENT CHARGE at the rate of 10% per month (ANNUAL RATE 18%), or the maximum allowed by law, on the unpaid balance, and the reasonable cost of collection, including attorney fees.

SIGNATURE \_\_\_\_\_

ROOM # \_\_\_\_\_  
LAFCo Agenda Packet 11-5-18, 16 of 102



# MENDOCINO

## Local Agency Formation Commission

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

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### Stipend and Reimbursement Form

October 15, 2018

Jenifer Bazzani  
PO Box 631  
Ukiah, CA 95482

- CALAFCO Conference expenses (list details, amounts and attach receipts)

Hotel	\$ 742.77
Jackalope Bar & Grill	\$ 35.58
"	\$ 32.33
"	\$ 8.00
"	\$ 29.24

Subtotal: \$ 847.92

- Miles:@ \$.545 per miles

To Tenya Lodge 313 miles	\$ 170.58
From Tenya Lodge 313 miles	\$ 170.58

Subtotal: \$ 341.17

  
Commissioner Signature

**Total Reimbursement: \$ 1189.09**

For Staff Use:

Submitted to Claims on: November 5, 2018



# 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](mailto:eo@mendolafco.org) | Web: <http://mendolafco.org>

### Stipend and Reimbursement Form

October 15, 2018

Gerardo Gonzalez  
P.O. Box 192  
Willits, CA 95490

CALAFCO Conference expenses (list details, amounts and attach receipts)


BREAKFAST 10-3-18	\$ 21.55
DINNER 10-3-18	\$ 34.24
HOTEL 2 NIGHTS 10/3 10/4	\$ 435.75
	\$
	\$

Subtotal: \$ 491.54

Miles: @ \$.545 per miles

TO TENAYA FROM WILLITS 346 MI X .545	\$ 188.57
FROM TENAYA TO WILLITS 346 MI X .545	\$ 188.57

Subtotal: \$ 377.14

  
\_\_\_\_\_  
Commissioner Signature

10/15/18

**Total Reimbursement: \$ 868.68**

For Staff Use:

Submitted to Claims on: November 5, 2018

# 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: http://mendolafco.org

### Stipend and Reimbursement Form

October 15, 2018

Gerald Ward  
PO Box 1425  
Willits, CA 95490

CALAFCO Conference expenses (list details, amounts and attach receipts)

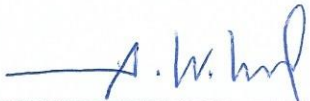
Lodging 10/3/18 + 10/4/18 \$ 422.00  
\_\_\_\_\_  
\$ \_\_\_\_\_  
\_\_\_\_\_  
\$ \_\_\_\_\_  
\_\_\_\_\_  
\$ \_\_\_\_\_  
\_\_\_\_\_

Subtotal: \$ 422.00

Miles:@ \$.545 per miles

\_\_\_\_\_  
\$ \_\_\_\_\_  
\_\_\_\_\_

Subtotal: \$ \_\_\_\_\_



Commissioner Signature

**Total Reimbursement: \$ 422.00**

For Staff Use:

Submitted to Claims on: November 5, 2018

Mendocino Local Agency Formation Commission  
 FY 2018-19 Budget and Application Tract

Acct #	Task	FY 18-19 Budget	July	August	Sept	1st Qtr Subtotals	October	Year to Date	Remaining Budget
<b>EXPENSES</b>									
5300	Basic Services - EO/Analyst/Clerk	\$70,560	\$4,928.00	\$4,720.00	\$5,337.00	\$14,985.00	\$5,285.50	\$20,270.50	\$50,289.50
5500	Rent	\$5,360	\$445.00	\$445.00	\$445.00	\$1,335.00	\$445.00	\$1,780.00	\$3,580.00
5600	Office Expenses	\$3,450	\$268.87	\$65.37	\$77.09	\$411.33	\$60.00	\$471.33	\$2,978.67
5700	Internet & Website Costs	\$1,300	\$1,081.24			\$1,081.24		\$1,081.24	\$218.76
5900	Publication & Legal Notices	\$2,000	\$0.00		\$557.45	\$557.45		\$557.45	\$1,442.55
6000	Televising Meetings	\$3,000	\$190.86		\$193.62	\$384.48		\$384.48	\$2,615.52
6100	Audit Services	\$3,100	\$0.00	\$1,550.00		\$1,550.00		\$1,550.00	\$1,550.00
6200	Bookkeeping	\$4,000	\$618.00	\$1,560.50	\$42.00	\$2,220.50	\$42.00	\$2,262.50	\$1,737.50
6300	Legal Counsel (S Browne)	\$7,200	\$600.00	\$600.00	\$600.00	\$1,800.00	\$600.00	\$2,400.00	\$4,800.00
6400	A-87 Costs County Services	\$0	\$0.00			\$0.00		\$0.00	\$0.00
6500	Insurance - General Liability	\$1,000	\$0.00			\$0.00		\$0.00	\$1,000.00
6600	Memberships (CALAFCO/CSDA)	\$2,300	\$925.00			\$925.00	\$1,377.00	\$2,302.00	\$-2.00
6670	GIS Contract with County	\$3,500	\$876.61		\$192.24	\$1,068.85		\$1,068.85	\$2,431.15
6740	In-County Travel & Stipends	\$2,000	\$0.00	\$178.07	\$127.00	\$305.07	\$0.00	\$305.07	\$1,694.93
6750	Travel & Lodging Expenses	\$3,000	\$0.00			\$0.00	\$3,062.52	\$3,062.52	\$-62.52
6800	Conferences (Registrations)	\$3,000	\$2,600.00			\$2,600.00		\$2,600.00	\$400.00
7000	Work Plan (MSRs and SOIs)	\$35,000	\$8,137.50	\$5,224.00	\$952.00	\$14,313.50	\$4,590.00	\$18,903.50	\$16,096.50
9000	Special District Training Support	\$500	\$0.00			\$0.00		\$0.00	\$500.00
	Unfunded Mandates								
Monthly/ Year to Date Totals		\$150,270.00	\$20,671.08	\$14,342.94	\$8,523.40	\$43,537.42	\$15,462.02	\$58,999.44	\$91,270.56
<b>APPLICATIONS</b>									
		<b>BALANCE</b>	<b>July</b>	<b>August</b>	<b>Sept</b>	<b>1st Qtr Subtotals</b>	<b>October</b>	<b>Year to Date</b>	<b>Remaining Budget</b>
A-2009-8001	Irish Beach WD Moores Annexation	\$-610.56	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$-610.56
P-2014-8010	City of Ukiah Detachment of UVCSD lands	\$1,532.75	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,532.75
Applications to Date Totals		\$922.19	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
<b>EXPENSES AND APPLICATION TOTALS</b>			<b>\$20,671.08</b>	<b>\$14,342.94</b>	<b>\$8,523.40</b>	<b>\$43,537.42</b>	<b>\$15,462.02</b>	<b>\$58,999.44</b>	

Operations (Checking) Account Balance	\$	58,572.98						from statement as of	9/28/2018
Legal Reserve Balance	\$	50,000.00						from statement as of	9/28/2018
Operations Reserve Balance	\$	40,329.37						from statement as of	9/28/2018
County of Mendocino Account Balance	\$	4,281.28						from statement as of	9/31/2018



**Mendocino LAFCo**  
**FY 2018-19 Estimated Work Plan Implementation Schedule and Cost Tracking**  
November 5, 2018

**Disclaimer:** The estimated schedule and costs for the Fiscal Year 2018-19 Work Plan are subject to change based on agency responsiveness and timely provision of requested information, complexity of issues, and public controversy. Each study is assumed to be exempt from CEQA; therefore, a separate cost estimate would be necessary for studies subject to a Negative Declaration or EIR. It is difficult to completely contain staff activities in a single fiscal year; therefore, completion of the studies listed below may roll over to the next fiscal year. This estimated work plan implementation schedule and cost tracking table will be prepared on a monthly basis to enhance communication and transparency.

Agency	Request for Information	Outreach	Admin Draft	Public Workshop	Public Hearing	Final Study	Initial Cost Estimate	Current Cost Estimate	Cost to Date <sup>(1)</sup>
Mutual Water Companies	Completed	Completed	Completed	Completed	N/A	N/A	\$1,500	\$1,750	\$1,750
City of Willits <sup>(2)</sup>	Completed	Completed	In Progress	12/3/2018	TBD	TBD	\$9,000	\$16,000	\$11,996
Brooktrails Township CSD <sup>(3)</sup>	Completed	In Progress	In Progress	2/4/2019	TBD	TBD	\$6,000	\$9,000	\$6,391
Ukiah Valley FD	In Progress	In Progress	In Progress	3/4/2019	TBD	TBD	\$5,500	\$5,500	\$1,156
Fort Bragg Rural FPD	Completed	In Progress	In Progress	1/7/2019	TBD	TBD	\$5,000	\$5,000	\$2,220
Mendocino City CSD	Pending	Pending	Pending	5/6/2019	TBD	TBD	\$8,000	\$8,000	\$0
<b>Estimated Total</b>							\$35,000	\$45,250	\$23,512

(1) The Cost to Date category accounts for all staff activities related to each study and is not limited to a specific fiscal year.

(2) The project scope for the City of Willits study changed from a stand-alone SOI Update to include a partial MSR Update and has also involved subconsultant activities and consulting with Legal Counsel related to complex SOI issues.

(3) The estimated cost for the Brooktrails Township CSD study was reduced from \$8,000 to \$6,000 to account for staff activities in FY 2017-18 and was not intended to reduce the overall project cost to \$6,000.

# MENDOCINO Local Agency Formation Commission

## Staff Report

DATE: November 5, 2018  
TO: Mendocino Local Agency Formation Commission  
FROM: Uma Hinman, Executive Officer  
SUBJECT: Mendocino Coast Healthcare District Informational Report

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### **Recommendation**

Provide staff direction regarding next steps for addressing property owner concerns related to the Mendocino Coast Healthcare District's Measure C Parcel Tax and Sphere of Influence boundary.

### **Background**

At the Commission's September 10, 2018 regular meeting under the Public Expression Agenda Item, the Commission was addressed by several property owners with land located in the Mendocino Coast Healthcare District (MCHD) boundary. Property owners raised concerns related to the recently approved MCHD Measure C Parcel Tax and the District's jurisdictional and Sphere of Influence (SOI) boundaries, as outlined below.

### Measure C

Voters within the Mendocino Coast Healthcare District approved a tax measure in the June 5, 2018 Primary Election to levy a healthcare 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 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.

Pre-election literature prepared by MCHD included mapping of the District's primary and secondary service areas based on zip codes and did not specify the Ukiah (95482) and Redwood Valley (95470) zip code areas, which cover areas within the District boundary (Attachment 1). Property owners within this portion of the District boundary believed they were not subject to the Measure C Parcel Tax and were concerned to discover, after the passage of Measure C, that the parcel tax applies to all land within the District boundary (Attachment 2). Concerns expressed by property owners in this portion of the District boundary state that they do not receive emergency transport or medical services from MCHD or the Mendocino Coast District Hospital facility in Fort Bragg, which is located twice the distance from their property as the Adventist Health Ukiah Valley hospital facility in Ukiah upon which they rely for healthcare services. These property owners have requested that the Commission support a suspension of the Measure C Parcel Tax as it relates to their properties.

### MCHD SOI

The District's Sphere of Influence (SOI) boundary is the same as the District's jurisdictional boundary and was reaffirmed by the Commission in 2016 based on a Municipal Service Review

(MSR) prepared for the District in 2014. Property owners within the Ukiah and Redwood Valley zip code areas within the District boundary and located east of the Comptche-Ukiah Road and Low Gap Road intersection are requesting that the Commission prepare a new MSR/SOI Update for the District in 2019 to address the proposed detachment of their properties from the MCHD boundary (Attachment 3).

### **Commission Direction**

The Commission directed staff to research the concerns expressed by property owners related to the Mendocino Coast Healthcare District and report back to the Commission at their November meeting. This informational report includes details regarding the history of the MCHD name and boundary formation, the 5-Year Rolling Work Plan, the history of the MCHD share of LAFCo apportionment fees, and some other options for addressing the concerns raised by property owners.

### 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 as 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.

### District Formation History

The formation of the Mendocino Coast Healthcare District was approved by LAFCo on May 2, 1966 per Resolution No. 66-3. The MCHD 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 4). 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.

### MCHD MSR/SOI Update

The existing MCHD boundary has been in place since 1966. No concerns were raised by the District or property owners prior to, during, or after the Public Hearing for the Mendocino Coast Healthcare District SOI Update on June 6, 2016 or the Mendocino Coast Healthcare District Municipal Service Review (MSR) on August 4, 2014. The Commission and LAFCo staff rely heavily on the knowledge base of each local agency and their constituency when evaluating the adequacy of an SOI in order to establish the provision of logical and efficient municipal services consistent with actual conditions. It appears that this issue has come forward as result of passage of the MCHD Measure C Parcel Tax.

Pursuant to Government Code §56425(g), on or before January 1, 2008, and every five years thereafter, the commission shall, as necessary, review and update each sphere of influence. Therefore, this legal-mandate specifies that once the first-round MSR/SOI study is complete, subsequent MSR/SOI Updates can occur as needed within the framework of a five year review cycle. The following Mendocino LAFCo policy specifies that local agencies providing non-municipal services (including hospital districts) are not subject to a five year MSR/SOI Update review cycle.

In updating spheres of influence, the Commission's general policies are as follows:

- a) The Commission will review all spheres of influences every five years for each governmental agency providing municipal services. Municipal services include water, wastewater, police, and fire protection services.

- b) Sphere of influence changes initiated by any agency providing a municipal service shall generally require either an updated or new service review unless LAFCo determines that a prior service review is adequate.
- c) Spheres of influence of districts not providing municipal services including, but not limited to, ambulance, recreation, hospital, resource conservation, cemetery, and pest control shall be updated as necessary.

LAFCo staff developed a Rolling 5-Year MSR/SOI Update schedule in an effort to try and address the needs of each local agency on a five year basis. The next MCHD MSR/SOI Update is scheduled in fiscal year 2021-2022. The estimated cost to prepare and adopt a limited-scope update to the financial, population, and government accountability sections of the 2014 MCHD MSR and amend the MCHD SOI to address the proposed detachment area is approximately \$5,000, assuming the study is exempt from CEQA and the District provides information within a timely manner.

LAFCo’s annual operating budget is limited, so it is not feasible to fund an additional study in a given year. Therefore, moving one agency ahead in the Rolling 5-Year MSR/SOI Update schedule results in redirecting the budget allocated for another agency and pushing their study back a year, and results in a similar domino effect on another agency in each subsequent year.

From a financial and administrative perspective, it is difficult to justify a third-round LAFCo-funded MSR/SOI Update study for the Mendocino Coast Healthcare District when nine other local agencies are scheduled for completion of a second-round study and 17 other local agencies are scheduled in sequence of prior study adoption for completion of a third-round study before the next MCHD study, as listed below. All of these local agencies, except Mendocino Coast Recreation and Park District, provide municipal services as defined by local LAFCo policy (water, wastewater, police, and fire protection services).

Second-Round Studies

- City of Willits – In progress
- Brooktrails Township CSD – In progress
- Ukiah Valley FD – In progress
- Fort Bragg Rural FPD – In progress
- Mendocino City CSD – Pending
- Covelo CSD – Pending
- City of Ukiah – Pending
- Ukiah Valley Sanitation District – Pending
- Mendocino Coast Recreation and Park District – Pending

Third-Round Studies

- City of Point Arena
- Anderson Valley CSD
- Water/Wastewater Districts (14)
- Hopland PUD

The LAFCo-initiated periodic SOI Update process is not the only timeframe available to a local agency or interested property owners for requesting an expansion to or reduction of an existing sphere. A local agency or property owners, if sufficient petition exists, may make an application to LAFCo at any time for a sphere amendment, which typically is associated with an annexation or detachment proposal.

Regardless of the timing of a sphere amendment, a change of organization application is required to officially remove land from the MCHD jurisdictional boundary and is subject to application processing fees paid for by the applicant.

In addition, a sphere amendment has no impact on the applicability of taxes. The options for removing the MCHD Measure C Parcel Tax from a property owner’s tax bill include (a) agreement from the MCHD Board of Directors to request the County Assessor’s Office to remove the properties in question from assessment of the MCHD Measure C Parcel Tax, and (b) approval of a LAFCo change of organization application for the proposed MCHD detachment area.

Statutory Exception for Payment of LAFCo Apportionment Fees

In 2002, Assembly Bill 1948 (Kelley) redefined the formula for allocating fees to independent special districts for the LAFCo annual operating budget to: (a) limit the apportionment amount for any independent special district to not exceed 50% of the total independent special districts’ share of cost, and (b) for independent special districts formed under the Local Health Care District Law that operate a hospital, such districts may not be apportioned any share until the fiscal year following positive net revenue or after its discharge from federal bankruptcy. The following table provides the LAFCo apportionment fee history for MCHD and shows that the District was not billed for years in which there was no prior year positive net income pursuant to GOV §56381(b)(1)(D)(ii) commencing in Fiscal Year 2003-04.

<b>MCHD Apportionment Fee History</b>			
<b>Fiscal Year</b>	<b>Total Revenues</b>	<b>Allocation Factor</b>	<b>Allocation Amount</b>
2001-02	\$20,186,024	0.667677	31,324.42
2002-03	\$20,406,584	0.649132	29,805.99
2003-04	-	0.000000	\$0
2004-05	-	0.000000	\$0
2005-06	-	0.000000	\$0
2006-07	-	0.000000	\$0
2007-08	-	0.000000	\$0
2008-09	-	0.000000	\$0
2009-10	-	0.000000	\$0
2010-11	\$468,146	0.022424	1,240.06
2011-12	-	0.000000	\$0
2012-13	-	0.000000	\$0
2013-14	-	0.000000	\$0
2014-15	-	0.000000	\$0
2015-16	-	0.000000	\$0
2016-17	-	0.000000	\$0
2017-18	-	0.000000	\$0
2018-19	-	0.000000	\$0

**Options**

The following information includes details regarding some other options available to interested property owners regarding the MCHD Measure C Parcel Tax and SOI boundary.

### Contiguous Parcel Exemption

File a Contiguous Parcel Exemption Form (Attachment 5) with MCHD staff by June 15<sup>th</sup> of each year to be treated as a single parcel for purposes of levying the healthcare parcel tax of \$144 per parcel per year for 12 years. This option applies to parcels that are contiguous, used for owner-occupied, single-family residential purposes, and held under identical ownership. For the fiscal year (FY) 2018-2019 tax cycle, the Contiguous Parcel Exemption application deadline was extended to July 31, 2018. However, the District will honor any valid applications submitted during the first fiscal year (July 1, 2018 through June 30, 2019) by reimbursing property owners for exempt contiguous parcels paid for per the tax bill with the exemption granted in the following year (FY 2019-2020).

### Special Exception to Measure C from MCHD Board of Directors

Request a special exception to the Measure C Parcel Tax from the MCHD Board of Directors and wait until the next scheduled MSR/SOI Update process to request removal from the MCHD SOI boundary.

### Sphere Amendment and Change of Organization Application

Submit a combined application for a sphere amendment and associated change of organization. LAFCo staff will begin processing the application upon submittal of a complete application packet and application processing fees. If not exempt from CEQA, this option has the potential for maximizing the CEQA process by addressing the proposed sphere amendment and change of organization in one environmental document and one public review process. Refer to the attached details related to the LAFCo change of organization fee estimate and application process for a detachment proposal initiated by petition (Attachment 6).

### Voter Initiative to Repeal Measure C

Attempt to create a June 2019 voter initiative to repeal the Mendocino Coast Healthcare District's Measure C Parcel Tax related to the properties in question pursuant to the initiative power provided by Proposition 218 for voters to repeal existing taxes that are not tied to bond indebtedness.

Attachment 1 MCHD Service Area Map with zip codes

Attachment 2 Mendocino Coast Healthcare District Existing Sphere of Influence Map

Attachment 3 Proposed Detachment Map

Attachment 4 Mendocino County School Districts Map

Attachment 5 Mendocino Coast Healthcare District Contiguous Parcel Exemption Form

Attachment 6 LAFCo Change of Organization Fee Estimate and Application Process

# Attachment 1

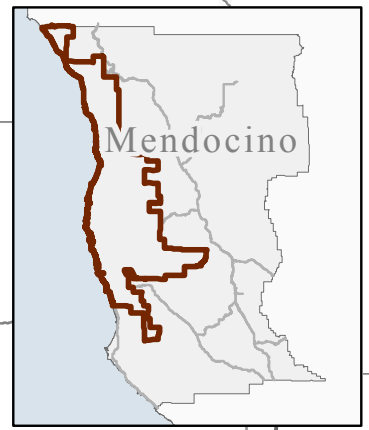


The Mendocino Coast Health Care District is divided into a Primary Service Area and a Secondary Service Area. The Primary Service Area consists of seven zip codes, encompassing the communities of Westport, Fort Bragg, Caspar, Mendocino, Little River, Albion, Elk, and Comptche. The Secondary Service Area consists of three zip codes in the southern coastal communities of Gualala, Manchester, and Point Arena.



**FIGURE 1.**

**Attachment 2**



HUMBOLDT

TRINITY

MENDOCINO

Southern Humboldt  
Community Healthcare District

*Pacific Ocean*

Rockport

Laytonville

Branscomb Rd.

Fort Bragg

Sherwood Rd.

162

20

Willits

Tonki Rd.

Mendocino

Compche Ukiah Rd.

Orr Springs Rd.

LAKE

Elk

Ukiah

128

253

1

Mountain View Rd.

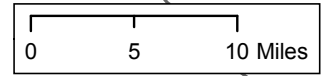
101

Point Arena


Gualala

SONOMA

 District Boundary  
 SOI



# Mendocino Coast Healthcare District

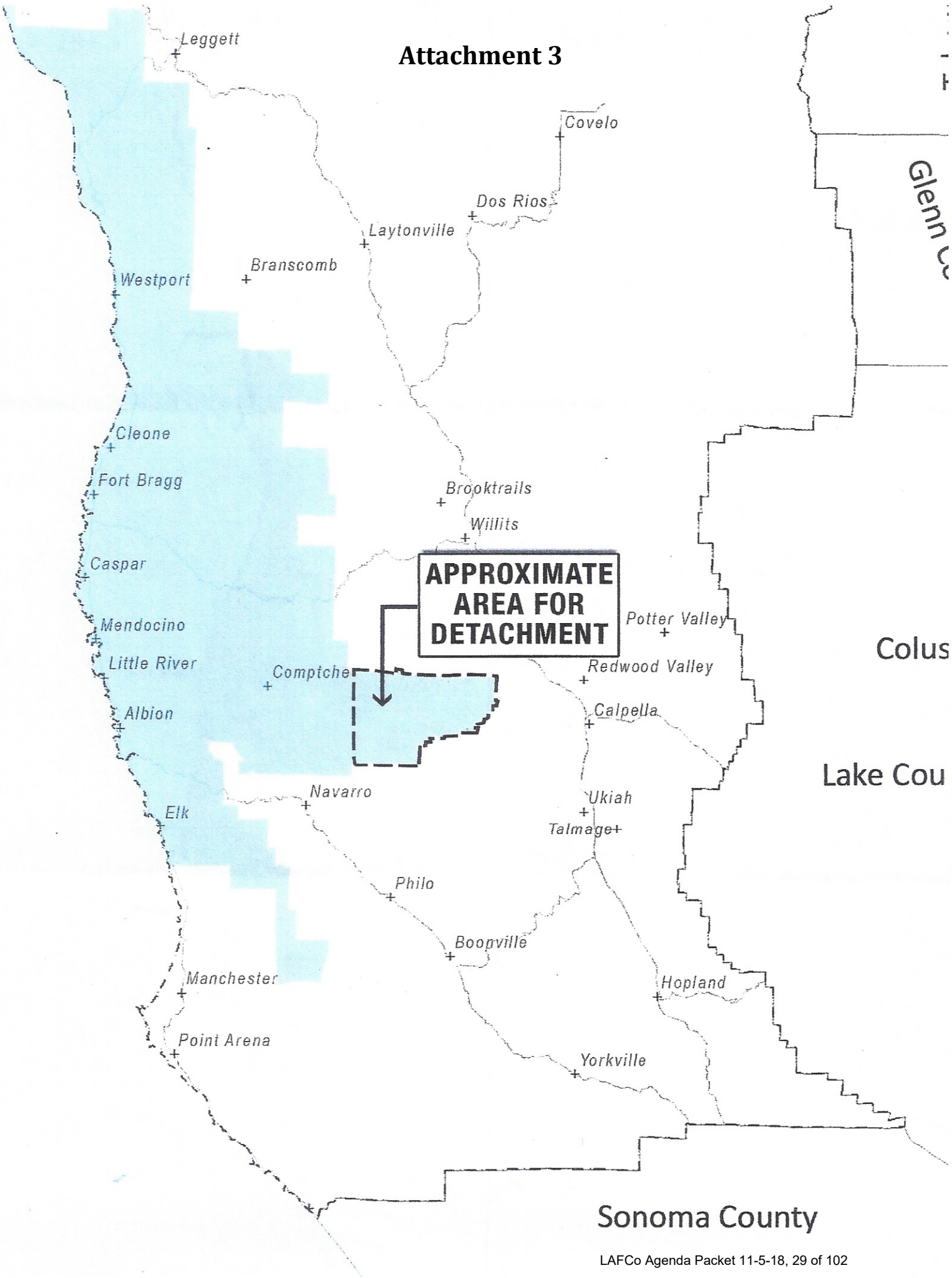
Prepared for **PLANWEST PARTNERS, INC.**  
 LAFCo Agenda Packet 11-5-18, 28 of 102  
 LAFCo by:  Date: 4/25/2016

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

Path: D:\Planwest\_GIS\projects\current\Mendocino\_LAFCo\Other\_Districts\Mendocino\_Coast\_Healthcare\_District.mxd



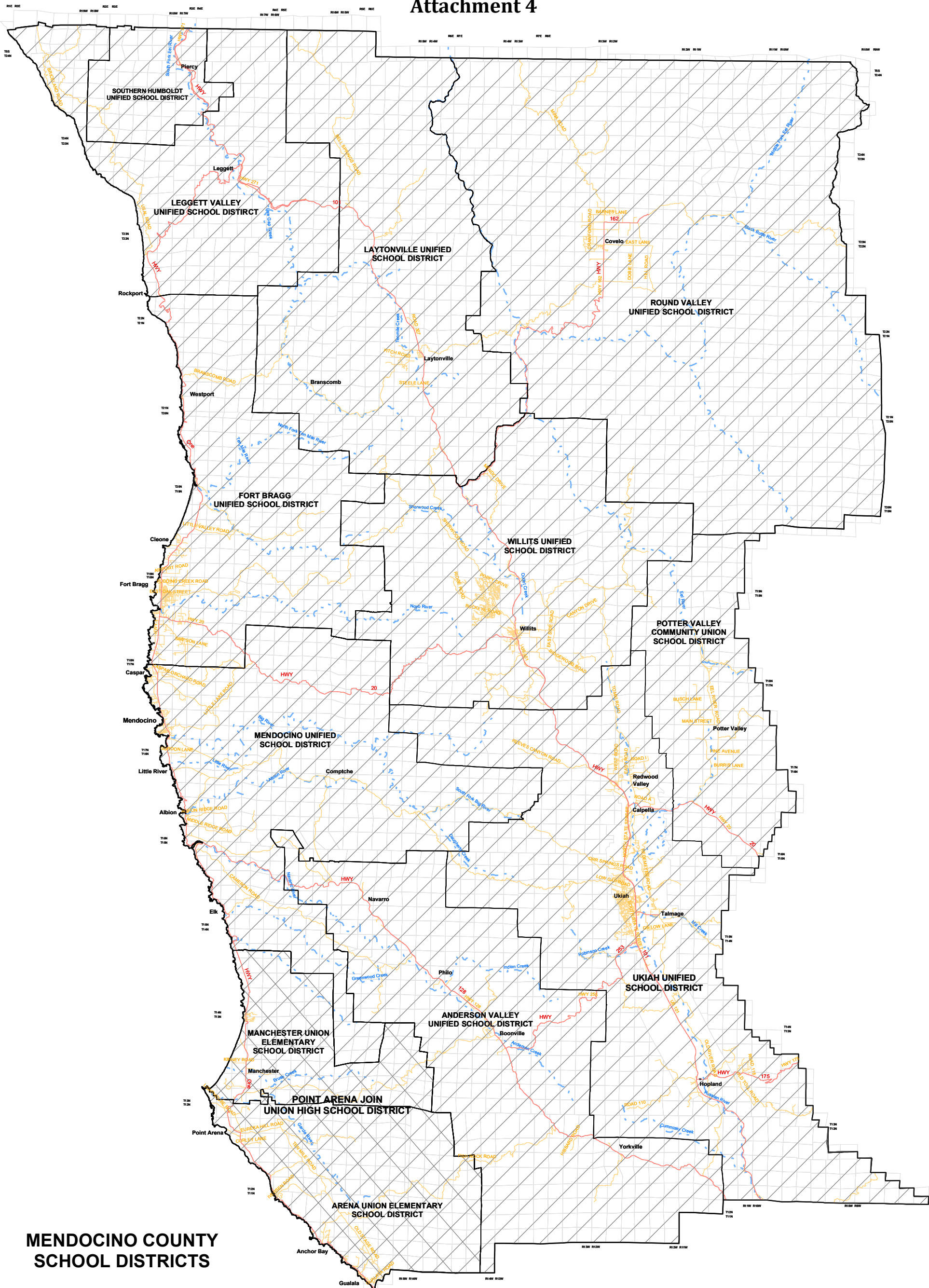
# Attachment 3



**APPROXIMATE  
AREA FOR  
DETACHMENT**

**Sonoma County**

# Attachment 4



## 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.



# Attachment 5

## MENDOCINO COAST HEALTH CARE DISTRICT CONTIGUOUS RESIDENTIAL PARCEL TAX EXEMPTION INFORMATION SHEET 2018-19

### 1. What is the Measure “C” parcel tax?

Measure “C” is a parcel tax that will raise money for the Mendocino Coast Health Care District to continue essential healthcare at Mendocino Coast District Hospital by attracting and retaining high quality doctors and nurses, maintaining local emergency room, obstetric, surgical, ambulance and related 911 services, and making critical repairs and upgrades to medical equipment and facilities. All funds raised by the Measure “C” parcel tax must be dedicated to local healthcare facilities and services.

Each parcel within the Mendocino Coast Health Care District will be taxed \$144 per year for the next 12 years. The Measure “C” parcel tax will be levied by Mendocino County and included in annual property tax bills.

### 2. What exemptions are available?

There is an exemption for certain contiguous parcels. This will allow immediately adjacent parcels, owned by the same owner and used for residential purposes, to be treated as a single parcel requiring the owner to pay \$144 annually (as opposed to \$144 multiplied by the total number of contiguous parcels). To provide these exemptions, the District will utilize an application process (the application can be found in the following pages). Granted exemptions will be honored until there is a change of ownership of the parcels.

Normally, the deadline to submit this application will be June 15<sup>th</sup> to potentially receive the exemption in the following fiscal year. This deadline allows sufficient time to process applications prior to the County’s annual deadline for preparation of tax bills. However, given the proximity of the Measure “C” election to the deadline, the District is committed to honoring any valid applications submitted during this first fiscal year (July 1<sup>st</sup>, 2018 through June 30<sup>th</sup>, 2019). This means:

- If the District receives a valid application prior to the County deadline in this first year of the parcel tax at the end of July of 2018, that property owner should receive the exemption.
- If the District does not receive a valid application prior to the County’s deadline in this first year, reimbursement will be provided to the property owner for whatever is billed and paid for exempt contiguous parcels – and then the exemption will be granted in the following year.

### 3. How do I apply for an exemption?

Complete an application form which is included in the following pages. Your Assessor's Parcel Number (APN#) can be found on your annual Tax Bill, the Notification of Assessment card, or by calling the Mendocino County Assessor's Office at (707) 234-6800.

- a. Additionally, provide one of the following as verification of residency:
  - Driver's License
  - Utility Bill
  - Tax Bill

Bring or mail the completed application form and a copy of proof of residency to:

Mendocino Coast District Hospital  
Parcel Tax Exemption  
Attn: Mike Ellis, CFO  
700 River Drive  
Fort Bragg, CA 95437

Please do not mail original proof of residency documentation.

Alternatively, the completed application form and proof of residency can be emailed to:  
[exemption@mcdh.net](mailto:exemption@mcdh.net).

**FOR ADDITIONAL INFORMATION CALL MENDOCINO COAST HEALTH CARE  
DISTRICT AT (707) 961-4610.**

**MENDOCINO COAST HEALTH CARE DISTRICT  
Contiguous Residential Parcel Tax Exemption Application  
For Tax Year 2018-19**

**APPLICATION DUE ON OR BEFORE 6/30/19**  
*To: Mendocino Coast District Hospital  
Parcel Tax Exemption  
Attn: Mike Ellis, CFO  
700 River Drive, Fort Bragg, CA 95437  
Email: [exemption@mcdh.net](mailto:exemption@mcdh.net)*

Instructions are on back of this form.

**Please Print**

Owner's Name: \_\_\_\_\_

Co-Owner's Name: \_\_\_\_\_

Primary Parcel Number (See Property Tax bill): \_\_\_\_\_

Primary Property Address: \_\_\_\_\_

\_\_\_\_\_

Primary Mailing Address: (if different) \_\_\_\_\_

\_\_\_\_\_

Contiguous Parcel Number (See Property Tax bill): \_\_\_\_\_

(if more than one contiguous parcel, please write numbers on additional page and attach)

Property Address: \_\_\_\_\_

\_\_\_\_\_

(if more than one contiguous parcel, please write addresses on additional page and attach)

Phone Number: \_\_\_\_\_

I wish to claim the Contiguous Property Exemption so that the contiguous parcels I own will be treated as a single "parcel" for purposes of the levy of the Mendocino Coast Health Care District Measure "C" parcel tax.

Measure C – Mendocino Coast Health Care District - \$144 per year.

**I certify that the properties for which I am claiming the Contiguous Residential Parcel Exemption are contiguous, used solely for owner-occupied single-family purposes, and held under identical ownership, and that the information above is true and correct.**

\_\_\_\_\_  
Owner's Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Co-Owner's Signature

\_\_\_\_\_  
Date



**MENDOCINO COAST HEALTH CARE DISTRICT  
2018-19 PARCEL TAX  
Contiguous Residential Parcel Exemption Form**

**Instructions**

1. This Measure “C” parcel tax exemption is for property owners who own parcels that are contiguous, used solely for owner occupied, single-family residential purposes, and held under identical ownership.
2. This Measure “C” parcel tax exemption allows for such parcels to be treated as a single “parcel” for purposes of the levy of the parcel tax.
3. Granted exemptions to the Measure “C” parcel tax will be honored until there is a change of ownership of the parcels.
4. The parcel tax applies to parcels with land value. If your parcel is taxed for improvement value only (as in some mobile home parks), the parcel tax will not be assessed on your parcel, and you do not need to fill out this application.
5. To find your Parcel Number, look for the likely 10 digit number (XXX-XXX-XXXX) beginning with “0” or “1” located in the upper left section of your property tax bill, or call the County Assessor at 707-234-6800.
6. Return the signed, completed application and a copy of proof of residency (i.e. driver’s license, utility bill or tax bill) to:

Mendocino Coast District Hospital  
Parcel Tax Exemption  
Attn: Mike Ellis, CFO  
700 River Drive  
Fort Bragg, CA 95437

Or email both to: [exemption@mc dh.net](mailto:exemption@mc dh.net)                      Attn: Mike Ellis, CFO

7. **Return by June 30, 2019.**
8. Responses to the application will be mailed to all applicants.
9. Should you apply after the County’s deadlines in this first year (FY 2018-19) *and* your application be granted, Mendocino Coast Health Care District will mail your refund in a timely manner.

If you have questions, please contact Mendocino Coast Health Care District at (707) 961-4610.

# Attachment 6

**Mendocino LAFCo  
Estimated Minimum Fee Deposit for Application  
Detachment from Mendocino Coast Healthcare District**

Please note that the fees identified below are minimum deposits and are not necessarily the entire cost of processing the application. Applications are processed at cost, which consists of staff labor and costs associated with public noticing and associated mailings. Once application deposit fees are expended, Mendocino LAFCo will request an additional deposit before proceeding. Any unused funds will be refunded to the applicant.

The following deposit estimate is based on the proposed detachment of 26,000(+/-) acres initiated by petition of land owners.

<b>MCHD Proposed Detachment LAFCo Fee Estimate</b>	
<b>Fee Type</b>	<b>Fee Amount</b>
Petition*	\$150
Minimum Deposit	\$1,500
Additional Minimum Deposit (50 + acres)	\$2,500
<u>CEQA</u>	
Notice of Exemption	\$550
<i>Or</i>	
Negative Declaration	\$5,000
<b>Estimated Total Deposit</b>	<b>\$4,700</b>
<i>Or</i>	
<b>Estimated Total Deposit</b>	<b>\$9,150</b>
*Plus the cost of County Elections verifying petition signatures. Once a Certificate of Sufficiency is issued by the Executive Officer, the other application fees are due.	

**Notes:**

The minimum application deposit amount estimated above reflects LAFCo processing fees only.

There may be other fees/costs applicable to your application such as State Board of Equalization (BOE) fees, Department of Fish and Wildlife (DFW) fees, and professional services costs associated with preparing the application materials (e.g., surveying, mapping, etc.).

BOE boundary changes filing fees are based on acreage and are available online at:  
<https://www.boe.ca.gov/proptaxes/pdf/jurboundaryreq.pdf>.

DFW CEQA Environmental Document Filing Fees:  
<https://www.wildlife.ca.gov/Conservation/CEQA/Fees>

**Mendocino LAFCo**  
**Change of Organization Application Process**  
**Detachment from Mendocino Coast Healthcare District**

The LAFCo Application Form (Justification of Proposal) and Checklist can be downloaded in PDF format from the following website: <http://mendolafco.org/applications/>. The following LAFCo application process is based on the proposed detachment of 26,000(+/-) acres initiated by petition of land owners.

Pre-Application Steps:

1. Applicant and/or applicant's representative meets with LAFCo staff to discuss relevant issues, policies, process, coordination with agencies, and other considerations. A pre-application agreement may be required to cover costs associated with pre-application review and assistance, which would facilitate application review once filed.
2. For proposals initiated by petition, prior to circulating any petition for a change of organization, the applicant files with LAFCo a Notice of Intent to Circulate Petition.
3. For proposals initiated by petition, the applicant circulates a petition for signatures.
4. For proposals initiated by petition, within 30 days of receiving the petition, LAFCo issues a Certificate of Sufficiency or a Notice of Insufficiency.
5. Applicant and/or applicant's representative prepares application materials, including:
  - a. LAFCo Application form (Justification of Proposal);
  - b. Plan for Services;
  - c. Boundary map and geographic description conforming with State Board of Equalization requirements ([www.boe.ca.gov/proptaxes/pdf/jurboundaryreq.pdf](http://www.boe.ca.gov/proptaxes/pdf/jurboundaryreq.pdf));
  - d. Proof of property owner consent, if applicable;
  - e. Applicable fee deposit and agreement to pay authorization;
  - f. Documentation of method of CEQA compliance;
  - g. Other applicable items from the LAFCo application submittal checklist.

Public Hearing Steps:

1. Applicant or applicant's representative submits application package to LAFCo with deposit.
2. LAFCo will:
  - a. Refer the application to affected agencies for comment;
  - b. Review application for completeness and analysis of policies and procedures consistency;
  - c. Confirm receipt of property tax exchange agreement;
  - d. Issue a Certificate of Filing, once any issues have been resolved and the application is deemed complete; and
  - e. Schedule a public hearing date and issue public notices.
3. LAFCo holds public hearing. The Commission will consider the proposal, the staff report, and staff's recommendation. The public hearing may be continued, or the proposal may be approved, approved with modifications or conditions, or denied.

Post-Hearing Steps:

1. If the Commission approves the application, then:
  - a. A 30-day "reconsideration" period begins;
  - b. A follow-up "protest hearing" may be required;
  - c. An "election" may be required;
  - d. Applicant and/or applicant's representative coordinates with LAFCo staff to satisfy any conditions of approval;
  - e. LAFCo staff issues a Certificate of Completion; and
  - f. LAFCo staff files any required final documents with the County Recorder and State Board of Equalization.
2. If the Commission denies the application, a similar application cannot be filed for one year.



The following code sections related to the LAFCo application process are provided for informational purposes only and are not intended to be an exhaustive list of the laws and regulations applicable to the MCHD Detachment proposal.

**Cortese-Knox-Hertzberg (CKH) Local Government Reorganization Act of 2000**

**LAFCo Proceedings by Resolution or Petition**

California Government Code §56650

**Application Contents**

California Government Code §56652

**Plan for Services**

California Government Code §56653

The Plan for Services for the MCHD Detachment proposal can be tailored to the Disincorporation Plan for Services pursuant to California Government Code §56653.1. The application packet should include a “Will Serve” letter from the alternate health care provider (Adventist Health Ukiah Valley) specific to serving the entire detachment area.

**Application Required**

California Government Code §56658

**Factors to be Considered**

California Government Code §56668

**Petition Form and Filing**

California Government Code §56700 through §56705

**Initiation by Petition**

California Government Code §56864

**Protest Hearing (Protest Proceedings or Conducting Authority Proceedings)**

The Commission may waive protest proceedings pursuant to California Government Code §56663. If protest proceedings are not waived, then the provisions of California Government Code §57000 et seq. would apply, including the potential need for an election depending on the level of protest received from landowners and registered voters pursuant to California Government Code §57075.

**Property Tax Exchange Negotiation Process**

Per Revenue and Taxation Code (RTC) §99(b), upon the filing of an application, but prior to the issuance of a certificate of filing, the Executive Officer shall give notice of the filing to the Assessor and Auditor of each county within which the territory subject to the jurisdictional change is located. Per RTC §99(b)(6), an application for a change of organization or reorganization will not be deemed complete and scheduled for public hearing until proof (in the form of adopted resolutions from all applicable negotiating parties) of a property tax exchange agreement is provided by the local agencies whose service area or service responsibility will be altered by the proposed jurisdictional change. If no agreement is reached, the applicant may choose to move forward with the application and provide written notice to LAFCo to that effect.

**Landowner Consent**

If your proposal for annexation contains only uninhabited territory (territory within which there reside less than 12 registered voters pursuant to California Government Code §56046), application processing

can be expedited if proof is provided of 100% affected landowners consent to the proposal and LAFCO does not receive any opposition from affected agencies in response to mailed notice required pursuant to California Government Code §56658(b).

### **California Environmental Quality Act**

The applicability of the California Environmental Quality Act (CEQA) will be determined at the time of proposal submittal based on the whole of the project. The following is provided for informational purposes only and is not intended to be construed as a guarantee of the application parameters or process.

The Municipal Service Review may be exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Title 14 CCR §15306.

The Sphere of Influence Amendment may be exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Title 14 CCR §15061(b)(3).

The Change of Organization application (Detachment proposal) may be exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to Title 14 CCR §15320.

# MENDOCINO Local Agency Formation Commission

## Staff Report

DATE: November 5, 2018  
TO: LAFCo Commission  
FROM: Uma Hinman, Executive Officer  
SUBJECT: Proposed Commissioner Compensation Policy Amendment

---

### Recommendation

- a) Adopt Resolution 2018-19-02, approving the proposed Commissioner Compensation Policy Amendment; or
- b) Provide further direction to the Policies and Procedures Committee and/or staff; or
- c) Deny the proposed policy.

### Background

On April 9, May 21, and October 1, 2018, the Policies & Procedures Committee discussed revising the Commissioner Compensation policy to consider city members and their alternate for mileage reimbursement, including the potential impact to the budget. The Committee directed staff to recommend the proposed policy to the full Commission for discussion and possible adoption.

The following proposed amendments to the Commissioner Compensation policy are identified in underlining and strikethrough:

### Commissioner Compensation

- A. Special District, ~~and~~ Public Members and their Alternates shall be eligible to receive a meeting per diem of \$50.00 ~~and mileage reimbursement at the federal rate~~ for Regular Commission meetings.
- B. Commission Members and Alternates are eligible for and may request mileage reimbursement at the standard federal rate for Regular Commission meetings.
- C. ~~Commissioners~~ Commission Members and Alternates are eligible for reimbursement of actual costs associated with out-of-county travel, lodging, meals, and registration fees, and other necessary and reasonable expenses. The standard federal mileage rate and meal allowances as established by the California Department of Human Resources shall apply.

### Budget Impacts

Current policy allows per diem reimbursements of \$50 per regular meeting and mileage at the standard IRS rate (currently \$0.545/mile) for Special District and Public Members. The current budget includes \$2,000 for in-county travel and stipends. With the exception of 2016/17, the last 5 years' actuals for this account have been less than \$2,000 annually.

The following table provides an analysis if all eligible members were to request reimbursement for per diem and mileage.

	Number of members	Annual Per Diem (\$50/mtg)	Estimated mileage/year <sup>1</sup> (.545/mile)	Totals
Special District Members	3	\$ 1,800	\$ 458	\$ 2,258
Public Members	2	\$ 1,200	\$ 327	\$ 1,527
<b>Subtotals</b>	<b>5</b>	<b>\$ 3,000</b>	<b>\$ 785</b>	<b>\$ 3,785</b>
City Members (Proposed)	3	\$ 1,800	\$ 1,373	\$ 3,173
<b>Totals</b>	<b>8</b>	<b>\$ 4,800</b>	<b>\$ 2,158</b>	<b>\$ 6,958</b>

Notes: Does not include per diem compensation for County members. Mileage estimate based on current Commissioner locations.

<sup>1</sup> Mileage estimated roundtrip from city to LAFCo meeting location (Willits - 50 mi; Ukiah - 10 mi; Fort Bragg - 115 mi; Point Arena - 150 mi)

Revising the policy to allow city members and their alternate to be eligible for both per diem and mileage could add approximately \$3,173 per year. County Commissioners are not eligible for per diem compensation in either the existing or proposed policy. It is noted that not all eligible Commissioners currently request reimbursement for per diem or mileage. Additionally, Ukiah-based Commissioners' mileage is minimal. For these reasons, the annual budget has been adequate in past years.

The adoption of this proposed amendment will require an increase to the Account 6740 *In-County Travel and Stipends* budget line. Assuming the policy goes into effect beginning December 1, 2018, the potential impact to fiscal year 2018-19 would apply to 7 months, potentially adding \$1,850 (\$1050 per diem and \$800 mileage reimbursement) to the existing budget line.

Per standard procedures, the draft policy amendment has been reviewed and approved by Legal Counsel. Counsel noted that the Cortese-Knox-Hertzberg Act *Reimbursement of expenses; per diem* (Government Code Section 56334, partial) applies to all commissioners:

Commission members and alternates shall be reimbursed for the actual amount of their reasonable and necessary expenses incurred in attending meetings and in performing the duties of their office. The commission may authorize payment of a per diem to commission members and alternates for each day while they are in attendance at meetings of the commission.

Should the proposed policy amendment be adopted, staff recommends the Commission delay considering a budget amendment to Account 6740 until such time as it is needed since it is unknown at this time if the option will be utilized.

**Attachment:**

- 1) Resolution No 2018-19-02

**Resolution No. 2018-19-02  
of the Mendocino Local Agency Formation Commission**

**Approving the  
Commissioner Compensation Policy Amendment**

WHEREAS, Local Agency Formation Commissions have been created under the provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Sections 56000 et. seq. of the Government Code, as independent agencies, shall adopt policies and procedures to carry out their functions, (§56300); and

WHEREAS, the Mendocino Local Agency Formation Commission's Policies and Procedures Committee reviewed the policy amendment and legal counsel's comments, and recommended the policy to the full Commission for consideration; and

WHEREAS, the Mendocino Local Agency Formation Commission, hereinafter referred to as Commission, held a public meeting on the proposed policy amendment to include city commissioners as eligible to receive per diem and mileage reimbursement for regular meetings of the Commission, and at that meeting the Commission received the report of the Executive Officer and all oral and written comments with respect to the proposed policy amendment.

NOW, THEREFORE, the Mendocino Local Agency Formation Commission DOES HEREBY RESOLVE, DETERMINE AND ORDER the adoption of the amended Commissioner Compensation Policy as set forth in Exhibit A.

The foregoing Resolution was passed and duly adopted at a regular meeting of the Mendocino Local Agency Formation Commission held on this 5th day of November 2018, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

---

GERALD WARD, Chair

---

UMA HINMAN, Executive Officer

## EXHIBIT A

### Commissioner Compensation

- A. Special District, Public Members and their Alternates shall be eligible to receive a meeting per diem of \$50.00 for Regular Commission meetings.
- B. Commission Members and Alternates are eligible for and may request mileage reimbursement at the standard federal rate for Regular Commission meetings.
- C. Commission Members and Alternates are eligible for reimbursement of actual costs associated with out-of-county travel, lodging, meals, and registration fees, and other necessary and reasonable expenses. The standard federal mileage rate and meal allowances as established by the California Department of Human Resources shall apply.

DRAFT

**MENDOCINO**  
**Local Agency Formation Commission**

**Staff Report**

DATE: November 5, 2018  
TO: LAFCo Commission  
FROM: Uma Hinman, Executive Officer  
SUBJECT: Updated Policies & Procedures Manual

---

**Recommendation**

- a) Adopt Resolution 18-19-03, adopting the updated Policies & Procedures Manual dated November 2018; or
- b) Provide further direction to the Policies and Procedures Committee and/or staff; or
- c) Deny the proposed update.

**Background**

The last adoption of the Mendocino LAFCo Policies & Procedures Manual was January 4, 2016. Since that time a number of policies have been adopted and the Manual itself has been reformatted to make finding and referencing policies easier. The attached Draft Policies & Procedures Manual (Manual) includes all adopted policies as of October 1, 2018. Also included in the new Manual is the list of definitions, which were left out of the last adopted version. There are no policies or language added that have not already been formally adopted by the Commission.

The Draft Manual has been reviewed by the Policies & Procedures Committee and is recommended to the full Commission for consideration. The Draft Manual was e-mailed to Commissioners on October 25, 2018 for review.

Going forward, the inclusion of new or amended policies will be added to the Manual upon Commission adoption and the Manual re-posted on the website with each update; re-adoption of the Manual will not be necessary in those cases.

**Attachment:**

- 1) Draft Policies and Procedures Manual, November 2018
- 2) Resolution No 18-19-03

**MENDOCINO  
LOCAL AGENCY  
FORMATION COMMISSION**



**POLICIES & PROCEDURES  
MANUAL**

**ADOPTED <DATE>**

**RESOLUTION NO. <XX-XX-XX>**

November 2018



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**Part 1:**  
**Administrative**  
**Policies & Procedures**

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# 1 | PREAMBLE

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Actions taken by the Mendocino Local Agency Formation Commission shall be predicated on the following principles.

## 1.1 MISSION

It shall be the mission of the Mendocino Local Agency Formation Commission to:

- a) Consider the present and future needs of the community;
- b) Oversee the logical formation and development of cities and special districts;
- c) Coordinate the efficient and rational delivery of municipal services;
- d) Preserve agricultural and open space resources; and
- e) Discourage urban sprawl.

## 1.2 GENERAL GUIDELINES

- First: Commission decisions will be based on the best interests of those served by LAFCo.
- Second: Commission actions will take into account 'long term' consequences and effects on future generations, seeking the greater good for the citizens.
- Third: In all of its decisions and actions, the Commission's desired result is the most efficient and effective delivery of services by local entities including the County, cities, special districts, and service delivery agencies throughout Mendocino County.
- Fourth: LAFCo Commissioners and staff are dedicated to hearing and responding to community needs through an open and engaged process, and to delivering an excellent level of service emphasizing transparency, efficiency, integrity and fairness in its operations.
- Fifth: Once a decision has been made, the Commission will not deviate from that decision unless new and compelling information is provided.
- Sixth: Preference shall be given to those local agencies which can provide services in the most effective and efficient manner.
- Seventh: Where special district boundaries overlap city limits, the Commission will advocate for district detachments if the city can demonstrate a higher level of service or an equivalent level of service at a lower cost.
- Eighth: Open space and/or undevelopable land will be included within a city sphere of influence only if compelling determinations can be made by the Commission.
- Ninth: Prime agricultural land, commercial timberland, and dedicated open space will generally not be considered for annexation to a city.

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## 2 | INTRODUCTION

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### **2.1 AUTHORITY, PURPOSE, JURISDICTION AND GENERAL INTENT**

The Mendocino Local Agency Formation Commission (LAFCo) was established by and operates under the provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act). (California Government Code Sections 56000 *et seq.* and 57000 *et seq.*)

This law establishes LAFCo as an independent public agency within Mendocino County. LAFCo functions under applicable state statutes, and state and local policies relating to the organization of local government; specifically boundary changes for cities and most special districts (including sphere of influence, incorporations, reorganizations, annexations, detachments and other changes of organization). In this capacity, Mendocino LAFCo plans and regulates boundaries for cities and special districts within the County.

The CKH Act requires each LAFCo to adopt written policies and procedures. Other state laws require LAFCo to adopt written policies and guidelines applicable to specialized functions (e.g., California Environmental Quality Act, Political Reform Act, etc.).

This Policies and Procedures Manual is a compilation of written policies and procedures adopted by Mendocino LAFCo. These policies are intended to supplement state law, rather than interpret or reiterate the statute. To fully understand LAFCo processes and procedures, the applicable provisions of state law should be reviewed in conjunction with this document. All citations included in the Manual are from the CKH Act, unless otherwise noted.

Each chapter of the Manual is freestanding and can be amended or changed without amending the entire Manual. The Mendocino LAFCo Executive Officer ensures the Manual is current and up to date and publically available. To the extent that any portion of the Manual conflicts with any provision of law, the applicable law takes precedent.

### **2.2 PROCEDURAL FLEXIBILITY**

The Policies and Procedures Manual is a guide. The Commission may, by majority vote, modify procedures and policies set forth in the Manual when the situation warrants, provided the change is not in conflict with statutes governing LAFCo activities; nor inconsistent with other policies and procedures included within the Manual.

### **2.3 AMENDMENT PROCEDURES**

The Commission shall approve all amendments to the Policies and Procedures Manual by a majority vote.

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## 3 | COMMISSION RULES AND PROCEDURES

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### 3.1 AUTHORITY

These rules are adopted pursuant to the CKH Act and apply to Mendocino LAFCo and proceedings conducted before that Commission.

### 3.2 COMMISSION MEMBERSHIP

The Commission consists of seven regular and four alternate members, selected as follows:

#### 3.2.1 COUNTY

Two Members and one Alternate Member are members of the Mendocino County Board of Supervisors appointed by the Board of Supervisors.

#### 3.2.2 CITY

Two Members and one Alternate Member are City Council Members appointed by the City Selection Committee consisting of the mayors from the four cities.

#### 3.2.3 DISTRICT

Two Members and one Alternate Member are Special District Board Members appointed by the Special District Selection Committee consisting of Presidents or Chairpersons from the Independent Special Districts in the County. If it is determined that a meeting of the special district selection committee is not feasible, the LAFCo Executive Officer shall conduct a nomination and election process by mailed ballot in accordance with G.G. §56332(f).

#### 3.2.4 PUBLIC

One Member and one Alternate Member from the general public are appointed by the six other members of the Commission. Public Members cannot be a current officer (elected or appointed) or employee the County of Mendocino or of any city of special district located within the county.

Commission selection procedures include the following steps:

- a) Advertisement of the position(s) in newspapers of general circulation in the county.
- b) Interviews of the candidates by the full Commission. If appropriate, the Commission may appoint a screening committee to screen applications to reduce the number to be interviewed to a manageable number.
- c) Selection by majority vote subject to the affirmative votes of at least one city, county, and district member seated on LAFCo.

### 3.3 RESPONSIBILITIES OF COMMISSIONERS

LAFCo Commissioners sit as independent decision-makers and are required by law to exercise their independent judgment on behalf of the general public within Mendocino County. Commissioners shall exercise their responsibilities to consider their decisions within a regional or county-wide perspective without regard to a specific interest group or government agency.

### **3.4 COMMISSIONER TERMS OF OFFICE**

- a) All Commissioner terms of office shall be for four years. Any new appointments made during the four-year term shall be for the purpose of completing the remainder of the four-year term.
- b) The expiration date of the term of office for all Commissioners shall be December 31<sup>st</sup> of the year in which their term expires as allowed by Section 56334. New Commissioner terms of office shall begin on the date of the first Commission meeting in January of the year in which they are appointed, or as soon thereafter as is practical.

### **3.5 OFFICERS**

#### **3.5.1 SELECTION OF CHAIR AND VICE CHAIR**

The Members of the Commission shall elect a Chair, a Vice Chair, and a Treasurer at the first meeting of the Commission held in January of each year or as soon thereafter as possible. The Chair, Vice Chair, and Treasurer shall serve for one-year terms, or until their successors are elected, whichever occurs later. Should the Chair, Vice-Chair, or Treasurer cease to be a member of the Commission, the Commission shall at the first available meeting select a successor to fill the position for the balance of the year.

#### **3.5.2 CHAIR**

The Chair shall preside at all meetings of the Commission and shall conduct the business of the Commission in the manner prescribed by State Law and by these rules. The Chair shall preserve order and decorum and decide all questions of order, subject to the action of a majority of the Commission.

In the absence of an objection, the Chair may order a motion unanimously approved by the members present, however any Commissioner may call for a roll call vote on any item.

The Chair shall be permitted to participate in debate and vote, move or second a motion without surrender of the Chair.

The Chair shall have the authority to sign all resolutions, directives and contracts approved by the Commission. The Chair shall also have authority to sign any documents necessary for the operation of the Commission and to authorize budget transactions.

The chair shall have the authority to appoint members to Committees.

#### **3.5.3 VICE CHAIR**

In the event that the Chair is absent or unable to act, the Vice Chair shall act as Chair and exercise all the powers and duties of the Chair.

#### **3.5.4 TREASURER**

The Treasurer shall review monthly revenues and expenditures for consistency with the adopted budget and shall monitor invoices to be paid.

#### **3.5.5 CHAIR PRO TEM**

If both the Chair and Vice Chair are absent, or for any reason unable to act, the members of the Commission present shall select one of the members to act as Chair Pro Tem, said selection to be entered



into the minutes. The Chair Pro Tem shall have all of the powers and duties of the Chair while the Chair and Vice Chair are absent or for any reason unable to act.

### **3.6 PARTICIPATION OF ALTERNATE MEMBERS**

- a) Alternate Members shall be seated and entitled to vote if a Regular Member in their category is absent, or has been disqualified on any matter. If both Regular Members in their category are absent or disqualified, the Alternate Member who is authorized to serve shall only have one vote.
- b) Alternate Members are encouraged to take an active role in LAFCo matters including Commission discussions, policy development, working groups, workshops, committees, and CALAFCO activities.
- c) Because Alternate Members may at any time be called upon to vote in place of a Regular Member, the Mendocino LAFCo encourages Alternate Members to participate in and to attend closed sessions, even when they may not vote. *(Amended by Resolution No. 2017-18-09)*

### **3.7 COMMISSIONER COMPENSATION**

- a) Special District and Public Members and their Alternates shall be eligible to receive a meeting per Diem of \$50.00 and mileage reimbursement at the Federal rate for Regular Commission meetings.
- b) Commissioners are eligible for reimbursement of actual costs associated with out-of-county travel, lodging, meals, and registration fees, and other necessary and reasonable expenses. The mileage rate and meal allowances as established by the California Department of Human Resources shall apply.

### **3.8 MEETINGS**

#### **3.8.1 GENERAL**

All meetings conducted by Mendocino LAFCo, including posting and publication of notices and agendas, shall adhere to the provisions of the Ralph M. Brown Act (54950 *et seq.*).

#### **3.8.2 REGULAR MEETINGS**

Regular meetings of the Commission shall be held on the first Monday of each month, at the Mendocino County Board of Supervisors Chambers, 501 Low Gap Road, Ukiah, CA, commencing at 9:00 AM unless otherwise noticed. If any regular meeting of the Commission falls on a holiday, the regular meeting of the Commission shall be held on the preceding or succeeding Monday that does not fall on a holiday or on the first available date agreeable to the Commission.

#### **3.8.3 SPECIAL MEETINGS**

Special meetings may be called at any time by the Chair or by a majority of Commissioners in a manner provided for in State Law. The order calling the special meeting shall specify the time and place of the meeting and the business to be transacted at such meeting, and no other business shall be considered at that meeting. The call and notice shall be posted at least 24 hours prior to the special meeting at the Commission's regular place of posting.

### 3.8.4 REQUEST FOR SPECIAL MEETING

Any interested party may request that the Commission hold a special meeting by submitting a written request to the LAFCo Executive Officer indicating the specific reasons for such a meeting. The request will be considered by the Commission at its next regular meeting for which adequate notice can be provided. If the request is granted, the applicant is responsible for all costs associated with the conduct of the special meeting.

### 3.8.5 MAJOR HEARINGS

At the recommendation of the Executive Officer, the Commission shall consider holding meetings in proximity to the affected project area. The determination of what constitutes a major agenda item shall be made by the LAFCo Executive Officer and is subject to verification by the Commission.

## 3.9 COMMITTEES

### 3.9.1 STANDING COMMITTEES

The Executive Committee consists of the Chair, Vice Chair, and Treasurer or a third Commissioner appointed by the Chair.” The Executive Committee is responsible for administrative oversight, personnel matters, and budget preparation and review.

The Policies and Procedures Committee is made up of three members appointed at the first Commission meeting of each Calendar Year, as recommended by the Chair and ratified by the Commission. The Policies and Procedures Committee is responsible for developing and maintaining the Policies and Procedures Manual. Revisions shall be proposed to the full Commission for consideration and adoption.

The two Standing Committees are subject to the requirements of the Brown Act. The two Standing Committees shall meet on an as-needed basis. Recommendations from the two Standing Committees can be made by the Committees and presented to the full Commission for consideration and approval.

### 3.9.2 AD HOC COMMITTEES

Ad Hoc Committees are formed as necessary to address specific topics, projects, and issues. Examples include Municipal Service Review projects, Sphere of Influence Update projects, Grand Jury Reports, and Commission Workshops and Seminars. Each Ad Hoc Committee is made up of three members as recommended by the Chair and ratified by the Commission.

## 3.10 CONDUCT OF MEETINGS

### 3.10.1 ORDER OF BUSINESS

The business of each regular meeting of the Commission shall be transacted to the extent practicable in the following order:

- a) Call to order and roll call
- b) Consent Agenda items
  - i. Minutes of the previous meeting or meetings
  - ii. Claims for Payment
  - iii. Financial Report

- c) Verification of any Resolutions
- d) Public Expression
- e) Matters Set for Hearing
- f) Other Matters for Discussion & Possible Action
- g) Committee Reports
- h) Executive Officer's Report
- i) Commissioner Reports, Comments or Questions
- j) Legislation Report
- k) Adjournment

### **3.10.2 QUORUM**

Four members of the Commission shall constitute a quorum for the transaction of business. In the absence of a quorum, the Executive Officer may adjourn the meeting to a stated time and place in accordance with §54955.

### **3.10.3 MAJORITY VOTE**

Four affirmative votes are required to approve any proposal or other action. A tie vote or any failure to act by at least four affirmative votes shall constitute a denial. An abstention shall not be counted as an affirmative vote.

### **3.10.4 ROLL CALL VOTING**

- a) The roll need not be called in voting upon a motion except when the matter involves the adoption of a Resolution, or a roll call vote is requested by a member of the Commission.
- b) If the roll is not called and no objection is raised by a member of the Commission, the Chair may order the motion unanimously approved.
- c) The Commission Clerk shall determine the voting order, except that the Chair shall be called last.

### **3.10.5 AUTHORIZATION TO VOTE**

- a) A member shall not participate in a final vote on a matter on which a hearing has been held at which such member was not in attendance, until that member is familiar with the substance of such hearing.
- b) This may be done by reviewing the written material presented at the hearing and by listening to the recording of such hearing; or by viewing a video of the hearing; or by reading a transcript of the proceedings if one has been prepared.

### **3.10.6 DISQUALIFICATION AND CONFLICT OF INTEREST**

The representation by a Regular or Alternate Member of a city or district shall not disqualify the member from acting on a proposal affecting that city or district in accordance with §56336.

### **3.10.7 COMMISSION ACTIONS**

The Commission may act by resolution or motion. All final actions of the Commission on application determinations, budget adoption, spheres of influence, and policy considerations shall be made by resolution. When each Commissioner has received a copy of the resolution, the reading of the resolution is automatically waived unless a Commissioner specifically requests that it is read.

### **3.10.8 CONSENT CALENDAR**

Routine matters that do not require a public hearing may be placed on the Commission's consent calendar. Approval of all items on the consent calendar may be made in one motion. Matters placed on the consent calendar may be removed by any Commissioner or a member of the public for discussion purposes and separate action.

### **3.10.9 SUMMARY MINUTES**

Minutes of the Commission meetings shall be Summary Minutes that include the essence of agenda items considered by the Commission, Commission motions and seconds, and votes cast. The minutes shall also reflect the names of the public speakers, reasons for legally required abstentions from voting, and comments noted for the record. Detailed Commission and staff discussion, comments, questions, and answers are not reflected in the minutes. Minutes of the Commission meetings shall be presented to the Commission at its next regularly scheduled meeting.

### **3.10.10 COMMENTS FOR THE RECORD**

If a Commissioner desires that a comment be included in the minutes, it is his or her responsibility to indicate that the statement is 'for the record' before making the comment and/or shall provide the comment in writing.

### **3.10.11 RECORDINGS OF THE MEETINGS**

Regular Commission meetings are typically recorded and all recordings shall be archived for two years. Copies of meeting recordings are available upon request and compensation for the costs borne in producing copies. Meetings may be transcribed upon request and upon receipt of a deposit to cover the transcription costs (\$56379). Failure to record a meeting does not negate the results of that meeting.

### **3.10.12 INFORMATIONAL PRESENTATIONS**

Informational presentations will be placed on the Commission agenda by the LAFCo Executive Officer. Time allowed for such presentations may be limited at the discretion of the Chair.

### **3.10.13 PUBLIC COMMENT**

- a) At each regular and special meeting, the Commission shall allow any member of the public to address the Commission on a matter within its jurisdiction.
- b) The Chair may establish reasonable regulations including but not limited to limiting the amount of time allocated for public testimony on particular issues and for each speaker (e.g., three minutes). An allocated time limit of three minutes per speaker may be overridden on a majority vote of Commissioners.
- c) Comments on agenda items are appropriate when the item is being discussed by the Commission. A speaker shall not be heard during the "Public Expression" portion of the meeting on a matter listed on the agenda except as authorized by the Chair.
- d) The Commission shall act only on items appearing on the agenda unless the action is authorized by §54954.2. The Chair may refer matters raised during the "Public Comment" period to the appropriate staff.
- e) Members of the public are encouraged to submit comments in writing in advance to the Commission relating to any items within LAFCo's subject-matter jurisdiction, whether on the Commission agenda or otherwise. If received in time, staff will provide such written comments to all members of the Commission.

### **3.10.14 RULES OF PROCEDURE**

Robert's Rules of Order shall be used as the general guide for conducting meetings and to resolve points of order, unless otherwise specified herein.

## **3.11 COMMISSION REPRESENTATION**

### **3.11.1 CHAIR TO ACT AS CEREMONIAL REPRESENTATIVE**

The Chair is delegated to act as the Commission's ceremonial representative at public events and functions. In the Chair's absence, the Vice Chair is delegated to assume this responsibility. In both the Chair and the Vice Chair's absence, the Chair shall appoint another Commission member or alternate to assume this responsibility.

### **3.11.2 MINISTERIAL DUTIES**

The Chair is delegated to sign Commission correspondence and resolutions, and perform other ministerial functions as needed.

### **3.11.3 SPOKESPERSON**

The Chair is considered to be the official spokesperson to represent the Commission. However, the Commission may, from time to time, designate an alternate spokesperson to represent the Commission on a particular matter.

### **3.11.4 COMMISSION MEMBER PARTICIPATION IN COMMUNITY ACTIVITIES**

From time to time, Commission members and alternates may participate in community activities, events and task forces. Unless specifically authorized by the Commission, when a Commission member or alternate participates in such activities, the member or alternate is acting as an interested party rather than acting on behalf of the Commission.

### **3.11.5 REPRESENTATION**

LAFCo members shall represent the official policies or positions of Mendocino LAFCo to the best of their ability when designated by the Commission as a delegate and/or spokesperson for this purpose. When presenting their individual opinions and positions, Commissioners shall explicitly state they are doing so as an individual.

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## 4 | STAFFING

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### 4.1 EXECUTIVE OFFICER

The Commission shall appoint an Executive Officer as the chief administrative official to implement the policies and directives established by the Commission. The Executive Officer will also be responsible for the day-to-day operation of LAFCo.

The Executive Officer is an independent contractor appointed under a contract by the Commission. The terms, duties, responsibilities, and work program for the Executive Officer shall be based on a response to a Request for Proposal issued by the Commission, and shall be formalized through a Professional Services Agreement.

Additional staff members may also be included in the Agreement, with duties and responsibilities based on the response to the Request for Proposal and formalized in the Professional Services Agreement. These staff members may include a Commission Clerk, a LAFCo Analyst, or any other specialty personnel required to carry out the adopted work program.

### 4.2 LAFCO COUNSEL

Pursuant to §56384(b), the Commission shall appoint a legal counsel to advise it. The Commission may utilize the services of the Mendocino County Counsel's Office by contract for legal services or may solicit proposals from qualified attorneys to provide such services under contract. In the event of any conflict of interest on a matter before the Commission by the legal counsel, the Commission may appoint an alternate legal counsel pursuant to state law.

## 5 | BUDGET AND FINANCIAL PROCEDURES

LAFCo encourages an open, collaborative process in the development of its budget, and strives to equitably apportion its expenditures among the member agencies who contribute to the costs of LAFCo.

### 5.1 BUDGET

#### 5.1.1 AUTHORITY TO DEVELOP AND ADOPT THE BUDGET

Each year, following noticed public hearings, the Commission adopts Proposed and Final Budgets in accordance with the CKH Act. The Proposed Budget must be adopted by May 1<sup>st</sup> and the Final Budget by June 15<sup>th</sup>. The budget is based on a July 1 to June 30 fiscal year.

Subsequent to public hearings, consideration of comments, and adoption of a Final Budget by the Commission, the County Auditor is responsible for apportioning the net operating expenses of the Commission to the County, the cities and the independent special districts according to a formula established pursuant to §56381.

If the County, a city or an independent special district does not remit its required payment within 60 days after July 1, the Executive Officer shall request that the County Auditor collect an equivalent amount from the property tax, or any fee or eligible revenue owed to that agency, pursuant to §56381.

#### 5.1.2 PRELIMINARY BUDGET AND PROPOSED ANNUAL WORK PLAN

Prior to March 1<sup>st</sup> of each year, the Executive Officer shall prepare a Preliminary Budget and Work Plan for the ensuing fiscal year. The Preliminary Budget and Work Plan shall be submitted to the Executive Committee during March for their review, input and comment.

The Preliminary Budget shall show anticipated revenues and expected expenditures by line item in sufficient detail to allow for Commission, member agency, and public review. The Work Program shall provide a narrative of the expected work products to be accomplished during the fiscal year, and likewise shall be in sufficient detail to allow for Commission, member agency, and public review.

#### 5.1.3 PROPOSED BUDGET AND WORK PLAN

At the regular Commission meeting in April, the Executive Committee shall present the Proposed Budget and Work Plan for the ensuing fiscal year to the full Commission. The Proposed Budget shall be adopted following a noticed public hearing for which adequate notice has been given to each member agency.

#### 5.1.4 FINAL BUDGET AND WORK PROGRAM

Prior to June 15<sup>th</sup> of each year, the Final Budget and Work Plan for the ensuing Fiscal Year shall be adopted by the Commission. The Final budget shall be adopted following a noticed public hearing for which adequate notice has been given to each member agency.

#### 5.1.5 RESERVES FOR FISCAL STABILITY, CASH FLOW, AND CONTINGENCIES

Mendocino LAFCo will strive to maintain reserves for fiscal stability, unforeseen operating or capital needs, cash flow requirements, revenue source stability from revenue shortfalls, and unanticipated legal fees. The reserves consist of an Operating Reserve of 25 percent of the annual operating budget and a Legal Reserve of \$50,000 and are to be maintained in separate accounts. (*Resolution No. 2016-17-04*)

### **5.1.6 BUDGET ADJUSTMENTS**

The Commission may make adjustments to its budget at any time during the fiscal year as it deems necessary. The Executive Officer may approve expenditures exceeding individual account budgets up to 5 percent of a budget line, not to exceed \$3,000. Any budget exceedances will be reported to the Commission at the following regular meeting. (*Resolution No. 2017-18-03*)

## **5.2 FINANCIAL PROCEDURES**

### **5.2.1 YEAR-END FINANCIAL REPORT**

Following the end of each fiscal year, and as soon as year-end financial data is available, a year-end financial report shall be prepared for presentation to the Commission. This report will show revenues and expenditures for the fiscal year, a statement of net assets, and a statement of activities.

### **5.2.2 ANNUAL AUDIT**

An annual audit shall be performed utilizing the services of a qualified Certified Public Accountant. The contract for audit services shall be awarded by the Commission based on proposals solicited for this purpose, either on an annual basis or a multi-year renewable contract.

### **5.2.3 INTERIM CLAIMS APPROVAL**

The Chair or the Vice-Chair (if the Chair is unavailable) is hereby authorized to approve the Claim forms, authorizing the Executive Officer to issue payments. All such approved payments shall be presented to the Commission at their next meeting for review and ratification. (*Resolution 2016-17-02*)

### **5.2.4 CONFERENCE REIMBURSEMENT FOR CONTRACT EXECUTIVE OFFICER**

Mendocino LAFCo will reimburse the contracted Executive Officer 100 percent of the registration fee for attendance at the annual CALAFCO conference. All other conference related expenses, including travel, meals, and lodging expenses, will be the responsibility of the contracted Executive Officer. (*Resolution 2016-17-03*)



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## 6 | CONFLICT OF INTEREST AND FINANCIAL DISCLOSURE

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### 6.1 CONFLICT OF INTEREST

The California Political Reform Act, Government Code §81000 *et seq.*, requires each state and local government agency to adopt and promulgate a Conflict of Interest Code. The Fair Political Practices Commission (FPPC) has adopted a regulation, Title 2, §18730 of California Code of Regulations, which contains the terms of a standard Conflict of Interest Code. This standard Code is hereby incorporated by reference.

Persons serving in Designated Positions must file annual statements of economic interest (Form 700) with the Commission Clerk by April 1 of each year. Statements of economic interest are also required upon appointment to office and upon leaving office.

The following Designated Positions must file statements of economic interest:

- a) Commissioners and Alternate Commissioners
- b) Executive Officer
- c) LAFCo Counsel

### 6.2 FINANCIAL DISCLOSURE

Pursuant to Government Code §56700.1, expenditures for political purposes related to an application must be disclosed. All applicants, including individual property owners and other representatives who are a party to a proceeding, are required to submit a financial disclosure statement as part of any application package [§84308]. Disclosures must be made in the same manner as disclosures for local initiative measures presented to the electorate.

Any applicant or an agent of an applicant who has made business or campaign contributions totaling \$250 or more to any Commissioner (regular or alternate) in the past twelve months, must disclose that fact for the official record of the Commission [§84308(d)]. The disclosure of any such contribution (including amount of contribution and name of recipient Commissioner(s) must be made: (1) in writing and delivered to the Executive Officer prior to the hearing on the matter; or (2) by oral declaration made at the time the hearing on the matter is opened.

Commissioners shall be disqualified and not able to participate in any proceedings within a 12 month period preceding the LAFCo decision if the Commissioner received \$250 or more in campaign contributions from the applicant, an agent of the applicant, or any financially interested person who actively supports or opposes the LAFCo decision on the matter.

### 6.3 DEALING WITH A CONFLICT

Whenever a Commissioner is disqualified or has a conflict of interest, that Commissioner shall not participate in the proceedings. It is recommended that the Commissioner state the basis for the conflict of interest immediately after the Chair announces the item for consideration, and then refrain from participating in the deliberations, abstain from voting, and leave the room in which the meeting is being held.

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## 7 | DOCUMENT RETENTION AND DESTRUCTION POLICY

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### 7.1 DOCUMENT RETENTION

Except as otherwise provided herein, and subject to the conditions contained in this policy, all original records and documents maintained by LAFCo will be retained for a period of five (5) years. A true copy of all documents shall be kept in a safe and separate place for security purposes.

As used in this policy, the term “record” (or “record of proceedings”) is defined to mean documents that show decisions or actions taken by the Commission in fulfillment of its statutory responsibilities. Records maintained by the Commission include the following: Records of proceedings (LAFCo application, petition or other initiating documents; statement of property valuation; statement of tax rate area assignment; indemnification and agreements to pay; Certificates of Filing and Completion; copies of public hearing notice; environmental review documents prepared for purposes of complying with the California Environmental Quality Act (“CEQA”); plan for service; map and legal description; staff reports; impartial analysis; order for change of organization/reorganization; documentation of election and results; Statement of Boundary Change; State Board of Equalization acknowledgement letter, LAFCo meeting minutes, Municipal Service Reviews); and Administrative/Financial documents (budgets, accounts payable, accounts receivable, audits, invoices, ledgers, registers, Commissioner reimbursements, Commissioner policies and procedures, agreements, contracts, leases, purchase orders, requisitions, recruitment/selection/resumes, claims).

### 7.2 LIMITED EXCEPTIONS TO FIVE YEAR RETENTION PERIOD

Original statements of economic interest (Form 700) shall be retained by the Commission for a period of seven (7) years. Environmental review documents that are prepared by a lead agency other than LAFCo (i.e., Environmental Impact Reports and other CEQA documents that are approved or adopted by LAFCo but are not prepared by LAFCo as the lead agency for the project), will be retained by the Commission for a period of two (2) years. Environmental review and CEQA documents prepared by LAFCo as the lead agency for the environmental review of the project will be retained for a period of five (5) years.

### 7.3 DESTRUCTION AUTHORIZED FOLLOWING REQUIRED RETENTION PERIOD

At the conclusion of the applicable required retention period, the Executive Officer is authorized to destroy records as needed. If deemed necessary by the Executive Officer, a photographic or electronic copy of the original record may be made and preserved in the manner specified in §56382. Any documents that are preserved must be made as accessible for public reference as the original records were.

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## 8 | ELECTRONIC EMAIL AND DEVICES POLICY

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- a) Mendocino LAFCo discourages the use of personal email accounts for LAFCo-related business. All LAFCo related business should be conducted through Commissioners' respective agency-provided email accounts (i.e., county, city, special district), or a personal email account designated specifically for LAFCo business.
- b) Mendocino LAFCo discourages the use of personal electronic devices in the course of LAFCo business as any device used may be subject to search as permitted or required by law. Should Commissioners and staff choose to use personal electronic devices for LAFCo-related business, they are assuming the risk that such communications may be public records and their device may be subject to search for public records.
- c) In order to avoid inadvertent violations of open meeting laws, the Commissioners may not use portable electronic devices to communicate with each other during a meeting of the Commission. Further, consistent with law, a majority of the Commissioners may not communicate with each other, either at the same time or serially, regarding LAFCo matters, outside of noticed Commission meetings.
- d) Use of electronic devices for personal communication during the active portion of LAFCo meetings is discouraged as it creates a public perception of inattention to the LAFCo proceedings.
- e) Commissioners and staff should delete all confidential information from portable or personal electronic devices in conformance with LAFCo Record Retention policies, provided a copy has been stored in LAFCo records and will be available for the required retention period.

*(Resolution 2017-18-10)*

**Part 2:**  
**Boundary Change  
Policies & Procedures**

## 9 | GENERAL POLICIES AND STANDARDS

### 9.1 COMMUNICATION AMONG LOCAL AGENCIES

LAFCo considers that an important part of its role is to encourage communication and collaborative planning and studies among public agencies (such as the County, cities, and special districts), members of the public, and private sector service providers.

### 9.2 INTER-LAFCo COORDINATION

Mendocino LAFCo recognizes that special districts may have territory in more than one county and that development patterns similarly do not always follow county boundaries. The Commission also recognizes that decisions made in one county can have significant environmental, economic, or fiscal impacts on another county. Recognizing that sharing information, policies and perspectives with neighboring LAFCos can benefit the public by enhancing and expediting the decision-making process, Mendocino LAFCo seeks to foster such sharing by formalizing its policy on cooperation with other LAFCos. (*Resolution No. 2017-18-13*)

#### 9.2.1 GENERAL

In recognition that the Cortese-Knox-Hertzberg Act vests authority for jurisdictional changes and all other matters with the LAFCo of a district's Principal County, Mendocino LAFCo affirms as policy that activities and decisions affecting independent special districts having territory in more than one county ("multi-county districts") are the sole responsibility of the Principal County LAFCo. This policy applies to:

- a) Conduct and adoption of Municipal Service Reviews ("MSRs");
- b) Adoption, update and amendment of Sphere of Influence Plans ("SOIs"), including adjustments of sphere horizons and changes in the assignment of territory to particular horizons;
- c) Changes of organization such as formation, dissolution, annexation, and detachment;
- d) Actions affecting the provision of services, such as changes in service boundaries and provision of new services.
- e) Notwithstanding the policy stated above, Mendocino LAFCo will share information and engage in joint activities with neighboring LAFCos whenever doing so can reasonably be expected to reduce costs, improve efficiency in performance of LAFCo actions, or enhance the quality of LAFCo decisions and not conflict with provisions of applicable law.

#### 9.2.2 TRANSFERS OF JURISDICTION

When requested by LAFCo of an affected county, Mendocino LAFCo will consider and determine, on a case-by-case basis, whether it is appropriate to transfer jurisdiction to the LAFCo of the affected county.

The Commission has authority pursuant to the provisions of Section 56388 of the Government Code to transfer jurisdiction for certain district proposals to the LAFCo of the county in which the subject territory is wholly or partially located. Mendocino LAFCo recognizes that such transfer of jurisdiction may benefit the public by expediting service or enhancing development of information regarding the subject territory. The Commission hereby delegates to its Executive Officer its authority to transfer jurisdiction for proposals involving a multi-county district and property located wholly outside Mendocino County if those proposals are of minor significance and the transfer would be of benefit to the public.

- a) Proposals for formation or dissolution of agencies, modification of sphere plans, or activation of latent powers may not be transferred without Commission approval.
- b) Considerations involved in the determination whether a proposal is of minor significance include, but are not necessarily be limited to, the size of the area involved, the number of property owners, the assessed valuation, and the potential impact of the action on all affected service providers.
- c) The Mendocino LAFCo Executive Officer shall make any such transfer of jurisdiction in writing (or subsequently prepare a written record for a transfer first approved orally or electronically) and promptly inform the Chair. The Chair and Executive Officer shall report such transfers to the Commission in a timely manner.

### **9.2.3 MULTI-COUNTY APPLICATION PROCESSING PROCEDURES**

Mendocino LAFCo recognizes the need to collaborate with the LAFCos of affected counties and when considering a change of organization of a district that is located in more than one county. To further this collaboration and assure thorough and consistent consideration of applications affecting more than one county, the Commission adopts the following procedure for processing applications from multi-county districts.

### **9.2.4 MENDOCINO LAFCO THE PRINCIPAL LAFCO**

The Executive Officer of Mendocino LAFCo will inform neighboring LAFCo Executive Officers whenever Mendocino LAFCo receives a proposal for or initiates action on an MSR, SOI, organizational change, or service change involving a multi-county district for which Mendocino is the Principal County but has territory in the neighboring LAFCo's county.

- a) Applications affecting the boundaries of a district for which Mendocino LAFCo is the principal LAFCo shall be submitted to Mendocino LAFCo, including instances in which the subject territory is located in another county. Prior to application, applicants should meet with Mendocino LAFCo staff and the staff of the LAFCo in the affected county regarding process and application requirements.
- b) Upon receipt of an application involving territory in another county, Mendocino LAFCo staff shall immediately forward a copy of the application to the LAFCo of the affected county. Mendocino LAFCo staff shall also notify all affected local agencies of any proceedings, action, or reports on the proposed change of organization.
- c) Mendocino LAFCo staff shall consult with the staff of the LAFCo of the affected county and the staffs of affected agencies, to gather data for the Executive Officer's report and recommendation.
- d) Mendocino LAFCo shall schedule Commission consideration of the application so that the LAFCo of the affected county has had time to review the application and submit a written recommendation to be included in the Executive Officer's report for Mendocino LAFCo consideration.
- e) During its consideration of the application, the Commission shall consider the Executive Officer's report, the recommendation of the LAFCo of the affected county, and the comments of interested persons and affected local agencies in making its determination.
- f) Following the Commission's consideration of the application, the Executive Officer shall forward any resolutions and written report of Commission action to all affected local agencies and the LAFCo of the affected county.

### **9.2.5 MENDOCINO LAFCO NOT PRINCIPAL LAFCO**

Upon receipt by Mendocino LAFCo of a referral from the LAFCo of another county of an application for a change of organization affecting territory in Mendocino County, Mendocino County staff shall place the

application and report and recommendation on Mendocino LAFCo's next possible agenda so that the Commission may consider the application and forward a recommendation to the principal LAFCo. The application will be processed and a staff report will be prepared consistent with Mendocino LAFCo's Policies and Procedures.

### **9.3 PREMATURE EXTENSION OF URBAN SERVICES**

Prior to the Commission's consideration of a sphere of influence expansion request or a change of organization involving annexation of territory to a city or district, the applicant shall provide a plan for services including written evidence from the affected agency that it has the service capacity and fiscal capability to adequately serve the subject territory.

The Commission discourages the extension of urban services (i.e., water and sewer service) in the absence of either existing development or plans for imminent development. Unless exceptional circumstances exist, no application for a change of organization or reorganization will be accepted until all discretionary approvals for any pending application for land use entitlements, including land divisions pertaining to the subject territory, are granted.

### **9.4 DISCOURAGING URBAN SPRAWL**

LAFCo has been directed by the State Legislature to discourage urban sprawl, and the Commission will generally deny proposals that can reasonably be expected to result in sprawl. Sprawl is characterized by irregular, dispersed, and/or disorganized urban or suburban growth patterns occurring at a relatively low density and in a manner that precludes or hinders efficient delivery of municipal services, especially roads, sewer, and water.

### **9.5 ENVIRONMENTAL REVIEW (CEQA)**

LAFCo shall operate in accordance with the CEQA and the regulations of the California Resources Agency, which establishes the guidelines for its implementation. Furthermore, whenever an agency other than the Commission is involved in the approval of a project, the Commission prefers that the other agency be designated as the "Lead Agency." For annexations and/or reorganizations involving annexation to a city, the city shall act as the Lead Agency under CEQA for the proposal.

### **9.6 COMPACT URBAN FORM AND INFILL DEVELOPMENT ENCOURAGED**

When reviewing proposals that would result in urban development, LAFCo will consider whether the proposed development is timely, compact in form, and contiguous to existing urbanized areas. LAFCo will favor development of vacant or underutilized parcels already within a city or other urbanized area prior to annexation of new territory.

### **9.7 PUBLIC ACCESSIBILITY AND ACCOUNTABILITY**

LAFCo recognizes that the public's ability to participate in the local governance process is improved when the government structure is clear and accessible and when decision-makers are accountable to the public. The Commission shall consider this principle when it evaluates proposals for changes of organization or reorganization.

## **9.8 ADEQUATE SERVICES**

LAFCo shall consider the ability of an agency to effectively and efficiently deliver adequate, reliable, and sustainable services and shall not approve a proposal that has significant potential to diminish the level of service in the agency's current jurisdiction. The agency will be required to provide satisfactory documentation of capacity to provide service within a reasonable period of time.

## **9.9 EFFICIENT SERVICES**

Community needs are typically met most effectively and efficiently by proposals that:

- a) utilize existing public agencies rather than create new ones;
- b) consolidate the activities and services of public agencies in order to obtain economies from the provision of consolidated services; and
- c) restructure agency boundaries and service areas to provide more logical, effective, and efficient local government services.

## **9.10 COMMUNITY IMPACTS**

LAFCo shall consider the impacts of a proposal and any alternative proposals on adjacent areas, on social and economic interests, and on the local government structures of the County. The Commission may deny a proposal if adverse impacts are not mitigated to an acceptable level.

## **9.11 CONFORMANCE WITH GENERAL AND SPECIFIC PLANS**

### **9.11.1 CONSISTENCY WITH GENERAL AND SPECIFIC PLANS**

LAFCo shall approve changes of organization or reorganization only if the proposal is consistent with the applicable General Plan and any applicable Specific Plan. LAFCo shall discourage proposals that promote urban development in areas not planned for urban uses.

### **9.11.2 CONSISTENCY FOUND ADEQUATE**

The proposal shall be deemed consistent if the proposed use is consistent with the applicable General Plan designation and the anticipated types of services to be provided are appropriate to the land use designated for the area.

### **9.11.3 PRE-ZONING OR PLANNING**

All territory proposed for city annexation must be specifically planned and/or pre-zoned. The pre-zoning of the territory must be consistent with the applicable General Plan and sufficiently specific to determine the likely intended use of the property. Subsequent change to the zoning by a city is prohibited by state law for a period of two years under most circumstances.

## **9.12 BOUNDARIES**

### **9.12.1 DEFINITE BOUNDARIES REQUIRED**

LAFCo shall not accept as complete any application unless it includes boundaries that are definite, certain, and fully described.



### 9.12.2 BOUNDARY CRITERIA

LAFCo will generally favor applications with boundaries that do the following:

- a) create logical boundaries within the affected agency's sphere of influence, and where possible, eliminate previously existing islands or other illogical boundaries;
- b) follow natural or man-made features and include logical service areas where appropriate; and
- c) place all streets and rights-of-way within the same jurisdiction as the properties which abut thereon and/or for the benefit of which such streets and rights-of-way are intended.

### 9.12.3 BOUNDARY ADJUSTMENTS

LAFCo will generally amend proposals with boundaries which:

- a) Split neighborhoods or divide existing identifiable communities, commercial districts, or other areas having a social or economic identity.
- b) Result in islands, corridors, or peninsulas of incorporated or unincorporated territory or otherwise cause or further the distortion of existing boundaries.
- c) Are drawn for the primary purpose of encompassing revenue-producing territories.
- d) Create areas where it is difficult to provide services.

### 9.12.4 BOUNDARY DISAPPROVALS

If LAFCo, in consultation with the applicant, cannot suitably adjust the proposed boundaries to meet the criteria established above, it will generally deny the proposal.

## 9.13 AGRICULTURAL AND OPEN SPACE LAND

### 9.13.1 AGRICULTURAL POLICIES

- a) LAFCo's decisions shall reflect its legislated responsibility to work to maximize the retention of prime agricultural land and open space while facilitating the logical and orderly expansion of urban areas.
- b) Urban growth shall be guided away from existing prime agricultural lands unless that action would not promote planned, orderly, and efficient development of an area.
- c) The Commission shall not approve a change of organization or reorganization that would result in the annexation of territory that is subject to a Williamson Act contract unless the facilities or services proposed benefit the uses that are allowed under the contract.
- d) Development of existing vacant lands for urban uses within the jurisdictional boundaries of a local agency shall be encouraged before any annexation proposal or change to a sphere of influence is approved which would lead to, or allow, the development of prime agricultural or open space lands outside the existing jurisdiction of any local agency.
- e) Spheres of influence should reflect consideration for existing and/or potential agricultural use or resource land use and should not be extended into such areas for purposes of allowing urban development.

### 9.13.2 FACTORS TO CONSIDER IN REVIEW OF A PROPOSAL

A proposal which includes agricultural or open-space designated land shall be evaluated in light of the existence of the following factors:

- a) “prime agricultural land” as defined in G.C. §56064;
- b) “open space” as defined in G.C. §56059;
- c) land that is under contract to remain in agricultural or open-space use, such as a Williamson Act Contract or Agricultural/Open-Space Easement;
- d) land which has an agricultural or open-space designation;
- e) the adopted General Plan policies of the County and the affected city;
- f) the physical and economic integrity of both agricultural lands proposed for conversion to urban use and adjoining land in agricultural use;
- g) the potential for the premature conversion of agricultural or open-space designated land to urban use; and
- h) the policies and priorities in G.C. §56377.

### **9.13.3 CONDITIONS FOR APPROVAL OF PRIME AG/OPEN SPACE LAND CONVERSION**

LAFCo will apply a heightened level of review when considering proposals which could reasonably be expected to induce, facilitate, or lead to the conversion of prime agricultural land or open space uses to other uses and will approve such proposals only when the Commission finds that the proposal will lead to planned, orderly, and efficient development and/or provision of services. For purposes of this standard, a proposal leads to planned, orderly, and efficient development only if all of the following criteria have been considered:

- a) the land subject to the change of organization or reorganization is contiguous either to lands developed with an urban use or to lands which have received all discretionary approvals for urban development;
- b) the proposed development of the subject lands is consistent with the sphere of influence plan(s) of the affected agency or agencies;
- c) the land subject to the change of organization is likely to be developed within five years. For large development projects, annexation should be phased wherever feasible. If the Commission finds phasing infeasible for specific reasons, it may approve annexation if all or a substantial portion of the subject land is likely to develop within a reasonable period of time;
- d) insufficient vacant non-prime or open space land exists within the existing agency boundaries or applicable sphere boundaries that is planned and developable for the same general type of use; and
- e) The proposal will have no significant adverse effect on the physical and economic integrity of other ag/open space lands.

## **9.14 DISADVANTAGED UNINCORPORATED COMMUNITIES**

### **9.14.1 DEFINITION**

A Disadvantaged Unincorporated Community (DUC) is defined as a developed area that has been identified as such by LAFCo, the County or applicable city; or one that meets all the following standards:

- a) is substantially developed with primarily residential uses;
- b) does not have reliable public water, sewer, or structural fire protection service available;
- c) contains at least 12 registered voters; and

- d) has a median household income level of 80% or less than the statewide median household income.

### 9.14.2 REQUEST FOR DETERMINATION

In addition to those DUCs identified by LAFCo or other agencies, residents or property owners may request that LAFCo determine whether a specific area meets the definition listed above to be treated as a DUC. The review shall be conducted by LAFCo staff and shall, if appropriate, be submitted for consideration and approval by the Commission.

### 9.14.3 IDENTIFICATION OF DUCS

The Commission will identify DUCs, for the purpose of:

- a) Municipal Service Reviews. Water, Wastewater, and Fire Protection Municipal Service Reviews will identify opportunities for the provision of those services to DUCs.
- b) City and District Annexations. DUCs located adjacent to areas proposed for annexation to a city or special district shall be included in the annexation or reorganization proposal or be separately proposed for annexation unless the Commission has determined that the disadvantaged community would not benefit by annexation, or if at least 50% of the registered voters within the affected territory have indicated opposition to annexation.

## 9.15 UNINCORPORATED ISLANDS

The Commission acknowledges that unincorporated islands are generally costly for county government to serve and often have service impacts on the surrounding city. Cities should be encouraged to annex unincorporated islands or land that is substantially surrounded by a city (G.C. §56375.3 and 56744). LAFCo discourages the formation of special districts within unincorporated islands for services that are readily available from the surrounding city.

## 9.16 EXCEPTIONS

LAFCo may make exceptions to any of the standards in this chapter if it determines that such exceptions can be justified upon one or more of the following grounds:

- a) the project has a unique physical constraint which is so unusual and inconsistent with other similar locations that granting an exception would not be a grant of a special privilege;
- b) exceptions are required to resolve conflicts between standards of these policies;
- c) the project will result in significantly improved quality or substantially lower cost of service available; and
- d) no feasible or logical alternative exists.

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## 10 | SPHERES, MSRS, AND SPECIAL STUDIES

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### 10.1 SPHERES OF INFLUENCE

#### 10.1.1 LEGISLATIVE AUTHORITY AND INTENT

A sphere of influence is the probable 20-year growth boundary for a jurisdiction's physical development. The Commission shall use spheres of influence to:

- a) promote orderly growth and development within and adjacent to communities;
- b) promote cooperative planning efforts among cities, the County, and special districts to address concerns regarding land use and development standards, premature conversion of agriculture and open space lands, and efficient provision of public services;
- c) guide future local government reorganization that encourages efficiency, economy, and orderly changes in local government; and
- d) assist property owners in anticipating the availability of public services in planning for the use of their property.

#### 10.1.2 DEFINITIONS

The Commission incorporates the following definitions:

- a) an "establishment" refers to the initial development and determination of a sphere of influence by the Commission;
- b) an "amendment" refers to a limited change to an established sphere of influence typically initiated by a landowner, resident, or agency; and
- c) an "update" refers to a comprehensive change to an established sphere of influence typically initiated by the Commission.

#### 10.1.3 SPHERE UPDATES

In updating spheres of influence, the Commission's general policies are as follows:

- a) The Commission will review all spheres of influences every five years for each governmental agency providing municipal services. Municipal services include water, wastewater, police, and fire protection services.
- b) Sphere of influence changes initiated by any agency providing a municipal service shall generally require either an updated or new service review unless LAFCo determines that a prior service review is adequate.
- c) Spheres of influence of districts not providing municipal services including, but not limited to, ambulance, recreation, hospital, resource conservation, cemetery, and pest control shall be updated as necessary.

#### 10.1.4 REDUCED SPHERES

The Commission shall endeavor to maintain and expand, as needed, spheres of influence to accommodate planned and orderly urban development. The Commission shall, however, consider removal of land from an agency's sphere of influence if either of the following two conditions apply:

- a) the land is outside the affected agency’s jurisdictional boundary but has been within the sphere of influence for 10 or more years; or
- b) the land is inside the affected agency’s jurisdictional boundary but is not expected to be developed for urban uses or require urban-type services within the next 10 years.

#### **10.1.5 ZERO SPHERES**

LAFCo may adopt a “zero” sphere of influence encompassing no territory for an agency. This occurs if LAFCo determines that the public service functions of the agency are either nonexistent, no longer needed, or should be reallocated to some other agency (e.g., mergers, consolidations). The local agency which has been assigned a zero sphere should ultimately be dissolved.

#### **10.1.6 SERVICE SPECIFIC SPHERES**

If territory within the proposed sphere boundary of a local agency does not need all of the services of the agency, a “service specific” sphere of influence may be designated.

#### **10.1.7 AGRICULTURE AND OPEN SPACE LANDS**

Territory not in need of urban services, including open space, agriculture, recreational, rural lands, or residential rural areas shall not be assigned to an agency’s sphere of influence unless the area’s exclusion would impede the planned, orderly and efficient development of the area. In addition, LAFCo may adopt a sphere of influence that excludes territory currently within that agency’s boundaries. This may occur when LAFCo determines that the territory consists of agricultural lands, open space lands, or agricultural preserves whose preservation would be jeopardized by inclusion within an agency’s sphere. Exclusion of these areas from an agency’s sphere of influence indicates that detachment is appropriate.

#### **10.1.8 ANNEXATIONS ARE NOT MANDATORY**

Before territory can be annexed to a city or district, it must be within the agency’s sphere of influence (G.G. §56375.5). However, territory within an agency’s sphere will not necessarily be annexed. A sphere is only one of several factors that are considered by LAFCo when evaluating changes of organization or reorganization.

#### **10.1.9 ISLANDS OR CORRIDORS**

Sphere of influence boundaries shall not create islands or corridors unless it can be demonstrated that the irregular boundaries represent the most logical and orderly service area of an agency.

#### **10.1.10 OVERLAPPING SPHERES**

LAFCo encourages the reduction of overlapping spheres of influence to avoid unnecessary and inefficient duplication of services or facilities. In deciding which of two or more equally capable agencies shall include an area within its sphere of influence, LAFCo shall consider the agencies’ service and financial capabilities, social and economic interdependencies, topographic factors, and the effect that eventual service extension will have on adjacent agencies. Where an area could be assigned to the sphere of influence of more than one agency, the following hierarchy typically applies:

- a) Inclusion within a city’s sphere
- b) Inclusion within a multi-purpose district’s sphere
- c) Inclusion within a single-purpose district’s sphere

Territory placed within a city's sphere indicates that the city is the most logical provider of urban services. LAFCo encourages annexation of developing territory (i.e., area not currently receiving services) that is currently within a city's sphere to that city rather than to one or more single-purpose special districts. LAFCo discourages the formation of special districts within a city's sphere. To promote efficient and coordinated planning among the county's various agencies, districts that provide the same type of service shall not have overlapping spheres.

#### **10.1.11 MEMORANDUM OF AGREEMENTS (FOR CITY SPHERE AMENDMENTS AND UPDATES)**

Prior to submitting an application to LAFCo for a new city sphere of influence or a city sphere of influence update, the city shall meet with the County to discuss the proposed new boundaries of the sphere and explore methods to reach agreement on development standards and planning and zoning requirements as contained in G.C. §56425. If an agreement is reached between the city and County the agreement shall be forwarded to LAFCo. The Commission shall consider and adopt a sphere of influence for the city consistent with the policies adopted by LAFCo and the County, and LAFCo shall give great weight to the agreement to the extent that it is consistent with LAFCo policies in its final determination of the city sphere.

#### **10.1.12 AREAS OF INTEREST**

LAFCo may, at its discretion, designate a geographic area beyond the sphere of influence as an Area of Interest to any local agency. (*Resolution No. 2018-19-01*)

- a) An Area of Interest is a geographic area beyond the sphere of influence in which land use decisions or other governmental actions of one local agency (the "Acting Agency") impact directly or indirectly upon another local agency (the "Interested Agency"). For example, approval of a housing project developed to urban densities on septic tanks outside the city limits of a city and its sphere of influence may result in the city being forced subsequently to extend sewer services to the area to deal with septic failures and improve city roads that provide access to the development. The city in such a situation would be the Interested Agency with appropriate reason to request special consideration from the Acting Agency in considering projects adjacent to the city.
- b) When LAFCo receives notice of a proposal from another agency relating to the Area of Concern, LAFCo will notify the Interested Agency and will consider its comments.
- c) LAFCo will encourage Acting and Interested Agencies to establish Joint Powers Agreements or other commitments as appropriate.

## **10.2 MUNICIPAL SERVICE REVIEWS**

- a) A service review will be prepared prior to, or in conjunction with each sphere of influence establishment, update, or amendment unless LAFCo determines that a prior service review is adequate (i.e., there are no significant changes in existing or anticipated circumstances). A minor sphere of influence amendment will not require a service review. A minor sphere of influence amendment is one that does not have any adverse regional, planning, economic, or environmental impacts.
- b) LAFCo will consider service review determinations and recommendations when rendering sphere of influence findings.

### **10.3 SPECIAL STUDIES**

The Commission may undertake special studies or service reviews when requested by an agency or initiated by the Commission.

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## 11 | GENERAL APPLICATION REQUIREMENTS

### 11.1 LAFCo JURISDICTION

#### 11.1.1 SPECIFIC AUTHORITY

LAFCo has the specific authority to review and approve or disapprove:

- a) Annexations to, or detachments from, cities or districts;
- b) Formation or dissolution of districts;
- c) Incorporation or disincorporation of cities;
- d) Consolidation or reorganization of cities or districts;
- e) Merger of a city and a district;
- f) Establishment of subsidiary districts;
- g) The establishment of, and amendments to, spheres of influence;
- h) Extensions of service beyond an agency's jurisdictional boundaries; and
- i) Provision of new or different services by districts.

#### 11.1.2 LIMITED AUTHORITY TO INITIATE PROPOSALS

Under specific circumstances, LAFCo may initiate proposals resulting in the formation, dissolution, or consolidation of districts; merger of a city and district; establishment of a subsidiary district; or reorganizations that include any of the aforementioned changes of organization.

#### 11.1.3 LIMITATION OF AUTHORITY RELATING TO LAND USE CONDITIONS

In order to carry out the legislative policies identified above, LAFCo has the power to approve or disapprove applications, or to impose reasonable conditions of approval. However, while LAFCo is charged with consideration of the impacts of land use in its determination, it is prohibited from directing specific land use or zoning actions. LAFCo can deny an application where the land use that would result violates the statutory policies of CKH Act.

### 11.2 NOTICE AND PUBLIC PARTICIPATION

#### 11.2.1 PUBLIC PARTICIPATION ENCOURAGED

LAFCo encourages participation in its decision-making process. The CKH Act provides for a wide dissemination of notice. LAFCo shall not necessarily be limited to the minimum requirements by law and policy. The Commission will provide opportunity for the public to be heard at LAFCo meetings in accordance with the procedures set forth in its Administrative Policies.

#### 11.2.2 UNNECESSARY PUBLIC HEARINGS ELIMINATED

Where LAFCo is authorized by CKH Act to consider a proposal without public hearing, the proposal will be considered by the Commission without a public hearing, unless the Executive Officer or the Commission determines that the matter is of sufficient public interest or controversy to warrant a public hearing (G.C. §56662, 56664).



## 11.3 APPLICATION BY RESOLUTION OF APPLICATION PREFERRED

- a) While the CKH Act permits initiation of applications to LAFCo either by resolution of an affected agency or by direct landowner/voter petition, LAFCo prefers that the resolution procedure be utilized wherever feasible. Use of the resolution of application procedure is preferred because (1) it involves the affected public agency early in the process to assure that the agency's concerns are considered and (2) it better integrates CEQA processing by the affected public agency as Lead Agency. Each applicant shall be advised of this policy at the earliest possible time.
- b) Prior to accepting a petition-initiated application (other than for sphere updates, district formations, and city incorporations), the LAFCo Executive Officer will require the proponent(s) to demonstrate that they have attempted to initiate proceedings by a resolution of application or otherwise obtain the sponsorship of the affected public agency.
- c) If the proposal will require a public hearing and is submitted by resolution of application, prior to adopting the resolution, the initiating agency may notify registered voters and property owners and affected/interested agencies (G.C. §56654). A resolution of application must contain the same information as a petition, except for signatures (G.C. §56700).

## 11.4 APPLICATION REQUIREMENTS

### 11.4.1 PRE-APPLICATION

LAFCo encourages a pre-application discussion between the proponent and LAFCo staff, which can save the prospective applicant substantial time once the process has begun. LAFCo staff will review procedures, applicable spheres of influence, information requirements, environmental review requirements, processing fees, and provide application forms.

### 11.4.2 APPLICATION MATERIALS

Applications to the Commission must contain all the information and materials required by the Applications to the Commission must contain all the information and materials required by the CKH Act (G.C. §56652 and 56653), including a plan for services, as well as the applicable fees or deposit toward fees as specified by the LAFCo Fee Schedule. Except when the Commission is the Lead Agency pursuant to the CEQA (as defined in Public Resources Code §21067), an application must also contain complete documentation of the Lead Agency's environmental determination. No application for a change of organization or reorganization will be deemed complete and scheduled for public hearing until proof of a property tax exchange agreement, in the form of adopted resolutions, is provided by the local agencies whose service area or service responsibility will be altered by the proposed jurisdictional change pursuant to Revenue and Taxation Code Section 99(b)(6). To facilitate the tax exchange process, upon receipt of applications requiring the tax exchange agreement, LAFCo staff will provide notification of the application to the County CEO, Auditor and Assessor, the Board of Supervisors, and all affected agencies with a copy also provided to the Supervisor in whose district the change of organization is proposed. (*Resolution No. 2017-18-02*)

### 11.4.3 FEES AND INDEMNIFICATION

The application shall also include an agreement to pay costs and indemnification. The agreement to pay costs and indemnification must be signed by the applicant for the application to be deemed complete. (*Following approved by the Commission, 5/12/2016*)

#### **11.4.4 DEPOSITS**

Where indicated in the Fee Schedule, deposits toward the actual cost of processing proposals must be paid at the time an application is submitted. All deposits are initial payments toward the actual costs of processing proposals, including staff time and materials (e.g., noticing, postage, copying). Applicants must sign an At-Cost Fee Agreement, consenting to reimburse LAFCo for all costs incurred in processing, including pre-application assistance.

#### **11.4.5 BILLING PROCEDURE**

Staff's work on applications, which includes overhead costs, is tracked on an hourly basis. LAFCo will provide monthly invoices to the applicant. If actual costs exceed the deposit amount, LAFCo will invoice the applicant for the additional costs. Processing of the application may be suspended until payment is received. All final invoices must be paid by the applicant prior to filing the Certificate of Completion. Any portion of the deposit not used for processing is refunded.

#### **11.4.6 OUTSIDE ASSISTANCE FEES**

The Commission may, at its sole discretion, contract for outside assistance in processing and review of an application. The types of assistance include, but are not limited to, legal, engineering, environmental, and planning. The estimated or actual costs, as determined by the Commission for such assistance shall be deposited with the Executive Officer before an application will be processed further.

#### **11.4.7 LEGAL COUNSEL FEES**

Applicants will be charged the actual costs of fees associated with legal consultation or review. While most applications do not require legal review, occasionally a proposal will develop significant legal issues that require considerable legal counsel involvement. Legal fees must be paid in full prior the final processing of an application.

#### **11.4.8 INDEMNIFICATION**

As part of the application, applicant shall be required to sign an indemnification agreement for all reasonable expenses and attorney fees in connection with the application.

#### **11.4.9 REFUNDS OF FEES**

Except for unused portions of deposits, all fees paid to LAFCo are non-refundable. If an application is withdrawn by the applicant prior to the time that the application has been publicly noticed for hearing by the Commission, all unexpended funds shall be returned to the applicant. Otherwise, payment of fees is not a guarantee of approval of the submitted proposal.

#### **11.4.10 WAIVER OF FEES**

The Commission may waive a fee in special circumstances or if it finds that payment would be detrimental or contrary to the public interest. Fees may be waived or reduced for applications filed in response to a condition imposed by or a recommendation made by the Commission. A request for waiver, including an explanation for the request, must be submitted in writing to the Commission. Staff will present the request to the Commission, along with analysis and recommendation, for its determination.

#### **11.4.11 AUTHORIZED OFFICER**

Where the application is by resolution of application from an agency, the application and related agreements must be signed by an authorized officer of the agency.

## 11.5 COMMISSION PROCEEDINGS

- a) Upon submittal of an application, the Executive Officer shall review the proposal and within 30 days of its receipt either:
  - i. Determine that the application is complete and issues a Certificate of Filing, setting the Commission hearing within 90 days. After receiving an application and before issuance of a Certificate of Filing, the Executive Officer shall give mailed notice to affected agencies, county departments, school districts, and other affected counties' LAFCos pursuant to G.C. §56658(b), unless the subject agency has already given notice pursuant to G.C. §56654(c); or
  - ii. Determine that the application is not complete and notifies the proponent pursuant to G.C. §56658(g).
- b) If a proposal involves a district annexation that is not initiated by the annexing district, or a proposal involving the detachment of territory from a city, the proposal shall be scheduled as an informational item for the next Commission meeting and the annexing district or detaching city shall be notified that the proposal has been submitted. No later than 60 days after the date the proposal is on the Commission's agenda as an informational item the annexing district or detaching city may transmit a resolution terminating the proceedings (G.C. §56751, 56857).
- c) The Executive Officer, at least 21 days prior to the date set for hearing, shall give notice by publication, posting, website, and mailed notice to landowners and registered voters pursuant to G.C. §56660 and 56661. Some Commission actions can be made without notice and hearing, such as annexations and detachments with written consent of all landowners. Notice and opportunity to request a public hearing must be given to agencies whose boundaries are affected (G.C. §56662).
- d) The Executive Officer shall review the application and any comment received, and shall prepare a written report and recommendation. The report reviews pertinent factors and policies, procedures, spheres of influence, and general and specific plans.
- e) The Executive Officer shall mail the report at least five days prior to the hearing to each commissioner, each person named in the application to receive a report, each affected local agency requesting a report, each agency whose boundaries or sphere of influence will be changed, and the LAFCo executive officer of any other affected county (G.C. §56665).
- f) The Commission shall hear the proposal on the noticed date and time. The hearing may be continued for up to 70 days (G.C. §56666). The Commission must consider a number of factors and policies in compliance with G.C. §56668 and 56668.3.

## 11.6 COMMISSION ADOPTION OF A RESOLUTION

- a) In its actions, the Commission may:
  - i. approve the proposal as submitted;
  - ii. approve the proposal with an amendment;
  - iii. approve the proposal with conditions; or
  - iv. deny the proposal.
- b) Within 35 days after the conclusion of the hearing, the Commission shall adopt a resolution approving, approving conditionally, or disapproving the proposal (G.C. §56880). Upon execution of the resolution, copies shall be mailed to the chief petitioners, if any, and the affected agencies whose boundaries would be changed by the proposal. (G.C. §56882)

- c) If the proposal is approved, a protest hearing shall be scheduled unless it has been waived in accordance with G.C. §56663. If the proposal is approved with conditions, the resolution of approval shall include a description of the required terms and conditions for approval. If the proposal is denied, no further proceedings shall be taken on that proposal and no similar proposal involving the same territory may be initiated for one year unless the Commission waives that stipulation as detrimental to the public interest (G.C. §56884).

## **11.7 RECONSIDERATION OF LAFCO DECISIONS**

### **11.7.1 REQUEST AND FEES**

A request for reconsideration shall be made in accordance with G.C. §56895 within 30 days of the Commission's determination and shall be accompanied by the appropriate reconsideration fee deposit as established in the LAFCo Fee Schedule. If the request does not specify the required grounds for reconsideration or does not otherwise comply with statutory requirements, the Executive Officer shall return the incomplete request to the requesting party, along with a statement of the deficiency. A request will be placed on the Commission's agenda only if the requesting party supplies the missing information before the end of the 30 day reconsideration period.

### **11.7.2 GROUNDS FOR RECONSIDERATION**

LAFCo will consider changing its previous determination only under one or more of the following circumstances:

- a) compelling new evidence about the proposal, which was previously unavailable is brought to the Commission's attention;
- b) factors significant to the Commission decision were overlooked or have changed, such as a change in an applicable federal, state, or local law; or
- c) a significant, prejudicial error in procedure is found.

## **11.8 CONDUCTING AUTHORITY PROCEEDINGS**

### **11.8.1 WAIVER OF CONDUCTING AUTHORITY PROCEEDINGS**

The Commission may waive final Conducting Authority proceedings in accordance with G.C. §56662 and §56663, and otherwise authorize the Executive Officer to file a Certificate of Completion upon approval of a change of organization or reorganization and satisfaction of all terms and conditions pursuant to G.C. §57200.

### **11.8.2 SETTING THE MATTER FOR HEARING**

Within 35 days of final LAFCo action, the Executive Officer shall set the matter for hearing and cause a notice thereof to be published in accordance with G.C. §57025. The date of the hearing shall not be less than 21 nor more than 60 days, after the date the notice is given. The hearing may be continued for up to 60 days.

### **11.8.3 CONCLUSION OF HEARING**

Within thirty (30) days of the protest hearing, the Executive Officer shall, based on the value of written protests filed, either order the change, order the change subject to an election, or terminate the proposal.

The Executive Officer shall report to the Commission at its next meeting the outcome of any protest hearing that is conducted.

#### **11.8.4 DELEGATION OF AUTHORITY TO CONDUCT PROTEST HEARING**

The Commission shall delegate to the Executive Officer the authority to conduct protest hearings unless it specifies otherwise. The purpose of delegating certain duties to the Executive Officer is to increase scheduling flexibility, to avoid extending Commission meetings to conduct non-discretionary procedures, and to expedite the boundary change process. If the Commission chooses to retain such authority, this decision shall be stated in the terms and conditions for approval of the subject proposal. The Executive Officer shall have the authority to issue the appropriate order upon completion of the protest proceedings.

### **11.9 FINAL FILING**

*(Resolution No. 2016-17-05)*

#### **11.9.1 BOUNDARY MAPS**

The Executive Officer shall ensure final boundary maps comply with the following:

- a) LAFCo resolution approving a proposal;
- b) LAFCo, County, and Board of Equalization mapping requirements;
- c) All conditions of approval have been met; and
- d) All application fees have been paid prior to filing the Certificate of Completion.

A Final Filing Checklist is included as Appendix B.

#### **11.9.2 EFFECTIVE DATE OF CHANGE**

The effective date of the change of organization or reorganization is the date the signed Certificate of Completion is filed at the County Recorder's office unless otherwise specified by the Commission (G.C. 57202). If the Certificate of Completion has not been filed within one year after the Commission approves a proposal, the proceeding is deemed abandoned unless the Commission authorizes an extension prior the expiration of that year (G.C. 56895).

#### **11.9.3 CERTIFICATE OF COMPLETION**

The Certificate of Completion, including the recording numbers affixed by the County recorder, will be distributed to affected agencies, County surveyor, County assessor, County auditor, and the State Board of Equalization. The State Board of Equalization will distribute relevant information to the Department of Finance, the Controller, and to the Secretary of State, as appropriate (G.C. 57203, 57204).

## **12 | SPECIFIC APPLICATION REQUIREMENTS**

### **12.1 PROVISION OF NEW SERVICES BY DISTRICTS**

- a) The Commission is responsible for determining latent powers for special districts under the Commission's jurisdiction. Towards this end, the Commission shall periodically review and update the functions and services established for each special district as part of its periodic review of

municipal services pursuant to G.C. §56430. In conducting a municipal service review, the Commission may require the special districts to provide current information concerning established functions and services. The Commission may remove any function or service established for a special district if the Commission determines that the function of service is not currently being provided by the district.

- b) Any special district desiring to undertake the provision of any new or different function or class of service, or divest an existing power within its boundaries, shall adopt a resolution of application for filing with LAFCo pursuant to G.C. §56824.12. In addition, applications for provision of new or different functions or classes of service must be accompanied by a plan for providing service consistent with G.C. §56653.

## **12.2 EXTENSION OF SERVICES BY CONTRACT**

### **12.2.1 COMMISSION APPROVAL REQUIRED**

Except for the specific situations exempted by G.C. §56133(e), a city or district shall not provide new or extended services to any party or property outside its jurisdictional boundaries unless it has obtained written approval from LAFCo, consistent with the CKH Act and the policies described herein.

### **12.2.2 EXTENSION OF SERVICES WITHIN SPHERE**

Annexation to cities and special districts involving territory located within the affected agency's sphere of influence is generally preferred to extending services by contract or agreement. The Commission recognizes, however, there may be local circumstances that justify approval of extended services by contract or agreement within the affected agency's sphere of influence.

Such local circumstances most frequently involve extension of service to meet an existing health and safety need, where annexation is not practical or deemed undesirable for other policy reasons. The Commission will give great weight to properly documented existing health and safety needs when considering justification of such extensions. The Commission discourages use of contract service extensions for the purpose of extending services to new development. The Commission will approve such extensions only under extraordinary circumstance and may apply strict limitations on such services

### **12.2.3 EXTENSION OF SERVICES OUTSIDE SPHERE**

The Commission shall authorize a city or special district's request to provide new or extended services outside their jurisdictional boundary and sphere of influence only in response to an existing or future threat to public health or safety in accordance with G.C. §56133(c).

### **12.2.4 ADMINISTRATIVE APPROVAL UNDER URGENT CIRCUMSTANCES**

The Commission authorizes the Executive Officer, in accordance with G.C. §56133(d), to administratively approve a city or special district's request for extended services by contract or agreement if there is an existing and urgent public health or safety emergency as identified in writing from the local public health officer. The Commission shall ratify the Executive Officer's determination at the next regularly scheduled meeting.



### **12.2.5 EXEMPTIONS TO LAFCO APPROVAL REQUIREMENT**

Commission approval may not be required for cities or special districts to provide new or extended services outside their jurisdictional boundaries in accordance with the provisions of G.C. §56133(e). The Executive Officer shall consult with cities and districts to determine whether extended services agreements are subject to Commission review.

### **12.2.6 ANTICIPATION OF LATER ANNEXATION.**

G.C. §56133(b) authorizes the Commission to approve contracts for extension of services “in anticipation of a later change of organization”. The Commission defines the term “anticipation of a later change of organization” as follows:

- a) The inclusion of the area to be served within the sphere of influence of the serving agency shall be sufficient to comply with this provision.

### **12.2.7 AGREEMENTS CONSENTING TO ANNEX**

Whenever the Commission determines to condition the approval upon a later annexation of the affected property, the condition shall normally include a requirement that the owner record an agreement consenting to annex the territory, which agreement shall bind future owners of the property. The agreement shall be prepared by LAFCo legal counsel and provided to the landowners for execution and recording. Proof of recordation will be required before the LAFCo contract approval becomes final and effective.

## **12.3 LAFCO INITIATED PROPOSALS**

### **12.3.1 TYPES OF PROPOSALS**

As provided under G.C. §56375(a), the Commission is authorized to initiate the following specific types of proposals:

- a) Consolidation of two or more special districts.
- b) Dissolution of one or more special districts, where another agency or agencies can assume service responsibilities.
- c) Merger of a special district with a city, where the city encompasses the entire district.
- d) Establishment of a subsidiary district of a city, where at least 70% of the district's territory and population are within the city.
- e) Reorganization which includes two or more of the above changes of organization.

### **12.3.2 CONDITIONS**

The Commission will consider initiation of such proposals in instances in which the following conditions apply:

- a) A sphere of influence, municipal service review, or other governmental study has shown that a proposal may result in lower overall public service costs, greater local government access and accountability, or both.
- b) The Commission can complete the necessary review, analysis, and processing with its own staff resources, or funds are available to pay for additional assistance needed to complete the review and processing of the proposal.

### **12.3.3 PROCEEDINGS**

The Commission reserves its discretion to initiate such proceedings in exceptional circumstances in which there exists a level of public concern about a district's services or governance which, in the Commission's view, warrants initiation of a proposal. The Commission may refer the proposal to a reorganization committee as provided in G.C. §56827. As an alternative, the Commission may refer the proposal to an advisory committee composed of a representative from each affected district and any additional representative the Commission deems appropriate.

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## 13 | APPENDIX A

### 13.1 DEFINITION OF TERMS

This glossary presents a listing of key terms that are used in Cortese-Knox-Hertzberg Act of 2000 (CKH), Mendocino County Local Agency Formation Commission Policies and Procedures, Executive Officer reports, or Commission proceedings. These definitions of terms used are taken from CKH, other documents (such as CEQA) and from the Policies and Procedures. Where the definition is taken from CKH, the relevant section is cited. The definition of a word applies to any of that word's variants.

<b>Affected city/district/local agency</b>	Any city, district, or local agency that contains or would contain, or whose sphere of influence contains or would contain territory for which a change of organization is proposed or ordered, either singularly or as part of a reorganization. [§56011, §56013, §56014]
<b>Affected county</b>	Any county that contains, or would contain, any territory for which a change of organization or reorganization is proposed or ordered, either singularly or as part of a reorganization or that contains all or any part of a district for which a change of organization or reorganization is proposed or ordered with respect to territory outside that county, district, or local agency. [§56012]
<b>Affected territory</b>	Any territory for which a change of organization or reorganization, or sphere of influence change is proposed or ordered. [§56015]
<b>Agricultural lands</b>	Land currently used for the purpose of producing an agricultural commodity for commercial purposes, land left fallow under a crop rotational program, or land enrolled in an agricultural subsidy or set-aside program. [§56016; see also “Prime agricultural land” §56064]
<b>Annexation</b>	The inclusion, attachment, or addition of territory to a city or district. [§56017]
<b>Application</b>	Applies to any of the following [§56017.2]: <ul style="list-style-type: none"> <li>(a) A resolution of application or petition initiating a change of organization or reorganization with supporting documentation as required by the commission or executive officer.</li> <li>(b) A request for a sphere of influence amendment or update pursuant to §56425.</li> <li>(c) A request by a city or district for commission approval of an extension of services outside the agency’s jurisdictional boundaries pursuant to §56133.</li> <li>(d) A request by a public agency for commission approval of an extension of serves outside the agency’s jurisdictional boundaries pursuant to §56134.</li> </ul>

<b>Area of Interest</b>	The geographical area beyond the Sphere of Influence of a local agency in which land use decisions, or other governmental actions of the jurisdiction impact directly or indirectly upon the local agency, or for which urbanization may be anticipated in the intermediate or long range planning horizons.
<b>Board of supervisors</b>	The legislative body or governing board of a county. [§56020]
<b>Categorical Exemption</b>	An exemption from CEQA for a class of projects based on a finding by the Secretary for Resources that the class of projects does not have a significant impact on the environment (14 CCR Section 15300-15331). [§15354]
<b>CEQA</b>	The California Environmental Quality Act contained in Public Resources Code §21000 et seq.
<b>Certificate of completion</b>	The document prepared by the executive officer and recorded with the county recorder that confirms the final successful completion of a change of organization or reorganization. [§56020.5]
<b>Certificate of filing</b>	The document issued by the executive officer that confirms an application for a change of organization or reorganization has met submission requirements and is accepted for filing. [§56020.6]
<b>Certificate of termination</b>	The document prepared by the executive officer and retained by the commission that indicates that a proposal for a change of organization or reorganization was terminated because of majority written protest, rejection by voters in an election, or the expiration of time prior to completion of proceedings pursuant to §57001 or a court order. [§56020.7]
<b>Change of organization</b>	Refers to any of the following [§56021]: <ul style="list-style-type: none"> <li>(a) A city incorporation</li> <li>(b) A district formation</li> <li>(c) An annexation to a city or district.</li> <li>(d) A detachment from a city or district.</li> <li>(e) A disincorporation of a city</li> <li>(f) A district dissolution</li> <li>(g) A consolidation of cities or special districts</li> <li>(h) A merger of a city and a district</li> <li>(i) Establishment of a subsidiary district</li> <li>(j) The exercise of new or different functions or classes of services, or divestiture of the power to provide particular functions or classes of services, within all or part of the jurisdictional boundaries of a special district as provided in Article 1.5 (commencing with §56824.10) of Chapter 5 of Part 3 of this division.</li> </ul>

<b>City</b>	Any incorporated chartered or general law city, including any city the name of which includes the word "town." [§56023]
<b>Clerk</b>	The clerk or secretary of a commission, county, city, or district, or the clerk or secretary of the legislative body of a county, city, or district. Where the office of county clerk is separate from the office of the clerk of the board of supervisors, "clerk" means the clerk of the board of supervisors. Where the office of county clerk is separate from the office of the registrar of voters, "clerk" means the registrar of voters with respect to all duties pertaining to the conduct of elections and the county clerk with respect to all other duties. [§56026]
<b>Commission</b>	A local agency formation commission. [§56027]
<b>Commission proceedings</b>	Proceedings which are taken by a commission pursuant to Part 3 (commencing with §56650). [§56028]
<b>Conducting authority</b>	The Commission of the principal county, or the commission's executive officer when authorized by the commission, when exercising its responsibility to conduct protest proceedings following approval by the commission of a change of organization or reorganization. [§56029]
<b>Consolidation</b>	The uniting or joining of two or more cities located in the same county into a single new successor city or two or more districts into a single new successor district. [§56030]
<b>Contiguous</b>	(a) Territory that abuts or shares a common boundary with territory within a local agency; (b) Territory is not contiguous if the only contiguity is based upon a strip of land more than 300 feet long and less than 200 feet wide at its narrowest width, that width to be exclusive of highways. [§56031]
<b>Dependent special district or dependent district</b>	Any special district that has a legislative body that consists, in whole or part, of ex officio members who are officers of a county or another local agency, or who are appointees of those officers, and who are not appointed to fixed terms. "Dependent special district" or "dependent district" does not include any district excluded from the definition of district contained in §56036 or §56036.6. [§56032.5]
<b>Detachment</b>	The exclusion, deletion, or removal from a city or district of any portion of the territory of that city or district. [§56033]
<b>"Disadvantaged unincorporated community" (DUC)</b>	Inhabited territory, as defined by §56046, or as determined by commission policy, that constitutes all or a portion of a "disadvantaged community" as defined by Section 79505.5 of the Water Code. [§56033.5]

<b>Disincorporation</b>	The dissolution, extinguishment, or termination of the existence of a city and the cessation of its corporate powers, except for the purpose of winding up the affairs of the city. [§56034]
<b>Dissolution</b>	The disincorporation, extinguishment, and termination of the existence of a district and the cessation of all its corporate powers, except as the commission may otherwise provide pursuant to §56886 or for the purpose of winding up the affairs of the district. [§56035]
<b>District or special district</b>	<p>(a) "District" or "special district" are synonymous and mean an agency of the state, formed pursuant to general law or special act, for the local performance of governmental or proprietary functions within limited boundaries and in areas outside boundaries when authorized by the commission pursuant to §56133.</p> <p>(b) "District" or "special district" includes a county service area, but excludes all of the following:</p> <ol style="list-style-type: none"> <li>1. The state.</li> <li>2. A county.</li> <li>3. A city.</li> <li>4. A school district or community college district.</li> <li>5. A special assessment district or special assessment district.</li> <li>6. An improvement district.</li> <li>7. A community facilities district formed pursuant to the Mello-Roos Community Facilities Act of 1982 (Chapter 2.5 (commencing with §53311) of Part 1 of Division 2 of Title 5).</li> <li>8. A permanent road division formed pursuant to Article 3 (commenting with §1160) of Chapter 4 of Division 2 of the Streets and Highways Code.</li> <li>9. An air pollution control district or an air quality maintenance district.</li> <li>10. A zone of any special district. [§56036]</li> </ol>
<b>Elections official</b>	"Elections official" shall have the same meaning as in Section 320 of the Elections Code. [§56037.5]
<b>Environmental Impact Report (EIR)</b>	An environmental impact report is an informational document produced according to CEQA regulations which, when its preparation is required pursuant to Public Resources Code §21000 et seq.) shall be considered by every public agency prior to its approval or disapproval of a project. The purpose of an environmental impact report is to provide public agencies and the public in general with detailed information about the effect which a proposed project is likely to have on the environment; to list ways in which the significant effects of such a project might be minimized; and to indicate alternatives to such a project. [§21061]

<b>Environmental Review</b>	The process set forth in CEQA (Public Resources Code §21000 et seq.) which involves an assessment of potential significant adverse impacts of an action.
<b>Executive officer</b>	The person appointed by a commission pursuant to §56384. [§56038]
<b>Feasible</b>	Capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, legal, social, and technological factors. [§56038.5]
<b>Function</b>	Any power granted by law to a local agency to provide designated governmental or proprietary services or facilities for the use, benefit, or protection of persons or property. [§56040]
<b>Improvement district</b>	An area or zone formed for the sole purpose of designating an area which is to bear a special tax or assessment for an improvement benefiting that area. [§56041]
<b>Inactive District</b>	A special district that meets all of the following: [§56042] (a) The special district is defined in §56036. (b) The special district has had no financial transactions in the previous fiscal year. (c) The special district has no assets and liabilities. (d) The special district has no outstanding debts, judgements, litigation, contracts, liens, or claims.
<b>Incorporation</b>	The creation or establishment of a city. Any area proposed for incorporation as a city shall have at least 500 registered voters residing within the affected territory at the time the proposal is initiated. [§56043]
<b>Independent district or independent special district</b>	Any special district having a legislative body all of whose members are elected by registered voters or landowners within the district, or whose members are appointed to fixed terms, and excludes any special district having a legislative body consisting, in whole or in part, of ex-officio members who are officers of a county or another local agency or who are appointees of those officers other than those who are appointed to fixed terms. "Independent special district" does not include any district excluded from the definition of district contained in §56036 and §56036.6. [§56044]
<b>Infill</b>	Building within unused and underutilized lands within existing development patterns, typically but not exclusively in urban areas.
<b>Inhabited territory</b>	Territory within which there reside 12 or more registered voters. The number of registered voters as determined by the elections officer, shall be established as of the date a certificate of filing is issued by the



executive officer. All other territory shall be deemed "uninhabited."  
[§56046]

**Initiating petition**

A document signed either by registered voters or landowners that requests LAFCo to consider a boundary change. The petition must be in a form prescribed by LAFCo.

**Interested agency**

Each local agency which provides facilities or services in the affected territory. [§56047.5]

**Island**

Unincorporated territory substantially surrounded by a city, or territory surrounded by a city on one or more sides and the Pacific Ocean on the remaining side.

**Joint powers agency or joint powers authority**

An agency or entity formed pursuant to the Joint Exercise of Powers Act (Article 1 (commencing with §6500) of Chapter of Division 7 of Title 1) that is formed for the local performance of governmental functions that includes the provisions of municipal services.  
[§56047.7]

**Landowner, or owner of land, or property owner**

Means all of the following: [§56048]  
 (a) Any person or persons shown as the owner of land on the last equalized assessment roll prepared by the county at the time the determination is required to be made pursuant to the requirements of this division. Where that person or persons is no longer the owner, the landowner or owner of land is any person or persons entitled to be shown as owner of land on the next equalized assessment roll.  
 (b) Where land is subject to a recorded written agreement of sale, any person shown in the agreement as purchaser.  
 (c) Any public agency owning land other than highways, rights-of-way, easements, waterways, or canals

**Landowner-voter**

Any person entitled to vote in a landowner-voter district, or the legal representative of that person or, in the case of an election, the proxy of that person if authorized by the principal act. [§56049]

**Landowner-voter district**

A district whose principal act provides that owners of land within the district are entitled to vote upon the election of district officers, the incurring of bonded indebtedness, or any other district matter. [§56050]

**Latent service or power**

Those services, facilities, functions, or powers authorized by the principal act under which the district is formed, but that are not being exercised, as determined by the commission pursuant to §56425(i).  
[§56050.5]

<b>Lead Agency</b>	Under CEQA, the public agency which has the principal responsibility for carrying out or approving a project which may have a significant effect upon the environment. [§21067]
<b>Legal representative</b>	An officer of a corporation, partnership, or limited-liability company duly authorized to sign for, and on behalf of, the entity. Legal representative also includes a guardian, conservator, executor, administrator, trustee or other person holding property in a trust capacity under appointment of a court, when authorized by an order of the court. [§56052]
<b>Local agency</b>	A city, county, or district. [§56054]
<b>Merger</b>	The termination of the existence of a district when the responsibility for the functions, services, assets, and liabilities of that district are assumed by a city as a result of proceedings taken pursuant to his division. [§56056]
<b>Municipal services</b>	The full range of services that a public agency provides or is authorized to provide.
<b>Municipal service review (MSR)</b>	A comprehensive study designed to better inform LAFCo, local agencies, and the community examining the provision of municipal services for the area.
<b>Open space</b>	Any parcel or area of land or water which is substantially unimproved and devoted to an open-space use, as defined in §65560. [§56059]
<b>Overlap or overlapping territory</b>	Territory which is included within the boundaries of two or more districts or within one or more districts and a city or cities. [56061]
<b>Plan for services</b>	A plan prepared pursuant to §56653 for purposes of providing sufficient information to assess the proposed provision of services for applications.
<b>Prezoning</b>	A zoning designation formally adopted by a city that applies to property outside city limits. Prezoning has no regulatory effect until a property is annexed.
<b>Prime agricultural land</b>	An area of land, whether a single parcel or contiguous parcels, that has not been developed for a use other than an agricultural use and that meet any of the following qualifications: [§56064] <ul style="list-style-type: none"> <li>(a) Land that qualifies, if irrigated, for rating as class I or class II in the USDA Natural Resources Conservation Service land use capability classification, whether or not the land is actually irrigated, provided that irrigation is feasible.</li> <li>(b) Land that qualifies for rating 80 through 100 Storie Index Rating.</li> </ul>

- (c) Land that supports livestock used for the production of food and fiber and that has an annual carrying capacity equivalent to at least one animal unit per acre as defined by the United States Department of Agriculture in the National Range and Pasture Handbook, Revision 1, December 2003.
- (d) Land planted with fruit or nut-bearing trees, vines, bushes, or crops that have a nonbearing period of less than five years and that will return during the commercial bearing period on an annual basis from the production of unprocessed agricultural plant production not less than four hundred dollars (\$400) per acre.
- (e) Land that has returned from the production of unprocessed agricultural plant products an annual gross value of not less than four hundred dollars (\$400) per acre for three of the previous five calendar years.

<b>Principal act</b>	In the case of a district, the law under which the district was formed and, in the case of a city, the general laws or the city charter. [§56065]
<b>Proceeding</b>	Proceedings taken by the commission for a proposed change for a change of organization or reorganization pursuant to Part 4 (commencing with §57000). [§56067]
<b>Proposal</b>	A desired change of organization or reorganization initiated by petition or by resolution of application of a legislative body or school district for which a certificate of filing has been issued. [§56069]
<b>Protest proceedings</b>	Proceedings taken by a commission, or its executive officer when authorized by the commission, as the conducting authority pursuant to Chapter 1 (commencing with §57000), Chapter 2 (commencing with §57025), Chapter 3 (commencing with §57075) of Part 4 of this division. [§56069.5]
<b>Public agency</b>	The state or any state agency, board, or commission, any city, county, city and county, special district, or any agency, board, or commission of the city, county, city and county, special district, joint powers authority, or other political subdivision. [§56070]
<b>Reorganization</b>	Two or more changes of organization contained within a single proposal. [§56073]
<b>Service</b>	A specific governmental activity established within, and as a part of, a general function of the special district as provided by regulations adopted by the commission pursuant to Chapter 5 (commencing with §56820) of Part 3. [§56074]
<b>Sphere of influence (SOI)</b>	A plan for the probable physical boundaries and service area of a local agency, as determined by the commission. [§56076]

<b>Subject agency</b>	Each district or city for which a change of organization or reorganization is proposed or provided in a plan of reorganization. [§56077]
<b>Subsidiary district</b>	A district in which a city council is designated as, and empowered to act as, the ex officio board of directors of the district. [§56078]
<b>Urban service area</b>	Developed, undeveloped, or agricultural land, either incorporated or unincorporated, within the sphere of influence of a city, which is served by urban facilities, utilities, and services or which are proposed to be served by urban facilities, utilities, and services during the first five years of an adopted capital improvement program of the city if the city adopts that type of program for those facilities, utilities, and services. The boundary around an urban area shall be called the "urban service area boundary" and shall be developed in cooperation with a city and adopted by a commission pursuant to policies adopted by the commission in accordance with §56300, §56301 and §56425. [§56080]
<b>Zoning</b>	The primary regulatory instrument for implementing the general plan. Zoning divides a community into districts or "zones" which specify the permitted and prohibited uses and development standards.

## 14 | APPENDIX B

### 14.1 FINAL FILING CHECKLIST

(See Policy 10.9 Final Filing). (*Resolution 2016-17-05*)

<b>Final Filing Checklist</b>		
<b>No.</b>	<b>Procedure/Step</b>	<b>Date Completed</b>
<b>Mapping Adequacy</b>		
1	Staff confirms it has the final boundary map from the applicant.	
2	Staff compares the map with the LAFCo Resolution of Approval boundary determinations to assure consistency, with particular attention to whether roads are included or excluded.	
3	Staff review the boundaries to make sure they follow parcel lines unless that requirement was specifically waived.	
4	Staff reviews the map for SBOE mapping requirements.	
5	Staff routes the map and legal description to the County Surveyor for review.	
6	Staff routes approved final boundary map and legal description to County GIS staff.	
<b>Final Filing</b>		
7	Staff reviews resolution and final boundary map for compliance; ensures all conditions of approval have been met. If any questions regarding compliance, consult with legal counsel.	
8	Staff confirms all outstanding fees have been paid in full.	
9	Staff prepares Certificate of Completion and submits to County Clerk of the Board for recording.	
10	Staff files with State Board of Equalization and County Assessor.	
11	Upon notification of BOE acceptance, staff notifies all affected parties.	

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## 15 | APPENDIX C

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### 15.1 2018 LEGISLATIVE PLATFORM

*(Resolution No. 2017-18-11)*

#### 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.

#### **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



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## 15.2 2018 LEGISLATIVE PRIORITIES

### Primary Issues

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#### 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.

**Resolution No. 2018-19-03  
of the Mendocino Local Agency Formation Commission**

**Approving the  
Updated Policies & Procedures Manual**

WHEREAS, Local Agency Formation Commissions have been created under the provisions of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Sections 56000 et. seq. of the Government Code, as independent agencies, shall adopt policies and procedures to carry out their functions, (§56300); and

WHEREAS, the Mendocino Local Agency Formation Commission's, hereinafter referred to as Commission, Policies and Procedures Committee reviewed the reformatted and updated Policies & Procedures Manual and recommended the Manual to the full Commission for adoption; and

WHEREAS, the updated Policies & Procedures Manual includes no new or amended policies that have not already been adopted by the Commission; and

WHEREAS, the definitions included in the Policies & Procedures Manual are substantially the same as in previous adopted Policies & Procedures Manuals and were reviewed in full by the Commission at its regular meeting held on June 4, 2018; and

WHEREAS, the Mendocino Local Agency Formation Commission, hereinafter referred to as Commission, held a public meeting on the updated Policies & Procedures Manual dated November 2018, which is reformatted and updated to include definitions and recently adopted policies, and at that meeting the Commission received the report of the Executive Officer and all oral and written comments with respect to the proposed updated Manual.

NOW, THEREFORE, the Mendocino Local Agency Formation Commission DOES HEREBY RESOLVE, DETERMINE AND ORDER the formal adoption of the reformatted and updated Policies & Procedures Manual dated November 2018.

The foregoing Resolution was passed and duly adopted at a regular meeting of the Mendocino Local Agency Formation Commission held on this 5th day of November 2018, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

\_\_\_\_\_  
UMA HINMAN, Executive Officer

\_\_\_\_\_  
GERALD WARD, Chair

# MENDOCINO Local Agency Formation Commission

## Staff Report

DATE: November 5, 2018  
TO: Mendocino Local Agency Formation Commission  
FROM: Uma Hinman, Executive Officer  
SUBJECT: Status of Applications, Proposals, and Work Plan

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### **ACTIVE APPLICATIONS**

None

### **APPLICATIONS ON-HOLD**

The following applications have been filed with the Commission but are currently 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  
Last activity: December 2014

### **PRE-APPLICATIONS**

None

### **POTENTIAL FUTURE PROJECTS**

The following potential future projects have been brought to LAFCo's attention and are included for informational purposes. Any updates available are noted below in addition to the date of last activity.

- Anderson Valley CSD Proposed Activation of Latent Powers to Provide Water/Sewer Services  
Last Activity: October 2018
- Proposed Consolidation of Four Water Districts in the Ukiah Valley area  
Last Activity: December 2016

### **WORK PLAN STATUS UPDATE:**

The attached Gantt chart summarizes the current work plan priorities and implementation schedule for fiscal year 2018-19. Please note the following related to the Gantt chart:

- Staff intentionally has not scheduled any Workshop or Public Hearing items for the 1/7/2019 regular LAFCo meeting to lighten the schedule around the holiday season and to allow new Commissioners a meeting to adjust to their new position.
- Staff works concurrently on multiple studies at a time to maintain progress on the different phases of the study development process.

### **Attachments:**

(1) FY 2018-19 Work Plan Gantt Chart

# Mendocino LAFCo FY 2018-19 Work Plan Gantt Chart

## November 5, 2018 Draft



### Study Development Process



## CALAFCO Conference - Northern Region Roundtable Notes

October 4, 2018

*(Prepared by CALAFCO North Staff - Lucas)*

- Can/will CALAFCO provide funding for Board Director expenses to encourage greater participation from LAFcos with smaller budgets?
- It is acknowledged that CALAFCO requires greater resources if it is to fully and successfully engage its mission. Membership dues are the only predictable, reliable and realistic revenue source available.
- Can individual LAFcos charge for services that would free up budgeted funds for increased dues? CALAFCO could assist in helping LAFCO understand various budgeting/fee options, perhaps a CALAFCO University class?
- It is perceived that cities and counties may not resist dues increases, but special districts with more limited resources might? CALAFCO could assist by helping LAFcos understand other member agency apportionment options that reduce special district contributions.
- CALAFCO should stop the hypothetical scenarios, be candid and simply provide an actual dues amount that will adequately fund CALAFCO services and mission.
- The North region supports the expanded role of CALAFCO in order to provide greater support to individual LAFcos and will pay its fair share to achieve this outcome.
- Any dues increases should be acted on promptly while the economy is favorable.
- An estimated \$64,000 (budget gap) increase to CALAFCO's budget could be spread statewide (58) with each LAFCo contributing an equal share (surcharge) of \$1,100.
- Seek PG&E sponsorships.
- CALAFCO will need to continue to message/demonstrate that there is little waste within the organization.
- Personal experience of one Board Director/Commissioner of how they educated their Commission about CALAFCO and its need for improved funding resulting the Commission understanding and accepting the desire for a stronger CALAFCO.
- Are there political action committee (PACs) opportunities to explore such as the League City PAC?
- It will always be hard and therefore, unrealistic to think CALAFCO will attract large sponsors as LAFCO is a very narrow source of opportunity/work/contracts in comparison the bang for the buck at League, CSAC, CSDA events. It's simply a numbers game?
- The overall impression of CV Strategies efforts is that the tone is "high minded" and goes over people's heads. It does very little to help individual LAFcos or practitioners within their counties.
- The North Region supported sending a letter to CALAFCO expressing our observations



October 26, 2018

CALAFCO Board of Directors  
c/o Pamela Miller, Executive Director  
1215 K Street, Suite 1650  
Sacramento, CA 95814

*Delivered Via Email to: pmiller@calafco.org*

Re: Northern Region Roundtable Discussion Action

Dear CALAFCO Board of Directors:

The CALAFCO North Region LAFcos met at our Roundtable Session at the Annual Conference at Tenaya and robustly discussed the CALAFCO paper entitled: *Creating A Sustainable Organization*. The consensus observation of our members *in attendance*\* was that CALAFCO is:

- On the cusp of the big leagues but lacks the predictable and sustainable revenue resources to effectively meet its mission; and more to the point; and
- CALAFCO relies too heavily on unpredictable revenue sources and must move urgently to establish a sound budget foundation with a justified dues increase that will fund CALAFCO core functions with an emphasis on member support and education.

The simple fact that so many North Region members (14/18 represented) were in attendance so far from home is a strong indicator of CALAFCO's increasing importance. It is also a indicator that moving forward, the North Region will bear its burden and will be actively engaged in CALAFCO matters. To this end, the North Region Roundtable:

- Supports the expanded role of CALAFCO in order to provide greater support to individual LAFcos.
- Supports contributing its fair share towards this outcome through responsible and reasonable dues increases.
- Encourages the CALAFCO Board to act promptly, affirmatively and purposefully to advance this discussion while the matter remains fresh from Conference discussions.

The North Region appreciates all of the volunteers, at all levels, who contribute to the CALAFCO mission. We will continue to encourage CALAFCO to prioritize outreach and education efforts aimed at providing much needed resources and statewide expertise to local LAFcos struggling to engage the role and mission of LAFcos at the local level. It is locally, in our communities, that LAFcos must make a difference to remain relevant and effective.

On Behalf of the North Region Roundtable,  
*Stephen Lucas, CALAFCO Executive Officer and North Region Staff*

*\* This letter only represents the observations of the members in attendance at the Annual North Region Roundtable. While 14/18 member LAFcos were represented by either an EO or Commissioner, the observations of the North Region Roundtable group are not intended to reflect the views of any individual LAFCO or Commissioner.*