

To: John Hydahl, EDC LAFCo Chairperson
From: Mike Powell, EDC LAFCo Public Commissioner
Date: 4 April 2022



Subject: My Submission of Three Attachments to be Included for Agenda Item 10. in the next 27 April 2022 Commission Meeting per its Chairperson Request

Per your 30 March 2022 email request, I have attached my three items to be referenced and linked to the agenda Item 10 for the next full Commission meeting now being scheduled for 27 April 2022, as follows:

#1—The published minutes of the 15 Dec 2021 Ad Hoc Strategic Planning committee meeting distributed in your email to all committee member the next day.

#2—My letter of 15 Nov 2021 that was referenced and linked to Item 9 of the 1 Dec 2021 full Commission meeting, then published later by email to all Commissioners by EDC LAFCo Staff

#3—A copy of Section 56001 in the CKH 2000 Act, being entitled: PART 1: General; and, CHAPTER 1: Legislative Findings and Declarations, which differentiates the local urban v. rural agency policy needs, separately, being a reference cited in #2 above.

Per your email request above, forward my three attachments over to Erica and Mala, as needed for their inclusion, as above, into the next full Commission meeting, per my request.

Thank you again in advance for your help,



#1

Re: Strategic Planning Committee Meeting

John Hidahl <john.hidahl@edcgov.us>

Thu 12/16/2021 10:05 AM

To: Kelly Witt <kwitt@edlafco.us>

Cc: Veerkamp, Brian (bveerkamp@eid.org) <bveerkamp@eid.org>; Michael Powell <kickback1882@msn.com>; shivafrentzen@gmail.com <shivafrentzen@gmail.com>; Erica Sanchez <ESanchez@edlafco.us>; John Hidahl (bosone@edcgov.us) <bosone@edcgov.us>

Morn'in All,

As requested, here's my top level 'takeaway' actions from yesterday's meeting in a prioritized format:

1) We need to provide more technical and policy writing support to Erica ASAP

Action: Agendize a decision making item for the January LAFCo meeting to revise the 2021/2022 budget to advance the hiring of the analyst position from April 1st 2022 to January 2022, effective upon Commissioner's approval. Shiva can help with the agenda item language-to be reviewed and approved by Mala.

Action: Erica to discuss process for hiring Shiva to fill the analyst role ASAP after budget authorization is complete. This moves Shiva from a limited contract consultant role to a LAFCo employee role. We need to somehow make it clear that this is not expected to be a long term condition, as Shiva is interested in competing for the LAFCo EO position when the formal recruitment process begins.

2) We need to move the 2022/2023 Budget review and decision to the February LAFCo agenda, with a January update still agendized

Action: The Budget Ad-Hoc committee (Shiva as spokesperson) should report progress from last LAFCo meeting and what to expect for the February meeting

3) The Strategic Planning Ad-Hoc committee (John spokesperson) will report on the progress since the last meeting and current conceptual ideas on changing from the previously defined 8 year cycle to a new multi-cycle format consistent with what some other LAFCo's have been doing

Action: At the January meeting, describe the planned direction of writing new policy to revise the LAFCo MSR/ROI process to focus on three different cycles: 1) The 8 largest and most active Districts "Always" review on a Five year nominal cycle; 2) An Assessment only cycle for the three County Service Areas that levy assessments to fund services provided by other agencies. The cycle assessment timeframe on these agencies is TBD and 3) A third a "By agency 'Health' assessment" that could utilize a scoring system to determine the need for an MSR and with policy statements that define the consequences (i.e. dissolution) of poor performing Districts. This could utilize an Annual Operating Report/Audit process based primarily upon State reported records. All of the Single purpose CSD's would fall into this category. The detailed 2021/2022 and 2022/2023 Work plan spreadsheets provided by Commissioner Powell will be presented at the February meeting to allow the analyst staffing increase to be in place.

Action: Erica to include the LAFCo MSR position/Policies/Cycle Duration spreadsheet (8 Counties contacted) in the staff report for the January LAFCo meeting to help all commissioners understand the diversity of approach being taken across other LAFCo's. Erica to verbally summarize the discussions she has had in collecting the information for the spreadsheet.

4) Draft Policy statements consistent with the new multi-cycle MSR/SOI proposed changes by the Ad-Hoc Committee should be developed once the Analyst position has been filled.

Action: Erica, in her capacity as the interim EO to direct the draft policy changes be initiated, consistent with staff priorities.

5) Schedule/calendar the next Strategic Plan Ad-Hoc Committee meeting in early February.

Action: Erica to request Kelly to coordinate.

If anyone takes exception to this summary, or wants to add something significant that I missed, please provide those inputs directly to me.

Thanks, John

On Thu, Dec 2, 2021 at 10:22 AM Kelly Witt <kwitt@edlafco.us> wrote:



12/2 10:21 am.

This time works better for Shiva.

Good morning,

As mentioned in November's Commission Meeting, this meeting will follow the Budget Committee Meeting scheduled for December 13.

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Added Item & Re: Erica: I gave John three of my attachments to be linked to the agenda Item 10 for the next full Commission meeting on 27 April 2022, per his email request last week, which he will forward to you and Mala, as well. Thank you, Mike Powell.

michael powell <kickback1882@msn.com>

Tue 4/12/2022 9:01 AM

To: Erica Sanchez <ESanchez@edlafco.us>

Erica: Per my 4 April 2022 letter request for attachments to be added to Agenda Item 10 for the next 27 April 2022 Commission Meeting, as a past reference which i used for my Attachment #1, please add an additional link under it back to the "Item 7 (or Jose's Staff Report of 2-pages) that was published in the original Agenda for the 23 June 2021 Commission Meeting," being now accessible to the public on the EDC LAFCo website under the "meetings" header. Yesterday, I gave a review copy to Chairperson Hidahl; and, will bring its copy to you this morning for your use, etc., along with a copy of this email added item request. Thank you again, Mike Powell



From: Erica Sanchez <ESanchez@edlafco.us>

Sent: Monday, April 11, 2022 11:24 AM

To: kickback1882@msn.com <kickback1882@msn.com>

Cc: Malathy Subramanian <Malathy.Subramanian@bbklaw.com>; 'John Hidahl' <john.hidahl@edcgov.us>

Subject: RE: Erica: I gave John three of my attachments to be linked to the agenda Item 10 for the next full Commission meeting on 27 April 2022, per his email request last week, which he will forward to you and Mala, as well. Thank you, Mike Powell.

Good morning Commissioner Powell,

Per Mala, we will include your letter dated April 4, 2022 and Attachment #1 under Item 10 of the April 27 agenda. Item #2 can be verbally discussed at the meeting, but will not be included with the attachments because it raises Brown Act concerns with a commissioner submitting written comments to the Commission. Item #3 goes with #2, so that will not be included as well.

Thank you,
Erica

Erica Sanchez

Interim Executive Officer
(530) 295-2707
esanchez@edlafco.us



El Dorado Local Agency Formation Commission
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Placerville, CA 95667
www.edlafco.us

From: michael powell <kickback1882@msn.com>

Sent: Monday, April 4, 2022 11:00 AM

To: Erica Sanchez <ESanchez@edlafco.us>

Cc: Malathy Subramanian <Malathy.Subramanian@bbklaw.com>

Subject: Erica: I gave John three of my attachments to be linked to the agenda Item 10 for the next full Commission meeting on 27 April 2022, per his email request last week, which he will forward to you and Mala, as well. Thank you, Mike Powell.



EL DORADO LAFCO
LOCAL AGENCY FORMATION COMMISSION

AGENDA OF JUNE 23, 2021

REGULAR MEETING

TO: Tim Palmer, Chair, and
Members of the El Dorado County Local Agency Formation
Commission

FROM: José C. Henríquez, Executive Officer

AGENDA ITEM #7: PROVIDE STAFF WITH ANY ADDITIONAL GUIDANCE ON
FACTORS TO BE USED TO DEVELOP THE NEXT MSR
PROJECT PLAN

RECOMMENDATION

Staff recommends that the Commission receive the information regarding the previous MSR Project Plans and provide staff with any additional guidance or factors to consider when drafting the Fourth MSR Project Plan.

REASON FOR RECOMMENDED ACTION

The Commission should approve of a new MSR project plan governing what and how the MSRs will be conducted in the next cycle.

BACKGROUND

LAFCOs have been tasked with periodically reviewing the agencies under its jurisdiction and updating their spheres of influence (SOIs) accordingly. Attachment A contains the factors that went into the development of the second and third municipal service review (MSR) Project Plans. In summary, the model group all agencies subject to an MSR/SOI study into three categories: "Always," "Assessment-Only," and "By Score" agencies. The "Always" category include the eight largest and most active agencies that will always be included into the project plan. The "Assessment-Only" agencies are agencies that levy assessments to fund services provided by other agencies. The Commission may choose not to study these three agencies because do not provide services directly and have no dedicated staff. All other agencies are subject to a score rating, ranked on a two-factor model that scores the agency based on whether 1) issues were found in the previous MSR conducted on that agency and 2) on the agency's activity level.

Factors to Consider in Developing a New Plan

Given that MSR's grow more complex and must compete with other duties, LAFCO staff thought that the Commission may have other factors to consider when developing the new MSR project plan. Staff has listed the following factors for the Commission to consider. The Commission can adopt or dismiss these as appropriate and/or may add other factors to use.

- *Definition of municipal services* – Since the creation of the last project plan, the Legislature has added other requirements to an MSR/SOI study, the biggest of which relate to the provision of municipal services to disadvantaged communities (defined as an inhabited area whose average median household income is less than 80% of the statewide average medium household income). The definition of municipal is limited to fire suppression, law enforcement, water, and wastewater services.
- *Carving out services that are not necessary to study* – Since the beginning, some LAFCOs have chosen not to study certain services, determining that these services are not “municipal.” The classic example is cemetery services: some LAFCOs do not study cemetery districts. But others can be added to this list, such as recreation districts or resource conservation districts. While these agencies provide necessary services, they are usually not the types of services people consider “municipal.”
- *Adopting a more refined definition of “issues”* – As noted above, the “By Score” agencies are subject to a two-factor model. One factor is the agency’s activity level, the other factor is whether the previous MSR found any issues. Almost all road maintenance agencies have the issue of insufficient revenues. Operationally and governmentally, they may be performing as well as they could be given their circumstances, but they scored high in this factor because of the revenue piece alone. The Commission could further refine “issues” to be criminal investigations; the agency, its staff or governing board being the subject to grand jury investigations; or qualified audits.
- *Separating SOIs from periodic MSR's* – Some LAFCOs have separated their MSR's from their SOIs. The requirement for updating SOIs is every five years. There is no such requirement for the preparation of MSR's, only that MSR's are required prior to the “update” of an MSR. Only a few SOIs have been adjusted since 2008; most are reaffirmed. This proposal would entail the preparation of periodic MSR's on a set schedule without the SOIs unless the latter needs adjusting. The SOIs for all other agencies are affirmed every five years.

The Commission may add any other considerations or factors to these, should the Commission find any of these suitable for adoption. Staff will take the Commission’s input and use them to develop the next MSR Project Plan.

Attachments

Attachment A: Staff Memo and Attachments from February 27, 2013