Attachment B

PETITION FOR TRANSFER OF INHABITED TERRITORY

To the County Superintendent of Schools of Humboldt and Mendocino Counties:

Pursuant to Education Code Section 74100 (b), the undersigned, constituting the majority of the governing board members of Redwoods Community College District (RCCD) and Mendocino-Lake Community College District (MLCCD), file this petition that the boundaries of the Redwoods Community College of Humboldt County, be changed to eliminate from its territory the area hereinafter described. The undersigned Board members, through this petition, seek to have the territory transferred to and included within the Mendocino-Lake Community College District of Mendocino County.

The property to be transferred is described as follows:

The area is generally described in Education Codes Section 72023. The college area contained in the Fort Bragg Unified School District and Mendocino Unified School District, that was initially annexed to the Redwood Community College District. The legal description of this area is attached as Exhibit 1.

The undersigned request the changes in the respective boundaries of the Redwoods Community College District and Mendocino-Lake Community College District for the following reasons:

1. Community Identity:

Due to the proximity of the described area to the Mendocino-Lake Community College District, there is a common community identity. Students live, participate in local activities, have friends and family near the proposed new service District (Mendocino-Lake Community College District). By contrast, the service area's primary educational center in Fort Bragg is located more than 125 miles from the main RCCD campus near Eureka. The most direct route requires traversing a lengthy, winding 2-lane road.

2. Geography:

The distance between social centers, school centers, and social ties at MLCCD, all provide a strong, substantial community identity. MLCCD is geographically better situated to provide these services to students.

3. Safety:

The proximity of the main campus of MLCCD to the new territory, will allow students a shorter distance to travel to obtain services, other classes, and educational assistance. The Boards have considered the effects of such factors as distance between districts, attendance centers, terrain, and geographic features on the safety of students and employees.

4. Impact of School District Organization:

Transferring this territory with its student population will have little or no impact on current school district organization plans, as the majority of the current student population base currently live in the service area. Approval of the petition will bring students back to their local community college district.

Analysis of State Criteria (Education Code sections 74106 and 74108):

The County Committee, by state law, shall make available a description of the petition and a report that includes a description or analysis of the criteria in Education Code section 74106 and

may approve a petition only if the conditions are satisfied under Education Code section 74108, subdivision (b).

On July 28, 2015, RCCD and MLCCD approved a Memorandum of Understanding (MOU) for purposes of providing programs and services during the transitional period of the territory transfer. This is an operational MOU and is attached as Exhibit 2 of this petition. In addition to the MOU, the Governing Boards of RCCD and MLCCD, provide the following summary of their consent regarding all the conditions of the territory transfer required to be satisfied under Education Code sections 74106, subdivision (b) and 74108, subdivision (b).

Education Code section 74106, subdivision (b):

1. The rights of the employees in the affected districts to continued employment.

The rights of the employees in the affected districts are governed by Education Code section 74270.

74270. (a) The reorganization of any-district or-districts shall not affect the classification of academic employees already employed by any district affected. Those employees shall have the same status with respect to their classification by the district, including time served as probationary employees of the district, after the reorganization as they had prior to it. If the reorganization results in the college or other place in which any of these employees is employed being maintained by another district, the employee, if a permanent employee of the district that formerly maintained the college or other place of employment, shall be employed as a permanent employee of the district which thereafter maintains the college or other place of employment, unless the employee elects prior to February 1 of the year in which the action will become effective for all purposes to continue in the employ of the first district.

2. The financial impact of the proposed change on each affected district.

The proposed transfer of inhabited territory will not cause a negative effect on the fiscal management or status of any district. Center status and FTES calculations are described in Exhibit 2. There will be no increased costs to the state as a result of the proposed transfer of territory. The transfer of territory will not result in a reduction in state aid to community college districts not party to the petition. The reallocation of local property tax revenues have been accurately determined and will be appropriately transferred. The reallocation estimates are provided as Exhibit 3.

3. Whether the districts involved will be governed, in part, by provisions of a city charter and, if so, in what way.

Neither district is or will be governed by a city charter. This criteria is not applicable.

4. A description of the territory affected.

A description of the territory affected is attached as Exhibit 1.

5. A description of how the property, obligations, and bonded indebtedness of existing districts will be divided.

RCCD and MLCCD have agreed to adhere to Education Code sections 74280, 74281 and 74284 regarding the disposition of Records, Funds, Property, and Obligations and Education Code section 74290 in regards to Bonded Indebtedness of the Districts.

After analysis and public hearings regarding the general obligation bond indebtedness, it is agreed that six million, thirty-nine thousand and three hundred eighty-four dollars (\$6,039,384) of general obligation bond indebtedness principal and interest payments plus its pro-rata share of other charges applicable to the debt service schedules will be repaid by taxes collected on the properties within the territory under consideration for transfer "until the bonded indebtedness for which the acquiring district is liable has been repaid", effective simultaneously on the date of the transfer of territory. This represents 13.6601% of the bond indebtedness. The approval or ratification of this Petition by the Boards of Trustees of both RCCD and MLCCD along with the approval or ratification of this petition by the Board of Governors of the California Community Colleges shall be the sole approval required to effect this bond indebtedness repayment requirement.

Whether the reorganization will significantly affect racial or ethnic composition of districts.

The proposed reorganization will not significantly affect the racial or ethnic composition of the affected districts. Census data provided by Planwest Partners, Inc., and attached as Exhibit 4, reflects minimal changes in the racial or ethnic composition of the Districts.

7. Determination of impact of proposed change upon boards of trustees.

Education Code Section 72023 provides that a community college district must have a board of five or seven members. Education Code section 72023 gives RCCD special authority regarding board size. As a result of this proposed transfer, RCCD would no longer have Trustee Area 8 and the Board member representing that area. The County Elections Office and State Board of Equalization would be notified of the transfer.

Education Code Section 74263 governs how trustee areas are adjusted when territory is transferred between community college districts. The territory becomes part of existing trustee areas. It does not become a new trustee area in the district acquiring the territory. In 2014, RCCD obtained authorization from the County Committees in each of the counties where it has territory, to reduce the existing size of its board from nine to eight trustees. That authorization included a contingency authorizing a further reduction in the size of its board to seven trustees if and when this territory transfer becomes final. The territory being transferred will become part of Trustee Area 1 and Trustee 4 of the MLCCD trustees to which it is adjacent.

8. A draft statement of the terms of the agreement regarding all conditions of the transfer, when applicable, for consideration by governing boards of affected districts.

This petition, the attached MOU and the report of the County Committees will constitute the terms of the agreement regarding all conditions of the transfer.

9. Whether the change is compatible with the district master plan of the county.

The proposed territory change does not negatively impact the district master plan of each county and it is compatible with each district master plan of the counties.

Education Code section 74108, subdivision (b):

 The governing board of the receiving district has consented to all conditions of transfer by an agreement signed by a majority of the members of the board.

By submittal of this Petition by the Chief Petitioners, and approval of Resolution(s) by the RCCD Governing Board on September 8, 2015 and the MLCCD Governing Board on September 9, 2015, the Boards of Redwoods Community College District and Mendocino-Lake Community College District give initial consent to all conditions of the transfer. In addition to this initial consent to initiate the Petition, the Governing Boards recognize that Education Code Section 74107 provides that after the public hearing(s) held by the County Committees, the County Committees shall forward a copy of the petition, the County Committee report documents to each Governing Board and the board of governors for review. The Governing Boards understand, that at that time, no transfer shall be made unless a majority of the members of the Governing Boards sign a statement agreeing to all conditions of the transfer.

- 2. In order to approve the petition, the county committee must make certain findings as set out in Education Code section 74108, subdivision (b). RCCD and MLCCD submit that these findings are appropriate on the following basis:
 - (A) The transfer will not result in any increased cost to the state.
 - 1.) Neither District's "basic single college district" funding will increase as a result of the proposed transfer of territory.
 - 2.) All grand parented Center funding and enrollment funding generated within the territory and currently received by RCCD will be received by MLCCD after the proposed transfer of territory. The proposal of RCCD and MLCCD is that FTES base would be re-allocated from RCCD to MLCCD to the extent that MLCCD is over cap in 2016-17, up to the 250 FTES, less the Fine Woodworking FTES at RCCD during 2016-17. Therefore, we anticipate up to about 200 FTES to be subject to transfer from RCCD to MLCCD during 2016-17. The source of the 2016-17 FTES transfer from Redwoods would be its *Unrestored Decline as of July 1st of Current Year* as reflected on Chancellor's Office periodic *Principal Apportionment* reports. This will not result in the State funding any more FTES than could have been funded if no transfer of territory were contemplated.

After analysis and public hearings, it is agreed that for 2017-18, the California Community Colleges Chancellor's Office (Chancellor's Office) will make the following two adjustments to its SB361 Principal Apportionment funding model: First, the transfer of 250 full-time equivalent students (FTES) enrollment cap from RCCD to MLCCD. The FTES transfer will reduce RCCD's Unrestored Decline as of July 1st of Current Year as reflected on the Chancellor's Office's periodic Principal Apportionment reports. The transfer will increase the FTES funding cap available to MLCCD. Second, the Chancellor's Office will transfer one Grandfathered or Previously Approved Center at the approximately 249 or greater FTES from RCCD to MLCCD, and MLCCD will have up to three years from the date of the transfer of territory to restore enrollments to approximately 249 or greater FTES at the Center before losing the Grandfathered or Previously Approved funding. The changes in this paragraph will be effective simultaneously on the date of the transfer of territory. The approval or ratification of this Petition by the

Boards of Trustees of both RCCD and MLCCD along with the approval or ratification of this petition by the Board of Governors of the California Community Colleges shall be the sole approval required for the Chancellor's Office to effect these changes to the SB 361 Principal Apportionment funding model.

- RCCD's funding will not increase as a result of the proposed transfer of territory.
- 4) The transfer will not increase costs to the state and the districts will work with the County Committees and State to verify that fact.

(B) The transfer will not result in a reduction in state aid to community college districts not party to the petition.

- 1.) The entire territory proposed for transfer is currently in the RCCD and is proposed to transfer in its entirety to MLCCD.
- 2) The transfer will not result in a reduction in state aid to community college districts not part to the petition and the districts will work with the County Committees and State to verify that fact.

(C) The reallocation of local property tax reduction revenue has been accurately determined and will be appropriately transferred.

Both the RCCD and MLCCD have worked with the Mendocino County Tax Assessor and have determined the amount of property tax reduction revenue that will be accurately and appropriately transferred.

(D) The transfer will not significantly affect the racial or ethnic composition of the districts affected.

The proposed reorganization will not significantly affect the racial or ethnic composition of the affected districts. Census data provided by Planwest Partners, Inc., and attached as Exhibit 4, reflects minimal changes in the racial or ethnic composition of the districts.

(E) The transfer will not decrease educational opportunities for residents of all districts involved.

The proposed transfer of inhabited territory will continue to promote sound educational opportunities and will not significantly disrupt the educational programs at RCCD or MLCCD. The Memorandum of Understanding (Exhibit 2) between RCCD and MLCCD provides clarity regarding all instructional, student services and other services that support student access, and equity. During the transition and consistent with the MOU, MLCCD will provide exclusive instructional and student services in the Service Area. If approved, the transfer of educational opportunities will be seamless.

The MOU will be effective until June 30, 2017. At that time, the Districts anticipate that the transfer of territory will be effective. At that time, MLCCD will assume the educational opportunities for the residents of the territory transferred.

Additionally, RCCD submitted to the Accrediting Commission for Community and Junior Colleges of the Western Association of Schools and Colleges a "Substantive Change Proposal" (Exhibit 5) on April 8, 2015. This document details how the RCCD has made appropriate arrangements for current RCCD students to compete their

programs of study, and how continuing and new students in the service area will be well served by MLCCD.

California Environmental Quality Act Public Resources Code sections 21000 et seq.):

The Governing Boards understand that the territory transfer of inhabited territory is considered a project under the California Environmental Quality Act (CEQA), and is a responsibility of the County Committee and the County Superintendent having jurisdiction.

A Notice of Exemption was prepared for a categorical exemption under California Code of Regulations § 15320, Title 14, Division 6, Chapter 3, Article 19, and stated the reason for the exemption was that it met the terms of a Class 20 categorical exemption (Changes in Organization of Local Agencies).

"The Notice of Exemption was filed with the Mendocino County Clerk's Office on November 10, 2015. The Local Agency Formation Commission ("LAFCO") received a copy of the Notice of Exemption. No legal challenge to the Notice of Exemption was filed within the 35-day statute of limitations under Public Resources Code § 21167.

The Chief Petitioners:

The President/CEO of Redwoods Community College District and the President/CEO of Mendocino-Lake Community College District are designated as Chief Petitioners for the purpose of receiving notices of any public hearing to be held on the petition.

Name (print or type)	Address
Keith Snow-Flamer President/Superintendent	College of the Redwoods 7351 Tompkins Hill Road Eureka, CA 95501
J. Arturo Reyes Superintendent/President	Mendocino Lake Community College 1000 Hensley Creek Road Ukiah, CA 95482
REGULARLY PASSED AND ADOPTED THIS 13 AYES: 7	DAY OFApril, 2016.
NOES: 0	
ABSTENTIONS: 0	ŧi
ATTEST: Marie S. Myer	

Clerk Board of Trustees

RESOLUTION NO. 04-16-01

MENDOCINO-LAKE COMMUNITY COLLEGE DISTRICT

CONSENT TO ALL CONDITIONS LISTED IN THE PETITION FOR TRANSFER OF INHABITED TERRITORY DOCUMENT

Ukiah, California	April 13, 2016	
Pursuant to Education Code Section 74100 (b), the undersigned, constituting the majority of the governing board members of the Mendocino-Lake Community College District (MLCCD) consent to all the conditions listed in the Petition For Transfer of Inhabited Territory document and file this petition requesting that the boundaries of the Redwoods Community College of Humboldt County, be changed to eliminate from its territory the area described in the petition. The undersigned Board members, through this petition, seek to have the territory transferred to and included within the Mendocino-Lake Community College District of Mendocino County.		
PASSED AND ADOPTED THIS thirteenth day of April, 2016, by the Board of Trustees of the Mendocino-Lake Community College District.		
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Signatures of a majority of the Board of Trustees:		
Janet Chaniot Quant Chancot		
Joel Clark		
Marie Myers Marie Myers	200	
Dave Geck Lange Steel		
Ed Haynes		

ATTEST:

John Tomkins

Paul Ubelhart

Arturo Reyes, Secretary - Board of Trustees Mendocino-Lake Community College District

Mendocino County Committee on School District Organization



MINUTES

May 9, 2016, Approximately 10:15 a.m.

Meeting Location:

Pomolita Middle School - Library

740 North Spring Street Ukiah, CA 95482

Integrity

Customer Service

Accountability

Teamwork

Innovation

Passion

CALL TO ORDER at 10:16 a.m. by Chairperson Donald Cruser

<u>INTRODUCTION OF MCCSDO MEMBERS PRESENT</u>: Mary Misseldine, Trustee Area 2; Stephanie Stratford Hoy, Trustee Area 4; Donald Cruser, Trustee Area 5

<u>STAFF PRESENT</u>: Warren Galletti, Superintendent; Paul Joens-Poulton, Associate Superintendent; Becky Jeffries, Asst. Superintendent; Frank Zotter, Legal Counsel; Dorothy Mazzanti, Conf. Admin. Asst. as recording secretary

MCCSDO MEMBERS ABSENT: Camille Schraeder, Trustee Area 1; Charline Ford, Trustee Area 3

<u>ALSO PRESENT</u>: Arturo Reyes, Superintendent/President Mendocino College; Eileen Cichocki, Vice President of Administrative Services Mendocino College

- *Approval and Adoption of Agenda, May 9, 2016
 MSC Mary Misseldine/Stephanie Stratford Hoy, to Approve and Adopt the agenda for May 9, 2016, carried (3/0)
- 2.0 Public Comment Non-Agenda Items
 None

INFORMATION/DISCUSSION

3.0 Information/Discussion

3.1 *Notice is hereby given* that a public hearing will be held by the Mendocino County Committee on School District Organization to approve the final petition to transfer inhabited territory described as that portion of the

CCSDO Agenda 05/09/16

College of the Redwoods territory contained in the Fort Bragg Unified School District and Mendocino Unified School District, and that was formerly annexed to the Redwoods Community College District under Education Code Section 72023.

The County Committee will consider, discuss and receive public comments regarding the final petition. At the close of the Public Hearing, the County Committee will take action regarding the final petition. The final petition and supporting documents are available for inspection at the Mendocino-Lake Community College District (Ukiah and Fort Bragg Campus) and the Redwoods Community College District (Eureka Campus).

4.0 Discussion/Action

*Resolution #04-16-01 Mendocino Lake Community College District Consent to All Conditions Listed in the Petition for Transfer of Inhabited Territory Document.

*Lake County Board of Education endorsement letter.

Becky Jeffries, Assistant Superintendent Mendocino County Office of Education and Arturo Reyes, Superintendent/President Mendocino College both described the specific changes that were made to the petition and previously reviewed/approved at the March 24, 2016 Public Hearing. Specifically, the bond indebtedness mentioned on page 3 and the three-year grace period to achieve the 250 FTES mentioned in the last paragraph of page 4.

Arturo Reyes also addressed the board in response to questions about trustee areas and the number of employees on the coast. He talked about the fine wood working program and one College of the Redwoods employee who will transfer to the coast as an employee of Mendocino-Lake Community College School District.

4.2 *Action/Approve Final Petition

MSC – Stephanie Stratford Hoy/Mary Misseldine, to Approve the Final Petition for Transfer of Inhabited Territory from Redwoods Community College District to Mendocino-Lake Community College District, carried (3/0)

ADJOURNMENT at 10:24 a.m.