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January 9, 2013
Agenda Item 7

January 9, 2013 (Agenda)

Contra Costa Local Agency Formation Commission (LAFCO)
 651 Pine Street, Sixth Floor
 Martinez, CA 94553

Northeast Antioch Monthly Update

Dear Commissioners:

On February 9, 2011 the Commission approved the extension of out of agency service by the City of Antioch and Delta Diablo Sanitation District to the Marsh Landing Generating Station (GenOn) property located in unincorporated Northeast Antioch. The Commission’s approval requires that the City and County provide LAFCO with monthly updates regarding the status of the Northeast Antioch annexation and the tax transfer negotiations. A subcommittee was formed to address these and other issues.

LAFCO representatives participated in monthly subcommittee meetings from April to October 2011; and the City and County have provided LAFCO with regular updates. On October 1, 2012, the subcommittee resumed meeting. Commissioners McGill and Meadows and LAFCO staff attended the subcommittee meeting.

At the LAFCO meeting on December 12th, City staff reported on the status of revisions to the City’s CEQA document, increased cost estimates associated with water/sewer infrastructure to Northeast Antioch, and the concept of a Joint Powers Agreement (JPA) between the City and County for services to the annexation area. There was also discussion of Area 2B in light of the recent Attorney General Opinion and the Commission’s new policies relating to island annexations.

City staff expressed concern with the new policy and potential legal risk, particularly as it relates to processing Area 2B as a small island and waiving the protest proceedings. The City has requested that LAFCO waive the indemnification requirements relative to the island annexation proceedings.

The Commission requested that City, County and LAFCO staff and legal counsels meet to discuss the indemnification issue. On December 19th the staff had a positive and productive

meeting. The parties concurred on the terms of an indemnity agreement, which will be provided to the Commission at the time the Area 2B annexation application is presented for consideration. Further, there was agreement on next steps relating to the property tax sharing and infrastructure agreements between the City and County, and the LAFCO processing of the three applications (Areas 1, 2A, and 2B) in terms of the preferred order and potential LAFCO terms and conditions.

City and County staff will be available at the January 9th LAFCO meeting to provide additional comments and respond to questions.

RECOMMENDATION

Receive the monthly update and provide comment and direction as appropriate.

Sincerely,

LOU ANN TEXEIRA
EXECUTIVE OFFICER

c: Distribution