

RESPONSE TO GRAND JURY REPORT

Report Title: Humboldt County's Future, "Scene" Through the Looking Glass

Report Date: 06/27/2018

Response by: Board of Supervisors, County of Humboldt

FINDINGS

1. The Board agrees with findings F1, F5, F6, F7, F8, F9.
2. The Board disagrees wholly or partially with findings F2, F3, F4, F10.

RECOMMENDATIONS

1. Recommendations have been implemented: R1, R2, R7, R8
2. Recommendations has not been implemented, but will be implemented in the future:
3. Require further analysis:
4. Will not be implemented: R3, R4, R5, R6

Date: _____

Signed: _____

Number of pages attached: _____

RESPONSE TO GRAND JURY REPORT – FINDINGS AND RECOMMENDATIONS SUMMARY STATEMENT

Findings

F2. The Board of Supervisors has not yet communicated and implemented a clear and viable vision for the county, nor have they developed a strategic plan supporting such a vision.

Response: Disagree.

While each member of the Board of Supervisors is an independently elected official accountable only to their own constituents, the Board has come together repeatedly over the last several years to work with the community and county leadership to develop a vision for the county. This vision has been expressed through the annual revisions to the Board's Strategic Framework, and more specific documents supporting that framework such as the General Plan, Comprehensive Economic Development Strategy, development of the Facilities Master Plan, Emergency Operations Plan, the Blue Ribbon Taskforce, Housing Trust Fund Committee and more. County department heads are scheduled to re-convene in October to further this strategic planning process.

F4. Humboldt County leadership seems unfamiliar with the value of creating and implementing a Continuous Improvement Program.

Response: Disagree.

The county many years ago dedicated itself to becoming a high performing organization (HPO) in order to increase efficiency of service delivery and to adjust to the challenges of tomorrow. This requires taking actions like increasing employee engagement, making investments in technology, and increasing investments in personnel. This must be done on a departmental level as well as county-wide. To that end, the county has formed a group called Hum21 that is comprised of representatives from each department. This group forms teams to take on tasks such as property tax processing, information technology planning, All Hands Training Day, county-wide professional development and services like the county website. Measuring the success of these efforts in terms of saving money is difficult. However, it should be noted that since 2013, the county's budget has increased by 26 percent (from \$305.5 million in FY 2013-14 to \$412.4 million om FY 2018-19) while the number of personnel has increased by only 12.2 percent (2022.75 funded positions in FY 2013-14, and 2305.66 funded positions in FY 2018-19), meaning that the county's current workforce is handling more responsibility with fewer staff.

F10. Humboldt County leadership decisions in the past often maintained the status quo rather than offering creative solutions for the future.

Response: Disagree.

Humboldt County has a long and proud history of offering creative solutions for the future. For example, Humboldt County was a model around the state for integrated health and human services delivery when it combined Social Services, Mental Health and Public Health into one agency roughly 10 years ago. Humboldt County is part of a first-of-its-kind Redwood Coast Tsunami Work Group, which helps plan for earthquakes, the consequences of which are unique to our area. Humboldt has consistently led the state when it comes to cannabis regulations and environmental stewardship, including joining the North Coast Resource Partnership. Just last year Humboldt County won six Challenge Awards from the California State Association of Counties for its innovative programs and efforts.

Recommendations

R1. The Humboldt County Civil Grand Jury recommends that the Humboldt County Board of Supervisors (BOS) develop and implement an alternative county administration system, with an executive officer supervising all non-elected county department heads, departments, and county employees in order to maximize governmental efficiencies and interdepartmental communication, as well as minimize duplication of effort. This should position the BOS to be free from routine business matters, thus providing ample time to focus on strategies to improve the quality of life for Humboldt County citizens. This change should occur with the beginning of fiscal year 2019-2020.

Response: This recommendation will not be implemented.

There are several organizational options related to a county administrative office. The current option enables the Board to interview, select and if necessary terminate appointed department heads. This structure has allowed the Board to appoint department heads that meet the needs of the organization as well as the community.

R2. The Humboldt County Civil Grand Jury recommends that the Humboldt County Board of Supervisors task county government with performing a study on county work functions to determine which ones can be merged, how to increase collaboration, and how to reduce silos where warranted. This study should be completed and presented to the Board of Supervisors by December 31, 2018.

Response: This recommendation has been implemented.

On January 9, 2018 the Board approved an agreement with Cooperative Personnel Services to review and evaluate the potential advantages and disadvantages associated with centralizing services and staffing resources of Information Technology, Human Resources, Accounts Payable and Payroll within the county. The results of this study will likely come back to the Board before the end of FY 2018-19. In addition, the Board has taken action in the past to consolidate and centralize services. In 2015 the Board merged the Coroner's Office with the Sheriff. In November 2016 the Board placed two measures on the ballot to create a Department of Finance. If passed, the measures would have merged the offices of the Treasurer-Tax Collector and Auditor-Controller.

R3. The Humboldt County Civil Grand Jury recommends that during the Humboldt County Board of Supervisors Strategic Workshop in May 2018, a Vision of Humboldt County from the present through the year 2030 be created.

Response: This recommendation has already been implemented.

R4. The Humboldt County Civil Grand Jury recommends that this Vision of Humboldt County be shared with county and city governments, and county citizens during the first quarter of fiscal year 2018-2019.

Response: This recommendation has already been implemented.

The county's 20-year Vision was adopted by the Board in May and shared on the county's website. Further, the county will incorporate the 20-year vision in to its employee onboarding process by October 1, 2018.

R5. The Humboldt County Civil Grand Jury recommends that the Humboldt County Board of Supervisors develop a comprehensive strategic framework document which identifies the type of planning to be completed in support of the 2030 vision statement. This strategic framework document should be completed by December 31, 2018.

Response: This recommendation has already been implemented.

The Board adopted the most recent revision to the Strategic Framework document in May, 2018. The Strategic Framework document was first created in 2012, and each iteration can be seen in the county's annual proposed and adopted budgets.

R6. The Humboldt County Civil Grand Jury recommends that the Humboldt County Board of Supervisors take immediate action to address both the short and long term housing shortage facing the county, which must include strategies beyond the current Affordable Housing Trust Fund and Housing First models. Such strategies might include modifying the General Plan to allow for additional housing starts and alternative housing options, and reducing building fees to encourage development.

Response: This recommendation has already been implemented.

The county is positioning itself to receive funding from Senate Bill (SB) 2 for housing and homelessness solutions. In addition, the Board has created a Housing Trust Fund and Homelessness Solutions Committee to advise the Board on homelessness and housing issues. The Board also funded an Economic Development Director position that will work with cities and the business community to address issues related to economic development, which may include housing.

R7. The Humboldt County Civil Grand Jury recommends that the Humboldt County Board of Supervisors initiate a continuous improvement program setting annual goals for

savings each year which can offset losses in other areas. This program should be fully implemented by December 31, 2018.

Response: This recommendation will not be implemented because it is duplicative of current efforts.

The County Administrative Office reports to the Board each quarter and during the budget adoption process regarding the state of the budget and county operations. These reports also discuss progress being made toward several of the Board's goals. The Board in February revised its policies for the General Fund Reserve and General Fund Contingencies. The annual goal is to contribute the equivalent of 10 percent of revenue from the county's cannabis excise tax to its reserve, until reserves reaches a level of 10 percent of General Fund expenditures. At that point the county will contribute the equivalent of 5 percent until reserves are at 16 percent of General Fund expenditures. The policy on contingencies states that the county will budget at least 2 percent of General Fund revenues for annual contingencies. Finally, the county in 2015 established a Section 115 irreversible trust called PARS to help bring more predictability to pension contributions. The county currently contributes 1 percent of all employee salaries to the PARS Trust. In addition, the county many years ago dedicated itself to becoming a high performing organization (HPO) in order to increase efficiency of service delivery and to adjust to the challenges of tomorrow. This requires taking actions like increasing employee engagement, making investments in technology, and increasing investments in personnel. This must be done on a departmental level as well as county-wide. To that end, the county has formed a group called Hum21 that is comprised of representatives from each department. This group forms teams to take on tasks such as property tax processing, information technology planning, All Hands Training Day, county-wide professional development and services like the county website. Measuring the success of these efforts in terms of saving money is difficult. However, it should be noted that since 2013, the county's budget has increased by 26 percent (from \$305.5 million in FY 2013-14 to \$412.4 million om FY 2018-19) while the number of personnel has increased by only 12.2 percent (2022.75 funded positions in FY 2013-14, and 2305.66 funded positions in FY 2018-19), meaning that the county's current workforce is handling more responsibility with fewer staff.

R8. The Humboldt County Civil Grand Jury recommends that the Humboldt County Board of Supervisors promote and advertise all accomplishments of Measure Z including positions funded by the measure. This statement to the citizens of Humboldt County should be made public no later than October 31, 2018.

Response: This recommendation has already been implemented.

The county continually informs the community on efforts happening with Measure Z funding. These efforts include roughly a dozen pages on the county's web site, a monthly county newsletter, social media posts on Facebook and Twitter. The county last year also included in its contracts with those receiving Measure Z funding that those agencies periodically post information about their Measure Z-funded programs to social media.

STRATEGIC FRAMEWORK (2017)

MISSION STATEMENT:

The County of Humboldt, through the dedication and excellence of its employees, is committed to meeting the needs and addressing the concerns of the community and enhancing the quality of life.

FOCUS:

To Promote a Safe, Healthy, Economically Vibrant Community

CORE ROLES:

- Enforce laws and regulations to protect residents
- Provide for and maintain infrastructure
- Create opportunities for improved safety and health
- Encourage new local enterprise
- Support business, workforce development and creation of private-sector jobs
- Protect vulnerable populations

PRIORITIES FOR NEW INITIATIVES:

Provide our core services in ways that:

Match service availability with residents' needs

- Provide community-appropriate levels of service
- Support self reliance of citizens
- Streamline county permit processes
- Retain existing and facilitate new living-wage private sector jobs and housing

Safeguard the public trust

- Manage our resources to ensure sustainability of services
- Invest in County employees
- Invite civic engagement and awareness of available services

Make proactive decisions to:

Partner to promote quality services

- Foster transparent, accessible, welcoming and user friendly services
- Facilitate the establishment of local revenue sources to address local needs
- Seek outside funding sources to benefit Humboldt County needs
- Facilitate public/private partnerships to solve problems
- Build interjurisdictional and regional cooperation

Be an effective and influential voice for our community at the regional, state and federal levels

- Advance local interests in natural resource discussions
- Engage in discussions of our regional economic future
- Engage new partners

VALUE STATEMENT

The Board of Supervisors wishes to promote an organizational environment in which staff and department heads are encouraged to explore innovative ways to align the County with current external realities, and are on the lookout for opportunities to improve our organization and the community.

SIX KEY GOALS FOR 2017-18

Fiscal Year 2017-18 is expected to be another year of slow growth in revenues, with growth in necessary expenditures consuming all available growth in revenues. However, the Board will seek to enhance our core services by:

1. **Emphasizing public safety and health** as a key component of county decision-making.

In addition, the attention of the Board will continue to be focused on new initiatives that provide those core services in ways that safeguard the public trust by managing our resources to ensure sustainability of services. Specifically, the Board of Supervisors will:

2. Place a high priority on **rebuilding reserve and contingency accounts.**
3. Continue to examine **streamlining the inventory of County properties (including through repurposing and/or sale where appropriate)**, using an **asset management program** for all current and future resources including financial, capital, etc.
4. **Target investments that generate long-term savings.**
5. Encourage county departments to **demonstrate efficacy of new and existing programs by providing cost benefit analyses using results driven data.**

The Board also recognizes that proactive decision-making and engaging and influencing issues of statewide concern cannot be accomplished without a certain minimum level of investment. Therefore, the Board will seek to support this level of investment by:

6. In order to build interjurisdictional and regional cooperation, engage in discussions of our regional economic future and engage and influence issues of statewide concern, the Board will seek to allocate resources to **support travel, training and electronic meeting costs for staff and elected officials.**

12 TO 18 MONTH GOALS

The Board further recognizes the community's desire to see progress related to this strategic framework in the short-term, and therefore has provided direction to their department heads on the following short-term goals.

- Update local coastal plans (especially for Humboldt Bay).
- Complete a facilities master plan for county facilities that is approved by the Board of Supervisors.

- Permit cannabis facilities and farms and collect the cannabis excise tax.
- Streamline the county’s multiple permitting processes, in accordance with state regulations, through county policy action and/or co-location.
- Comply with the American with Disabilities Act by adhering to the 2016 Consent Decree between the Department of Justice and the county, and ensuring that all programs, services, activities and facilities are accessible to persons with disabilities on an ongoing basis.
- Complete the General Plan Update including policy implementation.
- Begin renewal process of Measure Z the half-cent sales tax by working with a consultant on messaging, polling and election information.
- Identify synergies between the Department of Health and Human Services and other county departments to increase efficiency and effectiveness.
- Complete employee contract negotiations for all bargaining units.
- Complete the commercial cannabis ordinance.
- Expedite code enforcement activities.

2037 A 20-YEAR VISION

The Board’s recommended “preferred future” for the county and community includes:

- Being on the cutting-edge of technology such as energy independence, cannabis, sustainable biomass management and transpacific cable.
- Planning for sea level rise.
- Providing advancement in food production and more diversification with exports.
- Having healthy forests and watersheds, thereby creating a healthy fish population, through responsible management of our forest lands and watersheds.
- Having at least \$10.2 million in the county’s general reserve or “rainy day fund.”
- Creating campus-like county facilities with co-located services that are desirable to work and be in.
- Providing airport infrastructure that includes four commercial airlines.

- Creating a thriving and working waterfront.
- Receiving more funding from the state and federal government for local needs.
- Capitalizing on tourism: Avenue of Giants, Cannabis Tourism, Creative Arts, International Tourism, Cruise Ships
- Attracting and retaining the best county employees.
- Enabling state of the art medical facilities and doctors
- Improving infrastructure to be state of the art including roads, parks, train, cruise ships and expanding commercial airline service to four carrier options; and planning infrastructure to be multi-modal and energy efficient.
- Diversifying our local economy with living wage jobs for both blue and white collar professionals by concentrating on “value added” industries, not resource extraction.
- Stabilizing the cannabis economy.