

MENDOCINO

Local Agency Formation Commission

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COMMISSIONERS

Tony Orth, Chair

Brooktrails Township CSD

Scott Ignacio, Vice Chair

Point Arena City Council

Gerald Ward, Treasurer

Public Member

Matthew Froneberger

Special District Member

Gerardo Gonzalez

Willits City Council

Glenn McGourty

County Board of Supervisors

Maureen Mulheren

County Board of Supervisors

Jenifer Bazzani, Alternate

Ukiah Valley Fire District

John Haschak, Alternate

County Board of Supervisors

Mari Rodin, Alternate

City Member

Richard Weinkle, Alternate

Public Member

STAFF

Executive Officer

Uma Hinman

Analyst

Larkyn Feiler

Commission Clerk

Kristen Meadows

Counsel

Scott Browne

REGULAR MEETINGS

First Monday of each month

at 9:00 AM in the

Mendocino County

Board of Supervisors

Chambers

501 Low Gap Road, Ukiah

Approved by Commission on December 6, 2021

MINUTES

Local Agency Formation Commission of Mendocino County

Regular Meeting of Monday, November 1, 2021

Meeting held via Zoom due to COVID-19 Pandemic Emergency Conditions

1. CALL TO ORDER and ROLL CALL (Video Time 0:28)

Chair Orth called the meeting to order at 9:00 a.m.

Regular Commissioners Present: Tony Orth, Scott Ignacio, Gerald Ward, Gerardo Gonzalez, Maureen Mulheren, Matthew Froneberger, and Glenn McGourty (9:22)

Regular Commissioners Absent: None

Alternate Commissioners Present: Richard Weinkle, and Mari Rodin

Alternate Commissioners Absent: John Haschak and Jenifer Bazzani

Staff Present: Uma Hinman, Executive Officer; Larkyn Feiler, Analyst; Kristen Meadows, Clerk; and Scott Browne, Legal Counsel

2. PUBLIC EXPRESSION None

3. CONSENT CALENDAR (Video Time 2:36)

3a) Approval of the October 4, 2021 Regular Meeting Summary

3b) Approval of the October 2021 Claims & Financial Report

October 2021 Claims totaling:	\$19,946.31
Hinman & Associates Consulting	17,167.29
P. Scott Browne	630.00
Newspapers	187.69
Mendocino County Clerk	250.00
Mendocino County IS Division	1,107.29
Comcast	90.04
Streamline	50.00
Ukiah Valley Conf. Center	464.00

3c) Resolution for Continued Remote Meetings per AB 361

Treasurer Ward asked whether a new resolution would be needed before the December 6th Commission meeting since it was more than 30 days away. EO Hinman responded that another resolution will be on the consent calendar of the November 8th Special Meeting to extend the remote meetings an additional 30 days.

When asked when the Commission will resume in-person meetings, EO Hinman responded that LAFCo will follow the County Board of Supervisors lead.

Motion by Commissioner Gonzalez: Approve the Consent Calendar

Second by Commissioner Ignacio.

Approved by roll call vote: unanimous.

Ayes: (7) Froneberger, Gonzalez, Ignacio, Mulheren, Ward, McGourty, Orth

4. PUBLIC HEARING ITEMS None

5. WORKSHOP ITEMS None

6. MATTERS FOR DISCUSSION AND POSSIBLE ACTION

6a) Sustainable Agricultural Lands Committee (SALC) Grant Project (Video Time 5:01)

EO Hinman presented an update to the Commission on the SALC Grant project and LAFCo's role.

In 2020, the Mendocino County Department of Agriculture was awarded the SALC grant to build on the 2017 Lands Strategy. The project team consists of the Agricultural Commissioner's Office, MCRCD, Mendocino County, Mendocino Land Trust, Inland Mendocino Land Trust, Anderson Valley Land Trust, Mendocino LAFCo, USDA Natural Resources Conservation Service, Mendocino County Farm Bureau, and local farmers and residents.

Project Goals:

- Protect agricultural lands while supporting sustainable housing development
- Build a sustainable and resilient agricultural community

Objectives (4):

1. Develop an agricultural component for a Mendocino County Climate Action Plan (CAP)
2. Expand the Carbon Farm Planning Program and Soil Health Initiative
3. Increase participation in the Williamson Act and Conservation Easement programs
4. Increase communication with diverse stakeholders regarding the coalescence of agricultural land conservation and sustainable housing development

LAFCo's Role is to lead Objective #4 by:

- Attending monthly MCSALC meetings
- Organizing and convening stakeholder meetings to explain Ag. Lands Strategy and participating in meetings discussing zoning and housing
- Distributing educational materials
- Development of fact sheets:
 - Ag Lands Committee Fact Sheet
 - Conservation Easements Fact Sheet
 - Williamson Act Fact Sheet

The original grant schedule was March 2020 through January 2022; however, an extension through April 30, 2022 has been requested.

The overall grant award was \$251,730, with a match of \$43,130. LAFCo's budget for the project is \$14,200, with a match of \$4,000. The match funding is documented related work carried out in the normal course of duties. Due to LAFCo workload, utilization of funds was under budget, however, the match requirement was met, and project participation will continue as staff capacity allows.

Commissioner Gonzalez asked if a link to the project can be found on LAFCo's website. EO Hinman responded that staff will work on adding one in the coming month.

Commissioner Ward thanked EO Hinman for her presentation. He asked what additional benefits were received through participation in the project. EO Hinman responded that communication has been the main benefit consisting of dialogue between the partners regarding sphere of influence updates and growth patterns. In addition, the more detailed GIS mapping of agricultural lands will be a benefit to LAFCo as it conducts SOI updates, particularly in the Ukiah Valley area. She also reiterated that there were no out-of-pocket expenses for the project, as the match funding was related work carried out through staff's normal course of duties.

Chair Orth stated that he is also the Associate Director for the MCRCD and noted that there are very detailed soil maps that will be beneficial to LAFCo in the future.

6b) CALAFCO White Paper: *The Metamorphosis of Special Districts: Current Methods for Consolidation, Dissolution, Subsidiary District Formation and Merger* (Video Time 17:11)

EO Hinman gave a summary presentation on the white paper developed by CALAFCO partner, Best, Best and Krieger, to provide an overview of the typical methods of reorganization of special districts.

Under the Cortese Knox Hertzberg Act (CKH) a special district can be modified by consolidation, dissolution, merger, or establishment of a Subsidiary District. It can be initiated by the district, LAFCo, or petition. The CKH places different restrictions of reorganization and protest thresholds based on the initiating agency.

LAFCOs are encouraged to use a committee when initiating reorganizations and it must be consistent with an MSR, SOI or other study under the CKH. In addition, the costs must be less than or equal to the cost of an alternate service provision, and modification must promote public access and accountability for community service needs and financial resources. Cities must consent to a merger or formation of a subsidiary district regardless of initiation by LAFCo or petition. A subsidiary district is governed by the City Counsel and at least 70% of its territory and voters is included entirely within the boundaries of a city.

When a city or petition initiates a reorganization, LAFCo must provide written notice to the affected district(s) within ten days of receiving the proposal. The district(s) can either consent or adopt a resolution of intent to file an alternative proposal, which will delay an action by LAFCo for 70 days.

EO Hinman highlighted valuable resources for processing applications are located in the appendices of the white paper.

Commissioner Gonzalez asked for an example of a subsidiary district. EO Hinman noted the Fort Bragg Municipal Improvement District, which is managed and operated by the City of Fort Bragg.

Commissioner Ward thanked EO Hinman for her presentation and asked if the newly updated white paper triggered any need to update LAFCo Policies and Procedures. EO Hinman responded that no updates are needed at this time.

Chair Orth referenced one of the resources EO Hinman highlighted – *Factors to be considered in review of a proposal* – and asked how they relate to the current Fire District Annexation of the City of Ukiah. EO Hinman indicated the factors were included in the staff report for the application. Counsel Browne added that the Commission should also consider those factors when issues are raised by the public.

Chair Orth asked how the protest threshold of 25% is determined. Counsel Browne confirmed that all protest forms received before the end of the hearing will be considered. He noted the importance of the denominator, which was the 25% threshold figure. Unfortunately, the CKH does not stipulate when to set the denominator but it would be good to have a good estimate prior to the meeting.

Commissioner Rodin suggested announcing the denominator at the beginning of the Nov. 8th protest hearing for transparency. Counsel Browne agreed, reminding Staff to confirm the number with the elections department before the hearing.

Chair Orth asked which agency would conduct the election process if the 25% threshold is met. Counsel Browne responded that the City of Ukiah would implement the election.

Commissioner Froneberger asked for confirmation that the protest threshold of 25% refers to registered voters within the area of annexation. Counsel Browne confirmed his statement.

7. INFORMATION AND REPORT ITEMS (Video Time: 32:30)

7a) Work Plan, Current, and Future Proposals

Active Proposals:

- The Ukiah Valley Fire District Annexation Protest Hearing will be held on November 8. Staff has been receiving Protest Forms at the office. EO Hinman acknowledged Commissioner Rodin's comment and confirmed that clarification of the thresholds will be provided during the hearing. Staff still anticipates meeting the December 1st Board of Equalization deadline of submittal of the packet.
- The City of Ukiah's Annexation of City Owned Properties tax share negotiation process is in progress.

- There has been no change to Ukiah Valley Sanitation Detachment Application or the Application for Annexation of Areas north of the City of Ukiah
- Staff received a public notice that the Millview County Water District has a draft mitigated negative declaration for District the proposed annexation of the old Masonite area. The public comment period is November 4 – December 6, 2021. Staff will review the documents and submit comments as a Responsible Agency under CEQA.

Future Proposals and Work Plan: No change since the previous update.

7b) Correspondence None.

7c) CALAFCO Business and Legislation Report (Video Time: 36:13)

EO Hinman noted a webinar on Nov. 3rd at 10:30 a.m.: *The New Era: State of the State - What you need to know about extreme weather, water, and fire issues.*

Chair Orth asked for a reminder on how to register for the webinar. EO Hinman responded that there is an active registration link on the flier for the webinar, included in the agenda packet.

The search for a new CALAFCO executive director has been extended into early 2022.

7d) Executive Officer's Report (Video Time: 38:28)

EO Hinman reported the following:

- Staff will submit the year-end financial report to Treasurer Ward for review this week.
- The Protest Hearing Annexation notification process is complete. EO Hinman thanked Staff for the extra hours spent completing the project. Staff has also been answering many questions from the public. EO Hinman asked the Commission to direct interested parties to the website for more information.

7e) Committee Reports (Executive Committee/Policies & Procedures) (Video Time: 40:33)

Staff has been trying to schedule meetings for the Policies & Procedures committee and the Work Plan Ad Hoc committee. EO Hinman encouraged Commissioners to respond to Staff's requests for survey participation.

7f) Commissioners Reports, Comments or Questions (Video Time: 41:23)

Commissioner McGourty reported on a recent Ad Hoc Meeting with Congressman Huffman regarding the Potter Valley Project, a hydroelectric power project owned by PG&E that diverts water from the Eel River to the Russian River. The original plan, to use grant money to fund the necessary studies and to secure the license for the project by April 14, 2022, has been unsuccessful, leaving the future for Russian River water users uncertain. Unfortunately, there is little data on the ramifications of dismantling Scott Dam, which impounds Lake Pillsbury. In addition, a powerhouse that allows for larger diversions to Lake Mendocino went down over the summer. Annually, about 90,000-acre-feet of water is transferred from the Eel River into the Russian River drainage through the Potter Valley Project. Lake Pillsbury's capacity is approximately 80,000-acre feet. Typically, in the winter months, 270 cubic-feet-per-second (cfs) is diverted to Lake Mendocino. Currently, due to the offline powerhouse, the diversion capability has been reduced to only 45 cfs, severely impacting Lake Mendocino's ability to recover from the drought. The Inland Water and Power Commission and the Sonoma Water Agency are working directly with the Department of Water Resources on potential solutions for a reliable water supply.

EO Hinman asked what the next steps are if the FERC deadline is not met.

Commissioner McGourty responded that PG&E would surrender its license.

Commissioner Rodin asked about PG&E's interest in the situation.

Commissioners McGourty and Froneberger responded that FERC and PG&E are primarily concerned with hydropower. Commissioner McGourty said that he would like to have a meeting with Congressman Huffman to hear his reasoning for his lack of support. Commissioner Froneberger said that it is on record that many elected officials are supportive of a two-basin solution, which means stopping the water that comes through the Potter Valley power station, isolating the two water sheds, and crippling much of inland Mendocino County and parts of Sonoma County. He said that support of this scenario is the reason Congressman Huffman has not financially

supported the Potter Valley Project. The Commissioners also mentioned the exclusion of Lake and Humboldt Counties and questioned the sincerity of the Congressman's dedication to finding a viable solution.

Chair Orth confirmed with EO Hinman and Counsel Browne that LAFCo does not have a role to play in the process, however he thanked the Commissioners for the discussion and education.

Before the adjournment, EO Hinman reminded the Commission that the November 8th meeting starts at 10 a.m. and said that she will be in the office to accept written protests in person starting at 8 a.m. Counsel Browne asked if there are other items on the agenda. She responded that the only other item is the resolution to continue remote meetings per AB 361. He then reminded the Commission and participants that the hearing is limited to only accepting protests and again encouraged stating the denominator for the 25% threshold at the beginning of the meeting.

ADJOURNMENT (Video Time: 57:17)

There being no further business, the meeting adjourned at 9:57 a.m. A Special Meeting for the Ukiah Valley Fire District's Annexation of the City of Ukiah Protest Hearing is scheduled for November 8, 2021, at 10:00 a.m. The next regular meeting is scheduled for Monday, December 6, 2021, at 9:00 a.m. The location is to be determined based on guidelines recommended by the Mendocino County Public Health Officer and Executive Orders regarding the COVID-19 pandemic.

Live web streaming and recordings of Commission meetings are available via the County of Mendocino's YouTube Channel. [November 1, 2021, YouTube meeting recording](#). Links to recordings and approved minutes are also available on the [LAFCo website](#).