

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION  
MINUTES OF MEETING

March 13, 2013

Board of Supervisors Chambers  
Martinez, CA

April 17, 2013  
Agenda Item 5

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 Alternate Tom Butt.  
County Members Mary Piepho and Alternate Candace Andersen.  
Special District Members Michael McGill and Dwight Meadows.  
Public Members Don Blubaugh and Alternate Sharon Burke.

Present were Executive Officer Lou Ann Teixeira, Legal Counsel Sharon Anderson, Planner Nat Taylor and Clerk Kate Sibley.

4. Approval of the Agenda

Upon motion of Piepho, second by Andersen, Commissioners unanimously adopted the agenda.

5. Public Comments

There were no public comments.

6. Approval of February 13, 2013 Meeting Minutes

Upon motion of Blubaugh, second by Andersen, the minutes for the February 13, 2013 meeting were approved; Commissioner Butt abstained.

7. Northeast Antioch Update

The Executive Officer provided a brief chronology of the Northeast Antioch annexation process and reported that on February 27 the City held a community meeting at the Bridgehead Café in Area 2b. City, County and LAFCO staff responded to questions mostly relating to whether residents would be required to connect to City water and sewer, the cost of utility hooks-ups, questions as to why Northeast Antioch was being split into three areas, and concerns about the protest process and not being able to vote on the annexation. Following that meeting, LAFCO received a letter from Jenny & Jenny LLP, representing two residents in Area 2b and expressing concerns about the protest proceedings and the City's CEQA document.

Victor Carniglia, representing the City of Antioch, reported that they are making progress. He added that the City doesn't have a zoning category that is effective for Area 2b, and that they are adding specific provisions for the rezoning ("study zone"). A rider will be placed on the rezoning to allow people to continue their current lifestyles.

Commissioner Piepho commented on AB 54 and the increasing regulations on private water systems.

Commissioner McGill asked if there has been any progress on finding grants that can help residents get connected. Mr. Carniglia responded that they are in the process of finalizing their contract with Dudek for this purpose. Commissioners discussed the length of time this entire process is taking and the changes that will take place.

**DRAFT**

Commissioner Meadows commented on out of agency service and noted that the residents of Area 2b stand to receive a significant benefit in terms of water and sewer infrastructure funded by the City and County. The message to the residents is that LAFCO is urging the City to annex Area 2b and that the future benefit to the residents is a once-in-a-lifetime opportunity.

Commissioner McGill commented on the LAFCO's role and responsibilities relating to out of agency service and disadvantaged unincorporated communities.

Upon motion of Piepho, second by Blubaugh, Commissioners unanimously accepted the report.

8. LAFCO 13-01 – City of Martinez Out of Agency Service (Gateway Estates)

The Executive Officer provided background on the City of Martinez's request to provide water to this property (seven-lot subdivision), which was originally included in the recent Alhambra Valley Annexation proposal (LAFCO 11-07) but was subsequently removed when the City requested that LAFCO reduce the annexation area. There is a signed Deferred Annexation Agreement (DAA) in place for the property, and the City intends to annex the property in the future.

Commissioners asked if the City of Martinez could provide a full accounting of the number of parcels in the Alhambra Valley area that already have DAAs, how many have service at this time, how many are anticipated for annexation in the next ten years, and the timing of the future annexation of this area. They also urged that future maps for LAFCO actions in this area include this information.

Upon motion of Blubaugh, second by Piepho, Commissioners unanimously reviewed and considered the information contained in the CEQA documentation; authorized the City of Martinez to extend water service outside its jurisdictional boundary to the 7±-acre parcel located at 5240 Alhambra Valley Road, subject to specified terms and conditions, as amended.

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

The Executive Officer provided an overview of the work that has been completed on the Miscellaneous CSAs MSR, covering seven CSAs (CSAs D-2, L-100, M-1, M-20, M-23, M-31, and T-1). Staff noted that comments received to date have been summarized in a comment log along with the consultant's responses; the comment period officially ends at 5:00 p.m. today.

Beverly Burr, of Burr Consulting, presented highlights from the Public Review Draft MSR. A copy of the PowerPoint presentation can be obtained through the LAFCO office.

CSA D-2 is the only drainage area that is a CSA; however, it receives very little revenue as it was already developed before the CSA was formed and a large part of the funding for drainage areas comes from new development.

CSA L-100 provides street lighting in unincorporated parts of the County, except for Diablo and Discovery Bay, which have community services districts (CSDs) with street lighting powers. Property taxes are allocated for some portions of the CSA L-100 territory; all properties within this CSA are charged a service charge. New growth is now served by a community facilities district that does not need to go through the LAFCO process; the fee for this is substantially higher. There is no clear capital replacement plan for this territory.

CSA M-1 is a financing tool for a Delta ferry service, providing 14% of the funding, with 83% of the ferry financing coming from Reclamation Districts 2059 and 2026, and an additional 3% from ferry fares.

CSA M-20 (View Pointe) handles parkway maintenance of trees along one side of Willow Avenue in unincorporated Rodeo.

CSA M-23 (Blackhawk) was originally formed to provide drainage; however, most of the funds (97%) go to the geologic hazard abatement district (GHAD) to prevent and repair damage from landslides. There is no property tax allocation from the Canyons area with the CSA; there are currently discussions on how to address this issue.

CSA M-31 (Pleasant Hill BART) was formed to provide transportation demand management (TDM) services as alternatives to automobile traffic (carpool, vanpool, car loans, shuttle services). The service provider for this CSA is the Contra Costa Centre Association (CCCA), a nonprofit made up of property owners in the area. Questions were raised regarding obtaining adequate budget information from the CCCA and whether it might make more sense for this area to be a benefit assessment district rather than a county service area.

Lastly, CSA T-1 is the result of a lawsuit filed by the Town of Danville against Contra Costa County over development in that area, to provide alternative transportation to mitigate the impact of traffic generated by the development. The CSA has been in effect for about seven years but has not yet initiated services. Currently it has no sphere of influence; the consultant suggests adopting a provisional sphere for a determined period of time to enable closer monitoring of progress. It was also suggested that it might be desirable to make this a benefit assessment district.

Lynette Busby, Executive Director of the Contra Costa Centre Association, stated that the Association is regulated by a TDM ordinance from the County and gave some background on the CCCA and CSA M-31, which was formed by the 14 property owners to assess themselves to support employees' transit needs and initiatives. Approximately 30% of employees at the Centre take alternative transportation to work.

Following discussion among Commissioners, and upon motion by Piepho, second by McGill, Commissioners received the Public Review Draft and public comments and directed staff to set a public hearing for April 17, 2013 to accept the Final MSR report, make the required determinations and approve the SOI updates. Commissioner Schroder abstained.

10. Proposed Budget for Fiscal Year 2013-14

The Executive Officer presented the proposed budget for FY 2013-14, noting a slight increase of approximately 2% due to increases in personnel costs. The FY 2013-14 estimate for application revenues is based on a multi-year historical average and recent application activity, and is comparable to the current year. It is anticipated that there will be a year-end fund balance, which will be used to offset the apportioned contributions from the County, cities, and special districts; it is anticipated that most agencies will realize a slight decrease in their FY 2013-14 contributions.

There were no public comments. Commissioner Blubaugh asked that the funds budgeted for MSR work not be designated for a specific service review.

Commissioner McGill commended LAFCO on its lean and well managed budget.

Upon motion of McGill, second by Butt, Commissioners unanimously approved the proposed budget for FY 2013-14; directed staff to distribute the proposed budget to the County, cities, and special districts; and scheduled a public hearing for May 8 to adopt the Final FY 2013-14 LAFCO budget.

11. Municipal Service Reviews/Sphere of Influence Updates

The Executive Officer reviewed the progress LAFCO has made on first-round MSRs, which will be completed with the anticipated finalization of the Miscellaneous CSAs MSR in April. A total of 19 cities and 74 districts will have been reviewed; further, the Commission has updated the SOIs for most agencies, except for 11 agencies as follows: Danville and San Ramon (pending completion of their general plans); CSA R-4 (Town of Moraga staff responsible for management of this CSA have reported that they want to retain the current SOI); Rollingwood-Wilart Park RPD (City of San Pablo is interested in annexing this area); fire districts (primarily West County districts and the

western boundary of CCCFPD); and the CSA P districts (LAFCO continues to work with the Sheriff's office on these).

Zero SOIs have been designated for three districts: CSA M-28, Willows Mobile Home Park (the County is working on transferring this area to the owner); Reclamation District 2137, Dutch Slough Tidal Marsh Restoration Project (have heard from this district and the State, both of which indicate that dissolution is not in the public interest); and County Sanitation District 6, Stonehurst in Alhambra Valley (the County and Central Contra Costa Sanitary District are coordinating on a potential transition).

For the second round, staff has distributed preliminary request for information to a number of water and wastewater agencies. New issues to be addressed are sustainable communities and disadvantaged communities.

Referring to the Reclamation District 2137, Commissioners concurred with that district's and the State's concerns, as reclamation districts are the only agencies qualified to receive State funds for restoration and repair.

Commissioner McGill encouraged moving forward with water and wastewater MSRs, expressed concern for healthcare districts, and urged vigilance on the EMS/fire district studies that are currently underway.

Commissioner Burke suggested incentives (e.g., LAFCO fee waiver) to address the CSA "P" district issues.

Upon motion of Piepho, second by Blubaugh, Commissioners unanimously accepted the report.

12. Correspondence from CCCERA

There were no comments.

13. Commissioner Comments and Announcements

Commissioner Piepho announced that the new Pope (Francis) had just been announced.

14. Staff Announcements and Pending Projects

The Executive Officer reminded Commissioners that the CALAFCO Legislative Committee will be meeting on March 22, and that there is some legislation of note that they will be following; the CALAFCO 2013 Staff Workshop will take place April 10-12; and that the Annual Conference will be held in North Lake Tahoe August 28-30.

The meeting was adjourned to closed session at 3:16 p.m. to discuss potential litigation pertaining to the implementation of AB 197.

At 3:20 p.m., Commissioners reconvened and the Chair reported that there was nothing to report.

The meeting was adjourned at 3:21 p.m.

Final Minutes Approved by the Commission on April 17, 2013.

AYES:

NOES:

ABSTAIN:

ABSENT:

By \_\_\_\_\_  
Executive Officer