

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
MINUTES OF MEETING

April 17, 2013

Board of Supervisors Chambers
Martinez, CA

1. Vice Chair Dwight Meadows called the meeting to order at 1:30 p.m.
2. The Pledge of Allegiance was recited.
3. Roll was called. A quorum was present of the following Commissioners:
City Members Rob Schroder and Don Tatzin.
County Members Mary Piepho and Alternate Candace Andersen.
Special District Members Michael McGill and Dwight Meadows, and Alternate George Schmidt.
Present were Executive Officer Lou Ann Texeira, Legal Counsel Mary Ann Mason, and Clerk Kate Sibley.
4. Approval of the Agenda
Because Commissioner Schroder announced his plan to recuse himself from consideration of Agenda Item 7 (Miscellaneous CSAs MSR and SOI Updates), it was suggested that that item be moved to the end of the agenda.
Upon motion of Tatzin, second by Piepho, Commissioners unanimously adopted the agenda as amended.
5. Public Comments
There were no public comments.
6. Approval of March 13, 2013 Meeting Minutes
Upon motion of Schroder, second by Piepho, the minutes for the March 13, 2013 meeting were approved; Commissioner Tatzin abstained.
7. LAFCO 12-05 – Central Contra Costa Sanitary District Annexation 183
The Executive Officer provided an overview of a proposal filed by CCCSD to annex 23 properties located in six separate areas in Orinda, Pleasant Hill and Walnut Creek to facilitate the extension of sewer services and eliminate islands within the District. It was noted that to date no protests had been received.
The public hearing was opened.
Russ Leavitt, Planner for CCCSD, explained that he has taken over annexations from Jarred Miyamoto-Mills, who retired this past year. He introduced two colleagues from the District.
There were no other public comments.
Upon motion of Tatzin, second by Piepho, the Commission unanimously closed the public hearing and certified that it reviewed and considered the information contained in the environmental documents; and found the proposal categorically exempt from CEQA; approved the proposal to be known as Annexation 183 to CCCSD, with specified conditions; determined that the territory being annexed is liable for the continuation of taxes, assessments and charges; found that the subject territory is inhabited, has less than 100% consent of the affected landowners and registered voters, that no affected landowners/registered voters opposed the annexation, that the annexing agency

has given written consent to the waiver of conducting authority proceedings, waived the protest proceeding, and directed staff to complete the proceeding.

8. Northeast Antioch Update

The Executive Officer provided a brief chronology of the Northeast Antioch annexation process and reported that the City expects to take action on its revised CEQA document and rezoning in June, and that on April 17, LAFCO staff will take part in a second community meeting with residents of Area 2b.

Victor Carniglia, representing the City of Antioch, confirmed that the Negative Declaration will be published May 1 or 2, and that the tax sharing agreement with the County is expected to be finalized in June by the City and in July by the County. City and County staff have met with Dudek, which is exploring possible grant programs that can provide funding for water and wastewater infrastructure costs.

Comments were made regarding the acquisition of GenOn by NRG, which raises questions regarding prior agreements and commitments of funding; however, at this time both Mr. Carniglia and Rich Seithel, representing the County, feel that the relationship is positive with NRG.

Commissioners discussed the current situation for residents and how that would change if Area 2b is annexed to the City: residents are not required to hook up to the sewer system unless their septic system fails (minor repairs to septic systems would still be allowed).

Ken Wentworth, resident of Area 2b, voiced his concerns about the process of annexation and changes to his and his neighbors' property rights with a shift from County to City jurisdictions.

Commissioners assured Mr. Wentworth that all parties have been working for a number of years to arrive at solutions that are beneficial to the residents of this area, and that LAFCO understands that the City is working to grandfather in nonconforming land uses.

9. FY 2012-13 Third Quarter Budget Report

The Executive Officer provided a brief update on the status of the Fiscal Year 2012-13 budget. With 75% of the fiscal year elapsed, the Commission's third quarter total expenses are at about 50% of approved expenditures, and revenues at 100% of projected income. Application activity and fees are slightly greater as compared to third quarter FY 2011-12 activity. During the first nine months of FY 2012-13, LAFCO has received 8 new applications, as compared to 6 applications during the first half of FY 2011-12.

Upon motion of Piepho, second by McGill, Commissioners unanimously received the FY 2012-13 third quarter budget report.

10. FY 2011-12 Financial Audit

The Executive Officer provided brief background, noting that R.J. Ricciardi, Inc. rotated its auditors this year per the Commission's recommendation; this year's auditor was Hiep Pham.

The auditors identified no deficiencies in internal control that they would consider to be material weaknesses, and no current year observations.

Commissioner Tatzin suggested that in future audits, the \$10,000 annual set-aside for OPEB liabilities be noted. Commissioner McGill complimented staff for the good work. Commissioner Piepho asked that the name of the auditor be included in the audit report in future.

Upon motion of Piepho, second by Andersen, Commissioners unanimously received the audit report.

11. Contra Costa Health Services EMS System Review

The Executive Officer provided background relating to both this study and a companion review of the Contra Costa County Fire Protection District. Initially, the focus of each study will be to review the current service levels and determine how best to deliver future services within operational capabilities and fiscal resources. On April 15, LAFCO staff met with County staff and Fitch and Associates, the firm hired to conduct the studies as part of the County's initial data gathering. As one of a number of interested stakeholders, LAFCO has been asked to identify representatives to be notified of the future stakeholder meetings.

Pat Frost, County Health Services, provided comments regarding the study and process.

Upon motion of Tatzin, second by Piepho, Commissioners unanimously appointed Commissioner Blubaugh to serve as the primary contact for these studies. Upon motion of Andersen, second by Piepho, Commissioners unanimously appointed Commissioner Tatzin to serve as the alternate contact.

12. 2013 Strategic Planning Session Recap

Commissioners took this opportunity to comment on the Strategic Planning Workshop held on Monday, April 15, which was generally considered to be useful.

Commissioner Tatzin suggested that the notes from the workshop, as well as the final budget to be presented in May, address any implications that the goals generated by the planning session may have on the FY 2013-14 budget.

13. Legislative Position Regarding AB 1427 – CALAFCO 2013 Omnibus Bill

The Executive Officer provided background on this legislation, which represents the annual technical changes, clarifications, and corrections to the Cortese-Knox Hertzberg Local Government Reorganization Act of 2000 (CKH Act).

Commissioner McGill noted the importance for LAFCOs to weigh in on CALAFCO legislation. Upon motion of McGill, second by Tatzin, Commissioners unanimously approved the letter as written.

14. Miscellaneous County Service Areas (CSAs) Municipal Service Review (MSR)/Sphere of Influence (SOI) Updates

Commissioner Schroder recused himself from this item and left the meeting

The Executive Officer provided a brief overview of the Miscellaneous CSAs MSR, noting that this represents this Commission's final first-round MSR. Following the presentation in March, Beverly Burr, of Burr Consulting, researched a number of the issues identified during the public review process, and made some revisions to the MSR report. Staff also noted that Commissioner Schmidt provided several corrections to the MSR report and determinations, which were incorporated. Staff then reviewed the SOI and governance options and recommendations. Commissioners were asked to accept the Final MSR report, adopt a resolution making the required determinations, and update the SOIs as recommended for each of the seven districts covered in the MSR report as noted below.

CSA D-2 – Retain existing coterminous SOI.

CSA L-100 – Reduce to zero SOI.

CSA M-1 – Retain existing coterminous SOI.

CSA M-20 – Retain existing coterminous SOI.

CSA M-23 – Retain existing coterminous SOI.

CSA M-31 – Expand SOI to include interior roads.

CSA T-1 – Adopt provisional coterminous SOI (SOI not established when the CSA, which is currently providing no direct services, was formed); request a report on progress in one year.

Maureen Toms, with the County Department of Conservation and Development, suggested some minor edits pertaining to the CSA M-31 information.

Upon motion by Tatzin, second by Piepho, Commissioners determined that the MSR project and the SOI updates are Categorically Exempt; accepted the Final MSR report and adopted the MSR determinations, as amended; and adopted the resolutions updating the SOIs for CSAs D-2, L-100, M-1, M-20, M-23, M-31, and T-1.

15. Correspondence from CCCERA

There were no comments.

16. Letter from Contra Costa Taxpayers Association re: Sunshine Week

There were no comments.

17. Commissioner Comments and Announcements

Commissioner Schroder reported, before his departure, that Martinez City Councilmember Mike Menesini had had a heart attack on April 14, but was doing better following surgery.

Commissioner McGill reported that on March 22 he attended the CALAFCO Legislative Committee meeting, and that he will attend the CALAFCO Board meeting on May 3 and the CALAFCO Legislative Committee meeting on May 10.

Commissioner Piepho noted the upcoming CALAFCO U session on “Performance Measures and MSR Strategies,” to be held on June 6 in San Luis Obispo.

18. Staff Announcements and Pending Projects

The Executive Officer thanked Commissioners for allowing staff to attend the 2013 CALAFCO Staff Workshop and directed their attention to the report in their amended materials.

The meeting was adjourned at 2:45 p.m.

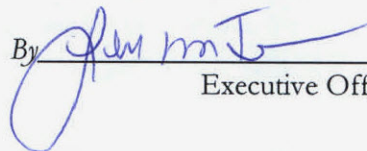
Final Minutes Approved by the Commission on May 8, 2013.

AYES: Andersen, McGill, Meadows, Piepho, Schroder, Tatzin

NOES:

ABSTAIN: Burke

ABSENT: Blubaugh (M), Glover (M), Butt (A)

By  _____
Executive Officer