Mendocino County Russian River Flood Control & Water Conservation Improvement District

STAFF REPORT

Agenda Item 7: Mendocino County Local Agency Formation Commission Monday, April 1, 2024

<u>The Strategic Plan</u> relevant priority is **Use**, ensuring effective and beneficial use of water as a public resource. Goal 1, Tactic 1.2: Consider boundary changes to coincide with the next LAFCo MSR and SOI Update.

Background:

The Local Agency Formation Commission (LAFCo) was created by State law in 1963 to oversee the logical and orderly formation and development of local government agencies including cities and special districts. Each of the 58 counties in California has a LAFCo Commission. The objectives of LAFCo are to **encourage** the orderly formation of local government agencies and promote the efficient provision of public services, **preserve** agricultural land and open-space resources, and **promote** orderly growth and discourage urban sprawl.

LAFCo has the authority to establish and reorganize cities and special districts, change their boundaries and authorized services, allow the extension of public services, perform municipal service reviews, and establish spheres of influence. Some of LAFCo's duties include regulating boundary changes through annexations or detachments and forming, consolidating, or dissolving local agencies.

A Municipal Service Review (MSR) is a comprehensive analysis of the services provided by a local government agency to evaluate the capabilities of that agency to meet the public service needs of their current and future service area.

A Sphere of Influence (SOI) is a plan for the probable physical boundary and service area of a local agency or municipality. The SOI Update includes written statements or determinations with respect to mandated areas of evaluation and provides the basis for LAFCo to consider the appropriateness of establishing or modifying a service provider's sphere of influence.

The District's last MSR and SOI Update was approved by LAFCo in 2017 and is scheduled to be reviewed again in the Fiscal Year 2024-2025. District cooperation is essential in the efficient and informative update of the MSR and SOI.

Discussion

In the District's Strategic Plan is a goal to maximize beneficial use of water under the Districts Water Right license through boundary changes to coincide with the next LAFCo MSR and SOI update. The current place of use for the District's main water right includes Redwood Valley, however, the LAFCo boundary does not. Additionally, there are several areas just outside of the District's licensed place of use and LAFCo boundary that are being considered for inclusion. The change petition on the District's license will likely include these minor changes and the District plans to include them in the LAFCo boundary as well, resulting in a coterminous boundary and place of use.

The District has worked to include Redwood Valley within its boundary for many years. Efforts included exploring consolidation of the Districts including services and dissolution of RVCWD, support and participation in the Upper Russian River Water Agency Joint Powers Authority, and over the past 4 year,

annexation of the Redwood Valley place of use without consolidation of the two districts. An ad Hoc Committee, research, and input from legal counsel brought the process only as far as executing an Agreement to Terms of Service in 2021 before collaboration dissolved. A renewed interest from the Redwood Valley Board encouraged RRFC to establish another Ad Hoc Committee and begin meetings. Both districts agreed that Resolutions of Commitment were needed before any additional resources were expended on the annexation effort and the RRFC Board is being asked to consider the **attached** Resolution of Commitment. Redwood Valley Board is considering the same resolution.

If both districts approve Resolutions of Commitment, the Ad Hoc Committees will continue to meet and develop a work plan, timeline, and cost estimates for the Redwood Valley portion of the annexation with the intent to file an application to LAFCo later this year.

Annexation of the area of Redwood Valley into RRFC will make RVCWD eligible to enter into a Uniform Water Supply & Purchase Agreement and to purchase surplus water. Legal counsel is exploring how to remove the cap of surplus water that could be purchased by RVCWD in order to maintain the benefits of the stipulated judgement.

Recommended Actions:

- Ratify appointment of Trustees Reardan and Watt to LAFCo Ad Hoc Committee to work with General Manager in preparing for the upcoming LAFCo Municipal Service Review and Sphere of Influence Update, including a potential annexation application.
- o Approve Resolution #24-01, a Commitment to Collaborate with Redwood Valley County Water District in developing a Local Agency Formation Commission Annexation Application.

Link to the current District MSR and SOI Update:

https://www.mendolafco.org/files/0aa9ad73f/2017%2C+5-1+Adopted+Update+RRFC+MSR-SOI.pdf

<u>Link to the Stipulated Judgement:</u>

https://rrfc.specialdistrict.org/stipulated-judgement-between-mendocino-county-russian-river-flood-control-water-conservation-improvment-district-and-redwood-valley-county-water-district-1980

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Prepared and submitted to the Board of Trustees by: Elizabeth Salomone, General Manager

Resolution #24-01

of the

Mendocino County Russian River Flood Control & Water Conservation Improvement District

Commitment to Collaborate with Redwood Valley County Water District in developing a Local Agency Formation Commission Annexation Application

WHEREAS, Russian River Flood Control & Water Conservation Improvement District Board of Trustees, hereinafter referred to as the "Board of Trustees," desires to collaborate with Redwood Valley County Water District (RVCWD) to develop an annexation application to the Mendocino County Local Agency Formation Commission (LAFCo) that would extend the Russian River Flood Control & Water Conservation Improvement District (RRFC) boundary to incorporate the service area of the RVCWD; and

WHEREAS, the proposed annexation would not consist of a consolidation of services nor a consolidation of RRFC and RVCWD; and

WHEREAS, the proposed annexation would not negate, supersede, or otherwise impact the Stipulated Judgment No 42059; and

WHEREAS, once within the boundary of RRFC, RVCWD would be eligible to enter into a Uniform Water Supply & Purchase Agreement with RRFC; and

WHEREAS, it is RRFC's understanding that RVCWD Board also desires to collaborate with RRFC to develop an annexation application to LAFCo that would extend the Russian River Flood Control & Water Conservation Improvement District (RRFC) boundary to incorporate the service area of the RVCWD.

NOW, THEREFORE, BE IT RESOLVED, that the RRFC Board of Trustees is committed to work with RVCWD in developing an annexation application that would result in eligibility of RVCWD to enter into a Uniform Water Supply & Purchase Agreement with RRFC.

ADOPTED 1st of April 2024, by the Board of Trustees of the Mendocino County Russian River Flood Control & Water Conservation Improvement District, by the following vote:

Christopher Watt, President	Yes / No / Abstain / Absent	
Alfred White, Vice President	Yes / No / Abstain / Absent	
John Bailey, Treasurer	Yes / No / Abstain / Absent	
John Reardan, Trustee	Yes / No / Abstain / Absent	
Tyler Rodrigue, Trustee	Yes / No / Abstain / Absent	
Signed:Christopher Watt,	Board of Trustees President Date	
Attest:Elizabeth Salo	emone, General Manager Date	