

ACTION ITEM: Consideration of an Amended and Restated DOMES Operating Interlocal Agreement. Dist: All

STATEMENT OF ISSUE: The District One Medical Examiner Services or DOMES was created as a non-profit entity with oversight by a Board of county appointed directors and this was codified via an Interlocal Agreement approved by all four counties in September 2019. The original Interlocal Agreement has since had only one minor amendment. Today the Interlocal Agreement as amended, no longer reflects the reality of the way DOMES operates and, in many ways, it is not functional for the common sense governance of the organization. An amended and restated Interlocal Agreement has been drafted for your consideration that would fix these concerns and provide a better framework for the appointed County Representatives to manage and provide oversight of this critical service.

BACKGROUND: The DOMES entity and organization and this interlocal agreement were created in the aftermath of several years of difficult legal issues and other concerns when services were provided by a private company operating the Medical Examiner's Office. The current organization relies on responsible representation from each of the Counties to act cooperatively in order to oversee the finances and operation of these services and to essentially act as the liaison for their County in these matters. While we have had some robust discussions on a larger capital project for a new facility, operationally the Counties have worked relatively well together, with a minimum amount of disagreement.

The current interlocal agreement (as amended) gave us the framework to get the new organization up and running and overall allowed us to continue to provide this critical service. However, several major areas of the current interlocal agreement are no longer applicable or function correctly and in other areas the agreement is either silent or unclear. As the responsible County representatives, we believe it incumbent upon us to update the provisions of this agreement and comply with them. The alternative if we cannot reach consensus on operations of DOMES is to operate via separate contracts, ad hoc outside the terms of an interlocal agreement, or attempt to interpret missing or vague direction; none of which provide the basis for cooperative and transparent operation in managing and providing oversight for this critical service or to the benefit any of the Counties involved.

A summary of the primary changes proposed are as follows:

1. Changing the financial management from Santa Rosa County to DOMES staff. This change actually happened in 2020. This change reflects the reality of something that occurred years ago. Much like at the County the DOMES Board meets monthly and receives financial reports from an outside CPA, general ledger transactions, an annual audit by a third-party audit/accounting firm and approves internal budget transfers as required to operate within the approved County appropriations. County DOMES representatives are senior members of County staff already entrusted to provide responsible financial oversight of multiple county departments and tens of millions of taxpayer dollars.
2. Operational Assessment Formula. The amended and restated interlocal documents a specific allocation methodology that is applied to the cost of medical examiner services. Over the years, the County's have worked together to tweak this formulary to be as fair and as simple to apply as possible. After three slight variations over the years the Counties have settled on the formula in

the proposed agreement, which is the one that was utilized for FY 22 and for this fiscal year FY23 and will be applied going forward as long as medical examiner services are provided through DOMES.

3. Budget Process - Currently there is a conflict in the document that either requires an Interlocal amendment every year to approve the DOMES budget or conversely allows approval through the current County's normal budget process. This change would clarify that approval through the normal County budget process would be sufficient to consider the DOMES budget approved by the County and eliminate this conflict.

4. Budgetary Issues - Currently, the agreement is silent on many budgetary issues that are commonplace in the way we operate as a County or within departments. Without clear guidance the DOMES Board has used thoughtful discretion in the implementation of the appropriated budget funding since inception of DOMES. The reality is that going to 4 counties for minor adjustments throughout the year or for unexpected budgetary item for already authorized funding is not practical, timely, efficient or effective for the operation of the critical service. To that end, there are several common-sense changes that will clarify the DOMES Board's role in approving line-item transfers within the budget and sets a small maximum reserve of 125K (2.2%) from rollover funding.

5. General Legal Issue - There are a variety of format, organizational, and general legal provision changes that the County Attorney worked through to improve the document overall.

Our own County Attorney organized a working group of attorneys on these interlocal changes, after revisions were discussed by the DOMES Board at the June meeting. Trying to get the new amendment adopted in a timely manner the DOMES Board held a special meeting on September 6th, to make some final tweaks to the final document before you today.

FUNDING SOURCE, (If Applicable): N/A This has no effect on the approved budget or expend any new funding.

OPTIONS: Approve/Disapprove/Postpone

RECOMMENDATION: Approval of the attached Amended and Restated DOMES Operating Interlocal Agreement.