



Local Agency Formation Commission
LAFCO of Napa County

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October 5, 2009
Agenda Item No. 7a (Action)

September 25, 2009

TO: Local Agency Formation Commission

FROM: Keene Simonds, Executive Officer

SUBJECT: Draft Proposal to Establish Geographic Regions within CALAFCO

The Commission will review a draft proposal by the California Association of Local Agency Formation Commissions to establish geographic regions affecting all 58 LAFCOs. The Commission will consider providing comments on the draft proposal for consideration by the Association at the 2009 Annual Conference scheduled for October 28-30 in Yosemite.

The California Association of Local Agency Formation Commissions (CALAFCO) was founded in 1971 to assist its members with educational and technical resources in carrying out their duties to facilitate the orderly formation and development of local agencies. This includes organizing annual conferences and workshops, coordinating training classes, and drafting legislation. CALAFCO is governed by an elected-at-large 15-member board of directors that includes four city members, four county members, four special district members, and three public members. Paid staff consists of a fulltime Executive Director and a part-time Administrative Assistant.

A. Discussion

At its August 7, 2009 meeting, the CALAFCO Board unanimously endorsed a draft proposal prepared by its Structural Options Committee to establish geographic regions. The stated intent of the draft proposal is to increase communication, create opportunities for shared resources, and address local governmental growth and service issues among LAFCOs with common interests. It is envisioned each region would meet at least three times a year. The first two meetings would be held during the annual CALAFCO conferences and workshops. The third meeting would be held in the respective regions. Each region would be staffed by a Deputy Executive Director selected from one of the member LAFCOs and responsible for cording activities and reporting back to the Board.

In endorsing the draft proposal, the Board also adopted a strategic plan to implement the establishment of geographic regions. This includes directing the Board to solicit and discuss comments on the draft proposal from member agencies at the 2009 Annual Conference. The Board will use the input received to further refine the draft proposal with the goal of establishing the geographic regions ahead of the 2010 Annual Conference, which is scheduled for October 6-8 in Palm Springs. In addition to general input, the Board is requesting each LAFCO provide comments on the following four questions.

Juliana Inman, Vice Chair
Councilmember, City of Napa

Lewis Chilton, Commissioner
Councilmember, Town of Yountville

Joan Bennett, Alternate Commissioner
Councilmember, City of American Canyon

Bill Dodd, Commissioner
County of Napa Supervisor, 4th District

Brad Wagenknecht, Commissioner
County of Napa Supervisor, 1st District

Mark Luce, Alternate Commissioner
County of Napa Supervisor, 2nd District

Brian J. Kelly, Chair
Representative of the General Public

Gregory Rodeno, Alternate Commissioner
Representative of the General Public

Keene Simonds
Executive Officer

- Does your LAFCO believe it makes sense to be part of a regional form within CALAFCO?
- What are some of the common interests your LAFCO believes its shares with neighboring LAFCOs?
- Which LAFCOs do you work – or would like to work – more closely with?
- As the Board works to establish regions, which LAFCOs would you want to see included in your region?

B. Analysis

The draft proposal offers promise in strengthening the organizational capacities and effectiveness of LAFCOs by facilitating shared meaning and purpose among members with common interests in carrying out their regulatory and planning duties. Towards this end, establishing geographic regions will presumably draw LAFCOs closer together in understanding and identifying mutual growth management challenges and opportunities. Examples may include jointly exploring multi-county special district formations and consolidations to address, improve, and economize essential municipal services.

Notwithstanding the potential benefits identified in the preceding paragraph, the draft proposal presents challenges. Most notably, defining agreeable geographic regions may prove difficult since many LAFCOs have common interests within multiple regional groupings. Napa LAFCO serves as an example given it has common interests with several LAFCOs that are not likely to be assigned into the same region (i.e., Marin and Yolo). Establishing geographic regions may also reorient CALAFCO to focus less on statewide matters in favor of more localized interests; a dynamic that may create divisive and competitive divisions and diminish the Association's effectiveness in strategic planning.

C. Recommendation

It is recommended the Commission take the following actions:

- 1) Review and discuss CALAFCO's draft proposal to establish geographic regions;
- 2) Provide comments reflecting the position of the Commission on CALAFCO's draft proposal to establish geographic regions; and
- 3) Provide direction with respect to conveying the Commission's position on CALAFCO's draft proposal to establish geographic regions.

Respectfully submitted,

Keene Simonds
Executive Officer

Attachments:

- 1) Letter from CALAFCO Chair Roger Anderson
- 2) CALAFCO Report on Establishing Regional Structure



2 September 2009

**2009
Board of Directors**

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Dear LAFCo Commission Chair:

For some time the CALAFCO Board of Directors has been considering how to engage member LAFCos on a regional level to discuss issues of mutual concern and to provide input to the Board on LAFCo policy and legislative issues. At our strategic retreat last February the Board discussed a proposal to create regions within CALAFCO. Over the intervening six months a Board committee studied the various options and brought a recommendation to the Board.

On August 7th the Board unanimously (and we might add enthusiastically) endorsed the committee's recommendation and asked that it be sent to the members for consideration and discussion at the upcoming CALAFCO conference.

By now your executive officer has received the details on the proposal to establish a regional structure for CALAFCO. We believe this is an important benefit to members by providing a structure to facilitate communication among commissioners within a region and assure that the many perspectives on LAFCo policies and issues are shared and considered by the Board. We hope that it will also encourage more regional sharing of information and resources amongst commissioners and staff. The staff report sent to your executive officer provides more depth on the purpose, benefits and implementation of a regional structure.

The Board is very interested in your input! We encourage you to discuss the proposal at an upcoming commission meeting and bring your thoughts and suggestions to the CALAFCO conference and business meeting for discussion. Two things we want to point out: 1) no specific number or boundaries of regions have been identified – we would first like your input on which LAFCos you share interests; and 2) the vote to make the implementing change to the Association By Laws will occur in 2010 after the Board has established the regions and members have provided input.

Clearly the governance world that LAFCos operate within is changing. We believe the proposal before you will strengthen the capacity of each member LAFCo and of the Association. The whole Board looks forward to talking with you about this at Tenaya Lodge on October 28-30. Thank you for taking time to discuss this with your commission and sharing your thoughts.

Yours Sincerely,

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Roger Anderson
Chair

Susan Vicklund Wilson
Vice Chair

William Chiat
Executive Director



CALAFCO Annual Business Meeting

29 October 2009

Agenda Item No. 4.1

MEMORANDUM

To: CALAFCO Members
From: William Chiat, Executive Director
Date: 29 October 2009
RE: **Discussion of Establishment of Regional Structure for CALAFCO**

RECOMMENDATION

1. Discuss the policy and strategy adopted by the CALAFCO Board of Directors and provide input to the Board on strategic implementation of the regional structure.

DISCUSSION

Background

The CALAFCO Board of Directors has long believed that one of the most valuable services provided by the association is the facilitation of communications and sharing of information among its members. At each of the last four biannual strategic retreats the Board has identified communications and facilitation of regional meetings as an important goal of the association.

On 12 February 2009 the Board held its most recent Strategic Planning Workshop in Irvine California. Based on input from a number of member LAFcos, a key issue the Board discussed was how to best structure the association to both facilitate communication among members, and also assure that the many perspectives on LAFco policies and issues are heard and considered by the Board of Directors and its key policy and legislative committees.

At its 13 February 2009 meeting the Board established a Structural Options Committee to consider various ways the association could be structured to encourage more communication among members, strengthen the association, and provide a vehicle for sharing different perspectives on LAFco issues. The committee included Board Members Susan Vicklund Wilson (Santa Clara), Simón Salinas (Monterey), Cheryl Brothers (Orange), and Jerry Gladbach (Los Angeles). Executive Director Bill Chiat and Legal Counsel Clark Alsop provided staff support. The Committee met several times and presented an initial recommendation to the Board on 15 May 2009 in Sacramento. The Board provided significant feedback on the ideas presented by the Committee. The Committee met again and formulated a revised proposal. That proposal was presented to the Board on 7 August 2009. At that meeting the Board of Directors unanimously adopted the Committee recommendation and directed staff to share the strategy and policy with all Member LAFcos in anticipation of a discussion on the issue at the Annual Business Meeting in October.

Adopted Recommendation and Implementation

The recommendation adopted by the Board is captured in the attached policy statement and strategic plan. The plan calls for a 14-month implementation of the regional structure. Following input from members in October, the Board may prepare revisions to the plan and begin work on establishing regional boundaries. Preliminary regions will be sent to members for review and input next spring. The membership will vote on the ultimate structure and By-law change at the 2010 Annual Business Meeting in Palm Springs. Regional meetings will begin at the 2010 conference.

The attached policy statement discussed the purposes and benefits the Board has identified for regions. Ultimately the Board envisions that the regions could meet three times a year to share information and resources, and provide input to CALAFCO: 1) commissioners and staff at the annual CALAFCO Conference; 2) staff at the CALAFCO Staff Workshop; and 3) a third meeting in the region of commissioners and staff. Regions may hold additional meetings as desired by the members.

Member LAFCo Input Sought

The Board has asked that all member LAFCos consider this approach and provide input to the Board at the Annual Business meeting. The Board will use the input to further refine the regional structure policy and implementation. Among the questions the Board would like input:

- ◆ Does having a regional forum make sense for your LAFCo?
- ◆ What are some of the common interests you believe you share with your neighboring LAFCos?
- ◆ Which LAFCos do you work – or would like to work – more closely with?
- ◆ As the Board works to establish regions, which LAFCos would you want to see included in your region.

ATTACHMENTS

1. Policy Statement
2. Strategic Approach for Implementation
3. Proposed language for By Law Change

Policy Statement on Creating Regions within CALAFCO

CALAFCO Board of Directors – 7 August 2009

The Board has concluded after several months of review that creating a regional approach with our member LAFcos would strengthen and unify CALAFCO, thus increasing our productivity and presence with our individual members and within the legislative process. Our Board has continually verbalized and promoted structuring regions within CALAFCO in which individual LAFcos could meet and share common interests, issues, and resources. We have determined that there are significant benefits to formalizing regions.

Benefits of a regional approach include but are not limited to:

Communication:

- ◆ Promotes more efficient and effective communication.
- ◆ Provides a vehicle to give input on policy and legislative issues to the Board and the Legislative Committee, which would enhance communications with legislative representatives.
- ◆ Formalizes a structure and forum at the Commissioner level for local LAFcos to address policies which may influence other LAFcos.
- ◆ Provides various viewpoints and different perspectives to assist in making better decisions.

Economical:

- ◆ Ease of travel within a region may invite more participation in regional approaches to common interests.
- ◆ Increased opportunity for LAFcos in each region to share resources and provide more economical approaches to various matters. e.g., a group of neighboring LAFcos recently consolidated a RFP for audit services thereby reducing their costs.

Commonality Geographically:

- ◆ Local and neighboring LAFcos could specifically target their common interests.
- ◆ Localized issues can be discussed, addressed, and resolved with neighboring LAFcos.
- ◆ Recognition of geographic issues and differences impacting LAFcos
- ◆ Consistency with creation of regional transportation plans which will be acted upon regionally.
- ◆ Strengthens LAFcos in areas without COGs .

Education of Legislature:

- ◆ Legislators will recognize that CALAFCO represents all areas, regions of the state

Succession and Leadership:

- ◆ Increased involvement in LAFco by our members and more immediate accountability of Board members to the membership.
- ◆ Provides a mechanism for succession within CALAFCO generating growth and interest of board representation.
- ◆ With each region providing a staff person for CALAFCO, the volunteer workload would be balanced and more evenly distributed throughout the state and provide a mechanism for development and succession for future staff. The Board noted that several LAFco staff members have greatly assisted CALAFCO, but many of same will be retiring within the next few years.

Strategic Plan for Regional Implementation

Adopted by the CALAFCO Board of Directors on 7 August 2009

GOAL Structure member LAFcos into geographic regions to encourage communication among LAFco commissioners and staff, increase involvement in Association activities and policies, collaborate on inter-LAFco policies and issues, share resources, and provide regional input to the Board on legislative issues and regional policy issues.

ACTION 1 Adopt a policy statement on the value of regions to the members and the Association, and signal the intent of the Board to formally establish CALAFCO regions.

Timeframe: Draft statement to be presented to Board for adoption on 7 August 2009*.

ACTION 2 Amend the 2009-2011 CALAFCO Strategic Plan to reflect the revised strategic goal and the five actions described in this letter.

Timeframe: Draft strategy to be presented to Board for adoption on 7 August 2009*.

ACTION 3 Amend the CALAFCO Policy Manual to accomplish two things:

Action 3a: Define and increase the number of staff officers, and require that one staff officer be selected from each region.

This would add additional Deputy Executive Officers to the CALAFCO staff. Having a staff officer from each region would provide a resource to organize regional meetings; help identify Board candidates for the Recruitment Committee; be a voice on regional issues to Association staff; and provide professional growth opportunities for staff from around the state. The new officer(s) could be added as soon as 2010 once the Board has adopted the preliminary boundaries. This would add a \$2,000/year stipend to the CALAFCO budget for each additional staff officer.

Action 3b: Clarify “geographic diversity” in the nominations procedure.

This would specify that Nominations Committee assure that candidates are representative of all the regions. This could be done for the 2010 elections using the adopted preliminary regional boundaries.

Timeframe: Draft policy changes presented to Board for adoption on 7 August 2009*. Additional staff would be added in 2010 once the Board adopts preliminary boundaries. Nominations representative of regions could apply to the 2010 elections.

ACTION 4 Discussion of proposal to create regions and the benefits and intent of regions to be discussed at CALAFCO Annual Business Meeting on 29 October 2009.

Information packets will be sent to each member in advance of the meeting. Packet will include cover letter, policy, strategy and actions, initial by-law language and process for input and creation of regions. Discussion will be held at annual meeting.

Timeframe: Packet to be distributed to members by 29 August 2009. Discussion and any action item on 29 October 2009.

ACTION 5 Establish regions and change the Association By-Laws

Based on input from members at the 2009 Annual Meeting, the Board will establish preliminary regions for member review and comment. Board will finalize recommended

changes to By-laws to establish the regions and adopt the necessary policies to identify the members and operations of each region.

Timeframe: Preliminary regions sent to member for comment by February, 2010. Proposed policies adopted by August, 2010. By-law change to implement regions considered at Annual Meeting on 7 October 2010 in Palm Springs.

* Adopted by Board on 7 August 2009

Draft Amendments to Association By-Laws

For discussion purposes only; consideration of by-law changes anticipated at 2010 Annual Meeting in Palm Springs

2.1 **Classification and Qualifications of Members.** The Corporation shall have three (3) classes of members as follows: Member LAFCOs; Officers of Member LAFCOs; and Associate Members. Member LAFCOs shall be any local agency formation commission ("LAFCO"), which have paid the required annual membership dues and assessments and have indicated by appropriate action their desire to join the Corporation. Officers of Member LAFCOs shall be any regular or alternate Commissioner, executive officer, deputy executive officer, legal counsel, or deputy legal counsel of any LAFCO in good standing as a Member LAFCO. Associate Members of the Corporation shall be any member of the public, a government agency, a business, or an educational institution, either who or which has paid the required annual membership dues and assessments and has indicated by appropriate action its desire to join the Corporation. Notwithstanding any other provision in these Bylaws to the contrary, the terms generally meaning "approval of members or the membership" or "ratification by the members or membership" or "adopted by the members or membership" shall mean such approval or ratification or adoption by members eligible to vote.

2.1.1 Member LAFCOs shall be organized into XXXX geographic regions to facilitate interaction and communication among member LAFCOs, share resources, and provide increased opportunity for Member LAFCO input to the Board of Directors on regional and statewide issues and Corporation activities.

2.1.2 The boundaries of the regions shall be determined by action of the Board of Directors.

2.1.3 The regions shall not have authority to act independently of the Corporation.