San Diego County
Local Agency Formation Commission
Regional Service Planning | Subdivision of the State of California

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AGENDA REPORT
Business | Information

November 4, 2024

TO: Commissioners

FROM: Priscilla Mumpower, Assistant Executive Officer
Michaela Peters, Analyst II
Joelle Burila, Analyst I

SUBJECT: **Quarterly Updates on High Priority Projects | Municipal Service Reviews on Healthcare Districts + San Diego Association of Governments**

SUMMARY

The San Diego County Local Agency Formation Commission (LAFCO) will receive quarterly updates on two of its high priority projects underway as part of the adopted workplan. The first of these two projects involve a municipal service review on the four healthcare districts in San Diego County – Fallbrook, Grossmont, Palomar, and Tri-City – and serves as a follow up to an earlier study completed in 2015. The second of these two projects involves a municipal service review on the San Diego Association of Governments (SANDAG) and serves as the first study of the organization by LAFCO. The updates are for information purposes in disclosing current and pending work with the opportunity for Commissioners to provide feedback to staff in calibrating activities going forward. Staff expects administrative drafts of both municipal service reviews to be ready by Spring 2025.

BACKGROUND

2024-2025 Adopted Workplan + MSR Work

San Diego LAFCO's current fiscal year workplan includes 30 projects and is divided into two distinct categories – statutory and administrative – along with priority assignments set by the Commission. High-priority projects account for the top third of the workplan and generally represent the most resource-intensive projects and commonly involve one or more outside

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consultants to assist in performing technical or otherwise focused analyses.[1] Three separate municipal service reviews (MSRs) top the workplan and involve wholesale water services, healthcare districts, and SANDAG. LAFCO retains discretion in determining the appropriate scope of each MSR and does so currently by policy delegation to the Executive Officer. Nonetheless, all MSRs must meaningfully address the following statutory factors:

- Growth and Population Projections
- Present and Planned Service Capacities
- Adequacy of Services Relative to Community Needs
- Financial Standing
- Opportunities for Shared Facilities
- Accountability of Governmental Structure and Alternatives
- Any Other Factors Required by Local Policy
  - Environmental Justice (San Diego)

A full list of all workplan projects is separately provided as part of Agenda Item No. 5f.

DISCUSSION

This item is for San Diego LAFCO to receive quarterly updates on two of its high priority MSRs underway as part of the adopted workplan. (A quarterly update on the third – wholesale water services – was provided at the October 2024 meeting.) The first involves the four healthcare districts in San Diego County – Fallbrook, Grossmont, Palomar, and Tri-City – while the second involves SANDAG. The updates are for information purposes in tracking current and pending work with the opportunity for Commissioners to provide feedback to staff to sync activities going forward. Additional details for both MSRs follow and will be supplemented by verbal presentations.

Healthcare Districts MSR

Project Manager Michaela Peters
LAFCO Consultant Adam Wilson

This MSR is service-specific and covers all four healthcare districts in San Diego County – Fallbrook, Grossmont, Palomar, and Tri-City – and administratively organized into two distinct parts. The first part is underway and involves a macro evaluation of all four districts and their core service functions with respect to capacities, demands, and performances along with addressing current and emerging industry standards. The scope of work for the macro report follows San Diego LAFCO's standard MSR format and anchored by preparing individual profiles addressing each agency's background, boundaries, demographics, governance organization, service functions, and financial standing. LAFCO staff will prepare the majority of the document with the notable exception of contracting with Progressive Healthcare to provide expert analysis with respect to assessing service functions. A more micro review is expected to follow (subject to Commission approval in a future workplan) as part of an anticipated addendum to more closely assess community needs and relationship – now and future – with the four healthcare districts.

[1] Consultant funding is budgeted with an additional allowance for the Executive Officer to draw up to $100,000 in assigned reserves to advance high priority projects at his or her discretion.

SANDAG MSR

Project Manager Joelle Burila
LAFCO Consultant Chris Cate

This MSR is agency-specific and focuses on SANDAG and its regional planning functions involving transportation, housing, and climate adaptation. The MSR is underway and will follow the standard format established by San Diego LAFCO with some necessary tailoring. This includes a qualitative accounting for SANDAG's unique role as a joint-powers authority sponsored by the County of San Diego and 18 cities and in doing so serving two distinct roles – municipal planning organization (MPO) and council of governments (COG). A more traditional quantitative analysis will follow with respect to SANDAG's demographics, service functions, and financial standing. The William Fulton Group has been retained to assist in preparing the expert analysis with LAFCO staff completing the balance of the report.

ANALYSIS

None.

RECOMMENDATION

This item is presented to San Diego LAFCO for information and feedback.

ALTERNATIVES FOR ACTION

None.

PROCEDURES FOR CONSIDERATION

This item has been placed on San Diego LAFCO's agenda for information as part of the business calendar. The following procedures are recommended:

1) Receive verbal presentation from staff unless waived.
2) Invite comments from interested audience members if any.
3) Discuss and provided general feedback as needed.

Respectfully,



Priscilla Mumpower
Assistant Executive Officer

Attachment:

None

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