



Lou Ann Texeira
 Executive Officer

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August 13, 2019
 Agenda Item 7

November 13, 2019 (Agenda)

Local Agency Formation Commission
 40 Muir Road, 1st Floor
 Martinez, CA 94553

**Authorize Service Contract – 2nd Round Parks & Recreation Services
 Municipal Service Review and Sphere of Influence Updates**

Dear Members of the Commission:

DISCUSSION

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act) requires that on or before January 1, 2008, and every five years thereafter, LAFCO review and update the sphere of influence (SOI) of each local agency, as necessary. As part of the SOI update, LAFCO must prepare a corresponding Municipal Service Review (MSR) to determine the range and adequacy of governmental services provided.

In April 2013, Contra Costa LAFCO completed its inaugural MSR cycle covering all 19 cities and 75 special districts. In conjunction with the MSRs, LAFCO updated the SOIs for most agencies. In August 2013, LAFCO initiated its 2nd round MSRs/SOI updates. To date, LAFCO has completed 2nd round MSRs covering water/wastewater (2014), reclamation/levee (2015), fire and emergency medical services (2016), healthcare services (2018), and “City Services” (cities and community services districts – “CSDs”) (2019).

As part of the FY 2019-20 work plan and budget, the Commission approved preparing a 2nd round MSR covering parks & recreation services. MSR will focus on the following: 1) updating profile data including growth and population, finances (expenses, revenues, debt, reserves, rates/fees schedules, other fiscal indicators), and staffing/management; 2) capacity of public services, programs and facilities; 3) service to disadvantaged communities; 4) shared services/facilities and collaboration; 5) accountability, structure and efficiencies; and 6) governance structure options.

This MSR will cover city and district parks & recreation services and will include the cities, county service areas (CSAs), CSDs and recreation & parks districts (RPDs) as listed below.

City of Antioch	City of Pinole	CSA R-7*
City of Brentwood	City of Pittsburg	CSA R-9*
City of Clayton	City of Pleasant Hill	CSA R-10*
City of Concord	City of Richmond	Ambrose RPD*
Town of Danville	City of San Pablo	East Bay Regional Park District (EBRPD)
City of El Cerrito	City of San Ramon	Green Valley RPD*
City of Hercules	City of Walnut Creek	Pleasant Hill RPD*
City of Lafayette	CSA M-16*	Crockett CSD
City of Martinez	CSA M-17*	Diablo CSD
Town of Moraga	CSA M-29*	Town of Discovery Bay CSD
City of Oakley	CSA M-30*	Kensington Police Protection & CSD
City of Orinda	CSA R-4*	

***Includes SOI update**

Contra Costa LAFCO completed its 1st round parks & recreation services MSR in 2010. The 2019-20 Parks & Recreation MSR will include SOI updates for the three independent parks & recreation districts and the eight CSAs, and will not include SOI updates for the cities or CSDs as these SOIs were updated in June 2019 in conjunction with the “City Services” MSR. Also, this MSR will not include an SOI update for EBRPD as Alameda LAFCO is the principal LAFCO for this district.

Consultant Recruitment Process - Contra Costa LAFCO relies primarily on consultants to prepare MSRs. On September 11, 2019, the Commission approved release of a Request for Proposals (RFP) and Scope of Services for the parks & recreation MSR. The RFP was released on September 12th, was sent to over 30 firms, and posted on the Contra Costa LAFCO, CALAFCO and California Special Districts Association websites. Proposals were submitted by the following three firms (copies of the proposals are available upon request):

- Economic & Planning Systems (EPS)/Berkson Associates
- Planwest Partners., Inc.
- QK

The proposals vary in terms of approach, number of team members, timelines, and cost. All three consultant teams bring extensive LAFCO and MSR experience, and it was a difficult decision.

A screening committee composed of LAFCO professionals including **Brendon Freeman**, Executive Officer, Napa LAFCO and **Rich Seithel**, Executive Officer, Solano LAFCO, along with your Executive Officer reviewed the proposals and interviewed the firms on October 25th. The interviews were structured, with questions designed to gauge the consultants’ understanding of the required tasks, proposed approach to the MSR, experience and familiarity with LAFCO, knowledge of parks & recreation services, qualifications of personnel assigned to work on the MSR, budget, timeline and other factors.

Following the interviews, the committee concluded that while all of the firms are qualified and can provide the needed services, it is recommended that the Commission hire the team of EPS/Berkson Associates to prepare the 2nd round parks & recreation services MSR. Following the interviews,

LAFCO staff conducted a reference check and reviewed some of the firms' sample MSR work products; all were positive and support the committee's recommendation. The EPS/Berkson Associates team's proposal included creative and innovative metrics relating to park and recreation services. The team has significant experience working with LAFCOs and local agencies as summarized below.

- ❖ **EPS** is a land use economics consulting firm with a local office in Oakland. The firm has prepared dozens of MSRs and LAFCO studies and has presented at CALAFCO conferences. EPS will team with Berkson Associates (see below). Richard Berkson was previously a Principal with EPS and a founding partner.

EPS has extensive LAFCO and local agency work in the greater Bay Area including economic, fiscal and service studies for East Bay Regional Parks, Alameda, Contra Costa, Monterey and Sonoma counties, and for LAFCOs around the State, including studies focusing specifically on parks and recreation services.

EPS submitted a thoughtful proposal with unique and creative features relating specifically to parks & recreation services, which sets the team apart from the other proposals.

- ❖ **Richard L. Berkson**, Principal, Berkson Associates, has over 30 years of experience working with local agencies throughout California. Areas of expertise include government organization, fiscal, financial and market analysis, and public finance.

Mr. Berkson has prepared numerous LAFCO governance studies and MSRs; studies addressing incorporations, annexations, special district formations, consolidations, and dissolutions; design and preparation of financial strategy studies, capital and infrastructure plans, fee, tax and related studies.

Mr. Berkson has worked with Contra Costa LAFCO various MSRs and special studies, including the City Services MSR (2019), Healthcare Services MSR (2018), EMS/Fire MSR (2016), and special studies for the West Contra Costa Healthcare District (2016), the Rollingwood Wilart Park Recreation & Park District (2016), and the Mt. Diablo Healthcare District Reorganization (2011).

FINANCING

Adequate funding is included in the FY 2019-20 budget to cover costs associated with this MSR.

RECOMMENDATION

Authorize staff to execute a contract with EPS/Berkson Associates to prepare the 2nd round parks & recreation services MSR/SOI updates for the term December 1, 2019 through November 30, 2020 in an amount not to exceed \$115,000.

Sincerely,

LOU ANN TEXEIRA
EXECUTIVE OFFICER

c: Distribution