

February 7, 2002 (Agenda)

Local Agency Formation Commission  
105 East Anapamu Street  
Santa Barbara CA 93101

## **Organization of Municipal Service Reviews**

Dear Members of the Commission:

### RECOMMENDATION

It is recommended that the Commission

1. Consider methods of organizing local agencies for preparing Municipal Service Reviews.
2. Authorize the staff to disseminate this information to cities, special districts, the County and other interested public or private agencies or groups, and
3. Direct the staff to schedule further consideration of this matter for the April LAFCO meeting with appropriate recommendations for action.

### DISCUSSION

Since 1971, LAFCOs have been required by the Legislature to develop and determine a sphere of influence of each city and special district in the County. Developing spheres is central to the Commission's purposes and it is directed in this endeavor,

“In order to carry out its purposes and responsibilities for planning and shaping the logical and orderly development and coordination of local governmental agencies so as to advantageously provide for the present and future needs of the county and its communities. . . “ (G.C. §56425)

In the legislative amendments for 2001 (AB 2838) LAFCOs are now required to review and update spheres of influence at least every five years.

In addition, AB 2838 created an entirely new obligation for LAFCOs. Government Code §56430 was added to Cortese/Knox/Hertzberg Act and provides that:

“In order to prepare and to update spheres of influence in accordance with Section 56425 the Commission shall conduct a service review of the municipal services provided in the county or other appropriate area designated by the Commission.

The Commission shall include in the area designated for service area the county, the region, the subregion, or any other geographic area as is appropriate for the analysis of the service or services to be reviewed and shall prepare a written statement of its determinations with respect to each of the following;

1. Infrastructure needs or deficiencies.
2. Growth and population projections for the affected area.
3. Financing constraints and opportunities.
4. Cost avoidance opportunities.
5. Opportunities for rate restructuring.
6. Opportunities for shared facilities.
7. Government structure options, including advantages and disadvantages of consolidation or reorganization of service providers.
8. Evaluation of management efficiencies.
9. Local accountability and governance.

“In conducting a service review the Commission shall comprehensively review all of the agencies that provide the identified service or services within the designated geographic area.

“The Commission shall conduct a service review before, or in conjunction with, but not later than the time it is considering an action to establish a sphere of influence [] or to update a sphere of influence ...”

The State Office of Planning and Research is preparing “Service Review Guidelines” but they are not yet available in final form. The approach recommended herein for organizing local agencies for study purposes is consistent with the latest version of the draft Guidelines.

Choosing the “geographic area” for a service review is a basic and preliminary decision. To assist the Commission and its staff, local agencies and the public, we have prepared a suggested grouping of

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agencies and services so that the preparation of municipal service reviews can proceed in a logical and orderly manner that efficiently structures information for useful decisions.

The attached list identifies an organization of agencies and service that is appropriate for study purposes, though other approaches are also possible. It recommended that the Commission authorize the staff to distribute this information and to place this matter on the Commission's agenda in two months for further direction.

Sincerely,

BOB BRAITMAN  
Executive Officer

cc: County Administrator Mike Brown  
All City Managers  
All Special District Managers