

MUNICIPAL SERVICE REVIEW

Marin/Sonoma Mosquito and Vector Control District

**Prepared by
Sonoma Local Agency Formation Commission**

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Introduction

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (“the Act”) requires the Local Agency Formation Commission (“LAFCO”) to conduct a municipal service review (“MSR”) prior to or in conjunction with preparing or updating a sphere of influence for a city or district. The Marin/Sonoma Mosquito and Vector Control District (“the District”), which currently covers almost 1,000 square miles in both Sonoma and Marin counties, is requesting amendment of its sphere of influence (“SOI”), to include the entirety of both counties, and annexation of all territory remaining outside present District boundaries in both counties, especially in response to the threat posed by West Nile Virus, which has affected this area as of this summer. Under the proposal, the SOI and District boundaries would be coterminous.

Sonoma is principal LAFCO, responsible for taking action on the SOI amendment and annexation requests. In line with the Commission’s policy and procedures for proposals affecting more than one county, Sonoma LAFCO has consulted with the staff of Marin LAFCO, has included Marin LAFCO and agencies it designated to review and comment on the MSR, and has carefully considered recommendations of Marin LAFCO in the Commission’s deliberations and final action regarding this proposal.

Municipal Service Review

Government Code Section 56430 directs the Commission to conduct a service review of the municipal services provided in the county or other appropriate area before or in conjunction with establishment or update of a sphere of influence. A municipal service review is an analysis of public services in which determinations are made regarding adequacies or deficiencies in service, cost effectiveness and efficiency, government structure options and local accountability. In response to the proposed amendment to the sphere of influence for the Marin/Sonoma Mosquito and Vector Control District and annexation of lands, this service review examines mosquito abatement and vector control services provided within District boundaries and in the balance of Sonoma and Marin counties, as related to nine factors specified in the governing statute:

1. Infrastructure needs or deficiencies
2. Growth and population projections for the affected area
3. Financing constraints and opportunities
4. Cost avoidance opportunities
5. Opportunities for rate restructuring
6. Opportunities for shared facilities

Boundaries

District boundaries follow school district boundaries: in Sonoma County, from the northern boundary of the Windsor Unified School District, west to include Forestville Union School District and south and to the east to include Rincon Valley Union School District and south to the County line, and in Marin County, including the following school districts; north to Novato School District, west to Ross and Dixie School Districts, south to Sausalito and east to San Pablo Bay.

Sphere of Influence

The District's current sphere of influence includes all of Sonoma County and that portion of Marin County within District boundaries. Amendment of the sphere, as proposed, would result in the inclusion of all of both counties in the sphere; District boundaries would be coterminous.

Population Served:	Approximately 650,000
Land Use:	Residential, Commercial, Agricultural
Enabling Legislation:	Mosquito Abatement Act of 1915 and California Health and Safety Code, as revised, January 2004

Services Provided by the District, As Permitted by Enabling Legislation

The District protects the health and comfort of the public through the abatement of vertebrate and invertebrate vectors. A vector is any animal or insect capable of transmitting the causative agent of human disease or capable of producing human discomfort or injury, including but not limited to mosquitoes, flies, mites, ticks, other arthropods, and rodents and other vertebrates. The District's programs consist of surveillance, control, education, interagency cooperation, and legislation. The District takes any and all necessary or proper actions to both prevent and abate the occurrence of vectors and vector-borne diseases.

Unserved Areas

Areas presently not served by the District include, in Sonoma County, the cities of Healdsburg and Cloverdale, unincorporated areas north of the Windsor Unified School District, areas north and west of the boundary of the Forestville Union School District, and areas along the Sonoma Coast north of the Wilmar Union School District and, in Marin County, west, south, and east of Dixie, Ross, and Novato school districts to the Pacific Ocean, the Golden Gate Bridge, and San Pablo Bay. Maps showing

current boundaries, along with the area proposed for annexation, are included as part of this review. The current boundary encompasses approximately 1,000 square miles; if the proposed annexation is approved, approximately 1,100 square miles of territory would be added to the District, in the two counties.

District Budget

In 2003-04, the District operated on a budget of \$5,530,260, which includes salaries and benefits, services and supplies, fixed assets and capital improvements, and debt service payments. The District's Adopted 2004-05 Budget is summarized in the tables below.

2004-05 REVENUES	
Tax Revenues	2,285,402
Benefit Assessment	1,073,020
Other Revenues	268,759
Total Revenue	3,627,181

2004-05 EXPENDITURES	
Salaries and Benefits	2,548,177
Services and Supplies	1,752,884
Fixed Assets/Capital Improve.	484,200
Subtotal Operations	4,785,261
Debt Service Payments	1,299,503
Total Adopted Budget	6,084,764

The District will balance its budget for the current fiscal year by using surplus funds available from previous years. The increase from 2003-04 to 2004-05 reflects a number of changes. To provide what the District has determined is the necessary level of service for the area proposed to be annexed, at least initially, the District projects a need for four new field technician positions, as well as associated vehicles and equipment, in addition to costs associated with the annexation process. Also, the District budgeted this year for its self-insurance program premium, whose cost, previously, was covered by program reimbursements. In addition, costs for state mandated programs, including ERAF (Educational Revenue Augmentation Fund) and reimbursement to Marin and Sonoma counties for bill collecting, are included. The debt service carried by the District in recent years is anticipated to be paid within the year.

Agencies Providing Related Services

The Marin/Sonoma Mosquito and Vector Control District is the only district of its kind in Sonoma or Marin counties. No other agency provides a similar service.

Discussion of Municipal Service Review Factors and Determinations

As indicated above, the Commission is required, by statute, to make determinations regarding the nine factors enumerated in Government Code Section 56430, in a municipal service review. The following includes District comments relating to the factors, followed by staff comment or analysis. Determinations for Commission consideration can be found at the end of the Service Review.

1. Infrastructure Needs and Deficiencies

According to the Municipal Service Review Guidelines issued by the State of California Office of Planning and Research, “infrastructure” is defined as public services and facilities, and “infrastructure needs and deficiencies” refer to the status of existing and planned infrastructure and its relationship to the quality and levels of service that can or need to be provided.

The District reports that there are no infrastructure needs or deficiencies related to services provided currently or services proposed to be provided, in the area to be annexed.

In December 2000, new facilities for District administration, laboratory, and field operations were completed. Located at 595 Helman Lane, in Cotati, the headquarters is centrally located within the service area, and no additional or new facilities are planned. The District offers services that are not provided by any other agency. The professional staff has access to a fleet of vehicles, watercraft, and bio-rational dispersal equipment to aid in performing its responsibilities. If the Commission approves annexation of remaining territory in both Marin and Sonoma counties, the District would need to increase its inventory of vehicles and equipment. Sufficient financial resources to assure provision of services, as required with an expanded territory, would be available upon voter approval of a benefit assessment. The District indicates that all environmental and safety standards, as required by local, state, and federal programs, are strictly enforced.

2. Growth and population projections for the affected area

The District reports that growth and population projections for the sphere expansion area are not relevant to the proposed annexation, nor does future population growth depend on completion of the annexation. The services are intended to benefit the existing population and any future population in the affected area.

ABAG Projections 2003 are summarized for Marin and Sonoma counties in the following table:

2003 ABAG Projections						
	2005	2010	2015	2020	2025	2030
<i>Marin</i>	254,500	264,100	271,200	275,700	279,600	283,100
<i>Sonoma</i>	497,800	525,400	539,500	551,500	557,500	565,700

The District appears capable of providing services that can accommodate the growth and population projections for the affected territory, if the electorate in the area proposed for annexation approves a funding mechanism. Based on the services already provided to similar territory and population, the District has been able to plan for what needs to be accomplished in an expanded area.

3. Financing Constraints and Opportunities

The District reports that its ability to provide adequate levels of service, equal to that provided within the existing District boundaries, is dependent on receipt of sufficient revenues. The District proposes that services to be provided in the territory to be annexed will be funded through a voter-approved benefit assessment measure.

Prior to Proposition 13, the California Health and Safety Code allowed mosquito control districts to set a tax rate sufficient to fund their proposed budget. Since voters passed Prop. 13 in 1978, the District has received a share of the one percent general county property tax. In 1996, the District's Board of Trustees formed a benefit assessment district, under which additional revenue is collected to fund District programs at a level it believes is necessary to protect health and living standards of residents.

Presently, within District boundaries, funding sources include a small percentage of property taxes and an assessment paid by property owners. Because an additional portion of property tax is unlikely to be transferred to the District upon annexation of additional territory, the District plans to ask voters in the territory proposed to be annexed to approve a benefit assessment for District services. The benefit assessment

would cover the cost of annexation and start-up costs of staff and equipment, anticipated for about five years, with the remainder approximating what current District property owners pay. It would total about \$19.00 per parcel and would change only for an annual cost of living adjustment, not to exceed five percent. With the addition of almost 42,000 parcels, the District would anticipate a revenue accrual of approximately \$797,000 annually, if annexation is approved.

4. Cost Avoidance Opportunities

The District reports that services provided to the public are not duplicated within any other agency. Because of the type of services being provided, in-house management, instead of outsourcing, has been the most cost- efficient and cost-effective way of doing business. The District states that expansion of its territory, via the proposed annexation, will not negatively impact services provided within the present District or the expanded area as long as sufficient funding is available to provide services at the necessary standard.

The District appears to be taking advantage of cost avoidance opportunities. The District has been involved in a shared self-insurance program with other mosquito and vector control agencies throughout the state and has shared information, educational materials, and, at times, equipment, with other agencies. For the first time, a consortium of healthcare agencies, at all levels of government, has been working together to share professional expertise in preparation for the potential threat of the West Nile Virus.

5. Opportunities for Rate Restructuring

The District reports that its Board of Directors has established the benefit assessment rate not to exceed \$12.00/year/parcel, with a cost of living adjustment not to exceed five percent. In 2003-04, the average cost was \$9.75/parcel. When combined with the portion of property tax each parcel owner paid to the District, the total amount equaled \$20.36. For the current year, due to planning and cost savings, the District is able to reduce the benefit assessment rate to \$5.00 for parcels within the District at this time. The District anticipates continuing this rate into next year, in that, with the last debt service payment on its headquarters to be made this year, sufficient funds will be available to meet District needs. For the area proposed to be annexed, the District proposes to establish the benefit assessment rate at \$19.00, for a period of five years, adjusting for a cost of living increase annually. This will cover the cost of annexation and start-up costs for staff and equipment. After the five-year period, the District plans to implement a single benefit assessment rate that would apply to all property owners.

The District appears to be aware of its funding needs to provide services at the level it deems necessary for public health and safety. At the same time, it appears to be able to manage its financial situation so that current ratepayers, who have helped accumulate reserves, can benefit by a temporary reduction in the amount they are assessed for services provided. Although this will not affect property owners new to the District, once the assessments collected cover costs, the rates will be equalized.

6. Opportunities for Shared Facilities

The District states that it is the only agency in Sonoma and Marin counties that provides mosquito and vector control services. Its facility, located in Cotati since 2000, provides adequate space for professional, support, and field staff as well as vehicles and other equipment. Even with potential new service area as a result of annexation of territory, if approved, the District believes that this facility will be adequate to serve the needs of the District; the District will undertake an evaluation within a five-year period to determine whether facility needs are being met. Space is not available to share with other agencies.

It does not appear that there is a need or opportunity for the District to share facilities at this time. However, in anticipation of providing services throughout two counties, the possibility of sharing facilities with other public agencies, for vehicle and equipment maintenance, as an example, merits consideration.

7. Government Structure Options

The District states that it is the only local agency that provides mosquito and vector control services in Marin and Sonoma counties. At the present time, only portions of those counties are served. Especially with the threat posed by West Nile Virus, which does not respect boundaries, the District believes that annexation of remaining portions of the counties would allow for efficient provision of services to prevent and eradicate this and other pests.

Since the District provides the type of services that are countywide in nature, to deal with problems that cross District boundaries, continuing with a single-purpose district serving the entirety of each county makes sense. There does not appear to be any need or interest in merging or reorganizing this District with any other public entity.

8. Evaluation of Management Efficiencies

The District reports that it operates with a staff of 29 administrative, laboratory, field, educational, and support personnel. In anticipation of annexation of the remaining territory in Marin and Sonoma counties, the District sees the need for four additional field technician positions, to serve the new territory; these positions are included in the current-year budget. After a period of providing service, the District will evaluate whether additional laboratory and/or administrative personnel will be needed.

Each year, the management staff initiates a planning review to develop and change the District's programs, if needed, due to legislation, consumer interest and demand, and other factors. An outside firm audits the District's accounts annually, and its report is filed locally and with the state. Presently, no litigation or Grand Jury inquiries involve the District.

The District provides a unique and important service to communities in Marin and Sonoma counties. The majority of its budget is focused on efforts to prevent and abate vector-borne diseases. The District appears to be operating efficiently and is able to provide service in a variety of environments, ranging from residential to the Laguna de Santa Rosa.

9. Local Accountability and Governance

The District reports that a 20-member board of directors has been established to oversee District policy and operations. Each city or town within the District has the right to appoint one representative, while the Board of Supervisors of Marin and Sonoma counties each appoints one member, to represent unincorporated areas. Board meetings, held at District headquarters on the second Wednesday of each month, comply with the provisions of the Brown Act and other state laws; meetings are noticed, and the public is encouraged to attend. The District operates an active public education program with classroom presentations at local schools, participation at community events and fairs, distribution of brochures and media releases during the year, and discussion with homeowner and neighborhood groups. The District's website (www.msosquito.com) provides information to the public about the District and areas of present concern, such as West Nile Virus.

Currently, the Board of Directors of the District includes 17 members, representing unincorporated Marin and Sonoma counties and 15 cities. The cities of Mill Valley, Ross, and Sausalito, in Marin County, are not currently represented. The District contacts cities without representation annually regarding appointment of a member to the Board of Directors. Annexation of the remaining territory in Marin and Sonoma

counties would allow appointment of a resident from Healdsburg and Cloverdale, in Sonoma County.

District office staff receives and records more than 3,000 service requests annually with many requiring follow-up by field staff. The District's key objective is to continue to respond to each problem and help residents live in an environment safe from mosquito and other vector-borne diseases.

Recommended determinations pursuant to Government Code Section 56430:

1. Regarding infrastructure needs and deficiencies, the Commission determines that the District currently has no unmet infrastructure needs or deficiencies.
2. Regarding growth and population projections for the affected area, the Commission determines that the District is capable of meeting service level needs of an expanded area, with projected increased population, over the next 20 years, if sufficient funding is provided from the area proposed to be annexed, in the form of a benefit assessment.
3. Regarding financing constraints and opportunities, the Commission determines that expansion of the District's service area is contingent on a funding source, i.e., the proposed benefit assessment, to equal the level of service provided within the current District boundaries.
4. Regarding cost avoidance opportunities, the Commission determines that the District utilizes opportunities to avoid or reduce costs.
5. Regarding opportunities for rate restructuring, the Commission determines that the District takes opportunities to restructure its rates, consistent with the need to maintain sufficient funding levels to provide necessary services.
6. Regarding, opportunities for shared facilities, the Commission determines that the District does not currently need shared facilities, since a new headquarters was built in 2000, providing adequate space for all staff and equipment. Expansion of District boundaries merits review of opportunities for shared facilities, in the future.
7. Regarding government structure options, including advantages and disadvantages of consolidation or reorganization of service providers, the Commission determines that, especially in light of the threat posed by the

presence of West Nile Virus, having a single-purpose district responsible for control and abatement, throughout Sonoma and Marin counties, is the best choice for meeting the needs of the public.

8. Regarding evaluation of management efficiencies, the Commission determines that the District operates efficiently and provides the public with a high level of service.

9. Regarding local accountability and governance, the Commission determines that, with representation from the cities in Marin and Sonoma counties as well as the unincorporated areas, the Board of Trustees operates with a high level of representation and accountability. The District Board is encouraged to seek full representation from all cities. The District provides access to information via its website, open meetings, and participation in community, school, and neighborhood events.