CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION



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NOTICE AND AGENDA FOR REGULAR MEETING

DATE/TIME: Wednesday, April 17, 2013, 1:30 PM

PLACE: Board of Supervisors Chambers

651 Pine Street, Martinez, CA 94553

NOTICE IS HEREBY GIVEN that the Commission will hear and consider oral or written testimony presented by any affected agency or any interested person who wishes to appear. Proponents and opponents, or their representatives, are expected to attend the hearings. From time to time, the Chair may announce time limits and direct the focus of public comment for any given proposal.

Any disclosable public records related to an open session item on a regular meeting agenda and distributed by LAFCO to a majority of the members of the Commission less than 72 hours prior to that meeting will be available for public inspection in the office at 651 Pine Street, Six Floor, Martinez, CA, during normal business hours as well as at the LAFCO meeting.

All matters listed under CONSENT ITEMS are considered by the Commission to be routine and will be enacted by one motion. There will be no separate discussion of these items unless requested by a member of the Commission or a member of the public prior to the time the Commission votes on the motion to adopt.

For agenda items not requiring a formal public hearing, the Chair will ask for public comments. For formal public hearings the Chair will announce the opening and closing of the public hearing.

If you wish to speak, please complete a speaker's card and approach the podium; speak clearly into the microphone, start by stating your name and address for the record.

Campaign Contribution Disclosure

If you are an applicant or an agent of an applicant on a matter to be heard by the Commission, and if you have made campaign contributions totaling \$250 or more to any Commissioner in the past 12 months, Government Code Section 84308 requires that you disclose the fact, either orally or in writing, for the official record of the proceedings.

Notice of Intent to Waive Protest Proceedings

In the case of annexations and detachments it is the intent of the Commission to waive subsequent protest and election proceedings provided that all of the owners of land located within the proposal area have consented and those agencies whose boundaries would be changed have consented to the waiver of protest proceedings.

American Disabilities Act Compliance

LAFCO will provide reasonable accommodations for persons with disabilities planning to attend meetings who contact the LAFCO office at least 24 hours before the meeting, at 925-335-1094. An assistive listening device is available upon advance request.

As a courtesy, please silence your cell phones during the meeting.

APRIL 17, 2013 CONTRA COSTA LAFCO AGENDA

- 1. Call to Order and Pledge of Allegiance
- 2. Roll Call
- 3. Adoption of Agenda
- 4. Public Comment Period (please observe a three-minute time limit):
 - Members of the public are invited to address the Commission regarding any item that is not scheduled for discussion as part of this Agenda. No action will be taken by the Commission at this meeting as a result of items presented at this time.
- 5. Approval of Minutes for the March 13, 2013 regular LAFCO meeting

SPHERE OF INFLUENCE/BOUNDARY CHANGES

6. LAFCO 12-05 – Central Contra Costa Sanitary District Annexation 183 - the Commission will consider a proposal to annex 91± acres (22 parcels, seven areas) located in Orinda, Pleasant Hill and Walnut Creek Public Hearing

MUNICIPAL SERVICE REVIEWS (MSRs)/SPHERE OF INFLUENCE (SOI) UPDATES

7. *Miscellaneous County Service Areas (CSAs) MSR/SOI Updates* – the Commission will be asked to accept the Final MSR report, make the required determinations, and update the SOIs for CSAs D-2, L-100, M-1, M-20, M-23, M-31, T-1 *Public Hearing*

BUSINESS ITEMS

- 8. **Northeast Antioch Update** the Commission will receive an update regarding the proposed annexation and strategic planning efforts for Northeast Antioch, and be asked to provide input and direction
- 9. *FY 2012-13 Third Quarter Budget Report* the Commission will be asked to receive the third quarter budget report
- 10. Financial Audit the Commission will be asked to receive and file the FY 2011-12 financial audit.
- 11. *Contra Costa Health Services EMS System Review* the Commission will receive information regarding the EMS study and be asked to identify representatives to participate in the review
- 12. **2013 Strategic Planning Session Recap** the Commission will discuss outcomes from the April 15 session
- 13. Legislative Position Regarding AB 1427 CALAFCO 2013 Omnibus Bill the Commission will be asked to provide direction regarding a legislative position on AB 1427

CORRESPONDENCE

- 14. Correspondence from Contra Costa County Employees' Retirement Association (CCCERA)
- 15. Letter from Contra Costa Taxpayers Association re: Sunshine Week

INFORMATIONAL ITEMS

- 16. Commissioner Comments and Announcements
- 17. Staff Announcements
 - CALAFCO Updates
 - Pending Projects
 - Newspaper Articles

ADJOURNMENT

Next regular LAFCO meeting – May 8, 2013 at 1:30 p.m.

LAFCO STAFF REPORTS AVAILABLE AT http://www.contracostalafco.org/meeting archive.htm

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 Texeira, Legal Counsel Sharon Anderson, Planner Nat Taylor and Clerk Kate Sibley.

4. <u>Approval of the Agenda</u>

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 prezoning ("study zone"). A rider will be placed on the prezoning 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.



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. <u>LAFCO 13-01 – City of Martinez Out of Agency Service (Gateway Estates)</u>

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

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.

<u>CSA D-2</u> 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.

<u>CSA M-1</u> 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.

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



<u>CSA M-23 (Blackhawk)</u> 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.

<u>CSA M-31 (Pleasant Hill BART)</u> 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, <u>CSA T-1</u> 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. <u>Municipal Service Reviews/Sphere of Influence Updates</u>

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. <u>Correspondence from CCCERA</u>

There were no comments.

13. <u>Commissioner Comments and Announcements</u>

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

14. <u>Staff Announcements and Pending Projects</u>

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	



CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION EXECUTIVE OFFICER'S REPORT

April 17, 2013 (Agenda)

April 17, 2013 Agenda Item 6

<u>LAFCO 12-05:</u> Annexation 183 to Central Contra Costa Sanitary District (CCCSD)

PROPONENT: CCCSD by Resolution No. 2012-047 adopted June 21, 2012

ACREAGE & LOCATION

The applicant proposes to annex $90.2\pm$ acres (23 parcels) in six separate areas located in

Orinda, Pleasant Hill and Walnut Creek as generally described below:

Area 183-1: three parcels located on Echo Ct and Stonehedge Dr - Pleasant Hill (1.0 + acres)

Area 183-2: six parcels located on Little Rd and Camino Las Juntas – Pleasant Hill (16.9± acres)

Area 183-3: three parcels located on Roche Dr – Pleasant Hill (0.8 \pm acres)

Area 183-5: one parcel located on Snyder Ln - Walnut Creek (2.0± acres)

Area 183-6: seven parcels located on Lomas Cantadas, Tres Mesas and Los Venados – Orinda

 $(36.3 \pm acres)$

Area 183-7: three parcels located on Crest View Dr – Orinda (33.2± acres)

SYNOPSIS

CCCSD filed an application with LAFCO to annex the properties to the District. Six of the properties within the annexation area are currently receiving sewer service through CCCSD. The District has included the remaining in-fill parcels to avoid the creation of islands, provide for logical boundaries, and streamline CCCSD staff work. The District's application also included two parcels located on Kathleen Drive in Pleasant Hill (Area 183-4). However, we learned through the County Assessor's Office that these properties were previously annexed.

The purpose of the annexation is to facilitate the extension of wastewater service to various parcels. The properties include existing single family dwelling units, two communication towers, a water tank site (EBMUD), a portion of the Contra Costa Canal, a commercial stable, one vacant unbuildable parcel, one ranch parcel, and eight vacant parcels zoned for single and multiple family residential.

DISCUSSION

The Government Code sets forth factors that the Commission is required to consider in evaluating any proposed boundary change as discussed below (Gov. Code §56668). In the Commission's review and evaluation, no single factor is determinative. In reaching a decision, each is to be evaluated within the context of the overall proposal.

1. Consistency with the Sphere of Influence (SOI) of Any Local Agency:

The areas proposed for annexation are within CCCSD's SOI and within the County Urban Limit Line; 12 parcels are located in Pleasant Hill, one in Walnut Creek and 10 in Orinda.

2. Land Use, Planning and Zoning - Present and Future:

The General Plan and zoning designations are shown below. No changes are proposed to General Plan or zoning designations as part of this proposal.

Annexation Area	General Plan Designation	Zoning Designation
183-1	Single Family Residential (SFR) – Medium	R-10A (SFR – average lot size 10,000 sq. ft.)
Pleasant Hill		
183-2	SFR – Low	R-10 (SFR – lot size 10,000 sq. ft.)
Pleasant Hill	Neighborhood Business	R-15 (SFR – lot size 15,000 sq. ft.)
183-3	SFR – High	R-7 (SFR – lot size 7,000 sq. ft.)
Pleasant Hill		
183-5	SFR – Medium	R-12 (SFR – lot size 12,000 sq. ft.)
Walnut Creek		
183-6	SFR (5-10 acres/unit)	RL-20 (SFR – lot size 20,000 sq. ft.); Ridgeline
Orinda		
183-7	SFR (1-2 acres/unit)	Open Space; Ridgeline
Orinda	Gateway Valley Planning Area; Open Space	

3. The Effect on Maintaining the Physical and Economic Integrity of Agricultural Lands:

The properties proposed for annexation contain no prime farmland or land covered under Williamson Act Land Conservation agreements.

4. Topography, Natural Features and Drainage Basins:

The topography of annexation and surrounding areas are as follows:

Area	Topography – Annexation Area	Topography – Surrounding Area
183-1	Flat	Southwest has a slight upward slope
183-2	Gradual incline to peak in southeast corner of proposal area	Slopes downward toward the south and east
183-3	Flat	Flat
183-5	Flat	Flat
183-6	Slopes upward toward the west	North of the area slopes steeply downward toward the northeast. South of area slopes steeply downward toward the south
183-7	Slopes upward toward the center of the proposal area	Slopes upward toward the center of the proposal area

5. **Population**:

There is a potential to add a maximum of 42 single family dwelling units (SFDUs) to the annexation area, including 26 SFDUs to area 183-2, two SFDUs to area 183-3, six SFDUs to area 183-5, two SFDUs to area 183-6 and six SFDUs to area 183-7. These additional SFDUs could result in a population increase of 103± persons based on 2012 California Department of Finance estimates.

6. Fair Share of Regional Housing:

Pursuant to §56668 of the CKH Act, LAFCO must consider in the review of a proposal the extent to which the proposal will assist the receiving entity in achieving its fair share of the regional housing needs as determined by the regional council of governments. The proposed annexation will have minimal effect on regional housing needs.

7. Governmental Services and Controls - Need, Cost, Adequacy and Availability:

In accordance with Government Code §56653, whenever a local agency submits a resolution of application for a change of organization or reorganization, the local agency shall also submit a plan for

providing services within the affected territory. The plan shall include all of the following information and any additional information required by the Commission or the Executive Officer:

- (1) An enumeration and description of the services to be extended to the affected territory.
- (2) The level and range of those services.
- (3) An indication of when those services can feasibly be extended to the affected territory.
- (4) An indication of any improvement or upgrading of structures, roads, sewer or water facilities, or other conditions the local agency would impose or require within the affected territory if the change of organization or reorganization is completed.
- (5) Information with respect to how those services will be financed.

The "Plan for Providing Services within the Affected Territory," as required by Government Code §56653, is on file in the LAFCO office. The properties proposed for annexation are served by various local agencies including, but not limited to, Contra Costa County, Contra Costa County Fire Protection District, Moraga Orinda Fire District, Contra Costa Water District (CCWD) and East Bay Municipal Utility District (EBMUD).

The proposal before the Commission is to annex the properties to CCCSD for the provision of sanitary sewer service, including collection, treatment and disposal.

CCCSD currently serves an estimated population of 322,000 residents in a 144-square-mile service area. CCCSD's wastewater collection system consists of 1,500 miles of sewer mains with 18 pump stations. The majority of CCCSD's system operates with gravity flow with some pumping stations and force mains. All sewer connections to the subject property will be either gravity flow or individual residential pump systems.

CCCSD's wastewater treatment plant provides secondary level treatment for an average dry weather flow of approximately 33.5 million gallons per day (mgd) of wastewater. The wastewater treatment plant has a permitted discharge limit of 53.8 mgd.

The areas proposed for annexation could potentially extend service to a total of 55 existing and new single family dwelling units. Based on the number of potential units, the maximum demand for service is approximately 9,555 gallons of wastewater per day.

CCCSD indicates that eight of the properties in the annexation area are already served by existing CCCSD facilities; others can extend sanitary sewer main lines to receive sewer services. It is not the current practice of CCCSD to compel property owners to connect their properties to the public sewer system involuntarily.

Regarding infrastructure and improvements, CCCSD indicates that all gravity mains required to serve the affected parcels will be 8-inch diameter for gravity mains or up to 2-inch diameter for pressure mains, which are CCCSD's minimums for mains. All laterals will be 4-inch diameter, which is CCCSD's minimum for gravity laterals, or 1-1/4- to 2-inch diameter pump laterals, which is CCCSD's minimum for pump laterals, depending on the specific pump type installed.

All capital costs including any required sewer main extensions, along with connections fees, will be borne by the property owners. CCCSD funds the maintenance of all sewers through its annual sewer service charge.

8. Timely Availability of Water and Related Issues:

Annexation areas 183-1 thru 183-5 are located within the CCWD service area. CCWD provides water to over 500,000 people in Contra Costa County. CCWD provides treated water to Clayton, Clyde, Concord, Pacheco, Port Costa and parts of Martinez, Pleasant Hill and Walnut Creek. In addition, wholesale treated water is provided to the City of Antioch, the Golden State Water Company in Bay Point, the Diablo Water District in Oakley, and the City of Brentwood. CCWD sells untreated water to

the cities of Antioch, Martinez and Pittsburg, and to industrial and irrigation customers. CCWD pumps water from four intakes in the Sacramento-San Joaquin Delta. Based on the CCWD 2010 Urban Water Management Plan, CCWD has the ability to provide water service to the annexation areas.

Annexation areas 183-6 and 183-7 are located within the EBMUD service area. EBMUD supplies water and provides wastewater treatment for significant parts of Alameda and Contra Costa counties. Based on 2010 census data, approximately 1.34 million people are served by EBMUD's water system in a 332-square-mile area. Historically, over 90% of EBMUD's water comes from the Mokelumne River watershed. Other water sources include local watershed runoff and Central Valley Project (CVP) (Sacramento River). Based on the EBMUD 2010 Urban Water Management Plan, EBMUD has the ability to provide water service to the areas proposed for annexation.

CCCSD indicates that the proposed annexation would have a minor effect on water usage, and would not lead to the construction of new or expansion of existing water facilities.

9. Assessed Value, Tax Rates and Indebtedness:

The annexation areas are within tax rate areas 09012, 12007, 12011, 12090 and 18003. The assessed value for the areas proposed for annexation is \$4,329,348 (2012-13 roll). The territory being annexed shall be liable for all authorized or existing taxes comparable to properties presently within the annexing agencies.

10. Environmental Impact of the Proposal:

On June 21, 2012, CCCSD, as Lead Agency, adopted a Negative Declaration in conjunction with the proposed annexation. The LAFCO Environmental Coordinator reviewed the document and finds it adequate for LAFCO purposes.

11. Landowner Consent and Consent by Annexing Agency:

According to County Elections, there are more than 12 registered voters in the area proposed for annexation. Thus, the area proposed for annexation is considered inhabited.

CCCSD indicates that less than 100% of the affected landowners/voters have provided written consent to the annexation. Thus, the Commission's action is subject to notice, hearing, as well as conducting authority (protest) proceedings. All landowners and registered voters within the proposal area(s) and within 300 feet of the exterior boundaries of the area(s) have received notice of the April 17 hearing.

As of this writing, LAFCO has received no objection from any affected landowner or registered voter. If no objection is received from an affected party prior to the conclusion of the hearing on April 17, the Commission may waive the protest proceedings. However, if any objection is received at any time prior to or during the hearing, then a protest hearing is required (Gov. Code Section 56663).

12. Boundaries and Lines of Assessment:

The annexation areas are within CCCSD's SOI and are contiguous to existing CCCSD boundaries. The 2008 Central County Water/Wastewater Municipal Services Review (MSR) provided an assessment of CCCSD services. The MSR report noted that CCCSD was serving an estimated 180 parcels outside its service boundary; and that there were a number of small islands surrounded by the District and within its SOI. The MSR suggested annexing parcels receiving out of agency service, as well as islands and areas where there were concerns due to failing septic systems and related public health issues. Since 2008, CCCSD has made significant progress to validate sewer service connections and correct island and boundary irregularities. The proposed annexation would bring into CCCSD's boundaries additional parcels currently receiving out of agency service, and would reduce the number of boundary irregularities.

13. Environmental Justice:

LAFCO is required to consider the extent to which proposals for changes of organization or reorganization will promote environmental justice. As defined by statute, "environmental justice" means the fair treatment of people of all races, cultures, and incomes with respect to the location of public facilities and the provision of public services. The proposed annexation is not expected to promote or discourage the fair treatment of minority or economically disadvantaged groups.

ALTERNATIVES FOR COMMISSION ACTION

After consideration of this report and any testimony or additional materials that are submitted the Commission should consider taking one of the following options:

Option 1 Approve the annexation as submitted.

- A. Find that, as a Responsible Agency under CEQA, the Commission has reviewed and considered the information contained in the 2012 Negative Declaration prepared and approved by CCCSD.
- B. Adopt this report and approve the proposal, to be known as CCCSD Annexation 183 subject to the following terms and conditions:
 - 1. The territory being annexed shall be liable for the continuation of any authorized or existing special taxes, assessments and charges comparable to properties presently within the annexing agency.
 - 2. That CCCSD has delivered an executed indemnification agreement providing for CCCSD to indemnify LAFCO against any expenses arising from any legal actions challenging the annexation.
- C. Find that the subject territory is inhabited and that the annexing agency has consented to waiving the conducting authority proceedings. However, less than 100% of the affected landowners/registered voters have consented to the annexation. Should LAFCO receive any objection to the annexation from an affected party prior to or during the public hearing, then a subsequent protest hearing is required. Should no protest be received, then the Commission may waive the protest hearing and direct LAFCO staff to complete the proceedings.

Option 2 Adopt this report and DENY the proposal.

Option 3 If the Commission needs more information, CONTINUE this matter to a future meeting.

RECOMMENDED ACTION:

Approve Option 1.

LOU ANN TEXEIRA, EXECUTIVE OFFICER LOCAL AGENCY FORMATION COMMISSION

RESOLUTION NO. 12-05

RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION MAKING DETERMINATIONS AND APPROVING

ANNEXATION 183 TO CENTRAL CONTRA COSTA SANITARY DISTRICT

WHEREAS, the above-referenced proposal has been filed with the Executive Officer of the Contra Costa Local Agency Formation Commission pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act (Section 56000 et seq. of the Government Code); and

WHEREAS, at the time and in the manner required by law the Executive Officer has given notice of the Commission's consideration of the proposal; and

WHEREAS, the Commission heard, discussed and considered all oral and written testimony related to the proposal including, but not limited to, the Executive Officer's report and recommendation, the environmental document or determination, Spheres of Influence and applicable General and Specific Plans; and

WHEREAS, information satisfactory to the Commission has been presented that no affected landowners/registered voters within the annexation area object to the proposal; and

WHEREAS, the Local Agency Formation Commission determines the proposal to be in the best interests of the affected area and the total organization of local governmental agencies within Contra Costa County;

NOW, THEREFORE, the Contra Costa Local Agency Formation Commission DOES HEREBY RESOLVE, DETERMINE AND ORDER as follows:

- 1. The Commission certifies it reviewed and considered the information contained in *District Annexation 183 Orinda, Pleasant Hill and Walnut Creek Negative Declaration* as prepared and adopted by Central Contra Costa Sanitary District (CCCSD).
- 2. Said annexation is hereby approved.
- 3. The subject proposal is assigned the distinctive short-form designation:

ANNEXATION 183 TO CENTRAL CONTRA COSTA SANITARY DISTRICT

- 4. The boundaries of the affected territory are found to be definite and certain as approved and set forth in Exhibit A, attached hereto and made a part hereof.
- 5. The subject territory shall be liable for any authorized or existing taxes, charges and assessments comparable to properties within the annexing agency.
- 6. That CCCSD delivered an executed indemnification agreement between the CCCSD and Contra Costa LAFCO providing for CCCSD to indemnify LAFCO against any expenses arising from any legal actions challenging the annexation.

Contra Costa LAFCO Resolution No. 12-05

- 7. The territory proposed for annexation is inhabited.
- 8. The proposal has less than 100% landowner/registered voter consent; however, no affected landowners/registered voters opposed the annexation, and the annexing agency has given written consent to the waiver of conducting authority proceedings. Said conducting authority proceedings are hereby waived.
- 9. All subsequent proceedings in connection with this annexation shall be conducted only in compliance with the approved boundaries set forth in the attachments and any terms and conditions specified in this resolution.

PASSED AND ADOPTED THIS 17th day of April 2013, by the following vote:

AYES:
NOES:
ABSTENTIONS:
ABSENT:

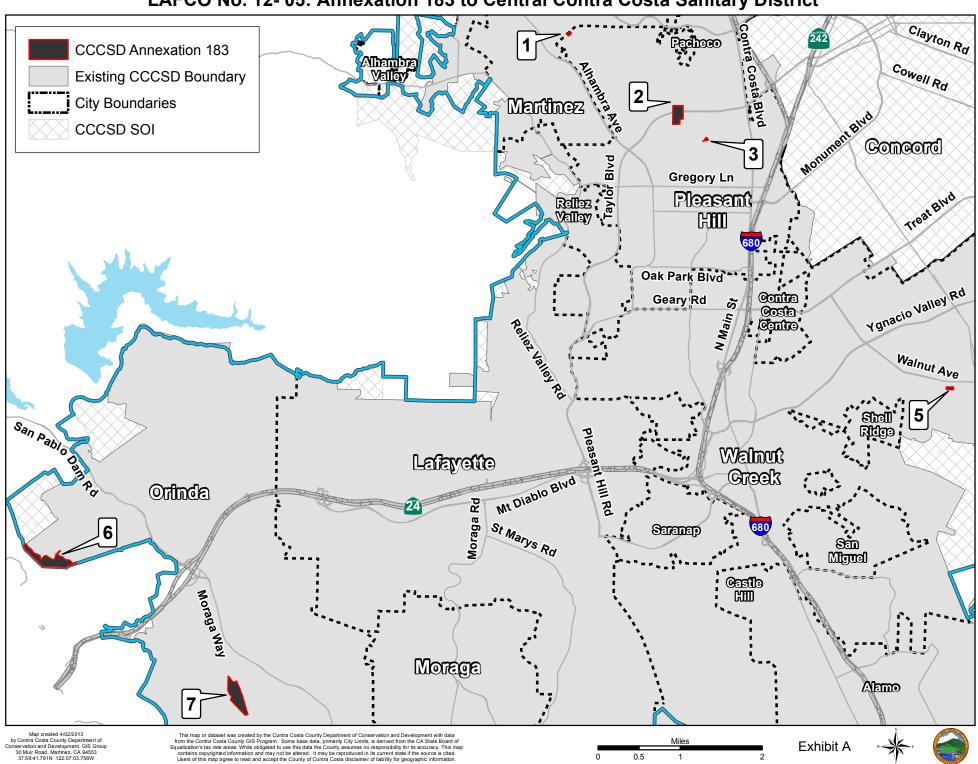
FEDERAL GLOVER, CHAIR, CONTRA COSTA LAFCO

I hereby certify that this is a correct copy of a resolution passed and adopted by this Commission on the date stated.

Dated: April 17, 2013

Lou Ann Texeira, Executive Officer

LAFCO No. 12-05: Annexation 183 to Central Contra Costa Sanitary District



CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

lef₆

Lou Ann Texeira

Executive Officer 1

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April 17, 2013 Agenda Item 7

April 17, 2013 (Agenda)

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

Miscellaneous County Service Areas Municipal Services Review and Sphere of Influence Updates

Dear Members of the Commission:

In March, the Commission received an overview of the Public Review Draft Miscellaneous Services Municipal Service Review (MSR) covering the following seven County Service Areas (CSAs):

- > CSA D-2 (drainage Walnut Creek area)
- ➤ CSA L-100 (street lighting unincorporated county)
- > CSA M-1 (funding for ferry services Bradford and Webb Tract islands)
- > CSA M-20 (parkway maintenance View Pointe subdivision Rodeo)
- > CSA M-23 (geologic hazard abatement, drainage Blackhawk)
- ➤ CSA M-31 (transportation demand management program Contra Costa Centre Pleasant Hill area)
- ➤ CSA T-1 (public transportation demand management services Danville/San Ramon area)

The overview included a discussion of key issues identified in the MSR report, along with governance and sphere of influence (SOI) options, and public comments received. The Commission provided additional input.

The MSR consultant has followed up with the local agencies and made revisions and updates to the report, as reflected in the Draft Final MSR (Attachment 4). On April 17, the Commission will be asked to accept the Final MSR report, adopt a resolution containing the required determinations, and approve SOI updates for the seven CSAs covered in the MSR report.

DISCUSSION

County Service Areas (CSAs) – Counties provide basic municipal services in the unincorporated areas; CSAs provide a means to fund enhanced municipal services in unincorporated areas.

CSAs are authorized to provide various services, including extended police protection, fire protection, park and recreation, library, roads, drainage, street lighting and other municipal services. CSAs are funded in a variety of ways including property tax (ad valorem), special taxes, benefit assessments, and service charges and fees. CSAs are "dependent" districts governed by the County Board of Supervisors. There are currently 25 CSAs in Contra Costa County, most of which are administered by the County Public Works Department.

Municipal Service Review - The Miscellaneous CSAs MSR provides an overview of services provided by local agencies under LAFCO's purview. The report identifies issues and agency challenges, and showcases best practices.

In accordance with the MSR, LAFCO must prepare written determinations relating to various factors including the following:

- Growth and population projections
- Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies
- Financial ability of agencies to provide services
- Status of and opportunities for shared facilities
- Accountability for community service needs, including governmental structure and operational efficiencies
- The location and characteristics of any disadvantaged unincorporated community within or contiguous to the SOI (*new factor*)

The determinations are presented in the attached resolution. In addition, the MSR report provides governance, policy and SOI/boundary options and recommendations as discussed below.

Sphere of Influence Updates – The MSR serves as a basis for the SOI updates and future boundary changes. A summary of the governance and SOI options and recommendations is presented in Attachment 2; discussion of the options and recommendations is provided below.

• **CSA D-2** – This CSA was formed in 1968 to provide funding for drainage infrastructure in the central portion of Walnut Creek, including both incorporated and unincorporated areas.

The MSR report identified two governance options, two policy options and two SOI options for D-2, as summarized below.

Governance Options:

- 1. Dissolution, with D-2 functions and services to be assumed by a County drainage area. Such a conversion would not address D-2's fundamental problem of lack of funds to address drainage issues.
- 2. County to create zones in the low-lying areas likely to benefit most from completing additional improvements. Given the extraordinary cost of needed improvements, property owners in these areas are not likely to support assessing themselves to finance the improvements.

Policy Options:

- 1. It is recommended that prior to the next MSR, D-2 estimate the extent and cost of needed infrastructure.
- 2. It is recommended that County and City of Walnut Creek staff collaborate in identifying potential funding opportunities to fund the needed drainage infrastructure improvements in advance of the next MSR cycle.

SOI Options:

- 1. Retain existing coterminous SOI
- 2. Adopt a zero SOI

Consultant and LAFCO Staff Recommendations - Retain the existing coterminous SOI as a CSA is an appropriate governance structure, and there is a present and probable need for drainage services in the area served by the District. Also, the County and City of Walnut Creek should collaborate in identifying potential funding opportunities to fund the needed drainage infrastructure improvements.

• **CSA L-100** – This CSA was formed in 1986 (consolidation of four districts) to provide funding for street lighting services for developed areas in the unincorporated County. In 2010, the County formed Community Facilities District (CFD) 2010-1 which supplants CSA L-100.

The MSR report identified one governance option, two policy options, and three SOI options for L-100, as summarized below.

<u>Governance Option</u>: Annexation and detachment of territory to better align the CSA bounds with areas served by the District.

Policy Options:

- **1.** LAFCO encourages CSA L-100 to disclose adequacy of funds for capital needs in its future annual reports, including the purpose and uses for its fund balance.
- **2.** LAFCO recommends that CSA L-100 develop a basic capital replacement plan indicating approximate cost for an ongoing program to replace defunct street lights.

SOI Options:

- 1. Reduce SOI to be coterminous with CSA bounds
- 2. Reduce SOI to exclude territory outside CSA bounds and territory within city SOIs
- 3. Reduce to zero SOI

Consultant and LAFCO Staff Recommendation – The consultant recommends reducing the SOI to exclude territory outside CSA bounds and territory within the SOIs of cities.

LAFCO staff recommends adopting a zero SOI given there will be no future boundary changes to CSA L-100 as it's been supplanted by CFD 2010-1. A zero SOI will also facilitate future

annexations of unincorporated territory into city boundaries; under current law, when an area is annexed to a city, it is typically detached from CSAs.

• **CSA M-1** – This CSA was formed in 1960 and provides funding for the Delta Ferry Authority to defray a portion of its costs for ferry services to unincorporated Bradford Island and Webb Tract.

The MSR report identified no governance or policy options, and one SOI option for M-1, as indicated below.

SOI Option:

1. Retain existing coterminous SOI

Consultant and LAFCO Staff Recommendation – Retain existing coterminous SOI as a CSA is an appropriate governance structure, and there is a present and probable need for ferry services in the area served by the District.

• **CSA M-20** – This CSA was formed in 1973 to provide parkway tree maintenance services to the View Pointe subdivision in unincorporated Rodeo.

The MSR report identified no governance or policy options, and one SOI option for M-20, as indicated below.

SOI Option:

1. Retain existing coterminous SOI

Consultant and LAFCO Staff Recommendation – Retain existing coterminous SOI as a CSA is an appropriate governance structure, and there is a present and probable need for tree maintenance services in the area served by the District.

• **CSA M-23** – This CSA was formed in 1977 and provides financing for drainage and geologic hazard abatement services to the unincorporated area of Blackhawk.

The MSR report identified one governance option, and two SOI options for M-23, as summarized below.

<u>Governance Option</u>: Detachment of non-contributing territory.

SOI Options:

- 1. Retain existing coterminous SOI
- 2. Reduce SOI to exclude non-contributing areas

Consultant and LAFCO Staff Recommendation - Retain the existing coterminous SOI as a CSA is an appropriate governance structure, and there is a present and probable need for drainage and geologic hazard abatement services in the area served by the District.

• **CSA M-31** – This CSA was formed in 2002 to finance shuttle, vanpool and other transit services to the Pleasant Hill/Contra Costa Centre BART station vicinity.

The MSR report identified one policy option and two SOI options for M-31, as summarized below.

<u>Policy option</u>: It is recommended that the CSA incorporate information on the outcomes and effectiveness of its programs in its annual report beginning in 2014, and report back to LAFCO once that information has been incorporated.

SOI Options:

- 1. Retain existing coterminous SOI
- 2. Expand SOI to include interior roads and adjacent areas

Consultant and LAFCO Staff Recommendations - Expand the SOI to include interior roads and adjacent areas. Should the County or other applicant pursue a future boundary change to M-31, it is recommended that they include the interior roads and adjacent areas as shown on Map f. Also, the CSA should incorporate information on the outcomes and effectiveness of its programs in its annual report beginning in 2014, and report back to LAFCO once that information has been incorporated.

• **CSA T-1** – This CSA was formed in 2006 to fund transit services to the Alamo Creek, Monterosso and Ponderosa Colony communities in the unincorporated Camino Tassajara area. At the time LAFCO formed CSA T-1 it did not adopt a SOI.

The MSR report identified one governance option, one policy option, and four SOI options for T-1, as summarized below.

Governance Option: Annexation of adjacent territory (Wendt Ranch).

<u>Policy option</u>: The CSA has existed for seven years, but has not yet initiated services. In conjunction with the adoption of a provisional coterminous SOI, LAFCO requests that the CSA report back to LAFCO in one year on its planning efforts and progress on initiating direct services.

SOI Options:

- 1. Adopt coterminous SOI
- 2. Adopt annexable SOI containing the Wendt Ranch subdivision
- 3. Adopt a provisional coterminous SOI
- 4. Adopt a zero SOI

Consultant and LAFCO Staff Recommendations - Adopt a provisional coterminous SOI and require the District to report back to LAFCO in 12 months with an update on CSA T-1's planning efforts.

ENVIRONMENTAL ANALYSIS

The MSR is a study, intended to serve as an informational tool to help LAFCO, local agencies and the public better understand the public service structure in Contra Costa County. The service review and determinations are a study and are Categorically Exempt under §15306, Class 6 of the California Environmental Quality Act (CEQA) Guidelines. LAFCO action on SOI updates are exempt under the General Rule exemption §15061(b)(3) of the CEQA Guidelines.

RECOMMENDATIONS

- 1. Receive the staff report and open the public hearing to consider the SOI updates;
- 2. After receiving public comments close the hearing;
- 3. Determine that the MSR project is Categorically Exempt pursuant to §15306, Class 6 of the CEQA Guidelines;
- 4. Determine that the SOI updates are exempt under §15061(b)(3) of the CEQA Guidelines;
- 5. Accept the Final MSR report;
- 6. Adopt the MSR determinations by resolution attached hereto; and
- 7. Adopt the resolutions updating the SOIs for CSAs D-2, L-100, M-1, M-20, M-23, M-31 and T-1.

Sincerely,

LOU ANN TEXEIRA EXECUTIVE OFFICER

c: Distribution

Attachment 1- Resolution with MSR Determinations

Attachment 2 – Summary Table - Governance and SOI Options & Recommendations

Attachments 3a-3g – Resolutions/Maps Updating SOIs for the CSAs

Attachment 4 – Draft Final Miscellaneous CSAs MSR Report

RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

ADOPTING DETERMINATIONS FOR THE 2013 MISCELLANEOUS COUNTY SERVICE AREAS MUNICIPAL SERVICES REVIEW

WHEREAS, Government Code §56430 requires the Commission to conduct municipal service reviews (MSRs) in order to prepare and update spheres of influence (SOIs) pursuant to Government Code §56425; and

WHEREAS, the Commission previously authorized the *Miscellaneous County Service Areas* (*CSAs*) *MSR* to be prepared; and

WHEREAS, the *Miscellaneous CSAs MSR* covers services provided by CSAs D-2, L-100, M-1, M-20, M-23, M-31 and T-1; and

WHEREAS, on January 9, 2013, the Commission held a workshop to receive a preliminary overview of the *Miscellaneous CSAs MSR*, received and provided comments, and directed staff to circulate the draft MSR for public review; and

WHEREAS, the Public Review Draft MSR was circulated for a 21-day public comment period; and

WHEREAS, on March 13, 2013, the Commission received an overview of the Public Review Draft MSR report, received public comment, and provided additional input; and

WHEREAS, the MSR report and determinations are Categorically Exempt from the California Environmental Quality Act (CEQA) pursuant to §15306 Class 6 of the CEQA Guidelines.

NOW, THEREFORE, BE IT RESOLVED that the Contra Costa Local Agency Formation Commission does hereby resolve, determine and order as follows:

The Miscellaneous County Service Areas Municipal Services Review determinations attached hereto as Exhibit A and incorporated herein by reference are hereby adopted.

* * * * * * * *

	PASSED AND ADOPTED THIS 17 ⁿ day of April 2013, by the following vo	ote:
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AYES: NOES: ABSTENTIONS: ABSENT:
FEDERAL GLOVER, CHAIR, CONTRA COSTA LAFCO

I hereby certify that this is a correct copy of a resolution passed and adopted by this Commission on the date stated above

Dated: April 17, 2013

Lou Ann Texeira, Executive Officer

EXHIBIT A

MISCELLANEOUS COUNTY SERVICE AREAS MUNICIPAL SERVICE REVIEW DETERMINATIONS

Growth and Population Projections

CSA D-2

- The estimated residential population within the CSA D-2 bounds was approximately 8,694 in 2012.
- Projected growth in CSA D-2 is likely to be minimal as the area is built-out.

CSA L-100

- The estimated residential population within the CSA L-100 bounds was approximately 104,114 in 2012.
- ABAG projects relatively modest growth in territory within the CSA bounds.
- New growth is required to install street lighting in accordance with County policies, and to annex to a Community Facilities District (rather than the CSA) for financing associated maintenance.

CSA M-1

- The permanent residential population within the CSA M-1 bounds is approximately 20. There are 71 landowners on Bradford Island who visit their vacation homes for recreation.
- Projected growth is likely to be minimal.
- The planned conversion of Webb Tract from agricultural to water storage uses is expected to increase ferry demand temporarily during the conversion process.

CSA M-20

- The estimated residential population within the CSA M-20 bounds is approximately 3,088.
- Projected growth is likely to be minimal as the area is built-out.

CSA M-23

- The estimated residential population within the CSA M-23 bounds is approximately 6,454.
- Growth in CSA M-23 is projected to be relatively slow, as the planned development in the area has largely been completed.

CSA M-31

- The estimated residential population within the CSA M-31 bounds was approximately 750 in 2012, in addition to the visitor population at the 423 hotel rooms in the CSA. Growth in the CSA is projected to be moderate.
- There were roughly 4-5,000 jobs at businesses located within CSA M-31. There were 2.2 million commercial square feet in FY 12-13, and another 0.3 million anticipated at build-out.

CSA T-1

• The estimated residential population within the CSA T-1 bounds is approximately 2,972.

• Projected growth is likely to be significant as there are homes under construction and additional homes that have been approved but not yet built. The CSA T-1 population is projected to grow by 61 percent through build-out.

Disadvantaged Unincorporated Communities

- There are no disadvantaged unincorporated communities within or contiguous to CSA D-2, M-1, M-20, M-23, M-31 and T-1 SOIs.
- Disadvantaged unincorporated communities within the CSA L-100 SOI include Bay Point, Bethel Island, North Richmond, Montalvin Manor, and Mountain View.

Present and Planned Capacity of Public Facilities and Infrastructure Needs and Adequacy of Public Services

CSA D-2

- There are significant unfunded infrastructure needs in CSA D-2. The CSA drainage plan (1970) anticipated approximately 9,000 feet of underground storm drain pipe that has not yet been installed due to a lack of funding.
- The City of Walnut Creek has identified \$6 million in unfunded infrastructure needs to replace an undersized storm drain at Walker Avenue.
- LAFCO recommends that the CSA D-2 estimate the extent and costs of needed infrastructure projects in advance of the next MSR and SOI update cycle.

CSA L-100

- CSA L-100 is providing street light services in most of the territory within its bounds.
- There appear to be unserved areas in Alamo, Blackhawk, Camino Tassajara, Norris Canyon, and Bethel Island territory that is within CSA bounds.
- Street light densities are somewhat lower in CSA L-100 than in the cities of Contra Costa County.
- For County-owned street lights, the median response time for replacing the bulb or otherwise fixing the street light was 29 days. For PG&E-owned lights, the median response time was 41 days.
- CSA L-100 appears to have an ample fund balance available for financing replacement of street lights in poor condition; however, LAFCO did not have enough information to determine the adequacy of funds for capital needs. LAFCO encourages the CSA to disclose such information in its future annual reports, including the purpose and uses for its ample fund balance.
- LAFCO recommends that the CSA L-100 develop a basic capital replacement plan indicating approximate cost for an ongoing program to replace defunct street lights.

CSA M-1

• The Delta Ferry Authority's (DFA) vessel is in fair condition and approaching the end of its expected useful life.

• DFA's three ferry landings are aged and in fair condition.

CSA M-20

• The only CSA capital assets are the trees along the north side of Willow Avenue. Tree replacement is performed as needed and funded by the CSA M-20 fund balance.

CSA M-23

- Drainage and geologic hazard abatement services appear to be adequate. The Geologic Hazard Abatement District (GHAD) conducts preventative maintenance and extensive planning efforts.
- CSA M-23 and the CSA-funded GHAD provide routine maintenance and address infrastructure needs on an as-needed basis.

CSA M-31

- CSA M-31 finances a transportation demand management program to promote the use and convenience of public transit for commuters working in the CSA. Services include a mid-day shuttle to nearby shopping, and use of electric cars, Segways and bicycles.
- CSA M-31 finances incentives for commuters to use public transit, carpools, vanpools, and biking and walking. About four percent of commuters participate in the programs.
- The service provider's employee survey found that 30 percent of commuters use a transportation mode other than a single-occupant vehicle.
- LAFCO recommends that CSA M-31 incorporate information on the outcomes and effectiveness of the programs in its annual report beginning in 2014, and report back to LAFCO once that information has been incorporated.

CSA T-1

- CSA T-1 has not yet initiated providing public services with the exception of planning, public education and outreach. The CSA has not yet achieved the purpose that it was formed to provide.
- CSA T-1 has not yet acquired capital assets, such as vans and buses, for provision of services.

Financial Ability of Agencies to Provide Services

CSA D-2

- The CSA D-2 fund balance is \$0.3 million and annual revenues are less than \$10,000. Locally-generated development fees fund the CSA, and are paid at the time of development. Revenues are extremely limited as there is minimal development activity in this essentially built-out area.
- The current level of financing for the CSA D-2 is inadequate to finance needed facilities.
- Financing opportunities for presently unfunded needs include grants and future revenue sources that would require voter approval.
- LAFCO recommends that the CSA D-2 staff and the City of Walnut Creek collaborate in identifying potential funding opportunities in advance of the next MSR/SOI update cycle.

CSA L-100

- CSA L-100 funds maintenance and repair costs for street lighting services. Locally-generated property taxes (in portions of the boundary area) fund about 53 percent of costs. The remainder of the operating costs is funded by service charges paid by property owners throughout the CSA.
- The current level of financing for CSA L-100 appears to be adequate to finance services.
- Financing opportunities for presently unfunded needs include service charge increases.

CSA M-1

• CSA M-1 funds 13 percent of DFA's costs. The current level of financing for DFA is minimally adequate. DFA lacks adequate fund balances to pay for ferry ramp replacement.

CSA M-20

• CSA M-20 funds the cost of tree trimming. The current level of financing for the CSA is adequate to finance weekly services.

CSA M-23

- CSA M-23 funds drainage and geologic hazard abatement services.
- The current level of financing for drainage and geologic hazard abatement services appears to be adequate in most of the CSA boundary area. Territory annexed in 1990 is not presently contributing property taxes or other funding to the CSA.
- The CSA-funded GHAD has accumulated adequate financial reserves to address extraordinary needs in the event of an El Niño or heavy rain day.

CSA M-31

- The CSA M-31 assessment paid by commercial property owners in the area was \$0.105 per square foot in FY 12-13, which amounts to approximately \$42 annually per employee.
- The adequacy of the current level of financing could not be determined due to lack of information on the program's outcomes with respect to employee transportation choices.

CSA T-1

• The current level of financing for CSA T-1 is adequate to finance the transportation services that were envisioned at the time the CSA was formed.

Status of, and Opportunities For, Shared Facilities

CSA D-2

• CSA D-2 does not directly own or operate facilities, but simply contributes funding for design and construction of drainage improvements. Completed projects are owned by the County or the City of Walnut Creek.

CSA L-100

- The CSA coordinates repair and service requests for both County-owned street lights and lights owned by PG&E.
- The CSA does not directly own or operate facilities, but simply contributes funding for street lighting maintenance.

CSA M-1

- DFA is managed by representatives of each of the respective Reclamation Districts Nos. 2059 and 2026. The reclamation districts share their funding to operate the ferry.
- No further opportunities for facility sharing were identified.

CSA M-20

- CSA M-20 is staffed by County Public Works staff, and shares administrative costs and staffing with other CSAs.
- No opportunities for facility sharing were identified.

CSA M-23

- CSA M-23 does not directly own or operate facilities, but simply contributes funding for drainage and geologic hazard abatement operations and facilities.
- The CSA relies on County and private sector staffing for its operations and administration.
- No facility sharing opportunities were identified.

CSA M-31

- CSA M-31 does not directly own or operate facilities, but simply contributes funding for a local non-profit to deliver services.
- No facility sharing opportunities were identified.

CSA T-1

- The CSA is staffed by County Public Works staff, and shares administrative costs and staffing with other CSAs.
- In the long-run, CSA T-1 may potentially connect to the County Connection service.

Accountability for Community Service Needs, Including Governmental Structure and Operational Efficiencies

General

- The County conducts annual budgeting and financial audits for each of the CSAs.
- Accountability for CSA residents in some unincorporated areas is limited because there are presently no advisory bodies in which they might participate.
- The County could improve transparency by separately identifying fund balance encumbrances so that CSA budgeted expenditures could be identified.

CSA D-2

• The CSA demonstrated accountability and transparency by disclosing financial and service related information in response to LAFCO requests.

CSA L-100

• The CSA demonstrated accountability and transparency by disclosing financial and service related information in response to LAFCO requests.

CSA M-1

- Accountability for DFA ferry passengers is provided by responsive ferry captains, the respective reclamation districts, and a passenger hotline.
- The CSA demonstrated accountability and transparency by disclosing financial and service related information in response to LAFCO requests.

CSA M-20

• CSA M-20 demonstrated accountability and transparency by disclosing financial and service related information in response to LAFCO requests.

CSA M-23

• CSA M-23 demonstrated accountability and transparency by disclosing financial and service related information in response to LAFCO requests.

CSA M-31

• CSA M-31 demonstrated accountability and transparency by disclosing financial and service related information in response to LAFCO requests.

CSA T-1

- CSA T-1 demonstrated accountability and transparency by disclosing financial and service related information in response to LAFCO requests.
- The CSA has not yet achieved compliance with conditions of approval of subdivisions within its bounds. The CSA engineers report has not yet determined the appropriate level of transit services, and the CSA has not yet initiated operation of services.
- LAFCO recommends that the CSA report back in one year on its progress in initiating direct services.

MISCELLANEOUS COUNTY SERVICE AREAS (CSAs) MUNICIPAL SERVICE REVIEW (MSR) GOVERNANCE AND SPHERE OF INFLUENCE (SOI) OPTIONS & RECOMMENDATIONS

Agency	SOI Options	Governance/Boundary Options	Consultant Recommendations	LAFCO Staff Recommendations
CSA D-2 (drainage) Walnut Creek area	 Retain existing coterminous SOI Adopt a zero SOI 	 Dissolution, with D-2 functions and services to be assumed by a County drainage area. Such a conversion would not address D-2's fundamental problem of lack of funds to address drainage issues. County to form zones in low-lying areas. However, given the high costs associated with the needed improvements, and uncertainty as to whether property owners would support such assessments, this option is unlikely. 	Retain existing coterminous SOI	Retain existing coterminous SOI
CSA L-100 (street lighting) countywide	 Reduce SOI to be coterminous with CSA bounds Reduce SOI to exclude territory outside CSA bounds and territory within city SOIs Reduce to zero SOI 	Annexation/detachment of territory to better align CSA bounds with areas served by the District.	Reduce SOI to exclude territory outside CSA bounds and territory within city SOIs	Reduce to zero SOI
CSA M-1 (ferry services) Bradford Island/Webb Tract	Retain existing coterminous SOI	None identified	Retain existing coterminous SOI	Retain existing coterminous SOI
CSA M-20 (parkway tree maintenance) View Pointe subdivision in unincorporated Rodeo	Retain existing coterminous SOI	None identified	Retain existing coterminous SOI	Retain existing coterminous SOI
CSA M-23 (drainage and geologic hazard abatement) unincorporated Blackhawk	 Retain existing coterminous SOI Reduce SOI to exclude non- contributing areas 	Detachment of non-contributing territory.	Retain existing coterminous SOI	Retain existing coterminous SOI
CSA M-31 [transportation demand management (TDM) services] - Pleasant Hill/ Contra Costa Centre BART station vicinity	Retain existing coterminous SOI Expand SOI to include interior roads	None identified	Expand SOI to include interior roads	Expand SOI to include interior roads
CSA T-1 (TDM services) unincorporated Camino Tassajara (eastern Danville)	 Adopt coterminous SOI Adopt annexable SOI containing the Wendt Ranch subdivision Adopt provisional coterminous SOI Adopt a zero SOI 	Annexation of adjacent territory (Wendt Ranch)	Adopt provisional SOI	Adopt provisional SOI

RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

APPROVING A SPHERE OF INFLUENCE UPDATE FOR COUNTY SERVICE AREA D-2

- **WHEREAS,** Government Code §56425 requires the Local Agency Formation Commission (LAFCO) to develop and determine the sphere of influence (SOI) of each local governmental agency within the County; and
- **WHEREAS,** Government Code §56425(f) requires that LAFCO review and update the SOI boundaries every five years, as necessary; and
- **WHEREAS,** Government Code §56430 requires that a municipal services review be conducted prior to or in conjunction with an SOI update; and
- **WHEREAS,** LAFCO conducted a review of seven miscellaneous County Service Areas (CSAs) including CSA D-2, and adopted written determinations as required by Government Code §56430 on April 17, 2013; and
- **WHEREAS**, the MSR report identified two SOI options for CSA D-2, including retaining the existing coterminous SOI, or adopting a zero SOI to reflect an anticipated change of organization of reorganization of the district; and
- **WHEREAS**, CSA D-2's corporate boundary and SOI are currently coterminous and comprise $2.5\pm$ square miles; and
- **WHEREAS**, it is hereby proposed that LAFCO retain the existing coterminous SOI for CSA D-2 as shown on the attached map; and
- WHEREAS, no change in regulation, land use or development will occur as a result of updating the District's SOI; and
- **WHEREAS**, in the form and manner prescribed by law, the Executive Officer has given notice of a the proposed SOI update; and
- **WHEREAS**, the SOI update was duly considered at a hearing held in conjunction with the MSR report on April 17, 2013; and
- **WHEREAS**, the Contra Costa LAFCO heard and received all oral and written protests, objections and evidence that were made, presented or filed, and all persons present were given an opportunity to appear and be heard with respect to any matter pertaining to said verification action.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED that the Contra Costa LAFCO does hereby:

- 1. Determine, as lead agency for the purposes of the California Environmental Quality Act (CEQA), that the SOI update is categorically exempt under §15061(b)(3) of the CEQA Guidelines.
- 2. Update and retain the existing coterminous SOI for CSA D-2 as described above and generally depicted on Exhibit A attached hereto.
- 3. Determine that the Commission has considered the criteria set forth in Government Code §56425 as follows:

- a. Present and planned land uses in the area, including agricultural and open-space lands The CSA boundaries currently encompass the central portion of the City of Walnut Creek and adjacent unincorporated areas of San Miguel, Walnut Knolls, Wild Oak and a portion of Shell Ridge. The area within CSA D-2 is primarily low density residential and open space, and includes some medium density residential, office, hospital and public uses. No changes in present and planned land uses will result from this SOI update.
- b. Present and probable need for public facilities and services in the area There is a present and probable need for drainage service funding provided by the CSA. Growth within the CSA boundary is anticipated to be minimal. No changes in public facilities or services provided by CSA D-2 will result from this SOI update.
- c. Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide The area served by the CSA has unfunded drainage infrastructure needs; drainage services are minimally adequate. The SOI update will not impact the present capacity of public facilities and adequacy of public services that CSA D-2 provides or is authorized to provide.

Policy options: It is recommended that prior to the next MSR, CSA D-2 estimate the extent and cost of needed infrastructure; and that the County and City of Walnut Creek collaborate in identifying potential funding opportunities to fund the needed infrastructure improvements.

- d. Existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency The primary community of interest is Walnut Creek.
- e. *Nature, location, extent, functions & classes of services to be provided* The District provides funding for extended drainage infrastructure in the Walnut Creek area.

PASSED AND ADOPTED THIS 17th day of April 2013, by the following vote:

AYES:
NOES:
ABSTENTIONS:
ABSENT:

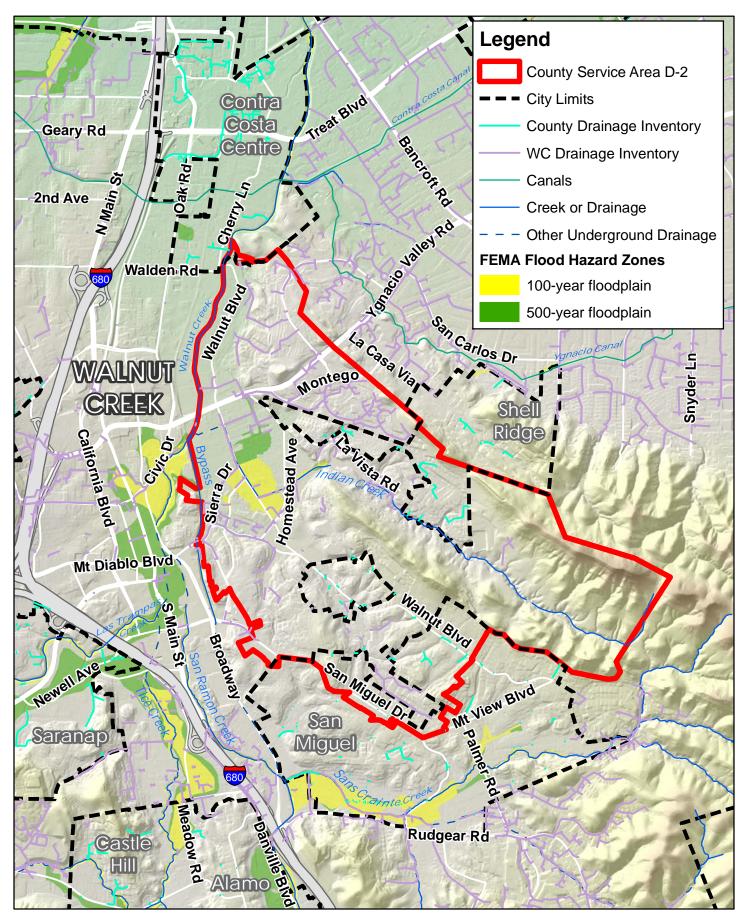
FEDERAL GLOVER, CHAIR, CONTRA COSTA LAFCO

I hereby certify that this is a correct copy of a resolution passed and adopted by this Commission on the date stated above.

Dated: April 17, 2013

Lou Ann Texeira, Executive Officer

Exhibit 3a-A: County Service Area D-2 (Walnut Creek Drainage)







RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

APPROVING A SPHERE OF INFLUENCE UPDATE FOR COUNTY SERVICE AREA L-100

- **WHEREAS,** Government Code §56425 requires the Local Agency Formation Commission (LAFCO) to develop and determine the sphere of influence (SOI) of each local governmental agency within the County; and
- **WHEREAS,** Government Code §56425(f) requires that LAFCO review and update the SOI boundaries every five years, as necessary; and
- **WHEREAS,** Government Code §56430 requires that a municipal services review be conducted prior to or in conjunction with an SOI update; and
- **WHEREAS,** LAFCO conducted a review of seven miscellaneous County Service Areas (CSAs) including CSA L-100, and adopted written determinations as required by Government Code §56430 on April 17, 2013; and
- **WHEREAS**, the MSR report identified three SOI options for CSA L-100: reduce SOI to be coterminous with the CSA bounds, reduce the SOI to exclude territory within city SOIs, or adopt a zero SOI; and
- **WHEREAS**, CSA L-100's corporate boundary and SOI are not coterminous; the boundary comprises 29.2± square miles; and
- **WHEREAS**, in 2010, the County formed Community Facilities District (CFD) 2010-1 and now annexes development to the CFD rather than to CSA L-100; and
- **WHEREAS**, it is hereby proposed that LAFCO adopt a zero SOI for CSA L-100 given L-100 has been supplanted by CFD 2010-1; and
- **WHEREAS**, no change in regulation, land use or development will occur as a result of updating the District's SOI; and
- **WHEREAS,** in the form and manner prescribed by law, the Executive Officer has given notice of a the proposed SOI update; and
- **WHEREAS**, the SOI update was duly considered at a hearing held in conjunction with the MSR report on April 17, 2013; and
- **WHEREAS,** the Contra Costa LAFCO heard and received all oral and written protests, objections and evidence that were made, presented or filed, and all persons present were given an opportunity to appear and be heard with respect to any matter pertaining to said verification action.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED that the Contra Costa LAFCO does hereby:

- 1. Determine, as lead agency for the purposes of the California Environmental Quality Act (CEQA), that the SOI update is categorically exempt under §15061(b)(3) of the CEQA Guidelines.
- 2. Adopt a zero SOI for CSA L-100 as generally depicted on Exhibit A attached hereto.

- 3. Determine that the Commission has considered the criteria set forth in Government Code §56425 as follows:
 - a. Present and planned land uses in the area, including agricultural and open-space lands The CSA boundaries encompass varied land uses in the unincorporated county, including residential, commercial, industrial and public uses. No changes in present and planned land uses will result from this SOI update.
 - b. *Present and probable need for public facilities and services in the area* There is a present and probable need for funding street lighting services provided by the CSA. Future street lighting services in the unincorporated areas will be funded through CFD 2010-1. Growth within the CSA boundary is anticipated to be modest. No changes in public facilities or services provided by CSA L-100 will result from this SOI update.
 - c. Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide Street light densities are somewhat lower in the CSA boundaries than in the incorporated areas. The adequacy of funds for capital needs is uncertain. The SOI update will not impact the present capacity of public facilities and adequacy of public services that CSA L-100 provides or is authorized to provide.

<u>Policy Options</u>: LAFCO encourages CSA L-100 to disclose adequacy of funds for capital needs in its future annual reports, including the purpose and uses for its fund balance. LAFCO recommends that CSA L-100 develop a basic capital replacement plan indicating approximate cost for an ongoing program to replace defunct street lights.

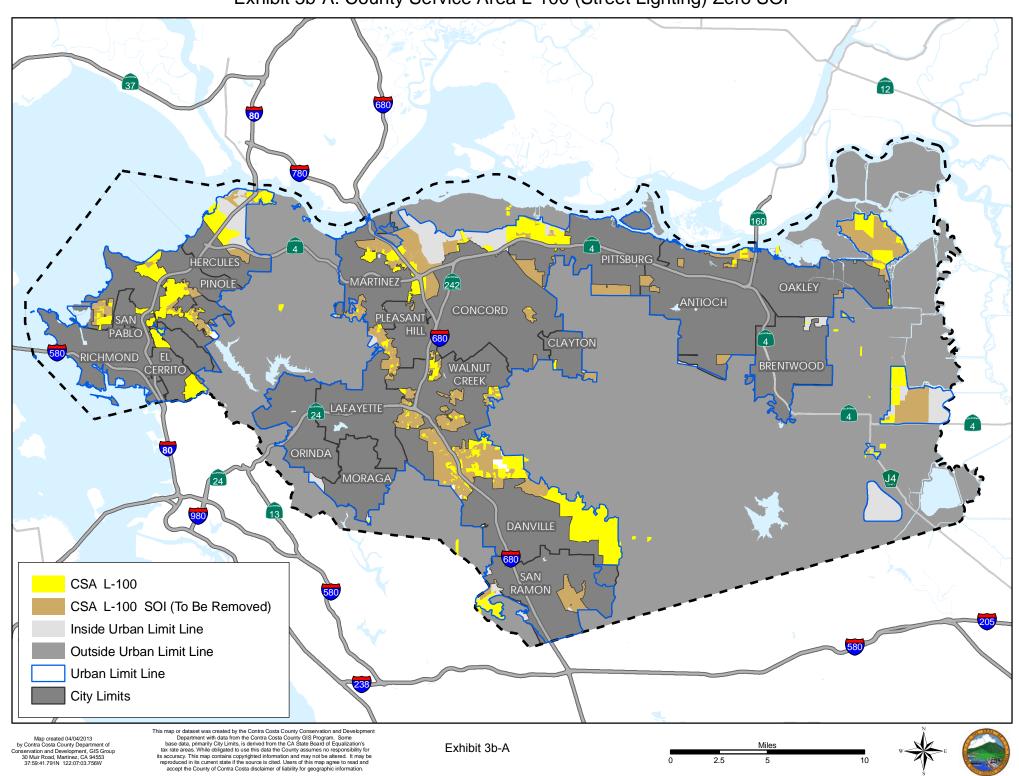
- d. Existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency The primary communities of interest are the unincorporated communities within the CSA bounds.
- e. Nature, location, extent, functions & classes of services to be provided The District provides funding for street lighting services in most of the territory within its bounds. There appear to be unserved areas in Alamo, Blackhawk, Camino Tassajara, Norris Canyon and Bethel Island within the CSA bounds.

FEDERAL GLOVER, CHAIR, CONTRA COSTA LAFCO

I hereby certify that this is a correct copy of a resolution passed and adopted by this Commission on the date stated above.

Dated: April 17, 2013	
	Lou Ann Texeira, Executive Officer

Exhibit 3b-A: County Service Area L-100 (Street Lighting) Zero SOI



RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

APPROVING A SPHERE OF INFLUENCE UPDATE FOR COUNTY SERVICE AREA M-1

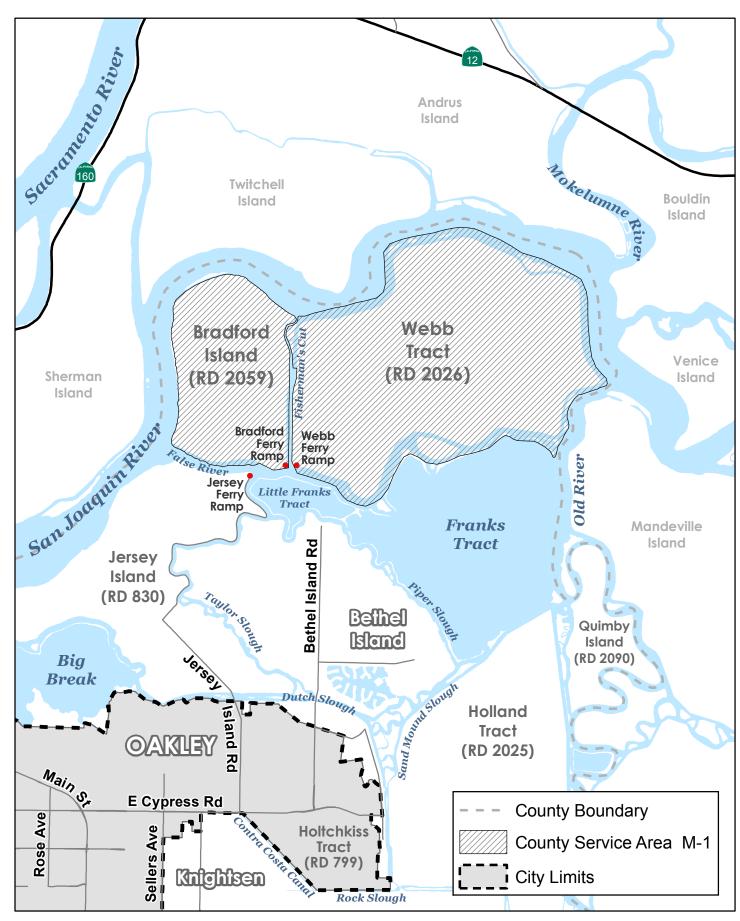
- **WHEREAS,** Government Code §56425 requires the Local Agency Formation Commission (LAFCO) to develop and determine the sphere of influence (SOI) of each local governmental agency within the County; and
- **WHEREAS,** Government Code §56425(f) requires that LAFCO review and update the SOI boundaries every five years, as necessary; and
- **WHEREAS,** Government Code §56430 requires that a municipal services review be conducted prior to or in conjunction with an SOI update; and
- **WHEREAS,** LAFCO conducted a review of seven miscellaneous County Service Areas (CSAs) including CSA M-1, and adopted written determinations as required by Government Code §56430 on April 17, 2013; and
- **WHEREAS**, the MSR report identified one SOI option for CSA M-1: retain the existing coterminous SOI; and
- **WHEREAS**, CSA M-1's corporate boundary and SOI are currently coterminous and comprise 13.6± square miles; and
- **WHEREAS**, it is hereby proposed that LAFCO retain the existing coterminous SOI for CSA M-1 as shown on the attached map; and
- **WHEREAS**, no change in regulation, land use or development will occur as a result of updating the District's SOI; and
- **WHEREAS,** in the form and manner prescribed by law, the Executive Officer has given notice of a the proposed SOI update; and
- **WHEREAS,** the SOI update was duly considered at a hearing held in conjunction with the MSR report on April 17, 2013; and
- **WHEREAS**, the Contra Costa LAFCO heard and received all oral and written protests, objections and evidence that were made, presented or filed, and all persons present were given an opportunity to appear and be heard with respect to any matter pertaining to said verification action.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED that the Contra Costa LAFCO does hereby:

- 1. Determine, as lead agency for the purposes of the California Environmental Quality Act (CEQA), that the SOI update is categorically exempt under §15061(b)(3) of the CEQA Guidelines.
- 2. Update and retain the existing coterminous SOI for CSA M-1 as described above and generally depicted on Exhibit A attached hereto.
- 3. Determine that the Commission has considered the criteria set forth in Government Code §56425 as follows:

- a. Present and planned land uses in the area, including agricultural and open-space lands The CSA boundaries encompass the Bradford Island and Webb Tract. The area within CSA M-1 is primarily agricultural, and secondarily commercial, recreational, residential and gas extraction. There are plans to convert some of the service area to water storage uses within the next 5-10 years. No changes in present and planned land uses will result from this SOI update.
- b. Present and probable need for public facilities and services in the area There is a present and probable need for ferry services funded by the CSA. Growth within the CSA boundary is anticipated to be minimal. No changes in public facilities or services provided by CSA M-1 will result from this SOI update.
- c. Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide Ferry services funded by M-1 appear to be adequate. Both the CSA and the Delta Ferry Authority (DFA) lack the necessary funds for replacement of an aging ferry vessel and ferry landings. The DFA will need to borrow funds for these capital replacement projects. The SOI update will not impact the present capacity of public facilities and adequacy of public services that CSA M-1 provides or is authorized to provide.
- d. Existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency The primary communities of interest are the Bradford island and Webb Tract property owners and their employees, vendors and truckers.
- e. Nature, location, extent, functions & classes of services to be provided The District provides funding for ferry services to unincorporated Bradford Island and Webb Tract in eastern Contra Costa County.

* * * * * * * * * * * * * * * * * * * *
PASSED AND ADOPTED THIS 17 th day of April 2013, by the following vote:
AYES: NOES: ABSTENTIONS: ABSENT:
FEDERAL GLOVER, CHAIR, CONTRA COSTA LAFCO
I hereby certify that this is a correct copy of a resolution passed and adopted by this Commission on the date stated above.
Dated: April 17, 2013 Lou Ann Texeira, Executive Officer



Map created 01/07/2013 by Contra Costa County Department of Conservation and Development, GIS Group 30 Muir Road, Martinez, CA 94553 37:59:41.791N 122:07:03.756W Inis map or dataset was oreated by the Lontra Costa Lourly (Conservation and Development Department with data from the Contra Costa Courtly (SIS Program. Some base data, primarily City Limits, is derived from the CA State Board of Equalization's tax rate areas. While obligated to use this data the Courtly assumes no responsibility for its accuracy. This map contains copyrighted information and may not be altered. It may be reproduced in its current state if the source is cited. Users of this map agree to read and accept the County of Contra Costa disclaimer of liability for geographic information.







RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

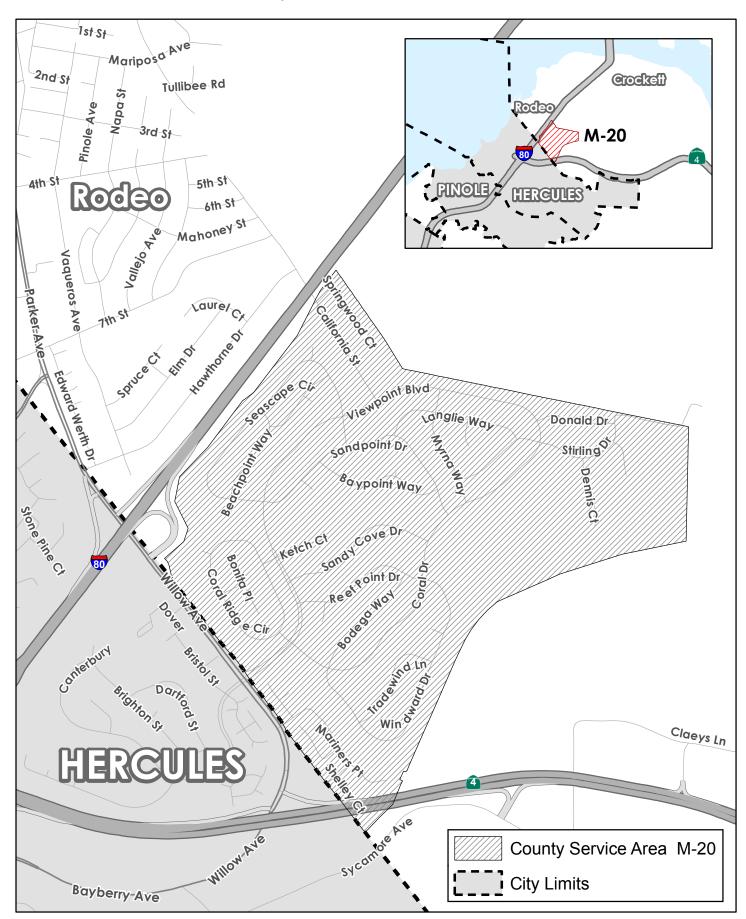
APPROVING A SPHERE OF INFLUENCE UPDATE FOR COUNTY SERVICE AREA M-20

- **WHEREAS,** Government Code §56425 requires the Local Agency Formation Commission (LAFCO) to develop and determine the sphere of influence (SOI) of each local governmental agency within the County; and
- **WHEREAS,** Government Code §56425(f) requires that LAFCO review and update the SOI boundaries every five years, as necessary; and
- **WHEREAS,** Government Code §56430 requires that a municipal services review be conducted prior to or in conjunction with an SOI update; and
- **WHEREAS,** LAFCO conducted a review of seven miscellaneous County Service Areas (CSAs) including CSA M-20, and adopted written determinations as required by Government Code §56430 on April 17, 2013; and
- **WHEREAS**, the MSR report identified one SOI option for CSA M-20: retain the existing coterminous SOI; and
- **WHEREAS**, CSA M-20's corporate boundary and SOI are currently coterminous and comprise 0.6± square miles; and
- **WHEREAS**, it is hereby proposed that LAFCO retain the existing coterminous SOI for CSA M-20 as shown on the attached map; and
- **WHEREAS**, no change in regulation, land use or development will occur as a result of updating the District's SOI; and
- **WHEREAS,** in the form and manner prescribed by law, the Executive Officer has given notice of a the proposed SOI update; and
- **WHEREAS,** the SOI update was duly considered at a hearing held in conjunction with the MSR report on April 17, 2013; and
- **WHEREAS**, the Contra Costa LAFCO heard and received all oral and written protests, objections and evidence that were made, presented or filed, and all persons present were given an opportunity to appear and be heard with respect to any matter pertaining to said verification action.

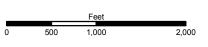
NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED that the Contra Costa LAFCO does hereby:

- 1. Determine, as lead agency for the purposes of the California Environmental Quality Act (CEQA), that the SOI update is categorically exempt under §15061(b)(3) of the CEQA Guidelines.
- 2. Update and retain the existing coterminous SOI for CSA M-20 as described above and generally depicted on Exhibit A attached hereto.
- 3. Determine that the Commission has considered the criteria set forth in Government Code §56425 as follows:

- a. Present and planned land uses in the area, including agricultural and open-space lands The CSA boundaries encompass the View Pointe subdivision in unincorporated Rodeo. The area within CSA M-20 is primarily residential and also includes parkway, trail and park uses. No changes in present and planned land uses will result from this SOI update.
- b. Present and probable need for public facilities and services in the area There is a present and probable need for tree trimming services funded by the CSA. Growth within the CSA boundary is anticipated to be minimal. No changes in public facilities or services provided by CSA M-20 will result from this SOI update.
- c. Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide Tree trimming services funded by M-20 appear to be adequate. The SOI update will not impact the present capacity of public facilities and adequacy of public services that CSA M-20 provides or is authorized to provide.
- d. Existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency The primary community of interest is the View Pointe subdivision in unincorporated Rodeo.
- e. *Nature, location, extent, functions & classes of services to be provided* The District provides funding for tree trimming services to the View Pointe subdivision in unincorporated Rodeo. The trimmed trees are located on the north side of Willow Avenue. The CSA is not responsible for tree trimming in the interior of the subdivision; those trees are maintained by the View Pointe Homeowners Association.



Map created 01/07/2013 by Contra Costa County Department of Conservation and Development, GIS Group 30 Muir Road, Martinez, CA 94553 37:59:41.791N 122:07:03.756W This map or dataset was created by the Contra Costa County Conservation and Development Department with data from the Contra Costa County GIS Program. Some base data, primarily City Limits, is derived from the CA State Board of Equalization's tax rate areas. While obligated to use this data the County assumes no responsibility for its accuracy. This map contains copyrighted information and may not be altered. It may be reproduced in its current state if the source is clied. Users of this map agree to read and







RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

APPROVING A SPHERE OF INFLUENCE UPDATE FOR COUNTY SERVICE AREA M-23

- **WHEREAS,** Government Code §56425 requires the Local Agency Formation Commission (LAFCO) to develop and determine the sphere of influence (SOI) of each local governmental agency within the County; and
- **WHEREAS,** Government Code §56425(f) requires that LAFCO review and update the SOI boundaries every five years, as necessary; and
- **WHEREAS,** Government Code §56430 requires that a municipal services review be conducted prior to or in conjunction with an SOI update; and
- **WHEREAS,** LAFCO conducted a review of seven miscellaneous County Service Areas (CSAs) including CSA M-23, and adopted written determinations as required by Government Code §56430 on April 17, 2013; and
- **WHEREAS**, the MSR report identified two SOI options for CSA M-23: retain the existing coterminous SOI, or reduce the SOI to exclude non-contributing areas; and
- **WHEREAS**, CSA M-23's corporate boundary and SOI are currently coterminous and comprise 4.3± square miles; and
- **WHEREAS**, it is hereby proposed that LAFCO retain the existing coterminous SOI for CSA M-23 as shown on the attached map; and
- **WHEREAS**, no change in regulation, land use or development will occur as a result of updating the District's SOI; and
- **WHEREAS,** in the form and manner prescribed by law, the Executive Officer has given notice of a the proposed SOI update; and
- **WHEREAS**, the SOI update was duly considered at a hearing held in conjunction with the MSR report on April 17, 2013; and
- **WHEREAS**, the Contra Costa LAFCO heard and received all oral and written protests, objections and evidence that were made, presented or filed, and all persons present were given an opportunity to appear and be heard with respect to any matter pertaining to said verification action.

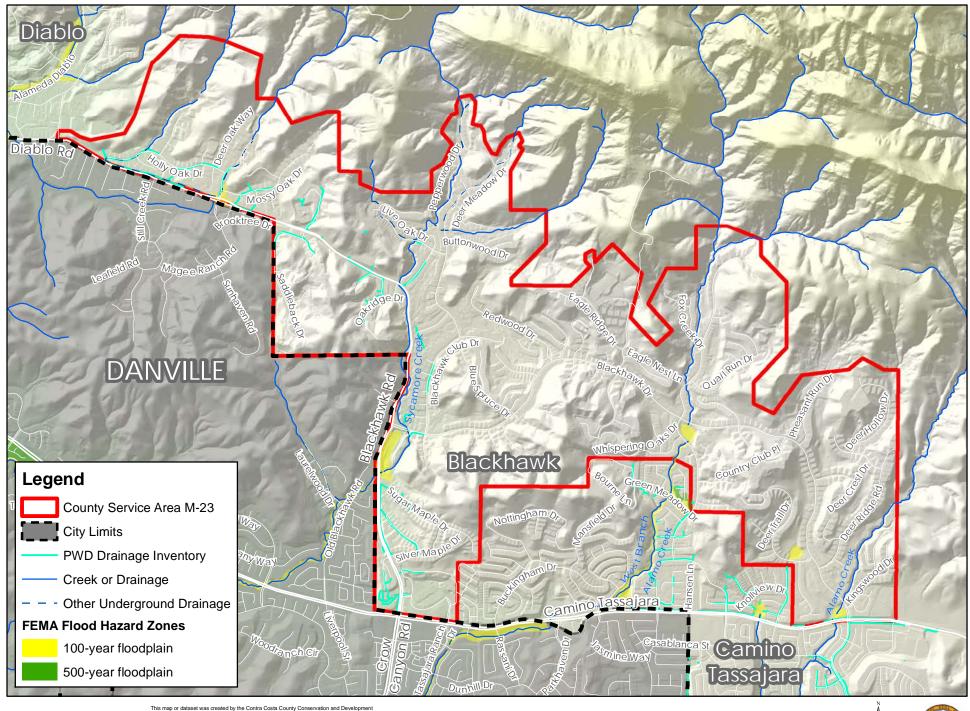
NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED that the Contra Costa LAFCO does hereby:

- 1. Determine, as lead agency for the purposes of the California Environmental Quality Act (CEQA), that the SOI update is categorically exempt under §15061(b)(3) of the CEQA Guidelines.
- 2. Update and retain the existing coterminous SOI for CSA M-23 as described above and generally depicted on Exhibit A attached hereto.
- 3. Determine that the Commission has considered the criteria set forth in Government Code §56425 as follows:

- a. Present and planned land uses in the area, including agricultural and open-space lands The CSA boundaries encompass the unincorporated Blackhawk community. The area within CSA M-23 is primarily residential and also includes open space, commercial and recreational uses. No changes in present and planned land uses will result from this SOI update.
- b. *Present and probable need for public facilities and services in the area* There is a present and probable need for drainage and geologic hazard abatement services funded by the CSA. Growth within the CSA boundary is anticipated to be minimal. No changes in public facilities or services provided by CSA M-23 will result from this SOI update.
- c. Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide Drainage and geologic hazard abatement services funded by M-23 appear to be adequate. The Geologic Hazard Abatement District conducts preventative maintenance and extensive planning efforts. The SOI update will not impact the present capacity of public facilities and adequacy of public services that CSA M-23 provides or is authorized to provide.
- d. Existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency The primary community of interest is the unincorporated community of Blackhawk.
- e. *Nature, location, extent, functions & classes of services to be provided* The District provides funding for drainage and geologic hazard abatement services to the unincorporated Blackhawk area.

* * * * * * * * * * * * * * * * * * * *
PASSED AND ADOPTED THIS 17 th day of April 2013, by the following vote:
AYES: NOES: ABSTENTIONS: ABSENT:
FEDERAL GLOVER, CHAIR, CONTRA COSTA LAFCO I hereby certify that this is a correct copy of a resolution passed and adopted by this Commission on the date stated above.
Dated: April 17, 2013 Lou Ann Texeira, Executive Officer

Exhibit 3e-A: County Service Area M-23 (Blackhawk)



Map created 01/31/2013 by Contra Costa County Department of Conservation and Development, GIS Group 30 Muir Road, Martinez, CA 94553 37:59:41.791N 122:07:03.756W This map or dataset was created by the Contra Costa County Conservation and Development Department with data from the Contra Costa County GIS Program. Some base data, primarily City Limits, is derived from the CA State Board of Equalization's tax rate areas. While obligated to use this data the County assumes no responsibility for a secureacy. This map contains copyrighted information and may not be altered. It may be reproduced in its current state if the source is cited. Users of this map agree to read and accept the County of Contra Costa disclaimer of liability for geographic information.



RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

APPROVING A SPHERE OF INFLUENCE UPDATE FOR COUNTY SERVICE AREA M-31

- **WHEREAS,** Government Code §56425 requires the Local Agency Formation Commission (LAFCO) to develop and determine the sphere of influence (SOI) of each local governmental agency within the County; and
- **WHEREAS,** Government Code §56425(f) requires that LAFCO review and update the SOI boundaries every five years, as necessary; and
- **WHEREAS,** Government Code §56430 requires that a municipal services review be conducted prior to or in conjunction with an SOI update; and
- **WHEREAS,** LAFCO conducted a review of seven miscellaneous County Service Areas (CSAs) including CSA M-31, and adopted written determinations as required by Government Code §56430 on April 17, 2013; and
- **WHEREAS**, the MSR report identified two SOI options for CSA M-31: retain the existing SOI, or expand the SOI to include interior roads and adjacent areas; and
- **WHEREAS**, CSA M-31's corporate boundary and SOI are currently coterminous and comprise $0.1\pm$ square miles; and
- **WHEREAS**, it is hereby proposed that LAFCO expand the existing SOI for CSA M-31 to include the interior roads and adjacent areas as shown on the attached map; and
- **WHEREAS**, no change in regulation, land use or development will occur as a result of updating the District's SOI; and
- **WHEREAS,** in the form and manner prescribed by law, the Executive Officer has given notice of a the proposed SOI update; and
- **WHEREAS**, the SOI update was duly considered at a hearing held in conjunction with the MSR report on April 17, 2013; and
- **WHEREAS**, the Contra Costa LAFCO heard and received all oral and written protests, objections and evidence that were made, presented or filed, and all persons present were given an opportunity to appear and be heard with respect to any matter pertaining to said verification action.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED that the Contra Costa LAFCO does hereby:

- 1. Determine, as lead agency for the purposes of the California Environmental Quality Act (CEQA), that the SOI update is categorically exempt under §15061(b)(3) of the CEQA Guidelines.
- 2. Update and expand the existing SOI for CSA M-31 to include the interior road areas and adjacent areas as generally depicted on Exhibit A attached hereto.
- 3. Determine that the Commission has considered the criteria set forth in Government Code §56425 as follows:

- a. Present and planned land uses in the area, including agricultural and open-space lands The CSA boundaries encompass the Pleasant Hill/Contra Costa Centre BART station area (unincorporated Walnut Creek). The areas within CSA M-31 are primarily commercial office, and secondarily commercial retail, transportation, mixed use and residential. No changes in present and planned land uses will result from this SOI update.
- b. *Present and probable need for public facilities and services in the area* There is a present and probable need for transportation demand management (TDM) services funded by the CSA, which include incentives for area commuters to use public transit, carpools, vanpools, walking and bicycling for transportation, and mid-day shuttles and access to green fleet vehicles to provide local transportation to workers. Growth within the CSA boundary is anticipated to be moderate. Plans call for an additional 300,000 commercial square feet and 73 additional housing units. No changes in public facilities or services provided by CSA M-31 will result from this SOI update.
- c. Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide The TDM objective that 30 percent of commuters use a transportation mode other than single-occupancy vehicles is being met, according to the service provider's survey. However, only four percent of commuters participate in the CSA's incentive programs. The SOI update will not impact the present capacity of public facilities and adequacy of public services that CSA M-31 provides or is authorized to provide.

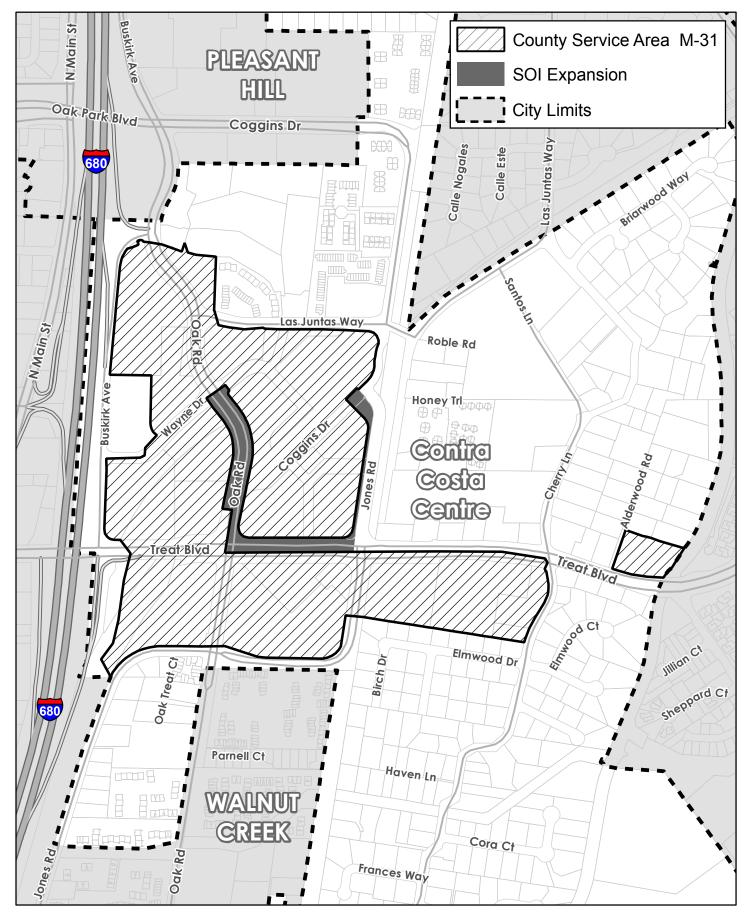
<u>Policy option</u>: It is recommended that the CSA incorporate information on the outcomes and effectiveness of its programs in its annual report beginning in 2014, and report back to LAFCO once that information has been incorporated.

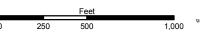
- d. Existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency The primary communities of interest are the unincorporated areas within the CSA bounds, and those workers who utilize the TDM programs.
- e. *Nature, location, extent, functions & classes of services to be provided* The District provides funding for various TDM services to participating employees within the bounds of the CSA.

I hereby certify that this is a correct copy of a resolution passed and adopted by this Commission on the date stated above.

Dated: <u>April 17, 2013</u>	
	Lou Ann Texeira, Executive Officer

SOI Expansion of County Service Area M-31 (Pleasant Hill BART RDA)









RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

ADOPTING A SPHERE OF INFLUENCE UPDATE FOR COUNTY SERVICE AREA T-1

- **WHEREAS,** Government Code §56425 requires the Local Agency Formation Commission (LAFCO) to develop and determine the sphere of influence (SOI) of each local governmental agency within the County; and
- **WHEREAS,** Government Code §56425(f) requires that LAFCO review and update the SOI boundaries every five years, as necessary; and
- **WHEREAS,** Government Code §56430 requires that a municipal services review be conducted prior to or in conjunction with an SOI update; and
- **WHEREAS,** LAFCO conducted a review of seven miscellaneous County Service Areas (CSAs) including CSA T-1, and adopted written determinations as required by Government Code §56430 on April 17, 2013; and
- **WHEREAS**, the MSR report identified four SOI options for CSA T-1: 1) adopt a coterminous SOI, 2) adopt an annexable SOI containing the Wendt Ranch subdivision, 3) adopt a provisional SOI, or 4) adopt a zero SOI; and
 - WHEREAS, CSA T-1's corporate boundary comprises 1.2± square miles; and
 - WHEREAS, LAFCO has not yet adopted a SOI for CSA T-1; and
- **WHEREAS**, it is hereby proposed that LAFCO adopt a provisional coterminous SOI for CSA T-1 as shown on the attached map, and require the District to report back to LAFCO in one year regarding its service provisions progress; and
- **WHEREAS**, no change in regulation, land use or development will occur as a result of adopting the District's SOI; and
- **WHEREAS,** in the form and manner prescribed by law, the Executive Officer has given notice of a the proposed SOI update; and
- **WHEREAS**, the SOI update was duly considered at a hearing held in conjunction with the MSR report on April 17, 2013; and
- **WHEREAS**, the Contra Costa LAFCO heard and received all oral and written protests, objections and evidence that were made, presented or filed, and all persons present were given an opportunity to appear and be heard with respect to any matter pertaining to said verification action.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED that the Contra Costa LAFCO does hereby:

- 1. Determine, as lead agency for the purposes of the California Environmental Quality Act (CEQA), that the SOI update is categorically exempt under §15061(b)(3) of the CEQA Guidelines.
- 2. Adopt a provisional coterminous SOI for CSA T-1as generally depicted on Exhibit A attached hereto, with conditions described herein.

- 3. Determine that the Commission has considered the criteria set forth in Government Code §56425 as follows:
 - a. Present and planned land uses in the area, including agricultural and open-space lands The CSA boundaries encompass the Alamo Creek, Monterosso and ponderosa Colony subdivisions in unincorporated eastern Danville (Camino Tassajara). The areas within CSA T-1 are primarily residential and also include parks, open space and public uses. No changes in present and planned land uses will result from this SOI update.
 - b. Present and probable need for public facilities and services in the area There is a present and probable need for transportation services to comply with a development-related settlement agreement that mitigates the traffic impacts of the development. Growth within the CSA boundary is expected to be significant, with 1,396 dwelling units at build out, and an estimated 10,048 daily vehicle trips. No changes in public facilities or services provided by CSA T-1 will result from this SOI update.
 - c. Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide The CSA has not yet initiated providing public services with the exception of planning, public education and outreach. The SOI update will not impact the present capacity of public facilities and adequacy of public services that CSA T-1 provides or is authorized to provide.

<u>Policy option</u>: The CSA has existed for seven years, but has not yet initiated services. In conjunction with the adoption of a provisional SOI, LAFCO requests that the CSA report back to LAFCO in one year on its planning efforts and progress on initiating direct services.

- d. Existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency The primary communities of interest are the Alamo Creek, Monterosso and Ponderosa Colony subdivisions in the unincorporated Camino Tassajara area.
- e. *Nature, location, extent, functions & classes of services to be provided* The District provides funding for future transportation demand management programs, such as vanpools or scheduled mini bus service. The CSA is in the planning phase, and has not yet initiated direct transportation services. There are existing, but presently unused, bus stops located along Camino Tassajara Road within the bounds of the CSA.

Lou Ann Texeira, Executive Officer

services. There are existing, but presently unused, bus stops located along Camino Tassajara Road within the bounds of the CSA.

PASSED AND ADOPTED THIS 17th day of April 2013, by the following vote:

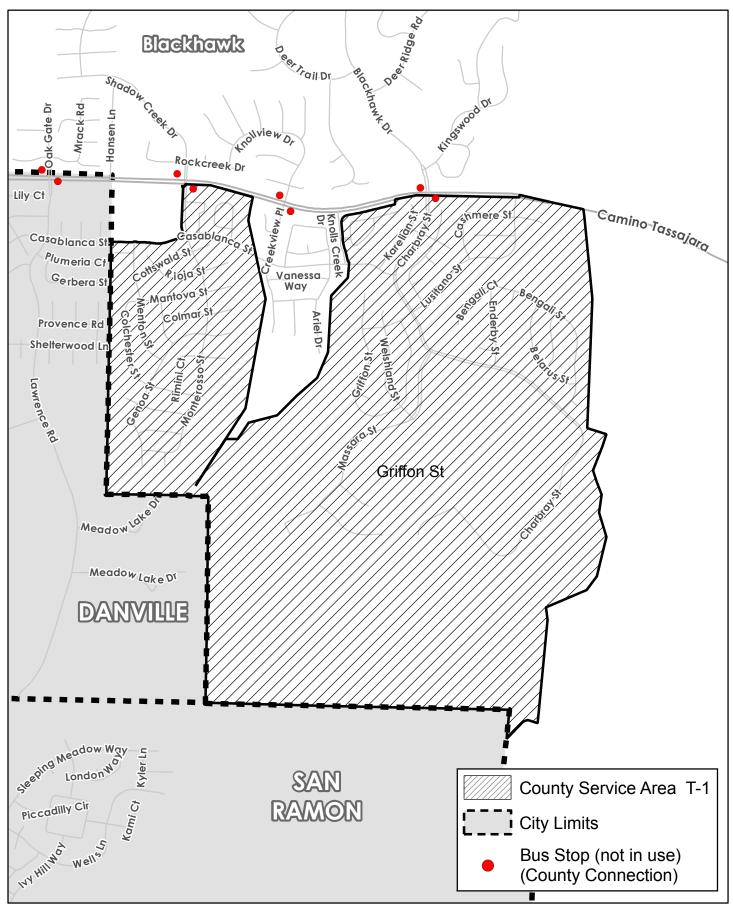
AYES:
NOES:
ABSTENTIONS:
ABSENT:

FEDERAL GLOVER, CHAIR, CONTRA COSTA LAFCO

I hereby certify that this is a correct copy of a resolution passed and adopted by this Commission on the date stated above.

Dated: April 17, 2013

Exhibit 3g-A: County Service Area T-1 (Public Transit) Provisional Coterminous SOI



his map or dataset was created by the Contra Costa Courty Conservation and Developm Department with data from the Contra Costa County GIS Program. Some base data, primarily City Limits, is derived from the CA State Board of Equalization's tax rate areas. While obligated to use this data the County assumes no responsibility its accuracy. This map contains copyrighted information and may not be altered. It may reproduced in its current state! first source is called Users of this may agree to read an accept the County of Contra Costa disclaimer of liability for geographic information.













Municipal Service Review: Miscellaneous Services

Draft Final April 7, 2013

Contra Costa Local Agency Formation Commission







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	ACRONYMS	
ABAG:	Association of Bay Area Governments	
BART:	Bay Area Rapid Transit	
CCCA:	Contra Costa Centre Association	
CEQA:	California Environmental Quality Act	
CFD:	Community Facilities District	
CSA:	County Service Area	
DA:	Drainage Area	
DFA:	Delta Ferry Authority	
DUC:	Disadvantaged unincorporated community	
GHAD:	Geologic Hazard Abatement District	
JPA:	Joint Powers Authority	
LAFCO:	Local Agency Formation Commission	
MSR:	Municipal Service Review	
NP:	Not provided	
PWD:	Public Works Department	
RD:	Reclamation District	
PG&E:	Pacific Gas & Electric	
SOI:	Sphere of influence	
TDM:	Transportation Demand Management	

PREFACE

Prepared for the Contra Costa Local Agency Formation Commission (LAFCO), this report is a municipal service review (MSR)—a state-required comprehensive study of services within a designated geographic area. This MSR focuses on local agencies providing miscellaneous services in Contra Costa County.

CONTEXT

Contra Costa LAFCO is required to prepare this MSR by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code §56000, et seq.), which took effect on January 1, 2001. The MSR reviews services provided by public agencies—cities and special districts—whose boundaries and governance are subject to LAFCO. In order to provide comprehensive information on service provision, other service providers—private companies and public agencies which are not subject to LAFCO—may be addressed in this MSR, recognizing that LAFCO has no authority over these types of agencies.

CREDITS

The authors extend their appreciation to those individuals at many agencies that provided planning and financial information and documents used in this report. The contributors are listed individually at the end of this report.

Contra Costa LAFCO Executive Officer, Lou Ann Texeira, provided project direction and review. Credit for archival review and organization belongs to Lou Ann Texeira and LAFCO staff Kate Sibley. Chris Howard of the Contra Costa County Conservation and Development Department prepared maps and conducted GIS analysis.

This report was prepared by Burr Consulting. Beverly Burr served as principal author.

By Burr Consulting

1. EXECUTIVE SUMMARY

This report is a countywide Municipal Service Review (MSR) of local agencies providing miscellaneous services, prepared for the Contra Costa Local Agency Formation Commission (LAFCO). An MSR is a State-required comprehensive study of services within a designated geographic area, in this case, Contra Costa County. The MSR requirement is codified in the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Section 56000 et seq.). Once MSR findings are adopted, the Commission will update the spheres of influence (SOIs) of the agencies. This report identifies and analyzes SOI options for the Commission's consideration.

SERVICE PROVIDERS

This report is the final MSR in LAFCO's inaugural cycle, and focuses on seven county service areas (CSAs) that provide a variety of transportation, maintenance and financing services, as shown in Table 1-1.¹

Table 1-1: Local Agencies Reviewed

CSA Name	Services Provided	Location
CSA D-2	Financing for drainage	Central portion of the City of Walnut Creek and
(Walnut Creek	infrastructure	adjacent unincorporated areas of San Miguel,
Drainage)		Walnut Knolls, Wild Oak, and a portion of Shell
		Ridge
CSA L-100	Street light maintenance	Most of the developed, unincorporated areas in
(Street Lighting)		the County
CSA M-1	Financing for ferry service	Unincorporated Bradford Island and Webb
(Delta Ferry)		Tract
CSA M-20	Parkway tree maintenance	View Pointe subdivision in unincorporated
(View Pointe)	services	Rodeo
CSA M-23	Drainage and geologic hazard	Unincorporated area of Blackhawk
(Blackhawk)	abatement services	
CSA M-31	Transportation demand	The Pleasant Hill/Contra Costa Centre BART
(Pleasant Hill BART)	management (shuttle, carpool,	station vicinity in unincorporated Walnut Creek
	transit incentives, etc.)	
CSA T-1	Planning for transit services	Alamo Creek, Monterosso, and Ponderosa
(Public Transit)	(carpool, vanpool)	Colony communities in unincorporated Camino
		Tassajara

This report is the first comprehensive MSR in this cycle for each of the seven CSAs. LAFCO will update the spheres of influence (SOIs) for the seven CSAs at the completion of this review.

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¹ Certain other County Service Areas providing miscellaneous services were reviewed in the *Police Services MSR* (2011) and the *Parks and Cemetery Services MSR* (2010).

GENERAL FINDINGS

Governance

Each of the seven CSAs is a dependent special district and is governed by the Contra Costa County Board of Supervisors.

There are no advisory bodies for the seven CSAs reviewed in this MSR. Affected constituents may provide input directly to County staff or the respective member of the Board of Supervisors.

Financing

The County practices appropriate fund accounting for each CSA, and prepares annual budgets.

For six of the seven CSAs (all except CSA D-2), the annual budget adds the CSA fund balance to budgeted expenditure line items. The County could improve transparency in its budgeting practices by separately identifying fund balances, so that constituents know what budgeted costs are.

Management and Accountability

The miscellaneous CSAs are managed by the Contra Costa County Public Works Department whose staff performs budget, assessment update, and service delivery or oversight functions.

All CSAs demonstrated accountability in the disclosure of information and cooperation with LAFCO.

Constituent outreach activities are minimal for the CSAs.

CSA D-2 (WALNUT CREEK DRAINAGE)

CSA D-2 finances drainage infrastructure in the central portion of the City of Walnut Creek and in the adjacent unincorporated areas of San Miguel, Walnut Knolls and Wild Oak. The CSA's primary revenue source is parcel fees paid when parcels initially develop or add impervious surface. Its revenues are extremely limited (less than \$10,000 annually) because the area is built out. The CSA has minimal activities in most years due to its low revenues, and accumulates a fund balance to finance drainage improvement projects. The CSA prepared a master plan in 1970 to address flooding problems in the area; although some planned improvements have been completed, much is left to be constructed. There are significant unfunded infrastructure needs and ongoing flooding affects some of the properties in the CSA.

The CSA does not have a current capital improvement plan which may be a detriment to its ability to pursue grants and other funding opportunities. LAFCO may wish to recommend that the CSA estimate the extent and costs of needed infrastructure projects, and that CSA staff and the City of Walnut Creek collaborate in identifying funding opportunities in advance of the next MSR cycle.

CSA L-100 (STREET LIGHTING)

CSA L-100 provides street light maintenance services to most of the developed unincorporated areas. The County required developing properties to annex to CSA L-100 until 2010. The CSA bounds are complex and cover 70 percent of unincorporated parcels. Unincorporated areas outside the CSA bounds and service area include portions of Alamo, Bethel Island, Reliez Valley, and the unincorporated islands in the Walnut Creek area. Street light service levels are quite low in portions of the boundary area; there appear to be unserved areas within CSA bounds in the new growth areas of Blackhawk, Camino Tassajara, and Norris Canyon as well as on Bethel Island. Street light densities (lights per road mile) tend to be higher in most of the cities than in the CSA.

The majority of street lights are owned and maintained by PG&E, although the County does own 2,205 street lights. The CSA's response time for replacing street light bulbs and other repairs is a median of 29 days; by comparison, PG&E's median response time is 41 days.

The CSA is financed by property taxes allocated to it by portions of its boundary area and by service charges paid by all parcels in its bounds (about \$15 for a single-family home). Due to a reportedly inadequate funding level and to the plethora of annexation activity (11 annexations in an average year), the County formed a Community Facilities District (CFD) and now annexes development to the CFD rather than the CSA. A typical single-family home in the CFD pays \$64 in annual service charges.

The CSA's annual revenues of \$1.4 million are spent on utility costs and on repair and maintenance of County-owned street lights. The CSA does not have a plan for replacement of defunct street lights (which have an average life expectancy of 50 years), and it is unclear if funds are adequate for capital needs. LAFCO may wish to encourage the CSA to develop a basic capital replacement plan. The CSA has accumulated a \$5.1 million fund balance. The CSA reported that a potential use for the CSA's reserves is to buy out PG&E street lights in the event that the PG&E service level should become problematic.

CSA M-1 (DELTA FERRY)

CSA M-1 provides financing for the Delta Ferry Authority (DFA) to defray a portion of its costs for ferry service to unincorporated Bradford Island and Webb Tract. DFA is a joint powers authority whose members are the County and Reclamation Districts Nos. 2026 (Webb Tract) and 2059 (Bradford Island). There is no road access from the mainland to the vacation homes on Bradford Island or the agricultural operations on Webb Tract. CSA revenues are generated by property taxes, and cover 13 percent of ferry costs, with the remainder of ferry costs funded by the reclamation districts and by ferry fares.

The funding level is minimally adequate. The ferry vessel is in fair condition, and approaching the end of its expected life span, and ferry landings are quite old and in fair condition. Accountability for ferry passengers is provided by ferry captains, the reclamation districts and a passenger hotline.

CSA M-20 (VIEW POINTE)

CSA M-20 provides parkway tree maintenance services to the View Pointe Subdivision in unincorporated Rodeo. Specifically, the CSA fund weekly tree trimming services along the north side of Willow Avenue. Funded by property taxes, the CSA's annual revenues are about \$9,000.

CSA M-23 (BLACKHAWK)

CSA M-23 provides funding for drainage maintenance and geologic hazard abatement services in the unincorporated area of Blackhawk. The service area includes six gated communities, and is located at the base of Mount Diablo. Funded by property taxes, the CSA's annual revenues are \$1.7 million. The CSA spends 97 percent of its budget on the geologic hazard abatement services and the remainder on drainage maintenance services provided by County staff.

The clay soils and slopes in the area are conducive to landslides after heavy rains. The CSA funds the Blackhawk Geologic Hazard Abatement District (GHAD) to prevent and repair landslides. The CSA contributes 100 percent of the GHAD's funding. The GHAD is governed by the Board of Supervisors and managed by a private contractor. Under its current management, the GHAD is implementing a variety of studies and plans, and appears to be managed professionally.

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The CSA-funded GHAD has accumulated enough financial reserves to address extraordinary landslide needs in the event of an El Niño or a very heavy rain.

CSA M-31 (PLEASANT HILL BART)

CSA M-31 finances transportation demand management (TDM) services to commercial office properties in Contra Costa Centre. To mitigate traffic impacts, entitlement conditions for each of the properties included a requirement to show that at least 30 percent of full-time employees are using public transit, carpools, vanpools, walking or bicycling as a mode of transportation. Each property was also required to participate in an area-wide TDM program, and to approve an assessment to fund TDM services. There are now 4,000-5,000 employees working at the properties in the CSA, and further growth is anticipated.

The CSA funds services that are provided directly by a non-profit agency, the Contra Costa Centre Association (CCCA), that is governed by the affected property owners. CCCA provides transit subsidies and incentives for employees to use carpools, vanpools, and bicycle or walk to work; about four percent of employees in the CSA use these programs. CCCA also provides a midday shuttle to a nearby malls, and provides employees with access to its fleet of environmentally-friendly vehicles. A 2010 employee survey showed that 30 percent of employees used a transportation mode other than a single-occupant vehicle.

County staff provides budgeting oversight and prepares an annual report on the CSA and its assessment. LAFCO may wish to encourage the CSACounty staff to provide independent oversight over CCCA's effectiveness and outcomes, and for the CSA to report such information in its annual report.

CSA T-1 (TRANSIT SERVICES)

CSA T-1 was formed in 2006 to provide transportation demand management (TDM) services to the Alamo Creek, Monterosso and Ponderosa Colony communities in unincorporated Camino Tassajara. The subdivisions were challenged on environmental grounds, and the County ultimately required them to fund TDM services to mitigate traffic impacts. The subdivisions are now partially built, with 869 homes completed, 250 in construction, and another 277 units approved. The conditions of approval provided that TDM services begin operation once 400 homes had been completed.

The CSA is funded by assessments (\$369 annually per home). Its annual revenues are about \$325,000. The CSA activities to date are planning, surveying, outreach and analysis of future transportation services to be provided. Due to its limited activities thus far, the CSA has been spending a fraction of its resources, and has accumulated a fund balance of \$1.3 million that it intends to use for future services and purchase of vehicles.

A 2005 study found there is a limited market for public transit services in the area, and developed the original plan for CSA services to include rush-hour commuter service involving vanpools and eventually mini-bus service. The CSA conducted a survey of residents in FY 10-11; that study recommended carpool and vanpool programs, public outreach and bicycle infrastructure improvements. The CSA reports that it intends to develop a multi-year plan of action in 2013, and solicit bids from prospective service providers. LAFCO may wish to require the CSA to report back to LAFCO in one year on its progress in initiating direct services.

SOI UPDATES

This report identifies alternatives for LAFCO to consider as it updates the spheres of influence (SOIs) of the seven county service areas. An SOI is a LAFCO-approved plan that designates an agency's probable future boundary and service area. The SOI essentially defines where and what types of government reorganizations, such as annexation, detachment, dissolution or consolidation, may be initiated. The governing bodies of local agencies and voters may initiate reorganizations so long as they are consistent with the SOIs. An SOI change neither initiates nor approves a government reorganization. If and when a government reorganization is initiated, there are procedural steps required by law, including a protest hearing and/or election by which voters may choose to approve or disapprove a reorganization. The author's SOI recommendations are shown in Table 1-2.

Table 1-2: SOI Update Options

Agency	SOI Options	Author's Recommendation
CSA D-2	1) Retain coterminous SOI	Retain coterminous SOI
(Walnut Creek	2) Zero SOI	
Drainage)		
CSA L-100	1) Coterminous SOI	Reduce SOI to exclude territory in cities'
(Street Lighting)	2) Reduce SOI to exclude territory in cities' SOIs	SOIs
	3) Zero SOI	
CSA M-1	1) Retain coterminous SOI	Retain coterminous SOI
(Delta Ferry)		
CSA M-20	1) Retain coterminous SOI	Retain coterminous SOI
(View Pointe)		
CSA M-23	1) Retain coterminous SOI	Retain coterminous SOI
(Blackhawk)	2) Reduce SOI to exclude non-	
	contributing areas	
CSA M-31	1) Retain coterminous SOI	Increase SOI to include interior roads
(Pleasant Hill BART)	2) Increase SOI to include interior roads	
CSA T-1	1) Adopt coterminous SOI	Adopt provisional coterminous SOI and
(Public Transit)	2) Adopt annexable SOI containing	and require the CSA to report back to
, ,	Wendt Ranch subdivision	LAFCO on its service provision progress in
	3) Adopt provisional SOI	one year.
	4) Adopt zero SOI	

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2. LAFCO AND MUNICIPAL SERVICE REVIEWS

This report is prepared pursuant to legislation enacted in 2000 that requires LAFCO to conduct a comprehensive review of municipal service delivery and update the spheres of influence (SOIs) of all agencies under LAFCO's jurisdiction. This chapter provides an overview of LAFCO's history, powers and responsibilities, discusses the origins and legal requirements for preparation of the municipal service review (MSR), and reviews the processes for MSR approval and SOI updates.

LAFCO OVERVIEW

After World War II, California experienced dramatic growth in population and economic development. With this boom came a demand for housing, jobs and public services. To accommodate this demand, many new local government agencies were formed, often with little forethought as to the ultimate governance structures in a given region, and existing agencies often competed for expansion areas. The lack of coordination and adequate planning led to a multitude of overlapping, inefficient jurisdictional and service boundaries, and the premature conversion of California's agricultural and open-space lands.

Recognizing this problem, in 1959, Governor Edmund G. Brown, Sr. appointed the Commission on Metropolitan Area Problems. The Commission's charge was to study and make recommendations on the "misuse of land resources" and the growing complexity of local governmental jurisdictions. The Commission's recommendations on local governmental reorganization were introduced in the Legislature in 1963, resulting in the creation of a Local Agency Formation Commission, or LAFCO.

The Contra Costa LAFCO was formed as a countywide agency to discourage urban sprawl and encourage the orderly formation and development of local government agencies. LAFCO is responsible for coordinating logical and timely changes in local governmental boundaries, including annexations and detachments of territory, incorporations of cities, formations of special districts, and consolidations, mergers and dissolutions of districts, as well as reviewing ways to reorganize, simplify, and streamline governmental structure. The Commission's efforts are focused on ensuring that services are provided efficiently and economically while agricultural and open-space lands are protected. To better inform itself and the community as it seeks to exercise its charge, LAFCO conducts service reviews to evaluate the provision of municipal services within the County.

LAFCO regulates, through approval, denial, conditions and modification, boundary changes proposed by public agencies or individuals. It also regulates the extension of public services by cities and special districts outside their boundaries. LAFCO is empowered to initiate updates to the SOIs and proposals involving the dissolution or consolidation of special districts, mergers, establishment of subsidiary districts, formation of a new district or districts, and any reorganization including such actions. Otherwise, LAFCO actions must originate as petitions or resolutions from affected voters, landowners, cities or districts.

Contra Costa LAFCO consists of seven regular members: two members from the Contra Costa County Board of Supervisors, two city council members, two independent special district members, and one public member who is appointed by the other members of the Commission. There is an alternate in each category. All Commissioners are appointed to four-year terms. The Commission members are shown in Table 2-1.

Appointing Agency	Members	Alternate Members
Two members from the Board of Supervisors	Federal Glover	Candace Andersen
appointed by the Board of Supervisors.	Mary N. Piepho	
Two members representing the cities in the	Don Tatzin, City of Lafayette	Tom Butt
County. Must be a city officer and appointed by	Rob Schroder, City of Martinez	City of Richmond
the City Selection Committee.		
Two members representing the independent	Dwight Meadows, Contra Costa	George H. Schmidt,
special districts in the County. Must be a district	Resource Conservation Dist.	West County Wastewater
governing body member and appointed by the	Michael R. McGill, Central Contra	Dist.
independent special district selection committee.	Costa Sanitary District	
One member from the general public appointed	Donald A. Blubaugh	Sharon Burke
by the other six Commissioners.		

MUNICIPAL SERVICE REVIEW ORIGINS

The MSR requirement was enacted by the Legislature months after the release of two studies recommending that LAFCOs conduct reviews of local agencies. The "Little Hoover Commission" focused on the need for oversight and consolidation of special districts, whereas the "Commission on Local Governance for the 21st Century" focused on the need for regional planning to ensure adequate and efficient local governmental services as the California population continues to grow.

LITTLE HOOVER COMMISSION

In May 2000, the Little Hoover Commission released a report entitled *Special Districts: Relics of the Past or Resources for the Future?* This report focused on governance and financial challenges among independent special districts, and the barriers to LAFCO's pursuit of district consolidation and dissolution. The report raised the concern that "the underlying patchwork of special district governments has become unnecessarily redundant, inefficient and unaccountable."²

In particular, the report raised concern about a lack of visibility and accountability among some independent special districts. The report indicated that many special districts hold excessive reserve funds and some receive questionable property tax revenue. The report expressed concern about the lack of financial oversight of the districts. It asserted that financial reporting by special districts is inadequate, that districts are not required to submit financial information to local elected officials, and concluded that district financial information is "largely meaningless as a tool to evaluate the effectiveness and efficiency of services provided by districts, or to make comparisons with neighboring districts or services provided through a city or county."

The report questioned the accountability and relevance of certain special districts with uncontested elections and without adequate notice of public meetings. In addition to concerns about the accountability and visibility of special districts, the report raised concerns about special districts with outdated boundaries and outdated missions. The report questioned the public benefit provided by health care districts that have sold, leased or closed their hospitals, and asserted that LAFCOs consistently fail to examine whether they should be eliminated. The report pointed to service

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² Little Hoover Commission, 2000, p. 12.

³ Little Hoover Commission, 2000, p. 24.

improvements and cost reductions associated with special district consolidations, but asserted that LAFCOs have generally failed to pursue special district reorganizations.

The report called on the Legislature to increase the oversight of special districts by mandating that LAFCOs identify service duplications and study reorganization alternatives when service duplications are identified, when a district appears insolvent, when district reserves are excessive, when rate inequities surface, when a district's mission changes, when a new city incorporates and when service levels are unsatisfactory. To accomplish this, the report recommended that the State strengthen the independence and funding of LAFCOs, require districts to report to their respective LAFCO, and require LAFCOs to study service duplications.

COMMISSION ON LOCAL GOVERNANCE FOR THE 21ST CENTURY

The Legislature formed the Commission on Local Governance for the 21st Century ("21st Century Commission") in 1997 to review statutes on the policies, criteria, procedures and precedents for city, county and special district boundary changes. After conducting extensive research and holding 25 days of public hearings throughout the State at which it heard from over 160 organizations and individuals, the 21st Century Commission released its final report, *Growth Within Bounds: Planning California Governance for the 21st Century*, in January 2000.⁴ The report examines the way that government is organized and operates and establishes a vision of how the State will grow by "making better use of the often invisible LAFCOs in each county."

The report points to the expectation that California's population will double over the first four decades of the 21st Century, and raises concern that our government institutions were designed when our population was much smaller and our society was less complex. The report warns that without a strategy open spaces will be swallowed up, expensive freeway extensions will be needed, job centers will become farther removed from housing, and this will lead to longer commutes, increased pollution and more stressful lives. *Growth Within Bounds* acknowledges that local governments face unprecedented challenges in their ability to finance service delivery since voters cut property tax revenues in 1978 and the Legislature shifted property tax revenues from local government to schools in 1993. The report asserts that these financial strains have created governmental entrepreneurism in which agencies compete for sales tax revenue and market share.

The 21st Century Commission recommended that effective, efficient and easily understandable government be encouraged. In accomplishing this, the 21st Century Commission recommended consolidation of small, inefficient or overlapping providers, transparency of municipal service delivery to the people, and accountability of municipal service providers. The sheer number of special districts, the report asserts, "has provoked controversy, including several legislative attempts to initiate district consolidations," but cautions LAFCOs that decisions to consolidate districts should focus on the adequacy of services, not on the number of districts.

Growth Within Bounds stated that LAFCOs cannot achieve their fundamental purposes without a comprehensive knowledge of the services available within its county, the current efficiency of providing service within various areas of the county, future needs for each service, and expansion capacity of each service provider. Comprehensive knowledge of water and sanitary providers, the report argued, would promote consolidations of water and sanitary districts, reduce water costs and promote a more comprehensive approach to the use of water resources. Further, the report asserted

⁴ The Commission on Local Governance for the 21st Century ceased to exist on July 1, 2000, pursuant to a statutory sunset provision.

⁵ Commission on Local Governance for the 21st Century, 2000, p. 70.

that many LAFCOs lack such knowledge and should be required to conduct such a review to ensure that municipal services are logically extended to meet California's future growth and development.

MSRs would require LAFCO to look broadly at all agencies within a geographic region that provide a particular municipal service and to examine consolidation or reorganization of service providers. The 21st Century Commission recommended that the review include water, wastewater, and other municipal services that LAFCO judges to be important to future growth. The Commission recommended that the service review be followed by consolidation studies and be performed in conjunction with updates of SOIs. The recommendation was that service reviews be designed to make nine determinations, each of which was incorporated verbatim in the subsequently adopted legislation. The legislature since consolidated the determinations into six required findings.

MUNICIPAL SERVICE REVIEW LEGISLATION

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires LAFCO review and update SOIs not less than every five years and to review municipal services before updating SOIs. The requirement for service reviews arises from the identified need for a more coordinated and efficient public service structure to support California's anticipated growth. The service review provides LAFCO with a tool to study existing and future public service conditions comprehensively and to evaluate organizational options for accommodating growth, preventing urban sprawl, and ensuring that critical services are provided efficiently.

Effective January 1, 2008, Government Code §56430 requires LAFCO to conduct a review of municipal services provided in the county by region, sub-region or other designated geographic area, as appropriate, for the service or services to be reviewed, and prepare a written statement of determination with respect to each of the following topics:

- 1) Growth and population projections for the affected area;
- 2) The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the SOI;
- 3) Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence;⁶
- 4) Financial ability of agencies to provide services;
- 5) Status of, and opportunities for shared facilities;
- 6) Accountability for community service needs, including governmental structure and operational efficiencies; and
- 7) Any other matter related to effective or efficient service delivery, as required by commission policy.

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⁶ Disadvantaged unincorporated community means an inhabited community with an annual median household income that is less than 80 percent of the statewide annual median household income.

SPHERES OF INFLUENCE

An SOI is a LAFCO-approved plan that designates an agency's probable future boundary and service area. Spheres are planning tools used to provide guidance for individual boundary change proposals and are intended to encourage efficient provision of organized community services, discourage urban sprawl and premature conversion of agricultural and open space lands, and prevent overlapping jurisdictions and duplication of services. Every determination made by a commission must be consistent with the SOIs of local agencies affected by that determination;⁷ for example, territory may not be annexed to a city or district unless it is within that agency's sphere. SOIs should discourage duplication of services by local governmental agencies, guide the Commission's consideration of individual proposals for changes of organization, and identify the need for specific reorganization studies, and provide the basis for recommendations to particular agencies for government reorganizations.

Contra Costa LAFCO policies are that LAFCO discourages inclusion of land in an agency's SOI if a need for services provided by that agency within a 5-10 year period cannot be demonstrated. SOIs generally will not be amended concurrently with an action on the related change of organization or reorganization. A change of organization or reorganization will not be approved solely because an area falls within the SOI of any agency. In other words, the SOI essentially defines where and what types of government reorganizations (e.g., annexation, detachment, dissolution and consolidation) may be initiated. If and when a government reorganization is initiated, there are a number of procedural steps that must be conducted for a reorganization to be approved. Such steps include more in-depth analysis, LAFCO consideration at a noticed public hearing, and processes by which affected agencies and/or residents may voice their approval or disapproval.

The Cortese-Knox-Hertzberg Act requires LAFCO to develop and determine the SOI of each local governmental agency within the county and to review and update the SOI every five years. LAFCOs are empowered to adopt, update and amend the SOI. They may do so with or without an application and any interested person may submit an application proposing an SOI amendment.

LAFCO may recommend government reorganizations to particular agencies in the county, using the SOIs as the basis for those recommendations. Based on review of the guidelines and practices of Contra Costa LAFCO as well as other LAFCOs in the State, various conceptual approaches have been identified from which to choose in designating an SOI:

- 1) Coterminous Sphere: The sphere for a city or special district that is the same as its existing boundaries.
- 2) Annexable Sphere: A sphere larger than the agency's boundaries identifies areas the agency is expected to annex. The annexable area is outside its boundaries and inside the sphere.
- 3) Detachable Sphere: A sphere that is smaller than the agency's boundaries identifies areas the agency is expected to detach. The detachable area is the area within the agency bounds but not within its sphere.
- 4) Zero Sphere: A zero sphere indicates the affected agency's public service functions should be reassigned to another agency and the agency should be dissolved or combined with one or more other agencies.

⁷ Government Code §56375.5.

- 5) Consolidated Sphere: A consolidated sphere includes two or more local agencies and indicates the agencies should be consolidated into one agency.
- 6) Limited Service Sphere: A limited service sphere is the territory included within the SOI of a multi-service provider agency that is also within the boundary of a limited purpose district which provides the same service (e.g., fire protection), but not all needed services.
- 7) Sphere Planning Area: LAFCO may choose to designate a sphere planning area to signal that it anticipates expanding an agency's SOI in the future to include territory not yet within its official SOI.
- 8) Provisional Sphere: LAFCO may designate a provisional sphere that automatically sunsets if certain conditions occur.

LAFCO is required to establish SOIs for all local agencies and enact policies to promote the logical and orderly development of areas within the SOIs. Furthermore, LAFCO must update those SOIs every five years. In updating the SOI, LAFCO is required to conduct a municipal service review (MSR) and adopt related determinations. In addition, in adopting or amending an SOI, LAFCO must make the following determinations:

- Present and planned land uses in the area, including agricultural and open-space lands;
- Present and probable need for public facilities and services in the area;
- Present capacity of public facilities and adequacy of public service that the agency provides or is authorized to provide;
- Existence of any social or economic communities of interest in the area if the Commission determines these are relevant to the agency; and
- The present and probable need for public sewer, water, or fire protection facilities and services of any disadvantaged unincorporated communities within the existing SOI.8

MSR AND SOI UPDATE PROCESS

The MSR process does not require LAFCO to initiate changes of organization based on service review findings, only that LAFCO identify potential government structure options. However, LAFCO, other local agencies, and the public may subsequently use the determinations to analyze prospective changes of organization or reorganization or to establish or amend SOIs. LAFCO may act with respect to a recommended change of organization or reorganization on its own initiative, at the request of any agency, or in response to a petition.

MSRs are exempt from California Environmental Quality Act (CEQA) pursuant to §15262 (feasibility or planning studies) or §15306 (information collection) of the CEQA Guidelines. LAFCO's actions to adopt MSR determinations are not considered "projects" subject to CEQA.

Once LAFCO has adopted the MSR determinations, it must update the SOIs for seven CSAs. This report identifies preliminary SOI policy alternatives and recommends SOI options for each agency. Development of actual SOI updates will involve additional steps, including development of recommendations by LAFCO staff, opportunity for public input at a LAFCO public hearing, and

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⁸ The fifth determination relating to disadvantaged communities is required for an update of an SOI of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection.

consideration and changes made by Commissioners. A CEQA determination will then be made on a case-by-case basis once the proposed project characteristics are clearly identified.

The CKH Act stipulates several procedural requirements in updating SOIs. It requires that special districts file written statements on the class of services provided and that LAFCO clearly establish the location, nature and extent of services provided by special districts. Accordingly, each local agency's class of services provided is documented in this MSR. The MSR described the nature, location, and extent of functions or classes of services provided by existing districts, which is a procedural requirement for LAFCO to complete when updating SOIs.

LAFCO must notify affected agencies 21 days before holding a public hearing to consider the SOI and may not update the SOI until after that hearing. The LAFCO Executive Officer must issue a report including recommendations on the SOI amendments and updates under consideration at least five days before the public hearing.

3. COUNTY SERVICE AREAS

This MSR reviews seven County Service Areas (CSAs) in Contra Costa County that serve as financing mechanisms for a variety of miscellaneous services. The CSAs are administered by the Contra Costa County Public Works Department.

CSA OVERVIEW

All Contra Costa CSAs are located entirely within Contra Costa County. Contra Costa is the principal county and Contra Costa LAFCO has jurisdiction.

The principal act that governs CSAs is the County Service Area law.⁹ The principal act authorizes CSAs to provide a wide variety of municipal services, including landscaping, street lighting, geologic hazard abatement, drainage, transportation, parks and recreation, and extended police protection.¹⁰ A CSA may only provide those services authorized in its formation resolution unless the Board of Supervisors adopts a resolution authorizing additional services. CSAs must apply and obtain LAFCO approval to exercise latent powers or, in other words, those services authorized by the principal act but not authorized by LAFCO.¹¹ If LAFCO had approved formation of a CSA with a condition requiring LAFCO approval for new services, the Board of Supervisors must first obtain LAFCO approval before authorizing additional services.

In accordance with changes in State law (SB 1458), in 2009, LAFCO completed an inventory of all CSAs within the County and the services they provide.

GOVERNANCE

All CSAs are dependent special districts governed by the County Board of Supervisors, as shown in Table 3-1.

The County is governed by a five-member governing body, consisting of the County Board of Supervisors. Board members are elected by district to staggered four-year terms. The last contested election for a board seat occurred in 2012.

There are no advisory bodies for the seven CSAs reviewed in this MSR. Affected property owners may provide input directly to the County's Special Districts Manager. With regard to customer service, complaints may be submitted by telephone, mail, or email to the County's Special Districts Manager or the respective member of the Board of Supervisors.

Constituent outreach activities are minimal for the CSAs. CSA T-1, which is in a start-up planning mode, has solicited constituent input on transportation modes and needs for purposes of planning useful services.

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⁹ Government Code §25210-25217.4.

¹⁰ Government Code §25213.

¹¹ Government Code §25210.2(g).

Table 3-1: County Governing Body

Contra Costa County					
Governing Body					
	Name	District	Began Serving	Term Expires	
	John M. Gioia	District I	1999	2014	
Roand of Cutomissons	Candace Andersen	District II	2012	2016	
Board of Supervisors	Mary N. Piepho	District III, Chair	2005	2016	
	Karen Mitchoff	District IV	2010	2014	
	Federal D. Glover	District V	2001	2016	
Manner of Selection	Elections by district				
Length of Term	Four years				
Meetings	Date: Tuesdays at Location: 651 Pine St., Room 107				
1vicetings	9:30 a.m.	Martinez, CA 9455	53		
Agenda Distribution	Online and posted	Online and posted			
Minutes Distribution	Video of meetings av	Video of meetings available online and minutes by request			
Contact					
Contact	Special Districts Mana	Special Districts Manager			
Mailing Address	Contra Costa County Public Works Department, 255 Glacier Drive,				
Mailing Address	Martinez, CA 94553				
Email	special.districts@pw.c	special.districts@pw.cccounty.us			

All CSAs demonstrated accountability in the disclosure of information and cooperation with LAFCO. The agencies responded to LAFCO's written questionnaires and cooperated with LAFCO document requests.

FINANCING

The County practices fund accounting, with separate funds established for each legally separate CSA. Detailed financing information for each CSA can be found in the following CSA-specific sections.

All seven CSAs complied with annual budgeting and annual reports to the State Controller. County staff reports that CSA funds are audited annually.

For six of the seven CSAs reviewed, financial reporting practices in the County's annual budget was less than transparent due to inclusion of fund balance information with expenditures; as a result, it was not possible to determine what budgeted expenditures were from the County budget. The County could improve transparency by separately identifying fund balance encumbrances so that CSA budgeted expenditures can be identified. The Auditor-Controller's office reports that it includes the fund balance with budgeted expenditures in the Final Budget to conform to State Controller Office reporting requirements. The County's recommended budget (prepared by the County Administrator) does not include information on budgeted CSA expenditures.

CSAs are primarily financed through property taxes, assessments and interest. For the various CSA, there was no interest revenue in FY 11-12 in spite of positive fund balances; the County reports this was a one-time anomaly and that it continually invests fund balances.

The County reported that the current financing level for these CSAs is adequate to deliver services, with the exception of CSA D-2.

There is no adopted policy on CSA financial reserves, although certain CSAs (such as CSA T-1) have targets for capital and operating financial reserves. None of the CSAs had long-term debt at the end of FY 11-12, although they are authorized by the principal act to issue bonded debt.

CSAs engage in joint financing arrangements in that the CSAs supplement standard funding sources. No other facility sharing opportunities were identified.

MANAGEMENT

The miscellaneous CSAs are managed by the Contra Costa County Public Works Department. The County staff formulates and monitors budgets, and coordinates and oversees infrastructure improvements and installation specific to each CSA.

The County does not conduct benchmarking related to CSAs. The County annually prepares audited financial statements; however, CSA information is not identifiable in these statements.

The County does not engage in planning efforts specifically oriented toward the CSAs. CSA-specific planning efforts are discussed in the sections specific to each of the CSAs.

MSR DETERMINATIONS

Accountability for community service needs, including governmental structure and operational efficiencies

- 1) The County conducts annual budgeting and financial audits for each of the CSAs.
- 2) Accountability for CSA residents in unincorporated areas is limited because there are presently no advisory bodies in which they might participate.
- 3) The County could improve transparency by separately identifying fund balance encumbrances so that CSA budgeted expenditures could be identified.

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CSA D-2 (WALNUT CREEK DRAINAGE)

CSA D-2 provides funding for drainage infrastructure in the San Ramon Creek watershed which includes a central portion of the City of Walnut Creek and adjacent unincorporated areas of San Miguel, Walnut Knolls, Wild Oak, and a portion of Shell Ridge.

FORMATION AND BOUNDARY

CSA D-2 was formed on December 31, 1968 as a dependent special district of the County.¹² The CSA was formed at the request of residents to create a taxing entity to alleviate drainage basin flood and drainage problems, and to seek federal funds.¹³ The area had been originally developed in the 1940s and 1950s without a storm drainage system or plans, and some of the homes were being inundated and some roads impassable due to frequent flooding.¹⁴ An attempt to form a drainage area with an ad valorem tax had been rejected by residents in the 1960s. The CSA replaced County Storm District No. 8 (which had been formed and dissolved in 1963).¹⁵

The boundary area of the CSA is approximately 1,571 acres, or 2.5 square miles. The SOI for CSA D-2 is coterminous with the boundary of the CSA, and was last updated in 2004.¹⁶

Since formation, there have been no boundary changes.

SERVICE DEMAND AND GROWTH

The CSA boundary area is in the central portion of the City of Walnut Creek and in the adjacent unincorporated areas of San Miguel, Walnut Knolls and Wild Oak.

Land uses within the CSA are primarily low-density residential and open space, but also include medium-density residential, office, hospital, and public uses.¹⁷ The eastern portion of the Shell Ridge Open Space is within the CSA. Major employers in the area include John Muir Memorial Hospital, and other employers are primarily medical offices and local retail. No major residential development projects are proposed or planned in the area.



¹² Board of Equalization official date.

¹³ Contra Costa LAFCO, Staff Report for the Aug. 7, 1968 Commission Hearing, 1968.

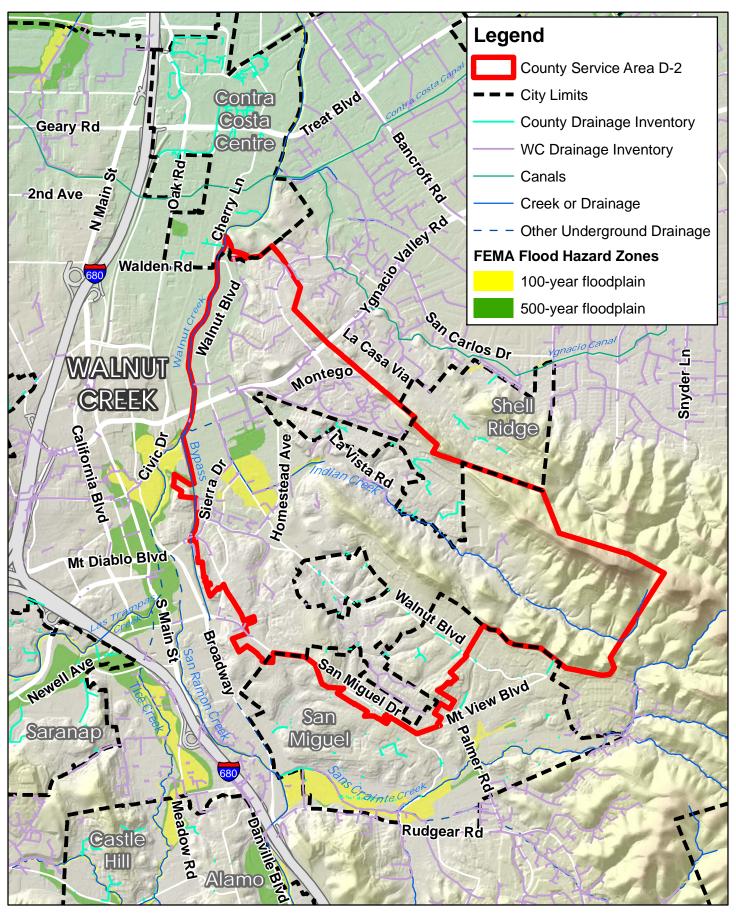
¹⁴ Contra Costa Times, Walnut Blvd. Group Plans Drainage Fight, June 21, 1967.

¹⁵ Contra Costa County Public Works Department, Formation History, 2001.

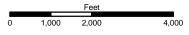
¹⁶ Contra Costa LAFCO, Minutes of the May 12, 2004 LAFCO Meeting, 2004.

¹⁷ City of Walnut Creek, General Plan 2025, April 4, 2006.

Map 3-1: County Service Area D-2 (Walnut Creek Drainage)



Map created 02/20/2013 / Contra Costa County Department of servation and Development, GIS Group 30 Muir Road, Martinez, CA 94553 37:59:41.791N 122:07:03.756W This map or dataset was created by the Contra Costa County Conservation and Developmen Department with data from the Contra Costa County GIS Program. Some base data, primarily City Limits, is derived from the CA State Board of Equalization's tax rate areas. While obligated to use this data the County assumes on responsibility for its accuracy. This map contains copyrighted information and may not be altered. It may be reproduced in its current state if the source is cited. Users of this map agree to read and accept the County of Contra Costa disclaimer of liability for geographic information.







The area contains a portion of the San Ramon Creek watershed, including Indian Creek and Walnut Creek. Service demand for drainage is driven primarily by rainfall and secondarily by the development of impervious surfaces. The most recent flood event in the CSA occurred in the winter of 2005-6. Previous flooding events occurred in 1982 and 1986. Walnut Creek tends to flood approximately once every 15 years.

There are 4,459 residential units in the CSA bounds, according to Assessor parcel data. The estimated population within the CSA was 8,694 as of 2012.¹⁸ The CSA boundary area is nearly built out, with only modest growth anticipated. Generally in the Walnut Creek area, ABAG projects slow residential growth between 2010 and 2030, anticipating overall growth of 13 percent over the 20-year period. ¹⁹ By comparison, the countywide average population growth is projected at 17 percent over the same period. Commercial growth is expected to be limited in the area.

No disadvantaged communities were identified within or adjacent to the CSA or its SOI.²⁰

The CSA is a dependent special district of the County, and is not a land use authority. The County and the City of Walnut Creek are the land use authorities, and are responsible for implementing growth strategies in their respective jurisdictions.

FINANCING

Both the CSA and the City of Walnut Creek reported that funding is not adequate to provide for adequate drainage infrastructure in the CSA bounds.

Table 3-2: CSA D-2 Financial Information

The CSA revenues were \$4,206 in FY 11-12. Revenues were composed of parcel fees (84 percent) and interest income (16 percent). The fee of \$2,667 per acre (which amounts to \$0.06 per square foot) is charged only when parcels initially develop or add impervious surface. The fee was most

	FY 10-11	FY 11-12	FY 12-13
	Actual	Actual	Budget
Fund Balance	\$291,995	\$295,984	NP
Revenues	7,687	4,206	6,200
Development Fee	6,833	3,550	6,200
Interest	854	656	0
Expenditures	4	217	0
Services and Supplies	0	0	NP
Other Charges	4	4	NP
Transfers / Admin	0	213	NP

recently updated in 1979; no adjustment for inflation or capital needs has been made in the last 33 years. The County's adopted policy is for drainage fees to be at least \$0.35 per square foot of impervious surface added.²¹ The CSA reports it has not updated the fees because it believes that the cost of updating the fees would not be recouped by future revenues; the fee update cost was not

¹⁸ The estimated 2012 population is the product of a) the number of housing units in the CSA in 2012 (4,459), the home occupancy rate in the City of Walnut Creek (93.2 percent), and the average household size in the City of Walnut Creek (2.1).

¹⁹ Association of Bay Area Governments, *Projections 2009*, Aug. 2009. The 2009 forecast was ABAG's most recently adopted forecast at the time this report was drafted. ABAG plans to adopt updated projections in 2013.

²⁰ Disadvantaged communities were identified from American Community Survey 5-year data for 2007-2011 by place and census tract. For LAFCO purposes, disadvantaged communities are defined as having median household income less than 80 percent of the State median (Government Code §56033.5 which, in turn, relies on the definition in Water Code §79505.5).

²¹ Contra Costa County, Contra Costa County General Plan 2005-2020, Jan. 18, 2005, p. 7-21.

reported. Revenues are constrained by the limited development activity in the CSA. The CSA receives no share of the one percent property tax.

Other funding sources include federal and State grants, and County and City general funds. The City of Walnut Creek has funded detention basin work out of its general fund resources in the past, but would prefer a local funding source. Another potential source of funding is benefit assessments. The County's policy is to consider creation of benefit assessment districts to pay for drainage maintenance in existing developed areas.²² The City of Walnut Creek reported that informal discussions with residents in the area indicate opposition to an assessment district, particularly among upstream properties. The CSA has no plans to design or submit proposed assessments to the property owners in the area for their approval, as it assumes that property owners outside the flood hazard zones would not approve such funding.

Expenditures were \$217 in FY 11-12. These consisted primarily of transfers to cover the charges for County staff. In the past 10 years, the CSA had significant expenditures only in FY 02-03 and FY 01-02 when it spent \$31,000 and \$15,000 respectively for mapping and design services to gather field information for GIS maps.²³ Budgeted FY 12-13 expenditures could not be identified due to the budgeting practice of posting the fund balance under expenditure line items (e.g., services and supplies, other charges, and transfers) in an effort to encumber the fund balance; the County could improve transparency by posting the encumbered fund balance as a separate line item so that the budget for specific line items can be identified.

Capital projects have been financed in the past with CSA revenues and fund balance, and loans from the City of Walnut Creek and the County. The U.S. Army Corps of Engineers had considered a project for Walnut Creek in the 1970s, but ultimately decided against funding it. At the time of CSA formation, agency staff had anticipated that a HUD grant and a bond election would be potential financing sources, neither of which came to fruition. The City of Walnut Creek has identified at least \$6 million in unfunded capital needs to address flooding on Walker Avenue and Homestead Avenue related to an undersized drainage system.

The CSA has no long-term debt at this time.

The CSA had \$295,984 in fund balances at the end of FY 11-12, which is more than 1,000 times greater than annual expenditures in that year. The CSA reported that it is accumulating a fund balance to address significant unfunded capital needs in the territory.

DRAINAGE SERVICES

Service Context

The Board of Supervisors created the Flood Control District (FCD) in 1956 for the purposes of administering the flood control program and to provide basic research and assistance to the county and the cities. Subsequent to that, many Flood Control District Zones were created for the separate watershed areas. The purposes of the zones are to provide local matching funds for federal flood control projects and to maintain these facilities when the construction is complete. The CSA is included in FCD Zone 3-B which is tasked with designing and delivering regional drainage, such as the Walnut Creek Channel.

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²² Contra Costa County, Contra Costa County General Plan 2005-2020, Jan. 18, 2005, p. 7-22.

²³ State Controller Office, Special Districts Annual Reports, FY 00-01 through FY 10-11.

Unimproved major creeks are not the responsibility of the FCD. The district however, in an emergency, will provide immediate relief to alleviate a problem or to prevent further damage.

The County also created about 70 Drainage Areas which are sub-watersheds within the zones. The Drainage Areas typically collect fees from development to implement capital improvements within the Drainage Area. Since many Drainage Areas cross city limits, it was deemed appropriate for the FCD to be the lead. The improvements, once completed, are transferred to the cities or the county for maintenance and operation. The County only accepts responsibility on drainage facilities that are constructed in accordance with an approved plan and are within dedicated drainage easements. All other drainage facilities are private.

There is no Drainage Area in the CSA D-2 area because local voters rejected the associated tax in the 1960s. To provide similar services that are delivered elsewhere in the County through Drainage Areas, the CSA was formed.

Nature and Extent

The CSA D-2 has historically financed drainage facilities. Once drainage infrastructure was completed, the infrastructure has been maintained by the respective local jurisdiction – the City of Walnut Creek or Contra Costa County.

The CSA performed significant planning and design work in the 1960s and 1970s to engineer a plan to address flooding problems in the area.

Figure 3-2: Historic Flooding in CSA D-2, 1958

Portions of this master plan have been installed over the years, but much is left to be constructed. For example, the Walnut Boulevard/Bradley Avenue storm drain project was performed in the early 1980s. The most recent drainage improvements were performed in the early 2000s.

The MSR found no evidence of overlapping responsibilities among service providers. The FCD handles regional flood infrastructure; whereas, the CSA handles local infrastructure. The City conducts planning and design studies, and may choose to fund projects directly.

Location

Drainage improvements are located throughout the CSA, as shown on Map 3-1.

<u>Infrastructure</u>

The CSA has funded certain drainage improvements throughout its history, including pipes, channels, and related costs, but does not directly own those improvements.

The CSA drainage plan (1970) anticipated approximately 9,000 feet of underground storm drain pipe that has not yet been installed due to a lack of funding. The CSA's prioritization of drainage improvements involves using existing ditches wherever possible instead of the planned pipe systems, and installation of pipe systems within road rights of way to save on land costs.²⁴ There is not a current CIP available.

²⁴ Correspondence from Contra Costa County Flood Control & Water Conservation District to City of Walnut Creek, Nov. 23, 1982.

The City of Walnut Creek has prepared plans for a needed Walker-Homestead drainage project to address flooding affecting three properties, two of which have filed a lawsuit against the City. The infrastructure deficiency is an undersized drainage pipe along Walker Avenue. The project involves construction of culverts and storm drains along Walnut Blvd. (from Brasero Lane to Homestead Ave.), and along Homestead Ave. and a portion of Walker Ave. The project would provide 10-year flood protection for property owners at the intersection of Walker and Homestead Avenues. The estimated cost of the project is \$6 million, and funding has not yet been identified.

Flooding issues remain in this area.

GOVERNANCE ALTERNATIVES

The CSA boundaries are logical and conform to the watershed; no governance alternatives for the CSA involving changes to the boundaries were identified.

One alternative for the CSA is dissolution with the function and services to be assumed by a Drainage Area. Drainage Areas are used throughout the remainder of the County rather than CSAs. Conversion of the CSA to a Drainage Area would involve certain planning and environmental costs, and would not alter the CSA's fundamental problem of a lack of adequate funding to complete needed drainage projects.

Another alternative under the County's jurisdiction rather than LAFCO's jurisdiction would be to create zones in the low-lying areas likely to benefit most from completing additional improvements. Given the extraordinary cost of needed improvements, however, property owners in low-lying areas are not likely to support assessing themselves to finance the improvements.

MSR DETERMINATIONS

Growth and population projections

- 1) The estimated residential population within the CSA D-2 bounds was approximately 8,694 in 2012.
- 2) Projected growth in CSA D-2 is likely to be minimal as the area is built-out.

Location and characteristics of any disadvantaged unincorporated communities within or contiguous to the SOI

3) There are no disadvantaged unincorporated communities within or contiguous to the CSA D-2 SOI.

Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs and deficiencies

4) There are significant unfunded infrastructure needs in CSA D-2. The CSA drainage plan (1970) anticipated approximately 9,000 feet of underground storm drain pipe that has not yet been installed due to a lack of funding.

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²⁵ City of Walnut Creek, Walnut Blvd/Walker Ave/Homestead Ave. Drainage Improvement Project, Dec. 11, 2008.

²⁶ Harrison Engineering Inc., City of Walnut Creek, Walnut Blvd., Walker Ave. and Homestead Ave. Drainage Study: Hydraulic Alternatives Analysis, March 2009.

- 5) The City of Walnut Creek has identified \$6 million in unfunded infrastructure needs to replace an undersized storm drain at Walker Avenue.
- 6) LAFCO recommends that the CSA D-2 estimate the extent and costs of needed infrastructure projects in advance of the next MSR and SOI update cycle.

Financial ability of agencies to provide services

- 7) The CSA D-2 fund balance is \$0.3 million and annual revenues are less than \$10,000. Locally-generated development fees fund the CSA, and are paid at the time of development. Revenues are extremely limited as there is minimal development activity in this essentially built-out area.
- 8) The current level of financing for the CSA D-2 is inadequate to finance needed facilities.
- 9) Financing opportunities for presently unfunded needs include grants and future revenue sources that would require voter approval.
- 10) LAFCO recommends that the CSA D-2 staff and the City of Walnut Creek collaborate in identifying potential funding opportunities in advance of the next MSR and SOI update cycle.

Status of, and opportunities for, shared facilities

11) CSA D-2 does not directly own or operate facilities, but simply contributes funding for design and construction of drainage improvements. Completed projects are owned by the County or the City of Walnut Creek.

Accountability for community service needs, including governmental structure and operational efficiencies

- 12) Accountability for CSA residents in unincorporated areas is limited because there are presently no advisory bodies in which they might participate.
- 13) The CSA demonstrated accountability and transparency by disclosing financial and service related information in response to LAFCO requests.

SOI RECOMMENDATIONS AND DETERMINATIONS

The existing SOI for CSA D-2 is coterminous with its bounds. The SOI for the district was affirmed by LAFCO in 2004.

Agency Proposal

The County Public Works Department has not proposed to change the coterminous SOI.

SOI Options

Given the considerations addressed in the MSR, two options are identified for the CSA D-2 SOI:

SOI Option #1 – Retain existing coterminous SOI

If LAFCO determines that the existing government structure is appropriate, then the existing SOI should be retained.

SOI Option #2- Zero SOI

If LAFCO determines that the CSA should be dissolved and replaced by a Drainage Area (or some other entity), then a zero SOI would be appropriate.

Recommendation

It is recommended that LAFCO retain the existing coterminous SOI for CSA D-2 at this time.

Table 3-3: CSA D-2 SOI Analysis

	Table 3-3: CSA D-2 SOI Analysis
Issue	Comments
SOI update	Retain coterminous SOI.
recommendation	
Services provided	CSA D-2 provides additional funding for drainage infrastructure.
Present and planned	Land uses within the CSA are primarily low-density residential and open
land uses in the area	space, but also include medium-density residential, office, hospital, and public uses.
Projected growth in the District/Recommended SOI	Growth within the CSA is anticipated to minimal
Present and probable need for public facilities and services in the area	There is a present and probable need for drainage funding services provided by the CSA.
Opportunity for infill development rather than SOI expansion	The CSA SOI has no impact on infill development in the area.
Service capacity and adequacy	The area has unfunded drainage infrastructure needs.
Social or economic communities of interest	The primary community of interest is Walnut Creek.
Effects on other agencies	A coterminous SOI would have no direct effect on other agencies.
Potential for consolidations or other reorganizations when boundaries divide communities	There is no potential for consolidation at this time.
Location of facilities, infrastructure and natural features	Drainage improvements are located throughout the CSA.
Willingness to serve	The CSA is willing to continue providing drainage funding.
Potential effects on agricultural and open space lands	No potential effects on agricultural or open space lands were identified.
Potential environmental impacts	Although no potential environmental impacts were identified in the MSR, the LAFCO counsel and planner should make CEQA determinations.

CSA L-100 (STREET LIGHTING)

CSA L-100 provides funding for street lighting services for most of the developed, unincorporated areas in the County.

FORMATION AND BOUNDARY

CSA L-100 was formed on September 10, 1986 as a dependent special district of the County.²⁷ The CSA L-100 was formed as part of a consolidation of four lighting CSAs. Its stated purpose was to provide more efficient and cost effective street lighting services throughout the County by having one new county service area with a single management structure and operational area throughout the County and in order to more equitably finance the cost of lighting services by a common service charge structure.²⁸

At the time of formation in 1986, the CSA was the successor to former lighting CSAs L-32 (Kensington), L-42 (Central County), L-43 (East County), and L-46 (West County). The following year, the County proposed and LAFCO approved consolidation of CSAs M-3, M-7, M-12, M-13, M-14, M-21, and M22 into CSA L-100, and transfer of street lighting service responsibility from CSAs M-16, M-20 and M-23 into CSA L-100. Over the years, there have been 273 annexations to the CSA, according to BOE records.²⁹ Territory annexed to CSA L-100 was typically the subject of a development proposal or building permit that required the property owner to annex to the CSA. Annexations to CSA L-100 ceased in 2010 when the County Board of Supervisors formed a new street light financing district, Community Facilities District 2010-1, to serve territory in subsequent development proposals.

The current boundary of the CSA is shown on Map 3-2. The boundary area of CSA L-100 is approximately 18,696 acres, or 29.2 square miles. The CSA bounds contain 29 square miles of land area. By comparison, there were 80 square miles of unincorporated land area inside the urban limit line, meaning that 36 percent of unincorporated land inside the urban limit line is within the CSA bounds. As of 2013, the boundary area for CFD 2010-1 encompasses only a handful of parcels.

The adopted SOI for CSA L-100 was established in 1986 (before the urban limit line was adopted) to "automatically self-adjust to remain coterminous with SOI boundaries of agencies that provide sewage disposal service, excepting territory within city boundaries." The rationales for this SOI were that urban conditions that warrant sewage disposal also justify street lighting, that sewer SOIs are adjusted after thorough review, that the SOI is substantially similar to the combined SOIs of the street lighting CSAs that were consolidated to form CSA L-100, and that continually duplicating the SOI process for street lighting CSAs would be a "wasteful exercise in redundancy." The SOI was last updated formally in 2003. The current SOI for the CSA is shown on Map 3-2.

²⁸ Contra Costa LAFCO, Executive Officer's Report, May 9, 1986.

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²⁷ Board of Equalization official date.

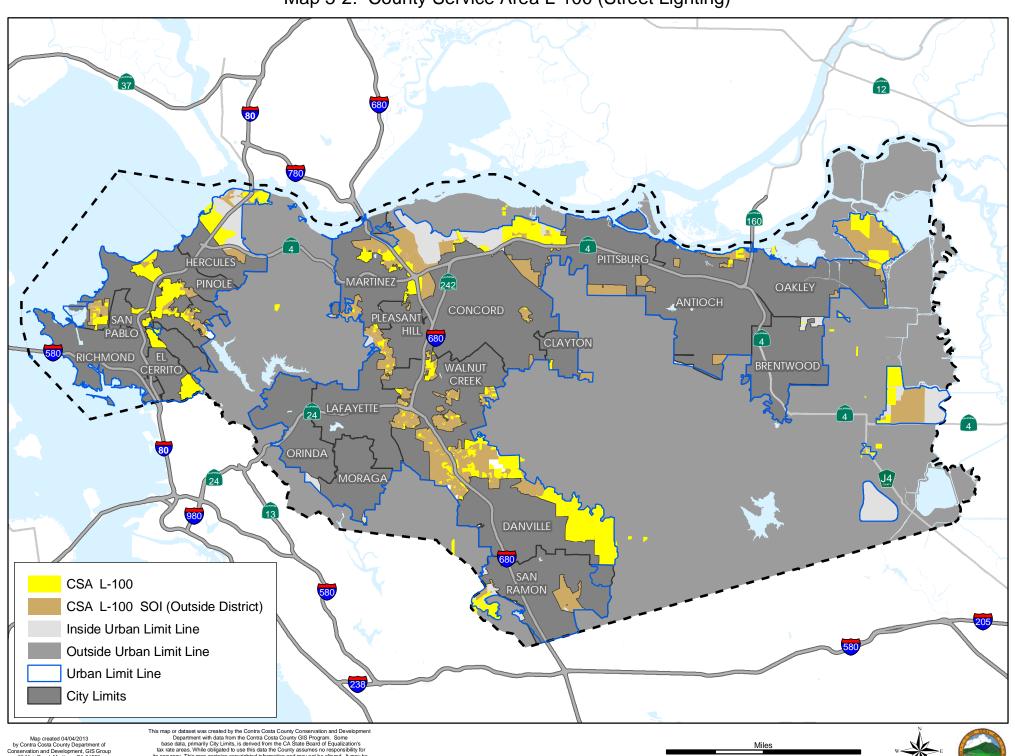
²⁹ California Board of Equalization, Contra Costa District Book, Dec. 31, 2012, pp. 203-212.

³⁰ Contra Costa LAFCO, Resolution Making Determinations and Approving Proposed Consolidation of All Street Lighting "L" County Service Areas (LAFC 86-10), Thereby Forming County Service Area L-100, adopted May 14, 1986.

³¹ Contra Costa LAFCO, Executive Officer's Report, May 9, 1986.

³² Contra Costa LAFCO, meeting minutes for Nov. 12, 2003 meeting.

Map 3-2: County Service Area L-100 (Street Lighting)



Map created 04/04/2013 by Contra Costa County Department of Conservation and Development, GIS Group 30 Muir Road, Martinez, CA 94553 37:59:41.791N 122:07:03.756W

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SERVICE DEMAND AND GROWTH

The CSA boundary area includes many of the developed unincorporated areas in the County (shown in yellow on Map 3-2) but excludes many others (SOI areas shown in brown on Map 3-2, and those outside both the bounds and SOI shown in white). 70 percent of the parcels in unincorporated areas are within the CSA bounds.

There are 40,524 residential units in the CSA bounds, according to Assessor parcel data. The estimated population within the CSA was 104,114 as of 2012.³³ Generally in the unincorporated areas, ABAG projects relatively modest residential growth between 2010 and 2030, anticipating overall growth of nine percent over the 20-year period.³⁴ By comparison, the countywide average population growth is projected at 17 percent over the same period.

Land uses within the CSA are varied, and include residential, commercial, industrial, and public uses.

Street light service demand is driven primarily by growth and development, street light development conditions, the need for security in an area, the extent of pedestrians in an areas, and community preferences.

Disadvantaged communities within the CSA bounds include Bay Point, Bethel Island, North Richmond, Montalvin Manor and Mountain View.³⁵

The CSA is a dependent special district of the County, and is not a land use authority. The County is the land use authority, and is responsible for implementing growth strategies.

FINANCING

The CSA funding level is minimally appears to be adequate to deliver street light services, and does not cover the costs of upgrades, inflation or increasing costs of maintenance.³⁶.

The CSA revenues were \$1.4 million in FY 11-12, as shown in Table 3-4. Revenues were composed of property taxes (53 percent) and service charges (47 percent). There was no interest revenue in FY 11-12 in spite of a positive fund balance; the County reports this was a one-time anomaly and that it continually invests the CSA fund balance.

Property tax revenues amounted to \$20 per parcel for the CSA as a whole. Property taxes were allocated to CSA L-100 from 105 of the 574 tax rate areas (TRAs) in unincorporated territory in FY 07-08 (the most recent year when detailed allocations were available). In the TRAs with allocations for CSA L-100, the allocations varied from 0.0 percent to 3.2 percent, with the median TRA allocating one percent of its property tax to the CSA. For the unincorporated areas as a whole, 0.3

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³³ The estimated 2012 population is the product of a) the number of housing units in the CSA bounds in 2012 (40,524) based on County Assessor parcel data, the home occupancy rate in the unincorporated areas (92.4 percent) according to California Department of Finance (DOF), and the average household size in the unincorporated areas (2.8) according to DOF. The unincorporated areas extend beyond the CSA bounds; the CSA accounted for 64 percent of the housing units in the unincorporated areas as a whole.

³⁴ Association of Bay Area Governments, *Projections 2009*, Aug. 2009. The 2009 forecast was ABAG's most recently adopted forecast at the time this report was drafted. ABAG plans to adopt updated projections in 2013.

³⁵ Disadvantaged communities were identified from American Community Survey 5-year data for 2007-2011 by place and census tract. For LAFCO purposes, disadvantaged communities are defined as having median household income less than 80 percent of the State median (Government Code §56033.5 which, in turn, relies on the definition in Water Code §79505.5).

³⁶ Contra Costa County Conservation & Development Director, Community Facilities District #2010 1 Staff Report, June 15, 2010.

percent of property taxes were allocated to CSA L-100. One factor affecting the property tax allocations was the 1980 cessation of property tax transfers for territory annexed the CSA L-100's predeccessor agencies: CSAs L-32, L-42, L-43 and L46.³⁷

Table 3-4: CSA L-100 Financial Information

Each pProperty owners in the CSA pays an annual service charge that is billed on the property tax bill. For example, tThe annual charge was \$14.94 for a single-family home in FY 12-13. Service charges are paid by parcels of all types regardless of whether or not their property taxes are allocated to the CSA. By comparison, the annual charge for a single-

	FY 10-11	FY 11-12	FY 12-13
	Actual	Actual	Budget
Fund Balance	\$5,062,358	\$5,133,851	NP
Revenues	1,370,268	1,408,962	1,338,782
Property Tax	761,948	741,873	716,082
Service Charges	602,286	667,089	610,700
Interest	6,034	0	12,000
Expenditures	1,171,960	1,347,335	1,338,782
Services and Suppl	ies 795,989	853,601	900,582
Other Charges	96,919	261,675	158,000
Transfers / Admin	279,052	232,059	280,200

family home within the Community Facilities District 2010-1 pay an annual service charge of service service charge of service service service service charge of service service

Expenditures were \$1.3 million in FY 11-12. These consisted primarily of services and supplies (composing 63 percent of CSA costs), including electric utility expenses, vandalism repair expenses, and costs of replacement street lights. Other charges composed 19 percent of expenditures; these include County services associated with replacing street lights. Transfers and other administrative costs (such as tax and assessment fees, and memberships) composed 17 percent of CSA costs. Utility expenses paid by the CSA vary depending on whether the County or PG&E owns the street light or its components.

The CSA has no long-term debt.

The County typically imposes conditions on new development (i.e., new subdivisions and other land use permits) to construct road improvements, including street lights, as part of their entitlements. Upon completion of the street light installation, the developer annexes into a street light maintenance district and the annual assessment begins to fund the maintenance costs. When existing road infrastructure improvements are made, such as road widening or new roadways, the costs of replacing or adding street lights is funded by the project itself. The expected lifespan of a street light is 50 years. County-owned street lights are replaced by the CSA, with associated costs financed by the fund balance.

The CSA had \$5.1 million in fund balances at the end of FY 11-12, which made up 381 percent of expenditures in that year. In other words, the CSA maintained 46 months of working reserves. The CSA's reserves are not designated, and are used for repairs, replacements, cash flow and future service provision. The CSA reported that a potential use for the CSA's reserves is to buy out PG&E street lights in the event that the PG&E service level should become problematic.

³⁷ Contra Costa County Board of Supervisors, Resolution 80/1464, 1980.

³⁸ All parcels pay the service charge. Commercial, industrial, and other uses pay charges based on the benefit they receive from lighting relative to a single-family residential parcel, as established in the CSA's annual report.

STREET LIGHTING SERVICES

Nature and Extent

CSA L-100 provides street lighting maintenance services and pays for utility costs. Specifically, the CSA staff route calls regarding street light outages, and coordinates with County Public Works' Signal Shop staff and PG&E to have lights repaired or replaced. Maintenance services are provided by County General Services staff for County-owned lights and by PG&E staff for PG&E-owned lights.

Location

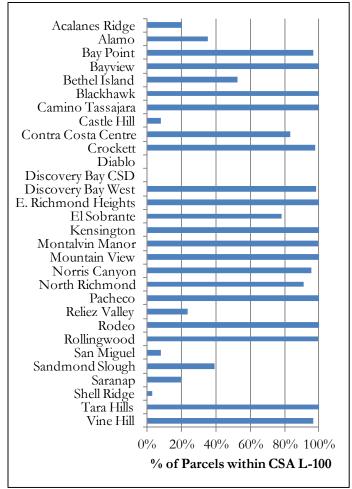
Figure 3-3: Percent of Parcels within CSA L-100 by Unincorporated Community

Street light services are mostly provided to benefit properties within CSA bounds. However, there are areas outside the CSA bounds that receive services. For example, there are portions of the North Richmond, Reliez Valley and Saranap unincorporated areas where there are County-maintained lights in territory outside CSA bounds. See Appendix Map 1 for an unincorporated community locator reference map.

The CSA L-100 bounds are complex, and encompass 70 percent of parcels within the unincorporated areas as a whole. About 36 percent of unincorporated land inside the urban limit line is within the CSA bounds.

None of the parcels within the communities of Diablo and Discovery Bay CSD are within the CSA bounds. Discovery Bay CSD provides street light services, and Diablo CSD is authorized to do so but does not provide street light services to accommodate community preferences.

Most of the Alamo and Reliez Valley



areas are outside the CSA, as shown in Figure 3-3. Portions of Bethel Island and El Sobrante are not within the CSA. Most parcels in the unincorporated islands in the Walnut Creek area—Acalanes Ridge, Castle Hill, San Miguel, Saranap, and Shell Ridge—are outside the CSA bounds.

<u>Infrastructure</u>

Figure 3-4: Typical CSA L-100 Street Light

Typical street lights are composed of a 30-foot pole, a base plate, wiring, a luminaire arm, and a luminaire (i.e., lamp). The lamps vary in wattage from 70 watts in residential locations, 100 watts at intersections and on collector roads and in industrial areas, 150 watts on arterial roads, and 200 watts on major roads and at traffic signals.

There are approximately 2,205 County-owned street lights. In addition, the CSA pays for utility costs for PG&E-owned street lights, of which there are approximately 3,065 with a known location and 1,600 others without a known location in the CSA's street light GIS inventory.

There are other street lights within the unincorporated areas as well: 686 lights are maintained by Discovery Bay CSD, Crockett CSD maintains 30 lights in downtown Crockett, and there are 644 other street lights in Bay Point, Alamo, Rodeo, North Richmond, and other locations. There are



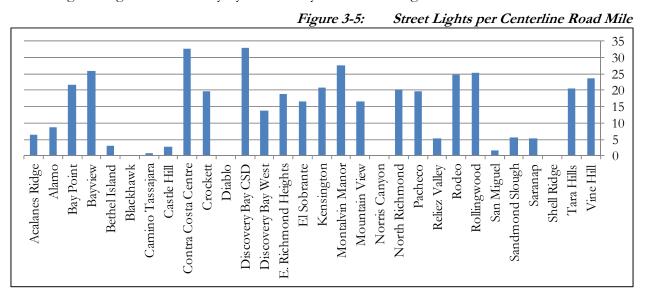
additional street lights not counted in the CSA's GIS inventory that are on private roads or are being maintained directly by homeowners associations or gated communities.

Street Light Service Levels

In 2012, the CSA received 159 service calls, mostly involving street lights out. For County-owned street lights, the median response time for replacing the bulb or otherwise fixing the street light was 29 days. For PG&E-owned lights, the median response time was 41 days.

The County's street light standards provide that the minimum service level on residential streets is a 0.2 average horizontal foot-candles (maintained) with the ratio of average illumination on the roadway to the minimum illumination at any point on the roadway not to exceed 9:1. The service level on commercial street and major thoroughfares is a 0.7 average horizontal foot-candles (maintained) with the ratio of average to minimum illumination not to exceed 6:1.

On average, there are 18.6 street lights per centerline road mile in the unincorporated areas, but there is a great degree of variability by community as shown in Figure 3-5.

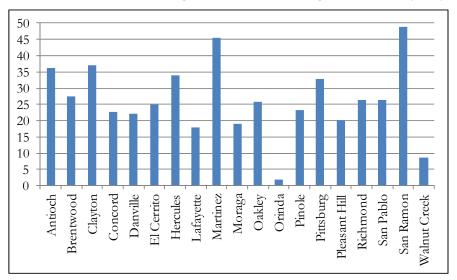


Street light densities (street lights per centerline road mile) are highest in Contra Costa Centre (which is primarily commercial with higher illumination standards) and the portion of Discovery Bay served by the Discovery Bay CSD. Street light densities are very low in the Castle Hill, Reliez Valley, San Miguel, and Shell Ridge communities where very little of the community area is within the CSA L-100 bounds. Street light densities are also very low in the new growth areas with ornamental street lights—Blackhawk, Camino Tassajara, and Norris Canyon—as well as on Bethel Island. The requirements for street light installations in new subdivisions are such that street lights are typically placed 180-220 feet distance from each other.

Figure 3-6: Street Light Densities by City

By comparison, street light densities in the incorporated cities were 26.7, significantly higher than in the 18.6 average in the unincorporated areas.

Reported lighting densities were highest in Antioch, Clayton, Hercules, Martinez, Pittsburg and San Ramon. Street light densities were relatively low in Lafayette, Moraga, Orinda and Walnut Creek. In the



remainder of the cities, street light densities were at moderate levels. The Town of Moraga did not provide street light density information to LAFCO.

GOVERNANCE ALTERNATIVES

Governance alternatives for the CSA include annexation and detachment of territory to better align the CSA bounds with the areas served by the CSA.

Based on the CSA's street light GIS inventory, there appear to be unserved areas within CSA bounds, particularly in Alamo, Blackhawk, Camino Tassajara, Norris Canyon, and Bethel Island, but also affecting smaller areas in Shell Ridge, Saranap, and north Antioch. Detachment of such areas from the CSA may be appropriate. Due to incomplete coverage of the GIS street light inventory (particularly the 1,600 PG&E street lights without a known location), it appears premature to conclude such areas are unserved. LAFCO may wish to encourage the CSA to refine its street light inventory in advance of the next MSR and SOI update cycle to be better informed about the advisability of detachments. The financial impact of detachment of such areas from the CSA is unknown.

Similarly, there are a few areas served that are not within the CSA bounds; such areas are located in North Richmond, Montalvin Manor, Reliez Valley, Saranap, and Pacheco. Annexation of such areas to the CSA may be an option to better align the boundaries with the areas served. LAFCO may wish to encourage the CSA to consider options for financing of lights in such areas in advance of the next MSR and SOI update cycle. The CSA may wish to rely on its CFD mechanism for financing in such areas, and may be planning to require annexation of such areas to the CFD when parcels apply for building permits. The financial impact of annexation of such areas to the CSA

boundaries is unknown at this time; however, annexation would not likely have dramatic impacts on property tax allocations to the CSA. That said, the County did pursue annexation of the Round Hill community (in unincorporated Alamo) to CSA R-7 to reallocate a portion of the future property taxes (i.e., growth not base) from Round Hill to CSA R-7. The County Administrator's Office developed a master tax sharing agreement; following the annexation, the County Auditor's implemented the Master Tax Sharing Agreement and adjusted the property tax allocation for all agencies within the TRA (except schools) to allow the CSA to receive a small portion of future property tax growth.

While there may be gated communities within CSA bounds where residents pay for both private street lights (via HOA dues) and for CSA L-100 services, the MSR lacked the information to identify such areas. Some gated communities have only minimal, decorative street lights.

MSR DETERMINATIONS

Growth and population projections

- 1) The estimated residential population within the CSA bounds was approximately 104,114 in 2012.
- 2) ABAG projects relatively modest growth in territory within the CSA bounds.
- 3) New growth is required to install street lighting in accordance with County policies, and to annex to a Community Facilities District (rather than the CSA) for financing associated maintenance.

Location and characteristics of any disadvantaged unincorporated communities within or contiguous to the SOI

4) Disadvantaged unincorporated communities within the CSA L-100 SOI include Bay Point, Bethel Island, North Richmond, Montalvin Manor, and Mountain View.

Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs and deficiencies

- 5) The CSA is providing street light services in most of the territory within its bounds.
- 6) There appear to be unserved areas in Alamo, Blackhawk, Camino Tassajara, Norris Canyon, and Bethel Island territory that is within CSA bounds.
- 7) Street light densities are somewhat lower in CSA L-100 than in the cities of Contra Costa County.
- 8) For County-owned street lights, the median response time for replacing the bulb or otherwise fixing the street light was 29 days. For PG&E-owned lights, the median response time was 41 days.
- 9) The CSA appears to have an ample fund balance available for financing replacement of street lights in poor condition; however, LAFCO did not have enough information to determine the adequacy of funds for capital needs. LAFCO encourages the CSA to disclose such information in its future annual reports, including the purpose and uses for its ample fund balance.
- 10) LAFCO recommends that the CSA L-100 develop a basic capital replacement plan indicating approximate cost for an ongoing program to replace defunct street lights.

Financial ability of agencies to provide services

- 11) The CSA funds maintenance and repair costs for street lighting services. Locally-generated property taxes (in portions of the boundary area) fund about 53 percent of costs. The remainder of the operating costs is funded by service charges paid by property owners throughout the CSA.
- 12) The current level of financing for the CSA is minimally appears to be adequate to finance services, and reportedly not adequate to finance capital replacement. That said, the CSA does appear to have an ample fund balance available.
- 13) Financing opportunities for presently unfunded needs include service charge increases.

Status of, and opportunities for, shared facilities

- 14) The CSA coordinates repair and service requests for both County-owned street lights and lights owned by PG&E.
- 15) The CSA does not directly own or operate facilities, but simply contributes funding for street lighting maintenance.

Accountability for community service needs, including governmental structure and operational efficiencies

- 16) Accountability for CSA residents in unincorporated areas is limited because there are presently no advisory bodies in which they might participate.
- 17) The CSA demonstrated accountability and transparency by disclosing financial and service related information in response to LAFCO requests.

SOI RECOMMENDATIONS AND DETERMINATIONS

The existing SOI for CSA L-100 is coterminous with SOI boundaries of agencies that provide sewage disposal service, excepting territory within city boundaries. The SOI was originally adopted in 1986 before the urban limit line was adopted, and before the creation of an alternative funding mechanism in 2010, and is now outdated.

Agency Proposal

The County Public Works Department has not proposed an SOI.

SOI Options

Given the considerations addressed in the MSR, two options were identified for the CSA L-100 SOI:

SOI Option #1 – Reduce SOI to be coterminous with CSA bounds.

If LAFCO determines that the existing bounds are appropriate, then the SOI should be reduced to exclude territory outside CSA bounds. Such excluded territory will be annexed to the CFD if and when it should develop, and not to the CSA.

SOI Option #2 – Reduce SOI to include territory within CSA bounds that is not within any city's SOI.

If LAFCO determines that the existing boundary (less territory in cities' SOIs) is appropriate, then the SOI should be reduced to exclude territory outside CSA bounds or inside cities' SOI. When unincorporated territory is annexed to cities, the territory is detached from CSA L-100 and the respective city becomes responsible for street lighting services. Accordingly, this SOI option

would exclude territory that LAFCO has designated for future annexation to cities and thereby future detachment from CSA L-100. If selected, the territory in the CSA's SOI would include only Rodeo, Crockett, portions of Bethel Island, the western portion of Discovery Bay, and Alamo. Although this option reflects the probable future bounds of the CSA (consistent with LAFCO-adopted SOIs), the drawback of this SOI option is that it would require that future changes to City SOIs be accompanied by the effort to change the CSA's SOI.

SOI Option #3 – Reduce SOI to include zero territory.

If LAFCO determines that any territory within the CSA is subject to detachment, then the SOI should be reduced to a zero SOI. Although a zero SOI formally signals that the CSA could be dissolved, LAFCO may wish to pursue this option to minimize the effort associated with keeping the SOI up to date (as LAFCO updates the SOIs of cities).

Recommendation

It is recommended that LAFCO reduce the CSA L-100 SOI to exclude territory outside CSA bounds and territory within the SOIs of cities.

Table 3-5: CSA L-100 SOI Analysis

Issue	Comments	
SOI update	Reduce SOI to exclude territory outside CSA bounds and territory within	
recommendation	the SOIs of cities.	
Services provided	CSA L-100 provides financing for street lighting operations and	
	maintenance.	
Present and planned	Present land uses are varied, and include residential, commercial, industrial,	
land uses in the area	and public uses.	
Projected growth in the District/Recommended	Growth within in the CSA is anticipated to be modest.	
SOI		
Present and probable need for public facilities and services in the area	There is a present and probable need for funding for street light services provided by the CSA.	
Opportunity for infill development rather than SOI expansion	The CSA SOI has no impact on infill development in the area.	
Service capacity and	Street light densities are somewhat lower in CSA L-100 than in the cities of	
adequacy	Contra Costa County. LAFCO did not have enough information to	
	determine the adequacy of funds for capital needs.	
Social or economic communities of interest	The primary communities of interest are the unincorporated communities within the CSA bounds and outside cities' SOIs.	
Effects on other	The recommended SOI reduction would positively affect cities with SOI	
agencies	territory in CSA L-100 by providing a clear signal that such territory should	
	be detached from CSA L-100 when it is annexed to the respective city.	
Potential for	There is no potential for consolidation at this time.	
consolidations or other		
reorganizations when		
boundaries divide		
communities		

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Location of facilities, infrastructure and natural features	The CSA is providing street light services in most of the territory within its bounds. There appear to be unserved areas in Alamo, Blackhawk, Camino Tassajara, Norris Canyon, and Bethel Island territory that is within CSA bounds.
Willingness to serve	The CSA is willing to continue providing street light maintenance funding.
Potential effects on agricultural and open space lands	No potential effects on agricultural or open space lands were identified.
Potential environmental impacts	Although no potential environmental impacts were identified in the MSR, the LAFCO counsel and planner should make CEQA determinations.

CSA M-1 (DELTA FERRY)

CSA M-1 provides financing for the Delta Ferry Authority (DFA) to defray a portion of its costs for ferry service to unincorporated Bradford Island and Webb Tract.

FORMATION AND BOUNDARY

CSA M-1 was formed on January 5, 1960 as a dependent special district of the County.³⁹ The CSA was formed (pre-LAFCO) to "provide and furnish ferry boat services and facilities therein" to Bradford Island and Webb Tract. Shortly after the CSA was formed, the County entered into a Joint Powers Agreement (JPA) with Reclamation Districts Nos. 2026 (Webb Tract) and 2059 (Bradford Island).⁴⁰ The JPA established the Delta Ferry Authority (DFA) to provide ferry services and related docking facilities. In 1987, the County extended the JPA agreement and turned over direct operation of the ferry to the reclamation districts.

The boundary area of the CSA is approximately 8,678 acres (or 13.6 square miles). The CSA bounds consist of two non-contiguous (but adjacent) sections – one is composed of Bradford Island and the other is composed of Webb Tract and small adjacent islands and shoals, as shown on Map 3-3. The CSA is located entirely within Contra Costa County and serves an area located outside the urban limit line. Since formation, there have been no changes to the CSA boundary, according to BOE and LAFCO records.

The SOI for CSA M-1 is coterminous with the boundary of the CSA, and was last updated in 2004.⁴¹

SERVICE DEMAND AND GROWTH

Land uses within the CSA are agricultural, commercial, residential, recreational, and gas extraction.

Present land uses on Bradford Island are agricultural, commercial, residential, recreational, and gas extraction. Local business activity consists primarily of cattle grazing and small commercial operations. The majority of Bradford Island consists of farmland of local importance (approximately 1,610 acres), but also includes prime farmland along the southern portion of the island (approximately 320 acres), and farmland of statewide

Figure 3-7: Bradford Island



importance (approximately 80 acres). There are 481 acres under Williamson Act contract on the island. There are 71 landowners on the island. Recreational activities on the island include fishing, boating, bird watching, and swimming. The island has not experienced significant recent growth, and does not anticipate changes in service demand in the future. There are no planned or proposed development projects on Bradford Island.

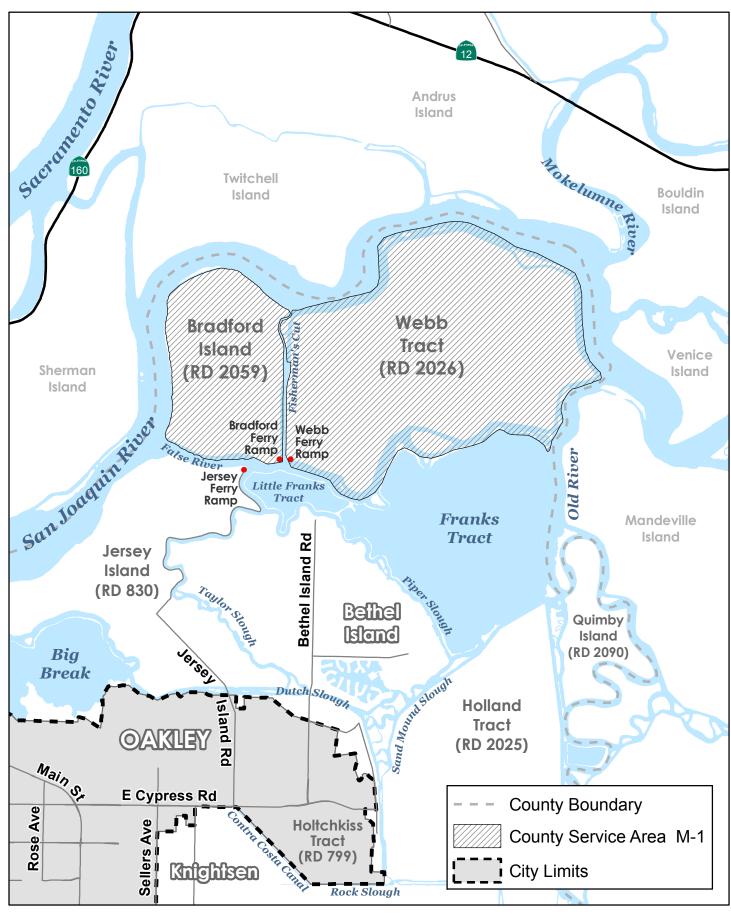
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³⁹ Board of Equalization official date.

⁴⁰ The reclamation districts were reviewed in 2009 by LAFCO. Burr Consulting and Baracco & Associates, Final Municipal Service Review: Reclamation Services, Adopted July 8, 2009.

⁴¹ Contra Costa LAFCO, meeting minutes for Feb. 11, 2004 meeting.

Map 3-3: County Service Area M-1 (Delta Ferry)



Map created 01/07/2013 by Contra Costa County Department of Conservation and Development, GIS Group 30 Muir Road, Martinez, CA 94553 37:59:41.791N 122:07:03.756W Inis map or dataset was created by the Contra Losta County Conservation and Development Department with data from the Contra Costa County (615 Program. Some base data, primarily City Limits, is derived from the CA State Board of Equalization's tax rate areas. While obligated to use this data the County assumes no responsibility for its accuracy. This map contains copyrighted information and may not be altered. It may be reproduced in its current state if the source is cited. Users of this map agree to read and accept the County of Contra Costa disclaimer of liability for geographic information.







Present land uses on the Webb Tract are agricultural. Crops grown on the island include primarily corn and wheat. The majority of the island consists of prime farmland (approximately 4,060 acres), but also includes farmland of statewide importance (approximately 430 acres), unique farmland (approximately 270 acres), and farmland of local importance (approximately 650 acres). Delta Wetlands Properties is the primary landowner on Webb Tract (among other Delta islands). Delta Wetlands' goal is to convert the island to water storage by diverting high winter runoff flows to Webb Tract for beneficial use later in the year. Conversion is expected in the next 5-10 years. Ferry service to Webb Tract will continue to be needed during and after conversion for water storage construction, maintenance and operation purposes.

There are 15 housing units in the CSA bounds, of which 10 were vacant in April 2010 when the decennial census was conducted. The permanent population is approximately 20 persons. The population varies because most of the homes are vacation homes.

The need for ferry services varies over the course of the year. The peak period on Bradford Island is on holiday weekends when property owners are most likely to come to the island for boating, fishing and hunting activities. The peak period on Webb Tract is during corn harvest (between October and December) when the corn is being shipped to market. During that time, trucks are loaded all day long and the farmer often pays for extra ferry runs at the beginning and end of the day to move the corn to market expeditiously.

No disadvantaged communities were identified within or adjacent to the CSA or its SOI.⁴² Bethel Island is located nearby, and is a disadvantaged unincorporated community.

The CSA is a dependent special district of the County, and is not a land use authority. The County is the land use authority, and holds primary responsibility for implementing growth strategies.

FINANCING

The CSA revenues were \$30,554 in FY 11-12, as shown in Table 3-6. Revenues were composed of property taxes, and reflect reimbursements homeowner exemptions (one percent). There was no interest revenue reported in spite of positive fund balances;43 the County reports this was a onetime anomaly and that it continually invests the CSA fund balance.

Table 3-6: CSA M-1 Financial Information

	FY 10-11	FY 11-12	FY 12-13
	Actual	Actual	Budget
Fund Balance	\$3,228	\$3,473	NP
Revenues	30,566	30,554	30,761
Property Tax	30,566	30,554	30,761
Interest	0	0	0
Expenditures	33,665	30,310	30,761
Services and Supplies	0	0	0
Other Charges	32,823	30,306	30,761
Transfers / Admin	842	4	0

⁴² Disadvantaged communities were identified from American Community Survey 5-year data for 2007-2011 by place and census tract. For LAFCO purposes, disadvantaged communities are defined as having median household income less than 80 percent of the State median (Government Code §56033.5 which, in turn, relies on the definition in Water Code §79505.5).

⁴³ Contra Costa County, Fiscal Year 2012-13 Special Districts Budget, 2013.

Expenditures were \$30,310 in FY 11-12. These consisted primarily of service charges (nearly 100.0 percent) and secondarily of transfers for administrative costs (less than one percent). The CSA contributes to Delta Ferry Authority (DFA); CSA contributions composed 13 percent of DFA revenues in FY 11-12.

The CSA has no long-term debt.

The CSA had \$3,0554 in fund balances at the end of FY 11-12, which made up 11 percent of expenditures in that year. In other words, the CSA maintained 1.4 months of working reserves.

Delta Ferry Authority

The Delta Ferry Authority (DFA) reported that financing is minimally adequate to deliver ferry services, and that additional funding would allow for upgrade of ramps and additional hours of operation.

Table 3-7: Delta Ferry Authority Financial Information

DFA revenues were \$223, 655 in FY 11-12, as shown in Table 3-7. DFA revenues are primarily contributions from Reclamation Districts (RD) Nos. 2026 (Webb Tract) and 2059 (Bradford Island). RD contributions composed 83 percent of DFA revenues. These RD contributions to DFA made up 18 percent of RD 2026 expenditures and 28 percent of RD 2059 expenditures. Ferry fares paid by passengers to Bradford Island (\$7.75 for a round-trip ticket for a four-wheel vehicle in FY 12-13) are included in RD 2059 contributions to DFA.

CSA contributions that were funded by property taxes composed 13 percent of DFA revenues. Service charges paid by property owners for unscheduled ferry runs

Delta Ferry Authority FY 11-12 Fund Balance \$20,531 Revenues 223,655 Service charges 7,175 Reclamation districts 186,480 CSA M-1/Property taxes 30,000 Expenditures 238,432 Salaries & Emp Benes 155,328 Fuel & Operating Costs 52,248 Administrative 30,856

compose four percent. DFA offers after-hours service at an hourly rate of \$100 for residents and landowners, and a rate of \$150 for non-residents/non-owners. For example, the Webb Tract farmer pays for extra ferry runs after hours to transport harvested corn via truck to market.

DFA expenditures were \$238,432 in FY 11-12. Employee compensation composed 65 percent of annual costs. DFA spent 22 percent of its total expenditures on operating costs—fuel, repairs, maintenance, and utilities—and 13 percent on administrative costs—insurance, professional fees, and office expenses.

DFA's capital assets were worth \$31,463 at the end of FY 11-12. DFA routinely takes care of major expenses as they arise. DFA replaced lift gates on one end of the vessel and has budgeted replacement of lift gates at the other end for FY 12-13. In FY 13-14, a dry dock is scheduled for the ferry vessel.

DFA's fund balance was \$20,531 at the end of FY 11-12. DFA will have to rely on debt financing when it comes time to replace the ferry vessel.

⁴⁴ Burr Consulting and Baracco & Associates, Contra Costa County Reclamation Services Municipal Service Review: Report to the Contra Costa Local Agency Formation Commission, adopted July 8, 2009

FERRY SERVICES

Nature and Extent

The Delta Ferry Authority, which in turn is partly funded by CSA M-1, provides ferry services across False River from its terminal on Jersey Island (which is accessible to vehicles by bridge to the mainland) to Bradford Island and Webb Tract. The ferry is the primary means of access to Bradford Island and Webb Tract for vehicles, as both islands lack the bridges for road connections to the mainland.

The ferry has scheduled service 50 times weekly; scheduled trips are hourly between 8 a.m. and 5 p.m. on weekdays, 8 a.m. to noon on Saturdays, and 11 a.m. to 3 p.m. on Sundays.

Location

Vehicles and other passengers destined for Bradford Island or Webb Tract board the ferry at the DFA Jersey Ferry Ramp on the northeast tip of Jersey Island. Jersey Island is accessible to vehicles on the mainland via bridge on Jersey Island Road. The ferry makes stops at the Bradford Ferry Ramp at the southeast tip of Bradford Island and the Webb Ferry Ramp at the southwest tip of Webb Tract.

<u>Infrastructure</u>

DFA capital assets are its ferry vessel, a tender (boat that transports captain and crew), and three ferry landings.

The ferry vessel named the *Victory II* is shown in Figure 3-8. The ferry is in fair condition, and is nearing the end of its expected life-span. *Victory II* was purchased in 1986 for \$255,750. It is depreciated over an estimated 30-year useful life, meaning that it is 88 percent depreciated. The County loaned DFA \$226,000 in 1986 for purchase and rehabilitation of the ferry fessel; the debt has been repaid.

The ferry landings consist of one or two wing walls and a ramp. They are quite old and in fair condition. The landings need ongoing repair and maintenance; DFA does not have plans for their replacement.

Figure 3-8: DFA Ferry Vessel

DFA Management and Accountability

DFA is managed by two directors who volunteer about 10 hours weekly – one director (who represents Webb Tract) is responsible for managing day-to-day operations and the other (who represents Bradford Island) for accounting and administration. Management practices include annual financial audits, annual budget, life-saving drills, drug testing, and collaboration with the County on hazardous materials relating to bilge water. DFA employs two captains who direct the three deck hands. The port captain is responsible for manpower and scheduling for both captains, a full-time deckhand and two half-time deckhands.

The captains deal with the public and hear comments and complaints. Landowners may also complain to the respective reclamation district. Other passengers may complain to a published hotline number. About 2-3 complaints are escalated to the DFA director each year; these typically involve the ferry missing a run or running late (often due to weather or boat traffic), and occasionally involve vehicle damage (such as bumps and scrapes).

GOVERNANCE ALTERNATIVES

No governance alternatives for the CSA were identified. The CSA boundaries are logical and line up precisely with the area served by the DFA ferry. Although the CSA property tax yields only 13 percent of DFA revenues, it is nonetheless an important component of the DFA financing level which is minimally adequate.

MSR DETERMINATIONS

Growth and population projections

- 1) The permanent residential population within the CSA bounds is approximately 20. There are 71 landowners on Bradford Island who visit their vacation homes for recreation.
- 2) Projected growth is likely to be minimal.
- 3) The planned conversion of Webb Tract from agricultural to water storage uses is expected to increase ferry demand temporarily during the conversion process.

Location and characteristics of any disadvantaged unincorporated communities within or contiguous to the SOI

4) There are no disadvantaged unincorporated communities within or contiguous to the SOI.

Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs and deficiencies

- 5) The Delta Ferry Authority's vessel is in fair condition and approaching the end of its expected useful life.
- 6) DFA's three ferry landings are aged and in fair condition.

Financial ability of agencies to provide services

7) CSA M-1 funds 13 percent of Delta Ferry Authority's costs. The current level of financing for DFA is minimally adequate. DFA lacks adequate fund balances to pay for ferry ramp replacement.

Status of, and opportunities for, shared facilities

- 8) DFA is managed by representatives of each of the respective Reclamation Districts Nos. 2059 and 2026. The reclamation districts share their funding to operate the ferry.
- 9) No further opportunities for facility sharing were identified.

Accountability for community service needs, including governmental structure and operational efficiencies

10) Accountability for DFA ferry passengers is provided by responsive ferry captains, the respective reclamation districts, and a passenger hotline. CSA accountability for residents in

- unincorporated areas is limited because there are presently no advisory bodies in which they might participate.
- 11) The CSA demonstrated accountability and transparency by disclosing financial and service related information in response to LAFCO requests.

SOI RECOMMENDATIONS AND DETERMINATIONS

The existing SOI for CSA M-1 is coterminous with its bounds. The SOI for the district was affirmed by LAFCO in 2004.

Agency Proposal

Neither the Delta Ferry Authority nor the County Public Works Department has proposed to change the coterminous SOI.

SOI Options

Given the considerations addressed in the MSR, one option is identified for the CSA M-1 SOI:

SOI Option #1 – Retain existing coterminous SOI

If LAFCO determines that the existing government structure is appropriate, then the existing SOI should be retained.

Recommendation

It is recommended that LAFCO adopt a coterminous SOI for CSA M-1 at this time.

Table 3-8: CSA M-1 SOI Analysis

Issue	Comments
SOI update recommendation	Retain coterminous SOI.
Services provided	CSA M-1 provides funding for the ferry service to Bradford Island and Webb Tract.
Present and planned land uses in the area	Present land uses are primarily agricultural, and secondarily commercial, recreational, residential, and gas extraction. The Bradford IslandWebb Tract property owner anticipates converting the island from agricultural to water storage uses within the next 5-10 years.
Projected growth in the District/Recommended SOI	Growth within in the CSA is anticipated to be minimal. The anticipated conversion of Webb Tract to water storage uses may temporarily increase ferry demand during the conversion process.
Present and probable need for public facilities and services in the area	There is a present and probable need for ferry financing services provided by the CSA.
Opportunity for infill development rather than SOI expansion	The CSA SOI has no impact on infill development in the area.
Service capacity and adequacy	Ferry services appear to be adequate. Both the CSA and DFA lack the necessary funds for replacement of an aging ferry vessel and ferry landings. DFA will need to borrow funds for these capital replacement projects.

Social or economic communities of interest	The primary community of interest is the Bradford Island and Webb Tract property owners and their employees, vendors and truckers.
Effects on other	A coterminous SOI would have no direct effect on other agencies.
agencies	
Potential for	There is no potential for consolidation at this time.
consolidations or other	
reorganizations when	
boundaries divide	
communities	
Location of facilities,	Vehicles and other passengers destined for Bradford Island or Webb Tract
infrastructure and	board the ferry at the DFA Jersey Ferry Ramp on the northeast tip of
natural features	Jersey Island. Jersey Island is accessible to vehicles on the mainland via
	bridge on Jersey Island Road. The ferry makes stops at the Bradford Ferry
	Ramp at the southeast tip of Bradford Island and the Webb Ferry Ramp at
	the southwest tip of Webb Tract.
Willingness to serve	The CSA is willing to continue providing funding for ferry services.
Potential effects on	No potential effects on agricultural or open space lands were identified.
agricultural and open	The Webb Tract is used for agricultural purposes, and anticipates
space lands	conversion to water storage uses. This conversion is not affected by
	LAFCO retaining the existing coterminous SOI
Potential environmental	Although no potential environmental impacts were identified in the MSR,
impacts	the LAFCO counsel and planner should make CEQA determinations.

CSA M-20 (VIEW POINTE)

CSA M-20 provides parkway tree maintenance services to the View Pointe subdivision in unincorporated Rodeo.

FORMATION AND BOUNDARY

CSA M-20 was formed on April 8, 1973 as a dependent special district of the County. 45 Its stated purpose was to provide street lighting, street sweeping and parkway maintenance services to the View Pointe subdivision. At the time of formation, the subdivision was being developed. The homes there were built between 1973 and 1978.

The boundary area of the CSA is approximately 381 acres (or 0.6 square miles). The CSA bounds line up with the subdivision. The area is bounded by I-80 on the northwest and Willow Avenue on the southwest (the centerline of which is also the boundary of the City of Hercules). The northern and eastern boundary follows the subdivision bounds, extending to the northeast to include Viewpoint Blvd.; the subdivision is bounded on the north and east by the Contra Costa Carbon Plant, a petroleum coke calcining facility owned by ConocoPhillips Co.

The SOI for CSA M-20 is coterminous with the boundary of the CSA, and was last updated in 2004.46

Boundary History

Since formation, there has been one reorganization to the CSA according to BOE and LAFCO records. On April 16, 1987, the CSA's street lighting function was eliminated and that responsibility was transferred to CSA L-100.47 This reorganization was part of a

Table 3-9: CSA M-20 Boundary History

	LAFCO		Recording
Project Name	Reso/Date	Change Type	Agency ¹
Formation	4/8/1973	Formation	Both
Annex to L-100	86-24	Reorganization	Both
Note:			·

1) Recording agency indicates whether Contra Costa LAFCO or the Board of Equalization (BOE) maintains records of the particular boundary change.

larger reorganization involving a number of former CSAs that were consolidated into CSA L-100 (street lighting).48

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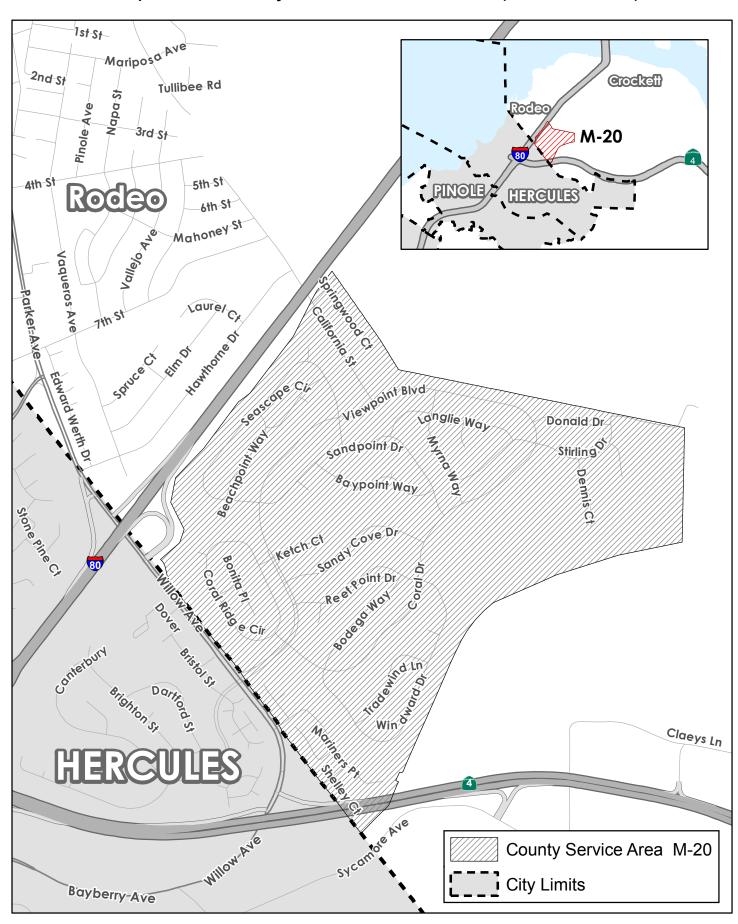
⁴⁵ Board of Equalization official date.

⁴⁶ Contra Costa LAFCO, meeting minutes for Feb. 11, 2004 meeting.

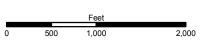
⁴⁷ California Board of Equalization, Contra Costa County District Book, Dec. 31, 2012.

⁴⁸ The reorganization consolidated CSAs M-3, M-7, M-12, M-13, M-14, M-16, M-21, and M22 into CSA L-100, and "annexed" CSAs M-20 and M-23 into CSA L-100.

Map 3-4: County Service Area M-20 (View Pointe)



Map created 01/07/2013 by Contra Costa County Department of Conservation and Development, GIS Group 30 Muir Road, Martinez, CA 94553 37:59:41.791N 122:07:03.756W This map or dataset was created by the Contra Costa County Conservation and Development Department with data from the Contra Costa County (SIS Program. Some base data, primarily City Limits, is derived from the CA State Board of Equalization's tax rate areas. While obligated to use this data the County assumes no responsibility for its accuracy. This map contains copyrighted information and may not be altered. It may be reproduced in its current state if the source is cited. Users of this map agree to read and accept the County of Contra Costa disclaimer of liability for geographic information.







SERVICE DEMAND AND GROWTH

The CSA M-20 bounds encompass the View Pointe subdivision in the unincorporated area of Rodeo. The CSA boundary area is adjacent to the City of Hercules, but is not within the Hercules SOI.

Figure 3-9: CSA M-20 Trail Area View Pointe Subdivision

Land uses within the CSA are residential, parkway and park uses. There are 1,122 residential units in the CSA bounds, according to Assessor parcel data. The homes were built between 1973 and 1978. In the center of the subdivision, there is a tree-lined trail area, as shown in Figure 3-9. On the eastern side of the subdivision, there is a playground and a park. On the northern side of the subdivision, there is an undeveloped parcel owned by East Bay Municipal Utility District.



The estimated population within the CSA was 3,088 as of April 2010. ⁴⁹ The CSA boundary area is built out, and no growth is anticipated. Generally in the Rodeo-Crockett area, ABAG projects slow residential growth between 2010 and 2030, anticipating overall growth of three percent over the 20-year period. ⁵⁰ By comparison, the countywide average population growth is projected at 17 percent over the same period.

No disadvantaged communities were identified within or adjacent to the CSA or its SOI.51

The CSA is a dependent special district of the County, and is not a land use authority. The County is the land use authority, and holds primary responsibility for implementing growth strategies.

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⁴⁹ U.S. Census Bureau, *2010 Census Summary File 1*, 2010. The estimated 2010 population is the product of a) the number of housing units in the subdivision (1,122), the home occupancy rate in the Rodeo CDP (93.1 percent), and the average household size in the Rodeo CDP (2.96). The Rodeo CDP extends beyond the subdivision; the View Pointe subdivision accounted for 36 percent of the housing units in the Rodeo CDP.

⁵⁰ Association of Bay Area Governments, *Projections 2009*, Aug. 2009. The 2009 forecast was ABAG's most recently adopted forecast at the time this report was drafted. ABAG plans to adopt updated projections in 2013. Draft 2013 projections were not available for the unincorporated Rodeo area.

⁵¹ Disadvantaged communities were identified from American Community Survey 5-year data for 2007-2011 by place and census tract. For LAFCO purposes, disadvantaged communities are defined as having median household income less than 80 percent of the State median (Government Code §56033.5 which, in turn, relies on the definition in Water Code §79505.5).

FINANCING

The CSA revenues were \$9,216 in FY 11-12. Revenues were composed of property taxes. There was no interest revenue reported in spite of positive fund balances;⁵² the County reports this was a one-time anomaly and that it continually invests the CSA fund balance.

Expenditures were \$6,958 in FY Other Charges 6,856 6,793 8, 11-12. These consisted primarily of Transfers 491 165 service charges (98 percent) and secondarily of transfers for administrative costs (two percent).

Actual Actual Budget Fund Balance \$2,154 \$4,412 NP Revenues 9,216 9,342 9,250 Property Taxes 9,342 9,216 9,250 Expenditures 7,347 6,958 9,250 Services and Supplies 750 0 Other Charges 6,856 6,793 8,000 491 500 Transfers 165

The CSA has no long-term debt.

The CSA had \$4,412 in fund balances at the end of FY 11-12, which made up 63 percent of expenditures in that year. In other words, the CSA maintained 7.6 months of working reserves.

Table 3-10:

PARKWAY MAINTENANCE

CSA M-2<u>0</u>3 provides weekly tree trimming services for parkway trees along the north side of Willow Avenue between Mariner's Point and the I-80 on-ramp. On average, two crew members from the County Public Works Department spend about one hour weekly trimming the trees, as part of their maintenance route. The trees along the north side of Willow Avenue just west of Viewpointe Blvd. are shown in Figure 3-2.



Figure 3-10: Willow Avenue Trees

CSA M-20 Financial Information

FY 10-11 FY 11-12 FY 12-13

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⁵² Contra Costa County, Fiscal Year 2012-13 Special Districts Budget, 2013.

<u>Infrastructure</u>

CSA capital assets involve only the trees along the north side of Willow Avenue. The CSA funds tree replacement, as needed, through its fund balance. The CSA is not responsible for trees in the interior of the subdivision; those trees are maintained by the Viewpointe Homeowners Association.

GOVERNANCE ALTERNATIVES

No governance alternatives for the CSA were identified. The CSA boundaries are logical and line up precisely with the subdivision. Although the CSA property tax yields minimal revenues, it does support the costs of tree trimming along the north side of Willow Avenue; hence, dissolution is not a desirable policy option.

MSR DETERMINATIONS

Growth and population projections

- 1) The estimated residential population within the CSA bounds is approximately 3,088.
- 2) Projected growth is likely to be minimal as the area is built-out.

Location and characteristics of any disadvantaged unincorporated communities within or contiguous to the SOI

3) There are no disadvantaged unincorporated communities within or contiguous to the SOI.

Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs and deficiencies

4) The only CSA capital assets are the trees along the north side of Willow Avenue. Tree replacement is performed as needed and funded by the CSA fund balance.

Financial ability of agencies to provide services

5) The CSA funds the cost of tree trimming. The current level of financing for the CSA is adequate to finance weekly services.

Status of, and opportunities for, shared facilities

- 6) The CSA is staffed by County Public Works staff, and shares administrative costs and staffing with other CSAs.
- 7) No opportunities for facility sharing were identified.

Accountability for community service needs, including governmental structure and operational efficiencies

- 8) Accountability for CSA residents in unincorporated areas is limited because there are presently no advisory bodies in which they might participate.
- 9) The CSA demonstrated accountability and transparency by disclosing financial and service related information in response to LAFCO requests.

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SOI RECOMMENDATIONS AND DETERMINATIONS

The existing SOI for CSA M-20 is coterminous with its bounds. The SOI for the district was affirmed by LAFCO in 2004.

Agency Proposal

The County Public Works Department has not proposed to change the coterminous SOI.

SOI Options

Given the considerations addressed in the MSR, one option is identified for the CSA M-20 SOI: SOI Option #1 – Retain existing coterminous SOI

If LAFCO determines that the existing government structure is appropriate, then the existing SOI should be retained.

Recommendation

It is recommended that LAFCO adopt a coterminous SOI for CSA M-20 at this time.

Table 3-11: CSA M-20 SOI Analysis

Issue	Comments
SOI update recommendation	Retain coterminous SOI.
Services provided	CSA M-20 provides funding for tree trimming.
Present and planned land uses in the area	Present land uses are primarily residential, and also include parkway, trail and park uses.
Projected growth in the District/Recommended SOI	Growth within in the CSA is anticipated to be minimal.
Present and probable need for public facilities and services in the area	There is a present and probable need for tree trimming services provided by the CSA.
Opportunity for infill development rather than SOI expansion	The CSA SOI has no impact on infill development in the area.
Service capacity and adequacy	Tree trimming services appear to be adequate.
Social or economic communities of interest	The primary community of interest is the View Pointe subdivision in unincorporated Rodeo.
Effects on other agencies	A coterminous SOI would have no direct effect on other agencies.
Potential for consolidations or other reorganizations when boundaries divide communities	There is no potential for consolidation at this time.

Location of facilities, infrastructure and natural features	The trimmed trees are located on the north side of Willow Avenue. The CSA is not responsible for tree trimming inside the subdivision; the Homeowners Association trims trees along the trail areas.
Willingness to serve	The CSA is willing to continue providing tree trimming.
Potential effects on agricultural and open space lands	No potential effects on agricultural or open space lands were identified.
Potential environmental impacts	Although no potential environmental impacts were identified in the MSR, the LAFCO counsel and planner should make CEQA determinations.

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CSA M-23 (BLACKHAWK)

CSA M-23 provides financing for drainage and geologic hazard abatement services to the unincorporated area of Blackhawk. Drainage services are provided by County Public Works staff. Geologic hazard abatement services are provided by a private contractors.

FORMATION AND BOUNDARY

CSA M-23 was formed on June 20, 1977 as a dependent special district of the County.⁵³ At the time of formation, the CSA's purpose was to provide maintenance of certain flood control facilities as required by the County in its condition for approval for the 2,800-acre Blackhawk Ranch project, other services authorized in the formation resolution included parkway maintenance, street lighting, open space maintenance, and parks and recreation services.⁵⁴ The CSA was adopted shortly before Proposition 13 capped the property tax rate. The CSA provided only drainage maintenance and street lighting services in its early years.

During the rainy winter of 1982-83, there were landslides in open space areas of the Blackhawk project. The developer, Blackhawk Corp., studied and repaired those land failures, and sought reimbursement from the County for those costs. In response, the CSA's powers were expanded in 1986 to include geologic hazard abatement.⁵⁵ On the same day, the Blackhawk Geologic Hazard Abatement District (GHAD) was formed,⁵⁶ and the County and the Blackhawk GHAD entered into an agreement for the transfer of surplus CSA M-23 revenues to the GHAD.

Since formation, there have been three reorganizations to the CSA, as shown in Table 3-12. In 1985, five parcels were detached from the CSA and nine parcels were annexed to the CSA.

On April 16, 1987, the CSA's street lighting function was eliminated and that responsibility was transferred to CSA L-100.⁵⁷

Table 3-12: CSA M-23 Boundary History

	LAFCO		Recording
Project Name	Reso/Date	Change Type	Agency ¹
Formation	6/20/1977	Formation	Both
Blackhawk Reorg.	85-21	Reorganization	Both
Annex to L-100	86-24	Service Transfer	Both
Blackhills Reorg.	90-29	Annexation	Both
	<u> </u>		

Note

1) Recording agency indicates whether Contra Costa LAFCO or the Board of Equalization (BOE) maintains records of the particular boundary change.

This reorganization was part of a larger reorganization involving a number of former CSAs that were consolidated into CSA L-100 (street lighting).⁵⁸

In 1990, the "Canyons" area was annexed to the CSA without an associated property tax allocation to the CSA.

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⁵³ Board of Equalization official date.

⁵⁴ Contra Costa LAFCO, Resolution of the Local Agency Formation Commission of the County of Contra Costa Making Determinations and Approving Proposed Blackhawk Boundary Reorganization No. 2, adopted April 20, 1977.

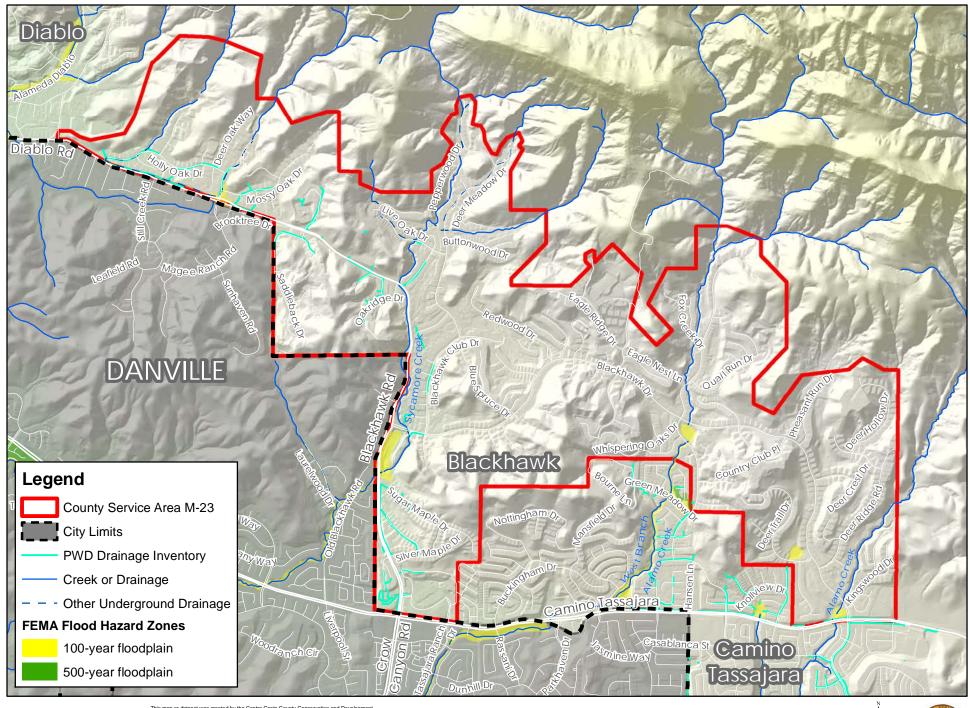
⁵⁵ Contra Costa County Board of Supervisors, Resolution No. 86/209, adopted April 22, 1986.

⁵⁶ Contra Costa County Board of Supervisors, Resolution No. 86/210, adopted April 22, 1986.

⁵⁷ California Board of Equalization, Contra Costa County District Book, Dec. 31, 2012.

⁵⁸ The reorganization consolidated CSAs M-3, M-7, M-12, M-13, M-14, M-16, M-21, and M22 into CSA L-100, and "annexed" CSAs M-20 and M-23 into CSA L-100.

Map 3-5: County Service Area M-23 (Blackhawk)



Map created 01/31/2013 by Contra Costa County Department of Conservation and Development, GIS Group 30 Muir Road, Martinez, CA 94553 37:59:41.791N 122:07:03.756W This map or dataset was created by the Contra Costa County Conservation and Development Department with data from the Contra Costa County GIS Program. Some base data, primarily City Limits, is derived from the CA State Board of Equalization's tax rate areas. While obligated to use this data the County assumes no responsibility for a secureary. This map contains copyrighted information and may not be altered. It may be reproduced in its current state if the source is cited. Users of this map agree to read and accept the County of Contra Costa disclaimer of liability for geographic information.



The CSA boundary is shown on Map 3-5. The present boundary area of the CSA is approximately 2,781 acres, or 4.3 square miles.

The SOI for CSA M-23 is coterminous with the boundary of the CSA, and was last updated in 2004.⁵⁹

SERVICE DEMAND AND GROWTH

The CSA boundary area is in the unincorporated area of Blackhawk.

Figure 3-11: Homes at Blackhawk Country Club

Land uses within the CSA are primarily residential, and also include office buildings, a retail shopping center, a theater, two museums, and two golf courses. There are 2,399 residential units in the CSA bounds, according to Assessor parcel data. Homes are located in six gated communities. No major residential development projects are proposed or planned in the Blackhawk area.⁶⁰

The area is located at the base of Mt. Diablo (elevation 3,864 feet). Soils in this upland area contain clay, and tend to



swell in the winter; expandable soils are susceptible to downhill soil creep on slopes. Landslide activity tends to peak after heavy rain events. Service demand for both drainage and geologic hazard abatement is driven primarily by rainfall and secondarily by the development of impervious surfaces.

The estimated population within the CSA was 6,454 as of 2012.⁶¹ The CSA boundary area is nearly built out, with only modest growth anticipated. Generally in the Blackhawk area, ABAG projects slow residential growth between 2010 and 2030, anticipating overall growth of five percent over the 20-year period. ⁶² By comparison, the countywide average population growth is projected at 17 percent over the same period. Commercial growth is expected to be limited. The County General Plan policy for this area is that large-scale commercial uses and regional shopping centers in this area are inappropriate.⁶³

No disadvantaged communities were identified within or adjacent to the CSA or its SOI.⁶⁴

The CSA is a dependent special district of the County, and is not a land use authority. The County is the land use authority, and is responsible for implementing growth strategies.

⁵⁹ Contra Costa LAFCO, meeting minutes for Feb. 11, 2004 meeting.

⁶⁰ Contra Costa County, Contra Costa County Housing Element, 2009, Table 6-37.

⁶¹ U.S. Census Bureau, 2010 Census Summary File 1, 2010. The estimated 2012 population is the product of a) the number of housing units in the CSA in 2012 (2,399), the home occupancy rate in the Blackhawk CDP (96.2 percent), and the average household size in the Blackhawk CDP (2.8). The Blackhawk CDP extends beyond the CSA bounds; the CSA accounted for 69 percent of the housing units in the Blackhawk CDP.

⁶² Association of Bay Area Governments, *Projections 2009*, Aug. 2009. The 2009 forecast was ABAG's most recently adopted forecast at the time this report was drafted. ABAG plans to adopt updated projections in 2013. Draft 2013 projections were not available for the unincorporated Blackhawk area.

⁶³ Contra Costa County, *General Plan 2005-2020*, 2005, pp. 3-54 and 3-55.

⁶⁴ Disadvantaged communities were identified from American Community Survey 5-year data for 2007-2011 by place and census tract. For LAFCO purposes, disadvantaged communities are defined as having median household income less than 80 percent of the State median (Government Code §56033.5 which, in turn, relies on the definition in Water Code §79505.5).

FINANCING

Table 3-13: CSA M-23 Financial Information

The CSA revenues were \$1.7 million in FY 11-12. Revenues were composed of property taxes (99 percent) and reimbursements for homeowner exemptions (one percent). Property taxes paid by most CSA properties are allocated partly to CSA M-23; however, a tax rate area (66343) in the Canyons does not presently contribute. There was no interest revenue

	FY 10-11	FY 11-12	FY 12-13
	Actual	Actual	Budget
Fund Balance	\$169,832	\$142,855	NP
Revenues	1,732,272	1,675,248	1,669,740
Property Tax	1,732,272	1,675,248	1,669,740
Interest	53	0	0
Expenditures	187,276	1,702,224	1,812,595
Services and Supplies	0	101	40,500
Other Charges	2,292,453	1,682,892	1,760,095
Transfers / Admin	11,734	19,231	12,000

in spite of positive fund balances; the County reports this was a one-time anomaly and that it continually invests the CSA fund balance..

Expenditures were \$1.7 million in FY 11-12. These consisted primarily of charges by the GHAD (97 percent of CSA expenditures), and secondarily of charges for drainage services performed by County staff (two percent) and administrative costs (one percent). Under the funding agreement between the County and the GHAD, the County may budget and retain as-needed costs for drainage maintenance, incidental administrative expenses, and a \$40,000 holdback for contingencies; the remainder of CSA M-23 funds are made available to the GHAD.⁶⁵

The CSA has no long-term debt.

The CSA had \$142,855 in fund balances at the end of FY 11-12, which made up eight percent of expenditures in that year. In other words, the CSA maintained one month of working reserves.

Table 3-14:

The Blackhawk GHAD is funded by CSA M-23. GHAD revenues were \$1.6 million in FY 11-12.66 CSA property taxes composed 99 percent of GHAD revenues, and interest income composed one percent, as shown in Table 3-14.

In FY 12-13, major projects compose 47 percent of budgeted expenditures, GHAD operations

	FY 10-11	FY 11-12	FY 12-13
	Actual	Actual	Budget
Fund Balance	\$3,758,557	\$4,140,650	\$4,365,650
Revenues		1,658,589	1,670,000
Property Tax		1,642,857	1,650,000
Interest		15,732	20,000
Expenditures		926,439	1,445,000
Major Projects		453,672	685,000
Operations		157,287	397,500
Special Studies		50,475	92,500
Administration		265,005	270,000

Blackhawk GHAD Financial Information

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⁶⁵ Agreement for Funding for the Blackhawk Geologic Hazard Abatement District, originally August 14, 2007, as amended April 11, 2011.

⁶⁶ Blackhawk Geologic Hazard Abatement District, Annual Report Fiscal Year 2011-2012, June 2012.

(preventive maintenance and monitoring) compose 28 percent, special studies 6 percent, and administration 19 percent.⁶⁷ GHAD expenditures in FY 11-12 were relatively low compared with its revenues and FY 12-13 budgeted expenditures. This was due to delays in procuring agreements from property owners affected by the Silver Oaks Townhomes landslide repair project, which is being performed in FY 12-13.

The GHAD had no long-term debt at the end of FY 11-12.

The GHAD carried a fund balance of \$4.1 million at the end of FY 11-12, which made up 447 percent of expenditures in that year. In other words, the GHAD maintained 54 months of working reserves. GHAD reserves are primarily maintained in preparation for major rain events (that cause higher numbers of landslides). The GHAD's reserve study estimates that \$3.0 million in reserves is needed for wet years (that occur every 12.5 years) and \$0.5 million is needed for heavy rain days (that occur once every 25 years). 68

DRAINAGE SERVICES

Nature and Extent

From its inception, the CSA M-23 purpose was to provide maintenance of certain flood control facilities as required by the County in its condition for approval for the 2,800-acre Blackhawk Ranch project. The CSA is responsible for maintaining storm drain pipe systems generally 30 inches or more in diameter, detention, debris and silt basins, man-made channel improvements, and natural channels in the service area except those upstream of the retention basins. The CSA is responsible for maintaining drainage facilities located in easements dedicated to the County, and is not responsible for certain ravines, swales, interceptor ditches or private facilities on private or open space property.⁶⁹

The County Public Works Department provides drainage maintenance services to the CSA. The Department annually inspects facilities, clears earthen channels of excess vegetation and debris, clears silt and debris from culverts, mows channel banks and rights of ways, and applies herbicides to control broadleaf weeds. County staff also inspect the facilities after major storms and remove log and debris jams. As needed, the channels, culverts, and safety fences are repaired, and silt deposits are removed. The Department contracts with the County Agriculture Department to control rodents to prevent their burrows in the earthen dams for the detention basins.

Location

CSA-maintained drainage facilities are located throughout the CSA bounds. The County was providing services at the time this report was drafted to all areas except the Canyons subdivision.

<u>Infrastructure</u>

The County, not the CSA,-is the direct owner of the infrastructure that it maintains. The inventory and condition of the infrastructure were not provided.

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⁶⁷ Blackhawk Geologic Hazard Abatement District, Program Budget Fiscal Year 2012-2013, April 2012.

⁶⁸ Blackhawk Geologic Hazard Abatement District, Reserve Study, Dec. 5, 2003, p. 7.

⁶⁹ Agreement between Blackhawk GHAD and Contra Costa County, 1986, Exhibit A.

GEOLOGIC HAZARD ABATEMENT SERVICES

Nature and Extent

CSA M-23 funds the Blackhawk GHAD which, in turn, provides geologic hazard abatement services to the CSA. The GHAD's services involve the prevention, mitigation, abatement, or control of actual or threatened landslides.

GHAD activities include major projects, preventative maintenance, monitoring and special studies. Major projects involve evaluation and repair of landslides and slope stabilization features, such as structural walls. For example, the GHAD is conducting a slope stabilization project at Silver Oak Townhomes in FY 12-13 after discovering a landslide below a four-unit residential building. Another major project being conducted in FY 12-13 involves replacing a damaged interceptor ditch and repair of a damaged earth retention structure on Deer Oak Lane. In heavy rain years, unexpected repairs are necessary to avert or control landslides that threaten property in the CSA.

Figure 3-12: Geologic Hazard Abatement Services Photo

The GHAD responds to 30-50 incidents annually, typically during the winter rainy season. Emergency response involves potential or active landslides as well as drainage issues involving potential property damage. The incidents typically involve mud or debris flows, plugged storm drains, and flood properties. Severe cases often require temporary slope stabilization measure in preparation for a major project.

Preventative maintenance includes maintenance of storm drain facilities, drain systems, and retention basins.



Monitoring involves the maintenance and monitoring of piezometers (measuring ground water elevations), inclinometers, horizontal drains, subdrains, and settlement monitors. Data collected from the instruments is analyzed to establish trends and to attempt to identify slope movement in advance of a landslide or other slope failure.

Special studies include preparation and update of the GHAD's Plan of Control, reserve fund study, and targeted studies in the areas of fiscal policy and geologic risk.

Location

The GHAD provides geologic hazard abatement services to most areas within the CSA bounds. The GHAD boundaries are nearly identical to the CSA M-23 bounds, with the exception that the GHAD contains additional (undeveloped) territory in the northeast portion (west and north of Pheasant Run Drive).⁷⁰

Beginning in December 2012, the GHAD became aware that zero property tax revenues are being paid by a recent subdivision called the Canyons. The Canyons area was annexed to the CSA in 1990. The GHAD, County and affected homeowners are discussing potential financing solutions for the Canyons, such as payment of an assessment, so that the Canyons may be included in the GHAD's service area in the future.

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⁷⁰ Blackhawk Geologic Hazard Abatement District, Second Amended Plan of Control, Aug. 30, 2006.

The GHAD does not provide services for slope failures affecting only one parcel (of one acre or less in size) if the slope failure is caused by improvements made on that property that alter drainage or slope stability (unless the damage threatens other properties).

Infrastructure

GHAD-maintained capital assets include storm drain systems, 200 catch basins, 12 miles of concrete-lined drainage ditches ("B-58 drains"), six retention basins, 267 horizontal drains, a subdrain pump, 75 piezometers, other monitoring instruments, and debris benches.⁷¹ Debris benches are installed at the bottom of steep sloped to provide a buffer zone for erosion deposits before they flow onto private property. Neither CSA M-23 nor the GHAD owns these assets.

GHAD Management and Governance

The GHAD (consulting) staff includes a general manager, construction services manager, administration manager and other support staff. The GHAD also hires private contractors for certain landslide abatement services. The Blackhawk GHAD is managed by a private firm that also manages another GHAD; its employees are shared and the respective GHAD's pay their share of employee work time. GHAD management practices include annual budgets, annual financial reports, and occasional updates to the Plan of Control (last updated 2006) and reserve study (last updated 2003). The GHAD reported that it plans to update both the Plan of Control and the reserve study in FY 12-13.

The Blackhawk GHAD is governed by a Board of Directors that is comprised of the Contra Costa County Board of Supervisors. The Board meets at least once annually, and usually a few times each year. Complaints may be directed to the GHAD general manager, respective homeowners association or the Board. No complaints were received by the GHAD in 2012. A lawsuit was filed against the GHAD in 2009 by multiple homeowners in Silver Oak Townhomes related to land subsidence; the GHAD is defending the lawsuit and associated financial risk is not yet determined.⁷²

GOVERNANCE ALTERNATIVES

Detachment of non-contributing territory from the CSA is a governance alternative. In 1990, the "Canyons" area was annexed to the CSA without an associated property tax allocation to the CSA. The GHAD discovered this oversight in December 2012, and has removed the affected area from its service area until the funding problem is resolved. Detachment appears to be premature at this time. The GHAD, the County and affected property owners are actively attempting to identify an alternative funding source, such as assessments, to ensure that the Canyons receives geologic hazard abatement services in the future.

MSR DETERMINATIONS

Growth and population projections

- 1) The estimated residential population within the CSA bounds is approximately 6,454.
- 2) Growth in the CSA is projected to be relatively slow, as the planned development in the area has largely been completed.

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⁷¹ Blackhawk Geologic Hazard Abatement District, Reserve Study, Dec. 5, 2003.

⁷² Blackhawk Geologic Hazard Abatement District, Annual Report Fiscal Year 2011-2012, June 2012, p. 16.

Location and characteristics of any disadvantaged unincorporated communities within or contiguous to the SOI

3) There are no disadvantaged unincorporated communities within or contiguous to the SOI.

Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs and deficiencies

- 4) Drainage and geologic hazard abatement services appear to be adequate. The GHAD conducts preventative maintenance and extensive planning efforts.
- 5) The CSA and the CSA-funded GHAD provide routine maintenance and address infrastructure needs on an as-needed basis.

Financial ability of agencies to provide services

- 6) The CSA funds drainage and geologic hazard abatement services.
- 7) The current level of financing for drainage and geologic hazard abatement services appears to be adequate in most of the CSA boundary area. Territory annexed in 1990 is not presently contributing property taxes or other funding to the CSA.
- 8) The CSA-funded GHAD has accumulated adequate financial reserves to address extraordinary needs in the event of an El Niño or heavy rain day.

Status of, and opportunities for, shared facilities

- 9) The CSA does not directly own or operate facilities, but simply contributes funding for drainage and geologic hazard abatement operations and facilities.
- 10) The CSA relies on County and private sector staffing for its operations and administration.
- 11) No facility sharing opportunities were identified.

Accountability for community service needs, including governmental structure and operational efficiencies

- 12) Accountability for CSA residents in unincorporated areas is limited because there are presently no advisory bodies in which they might participate.
- 13) The CSA demonstrated accountability and transparency by disclosing financial and service related information in response to LAFCO requests.

SOI RECOMMENDATIONS AND DETERMINATIONS

The existing SOI for CSA M-23 is coterminous with its bounds. The SOI for the CSA was affirmed by LAFCO in 2004.

Agency Proposal

Neither the County Public Works Department nor the Blackhawk GHAD has proposed to change the coterminous SOI.

SOI Options

Given the considerations addressed in the MSR, two options are identified for the CSA M-23 SOI:

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SOI Option #1 – Retain existing coterminous SOI

If LAFCO determines that the existing government structure is appropriate, then the existing SOI should be retained.

SOI Option #2 – Reduce SOI to exclude non-contributing areas

If LAFCO determines that territory not contributing property taxes to the CSA should be detached, then the SOI for the CSA should be reduced to exclude the Canyons area annexed in 1990.

Recommendation

It is recommended that LAFCO adopt a coterminous SOI for CSA M-23 at this time. Although the boundary is not presently logical or equitable, the GHAD and affected property owners in the Canyons area have not had sufficient time to identify alternate funding sources, such as assessments, that would finance services to the affected area.

Table 3-15: CSA M-23 SOI Analysis

Issue	Comments	
SOI update recommendation	Retain the coterminous SOI.	
Services provided	CSA M-23 provides funding for maintenance of drainage facilities and geologic hazard abatement services.	
Present and planned land uses in the area	Present land uses are primarily residential, and also include open space, commercial and recreational uses. The MSR did not identify any significant development plans in the CSA.	
Projected growth in the District/Recommended SOI	Growth within the CSA is expected to be minimal.	
Present and probable need for public facilities and services in the area	There is a present and probable need for drainage and geologic hazard abatement services.	
Opportunity for infill development rather than SOI expansion	The CSA SOI has no impact on infill development in the area.	
Service capacity and adequacy	Drainage and geologic hazard abatement services appear to be adequate. The GHAD conducts preventative maintenance and extensive planning efforts.	
Social or economic communities of interest	The primary communities of interest are the unincorporated areas within CSA bounds.	
Effects on other agencies	A coterminous SOI would have no significant effect on other agencies. The CSA is adjacent to the town of Danville, but not within the Town's SOI or planning area.	
Potential for consolidations or other reorganizations	There is no potential for consolidation at this time. The closest GHAD is in the Town of Danville, and is operated by a homeowners association.	

Location of facilities, infrastructure and natural features	Facilities for drainage and slope stability are located throughout the CSA. The CSA area consists of uplands and sloped areas below Mount Diablo.
Willingness to serve	The CSA is willing to continue providing drainage and geologic hazard abatement funding.
Potential effects on agricultural and open space lands	No potential effects on agricultural or open space lands were identified.
Potential environmental impacts	Although no potential environmental impacts were identified in the MSR, the LAFCO counsel and planner should make CEQA determinations.

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CSA M-31 (PLEASANT HILL BART)

CSA M-31 finances shuttle and vanpool transit services to the Pleasant Hill/Contra Costa Centre BART station vicinity in unincorporated Walnut Creek.

FORMATION AND BOUNDARY

CSA M-31 was formed on August 12, 2002 as a dependent special district of the County.⁷³ The CSA was formed for the purpose of financing transportation demand management (TDM) services in the Pleasant Hill/Contra Costa Centre BART Station area.

The BART station was built in the early 1970s. The County developed a Specific Plan for the area in 1983 and a Redevelopment Plan in 1984 with the goal of locating employment and housing next to this regional transportation hub. As the area was developing in 1986, the County required commercial property owners in the area to participate in an area-wide TDM program that aims to encourage commute alternatives and reduce parking demand and traffic congestion. The TDM program was initially funded by a one-time assessment (paid at the time of entitlement), but those funds were eventually depleted. The Contra Costa Centre Association, an area non-profit in which the affected property owners are members, voted in 2001 to initiate the process of CSA formation to ensure continued compliance with CEQA and development conditions. A 2002 County-commissioned plan for CSA services proposed a benefit assessment based on commercial square footage to provide shuttle operations, vanpool operations, bike parking and transit subsidies. Shortly afterwards, affected property owners approved the assessment. The CSA was then formed to provide TDM services.

The boundary area of the CSA is approximately 73 acres (or 0.1 square miles) including a non-contiguous area on Alderwood Road. The CSA bounds contain most of the commercial and mixed use properties in the County's former Contra Costa Centre redevelopment area, as shown in Map 3-6. Two commercial parcels in the former redevelopment area were excluded from the CSA.⁷⁵

Table 3-16: CSA M-31 Boundary History

Since formation, there has been one change to the boundary and SOI of CSA M-31, as shown in Table 3-16. In 2008, the BART property was annexed to the CSA. The County required the property owner (BART) to annex to the CSA as a development condition

	LAFCO		Recording
Project Name	Reso/Date	Change Type	Agency ¹
Formation	02-19	Formation	Both
San Fran BART	08-19	Annexation	Both

Note:

1) Recording agency indicates whether Contra Costa LAFCO or the Board of Equalization (BOE) maintains records of the particular boundary change.

when it proposed to redevelop the station area to mixed use purposes.

The SOI for CSA M-31 is coterminous with the boundary of the CSA, and was last updated in 2004, ⁷⁶ and was expanded in 2008 to include the annexation area.

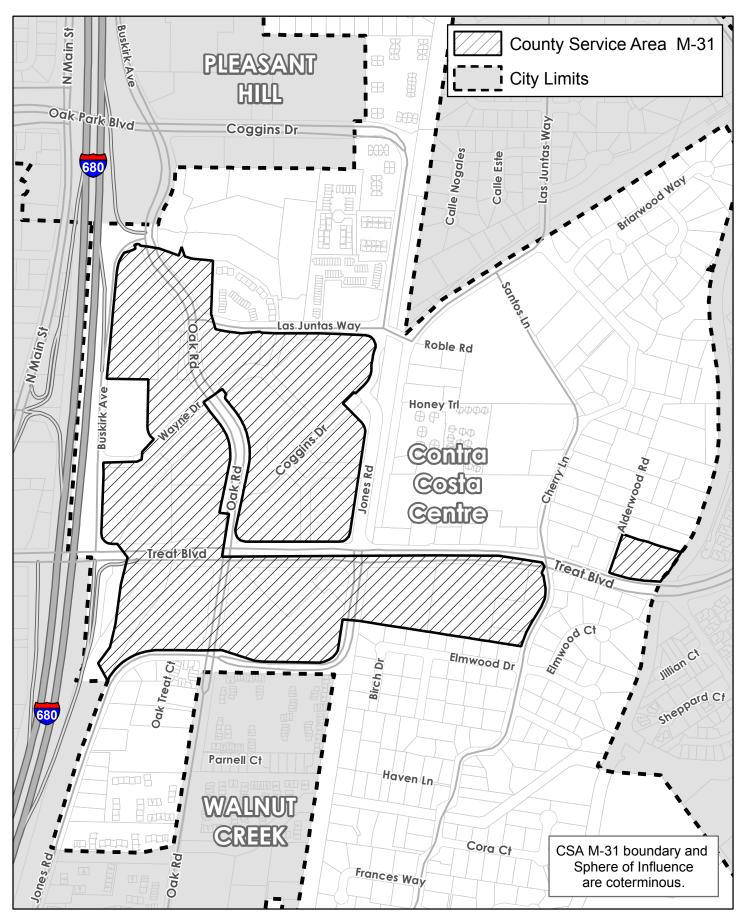
⁷³ Board of Equalization official date.

⁷⁴ Berryman & Henigar, Inc., Plan for Providing Services for Contra Costa County Service Area M-31, Pleasant Hill BART Station Area Transportation Demand Management Services Benefit Assessment, March 26, 2002.

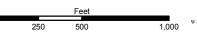
⁷⁵ Excluded are Brandman University at 2951 Buskirk Ave. and a strip mall at 3116 Oak Road.

⁷⁶ Contra Costa LAFCO, meeting minutes for Feb. 11, 2004 meeting.

Map 3-6: County Service Area M-31 (Pleasant Hill BART RDA)



Map created 01/07/2013 by Contra Costa County Department of Conservation and Development, GIS Group 30 Muir Road, Martinez, CA 94553 37:59:41.791N 122:07:03.756W This map or dataset was created by the Contra Costa County Conservation and Development Department with data from the Contra Costa County GIS Program. Some base data, primarily City Limits, is derived from the CA State Board of Equalization's tax rate areas. While obligated to use this data the County assumes no responsibility for a soccuracy. This map contains copyrighted information and may not be altered. It may be reproduced in its current state if the source is cited. Users of this map agree to read and accept the County of Contra Costa disclaimer of liability for geographic information.







SERVICE DEMAND AND GROWTH

The CSA M-31 bounds include the Pleasant Hill/Contra Costa Centre BART Station and nearby hotels, office buildings, and a mixed use property. The CSA boundary area is within the City of Walnut Creek SOI.



Figure 3-13: Eastbound Treat Blvd. at Buskirk Ave.

Land uses within the CSA are commercial, office, hotel, transportation, and mixed uses. Most of the planned development has been completed, although there are 73–additional housing units planned in the mixed use development on the BART station property. The BART station redevelopment construction is partly completed, and involves 270,000 office square feet, 35,590 retail square feet, 12,310 square feet of live-work retail, 19,400 square feet of meeting space, 522 housing units, and 1,816 parking spaces.

The TDM program aims to reduce the number of single-passenger vehicle trips for commuters working in the BART station vicinity. Service demand is expected to be driven primarily by commercial building occupancy rates and construction.

There are 4-5,000 jobs at businesses located within the CSA₂-77 and capacity for 6-7,000 employees at the properties there. 78 The CSA containeds 2.2 million commercial square feet of developed space in FY 12-13.79 The area features primarily Class A office space, and secondarily about 50,000 square feet of retail/restaurants and two full-service hotels with a combined total of 423 hotel rooms. Employers in the area include AAA, John Muir Health Corporate Headquarters,

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⁷⁷ The CCCA estimated 4,885 jobs in 2010 for a CCCA employee survey (Contra Costa Centre Transportation Survey, Spring 2010). ABAG estimates there were 3,730 jobs in the Contra Costa Centre CDP in 2010, and projects growth to 4,740 jobs by 2040.

⁷⁸ Interview with Maureen Toms, Contra Costa County Department of Conservation & Development, March 15, 2013.

⁷⁹ Contra Costa County Public Works Department, Annual Report FY 2012-13: Contra Costa County Service Area M-31 (Contra Costa Centre Redevelopment Area), Transportation Demand Management Services Benefit Assessment District, May 12, 2012, p. 8.

PMI Group, Embassy Suites Hotel, Renaissance Club Sport, and Avalon Walnut Creek. The CSA anticipates a total of 2.5 million commercial square footage at build-out.⁸⁰

The estimated residential population within the CSA was 750 as of 2012.81 There were approximately 449 housing units in the boundary area in 2012, according to the County Department of Conservation & Development (DCD) Assessor data. Another 35 units were completed subsequently, according to DCD, and additional units are planned. At build-out, there are 522 dwelling units expected. Based on development plans, residential growth of 16 percent is anticipated through 2030. By comparison, the countywide average population growth is projected at 17 percent over the same period.82

No disadvantaged communities were identified within or adjacent to the CSA or its SOI.83

The CSA is a dependent special district of the County, and is not a land use authority. The County is the land use authority, and holds primary responsibility for implementing growth strategies. The County's Specific Plan policies for the area aimed to address the historic problem of small parcels in the area and provide incentives for assembly of them into larger parcels for development of commercial uses.

The County offered a density bonus to developments that showed that at least 30 percent of onsite full-time employees regularly commute by public transit, vanpool, carpool (with 3 or more riders), bicycle or walking. For such uses, the County required proposed development to agree to participate in the Transportation Demand Management (TDM) program, to submit a traffic report and to provide impacts on the area's Transportation Demand Management program. The County's TDM Ordinance encourages TDM programs to achieve outcomes of reduction of frequency and distance of auto trips, spreading peak-hour trips to off-peak times, shifting trips toward environmentally friendly and non-motorized modes of transportation, and solutions to reduce environmental impacts of vehicle traffic. Further, the effectiveness of TDM programs should be evaluated on how well these outcomes are achieved.

Recent conditions of approval for commercial development in the area include providing bicycle parking, preferential parking for low-emission vehicles and carpools, promoting BART use, and adopting trip reduction goals and enforcement procedures.

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⁸⁰ Contra Costa County Public Works Department, Annual Report FY 2012-13: Contra Costa County Service Area M-31 (Contra Costa Centre Redevelopment Area), Transportation Demand Management Services Benefit Assessment District, May 12, 2012, p. 8.

⁸¹ U.S. Census Bureau, *2010 Census Summary File 1*, 2010. The estimated 2012 population is the product of a) the number of housing units in the CSA (449), the home occupancy rate in the Contra Costa Centre CDP (93.3 percent), and the average household size in the Contra Costa Centre CDP (1.79). The Contra Costa Centre CDP extends beyond the CSA.

⁸² Association of Bay Area Governments, *Projections 2009*, Aug. 2009. The 2009 forecast was ABAG's most recently adopted forecast at the time this report was drafted. ABAG plans to adopt updated projections in 2013. Draft 2013 projections were not available for the unincorporated Contra Costa Centre area.

Bisadvantaged communities were identified from American Community Survey 5-year data for 2007-2011 by place and census tract. For LAFCO purposes, disadvantaged communities are defined as having median household income less than 80 percent of the State median (Government Code §56033.5 which, in turn, relies on the definition in Water Code §79505.5).

⁸⁴ Meyer, Mohaddes Associates Inc., Contra Costa County Pleasant Hill BART Specific Plan Final Traffic Report, July 9, 1997, p. 6.

⁸⁵ Contra Costa County, Amended Pleasant Hill BART Station Area Specific Plan, Oct. 6, 1998, p. 32.

FINANCING

There was not adequate information to determine if the financing is adequate to provide for service levels that meet the development conditions.

Table 3-17: CSA M-31 Financial Information

The CSA revenues were \$253,105 in FY 11-12. Revenues were composed of assessments.

The assessment paid by property owners in the area was \$0.105 per commercial square foot in FY 12-13 and \$59.61 per housing unit. The assessment was approved by property owners in 2002. It increases annually with inflation. Parking facilities, undeveloped properties and roads

FY 10-11	FY 11-12	FY 12-13
Actual	Actual	Budget
\$165,700	\$218,401	NP
248,877	253,105	253,000
248,877	253,105	253,000
0	0	0
187,276	200,405	278,343
187,012	113,202	178,543
264	264	300
NP	86,939	99,500
	Actual \$165,700 248,877 248,877 0 187,276 187,012 264	ActualActual\$165,700\$218,401248,877253,105248,877253,10500187,276200,405187,012113,202264264

are exempt. Countrywood Shopping Mall does not pay for shuttle service due to its location outside the CSA bounds. There was no interest revenue reported in FY 11-12 in spite of the significant fund balance;⁸⁶ the County reports this was a one-time anomaly and that it continually invests the CSA fund balance.

Expenditures were \$200,405 in FY 11-12.87 Expenditures consisted of services and supplies (56 percent), other charges (less than one percent), and administrative costs (44 percent).88 The primary services and supplies expenses were the mid-day shuttle program and the Green Fleet program. Smaller expenses included the transit subsidy, carpool incentive, vanpool, bus subsidy, and bike-to-work programs. – Administrative costs included the costs of Contra Costa Centre Association management services, insurance, marketing and contingency funds.

The CSA has no long-term debt.

The CSA had \$218,401 in fund balances at the end of FY 11-12,⁸⁹ which were 109 percent of expenditures in that year. In other words, the CSA maintained 13 months of working reserves.

Although the CSA was never formally part of the redevelopment agency, the CSA does include most of the commercial properties in the (former) redevelopment area; the redevelopment agency reimbursed the CSA for certain costs. The former Contra Costa Redevelopment Agency assisted the CSA with funds for green fleet equipment rooms, reservation systems and electric vehicle charging stations. This source of revenue is no longer available. Pursuant to the provisions of California Assembly Bills 1X 26 and 1484, California redevelopment agencies were dissolved as of February 1, 2012. The California Supreme Court upheld Assembly Bill 1X 26 that provided for the

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⁸⁶ Contra Costa County, Fiscal Year 2012-13 Special Districts Budget, 2013.

⁸⁷ Contra Costa County, Fiscal Year 2012-13 Special Districts Budget, 2013, p. 274.

⁸⁸ The County's Special Districts Budget allocates all payments to CCCA to the category entitled "Services and Supplies." Table 3-17 posts estimated CCCA program expenditures in the "Services and Supplies" category, and estimated administrative and managerial expenditures in a separate category (Contra Costa County Public Works Department, Annual Report FY 2012-13 for Contra Costa County Service Area M-31, May 22, 2012, Table 2).

⁸⁹ Contra Costa County, Fiseal Year 2012-13 Special Districts Budget, 2013, p. 11.

dissolution of all redevelopment agencies in the State of California. On January 31, 2012, the County's Redevelopment Agency was dissolved. The assets and liabilities of the dissolved agency were assumed by the County Board of Supervisors.

Contra Costa Centre Association

The Contra Costa Centre Association (CCCA) is a non-profit agency governed by a board of representatives from 14 participating commercial property owners. The CSA's TDM program and budget is reviewed annually by the CCCA board. CCCA declined to provide information on its own budget; however, the CSA component of the CCCA budget is reviewed annually by the County. CCCA provides monthly TDM expenditure reports to the County. Since CCCA is the direct service provider for the CSA, the CSA funds a portion of the CCCA budget. The County Board of Supervisors approves the CSA budget and renews the contract with CCCA annually.

There is a child care program in the Contra Costa Centre area. Commercial property owners in the area were required by the County General Plan to implement a child care mitigation program. The program is funded by a trust account that the commercial property owners voluntarily funded with a \$1 million contribution. The interest revenue from the trust fund pays for child care subsidies for low- and moderate-income employees of the area. The County disburses payments (from a fund separate from the CSA) for monthly invoices related to the child care program.

The County Department of Conservation & Development credits CCCA with being instrumental in obtaining grant funds from the U.S. Department of Energy and other sources to fund eight vehicle charging stations, as well as installation costs for electric vehicle charging stations, commuter survey analysis and bike lockers.

TRANSPORTATION SERVICES

Nature and Extent

CSA M-31 funds transportation demand management services as required to meet the County development condition that 30 percent of employees at the included properties useing a transportation mode other than a single-passenger vehicle trip. Compliance with the County's TDM Ordinance is measured on an areawide basis at Contra Costa Centre. Services are provided directly by the Contra Costa Centre Association (CCCA), a non-profit association in which area property owners and businesses are members.

The primary transportation services provided in FY 12-13 were:

- Green Fleet Program: CCCA provides employees with access to local vehicles—Smart Cars, Segways, electric bicycles, and manual bicycles—to use in the Contra Costa Centre vicinity during the workday. Employees may check out vehicles online or electronically at various kiosk locations. 131 employees are registered with the program.
- Mid-Day Shuttle: The mid-day shuttle transports employees from all Centre buildings to and the Countrywood Shopping Mall (where there are restaurants, banks, grocery shopping, a pharmacy, and other retail) and to Crossroads Shopping Center (where there are restaurants, a department store and other retail). The shuttle runs from 10:30 a.m. to 2:10 p.m. on weekdays. CCCA reports up to 17 daily trips are made on the shuttle.

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Figure 3-14: CSA M-31 Transportation Services



CCCA offers several other programs aimed to reduce the number of single-passenger vehicle trips to the area:

- Transit Subsidy: Employees may purchase discounted BART tickets (a \$48 ticket for \$25) by pledging to take BART to work at least three days per week. There were 120 participants in FY 12-13.90
- Carpool Incentive: Employees who participated in carpools receive one \$25 Chevron gas card each month. There are 41 carpools participating in FY 12-13.
- Bike/Walk to Work: Employees who agree to bike or walk to work at least three times weekly receive a free \$48 BART ticket. There were 10 participants in FY 12-13.
- Vanpool: Vanpools receive \$50 to \$100 monthly to defray lease and fuel costs. There was one vanpool in FY 12-13. Vanpool usage has declined since the early 1990s.

There are about 172 participants in the incentive programs, which represents 3.5 percent of the local commuters.

CCCA is partnering with Contra Costa Transportation Authority to develop a real-time ride-share program.

The TDM programs are marketed by CCCA through newsletters, posters, brochures, promotional handouts, and hosted events and transportation fairs.

CCCA conducted a survey in 2010 of employees throughout the CSA, and reported that 30 percent rely on a transportation mode other than single-occupant vehicle. Previous surveys in 1994 and 1995 found that 33 percent relied on an alternate transportation mode, and that in the 1980s a much lower share of employees had used alternative modes. A 1997 traffic study found that use of alternate modes had increased in response to the TDM programs funded at that time by CCCA (via developer fees). However, the study found significant differences between properties

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⁹⁰ Interview with Contra Costa Centre Association TDM Program Coordinator Chris Romero, Feb. 11, 2013.

⁹¹ Contra Costa Centre Association, Transportation Survey Results, Spring 2010.

⁹² Meyer, Mohaddes Associates Inc., Contra Costa County Pleasant Hill BART Specific Plan Final Traffic Report, July 9, 1997.

with respect to their tenants' employees usage of carpools, and that some buildings were not meeting the objective of less than 30 percent using a transportation mode other than single-occupant vehicles. The study found that a significant percentage of employees in the CSA were unaware of transit and carpool options, and recommended interactive travel information kiosks, an employee orientation video, electronic distribution of transit schedules, and aggressive pricing of available parking to further promote alternative modes of transportation in the area. CCCA has implemented some of the 1997 recommendations.

Monitoring the success or failure of the TDM measures should involve commuter surveys that gather quantitative data (e.g., percent use of various modes) and qualitative data (e.g., respondents' perception of the TDM programs). The CSA service plan and annual report do not address the effectiveness of whether each property owner is meeting the objective in the development conditions that 30 percent of employees use an alternative transportation mode TDM programs. Given relatively low reported participation levels in TDM programs, tThe CSA annual report could be improved by addressing the effectiveness of CCCA programs.

A 1997 traffic study found that all intersections in the area operate within acceptable levels of service except the intersection of Treat Blvd. and Bancroft Rd., but that some intersections are congested during peak commuting. The study projected that the intersections would be operating at or in excess of capacity by 2010.

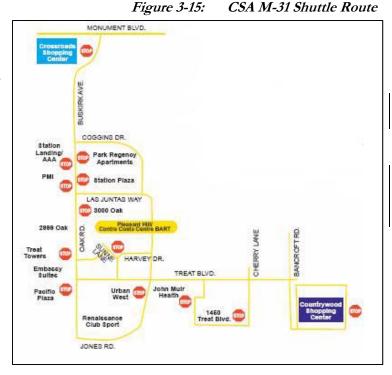
Location

The mid-day shuttle service offers pick-up and drop-off service at each of the commercial buildings in the CSA as well as the Avalon apartment building, and transports employees at those buildings to the Countrywood Shopping Mall and Crossroads Shopping Center. The destinations are Mall is located outside the CSA.94

The Green Fleet Program, the transit subsidies and other incentives are available to employees at each building in the CSA.

Infrastructure

The CSA has not directly purchased or developed capital assets,



⁹³ Contra Costa County Department of Conservation & Development, *Transportation Demand Management Ordinance Guide*, December 2009, p. 27.

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⁹⁴ Prior to 1996, the shuttle offered three routes to three destinations: Countrywood Shopping Center, downtown Walnut Creek and Sun Valley Mall. Ridership was low and there were no complaints about discontinuation of the two routes in 1996. A 1997 study found that key factors contributing to poor patronage include low service frequency and excessive on-board travel times caused by one-way loop circulation through the Centre. Travel times precluded the majority of employees from using the shuttle within a one-hour lunch break.

such as fleet vehicles.

CCCA capital assets for purposes of running the program include two shuttles, two Smart Cars, two electric cars, nine Segways, three electric bicycles and eight manual bicycles. CCCA reported that its shuttles are in good condition, and that its Smart cars and electric cars are in excellent condition. CCCA has four Key Managers located throughout the CSA; these are electronic equipment for key storage and management of the Green Fleet reservation system. CCCA formerly owned a van fleet in the 1990s; its vanpool program now relies on leased vans.

Management and Governance

The TDM program is staffed by CCCA employees. <u>CCCA makes efforts to evaluate and update its programs</u>. <u>CCCA staff reports that it monitors the levels of participation and enhances current programs as necessary to increase participation</u>. Its most recent such effort in 2013 involved adding a new destination to the mid-day shuttle. The TDM program and budget is reviewed annually by the CCCA board, and CCCA conducts employee surveys every three years to review effectiveness.

The County Department of Conservation & Development (DCD) is responsible for monitoring compliance with development conditions and the County's TDM Ordinance. DCD oversight includes monthly review of CCCA invoices, annual budgeting and renewal of the CCCA contract, and triennial review of CCCA employee survey reports.⁹⁵

The County Public Works Department is responsible for oversight, budgeting, preparing the annual report, and attending Board of Supervisors meetings annually when the Board votes on the annual assessment increase. The annual report could be improved by reporting on the outcomes and effectiveness of the TDM programs.

The CSA is within the boundaries of the Contra Costa Centre Municipal Advisory Council (MAC), an advisory body to the County Board of Supervisors. The Contra Costa Centre MAC hears periodic reports from CCCA on TDM performance.

GOVERNANCE ALTERNATIVES

No governance alternatives for the CSA were identified.

The CSA boundaries are based on entitlement conditions for specific properties. Residential properties have been exempted from the CSA in the northern part of the redevelopment area, although residences in the mixed use facility in the CSA bounds must pay the assessment.

When the BART property was annexed in 2008, the interior roads were not included in the annexation. While it would not likely merit the annexation effort on its own, the CSA may consider annexing the interior roads next time it processes an annexation.

The County has conditioned commercial development approvals in the area on annexation to the CSA. If there are future (re-)development proposals in the area, there will likely be future annexations.

Orrespondence from Contra Costa County Redevelopment Project Manager to LAFCO Executive Officer, March 28, 2013.

MSR DETERMINATIONS

Growth and population projections

- 1) The estimated residential population within the CSA M-31 bounds <u>wais</u> approximately 750 <u>in 2012, in addition to the visitor population at the 423 hotel rooms in the CSA</u>. Growth in the CSA is projected to be moderate.
- 2) There were roughly 4-5,000 jobs at businesses located within the CSA. There were 2.2 million commercial square feet in FY 12-13, and another 0.3 million anticipated at build-out.

Location and characteristics of any disadvantaged unincorporated communities within or contiguous to the SOI

3) There are no disadvantaged unincorporated communities within or contiguous to the SOI.

Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs and deficiencies

- 4) The CSA finances a transportation demand management program to promote the use and convenience of public transit for commuters working in the CSA. Services include a midday shuttle to nearby shopping, and use of electric cars, Segways and bicycles.
- 5) CSA M-31 finances incentives for commuters to use public transit, carpools, vanpools, and biking and walking. About four percent of commuters participate in the programs.
- 6) The service provider's employee survey found that 30 percent of commuters use a transportation mode other than a single-occupant vehicle.
- 7) LAFCO recommends that the CSA incorporate information on the outcomes and effectiveness of the programs in its annual report beginning in 2014, and report back to LAFCO once that information has been incorporated.

Financial ability of agencies to provide services

- 8) The CSA assessment paid by commercial property owners in the area was \$0.105 per square foot in FY 12-13, which amounts to approximately \$42 annually per employee.
- 9) The adequacy of the current level of financing could not be determined due to lack of information on the program's outcomes with respect to employee transportation choices.

Status of, and opportunities for, shared facilities

- 10) The CSA does not directly own or operate facilities, but simply contributes funding for a local non-profit to deliver services.
- 11) No facility sharing opportunities were identified.

Accountability for community service needs, including governmental structure and operational efficiencies

- 12) Accountability for CSA residents in unincorporated areas is limited because there are presently no advisory bodies in which they might participate.
- 13) The CSA demonstrated accountability and transparency by disclosing financial and service related information in response to LAFCO requests.

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SOI RECOMMENDATIONS AND DETERMINATIONS

The existing SOI for CSA M-31 is coterminous with its bounds. The SOI for the district was affirmed by LAFCO in 2004.

Agency Proposal

The County Public Works Department has not proposed to change the coterminous SOI. <u>The County Department of Conservation & Development reported that it would address the exclusion of interior roads in the future if there is a need to annex new areas to CSA M-31.⁹⁶</u>

SOI Options

Given the considerations addressed in the MSR, two options are identified for the CSA M-31 SOI:

SOI Option #1 – Retain existing coterminous SOI

If LAFCO determines that the existing government structure is appropriate, then the existing SOI should be retained.

SOI Option #2 – Expand SOI to include interior roads

If LAFCO determines that the CSA should be expanded to include the interior roads, then the SOI for the CSA should be increased. Such an SOI would signal that LAFCO anticipates that these areas will be annexed to the CSA to promote logical boundaries.

Recommendation

It is recommended that LAFCO expand the SOI to include interior roads.

⁶⁶ Correspondence from Contra Costa County Redevelopment Project Manager to LAFCO Executive Officer, March 28, 2013.

Table 3-18: CSA M-31 SOI Analysis

	Table 3-18: CSA M-31 SOI Analysis		
Issue	Comments		
SOI update recommendation	Expand the SOI to include the interior roads.		
Services provided	CSA M-31 provides funding to a non-profit agency that directly provides transportation demand management services, including incentives for area commuters to use public transit, carpools, vanpools, walking and bicycling for transportation, and mid-day shuttles and access to green vehicles to provide local transportation to workers without their own vehicles parked in the CSA.		
Present and planned land uses in the area	Present land uses are primarily commercial office and secondarily commercial retail, transportation, mixed use and residential.		
Projected growth in the District/Recommended SOI	Growth within in the CSA is anticipated to be moderate. Plans call for an additional 300,000 commercial square feet and 73 additional housing units.		
Present and probable need for public facilities and services in the area	There is a present and probable need for the CSA services. The development conditions for each property require that at least 30 percent of employees rely on a transportation mode other than single-occupancy vehicles, and require participation in the transportation demand management program.		
Opportunity for infill development rather than SOI expansion	The CSA SOI has no impact on infill development in the area.		
Service capacity and adequacy	The property owners in the CSA as a whole are meeting the objective that 30 percent of commuters use a transportation mode other than single-occupancy vehicles, according to the service provider's survey. Only 4 percent of commuters participate in the CSA's incentive programs.		
Social or economic communities of interest	The primary communities of interest are the unincorporated areas within CSA bounds.		
Effects on other agencies	A SOI increase would have no significant effect on other agencies.		
Potential for consolidations or other reorganizations when boundaries divide communities	nere is no potential for consolidation at this time.		
Location of facilities, infrastructure and natural features	The facilities are located within the CSA. The area topography is flat.		
Willingness to serve	The CSA is willing to continue providing TDM funding.		
Potential effects on agricultural and open space lands	No potential effects on agricultural or open space lands were identified.		
Potential environmental impacts	Although no potential environmental impacts were identified in the MSR, the LAFCO counsel and planner should make CEQA determinations.		

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CSA T-1 (PUBLIC TRANSIT)

CSA T-1 plans to provide transit services to the Alamo Creek, Monterosso, and Ponderosa Colony communities in unincorporated Camino Tassajara.

FORMATION AND BOUNDARY

CSA T-1 Formation History

CSA T-1 was formed on March 24, 2006 as a dependent special district of the County.⁹⁷ The CSA was formed for the purpose of financing extended public transit services for future residents of the area. At the time of formation, the Alamo Creek, Monterosso and Ponderosa Colony subdivisions had been approved but homes had not yet been constructed.⁹⁸

The area was historically used for agricultural purposes. Contra Costa County approved proposed development in the northern Tassajara Valley in 2002 for the proposed Alamo Creek and Intervening Properties residential developments (also known as the "Integrated Project") with 1,400 housing units planned. Two lawsuits challenged the development on environmental grounds, one filed by the Sierra Club and Save Our Danville Creeks, and the other filed by the Town of Danville. In 2004, the developers, the County and the Town of Danville entered into a settlement agreement dealing primarily with traffic, childcare and park issues. The settlement agreement provided, among other things, that the County require the area to meet performance standards that must fund transit services to mitigate the expected traffic impacts.

A 2005 County-commissioned transit study recommended a rush-hour commuter service be developed to link the future development with the Walnut Creek BART station and Bishop Ranch business park. To ensure that such services would be financed directly by residents, the County proposed a benefit assessment and formation of the CSA. CSA formation was approved by LAFCO in 2005 and became effective in 2006 after property owners approved the assessment.

CSA T-1 Boundary and SOI

The boundary area of the CSA is approximately 757 acres (or 1.2 square miles). The CSA is bounded on the west by the Town of Danville city limits, on the south by the City of San Ramon city limits, on the north (for the most part) by Camino Tassajara Road, and on the east by the eastern limit of the Alamo Creek subdivision. The Wendt Ranch subdivision and the Diablo Vista Middle School recreational fields were excluded from the CSA boundary area.

Since formation, there have been no changes to the boundary of CSA T-1, according to BOE and LAFCO records.

LAFCO has not yet adopted an SOI for CSA T-1,¹⁰⁰ but is expected to do so after adoption of this MSR in 2013. At the time of formation, the CSA boundaries were established to reflect the approved development projects, and LAFCO noted that the boundaries could be expanded to include nearby properties in the future.

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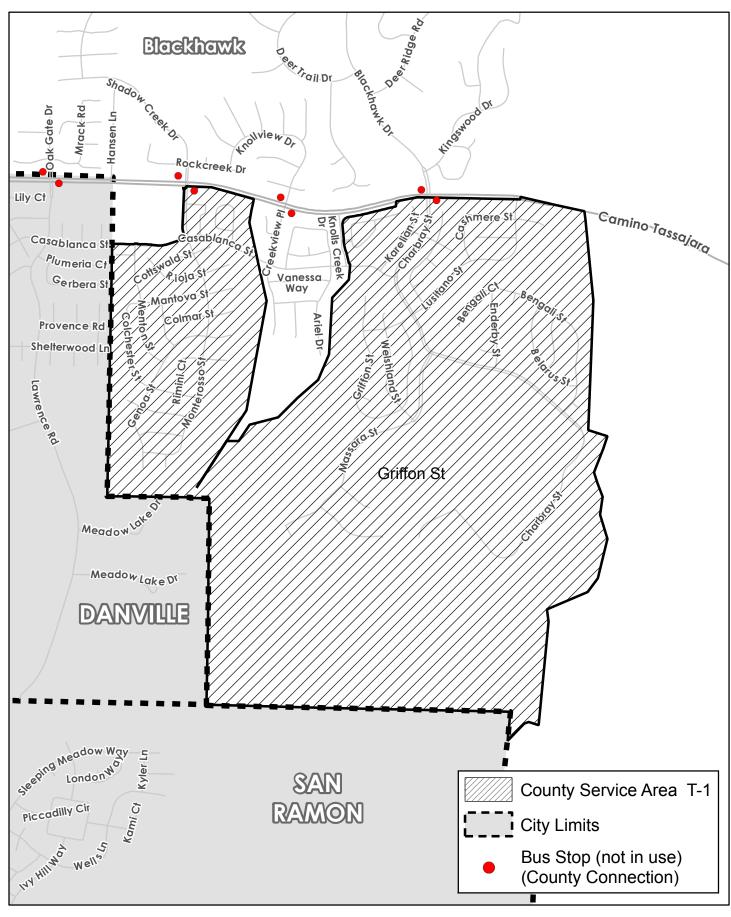
⁹⁷ Board of Equalization official date.

⁹⁸ There were two homes in the CSA bounds at the time of CSA formation.

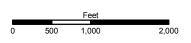
⁹⁹ Wilbur Smith Associates, Transit Improvements Study of the Integrated Project, March 2005.

¹⁰⁰ The formation resolution, LAFCO Resolution No. 05-15, did not adopt or otherwise mention a Sphere of Influence for the new CSA. LAFCO has taken no subsequent action on the CSA's SOI between formation and early 2013 when this report was drafted.

Map 3-7: County Service Area T-1 (Public Transit)



Map created 01/07/2013 by Contra Costa County Department of conservation and Development, GIS Group 30 Muir Road, Martinez, CA 94553 37:59:41.791N 122:07:03.756W This map or dataset was created by the Contra Costa County Conservation and Development Department with data from the Contra Costa County (SIS Program. Some base data, primarily City Limits, is derived from the CA State Board of Equalization's tax rate areas. While obligated to use this data the County assumes no responsibility for its accuracy. This map contains copyrighted information and may not be altered. It may be reproduced in its current state if the source is cited. Users of this map agree to read and accept the County of Contra Costa disclaimer of liability for geographic information.







SERVICE DEMAND AND GROWTH

The CSA T-1 bounds encompass the Alamo Creek, Monterosso and Ponderosa Colony communities in the unincorporated area of Camino Tassajara. The CSA boundary area is adjacent to the Town of Danville; and the northern portion of CSA T-1 is within the Town of Danville SOI, and the remainder of CSA T-1 is within the planning area in the Town's Draft General Plan update. The Town's Draft General Plan anticipates that the Town will formally apply to LAFCO to expand its SOI to include all of the territory in the CSA.



Figure 3-16: Housing Construction on Griffon Street, 2012

Land uses within the CSA are residential, parks, open space, and public uses. More than half of the planned residential units have been constructed and occupied. Public uses include Creekside Elementary School, a fire station, soccer league fields, and parks.

The estimated population within the CSA was 2,972 as of 2012.¹⁰¹ There were approximately 869 housing units occupied in 2012, according to Assessor data, and 250 units under construction. At build-out, there are 1,396 dwelling units expected in the area. Based on development plans, growth of 61 percent is anticipated through 2030. By comparison, the countywide average population growth is projected at 17 percent over the same period ¹⁰²

Service demand is expected to be driven by population growth and resident preferences. The CSA is expected to generate 10,048 daily vehicle trips. In adjacent areas, residents rely primarily on their automobiles (93 percent of trips) with only five percent relying on public transit. Given these preferences, the CSA expects only 77 daily trips when the area is built out.¹⁰³

¹⁰¹ U.S. Census Bureau, *2010 Census Summary File 1*, 2010. The estimated 2012 population is the product of a) the number of housing units in the CSA (869), the home occupancy rate in the Camino Tassajara CDP (98.4 percent), and the average household size in the Camino Tassajara CDP (3.48). The Camino Tassajara CDP extends beyond the CSA, and includes the Wendt Ranch subdivision.

¹⁰² Association of Bay Area Governments, *Projections 2009*, Aug. 2009. The 2009 forecast was ABAG's most recently adopted forecast at the time this report was drafted. ABAG plans to adopt updated projections in 2013. Draft 2013 projections were not available for the unincorporated Camino Tassajara area.

¹⁰³ CSA T-1, Annual Report, FY 2012-13, May 22, 2012, p. 1.

No disadvantaged communities were identified within or adjacent to the CSA or its SOI.¹⁰⁴

The CSA is a dependent special district of the County, and is not a land use authority. The County is the land use authority, and holds primary responsibility for implementing growth strategies.

The area is bound by the Settlement Agreement to mitigate traffic impacts, and required to finance and build adequate improvements if and when traffic impacts should exceed agreed-upon traffic volume standards.¹⁰⁵ The County's adopted Specific Plan for the area includes a policy to "encourage and facilitate the use of travel modes other than the private automobile for trips through and within Dougherty Valley," and extends the County's Transportation Demand Management (TDM) Ordinance to the area.¹⁰⁶ Furthermore the Specific Plan provides that the TDM program be designed in a system-wide context for the Dougherty Valley rather than on a subdivision by subdivision basis, and encouraged the local TDM program to consider options such as micro shuttle service, school bus service and express bus service to major business centers in the area and to the rail transit station.¹⁰⁷ The conditions of approval for subdivisions in the CSA included approval of an assessment to fund extended public transit services and provided that the operation of such services begin once 400 housing units in the area had been completed. Furthermore, the conditions of approval specified that the CSA engineer's report should specifically evaluate and recommend the appropriate level of public transit service between the CSA and major employment centers.¹⁰⁸

FINANCING

Table 3-19: CSA T-1 Financial Information

The CSA revenues were \$324,156 in FY 11-12. Revenues were composed primarily of assessments and secondarily of interest income.

The assessment paid by homeowners in the area was \$369 in FY 12-13. The assessment was approved by property owners in 2006, having been approved by the respective developers at that

	FY 10-11	FY 11-12	FY 12-13
	Actual	Actual	Budget
Fund Balance	\$954,651	\$1,270,925	NP
Revenues	275,068	324,156	325,000
Assessments	275,068	324,156	325,000
Interest	930	0	5,000
Expenditures	29,933	7,881	41,400
Services and Supplies	21,908	2,383	25,000
Other Charges	1,022	927	10,900
Transfers / Admin	7,003	4,571	5,500

time. It increases annually with inflation. Residents of senior housing in the area are exempt from the assessment, as they receive separate shuttle services not funded by the CSA.

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Disadvantaged communities were identified from American Community Survey 5-year data for 2007-2011 by place and census tract. For LAFCO purposes, disadvantaged communities are defined as having median household income less than 80 percent of the State median (Government Code §56033.5 which, in turn, relies on the definition in Water Code §79505.5).

¹⁰⁵ Contra Costa County Superior Court, Agreement to Settle Litigation Relating to the Dougherty Valley General Plan Amendment, Specific Plan and Environmental Impact Report, Case No. C 93-00231, May 11, 1994.

¹⁰⁶ Contra Costa County, Dougherty Valley Specific Plan, 2006, Policy C-7, p. 6-6.

¹⁰⁷ Contra Costa County, *Dougherty Valley Specific Plan*, 2006, Policy C-14, p. 6-9.

¹⁰⁸ Contra Costa County, Conditions of Approval for Alamo Creek, Board Resolution 2002/262, Exhibit C, 2002.

There was no interest revenue reported in FY 11-12 in spite of the significant fund balance;¹⁰⁹ the County reports this was a one-time anomaly and that it continually invests the CSA fund balance.

Expenditures were \$7,881 in FY 11-12. Expenditures consisted of services and supplies (30 percent), other charges (12 percent) and transfers for administrative costs (58 percent). The services and supplies expense included \$907 spent on purchased transportation. In FY 10-11, the CSA funded a survey of residents. In FY 12-13, the CSA plans to spend \$25,000 on consultant services and \$10,000 on special departmental expenses, along with its miscellaneous and administrative costs.

The CSA has no long-term debt.

The CSA had \$1.3 million in fund balances at the end of FY 11-12, which were 161 times greater than expenditures in that year. The CSA has not initiated active transit services yet, and has been primarily using assessments to accumulate fund balances to date. The CSA sets aside funds into capital reserves to purchase vehicles to provide services in the future, and reported capital reserves at \$500,000 in FY 11-12.¹¹¹ The CSA sets aside revenue annually to serve as operating reserves; its goal is to accumulate operating reserves that amount to 50 percent of annual revenues. The CSA reports that, all of the reserves (capital or operating) are, in effect, funds being developed for future rollout of programs related to transit.

TRANSPORTATION SERVICES

Nature and Extent

The nature of services provided presently by the CSA in FY 12-13 is planning, surveying, outreach and analysis of future transportation services to be provided by the CSA.



Figure 3-17: Traffic on Lusitano Street, 2012

¹⁰⁹ Contra Costa County, Fiscal Year 2012-13 Special Districts Budget, 2013.

¹¹⁰ County Service Area T-1, Transit Operators Financial Transactions Report 2012, Oct. 2012.

¹¹¹ CSA T-1, Annual Report, FY 2012-13, May 22, 2012, p. 15.

A 2005 County-funded consultant study found there is a limited market for public transit services due to preferences of residents of adjacent areas for use of their own automobiles for transportation. The 2005 study had developed the original plan for services for the CSA to include rush-hour commuter service between the CSA and the Walnut Creek BART station and Bishop Ranch business park. During the initial stages of service, the consultant recommended a volunteer-based vanpool service with subscription and checkpoint-type route stops. As development progressed, the plan envisioned regularly scheduled mini-bus service, and potentially merging the mini-bus service into full-scale County Connection service.

The CSA conducted a survey of residents in FY 10-11 to determine the feasibility of various transportation services, including carpools and vanpools. The study recommends establishing a carpool and vanpool program, conducting public outreach, and bicycle infrastructure improvements. In 2012, the CSA distributed a flyer to residents, which included a brief survey on their commute destinations. Planned activities for the CSA in FY 12-13 the CSA completed a community outreach program to educate and gather feedback from residents, and the CSA plans to analyze survey results. include conducting an educational campaign about public transit services already available to residents. The CSA reported that it has selected consultants to assist with the educational process and to develop the transportation demand management program for the CSA. The CSA intends to develop a multi-year plan of action in 2013. The CSA anticipates future services may include that vanpools, more extensive carpooling and/or perhaps a shuttlebus route connecting CSA T-1 to select locations including BART stations or Bishop Ranch—. The CSA anticipates could be explored in more depth in the future. initiating the process of selecting a vanpool leasing or shuttle company to provide transit service, via a competitive bid process in 2013.

Location

Although the CSA has not yet initiated providing direct transportation services, its planning envisions providing those services to residents located throughout the CSA boundary area, with the exception of residents of senior housing on Lusitano Street who receive separate shuttle services not funded by the CSA.

<u>Infrastructure</u>

The CSA has not yet purchased or developed capital assets, such as fleet vehicles and bus stop shelters, but intends to do so in the future.

GOVERNANCE ALTERNATIVES

The only governance alternative identified for CSA T-1 is annexation of adjacent territory.

The CSA boundaries line up with subdivisions involved in litigation and a related settlement agreement that required mitigation of traffic impacts. The Wendt Ranch subdivision was excluded from the CSA bounds at the time of formation as it was not subject to the required traffic mitigation terms. The Wendt Ranch subdivision is mostly built and occupied at this time. If the Wendt Ranch area wishes to receive transportation demand services, it could propose to annex to the CSA. The area would presumably be required to approve the \$369 annual benefit assessment paid by CSA residents to fund services.

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¹¹² Wilbur Smith Associates, Transit Improvements Study of the Integrated Project, March 2005.

¹¹³ DKS Associates, Transportation Demand Management Survey and Report for County Service Area T-1 Transit District: Administrative Draft, Dec. 30, 2010.

It is also possible that neighboring areas to the east of the CSA may develop in the future and wish to be included in the CSA. However, there are no pending development proposals in that area at this time.

MSR DETERMINATIONS

Growth and population projections

- 1) The estimated residential population within the CSA bounds is approximately 2,972.
- 2) Projected growth is likely to be significant as there are homes under construction and additional homes that have been approved but not yet built. The CSA population is projected to grow by 61 percent through build-out.

Location and characteristics of any disadvantaged unincorporated communities within or contiguous to the SOI

3) There are no disadvantaged unincorporated communities within or contiguous to the SOI.

Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs and deficiencies

- 4) The CSA has not yet initiated providing public services with the exception of planning, public education and outreach. The CSA has not yet achieved the purpose that it was formed to provide.
- 5) The CSA has not yet acquired capital assets, such as vans and buses, for provision of services.

Financial ability of agencies to provide services

6) The current level of financing for the CSA is adequate to finance the transportation services that were envisioned at the time the CSA was formed.

Status of, and opportunities for, shared facilities

- 7) The CSA is staffed by County Public Works staff, and shares administrative costs and staffing with other CSAs.
- 8) In the long-run, the CSA may potentially connect to the County Connection service.

Accountability for community service needs, including governmental structure and operational efficiencies

- 9) The CSA has not yet achieved compliance with conditions of approval of subdivisions within its bounds. The CSA engineers report has not yet determined the appropriate level of transit services, and the CSA has not yet initiated operation of services.
- 10) LAFCO recommends that the CSA report back in one year on its progress in initiating direct services.
- (9)11) Accountability for CSA residents in unincorporated areas is limited because there are presently no advisory bodies in which they might participate.
- 10)12) The CSA demonstrated accountability and transparency by disclosing financial and service related information in response to LAFCO requests.

SOI RECOMMENDATIONS AND DETERMINATIONS

LAFCO has not yet adopted an SOI for CSA T-1.

Agency Proposal

The County Public Works Department has not proposed an SOI.

SOI Options

Given the considerations addressed in the MSR, three options are identified for the CSA T-1 SOI:

 $SOI \ Option \ #1 - Adopt \ coterminous \ SOI$

If LAFCO determines that the existing government structure is appropriate, then the existing SOI should be retained.

SOI Option #2 – Adopt annexable SOI containing the Wendt Ranch subdivision

If LAFCO determines that the Wendt Ranch area should be annexed to the CSA, then the adopted SOI should include the Wendt Ranch area.

SOI Option #3 – Adopt provisional SOI

Given that the CSA has existed for seven years and not yet initiated services, LAFCO may wish to encourage timely initiation of services by adopting a provisional SOI. For example, LAFCO may wish to adopt a coterminous SOI in the short-term but to require the CSA to report back to LAFCO in one year about the completion of its planning phase and the CSA's progress toward initiating direct services. The conditions of approval for subdivisions in the CSA included a provision that operation of extended transit services should begin once 400 housing units in the area had been completed; by comparison there were 870 occupied housing units in the area by 2012.

<u>SOI Option #4 – Adopt zero SOI</u>

The CSA has collected assessments for seven years and not yet initiated services. Further, residents in adjacent areas have strong preferences toward using their vehicles and against using public transit. As a result, LAFCO may wish for the CSA to be dissolved. A roadblock to dissolution is the question of how the subdivision would remain in compliance with the development conditions if the CSA were dissolved.

Recommendation

It is recommended that LAFCO adopt a provisional coterminous SOI for CSA T-1 at this time, and that CSA T-1 report back to LAFCO within 12 months with an update on its planning efforts.

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Table 3-20: CSA T-1 SOI Analysis

	Table 3-20: CSA 1-1 SOI Analysis		
Issue	Comments		
SOI update recommendation	Adopt a provisional coterminous SOI for the CSA and require the CSA to report back to LAFCO on its service provision progress in one year.		
Services provided	CSA T-1 provides funding for future transportation demand management programs, such as vanpools or scheduled mini-bus service. The CSA is in its planning phase, and has not yet initiated direct transportation services.		
Present and planned land uses in the area	Present land uses are primarily residential, and also include parks, open space and public uses.		
Projected growth in the District/Recommended SOI	Growth within in the CSA is expected to be significant.		
Present and probable need for public facilities and services in the area	There is a present and probable need for transportation services to comply with a development-related settlement agreement that mitigates the traffic impacts of the development.		
Opportunity for infill development rather than SOI expansion	The CSA SOI has no impact on infill development in the area.		
Service capacity and adequacy	The CSA has not yet initiated providing public services with the exception of planning, public education and outreach.		
Social or economic communities of interest	The primary communities of interest are the Alamo Creek, Monterosso and Ponderosa Colony subdivisions in unincorporated Camino Tassajara.		
Effects on other agencies	A coterminous SOI would have no direct effect on other agencies. The CSA territory could potentially be annexed to the Town of Danville in the future; the CSA is partly within the Town of Danville SOI, and is within the Town's planning area for its Draft General Plan Update.		
Potential for consolidations or other reorganizations when boundaries divide communities	There is no potential for consolidation at this time.		
Location of facilities, infrastructure and natural features	There are existing (but presently unused) bus stops located on Camino Tassajara Road. The CSA has not yet acquired vehicles.		
Willingness to serve	The CSA is willing to provide transportation services.		
Potential effects on agricultural and open space lands	No potential effects on agricultural or open space lands were identified.		
Potential environmental impacts	Although no potential environmental impacts were identified in the MSR, the LAFCO counsel and planner should make CEQA determinations.		

4. SOURCES

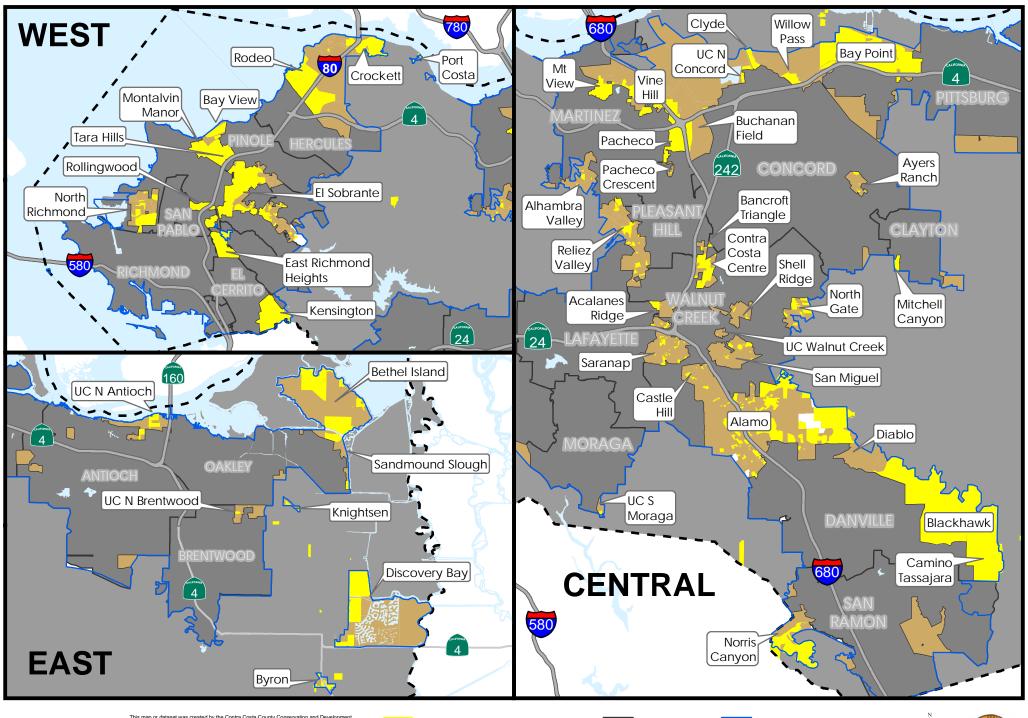
INTERVIEWS AND CORRESPONDENCE

Agency	Name/Title
Blackhawk Geologic Hazard Abatement District	Michael Sands, General Manager
City of Walnut Creek	Heather Ballenger, Public Services Director
City of Walnut Creek	Steve Waymire, City Engineer
Contra Costa Centre Association	Lynette Tanner-Busby, Executive Director
Contra Costa Centre Association	Chris Romero, TDM Program Coordinator
Contra Costa County Auditor-Controller	Marie Rulloda, Chief Accountant
Contra Costa Cnty. Dept. of Conservation & Development	Maureen Toms, Redevelopment Project Mngr
Contra Costa County Public Works Department	Susan Cohen, Special Districts Manager
Contra Costa County Public Works Department	Tim Jensen, Senior Civil Engineer
Contra Costa County Public Works Department	Paul Detjens, Senior Civil Engineer
Delta Ferry Authority	Dave Forkel, Director

The City planning departments provided information on street lighting services.

BY BURR CONSULTING 81

Appendix Map 1: Unincorporated Community Place Names Locator Map



Map created 03/15/2013 by Contra Costa County Department of Conservation and Development, GIS Group 30 Muir Road, Martinez, CA 94553 37:59:41.791N 122:07:03.756W This map or datased was created by the Contra Costa County Conservation and Development Department with data from the Contra Costa County GIS Program. Some base data, primarily City Limits, is derived from the CA State Board of Equalization's starte areas. While obligated to use this data the County assumes no responsibility for its accuracy. This map contains copyrighted information and may not be altered. It may be reproduced in its current state if the source is cled. Users of this map agree to read and accept the County of Contra Costa disclaimer of liability for goographic information.

CSA L-100

CSA L-100 SOI (Outside District)

City Limits

Urban Limit Line
Outside Urban Limit Line





Com-	Commonton	PRD MSR	Comment (Abridged)	MCD Anthon's Domeson
ment #	Commenter Town of Moraga, Feb. 22,	Page Fig. 3-5	Comment (Abridged) Submitted street light information	MSR Author's Response Added.
	2013	O		
2	Michael Sands, General Manager, Blackhawk Geologic Hazard Abatement District, Feb. 27, 2013	49	In "Geologic hazard abatement services are provided by a private contractor," change "private contractor" to "the Blackhawk GHAD."	Revised to "contractors." In this introductory paragraph, we report succintly who is the actual service provider. The GHAD is managed by a private contractor, and hires private contractors to provide direct services.
3	(Sands continued)	53	Insert "certain" before "ravines."	Revised.
4	(Sands continued)	55	Delete the word "staff" and replace "support staff" with "officers."	Clarified. Added header.
5	(Sands continued)	55	Delete sentence: The Blackhawk GHAD is managed by a private firm that also manages another GHAD; its employees are shared and the respective GHAD's pay their share of employee work time.	Added header. Sentence not deleted.
6	(Sands continued)	53	Delete: "The GHAD discovered this oversight in December 2012, and has removed the affected area from its service area until the funding problem is resolved."	Deleted. The GHAD clarified that its board has not taken action on the service area, and that there have been no service needs in the affected area since the problem's discovery.
7	Lynette Tanner-Busby, Contra Costa Centre Association, Mar. 11, 2013	61	100 additional housing units are planned for the BART station property.	Removed the number of planned units since some of these units have been completed. See comment #39.
8	(Busby continued)	61	CCCA job estimate is 6,000	Added job capacity. Current job estimate is based on 2010 employee survey (4,885 jobs) and ABAG estimate.
9	(Busby continued)	61	There are 423 hotel rooms	Added.
10	(Busby continued)	62	Revise housing unit count to 422.	Not revised. See comment #39.
11	(Busby continued)	63	Countrywood Shopping Center is a destination for employees via mid-day shuttles.	Added.

Com-		PRD MSR		
ment #	Commenter	Page	Comment (Abridged)	MSR Author's Response
12	(Busby continued)	64-65	Compliance with the County's TDM Ordinance is measured on an areawide basis at Contra Costa Centre. Individual property performance is not measured for compliance purposes.	Added.
13	(Busby continued)	66	Revise jobs to 6,000 and add 423 hotel rooms.	See response to comment # 8
14	(Busby continued)	66	Please note that compliance with the County's TDM ordinance is determined by the County's Department of Conservation and Development, not by LAFCO.	Noted.
15	(Busby continued)	67	Delete determination #12 and replace with: "The CSA is within the territory of Contra Costa Centre Municipal Advisory Council (MAC) and advisory body to the County. The MAC hears periodic reports from the Contra Costa Centre Association on TDM performance.	Added content elsewhere. Determination #12 not revised.
16	(Busby continued)	67	Under recommendation, add "concurrent with a future expansion of the CSA via annexation proceeding."	Not revised. This point was already covered under Governance Alternatives.
17	City of Walnut Creek, Mar. 12, 2013	CSA D-2	Provided copies of Preliminary Design Report for Homestead Drainage Area (1998) and Hydraulic Alternatives Analysis (2009).	Added content.
18	Commissioner Sharon Burke, Mar. 12, 2013	1	Add information on miscellaneous CSAs reviewed in the Police Services MSR (2011) and the Parks and Cemetery Services MSR (2010).	Added.
19	(Burke continued)	4	The report notes 4,000-5,000 employees working at the commercial properties in CSA M-31. Contra Costa Centre Association reports 6,000 employees. This is a significant difference and should be verified.	See footnote 74 on p. 61 for job estimate sources. There is capacity in the CSA for 6-7,000 jobs during robust economic times.
20	(Burke continued)	5	For unincorporated communities, Census Designated Place (CDP) place names can be confusing since CDP place names are not commonly used by the general public or even by affected government agencies.	Added map showing unincorporated communities by name. See Appendix Map 1 in Draft Final MSR.

Com-		PRD MSR		
ment #	Commenter	Page	Comment (Abridged)	MSR Author's Response
21	(Burke continued)	18	CSA D-2 is in Flood Control District Zone 3-B and partly in the City of Walnut Creek. Are there overlapping responsibilities and financing sources? How do these agencies and responsibilities apply to CSA D-2?	Added content. The Flood Control District handles regional flood infrastructure; whereas, the CSA handles local infrastructure. The City conducts planning and design studies, and may choose to fund projects directly.
22	(Burke continued)	31	The discussion of the recent LAFCO action to pursue annexation of Round Hill into CSA R-7 is pertinent since it is the only recent action to pursue a reallocation of future property taxes through annexation into a CSA. However, the action is not analogous to the discussion on this page of annexing portions of the county receiving services from L-100 because the communities discussed are widely separated and annexation would not make whole a community of interest, as Round Hill and Alamo were.	Noted. The discussion is included to illustrate the potential and precedent for property tax allocations associated with annexation.
23	(Burke continued)	31	Add content on communities within the CSA that have private roads and are gated where residents pay HOA dues for private streetlights in addition to CSA L-100 charges.	Added. Note that the MSR lacked the information to identify such areas. Review of google earth images indicated some gated communities have minimal (decorative) lights.
24	(Burke continued)	32	CSA L-100: With a fund balance well over \$5 million dollars, recent revenues in line with recent expenditures, no debt, and service levels far exceeding levels provided by a private utility, PG&E, there does not appear to be any justification for the statement that the current level of financing for the CSA is "minimally adequate to finance services." The CSA should be encouraged to use its fund balance for public purposes and not allow it to sit unused.	Revised.
25	(Burke continued)	44	Figure 3-9 caption	Revised.

Com-		PRD MSR		
ment #	Commenter	Page	Comment (Abridged)	MSR Author's Response
26	(Burke continued)	45	CSA M-20: It does not appear to be cost effective or efficient for two county maintenance workers to spend one hour per week trimming the trees on the north side of Willow Avenue. Since the Viewpointe HOA is already maintaining most of the trees in the subdivision, perhaps it would be more efficient to contract this work to the HOA and simply use the CSA as a passthrough.	Note that County staff has a route that covers more than just the work they do in CSA M-20.
27	(Burke continued)	63	It would be useful to have a discussion of the financial impacts of the termination of the County RDA on the finances of M-31, since the narrative states the RDA reimbursed the CSA for certain costs. Has this funding been replaced and will it affect services provided by the CSA?	RDA funding has not been replaced. Content added.
28	(Burke continued)	63	It would be useful to have information about the usage levels for the CSA M-31 mid-day shuttle.	Added.
29	(Burke continued)	64	CSA M-31 should do more work to effectively use the taxpayer funding provided. CCCA should conduct usage surveys to determine by vehicle and program (Segway, smart car, various incentives) which are used and which are not and discontinue ineffective programs.	Noted. See determination #7 for CSA M-31.
30	(Burke continued)	CSA M-31	CCCA provides child care services. The CSA can only fund transportation demand management services. It seems it would be important to determine if any funds are commingled. However, since the CCCA did not provide budget information to LAFCO, this determination is not possible.	The Auditor-Controller reports that County payments to CCCA are made from separate funds for the CSA and child care trust fund respectively. See subsequent comments #38, 49 and 50.

Com-		PRD MSR		
ment #	Commenter	Page	Comment (Abridged)	MSR Author's Response
31	(Burke continued)	76	CSA T-1 has been in existence for seven years and has provided no direct services during that time while collecting assessments. The services it was formed to provide do not appear to be in demand, that CSA transit trips would amount to 77 transit trips per day (compared to the total 10,000 car trips per day from the CSA). It would be useful to have a discussion of a zero sphere of influence for CSA T-1.	Added.
32	(Burke continued)		Please note according to the 2008 update of County Service Area Law, California Government Code requires regular audits of CSAs, annual reports, and determinations of Gann appropriations limits. It is not clear from the MSR if any of these requirements are being met by the CSAs reviewed.	All 7 CSAs complied with annual budgeting and annual reports to the State Controller. County staff reports that CSA funds are audited annually.
33	(Burke continued)		The Public Works Department which manages these CSAs appears to charge differing administrative fees which are not applied uniformly.	County staff reported that they charge actual cost for services (such as preparing budgets, engineers reports, etc.).
34	(Burke continued)		CSAs M-31 and T-1 receive assessments only and not a percentage of the 1% property tax. It appears these agencies would more appropriately be benefit assessment districts and not CSAs.	Noted. When the assessments were approved, the entities were structured as CSAs rather than assessment districts.
35	Paul Detjens, CSA D-2, Mar. 12, 2013	CSA D-2	Provided clarifying information relating to expenditures.	Added.
36	Susan Cohen, CSA T-1, Mar. 13, 2013	CSA T-1	Provided settlement agreement and conditions of approval for development in the CSA bounds.	Added.
37	Lynette Tanner-Busby, Contra Costa Centre Association, Mar. 13, 2013	CSA M-31	CCCA has recently evaluated and changed the mid-day shuttle so that the destination is twice a week the Kohl's shopping center.	Updated.

Com-		PRD MSR		
ment #	Commenter	Page	Comment (Abridged)	MSR Author's Response
38	(Busby continued)	CSA M-31	The CCCA budget (separate from the CSA) pays for salaries, a resident sheriff deputy, overhead, and child care. The child care costs amount to \$1,100 monthly per enrolled child.	Noted.
39	Maureen Toms, County Department of Conservation & Development, March 15, 2013	CSA M-31	Provided interview with current information on office tenants, employee capacity (6-7,000), and housing units (35 additional units completed). Indicated that DCD monitors CSA M-31 program effectiveness and outcomes.	Added.
40	Tim Jensen, Senior Civil Engineer, County Public Works Dept., Mar. 27, 2013	CSA M-23	Provided a description of the nature and extent of drainage services provided by CSA M-23.	Added.
41	Susan Cohen, CSA T-1, Mar. 27, 2013	CSA T-1	We have completed the community outreach program to educate and gather feedback from the residents within CSA T-1. We are preparing to review the analysis of the transportation survey feedback. Our mid-term strategy is anticipated to include a vanpool and/or shuttle service, connecting CSA T-1 to select locations including BART stations or Bishop Ranch. We would initiate the process of selecting a vanpool leasing or shuttle company to provide transit service, via an RFP in 2013.	Added.
42	(Cohen continued)	CSA L-100	CSA services do not differ depending on type of ownership of the street light and what PG&E maintains.	Noted.

Com-		PRD MSR		
ment #	Commenter	Page	Comment (Abridged)	MSR Author's Response
43	Maureen Toms, County Department of Conservation & Development, March 29, 2013	62	Entitlements for commercial development in the CCC area include conditions of approval which most recently include: providing bicycle parking, preferential parking for low-emission vehicles and carpools, promoting BART use, and adopting trip reduction goals and enforcement procedures.	Added.
44	(Toms continued)	65	The TDM program and budget is reviewed annually by the CCCA board, and CCCA conducts employee surveys every 3 years to determine effectiveness. CCCA provides monthly expenditure reports to the County. The County Board of Supervisors approves the budget and renews the contract with CCCA annually.	Added.
45	(Toms continued)	62	The County's records show different information for the FY 11-12 fund balance (\$39,000 rather than \$218,000) total expenditures (\$282,000 rather than \$200,000), and changes by expenditure category.	Not revised. The Auditor-Controller's office confirmed the MSR figures for fund balance and total expenditures were accurate.
46	(Toms continued)	63	The former Redevelopment Agency assisted the TDM program with funds for green fleet equipment rooms, reservation systems and electric vehicle charging stations. This source of revenue is no longer available.	Added.
47	(Toms continued)	63	CCCA was instrumental in obtaining grant funds from the U.S. Department of Energy, 511 Contra Costa and other sources to fund eight vehicle charging stations, as well as installation costs for electric vehicle charging stations, commuter survey analysis and bike lockers.	Added.
48	(Toms continued)	CSA M-31	CCCA is partnering with Contra Costa Transportation Authority to develop a real-time ride-share program.	Added.

Log of Comments and Authors' Responses

Public Review Draft Miscellaneous Services MSR

Com-		PRD MSR		
ment #	Commenter	Page	Comment (Abridged)	MSR Author's Response
49	(Toms continued)	CSA M-31	In response to comment #30, CCCA does not provide child care services per se. The commercial property owners funded a \$1 million trust account held by the County to comply with General Plan conditions and enhance marketability of office space. The trust fund interest provides subsidies for child care expenses to low- and moderate-income employees.	Added.
50	(Toms continued)	CSA M-31	In response to comment #30, there is no factual basis to suggest that CSA and child care funds are commingled.	Noted. The County Auditor-Controller confirmed that the County keeps the funds separated.
51	(Toms continued)	CSA M-31	"The consultant to LAFCO has requested the entire operating budget" for CCCA; however, the County does not have the operating budget and has no legal grounds to demand it.	The comment is inaccurate. The LAFCO consultant requested on Feb. 21 the total CCCA budget, explicitly indicating an interest in knowing the CSA funds as a percent of the CCCA budget. CCCA declined to provide that.

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

lef₆

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MEMBERS

Donald A. Blubaugh *Public Member*

Federal Glover
County Member

Michael R. McGill Special District Member Special District Member

Mary N. Piepho

County Member

Rob Schroder

City Member

Dwight Meadows

Don TatzinCity Member

ALTERNATE MEMBERS

Candace Andersen
County Member
Sharon Burke
Public Member

Tom Butt City Member

George H. Schmidt Special District Member

April 17, 2013 Agenda Item 8

April 17, 2013 (Agenda)

Lou Ann Texeira

Executive Officer 1

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 GenOn (NRG Energy) 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. In October 2012, the subcommittee resumed meeting, and last met on January 28, 2013.

As reported last month, on February 20, the Antioch Planning Commission held a public hearing to receive comments on the City's Northeast Antioch Mitigated Negative Declaration (MND). The City Council is expected to take action on the MND and prezoning in June. City and County staff are finalizing the property tax exchange and infrastructure agreements and expect to bring these to their respective governing bodies in the summer.

In March, we also reported on the first community meeting held on February 27 at the Bridgehead Café in unincorporated Antioch (Area 2b). The meeting was well attended. The most prominent questions and concerns from the residents related to cost and requirements of connecting to City water and sewer systems, zoning, and the annexation/protest proceedings and voting rights. A second community meeting is scheduled for April 17 (same location). Also in March, City and County staff met to discuss issues relating to water, sewer and environmental health concerns. City and County staff will be available at the April 17 LAFCO meeting to respond to questions.

RECOMMENDATION - Receive the monthly update and provide comment and direction as desired.

Sincerely,

LOU ANN TEXEIRA EXECUTIVE OFFICER



Lou Ann Texeira

Executive Officer 1

651 Pine Street, Sixth Floor • Martinez, CA 94553-1229

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Rob Schroder City Member

Don Tatzin City Member

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Candace Andersen County Member **Sharon Burke** Public Member Tom Butt City Member

George H. Schmidt

April 17, 2013 Agenda Item 9

Special District Member

April 17, 2013 (Agenda)

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

Third Quarter Budget Report - Fiscal Year 2012-13

Dear Members of the Commission:

This is the third quarter budget report for FY 2012-13, which compares adopted and actual expenses and revenues for the period July 1, 2012 through March 31, 2012.

The LAFCO operating budget includes three components: salaries/benefits, services/supplies, and contingency/reserve. The budget is based on the "bottom line," which allows for variation within line item accounts as long as the overall balance remains positive. Funds may not be drawn from the contingency/reserve without Commission approval.

LAFCO's budget is funded primarily by the County, cities and independent special districts, with each group paying one-third of the LAFCO budget. The city and district shares are prorated based on general revenues reported to the State Controller's Office. LAFCO also receives revenue through application fees and interest earnings.

DISCUSSION

On May 9, 2012, LAFCO adopted its final FY 2012-13 budget with appropriations totalling \$745,225, including an \$80,000 contingency/reserve and a \$10,000 contribution to fund the OPEB liability.

With 75% of the fiscal year elapsed, the Commission's third quarter expenditures are \$413,758 or 56% of total appropriations. The Commission budgeted \$335,466 in salaries/benefits for FY 2012-13; at the end of the third quarter, actual expenses total \$235,043 or 70% of the total budgeted amount. The Commission budgeted \$319,759 in services/supplies; at the end of the third quarter, actual expenses total \$168,715 or 53%. The budget also includes an \$80,000 contingency and \$10,000 to fund the OPEB liability. No funds have been drawn from the contingency this fiscal year; the \$10,000 OPEB funds are included in third quarter expenditures.

The primary sources of revenues are local agency contributions, application fees, and interest earnings. Total revenues received through the third quarter are \$622,446 or 100% of projected revenues (excluding fund balance). All local agencies have paid their prorated contributions to the LAFCO budget.

As for applications, FY 2012-13 application activity is greater than FY 2011-12 activity. During the first nine months of FY 2012-13, LAFCO received eight new applications; six applications were received during the first nine months of FY 2011-12.

LAFCO is currently receiving no investment earnings, and awaits the County Treasurer's notice to resume investment activity based on market conditions.

Finally, when available, we budget fund balance to offset agency contributions. The FY 2012-13 budget includes \$121,541 in budgeted fund balance. See table below for a summary.

Account	FY 2012-13	Third Quarter
	Final Budget	Actuals
Salaries & Benefits	\$335,466	\$235,043
Services & Supplies	319,759	168,715
Contingency/Reserve	80,000	-
OPEB Trust	10,000	10,000
Total Appropriations	\$745,225	\$413,758
Agency Contributions	\$593,684	\$593,684
Application/Other Revenue	30,000	28,762
Interest Earnings		
Fund Balance	121,541	
Total Revenues	\$745,225	\$622,446

No budget adjustments are recommended at this time. LAFCO staff will continue to closely monitor the budget, and keep the Commission apprised.

RECOMMENDATION

It is recommended that the Commission receive the FY 2012-13 third quarter budget report.

Sincerely,

LOU ANN TEXEIRA EXECUTIVE OFFICER

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

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April 17, 2013 Agenda Item 10

April 17, 2013 (Agenda)

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

Financial Audit for Fiscal Year 2011-12

Dear Members of the Commission:

Each year, LAFCO conducts a financial audit of the LAFCO finances. The independent auditing firm of R.J. Ricciardi, Inc. prepared the LAFCO financial audit for FY 2011-12. Per the Commission's recommendation, the auditing firm agreed to periodically rotate staff auditors assigned to the LAFCO audit, and a new auditor prepared the FY 2011-12 financial audit.

The audit was conducted in accordance with the generally accepted auditing standards as specified in the report. The report found no material weaknesses and does not propose any changes in how the Commission or staff account for or manage financial resources. The auditors identified no deficiencies in internal control that they would consider to be material weaknesses, and no current year observations.

Special thanks are extended to the County Auditor-Controller's Office staff, especially Laura Garvey, and LAFCO Executive Assistant Kate Sibley for their work on the annual audit.

RECOMMENDATION

It is recommended that the Commission receive and file the audit report for the fiscal year ending June 30, 2012 (attached).

Sincerely,

LOU ANN TEXEIRA EXECUTIVE OFFICER

Enclosure – 2011-12 Financial Audit

c: R.J. Ricciardi, Inc. CPAs
Bob Campbell, County Auditor's Office

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION MARTINEZ, CALIFORNIA

BASIC FINANCIAL STATEMENTS

JUNE 30, 2012

TABLE OF CONTENTS

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INDEPENDENT AUDITORS' REPORT

Commissioners
Contra Costa Local Agency Formation Commission
Martinez, California

We have audited the accompanying basic financial statements of the governmental activities and the major fund of Contra Costa Local Agency Formation Commission as of June 30, 2012 and for the fiscal year then ended, as listed in the table of contents. These basic financial statements are the responsibility of Contra Costa Local Agency Formation Commission's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards and the State Controller's Minimum Audit Requirements for California Special Districts. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Contra Costa Local Agency Formation Commission's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly in all material respects, the financial position of the governmental activities and the major fund of Contra Costa Local Agency Formation Commission as of June 30, 2012, and the respective changes in financial position for the year then ended in conformity with U.S. generally accepted accounting principles, as well as accounting systems prescribed by the State Controller's Office and state regulations governing special districts.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (pages 2-5) and the required supplementary information (page 15), as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

2. J. Mills

R. J. Ricciardi, Inc. Certified Public Accountants

San Rafael, California March 18, 2013

Contra Costa Local Agency Formation Commission MANAGEMENT'S DISCUSSION AND ANALYSIS June 30, 2012

This section of Contra Costa Local Agency Formation Commission's (LAFCO's) basic financial statements presents management's overview and analysis of the financial activities of the organization for the fiscal year ended June 30, 2012. We encourage the reader to consider the information presented here in conjunction with the basic financial statements as a whole.

Introduction to the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to LAFCO's audited financial statements, which are composed of the basic financial statements. This annual report is prepared in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for States and Local Governments. The Single Governmental Program for Special Purpose Governments reporting model is used, which best represents the activities of LAFCO.

The required financial statements include the Statement of Net Assets and Governmental Funds Balance Sheet; and the Statement of Activities and Governmental Funds Revenues, Expenditures and Changes in Fund Balances.

These statements are supported by notes to the basic financial statements. All sections must be considered together to obtain a complete understanding of the financial picture of LAFCO.

The Basic Financial Statements

The Basic Financial Statements comprise the Combined Government-wide Financial Statements and the Fund Financial Statements; these two sets of financial statements provide two different views of LAFCO's financial activities and financial position.

The Government-wide Financial Statements provide a longer-term view of LAFCO's activities as a whole, and comprise the Statement of Net Assets and the Statement of Activities. The Statement of Net Assets provides information about the financial position of LAFCO as a whole, including all of its capital assets and long-term liabilities on the full accrual basis, similar to that used by corporations. The Statement of Activities provides information about all of LAFCO's revenues and all of its expenses, also on the full accrual basis, with the emphasis on measuring net revenues or expenses of LAFCO's programs. The Statement of Activities explains in detail the change in Net Assets for the year.

All of LAFCO's activities are grouped into Government Activities, as explained below.

The Fund Financial Statements report LAFCO's operations in more detail than the Government-wide statements and focus primarily on the short-term activities of LAFCO's Major Funds. The Fund Financial Statements measure only current revenues and expenditures and fund balances; they exclude capital assets, long-term debt and other long-term amounts.

Major Funds account for the major financial activities of LAFCO and are presented individually. Major Funds are explained below.

The Government-wide Financial Statements

Government-wide Financial Statements are prepared on the accrual basis, which means they measure the flow of all economic resources of LAFCO as a whole.

The Statement of Net Assets and the Statement of Activities present information about the following: Governmental Activities – LAFCO's basic services are considered to be governmental activities. These services are supported by specific general revenues from local agencies.

Contra Costa Local Agency Formation Commission MANAGEMENT'S DISCUSSION AND ANALYSIS June 30, 2012

Fund Financial Statements

The Fund Financial Statements provide detailed information about each of LAFCO's most significant funds, called Major Funds. The concept of Major Funds, and the determination of which are Major Funds, was established by GASB Statement No. 34 and replaces the concept of combining like funds and presenting them in total. Instead, each Major Fund is presented individually, with all Non-major Funds summarized and presented only in a single column. Major Funds present the major activities of LAFCO for the year, and may change from year-to-year as a result of changes in the pattern of LAFCO's activities.

In LAFCO's case, there is only one Major Governmental Fund.

Governmental Fund Financial Statements are prepared on the modified accrual basis, which means they measure only current financial resources and uses. Capital assets and other long-lived assets, along with long-term liabilities, are not presented in the Governmental Fund Financial Statements.

Comparisons of Budget and Actual financial information are presented for the General Fund.

Analyses of Major Funds

Governmental Funds

General Fund revenue decreased this fiscal year compared to the prior year due primarily to decreases in boundary change applications. Actual revenues were less than budgeted amounts by \$5,495 due primarily to decreased application activity.

General Fund expenditures were \$588,424, an increase of \$56,906 from the prior year primarily due to a single complex application that required increased expenditures including a special study and other expenses, ranging from hearing notice publications to Legal and GIS Mapping Services. Expenditures were \$42,953 less than budgeted due to the timing of Municipal Service Reviews and service contracts/payments.

Governmental Activities

Table 1 Governmental Net Assets

	Gov	2012 ernmental ctivities	2011 Governmenta Activities		
Current assets	\$	321,920	\$	367,805	
Total assets		321,920		367,805	
Accounts payable		28,825		25,481	
Due to other government agencies		61,639		37,325	
Total liabilities		90,464		62,806	
Net assets					
Unrestricted		231,456		304,999	
Total net assets	\$	231,456	\$	304,999	

Contra Costa Local Agency Formation Commission <u>MANAGEMENT'S DISCUSSION AND ANALYSIS</u> June 30, 2012

LAFCO's governmental net assets amounted to \$231,456 as of June 30, 2012, a decrease of \$73,542 from 2011. This decrease is the Change in Net Assets reflected in the Statement of Activities shown in Table 2. LAFCO's net assets as of June 30, 2012 comprised the following:

- Cash and investments comprised \$316,013 of cash on deposit with the Contra Costa County Treasury.
- Accounts payable totaling \$28,825.
- Due to other government agencies totaling \$61,639.
- Unrestricted net assets, the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants or other legal requirements or restrictions. LAFCO had \$231,456 of unrestricted net assets as of June 30, 2012.

The Statement of Activities presents program revenues and expenses and general revenues in detail. All of these are elements in the Changes in Governmental Net Assets summarized below.

Table 2
Changes in Governmental Net Assets

Changes in Governmental 140	. (2155015			
	2012			2011
	Governmental		Gov	rernmental
	A	Activities		ctivities
Expenses			-	
Services and supplies	\$	588,424	\$	531,518
Total expenses		588,424		531,518
Revenues				
Program revenues:				
Charges for services		28,505		39,605
Total program revenues		28,505		39,605
General revenues:				
Intergovernmental		486,377		555,755
Total general revenues		486,377		555,755
Total revenues		514,882		595,360
Change in net assets	\$	(73,542)	\$	63,842

As Table 2 above shows, \$28,505, or 5.9% of LAFCO's fiscal year 2012 governmental revenue, came from program revenues and \$486,377, or 94.1%, came from general revenues such as contributions from local agencies.

Program revenues were composed of Boundary Proposal and related fees of \$28,505.

General revenues are not allocable to programs. General revenues are used to pay for the net cost of governmental programs.

Capital Assets

LAFCO has no capital assets.

Contra Costa Local Agency Formation Commission MANAGEMENT'S DISCUSSION AND ANALYSIS June 30, 2012

Debt Administration

LAFCO does not utilize long-term debt to fund operations or growth.

Economic Outlook and Major Initiatives

Financial planning is based on specific assumptions from recent trends, State of California economic forecasts and historical growth patterns in the various agencies served by LAFCO.

The economic condition of LAFCO as it appears on the balance sheet reflects financial stability and the potential for organizational growth. LAFCO will continue to maintain a watchful eye over expenditures and remain committed to sound fiscal management practices to deliver the highest quality service to the citizens of the area.

Contacting LAFCO's Financial Management

The basic financial statements are intended to provide citizens, taxpayers, and creditors with a general overview of LAFCO's finances. Questions about this report should be directed to Contra Costa Local Agency Formation Commission, 651 Pine Street, Martinez, California 94553.

Contra Costa Local Agency Formation Commission STATEMENT OF NET ASSETS AND GOVERNMENTAL FUNDS BALANCE SHEET

June 30, 2012

	General		Adjustments		tement of et Assets
ASSETS					
Cash and investments	\$	316,013	\$	-	\$ 316,013
Accounts receivable		5,561		-	5,561
Prepaid items		346		-	346
Total assets	\$	321,920	\$		\$ 321,920
<u>LIABILITIES</u>			_		
Accounts payable	\$	28,825	\$	-	\$ 28,825
Due to other governments		61,639			 61,639
Total liabilities		90,464		-	 90,464
FUND BALANCES/NET ASSETS				ű.	
Fund balances:					
Unassigned fund balance		231,456		(231,456)	_
Total fund balances		231,456		(231,456)	
Total liabilities and fund balances	\$	321,920	*		
Net assets:					
Unrestricted				231,456	231,456
Total net assets			\$	231,456	\$ 231,456

The accompanying notes are an integral part of these financial statements.

Contra Costa Local Agency Formation Commission

STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS REVENUES, EXPENDITURES, AND

CHANGES IN FUND BALANCES

For the period ended June 30, 2012

		General	Adjustments	tement of et Assets
Expenditures/expenses:				
Services and supplies	\$	588,424	\$ -	\$ 588,424
Total expenditures/expenses		588,424		 588,424
Program revenues:				
Charges for services		28,505		28,505
Net program expense				(559,919)
General revenues:				
Intergovernmental	_	486,377		 486,377
Total general revenues and transfers	_	486,377		486,377
Excess (deficiency) of revenues and transfer in				
over (under) expenditures and transfers out		(73,542)	73,542	-
Changes in net assets		-	(73,542)	(73,542)
Fund balance/Net assets at beginning of period		304,998		 304,998
Fund balance/Net assets at end of period	\$	231,456	\$ -	\$ 231,456

NOTE 1 - REPORTING ENTITY

A. Organization of LAFCO

Contra Costa Local Agency Formation Commission (LAFCO) was formed in 1963. LAFCO is responsible for coordinating logical and timely changes in local government boundaries, conducting special studies that review ways to reorganize, simplify, and streamline governmental structure, and preparing a sphere of influence for each city and special district within its county. LAFCO's efforts are directed toward seeing that services are provided efficiently and economically while agricultural and open-space lands are protected. LAFCO also conducts service reviews to evaluate the provision of municipal services within its county.

B. Principles that Determine the Scope of Reporting Entity

LAFCO consists of seven voting members and exercises the powers allowed by state statutes. This follows section 56325 of the Government Code. The basic financial statements of LAFCO consist only of the funds of LAFCO. LAFCO has no oversight responsibility for any other governmental entity since no other entities are considered to be controlled by, or dependent on, LAFCO.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

LAFCO's basic financial statements are prepared in conformity with U.S. generally accepted accounting principles. The Governmental Accounting Standards Board (GASB) is the acknowledged standard setting body for establishing accounting and financial reporting standards followed by governmental entities in the U.S.A.

LAFCO has chosen to present its basic financial statements using the reporting model for special purpose governments engaged in a single government program.

This model allows the fund financial statements and the government-wide statements to be combined using a columnar format that reconciles individual line items of fund financial data to government-wide data in a separate column on the face of the financial statements rather than at the bottom of the statements or in an accompanying schedule.

Government-wide Financial Statements

LAFCO's financial statements reflect only its own activities; it has no component units. The statement of net assets and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through intergovernmental revenues and charges for services.

The statement of activities presents a comparison between direct expenses and program revenues for each segment of LAFCO's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include charges paid by the recipients of goods and services offered by the program. Revenues that are not classified as program revenues, including all intergovernmental revenues, are presented as general revenues.

NOTE 2 - <u>SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</u> (continued)

A. Basis of Presentation (concluded)

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. General Fund operations are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures (or expenses) as appropriate. LAFCO's resources are accounted for based on the purposes for which they are to be spent and the means by which spending activities are controlled. An emphasis is placed on major funds within the governmental categories. A fund is considered major if it is the primary operating fund of LAFCO or meets the following criteria: Total assets, liabilities, revenues or expenditures (or expenses) of the individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type. The General Fund is always a major fund.

Governmental Funds

General Fund: This is the operating fund of LAFCO. The major revenue source for this fund is intergovernmental revenues. Expenditures are made for intergovernmental revenues projects and administration.

B. Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the full accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when "measurable and available." LAFCO considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Those revenues susceptible to accrual are intergovernmental, certain charges for services and interest revenue. Charges for services are not susceptible to accrual because they are not measurable until received in cash.

Non-exchange transactions, in which LAFCO gives or receives value without directly receiving or giving equal value in exchange, include taxes, grants, entitlements, and donations. On the accrual basis, revenue from taxes is recognized in the fiscal year for which the taxes are levied or assessed.

NOTE 2 - <u>SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</u> (concluded)

B. Basis of Accounting (concluded)

LAFCO may fund programs with a combination of charges for services and general revenues. Thus, both restricted and unrestricted net assets may be available to finance program expenditures. LAFCO's policy is to first apply restricted grant resources to such programs, followed by general revenues if necessary.

C. LAFCO Budget

Pursuant to Section 56381, et seq of the Government Code, LAFCO adopts a preliminary budget by May 1 and a final budget by June 15 of each year.

Budgets are adopted on a basis consistent with U.S. generally accepted accounting principles. Budget/actual comparisons in this report use this budgetary basis. These budgeted amounts are as originally adopted or as amended by LAFCO. Individual amendments were not material in relation to the original appropriations that were amended.

D. Property, Plant and Equipment

LAFCO currently has no fixed assets.

E. Compensated Absences

Compensated absences comprise unpaid vacation. Vacation and sick time are accrued as earned.

NOTE 3 - CASH AND INVESTMENTS

LAFCO's cash is maintained with the Contra Costa County Treasury in a non-interest-bearing account. LAFCO's cash on deposit with the Contra Costa County Treasury at June 30, 2012 was \$316,013.

Credit Risk, Carrying Amount and Market Value of Investments

LAFCO maintains specific cash deposits with Contra Costa County. Contra Costa County is restricted by state code in the types of investments it can make. Furthermore, the Contra Costa County Treasurer has a written investment policy, approved by the Board of Supervisors, which is more restrictive than state code as to terms of maturity and type of investment. Also, Contra Costa County has an investment committee, which performs regulatory oversight for its pool as required by California Government Code Section 27134. In addition, LAFCO has its own investment policy as well.

Contra Costa County's investment policy authorizes Contra Costa County to invest in obligations of the U.S. Treasury, its agencies and instrumentalities, certificates of deposit, commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record, bankers' acceptances, repurchase agreements, and the State Treasurer's investment pool. At June 30, 2012, LAFCO's cash with the Contra Costa County Treasurer was maintained in a non-interest-bearing account.

NOTE 4 - USE OF ESTIMATES

The basic financial statements have been prepared in conformity with U.S. generally accepted accounting principles and, as such, include amounts based on informed estimates and judgments of management with consideration given to materiality. Actual results could differ from those amounts.

NOTE 5 - CONTINGENCIES

LAFCO may be involved from time to time in various claims and litigation arising in the ordinary course of business. LAFCO management, based upon the opinion of legal counsel, is of the opinion that the ultimate resolution of such matters should not have a materially adverse effect on LAFCO's financial position or results of operations.

NOTE 6 - FUND EQUITY

The accompanying basic financial statements reflect certain changes that have been made with respect to the reporting of the components of Fund Balances for governmental funds. In previous years, fund balances for governmental funds were reported in accordance with previous standards that included components for reserved fund balance, unreserved fund balance, designated fund balance, and undesignated fund balance. Due to the implementation of GASB Statement No. 54, the components of the fund balances of governmental funds now reflect the component classifications described below. In the fund financial statements, governmental fund balances are reported in the following classifications:

Nonspendable fund balance includes amounts that are not in a spendable form, such as prepaid items or supplies inventories, or that are legally or contractually required to remain intact, such as principal endowments.

<u>Restricted</u> fund balance includes amounts that are subject to externally enforceable legal restrictions imposed by outside parties (i.e., creditors, grantors, contributors) or that are imposed by law through constitutional provisions or enabling legislation.

<u>Committed</u> fund balance includes amounts whose use is constrained by specific limitations that the government imposes upon itself, as determined by a formal action of the highest level of decision-making authority. The Commissioners serve as LAFCO's highest level of decision-making authority and have the authority to establish, modify or rescind a fund balance commitment via minutes action.

Assigned fund balance includes amounts intended to be used by LAFCO for specific purposes, subject to change, as established either directly by the Commissioners or by management officials to whom assignment authority has been delegated by the Commissioners.

<u>Unassigned</u> fund balance is the residual classification that includes spendable amounts in the General Fund that are available for any purpose.

When expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned or unassigned) fund balances are available, LAFCO specifies that restricted revenues will be applied first. When expenditures are incurred for purposes for which committed, assigned or unassigned fund balances are available, LAFCO's policy is to apply committed fund balance first, then assigned fund balance, and finally unassigned fund balance.

NOTE 6 - FUND EQUITY (concluded)

Net Assets

Net Assets is the excess of all LAFCO's assets over all its liabilities, regardless of fund. Net Assets are divided into three captions under GASB Statement No. 34. These captions apply only to Net Assets, which is determined only at the government-wide level, and are described below:

Invested in capital assets, net of related debt describes the portion of Net Assets that is represented by the current net book value of LAFCO's capital assets, less the outstanding balance of any debt issued to finance these assets.

Restricted describes the portion of Net Assets that is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions that LAFCO cannot unilaterally alter.

Unrestricted describes the portion of Net Assets that is not restricted to use.

All of LAFCO's Net Assets are unrestricted.

NOTE 7 - PENSION PLAN

A LAFCO employee is eligible to participate in pension plans offered by Contra Costa County Employee Retirement Association (CCCERA), a cost sharing multiple employer defined benefit pension plan (the Plan) which acts as a common investment and administrative agent for its participating member employers. CCCERA provides retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefit provisions under the Plan are established by State statute and County resolution. Benefits are based on years of credited service, equal to one year of full time employment. Funding contributions for the Plan are determined annually on an actuarial basis as of December 31 by CCCERA; LAFCO must contribute these amounts.

A LAFCO employee will pay actuarially required contributions. Retirement age varies and is based on different criteria, described as follows: any time, regardless of age, if the employee has 30 or more years of retirement service credit; any time after age 50, if the employee has 10 or more years of retirement service credit; at age 65, if the employee was a member on or before December 31, 1978; at age 70, regardless of years of retirement service credit.

CCCERA determines contribution requirements using a modification of the Entry Age Normal Method. Under this method, LAFCO's total normal benefit cost for each employee from date of hire to date of retirement is expressed as a level percentage of the related total payroll cost.

Normal benefit cost under this method is the level amount the employer must pay annually to fund an employee's projected retirement benefit. This level percentage of payroll method is used to amortize any unfunded actuarial liabilities. The actuarial assumptions used to compute contribution requirements are also used to compute the pension benefit obligation.

NOTE 7 - <u>PENSION PLAN</u> (concluded)

CCCERA uses the market related value method of valuing the Plan's assets. The December 31, 2010 valuation included an assumed investment rate of return of 7.75%, including inflation at 3.5%. Annual salary increases are assumed to vary by duration of service. LAFCO's unfunded actuarial accrued liability is being amortized as a level percentage of payroll on a closed basis. The remaining amortization period ends January 1, 2025.

CCCERA financial statements can be obtained at the Contra Costa County Employee Retirement Association, 1355 Willow Way, Suite 221, Concord, California 94520.

NOTE 8 - OTHER POSTEMPLOYMENT BENEFIT (OPEB)

A. Plan Description

LAFCO employees are eligible to participate in the Contra Costa County (County) defined benefit healthcare plan. The County is the plan sponsor and administers a single-employer defined benefit healthcare plan. The plan provides postemployment medical and dental insurance benefits to eligible retired employees and their dependents (County of Contra Costa Post Retirement Health Benefit Plan). Benefit provisions are established and may be amended through negotiations between the County and the respective bargaining units.

The County contracts with Kaiser Permanente, Health Net, Contra Costa Health Plans, and the California Public Employees' Retirement System (CalPERS) to provide medical benefits and Delta Dental and PMI Deltacare for dental benefits.

B. Eligibility

LAFCO retirees are eligible for membership in the plans upon retirement from the County (drawing a pension from CCCERA or CalPERS). Members in deferred retirement status may maintain membership in County health plans at their own cost and become eligible for coverage as a retiree upon commencement of their pension.

C. Funding Policy

The contribution requirements of program members and the County are established and may be amended through negotiations between the County and the respective bargaining units with the subsequent approval of LAFCO Commissioners.

D. Annual OPEB Cost and Net OPEB Contribution

The County's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The County has determined that the future liability is an obligation of the general government. The County charges current costs of these benefits to LAFCO. The County records the accrued liability and expense in the general government classification of the Government-wide Statement of Net Assets and Statement of Activities. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

NOTE 8 - OTHER POSTEMPLOYMENT BENEFIT (OPEB) (concluded)

D. Annual OPEB Cost and Net OPEB Contribution (concluded)

For further information regarding the Contra Costa County defined benefit healthcare plan, please refer to the County of Contra Costa Comprehensive Annual Financial Report which can be obtained at Contra Costa County Auditor Controller's Office, 625 Court Street, Martinez, CA, 94553.

Contra Costa Local Agency Formation Commission <u>STATEMENT OF REVENUES, EXPENDITURES</u> <u>AND CHANGES IN FUND BALANCE</u>

Required Supplemental Information Budget and Actual General Fund (Unaudited) For the period ended June 30, 2012

							Variance
	Original		Final				with
	Budget		Budget	-	Actual	_F	inal Budget
Revenue:							
Intergovernmental	\$ 486,377	\$	486,377	\$	486,377	\$	=
Charges for services	 34,000		34,000		28,505		(5,495)
Total revenue	 520,377	_	520,377		514,882		(5,495)
Expenditures:							
Salaries and benefits	326,607		326,607		337,512		(10,905)
Services and supplies	278,770		304,770		250,912		53,858
Total expenditures	605,377		631,377		588,424		42,953
Excess (deficit) of revenue over							
expenditures	\$ (85,000)	\$	(111,000)		(73,542)	\$	37,458
Fund balance, beginning of period					304,998		
Fund balance, end of period				\$	231,456		

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION MANAGEMENT REPORT

For the Year Ended JUNE 30, 2012

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R. J. RICCIARDI, INC.

CERTIFIED PUBLIC ACCOUNTANTS

Commissioners Contra Costa Local Agency Formation Commission Martinez, California

In planning and performing our audit of the basic financial statements of Contra Costa Local Agency Formation Commission (LAFCO) for the fiscal year ended June 30, 2012, in accordance with auditing standards generally accepted in the United States of America we considered its internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the basic financial statements but not for the purpose of expressing an opinion on the effectiveness of its internal control. Accordingly, we do not express an opinion on the effectiveness of Contra Costa Local Agency Formation Commission's internal control.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or a combination of control deficiencies, that adversely affect the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or a combination of significant deficiencies, that result in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses, as defined above. We did not identify any deficiencies in internal control that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the Commissioners, and officials of the federal and state grantor agencies and should not be used by anyone other than these specified parties.

We thank Contra Costa Local Agency Formation Commission's staff for its cooperation during our audit.

R.J. Ricciardi, Inc.

R. J. Rull

Certified Public Accountants

San Rafael, California March 18, 2013

Contra Costa Local Agency Formation Commission MANAGEMENT REPORT For the Year Ended June 30, 2012

We have audited the basic financial statements of LAFCO for the year ended June 30, 2012. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated May 21, 2012, our responsibility, as described by professional standards, is to plan and perform our audit to obtain reasonable, but not absolute, assurance that the financial statements are free of material misstatement and are fairly presented in accordance with U.S. generally accepted accounting principles. Because an audit is designed to provide reasonable, but not absolute assurance and because we did not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us.

As part of our audit, we considered the internal control of LAFCO. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we advised management about the appropriateness of accounting policies and their application. The significant accounting policies used by LAFCO are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by LAFCO during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. We evaluated the key factors and assumptions used to develop the accounting estimates in determining that it is reasonable in relation to the financial statements taken as a whole. There were no sensitive estimates affecting the basic financial statements that came to our attention.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. Of the accounting adjustments detected as a result of audit procedures and corrected by management none were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Contra Costa Local Agency Formation Commission MANAGEMENT REPORT For the Year Ended June 30, 2012

Management Representations

We have requested certain representations from management that are included in the management representation letter dated March 18, 2013.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to LAFCO's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as LAFCO's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Contra Costa Local Agency Formation Commission <u>MANAGEMENT REPORT</u> For the Year Ended June 30, 2012

Current Year Observations

There were no current year observations.

Prior Year Observations

There were no prior year observations.

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

lefc

Lou Ann Texeira

Executive Officer 1

651 Pine Street, Sixth Floor • Martinez, CA 94553-1229

e-mail: LTexe@lafco.cccounty.us

(925) 335-1094 • (925) 335-1031 FAX

MEMBERS

Donald A. Blubaugh *Public Member*

Federal Glover County Member

Michael R. McGill Special District Member Dwight Meadows Special District Member Mary N. Piepho County Member

Rob Schroder
City Member

Don TatzinCity Member

ALTERNATE MEMBERS

Candace Andersen
County Member

Sharon Burke Public Member

Tom Butt City Member

George H. Schmidt Special District Member

April 17, 2013 Agenda Item 11

April 17, 2013 (Agenda)

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

Emergency Medical Services System (EMS) and Contra Costa County Fire Protection District Study

Dear Members of the Commission:

In December 2012, the Board of Supervisors authorized an independent system re-evaluation of the County EMS System in conjunction with a separate fire service study of the Contra Costa County Fire Protection District (CCCFPD). 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. The studies will be conducted by Fitch and Associates.

The EMS system study work plan and timeline are available on the Contra Costa Health Services website (http://cchealth.org/ems/system-review.php), along with information regarding the study goals, system review process, study reports and related documents.

Regarding the fire service study, information gathering, coordination with CCCFPD, and work plan development are underway.

A list of stakeholders, including Contra Costa LAFCO, has been prepared. The County has asked the stakeholder groups to identify representatives to be notified of the future stakeholder meetings (see attached letter).

RECOMMENDATION

It is recommended that the Commission identify the appropriate LAFCO representatives to participate in the service review.

Sincerely,

LOU ANN TEXEIRA EXECUTIVE OFFICER

Attached - Contra Costa County Emergency Medical Services Study - Stakeholder Invitation

WILLIAM B. WALKER, M.D. HEATH SERVICES DIRECTOR

PAT FROST EMS DIRECTOR

JOSEPH BARGER, M.D. MEDICAL DIRECTOR



CONTRA COSTA EMERGENCY MEDICAL SERVICES

1340 Arnold Drive, Suite 126 Martinez, CA 94553-1631 Ph (925) 646-4690 Fax (925) 646-4379

Date: 3/14/13

To: Contra Costa County EMS System Stakeholder(s)

From: Patricia Frost, EMS Director, Contra Costa County Emergency Medical Services

Re: Comprehensive System Review of Contra Costa Emergency Medical Services (EMS)

On December 11, 2012 the Board of Supervisors directed Contra Costa Health Services EMS Division and the County Administrator to perform an independent EMS System review. The third-party study will be conducted by Fitch and Associates, an EMS System industry leader. Information about the study and the scope of work is available on the EMS website at http://cchealth.org/ems/system-review.php. As part of the review a list of individuals representing EMS System stakeholders is being compiled to participate in the process. The following stakeholder groups are being contacted:

- Contra Costa Emergency and Non-Emergency Ambulance Providers
- Contra Costa Health Services (CCHS) Executive Leadership
- County Administrator and Board of Supervisor leadership
- Emergency Medical Care Committee (EMCC)
- Local Agency Formation Commission (LAFCO)
- All Hospital Chief Executives and Emergency Department Leadership
- Trauma, STEMI and Stroke System Physician and Nurse Leadership
- Health Plans (Kaiser, Contra Costa Health Plan, others)
- Contra Costa Advisory Council on Aging
- Contra Costa Fire Districts/Departments and Provider Agencies
- Contra Costa Public Health Program Leadership (homeless, mental health, vulnerable populations)
- Appropriate labor representative groups, e.g. Fire, Ambulance, County Health Services
- All Fire, Ambulance and Law Enforcement Dispatch Agencies
- Alameda-Contra Costa Medical Association
- Hospital Council
- EMS Medical Advisory Committee
- CCC Public Managers Association (city managers and County Administrator)
- CCC Mayors Conference
- CCC Police Chiefs' Association (and its subsidiary LETAC Law Enforcement Technical Advisory Committee)
- CCC Fire Chiefs' Association

As an important member of the Contra Costa EMS community your assistance is needed to identify appropriate representatives to participate in this service review of the Contra Costa EMS System. Please submit your representatives contact information using the following electronic link at http://www.surveymonkey.com/s/CCEMSstudy. Contact information will be used to provide meeting notices, coordinate stakeholder interviews and make requests for information that may be needed to complete the study. If you have any questions contact me at Patricia.Frost@hsd.cccounty.us or 925 646-4690.

cc: William Walker, M.D., Director Contra Costa Health Services
David Twa, County Administrator
Tim Ewell, Deputy County Administrator
Rick Keller. Fitch and Associates





CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

651 Pine Street, Sixth Floor • Martinez, CA 94553-1229

e-mail: LTexe@lafco.cccounty.us

(925) 335-1094 • (925) 335-1031 FAX

MEMBERS

Donald A. Blubaugh Public Member

> Federal Glover County Member

Michael R. McGill

Special District Member

Dwight Meadows Special District Member

> Mary N. Piepho County Member

Rob Schroder City Member

Don Tatzin City Member

ALTERNATE MEMBERS

Candace Andersen County Member

Sharon Burke Public Member

> Tom Butt City Member

George H. Schmidt Special District Member

April 17, 2013 Agenda Item 12

April 17, 2013 (Agenda)

Lou Ann Texeira

Executive Officer 1

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

2013 Strategic Planning Session

Dear Members of the Commission:

On April 15, 2013, the Commission will hold a Strategic Planning Session to discuss progress on the Commission's 2011 priorities, current and emerging issues for LAFCO including second round Municipal Service Reviews, and future goals and objectives.

On April 17, the Commission will discuss the outcomes of the 2013 strategic planning session, and provide comments and direction as desired.

Sincerely,

LOU ANN TEXEIRA **EXECUTIVE OFFICER**

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

651 Pine Street, Sixth Floor • Martinez, CA 94553-1229

e-mail: LTexe@lafco.cccounty.us

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Lou Ann Texeira Executive Officer 1

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City Member **Don Tatzin**

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Tom Butt City Member

George H. Schmidt Special District Member

April 17. 2013 Agenda Item 13

April 17, 2013 (Agenda)

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

AB 1427 - Assembly Committee on Local Government Omnibus Bill

Dear Members of the Commission:

Each year, the California Association of Local Agency Formation Commissions (CALAFCO) sponsors/supports an omnibus bill which makes non-substantive changes to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act).

On behalf of CALAFCO, the Assembly Committee on Local Government has introduced AB 1427 (Attachment 1) which makes technical changes, clarifications and corrections to the following sections of the CKH Act.

56044 – definition of independent special district

56332 – independent special district selection committee

56757 – annexations to cities in Santa Clara County

56866 - petition (merger, establishments of a subsidiary district)

57026 – noticing requirements (i.e., Los Angeles area)

CALAFCO is seeking support from the member LAFCos. Attached is a draft letter of support for the Commission's consideration (Attachment 2).

RECOMMENDATION

Provide input and direction to staff.

Sincerely,

LOU ANN TEXEIRA **EXECUTIVE OFFICER**

Attachment 1 – AB 1427

Attachment 2 – Draft Letter Supporting AB 1427

No. 1427

Introduced by Committee on Local Government (Achadjian (Chair), Levine (Vice Chair), Alejo, Bradford, Gordon, Melendez, Mullin, and Waldron)

April 1, 2013

An act to amend Sections 56044, 56048, 56332, 56757, 56866, 56870, 57026, and 57118 of the Government Code, relating to local government.

LEGISLATIVE COUNSEL'S DIGEST

AB 1427, as introduced, Committee on Local Government. Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

Existing law, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (act), provides the sole and exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts.

For purposes of the act, existing law defines an independent district or independent special district to include any special district having a legislative body all of whose members are elected by registered voters and landowners within the district, or whose members are appointed to fixed terms.

This bill would specify that the definition excludes any independent special district having a legislative body consisting, in whole or in part, of ex officio members who are officers of a county or another local agency or who are appointees of those officers other than those who are appointed to fixed terms.

AB 1427 -2-

The act specifies the procedures for selecting members for a local agency formation commission in each county. Existing law requires the independent special district selection committee to appoint 2 regular members and one alternate member to the commission. Existing law requires the appointed members to be elected or special district officers residing within the county.

This bill would require the appointed members to be elected or appointed members of the legislative body of an independent special district residing within the county.

The act prohibits a local agency formation commission from reviewing a reorganization that includes an annexation to any city in Santa Clara County of unincorporated territory that is within the urban service area of the city if the reorganization is initiated by resolution of the legislative body of the city and instead appoints the city council of that city as the conducting authority for the reorganization.

This bill would specify that these provisions apply to an annexation or a reorganization proposal.

The act requires petitions for a merger of a district which overlaps a city, or for the establishment of the district as a subsidiary district of the city, to be signed in a specified manner for a resident voter district. Existing law requires petitions for the dissolution of a district to be signed in a specified manner for a resident voter district.

This bill would instead prescribe the manner of signatures for a registered voter district.

The act requires the executive officer of the commission to give specified notice of the protest hearing to be held for a district formation. Existing law requires the notice to contain specified information including a statement of the time, date, and place of the protest hearing on the proposed change of organization or reorganization and requires the protest hearing to be held on a specific date if the uninhabited territory is proposed to be annexed to a city with specified residents and population.

This bill would delete the requirement that a protest hearing be held on a specific date for such an uninhabited territory and would otherwise make that uninhabited territory subject to the existing non-specific date requirement.

This bill would also make other technical and conforming changes and correct erroneous references.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

-3- AB 1427

The people of the State of California do enact as follows:

SECTION 1. Section 56044 of the Government Code is amended to read:

56044. "Independent district" or "independent special district" includes any special district having a legislative body all of whose members are elected by registered voters or landowners within the district, or whose members are appointed to fixed terms, and excludes any special district having a legislative body consisting, in whole or in part, of ex officio members who are officers of a county or another local agency or who are appointees of those officers other than those who are appointed to fixed terms. "Independent special district" does not include any district excluded from the definition of district contained in Sections 56036 and 56036.6.

SEC. 2. Section 56048 of the Government Code is amended to read:

56048. (a) "Landowner" or "owner of land" means any of the following:

- (a) Each person shown as the owner of land on the last equalized assessment roll prepared by the county at the time the determination is required to be made pursuant to the requirements of this division. Where that person is no longer the owner, the landowner or owner of land is any person entitled to be shown as the owner of land on the next equalized assessment roll.
- (b) Where land is subject to a recorded written agreement of sale, any person shown in the agreement as the purchaser.
- (c) Any public agency owning land other than highways, rights-of-way, easements, waterways, or canals.
- SEC. 3. Section 56332 of the Government Code is amended to read:
- 56332. (a) The independent special district selection committee shall consist of the presiding officer of the legislative body of each independent special district. However, if the presiding officer of an independent special district is unable to attend a meeting of the independent special district selection committee, the legislative body of the district may appoint one of its members to attend the meeting of the selection committee in the presiding officer's place. Those districts shall include districts located wholly within the county and those containing territory within the county representing

AB 1427 — 4 —

50 percent or more of the assessed value of taxable property of the district, as shown on the last equalized county assessment roll. Each member of the committee shall be entitled to one vote for each independent special district of which he or she is the presiding officer. Members representing a majority of the eligible districts shall constitute a quorum.

- (b) The executive officer shall call and give written notice of all meetings of the members of the selection committee. A meeting shall be called and held under one of the following circumstances:
- (1) Whenever the executive officer anticipates that a vacancy will occur within the next 90 days among the members or alternate member representing independent special districts on the committee.
- (2) Whenever a vacancy exists among the members or alternate member representing independent special districts upon the commission.
- (3) Upon receipt of a written request by one or more members of the selection committee representing districts having 10 percent or more of the assessed value of taxable property within the county, as shown on the last equalized county assessment roll.
- (c) (1) If the executive officer determines that a meeting of the special district selection committee, for the purpose of selecting the special district representatives or for filling a vacancy, is not feasible, the executive officer may conduct the business of the committee in writing, as provided in this subdivision. The executive officer may call for nominations to be submitted in writing within 30 days. At the end of the nominating period, the executive officer shall prepare and deliver, or send by certified mail, to each independent special district one ballot and voting instructions. If only one candidate is nominated for a vacant seat, that candidate shall be deemed selected, with no further proceedings.
- (2) As an alternative to the delivery by certified mail, the executive officer, with the prior concurrence of the district, may transmit the ballot and voting instructions by electronic mail, provided that the executive officer shall retain written evidence of the receipt of that material.
- (3) The ballot shall include the names of all nominees and the office for which each was nominated. The districts shall return the ballots to the executive officer by the date specified in the voting

5 AB 1427

instructions, which date shall be at least 30 days from the date on which the executive officer mailed the ballots to the districts.

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- (4) If the executive officer has transmitted the ballot and voting instructions by electronic mail, the districts may return the ballots to the executive officer by electronic mail, provided that the executive officer retains written evidence of the receipt of the ballot.
- (5) Any ballot received by the executive officer after the specified date is invalid. The executive officer shall announce the results of the election within seven days of the specified date.
- (d) The selection committee shall appoint two regular members and one alternate member to the commission. The members so appointed shall be elected or appointed members of the legislative body of an independent special district officers residing within the county but shall not be members of the legislative body of a city or county. If one of the regular district members is absent from a commission meeting or disqualifies himself or herself from participating in a meeting, the alternate district member may serve and vote in place of the regular district member for that meeting. The representation Service on the commission by a regular district member who is a special district officer shall not disqualify, or be cause for disqualification of, the member from acting on a proposal proposals affecting the special district on whose legislative body the member serves. The special district selection committee may, at the time it appoints a member or alternate, provide that the member or alternate is disqualified from voting on proposals affecting the district of which the member is a representative on whose legislative body the member serves.
- (e) If the office of a regular district member becomes vacant, the alternate member may serve and vote in place of the former regular district member until the appointment and qualification of a regular district member to fill the vacancy.
- (f) For purposes of this section, "executive officer" means the executive officer or designee as authorized by the commission.
- SEC. 4. Section 56757 of the Government Code is amended to read:
- 56757. (a) The commission shall not review an annexation or a reorganization proposal that includes an annexation to any city in Santa Clara County of unincorporated territory that is within the urban service area of the city if the annexation or reorganization

AB 1427 -6-

proposal is initiated by resolution of the legislative body of the city.

- (b) The city council shall be the conducting authority for the annexation or reorganization proposal and the proceedings for the annexation or reorganization proposal shall be initiated and conducted as nearly as may be practicable in accordance with Part 4 (commencing with Section 57000).
- (c) The city council, in adopting the resolution approving the annexation or reorganization proposal, shall make all of the following findings:
- (1) That the unincorporated territory is within the urban service area of the city as adopted by the commission.
- (2) That the county surveyor has determined the boundaries of the proposal to be definite and certain, and in compliance with the road annexation policies of the commission. The city shall reimburse the county for the actual costs incurred by the county surveyor in making this determination.
- (3) That the proposal does not split lines of assessment or ownership.
- (4) That the proposal does not create islands or areas in which it would be difficult to provide municipal services.
- (5) That the proposal is consistent with the adopted general plan of the city.
 - (6) That the territory is contiguous to existing city limits.
- (7) That the city has complied with all conditions imposed by the commission for inclusion of the territory in the urban service area of the city.
- (d) All annexations or reorganizations which involve territory for which the land use designation in the general plan of the city has changed from the time that the urban service area of the city was last adopted by the commission, and which are processed by a city pursuant to this section shall be subject to an appeal to the commission upon submission of a petition of appeal, signed by at least 50 registered voters in the county.
- (e) An appeal to the commission may also be made by submission of a resolution of appeal adopted by the legislative body of a special district solely for the purpose of determining whether some or all of the territory contained in the *annexation* or reorganization proposal should also be annexed or detached from that special district.

__7__ AB 1427

(f) Any petition submitted under subdivision (d) or resolution submitted under subdivision (e) shall be submitted to the executive officer within 15 days of the adoption by the city council of the resolution approving the annexation. The executive officer shall schedule the hearing for the next regular meeting of the commission as is practicable. The commission may set a reasonable appeal fee.

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- SEC. 5. Section 56866 of the Government Code is amended to read:
- 56866. Petitions for a merger of a district which overlaps a city, or for the establishment of the district as a subsidiary district of the city, shall be signed as follows:
- (a) For a resident registered voter district, by either of the following:
 - (1) Five percent of the registered voters of the district.
- (2) Five percent of the registered voters residing within the territory of the city outside the boundaries of the district.
 - (b) For a landowner-voter district, by either of the following:
- (1) Five percent of the number of landowner-voters within the district who also own not less than 5 percent of assessed value of land within the district.
- (2) Five percent of the registered voters residing within the territory of the city outside the boundaries of the district.
- SEC. 6. Section 56870 of the Government Code is amended to read:
- 56870. Except as otherwise provided in Section 56871, petitions for the dissolution of a district shall be signed as follows:
- (a) For resident registered voter districts, by either of the following:
- (1) Not less than 10 percent of the registered voters within the district.
- 31 (2) Not less than 10 percent of the number of landowners within 32 the district who also own not less than 10 percent of the assessed 33 value of land within the district.
- 34 (b) For landowner-voter districts, by not less than 10 percent 35 of the number of landowner-voters within the district who also 36 own not less than 10 percent of the assessed value of land within 37 the district.
- 38 SEC. 7. Section 57026 of the Government Code is amended 39 to read:

AB 1427 — 8 —

57026. The notice required to be given by Section 57025 shall contain all of the following information:

- (a) A statement of the distinctive short form designation assigned by the commission to the proposal.
- (b) A statement of the manner in which, and by whom, proceedings were initiated. However, a reference to the proponents, if any, shall be sufficient where proceedings were initiated by a petition.
- (c) A description of the exterior boundaries of the subject territory.
- (d) A description of the particular change or changes of organization proposed for each of the subject districts or cities and new districts or new cities proposed to be formed, and any terms and conditions to be applicable. The description may include a reference to the commission's resolution making determinations for a full and complete description of the change of organization or reorganization, and the terms and conditions.
- (e) A statement of the reason or reasons for the change of organization or reorganization as set forth in the proposal submitted to the commission.
- (f) (1) Except as otherwise provided in paragraph (2), a A statement of the time, date, and place of the protest hearing on the proposed change of organization or reorganization.
- (2) Notwithstanding paragraph (1), if inhabited territory is proposed to be annexed to a city with more than 100,000 residents which is located in a county with a population of over 4,000,000 the date shall be at least 90 days; but not more than 105 days, after the date of adoption of the resolution initiating the proceedings. The resolution shall specify a date 90 days prior to the hearing when registered voters may begin to file protests.
- (g) If the subject territory is inhabited and the change of organization or reorganization provides for the submission of written protests, a statement that any owner of land within the territory, or any registered voter residing within the territory, may file a written protest against the proposal with the executive officer of the commission at any time prior to the conclusion of the hearing by the commission on the proposal.
- (h) If the subject territory is uninhabited and the change of organization or reorganization provides for submission of written protests, a statement that any owner of land within the territory

−9 − AB 1427

may file a written protest against the proposal with the executive officer of the commission at any time prior to the conclusion of the hearing by the commission on the proposal.

SEC. 8. Section 57118 of the Government Code is amended to read:

- 57118. In any resolution ordering a change of organization or reorganization subject to the confirmation of the voters, the commission shall determine that an election will be held:
- (a) Within the territory of each city or district ordered to be incorporated, formed, disincorporated, dissolved or consolidated.
- (b) Within the entire territory of each district ordered to be merged with or established as a subsidiary district of a city, or both within the district and within the entire territory of the city outside the boundaries of the district.
- (c) If the executive officer certifies a petition pursuant to Section 57108 or 57109, within the territory of the district ordered to be merged with or established as a subsidiary district of a city.
 - (d) Within the territory ordered to be annexed or detached.
- (e) If ordered by the commission pursuant to Section 56876 or 56759, both within the territory ordered to be annexed or detached and within all or the part of the city or district which is outside of the territory.
- (f) If the election is required by Section 57114 subdivision (b) of Section 57077.4, separately within the territory of each affected district that has filed a petition meeting the requirements of subdivision (b) of Section 57114 57077.4.



Lou Ann Texeira

Executive Officer 1

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City Member

George H. Schmidt Special District Member

April 17, 2013

Honorable Katcho Achadjian, Chair Assembly Local Government Committee State Capitol, Room >>> Sacramento, CA 95814

RE: SUPPORT AB 1427 - Assembly Committee on Local Government Omnibus Bill

Dear Assembly Member:

The Contra Costa Local Agency Formation Commission (LAFCo) is pleased to support the Assembly Committee on Local Government bill AB 1427 which makes non-substantive changes to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act). The bill is also supported and sponsored by the California Association of Local Agency Formation Commissions (CALAFCO).

This annual bill includes technical changes to the CKH Act which governs the work of local agency formation commissions. These changes are necessary as commissions implement the CKH Act, and small inconsistencies are found or clarifications are needed to make the law as accurate and unambiguous as possible.

Without making substantive changes, AB 1427 clarifies terminology and makes other technical and conforming changes to correct erroneous and obsolete references.

We are grateful for the input provided to CALAFCO by various stakeholders and the Legislative staff who worked diligently on the bill, which provides clarity and consistency in the CKH Act.

This legislation helps insure the CKH Act remains a vital and practical law that is consistently applied around the state.

We respectfully ask for your Committee's support of AB 1427.

Sincerely,

Federal Glover, Chair Contra Costa LAFCo

c: Members, Assembly Local Government Committee Debbie Michel, Consultant, Assembly Local Government Committee William Weber, Assembly Republican Caucus Pamela Miller, Executive Director, CALAFCO



April 17, 2013 Agenda Item 14

March 15, 2013

To All Interested Parties:

In the next few days you will receive an agenda for the CCCERA's Board of Trustees meeting on March 27, 2013. This meeting will include items of interest to all employers as follows:

1. Educational session by The Segal Company on CCCERA's Actuarial Funding Policy. This educational session will include the significant provisions that would comprise an actuarial funding policy for CCCERA. We will review CCCERA's current funding policy elements, along with the consideration of the Government Accounting Standards Board (GASB)'s recently adopted Statements No. 67 and 68.

This educational session will include discussion on the general funding policy goals, the actuarial cost method, asset smoothing method, amortization method, and various other funding policy parameters. Any recommended changes would be proposed for use in the December 31, 2012 actuarial valuation.

Please join us for this informational meeting regarding an educational session on the Actuarial Funding Policy.

The Retirement Board administers the fund for the benefit of all member groups. We invite you to attend this meeting, ask questions and learn more about this critical subject.

Sincerely,

Marilyn Leedom Chief Executive Officer



Date: March 18, 2013

To: Employers,

Employee Representatives, Other Interested Parties

From: Marilyn Leedom, Retirement Chief Executive Officer

Subject: Board Meeting, March 27, 2013

At the March 27, 2013 Board meeting, The Segal Company will present the results of a preliminary *Five Year Projection of Employer Contribution Rate Changes*. You're invited to attend this meeting.

This Five Year Projection of Employer Contribution Rate Changes will provide an estimate to employers of potential changes in contribution rates. This estimate is derived from the December 31, 2011 actuarial valuation results and incorporates the investment earnings of CCCERA for the year ended 2012. The projections also reflect the estimated impact of changes in the economic assumptions as adopted by the Board of Retirement for the December 31, 2012 actuarial valuation, including reducing the expected long-term rate of return assumption from 7.75% to 7.25%.

Please note that this is a preliminary report only. The actual contribution rates for the 2014-15 fiscal year will be based on the December 31, 2012 actuarial valuation, which is expected to be completed in July.

We invite you to attend this meeting, ask questions and learn more about these critical subjects.



RETIREMENT BOARD MEETING SPECIAL BOARD MEETING 9:00 a.m.

March 21, 2013

Retirement Board Conference Room The Willows Office Park 1355 Willow Way Suite 221 Concord, California

THE RETIREMENT BOARD MAY DISCUSS AND TAKE ACTION ON THE FOLLOWING:

- 1. Pledge of Allegiance.
- 2. Accept comments from the public.
- 3. Discussion with consultant and staff regarding managers scheduled to present.
- 4. Manager presentations:

Real Estate, REITs and Opportunistic

9:15 am - 9:45 am	Angelo Gordon AG Realty Fund VIII
9:50 am - 10:20 am	Siguler Guff Distressed Real Estate Opportunities Fund
10:20 am - 10:40 am	Break
10:40 am - 11:10 am	Long Wharf Real Estate Partners Fidelity Real Estate Growth Funds II, III
11:15 am - 11:45 am	INVESCO Real Estate INVESCO Real Estate Funds I, II and International REITs
11:50 am – 12:20 pm	Oaktree Capital Management Private Investment Fund 2009, Real Estate Opportunities Fund V

- 5. Miscellaneous
 - a. Staff Report
 - b. Outside Professionals' Report
 - c. Trustees' comments

The Retirement Board will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Retirement Office at least 24 hours before a meeting.



RETIREMENT BOARD MEETING SECOND MONTHLY MEETING

9:00 a.m. March 27, 2013 Retirement Board Conference Room The Willows Office Park 1355 Willow Way, Suite 221 Concord, California

THE RETIREMENT BOARD MAY DISCUSS AND TAKE ACTION ON THE FOLLOWING:

- 1. Pledge of Allegiance.
- 2. Accept comments from the public.
- 3. Presentation from The Segal Company on Actuarial Funding Policy.
- 4. Presentation from The Segal Company regarding projected five year employer contribution rates based on the changes to economic assumptions.
- 5. Consider and take possible action on request from First Five regarding payment of their Unfunded Actuarial Accrued Liability (UAAL).
- 6. Presentation from Institutional Shareholder Services on Proxy Voting Guidelines.
- 7. Consider and take possible action on staff recommendation for changes to Proxy Voting Guidelines.

CLOSED SESSION

- 8. The Board will go into closed session pursuant to Govt. Code Section 54956.9(a) to confer with legal counsel regarding existing litigation (two cases):
 - a. *Board of Retirement v. County of Contra Costa, et al.*, Alameda County Superior Court, Case No. RG11608520.
 - b. Contra Costa County Deputy Sheriffs Association, et al., v. CCCERA, et al., Contra Costa County Superior Court, Case No. N12-1870.
- 9. The Board will confer with legal counsel in closed session pursuant to Govt. Code Section 54956.9(b)(1) (one case)

OPEN SESSION

- 10. Miscellaneous
 - a. Staff Report
 - b. Outside Professionals' Report
 - c. Trustees' comments

The Retirement Board will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Retirement Office at least 24 hours before a meeting.





P.O. Box 27, Martinez, CA 94553-0114 • 925-289-6900 • krishunt@cocotax.org • www.cocotax.org

OFFICERS

Hon. Michael McGill President

James Pezzaglia
Vice President

Ryder Brose Vice President

James McClaskey
Secretary/Treasurer

Kris Hunt
Executive Director

March 2013

April 17, 2013 Agenda Item 15

Dear Contra Costa Public Official:

Open, accessible government is a cornerstone to building public trust, which is essential to effective governance. The Contra Costa Taxpayers Association invites you to participate in national Sunshine Week (sunshineweek.org) to affirm your agency's ongoing commitment to openness, transparency and accountability of local government officials.

We invite you to adopt a proclamation at one of your March or April meetings, commemorating Sunshine Week and recognizing the importance of government transparency and accessibility. For your convenience a suggested proclamation is enclosed and is also available on the CoCoTAX website (cocotax.org).

You are encouraged to tailor the Sunshine Week proclamation to include specific action steps you plan to take this year to improve your agency's public access. You may be working on improving your website, streamlining the process for handling public records requests or expanding the scope of public services accessible online. Whatever your agency is doing to promote open, accessible, responsive government, we want to recognize your commitment and highlight your efforts.

Please notify us of the meeting date at which you will adopt a Sunshine Week proclamation so that we can attend and recognize your ongoing efforts to promote government transparency. I will be happy to answer any questions and may be reached at 925-289-6900 or krishunt@cocotax.org.

Sincerely,

Kris Hunt

Executive Director

Kus Think

Enclosure

Sample Proclamation In Recognition of "Sunshine Week" March 10-16, 2013

WHEREAS, the California Legislature has found that access to information concerning the conduct of the people's business is a fundamental and necessary right, per <u>California</u> Government Code Sections 54950, et seg.; and

WHEREAS, "Sunshine Week" was initiated by the American Society of News Editors to educate the public about the importance of open government; and

WHEREAS, James Madison, the father of the United States Constitution, wrote that "consent of the governed" requires that the people be able to "arm themselves with the power which knowledge gives;" and

WHEREAS, "Sunshine Week" coincides with James Madison's birthday on March 16th because he wrote the First Amendment to the U.S. Constitution that guarantees freedom of speech and press — and by extension the right and need of the people and press to know what their government is doing;

WHEREAS, every citizen in our constitutional republic and under State Statutes has a right of open access to government meetings and public records; and

WHEREAS, an open and accessible government is vital to establishing and maintaining the people's trust and confidence in their government and in the government's ability to effectively serve its citizens; and

WHEREAS, the protection of every person's right of access to public records and notice of government meetings is a high priority of (this public entity); and

WHEREAS, (this pubic entity), is committed to timely notice, openness and transparency in all aspects of its operations and seeks to set a high standard in this regard; and

TOWARD THAT END, (this public entity) directs that:

(List measures the entity will undertake this year to allow greater openness and accessibility and that address the transparency needs of the community)

NOW, THEREFORE, (this public entity) commits during this Sunshine Week, March 10-16, commemorating the 262nd anniversary of James Madison's birth, and throughout the year 2013, to work diligently to enhance the public's access to government records and information; to increase information provided electronically and online; and to ensure that all meetings of deliberative bodies under its jurisdiction, and their committees, are fully noticed, open to the public; and that, whenever possible, audio or video recordings of public meetings shall be undertaken and made available publicly via its website.



CALAFCO Daily Legislative Report as of Monday, April 08, 2013

April 17, 2013 Agenda Item 17a

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AB 453 (Mullin D) Sustainable communities.

Current Text: Introduced: 2/19/2013 pdf html

Introduced: 2/19/2013

Status: 4/4/2013-From committee: Do pass and re-refer to Com. on APPR. (Ayes 8. Noes 1.)

(April 3). Re-referred to Com. on APPR.

2Year	Desk Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chantered
Dead	1st ⊦	louse			2nd F	louse		Conc.	Lilionea	Vetoca	Chaptered

Summary:

The Strategic Growth Councill is required to manage and award grants and loans to a council of governments, metropolitan planning organization, regional transportation planning agency, city, county, or joint powers authority for the purpose of developing, adopting, and implementing a regional plan or other planning instrument to support the planning and development of sustainable communities. This bill would make a local agency formation commission eligible for the award of financial assistance for those planning purposes.

Position: Sponsor

Subject: Sustainable Community Plans

CALAFCO Comments: This would allow LAFCos to apply directly for grants that support the

preparation of sustainable community strategies and other planning efforts.

AB 678 (Gordon D) Health care districts: community health needs assessment.

Current Text: Introduced: 2/21/2013 pdf html

Introduced: 2/21/2013

Status: 3/4/2013-Referred to Coms. on L. GOV. and HEALTH.

2Year	Desk Policy Fiscal Flo	or Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Votood	Chantered
Dead	1st House		2nd F	louse		Conc.	Ellionea	veloeu	Chaptereu

Calendar:

4/17/2013 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL

GOVERNMENT, ACHADJIAN, Chair

Summary:

Would require that the health care district conduct an assessment, every 5 years, of the community's health needs and provide opportunities for public input. The bill would require that the annual report be made in the context of the assessment. This bill contains other related provisions and other existing laws.

Position: Support

Subject: LAFCo Administration, Service Reviews/Spheres

CALAFCO Comments: This bill requires Health Care Districts to create every 5 years, an assessment of the community health needs with public input. The bill requires LAFCos to include in a Municipal Service Review (MSR) the Health Care District's 5-year assessment.

AB 743 (Loque R) The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

Current Text: Amended: 4/3/2013 pdf html

Introduced: 2/21/2013 Last Amended: 4/3/2013

Status: 4/4/2013-Re-referred to Com. on L. GOV.

2Yea	r Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Votood	Chaptered
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Calendar:

4/17/2013 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL

GOVERNMENT, ACHADJIAN, Chair

Summary:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 authorizes a local agency formation commission to approve, after notice and hearing, a petition for a change of organization or reorganization of a city, if the petition was initiated on or after January 1, 2010, and before January 1, 2014, and waive protest proceedings entirely if certain requirements are met. This provision applies only to territory that does not exceed 150 acres. This Bill would delete the January 1, 2014, date and make conforming changes. This bill contains other related provisions and other existing laws.

Position: Sponsor

Subject: Annexation Proceedings, CKH General Procedures

CALAFCO Comments: Removing the arbitrary sunset date restriction on annexing "island areas" would continue to provide a commission, counties and cities a productive tool for implementing more logical boundaries allowing for more efficient municipal services and facilities planning and delivery. As counties and cities undergo updates to their General Plans and other processes, knowing there is the opportunity to consider annexing island areas up to 300 acres in size and without the political and economic risk of a costly protest and election process would provide a clear benefit to the planning process. In addition, with the passage of SB244, when a city proposes to annex an inhabited area of over 10 acres they must study and consider annexation of other areas contiguous to or in the sphere of influence area that may be a "disadvantaged unincorporated community" as defined in the Government Code. It is suggested that having the island area annexation authority may facilitate consideration of such annexation proposals.

AB 1427 (Committee on Local Government) Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

Current Text: Introduced: 4/1/2013 pdf html

Introduced: 4/1/2013

Status: 4/4/2013-Referred to Com. on L. GOV.

2Y6	ear De	esk Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
De	ad 🗀	1st H	ouse			2nd F	louse		Conc.	Linonea	veloeu	Chaptered

Summary:

Current law, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (act), provides the sole and exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts. This bill would specify that the definition excludes any independent special district having a legislative body consisting, in whole or in part, of ex officio members who are officers of a county or another local agency or who are appointees of those officers other than those who are appointed to fixed terms. This bill contains other related provisions and other existing laws.

Position: Sponsor

Subject: CKH General Procedures

CALAFCO Comments: Cortese-Knox-Hertzberg Omnibus bill.

SB 56 (Roth D) Local government finance: vehicle license fee adjustments.

Current Text: Amended: 3/4/2013 pdf html

Introduced: 1/7/2013 Last Amended: 3/4/2013

Status: 3/19/2013-Set for hearing April 17.

2Year	Desk Policy	Fiscal Flo	or Des	k Policy	Fiscal	Floor	Conf.	Enrolled	Votood	Chantered
Dead	1st H	ouse		2nd F	louse		Conc.	Emonea	velueu	Chaptered

Calendar:

4/17/2013 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, WOLK, Chair

Summary:

Would, for the 2013-14 fiscal year, provide for a new vehicle license fee adjustment amount, as specified. This bill would also, for the 2013-14 fiscal year and for each fiscal year thereafter, provide for a vehicle license fee adjustment amount for certain cities incorporating after a specified date, as provided. This bill contains other related provisions and other existing laws.

Position: Support

Subject: Financial Viability of Agencies, Tax Allocation

SB 772 (Emmerson R) Drinking water.

Current Text: Introduced: 2/22/2013 pdf html

Introduced: 2/22/2013

Status: 3/28/2013-Set for hearing April 17.

2Year	Desk Policy Fiscal Floor	Desk Policy	Fiscal Floor	Conf.	Enrolled	Votood	Chantered	
Dead	1st House	2nd F	House	Conc.	Emoned	velueu	Chaptered	ı

Calendar:

4/17/2013 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, WOLK, Chair

Summary:

Would require the State Department of Public Health or the local health agency, where applicable, annually to provide the address and telephone number for each public water system and state small water system to the Public Utilities Commission and, as prescribed, to a local agency formation commission. This bill contains other related provisions and other existing laws.

Position: Oppose

Subject: LAFCo Administration, Service Reviews/Spheres

CALAFCO Comments: Requires LAFCos as part of a MSR, to request information from identified public or private entities that provide wholesale or retail supply of drinking water, including the identification of any retail water suppliers within or contiguous to the responding entity. Further requires LAFCos to provide a copy of the SOI review for retail private and public water suppliers to the Public Utilities Commission and the state department of Public Health.

2

AB 21 (Alejo D) Safe Drinking Water Small Community Emergency Grant Fund.

Current Text: Amended: 2/14/2013 pdf html

Introduced: 12/3/2012 Last Amended: 2/14/2013

Status: 2/15/2013-Re-referred to Com. on APPR.

2Year	Desk Policy Fiscal Floor	Desk Policy Fiscal Flo	or Conf.	Enrolled	Votood	Chantarad
Dead	1st House	2nd House	Conc.	Enronea	vetoed	Chaptered

Calendar:

4/10/2013 9 a.m. - State Capitol, Room 4202 ASSEMBLY APPROPRIATIONS, GATTO, Chair

Summary:

Would authorize the Department of Public Health to assess a specified annual charge in lieu of interest on loans for water projects made pursuant to the Safe Drinking Water State Revolving Fund, and deposit that money into the Safe Drinking Water Small Community Emergency Grant Fund, which the bill would create in the State Treasury. The bill would authorize the department to expend the money for grants for specified water projects that serve disadvantaged and severely disadvantaged communities, thereby making an appropriation.

Position: Watch

Subject: Disadvantaged Communities

AB 37 (Perea D) Environmental quality: California Environmental Quality Act: record of

proceedings.

Current Text: Amended: 3/18/2013 pdf html

Introduced: 12/3/2012 Last Amended: 3/18/2013

Status: 3/19/2013-Re-referred to Com. on NAT. RES.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Votood	Chaptered
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Calendar:

4/15/2013 1:30 p.m. - State Capitol, Room 447 ASSEMBLY NATURAL RESOURCES, CHESBRO,

Chair

Summary:

Would require, until January 1, 2017, for specified projects or upon the request of a project applicant and the consent of the lead agency, that the lead agency among other things, prepare a record of proceedings concurrently with the preparation of negative declarations, mitigated negative declarations, EIRs, or other environmental documents for specified projects. Because the bill would require, for specified projects, a lead agency to prepare the record of proceedings as provided, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

Position: Watch **Subject**: CEQA

AB 115 (Perea D) Safe Drinking Water State Revolving Fund.

Current Text: Introduced: 1/14/2013 pdf html

Introduced: 1/14/2013

Status: 3/12/2013-From committee: Do pass and re-refer to Com. on APPR. (Ayes 7. Noes 0.)

(March 12). Re-referred to Com. on APPR.

2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Votood	Chaptered
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Calendar:

4/10/2013 9 a.m. - State Capitol, Room 4202 ASSEMBLY APPROPRIATIONS, GATTO, Chair

Summary:

Would authorize the State Department of Public Health to fund projects, by grant, loan, or a combination of the two, where multiple water systems apply for funding as a single applicant for the purpose of consolidating water systems or extending services to households relying on private wells, as specified. The bill would authorize funding of a project to benefit a disadvantaged community that is not the applying agency. By authorizing the use of a continuously appropriated fund for new purposes, this bill would make an appropriation. This bill contains other existing laws.

Position: Watch Subject: Water

AB 194 (Campos D) Open meetings: protections for public criticism: penalties for violations.

Current Text: Introduced: 1/28/2013 pdf html

Introduced: 1/28/2013

Status: 2/7/2013-Referred to Com. on L. GOV.

2Year	Desk Policy Fiscal Floo	Desk Policy Fiscal FI	loor Conf.	Enrolled	Votood	Chantered
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Calendar:

4/24/2013 1:30 p.m. - State Capitol, Room 127 ASSEMBLY LOCAL

GOVERNMENT, ACHADJIAN, Chair

Summary:

Would make it a misdemeanor for a member of a legislative body, while acting as the chairperson of a legislative body of a local agency, to prohibit public criticism protected under the Ralph M. Brown Act. This bill would authorize a district attorney or any interested person to commence an action for the purpose of obtaining a judicial determination that an action taken by a legislative body of a local agency in violation of the protection for public criticism is null and void, as specified. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: LAFCo Administration

CALAFCO Comments: Prohibits legislative body from preventing public criticism of the policies, procedures, programs, or services of the agency, or ther acts or omissions of the legislative body. Creates new misdemeanor crime.

AB 543 (Campos D) California Environmental Quality Act: translation.

Current Text: Introduced: 2/20/2013 pdf html

Introduced: 2/20/2013

Status: 3/20/2013-In committee: Set, first hearing. Hearing canceled at the request of author.

4/8/2013 10:29 AM

2Year	Desk Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chantered
Dead	1st H	ouse			2nd F	louse		Conc.	Lilionea	Vetoca	Chaptered

Calendar:

4/15/2013 1:30 p.m. - State Capitol, Room 447 ASSEMBLY NATURAL RESOURCES, CHESBRO, Chair

Summary:

Would require a lead agency to translate any notice, document, or executive summary required by the California Environmental Quality Act (CEQA) when the impacted community has a substantial number of non-English-speaking people, as specified. By requiring a lead agency to translate these writings, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

Position: Watch Subject: CEQA

AB 823 (Eggman D) Environment: California Farmland Protection Act.

Current Text: Amended: 3/11/2013 pdf html

Introduced: 2/21/2013 Last Amended: 3/11/2013

Status: 3/21/2013-In committee: Set, first hearing. Hearing canceled at the request of author.

2Year	Desk Policy Fiscal	Floor Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Votood	Chaptered
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Calendar:

4/15/2013 1:30 p.m. - State Capitol, Room 447 ASSEMBLY NATURAL RESOURCES, CHESBRO,

Chair

Summary:

Would enact the California Farmland Protection Act, which would require that an applicant for a project, as defined, that involves the conversion of agricultural land to a permanent or long-term nonagricultural use, including a residential, commercial, civic, industrial, infrastructure, or other similar use, at a minimum, mitigate the identified environmental impacts associated with the conversion of those lands through the permanent protection and conservation of land suitable for agricultural uses, and would require that an adopted mitigation measure providing for the protection of agricultural land meet specified requirements. The act would require the Office of Planning and Research, no later than December 31, 2014, to promulgate regulations covering projects subject to the act. By imposing new duties on a lead agency with regard to the review and approval of the mitigation measures required by the act, the bill would impose a state-mandated local program . This bill contains other related provisions and other existing laws.

Position: Watch

Subject: Ag/Open Space Protection, CEQA

CALAFCO Comments: Adds a requirement for lead agencies to require certain mitigation measures for projects that convert ag lands for non-ag land use. These mitigation measures at a minimum require providing replaceent acreage in perpetuity to preserve ag land and ensure the sustainability of ag production capacity.

AB 1235 (Gordon D) Local agencies: financial management training.

Current Text: Introduced: 2/22/2013 pdf html

Introduced: 2/22/2013

Status: 3/11/2013-Referred to Com. on L. GOV.

2Year	Desk Policy F	Fiscal Floo	r Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chantered
Dead	1st Ho	use		2nd F	louse		Conc.	Lilionea	Vetoca	Chaptered

Summary:

Would require that if a local agency provides any type of compensation, salary, or stipend to, or reimburses the expenses of, a member of the legislative body, all local agency officials, except a member whose term of office ends before January 1, 2015, in local agency service as of January 1, 2014, or thereafter receive training in financial management, as specified. This bill would provide that if any entity develops criteria for the financial management training, then the Treasurer's office and the Controller's office shall be consulted regarding any proposed course content. Because this bill would impose new duties on local governments, it would

impose a state-mandated local program. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: LAFCo Administration

CALAFCO Comments: Requires that if a local agency provides any type of compensation, salary, or stipend to, or reimburses the expenses of, a member of the legislative body, the member shall receive one-4 hour state mandated Financial Management training per term of office. Effective January 1, 2014 for those in office as of that date (whose term of office extends beyond January 1, 2015). Those elected to more than one legislative body may take the training one time and have it apply to all legislative bodies on which they serve. This would apply to a LAFCo Commissioner who receives a stipend or is reimbursed for expenses in the performance of thier Commissioner duties.

AB 1248 (Cooley D) Local agencies: internal control guidelines.

Current Text: Introduced: 2/22/2013 pdf html

Introduced: 2/22/2013

Status: 3/11/2013-Referred to Com. on L. GOV.

2Year	Desk Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Votood	Chantered	
Dead	1st Ho	ouse			2nd F	louse		Conc.	Emoned	velueu	Chaptered	ĺ

Calendar:

4/24/2013 1:30 p.m. - State Capitol, Room 127 ASSEMBLY LOCAL

GOVERNMENT, ACHADJIAN, Chair

Summary:

Would require the Controller, on or before January 1, 2015, to develop internal control guidelines applicable to a local agency, as defined, to prevent and detect financial errors and fraud, based on specified standards and with input from any local agency and organizations representing the interests of local agencies. This bill would require a local agency to comply with the guidelines established by the Controller, starting on January 1, 2016. By mandating local agencies to comply with new internal control guidelines established by the Controller, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

Position: None at this time **Subject:** LAFCo Administration

SB 167 (Gaines R) Environmental quality: California Environmental Quality Act.

Current Text: Introduced: 2/4/2013 pdf html

Introduced: 2/4/2013

Status: 2/14/2013-Referred to Com. on RLS.

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2Y	'ear	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Votood	Chaptered
De	ead		1st H	ouse			2nd F	louse		Conc.	Lilionea	velueu	Chaptered

Summary:

The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared by contract, and certify the completion of, an environmental impact report on a project, as defined, that it proposes to carry out or approve that may have a significant effect on the environment, or to adopt a negative declaration if it finds that the project will not have that effect. This bill would make technical, nonsubstantive changes to those provisions.

Position: Watch Subject: CEQA

SB 181 (Committee on Governance and Finance) Validations.

Current Text: Introduced: 2/6/2013 pdf html

Introduced: 2/6/2013

Status: 3/22/2013-Set for hearing April 8.

2Year	Desk Policy Fiscal Floor	Desk Policy Fiscal Flo	oor Conf.	Enrolled	Votood	Chantered
Dead	1st House	2nd House	Conc.	Lilionea	veroeu	Chaptered

Calendar:

4/8/2013 Anticipated Hearing SENATE APPR., Not in daily file.

Summary:

This bill would enact the First Validating Act of 2013, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill contains other related provisions.

Position: Support

CALAFCO Comments: One of three annual acts which validate the boundaries of all local

agencies.

SB 182 (Committee on Governance and Finance) Validations.

Current Text: Introduced: 2/6/2013 pdf html

Introduced: 2/6/2013

Status: 3/22/2013-Set for hearing April 8.

2Yea	Desk Policy Fiscal Floor	Desk Policy Fiscal Flo	or Conf.	Enrolled	Votood	Chantered
Dead	1st House	2nd House	Conc.	Linonea	Velocu	Chaptered

Calendar:

4/8/2013 Anticipated Hearing SENATE APPR., Not in daily file.

Summary:

This bill would enact the Second Validating Act of 2013, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill contains other related provisions.

Position: Support

CALAFCO Comments: One of three annual acts which validate the boundaries of all local

agencies.

SB 183 (Committee on Governance and Finance) Validations.

Current Text: Introduced: 2/6/2013 pdf html

Introduced: 2/6/2013

Status: 3/21/2013-In Assembly. Read first time. Held at Desk.

2Year	Desk Policy Fiscal I	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chantered
Dead	1st House			2nd H	ouse		Conc.	Lin Sileu	VCLOCU	onaptereu

Summary:

This bill would enact the Third Validating Act of 2013, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

Position: Support

CALAFCO Comments: One of three acts which validate the boundaries of all local agencies.

SB 617 (Evans D) California Environmental Quality Act.

Current Text: Amended: 4/1/2013 pdf html

Introduced: 2/22/2013 Last Amended: 4/1/2013

Status: 4/4/2013-Hearing postponed by committee. (Refers to 4/4/2013 hearing)

2Year	Desk Policy F	iscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Votood	Chantered
Dead	1st Ho	use			2nd F	louse		Conc.	Lilionea	vetocu	Chaptered

Summary:

Would require specified notices to be filed with both the Office of Planning and Research and the county clerk and be posted by county clerk for public review. The bill would require the county clerk to post the notices within one business day, as defined, of receipt and stamp on the notice the date on which the notices were actually posted. By expanding the services provided by the lead agency and the county clerk, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

Position: Watch Subject: CEQA

CALAFCO Comments: This bill makes a number of substantive changes including: (1) expanding the definition of "environment" relating to an EIR such that the health and safety of people affected by the physical conditions at the location of a project must also be considered; (2) enhances the definition of "significant effect on the environment" by including exposure of people, either directly or indirectly, to substantial existing or reasonably foreseeable natural hazard or adverse condition of the environment; (3) requires concurrent online filling of notices in a database maintained by the Office of Planning and Research (OPR), and with the office of the County Clerk in which the project is located. Further, any time periods or limitation periods will begin at the time of the later filling of the two offices. (4) Adds to the EIR a requirement to address any significant effects that may result from locating development near, or attracting people to, existing or reasonably foreseeable natural hazards or adverse environmental conditions.

3

AB 168 (Wilk R) Local government finance: vehicle license fee revenues: allocations.

Current Text: Introduced: 1/24/2013 pdf html

Introduced: 1/24/2013

Status: 1/25/2013-From printer. May be heard in committee February 24.

2Year	Desk Policy Fiscal Floor	Desi	Policy	Fiscal	Floor	Conf.	Enrolled	Votood	Chantered
Dead	1st House		2nd F	louse		Conc.	Linonea	Velocu	Chaptered

Summary:

Under existing law, the Controller is required to allocate vehicle license fee revenues in the Motor Vehicle License Fee Account according to a specified order, with moneys allocated on or after July 1, 2004, but before July 1, 2011, first to the County of Orange, next to each city and county meeting specified criteria, and on or after July 1, 2011, to the Local Law Enforcement Services Account in the Local Revenue Fund, for allocation to cities, counties, and cities and counties. This bill would make technical, nonsubstantive changes to these provisions.

Position: Placeholder - monitor

AB 262 (Waldron R) Local government: organization.

Current Text: Introduced: 2/7/2013 pdf html

Introduced: 2/7/2013

Status: 2/8/2013-From printer. May be heard in committee March 10.

2Year	Desk Polic	y Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered
Dead	1st	House			2nd F	louse		Conc.	Lilionea	Vetoca	Chaptered

Summary:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 makes certain findings and declarations relating to local government organization, including, among other things, that it is the policy of the state to encourage orderly growth and development, and recognition that the logical formation and determination of the boundaries of local agencies is an important factor in promoting orderly development, as specified. This bill would make technical, nonsubstantive changes to these provisions.

Position: Placeholder - monitor **Subject:** CKH General Procedures

AB 295 (Salas D) California Statewide Water Reliability Act of 2014.

Current Text: Amended: 3/19/2013 pdf html

Introduced: 2/11/2013 Last Amended: 3/19/2013

Status: 4/1/2013-In committee: Set, first hearing. Further hearing to be set.

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2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Votood	Chaptered	ı
Dead		1st H	ouse			2nd F	louse		Conc.	Enionea	vetoeu	Chaptered	

Summary:

Current law creates the Safe, Clean, and Reliable Drinking Water Supply Act of 2012, which, if approved by the voters, would authorize the issuance of bonds in the amount of

\$11,140,000,000 pursuant to the State General Obligation Bond Law to finance a safe drinking water and water supply reliability program. Current law provides for the submission of the bond act to the voters at the November 4, 2014, statewide general election. This bill would repeal these provisions. This bill contains other related provisions and other current laws.

Position: Placeholder - monitor

Subject: Water

AB 380 (Dickinson D) California Environmental Quality Act: notice requirements

Current Text: Introduced: 2/14/2013 pdf html

Introduced: 2/14/2013

Status: 4/2/2013-From committee: Do pass and re-refer to Com. on L. GOV. (Ayes 6. Noes 2.)

(April 1). Re-referred to Com. on L. GOV.

2Year	Desk Policy Fiscal Floor	Desk Policy	Fiscal Floor	Conf.	Enrolled	Votood	Chantered
Dead	1st House	2nd F	louse	Conc.	Ellionea	Velueu	Chaptereu

Summary:

Would require the above mentioned notices to be filed with both the Office of Planning and Research and the county clerk and be posted by county clerk for public review. The bill would require the county clerk to post the notices within one business day, as defined, of receipt and stamp on the notice the date on which the notices were actually posted. The bill would require the county clerk to post the notices for at least 30 days. The bill would require the Office of Planning and Research to post the notices on a publicly available online database established and maintained by the office. The bill would require the office to stamp the notices with the date on which the notices were actually posted for online review and would require the notices to be posted for at least 30 days. The bill would authorize the office to charge an administrative fee not to exceed \$10 per notice filed. This bill contains other related provisions and other existing laws.

Position: Watch Subject: CEQA

AB 495 (Campos D) Community investment.

Current Text: Amended: 3/21/2013 pdf html

Introduced: 2/20/2013 Last Amended: 3/21/2013

Status: 4/4/2013-In committee: Set, first hearing. Hearing canceled at the request of author.

2Year	Desk Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chantered
Dead	1st H	ouse			2nd F	louse		Conc.	Lilionea	Velocu	Chaptered

Summary:

Would establish the California Community Investment Initiative within the Governor's Office of Business and Economic development. The initiative would be governed by a 13 member oversight board comprised of 6 citizens appointed by the Governor, 4 members of the Legislature, the Treasurer, the Controller, and the Secretary of the Business, Consumer Services, and Housing Agency, as specified. This bill contains other related provisions and other existing laws.

Position: Placeholder - monitor **Subject:** Disadvantaged Communities

CALAFCO Comments: May be a placeholder for legislation related to disadvantaged

unincorporated communities.

AB 515 (Dickinson D) Environmental quality: California Environmental Quality Act: judicial review.

Current Text: Amended: 3/11/2013 pdf html

Introduced: 2/20/2013 Last Amended: 3/11/2013

Status: 3/12/2013-Re-referred to Com. on JUD.

2Year	Desk Policy Fiscal Floor	Desk Policy Fiscal Floor	Conf.	Enrolled	Votood	Chantered
Dead	1st House	2nd House	Conc.	Ellionea	velueu	Chaptered

Summary:

Would establish a CEQA compliance division of the superior court in a county in which the Attorney General maintains an office and would vest the division with original jurisdiction over actions of proceedings brought pursuant to CEQA and joined matters related to land use and environmental laws. The bill would require the Judicial Council to adopt rules for establishing, among other things, protocol to govern the administration and efficient operation of the division , so that those judges assigned to the division will be able to hear and quickly resolve those actions or proceedings. This bill contains other existing laws.

Position: Watch Subject: CEQA

CALAFCO Comments: This bill calls for the creation of at least 2 CEQA compliance court districts in the state, establishes a CEQA compliance court in each of the districts with at least 3 judges (appointed by the Governor). All CEQA compliance cases are to be heard in only these courts and the appeals handled directly by the Supreme Court. The courts will be required to issue a preliminary decision before the opportunity for oral argument is granted, and if the court finds that a determination of a public agency violated CEQA, the court order must specify waht action taken by the public agency was in error.

AB 629 (Wilk R) Local government.

Current Text: Introduced: 2/20/2013 pdf html

Introduced: 2/20/2013

Status: 2/21/2013-From printer. May be heard in committee March 23.

2Yea	Desk Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chantered
Dead	1st H	ouse			2nd F	louse		Conc.	Linonea	VCLOCU	onaptereu

Summary:

Current law authorizes various local entities to adopt rules and regulations to carry out the purposes of those entities. This bill would express the intent of the Legislature to enact legislation that would address the effect of the adoption of rules, regulations, ordinances, or requirements by local entities on the public and other local entities within the same jurisdiction.

Position: Placeholder - monitor **Subject:** LAFCo Administration

AB 642 (Rendon D) Publication: newspaper of general circulation: Internet Web site.

Current Text: Introduced: 2/20/2013 pdf html

Introduced: 2/20/2013

Status: 3/11/2013-Referred to Com. on JUD.

2Year	Desk Policy Fiscal Floo	Desk Policy Fiscal FI	loor Conf.	Enrolled	Votood	Chantered
Dead	1st House	2nd House	Conc.	Lilionea	vetoeu	Chaptered

Summary:

Current law requires that various types of notices are provided in a newspaper of general circulation. Current law requires a newspaper of general circulation to meet certain criteria, including, among others, that it be published and have a substantial distribution to paid subscribers in the city, district, or judicial district in which it is seeking adjudication. This bill would provide that a newspaper that is available on an Internet Web site may also qualify as a newspaper of general circulation, provided that newspaper meets certain criteria.

Position: None at this time **Subject:** LAFCo Administration

CALAFCO Comments: Allows for posting of agendas and meeting material on newspaper

vebsites.

AB 774 (**Donnelly** R) County service areas: zone dissolution.

Current Text: Amended: 3/19/2013 pdf html

Introduced: 2/21/2013 Last Amended: 3/19/2013

Status: 3/20/2013-Re-referred to Com. on L. GOV.

2Year	Desk Policy Fiscal Floo	r Desk Policy	Fiscal Flo	or Conf.	Enrolled	Votood	Chaptered
Dead	1st House	2nd l	louse	Conc.	Linonea	vetocu	Chaptered

Calendar:

4/17/2013 1:30 p.m. - State Capitol, Room 447 ASSEMBLY LOCAL GOVERNMENT, ACHADJIAN, Chair

Summary:

Would require the county board of supervisors, upon dissolution of a county service area or a specified zone, to post signs indicating which services and facilities are no longer provided within the zone and require the board to provide adequate maintenance to the signs. This bill would provide that, once the signs are posted, the county and the dissolved zone shall not be held liable for death or injury resulting from the termination of services or facilities. This bill would also provide that the county, county service area, and zones would not be responsible for a loss or injury resulting from the failure to provide maintenance of services or facilities if the board is unable to raise revenues.

Position: Watch

AB 792 (Mullin D) Local government: open meetings.

Current Text: Amended: 4/1/2013 pdf html

Introduced: 2/21/2013 Last Amended: 4/1/2013

Status: 4/4/2013-From committee: Do pass. (Ayes 8. Noes 1.) (April 3).

2Year	Desk Policy Fiscal Floo	Desk Policy	Fiscal Floor	Conf.	Enrolled	Votood	Chaptered
Dead	1st House	2nd l	House	Conc.	Linonea	Velocu	Chaptered

Calendar:

4/8/2013 #5 ASSEMBLY ASSEMBLY SECOND READING FILE

Summarv:

The Ralph M. Brown Act requires the legislative body of a local agency to post, at least 72 hours before the meeting, an agenda containing a brief general description of each item of business to be transacted or discussed at a regular meeting, in a location that is freely accessible to members of the public, and to provide a notice containing similar information with respect to a special meeting at least 24 hours prior to the special meeting. This bill, if the local agency is unable to post the agenda or notice on its Internet Web site because of software or hardware, or network services impairment beyond the local agency's reasonable control, would require the local agency to post the agenda or notice immediately upon resolution of the technological problems. This bill contains other related provisions and other existing laws.

Position: None at this time **Subject:** Public Records Act

CALAFCO Comments: Relates to public agencies who post their meeting information on their website pursuant to the Ralph M. Brown Act. In the instances where they are unable to post the agenda on the website in the prescribed timeframe due to technology difficulties, the agency is required to post the meeting agenda and information on the website as soon as the technological difficulties are resolved.

AB 966 (Bonta D) Local government.

Current Text: Introduced: 2/22/2013 pdf html

Introduced: 2/22/2013

Status: 2/25/2013-Read first time.

2Year	Desk Policy Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Votood	Chantered
Dead	1st House			2nd F	louse		Conc.	Ellionea	veloeu	Chaptered

Summary:

Current law generally regulates the governance of cities, counties, and cities and counties. This bill would state the intent of the Legislature to enact legislation that would amend the Government Code.

Position: Placeholder - monitor

AB 1237 (Garcia D) Local government finance.

Current Text: Amended: 4/1/2013 pdf html

Introduced: 2/22/2013 Last Amended: 4/1/2013

Status: 4/3/2013-In committee: Set, first hearing. Hearing canceled at the request of author.

2Year	Desk Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Votood	Chantered
Dead	1st H	ouse			2nd F	louse		Conc.	Enionea	vetoeu	Chaptered

Calendar:

4/24/2013 Anticipated Hearing ASSEMBLY L. GOV., Not in daily file.

Summary:

Would specifically require the Controller to prescribe uniform accounting procedures for cities, conforming to Generally Accepted Accounting Principles, and in consultation with the Committee on City Accounting Procedures, which would be created by the bill. The bill would specify the composition of the committee. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: Financial Viability of Agencies

CALAFCO Comments: Establishes uniform accounting practices for special districts and cities.

AB 1244 (Bradford D) Williamson Act.

Current Text: Introduced: 2/22/2013 pdf html

Introduced: 2/22/2013

Status: 2/25/2013-Read first time.

2Year	Desk Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Votood	Chantered
Dead	1st H	louse			2nd F	louse		Conc.	Enionea	veloeu	Chaptered

Summary:

Current law establishes the California Land Conservation Act of 1965, otherwise known as the Williamson Act, for purposes of preserving agricultural land within the state. This bill would make a technical, nonsubstantive change to these provisions.

Position: Watch

Subject: Ag Preservation - Williamson

SB 184 (Committee on Governance and Finance) Local government: omnibus bill.

Current Text: Introduced: 2/6/2013 pdf html

Introduced: 2/6/2013

Status: 3/19/2013-Set for hearing April 17.

2Year	Desk Policy Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Votood	Chantered
Dead	1st House			2nd F	louse		Conc.	Enionea	vetoeu	Chaptered

Calendar:

4/17/2013 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, WOLK, Chair

Summary:

Current law, the Public Cemetery District Law, defines the term "family member" for purposes of that law to include, among others, a person's spouse. This bill would additionally include within the definition of "family member" a person's domestic partner, and would define the term "domestic partner," as specified. This bill contains other related provisions and other current laws.

Position: None at this time

SB 268 (Gaines R) Political Reform Act of 1974.

Current Text: Amended: 3/18/2013 pdf html

Introduced: 2/13/2013 Last Amended: 3/18/2013

Status: 3/18/2013-From committee with author's amendments. Read second time and

amended. Re-referred to Com. on E. & C.A.

2Year	Desk Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Votood	Chantered
Dead	1st H	ouse			2nd F	louse		Conc.	Ellionea	veloeu	Chaptered

Calendar:

4/30/2013 Anticipated Hearing SENATE E. & C.A., Not in daily file.

Summary:

The Political Reform Act of 1974 requires candidates and committees to file specified campaign

finance reports, including semiannual statements, preelection statements, supplemental preelection statements, and late contribution reports, that include prescribed campaign finance information. This bill would repeal the requirements to file these reports and would, instead, require that a candidate or committee who makes or receives a contribution of \$100 or more to report that contribution to specified filing officers within 24 hours of receiving the contribution. This bill contains other related provisions and other existing laws.

Position: Placeholder - monitor

SB 298 (Wyland R) Local government: supplemental law enforcement services.

Current Text: Introduced: 2/15/2013 pdf html

Introduced: 2/15/2013

Status: 4/3/2013-Set for hearing April 30.

2	2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Votood	Chaptered
1	Dead		1st H	ouse			2nd F	louse		Conc.	Lilionea	Velded	Chaptered

Calendar:

4/30/2013 9 a.m. - John L. Burton Hearing Room (4203) SENATE PUBLIC SAFETY, HANCOCK,

Chair

Summary:

Current law provides that a board of supervisors of a county, and a legislative body of a city, may contract to provide supplemental law enforcement services to private individuals or entities at special events or occurrences. This bill would authorize a board of supervisors of a county, and a legislative body of a city, to contract to provide supplemental law enforcement services to a homeowners' association on an occasional or ongoing basis. This bill contains other related provisions and other current laws.

Position: None at this time

CALAFCO Comments: According to the author, this bill is intended to focus on providing additional law enforcement support relating to vehicle code enforcement and vehicle traffic enforcement on private roads inside gated communities.

SB 359 (Corbett D) Environment: CEQA exemption: housing projects.

Current Text: Amended: 4/1/2013 pdf html

Introduced: 2/20/2013 Last Amended: 4/1/2013

Status: 4/3/2013-Re-referred to Com. on E.Q.

2Year	Desk Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chantered
Dead	1st H	ouse			2nd F	łouse		Conc.	Lilionea	Velocu	Chaptered

Summary:

CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. This bill would instead exempt as "residential" a use consisting of residential units and neighborhood-serving goods, services, or retail uses that do not exceed 25% of the total building square footage of the project. This bill contains other related provisions and other existing laws.

Position: Placeholder - monitor

Subject: CEQA

SB 436 (Jackson D) California Environmental Quality Act: notice.

Current Text: Amended: 4/3/2013 pdf html

Introduced: 2/21/2013 Last Amended: 4/3/2013

Status: 4/4/2013-Hearing postponed by committee. (Refers to 4/4/2013 hearing)

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	2Year	Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Votood	Chaptered
	Dead		1st H	ouse			2nd F	łouse		Conc.	Lilionea	Velocu	Chaptered

Summary:

Would require a lead agency to conduct at least one public scoping meeting for the specified

projects and to provide notice to the specified entities of at least one public scoping meeting. This bill contains other related provisions and other existing laws.

Position: Watch Subject: CEQA

CALAFCO Comments: Requires lead agencies to conduct at least one public scoping meeting

for proposed projects and increases notification requirements for lead agencies.

SB 633 (Pavley D) CEQA.

Current Text: Amended: 4/2/2013 pdf html

Introduced: 2/22/2013 Last Amended: 4/2/2013

Status: 4/3/2013-Re-referred to Com. on E.Q.

2Year	Desk Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Votood	Chantarad
Dead	1st H	ouse			2nd F	louse		Conc.	Enronea	vetoed	Chaptered

Summary:

The California Environmental Quality Act prohibits a lead agency or responsible agency from requiring a subsequent or supplemental environmental impact report (EIR) when an EIR has been prepared for a project pursuant to its provisions, unless one or more of specified events occurs, including, among other things, that new information, which was not known and could not have been known at the time the EIR was certified as complete, becomes available. This bill would specifically require that the new information that becomes available was not known and could not have been known by the lead agency or any responsible agency at the time the EIR was certified as complete.

Position: None at this time

Subject: CEQA

SB 731 (Steinberg D) Environment: California Environmental Quality Act and sustainable communities strategy.

Current Text: Introduced: 2/22/2013 pdf html

Introduced: 2/22/2013

Status: 3/11/2013-Referred to Com. on RLS.

2Year	Desk Policy Fiscal Flo	or Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chantered
Dead	1st House		2nd F	louse		Conc.	Lilionea	vetoca	Chaptered

Summary:

Would state the intent of the Legislature to enact legislation revising CEQA to, among other things, provide greater certainty for smart infill development, streamline the law for specified projects, and establish a threshold of significance for specified impacts. This bill contains other related provisions and other existing laws.

Position: Placeholder - monitor

Subject: CEQA

SB 739 (Calderon D) Environmental quality.

Current Text: Introduced: 2/22/2013 pdf html

Introduced: 2/22/2013

Status: 3/11/2013-Referred to Com. on RLS.

2Year	Desk Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Votood	Chantered
Dead	1st H	ouse			2nd F	louse		Conc.	Ellionea	veloeu	Chaptered

Summary:

The California Environmental Quality Act (CEQA) requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. This bill would make a technical, nonsubstantive change to that definition. This bill contains other existing laws.

Position: Placeholder - monitor

Subject: CEQA

SCA 11 (Hancock D) Local government: special taxes: voter approval.

Current Text: Introduced: 1/25/2013 pdf html

Introduced: 1/25/2013

Status: 3/21/2013-Set for hearing May 8.

2Year	Desk Policy Fis	scal Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Votood	Chantered
Dead	1st Hous	se		2nd F	louse		Conc.	Ellionea	veloeu	Chaptereu

Calendar:

5/8/2013 9:30 a.m. - Room 112 SENATE GOVERNANCE AND FINANCE, WOLK, Chair

Summary:

The California Constitution conditions the imposition of a special tax by a local government upon the approval of 2/3 of the voters of the local government voting on that tax, and prohibits a local government from imposing an ad valorem tax on real property or a transactions tax or sales tax on the sale of real property. This measure would instead condition the imposition, extension, or increase of a special tax by a local government upon the approval of 55% of the voters voting on the proposition. The measure would also make conforming and technical, nonsubstantive changes.

Position: Watch

Total Measures: 41

Total Tracking Forms: 41

4/8/2013 10:29:01 AM

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION PENDING PROPOSALS – APRIL 17, 2013

April 17, 2013 Agenda Item 17b

LAFCO APPLICATION	RECEIVED	STATUS
Northeast Antioch Reorganization: proposed annexations to City of	8/17/07	Incomplete; awaiting
Antioch and Delta Diablo Sanitation District of 481+ acres located north of		info from applicant
Wilbur Ave		пистом орржина
Wilder / We		
West County Westernator District Agreematics No. 240 and 240, see and	44/7/00	La a a sa sa la ta constitue a
West County Wastewater District Annexation Nos. 310 and 312: proposed	11/7/08	Incomplete; awaiting
annexation of 3.33± acres located at 39 Kirkpatrick Drive and 5527		info from District
Sobrante Avenue in El Sobrante		
1100 0 1100 1 1001 1 11001	44/05/00	1 1 1 10
UCB Russell Research Station (RRS): proposed SOI amendment to East	11/25/08	Incomplete; awaiting
Bay Municipal Utility District (EBMUD) of 313+ acres located on Happy		info from applicant
Valley Road, southeast of Bear Creek Rd, and north of the Lafayette city		
limits (with concurrent annexation application)		
The state of the s		
UCB RRS: proposed annexation of 313+ acres to EBMUD	11/25/08	Incomplete
OCB KRS. Proposed annexation of 313± acres to Edividu	11/23/06	mcompiete
Annexation 168C.1 to Central Contra Costa Sanitary District (CCCSD):	4/13/09	Incomplete; awaiting
proposed annexation of 104+ acres in the Alhambra Valley, all of which		info from applicant
are located outside the Urban Limit Line		
are reserved extends the erisan Emilit Emili		
Laurel Place/Pleasant View Annexation to City of Concord: proposed	5/8/09	Donding property text
	5/6/09	Pending property tax
annexation of 5.86± acres located on Laurel Dr and Pleasant View Ln		exchange agreement
Highlands Ranch Phase II SOI Amendment: proposed SOI amendments	10/23/09	Incomplete; awaiting
to the cities of Antioch (reduction) and Pittsburg (expansion) of 194+ acres		info from applicant
located east of Pittsburg city limits, within Antioch Somersville Road		and it direction applicant
Corridor Planning Area		
Discovery Bay Community Services District (DBCSD) SOI Amendment	7/28/10	Incomplete; awaiting
(Newport Pointe): proposed SOI expansion of 20± acres bounded by		info from applicant
Bixler Road, Newport Drive and Newport Cove (with corresponding		
annexation application)		
amioxation application)		
DDCCD Approvation (Nowport Dointo): proposed approvation of 201 cores	7/28/10	Incomplete: eweiting
DBCSD Annexation (Newport Pointe): proposed annexation of 20± acres	7/28/10	Incomplete; awaiting
to supply water/sewer services to a 67-unit single family residential		info from applicant
development		
Annexation 182 to CCCSD: proposed annexation of 99.7± acres in	11/29/11	Incomplete; awaiting
Martinez and Lafayette		info from applicant
		o ii oiii appiioant
Morthogot Anticoh Doorganization Area OD, Associations to Other & Authority	11/20/10	Incomplete: e=!#:==
Northeast Antioch Reorganization Area 2B: Annexations to City of Antioch	11/30/12	Incomplete; awaiting
and Delta Diablo Sanitation District		info from applicant
Rodeo Sanitary District (RSD) SOI Amendments - proposed SOI	2/20/13	Under review
expansion of 61± acres on the western, northwestern and northeastern		
boundaries of the District		
טטעוועמוופא טו נווכ טואנווטנ		
	0/00// 5	
Rodeo Marina Annexation to RSD – proposed annexation of 28± acres	2/20/13	Under review
located along the northwestern edge of the Rodeo community		
Bayo Vista Housing Authority Annexation to RSD – proposed annexation	2/20/13	Under review
	2120110	CHACH LEVIEW
of 33± acres located south of San Pablo Avenue at the northeastern edge		
of the District's boundary		

Select FILE --> PRINT to print this topic.

April 17, 2013 Agenda Item 17c

Apron Strings

San Ramon Observer: Roz Rogoff, posted by Roz Rogoff, the San Ramon Observer, on Mar 7, 2013 at 7:16 pm

Alameda County Supervisors Scott Haggerty and Nate Miley sort of agreed to separate the Zone 7 Water agency from Alameda County Flood Control District, but not without strings attached. Supervisor Miley said it must be done appropriately. "This is an opportunity to open up the discussion, not a decision for separation." Haggerty seemed ready to move forward. "This is a huge step," Haggerty said. Miley said it is important to move forward in Contra Costa County.

The Supervisors want to retain some control over the agency or the split or the functions before granting independence from Alameda County.

The separation was started last year by State Senator Mark DeSaulnier in SB1337. The bill would have made Zone 7 an independent District instead of a branch of the Alameda County Flood Control and Water Conservation District. Supervisors Haggerty and Miley objected to DeSaulnier's Bill in a letter to Zone 7 last June.

"We also strongly feel that a matter such as the proposed separation should include local citizen input which the LAFCo process provides. To bypass the LAFCo process in favor of special legislation takes the matter out of the hands of the local community and makes the decision a state-wide matter." As a result of their opposition to SB1337, Senator DeSaulnier put SB1337on hold.

LAFCO's (Local Agency Formation Commissions) are organized by County, so there is a Contra Costa County LAFCO and an Alameda County LAFCO.

Surprise! Haggerty and Miley are both on the Alameda County LAFCO, along with Supervisor Wilma Chan as an alternate; so essentially Haggerty and Miley want to continue their input into the separation process via their roles on the Alameda County LAFCO.

The Contra Costa County LAFCO is composed of Supervisor Federal Glover, who represents Northern Contra Costa County, and Mary Piepho, our previous County Supervisor. Candace Andersen, our current County Supervisor, is the Alternate. This should make for some interesting cross-County positions on the separation.

The tug of war is over flood control. Zone 7 wants to keep doing it, but Supervisors Haggerty and Miley want Alameda County to keep it. I've been told there's money in flood control. According to the Zone 7 website, [http://www.zone7water.com/who-pays-for-flood-protection-invisible-menu-223?task=view flood control is paid for] out of property taxes with development fees going to a flood control expansion fund. In addition, Zone 7 reclaims some of the water from flood control to recharge ground water.

In a reply to my blog on [[http://www.sanramonexpress.com/square/index.php?i=3&d=&t=1266 Zone 7 Needs You], Bill Williams (a resident of Dublin) wrote, "Splitting these duties between two entities would only muttle (sic) things and raise the cost, while lowering the quality of services." I don't know who Bill Williams is, but this supported what was presented at the meeting last August. This meeting was to assure employees that the separation would not affect their employment. A small group of eight or ten employees opposed the separation, but they were in the minority.

At the end of the Supervisor's Committee meeting on Tuesday night, Supervisor Haggerty made a cryptic reference to a group of people he was expecting who did not show up. He said the meeting was promoted well and "I waited to hear from the people affected and they are not here. They did not show up."

It appeared he was expecting some opposition, which didn't materialize. Haggerty claimed his office received a call saying that the Zone 7 employees had been discouraged from coming to this public meeting. He asked how many people in the audience work at Zone 7 and quite a few stood up. Two employees said they supported the separation. One said he was not discouraged from attending the meeting.

If this meeting was promoted well to a specific group, it wasn't to the general public. I was tipped off to it by a friend at DSRSD and she hardly knew any of the details. I had to dig for the location and time the meeting started. I was originally told it would be at Zone 7 at 7 pm, but it was at 6 pm at the Alameda County Public Works building in Dublin, which I never even knew existed.

I was surprised by the size of the audience. I counted 20 before the start of the meeting and more arrived later. Dolores Ciardelli wrote a [http://www.sanramonexpress.com/news/show_story.php?id=7102 detailed story] on the home page about who was there and what was said.

The issue they all agreed on was making sure residents of Dougherty Valley are able to vote in Zone 7 elections. "We need to make sure San Ramon gets a seat on the board." That sounds like the Supervisors want Directors elected by District rather than at large. This would assure that San Ramon gets at least one seat on the Board. It took ten years for San Ramon to win a seat back on DSRSD, so I would certainly support dividing up the Zone 7 board by district for true "Local Control."

Comments

Find this topic at: http://sanramonexpress.com/square/index.php?i=3&t=1546

2 of 2 3/14/2013 12:57 PM Uploaded: Thursday, March 7, 2013, 1:06 PM

Select FILE --> PRINT to print this story.



Zone 7 water agency inches toward independence

Supervisors express concerns over rates, flood control

Would an independent Zone 7 water agency result in higher or lower rates for residents?

Zone 7 representatives say that separating from Alameda County would remove a layer of administration resulting in lower rates. But Supervisor Scott Haggerty said Tuesday night that this would not necessarily be the case.

In the past, Alameda County has turned down an enhanced retirement benefit for Zone 7, Haggerty told the several dozen people who attended the meeting.

"If Zone 7 separates and gives the enhanced retirement benefit, I'm not sure the rates wouldn't be raised," he added.

Zone 7 provides water to more than 200,000 people in the Dougherty Valley, Pleasanton, Livermore and Dublin, as well as managing local run-off and groundwater. It imports 80 percent of the water from the South Bay Aqueduct, which is run by the state.

The seven-member Zone 7 board of directors is elected by Alameda County residents; separating from the county would enable Dougherty Valley residents to run for the board and vote for its members, Zone 7 General Manager Jill Duerig said in her presentation.

"Through its retailer, Dublin San Ramon Services District (DSRSD), Zone 7 serves over 15,000 residents in Dougherty Valley, in south San Ramon within Contra Costa County," Duerig said. "With separation, they would no longer be disenfranchised."

DSRSD Board Member Georgeen Vonheeder Leopold read a letter supporting Zone 7 separating from the county. It noted that in addition to creating equality for Dougherty Valley, it would eliminate the duplication of services.

Jill Ray of Contra Costa Supervisor Candace Andersen's office also spoke to express Andersen's concern that Dougherty Valley residents currently do not have a say with Zone 7.

Supervisors Miley and Haggerty also had opinions about how the separation should be done.

"The county doesn't want it to happen piecemeal," Miley said. "We want it to be comprehensive, thorough and complete. Fiscal implications must be resolved."

Zone 7, which already sets its own salaries, has reported that raising employee contributions for higher benefits in order to keep employer contributions stable was discussed at a meeting in 2007 but no more discussions have taken place.

"I've never seen if you create another bureaucracy that rates wouldn't go up," Haggerty said.

At Tuesday's meeting, which was held at the County Public Works Agency in Dublin to get input from the public, Haggerty and Supervisor Nate Miley expressed concerns about coordinating flood control between Zone 7 and the rest of Alameda County.

Zone 7 participates in the Bay Area Flood Protection Agencies Association, and it represents the Flood Protection/Stormwater Management Functional Area for the entire Bay Area.

"The mission is to provide an effective flood control system for the Livermore-Amador Valley in a fiscally responsible,

innovative, proactive and environmentally sensitive manner," Zone 7 General Manager Jill Duerig said in her presentation. "We try to leverage the money we have by working with others."

"LAFCO (Local Agency Formation Commission) is the appropriate venue for this to be vetted," he added. "I want this to go to LAFCO. Any attempt to go by LAFCO, I would oppose."

He noted that the county has had other entities separate from it, such as Alameda County Medical Center.

"I know it isn't going to happen quickly," he said. "It's not a sprint, it's a marathon. I want to make sure the county is maintaining its integrity as well."

"I'm supportive of this separation but want to see it done right," Haggerty said. "I want to see a comprehensive plan."

He noted that giving Dougherty Valley a say in the running of Zone 7 does not guarantee that one of its residents will be elected to a seat on the board.

Miley suggested a meeting between Alameda and Contra Costa counties.

Duerig said after the meeting that because Zone 7 has existed since 1957 and has always worked incrementally toward separation, that she had not thought it needed to start with LAFCO but if the supervisors are more comfortable with that route, she was amenable.

Find this article at:

http://www.sanramonexpress.com/news/show_story.php?story_id=7102detailedstory]

Barone named city manager of Concord

By David DeBolt Contra Costa Times Contra Costa Times Posted:

Thursday, March 14, 2013 ContraCostaTimes.com

CONCORD -- After a nationwide search, a familiar face has been named the city's next top executive.

The city council on Tuesday announced the selection of Valerie Barone as city manager, more than a year after she was appointed to the interim position following the departure of Dan Keen. The council's decision was unanimous; the hiring is not final until a contract is made available to the public and ratified by council.

"She has consistently displayed high intelligence, creativity, a broad skill set and a 'can do' approach," Mayor Dan Helix said, reading a statement. "No matter what the issue she always ensures that the view and needs of all stakeholders are accounted for."

Barone served as the assistant city manager to Keen until he left in February 2012 to take over as city manager in Vallejo. Before that, Barone worked as the community development director in the city of Walnut Creek, and had previously held the same job in Milpitas.

David DeBolt covers Concord and Clayton. Contact him at 925-943-8048. Follow him at Twitter.com/daviddebolt.

1 of 1 3/14/2013 10:14 AM

Contra Costa fire station plan is irresponsible and sheer folly: Contra Costa Times

Contra Costa Times editorial © 2103, Bay Area News Group Contra Costa Times Posted:

Thursday, March 14, 2013 ContraCostaTimes.com

The Contra Costa County Fire Protection District has had to close four of its 28 fire stations, lacks funds for basic capital needs and has launched a study to determine how it can restructure to save money.

Yet its leaders, the Contra Costa Board of Supervisors, voted Tuesday to proceed with talks to jointly build and operate a new fire station with the neighboring Moraga Orinda Fire District.

If those two messages seem inconsistent, that's because they are. This is sheer folly.

Supervisor Karen Mitchoff of Pleasant Hill was the lone voice of sanity. No matter how good the deal for a new fire station might be, she noted, the district can't afford it. "I think the rest of the community will be jeopardized if we move forward with this plan," she said.

She's right: Continuing with this charade falsely raises expectations.

Chief Daryl Louder insists the district -- serving much of Central County as well as Antioch, Pittsburg and San Pablo -- will save money. But that calculation assumes that the district first reopens its closed station in Lafayette. It's not clear that will ever happen. So, actually, the new station would require the district to spend more, not less, money.

Supervisors must get a grip. They need to first figure out how they are going to provide and pay for existing services. Increasing the burden is irresponsible.

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County supervisors agree to move ahead with joint Lafayette fire station

By Jennifer Modenessi Contra Costa Times Contra Costa Times Posted:

Thursday, March 14, 2013 ContraCostaTimes.com

MARTINEZ -- County supervisors are allowing the Contra Costa County Fire Protection District to continue exploring a joint fire station in Lafayette with the Moraga-Orinda Fire District, despite growing concerns from some residents about equity, response times and the suitability of the proposed site.

The Board of Supervisors voted 4-1 on Tuesday to allow ConFire Chief Daryl Louder to continue "serious" negotiations with Moraga-Orinda Chief Randy Bradley to jointly build, operate and staff a new fire station on the Orinda-Lafayette border. Supervisor Karen Mitchoff opposed the talks, and John Gioia -- who had previously expressed reservations about the discussion -- asked for more financial analysis.

The approval came a day after a majority of Moraga-Orinda directors voted to proceed with informal negotiations despite an outcry from residents living near the project site.

Neighbors cautioned officials that the area of Lorinda Lane and El Nido Ranch Road is prone to flooding and slides.

"If you go into this process now having not thought about those things, it could end up costing you much more," warned Sharon Dixon McLaughlin. Officials said there will be a full environmental review.

The fire districts estimate it will cost between \$5 million and \$6 million to buy the land, complete site and utility work and construct the new fire station. They also estimate it will cost about \$2 million annually to staff the station and about \$186,000 to operate it each year.

Other residents voiced concerns about costs and a lack of public engagement.

"You want to move to cover some losses that some other entity has (that's) caused them to close a fire station," said Orinda resident Jerry Dimsdale. "You say we're going to save \$1 million a year (but) you haven't asked me if I'm willing to foot any of that bill."

A handful of the more than 40 attendees voiced support for continued talks.

The negotiations have been under way since January, when ConFire approached the district about operating a joint facility following the closure of a station in west Lafayette due to budget cuts.

Moraga-Orinda would close its station on Via Las Cruces as part of the consolidation -- a move some Orinda residents oppose.

The district's board president, Frank Sperling, on Monday once again voted against the joint proposal, arguing that Moraga-Orinda was bailing out ConFire. Director Steve Anderson, who supported the measure, argued the \$1 million annual savings was an opportunity to ensure Moraga-Orinda's long-term sustainability.

The approvals will allow the district to continue negotiating the purchase of a Lafayette property where the new station would be built. MOFD bid on the property earlier this month and has until March 28 to submit a \$15,000 nonrefundable deposit, which it says it will split with the county. The chiefs are planning to bring a final contract back to their boards for approval in May.

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The Lafayette Planning Commission will hold a special study session Monday to discuss the station. The Board of Supervisors will discuss the station merger again March 19 and the Moraga-Orinda district will hold a public workshop on the consolidation March 20 in Orinda.

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Ambrose park board votes to delay public meetings on park upgrade

By Eve Mitchell Contra Costa Times San Jose Mercury News Posted:

Monday, March 18, 2013 ContraCostaTimes.com

BAY POINT -- A planned series of community meetings on how best to spend funds to improve Ambrose Park has been put on hold while the district considers a possible sale of a different parcel of park property that could provide additional money for the improvements.

Ambrose Recreation & Park District board members voted 4-1 last week to hold off on setting meeting dates until next month to gather more information that could result in the sale of the land, located at Willow Pass Road and Clearland Drive. The vacant lot is just down the street from district headquarters in Bay Point.

Board member Lee Mason cast the no vote. "The money really is not the issue," he said. "The issue is we need to get new input into this project."

Ambrose Park is in Pittsburg, but the park is owned and maintained by the park district.

At its January meeting, the board indicated it wanted to hold public hearings on developing a new plan for park improvements after bids came in too high last year to demolish a lap pool.

The pool had closed in 2008 for code violations, and the district planned to replace it with a children's pool. About \$1.7 million in voter-approved bond funds from the East Bay Regional Park District's Measure WW are available for construction costs, but the lowest bid was about \$700,000 higher.

District officials then learned of an offer made for the Willow Pass Road property and held a closed session Feb. 21 to discuss it.

At Thursday's meeting, Bay Point resident Michael Kerr contended there is no reason to sell the Willow Pass Road property when real estate prices have fallen from where they were years ago.

"It would be a dereliction to sell the district property at this time when there is no need for additional funds," he said.

On Friday, board chairman Steve Hoagland said the district owns the property free and clear and has been trying to sell it for several years. If the sale does happen, he said it could bring the district "a substantial amount of money ... hundreds of thousands" of dollars in additional funding that could be used in any way the board decides.

At their April 11 meeting, board members are expected make a decision on whether to sell the property and also set community hearing dates for the Ambrose Park improvements.

Mason said if the property sale happens and extra funding becomes available, the discussion on how to use any extra funds should not be limited to Ambrose Park. Other parks also need attention, he said.

The district held two public workshops in 2009 that resulted in the adoption of a master plan for the children's pool project and other Ambrose Park improvements. The children's pool was included in the master plan as a cost-effective solution to a new lap pool. But some in the community wanted the old pool to be brought up to code and reopened.

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Barnidge: Contra Costa library healthier than ever as it prepares to turn 100

By Tom Barnidge Contra Costa Times Columnist

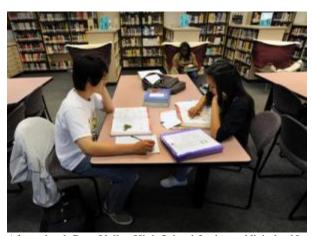
Posted: 03/25/2013 11:47:42 AM PDT Updated: 03/26/2013 07:20:57 AM PDT

When Director Barbara Flynn is invited to speak about Contra Costa County Library's approaching 100th anniversary, she has a novel way of bringing context to the magnitude of the moment.

"I do a whole talk called, 'I was there,'" she said, "as if the library was speaking about what it's seen. I begin with 1913 and go through my list of milestones, beginning with World War I, then the stock market crash, the Great Depression, World War II, our only four-term president ..."

By the time she ushers Barack Obama into office, listeners understand the longevity of the institution and the generations who have benefited from it.

Woodrow Wilson was president in 1913. A first-class stamp cost 2 cents.



After school, Deer Valley High School freshmen Nicholas Nguyen, left, and Jerilene Tibayan work on geometry homework at the school library on Tuesday, March 23, 2010, in Antioch, Calif. The city, Antioch school district, Deer Valley High School, Contra Costa County Library, Police Activities League, City of Antioch Recreation Department and local service clubs have partnered on a project to expand library hours and programs for students at Deer Valley High School. (Susan Tripp Pollard/Staff)

Commercial air travel did not yet exist. The library was established on July 21 of that year, with two modest facilities in Walnut Creek and Concord. Today it blankets the county with 26 branches and serves more than 560,000 cardholders who borrowed 7.5 million items last year.

Flynn, who has worked in libraries for more than 30 years, marvels at the evolution she's witnessed since she first checked out books as a young girl.

"I remember a library card that had little squares on it," she said. "When you borrowed a book, they'd put a stamp in the square. When you returned it, they stamped the square next to it."

Every aspect of the operation is automated now. Lenders check out books with bar code scans and reserve them through online requests. Reference materials are available 24 hours a day with the click of a mouse.

"Remember those big Chilton auto repair manuals?" Flynn said. "In the early days, you couldn't even borrow those -- you had to photo copy the pages. Now they can be downloaded and you can take them with you to work on your car."

Library offerings long ago expanded beyond printed materials. Among the items available now are DVDs, CDs, e-books, audio books, film programs, Wi-Fi access, speaker series, even foreign language lessons.

"People use libraries for many different things," she said. "One example is job seekers who are out of work and can no longer afford Internet at home. They see an ad, and it says apply online only. They come to the library.

"I read an article recently that said it best: A library is a place where we can get things for free we otherwise would have to pay for."

A fascinating website (http:/guides.ccclib.org/100thbirthday) presents a thumbnail glimpse of the Contra Costa library's evolution, with archived photos and a timeline of important events. One of those was last year when it was awarded the Institute of Museum and Library Service's national medal for community service.

The library will celebrate what it's achieved during its first 100 years on July 21 at Pleasant Hill Park, with music, games and programs for all ages. As always, everyone is invited.

For all that's changed, Flynn notes, one thing about libraries has not. She relates the observation by way of a history lesson, recalling the many early libraries funded by industrialist Andrew Carnegie.

"A Carnegie library was usually a very striking building," she said. "It always had stairs leading up to it, and the reason was very pointed. When people went into a library and learned, they were raising themselves up."

One hundred years later in Contra Costa County, that's an everyday event.

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City-sponsored water loan program aimed at keeping Antioch youth programs afloat

By Paul Burgarino Contra Costa Times Contra Costa Times Posted:

Tuesday, April 2, 2013 ContraCostaTimes.com

ANTIOCH -- Let the water flow.

That's the message Antioch leaders expressed several times last week shortly after agreeing to provide financial help for three nonprofits to tap their own wells.

Antioch will provide the Antioch Youth Sports Complex, Antioch Babe Ruth League and Antioch Historical Society with 20-year, no-interest loans to develop or rebuild wells. The loans, which would cover about \$77,000 worth of work, will also be forgiven at a rate of 5 percent each year. The nonprofits also plan to pursue grant money or other means to repay the loan.

"The idea is we want these organizations here for a long time. We want them here for many years, teaching our children, our grandchildren, our grandchildren," Mayor Wade Harper said.

The decision comes months after the city decided to cut off the free water service it had been providing, a move some thought would mean "game over" for several youth sports leagues.

It costs Antioch about \$140,000 a year to provide nonpotable water to the groups, Public Works Director Ron Bernal said.

Ed Daviess, president of the Babe Ruth league, said he was pleased with the council's decision, including that the no-interest-rate loan makes it easier since his league's revenue does not "stream in throughout the year."

"It makes it so we can survive, which is what we were hoping for and also allows us to be environmentally conscious," Daviess said. "This is the best thing for all of us."

Antioch has been paying the nonprofits' water for almost two decades; first using its water fund -- money ratepayers pay for water treatment and distribution -- and later its redevelopment agency and other accounts, before eventually using general fund money, City Manager Jim Jakel said last fall.

The water expenses "came under the microscope" as the city's budget situation worsened four years ago, Jakel said.

The city and nonprofits have been discussing possible solutions since last fall.

The council said that a suggested option of using recycled water would prove far too expensive.

"Wells are the best low-cost alternative," councilman Gary Agopian said. "It gets us all in the direction we want to go."

The Youth Sports Complex fields are used by about 3,000 children in Antioch Little League, Delta Youth Soccer League and Delta Baseball & Softball League. Babe Ruth has about 300 players ages 13 to 18.

The sports complex uses about \$75,000 annually in water, Babe Ruth uses about \$60,000 and the historical society \$5,000. Those costs could be slashed significantly once the wells are installed.

Both nonprofit sites have existing wells in the properties, but the sports complex does not have a pump installed. The historical society does not have an existing well.

In addition to well maintenance costs, the organizations also have to pay for city water to run the snack bar and restrooms.

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http://www.contracostatimes.com/east-county-times/ci_22917823/city-sponsored-water-loan-program-aimed-at-keeping Contact Paul Burgarino at 925-779-7164. Follow him at Twitter.com/paulburgarino.

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Contra Costa Fire Chief Daryl Louder calls it quits

By Lisa Vorderbrueggen Contra Costa Times Contra Costa Times

Tuesday, April 2, 2013 ContraCostaTimes.com

MARTINEZ -- Contra Costa Fire District Chief Daryl Louder is calling it quits after two-and-a-half years in the Golden State.

The former Fairfax County, Va., fire chief told county supervisors in an email Monday that family obligations are pulling him back home, and he will retire on Oct. 31 from the \$176,975-a-year job.

"It has been an ongoing challenge for my wife and I to reside in California when all of our family members live on the East Coast," wrote Louder, 58, who recently put his Concord house on the real estate market. "Now, we have family members who are experiencing health problems that require our closer attention and time."

Louder says he will devote the next seven months to helping the county's largest fire department deal with its serious financial problems and transition to a new fire chief.

"I appreciate Chief Louder giving us seven months' notice of his upcoming retirement," said Supervisor Karen Mitchoff of Concord. "Family matters are always the first priority. I wish him well in his retirement."

The chief is retiring from full-time employment as a fire professional, but he will not collect a Contra Costa County pension, Louder confirmed. He would have had to work at least five years to become eligible for the benefit. Instead, he will receive retirement income from Virginia, he said.

The chief has had a rough time in Contra Costa, arriving in mid-2010 as the brunt of the housing market collapse hit his department's budget. The fire district depends almost solely on property taxes, which saw double-digit dips as home values plunged. The district's financial woes were exacerbated by rapidly rising firefighters' pension contribution rates.

Voters then nixed a temporary parcel tax last year that would have kept the agency somewhat intact, and the chief has been unhappily focused on shaving service and closing stations. Several members of the Board of Supervisors also have openly criticized the chief's job performance.

But Louder said that is not why he's leaving.

"Yes, it is a very challenging environment, but that's what they pay me to do, to make some difficult decisions," Louder said. "(The challenges had) nothing to do with my decision. It was strictly a personal decision."

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Bethel Island to be getting more 'dry hydrants'

By Rowena Coetsee Contra Costa Times Contra Costa Times

Wednesday, April 3, 2013 ContraCostaTimes.com

BETHEL ISLAND -- Every second counts when a home is burning, and some residents here are giving themselves that gift of time.

Over the past three years, clusters of neighbors have installed 18 pipes reaching from the San Joaquin River to the levee encircling the tiny community so that firefighters can draft any extra water they need faster.

Known as "dry hydrants," the stationary 6-inch PVC pipes range in length from about 40 feet to 80 feet and can channel water at the same rate as a fire engine's pump -- up to 1,500 gallons of water per minute, said longtime resident Mark Whitlock.

He's been leading the charge to set up these conduits on the island since a three-alarm fire in September 2008 destroyed two homes on the road where he used to live.

Bethel Island's approximately 2,100 residents are particularly worried about the danger of fire, in part because of the lack of conventional water hydrants.

Most residential areas have never had any, and the five ones along the main road through town were taken out of action in summer 2010 when the pump that serviced them was removed during the reconstruction of Bethel Island Bridge.

Adding to their concerns is that firefighters' response times have increased significantly since the island's fire station closed July 1, a casualty of budget cuts.

Although each fire engine arrives with a water truck to supplement its supply of water, when those reserves run low, crews have two choices: Replenish their tanks from a hydrant about 1½ miles off the island near the intersection of East Cypress and Bethel Island roads -- a potentially disastrous diversion when time is of the essence -- or pump water from the Delta.

If an engine company opts for the river, dry hydrants are a more efficient way to get the water where it needs to go, said Chief Hugh Henderson of the East Contra Costa Fire District.

For starters, firefighters don't lose time clambering down the jumble of rock buttressing the outer side of the levee to put a hose in the water -- the pipe is already there, he said.

"It speeds up the process of getting water out of the Delta," Henderson said.

The process also is faster because crews need to connect only one section of their hose to the end of the pipe, he said. Hoses are stored on an engine in 10-foot lengths, so making one long enough to reach the water requires firefighters to join several segments, Henderson said.

These two aspects of dry hydrants enable crews to start spraying a fire in about half the time, he said.

In addition, they extend farther into the river than firefighters' hoses might be able to at low tide, Henderson said.

And once an engine can hook its pump up to a hydrant, it not only can douse burning structures on roads parallel to the levee, but it can also convey that water to other engines, thereby extending fire crews' reach, Henderson said.

Despite the advantages, the only time his men have used these hydrants since the first one was installed in February 2010 has been in training exercises because there haven't been any nearby when they've responded to blazes large enough to warrant their use, Henderson said.

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http://www.contracostatimes.com/east-county-times/ci_22927606/bethel-island-be-getting-more-dry-hydrants

Whitlock's goal is to change that by getting a dry hydrant installed approximately every 700 feet along the inhabited sections of Bethel Island's 11½-mile perimeter -- roughly 45 in all, he estimates.

To that end, he pitches the idea to homeowners in areas where it would be logical to install a dry hydrant, makes presentations at the levee maintenance district's board meetings and attends sessions of virtually every other local decision-making body with business on the island.

"Eighteen (hydrants) doesn't sound like a lot, but I have hours invested for every one of those out there," Whitlock said. "Unless I die, I will finish this. I will not quit."

Property owners served by three of the 11 private water companies on the island have voted to pay for most of the hydrants, which start at \$1,500 for the 40-foot length of pipe that's typically needed. Two groups of homeowners and the San Joaquin Yacht Club have funded the remaining three.

Five more dry hydrants will be going in over the next six weeks, Whitmore said.

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