



LOCAL AGENCY FORMATION COMMISSION
550 Main Street, Suite E. Placerville, CA 95667
(530) 295-2707 • lafco@edlafco.us • www.edlafco.us

August 24, 2022

Honorable Vicki Ashworth
Presiding Judge of the El Dorado County Superior Court
459 Main Street
Placerville, CA 95667

SUBJECT: Grand Jury Case #21-10: Timeliness of Municipal Service Reviews

Dear Judge Ashworth,

The El Dorado Local Agency Formation Commission has received the June 27, 2022 Grand Jury Report, titled "Timeliness of Municipal Service Reviews," Grand Jury Case No. 21-10. On behalf of this Commission, I thank you for the opportunity to comment.

El Dorado LAFCO has carefully considered the report, the methodology, its findings and each of the recommendations submitted by the Grand Jury. The report specifically requests that LAFCO respond to all findings and recommendations. Therefore, LAFCO respectfully submits the following responses:

Findings

F1. State law requires El Dorado LAFCO to prepare an MSR of a local agency in its jurisdiction when updating the government agency's SOI.

Response: El Dorado LAFCO agrees with this finding.

F2. Preparation of an MSR is important for the effective and efficient delivery of municipal services to the residents of El Dorado County.

Response: El Dorado LAFCO agrees with this finding.

F3. In violation of its policy and guidelines, El Dorado LAFCO has not made MSR preparation a priority and has not completed MSRs as required by State law and its project plan.

Response: El Dorado LAFCO partially disagrees with this finding.

Explanation: El Dorado LAFCO has prioritized preparation of MSRs within available resources and the Covid emergency. However, we have not completed all MSRs as required by the Third MSR Cycle in accordance with our policies and guidelines and project plan.

COMMISSIONERS

Public Member: Bill Wilde • Alternate Public Member: Dawn Hodson

City Members: Cody Bass, Jackie Neau • Alternate City Member: Patricia "Patty" Borelli

County Members: John Hidahl, George Turnboo • Alternate County Member: Wendy Thomas

Special District Members: Brian Veerkamp, Timothy J. White • Alternate Special District Member: Michael Saunders

STAFF

Erica Sanchez, Interim Executive Officer • Shiva Frentzen, Assistant Policy Analyst • Kelly Witt, Administrative Assistant

Malathy Subramanian, Commission Counsel

Government Code Section 56425(g) states, "On or before January 1, 2008, and every five years thereafter, the commission shall, as necessary, review and update each sphere of influence." Each LAFCO interprets the "as necessary" portion of State law according to local policies and circumstances. El Dorado LAFCO Policy 5.3 states, "LAFCO shall complete service reviews for all municipal services provided by agencies with SOIs by January 1, 2008. After that date, service reviews shall be completed as necessary prior to, or concurrent with, SOI formations, updates, or substantial amendments (§56430)."

- F4. El Dorado LAFCO changed the cycle for MSR preparation from five to eight years.

Response: El Dorado LAFCO partially disagrees with this finding.

Explanation: The Commission has not changed its policies and guidelines to reflect an eight-year MSR cycle. At its February 27, 2013 meeting, the Commission adopted an eight-year MSR Project Plan for only its Third MSR Cycle (2013-2021).

- F5. There is no status chart specifying the timeframe for MSR preparation of each agency.

Response: El Dorado LAFCO partially disagrees with this finding.

Explanation: This information is available on the LAFCO website, though State law does not require it to be available in a single chart. However, we agree it would be preferable to have the information in one place for transparency purposes. Each agency under LAFCO's jurisdiction has a page on the LAFCO website that shows the dates and links to all previous MSRs for the agency; however, this page does not give an explicit date for the next scheduled MSR.

- F6. El Dorado LAFCO has been without a permanent Executive Officer since July 6, 2021.

Response: El Dorado LAFCO agrees with this finding.

- F7. El Dorado LAFCO has four budgeted positions. Currently, only two and a half of the positions are filled, leaving one and a half positions vacant. This has had a direct negative effect on its ability to complete MSRs.

Response: El Dorado LAFCO disagrees with this finding.

Explanation: The El Dorado LAFCO FY21-22 budget included three and a half budgeted positions. The FY22-23 budget includes three full time positions. The COVID emergency had more of a direct negative impact, affecting LAFCO's ability to staff positions. The FY21-22 and FY22-23 budgets included funding for outside contracts for MSR completion.

Recommendations

- R1. El Dorado LAFCO staff should present to the Commissioners a plan for the timely completion of MSRs and SOIs for the next cycle. The plan should be presented at a regular Commissioners' meeting by December 31, 2022.

Response: This recommendation is in progress and is expected to be presented by the Strategic Planning Ad Hoc Committee at a regular LAFCO meeting by December 31, 2022. The Strategic Planning Ad Hoc Committee is working to address all 49 Special Districts and 6 County Service Areas in the next MSR plan to bring recommendations to the Commission for changes to its Policies and Guidelines.

R2. El Dorado LAFCO should complete all MSRs that are delinquent by June 30, 2023.

Response: Refer to R1 response.

R3. El Dorado LAFCO should return to its MSR preparation cycle of five years.

Response: Refer to F4 and R1 responses.

R4. El Dorado LAFCO should have an updated MSR status report on its website by December 31, 2022, that specifies when the last MSR for each agency was completed and when the next one is due.

Response: This recommendation is in progress and is expected to be presented at a regular LAFCO meeting by December 31, 2022.

R5. El Dorado LAFCO should make hiring a new Executive Officer a high priority.

Response: This recommendation is in progress and is expected to be completed before September 30, 2022.

R6. El Dorado LAFCO should hire staff for current and future vacant positions as quickly as possible.

Response: As vacancies occur, this recommendation will be implemented under the direction of the new Executive Officer.

We thank the Grand Jury for its time and attention to this matter. The Commission recognizes the importance of updated MSR-SOI reports and has been proactively working on completing outstanding MSRs since 2018, within available resources and outsourcing. The Commission formed a Strategic Planning Ad Hoc Committee in 2021 to look into the long-term goals and plans for the agency including updating Policies and Guidelines and MSR strategy. The new Executive Officer will continue to work with the Commission to bring these initiatives to completion in the near future.

Regards,

John Hidahl
Chair