Santa Clara County taking fresh look at saving farmland

By Eric Kurhi

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Andy's Orchard sits next to the Terra Mia housing development in Morgan Hill, Calif. (Gary Reyes)

MORGAN HILL -- Andy Mariani knows the days of his beloved "Andy's Orchard" farm are numbered.

Since his family moved its operation to Morgan Hill from Cupertino -- selling a parcel in 1957 that's now across the street from Apple headquarters -- he's seen development creep in from all sides. What was once 50 acres in the middle of a couple dozen other farming operations is now an island of stone-fruit agriculture, with Mariani as one of the area's last holdouts.

"We are the remnants, the last couple of dinosaurs after a mass extinction," said Mariani, 70. "There's a natural incompatibility between agriculture and urban use and how can you resolve that? You can't. It has to go one way or the other and the scales were tipped the other way a long time ago."



Andy Mariani, 70, owner of Andy's Orchard, walks in a peach tree orchard at his farm on Monday, Feb. 22, 2016. (Gary Reyes)

But customers adore his farm, and green space advocates stress the importance of hanging on to the vestiges of the county's historic farmland.

On Tuesday, the Santa Clara County Board of Supervisors will consider launching an ambitious regional plan aimed at preserving agriculture in what was once known as the Valley of Heart's Delight for its bounty of fruits and vegetables.

The idea is to create a policy framework to prevent the piecemeal development of South County farmland. The county plans to join forces with San Jose, Morgan Hill, Gilroy and regional stakeholders.

The proposal, the result of a partnership with the Santa Clara County Open Space Authority, is the result of a \$100,000 grant awarded by the California Strategic Growth Council. County Planning Director Kirk Girard said coming up with the framework should enable the county to get more financial assistance in securing land.

"What we see on the horizon is the state potentially investing in agricultural protection and we want to be ready and competitive if funds are made available," Girard said. "Jurisdictions that use a combination of regulatory rules and economic incentives are usually more successful in preserving land than those with just regulations."

According to a county report, 45 percent of Santa Clara County farmland was converted to other uses between 1984 and 2000. Roughly 1,000 acres were lost between 2008 and 2010. Green space advocates say 55 percent of the remaining 20,000 acres is at risk of development.

Morgan Hill is currently eyeing more than 200 acres for a sports and recreation hub, and in San Jose, a warehouse and distribution facility has been proposed on 30 acres in North Coyote Valley.

A recently approved Gilroy master development of 4,000 homes north of city limits has been temporarily shelved by the landowner after public outcry, but it will be back.

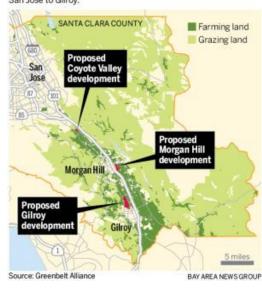
Jeremy Madsen, CEO of the San Francisco-based Greenbelt Alliance preservation group, said the Gilroy and Coyote Valley proposals illustrate the need to take a step back and look at the bigger picture.

"There are a lot of developers who are thinking about this the right way, with projects near transit so people have different options," he said. "But there are still some who want to build for 1980 instead of 2016."

Supervisor Mike Wasserman, who represents the South County area that accounts for the lion's share of Silicon Valley farmland, said they will be looking at what current controls are in place and what could be brought to the table.

DEVELOPMENT VS. FARMLAND

Santa Clara County will consider a plan aimed at preserving what's left of Silicon Valley's farmland, in the area from South San Jose to Gilroy.



"I've heard of clustering homes, I've heard of mitigation, and there are policies already in place," he said. "We generally agree that farmland is important, but the population is not going to stop growing and we need to look at ways to accommodate that growth and still preserve agricultural land."

First on the to-do list is identifying potential plots to preserve. That might prioritize sites that are still in the thick of remaining agricultural lands, while other areas that have already seen development surround them -- such as Andy's Orchard -- might not be as beneficial to hang on to. Then a committee of stakeholders including farming interests would analyze what kind of policies could be implemented to save prime tracts.

Jeff Martin, who owns land north of Gilroy that was included in the 721-acre proposal there, saw the development plan criticized in the local media and by a host of residents who said it was far

too ambitious. But Martin maintains that the Local Agency Formation Commission that oversees development in the interest of controlling sprawl decided back in the 1980s that expansion to the north was appropriate.

"I was here in 1984 when they produced this thing," he said of the growth plan. "We have policies but people forget about these things. Do we really need to establish new ones? It sounds like they're trying to reinvent the wheel."

Girard said that it will be ultimately be up to property owners to sell their land for preservation, and the hope is that state funds would sweeten the pot to be competitive with what they could get otherwise.

Mariani, who owns Andy's Orchard along with two older siblings, said he barely gets by selling mainly to a niche heirloom varietal market. His farm has tasted some fame, appearing in Sunset Magazine and other publications, and he often has folks tell him that he can't quit -- the resource he provides is too valuable. But Mariani knows what he's doing is becoming less and less viable.

"I'm going to stay here as long as I can," said Mariani, who worked for Saratoga as assistant city manager for a spell before hanging up a job he hated and returning to the farm and his roots. "But I'm a dirt farmer. I'm not a CEO or a professional who came here to plant a vineyard and have a tax write-off if it's not profitable. This land is all I have. It's my 401(k) plan. It's my retirement."

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East County Times

Guest commentary: Bryan Scott: We, the People, demand equal protection for our East Contra Costa community

By Bryan ScottGuest commentary

Posted: 03/08/2016 01:10:05 PM PST | Updated: a day ago

Can anyone imagine an elected official remaining in office for 36 years and never changing a policy? How about a 36-year-old government spending policy?

We residents of East Contra Costa County are saddled with regulations on government services funding from the late 1970s and early 1980s. Funding practices for government services, in the form of property tax allocation percentages, were set at that time and remain unchanged, over 36 years later.

It doesn't have to be like this.

The time has come for the 110,000 residents of East Contra Costa County, and the taxpayers who support the East Contra Costa Fire Protection District, to ask that funding for government services reflect our wishes, not the wishes of the 5,000 to 10,000 area residents from the 1970s.

Imagine the dramatic changes that have occurred since the property tax allocation percentages were put in place, 36 years ago. Brentwood then had a single traffic light and around 5,000 residents. Oakley was an unincorporated village, and Discovery Bay, as we know it today, did not exist.

There were no Summerset and Trilogy active adult communities, there were no golf courses, and as for boating and marinas, they were located way up north in Antioch. Farms, though, were plentiful, with fruit orchards and corn fields filling the vast majority of today's 249-square-mile ECCFPD territory.

Our part of the world has changed dramatically since that time when our government agencies received their allocation percentages of property tax funds. While these allocations were correctly set and were reasonable for their time, the world has changed.

Today some 100,000 more people require the life-sustaining services provided by our government, and these services are not receiving their fair and adequate share of property tax funds. Instead, other government services, which might improve the quality of our lives, are being funded at the expense of more necessary services which sustain life and protect property.

It is time for a change.

The East County Voters for Equal Protection has created a program that adjusts property tax allocation percentages for the ECCFPD with NO increase to taxpayers. ECCFPD currently receives a percentage of tax money that is the lowest of all fire districts in the county.

The severe funding shortages have resulted in closed fire stations and a woefully inadequate level of emergency services. The program would raise the percentage of taxes that the ECCFPD receives to a level which is close to the average percentage that other fire districts in the county receive.

This program calls for the 30 or so government agencies who now receive property tax funding within the fire district to shift a total of \$7.8 million of the \$154 million of property taxes collected within the ECCFPD jurisdiction to the fire district.

The ECV program would follow procedures outlined in the California Revenue and Taxation Code and elsewhere. These funds would allow the district to permanently open and staff three additional fire stations, with no additional taxes imposed on residents. The current special assessments appearing on tax bills would not be effected.

The ECV program calls for the agency recipients of the ad valorem property tax to voluntarily shift a small portion (5.2 percent) of their property tax allocation percentage to the fire district. District taxpayers would not be asked to pay any additional taxes. Phasing in the program over a number of years would mean that no current budgets would be cut, and the reallocated amount would be less than the expected growth in government revenues. No current budget expenditures would be affected, but each agency's funding would grow by a smaller amount.

Each of our government agencies, those that provide services to the residents of East Contra Costa County, needs to begin taking steps to adopt this program now, so that it can be implemented with the start of next fiscal year on July 1. The time for change is now!

Bryan Scott is a Brentwood resident who occasionally is a community affairs activist. He is cochair of East County Voters for Equal Protection, a nonpartisan citizens action committee whose goal is to improve funding for the ECCFPD. Those interested in learning more about this grass roots effort can reach him by email at scott.bryan@comcast.net or by telephone at 925-418-4428. The group's Facebook page is located at https://www.facebook.com/EastCountyVoters/ on the Internet.

Mercury News editorial: Morgan Hill land grab has to be stopped

Mercury News Editorial

Posted: 03/09/2016 03:36:40 PM PST | Updated: about 17 hours ago

The future of farmland in Santa Clara County hinges on a decision Friday by the county's Local Agency Formation Commission on an outrageous annexation proposal by the city of Morgan Hill.

LAFCO determines whether cities can annex rural land. The state-mandated agency's mission is stopping sprawl and encouraging orderly and sustainable growth as prescribed in the county's general plan. There's a clear set of criteria for LAFCO's seven commissioners to approve annexation. Morgan Hill's bid to develop 229 acres of prime farmland in what's known as the Southeast Quadrant meets not a single one of them.

If the agency says yes to this, it's game over for a rural South County. Approval would say to other landowners and cities: Hey, all those policies for saving farmland? We were just kidding.

Then the farms will go quickly because each tract that's built up makes the next less viable. Even owners who want to farm will feel forced to sell. Other outrageous attempts at annexation are already in the works. Gilroy is trying to make a huge grab of 721 acres for some 4,000 homes on its northern edge.

LAFCO says Morgan Hill has 45 years worth of vacant commercial land within its borders and lots of additional land zoned for housing and other uses. It has plenty of room for the schools, ball fields and commercial development it wants to put in the Southeast Quadrant.

The city seems to encourage buying rural land for development and asking permission later. It did this itself, purchasing land for ball fields in the Southeast Quadrant.

In 2003 Morgan Hill persuaded LAFCO to annex rural land on its northeast edge that the Diocese of San Jose had already purchased to build a school. LAFCO said, oh well, for a school, OK. The diocese then sold that land. Homes are being built there.

Now the diocese has bought land for a campus in the Southeast Quadrant, and Morgan Hill again is using it as an argument to annex. LAFCO would be crazy to do it a second time.

Morgan Hill claims development of the quadrant will raise money for farmland preservation, but the American Farmland Trust and others did the math and found the city's plan highly inadequate. Besides, farmland is a finite resource. Building on it in order to save it? Really?

Rural landowners want their property annexed so they can sell it at a higher price for hotels, strip malls and particularly for housing, as the diocese did last time. Fortunately, Santa Clara County and the valley's Open Space Authority have a remedy in the works. They received a \$100,000 grant from the state to set up a program to buy conservation easements, giving farmers at least some compensation for keeping their land in agriculture. When the plan is in place, funding is expected to be available to carry it out.

Property rights advocates don't like planning for land uses that can limit profits. But communities need non-glamorous places to get their cars fixed, as an example. And this region benefits from farming. Land use planning is a trade-off for living in a society.

County Supervisor Ken Yeager, a new LAFCO member, is a big proponent of making fresh, healthy food available to all, especially in neighborhoods where supermarkets are scarce. Farmers markets help, but you need farms nearby.

Yeager has supported creative policies encouraging even urban farms. We're hopeful he'll stand up for South County farmland as well -- and that a solid majority of the commission will join him.

RELATED LINKS

- Morgan Hill Mayor Steve Tate advocating the annexation plan, http://www.mercurynews.com/opinion/ci_29237053 / Former Councilman Mark Grzan opposing the annexation bid, http://www.mercurynews.com/opinion/ci_29578019
- Mercury News reporter Eric Kurhi on Santa Clara County's farmland preservation initiative, http://www.mercurynews.com/breaking-news/ci 29548503
- LAFCO agenda for Friday including maps and staff reports on the annexation plan, http://santaclaralafco.org/images/resumes/agenda_packet/StaffReport_20160215.pdf

Contra Costa Times

Greenbelt Alliance report outlines challenges to farming

By Rowena Coetsee, rcoetsee@bayareanewsgroup.com

Posted: 03/11/2016 05:11:19 PM PST Updated: 03/11/2016 11:16:32 PM PST

The disappearance of large swaths of farmable land is among the top obstacles facing Bay Area farmers today.

The finding was one of a handful that a nonprofit dedicated to preserving open space described in a recently released report that it hopes will prompt local government agencies to rethink their land-use policies.

Well over a year in the making, the document that Greenbelt Alliance has published enumerates factors that make it difficult for farmers in the nine-county region to thrive -- or even survive -- and highlights how some growers and government officials are overcoming those problems.

Topping the list are the thousands of acres of arable land that are disappearing under developers' bulldozers: Contra Costa County lost 19 percent of its farmland from 1990 through 2008 -- 21,272 acres -- most of which is in its easternmost reaches, according to Greenbelt Alliance.

That matters to Bay Area residents who want to support local farmers by buying their produce, which in Contra Costa County is both diverse and top quality, said Joel Devalcourt, Greenbelt Alliance's East Bay regional representative.

Whether this food source remains plentiful "ultimately comes down to the ability to keep farmland productive," he said.

And that's becoming a challenge as developers and speculators buy farmland, driving up the price of what remains. Although the rising values are good for farmers who already own all the acreage they need, they don't bode well for those who want to expand or are trying to break into the business, said Kathryn Lyddan, executive director of Brentwood Agricultural Land Trust.

Unless a beginning grower inherits property, "it's almost impossible to farm," agreed Alli Cecchini of First Generation Farmers, a Brentwood nonprofit she founded to help newcomers get started. Her group offers a three-year training course where participants learn the basics of running a farm, how to borrow money for seeds and irrigation and keep business records.

The housing market has rebounded in East Contra Costa County, which has most of the county's richest farmland and where Greenbelt Alliance is keeping a close eye on Brentwood.

The city turned more open space into housing from 2000 to 2012 -- nearly 2,700 acres of farmland -- than any other Bay Area city, according to a report the Metropolitan Transportation Commission just released.

Brentwood has designated 378 acres of farmland outside its easternmost limits as land that it eventually might develop if the county's Local Agency Formation Commission approves the annexation, and voters consent to expanding the Urban Limit Line.

An additional 815 acres beyond Brentwood's western border also appear on maps showing where the city's long-term construction plans might materialize, although much of that land wouldn't lend itself to development because it is hilly.

Greenbelt Alliance's report suggests that counties follow the example of Santa Clara County's Local Agency Formation Commission, or LAFCO, which is responsible for approving boundary changes. That agency is the only one in the Bay Area that encourages cities to build within their limit -- except on rich farmland -- before annexing more open space.

LAFCOs also can require cities to prove that they don't have enough space to build all the homes they think they will need, the report noted.

In addition, Greenbelt Alliance pointed out that Alameda County voters agreed to tighten a portion of the Urban Limit Line and redesignate land that had been targeted for development as agricultural parcels.

The report also mentions that local government can mandate developers to compensate for the farmland they build on by paying for conservation easements on comparable tracts elsewhere. Easements are legal agreements in which property owners relinquish the right to develop some or all of their land in return for tax benefits and money.

Brentwood is the only city in Contra Costa County that requires developers to do this, Devalcourt said.

Prohibitively expensive real estate is not the only obstacle farmers face, however.

Another barrier is the host of government regulations they must comply with, according to Greenbelt Alliance.

Brentwood grower Al Courchesne says he must pay fees that others don't to have his produce certified as organic, a requirement that drives up the cost of doing business. What's more, farmers have to slog through reels of costly, time-consuming red tape to install improvements such as cafes, roadside stands or farmworker housing, he said.

"They have all these weird rules," Courchesne said, noting that it took him three years to build a 10,000-square-foot packing shed with a cold storage facility because of all the permits and inspections he had to get.

Although he understands the need to adhere to certain standards, Courchesne wishes county employees understood the challenges of farming so they could help farmers navigate the paperwork more efficiently, which a couple of Bay Area counties have done by appointing "farmbudsmen."

"Over the years, it's been one obstacle after the other," he said, adding that the degree of government bureaucracy could discourage young farmers from pursuing this career.

As it is, the average age of those who work the land is increasing while the number of new farmers has declined significantly, according to the report.

Greenbelt Alliance's findings also acknowledge the conflicts that arise when urban sprawl butts up against farms.

Instead of appreciation for their contributions to the local food supply, growers get complaints from suburbanites unaccustomed to the spraying, early morning noise from farm activities and tractors that hold up traffic.

Agritourism can be a useful way of teaching the public to value farming, which enriches local economies by creating jobs that in turn generate revenue for other businesses, the report says.

Maintaining strips of undeveloped land to create a buffer between homes and farms is another method of reducing friction between the two worlds.

While Greenbelt Alliance's analysis describes efforts to help growers maximize profits by selling directly to the consumer and sharing production equipment to cut costs, Cecchini's organization focuses on equipping fledgling farmers with the skills they need to survive.

Reach Rowena Coetsee at 925-779-7141. Follow her at <u>Twitter.com/RowenaCoetsee</u>.

From the Silicon Valley Business Journal: http://www.bizjournals.com/sanjose/news/2016/03/11/lafco-says-no-to-morgan-hills-annexation-request.html

Updated: LAFCO says no to Morgan Hill's annexation request

Mar 11, 2016, 2:08pm PST Updated: Mar 11, 2016, 10:57pm PST

By the time Morgan Hill officials walked into a Santa Clara County boardroom on Friday, their plans to annex 229 acres of largely rural county land had already run into a buzzsaw of opposition from environmental groups and growth watchdogs.

It didn't fare much better with commissioners at the Local Agency Formation Commission, which holds the keys to city expansions. The 5-2 vote, taken after four hours of public testimony and commissioner comments, quashed a

VICKI THOMPSON

Bill Chiele's family owns hundreds of ecree just outside Morgan Hill. They're promoting a city plan that would expand the city limits, allowing some development in return for preserving agriculture land elsewhere.

complex plan that the city said would help preserve farmland, but critics said would just encourage sprawl.

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"We knew this was going to be a difficult decision because of the importance of what they're deciding on" Morgan Hill City Manager Steve Rymer told me after the vote. "So we're disappointed, yes, but surprised, no."

The outcome sends a clear signal that the obscure but extremely powerful entity known as LAFCO is not in an expansionary mood. That is important as Gilroy contemplates its next moves for a 721-acre expansion it has been promoting.

Commissioners Mike Wasserman and Cat Tucker were in favor of the Morgan Hill plan. Sequoia Hall, Linda Lezotte, Susan Vicklund Wilson, Johnny Khamis and Ken Yeager were against it.

The proposal, which has been years in the works, would have opened up about 180 acres of agricultural land in an area called the "southeast quadrant" to sports, entertainment and leisure-related projects: Sports-themed retail, recreation-related businesses and hotels. Such projects are not possible if the land remains in the county.

In return, developers building projects there would have paid a fee to buy agricultural easements from landowners elsewhere — in essence, paying farmers to permanently give up the possibility of redeveloping their property.

I wrote about the subject in depth last month in a cover story that you can read here.

City officials said the plan was designed to save farmland from being gobbled up for McMansions while also allowing development that would boost the city's economy and play off its growing sports-tourism brand.

But LAFCO, the county's entity that oversees city boundaries, said the plan was not adequately thought out and would have actually encouraged sprawl without any guarantee of saving farmland. LAFCO staff strongly urged commissioners to reject the application.

"The concept of converting prime agricultural lands ... in order to

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preserve other ag lands conflicts with our growth framework," LAFCO executive director Neelima Palacherla said.

A slew of conservation and environmental groups and activists spoke out against the proposal, questioning whether it was necessary, feasible or even counterproductive.

But the most damaging testimony came from LAFCO's executive director, who went described how the Morgan Hill proposal was at odds with every aspect of LAFCO's mission, which includes ensuring orderly development, discouraging sprawl, promoting the preservation of farmland and encouraging the efficient delivery of services. She also cited a history of annexations that were misguided and said the city had plenty of land left -- a nearly 100-year supply of vacant land -- to develop on without the sports-leisure annexation.

"Past (annexation) approvals have only led to further requests, placing undue pressure on adjacent farmland and triggering more requests," she said.

Rymer pushed his city's case strongly, noting Morgan Hill was one of just 19 cities in the state that already has a agricultural mitigation fee program. He also displayed a map that showed far fewer developable parcels for sports and leisure uses than is immediately apparent.

"We take exception when people say we are being greedy or trying to undermine statewide and local goals," he said. "We're a leader in this county and region."

Farmers who would stand to benefit from the proposal by selling development rights also said they needed the program to survive. One farmer said her well was 60 years old and needed \$200,000 to fix, money that could come from selling easements.

"I think agriculture is under a great deal of stress," said Erin Gil, President of the Santa Clara County Farm Bureau. "It's very difficult to keep ag in these areas. We're faced with an area that's being gobbled up by either McMansions or other developments."

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But that argument didn't find many takers. Instead, LAFCO commissioners said the city can work with the county to go after a state program that is expected to distribute millions from cap-and-trade revenue to cities and counties for ag preservation.

Catholic school question

The fallout from the decision is significant. The city was so committed that last year it paid \$5.3 million for 22 acres of farmland in the "sports entertainment and leisure" district for future baseball and softball fields. It's unclear how those fields could be developed without being annexed.

The seller of those fields was Gordon Jacoby, who was a key proponent of the plan. He is also working with the Chiala family on another development-transfer program that also involved annexation of another part of the area. That proposal was not part of Friday's hearing.

The decision also leaves hanging the Diocese of San Jose, which purchased land several years ago for a new, 1,600 student high school. That site was to be included in the city's overall annexation framework.

With that plan down in flames, Commissioner Khamis proposed an alternative that would have seen the high school site only brought into the city so it can be developed.

But the bid failed to gain traction with a majority of his colleagues. Its failure leaves the school's plans in the south county, where there is no Catholic high school, unclear.

"It's really a shame after four years and \$200,000 of CEQA and EIR, and five years of planning, that it was really all or none today as far as an option goes," Wasserman, who supported the Catholic high school site annexation, said.

Nathan Donato-Weinstein Real Estate Reporter Silicon Valley Business Journal



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Oakley sues home developer for neglecting to build new fire station

By Nate Gartrell, ngartrell@bayareanewsgroup.com

Posted: 03/11/2016 01:49:25 PM PST | Updated: about 19 hours ago

OAKLEY -- As they continue to search for ways to help the financially embattled East Contra Costa Fire District, city leaders have filed a lawsuit against a developer that has yet to build a fire station in town, despite agreeing to do so 10 years ago.

Last week, the city of Oakley sued Shea Homes, a large home-building company that oversaw the Summer Lakes development. As part of its contract with the city -- signed in 2006 -- Shea Homes agreed to build a fire station on the property, but it hasn't.

The suit asks that a judge compel the company to build the station and pay the city's legal fees.

"Shea has been great to work with in the past and it is unfortunate that we have had to take this step to have them meet their commitment to build and furnish this fire station," Mayor Kevin Romick said in an email.

If built, the Oakley station will replace the fire district's Knightsen station, a barely functional holdover from the 1960s that was temporarily shut down in November 2014 because of a mold issue. Fire Chief Hugh Henderson said the Knightsen station isn't built for firefighters to live in 24-7, but the Oakley station would be.

"A new fire station would always be nice to work out of," Henderson said. "It would help responses to Bethel Island, to the Summer Lakes area, and help responses in the eastern Oakley area."

Laurel Wilson, a spokeswoman for Shea Homes, said the company was working with the city and the fire district to come up with a "viable solution."

"Shea Homes has not yet been served with the lawsuit from the city of Oakley, so we cannot comment on it specifically," she said. "However, Shea Homes has been working diligently with the city, the East Contra Costa Fire Protection District and other builders on the mechanics of the new fire station."

Oakley City Attorney Derek Cole said the development company indicated it has "difficulties" with the proposed site of the fire station, but he wouldn't elaborate.

"I don't want to speculate on what their reasons are," he said. "Our position is that it really doesn't matter what reasons they may or may not have; that obligation has been there for over a decade."

Although it may take months for the court process to play out, and months more for the station to be built, Cole said, "We have to start somewhere."

The fire district has been plagued by financial problems for years. The problems came to a head last year when the district was forced to shut down two stations. Brentwood and Oakley have since agreed to temporarily fund the reopening of one station, but officials are still looking for long-term funding sources.

Contact Nate Gartrell at 925-779-7174 or follow him at Twitter.com/NateGartrell.

(Riverside) Press Enterprise

ENVIRONMENT: Worries rising as Colorado River water runs low

The Inland area relies heavily on the withering, over-allocated Colorado.



A tourist looks at Lake Mead along the Colorado River at Hoover Dam near Boulder City, Nev. The rings shows how far the water level has dropped in recent years. JAE C. HONG, ASSOCIATED PRESS FILE PHOTO

By AARON ORLOWSKI / STAFF WRITER

Published: March 11, 2016 Updated: March 12, 2016 6:04 a.m.

For the past five years, as the drought drained California's water sources and depleted its reservoirs, Southern California water managers have relied increasingly on the region's largest out-of-state water source: the Colorado River.

The river feeds the 242-mile Colorado River Aqueduct, which ends at Lake Mathews in Riverside County. The aqueduct is managed by the Metropolitan Water District of Los Angeles, a wholesaler that supplies 1.2 million acre-feet of Colorado River water to the Inland region and beyond.

But the Colorado River Basin is suffering its own drought, now in its 16th year, and flows on the river are at the lowest they have been in a century of record-keeping.

If the Lake Mead reservoir on the river sinks much more, a shortage condition would be declared and deliveries will be reduced.

"Shortages are coming. It's really not a question of if, but when," said Bill Hasencamp, manager of Colorado River water resources for Metropolitan Water District, which supplies water for 19 million people in Southern California. "Is there a way to collectively live within our lower needs?"

Experts warn that consumers could see steadily rising water rates if conservation efforts and a series of planned reservoirs, recycling and other projects don't produce a better balance of availability and demand in Southern California.

LION'S SHARE OF SUPPLY

The lifeblood of the Southwest, the Colorado is the most litigated and politically contentious river in the country. It supplies water to seven states and Mexico.

The river starts high in Colorado's Rocky Mountains as melting snowpack. It wends out of the mountains and is joined by tributaries originating in Wyoming and New Mexico. It drops through dusty southern Utah and the canyons of northern Arizona, past the neon lights of Las Vegas and Hoover Dam at Lake Mead. In Mexico, it dries to a trickle beyond Morelos Dam before reaching the Gulf of California.

Toward the end of the river's run, along the Arizona-California border, the aqueduct with two reservoirs and five pumping stations diverts water to the Coachella and Imperial valleys and elsewhere in Southern California. In years such as 2014, when northern supplies are cut back and the State Water Project delivers as little as 5 percent of requested water, the Colorado River makes up the lion's share of deliveries.

Between the 1940s and 1990s, plentiful Colorado River water allowed Southern California to boom. Today, a host of problems call into question whether the region can continue to rely on the river's flow. Climate change is likely to constrict it and political factions continue to squabble over how to divide an ever-shrinking flow.

The South Coast region, which includes the western portions of Riverside and San Bernardino counties, cut water use by 18 percent between June 2014 and January 2016. During the same period, the Colorado River region, which includes the hotter, drier parts of the two Inland counties, reduced usage by 28.6 percent, according to the State Regional Water Quality Control Board.

To ensure reliable delivery of water in the face of lower rainfall across the West and the possibility of reduced imported supplies, water managers in those areas are seeking new sources and capturing storm water runoff to recharge groundwater.

Metropolitan Water District also is pursuing new water sources, including a recycling plant in Carson and agreements to get water from farmers who fallow their fields. Each new source increases costs for ratepayers.

'SHORTAGES ARE COMING'

On the Colorado River, water supplies already are squeezed.

For 16 years, drought has wracked the river system. Water managers forecast an 18 percent chance a shortage will be declared in 2017, which will yank back supplies for Arizona and Nevada. Those odds rise to 52 percent in 2018 and even higher for 2019.

California is unlikely to keep its first-in-line position for Colorado River water, experts say, because it's politically untenable to cut other states' allocations to near-zero while leaving California untouched.

In 2000, because of several wet years, Lake Mead was essentially full. Now, bone-white, sunbleached cliff sides loom over the reservoir and exposed rings show the water level has plummeted 12 stories.

Even in years of average snowfall, Lake Mead will continue to empty because, in 1922, the seven states that use its water allotted themselves more water than comes down the river in a typical year.

At the time, water negotiators assumed that about 16.5 million acre-feet would be available annually. They gave 7.5 million acre-feet to the Upper Basin states – Colorado, Wyoming, Utah and New Mexico – and another 7.5 million acre-feet to the Lower Basin states – California, Arizona and Nevada. Later, in 1944, they added 1.5 million acre-feet of water for Mexico into the agreement.

The problem was the decades prior to 1922 "happened to be the wettest period in the last 500 years, by quite a bit. It was an outlier," said David Meko, a professor at the University of Arizona, who has done historical reconstructions of Colorado River flows using tree-ring data. "They couldn't have picked a worse time for allocating the water."

Modern estimates peg the river's flow at about 14.9 million acre-feet, or about 1.5 million acrefeet of water less than currently promised.

OVER-ALLOCATED

For decades, not all the states took their full share, so the over-allocation of the river didn't pose a problem. California, which is allocated 4.4 million acre-feet, was able to take 5.2 million acre-feet. That changed in the late 1990s when population growth caused Nevada and Arizona to demand their full allocations, and Arizona began storing some of its excess water in the ground.

In 2003, an agreement slashed California's water supply. Metropolitan Water District, which had been using water unclaimed by others, took the brunt of the hit.

So the urban water agency ramped up water transfer agreements, paying agricultural districts money to fallow fields or install more efficient irrigation equipment in exchange for water.

"When you have a lot of water and people need water, you become the obvious solution to their problems," said Tina Shields, the Colorado River resources manager at Imperial Irrigation District, an agricultural district.

In coming years, farms and cities alike will have to grapple with further squeezes on water supply caused by climate change.

As the West's mountains warm, experts predict snowpack will melt earlier in the spring and surge into reservoirs, where water evaporates more quickly. Higher temperatures also raise the atmosphere's capacity to absorb moisture, meaning that more moisture is drawn out of soil, plants, rivers and reservoirs.

All told, scientists predict a 3 to 4 percent drop in runoff per degree of warming, said Jeff Lukas, a researcher at the Western Water Assessment, a federal partnership with the University of Colorado, Boulder. So, if the planet warms by nearly 4 degrees by 2050, what many scientists consider a conservative estimate, runoff in the Colorado River could decrease as much as 15 percent.

"That puts us in a state of chronic to moderate drought relative to historic conditions," Lukas said.

But experts aren't sure how a hotter, drier climate ultimately would affect Colorado River flows and when it might happen. That's partly because they have only 50 years of good data on the river.

Gus Goodbody, a water supply forecaster for the Colorado River at the National Water and Climate Center, said: "The reality is, we haven't been here long enough to understand how the fluctuations naturally occur here."

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Delta islands sale roils state water politics

By Dale Kasler and Ryan Sabalow, Sacramento Bee Contra Costa Times

Posted: Sat Mar 12 01:00:00 MST 2016

They see the purchase as part of a water grab to send more water to Los Angeles through Gov. Jerry Brown's \$15.5 billion twin tunnels plan, at the expense of fish and wildlife.

Either way, some 20,000 acres of island is moving toward a change of ownership that is stirring up waves in California's water politics.

After months of negotiations, the Metropolitan Water District board authorized its general manager Tuesday to enter into a contract to buy the islands from the privately owned Delta Wetlands Properties. The deal, valued at some \$200 million, is expected to wrap up soon.

Some critics say they are alarmed that the water supplier for 19 million Southern Californians is becoming a big landowner in the Sacramento-San Joaquin River Delta, the crossroads of California's water delivery system.

Once it owns the land, Metropolitan will use its political muscle to change laws to maximize its access to Delta water, said Barbara Barrigan-Parilla, executive director of Restore the Delta.

"We believe that having MWD as a neighbor is an existential threat to the future of the Delta and Delta communities," Barrigan-Parilla said.

Environmentalists worry that the island purchase will help pave the way for the governor's tunnels and increased taking of water from the Delta at the expense of the area's fish, wildlife, recreation and economy.

Restoring fish and wildlife habitat is just part of the solution needed to help the ailing Delta environment, said Gary Bobker, program director for the Bay Institute, an environmental group.

"If someone else, like maybe the Nature Conservancy, were buying these islands to restore habitat, that sounds fine," Bobker said. "But with such a big entity involved, you have to wonder whether the end game is that this is a piece of permitting the tunnels and increasing exports from the Delta."

The deal involves two islands in Contra Costa County -- Webb and Holland tracts -- and two in San Joaquin County -- Bouldin and Bacon islands. A portion of a fifth, Chipps Island, also will be bought.

Metropolitan officials acknowledged they are considering using some of the farm land to help pave the way for California WaterFix, Brown's \$15.5 billion plan to build massive twin tunnels beneath the Delta and shore up reliability of water shipments to Southern California.

Jeff Kightlinger, Metropolitan's general manager, said some of the islands could serve as a staging ground for equipment, excavated dirt and other materials. Two of the islands lie in the heart of the proposed tunnels route.

In addition, Kightlinger said Metropolitan is prepared to use the islands to restore wildlife habitat. Given that water-pumping through the Delta is frequently limited because of environmental concerns, Kightlinger said restoring habitat represents "enlightened self-interest" on Metropolitan's part, helping to keep the water flowing by making the Delta's ecosystem healthier. Owning the islands also would position Metropolitan to repair levees more quickly in case of a major earthquake that might interrupt the flow of water south.

Rather than a "water grab," Kightlinger said, "This is about safeguarding the water we do have."

Kightlinger said Metropolitan believes it has the legal clearance to use the islands for the purposes he outlined.

Delta landowners, however, said they think they could erect legal roadblocks if Metropolitan tries to make wholesale changes to the islands. George Hartmann, a Stockton lawyer who represents farmers and others in the area, said Delta interests can't prevent Metropolitan from buying the islands but can ensure the agency abides by previously negotiated legal settlements that restrict what

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can be done with the land.

"We're not going to roll over and play dead," Hartmann said. "We're going to do our best to make sure the agreements are enforced."

Hartmann scoffed at the idea that Metropolitan wants to improve environmental habitat in the estuary, which has been degraded by decades of pumping.

"They have only one interest. And that is getting more water and securing more stable water, and it's all about the money," Hartmann said.

Michael George, a state official who helps oversee Delta water rights, doesn't see a peril from Metropolitan's ownership. George, the Delta "watermaster" at the State Water Resources Control Board, said Metropolitan has been "pretty wide open about what it's doing" and won't be able to make big changes or export more water south without getting regulatory approvals.

"My sense is that Metropolitan is a very responsible, pretty transparent public agency that owns lots of properties throughout the state and is a pretty good steward of those facilities," George said. "I certainly would anticipate, as I'm sure they do, that there will be a great deal of scrutiny of however they choose to use their (Delta) property."

Jerry Brown, general manager of the Contra Costa Water District, said it's too early to comment on the sale because Metropolitan hasn't sought permission to change how the land is used. "Ownership change alone doesn't mean anything," he said.

One of the Contra Costa Water District's water sources for its 500,000 customers is in Rock Slough, which is near Holland Tract, one of the islands to be bought.

The company selling the islands had considered for years using the islands as reservoirs to store water, but that never happened.

Metropolitan doesn't plan to use the islands to store water, Kightlinger said.

Staff writer Denis Cuff contributed to this story. Contact him at 925-943-8267. Follow him at Twitter.com/deniscuff.

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The Sacramento Bee

March 11, 2016

As rain falls in California, tensions rise over who gets the water

Sen. Dianne Feinstein calls for feds to pump more water south

Fisheries officials say more pumping could push fish to extinction

Tensions highlight competing demands on fragile Delta estuary



Second-graders from Colfax Elementary School release 50-day-old steelhead trout that they raised into the American River next to the Jibboon Street Bridge during a field trip to Sacramento on Friday, March 11, 2016 in Sacramento, Calif. Randy Pench rpench@sacbee.com

By Ryan Sabalow and Dale Kasler rsabalow@sacbee.com

With prolonged and steady rain falling on Northern California for the first time in weeks, tensions are rising over how to manage the stormwater flows now streaming through the Sacramento-San Joaquin Delta.

Saying too much water is flowing out to sea, U.S. Sen. Dianne Feinstein on Friday called on operators of the federal and state water projects to pump more water south through the Delta to drought-stricken farms and cities in Central and Southern California.

The influential Democrat argued that federal regulators need to be more flexible in their approach to pumping in the Delta, the environmentally fragile estuary that serves as the hub of the state's water delivery network. As it is, she said, they are being too cautious in their assessment of the dangers posed to endangered fish species.

Federal regulators painted a starkly different scenario, saying they are shipping as much water south as legally allowed under the environmental restrictions imposed by the Endangered Species Act. Fisheries officials cited recent surveys showing that smelt and the winter-run Chinook salmon are on the brink of extinction.

"We're in the worst condition ever," said Steve Martarano, spokesman for the U.S. Fish and Wildlife Service. "Every (smelt) survey has pointed that out."

The debate highlights the sharp divide that has come to define California's water battles. On one side are the major agricultural interests who say they have borne the brunt of water cutbacks in the drought. On the other, the fisheries advocates who say fish have taken the biggest hit in California's four-year drought. Now that El Niño is providing some measure of relief, both sides are hoping to benefit.

The argument centers on the Delta, the heart of California's complex system of water conveyance. The California Department of Water Resources and U.S. Bureau of Reclamation operate water projects that rely on two giant pumping systems in the estuary, diverting river flows into canals that ship the water west to Silicon Valley and south as far as San Diego. The water not diverted flows to the Pacific.

Given the recent storms, there is 10 times as much water flowing out of the Delta to San Francisco Bay compared with a year ago, according to the Bureau of Reclamation. But flow alone doesn't determine how much water gets pumped.

The bureau is subject to rulings issued by government biologists on how much water can be pumped and when. Those rulings are based on a variety of factors, including water quality, temperature, recent fish counts and where various fish species are in relation to the pumps. The decisions they make with regard to pumping are binding under Endangered Species Act rulings.

"We're pumping as much as we legally can," said bureau spokesman Shane Hunt.

Feinstein said the pumping restrictions have allowed millions of gallons of water to escape into the Pacific, water that could have supplied 360,000 homes for a year. Advocates for increased pumping say Delta water could be filling groundwater banks and reservoirs that supply cities and farms throughout the south state.

"That water is now gone forever," said Johnny Amaral, spokesman for Westlands Water District, which supplies water to farmers on much of the west side of the San Joaquin Valley. Westlands farmers fallowed thousands of acres of land last year.

Feinstein, in a news release, noted that river flows more than doubled in the Delta this year compared with 2015, and yet less water has been pumped south.

"It's inexcusable that pumping levels have been reduced without sufficient evidence of fish mortality," she said in the release.

Fisheries officials, however, say there's plenty of evidence that the fish are doing poorly. Endangered Delta smelt are at their lowest numbers in recorded history. The first two state trawling surveys for 2016 found only 13 of the finger-length fish.

Under environmental law, officials set a threshold of how many fish can get sucked into the Delta pumps in a given "water year," which starts Oct. 1. This year, the threshold is set at 56 smelt, the lowest ever. Since October, the pumps have sucked in 12, Martarano said.

The smelt aren't the only fish at threat from pumping. Right now, tens of thousands of endangered juvenile winter-run Chinook salmon also are in the Delta.

In late February, federal officials released into the Sacramento River in Redding about 420,000 juvenile winter-run fish that were raised in a special hatchery, a stop-gap measure to prevent a complete die-off of the genetically distinct fish that spawn in summer along a stretch of river below Shasta Dam.

"They're in the Delta right now, after carefully taking a few of the wild survivors and nurturing them in the hatchery and releasing them," said Kate Poole, an attorney at the Natural Resources Defense Council. "So we're going to wipe those out now? That's an insane idea."

The National Marine Fisheries Service said recently that only 3 percent of the wild juvenile salmon survived long enough to make it out to sea last year. It marked the second year in a row that the vast majority of juvenile winter-run Chinook got too hot and died in the Sacramento River.

Maria Rea, assistant regional manager for the National Marine Fisheries Service, said almost all the fish that did survive are in the Delta now, along with about 80 percent of the hatchery-released fish.

John McManus, executive director of the Golden Gate Salmon Association, said their best chance of survival in the Delta is as much fast-moving, cloudy water as possible to protect the Chinook from predators and push them quicker to sea. He said for all the complaining from farming interests about pumping curtailments, agriculture has fared far better in the drought than fish.

"There's no existential threat to irrigated agriculture commensurate with the existential threat to salmon right now," he said.

Salmon fishermen are facing a fishing season in peril. Fisheries officials warn there are so few salmon off the coast that they'll likely have to curtail upcoming commercial and recreational fishing seasons.

Hunt, the Bureau of Reclamation spokesman, said there's simply not enough Delta water to make everyone happy. "Given the drought and where we've been," he said, "we still don't have enough in the right places to meet all of the demands."

The good news is more water is on the way.

Sacramento has received 2.35 inches of rain so far this month; that's more than two-thirds what it typically receives for all of March. The National Weather Service said Northern California can expect more precipitation Saturday and Sunday, with the chance of rain tapering off to 30 percent Monday.

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Read more here: http://www.sacbee.com/news/state/california/water-and-drought/article65587437.html#storylink=cpy

Contra Costa Times

Wolverton: Pole dispute points to bigger problem with broadband

By Troy Wolverton, Mercury News Columnist

Posted: 03/12/2016 09:00:00 AM PST | Updated: about 4 hours ago

The dream of having more competition in the local broadband market seems to be on hold. But perhaps we shouldn't be surprised.

Most folks in this country are lucky to have two broadband competitors, much less a third. And that situation doesn't look like it's going to change much for most people, regardless of how the latest dispute is resolved.

That dispute involves Google's efforts to bring Google Fiber, its super-high-speed broadband service, to the Bay Area. As my colleague Ethan Baron reported Friday, Google's efforts have been stymied in many cities by its inability to get permission to string its wires over the local utility poles. The pole owners -- a collection of companies including AT&T, Comcast and PG&E -- aren't recognizing that Google has a right under California Public Utilities Commission rules to get access to the poles.

However it's resolved, the pole dispute points to a much bigger problem. Even when you have a company as wealthy, powerful and determined as Google, it can be damn hard to build out broadband networks to compete with those already offered by the former local telephone and cable monopolies.

It wasn't supposed to be this way. For the last 15 years or so, regulators at the federal and state level have been promoting the notion that if they just put forward the right deregulatory and proinvestment policies, numerous companies would compete to build out Internet connections to our homes. Broadband would be fast, cheap and plentiful, and we consumers would have multiple choices for going online.

But that's not how things have played out. Compared with residents of other developed countries, we generally pay more and get slower speeds. According to the Federal Communications Commission, some 51 percent of Americans have only one choice among wired providers of what is now considered to be broadband access -- speeds of 25 megabits per second or faster. An additional 10 percent have no options at all for service at that speed.

Those numbers have improved in the past several years. But even so, we're still far from the broadband utopia we were promised.

Hurdles like those being thrown in front of Google by the utility pole owners are one reason. Google has faced similar issues that delayed the build out of Fiber in Austin, Texas, and have halted it in Louisville, Kentucky. In both places, AT&T, which plans to build its own fiber-optic-based broadband network in those cities, blocked Google from access to its poles.

However, those pole disputes are only a small reason for the lack of broadband competition. The primary impediment is a simple one: building out networks is extraordinarily expensive. And no matter what regulators do to try to encourage more investment and competition, that fact simply isn't going to change.

Collectively, providers like AT&T and Comcast have invested hundreds of billions of dollars over the years to build out and upgrade their broadband networks, noted Bruce Leichtman, president and principal analyst at Leichtman Research Group, which focuses on the telecommunications industry. Few companies have access to that kind of money. And the more competitors they potentially face, the less likely they will be to invest that kind of money.

"It's very hard to legislate competition and legislate spending," Leichtman said.

If you're going to be the first or the only broadband provider in a particular area, you may well invest the money. But if you would be the third or fourth, you likely won't, because it likely won't be economically feasible.

Some areas of the country -- San Francisco, say -- are dense enough that it can be profitable to lay down multiple lines, because companies can reach a lot of potential customers without having to roll out a lot of cable. But those areas are few and far between.

"There's a lot of the country where you can only economically sustain one broadband provider. In fact, there's a lot of areas of the country where you can't sustain one," said John Bergmayer, a senior staff attorney at Public Knowledge, a consumer advocacy group.

But even in those cities where it's possible to have multiple providers, many folks aren't likely to see much competition. That's because Google, AT&T and other companies aren't planning on offering the high-speed fiber networks in all areas of those cities. Instead, they're cherry picking neighborhoods, focusing on those that are most likely to sign up for service.

Again, that comes down to an economic decision. The prospective broadband providers are only going to offer service where they're most likely to see it pay off.

Many of you may remember that things weren't always like this. During the dial-up era, consumers often had their choice of dozens of different Internet access providers. But that was because the regulations at the time required the phone companies to open up their networks to competitors. As we moved into the broadband age, the FCC decided to relieve the cable and DSL providers of the same obligation, figuring that the build out of new networks would keep things competitive.

The regulators were wrong and we're still paying for that mistake.

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From the Silicon Valley Business Journal: http://www.bizjournals.com/sanjose/news/2016/03/14/diocese-of-san-jose-still-has-hope-for-morgan-hill.html

Diocese of San Jose still has hope for Morgan Hill school site

Mar 14, 2016, 2:13pm PDT

The Diocese of San Jose is not giving up on plans for a new high school in southern Santa Clara County despite a major setback last week.

The church's intentions were nearly lost in all the discussion of Morgan Hill's controversial plans to annex more than 200 acres just outside the city's limits. Most attention was focused on the city's hope to use the land for sports, recreation and leisure projects that would



GOOGLE MAPS/NATHAN DONATO-WEINSTEIN

The yellow outline shows the land acquired
by the Diocese of San Jose.

But the annexation would have also brought into the city about 40 acres that the Diocese has assembled for a new, 1,600-student school. That land needs to be annexed to become developable and hook up with services.

generate revenue for an agriculture-preservation program.

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That's not happening anytime soon after the Local Agency Formation Commission voted against the annexation on Friday. You can read more about that decision here.

Join the conversation: Follow @SVbizjournal on Twitter, "Like" us on Facebook and sign up for our free email newsletters.

Bob Serventi, chief financial officer for the Diocese of San Jose, told me on Monday that the church planned to hold onto the land and try again another day.

"At some point we'll come back and talk to them," he said. "We do have a need. The South County is growing, and there's a need for a high school and parishes down there."

The Diocese counts about about 16,500 students in its school system, with 14 preschools, 29 K-8 elementary schools and six high schools. While its lower-grade schools stretch from Gilroy to Palo Alto, there are no high schools south of San Jose.

"We know there's a lot of kids going north. And there are a lot of kids going south or west into Watsonville or Salinas. Why not keep them in the valley?" Serventi said.

The Diocese acquired the land in two transactions, each roughly 20 acres. One occurred in 2008, the other in 2012. The property is located along Murphy Avenue between Barrett and Tennant avenues.

At Friday's LAFCO hearing, Commissioner Johnny Khamis sought to make a motion that would have allowed Morgan Hill to annex just the school site. But the majority of commissioners were not comfortable with that, because it could have meant approving the environmental impact report for the entire area.

It's possible the issue could come up again, but Serventi couldn't say how long it would be.

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"We think five to 10 years down the road," he said.

Nathan Donato-Weinstein Real Estate Reporter Silicon Valley Business Journal



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Former Doctors Medical Center in contact to become hotel

By Paayal Zaveri

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(http://richmondconfidential.org/author/paayal-

zaveri/)

Posted March 14, 2016 4:02 pm

Since <u>Doctors Medical Center (http://richmondconfidential.org/?s=doctors+medical+center)</u> closed its doors last year, its tall white buildings in San Pablo, California, have stood empty. However, the property may soon have a new use under a pending \$13.5 million sales contract to a boutique hotel operator based in Davis, California.

The board of the West Contra Costa Healthcare district, which owns the hospital, accepted Royal Guest Hotels' offer in January, spurning higher bids because according to a staff:report (http://wcchd.ca.gov/wp-content/uploads/2016/01/BOD-Packet-01-11-16-1.pdf), the other deals would "take too long to close and were too speculative." The deal with Royal Guest Hotels may close within the next four months.

Doctors Medical Center (DMC) <u>stopped seeing patients on April 21 of last year</u> (http://richmondconfidential.org/2015/04/22/community-members-mourn-the-closure-of-doctors-medical-center/), after years of financial struggles. Officials attributed the hospital's financial failure to low reimbursement rates for Medi-Cal and Medicare patients, who made up about 80 percent of the hospital's patients. However, selling the hospital's buildings is just the first step toward alleviating the healthcare district's monetary troubles.

The board hopes that the money from the sale of the property will help fill the district's \$20 million dollar budget deficit (http://richmondconfidential.org/2015/04/22/community-members-mourn-the-closure-of-doctors-medical-center/). The healthcare district expects to get another \$725,000 from selling its medical equipment. This would give the district a total of \$14.2 million towards paying off its debt. The healthcare district will also continue to receive money from property taxes and a 2004 parcel tax to help pay down its debt and meet other expenses.

Money from sales of the hospital's property and equipment would also help meet continuing financial obligations to former hospital employees including unemployment insurance, pensions, retiree healthcare benefits and worker's compensation, said Eric Zell, chair of the West Contra Costa Healthcare district's board of directors.

"We have about \$15 million in employee-related expenses that we need to pay, and so the only way we can pay it is by selling off the property," Zell said. Seven employees remain on the healthcare district's payroll.

In yet another ongoing obligation of the shuttered hospital, the healthcare district is responsible for storing medical records of all of the patients cared for during its 50 years of service. Under the law, the district needs to store records for seven years after a patient is discharged. To make sure former patients have easy access to their records, the district plans to scan all the paperwork by

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contracting with an outside organization. This is estimated to cost \$425,000 in 2016 and that cost will go down over time, said Harold Emahiser, the district's outside financial advisor.

According to its website, purchaser Royal Guest Hotels

(http://www.royalguesthotels.com/) (RGH) manages five hotels: University Park Inn & Suites, Best Western Plus Palm Court Hotel and Aggie Inn, in Davis; and Hotel Med Park and The Inn Off Capitol Park, in Sacramento. The company would renovate the Doctors Medical Center buildings to build a hotel on that site.

RGH staffers declined to comment on plans for the property, explaining that the company has not closed the deal yet. The company has four months before it is required by its purchase of sale agreement with the healthcare district to close the deal. John Troughton, vice president of Kennedy Wilson, the real estate group that represented the district, said during this period the hotel group is looking at the features of the property and confirming that its plans can be achieved as envisioned.

Zell said the board hopes the hotel group closes the deal earlier, so the district can meet its obligations to former employees.

If the deal with RGH closes, the healthcare district will end its second quarter of 2016 with \$10.5 million, after paying continuing expenses. However, it may need to seek loans or other assistance to meet expenses until June, Emahiser said.

A staff report from the healthcare district states that the staff were told that San Pablo city officials "played a key role in encouraging RGH to make a bid," on the property.

However, city officials said until a deal goes through and the city receives a proposal detailing RGH's plans for the site, they cannot definitively say what impact a hotel would have on the community. RGH would need to gain the necessary city permits, zoning and environmental review from San Pablo to move forward with its plans.

One possibility is that a hotel could provide jobs, said San Pablo Mayor Rich Kinney.

"We want to see that former Doctors Medical Center site be an economically active area, whether it's this transaction or any other transaction," said Reina Schwartz, assistant city manager for San Pablo. "But having that be a source of economic activity and jobs and services to the community, that's really the value of moving forward with a development on that site."

Troughton added that business growth in West Contra Costa creates a higher demand for hotels. In particular, the growth of ecommerce encouraged many companies to buy warehouse space in Richmond.

He added that many companies have hotel demand that goes all the way to renting hotel rooms in Emeryville.

The healthcare district said any viable medical or healthcare options would be given greater consideration than other offers. However, district representatives said that no feasible healthcare options were presented to them.

The Salvation Army made an offer over summer but withdrew it, the district staff report states. Another offer came from Drever Capital for \$19 million, which proposed turning the hospital into

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a dementia facility. This was withdrawn as well. V Covington LLC, also known as U.S. Healthvest, and Central Valley Specialty Hospital also made offers that did not pan out.

Zell said that the offer to the district that was simultaneously the most viable and most lucrative came from the small hotel operator RGH. "If we're going to sell it, we need to get the maximum value of the land that we can, if we can't serve the basic mission of the healthcare district," he added.

But crafting a fiscal solution to paying down DMC's debts leaves still a gap in healthcare for the region, officials said. When Doctors Medical Center closed, the number of emergency room beds in West Contra Costa County dropped from 40 to 15. That's the loss that hit the hardest, said Contra Costa County Supervisor John Gioia.

"The sale of this hospital should not mean the end of trying to find a solution to bring back a smaller emergency room hospital in the future," Gioia said.

LifeLong Immediate/Urgent Care, across the street from DMC, has been able to meet some of the healthcare needs provided by an emergency room, but hasn't replaced it. Patients and employees still feel the aftermath of the hospital closure, which Richmond Confidential covered in an <u>earlier article (http://richmondconfidential.org/2015/12/13/the-aftermath-of-doctors-medical-centers-closure/)</u>.

Zell said that money from property taxes and the 2004 parcel tax and will go towards paying off debt until 2021. When their debt is paid, they can explore how to use that money to support healthcare needs in West Contra Costa County.

"There's other healthcare districts throughout the state that don't run hospitals and that support healthcare in other ways," Zell said. "That's a decision of a future board."

2 Comments

Geri Yancey

March 16, 2016 at 12:04 am

I would like information for the remaining employees. In particular their salaries and position. We had some administrative personnel that made very high salaries. I would hope that is not still the case. It would be difficult to explain if they are no longer on site. This is public information. I would like this issued clarified. Thank you

Ylan March 21, 2016 at 5:17 am

Agreed!!

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Contra Costa Times

East Bay cop involved in controversial traffic stop suspended with pay; interim police chief under investigation

By Thomas Peele, Tpeele@bayareanewsgroup.com

Posted: 03/11/2016 02:41:58 PM PST Updated: 03/14/2016 06:45:40 AM PDT

KENSINGTON -- A police officer involved in a controversial traffic stop of an elected official last year has been placed on paid suspension as a final decision on potential discipline is being made, interim police Chief Kevin Hart announced Thursday night.

But in another twist in the ongoing saga of this hillside town, Hart himself is now the subject of an investigation related to that incident.

Members of the town's police board agreed Thursday to hire an outside lawyer to probe allegations that Hart had inappropriately revealed details of the internal affairs investigation of officers Juan Ramos and Keith Barrow for their part in a traffic stop outside town limits of police board member Vanessa Cordova. The decision came during a closed session Thursday night, which Cordova did not participate in.

Neither Hart nor Len Welsh, the Kensington Police Protection and Community Services District president, returned messages Friday.

Hart announced at the same meeting that Ramos has been suspended with pay as the probe continues. He told residents that action does not mean the officer will or won't be disciplined.

Cordova received written notice Friday that the board has authorized an investigation into a complaint she brought against Hart, alleging that he revealed details of the traffic stop investigation at a meeting with residents last month and said she was acting violently when she first went to the police station to make a complaint, which she denies.

"Hart told residents that my version of the traffic stop was not true," Cordova wrote in a complaint, and that Hart told residents she was "violent" and "throwing things " when she was at the police station about an hour after she was pulled over by Ramos and Barrow in Berkeley on Oct. 7. People at the meeting have told this newspaper they heard Hart make the comments.

"He was describing her as being hysterical and out of control," resident Simon Brafman said. Hart's remarks "were highly inappropriate."

The interim chief said she threw things, including a phone, Brafman said. "I think he wanted people to think she was hysterical at his office so she couldn't be believed about what happened earlier."

In an email Friday, Cordova wrote that Hart's alleged statements are "not only untrue but so innately harmful that I consider them to be defamatory."

Both Brafman and another person present at the small gathering at a private home, Andrea Lingenfelter, said Hart claimed Ramos and Barrow had offered an innocent reason why they were in Berkeley, where they pulled Cordova over.

Hart said Barrow asked Ramos to drive him to a convenience store in Berkeley because "Barrow wanted to stop off and get a Red Bull," Lingenfelter wrote in an email.

It was the theft of Barrow's gun and badge by a Reno prostitute that set off a political storm here last year that has not ceased. At Thursday's meeting, resident Lori Trevino said district phone records she obtained under the public records act raise new questions about when board members first knew about the weapon theft.

Trevino said phone records show a series of calls from Barrow to former chief Greg Harman on the day the gun was stolen, and Harman exchanging three calls with Welsh the same day. Welsh has said he had no direct knowledge of the gun theft around the time it occurred and didn't want to know facts about it in case Barrow appealed any discipline to the board of directors.

Follow Thomas Peele at Twitter.com/thomas_peele.

Morgan Hill Times

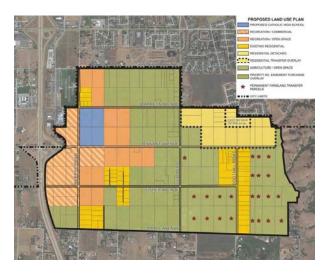
LAFCO denials leave property owners, city wondering what's next

Posted: Monday, March 14, 2016 4:48 pm

Morgan Hill's boundaries won't be expanding by more than 300 acres any time soon, after the Santa Clara County Local Agency Formation Commission voted March 11 to deny two annexation requests by city officials.

Following four hours of public comment and discussion, the seven-member commission voted 5-2 to deny the city's proposal to expand its Urban Service Area around 229 acres of farmland in the Southeast Quadrant (SEQ).

That motion followed a failed effort by three of the commissioners to annex only the 40-acre portion of the SEQ project that is tagged as the future site of the private St. John XXIII Catholic High School. Commissioner Johnny Khamis (San Jose City Councilmember) joined Commissioners Mike



Proposed land use plan, Southeast Quadrant

This map, produced by the City of Morgan Hill, shows the proposed land uses in the 1,200-acre Southeast Quadrant.

Wasserman (county supervisor) and Cat Tucker (Gilroy Councilmember) to support that partial annexation.

Only Wasserman and Tucker opposed the denial of the entirety of the SEQ plan—a motion made by Commissioner Susan Vicklund Wilson.

Ultimately, the majority of the commission agreed that the SEQ annexation would violate LAFCO's primary duties: to limit urban sprawl, encourage infill development in existing city boundaries and to preserve farmland and open space.

Although the LAFCO decision was not a complete surprise—the commission's staff issued a scathing report in February recommending denial of the city's proposals—the dismay among SEQ proponents was palpable in the county meeting chambers following the vote. City officials, farmers, SEQ property owners, youth sports advocates and the San Jose Diocese spoke in favor of the plan during the March 11 public comments.

"We are obviously disappointed that what's been a 10-year planning process has been denied in such a dismissing fashion," City Councilmember Larry Carr said. "But that doesn't mean Morgan

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Hill is going to stop trying to preserve agriculture. The landowners have hung in there for 10 years, and now a yet-to-be-defined county process is going to ask them to hang on longer."

The county-led process Carr referred to is the Sustainable Agricultural Conservation Framework. The county and the Santa Clara Valley Open Space Authority received a \$100,000 grant last year to work on the framework, which would apply a regional effort to preserve prime farmland on urban edges throughout Santa Clara County—similar to the SEQ properties the city proposes developing into sports fields and related commercial uses (with a new Sports-Recreation-Leisure zoning).

The draft countywide framework won't be complete until 2017, after which the county will compete for a share of \$40 million in public cap-and-trade funds to preserve farmland.

This countywide effort to preserve ag and the city's ag mitigation plan in the SEQ have been seen by observers as competing interests leading up to the March 11 vote.

"It's really troubling that the city has been at this for 10 years, and yet haven't heeded the siren call of so many organizations and individuals" who have consistently pointed out the SEQ project's shortfalls, Commissioner Linda LeZotte said at the March 11 meeting. "The city is part of a region and state that has an interest in preserving agriculture. There are a whole slew of things this project doesn't conform to."

LeZotte and other commissioners said the city's boundary expansion request and proposed "conversion of prime farmland" are "premature."

Added Commissioner Sequoia Hall, "I know (the city) is dedicated to a path of a sustainable living community, but I don't think this plan gets us all the way there...We should be focusing on more regional cooperation, and get rid of this 'doing it yourself' mentality. This (SEQ) ag preservation plan is a little more 'do it yourself."

And while most of the commissioners agreed there is a need for a new high school in South County, as well as more youth sports facilities in Morgan Hill, a motion by Wasserman to annex only the future Catholic high school property failed.

"I want to support the high school, I want to see ball fields, but they need to be aware of where they are going in the community," Hall added. "Ball fields are commercial. The (proposed) SRL complex should be treated more commercially. Sports fields should be planned where the community is...You should not go outside your jurisdiction—rezone and be creative within your jurisdiction."

City Manager Steve Rymer said in his 15-minute presentation on the SEQ plan that a key aspect of the project is to embrace the already growing reputation of Morgan Hill as a regional youth sports destination, and build more facilities that can achieve that goal. Last year, the city paid \$5.3 million to purchase 22 acres of farmland in the SEQ to build baseball/softball fields (next to the

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intersection of Tennant Avenue and U.S. 101).

Development of these facilities in the 229-acre SRL district would finance agricultural preservation farther east in the SEQ with mitigation fees, which would be supplemented by up to \$6 million in the city's open space fund.

Although LAFCO staff and commissioners noted that the city has plenty of vacant land inside its city limits on which to build sports facilities, Rymer noted most of this land is commercial and industrial, and thus not suitable for such uses.

"We don't believe using our vacant commercial lands (for sports) is a responsible use of those lands moving forward," Rymer told the commission.

A total of 50 members of the public spoke during the March 11 public hearing before the commission voted on the SEQ proposal. Those opposed to the plan included environmental and open space advocates as well as interested residents.

Bible Church, mushroom farm annexation denied again

Not to be overlooked on the March 11 LAFCO agenda was another application by the city to expand the USA around about 70 acres in southwest Morgan Hill, south of Watsonville Road.

The commission voted 4-3 in favor of denying the request, with Wasserman, Tucker and Khamis opposed.

The annexation request of the area known as "Area 2" included Royal Oaks Mushrooms' property, Oakwood School, Morgan Hill Bible Church, adjacent residential properties, a strip mall and other remaining farmland.

The city wanted to expand the USA in order to make its borders more orderly, and bring in some of the properties to the USA that are already in the city limits, according to the city's application.

Owners of the Morgan Hill Bible Church property supported the annexation because they want to take advantage of nearby city services and infrastructure.

During commission discussion, Khamis said it is "almost ridiculous" to not allow the church to hook up to nearby sewer lines, which would eliminate their need to maintain a septic leach field on the property.

Royal Oaks owner Don Hordness plans to move his agricultural operation to another area and sell his Morgan Hill site for a 123-unit senior housing complex. He presented LAFCO with an executed agreement with the city to pay mitigation fees to permanently preserve an equal acreage of agricultural land elsewhere in town in exchange for building on top of his existing farmland.

"It should be stated this (agreement) is the first of its kind in the county," Hordness told the commission. He added that the area surrounding the mushroom farm on Watsonville Road is no

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longer compatible with agriculture, with increasing traffic and the "odiferous effects" on growing residential neighborhoods and the K-12 school.

Carr said after the meeting that the commission's vote on Area 2 was "even more shocking" than the denial of the SEQ plan. He added that LAFCO, county planning, the OSA and others keep telling the city that its agricultural mitigation plan is inadequate, but they have never specified exactly what is missing or how it could be improved.

In 2013, LAFCO considered an earlier request to annex the same properties. That request was denied because the city and Hordness did not have a plan to mitigate the loss of agriculture. Now that such a plan is in place, LAFCO staff and a majority of commissioners think it doesn't do enough to preserve farmland.

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By Alex Breitler

Print Page

March 15. 2016 6:24PM

Delta growers' voluntary water cuts reap savings

In the darkest days of the drought last summer, when farmers up and down the Central Valley feared the state would cut off their water supply, a strange thing happened in the Delta.

Hundreds of growers agreed to voluntarily give up a share of their extraordinarily reliable water supply, in exchange for protection from the possibility of deeper, mandatory cuts.

Stranger still, some farmers actually invited state regulators to come and inspect their fields and make sure they were doing as they had promised.

"I think there was a lot of pride in this project," said Michael George, the Delta "watermaster" for the State Water Resources Control Board. "It was a great example of how we might manage our water intelligently without having to do it through judges and lawyers and regulators."

Ultimately, according to a newly released report, the growers diverted about 32 percent less river water last summer than they did in 2013. The goal had been 25 percent.

To be sure, Delta farmers weren't necessarily thrilled with the grass-roots plan — at least, not at first. Some warned at the time that it wasn't voluntary at all, since the threat of mandatory cuts was looming. Others worried that giving up some water would compromise their disputed claim to some of the state's most senior water rights.

In the end, the voluntary reductions may well have reduced water demand enough to prevent the much-feared mandatory cuts, George said.

And, at a time when agricultural water use was under heavy scrutiny in California, Delta farmers were featured nationally in the New York Times and other publications.

"I think it was definitely good publicity," said Mike Robinson, who grows alfalfa on Roberts Island west of Stockton and reduced his own diversion from the Delta by 33 percent.

"This hopefully hits home with Californians who are not really up to speed with agriculture, or those in urban areas who may have been faced with a 25 percent mandatory reduction," Robinson said Tuesday. "It shows agriculture is doing our part and that we have exceeded the goal."

Rarely must Delta growers worry about water shortages. Many of their lands are directly adjacent to streams and sloughs, allowing them to claim very senior riparian water rights. When farmers lower on the pecking order in the San Joaquin Valley or elsewhere in California are cut off, Delta farmers usually keep right on pumping.

Of late, southland water users have accused the Delta farmers of illegally diverting water that was stored in upstream reservoirs, water to which they are not entitled. That dispute simmers on.

But, the new report concludes, the voluntary program allowed Delta farmers to make "tangible sacrifices to 'share the pain' of the drought, without waving their fiercely defended water right claims."

Farmers spread across two-thirds of the central and south Delta signed up for the program, submitting 217 separate plans on how they would achieve 25 percent savings.

In most cases, the farmers didn't simply fallow large swaths of land. They found other, often creative, solutions to reduce water use.

Some alfalfa growers sacrificed a cutting or two. Corn growers harvested earlier than usual, using their crop for dairy silage rather than grain — which, in turn, created a glut in the local market and brought down the price, bad news for those farmers.

While the summary report doesn't attempt to quantify the economic hardship caused by the reduction in water use, there is no doubt that Delta growers made some real sacrifices in the quality and quantity of their crops, George said.

And yet, the farmers continued to reduce their water use even after it became clear at about the beginning of August that the much-feared mandatory cuts would not materialize.

"I really think there was a sense that a deal's a deal, and 'we don't cheat,' " George said.

Only about a dozen of the 217 plans did not meet the 25 percent goal. No penalties were issued, George said; those deeper cuts, after all, never happened, making it a bit of a moot point.

While conditions in California have improved significantly over the past few months, George said last summer's "experiment" may help Delta farmers and officials deal with future droughts.

It may also help experts with a larger, ongoing study looking at how much water Delta crops actually consume. The low-lying Delta is different than other agricultural areas because of seepage from river channels and shallow groundwater. In some cases, growers say, reducing diversions to Delta farms may not actually save water.

Indeed, while diversions decreased 32 percent last summer, officials aren't able to say how much river water was actually conserved for other purposes, George

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said

But, he added, "There is absolutely no question in my mind that this experiment, this voluntary action that was taken, has dramatically improved our understanding," he said. "I'm proud of this program and I want Delta farmers to get the credit."

— Contact reporter Alex Breitler at (209) 546-8295 or abreitler@recordnet.com. Follow him at recordnet.com/breitlerblog and on Twitter @alexbreitler.

http://www.recordnet.com/article/20160315/NEWS/160319820

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Community reacts to SEQ denial

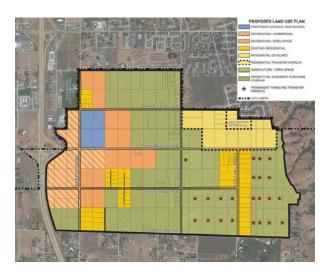
Posted: Thursday, March 17, 2016 11:33 am

What will become of nearly 1,200 acres of prime farmland in the Southeast Quadrant now that the Santa Clara County Local Agency Formation Commission has denied the City of Morgan Hill's request to annex a portion of the property?

There are both long-term and short-term answers to that question. The city's plan was to expand its Urban Service Area around 229 acres and turn it into a Sports-Recreation-Leisure district, using developer fees and existing local open space funds to purchase permanent agricultural easements on other farmland elsewhere in the SEQ .

But LAFCO shot down that plan March 11.

County authorities, environmental nonprofits and the Santa Clara Valley Open Space Authority are working on a regional ag preservation framework,



Proposed land use plan, Southeast Quadrant

This map, produced by the City of Morgan Hill, shows the proposed land uses in the 1,200-acre Southeast Quadrant.

which is expected to be complete in 2017. At that time, the county can compete for a share of \$40 million available statewide through cap-and-trade funds, but that funding isn't guaranteed. This is the long-term goal.

The county received a \$100,000 "Sustainable Agricultural Lands Conservation" grant to draft this framework.

Committee For Green Foothills Environmental Advocate Julie Hutcheson said despite the anticipated fierce competition for the cap-and-trade funds, the fact that Santa Clara is one of only three counties in the state to receive the SALC grant is a good omen.

"This is what we've been saying for years: step back and take a look at this from another perspective," Hutcheson said of the city's and county's competing ag preservation proposals following the March 11 meeting. "The county is very serious about protecting the agricultural resources in this part of the county. Their involvement may help secure funding in purchasing agricultural easements. It's a very hopeful process."

In the meantime, without any restrictions on the SEQ farmland, most of it can be developed into five- to ten-acre residential lots, under current county zoning. The most recent occurrence of this

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possibility is seen on Trail Drive, where five "McMansion" estates—in the parlance of some members of the public who spoke at the March 11 meeting—are under construction on roughly five-acre lots each.

"We feel good that we set the bar pretty high; we're the only city in the county that has (an agricultural preservation) program," said developer Gordon Jacoby, a longtime proponent of the city's SEQ ag preservation plan and SRL district. However, he added that SEQ property owners might not wait for the county's ag plan without any guarantees, since they are "getting older" and not as interested in farming as they used to be.

Jacoby sold a 22-acre agricultural parcel in the SEQ to the City of Morgan Hill last year for about \$5.3 million. The city intends to one day build baseball and softball fields on the site. The sales contract with the city allows Jacoby to retain a portion of the site for a future commercial development.

David Puliafico and his family own a 38-acre site on Tennant Avenue, which is also tagged in the city's proposed SRL district for future sports fields. Puliafico said at the March 11 LAFCO meeting that his family has farmed the property in the past, but they don't now and they never will.

"We could have sold this property for five McMansions years ago," Puliafico told the commission. "We believe in the city's plan, for thousands of children to come play on our land. This is prime spot for the kids to come."

Angelo Grestoni of Top Flight Sports Academy said he left the March 11 meeting "really upset" about LAFCO's decision. He owns a nearly four-acre parcel near the intersection of Tennant Avenue and Condit Road, where he hopes to one day build an indoor basketball facility.

His gripes had as much to do with the procedural aspect of the meeting as the merits of the commission's decision, which also nixed plans by the San Jose Diocese—at least temporarily—to build a new private Catholic high school in the SEQ.

"They didn't take any time to understand the city's position," Grestoni said. "Here's a perfect opportunity by the city to do something to enhance sports for the youth and bring in a Catholic high school. That has to be valuable for a community."

Don Hordness, a longtime farmer and owner of Royal Oaks Mushrooms on Watsonville Road, was at the rejected end of a second annexation request, by a narrow 4-3 vote, at the March 11 LAFCO meeting. Hordness took exception to the idea that the OSA is going to run any future agricultural easements in the area, rather than experienced farmers.

"The Open Space Authority has no farmers on their board. This is within the City of Morgan Hill's sphere of influence, and they need to be the ones that control this land," Hordness said. "The future of ag in the county has got to be with the people who are working the land."

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SFGATE

http://www.sfgate.com/bayarea/article/March-rain-prompts-California-to-boost-water-6920971.php

March rains prompt California to boost water project deliveries

By Kurtis Alexander Updated 8:54 pm, Thursday, March 17, 2016



IMAGE 1 OF 47 Buy Photo

Lake Oroville has rebounded from 2014, when lake levels were extremely low.

California officials announced Thursday that recent rains have been so substantial that more water will be provided to cities and farms from the state's massive reservoir system.

Deliveries from the State Water Project are now forecast to be 45 percent of what was requested, still less than what's supplied during most wet years but more than what's been allocated since the first year of the drought.

Erosion Reveals Old Pipes At A Pacifica Beach

CBS San Francisco SF Bay Area

3/21/2016 3:56 PM



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Officials in December had projected a mere 10 percent allocation, but they have steadily increased the number as winter storms have raised water levels in the state's 34 lakes, reservoirs and storage centers. Lake Oroville, the largest reservoir in the state system, was 77 percent full Thursday, having surpassed where it normally stands at this point in the year earlier this week.

Twenty-nine public agencies buy water from the State Water Project — and ultimately serve about two-thirds of Californians. Many agencies have had to severely cut back in recent years as a result of limited deliveries, with some imposing hefty restrictions on residents. The communities of Livermore, Pleasanton, Dublin and San Ramon, which get their water from the Zone 7 Water Agency, have been among these.

RELATED STORIES



Northern California highway dissolves after heavy rains



Rain fills reservoirs, but California still suffers drought's effects



Dry spell settling in after SF gets 3.5 inches of rain in 5

Thursday's forecast could prompt some easing of widespread water rules.

While the wet weather this month has benefited the State Water Project, not all reservoirs have recovered from the drought. San Luis Reservoir in Merced County and Lake Perris in Riverside County are hovering at just half as full as they normally are at this time.

"February reminded us how quickly

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California's weather can turn from wet to dry," Mark Cowin, director of the state Department of Water Resources, said in a statement. "The lesson of this drought is

that we all need to make daily conservation a way of life."

The federally run Central Valley Project, which similarly provides mountain-fed water to much of the state, has not yet projected how much water it will supply this year.

Kurtis Alexander is a San Francisco Chronicle staff writer. Email: kalexander@sfchronicle.com Twitter: @kurtisalexander

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Council laments denial of SEQ project

Posted: Friday, March 18, 2016 3:56 pm

Downtrodden city officials and landowners vented March 16 about a county commission's decision to deny their plans for the Southeast Quadrant and properties south of Watsonville Road.

Comments at the council meeting reflected deep frustration with the Santa Clara County Local Agency Formation Commission's March 11 rejection of the city's push to build athletic fields and preserve farmland in the SEQ. City staff and property owners have been working on the plans for more than 10 years.



Marilyn Librers

Councilmember Marilyn Librers said March 16 she was "deeply saddened" by LAFCO's decision and the fact that public discussion of the SEQ project has "divided our community in many ways."

She added, "People that opposed us and these ideas, I think, really didn't understand what we were trying to do. Shame on them for not being more educated. What we're doing is trying to do is preserve the Southeast Quadrant to be ag and some development, not to become sprawl as (opponents) said."

Councilmember Larry Carr wondered what exactly LAFCO had in store for preserving the agricultural land in the SEQ. He wants to know how the county's effort to use a share of \$40 million in statewide cap-and-trade funds for this purpose is going to work.

"How much longer (is LAFCO) going to ask our community to wait to hear some more thoughts, or some new thoughts (on ag preservation)?" Carr said.

Open space advocates have said they prefer to use the cap-and-trade funds to preserve local farmland with a regional effort, but this money won't be available until at least 2017 and is not guaranteed for Santa Clara County. The county and the Santa Clara Valley Open Space Authority are spearheading that plan.

Carr added that LAFCO commissioners' reasons for denying the project "still baffle" him.

At the March 16 council meeting, City Manager Steve Rymer repeated the presentation on the SEQ that he gave to LAFCO March 11. Rymer and other proponents were unsuccessful in their bid to convince that body to accept the city's proposal to bring 229 acres of farmland in the area

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east of U.S. 101 into the Urban Service Area.

"We still truly believe we all have the same goal in mind" when it comes to preserving agriculture, Rymer said.

At the March 11 meeting, LAFCO voted 5-2 to block the city's plan. The commission also voted 4-3 to reject a second annexation proposal for about 70 acres south of Watsonville Road, on the southwest side of town; those parcels included the Morgan Hill Bible Church and a portion of Royal Oaks Mushrooms.

The city planned to develop a new commercial Sports-Recreation-Leisure district in the SEQ that would fund the purchase of easements to preserve farmland farther east in the SEQ. It also included the development of a new Catholic high school on about 40 acres in the area of Tennant and Murphy avenues, owned by the San Jose Diocese.

LAFCO's denial put a halt on these plans.

Librers also addressed comments about the SEQ on local social media pages. "If any of these social media groups are listening tonight, would you please take the time to call Mr. Rymer, or any of us on the council (to) find out what the truth is before you run your mouth off and go off on these tangents of how we're just a bunch of crooks trying to ruin South County."

Rymer and others have noted that without an ag preservation plan, SEQ property owners right now can develop their land into five- to 10-acre residential estate lots.

"We want to preserve it, but those property owners said that they have waited for 10 years, and they may not wait any longer," Morgan Hill resident Brian Sullivan told the council.

Developer Gordon Jacoby, who sold about 22 acres of farmland in the SEQ to the city for the future use of baseball and softball fields last year, recommended the council wait "about a year" and see what the county and OSA's plan is for any share of cap-and-trade funds they might receive.

Jacoby added it was "very wrong" for LAFCO to suggest the city use existing vacant industrial land for sports uses, but the city might have to concede by asking those property owners if they would be open to such recreational development.

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Pittsburg: Tuscany Meadows housing project comes to council Monday

By Sam Richards, srichards@bayareanewsgroup.com

Posted: 03/18/2016 06:57:52 PM PDT | Updated: about 9 hours ago

PITTSBURG -- The City Council is poised to approve on Monday night a development agreement and other requirements related to the proposed 917-house, 365-apartment Tuscany Meadows project on Pittsburg's southeast corner.

In addition to helping the city meet its regionally required state affordable-housing mandates, developer fees from the Tuscany Meadows project would also provide an estimated 65 to 70 percent of the \$56 million cost of the long-planned Buchanan Bypass.

Also known as the James Donlon Boulevard Extension, the bypass would connect that roadway at the west side of Antioch with Kirker Pass Road. It has been championed as a safety valve route for the often congested Buchanan Road on Pittsburg's south side, and roundly criticized by environmental groups.

Tuscany Meadows would be built by Seecon Built Homes Inc., a Seeno family company.

In addition to the development agreement, other potential approvals Monday involve approving of California Environmental Quality Act findings and starting Local Agency Formation Commission proceedings, as the subdivision land would have to be annexed into Pittsburg.

The meeting starts at 7 p.m. at the City Hall council chamber, 65 Civic Ave.

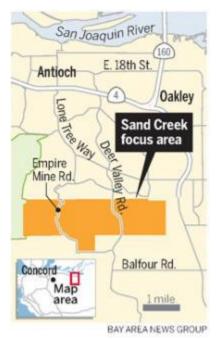
Contact Sam Richards at 925-943-8241. Follow him at Twitter.com/samrichardsWC.

Contra Costa Times

Antioch turns attention to plans for up to 4K homes in southeast

By Rowena Coetsee, rcoetsee@bayareanewsgroup.com

Posted: 03/21/2016 01:29:00 PM PDT | Updated: 43 min. ago



ANTIOCH -- Planning commissioners here have agreed that preserving hills and medium-density housing should take precedence over commercial development on a large swath of open space in the city's southeast corner.

Antioch Planning Commission recently arrived at the consensus during its first recent formal discussion of the 2,712 acres known as the Sand Creek Focus Area.

The city is updating its General Plan -- a document that describes in broad terms where and how Antioch will develop -- and the future of this 4.24-square-mile area is generating considerable interest among residents and environmental advocates concerned about the implications of building up to 4,000 homes there as the city grapples with the demand for affordable housing.

"I do hear quite a bit," said Planning Commission Chairman Kerry Motts of comments he receives from the public. "It seems to me that most people I've talked to, the only thing they do pay attention to is why Antioch is building any homes at all. There's a really strong sentiment about that."

Commissioners acknowledged at their meeting that it makes more sense to allow medium densities of residential construction in the northern portion of the Sand Creek Focus Area as well as its eastern edges, which are closest to a Brentwood shopping center and the Highway 4 bypass.

The Planning Commission also thought that homes should be off-limits on hills west of Deer Valley Road; east of that thoroughfare, it said builders should grade slopes to look as natural as possible and stick to medium-density projects.

In addition, commissioners recognized the benefits of giving developers the option of moving homes originally planned for hillsides to flat areas in return for permission to build more units there.

Although some members said they don't want lots less than 4,200 square feet -- the smallest residential lots in Antioch are usually about 6,000 square feet -- the group has yet to decide on a recommendation.

Commissioners have not settled on the housing densities they want, either.

However this area develops, it won't be happening anytime soon, said Community Development Director Forrest Ebbs.

The city typically issues about 200 building permits a year, which means it will take about two decades before the Sand Creek Focus Area is fully developed, he said.

But that doesn't allay the concerns of residents like Gil Murillo, who lives near its border.

He wonders whether building thousands of more homes will undermine public safety, noting that Contra Costa County Fire Protection District has no plans to build a station in that area.

What's more, Murillo thinks the additional traffic on Deer Valley Road -- the only local major artery -- could impede ambulance service to the Kaiser Permanente hospital nearby.

Wendi Aghily also is keeping a close eye on the city's plans.

She's concerned about the imbalance between residential and commercial development in Antioch, saying the city's rapid growth over the past couple of decades has resulted in too many homes and not enough jobs.

"We're overburdened with rooftops," Aghily said, noting that the dearth of local employment opportunities discourages college graduates who grew up here from making Antioch their permanent home and saddles others like her with brutal commutes.

Getting to her job in Concord often takes more than an hour, Aghily said, noting that it takes 20 minutes in the mornings just to merge onto Highway 4 from the A Street onramp.

She predicts that many of the new homes in the Sand Creek Focus Area won't be owner-occupied because buyers won't want to endure the long commutes themselves.

"It's troublesome for me," Aghily said.

The Planning Commission will revisit the Sand Creek Focus Area on May 18, when discussions will include whether to build senior housing in that part of town.

Ebbs said commissioners will hold at least two more meetings on development there.

Reach Rowena Coetsee at 925-779-7141. Follow her at Twitter.com/RowenaCoetsee.

Contra Costa Times

California health exchange threatens to cut underperforming, overpriced hospitals

By Chad Terhune, Kaiser Health News

Posted: 03/21/2016 12:59:28 PM PDT | Updated: about 16 hours ago

California's insurance exchange is threatening to cut hospitals from its networks for poor performance or high costs, a novel proposal that is drawing heavy fire from medical providers and insurers.

In what appears to be the first proposal of its kind in the country, the goal is to boost the quality of patient care and make coverage more affordable, said Peter Lee, executive director of the Covered California exchange, which provides access to health insurance to 1.5 million Californian's under the federal Affordable Care Act.

"The first few years were about getting people in the door for coverage," said Lee, a key figure in the rollout of the law. "We are now shifting our attention to changing the underlying delivery system to make it more cost effective and higher quality. We don't want to throw anyone out, but we don't want to pay for bad quality care either."

The exchange's five-member board is slated to vote on the proposal next month. If approved, insurers would need to identify hospital "outliers" on cost and quality starting in 2018. Medical groups and doctors would be rated after that.

Providers who don't measure up stand to lose insured patients and suffer a black eye that could sully their reputations with employers and other big customers. By 2019, health plans would be expected to expel poor performers from their exchange networks.

"California is definitely ahead of the pack when it comes to taking an active purchasing role, and exclusion is a pretty big threat," said Sabrina Corlette, a research professor at Georgetown University's Center on Health Insurance Reforms.

Under the Covered California plan, hospitals would be judged on a wide range of performance and safety measures, from rates of readmission and hospital-acquired infections to adverse drug events. The exchange said it will draw on existing measures already tracked by Medicare and other groups, and it will work with hospitals, consumer advocates and other experts over the next 18 months to finalize the details.

The idea has already sparked fierce opposition. Doctors and hospitals accuse the exchange of overstepping its authority and failing to spell out the specific measures on which they would be judged.

Health insurers, normally at odds with providers, have joined them in the fight. The insurers are balking at the prospect of disclosing their negotiated rates with providers. Health plans have long resisted efforts that would let competitors or the public see the deals they make with doctors and hospitals.

But scrutinizing the negotiated rates would help the exchange identify high-cost providers and allow policyholders with high deductibles to see the differences in price before undergoing a surgery or imaging test.

Lee said it's time for the exchange to move beyond enrollment and flex its market power on behalf of its members. He said insurers haven't been tough enough on hospitals and doctors.

Other public exchanges or large employers could try to replicate the idea, putting more pressure on providers and insurers. Lee has shared his proposal with other state marketplaces, government officials and employer groups to promote similar efforts.

Still, there are limits to this strategy. Exceptions would be granted if excluding a hospital or doctor from a network meant an area wouldn't have a sufficient number of providers. Insurers could appeal and offer other reasons for keeping a provider in the network.

"There may be a dominant hospital system that's charging through the nose, but without them you don't have an adequate network," Corlette said. "It will be interesting to see how Covered California threads that needle."

The composition of networks has typically been left up to insurers. Until now, most of the discussion has centered on the proliferation of narrow networks, with a limited range of providers, sold under the Affordable Care Act as a way to hold down rates. A study in 2015 found that 75 percent of Covered California plans had narrow physician networks, with more restricted choices than all but three other states.

"I don't know of anyone even close to trying this," said Dan Polsky, the study's author and executive director of the Leonard Davis Institute of Health Economics at the University of Pennsylvania. "I applaud Covered California for being bold to improve quality and reduce costs, but I worry about the implementation."

Polsky said measuring quality can be complicated, and steps must be taken to ensure hospitals and doctors aren't penalized for treating sicker patients or serving lower-income areas. Most quality-boosting efforts use financial bonuses and penalties rather than exclusion.

The California Hospital Association said the exchange is moving too fast and acting too much like a regulator.

"The devil is in the details, and the rapidity of this concerns us," said Dr. David Perrott, chief medical officer at the state hospital trade group. "We understand value-based purchasing is here in some form and we do not oppose that. But Covered California is charging ahead with this assessment and trying to figure out the answers when it hasn't been worked out."

Charles Bacchi, chief executive of the California Association of Health Plans, predicted that Covered California's idea will backfire, discouraging hospitals and doctors from participating in the exchange and driving up premiums as a result.

"It's the right goal but the wrong approach," Bacchi said. "Covered California is proposing a top-down, arbitrary measurement system that carries a big stick. This can make it difficult for health plans and providers to work together constructively."

This story was produced by Kaiser Health News, an editorially independent program of the Menlo Parkbased Kaiser Family Foundation.

Associated Press

Mar 21, 10:59 AM EDT

Obama seeks more coordination on dealing with drought

By DARLENE SUPERVILLE Associated Press

WASHINGTON (AP) -- President Barack Obama on Monday directed the federal government to come up with a less reactionary and more long-term strategy for dealing with drought.

About 12.5 percent of the continental U.S. was experiencing drought as of mid-March, said Alice Hill, a key Obama aide on this issue.

That translates into more than 39 million people, or about one-eighth of the U.S. population, living with drought in the lower 48 states, mostly in the West and with much of California suffering through its fifth year of dryness.

Obama issued a presidential memorandum and separate action plan Monday that sets forth a series of goals for the federal government. They include sharing more information about drought risks with state, regional, tribal and local authorities, and improving coordination of federal drought-related activities.

Drought affects the food supply and infrastructure, hurts the economy and increases energy costs, according to the action plan. Drought conditions are also expected to become increasingly more severe due to climate change. Combating climate change is a top environmental priority - as well as a legacy issue - for Obama, who has tackled the matter on a variety of fronts.

"With climate change, we know that drought will intensify and continue to cause us significant challenges," Hill said in a telephone interview with The Associated Press, explaining some of the rationale behind the president's call for a more comprehensive and less reactionary strategy for coping with drought.

The goals contained in the action plan are to be carried out using existing resources.

Federal agencies last year pledged \$110 million in drought aid after Obama met with governors and other leaders from seven Western states: Arizona, California, Colorado, Montana, Oregon, Wyoming and Utah.

The White House is hosting a "water summit" on Tuesday, which is World Water Day, to raise awareness of the importance of safe, sufficient and reliable water resources.

Obama's drought initiatives were released as he traveled in Havana on a historic, three-day visit to Cuba.

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CONGRESS MARCH 22, 2016 2:32 PM

In first-of-a-kind summit, White House rallies corporate investment in water supplies

California drought, Flint drinking water crisis spur White House meeting

Corporations say they'll commit billions to research and development

Little discussion of farmers' concerns about supply



3/23/2016 1:15 PM

McClure Reservoir dropped so low in 2015 that it supplied virtually no water to the Merced Irrigation District. Mike Jensen/MID - jholland@Modbee.com

BY MICHAEL DOYLE mdoyle@mcclatchydc.com

WASHINGTON — The White House on Tuesday unveiled several billion dollars' worth of corporate commitments to water research and development during a high-level summit.

Pegged to World Water Day, the summit was intended to draw attention to specific state and corporate pledges as well as new Obama administration initiatives prompted in part by Western states' drought and the Flint, Michigan, drinking water scandal.

The corporate promises include a commitment by GE to invest \$500 million over the next decade on water and reuse technologies, and a pledge by San Francisco-based Ultra Capital to invest \$1.5 billion in decentralized "water management solutions."

"It's an investment opportunity that has the potential for great returns," enthused Ali Zaidi, associate director for natural resources at the White House's Office of Management and Budget.

RECORD-BREAKING DROUGHT IN THE WEST. SEVERE FLOODING IN THE SOUTHEAST. AND THE WATER-QUALITY CRISIS IN FLINT, MICHIGAN, HAVE ELEVATED A NATIONAL

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DIALOGUE ON THE STATE OF OUR NATION'S WATER RESOURCES AND INFRASTRUCTURE.

The White House.

The roughly four-hour summit, convened in the Eisenhower Executive Office Building adjacent to the White House, also allowed administration officials to tout their 20-page drought resilience action plan.

The plan includes calls for better data collection and improved coordination among government agencies. It also suggested specific projects, such as a new prize for water innovations and initiating a study of "the broad implications of a prolonged drought in California."

"We need to start looking ahead and investing in our water infrastructure," said Rep. Jerry McNerney, D-Stockton. "We need to conserve, capture and recycle water as well as fund infrastructure repair."

Other officials attending the summit included Rep. Jared Huffman, D-San Rafael, and Felicia Marcus, chair of California's State Water Resources Control Board. Private-section attendees included Cynthia Koehler, executive director of the San Francisco-based Waternow Alliance, and Peter H. Gleick, president of the Oakland-based Pacific Institute.

The discussions centered far more on tech-related 21st century investments than on farmers' familiar complaints that their water

3 of 6 3/23/2016 1:15 PM supplies are limited by regulations that protect endangered species protections or inflexible bureaucrats.

"In California, as we're struggling with drought and water scarcity, data has enabled us to find solutions," said Joya Banerjee, a senior program officer with the San Francisco-based S.D. Bechtel, Jr. Foundation.

Banerjee used the summit to announce Project Water Data, which she described as an effort to "modernize our data systems." In a similar vein, the administration unveiled an improved new "national water model" for forecasting river flows.

The San Joaquin Valley irrigation districts that have been pressing hard in recent years for new rules and more water deliveries did not appear to be represented, and at least one Valley lawmaker declined to attend.

"I find it extremely disappointing that California's San Joaquin Valley is not at the forefront of discussions, after four years of drought," Rep. Jim Costa, D-Fresno, said in a House floor speech Tuesday, adding, "We need short-term solutions now."

A Bureau of Reclamation report issued Tuesday suggests, moreover, that climate change will aggravate the Valley's problems, with predicted impacts, including reduced reservoir storage and irrigation deliveries.

Costa and California's House Republicans, who were also conspicuously absent Tuesday, back

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an ambitious water bill currently stuck on Capitol Hill. A Senate version, introduced by Democratic Sen. Dianne Feinstein on Feb. 10, is still being assessed by Democratic Sen. Barbara Boxer, according to Boxer's staff.

While it's loomed large among Valley lawmakers, the California water bill was effectively ignored by summit participants Tuesday. Instead, the summit illuminated a number of new, forward-looking undertakings that include:

- -- Establishment of a new water center at the California Institute of Technology's Jet Propulsion Laboratory, for using satellites and airborne observations to aid water planning.
- -- A commitment by the city of Los Angeles to capture an additional 12 billion gallons of stormwater a year by 2025, more than doubling the current amount.
- -- Three universities in Southern California are forming a consortium to work on ocean desalination.

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MORE CONGRESS

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Published March 23rd, 2016

Lafayette Fire Station Construction Tops ConFire Capital Plan

By Nick Marnell

The remodel of Lafayette's fire station 16 is front and center as the Contra Costa County Fire Protection District unveiled its five-year, \$36 million capital improvement plan earlier this month. The plan, unveiled on March 8, includes fire station construction, infrastructure upgrades and additions to the apparatus fleet. The district also plans to acquire, in partnership with the Contra Costa County Office of the Sheriff, the 85-acre site of the former Concord Naval Weapons Station, which will house an emergency responders complex, a regional training center and the ConFire administrative campus.

Project No. 1 in the report is the remodel of Lafayette fire station 16, severely damaged by the 1989 Loma Prieta earthquake. The county added temporary living quarters in 1992 but by 2012 the living conditions were untenable and the county de-staffed the station. ConFire plans to reopen station 16 in January, but deputy chief Lewis Broschard cautioned the district board that the original \$1 million project estimate could rise due to the high increase in construction costs. Similarly, fire chief Stephen Healy of the Moraga-Orinda Fire District, planning to rebuild Orinda fire station 43, recently warned his board of a 33 percent rise in construction costs since an estimate three years ago.

While the ConFire capital plan identifies the needed district improvements, it identifies only \$27 million from the general fund with which to accomplish them. The district plans to bridge the gap via grants and alternative revenue sources. For example, fire chief Jeff Carman said that the district has hired a consultant to figure out a way to increase development impact fees for the district, and will seek board approval to have all nine cities under the ConFire jurisdiction adopt these fees. "We keep adding homes and adding companies," said Carman. "What does the public think is going to happen to their fire service? If you're going to add 1,500 homes, that is an impact, and that has got to come with some sort of impact fee." Lafayette does not pay the district a development impact fee.

The capital plan includes fire apparatus acquisition, which the district initiated last year with the purchase of nine fire engines, three ladder trucks and one rescue truck under a 10-year, \$10 million lease-purchase agreement.

"This year, our oldest apparatus will be 10 years old. And there will be only one of them," Carmen told his advisory fire commission in February. ConFire has not decided if any of the new engines will be deployed at stations 15 and 17 in Lafayette.

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Published March 23rd, 2016

MOFD Unveils Station 43 Construction Costs

By Nick Marnell



The Moraga-Orinda Fire District last week presented a detailed estimate of the \$4.5 million cost to reconstruct fire station 43 in north Orinda.

The district divided the estimate into two sections: the preconstruction phase, including "soft" costs, of nearly \$1 million; and the construction phase, including costs for the temporary facility, demolition and site work, of \$3.5 million.

"We are hearing construction costs that are pushing \$750 a square foot," said Fire Chief Stephen Healy. "We have to build to a higher standard than a house, and we have to pay prevailing wages on a public project." In 2005, the district built fire station 44 in Orinda for \$2.3 million.

Rendering courtesy MOFD

The two largest components of the preconstruction phase include more than \$400,000 for Shaw

Kawasaki Architects, and nearly \$200,000 for a project manager. "I've received four proposals, and I will recommend a project manager at the April 6 board meeting," said Healy. MOFD paid over \$100,000 in construction management costs prior to the cessation of the station 43 project during the station 46 negotiations.

For the construction phase, Healy warned that the \$200,000 estimate for temporary living facilities for the station 43 crew may rise. The district purchased a double-wide mobile home from the Monterey Regional Fire District, which used the home as temporary quarters during station construction in the Carmel Valley. "They want it out of there now, because their construction is complete," said the chief. "It will require two moves. One from Carmel, and then another from temporary storage at station 41, which will increase the moving charge."

The district will separate the contracts for site demolition and station construction. "If we have a contract that says demolition in August and September with construction to start in October, and they find a problem during demolition, we'd be bound by that October contract," said Healy. "A delay in construction could turn into a claim, which would be the worst that could happen."

The chief, while conceding the stress of juggling such concurrent timelines, estimated the station construction will be completed by September 2017.

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Contra Costa Times

Contra Costa Times editorial: Concord must restart bidding for weapons station project

Contra Costa Times editorial

Posted: 03/31/2016 01:30:00 PM PDT | Updated: 3 days ago



Looking west towards the Concord Naval Weapons Station in Concord, Calif., on Saturday, Aug. 15, 2015. (Jose Carlos Fajardo/Bay Area News Group) (JOSE CARLOS FAJARDO)

The Concord City Council should apologize to the community and start from scratch in its search for a master developer for the massive Naval Weapons Station project.

The council cannot continue on its current path and regain public confidence. With their outrageous behavior, council members chased away Catellus Development, which had brought the city the superior proposal but withdrew last week.

Only one developer remains in the running. The city has lost its leverage to negotiate favorable terms. The council can either give away the store to Lennar Urban, which sullied itself by improperly orchestrating campaign contributions to a council member, or restart the search.

Clearly, it must begin anew. But the new search must be completely transparent -- unlike the current fiasco.

With a project half the size of Pleasant Hill, with \$1 billion or more at stake, there was no excuse for Councilman Tim Grayson accepting campaign contributions from Lennar associates.

There was no justification for his political consultant, Mary Jo Rossi, meddling by telling Catellus it could improve its chances if it aligned with local developers.

And there was no defense for Grayson seeking political advice from Willie Brown after the former San Francisco mayor had just made a pitch on Lennar's behalf.

Concord already had a reputation for backroom deal-making. City Manager Valerie Barone's decision to hire Guy Bjerke, a politically connected former councilman, as the project's planning director reinforced the impression that politics trumps professionalism in Concord.

And Barone's illegal secret scheming with council members to withhold the staff recommendation favoring Catellus was inexcusable.

When independent investigator Michael Jenkins issued a damning report on the political influence peddling, council members only wanted to blame Catellus for sparking the inquiry -- even though its complaint was serious and proved legitimate.

Little wonder Catellus President Ted Antenucci lost trust. Who could blame him?

If the city had entered into an exclusive negotiating agreement with Catellus, as staff had originally recommended, the company would have paid for hundreds of thousands of dollars of city transaction costs. Yet, the city could still back out without signing a deal.

Given the history, Antenucci's recent request that Concord share financial risk until a final deal was struck was reasonable. Sadly, Mayor Laura Hoffmeister was incapable of understanding the situation. And Councilman Edi Birsan launched another of his unwarranted attacks on Catellus.

If Birsan was trying to curry favor with local power brokers to retain his council seat in November, and Grayson wanted backing for his Assembly bid, they forgot that voters also have an interest in the project.

If the council has even a modicum of respect for the community, it will start over.

Contra Costa Times

Concord seeks better weapons station deal from Lennar

By Lisa P. White, lwhite@bayareanewsgroup.com

Posted: 04/02/2016 11:53:17 AM PDT | Updated: about 22 hours ago

CONCORD -- The city may try to negotiate a better deal with Lennar Urban before deciding whether to select the company to develop the Concord Naval Weapons Station.

City staffers are recommending that the City Council on Tuesday delay its decision on a master developer and reopen negotiations with Lennar on five issues -- funds for affordable housing, Willow Pass Road improvements, use of binding arbitration, the right to develop future phases of the project and the firm's use of a limited liability corporation structure.

The meeting is at 6:30 p.m. at the Concord Senior Center, 2727 Parkside Circle.

The Concord Reuse Project Area Plan calls for building up to 12,272 housing units and 6.1 million square feet of commercial space on about 2,300 acres of the former military base.



The shuttered Concord Naval Weapons Station is seen in this Sept. 15, 2009 aerial photograph. (Karl Mondon/Staff Archives) (KARL MONDON)

Lennar's proposal for the first phase of the project includes two compensation options -- a guaranteed \$60 million over 10 years with additional profit-sharing once the company earns 25 percent return on its investment or \$36 million guaranteed over 10 years with shared profit once a 20 percent investment return threshold is reached.

Both Lennar and Catellus Development Corp., which bowed out of the project last week, agreed to provide affordable housing developers with free building pads connected to utilities to meet

the city's goal of having 25 percent of the housing units affordable to low- and moderate-income households.

However, since funding for affordable housing has decreased at the federal, state and local level, Catellus also pledged to spend \$56 million to ensure those dwellings would be built. Lennar, on the other hand, has proposed building 165 moderate-income housing units and including some affordable units in mixed-income projects. The company suggested that the city could use part of its guaranteed compensation for affordable housing, but Lennar's proposal does not earmark funds for this purpose.

"Staff is hopeful that Lennar will understand the need to be more specific about a source of funding for affordable housing," said Guy Bjerke, Concord's director of community reuse planning.

Both Catellus and Lennar rely on bonds to pay for the infrastructure -- roads, sewers and water lines -- that would be repaid by siphoning off most of Concord's share of the property tax revenue generated by the new development. Catellus proposed spending \$69 million for off-site roadway improvements, including widening Willow Pass Road to four lanes from Highway 4 to Landana Drive and rebuilding Willow Pass bridge as a four-lane span.

As part of its proposal to spend \$29 million for off-site roadway upgrades during the first phase, Lennar would widen Willow Pass to four lanes -- but leave the bridge with two lanes. The city wants the company to reconsider that plan, which Councilman Dan Helix said would create a traffic "bottleneck" on the heavily traveled road.

The city also does not want to resolve disputes over cost reimbursement through binding arbitration, nor is it willing to guarantee future development rights to Lennar if the company meets certain objectives during phase one. Finally, the city wants more clarity about how the company plans to finance the project.

If Lennar accepts city staff's suggestions, Bjerke said the firm's term sheet would be closer to matching Catellus' and worthy of a recommendation.

Lennar is open to pursuing a compromise.

"I look forward to working with the city and the city staff and the City Council, understanding where they feel we have fallen short and we'll try to shore up our proposal in a manner that allows us to move forward," said Kofi Bonner, Lennar Urban president. "We're willing to go into this with ears wide open."

Although Bonner said he believes Lennar's proposal is a better deal for the city, he is willing to accept the financial terms in Catellus' term sheet if the council so desires.

After an independent investigator concluded that Lennar had lobbied then-Mayor Tim Grayson by orchestrating contributions to his state Assembly campaign, some residents urged the council to cut ties with the company. Although Lennar disagreed with the investigator's conclusion,

Bonner said he regrets that his actions, though well-intended, disrupted the developer selection process.

"It is my responsibility to build the trust with this community so that we can ensure that Concord does indeed get the project it deserves," he added.

Helix, who tried to keep Catellus on board, plans to grill Lennar about its proposal at the meeting. Helix also said he will propose two alternative strategies that Concord could employ to develop the naval weapons station if the city is unable to reach a mutually beneficial agreement with Lennar.

"We're sitting on a gold mine, and we're not doing well; we're handling it badly," Helix said. "I'm disappointed, but I will do my very, very best to point out the shortcomings in Lennar's term sheet."

Lisa P. White covers Concord and Pleasant Hill. Contact her at 925-943-8011. Follow her at Twitter.com/lisa_p_white.

Contra Costa Water District's Delta deal raises eyebrows among environmentalists

By Denis Cuff, dcuff@bayareanewsgroup.com

Posted: 04/02/2016 08:16:29 AM PDT | Updated: a day ago

CONCORD -- In a deal stirring up new waves about the governor's twin water tunnels plan through the Delta, a water supplier for 500,000 Contra Costa County residents has dropped its protest against the project in exchange for a new source of higher-quality water from the Sacramento River.

Some environmentalist say the legal deal between the state and the Contra Costa Water District helps the district at the expense of water quality for the Delta environment, farms and fish.

"Sadly, CCWD has sacrificed other Delta communities and bay-Delta fisheries by agreeing to this settlement, as everyone else in the Delta would be left with degraded water quality," said Barbara Barrigan-Parrilla, executive director of Restore the Delta.

In defense of the deal, Contra Costa Water officials said they got insurance that the \$15.6 billion tunnel plan won't degrade their Delta drinking water for people and industries in an area stretching from Concord and Walnut Creek to Antioch and Oakley.

"We are not abandoning the Delta," said district spokeswoman Jennifer Allen. "The agreement is only about protecting water quality for our customers from harm if the California WaterFix is built."

The state proposed the tunnels to change how water is moved to south Delta water export pumps, reducing harm to wild fish that has led to restrictions on water pumping to 25 million Californians and nearly a million acres of farmland.

But a team of five hydrology modelers for Contra Costa Water calculated that the governor's plan would lead to higher salinity and more algae and minerals in district water pumped from the western Delta.

Worried about a prolonged lawsuit, the state Department of Water Resources announced earlier this week it had reached an agreement with Contra Costa Water to address the concerns.

Under the 40-page deal, the state pledged to provide CCWD a big slug of higher-quality Sacramento River water to make up for fears about degradation of Delta water.

And CCWD would get this water at no extra cost, with the bills to be paid by state contractors who would benefit from the twin tunnels, otherwise known as the California WaterFix.

The state agreed to provide between 2,000 and 50,000 acre-feet of Sacramento River water each year. The annual amount would be tied to how much water moves through the tunnels.

The amount adds up to about 1 to 25 percent of Contra Costa Water's maximum annual federal supply of 195,000 acre-feet of water, which is taken from four spots in the western Delta.

The water district wouldn't be getting any more water than before but taking some of it through the higher-quality river source before it flows through the Delta and picks up salt, algae and other impurities.

"We take our role to protect our customers seriously and cannot gamble with the future of our water quality," said Jerry Brown, the CCWD general manager. "We are confident this is an ironclad insurance policy for our customers."

For its part, the district agreed to withdraw its protests against the twin tunnels as the state prepares this fall to rule on a project environmental impact report.

The district also pledged to keep a neutral stand on the project itself.

Environmentalists, however, asserted that the water district and the state are selling other Delta water users -- including farmers and fish -- down the river.

Having Contra Costa Water take up to 50,000 acre-feet of water a year from above the Delta will weaken water flows out of the estuary, said Jonas Minton, a water policy adviser for the Planning and Conservation League.

"I understand why (CCWD) wanted insurance," Minton said, "but I think this will leave a stain on Contra Costa Water for years to come."

CCWD officials replied that the deal will not alter existing standards for Delta water flows one bit.

Minton said the compensation agreement changes the scope and cost of the California WaterFix plan enough that the state is required to revamp its upcoming environmental report on the project despite the significant delay that will cause.

It's too early to know which of several options for delivering the Sacramento River water to CCWD would be used, but one of them could cost \$75 million to \$150 million, state water officials said.

Environmentalists also criticized the state and Contra Costa Water for negotiating and signing the deal behind closed doors without consulting the public or other Delta stakeholders.

Contra Costa Water officials said state law allowed the deal to be negotiated behind closed doors because there was a threat that the district could have sued the state.

"Our goal was to get the best deal for our customers," Allen said.

While the deal is already done, the water district will hold a public presentation and discussion on the agreement at the district board's next meeting, at 6:30 p.m. Wednesday. Allen said the public is encouraged to ask questions and make comments about the agreement.

Richmond to commission study on annexing North Richmond

By Sarah Tan, stan@bayareanewsgroup.com

Posted: 03/30/2016 02:24:03 PM PDT | Updated: 4 days ago

RICHMOND -- The city is taking an initial step on the long-discussed idea of annexing unincorporated North Richmond by authorizing a study on the merits of bringing what local leaders sometimes call the "hole in the doughnut" officially within its boundaries.

The idea has been a pet project of Mayor Tom Butt since he was elected to the City Council 21 years ago, and he says the city and the county have finally agreed to look into it as a real possibility.

"North Richmond is totally surrounded by the city of Richmond," Butt said. "So the short story is that, if we do this, I think that people who live there and people who have businesses there are going to get better public services."

The unincorporated neighborhood of 1.5 square miles is surrounded by Richmond on three sides and San Pablo on the fourth.

Last week, the city collected final bids on a study that would be the first of its kind to examine the financial and social benefits of making North Richmond and its 3,500 residents part of the city.

The cost of the study, estimated at \$40,000 to \$80,000, will be paid for by both the county and the city.

Contra Costa Supervisor John Gioia, whose district includes North Richmond, believes annexation could be good for the county, the city and residents of the largely low-income community.

"From a general principal, you know you get more effective delivery of municipal services when you don't have the isolated pockets of unincorporated areas," he said. "But ultimately, it's important to study this, look at this issue from a financial and service point of view, and have the residents express their preferences."

Butt noted that annexation would bring North Richmond under the jurisdiction of the city's police and fire departments, which might improve response times for residents. Public safety services are now provided by the county.

A 2014 story in this newspaper revealed that few homicides are solved in North Richmond, which is policed by the county Sheriff's Office rather than the Richmond Police Department.

Don Gilmore, chairman of the North Richmond Municipal Advisory Committee, said the panel isn't taking a stance on annexation just yet, but does feel it is time to do a study and determine how it could affect residents.

"The question is, what are the benefits that people are going to get from the city taking it over?" he said. "What's tangible that we'll be able to see that we don't have now? What does that mean to the overall improvement of the unincorporated North Richmond?"

Although some residents have voiced support and hope annexation will lead to better police and fire services, others are wary that it may not change anything, he said.

Richmond has its own issues with crime and street maintenance and "some people may feel they can't see the benefit" without tangible assurance that services in the community will be any better, Gilmore noted.

He added that the advisory committee is eager to see the report to help it decide whether North Richmond should incorporate with Richmond, incorporate as its own jurisdiction, or become part of neighboring San Pablo.

The last major attempt at annexation in Contra Costa was in 2007, when Pittsburg proposed annexing the community of Bay Point. However, both Pittsburg and Bay Point residents were split over the decision, and ultimately the proposal was dropped. Lou Ann Texeira, executive officer of Contra Costa's Local Agency Formation Commission said public education is important.

"It's really doing public outreach, because people don't know what annexation means, and people think, 'My taxes are going to go up,' but that's not always the case."

The city will be selecting a company to conduct the study within the next few weeks, with results of the report likely ready in early 2017.

From there, it will have to pass through the Local Agency Formation Commission.

Sarah Tan covers Richmond. Contact her at 510-262-2789. Follow her at Twitter.com/sarahjtan.

The Sacramento Bee

Drought-stricken California ponders future of conservation



FILE - In this Tuesday, Jan. 5, 2016 file photo, Richard Polich holds an umbrella as he crosses a street in the rain in San Francisco. Taking a regional approach to saving water in California's drought, state regulators may propose relaxing conservation orders for El Nino-soaked Northern Californians, while keeping in place more strict rules for residents of the drier Southern California. Jeff Chiu AP Photo

By SCOTT SMITH Associated Press FRESNO, California
April 4, 2016

Taking a regional approach to saving water in California's drought, state regulators suggest relaxing or dropping conservation orders for El Nino-soaked Northern Californians, while keeping in place strict rules for residents of drier Southern California.

Officials on Monday will launch a discussion about the best approach to saving water as California's drought modestly improves, but clearly hasn't ended as it stretches into a fifth year.

"We're willing to listen to everybody's best ideas," said Felicia Marcus, chair of the State Water Resources Control Board. "We have to be thoughtful about it."

Strict conservation requirements started last year when Gov. Jerry Brown ordered residents statewide to use 25 percent less water compared to 2013, the year before he declared a drought

emergency. To comply, many residents have let their lawns turn brown, flushed toilets less often and taken other measures aimed at saving water.

That mandate was changed later. Californians are now required to use at least 20 percent less water.

Key reservoirs in Northern California are brimming, yet the El Nino storms didn't treat all parts of the state the same. Southern California saw relatively little precipitation, leaving most of its reservoirs low.

By April 1 — typically the end of California's rain and snow season — the state was left with a nearly-average snowpack and few hopes of more significant storms.

Regulators on Monday also plan to release figures showing how well Californians conserved water in February, the ninth and final month of reporting under the governor's 25 percent mandate. Marcus said she couldn't release them ahead of the formal announcement.

"Californians did pretty darn well," she said. "We're grateful for it. We need people to keep saving."

Read more here: http://www.sacbee.com/news/state/california/article69809562.html#storylink=cpy

East Bay Times

California water-saving rules to ease, but nobody's off the hook

By Paul Rogers, progers@mercurynews.com

Posted: 04/05/2016 05:08:38 AM PDT | Updated: about 4 hours ago



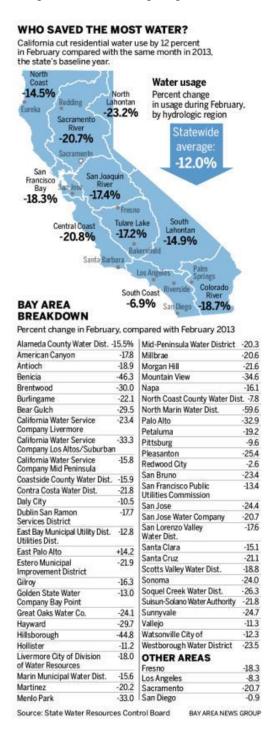
In this April 1, 2015, file photo, Frank Gehrke, chief of the California Cooperative Snow Surveys Program for the Department of Water Resources, left, and Gov. Jerry Brown walk across a dry meadow as Gehrke conducts the snow survey, near Echo Summit, Calif. (Rich Pedroncelli)

Poised to ease California's mandatory drought rules after rebounding rain and snow levels this winter, state water officials on Monday made it clear that -- even where reservoirs are 100 percent full -- no community is likely to get an entirely free pass from conservation targets this summer.

"One average year does not mean that we can forget about saving water," said Felicia Marcus, chairwoman of the State Water Resources Control Board. "We don't want to let our guard down."

California's urban residents cut water use 23.9 percent from June through February, compared with the same period in 2013, the state board announced Monday. That's just shy of Gov. Jerry

Brown's request for 25 percent savings last April when he ordered the water board to impose California's first-ever mandatory statewide drought rules, with fines for cities failing to meet assigned water-saving targets.



California might have hit Brown's 25 percent goal, if not for low levels of water savings in Los Angeles and San Diego in February. The South Coast region of the state, as the water board defines it, cut water use only 6.9 percent in February, compared with the same month in 2013.

By comparison, the Bay Area cut use by 18.3 percent and the Sacramento region by 20.7 percent. Statewide, all Californians averaged 12 percent savings in February -- the lowest savings since Brown imposed mandatory restrictions.

Weather is to blame, experts said. It was hotter and drier in Southern California all winter than in the north, as El Niño storms mostly hit the northern part of the state and left the Southland with sunshine, low reservoirs and rainfall at barely half its historic average.

"There was a miserable February," Marcus said. "It was hot, and folks couldn't bear to see everything die so they turned the sprinklers on.

"I definitely would have liked more" savings, she added. "Southern California, because of its sheer size, can drive the percentages."

Nevertheless, California residents saved 1.2 million acre-feet of water during the nine-month period from June to February. That's enough for 6 million people's needs for a year, and it helped reduce the impact of the historic drought as it entered its fourth year.

Most Northern California cities, however, received 90 to 100 percent of their historic average rainfall this past winter. The state's two largest reservoirs, Shasta, near Redding, and Oroville, in Butte County, were 89 percent and 87 percent full on Monday. And the Sierra Nevada snowpack was at 81 percent of its historic average, the best in five years.

Marcus said the state water board will relax mandatory conservation targets on cities, water districts and water companies, with the biggest reductions coming in the north, where it rained and snowed most.

The board's original rules gave water providers targets, ranging from 8 percent to 36 percent, depending on how much water they were using per capita. Places like Santa Cruz and Hayward, which has among the lowest per-capita use in California, were given 8 percent targets, while communities like Bakersfield and Beverly Hills, with high per-capita use, were given 36 percent.

Those numbers were eased slightly last month, when the board allowed water providers to reduce targets by up to 8 percent if they had unusually hot weather, high rates of population growth or robust supplies of water from desalination and recycling.

Following a public hearing April 20, the water board will impose softer rules in May, Marcus said.

"Our emergency authority is something we should use judiciously," she said. "We certainly are open to adjusting those tiers for people."

But even areas that have received deluges of water this winter won't get their targets reduced to zero, she said, hinting that 4 percent might be the lowest level of conservation required. An example is the Marin Municipal Water District, where all seven reservoirs are 100 percent full.

"We may have a baseline conservation number that we ask everybody to do to keep the 'We're all in this together' attitude," Marcus said.

That was fine with many Bay Area agencies Monday.

"Our groundwater levels haven't recovered significantly for us to call it all off," said Colleen Valles, a spokeswoman for the Santa Clara Valley Water District in San Jose. The district asked every city and water company in Santa Clara County to cut water use 30 percent last year. That target will be reduced -- although how much is not yet known, Valles said -- when the agency's board makes a final call in late April or early May. It might also allow lawn watering to increase from two days a week to three, she added.

At the East Bay Municipal Utility District, where the largest reservoir, Pardee, is 99 percent full, officials are on a similar schedule and expect to relax the rules, said spokeswoman Andrea Pook. That could include boosting watering days and easing or eliminating drought surcharges and excessive use fines. The district's state target is 16 percent, and from June to February, it achieved 23.6 percent.

"You can't just let go of all this conservation at the drop of a hat," Pook said. "We do need to continue to be mindful of the situation in the context of what happens next year. We need to be prudent."

Even in Marin, where customers were asked to cut 20 percent and met that goal -- an achievement that cost the Marin Municipal Water District \$4.4 million in lost water sales last year -- some conservation is expected for this summer, said Libby Pischel, a spokeswoman for the district.

"We have a two-year supply, even when our reservoirs are full," she said. "So we always promote conservation."

At Bay Area garden centers, some people are behaving differently.

"People are talking about the drought less, for sure," said Marlon Nehls, manager of Encinal Nursery in Alameda. "They are buying a little more grass now. But people are still buying a lot of cactus and succulents."

He laughed and added, "A couple more shots of April rain would be nice."

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East Bay Times

Developer of Martinez golf course land sues open-space group

By Sam Richards, srichards@bayareanewsgroup.com

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MARTINEZ -- The owners of the former Pine Meadow Golf Course property have sued members of a citizens group that has fought to keep houses from being built there, asserting the group has spread lies about the project as well as its name -- "Friends of Pine Meadow."

DeNova Homes of Concord, and Christine Coward Dean -- the last member of her family to maintain an ownership stake in the 26-acre property -- filed suit Monday in Contra Costa Superior Court in Martinez. In addition to unspecified damages, the suit calls upon "Friends" leaders Tim Platt, Mark Thomson and a few others to quit using the name "Friends of Pine Meadow" in any way, and to delete their Facebook page of that name.

"Despite our asking them to stop spreading misinformation, Tim Platt and the 'Friends of Pine Meadow' continue to tell the public that this property will be turned into a park, that the golf course is 'open space' and that no development can occur there, which is totally false," said Dave Sanson, CEO of DeNova Homes, in a news release.

The suit also blasts assertions by the Friends group earlier this year that DeNova and the city were discussing prospects of a 288-house development on the former golf course property. DeNova officials have publicly denied such a project has even been on the table, though they have said they plan to come back to the city with a revised housing proposal.

The "Friends of Pine Meadow" group formed in January 2015, when the Martinez City Council was poised to change the city's general plan to allow houses on the golf course (which closed three months later). The Friends group then collected enough petition signatures to force the council to either cancel those changes, or to let Martinez voters decide whether they should go through. That election was to have taken place this coming November, but DeNova later pulled its application for a planned 98-house subdivision there, rendering the election moot.

The lawsuit claims the Friends group misrepresented itself as friends of the golf course owners -- at that point, three Coward family siblings -- when collecting those petition signatures. The suit alleges signature gatherers typically sought support "to save Pine Meadow," which could have been interpreted as saving the golf course.

"The defendants intentionally represent that the Pine Meadow owners and the Pine Meadow Golf Course are against such development, when in fact the opposite is true," the lawsuit states.

The suit also claims members of the Friends group have said DeNova has been "guilty of corruption" in its seven-year effort to build homes on the Pine Meadow land, and that the assertion is "defamatory on its face."

Platt, who has been the main spokesman for the group, said Tuesday night he had not seen the lawsuit, and could not comment on specifics.

"We stand behind everything we've said, and we've tried to be as accurate as we can in what we've stated on our website and elsewhere," Platt said.

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