

LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY

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DATE: JULY 11, 2018
FROM: SAMUEL MARTINEZ, Executive Officer
MICHAEL TUERPE, Project Manager
TO: LOCAL AGENCY FORMATION COMMISSION



SUBJECT: Agenda Item #10: Review and Authorize Budget Adjustments for Fiscal Year 2018-19

RECOMMENDATIONS:

Staff recommends that the Commission take the following actions:

1. Approve a transfer of \$189,244 from Account 1010 (Regular Salary) by:
 - a. Funding Account 2335 (Temporary Services) at \$15,000.
 - b. Increasing Account 2445 (Other Professional Services) by \$75,000 to \$118,561.
 - c. Account 6000 (Contingencies) by \$34,852 to \$50,000.
 - d. Account 6025 (General Reserves) by \$64,392 to \$150,000.
2. Approve the contract extension with Robert Aldrich for staffing support services for an amount not to exceed \$75,000 for FY 2018-19 and authorize the Executive Officer to sign.

BACKGROUND:

Staff presents the Commission with a staff report outlining recommended budget adjustments for FY 2018-19.

At the June hearing, the Commission approved the employment contract with Samuel Martinez for the Executive Officer position. In turn, this leaves the Assistant Executive Officer position unfilled with no plans at this time to fill the position or any other staffing changes. To utilize the FY 2018-19 budgeted amount of \$189,244 from the Assistant Executive Officer position, this staff report discusses:

- a. Decrease in Salaries and Benefits, increase in Services and Supplies, and increase in Contingency and Reserves; and
- b. Contract extension with Robert Aldrich to provide supplemental staffing.

DISCUSSION:

With the Assistant Executive Officer position being unfilled, in addition to the former Executive Officer leaving LAFCO at the end of September, additional staffing services will be needed to fulfill the Commission's mandate, adhere to its mission, and produce on-time deliverables. Significant reorganization proposals and projects are anticipated, to include:

- Formation of a community services district with dissolution of a county service area
- Annexation to a water district with dissolution of a county service area
- *Countywide Service Review for Fire Protection, Emergency Medical Services, and Ambulance*

However, this does not necessarily entail the need to hire regular staff. Rather, these staffing services can be contracted. To assist in processing proposals and provide support for the countywide service reviews, staff recommends extending the contract with Robert Aldrich for the year. The contracted amount for the services would not exceed \$75,000. A copy of the proposed contract is attached to this report.

Additionally, LAFCO is mandated by State Law to maintain its files in perpetuity, and the law includes a provision that allows for the files to be maintained in digital form. LAFCO's closed files are in digital form, but a backlog exists in scanning the recently closed files. Rather than outsource this service, staff recommends that the scanning be done at the LAFCO office by temporary services. This will provide flexibility and ensure quality of the scanning project. The project would include a not to exceed amount of \$15,000 for temporary services.

As for the remaining budgeted Assistant Executive Officer amount, staff recommends increases to the Commission's Contingency and General/Litigation Reserves, as the Commission overrode its Reserve Policy and reduced these reserves as a part of the FY 2018-19 budget:

- Increase Contingencies by \$34,852 from \$15,148¹ to \$50,000; and
- Increase General/Litigation Reserve by \$64,392 from \$85,608 to \$150,000

CONCLUSION:

Staff recommends that the Commission take the actions outlined on page 1. Particular to the contract with Robert Aldrich, authorize the Executive Officer to sign the contract once signed by Mr. Aldrich and LAFCO Legal Counsel. Staff will be happy to answer any questions of the Commission prior to or at the hearing.

SM/MT

Attachment

¹ The FY 2018-19 adopted budget has a balance of \$20,442 for Contingency Reserve. Agenda Item #4 from July 2018 includes a transfer of \$5,294 from Contingency Reserve to cover FY 2017-18 year-end deficit; this reduces the FY 2018-19 Contingency Reserve to \$15,148.

**AMENDMENT # 3
AGREEMENT FOR SERVICES
BETWEEN
LOCAL AGENCY FORMATION COMMISSION
FOR SAN BERNARDINO COUNTY
AND
ROBERT ALDRICH**

Amendment #3 is made and entered into this ___ day of July, 2018 by and between the LOCAL AGENCY FORMATION COMMISSION FOR SAN BERNARDINO COUNTY (hereinafter referred to as "LAFCO"), organized and operating pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, Government Code sections 56000, et seq. and Robert Aldrich (hereinafter referred to as "Consultant").

IT IS HEREBY AGREED THAT THE FOLLOWING PROVISIONS OF THE CONTRACT FOR PROFESSIONAL SERVICES BETWEEN LAFCO AND CONSULTANT ARE AMENDED AS FOLLOWS:

...

1. Services.

Consultant shall provide LAFCO with the project management and staffing services as needed by the Commission for the processing of reorganization proposals, sphere updates, service reviews, and any additional staffing work necessary as authorized by the Executive Officer. Consultant scheduling shall be at the discretion of the Executive Officer, generally up to three days per week.

2. Compensation.

a. The total amount paid for services rendered by Consultant pursuant to this contract shall not exceed the sum of seventy five thousand dollars (\$75,000.00) per fiscal year. The Consultant shall be paid at the rate of \$75.00 per hour for a maximum of 1,000 hours during the fiscal year. Periodic payments shall be made within 30 days of receipt of a statement for services rendered. Payments to Consultant for work performed will be made on a monthly billing basis. Additional work may be authorized, as described below, and if authorized, will be compensated at the rates and in the manner set forth in this Agreement.

b. LAFCO shall reimburse costs advanced by Consultant on LAFCO's behalf, as well as other expenses, in addition to the amount billed for fees. These currently include, but are not limited to, actual expenses away from the LAFCO on San Bernardino LAFCO business, extraordinary photocopy charges and any costs of producing or reproducing photographs, documents and other things necessary for the preparation or presentation of LAFCO business. All costs will be itemized

on LAFCO's monthly statement. LAFCO shall not pay/reimburse mileage to Consultant in transit to the LAFCO office.

...

16. Notice.

Any notice or instrument required to be given or delivered by this Agreement may be given or delivered by depositing the same in any United States Post Office, certified mail, return receipt requested, postage prepaid, addressed to:

LAFCO:
1170 W. 3rd Street, Unit 150
San Bernardino, CA 92415-0490
Attn: Executive Officer

Consultant:
Robert Aldrich



and shall be effective upon receipt thereof.

...

Except as amended herein, all other terms and conditions of this contract shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

**LOCAL AGENCY FORMATION
COMMISSION FOR SAN
BERNARDINO COUNTY**

**ROBERT ALDRICH
CONSULTANT**

BY: _____
SAMUEL MARTINEZ
Executive Officer

BY: _____
ROBERT ALDRICH

Approved as to form:

Legal Counsel
Local Agency Formation Commission
for San Bernardino County