



Date: August 26, 2009 for September 2nd Agenda

Summary: The 2008-9 Grand Jury has issued its final report. State law requires that LAFCO respond to certain points no later than October 1, 2009.

Staff Recommendation: Authorize the attached response to the Grand Jury's 2008-9 Final Report.

Submitted by: Patrick M. McCormick, Executive Officer

I have attached pages 41-45 of the 2008-9 Grand Jury Final Report. This section of the report is titled "Who is Watching Our Special Districts?" The Grand Jury makes findings and recommendations upon which state law requires LAFCO's response no later than October 1, 2009. The main theme of this section is that LAFCO should take a greater role in assuring that all special district boards, particularly small districts that don't have full-time staff, are operating with adopted meeting rules and parliamentary procedures.

On July 11, 2009, I sent a letter to each independent special district in Santa Cruz County asking them to forward their comments on the Grand Jury report to LAFCO so that LAFCO could consider their comments before responding to the Grand Jury. I have received the following written comments:

1. July 16 letter from Central Fire Protection District:
 - Points out that most districts take care to follow the state laws that provide for transparency in local governments,
 - Offers the Central Fire Protection District as an example of best management practices for local government transparency,
 - Suggests that the Grand Jury's recommendations for LAFCO to become a central repository of special districts bylaws and other administrative policies would be a bureaucratic duplication of effort,
 - Supports LAFCO providing links to special district websites.

2. August 5 letter from Soquel Creek Water District:
 - States that State law does not contain any requirement that a County Water District adopt bylaws
 - States that the State law specifies a mission and operating procedures for County water districts,
 - States that the district has adopted a standard Rules of Order for conducting its board meetings, and that the district follows the Ralph M. Brown Act and other state laws concerning local governmental transparency.

3. August 13 letter from Scotts Valley Fire Protection District:
 - States that public accountability is the responsibility of the board and management staff of every governmental agency,
 - Suggests that LAFCO collecting bylaws and other management policies is not the answer to greater local government transparency,
 - Notes their district's transparency practices, which include board meetings being televised on Community TV.
4. August 14 letter from Scotts Valley Water District:
 - Notes that the State law specifies their district's mission and does not require county water districts to adopt bylaws.
5. August 15 letter from the Zayante Fire Protection District:
 - States that the Grand Jury's interviews were not broad enough in scope to support its conclusions and findings,
 - Notes that special districts are governed by a variety of laws that specify their governance processes and provide checks and balances,
 - States that one complaint against one district should not trigger additional work by the other districts and LAFCO.
6. August 17 letter from Pajaro Valley Public Cemetery District:
 - Notes that the district had adopted a mission statement and Rules of Order under which board meeting are conducted,
 - Lists the other steps the district takes to promote transparency in its operations.
7. August 20 letter from San Lorenzo Valley Water District:
 - States that its districts and most special districts take care to ensure transparency and citizen participation in the district's decision-making process,
 - Suggests that the Grand Jury acknowledge the efforts of most districts to provide public information and encourage public participation,
 - Suggests that the Grand Jury deal directly with one or a small number of districts that may not be making sufficient efforts towards transparency and public participation in the decision-making process.
 - Supports LAFCO using its website to post voluntarily-submitted documents of districts that don't maintain a website.
 - Opposes LAFCO imposing penalties on districts.
8. August 20 letter from Lompico County Water District:

- Provides a paper copy of its Board of Director's Policy Manual which includes a Mission Statement, Rules of Parliamentary Procedure, and Governing Laws.

The staff has also received two letters from the public:

1. August 17 letter from Lois Henry, a Director of the Lompico County Water District:
 - Suggests training programs for board members of smaller districts,
 - Suggests development of standardized bylaws and procedures,
 - Suggests LAFCO website access for small district bylaws, agendas, minutes, reports, financial statements,
 - Suggests LAFCO oversight district finances, management, and accountability.
2. August 17 letter from Debra Loewen and Ed Frech from the community of Lompico:
 - Suggests that LAFCO institute regular board trainings for small district board members,
 - Suggests that LAFCO require all districts to prepare and file bylaws,
 - Suggests that LAFCO maintain on its website the bylaws, policies, agendas, and minutes of the small special districts that don't have websites.
 - Suggests that LAFCO work with the County and State to initiate oversight of management and finances,
 - Suggests that LAFCO consider initiating a consolidation of the Lompico County Water District with another agency with a goal to reduce high water rates.

Based upon these comments and a review of LAFCO's work program and adopted LAFCO budget for FY 2009-10, I am recommending the attached draft response to the Grand Jury. In summary, I am recommending that LAFCO maintain a repository of special district bylaws, parliamentary procedures, and mission statements, but I am not recommending that LAFCO attempt to require that any special district adopt any of these types of documents.

cc: 24 Independent Special Districts
 County of Santa Cruz
 --County Administrative Officer
 --Grand Jury

Attachments:

- Executive Officer's July 9 Letter to Independent Special Districts
- Pages 41-45 of 2008-9 Grand Jury Final Report
- Draft LAFCO Reponse to Grand Jury
- Various Correspondence