

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
MINUTES OF MEETING

June 11, 2014

Board of Supervisors Chambers
Martinez, CA

1. Vice Chair Rob Schroder called the meeting to order at 1:30 p.m.
2. The Pledge of Allegiance was recited.
3. Roll was called. A quorum was present of the following Commissioners:

City Members Rob Schroder and Don Tatzin.

County Members Federal Glover and Mary Piepho and Alternate Candace Andersen.

Special District Member Michael McGill.

Public Member Alternate Sharon Burke.

Present were Executive Officer Lou Ann Texeira, Legal Counsel Sharon Andersen, and Clerk Kate Sibley.

4. Approval of the Agenda

Upon motion of Tatzin, second by Piepho, Commissioners, by a vote of 6-0, adopted the agenda.

AYES: Burke, Glover, McGill, Piepho, Schroder, Tatzin

NOES: none

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

ABSTAIN: none

5. Public Comments

Igor Skaredoff, representing Contra Costa Resource Conservation District, presented Resolution No. 06-14-1 in memory of Dwight Meadows.

6. Approval of May 14, 2014 Meeting Minutes

Upon motion of Tatzin, second by Piepho, the minutes for the meeting of May 14, 2014 were approved unanimously by a vote of 6-0.

AYES: Burke, Glover, McGill, Piepho, Schroder, Tatzin

NOES: none

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

ABSTAIN: none

7. LAFCO 13-06 - City of Martinez Out of Agency Service (Spencer)

The Executive Officer provided background on this request by the City of Martinez to provide municipal water service to a parcel located on Gordon Way in the Alhambra Valley in order to serve a proposed single family dwelling unit. The subject property is currently vacant and part of a subdivision approved by the County in 1955 (Subdivision 2037). All surrounding developed properties have City water, there is a signed Deferred Annexation Agreement (DAA) in place for the Spencer property, and the City intends to annex the property in the future, as indicated by resolutions passed by the Martinez City Council in December 2012 and again in May 2014.

Brief discussion ensued about the approval timeline, process for out of agency service, and the County's process for notifying LAFCO of development proposals.

Upon motion of Glover, second by Burke, Commissioners unanimously, by a 6-0 vote, 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 0.82±-acre parcel located at 172 Gordon Way, subject to specified terms and conditions.

AYES: Burke, Glover, McGill, Piepho, Schroder, Tatzin
NOES: none
ABSENT: Blubaugh (M), Butt (A), Schmidt (A)
ABSTAIN: none

8. LAFCO 13-08 - Northeast Antioch Reorganization (Area 2A): Annexations to the City of Antioch and Delta Diablo and Detachment from County Service Area P-6

The Executive Officer provided background, stating that this hearing was continued from the April 9, 2014 meeting, when a new issue arose regarding a drain pipe that runs through Area 2A. In 2005, a portion of the pipe failed and created a large sinkhole. The repair, made by the County, was substantial covering 1,100 linear feet of the 2,700 foot pipeline, and costing \$850,000. The cost to replace the remaining 1,600 linear feet of pipeline is estimated at \$1.7 million. The City and County are working together to better determine the condition of the pipeline and next steps.

As a result of this new finding, the City Council discussed options, and expressed support for either moving forward with a reduced annexation boundary that removes the pipeline and those properties opposed to the annexation (Sportsman Yacht Club, Kiewit and Vortex), or asking LAFCO to defer the annexation for about 12 months to allow the City to address concerns relating to zoning and the pipeline.

The Chair opened the public hearing.

Victor Carniglia, representing the City of Antioch, reported that while the City Council approved two options, staff is recommending deferral to next year. The City is currently updating its general plan, which will address the zoning issues raised by Kiewit and Vortex, and will be working with the County to address the pipeline issue.

Rich Seithel, representing the County, stated that deferral would be preferable.

Don Wilson, representing the Sportsmen Yacht Club (SYC), stated that they are still opposed to annexation and would like to see the entire annexation application denied.

Ken Retzloff, who owns businesses in both Martinez and Antioch, listed the problems he has had with the uncertainty over whether his Antioch business is in the City or County and stated that he is against annexation.

Clark Dawson submitted letters from six business owners, three registered voters, and 130 petition signatures all against annexation and urged Commissioners to deny the annexation. He also commented on confusing communications recently received from the City.

Darlene Dawson stated that they had not received notice of this hearing and that she is against annexation.

Blaise Fettig, representing Vortex Marine Construction, stated that he was also representing Kiewit at the request of that company, and that they support deferral of any decision until the City has provided proper zoning for their properties. Mr. Fettig added that their ongoing conversations with the City have been open, transparent, and productive.

The Chair closed the public hearing.

Commissioner Piepho asked if LAFCO can in fact defer action on this item for so long. The Executive Officer responded that the matter can be deferred, and when the City returns with new information, the public hearing process will begin anew. In response to a second question, staff noted that this deferral does not preclude a split of the reorganization proposal territory.

Commissioner Glover indicated support for the deferral.

Upon motion of Glover, second by Piepho, Commissioners unanimously, by a vote of 6-0, deferred action on the proposed reorganization until June 2015.

AYES: Burke, Glover, McGill, Piepho, Schroder, Tatzin
NOES: none
ABSENT: Blubaugh (M), Butt (A), Schmidt (A)
ABSTAIN: none

9. Countywide Water/Wastewater Municipal Service Review (MSR)/SOI Updates

The Executive Officer provided an update on this MSR, which was accepted in its final version at the May 14 meeting, and the five SOIs that were adopted at the same meeting.

Staff presented a table of SOI options and recommendations for Commissioners to consider for the remaining 15 districts, and recommended deferring the SOI update for the Castle Rock County Water District. In response to Commissioner Piepho's question, staff explained that Contra Costa Water District supplies wholesale water to Diablo Water District, so these two districts overlap.

Commissioner Piepho recommended that the overlap between Byron Bethany Irrigation District (BBID) and Town of Discovery Bay Community Services District (TODBCSD) be addressed in both districts' resolutions, with a report back to the Commission in one year.

Commissioner Burke suggested that two districts, Castle Rock County Water District (CRCWD) and Knightsen Town Community Services District (KCSD), should be officially reminded that they are not doing their basic minimum in terms of transparent governance, as they have no websites and are not regularly communicating with taxpayers. Staff concurred.

The Chair opened the public hearing.

Linda Weekes, from KCSD, stated that they had tried to do a website but it was too much for the small district to maintain. They have put their information on Supervisor Piepho's website at her suggestion. She thanked the consultants, Commissioners, and Supervisor Piepho for their work and assistance.

The Chair closed the public hearing.

Upon motion of Piepho, second by Glover, Commissioners unanimously, by a vote of 6-0, approved the SOI updates as recommended and as amended by Commissioners.

AYES: Burke, Glover, McGill, Piepho, Schroder, Tatzin
NOES: none
ABSENT: Blubaugh (M), Butt (A), Schmidt (A)
ABSTAIN: none

10. Second Round Fire/EMS Municipal Service Review (MSR)/SOI Updates

The Executive Officer reported that staff has prepared a Request for Proposals (RFP) for the Second Round Fire/Emergency Medical Services MSR/SOI Updates.

Commissioner Tatzin asked that the Scope of Services request the consultants to include in their Draft Report references to the First Round MSR and the critical issues raised then in order to determine the current state of fire protection services. Commissioner Piepho agreed, but warned that the consultants must recognize LAFCO's limitations.

Vince Wells, representing Firefighters Local 1230, stated that he was around for the First Round MSR and the two years of committee and community meetings that followed. There are now 12 fewer stations open and two more in danger of closure. He added that he hoped this study would analyze whether fire protection districts are meeting the public's needs.

Commissioner Piepho asked if adequacy of services is included in the Scope of Services or if it needs to be added. Staff responded that this is one of the six review criteria, although it is not highly

defined. In the past, consultants have used various criteria (response times, number of stations, etc.) as well as national standards to measure a district's efficacy.

Upon motion of McGill, second by Tatzin, Commissioners unanimously, by a vote of 6-0, approved the RFP with the additions suggested.

AYES: Burke, Glover, McGill, Piepho, Schroder, Tatzin
NOES: none
ABSENT: Blubaugh (M), Butt (A), Schmidt (A)
ABSTAIN: none

11. FY 2012-2013 Financial Audit

The Executive Officer provided brief background and presented LAFCO's financial audit for Fiscal Year 2012-2013, reporting that the auditors identified no deficiencies in internal control that they would consider to be material weaknesses and no current year observations.

The audit report includes a recommendation that LAFCO consider recording the Other Post-Employment Benefits liability on the books for the fiscal year ended June 30, 2014 and also include the OPEB expense in the budget. These recommendations have been implemented.

12. CCCERA Correspondence

There were no comments regarding this correspondence.

13. Commissioner Comments and Announcements

Commissioner McGill reported that he will not be at the August 13 meeting.

14. Staff Announcements and Pending Projects

The Executive Officer reported that staff has initiated the process for filling the Special District seat created by the passing of Commissioner Dwight Meadows; three nominations have been received to date (Gordon Dakin, SRVFPD, George Schmidt, WCWD, and Igor Skaredoff, CCRCD). The deadline for nominations is June 27, and the election will be held on Monday, July 21, in conjunction with the regular quarterly CCSDA meeting.

The Executive Officer reported on current legislation: AB 2156, regarding Joint Power Authorities, and AB 614, a "gut and amend" bill regarding DUCs, a last minute bill that the CALAFCO Executive Director is working on.

Staff announced that the July 9 meeting will be cancelled.

The meeting was adjourned at 2:38 p.m. in memory of Commissioner and LAFCO Chair Dwight Meadows, who passed away on May 13, 2014. Commissioner Meadows served on Contra Costa LAFCO since 1994 as a special district member. He was quiet, but not shy, and always spoke his mind. We will miss Dwight - his spirit, candor and wry sense of humor.

Final Minutes Approved by the Commission August 13, 2014.

AYES: Blubaugh, Glover, McGill, Piepho, Schroder, Skaredoff, Tatzin
NOES:
ABSTAIN:
ABSENT: Schmidt (A)

By  _____
Executive Officer