

EL DORADO LAFCO

LOCAL AGENCY FORMATION COMMISSION

MINUTES OF DECEMBER 1, 2021

STATE OF CALIFORNIA, COUNTY OF EL DORADO

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

The meeting of the Local Agency Formation Commission held December 1, 2021 was called to order at 5:30 p.m. by Chair Hidahl in the Board of Supervisors Chambers, Building A of the Government Center, 330 Fair Lane, Placerville, California. Regular Members present were: City Member Jackie Neau, County Member John Hidahl, District Member Brian Veerkamp, and Public Member Michael Powell. Others present were: Alternate City Member Patti Borelli, Alternate County Member George Turnboo, Interim Executive Officer Erica Sanchez, Administrative Assistant Kelly Witt and LAFCO Counsel Malathy Subramanian.

2. ROLL CALL

VOTING MEMBERS:

Borelli, Neau, Powell, Turnboo, Veerkamp, and Hidahl.

3. ADOPTION OF AGENDA

Chair Hidahl opened the public forum and asked if there were any speakers on this item. No member of the public addressed the Commission.

MOTION

Commissioner Veerkamp moved to adopt the agenda, second by Commissioner Borelli.

ACTION

The motion was approved by the following vote:

AYES: Borelli, Neau, Powell, Turnboo, Veerkamp, and Hidahl.

NOES: None

ABSTAIN: None

ABSENT: Saunders

4. CONSENT CALENDAR

- A. MINUTES OF THE REGULAR MEETING OF OCTOBER 27, 2021
- B. REVIEW OF CLAIMS
- C. 2022 MEETING CALENDAR

Chair Hidahl opened the public forum and asked if there were any speakers on this item. No member of the public addressed the Commission.

MOTION

Commissioner Borelli moved to adopt the consent calendar, second by Commissioner Veerkamp.

ACTION

The motion was approved by the following vote:

AYES: Borelli, Neau, Powell, Turnboo, Veerkamp, Hidahl

NOES: None

ABSTAIN: None

ABSENT: Saunders

5. PUBLIC FORUM/PUBLIC COMMENT

Chair Hidahl opened the public forum and asked staff if there were any speakers on this item. No member of the public addressed the Commission.

6. FIRST AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH CAL INTERNET SERVICES (SHIVA FRENTZEN) FOR SUPPORT SERVICES

Ms. Sanchez reviewed the report to recommend the Commission approve a request from contract consultant Shiva Frentzen to amend the Professional Services Agreement with CAL Internet Services for Support Services, to extend the contract to February 28, 2022 and a recommendation from Legal Counsel to recommend amending the scope of services (Exhibit A) to remove the reference to MSR work, to reflect Commission direction to focus on the FY2022-23 budget and emergency backup services.

Chair Hidahl asked for any comments from the Commission. No comments were made.

Chair Hidahl opened the public forum and asked if there were any speakers on this item.

Tim White, President of the El Dorado Hills County Water District, addressed the Commission regarding the consultant's work on the upcoming LAFCO audit. Ms. Sanchez clarified that the scope of Ms. Frentzen's contract was intentionally narrowed by the Commission to include only the FY2022-23 budget and emergency backup services.

MOTION

Commissioner Veerkamp moved to approve the contract extension with CAL Internet Services to February 28, 2022, and amend the scope of services in Exhibit A, per staff's recommendation. Commissioner Turnboo seconded the motion.

ACTION

The motion was approved by the following vote:

AYES: Borelli, Neau, Powell, Turnboo, Veerkamp, and Hidahl

NOES: None

ABSTAIN: None

ABSENT: Saunders

7. CONSIDER ADOPTION OF RECOMMENDATIONS FROM EXECUTIVE OFFICER AD HOC COMMITTEE REGARDING RECRUITMENT PROCESS OF EXECUTIVE OFFICER, RFP SELECTION AND AUTHORIZATION TO CONTRACT WITH A RECRUITMENT FIRM FOR THE EXECUTIVE OFFICER POSITION

Chair Hidahl updated the Commission on the work of the Executive Officer Recruitment Ad Hoc Committee, including the Committee's search for a qualified employment recruiting firm. The Committee finalized a request for proposals and sent it to three recruiting firms on November 16, the response date is December 20, 2021. Ms. Witt added that one firm confirmed it would be unable to respond to the RFP, but the other two confirmed they did intend to submit proposals.

Chair Hidahl opened the public forum and asked if there were any speakers on this item. No member of the public addressed the Commission.

No Commission action was taken.

8. UPDATE FROM THE FISCAL YEAR 2022-2023 BUDGET COMMITTEE

Consultant Shiva Frentzen updated the Commission on the work of the FY 2022-23 Budget Committee, beginning with an overview of the LAFCO budget and previous years' goals. Ms. Frentzen reported that the preliminary direction from the Budget Committee for the FY22-23 budget was to allocate sufficient funding for three full-time employees including a new Executive Officer, \$50,000 for consulting work to catch up on unfinished MSR from the 2013-2021 cycle, and to prepare a five-year budget projection in conjunction with the goals of the Strategic Planning Committee. The expected impact would be an additional \$110,000 over the previous years' budget, including an estimated \$60,000 for staffing.

Commissioner Powell summarized a letter addressed to the Commission regarding the MSR project plan; the letter was not part of the agenda, but was posted to the LAFCO website under Agenda Item #9. Other members of the Commission gave input on the matter as well, including a discussion on the need to increase the budget due to increased costs and workload, the \$110,000 increase in one year vs. over multiple years, the ongoing nature of the increase and whether it could be reduced in coming years, and the expected reaction from the funding agencies.

Chair Hidahl opened the public forum and asked if there were any speakers on this item.

Tim White, President of the El Dorado Hills County Water District, addressed the Commission in agreement with the increase to the FY22-23 budget, but with some concern for the small road maintenance districts that are already struggling with funding. He expressed this may be a catalyst for some small districts to look at different, potentially more appropriate, governance options.

No Commission action was taken.

9. UPDATE FROM THE STRATEGIC PLANNING AD HOC COMMITTEE

Chair Hidahl update the Commission on the work of the Strategic Planning Committee, including an ongoing discussion and direction to staff regarding research on what other LAFCOs are doing in regards to prioritizing and strategizing their MSR process, best practices for streamlining MSRs, and other methods of review such as annual performance audits in place of full MSRs in certain instances.

Committee members, Commissioners Powell and Veerkamp also provided comments on the work of the Committee. Commissioner Powell summarized the conclusions of his letter to the Commission referenced in Item #8 regarding a new methodology for prioritizing the MSRs and the need to update LAFCO's MSR and SOI policies to reflect a new methodology, and requested that the letter be made available on the LAFCO website. Commissioner Veerkamp reported on discussions regarding potential solutions for some of the small road maintenance CSDs; Chair Hidahl added that the Committee had an introductory discussion on district dissolution, as necessary. Other members of the Commission gave input on the matter as well.

Chair Hidahl opened the public forum and asked if there were any speakers on this item.

Tim White, President of the El Dorado Hills County Water District, addressed the Commission on the topic of needed a three- to five-year budget forecast to go along with the strategic planning efforts, potentially in the form of a future public workshop to hear options presented from legal counsel and other LAFCOs on how they have addressed similar issues.

No Commission action was taken.

10. OTHER BUSINESS

- A. LEGISLATION
- B. COMMISSIONER ANNOUNCEMENTS
- C. COUNSEL REPORT
- D. EXECUTIVE OFFICER REPORT

10A – Ms. Sanchez gave a brief overview of current legislation and requested Commission feedback regarding the legislative summary included in the meeting packet and her continued participation on the CALAFCO Legislative Committee. Commission direction was to continue participating in the Legislative Committee to the extent that it she finds it useful in understanding current legislation, and to provide major updates only on legislation directly affecting El Dorado LAFCO, along with links to all current legislation for additional information.

Chair Hidahl opened the public forum and asked if there were any speakers on this item.

Shiva Frentzen addressed the Commission in her capacity as a former LAFCO Commissioner and CALAFCO Legislative Committee member, to state the importance on having representation on the Legislative Committee on behalf of El Dorado LAFCO.

10B – Commissioner Powell requested reconsideration of the current FY21-22 budget at the January 26, 2022 meeting to include an RFP for consultants to complete the MSR/SOI updates for the City of South Lake Tahoe and City of Placerville, which could possibly be prepared by contract consultant Shiva Frentzen.

The rest of the Commission provided input and discussion, including questioning staff about the current plan to complete the two cities' MSRs, the legal consequences if the city MSRs were not addressed this year, and whether staff would be prepared to agendize this discussion for the January 26, 2022 meeting. Ms. Sanchez replied that the cities were reviewed as part of the 2013-2021 MSR cycle and the next MSR cycle had not yet been determined by the Commission, there was no immediate consequence to not completing the city MSRs, but they should be addressed early on in the next MSR cycle, and that given staff's current workload, it would not be possible to agendize this for the January meeting. Ms. Sanchez also clarified that the MSR duties were removed from Ms. Frentzen's contract as part of Item #6, Legal Counsel advised that they could not be added back in without adding additional money to the contract which would require an RFP. Ms. Frentzen added that a budget projection would be necessary before sending out an RFP for the city MSRs.

10D – Ms. Sanchez updated the Commission on several matters: The Special District Election. A quorum was not reached by the November 30, 2021 deadline, so the election will remain open until a quorum is reached.

The deadline for applications for the Alternate Public Member position is December 3, 2022; to date, one application has been received and one more is said to be coming.

The public draft of the Countywide Fire MSR is scheduled to be presented to the Commission and opened for public comment at the January 26, 2022 meeting; the final MSR/SOI Update is expected to be presented at the April 27, 2022 meeting.

11. ADJOURNMENT

Chair Hidahl adjourned the meeting at 7:02 pm.

The next regularly scheduled LAFCO meeting will be January 26, 2022.

**APPROVED BY THE COMMISSION
AUTHENTICATED AND CERTIFIED**

Interim Executive Officer

Chairperson

DRAFT