



Lou Ann Teixeira
Executive Officer

January 8, 2025

Contra Costa Local Agency Formation Commission (LAFCO)
40 Muir Road, 1st Floor
Martinez, CA 94553

**January 8, 2025
Agenda Item #8**

CALAFCO Update

Dear Commissioners:

In Fall 2024, there was an effort by the Board Of Directors of the California Association of Local Agency Formation Commissions (CALAFCO) to dissolve the CALAFCO Legislative Committee. 34 LAFCOs, including Contra Costa, sent letters expressing concern with dissolution of the Legislative Committee. In October and November 2024, several LAFCOs sent letters expressing concerns with CALAFCO dues and prioritization of CALAFCO's mission. One LAFCO gave notice to CALACO that they would not renew their membership as of July 1, 2025. Ultimately, the CALAFCO Board voted to retain the CALAFCO Legislative Committee.

On December 23, 2024, a letter (attached) was sent to the CALAFCO Board of Directors noting concerns with the CALAFCO Board and leadership. There are 58 LAFCOs in California. The letter was signed by 17 LAFCO Executive Officers who serve 21 LAFCOs throughout the State. The letter includes a number of concerns, noting that "*CALAFCO leadership has lost focus on its core mission*" and that "*CALAFCO's focus on the interests of the membership must be restored in order to build lost trust and to ensure the Association's survival.*"

Other concerns included the recent dissolution of the CALAFCO Legislative Committee, which was promptly reinstated. The letter also expresses concerns regarding the CALAFCO Executive Director's discretion to appoint regional executive officers and members of the Legislative Committee. Other concerns in the letter include lack of outreach and transparency, appointment of the CALAFCO regional executive officers by the CALAFCO Executive Director, and communication and building relationships with the membership.

The letter also includes changes to the following: CALAFCO membership representation; process for selecting the CALAFCO Executive Officers and Legislative Committee LAFCO staff members; and transparency and communication. Contra Costa LAFCO has not prepared or sent a letter regarding these issues.

The next CALAFCO Board of Directors meeting is scheduled for Friday, January 10, 2025 at 10:00 am at which time we anticipate a discussion regarding the future of CALAFCO.

RECOMMENDATION: It is recommended that the Commission discuss and provide comments and direction regarding the future of CALAFCO.

Sincerely,

LOU ANN TEXEIRA
EXECUTIVE OFFICER

Attachment: Letter of Concern with the Direction of CALAFCO

December 23, 2024

CALAFCO Board of Directors

Subject: Concerns with the Direction of CALAFCO

Dear Members of the Board:

As you are aware, recent actions by the CALAFCO Board of Directors and the Executive Director have significantly undermined the decades of trust amongst CALAFCO and its membership. These actions have prompted multiple LAFcos to consider terminating their CALAFCO memberships if substantive changes to CALAFCO are not made (see letters attached from San Diego, Orange, and San Bernardino LAFcos). Although they have yet to do so in writing, several signatories to this letter are also considering recommending that their commissions terminate their CALAFCO memberships.

We are concerned that CALAFCO leadership has lost focus on its core mission. CALAFCO does not exist to serve the interests of the Board or individual board members. It does not exist to serve the interests of associate members or other outside entities. It certainly does not exist to serve the interests of the Executive Director or Legal Counsel. Until recently, CALAFCO's focus has always been on furthering the interests of the membership. The membership is the Association – the association of LAFcos. CALAFCO's focus on the interests of the membership must be restored in order to rebuild lost trust and to ensure the Association's survival.

The dissolution of the CALAFCO Legislative Committee and the secretive way it was undertaken clearly demonstrates this disregard of the opinions and desires of the membership. As stated in the September 27, 2024 letter to the CALAFCO Board from the Executive Officers of the majority of LAFcos (attached), the dissolution process lacked any meaningful outreach to the membership, and it was championed by a Board committee that intentionally withheld its recommendations from the membership and the Legislative Committee itself. It appears that Board members were misled as to the repercussions of their votes in July on this matter. Though the Board corrected this mistake during its September 30th special meeting when it reinstated the Legislative Committee, the damage to our trust was already done. The lack of outreach and transparency associated with the abolition of the Legislative Committee is not a one-off; rather, it exemplifies how CALAFCO currently operates. Discussion is limited to a small group; decisions are announced rather than formulated in a collaborative and iterative process; and members learn about actions only after they happen. This is not acceptable.

The deemphasis of LAFco practitioners in the CALAFCO decision-making process is both striking and troubling. The Executive Director is not a LAFco practitioner, and she is not qualified to advise the Board on matters related to the implementation of LAFco work without input from actual practitioners (who have consistently volunteered their time and expertise to support the Executive Director). The Executive Director's distancing of the CALAFCO Executive Officer (who serves as the membership's primary contact with CALAFCO) from the process is but one example. The dissolution of the Legislative Committee is another example of a systematic and deliberate attempt to deemphasize the role that LAFco practitioners play. The fact that the Executive Director has full

discretion to appoint regional executive officers and members of the Legislative Committee further undermines the membership's ability to appoint and empower LAFCo practitioners it feels will best represent its interests, as opposed to the interests of the Executive Director or individual board members.

Of further concern is CALAFCO's failure to adequately communicate with and build relationships with the membership. Little attempt has been made in recent years to introduce CALAFCO to our commissions or to personalize and "put a face" to CALAFCO. In addition, there are many examples of CALAFCO staff not responding to inquiries from Executive Officers, commissioners, and even CALAFCO Board members in a timely manner, if at all. This is unacceptable, and it further demonstrates a blatant disregard for the concerns of the membership.

In order to begin to rebuild the trust that has been lost, and hopefully to keep the Association intact, we insist that the Board implement the following items, *at a minimum*. Most of our requests can be addressed through changes to the by-laws or through adopted policies.

Membership Representation at CALAFCO

- *Selection of the CALAFCO Deputy Executive Officers:* Currently, the Executive Director chooses who serves as each region's Deputy Executive Officer (DEO). This arrangement may not necessarily best serve the interests of the membership. Regional DEOs should be chosen by the membership of each region. The LAFCos of each region should nominate candidates for their regional DEO and then vote.
- *Selection of the CALAFCO Executive Officer:* Currently, the Executive Director chooses who serves as the CALAFCO Executive Officer. This arrangement may not necessarily best serve the interests of the membership. The Executive Officer, who is one of the four regional DEOs, should be selected by and among the four regional DEOs.
- *Role of the CALAFCO Executive Officer:* The position of the CALAFCO Executive Officer should be clarified so that the Executive Officer plays an integral role in the operation of CALAFCO, as was previously the practice. The Executive Director should be required to consult with the Executive Officer on all items/issues of importance to the membership. The Executive Officer should play an active role in the development of meeting agendas, and should be invited to and included in all meetings of the Board, the Executive Committee, the Legislative Committee, any standing committee, any ad hoc committees, and others as needed. In the Executive Officer's absence, the other regional DEOs should be consulted. No action on items/issues important to the membership should be taken without such consultation.
- *Advisory Committee:* An Advisory Committee composed of the Executive Officer and the three regional DEOs should be established. The Executive Director must convene the Committee on an agreed upon schedule, to discuss items/issues of importance to the membership. Consideration should also be given to the formation of an advisory committee made up of LAFCo Executive Officers from the four regions.

Legislative Committee

- *Selection of the members of Legislative Committee:* Currently, the Executive Director selects the LAFCo staff members who serve on the Legislative Committee. This arrangement fails to advance the interests of the membership. The members of the newly established Advisory Committee (the Executive Officer and three regional DEOs) should appoint LAFCo staff members to the Legislative Committee, or at the very least, approve appointments made by the Executive Director.
- *Remove Associate Members from the Legislative Committee:* Currently, three associate members (e.g., private consultants that do not staff LAFCos) sit on a committee that advises the Legislative Committee, and they are privy to all the confidential documentation, discussions, and strategizing that occurs during Committee meetings. Associate members do not necessarily share the goals of the Legislative Committee and may even represent clients who may be opposed to the Committee's recommendations, resulting in conflicts of interest. Associate members should not be permitted to attend meetings and/or participate in Legislative Committee business, unless their input is sought on an item and they are invited by the Chair.

Transparency and Communication:

- *Transparency:* CALAFCO must operate in a manner that is not only transparent to the Board, but to the membership. Policies affecting the membership, the advancements of LAFCos, and the operations of the organization should be developed to ensure that member LAFCos are fully informed of matters important to them and input sought on such matters.
- *Communication:* The Executive Director should be encouraged to develop relationships with the membership and not focus solely on the members of the Board. Policies should also be developed to ensure that all inquiries from the membership and Board members are responded to in a timely manner.

When the San Bernadino LAFCo was considering whether to continue as a member of CALAFCO at its November 13th meeting, the staff report prepared for the item concluded with the following:

“Recently, there has been some concern about the recent decisions made by the CALAFCO Board, including the perceived lack of transparency and membership engagement. There has also been some disagreement and disunity among the new Board. It should also be noted that, in the past, there used to be a close collaboration between the CALAFCO Executive Director, its regional officers, and LAFCO executive officers in general, which resulted in more agreement and coming up with better solutions to issues and/or concerns. Lately, there hasn't been a congenial relationship between the CALAFCO Executive Director and many of the regional officers/executive officers resulting in dissatisfaction and frustration among the membership.”

As you know, the San Bernardino LAFCo chose to not renew its membership for next year. We see the January 10th Board meeting as the last opportunity for the Board to “right the ship” before

additional LAFCoS consider terminating their membership. Absent substantive changes, such as those suggested herein, CALAFCO is at risk of fracturing, or even dissolving, as an association. We hope the Board takes our concerns seriously and embraces these suggestions, or other meaningful suggestions, in order to preserve CALAFCO and all the value that it has historically provided.

Sincerely,



Kai Luoma
Ventura LAFCo



Keene Simonds
San Diego LAFCo



Steve Lucas
Butte LAFCo



Paul Novak
LAFCo for LA County



Bill Nicholson
Merced LAFCo



Rob Fitzroy
San Luis Obispo LAFCo



Jennifer Stephenson
Lassen, Modoc, Plumas, and
San Benito LAFCos



Tyler Salcido
Imperial LAFCo



Neelima Palacherla
LAFCo of Santa Clara
County



Uma Hinman
Mendocino LAFCo



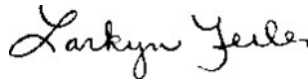
J.D. Hightower
San Joaquin LAFCo



Sara Lytle-Pinhey
Stanislaus LAFCo



Michelle McIntyre
Placer LAFCo



Larkyn Fielor
Colusa and Lake LAFCos



Jason Fried
Marin LAFCo



Chuck Kinney
Kings LAFCo



SR Jones
Nevada LAFCo

CC: Rene LaRoche, CALAFCO Executive Director

Attachments - Letter to CALAFCO from San Diego LAFCo dated 10-22-24
Letter to CALAFCO from Orange LAFCo dated 11-1-24
Letter to CALAFCO from San Bernardino LAFCo dated 11-22-24
Letter to CALAFCO regarding dissolution of the Legislative Committee dated 9-27-24