



## **NOTICE AND AGENDA FOR REGULAR MEETING**

DATE/TIME: Wednesday, November 12, 2014, 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 a change of organization consisting of an annexation or detachment, or a reorganization consisting solely of annexations or detachments, or both, or the formation of a county service area, it is the intent of the Commission to waive subsequent protest and election proceedings provided that appropriate mailed notice has been given to landowners and registered voters within the affected territory pursuant to Gov. Code sections 56157 and 56663, and no written opposition from affected landowner or voters to the proposal is received before the conclusion of the commission proceedings on the proposal.

### **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.**

## NOVEMBER 12, 2014 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 October 8, 2014 regular LAFCO meeting

### SPHERE OF INFLUENCE/BOUNDARY CHANGES

6. ***LAFCO 13-04 –Bayo Vista Housing Authority Annexation to Rodeo Sanitary District (RSD)***  
consider proposed annexation of the Bayo Vista Housing Authority and other properties to RSD. The area comprises 33.34+ acres located south of San Pablo Avenue at the northeastern edge of RSD's current service area. Also consider related actions under the California Environmental Quality Act.  
***Public Hearing***

### BUSINESS ITEMS

7. ***Award Contract – Second Round MSR/SOI Updates – Reclamation (Levee) Services*** - consider approving a contract with the recommended consultants
8. ***Contra Costa Special Districts Association (CCCSDA)*** – consider officially joining CCCSDA and including membership dues in the FY 2015-16 LAFCO budget
9. ***2015 LAFCO Meeting Schedule*** – approve the 2015 LAFCO meeting schedule
10. ***Highlights of 2014 Annual CALAFCO Conference*** – receive informational report

### CORRESPONDENCE

11. Correspondence from Contra Costa County Employees' Retirement Association (CCCERA)
12. CCCERA Contribution Rates and Five-Year Projection

### INFORMATIONAL ITEMS

13. Commissioner Comments and Announcements
14. Staff Announcements
  - CALAFCO Updates
  - Pending Projects
  - Newspaper Articles

### ADJOURNMENT

*Next regular LAFCO meeting – December 10, 2014 at 1:30 p.m.*

LAFCO STAFF REPORTS AVAILABLE AT [http://www.contracostalafco.org/meeting\\_archive.htm](http://www.contracostalafco.org/meeting_archive.htm)

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION  
MINUTES OF MEETING

October 8, 2014

November 12, 2014  
Agenda Item 5

Board of Supervisors Chambers  
Martinez, CA

1. Interim 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 Members Michael McGill and Igor Skaredoff and Alternate George Schmidt.

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 McGill, second by Tatzin, Commissioners, by a vote of 7-0, adopted the agenda.

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

NOES: none

ABSENT: Blubaugh (M), Butt (A)

ABSTAIN: none

5. Public Comments

There were no public comments.

6. Approval of September 10, 2014 Meeting Minutes

Upon motion of Skaredoff, second by Tatzin, the minutes for the meeting of September 10, 2014 were approved by a unanimous vote of 7-0.

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

NOES: none

ABSENT: Blubaugh (M), Butt (A)

ABSTAIN:

7. Informational Presentation - Contra Costa Land Use and Agricultural Conservation - Kathryn Lyddan, Executive Director, Brentwood Agricultural Land Trust (BALT)

After a brief introduction by the Chair, Kathryn Lyddan presented a slide show focusing on agricultural land and its use and conservation in Contra Costa County, focusing largely on East Contra Costa County as a prime growing area. Despite encroaching development, there are still 12,000 acres of row crops, vineyards, and orchards, with over \$92 million in farm gate value. She spoke of efforts and programs that can protect prime farmland, a quarter of which has been lost since 1990. Since BALT's establishment in 2002, it has permanently protected over 800 acres of orchards and row crops. Ms. Lyddan encouraged Contra Costa LAFCO to adopt agricultural mitigation policies—as some other LAFCOs already have—that mitigate the loss of agricultural land by conditioning their approvals of applications on: agricultural conservation easements; in-lieu fees; and encouraging local jurisdictions to adopt agricultural mitigation policies of their own.

**DRAFT**

She recommended that LAFCO: join with the County, BALT, and other partners to develop agricultural lands policies and programs; explore adoption of an agricultural mitigation policy that requires mitigation of any loss of prime farmland; and work with CALAFCO to explore state law changes to the CKH to strengthen LAFCOs' statutory authority to protect prime farmland.

Ms. Lyddan's Powerpoint presentation can be seen on the Contra Costa LAFCO website, in the agenda items for the October 8, 2014 meeting ([http://www.contracostalafco.org/meeting\\_archive.htm](http://www.contracostalafco.org/meeting_archive.htm)).

Commissioners provided comments and observations and thanked Ms. Lyddan.

8. LAFCO 14-02 - Subdivision 9329- Detachment from Town of Danville

The Executive Officer provided brief background on a proposal to remove from the Town of Danville's boundary a 12-foot wide strip of land along the northern boundary of property located at 2500 Blackhawk Road in conjunction with a subdivision. The boundary adjustment will align the property line with boundaries of the other parcels fronting Blackhawk Rd, and follows LAFCO's approval in September of removal of the same 12-foot strip from the Town's SOI.

Upon motion of McGill, second by Piepho, the Commission unanimously, by a 7-0 vote, determined that the project is exempt pursuant to CEQA Guidelines, Section 15061(b)(3); approved the proposal to be known as Subdivision 9329, Detachment of Frontage from Town of Danville (2500 Blackhawk Road), with specified conditions; determined that the territory being detached is liable for the continuation of taxes, assessments and charges; found that the subject territory is uninhabited, has 100% landowner consent; waived the protest proceeding, and directed staff to complete the proceeding.

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

9. LAFCO 14-07 - Dougherty Valley Reorganization No. 16 - City of San Ramon

The Executive Officer provided an overview of the proposal, noting that this is the 16<sup>th</sup> in a series of planned annexations to the City of San Ramon. This annexation also includes the detachment of the area from County Service Area P-6. The subject area comprises 22.89± acres of parkland and is located south of the Dougherty Valley Service Center in the Dougherty Valley Specific Plan Area.

The subject property is not contiguous to the City limits, but meets the statutory exception to allow for annexation of non-contiguous property.

Upon motion by Piepho, second by McGill, Commissioners unanimously, by a 7-0 vote, certified that it reviewed and considered the information contained in the EIR and CEQA documentation; approved the proposal to be known as Dougherty Valley Reorganization #16: Annexation to City of San Ramon and Detachment from County Service Area P-6, with specified conditions; determined that the territory being annexed is liable for the continuation of taxes, assessments and charges; found that the subject territory is uninhabited, has 100% landowner consent; waived the protest proceeding, and directed staff to complete the proceeding.

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

10. LAFCO 14-08 – Central Contra Costa Sanitary District (CCCSD) SOI Amendment (DA 185)

The Executive Officer provided background to this application to expand CCCSD's SOI to include three parcels totaling approximately 38 acres, located in the unincorporated Lafayette area at the west end of Springhill Road. A corresponding application to annex these and a number of other properties to the District has been submitted for consideration at a later date. Currently there are two existing units receiving service from CCCSD and EBMUD. As proposed, LAFCO's approval of the SOI amendment and pending annexation of these properties would limit the sewer service to the existing residential uses as the properties are located outside the ULL.

Commissioner Tatzin expressed his concern about the potential for a later expansion to a third connection and confirmed that any additional service connections would be subject to LAFCO's review.

Upon motion of Tatzin, second by McGill, Commissioners unanimously, by a 7-0 vote, approved the proposed expansion of CCCSD's SOI, limited CCCSD service to the existing residential structures that are currently receiving service, and determined that the project is exempt pursuant to CEQA Guidelines, Section 15319.

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

11. Castle Rock County Water District SOI Update

The Executive Officer gave a brief history on the Castle Rock County Water District (CRCWD) discussions held at the September 10, 2014 meeting. Currently, CRCWD has no SOI, as it was only recently identified as an independent special district through the Second Round Water/Wastewater MSR, completed this year. In discussion at the September meeting, Commissioners directed staff to return with a proposal for establishing a zero SOI for CRCWD.

Fred Allen, CRCWD Board Member, provided Commissioners with extensive background to the history and operations of CRCWD, noting that this 55-connection District is the only provider of water in the District's territory, per an agreement made between the area's developer and Contra Costa Water District (CCWD). There are no paid employees; Mr. Allen and other board members are volunteers and conduct inspections regularly and make repairs as necessary, hiring workers as needed.

Commissioners asked Mr. Allen questions about public health issues (none), testing and monitoring (he conducts his own as do others, although many of them use untreated water for irrigation and livestock purposes), water conservation (this District has reduced water use by over 60%), meters (board members read them and bill residents accordingly), finances (County Auditor handles all finances), and a succession plan (Mr. Allen has recruited two new, younger board members, and is training one of them who has shown interest in maintaining the system into the future).

There were additional Commissioner comments and questions relating to CRCWD's infrastructure, maintenance and capital plans, and governance options.

Following Mr. Allen's appearance, Commissioners confirmed with the Executive Officer that there is no opportunity to make CRCWD a subsidiary of CCWD or a dependent district or a zone. Neither CRCWD nor CCWD wants any changes to the status quo.

Upon motion of McGill, second by Tatzin, Commissioners unanimously, by a 7-0 vote, determined that the SOI update is exempt under the CEQA General Rule exemption

§15061(b)(3); adopted a zero SOI for CRCWD with conditions; directed staff to communicate to the District that an engineering study, including necessary safeguards and conditions, and a financial plan be carried out and reported back to LAFCO in September 2015.

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

12. Policies & Procedures Update: Out of Agency Service

The Executive Officer reported that, as requested at the August 13, 2014 LAFCO meeting, a meeting was held on September 30 that included the LAFCO Policies and Procedures Committee, the County Administrator, a representative of the City of Concord, and elected officials from both the County and the City of Concord. The City and County staff requested no amendments to the proposed updates but did express the need for flexibility to deal with the Ayers Ranch island. The group also addressed the potential for a phased annexation of the area. However, the City and County have been unable to reach a tax sharing agreement, which is needed in order to move forward.

Commissioner Tatzin stated that the Policies and Procedures Committee, representing the full Commission, feels bound by the state law regarding out of agency service. He felt that the September 30 meeting was productive, but that it was clear the City and County need to come to an agreement on tax sharing. Commissioner Burke felt that the County representatives seemed to not favor phased annexation of the Ayers Ranch island area. It was noted that the City has already rezoned the Ayers Ranch area and that the City requires deferred annexation agreements in conjunction with out of agency service requests. It was also noted that there are out of agency services challenges throughout the County, and that LAFCO's policy must be applicable countywide.

LAFCO staff read into the record an email from Concord City staff. Commissioners questioned why the City of Concord had no representatives at this meeting, but agreed that the City's August request for a meeting had been fulfilled. In response to the City's email, LAFCO staff pointed out that no out of agency service request has been denied if it is in response to a public health issue.

Upon motion of Tatzin, second by Burke, Commissioners unanimously, by a 7-0 vote, approved and adopted the revised Subsection J of Section 2.1 of the Policies and Procedures and Section 3.15, Provision of Services by Contract (Out of Agency Services).

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

13. OPEB - Post Retirement Medical Benefits Trust Agreement

The Executive Officer presented the results of research into funding post employment health benefits for LAFCO's retired employees, and stated that the preferred option is to participate with the County in the Public Agencies Post-Retirement Health Care Plan Trust administered by Public Agency Retirement Services (PARS). LAFCO would become a subaccount under the County's PARS Trust agreement. The County pays management and investment fees on a sliding scale based on assets in the trust, and LAFCO's fees, which would be 0.22%, will be based on the same proportional fees as the County's.

LAFCO conducted an actuarial valuation in March (prepared by Demsey, Filliger & Associates, an LLC through a consortium with the California Special Districts Association and the California

School Boards Association) to calculate the future liability for retiree healthcare and other post-employment benefits. A summary of LAFCO's actuarial valuation shows an Employer-Paid Accrued Liability of \$516,522 and an annual contribution of \$52,278. The Commission currently has \$40,000 set aside to fund this expense, which is not reflected in the recent actuarial valuation. The next step is for LAFCO to adopt a resolution to join the PARS Trust. Following LAFCO's approval, the County Board of Supervisors will then be asked to adopt a resolution accepting Contra Costa LAFCO into its plan.

Commissioner McGill noted that as the Commission goes forward it needs to develop a plan to fund this liability, as the current \$10,000 annually set aside will not suffice.

Commissioner Tatzin asked if Commissioners will need to authorize the transfer of the current \$40,000 set aside into this account if this agreement is approved, and whether LAFCO is supposed to specify the investment approach listed in the agreement. Staff responded that she believes the County Treasurer makes that decision, but will confirm.

Commissioner Skaredoff agreed that Commissioners need to find a way to whittle down this obligation.

Upon motion of Tatzin, second by Burke, Commissioners unanimously, by a 7-0 vote, adopted Resolution 2014-2 authorizing participation in the Contra Costa County PARS Public Agencies Post-Retirement Health Care Plan Trust, and directed staff to forward the LAFCO resolution and signed agreement to Contra Costa County with a request to the County to accept Contra Costa LAFCO in the County's plan.

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

14. First Quarter Budget Report

The Executive Officer reported that total revenues are at approximately 98% of projected revenues; expenditures at this time are at 12% of projected expenses. New applications are on par with FY 2013-14.

Upon motion of Piepho, second by McGill, Commissioners received the report.

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

15. Informational Report - Contra Costa Emergency Medical Services Emergency Ambulance Request for Proposals Development Workshop

The Executive Officer reported on her attendance at the one-day workshop in conjunction with development of a RFP for the upcoming ambulance services contract, held on September 17. The workshop was attended by representatives from fire/EMS, healthcare, labor, LAFCO and the public. Richard Keller of Fitch & Associates led the discussion. The presentation is available on the EMS website. The tentative timeline for the RFP process provides for release of the RFP in February 2015, award of the final contract in September 2015, and a new contract start date of January 1, 2016.

Upon motion of Piepho, second by McGill, Commissioners received the report.

AYES: Burke, Glover, McGill, Piepho, Schroder, Skaredoff, Tatzin  
NOES: none

ABSENT: Blubaugh (M), Butt (A)  
ABSTAIN: none

16. Correspondence from CCCERA

There were no comments on this item.

17. Commissioner Comments and Announcements

Commissioner McGill announced that he would be attending the upcoming CALAFCO Annual Conference, and that he hoped to be reelected to the CALAFCO Board at that meeting. Other Commissioners confirmed that they too would be attending.

18. Staff Announcements and Pending Projects

The Executive Officer stated that she too is looking forward to the upcoming CALAFCO Annual Conference October 15-17.

LAFCO staff reported that the 2013-14 legislative session is over. Two of CALAFCO's priority bills were chaptered - the CALAFCO omnibus bill, and AB 2156 which allows LAFCOs to request information from JPAs and requires JPAs to respond. On September 28<sup>th</sup>, the Governor vetoed three of the CALAFCO supported bills, including SB 69 and the companion bill AB 1521, which addressed reinstatement of VLF through ERAF for cities. The Governor also vetoed AB 1527, which provided incentives for consolidation of public water systems based on service reviews developed by the local LAFCO.

The meeting was adjourned at 3:28 p.m.

Final Minutes Approved by the Commission November 12, 2014.

AYES:

NOES:

ABSTAIN:

ABSENT:

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



CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION  
EXECUTIVE OFFICER'S REPORT

November 12, 2014  
Agenda Item 6

November 12, 2014 (Agenda)

LAFCO 13-04: Bayo Vista Housing Authority Annexation to Rodeo Sanitary District (RSD)

PROPONENT: RSD by Resolution No. 2011-02 adopted April 12, 2011

ACREAGE & LOCATION The applicant proposes to annex 33± acres (numerous parcels) located south of San Pablo Ave at the northeastern edge of RSD's existing boundary, along with a narrow strip of land located north of San Pablo Ave, and south of the railroad tracks (see Attachment 1).

SYNOPSIS

The District filed an application with LAFCO to annex the properties to RSD. The proposed annexation is primarily a boundary clean-up as a result of the LAFCO Municipal Service Review (MSR). RSD has provided sewer service to most of the subject area since the 1940s when the property housed Mare Island military personnel. Today, the subject territory includes the Bayo Vista Housing Authority complex comprised of 52 multi-family, low-income housing units (south of San Pablo Ave), already served by RSD; along with residential apartments and several small businesses (north of San Pablo Ave), where no sewer service exists.

DISCUSSION

The Government Code sets forth factors the Commission is required to consider in evaluating a 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 area proposed for annexation is within RSD's SOI as approved by the Commission in July 2013, and is within the County Urban Limit Line; all parcels are located in the unincorporated community of Rodeo.

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

The County General Plan designations for the area include Multi-Family – High Density (MH), Light Industrial (LI), Public/Semi-Public (PS), and Downtown/Waterfront Rodeo (M-2). The County's zoning designation for the area is Planned Unit (P-1). No changes are proposed to the General Plan or zoning designations as part of this proposal.

**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. The annexation will have no effect on agricultural lands.

**4. Topography, Natural Features and Drainage Basins:**

The annexation and surrounding areas are characterized by gently rolling, grassy hillsides with occasional rock outcroppings. To the northwest of the annexation area is the San Pablo Bay. Areas south and west of annexation area are relatively flat and characterized by residential development. Areas to the east and north contain the Union 76 refinery and operations.

**5. Population:**

The annexation area includes 52 multi-family housing units, along with residential apartments and several small businesses. No development is proposed in conjunction with this annexation; no increase in population is anticipated.

**6. Fair Share of Regional Housing:**

LAFCO must consider 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 (Gov. Code §56668). The proposed annexation will have no effect on regional housing needs.

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

The properties proposed for annexation are served by various local agencies including, but not limited to, Contra Costa County, Rodeo-Hercules Fire District, and East Bay Municipal Utility District (EBMUD).

As previously noted, RSD has provided sewer service to the annexation area for many years. The proposal to annex the area is simply a boundary clean-up; no new services are proposed.

RSD currently serves a population of over 8,000 residents in a 1.4 square-mile service area. RSD's wastewater collection system consists of 25 miles of sewer gravity pipeline, two force mains and two pump stations. RSD serves approximately 2,500 connections. The majority of RSD's system operates with gravity flow and some pumping stations and 1.2 miles of force main. The District's treatment plant capacity is 1.14 million gallons per day (mgd), with a maximum of 3.4 mgd. RSD's wastewater treatment plant provides secondary level treatment for an average daily flow of 550,000 gallons per day.

The District has the ability to serve the annexation area, and has done so for decades.

**8. Timely Availability of Water and Related Issues:**

The area proposed for annexation is within EBMUD's service boundary. EBMUD provides wholesale water, retail water, wastewater collection and wastewater treatment services for an area of 331± square miles in Contra Costa and Alameda counties, serving nearly 2 million people. Water service includes production, distribution, retail, treatment, recycling and conservation services. 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).

The proposed annexation will have no effect on water usage, as the area is already being served by EBMUD and no new development is proposed.

**9. Assessed Value, Tax Rates and Indebtedness:**

The annexation area is within tax rate areas 62039, 62033 and 62056. The assessed value for the areas proposed for annexation is \$736,355 (2014-15 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:

The District, as Lead Agency, found the project categorically exempt from the California Environmental Quality Act (CEQA) per Section 15061(b)(3)? The LAFCO environmental coordinator concurs with the District's finding.

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. RSD 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 annexation area(s) have received notice of the November 12 LAFCO 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 November 12, 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 §56663).

12. Boundaries and Lines of Assessment:

The District serves four non-contiguous service areas: an area of medium density single family residential, north of Willow Avenue; a small area designated for public use west of San Pablo Avenue; an area primarily designated for heavy industrial use west of Crockett; and the Rodeo Marina area.

The areas proposed for annexation are within RSD's SOI and contiguous to the District's service boundary. The proposed annexation would bring into RSD's boundary additional parcels currently receiving sewer service from RSD.

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.

14. Disadvantaged Communities

In accordance with recent legislation (SB 244), local agencies and LAFCOs are required to plan for disadvantaged unincorporated communities (DUCs). Many of these communities lack basic infrastructure, including streets, sidewalks, storm drainage, clean drinking water, and adequate sewer service. LAFCO actions relating to MSRs, SOIs, and annexations must take into consideration DUCs, and specifically the adequacy of public services, including sewer, water, and fire protection needs or deficiencies, to these communities. According to the County Planning Department, the Rodeo area meets the criteria of a DUC. As previously noted, most of the subject area is currently receiving service from RSD.

**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. Determine that the project is exempt pursuant to CEQA Guidelines, Section 15061(b)(3)?
  - B. Adopt this report; approve the attached resolution (Attachment 2); and approve the proposal, to be known as the Bayo Vista Housing Authority Annexation to RSD, 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 RSD has delivered an executed indemnification agreement providing for RSD to indemnify LAFCO against any expenses arising from any legal actions challenging the annexation.

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.**

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LOU ANN TEXEIRA, EXECUTIVE OFFICER  
CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION

Attachments:

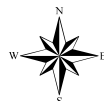
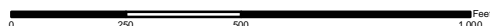
- 1 – Annexation Map
- 2 – Draft LAFCO Resolution

# LAFCO 13-04 - Bayo Vista Housing Authority Annexation to Rodeo Sanitary District



Map created 10/27/2014  
 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 Department of Conservation and Development 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 cited. Users of this map agree to read and accept the County of Contra Costa disclaimer of liability for geographic information.



**RESOLUTION NO. 13-04**

**RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION  
MAKING DETERMINATIONS AND APPROVING  
BAYO VISTA HOUSING AUTHORITY ANNEXATION  
TO RODEO 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 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 project is categorically exempt pursuant to CEQA Guidelines, Section 15061(b)(3).
2. The annexation is hereby approved.
3. The subject proposal is assigned the distinctive short-form designation:

**BAYO VISTA HOUSING AUTHORITY ANNEXATION TO RODEO 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 Rodeo Sanitary District (RSD) delivered an executed indemnification agreement between the RSD and Contra Costa LAFCO providing for RSD to indemnify LAFCO against any expenses arising from any legal actions challenging the annexation.

Contra Costa LAFCO  
Resolution No. 13-04

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 12<sup>th</sup> day of November 2014, by the following vote:

AYES:

NOES:

ABSTENTIONS:

ABSENT:

---

ROB SCHRODER, INTERIM 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: November 12, 2014

---

Lou Ann Texeira, Executive Officer



Lou Ann Teixeira  
*Executive Officer*

**MEMBERS**

Donald A. Blubaugh <i>Public Member</i>	Mary N. Piepho <i>County Member</i>
Federal Glover <i>County Member</i>	Rob Schroder <i>City Member</i>
Michael R. McGill <i>Special District Member</i>	Igor Skaredoff <i>Special District Member</i>
Don Tatzin <i>City Member</i>	

**ALTERNATE MEMBERS**

Candace Andersen  
*County Member*  
 Sharon Burke  
*Public Member*  
 Tom Butt  
*City Member*  
 George H. Schmidt  
*Special District Member*

November 12, 2014 (Agenda)

November 12, 2014  
 Agenda Item 7

Local Agency Formation Commission  
 651 Pine Street, Sixth Floor  
 Martinez, CA 94553

**Authorize Service Contract - Countywide Second Round Municipal Service Review  
 and Sphere of Influence Updates - Reclamation Services**

Dear Members of the Commission:

DISCUSSION

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act) requires that on or before January 1, 2008, and every five years thereafter, LAFCO review and update the sphere of influence (SOI) of each local agency, as necessary. As part of the SOI update, LAFCO must prepare a corresponding Municipal Service Review (MSR) to determine the range and adequacy of governmental services provided.

In April 2013, Contra Costa LAFCO completed its inaugural MSR cycle covering all 19 cities and 75 special districts. In conjunction with the MSRs, LAFCO updated the SOIs for most agencies. In August 2013, LAFCO initiated its second round MSRs/SOI updates, and in June 2014, completed a countywide review of water/wastewater services. As previously discussed, next in the cue for second round MSRs include fire and emergency medical services (EMS), healthcare services and reclamation (levee) services. Due to current issues facing fire/EMS and healthcare services, the Commission directed staff to move forward with the second round MSR of reclamation services.

**Consultant Recruitment Process** - Contra Costa LAFCO has relied primarily on consultants to prepare MSRs. Given the technical nature of reclamation services, LAFCO will utilize professional consulting services for this MSR. In September, the Commission approved release of a Request for Proposals (RFP) and Scope of Services for this MSR. The RFP was released on September 12, was sent to over 30 firms, and posted on the Contra Costa LAFCO, CALAFCO and California Special Districts Association websites. Proposals were submitted by two firms (copies of the proposals are available upon request):

- Planwest Partners, Inc. – George Williamson, Stephen Tyler, Colette Metz, Vanessa Blodgett, Leslie Marshall
- Project Resource Specialists – Harry Ehrlich, Bob Aldrich, Elliot Mulberg



The proposals varied in terms of approach, number of team members and timelines; and costs ranged from \$65,256 to \$67,200.

A selection committee composed of Mona Palacios, Executive Officer – Alameda LAFCO, Carole Cooper, Assistant Executive Officer - Sonoma LAFCO, and your Executive Officer reviewed the written proposals and interviewed the two firms on October 30<sup>th</sup>. The interviews were structured, with questions designed to gauge the consultants' understanding of the required tasks, proposed approach to the MSR, experience and familiarity with LAFCO, qualifications of personnel assigned to work on the MSR, budget and other factors.

Following the interviews, the committee deliberated and concluded that both firms are qualified and could provide the needed services. Following a reference check and review of the firms' sample MSR work products, it is recommended that Project Resource Specialists be selected to prepare the 2015 reclamation services MSR. The project team has significant experience working with urban LAFCOs, and one of the team members previously prepared a MSR for Solano LAFCO covering 22 reclamation districts.

The Project Resource Specialists team includes Harry Ehrlich, Bob Aldrich, and Elliot Mulberg, who collectively have over 90 years of local government and LAFCO experience as highlighted below. Two members of the team (Ehrlich and Aldrich) worked on the 2014 Contra Costa LAFCO second round water/wastewater MSR/SOI updates.

- Harry Ehrlich will serve as the *Managing Principal* on the project. Mr. Ehrlich has over 40 years of experience in LAFCO and local government work, with the last 30 years devoted to local, regional and statewide water issues. He has direct experience serving as a City Public Works Director and Operations Manager and Deputy General Manager for two water districts. He currently serves as Special Districts Consultant for San Diego LAFCO, providing support on MSRs/SOI updates, complex reorganizations, and tracking State legislation impacting LAFCOs and special districts. Mr. Ehrlich is active in CALAFCO and serves as a member of the CALAFCO Legislative Committee. Previously, Mr. Ehrlich served as President and Board Member of the CSDA.
- Bob Aldrich will serve as *Project Manager* on the project. Mr. Aldrich has over 30 years of local government planning experience at city, county and LAFCO levels. He served as Assistant Executive Officer with Orange LAFCO for over 10 years during which time he led Orange LAFCO's effort to complete its first round MSRs, and personally prepared 20 MSRs/SOI updates for cities and special districts. Mr. Aldrich also managed incorporation projects, various special studies and fiscal analyses (i.e., water, sewer, fire, police), and a number of complex annexations and reorganizations.
- Mr. Mulberg will serve as *Services & Technical Specialist* on the project. Mr. Mulberg has over 20 years of experience with LAFCOs in various capacities, serving as staff to Monterey LAFCO, Commissioner (Special District Member) to Sacramento LAFCO, and as a CALAFCO Board Member. Currently, Mr. Mulberg serves as Executive Officer to Solano LAFCO. Mr. Mulberg has extensive preparing MSRs/SOI updates, preparing and managing special studies and projects dealing with annexations, consolidations, district formations, dissolutions and incorporations. In 2012, Mr. Mulberg worked on the Mt. Diablo Healthcare District Reorganization Study; and in 2009, Mr. Mulberg completed an MSR for Solano LAFCO covering 22 reclamation districts.

FINANCING

Adequate funding is included in the FY 2014-15 budget to cover costs associated with this MSR.

RECOMMENDATION

Authorize staff to execute a contract with Project Resource Specialists to prepare a countywide second round reclamation services MSR/SOI updates for the term December 1, 2014 through November 30, 2015 in an amount not to exceed \$67,200.

Sincerely,

LOU ANN TEXEIRA  
EXECUTIVE OFFICER

c: Harry Ehrlich, Project Resource Specialists  
George Williamson, Planwest Partners, Inc.



Lou Ann Teixeira  
 Executive Officer

**MEMBERS**

Donald A. Blubaugh <i>Public Member</i>	Mary N. Piepho <i>County Member</i>
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*Special District Member*

November 12, 2014  
 Agenda Item 8

November 12, 2014 (Agenda)

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

**Contra Costa County Special Districts Association Membership**

Dear Commissioners:

On October 20<sup>th</sup>, the Contra Costa County Special Districts Association (CCCSDA) held its quarterly meeting. One of the items discussed was a proposal to adopt strategies aimed at enhancing the Association’s budget and membership (attached). CCCSDA unanimously approved the proposal to increase dues, establish a new Associate Member category (“Sponsoring Associate Member”), and recruit new members and associates. CCCSDA dues have not increased since 1988.

For many years, Contra Costa LAFCO has participated in CCCSDA. The Association’s agenda includes a regular item covering LAFCO updates. Commissioners and LAFCO staff are regular participants in the CCCSDA meetings, which is beneficial to the business of LAFCO.

In response to CCCSDA’s new strategies to attract new members, Contra Costa LAFCO should consider joining CCCSDA as an Associate Member. There are two levels of Associate membership: 1) Associate Member - \$200 annually, and 2) Sponsoring Associate Member - \$500 annually.

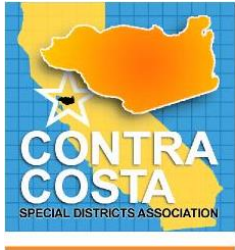
RECOMMENDATION

Provide direction as to whether Contra Costa LAFCO should join CCCSDA as an Associate Member, and if so, at what level. If approved, appropriate funding will be included in the FY 2015-16 budget for this purpose.

Sincerely,

LOU ANN TEXEIRA  
 EXECUTIVE OFFICER

Attachment



# California Special Districts Association

## Contra Costa County Chapter

### MEMORANDUM

To: Contra Costa County Special Districts Association Members, Board of Directors, and General Managers

From: CCCSDA Planning Committee (Bette Boatmun, John Burg, Igor Skaredoff, Dale Barton, E. J. Shalaby, Stan Caldwell, Sharyn Rossi, Andrew Leal)

Date: September 24, 2014

Subject: Proposal to be Presented at the October 20<sup>th</sup> Meeting for Consideration/Adoption

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The planning committee met on August 15, 2014 and made recommendations regarding the following:

#### Current Budget

The proposed budget does not meet the benefits of recent past years. The association has eliminated scholarships. Reduction of newsletters that are distributed to elected officials locally, and at the State and Federal level, have been reduced to 2 a year from 4 a year. Much of the time, due to limited newspaper coverage, this is the only positive coverage given of our agencies.

Current dues are \$50 per year - approximate total collected from membership \$1750

Meeting Insurance - \$440

Newsletter - 4 issues \$3000

Miscellaneous memorial donations, postage etc. - \$300

The Central Contra Costa Sanitary District generously donates support services and meeting space.

Revenue is \$1750 + a few Associate Members at \$50 per year

Approximate total \$2000

Expenses approximately \$3740

#### Committee Proposals

Increase Membership dues from \$50 to \$100 annually

Increase Associate Members from \$50 to \$200 annually

Establish a Sponsoring Associate Member at \$ 500 annually

#### Rationale for the Above

CCCSDA dues have not increased since 1988. Services to the membership and community have been eliminated.

Open opportunities to firms and professional service providers who interact with special districts. This will enhance their ability to expand services.

### **Proposed Strategies**

Increase dues and recruit new members and associates, and use part of the associate dues for community scholarships. (To be determined i.e., teachers and students).

### **Recruiting Approaches**

Develop a package for Special District agencies who are not members, provide updated information to current and prospective members, and request that existing members follow up with prospective members.

### **Associate and Sponsoring Members**

Obtain lists of prospective associate members from current agencies with contact information for an individual known to the agency. The information would be used to conduct a mailing campaign to recruit associate members. Have current member agencies follow up with prospective associates, inviting them to a meeting, giving them information about the association.

Types of organizations to target: CPA's, auditors, engineering, chemical, solar, law, and public relation firms. Banks and financial institutions may also be included.

### **Benefits for Members**

Networking with local agencies and all who attend CCSDA meetings, receiving and giving information as part of the meeting programs, and inclusion of their articles in the newsletter pertinent to special district agencies

### **Benefits for Associate Members**

Meet with special district staff and board members, advertise in newsletter at no cost, participate at meetings and on committees, give presentations, table top displays, and establish a scholarship fund for the community.

CCSDA will be voting on the dues increase and establishing two levels for Associate Membership at the Oct 20<sup>th</sup> meeting. The committee members encourage all member agencies representatives and all other interested parties to attend. If you have any questions, please contact Bette Boatmun at 925-689-9255.



Lou Ann Teixeira  
 Executive Officer

**MEMBERS**

Donald A. Blubaugh <i>Public Member</i>	Mary N. Piepho <i>County Member</i>
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November 12, 2014 (Agenda)

November 12, 2014  
 Agenda Item 9

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

**2015 LAFCO Meeting Schedule**

Dear Commissioners:

The Commissioner’s Handbook states that regular meetings of the Commission are held on the second Wednesday of each month commencing at 1:30 p.m. in the Board of Supervisors Chambers, 651 Pine Street in Martinez.

The 2015 meeting schedule proposes one modification, which is to hold the November 2015\* meeting on the third instead of the second Wednesday of the month due to the Veterans Day holiday.

The proposed 2015 meeting schedule is as follows. Following approval, the meeting schedule will be posted on the LAFCO website.

<b>January 14</b>	<b>April 8</b>	<b>July 8</b>	<b>October 14</b>
<b>February 11</b>	<b>May 13</b>	<b>August 12</b>	<b>November 18*</b>
<b>March 11</b>	<b>June 10</b>	<b>September 9</b>	<b>December 9</b>

RECOMMENDATION

It is recommended the Commission approve the 2015 LAFCO meeting schedule as proposed.

Sincerely,

LOU ANN TEXEIRA  
 EXECUTIVE OFFICER

# M E M O R A N D U M

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**CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION**

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651 Pine Street, Sixth Floor ♦ Martinez CA 94553 ♦ (925) 335-1094 ♦ Fax (925) 335-1031

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November 12, 2014

November 12, 2014  
Agenda Item 10

**TO:** Each Member of the Commission

**FROM:** LAFCO Executive Officer

**SUBJECT:** Highlights of 2014 Annual CALAFCO Conference

Commissioners and LAFCO staff attended the 2014 Annual CALAFCO Conference in Ontario (October 15-17) hosted by San Bernardino LAFCO. The conference was well attended by approximately 265 participants representing 47 of the 58 LAFCOs.

The workshop theme was *The Next 50 Years... Shaping Communities for Tomorrow with Innovative Ideas Today*. The workshop provided a number of timely general sessions, as well as breakout sessions and regional roundtable discussions. General sessions focused on groundwater basins, cyber security, and a legislative update. The breakout sessions covered GIS technology, water supply and analysis, shared services/collaboration, mineral resources, joint powers authorities, performance evaluations, regional councils of government, how to effectively engage the public in LAFCO actions, and spheres of influence. Conference material is available on the CALAFCO website at [www.calafco.org](http://www.calafco.org).

The conference also included the annual CALAFCO Business Meeting, Achievement Awards Ceremony, and Regional Caucus Meeting and Election. We are pleased to announce that Commissioner Mike McGill was reelected to the CALAFCO Board of Directors as the Coastal Region Special District representative. See attached letter from CALAFCO thanking Commissioner McGill for his continued dedication to CALAFCO and thanking Commissioners and LAFCO staff for their participation at the 2014 annual conference.

The annual CALAFCO conference provides hands-on training focusing on timely issues of significance, as well as day-to-day LAFCO operations. In addition, the conference offers a valuable opportunity to network with other LAFCOs around the State.

LAFCO staff thanks the Commission for the opportunity to attend.



November 12, 2014  
Agenda Item 11

**AGENDA**

**RETIREMENT BOARD MEETING**

SPECIAL MEETING  
9:00 a.m.

October 16, 2014

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 discussions:

9:15 a.m. – 10:15 a.m.

Topic: Demographics and Investment Implications  
Presenter: Michael Strauss, Stephen Lanzo, Commonfund

10:15 a.m. – 10:45 a.m.

Topic: Shipping as an Investment Opportunity  
Presenter: Laura Randolph, Frances Maletis, Oaktree Capital

11:00 a.m. – 12:30 p.m.

Topic: PIMCO Organizational and Personnel Review  
Presenters: Jay Jacobs, Stephanie King, PIMCO

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.





## AGENDA

### RETIREMENT BOARD MEETING

SECOND MONTHLY MEETING  
October 22, 2014  
9:00 a.m.

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 staff and INVESCO regarding potential commitment to the INVESCO U.S. Real Estate Fund IV.
4. Consider and take possible action regarding potential commitment to the INVESCO U.S. Real Estate Fund IV.
5. Update for Board on status of Investment Consultant Search.
6. Consider appointment of an ad hoc committee to review the request for proposal responses for labor and employment legal counsel.
7. Consider and take possible action to establish an audit committee of the Board.
8. Consider authorizing the attendance of Board and/or staff:
  - a. Annual Partners Meeting, Long Wharf Real Estate Partners, November 19 – 20, 2014, Boston, MA.
9. 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.



**AGENDA**

**RETIREMENT BOARD MEETING**

FIRST MONTHLY MEETING  
November 5, 2014  
9:00 a.m.

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. Approve minutes from the September 10 and 17, 2014 meetings.
4. Routine items for November 5, 2014.
  - a. Approve certifications of membership.
  - b. Approve service and disability allowances.
  - c. Accept disability applications and authorize subpoenas as required.
  - d. Approve death benefits.
  - e. Accept Asset Allocation Report.

*CLOSED SESSION*

5. The Board will go into closed session under Gov. Code Section 54957 to consider recommendations from the Medical Advisor and/or staff regarding the following disability retirement applications:

<u>Member</u>	<u>Type Sought</u>	<u>Recommendation</u>
a. Michael Espinoza	Service Connected	Service Connected
b. Kenneth Gmeiner	Service Connected	Service Connected
c. Jeffrey Nelson	Service Connected	Service Connected
d. Christopher Wilson	Service Connected	Service Connected
e. Sonya Pye	Non-service Connected	Non-service Connected

*OPEN SESSION*

6. Consider and take possible action to adopt BOR Resolution 2014-2 confirming the participation of the CCCERA "District" in the CCCERA retirement system.

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.

7. Consider and take possible action to adopt BOR Resolution 2014-3 consenting to the continued participation of CCCERA in the retirement system.
8. Consider and take possible action to approve firm to offer Labor Relations and Consultation Services as the Chief Labor Negotiator.
9. Presentation of Cash Flow report for the 6 months ended June 30, 2014.
10. Consider and take possible action on SACRS legislative proposal.
11. Report of Purchase And/Or Sale of A Pension Fund Investment: PIMCO.
12. Consider and take possible action on Board meeting schedule for 2015.
13. Consider authorizing the attendance of Board and/or staff:
  - a. 2014 Annual Review, Paulson Real Estate Funds, November 21, 2014, New York, NY.
14. 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.



November 12, 2014  
Agenda Item 12

October 31, 2014

Lou Ann Texeira  
Contra Costa County Local Agency Formation Commission  
651 Pine Street, 6th Floor  
Martinez, CA 94553

Re: Actuarial Information Letters

Dear Lou Ann Texeira,

Enclosed is a copy of the *Five-Year Projection of Employer Contribution Rate Changes* as provided to us by Segal Consulting. This document is intended to provide an updated projection of estimated future contribution rate changes for CCCERA.

Please read the attached document closely. This projection will provide an estimate to employers of potential changes in contribution rates, based on the December 31, 2013 Actuarial Valuation. The projected changes are mainly due to the scheduled recognition of deferred gains and losses from the actuarial asset smoothing methodology.

Additional information regarding the Unfunded Actuarial Accrued Liability (UAAL) by employer, and reconciliations by cost group of both the change in UAAL and change in employer contribution rates will be provided to you when available.

Please review the enclosed information and call our office with any questions. We will be happy to discuss particulars with each individual employer.

Sincerely,

Kurt Schneider  
Deputy Retirement Chief Executive Officer



100 Montgomery Street Suite 500 San Francisco, CA 94104-4308  
T 415.263.8200 www.segalco.com

**John W. Monroe, ASA, MAAA**  
Vice President & Associate Actuary  
jmonroe@segalco.com

October 15, 2014

Mr. Kurt Schneider  
Deputy Chief Executive Officer  
Contra Costa County Employees' Retirement Association  
1355 Willow Way, Suite 221  
Concord, CA 94520

**Re: Contra Costa County Employees' Retirement Association  
Five-Year Projection of Employer Contribution Rate Changes**

Dear Kurt:

As requested, we have updated our five-year projection of estimated employer contribution rate changes for CCCERA. This projection is derived from the December 31, 2013 actuarial valuation results. Key assumptions and methods are detailed below. **It is important to understand that these results are entirely dependent on those assumptions. Actual results as determined in future actuarial valuations will differ from these results. In particular, actual investment returns and actual salary levels different than assumed can have a significant impact on future contribution rates.**

**Results**

The estimated contribution rate changes shown on the next page apply to the recommended average employer contribution rate. For purposes of this projection, the rate changes that are reflected include the asset gains and losses that are funded as a level percentage of the Association's total active payroll base.

The changes in contribution rate are due to: (1) deferred gains from the actuarial asset smoothing methodology; (2) gains due to investment income earned on the difference between the Market Value of Assets (MVA) and Actuarial Value of Assets (AVA) (and losses when the opposite occurs); and (3) contribution gains which occur from delaying the implementation of new rates until 18 months after the actuarial valuation date.

The following table provides the year-to-year rate changes from each of the above components and the cumulative rate change over the five-year projection period. To obtain the estimated average employer contribution rate at each successive valuation date, these cumulative rate changes should be added to the rates developed from the December 31, 2013 valuation. These rate changes become effective 18 months following the actuarial valuation date shown in the table.

The rate changes shown below represent the average rate for the aggregate plan.

Rate Change Component	Valuation Date (12/31)				
	2014	2015	2016	2017	2018
(1) Deferred (Gains)/Losses	-1.82%	-1.28%	-0.94%	-0.94%	-0.32%
(2) (Gain)/Loss of Investment Income on Difference Between MVA and AVA	-0.41%	-0.26%	-0.16%	-0.09%	-0.02%
(3) 18-Month Rate Delay	<u>0.00%</u>	<u>-0.40%</u>	<u>-0.23%</u>	<u>-0.17%</u>	<u>-0.14%</u>
Incremental Rate Change	-2.23%	-1.94%	-1.33%	-1.20%	-0.48%
Cumulative Rate Change	-2.23%	-4.17%	-5.50%	-6.70%	-7.18%

The difference between these cumulative rate changes and those shown in our January 31, 2014 letter (i.e., previous five-year projection) are as follows:

	Valuation Date (12/31)				
	2013	2014	2015	2016	2017
Cumulative Rate Change From January 31, 2014 Letter	0.21%	-1.66%	-3.47%	-4.90%	-6.21%
Reflecting Actual Experience through 12/31/2013 and Changes in Demographic Assumptions	-6.24% <sup>1</sup>	-8.47%	-10.41%	-11.74%	-12.94%
Difference	-6.45%	-6.81%	-6.94%	-6.84%	-6.73%

These differences are mainly due to the inclusion of changes in leave cashout assumptions in the December 31, 2013 valuation. The differences also reflect actual experience from the December 31, 2013 valuation instead of projected experience that was part of the previous projection.

The average employer contribution rate as of the December 31, 2013 Actuarial Valuation is 43.58%, and based on the cumulative rate changes above is projected to progress as shown below.

	Valuation Date (12/31)				
	2014	2015	2016	2017	2018
Average Employer Contribution Rate	41.35%	39.41%	38.08%	36.88%	36.40%

<sup>1</sup> Actual change in the average employer contribution rate as shown on page 32 of the December 31, 2013 valuation.

The rate change for an individual cost group or employer will vary depending primarily on the size of that group's assets and liabilities relative to its payroll. The ratio of the group's assets to payroll is sometimes referred to as the volatility index (VI). A higher VI results in more volatile contributions and can result from the following factors:

- More generous benefits
- More retirees
- Older workforce
- Shorter careers
- Issuance of Pension Obligation Bonds (POBs)

The attached exhibit shows the VI for CCCERA's cost groups along with the "relative VI" which is the VI for that specific cost group divided by the average VI for the aggregate plan. Using these ratios we have estimated the rate change due to these generally investment related net gains for each individual cost group by multiplying the rate changes shown above for the aggregate plan by the relative VI for each cost group. These estimated rate changes for each cost group are shown in the attached exhibit.

Note that because we have estimated the allocation of the rate changes across the cost groups, the actual rate changes by group may differ from those shown in the exhibit, even if the plan-wide average rate changes are close to those shown above.

### **Key Assumptions and Methods**

The projection is based upon the following assumptions and methods:

- December 31, 2013 non-economic assumptions remain unchanged.
- December 31, 2013 retirement benefit formulas remain unchanged.
- December 31, 2013 1937 Act statutes remain unchanged.
- UAAL amortization method remains unchanged.
- December 31, 2013 economic assumptions remain unchanged, including the 7.25% investment earnings assumption.
- We have assumed that returns of 7.25% are actually earned on a market value basis for each of the next four years after 2013.
- Active payroll grows at 4.00% per annum.
- Deferred investment gains and losses are recognized per the asset smoothing schedule prepared by the Association as of December 31, 2013. They are funded as a level percentage of the Association's total active payroll base.

- Deferred investment gains are all applied directly to reduce the UAAL. Note that this assumption may not be entirely consistent with the details of the Board's Interest Crediting and Excess Earnings Policy.
- The VI used for these projections is based on the December 31, 2013 Actuarial Valuation and is assumed to stay constant during the projection period.
- All other actuarial assumptions used in the December 31, 2013 actuarial valuation are realized.
- No changes are made to actuarial methodologies, such as adjusting for the contribution rate delay in advance.
- The projections do not reflect any changes in the employer contribution rates that could result due to future changes in the demographics of CCCERA's active members or decreases in the employer contribution rates that might result from new hires going into the PEPRAs tiers.

Finally, we emphasize that projections, by their nature, are not a guarantee of future results. The modeling projections are intended to serve as illustrations of future financial outcomes that are based on the information available to us at the time the modeling is undertaken and completed, and the agreed-upon assumptions and methodologies described herein. Emerging results may differ significantly if the actual experience proves to be different from these assumptions or if alternative methodologies are used. Actual experience may differ due to such variables as demographic experience, the economy, stock market performance and the regulatory environment.

Unless otherwise noted, all of the above calculations are based on the December 31, 2013 actuarial valuation results including the participant data and actuarial assumptions on which that valuation was based. That valuation and these projections were completed under the supervision of John Monroe, ASA, MAAA, Enrolled Actuary.

The undersigned is a member of the American Academy of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein.

Please let us know if you have any questions.

Sincerely,



John Monroe

AW/hy  
Enclosure



**Exhibit**  
**Contra Costa County Employees' Retirement Association**  
**Estimated Employer Rate Change by Cost Group (CG) Based on December 31, 2013 Valuation**

	CG#1 & CG#2 Combined Enhanced General	CG#3 Enhanced CCC Sanitary District	CG#4 Enhanced Housing Authority	CG#5 Enhanced CCCFPD	CG#6 Non-Enhanced District
Market Value of Assets (MVA)*	\$3,605,456,649	\$225,446,520	\$42,610,363	\$41,544,308	\$5,277,311
Projected Payroll for 2014	\$503,763,828	\$27,178,589	\$5,033,671	\$3,662,987	\$792,280
Volatility Index (VI) = MVA/Payroll	7.16	8.30	8.47	11.34	6.66
Relative Volatility Index (VI) = CG VI / Total Plan VI	0.75	0.87	0.89	1.20	0.70
Estimated Incremental Rate Change as of 12/31/2014	-1.68%	-1.95%	-1.99%	-2.67%	-1.57%
Estimated Incremental Rate Change as of 12/31/2015	-1.46%	-1.70%	-1.73%	-2.32%	-1.36%
Estimated Incremental Rate Change as of 12/31/2016	-1.00%	-1.16%	-1.19%	-1.59%	-0.93%
Estimated Incremental Rate Change as of 12/31/2017	-0.91%	-1.05%	-1.07%	-1.44%	-0.84%
Estimated Incremental Rate Change as of 12/31/2018	-0.36%	-0.42%	-0.43%	-0.57%	-0.34%
Cumulative Rate Change as of 12/31/2014	-1.68%	-1.95%	-1.99%	-2.67%	-1.57%
Cumulative Rate Change as of 12/31/2015	-3.14%	-3.65%	-3.72%	-4.99%	-2.93%
Cumulative Rate Change as of 12/31/2016	-4.14%	-4.81%	-4.91%	-6.58%	-3.86%
Cumulative Rate Change as of 12/31/2017	-5.05%	-5.86%	-5.98%	-8.02%	-4.70%
Cumulative Rate Change as of 12/31/2018	-5.41%	-6.28%	-6.41%	-8.59%	-5.04%

	CG#7 & CG#9 Combined Enhanced County	CG#8 Enhanced CCCFPD/East CCCFPD	CG#10 Enhanced Moraga-Orinda FD	CG#11 Enhanced San Ramon Valley FD	CG#12 Non-Enhanced Rodeo-Hercules FPD
Market Value of Assets (MVA)*	\$1,328,915,458	\$765,494,415	\$137,366,526	\$266,969,844	\$24,203,441
Projected Payroll for 2014	\$81,981,398	\$31,375,742	\$7,513,564	\$16,508,097	\$1,618,755
Volatility Index (VI) = MVA/Payroll	16.21	24.40	18.28	16.17	14.95
Relative Volatility Index (VI) = CG VI / Total Plan VI	1.71	2.57	1.93	1.71	1.58
Estimated Incremental Rate Change as of 12/31/2014	-3.81%	-5.74%	-4.30%	-3.80%	-3.52%
Estimated Incremental Rate Change as of 12/31/2015	-3.32%	-4.99%	-3.74%	-3.31%	-3.06%
Estimated Incremental Rate Change as of 12/31/2016	-2.27%	-3.42%	-2.56%	-2.27%	-2.10%
Estimated Incremental Rate Change as of 12/31/2017	-2.05%	-3.09%	-2.31%	-2.05%	-1.89%
Estimated Incremental Rate Change as of 12/31/2018	-0.82%	-1.23%	-0.93%	-0.82%	-0.76%
Cumulative Rate Change as of 12/31/2014	-3.81%	-5.74%	-4.30%	-3.80%	-3.52%
Cumulative Rate Change as of 12/31/2015	-7.13%	-10.73%	-8.04%	-7.11%	-6.58%
Cumulative Rate Change as of 12/31/2016	-9.40%	-14.15%	-10.60%	-9.38%	-8.68%
Cumulative Rate Change as of 12/31/2017	-11.45%	-17.24%	-12.91%	-11.43%	-10.57%
Cumulative Rate Change as of 12/31/2018	-12.27%	-18.47%	-13.84%	-12.25%	-11.33%

Total Plan
\$6,443,284,836
\$679,428,911
9.48
1.00
-2.23%
-1.94%
-1.33%
-1.20%
-0.48%
-2.23%
-4.17%
-5.50%
-6.70%
-7.18%

\* Excludes Post Retirement Death Benefit reserve.

These rates do not include any employer subvention of member contributions or any member subvention of employer contributions.



**CONTRA COSTA COUNTY  
EMPLOYEES' RETIREMENT ASSOCIATION**

**CONTRIBUTION RATE PACKET FOR  
JULY 1, 2015 THROUGH JUNE 30, 2016**

# CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

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## **MEMORANDUM**

Date: October 31, 2014  
To: Interested Parties and Participating Employers  
From: Kurt Schneider, Deputy Retirement Chief Executive Officer  
Subject: Contribution Rates Effective July 1, 2015

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At its October 8, 2014 meeting, the Retirement Board reviewed and accepted the actuary's valuation report for the year ending December 31, 2013 and adopted the recommended employer and employee contribution rates, which will become effective on July 1, 2015. A copy of the December 31, 2013 Actuarial Valuation can be found on CCCERA's website at [www.cccera.org](http://www.cccera.org) under the Actuarial Valuations link.

Enclosed are the rates to be used effective July 1, 2015 through June 30, 2016. Please note the following:

- ✓ **The rates are effective July 1, 2015 through June 30, 2016 and have not yet been adopted by the County Board of Supervisors.**
- ✓ **The rates are BEFORE ANY EMPLOYER SUBVENTION of the employee contribution.**  
The rates quoted here are the employer required rates without taking into consideration any employer subvention of employee contributions. A convenient methodology for adding subvention is included for your use on page 11. Note that subvention is not always permitted for PEPRAs members.
- ✓ **The rates are BEFORE ANY INCREASE IN EMPLOYEE RATE to pay a portion of the employer contribution.**  
If an employee's rate needs to be increased to pay a portion of the employer contribution, both employee and employer rates would need to be adjusted accordingly. A convenient methodology for adding subvention is included for your use on page 11.

THE BOARD OF SUPERVISORS OF CONTRA COSTA COUNTY, CALIFORNIA

Adopted this Order on \_\_\_\_\_, by the following vote:

AYES:  
NOES:  
ABSENT:  
ABSTAIN:

SUBJECT: Approving Contribution Rates to be charged Resolution No. \_\_\_\_\_  
by the Contra Costa County  
Employees’ Retirement Association.

Pursuant to Government Code Section 31454 and on recommendation of the Board of the Contra Costa County Employees’ Retirement Association, BE IT RESOLVED that the following contribution rates are approved to be effective for the period July 1, 2015 through June 30, 2016.

I. Employer Contribution Rates for Basic and Cost-of-Living Components and Non-refundability Discount Factors

- A. For General Members (Sec. 31676.11, Sec. 31676.16 and Sec. 7522.20(a))  
See attached Exhibit A
- B. For Safety Members (Sec. 31664, Sec. 31664.1 and Sec. 7522.25(d))  
See attached Exhibit B

II. Employee Contribution Rates for Basic and Cost-of-Living Components

See attached Exhibits C through I

The Pension Obligation Bonds (POB) issued by the County in March 1994 and April 2003, affected contribution rates for certain County employers. The following non-County employers who participate in the Retirement Association are referred to as “Districts”.

- |   |  |
|---|--|
| Bethel Island Municipal Improvement District          | Contra Costa County Fire Protection District |
| Byron, Brentwood Knightsen Union Cemetery District    | East Contra Costa Fire Protection District   |
| Central Contra Costa Sanitary District                | Moraga-Orinda Fire Protection District       |
| Contra Costa County Employees’ Retirement Association | Rodeo-Hercules Fire Protection District      |
| Contra Costa Housing Authority                        | San Ramon Valley Fire Protection District    |
| Contra Costa Mosquito and Vector Control District     |  |
| Local Agency Formation Commission (LAFCO)             |  |
| Rodeo Sanitary District                               |  |
| In-Home Supportive Services Authority                 |  |
| First 5 - Children & Families Commission              |  |

All other departments/employers are referred to as “County” including the Superior Court of California, Contra Costa County.

Contra Costa County Fire Protection District and Moraga-Orinda Fire Protection District issued Pension Obligation Bonds in 2005 which affected contribution rates for these two employers. Subsequently, Con Fire has made additional payments to CCCERA for its UAAL in 2006 and 2007.

First 5 - Children & Families Commission made a UAAL prepayment in 2013 which affected contribution rates for that employer.

Central Contra Costa Sanitary District made a UAAL prepayment in 2013 which affected contribution rates for that employer.

**Exhibit A**

**CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION  
GENERAL TIERS 1, 3, 4 and 5  
EMPLOYER CONTRIBUTION RATES EFFECTIVE FOR JULY 1, 2015 THROUGH JUNE 30, 2016**

	Cost Group #1				Cost Group #2		Cost Group #3	Cost Group #4	Cost Group #5	Cost Group #6
	County	Moraga-Orinda Fire District	First 5	Districts without POB	County	Districts without POB	Central Contra Costa Sanitary District	Contra Costa Housing Authority	Contra Costa County Fire Protection District	Districts without POB
<b><u>BASIC Contribution Rates</u></b>										
Legacy Members* (Tier 1 and Tier 3)	24.94%	20.16%	22.68%	30.52%	24.73%	30.45%	41.95%	29.32%	23.93%	23.60%
PEPRA Members with 3% Maximum COLA** (Tier 4 and Tier 5)	21.43%	17.06%	19.20%	27.05%	20.49%	26.11%	37.89%	22.46%	22.08%	19.03%
PEPRA Members with 2% Maximum COLA** (Tier 4 and Tier 5)	21.00%	N/A	N/A	N/A	19.33%	24.95%	N/A	N/A	20.18%	N/A
<b><u>COLA Contribution Rates</u></b>										
Legacy Members* (Tier 1 and Tier 3)	8.53%	7.08%	7.08%	13.04%	8.43%	13.00%	18.63%	15.56%	11.14%	6.16%
PEPRA Members with 3% Maximum COLA** (Tier 4 and Tier 5)	8.04%	6.73%	6.61%	12.54%	7.56%	12.06%	17.85%	13.89%	11.35%	5.16%
PEPRA Members with 2% Maximum COLA** (Tier 4 and Tier 5)	6.62%	N/A	N/A	N/A	6.29%	10.79%	N/A	N/A	9.37%	N/A
<b><u>Refundability Factors</u></b>										
Legacy Members (Tier 1 and Tier 3)	<b>0.9603</b>	<b>0.9603</b>	<b>0.9603</b>	<b>0.9603</b>	<b>0.9571</b>	<b>0.9571</b>	<b>0.9581</b>	<b>0.9560</b>	<b>0.9586</b>	<b>0.9546</b>
PEPRA Members with 3% Maximum COLA (Tier 4 and Tier 5)	<b>0.9693</b>	<b>0.9693</b>	<b>0.9693</b>	<b>0.9693</b>	<b>0.9650</b>	<b>0.9650</b>	<b>0.9650</b>	<b>0.9769</b>	<b>0.9646</b>	<b>0.9640</b>
PEPRA Members with 2% Maximum COLA (Tier 4 and Tier 5)	<b>0.9598</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>0.9725</b>	<b>0.9725</b>	<b>N/A</b>	<b>N/A</b>	<b>0.9598</b>	<b>N/A</b>

\* For members in Social Security, the rate should only be applied to monthly compensation in excess of \$116.67.

\* The rate should only be applied to compensation up to the annual IRC 401(a)(17) compensation limit.

\*\* The rate should be applied to all compensation (whether or not in Social Security) up to the applicable annual GC 7522.10(d) compensation limit.

<u>Cost Group</u>	<u>Legacy Tier</u>	<u>PEPRA Tier</u>	<u>Employer Name</u>	<u>Cost Group</u>	<u>Legacy Tier</u>	<u>PEPRA Tier</u>	<u>Employer Name</u>
Cost Group #1	Tier 1 Enhanced (2% @ 55)	Tier 4 (2.5% @ 67)	County General LAFCO CC Mosquito & Vector Control District Bethel Island Municipal Improvement District First 5 - Children and Families Commission CCCERA Superior Court East Contra Costa Fire Protection District Moraga-Orinda Fire Protection District Rodeo-Hercules Fire Protection District San Ramon Valley Fire Protection District	Cost Group #3	Tier 1 Enhanced (2% @ 55)	Tier 4 (2.5% @ 67)	Central Contra Costa Sanitary District
				Cost Group #4	Tier 1 Enhanced (2% @ 55)	Tier 4 (2.5% @ 67)	Contra Costa Housing Authority
				Cost Group #5	Tier 1 Enhanced (2% @ 55)	Tier 4 (2.5% @ 67)	Contra Costa County Fire Protection District
				Cost Group #6	Tier 1 Non-enhanced (1.67% @ 55)	Tier 4 (2.5% @ 67)	Rodeo Sanitary District Byron Brentwood Cemetery District
Cost Group #2	Tier 3 Enhanced (2% @ 55)	Tier 5 (2.5% @ 67)	County General In-Home Supportive Services CC Mosquito & Vector Control District Superior Court				

**Exhibit B**

**CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION  
SAFETY TIERS A, C, D and E  
EMPLOYER CONTRIBUTION RATES EFFECTIVE FOR JULY 1, 2015 THROUGH JUNE 30, 2016**

	Cost Group #7	Cost Group #8		Cost Group #9	Cost Group #10	Cost Group #11	Cost Group #12
	County	Contra Costa County Fire Protection District	East Contra Costa Fire Protection District	County	Moraga-Orinda Fire Protection District	San Ramon Valley Fire Protection District	Rodeo-Hercules Fire Protection District
<b><u>BASIC Contribution Rates</u></b>							
Legacy Members* (Tier A and Tier C)	50.35%	43.12%	71.17%	48.14%	39.97%	57.39%	17.29%
PEPRA Members** (Tier D and Tier E)	43.83%	36.18%	64.23%	42.33%	32.38%	49.30%	12.99%
Monthly Contribution Towards UAAL							\$75,799
<b><u>COLA Contribution Rates</u></b>							
Legacy Members* (Tier A and Tier C)	30.01%	35.06%	56.45%	26.62%	31.06%	31.14%	5.91%
PEPRA Members** (Tier D and Tier E)	28.98%	33.91%	55.30%	26.17%	29.56%	29.44%	5.77%
Monthly Contribution Towards UAAL							\$48,987
<b><u>Refundability Factors</u></b>							
Legacy Members (Tier A and Tier C)	<b>0.9741</b>	<b>0.9748</b>	<b>0.9748</b>	<b>0.9755</b>	<b>0.9765</b>	<b>0.9765</b>	<b>0.9754</b>
PEPRA Members (Tier D and Tier E)	<b>0.9784</b>	<b>0.9811</b>	<b>0.9811</b>	<b>0.9787</b>	<b>0.9828</b>	<b>0.9831</b>	<b>0.9828</b>

\* The rate should be applied to all compensation up to the IRC 401(a)(17) compensation limit.

\*\* The rate should be applied to all compensation up to the applicable annual GC 7522.10(d) compensation limit.

<u>Cost Group</u>	<u>Legacy Tier</u>	<u>PEPRA Tier</u>	<u>Employer Name</u>
Cost Group # 7	Tier A Enhanced (3% @ 50)	Tier D (2.7% @ 57)	County Safety (3% Maximum COLA)
Cost Group # 8	Tier A Enhanced (3% @ 50)	Tier D (2.7% @ 57)	Contra Costa County Fire Protection District East Contra Costa Fire Protection District
Cost Group # 9	Tier C Enhanced (3% @ 50)	Tier E (2.7% @ 57)	County Safety (2% Maximum COLA)
Cost Group # 10	Tier A Enhanced (3% @ 50)	Tier D (2.7% @ 57)	Moraga-Orinda Fire Protection District
Cost Group # 11	Tier A Enhanced (3% @ 50)	Tier D (2.7% @ 57)	San Ramon Valley Fire Protection District
Cost Group # 12	Tier A Non-enhanced (2% @ 50) Tier D (2.7% @ 57)		Rodeo Hercules Fire Protection District

**Exhibit C**  
**GENERAL TIER 1 - "1.67% @ 55" (Non-Enhanced)**  
**Effective 7/1/15 - 6/30/16**  
**Expressed as a Percentage of Monthly Payroll\***

<u>Entry Age</u>	<u>Basic</u>	<u>COLA</u>	<u>Total</u>
15	6.07%	2.85%	8.92%
16	6.15%	2.89%	9.04%
17	6.24%	2.93%	9.17%
18	6.33%	2.98%	9.31%
19	6.41%	3.01%	9.42%
20	6.50%	3.06%	9.56%
21	6.59%	3.10%	9.69%
22	6.69%	3.14%	9.83%
23	6.78%	3.19%	9.97%
24	6.87%	3.23%	10.10%
25	6.97%	3.28%	10.25%
26	7.06%	3.32%	10.38%
27	7.16%	3.37%	10.53%
28	7.26%	3.41%	10.67%
29	7.36%	3.46%	10.82%
30	7.46%	3.51%	10.97%
31	7.56%	3.55%	11.11%
32	7.67%	3.60%	11.27%
33	7.77%	3.65%	11.42%
34	7.88%	3.70%	11.58%
35	8.00%	3.76%	11.76%
36	8.11%	3.81%	11.92%
37	8.23%	3.87%	12.10%
38	8.34%	3.92%	12.26%
39	8.46%	3.98%	12.44%
40	8.59%	4.04%	12.63%
41	8.72%	4.10%	12.82%
42	8.85%	4.16%	13.01%
43	8.99%	4.23%	13.22%
44	9.13%	4.29%	13.42%
45	9.29%	4.37%	13.66%
46	9.47%	4.45%	13.92%
47	9.62%	4.52%	14.14%
48	9.80%	4.61%	14.41%
49	9.94%	4.67%	14.61%
50	10.11%	4.75%	14.86%
51	10.14%	4.77%	14.91%
52	10.20%	4.79%	14.99%
53	10.07%	4.73%	14.80%
54	9.70%	4.56%	14.26%
55	9.70%	4.56%	14.26%
56	9.70%	4.56%	14.26%
57	9.70%	4.56%	14.26%
58	9.70%	4.56%	14.26%
59	9.70%	4.56%	14.26%
60	9.70%	4.56%	14.26%
COLA Loading Factor:		47.00%	

**\*NOTE:** For members in Social Security, the rate should only be applied to monthly compensation in excess of \$116.67.  
The rate should only be applied to compensation up to the annual IRC 401(a)(17) compensation limit.



**Exhibit D**  
**SAFETY TIER A - "2% @ 50" (Non-Enhanced)**  
**Effective 7/1/15 - 6/30/16**  
**Expressed as a Percentage of Monthly Payroll\***

<u>Entry Age</u>	<u>Basic</u>	<u>COLA</u>	<u>Total</u>
15	8.90%	5.32%	14.22%
16	8.90%	5.32%	14.22%
17	8.90%	5.32%	14.22%
18	8.90%	5.32%	14.22%
19	8.90%	5.32%	14.22%
20	8.90%	5.32%	14.22%
21	8.90%	5.32%	14.22%
22	9.02%	5.40%	14.42%
23	9.15%	5.47%	14.62%
24	9.27%	5.55%	14.82%
25	9.40%	5.62%	15.02%
26	9.53%	5.70%	15.23%
27	9.66%	5.78%	15.44%
28	9.80%	5.86%	15.66%
29	9.94%	5.95%	15.89%
30	10.07%	6.02%	16.09%
31	10.21%	6.11%	16.32%
32	10.36%	6.20%	16.56%
33	10.50%	6.28%	16.78%
34	10.66%	6.38%	17.04%
35	10.81%	6.47%	17.28%
36	10.98%	6.57%	17.55%
37	11.14%	6.67%	17.81%
38	11.31%	6.77%	18.08%
39	11.50%	6.88%	18.38%
40	11.70%	7.00%	18.70%
41	11.90%	7.12%	19.02%
42	12.13%	7.26%	19.39%
43	12.38%	7.41%	19.79%
44	12.65%	7.57%	20.22%
45	12.86%	7.69%	20.55%
46	12.86%	7.69%	20.55%
47	12.87%	7.70%	20.57%
48	12.80%	7.66%	20.46%
49	12.51%	7.48%	19.99%
50	12.51%	7.48%	19.99%
51	12.51%	7.48%	19.99%
52	12.51%	7.48%	19.99%
53	12.51%	7.48%	19.99%
54	12.51%	7.48%	19.99%
55	12.51%	7.48%	19.99%
56	12.51%	7.48%	19.99%
57	12.51%	7.48%	19.99%
58	12.51%	7.48%	19.99%
59	12.51%	7.48%	19.99%
60	12.51%	7.48%	19.99%
COLA Loading Factor:		59.83%	

**\*NOTE:** The rate should be applied to all compensation up to the IRC 401(a)(17) compensation limit.

**Exhibit E**  
**GENERAL TIER 1 - "2% @ 55" (Enhanced)**  
**Effective 7/1/15 - 6/30/16**  
**Expressed as a Percentage of Monthly Payroll\***

<u>Entry Age</u>	<u>Basic</u>	<u>COLA</u>	<u>Total</u>
15	5.31%	3.05%	8.36%
16	5.39%	3.10%	8.49%
17	5.47%	3.14%	8.61%
18	5.54%	3.18%	8.72%
19	5.62%	3.23%	8.85%
20	5.70%	3.27%	8.97%
21	5.78%	3.32%	9.10%
22	5.86%	3.37%	9.23%
23	5.94%	3.41%	9.35%
24	6.02%	3.46%	9.48%
25	6.11%	3.51%	9.62%
26	6.19%	3.55%	9.74%
27	6.28%	3.61%	9.89%
28	6.37%	3.66%	10.03%
29	6.45%	3.70%	10.15%
30	6.54%	3.76%	10.30%
31	6.63%	3.81%	10.44%
32	6.72%	3.86%	10.58%
33	6.82%	3.92%	10.74%
34	6.91%	3.97%	10.88%
35	7.01%	4.03%	11.04%
36	7.10%	4.08%	11.18%
37	7.20%	4.13%	11.33%
38	7.30%	4.19%	11.49%
39	7.40%	4.25%	11.65%
40	7.51%	4.31%	11.82%
41	7.61%	4.37%	11.98%
42	7.73%	4.44%	12.17%
43	7.83%	4.50%	12.33%
44	7.95%	4.57%	12.52%
45	8.07%	4.63%	12.70%
46	8.19%	4.70%	12.89%
47	8.31%	4.77%	13.08%
48	8.44%	4.85%	13.29%
49	8.58%	4.93%	13.51%
50	8.73%	5.01%	13.74%
51	8.90%	5.11%	14.01%
52	9.04%	5.19%	14.23%
53	9.20%	5.28%	14.48%
54	9.34%	5.36%	14.70%
55	9.49%	5.45%	14.94%
56	9.52%	5.47%	14.99%
57	9.58%	5.50%	15.08%
58	9.45%	5.43%	14.88%
59	9.11%	5.23%	14.34%
60	9.11%	5.23%	14.34%
COLA Loading Factor:		57.43%	

**\*NOTE:** For members in Social Security, the rate should only be applied to monthly compensation in excess of \$116.67.  
The rate should only be applied to compensation up to the annual IRC 401(a)(17) compensation limit.

**Exhibit F**  
**GENERAL TIER 3 - "2% @ 55" (Enhanced)**  
**Effective 7/1/15 - 6/30/16**  
**Expressed as a Percentage of Monthly Payroll\***

<u>Entry Age</u>	<u>Basic</u>	<u>COLA</u>	<u>Total</u>
15	5.31%	2.67%	7.98%
16	5.39%	2.71%	8.10%
17	5.47%	2.75%	8.22%
18	5.54%	2.79%	8.33%
19	5.62%	2.83%	8.45%
20	5.70%	2.87%	8.57%
21	5.78%	2.91%	8.69%
22	5.86%	2.95%	8.81%
23	5.94%	2.99%	8.93%
24	6.02%	3.03%	9.05%
25	6.11%	3.07%	9.18%
26	6.19%	3.11%	9.30%
27	6.28%	3.16%	9.44%
28	6.37%	3.21%	9.58%
29	6.45%	3.25%	9.70%
30	6.54%	3.29%	9.83%
31	6.63%	3.34%	9.97%
32	6.72%	3.38%	10.10%
33	6.82%	3.43%	10.25%
34	6.91%	3.48%	10.39%
35	7.01%	3.53%	10.54%
36	7.10%	3.57%	10.67%
37	7.20%	3.62%	10.82%
38	7.30%	3.67%	10.97%
39	7.40%	3.72%	11.12%
40	7.51%	3.78%	11.29%
41	7.61%	3.83%	11.44%
42	7.73%	3.89%	11.62%
43	7.83%	3.94%	11.77%
44	7.95%	4.00%	11.95%
45	8.07%	4.06%	12.13%
46	8.19%	4.12%	12.31%
47	8.31%	4.18%	12.49%
48	8.44%	4.25%	12.69%
49	8.58%	4.32%	12.90%
50	8.73%	4.39%	13.12%
51	8.90%	4.48%	13.38%
52	9.04%	4.55%	13.59%
53	9.20%	4.63%	13.83%
54	9.34%	4.70%	14.04%
55	9.49%	4.78%	14.27%
56	9.52%	4.79%	14.31%
57	9.58%	4.82%	14.40%
58	9.45%	4.76%	14.21%
59	9.11%	4.58%	13.69%
60	9.11%	4.58%	13.69%
COLA Loading Factor:		50.32%	

**\*NOTE:** For members in Social Security, the rate should only be applied to monthly compensation in excess of \$116.67.  
The rate should only be applied to compensation up to the annual IRC 401(a)(17) compensation limit.

**Exhibit G**  
**SAFETY TIER A - "3% @ 50" (Enhanced)**  
**Effective 7/1/15 - 6/30/16**  
**Expressed as a Percentage of Monthly Payroll\***

<u>Entry Age</u>	<u>Basic</u>	<u>COLA</u>	<u>Total</u>
15	8.90%	6.61%	15.51%
16	8.90%	6.61%	15.51%
17	8.90%	6.61%	15.51%
18	8.90%	6.61%	15.51%
19	8.90%	6.61%	15.51%
20	8.90%	6.61%	15.51%
21	8.90%	6.61%	15.51%
22	9.02%	6.70%	15.72%
23	9.15%	6.80%	15.95%
24	9.27%	6.89%	16.16%
25	9.40%	6.99%	16.39%
26	9.53%	7.08%	16.61%
27	9.66%	7.18%	16.84%
28	9.80%	7.28%	17.08%
29	9.94%	7.39%	17.33%
30	10.07%	7.48%	17.55%
31	10.21%	7.59%	17.80%
32	10.36%	7.70%	18.06%
33	10.50%	7.80%	18.30%
34	10.66%	7.92%	18.58%
35	10.81%	8.03%	18.84%
36	10.98%	8.16%	19.14%
37	11.14%	8.28%	19.42%
38	11.31%	8.41%	19.72%
39	11.50%	8.55%	20.05%
40	11.70%	8.70%	20.40%
41	11.90%	8.84%	20.74%
42	12.13%	9.02%	21.15%
43	12.38%	9.20%	21.58%
44	12.65%	9.40%	22.05%
45	12.86%	9.56%	22.42%
46	12.86%	9.56%	22.42%
47	12.87%	9.56%	22.43%
48	12.80%	9.51%	22.31%
49	12.51%	9.30%	21.81%
50	12.51%	9.30%	21.81%
51	12.51%	9.30%	21.81%
52	12.51%	9.30%	21.81%
53	12.51%	9.30%	21.81%
54	12.51%	9.30%	21.81%
55	12.51%	9.30%	21.81%
56	12.51%	9.30%	21.81%
57	12.51%	9.30%	21.81%
58	12.51%	9.30%	21.81%
59	12.51%	9.30%	21.81%
60	12.51%	9.30%	21.81%
COLA Loading Factor:		74.32%	

**\*NOTE:** The rate should be applied to all compensation up to the IRC 401(a)(17) compensation limit.

**Exhibit H**  
**SAFETY TIER C - "3% @ 50" (Enhanced)**  
**Effective 7/1/15 - 6/30/16**  
**Expressed as a Percentage of Monthly Payroll\***

<u>Entry Age</u>	<u>Basic</u>	<u>COLA</u>	<u>Total</u>
15	8.50%	3.55%	12.05%
16	8.50%	3.55%	12.05%
17	8.50%	3.55%	12.05%
18	8.50%	3.55%	12.05%
19	8.50%	3.55%	12.05%
20	8.50%	3.55%	12.05%
21	8.50%	3.55%	12.05%
22	8.62%	3.60%	12.22%
23	8.74%	3.65%	12.39%
24	8.86%	3.70%	12.56%
25	8.98%	3.75%	12.73%
26	9.11%	3.80%	12.91%
27	9.23%	3.85%	13.08%
28	9.36%	3.91%	13.27%
29	9.49%	3.96%	13.45%
30	9.62%	4.01%	13.63%
31	9.76%	4.07%	13.83%
32	9.90%	4.13%	14.03%
33	10.04%	4.19%	14.23%
34	10.18%	4.25%	14.43%
35	10.33%	4.31%	14.64%
36	10.49%	4.38%	14.87%
37	10.64%	4.44%	15.08%
38	10.81%	4.51%	15.32%
39	10.99%	4.59%	15.58%
40	11.17%	4.66%	15.83%
41	11.38%	4.75%	16.13%
42	11.57%	4.83%	16.40%
43	11.76%	4.91%	16.67%
44	11.87%	4.95%	16.82%
45	11.89%	4.96%	16.85%
46	11.80%	4.92%	16.72%
47	11.51%	4.80%	16.31%
48	11.90%	4.97%	16.87%
49	12.51%	5.22%	17.73%
50	12.51%	5.22%	17.73%
51	12.51%	5.22%	17.73%
52	12.51%	5.22%	17.73%
53	12.51%	5.22%	17.73%
54	12.51%	5.22%	17.73%
55	12.51%	5.22%	17.73%
56	12.51%	5.22%	17.73%
57	12.51%	5.22%	17.73%
58	12.51%	5.22%	17.73%
59	12.51%	5.22%	17.73%
60	12.51%	5.22%	17.73%
COLA Loading Factor:		41.73%	

**\*NOTE:** The rate should be applied to all compensation up to the IRC 401(a)(17) compensation limit.

**Exhibit I  
PEPRA Tiers**

**Membership Date on or after January 1, 2013**

**Effective 7/1/15 - 6/30/16**

**Expressed as a Percentage of Monthly Payroll\***

<b><u>General Tiers</u></b>	<b><u>Basic</u></b>	<b><u>COLA</u></b>	<b><u>Total</u></b>
Cost Group #1 – PEPRA Tier 4 (3% COLA)	8.68%	3.27%	11.95%
Cost Group #2 - PEPRA Tier 5 (2% COLA)	6.58%	1.52%	8.10%
Cost Group #2 - PEPRA Tier 5 (3%/4% COLA)	7.74%	2.79%	10.53%
Cost Group #3 - PEPRA Tier 4 (3% COLA)	9.20%	3.42%	12.62%
Cost Group #4 - PEPRA Tier 4 (3% COLA)	6.55%	2.45%	9.00%
Cost Group #5 - PEPRA Tier 4 (2% COLA)	8.25%	1.85%	10.10%
Cost Group #5 - PEPRA Tier 4 (3% COLA)	10.15%	3.83%	13.98%
Cost Group #6 - PEPRA Tier 4 (3% COLA)	8.25%	3.01%	11.26%
<b><u>Safety Tiers</u></b>	<b><u>Basic</u></b>	<b><u>COLA</u></b>	<b><u>Total</u></b>
Cost Group #7 - PEPRA Tier D	15.14%	6.36%	21.50%
Cost Group #8 - PEPRA Tier D	14.28%	6.24%	20.52%
Cost Group #9 - PEPRA Tier E	13.64%	3.55%	17.19%
Cost Group #10 - PEPRA Tier D	12.98%	5.73%	18.71%
Cost Group #11 - PEPRA Tier D	12.84%	5.70%	18.54%
Cost Group #12 - PEPRA Tier D	12.99%	5.77%	18.76%

<p><b>*NOTE:</b> The rate should be applied to all compensation (whether or not in Social Security) up to the applicable annual Gov. Code 7522.10(d) compensation limit.</p>
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## CONTRA COSTA COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

### **SUBVENTION**

All rates are shown as a percent of payroll.

Employee contribution rates vary depending upon their tier and age at entry. To compute the exact subvention percent for each employee, do the following:

Employee rate – Decrease the employee's rate by the subvention percent (i.e. 25%, 50%, etc.).

Employer rate – Increase the employer's rate by a **percent** of the employee's decrease using the applicable refundability factor (found on Exhibits A and B):

#### **EXAMPLE FOR COST GROUP #3 LEGACY MEMBERS:**

If the subvention percent is 25%, and  
the employee's rate is 6.00%,

Employee rates should be decreased by 1.50% ( $25\% \times 6.00\%$ )  
The employer rate should be increased by 1.4372% ( $1.50\% \times 0.9581$ )

Please note that for PEPRA members, subvention is generally not permitted. The standard under Gov. Code §7522.30(a) is that employees pay at least 50 percent of normal costs and that employers not pay any of the required employee contribution, but there are some exceptions. Gov. Code §7522.30(f) allows the terms (regarding the employee's required contribution) of a contract, including a memorandum of understanding, that is in effect on January 1, 2013, to continue through the length of a contract. This means that it is possible that an employer will subvent a portion of a PEPRA member's required contribution until the expiration date of the current contract, so long as it has been determined that the contract has been impaired.

**CAUTION** – these rates are for employer **subvention** of up to one-half the member contribution under Gov. Code §31581.1, NOT employer **pick-up** of employee contribution rates. When an employer subvents, the contribution subvented is not placed in the member's account and is therefore not available to the member as a refund. For this reason, the employer pays the contribution at a discount (i.e. "Refundability Factor").

Employer **pick-ups** of employee contributions are those made under Gov. Code §31581.2 and Internal Revenue Code §414 (h)(2) for the sole purpose of deferring income tax. These contributions are added to the member's account, are available to the member as a refund and are considered by CCCERA as part of the member's compensation for retirement purposes.

### **EMPLOYEE PAYMENT OF EMPLOYER COST**

There are several reasons why the attached contribution rates may need to be adjusted to increase the employee portion including the following:

Gov. Code §31631 allows for members to pay all or part of the employer contributions.

Gov. Code §31639.95 allows for Safety members to pay a portion of the employer cost for the "3% at 50" enhanced benefit.

Gov. Code §7522.30(c) requires that an employee's contribution rate be at least equal to that of similarly situated employees.

Gov. Code §7522.30(e) allows the employee contributions to be more than one-half of the normal cost rate if the increase has been agreed to through the collective bargaining process.

If you need to increase the employee contribution rate for any reason, you will need to adjust both employee and employer rates as follows:

Employee rate – Increase the employee’s rate by the desired percent of payroll.

Employer rate – Decrease the employer’s rate by a **percent** of the cost-sharing percent of payroll using the applicable refundability factor:

**EXAMPLE FOR COST GROUP #11 LEGACY MEMBERS:**

If the required increase in the employee rate is 8.0%,

Employee rates should be increased by 8.0%.

The employer rate should be decreased by 7.812% ( $8.0\% \times 0.9765$ )

**PREPAYMENT DISCOUNT FACTOR FOR 2015-16**

Employer Contribution Prepayment Program & Discount Factor for 2015-16 is **0.9686**

If you are currently participating in the prepayment program and wish to continue, you do not need to do anything other than prepay the July 1, 2015 through June 30, 2016 contributions on or before July 31, 2015. If you wish to start participating, please contact the Accounting Division at the Retirement Office by March 31, 2015.

The discount factor is calculated assuming the prepayment will be received on July 31 in accordance with Gov. Code §31582(b) in lieu of 12 equal payments due at the end of each month in accordance with Gov. Code §31582(a). The discount factor for the fiscal year July 1, 2015 through June 30, 2016 will be **0.9686** based on the interest assumption of 7.25% per annum.



**CALAFCO Daily Legislative Report  
as of Wednesday, November 05, 2014**

November 12, 2014  
Agenda Item 14a

**[AB 453](#) (Mullin D) Sustainable communities.**

**Current Text:** Amended: 7/3/2013 [pdf](#) [html](#)

**Introduced:** 2/19/2013

**Last Amended:** 7/3/2013

**Status:** 8/15/2014-Failed Deadline pursuant to Rule 61(b)(14). (Last location was APPR. SUSPENSE FILE on 8/12/2013)

Desk	Policy	Fiscal	Floor	Desk	Policy	Dead	Floor	Conf. Conc.	Enrolled	Vetoed	Chapted
1st House				2nd House							

**Summary:**

The Strategic Growth Council 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.

**Attachments:**

[CALAFCO Support Letter\\_03\\_12\\_13](#)

**Position:** Watch

**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. CALAFCO has removed its support of the bill given the nature of the amendment and the potential impact to LAFcos.

**[AB 678](#) (Gordon D) Health care districts: community health needs assessment.**

**Current Text:** Amended: 4/15/2013 [pdf](#) [html](#)

**Introduced:** 2/21/2013

**Last Amended:** 4/15/2013

**Status:** 8/15/2014-Failed Deadline pursuant to Rule 61(b)(14) . (Last location was APPR. SUSPENSE FILE on 8/13/2013).

Desk	Policy	Fiscal	Floor	Desk	Policy	Dead	Floor	Conf. Conc.	Enrolled	Vetoed	Chapted
1st House				2nd House							

**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. Commencing January 1, 2019, the bill would require the annual reports to address the progress made in meeting the community's health needs in the context of the assessment. This bill contains other related provisions and other existing laws.

**Attachments:**

[CALAFCO Letter of support April 17, 2014](#)

**Position:** Support

**Subject:** LAFCo Administration, Service Reviews/Spheres

**CALAFCO Comments:** This bill requires Health Care Districts that do not operate their own hospital facilities 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 1521](#) (Fox D) Local government finance: property tax revenue allocations: vehicle license fee adjustments.**

**Current Text:** Vetoed: 9/29/2014 [pdf](#) [html](#)

**Introduced:** 1/16/2014



1st House	2nd House	Conc.
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**Summary:**

Would appropriate \$40,000,000 to the Controller from the General Fund for the 2014-15 fiscal year to make subvention payments to counties to reimburse counties for property tax revenues not received as a result of these contracts. The bill would make legislative findings and declarations related to the preservation of agricultural land.

**Attachments:**

[CALAFCO Letter of Support March 2014](#)

**Position:** Support

**Subject:** Ag Preservation - Williamson

**CALAFCO Comments:** As amended, the bill will appropriate \$40 million from the General Fund in fiscal year 2014/2015 for subvention payments to counties for Williamson Act contracts.

**[AB 1739](#) ([Dickinson](#) D) Groundwater management.**

**Current Text:** Chaptered: 9/16/2014 [pdf](#) [html](#)

**Introduced:** 2/14/2014

**Last Amended:** 8/22/2014

**Status:** 9/16/2014-Chaptered by Secretary of State - Chapter 347, Statutes of 2014.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Would provide specific authority to a groundwater sustainability agency, as defined in SB 1168 of the 2013-14 Regular Session, to impose certain fees. The bill would authorize the Department of Water Resources or a groundwater sustainability agency to provide technical assistance to entities that extract or use groundwater to promote water conservation and protect groundwater resources. This bill would require the department, by January 1, 2017, to publish on its Internet Web site best management practices for the sustainable management of groundwater.

**Attachments:**

[CALAFCO Letter of Concern \(June 2014\)](#)

**Position:** Watch

**Subject:** LAFCo Administration, Water

**CALAFCO Comments:** As amended, all references to LAFCo being involved in the formation and governance processes for groundwater management agencies have been removed. Agencies will be formed by public agencies as dependent special districts or through JPA, MOU or some other legal agreement. Coordination for overlapping basins and subbasins will be done at the local level.

**[AB 1961](#) ([Eggman](#) D) Land use: planning: sustainable farmland strategy.**

**Current Text:** Amended: 4/22/2014 [pdf](#) [html](#)

**Introduced:** 2/19/2014

**Last Amended:** 4/22/2014

**Status:** 5/23/2014-Failed Deadline pursuant to Rule 61(b)(8). (Last location was A. APPR. SUSPENSE FILE on 5/23/2014)

Desk	Policy	Dead	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Would require each county to develop, on or before January 2, 2018, a sustainable farmland strategy. The bill would require the sustainable farmland strategy to include, among other things, a map and inventory of all agriculturally zoned land within the county, a description of the goals, strategies, and related policies and ordinances, to retain agriculturally zoned land where practical and mitigate the loss of agriculturally zoned land to nonagricultural uses or zones, and a page on the county's Internet Web site with the relevant documentation for the goals, strategies, and related policies and ordinances, as specified.

**Position:** Watch

**Subject:** Ag/Open Space Protection, CKH General Procedures, LAFCo Administration

**CALAFCO Comments:** As amended, the bill requires counties with 4% or more of its land zoned as agricultural to create a sustainable farmland strategy (sfs) effective January 1, 2018,

in consultation with cities and LAFCo, and to update the sfs as necessary. The bill also requires OPR to create best practices that support ag land retention and mitigation. The bill creates an unfunded mandate for counties.

**AB 2156 (Achadjian R) Local agency formation commissions: studies.**

**Current Text:** Chaptered: 6/4/2014 [pdf](#) [html](#)

**Introduced:** 2/20/2014

**Last Amended:** 3/24/2014

**Status:** 6/4/2014-Chaptered by Secretary of State - Chapter 21, Statutes of 2014.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Would include joint powers agencies and joint powers authorities among the entities from which the local agency formation commission is authorized to request land use information, studies, and plans, for purposes of conducting specified studies, and also would include joint powers agreements in the list of items the commission may request in conducting those studies. The bill would specifically define "joint powers agency" and "joint powers authority" for purposes of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

**Attachments:**

[CALAFCO Letter of Support\\_March 2014](#)

**Position:** Support

**Subject:** CKH General Procedures, LAFCo Administration, Municipal Services, Service Reviews/Spheres

**CALAFCO Comments:** As amended, the bill specifically defines "joint powers agency" and "joint powers authority" for purposes of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (C-K-H), and includes joint powers agencies and joint powers authorities (JPAs) among the entities from which a local agency formation commission (LAFCo) is authorized to request information in order to conduct required studies.

**AB 2762 (Committee on Local Government) Local government.**

**Current Text:** Chaptered: 7/9/2014 [pdf](#) [html](#)

**Introduced:** 3/24/2014

**Last Amended:** 5/6/2014

**Status:** 7/9/2014-Chaptered by Secretary of State. Chapter 112, Statutes of 2014.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 does not apply to pending proceedings for a change or organization or reorganization for which the application was accepted for filing prior to January 1, 2001, as specified. The act authorizes these pending proceedings to be continued and completed under, and in accordance with, the law under which the proceedings were commenced. This bill would repeal those provisions relating to pending proceedings for a change or organization or reorganization for which an application was accepted for filing prior to January 1, 2001, and make other conforming changes.

**Attachments:**

[CALAFCO Request Governor Signature](#)  
[CALAFCO Letter of Support\\_March 2014](#)

**Position:** Sponsor

**Subject:** CKH General Procedures

**SB 56 (Roth D) Local government finance: property tax revenue allocation: vehicle license fee adjustments.**

**Current Text:** Amended: 6/11/2013 [pdf](#) [html](#)

**Introduced:** 1/7/2013

**Last Amended:** 6/11/2013

**Status:** 2/3/2014-Returned to Secretary of Senate pursuant to Joint Rule 56.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Beginning with the 2004-05 fiscal year and for each fiscal year thereafter, existing law requires that each city, county, and city and county receive additional property tax revenues in the form of a vehicle license fee adjustment amount, as defined, from a Vehicle License Fee Property Tax Compensation Fund that exists in each county treasury. Current law requires that these additional allocations be funded from ad valorem property tax revenues otherwise required to be allocated to educational entities. This bill would modify these reduction and transfer provisions, for the 2013-14 fiscal year and for each fiscal year thereafter, by providing for a vehicle license fee adjustment amount calculated on the basis of changes in assessed valuation. This bill contains other related provisions and other existing laws.

**Attachments:**

[CALAFCO Letter of support April 10, 2013](#)

**Position:** Support

**Subject:** Financial Viability of Agencies, Tax Allocation

**CALAFCO Comments:** This bill reinstates revenues through ERAF (backfilled by the state general Fund) for cities incorporating after 2005 and annexations of inhabited territories.

**[SB 69](#) (Roth D) Local government finance: property tax revenue allocation: vehicle license fee adjustments.**

**Current Text:** Vetoed: 9/29/2014 [pdf](#) [html](#)

**Introduced:** 1/10/2013

**Last Amended:** 8/18/2014

**Status:** 9/28/2014-Vetoed by the Governor

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Current property tax law requires the county auditor, in each fiscal year, to allocate property tax revenue to local jurisdictions in accordance with specified formulas and procedures. This bill would modify these reduction and transfer provisions for a city incorporating after January 1, 2004, and on or before January 1, 2012, for the 2014-15 fiscal year and for each fiscal year thereafter, by providing for a vehicle license fee adjustment amount calculated on the basis of changes in assessed valuation. This bill contains other related provisions and other existing laws.

**Attachments:**

[CALAFCO Letter Requesting Governor Signature SB 69 \(Aug 2014\)](#)

[CALAFCO Support\\_SB 69\\_Feb 2014](#)

**Position:** Support

**Subject:** Tax Allocation

**CALAFCO Comments:** The bill calls for reinstatement of the VLF through ERAF for cities that incorporated between January 1, 2004 and January 1, 2012. There are no provisions for back payments for lost revenue, but the bill does reinstate future payments beginning in the 2014/15 year for cities that incorporated between 1-1-2004 and 1-1-2012.

**[SB 614](#) (Wolk D) Local government: jurisdictional changes: infrastructure financing.**

**Current Text:** Chaptered: 9/29/2014 [pdf](#) [html](#)

**Introduced:** 2/22/2013

**Last Amended:** 8/18/2014

**Status:** 9/29/2014-Chaptered by Secretary of State - Chapter 784, Statutes of 2014.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 requires a local agency or school district that initiates proceedings for a change of local government organization or reorganization by submitting a resolution of application to a local agency formation commission to also submit a plan for providing services within the affected territory, as specified. This bill would instead require, if a proposal for a change of organization or reorganization is submitted to a local commission, that the applicant submit a plan for providing services within the affected territory.

**Attachments:**

[CALAFCO Letter Requesting Governor Signature](#)

[CALAFCO Letter of Concern \(June 2014\)](#)

**Position:** Support

**Subject:** Annexation Proceedings, CKH General Procedures, Disadvantaged Communities

**CALAFCO Comments:** As amended, the bill is intended to provide an incentive to cities to annex disadvantaged unincorporated communities by creating an option for a funding mechanism using a property tax sharing agreement by affected entities (to share the 1% tax dollars) and ensuing tax increment. A special district would be created to act as the vehicle for that funding. The bill allows LAFCo to consider, as part of the application, the formation of a new district or the reorganization of an existing district, but only if all of the affected agencies are in agreement.

CALAFCO had a number of concerns with the bill which were addressed by the author in the August 18th amendments.

**[SB 757](#) ([Berryhill R](#)) Groundwater management.**

**Current Text:** Amended: 8/22/2014 [pdf](#) [html](#)

**Introduced:** 2/22/2013

**Last Amended:** 8/22/2014

**Status:** 8/31/2014-Failed Deadline pursuant to Rule 61(b)(17). (Last location was A. RLS. on 8/25/2014)

Desk	Policy	Fiscal	Floor	Desk	Dead	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Would state the policy of the state that groundwater resources be managed responsibly for long-term water supply reliability and multiple economic, social, or environmental benefits for current and future beneficial uses. The bill would state that responsible groundwater management is best achieved locally through the development, implementation, and updating of plans and programs based on the best available science and in consideration of local needs and circumstances.

**Position:** Watch

**Subject:** LAFCo Administration, Water

**[SB 1168](#) ([Pavley D](#)) Groundwater management.**

**Current Text:** Chaptered: 9/16/2014 [pdf](#) [html](#)

**Introduced:** 2/20/2014

**Last Amended:** 8/29/2014

**Status:** 9/16/2014-Chaptered by Secretary of State - Chapter 346, Statutes of 2014.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Would state the policy of the state that groundwater resources be managed sustainably for long-term reliability and multiple economic, social, and environmental benefits for current and future beneficial uses. This bill would state that sustainable groundwater management is best achieved locally through the development, implementation, and updating of plans and programs based on the best available science. This bill contains other related provisions and other existing laws.

**Attachments:**

[CALAFCO Letter of Concern](#)

**Position:** Watch

**Subject:** Water

**[SB 1319](#) ([Pavley D](#)) Groundwater.**

**Current Text:** Chaptered: 9/16/2014 [pdf](#) [html](#)

**Introduced:** 2/21/2014

**Last Amended:** 8/29/2014

**Status:** 9/16/2014-Chaptered by Secretary of State - Chapter 348, Statutes of 2014.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							



**Summary:**

Would authorize the state board to designate certain high- and medium-priority basins as a probationary basin if, after January 31, 2025, prescribed criteria are met, including that the state board determines that the basin is in a condition where groundwater extractions result in significant depletions of interconnected surface waters. This bill would add to the prescribed determinations that would prevent the state board from designating the basin as a probationary basin for a specified time period.

**Subject:** Water

**AB 543 (Campos D) California Environmental Quality Act: translation.**

**Current Text:** Vetoed: 9/25/2014 [pdf](#) [html](#)

**Introduced:** 2/20/2013

**Last Amended:** 6/24/2014

**Status:** 9/25/2014-Vetoed by the Governor

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

CEQA requires the Office of Planning and Research to prepare and develop guidelines for the implementation of CEQA and the Secretary of the Natural Resources Agency to certify and adopt those guidelines. This bill would require the office, on or before July 1, 2016, to prepare and develop recommended amendments to the guidelines and the secretary, on or before January 1, 2017, to certify and adopt those amendments to the guidelines to establish criteria for a lead agency to assess the need for translating those notices into non-English languages, as specified.

**Position:** Watch

**Subject:** CEQA

**CALAFCO Comments:** As amended, requires OPR to establish criteria for a lead agency to assess the need for translating those notices into non-English languages, as specified by July 1, 2016.

**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:** 1/24/2014-Failed Deadline pursuant to Rule 61(b)(2). (Last location was JUD. on 3/11/2013)

Desk	Dead	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**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:** Watch

**Subject:** LAFCo Administration

**CALAFCO Comments:** Allows for posting of agendas and meeting material on newspaper websites.

**AB 677 (Fox D) Local government finance: property tax revenue allocation: vehicle license fee adjustments.**

**Current Text:** Amended: 1/6/2014 [pdf](#) [html](#)

**Introduced:** 2/21/2013

**Last Amended:** 1/6/2014

**Status:** 1/17/2014-Failed Deadline pursuant to Rule 61(b)(1). (Last location was L. GOV. on

1/7/2014)

Desk	Dead	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Would modify specified reduction and transfer provisions, for the 2013-14 fiscal year and for each fiscal year thereafter, by providing for a vehicle license fee adjustment amount calculated on the basis of changes in assessed valuation. This bill would also modify these reduction and transfer provisions, for the 2013-14 fiscal year and for each fiscal year thereafter, by providing 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:** Watch

**Subject:** Financial Viability of Agencies, Tax Allocation

**AB 1593 (Dahle R) Public cemetery districts: Auburn Public Cemetery District.**

**Current Text:** Introduced: 2/3/2014 [pdf](#) [html](#)

**Introduced:** 2/3/2014

**Status:** 5/9/2014-Failed Deadline pursuant to Rule 61(b)(6). (Last location was L. GOV. on 2/14/2014)

Desk	Dead	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Would authorize the Auburn Public Cemetery District in Placer County to use their cemeteries for up to a total of 400 interments each, not to exceed 40 interments each per calendar year, to inter nonresidents and nonproperty taxpayers, if specified conditions are met. This bill contains other related provisions.

**Position:** Watch

**Subject:** Other

**AB 1897 (Hernández, Roger D) Labor contracting: client liability.**

**Current Text:** Chaptered: 9/29/2014 [pdf](#) [html](#)

**Introduced:** 2/19/2014

**Last Amended:** 8/22/2014

**Status:** 9/28/2014-Chaptered by Secretary of State - Chapter 728, Statutes of 2014.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Would require a client employer to share with a labor contractor all civil legal responsibility and civil liability for all workers supplied by that labor contractor for the payment of wages and the failure to obtain valid workers' compensation coverage. The bill would prohibit a client employer from shifting to the labor contractor legal duties or liabilities under workplace safety provisions with respect to workers provided by the labor contractor. The bill would define a client employer as a business entity that obtains or is provided workers to perform labor within the usual course of business from a labor contractor, except as specified.

**Position:** Watch

**Subject:** LAFCo Administration

**AB 1995 (Levine D) Community service districts: covenants, conditions, and restrictions: enforcement.**

**Current Text:** Chaptered: 8/25/2014 [pdf](#) [html](#)

**Introduced:** 2/20/2014

**Last Amended:** 6/30/2014

**Status:** 8/25/2014-Chaptered by Secretary of State - Chapter 289, Statutes of 2014.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Would authorize the Bel Marin Keys Community Services District to enforce all or part of the covenants, conditions, and restrictions for a tract within that district, and to assume the duties of an architectural control committee for that tract, as provided. This bill contains other related



provisions.

**Position:** Watch

**Subject:** LAFCo Administration, Special District Powers

**[AB 2443](#) ([Rendon D](#)) **Water Recycling Act of 1991: mutual water companies: duplication of service.****

**Current Text:** Chaptered: 9/29/2014 [pdf](#) [html](#)

**Introduced:** 2/21/2014

**Last Amended:** 8/22/2014

**Status:** 9/29/2014-Chaptered by Secretary of State - Chapter 817, Statutes of 2014.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Would authorize a recycled water producer or wholesaler that has identified a potential use or customer within the service area or jurisdiction of the retail water supplier, to request, in writing, a retail water supplier to enter into an agreement to provide recycled water to the potential customer consistent with specified requirements of the Water Recycling Act of 1991. This bill contains other related provisions and other existing laws.

**Position:** Watch

**Subject:** Water

**[AB 2453](#) ([Achadjian R](#)) **Paso Robles Basin Water District.****

**Current Text:** Chaptered: 9/16/2014 [pdf](#) [html](#)

**Introduced:** 2/21/2014

**Last Amended:** 8/4/2014

**Status:** 9/16/2014-Chaptered by Secretary of State - Chapter 350, Statutes of 2014.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Would, until January 1, 2019, provide for the formation of the Paso Robles Basin Water District, and would set forth the composition of, and method of election by landowners and registered voters for, the board of directors for the Paso Robles Basin Water District, the boundaries of which would be established and may be modified by the San Luis Obispo County Local Agency Formation Commission.

**Position:** Watch

**Subject:** Water

**[AB 2455](#) ([Williams D](#)) **The Santa Rita Hills Community Services District.****

**Current Text:** Chaptered: 9/20/2014 [pdf](#) [html](#)

**Introduced:** 2/21/2014

**Last Amended:** 6/17/2014

**Status:** 9/20/2014-Chaptered by Secretary of State - Chapter 505, Statutes of 2014.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Would authorize, until January 1, 2035, the board of directors of the Santa Rita Hills Community Services District to consist of 3 members, if the board of directors receives a petition signed by a majority of voters requesting a reduction in the number of board members and thereafter adopts a resolution that orders the reduction, as specified. The bill would also, until January 1, 2025, authorize the board, if the number of members is reduced to 3, to adopt a resolution to increase the number of members from 3 to 5, as specified. This bill contains other related provisions.

**Position:** Watch

**Subject:** Special District Principle Acts

**CALAFCO Comments:** This bill as amended allows for the reduction of the size of the governing Board of this district from five to three members until January 1, 2025.

**[AB 2480](#) (Yamada D) Local government finance: cities: annexations.**

**Current Text:** Amended: 3/28/2014 [pdf](#) [html](#)

**Introduced:** 2/21/2014

**Last Amended:** 3/28/2014

**Status:** 8/31/2014-Failed Deadline pursuant to Rule 61(b)(17). (Last location was A. L. GOV. on 4/1/2014)

Desk	Dead	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Would, beginning on January 10, 2015, and on the 10th of each month thereafter, require the Controller to pay to each city that incorporated before August 5, 2004, an amount equal to an amount determined by a specified formula. This bill would continuously appropriate to the Controller an amount sufficient to make those payments from the General Fund.

**Position:** Watch

**Subject:** Financial Viability of Agencies, Tax Allocation

**CALAFCO Comments:** The intent of this bill is the same as AB 1521, which is moving forward, so the author has let this bill die.

**[SB 731](#) (Steinberg D) Environment: California Environmental Quality Act.**

**Current Text:** Amended: 9/9/2013 [pdf](#) [html](#)

**Introduced:** 2/22/2013

**Last Amended:** 9/9/2013

**Status:** 8/31/2014-Failed Deadline pursuant to Rule 61(b)(17). (Last location was L. GOV. on 9/11/2013)

Desk	Policy	Fiscal	Floor	Desk	Dead	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Would provide that aesthetic and parking impacts of a residential, mixed-use residential, or employment center project, as defined, on an infill site, as defined, within a transit priority area, as defined, shall not be considered significant impacts on the environment. The bill would require the Office of Planning and Research to prepare and submit to the Secretary of the Natural Resources Agency, and the secretary to certify and adopt, revisions to the guidelines for the implementation of CEQA establishing thresholds of significance for noise and transportation impacts of projects within transit priority areas. This bill contains other related provisions and other existing laws.

**Position:** Watch

**Subject:** CEQA

**[SB 1122](#) (Pavley D) Sustainable communities: Strategic Growth Council.**

**Current Text:** Amended: 5/5/2014 [pdf](#) [html](#)

**Introduced:** 2/19/2014

**Last Amended:** 5/5/2014

**Status:** 5/23/2014-Failed Deadline pursuant to Rule 61(b)(8). (Last location was S. APPR. SUSPENSE FILE on 5/23/2014)

Desk	Policy	Dead	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	Chaptered
1st House				2nd House							

**Summary:**

Current law authorizes moneys from the Greenhouse Gas Reduction Fund to be allocated for the purpose of reducing greenhouse gas emissions in this state through specified investments, including funding to reduce greenhouse gas emissions through strategic planning and development of sustainable infrastructure projects. This bill would additionally authorize the council to manage and award financial assistance for the purpose of supporting the implementation of sustainable communities strategies or alternative planning strategies, to be funded from moneys from the Greenhouse Gas Reduction Fund, upon appropriation by the Legislature. The bill would require the council to adopt guidelines for the use of the funds by recipients.

**Position:** Watch

**Subject:** Sustainable Community Plans

**[SB 1230](#) (Committee on Governance and Finance) Validations.**

**Current Text:** Chaptered: 5/29/2014 [pdf](#) [html](#)

**Introduced:** 2/20/2014

**Status:** 5/29/2014-Chaptered by Secretary of State - Chapter 19, Statutes of 2014.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf. Conc.	Enrolled	Vetoed	<b>Chaptered</b>
1st House				2nd House							

**Summary:**

This bill would enact the First Validating Act of 2014, 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.

**Attachments:**

[CALAFCO Support Letter](#)

**Position:** Support

**Subject:** Other

Total Measures: 28

Total Tracking Forms: 28

11/5/2014 10:40:46 AM

**CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION  
PENDING PROPOSALS – NOVEMBER 12, 2014**

November 12, 2014  
Agenda Item 14b

<b>LAFCO APPLICATION</b>	<b>RECEIVED</b>	<b>STATUS</b>
West County Wastewater District Annexation Nos. 310 and 312: proposed annexation of 3.33± acres located at 39 Kirkpatrick Drive and 5527 Sobrante Avenue in El Sobrante	11/7/08	Incomplete; awaiting info from District
UCB Russell Research Station (RRS): proposed SOI amendment to East Bay Municipal Utility District (EBMUD) of 313± acres located on Happy Valley Road, southeast of Bear Creek Rd, and north of the Lafayette city limits (with concurrent annexation application)	11/25/08	Incomplete; awaiting info from applicant
UCB RRS: proposed annexation of 313± acres to EBMUD	11/25/08	Incomplete
Laurel Place/Pleasant View Annexation to City of Concord: proposed annexation of 5.86± acres located on Laurel Dr and Pleasant View Ln	5/8/09	Pending property tax exchange agreement
Highlands Ranch Phase II SOI Amendment: proposed SOI amendments to the cities of Antioch (reduction) and Pittsburg (expansion) of 194± acres located east of Pittsburg city limits, within Antioch Somersville Road Corridor Planning Area	10/23/09	Incomplete; awaiting info from applicant
Discovery Bay Community Services District (DBCSD) SOI Amendment (Newport Pointe): proposed SOI expansion of 20± acres bounded by Bixler Road, Newport Drive and Newport Cove (with corresponding annexation application)	7/28/10	Incomplete; awaiting info from applicant
DBCSD Annexation (Newport Pointe): proposed annexation of 20± acres to supply water/sewer services to a 67-unit single family residential development	7/28/10	Incomplete; awaiting info from applicant
Reorganization 185 - Annexations to Central Contra Costa Sanitary District (CCCSD) and EBMUD: proposed annexation to CCCSD and/or EBMUD of 20 properties in 7 areas, comprising 172.2± acres in Danville and Lafayette	6/20/14	Under review
Reorganization 186 - Annexations to CCCSD and EBMUD: proposed annexation of Magee Ranch (9 parcels comprising 402± acres) to CCCSD (all 9) and EBMUD (7 of 9)	6/20/14	Under review
Reorganization 187 - Annexations to CCCSD and EBMUD: proposed annexation to CCCSD and EBMUD of Podva property in Danville (13.1± acres)	6/20/14	Under review

# Rodeo-Hercules fire district candidates differ widely on pay, resource deployment

November 12, 2014  
Agenda Item 14c

By Tom Lochner [Contra Costa Times](#)

Posted: [10/08/2014](#) 01:54:59 PM PDT Updated: about 18 hours ago

The Rodeo-Hercules Fire District, with about 35,000 residents spread over 32 square miles, is small by California standards, but it looms large as the testing ground for an alternative funding tool to parcel taxes and their two-thirds majority threshold for passage.

An \$82-a-year benefit assessment for single-family houses, approved by a 57 percent, weighted majority of property owners in May and imposed by the district board in June, is being challenged in court on the premise that using the mechanism to pay for districtwide general benefits rather than a special benefit to certain properties would violate the state Constitution.

On Oct. 1, just five weeks before the Nov. 4 election, the district reopened the Rodeo station thanks to a \$2.5 million federal grant over two years and appointed eight new firefighters.

The Rodeo station had been shuttered since 2012 for budgetary reasons.

Five candidates, including the three incumbents, are vying for three board seats. Two of those incumbents, Raemona Williams and Manly Moulton, voted as part of a 4-1 board majority to impose the benefit assessment. The third incumbent, Bill Prather, cast the lone no vote. The other candidates are Ernie Wheeler and Teagan Clive.

Williams did not respond to requests for an interview.

Fire Chief Charles Hanley has blamed the district's financial woes mostly on reduced property tax receipts because of the recent recession, coupled with the allotment of tax increments over the years to the now-defunct Hercules Redevelopment Agency. But Prather, Clive and Wheeler blame what they see as a combination of unsustainable salaries and benefits and excessive deployment of resources, such as sending a heavy fire apparatus staffed by three people to medical calls.

The district's 2014-15 operating budget is \$6.5 million, which includes almost \$1 million projected from the benefit assessment and \$1.25 million from the first year of the federal SAFER (Staffing for Adequate Fire and Emergency Response) grant. The eight new firefighters bring the staff to 23, including the chief and the administrative services officer.

Eleven district employees realized \$250,000 or more in total pay and benefits in 2013, led by Hanley, with just over \$395,000, according to data on the Transparent California website. Hanley additionally got almost \$144,000 in retirement pay last year from Santa Rosa for his service there as deputy fire chief.

Moulton said Rodeo-Hercules firefighters are the lowest-paid in Contra Costa County. He said the district needs to increase revenue, something he said will occur naturally as the district's population grows, especially in Hercules, which has ambitious plans for waterfront development. The district also should look for grants and other alternative funding, he said.

Clive wants the county to reassess the Phillips 66 refinery.

Prather, Clive and Wheeler want to see increased deployment of reserve firefighters. Moulton said the cost-savings of using reserves must be balanced with the cost of training them.

Prather, Clive and Wheeler want to look at deploying two-person medical vehicles on many medical calls. Moulton said national standards call for four firefighters for all responses.

The candidates also differ sharply on whether the district is transparent enough. Prather, Clive and Wheeler said the district should televise or archive meetings online and post more printed information on the district website. Moulton said the district makes information available for the asking.

Contact Tom Lochner at 510-262-2760. Follow him at [Twitter.com/tomlochner](https://twitter.com/tomlochner).

candidates

Raemona Williams

Residence: Hercules

Occupation: Assistant deputy chief and director of training, San Francisco Fire Department

Background: Incumbent; elected to the board as a first-time candidate in 2010; backed by firefighters union Local 1230

Manly Moulton

Residence: Rodeo

Occupation: Battalion chief, Richmond Fire Department

Background: Incumbent; elected to the board as a first-time candidate in 2010; backed by firefighters union Local 1230

Bill Prather

Residence: Hercules

Occupation: Real estate broker

Background: Incumbent; first elected to board in 1994, re-elected in 1998, 2002, 2006 and 2010; retired Richmond fire captain

Teagan Clive

Residence: Rodeo

Occupation: Television writer, artist, researcher, consultant

Background: First-time candidate; civic and environmental activist, member of Crockett-Rodeo United to Defend the Environment (CRUDE); concerned about plans at the Phillips 66 refinery to produce propane and butane and the prospect of trains carrying crude oil from the Midwest and Canada to Central California via the Capitol Corridor tracks that traverse Rodeo and Hercules

Ernie Wheeler

Residence: Hercules

Occupation: Retired military fire official and safety inspector

Background: First-time candidate; retired as military assistant fire chief in charge of training and operations at Travis Air Force Base in 1984; also was Cal-OSHA safety inspector, Federal Emergency Management Agency employee, private industrial safety and oil spill consultant and volunteer with Solano County Office of Emergency Services and Cordelia Volunteer Fire Department

# Richmond looks to earmark \$15 million to save Doctors Medical Center

By Jennifer Baires [Contra Costa Times](#)

Posted: [10/08/2014](#) 10:20:55 AM PDT Updated: about 16 hours ago

RICHMOND -- A decision this week to try to steer \$15 million in promised community grants from Chevron toward Doctors Medical Center has raised hopes that the cash could keep the troubled hospital afloat at least through 2015.

But even with City Council support to earmark that money for DMC, the question remains whether a one-time cash infusion can buy enough time for the San Pablo hospital to survive. And it's not clear when the money might be available because it is tied to approvals for a Chevron refinery modernization project.

The hospital runs an \$18 million annual deficit and has drastically reduced services in recent months.

Even if the \$15 million materializes before the hospital is expected to run out of cash at the end of February, DMC is unlikely to reinstate emergency ambulance traffic that was halted in August -- a diversion that speakers at Tuesday's City Council meeting claimed had already resulted in the loss of lives because of longer transport times to other hospitals. Officials said the money likely would allow the pared-down DMC to operate as-is for less than a year after it becomes available but not restore recently cut services.

"It would take six to eight months just to restore services and staffing that have been reduced over the last three to four months," said Eric Zell, chairman of the West Contra Costa Healthcare District board, which manages the hospital. "It can't happen overnight."

The cash infusion could put on hold proposals to restructure the hospital into a satellite emergency room or advanced urgent care center, either of which would lack inpatient services.

"It gives us a bridge to the possibility for a long-term solution," Zell said, adding that many of the options the council recommended -- partnering with other government entities and hospitals -- have been tried repeatedly without success by the district over the years. "Our goal is to keep a full-service hospital open. We'll do anything, and we'll do it as many times as we need to. We will talk with everybody again if that is what it takes."

Kevin Keane, a spokesman for the stakeholders group of local health care officials and hospitals that is working to find long-term solutions for DMC, said a one-time cash infusion won't change much. "While we welcome the effort from the Richmond City Council, it doesn't change the fact that we need to stay on course to look for viable alternatives to a full-service facility," he said.

The City Council's vote late Tuesday stipulated that the money could only be used to support a full-service hospital, but Zell reiterated Wednesday that trying to sustain such an operation long term with the hospital's current payer mix of largely Medicare and Medi-Cal patients "is almost impossible."

"(DMC) needs to be part of a larger system," he said.

So far, there hasn't been any interest from other networks, including nearby hospitals or the county, to partner with DMC and take on its deficit. Hospital advocates hope that could change if the Chevron money goes through and DMC is able to leverage it for additional funding. It would also allow time to pursue legislative options, including higher reimbursement rates for Medicare and Medi-Cal patients, that have so far failed.

Doctors and nurses continue to lobby Contra Costa County to take over funding the hospital, but county officials say the money does not exist.

Speaker after speaker on Tuesday urged the council to restructure the \$90 million Chevron benefits package -- negotiated as a condition of the company's \$1 billion refinery modernization project -- to include a lifeline for the area's only public hospital. Recent cutbacks in emergency services, they said, have already resulted in Kaiser Permanente's Richmond emergency room -- the only other ER in West County -- being flooded with patients.

"Richmond Kaiser cannot accommodate the additional load," said Rachelle Bradley, director of transitional care at DMC, during the meeting. "People are still coming to us from all over; they're walking in, being driven in or wheeled in."

The \$15 million would be carved out for the hospital by taking an equal percentage cut of all the programs in the community programs section of the benefits agreement, but the bulk of it would come from a \$35 million college scholarship fund for Richmond public school students. One-third of the investment package is earmarked for environmental programs that are required as mitigation for refinery greenhouse gas emissions.

As part of the resolution, the city will also lobby other West Contra Costa agencies and cities to contribute to saving the hospital. The council directed city staff to meet with Chevron about reallocating the money and report back Oct. 21.

Chevron has said previously that it would allow city leaders to decide how to spend the bulk of the money in the agreement. But most of the grants, including any earmarked for DMC, would not be made available until all legal challenges to the refinery modernization are resolved and the company is given the go-ahead to start construction.

In an email Wednesday, Chevron spokeswoman Melissa Ritchie wrote, "... we will not entertain changes to the total funding level, the length of the funding period and the implementation date."

Under the best-case scenario, Chevron would start construction during the first quarter of 2015 -- which would mean that it would start paying out 60 days later -- but pending litigation and the permit process could push that date back months, or even years.

Contact Jennifer Baires at 925-943-8378. Follow her at [Twitter.com/jenniferbaires](https://twitter.com/jenniferbaires).



# Quiet race for contentious West Contra Costa Healthcare District seats

By Jennifer Baires Contra Costa Times

Posted: 10/16/2014 12:38:16 PM PDT

Updated: 10/16/2014 02:05:42 PM PDT

SAN PABLO -- The fate of Doctors Medical Center looms large in the election for three seats on the board of the West Contra Costa Healthcare District, which manages and runs the area's only public hospital.

If Doctors Medical Center continues to operate at its current capacity, it will run out of cash by the end of February, according to administrators. Community members, nurses unions and local officials have spent the past few months calling on the health care district board and its stakeholders to find a solution that would keep DMC as a full-service hospital, and criticizing them for not doing enough.

The hospital, which mostly cares for Medi-Cal and Medicare patients, has been losing money for years, due in part to low reimbursement rates, and now faces an \$18 million annual deficit.

Amid the controversy, the three directors seeking re-election are facing one challenger. Incumbents Irma Anderson, Nancy Casazza and Beverly Wallace are running for another term against Marilynne Mellander, a retired laboratory scientist from El Sobrante.

At a recent round-table discussion hosted by the League of Women Voters and Contra Costa Television, Mellander was the only candidate to appear, and she told the moderator, Tom Barnidge, a columnist with this newspaper, that she is running for one reason: to represent residents who are tired of paying for DMC.

"District taxpayers are now burdened with years of long-term debt due to the decisions of the current health care board," Mellander said, when asked what inspired her to run. "If elected, I intend to oppose next year's likely bond measure and any tax measures that would come later."

In an interview following the round table, Mellander was even more candid about her opposition to the district. "I don't think it should exist," she said, adding that DMC's closure is inevitable and she'd like to ensure that once it closes, the special district is shuttered, too.

During the round table, she said the county should take control of DMC, but that option has been consistently ruled out by county supervisors because of budget constraints.

Casazza and Wallace did not respond to repeated requests for interviews and did not attend the round table. Anderson said she wasn't able to make the discussion because of prior commitments but said in a follow-up interview that she's running to continue the fight to save DMC.

"I'm very interested in us having a hospital," she said. "The only way we are going to survive is if we have another hospital that partners with us. They say they don't want to, but they can't handle the patients in West County."

Anderson, who has served on the board for six years as a director and former chairwoman, said that despite the odds, she hasn't given up hope that a deal to save DMC will come through.

"We have until February," she said, adding that perhaps talks with UC San Francisco Medical Center could be revisited as a potential partnership.

Mellander gave a less rosy outlook for DMC and the district. "Regardless of what happens to DMC, district taxpayers will be saddled with debt for years to come," she said.

The round table airs on KCRT (Comcast Channel 28 and AT&T Channel 99) at 3:02 p.m. and 10:40 p.m. Saturday and 2:40 p.m. Sunday. For additional broadcast times, go to <http://bit.ly/1nUQFZL>.

Contact Jennifer Baires at 925-943-8378. Follow her at [Twitter.com/jenniferbaires](https://twitter.com/jenniferbaires).

Marilynne L. Mellander Age: 69

Occupation: Retired laboratory scientist

Professional background/elected history: Mellander served on El Sobrante Municipal Advisory Council from 2000 to 2004. She has authored ballot arguments against the district's Measure C parcel tax for West Contra Healthcare District. Mellander was a licensed clinical laboratory scientist and worked with Chevron for almost 20 years doing fuel and solar cell research.

Personal background: Lived in West County since 1973, in El Sobrante

Education: Bachelor of science in microbiology, Louisiana State University; graduate of Center for Advanced Medical Technology, San Francisco State

Irma Anderson

Age: Not provided

Occupation: West Contra Costa County Healthcare District director; retired nurse

Professional background/elected history: Anderson has been on the board for six years. Before that, Anderson was mayor of Richmond and served on the City Council for eight years.

Personal background: Lived in the area for 40 years and has worked in the public health arena for more than three decades

Education: Bachelor of science from Cornell University; master's of public health, UC Berkeley

The other candidates did not respond to requests for information.

# Barnidge: No more outrage in Lafayette over Plan Bay Area

[By Tom Barnidge Contra Costa Times Columnist](#)

Posted: 10/19/2014 07:18:06 AM PDT Updated: a day ago

Thirteen months ago, about 200 people at the Lafayette Veterans Hall heated to a slow boil as community activists railed about Plan Bay Area, the regional growth and land-use strategy that emphasizes more housing near public transit.

Attendees of that meeting, arranged by the grass-roots group Lafayette First, jeered at the mention of the Association of Bay Area Governments and the Metropolitan Transportation Commission -- the agencies that approved the plan -- and at the notion of high-density, affordable housing in Lafayette. The takeaway from the evening was that Lafayette residents, bearing pitchforks and torches if need be, would storm City Hall before they'd accede to zoning for the anticipated affordable housing needed for the next eight years.

So how do you explain what happened at Tuesday night's City Council meeting, when it came time to give the so-called housing element its final review? There were only three people in the audience -- four, if you include me -- and nary a pitchfork in sight. The council took less than 20 minutes to approve the document and forward it to state officials for review.

Unrest over Plan Bay Area has not been unique to Lafayette. Danville residents were up in arms much earlier, and many arms remain raised. Orinda residents more recently raised a royal ruckus about stack-and-pack housing tarnishing their village.

Peace in Lafayette can be traced to three community workshops last spring, when Mayor Don Tatzin and the city staff explained housing element law to all who cared to listen.

Residents learned that zoning for growth does not necessarily mean anything will be built, and the number of proposed units is just a forecast.

They learned the state-mandated process has been around for four decades, and ABAG is a facilitator. City maps were laid out, and residents were invited to rank development sites. Density guidelines were explained and questions were answered.

"We try to do a good job of being open and explaining why we're doing things," Tatzin said. "The workshops were a component of that, but there's more to it. It's the city's specific plan, it's that we take the RHNA (Regional Housing Needs Assessment) numbers seriously, and when we studied them and found errors we protested and got them reduced.

"People understand now that we're doing something that we need to do by state law, and we're doing it in a way that's going to make the community better. We've tried to make people who might be upset about this more knowledgeable."

That transparency extended to City Manager Steve Falk, who met privately with those who had concerns.

"About a year ago, a group was mobilizing," he said, "so the planning director and I sat down with them for two hours and went through everything -- what ABAG does, why it does it, how the housing element works -- and the education helped.

"That's why the workshops were important. They defanged people. It made them feel like they were participating rather than having something crammed down their throats."

Thirteen months after Plan Bay Area stirred the residents' wrath, it didn't make a ripple at Tuesday's council meeting.

More people cared about earlier agenda items -- an ordinance to allow parking meters on public property and one to ban plastic bags in retail stores.

If either of those ordinances outrages you, contact city officials. They don't mind explaining things.

Contact Tom Barnidge at [tbarnidge@bayareanewsgroup.com](mailto:tbarnidge@bayareanewsgroup.com).

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## County to consider next step in consolidating fire districts

By JAMES

PALEN, The

Daily Transcript

Monday, **October 20, 2014**

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Article	Comments
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The San Diego County Board of Supervisors this week will consider taking the third step of a plan developed in 2008 that consolidated several rural fire agencies under the San Diego County Fire Authority.

That plan, known as the Hybrid Plan from the Fire and Life Safety Reorganization Report, began with bringing six volunteer fire companies under the San Diego County Fire Authority. It also provided fire and emergency medical services within County Service Area 135, or CSA 135.

The Board of Supervisors took the second step, expanding the boundaries of CSA 135 to include five dissolved fire service areas, in 2011. On Tuesday the supervisors will consider the third step, which would authorize the San Diego Local Agency Formation Commission to expand CSA 135's boundaries to include the San Diego Rural and Pine Valley Fire Protection Districts.

The financial cost of taking the third step is unknown, county staff said, but expanding the latent powers in the subarea "may result in a fiscal impact."

A review of assets and liabilities will be conducted as due diligence during the LAFCO process, the county said. When the two fire protection districts are dissolved, their property tax and assessment revenue will transfer to CSA 135.

The Board of Supervisors' meeting is scheduled for 9 a.m. Tuesday at the County Administration Center, 1600 Pacific Highway, in the board's North Chamber, Room 310.

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# Richmond council weighs options for cash-strapped hospital

By Jennifer Baires Contra Costa Times

Posted: 10/21/2014 11:37:51 PM PDT

RICHMOND -- The City Council took a unanimous step forward Tuesday night to allocate \$15 million in promised community grants from Chevron toward the beset Doctors Medical Center, with the aim of keeping the community hospital open as a full-service, acute care facility.

The deal, proposed by Richmond City Manager Bill Lindsay after the council directed him two weeks ago to look for solutions, is a three-year plan that would include contributions from a number of community partners.

To close the \$18 million annual funding gap DMC faces, Lindsay proposed yearly contributions of \$5 million from Richmond via the Chevron Environmental and Community Investment Agreement, nearly \$3 million in debt forgiveness from Contra Costa County, \$4.3 from nearby hospitals to pay down the rest of the debt service, \$5 million from a new parcel tax and \$800,000 in cost reductions at the hospital.

In his presentation to the council, Lindsay stressed that none of the proposed partnerships were certain and to save the hospital the package would have to come together before the new year because the hospital will be out of operating costs by the end of February and will begin a transition plan in January.

"If this is going to work a lot of moving parts have to come together, very quickly," Councilmember Jael Myrick said during his motion to approve that city staff continue to try and find partners for the plan, and move quickly to get \$4 million to DMC by the end of the year to cover further operating costs.

"If it makes DMC a full service, stable hospital then I believe it's worth the sacrifice," he said, referring to the \$10.5 million that would be diverted from Richmond Promise, a college scholarship program for public school students in Richmond, to fund DMC.

Eric Zell, director of the West Contra Costa Health Care District that manages the hospital, said that he and other administrators have been working for years to find a long term funding solution for the hospital. Much of what was presented to the council were plans that he and others in the district, and in its stakeholders group, have been considering and trying to negotiate.

"We the district are continuing to work toward saving a full service hospital," Zell said, in a phone interview before the meeting. He added that the proposed plan could buy some time, but is not an ultimate solution.

For the funding to come together in time, the city would need to ensure that Chevron begins construction on its \$1 billion modernization project at the Richmond refinery by January -- a feat made more difficult by pending litigation.

"The availability of that money is linked to the ability to implement our modernization project," Heather Kulp, a spokeswoman for the company, said during public comment. She added that the two environmental community groups, Communities for a Better Environment and Asian Pacific Environmental Network, involved in litigation against the oil giant are an obstacle. "Ask CBE and APEN to stop standing in the way of this project," she told the council.

In addition to the difficulty of getting the needed Chevron money in time, the proposal also hinges on attempts that have failed in the past, including convincing nearby hospitals to further support an unsustainable model and levying a parcel tax on residents. A parcel tax that would have saved the hospital by bringing in \$20 million annually failed earlier this year to gain the necessary two-thirds vote.

Mayor Gayle McLaughlin provided some levity and optimism toward the end of the discussion with an unusual analogy.

"How do you eat an elephant?" she asked, "One bite at a time."

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# Rodeo-Hercules: Contract benefits chief, not district, open government expert says

[By Tom Lochner Contra Costa Times](#)

Posted: **10/31/2014** 02:19:45 PM PDT Updated: 3 days ago

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- Oct 10:
- [Document: Rodeo-Hercules fire chief's contract extension](#)

HERCULES -- A contract extension for the fire chief, hastily approved by the Rodeo-Hercules fire board in a recent split vote, is "poorly written" and likely not in the best interest of the fire district, a leading open government expert says.

The 15-month contract extension gives fire Chief Charles Hanley a base salary equivalent to \$185,952 a year, plus benefits. It stipulates that Hanley "shall not be terminated within 14 months after the November 4, 2014 statewide election," except in the event of gross criminal misconduct. And it provides for 12 months of severance pay at \$15,496 per month if Hanley is terminated without cause during the 15-month contract period, and six months if he is terminated after the first 15 months.

"In short, this contract is written in a way that significantly benefits the fire chief to the detriment of the district," said Terry Francke, general counsel at Californians Aware.

The contract also stipulates that "the fire chief will not be subject to undue oversight, work speedup or other abusive conduct" and that "open hostility or other forms of harassment by any board member shall constitute a termination without cause."

That clause, says board member Bill Prather, appears to target him. Prather largely blames Hanley for the district's shaky financial state, which includes a \$1.15 million deficit in a \$6.7 million 2014-15 budget.

In 2013, 11 Rodeo-Hercules employees made \$250,000 or more in total pay and benefits, led by Hanley with \$395,600 that included a base salary of \$177,838.

An \$82-a-year benefit assessment, imposed by the board in June over Prather's dissent, is being challenged in court.

Hanley responded to criticism over his new contract last month with a written statement, published in this newspaper, in which he took credit for bringing more than \$3.8 million into the district, including \$3.1 million in federal grant money to reopen the Rodeo fire station on Oct. 1 after it had been shuttered since 2012.



The flap over Hanley's contract comes as three board members -- Prather, Manly Moulton and Raemona Williams -- are running for re-election on Tuesday. Two challengers, Teagan Clive and Ernie Wheeler, also seek one of three seats at stake.

Prather was the lone dissident in the Oct. 8, 4-1 board vote to approve Hanley's contract. Moulton and Williams voted in favor, as did Beth Bartke and John Mills.

"As to the contract itself, it is poorly written. Did the chief write it himself?" Francke said, adding that "the termination provisions are internally inconsistent and contradictory."

He noted that some provisions would make it virtually impossible to terminate Hanley, with or without cause, before the term of the contract and without paying him the full amount.

Hanley and district counsel Richard Pio Roda did not immediately respond to a question from this newspaper as to who wrote Hanley's contract.

Prather also objected that a summary of the contract was shredded immediately after a closed session that preceded the Oct. 8 vote. Pio Roda said this was done to prevent disclosure or leakage of attorney-client or other privileged records.

Francke said the district was on firm legal ground.

"Any notes or outlines considered or discussed probably should have been retained," Francke opined, "but unlike cities or counties, special districts are not under any minimal retention period mandated by state law."

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# San Ramon: Fiscal reform, curbing pension liabilities top issues in four-way race for fire district board

By Joyce Tsai Contra Costa Times

Posted: 10/31/2014 05:12:17 PM PDT

Updated: 10/31/2014 05:38:42 PM PDT

SAN RAMON -- For years, as a wealthy district, the San Ramon Valley Fire District could rely on healthy property tax revenues.

But as property values declined during the recession and the district saw less revenue, officials realized they needed to tighten their belts and pay down unfunded pension liability.

The district also faced criticism for pension-spiking when it was discovered that two fire chiefs, a deputy chief and an assistant chief were each making \$245,000 or more per year in retirement.

But over the past four years, the district has been working to clean up its fiscal house -- and it's making progress.

In June 2013, with new fire Chief Paige Meyer at the helm, district employees signed a labor contract in which they upped contributions to their pension and medical benefits to 20 percent of salaries for the first time in years. The district has eliminated nine firefighting and seven administrative positions and implemented a 12-year capital improvements plan.

Amid that backdrop of fiscal reform, four candidates are vying for two open seats on the fire district board -- which serves Alamo, Blackhawk, Danville, Diablo, San Ramon, the southern part of Morgan Territory and the Tassajara Valley -- in Tuesday's election.

Glenn Umont, the current board president, is facing three challengers: Chris Campbell, Donald R. Parker and Dale A. Price, who is no relation to Jennifer Price, whose seat is also up for grabs and is not running for re-election.

Umont, a retired mechanical engineer from Alamo, said he wants to continue the work he started four years ago. He was elected after vowing to ferret out "fiscal extravagances." At that time, he'd promised to "pursue reform within the system."

Before he got elected, three out of five board members were either retired or local firefighters, and the board was controlled by unions. Now the district has achieved financial stability, he said. But there's still more work to be done: The district needs to further pay down its unfunded pension and health care liabilities, he said.

The district's unfunded pension liability was \$126 million but now is \$90 million.

Two years ago, Campbell, 50, who lives in Alamo, became a firefighter for the city of San Francisco. He said his background as a real estate broker, business owner and firefighter helps him understand what it's like to run a department that is fiscally responsible and still doesn't compromise the level of service.

"I want to make sure that the relationship between the board of directors and fire personnel and the community all work together for the same goal, and I've noticed that hasn't been the case in the last several years," said Campbell, who has the support of unions.

Parker, a retired Vallejo fire chief and former Oakland assistant fire chief, highlighted his more than 40 years experience managing the day-to-day operations and budgets of fire departments.

Parker retired in 2007 after city officials said he didn't put a stop to firefighters abusing union leave time, a year before the city filed for bankruptcy.

"I have to say what was going on in that period wasn't unique from anything that was happening in other places," Parker said in August.

"There are things I might do differently, but there's nothing I'm ashamed up," the Danville resident said. "There is no way I would apologize about being a fire chief. And I have strong opinions about spiking going on, and I haven't been part of that."

Price, a commercial real estate broker, said his goal would be to keep supporting the current fiscal reform policies and long range planning that has helped the district balance its budget. The Danville resident has the endorsement of current board members H. Jay Kerr and Matt Stamey.

"This is the best balanced situation we have had, with the union, in many years" he said, "which is why it is important not to give a majority of the board's directorships to the union."

Contact Joyce Tsai at 925-847-2123. Follow her at [Twitter.com/joycetsainews](https://twitter.com/joycetsainews).

# Karl Wandry, Contra Costa Water District board member, dies

[By Denis Cuff Contra Costa Times](#)

Posted: **11/01/2014** 03:00:08 PM PDT Updated: about 7 hours ago

Karl Wandry, a Contra Costa Water District board member for more than a decade after a career in land use planning, has died after a long illness.

Wandry, 76, of Oakley, represented Oakley and much of Antioch on the five-member board overseeing the water supply system for 500,000 people in 13 cities.

The specific cause of death was not given. Wandry died early Wednesday morning at an Antioch board and care home where he was recuperating from a foot infection, the water district reported Saturday. Private services will be held.

The water board on Wednesday will consider whether to appoint Wandry's successor or hold a special election.

Wandry was remembered for his calm, respectful approach and smarts in sorting through emotional debates about land use, the environment and water.

"He was the voice of calm. I'm going to miss him terribly," said Joe Campbell, the water board president. "Karl didn't play politics. He would sort through emotion to get at the facts."

Wandry was appointed in February 2003 to fill a water board vacancy created by the death of Noble Elcenko.

An experienced planner, he helped guide the district through securing environmental approvals to expand Los Vaqueros Reservoir.

Wandry had worked as the Contra Costa County Community Development Department's deputy director, Antioch supervising planner and Rio Vista community development director.

Wandry also was known for his sense of humor. During one board meeting near Christmas a few years ago, he waited for his turn to comment and said nothing. Instead, he leaned into the microphone and activated his bright-colored bow tie to play a holiday song.

Years ago, after having his gall bladder removed, Wandry lightened up one dry board meeting with several less-than-subtle references to his missing body part. "He would say, 'It takes a lot of gall to do this,' or 'That's galling,'" Campbell recalled.

Wandry graduated from Antioch High School, Diablo Valley College and Cal State Hayward and received a master's degree in geography from the University of Victoria in British Columbia.

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[Print this page](#)Published **November 5th, 2014**

## Lamorinda Fire News Briefs

*By Nick Marnell*

### MOFD Pension Bill Drops

The Moraga-Orinda Fire District's Comprehensive Annual Financial Report for fiscal year 2013-14 was presented to its board of directors Oct. 15 by administrative services director Gloriann Sasser, who noted that MOFD is only the seventh California fire district to produce the document. The audited report confirmed that the district ended the fiscal year with \$17.8 million in revenue, \$17.3 million in expenses and a \$565,000 balance in its general fund.

Not revealed in the report, however, is the district's \$45 million unfunded pension liability. "Those charges affect our liability," said director Steve Anderson. "Even though they are not required to be in our financials until next year, they should be publicized."

The Contra Costa County Employees' Retirement Association recently adopted new employer contribution rates for the pension plan. Effective July 1, 2015, the MOFD employer contribution rate will decrease from 80 percent to 71 percent of payroll. The new rate is projected to reduce the district's pension expense approximately \$700,000 in fiscal year 2015-16, and to reduce its pension liability to \$40 million.

### Lafayette Emergency Services Task Force

The Moraga-Orinda Fire District and the Contra Costa County Fire Protection District crafted agreements over the summer for the construction and operation of proposed fire station 46, an option for improved delivery of fire and emergency medical services to Lafayette. Both the Lafayette Emergency Services Task Force and the Lafayette City Council support the proposed station.

"Draft agreements from both sides are on the table, and both districts are on the same page," said ConFire assistant chief Lewis Broschard, addressing the task force at its Oct. 21 meeting.

As the group discussed ConFire's interest in acquiring the available county ambulance service contract in 2015, task force member Jim Cunha suggested that, in its request for proposals for the new contract, the county include the requirement that ambulances be allowed to cross district boundaries. Under the current ambulance contract, because MOFD would operate station 46 it could not be dispatched to medical calls in Lafayette, which is served by American Medical Response.

"We want to deliver fire-based ambulance service throughout the county," said Broschard. "If ConFire wins the ambulance contract, and if MOFD is the closest available unit to an incident, MOFD will get dispatched. We aren't concerned about boundaries; that's a profit issue. Our ambulances would be dispatched just like fire engines."

In an Oct. 23 letter to the Board of Supervisors, the task force requested a 30-day public comment period once the fire districts agree upon a common draft of the station 46 agreement and before the board considers it for approval.

The task force also requested, in a letter to Contra Costa County Health Services Department EMS director Pat Frost, that the ambulance RFP require that the winning vendor honor borderless boundaries and use a common communication system in the service area. "The closest available ambulance should always be dispatched, regardless of private compensation issues or other non-critical health related factors," the letter stated.

Reach the reporter at: [info@lamorindaweekly.com](mailto:info@lamorindaweekly.com)

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