

CONGRESS APRIL 13, 2016 5:17 PM

# California drought and drainage bills could collide on Capitol Hill

May 11, 2016  
Agenda Item 13c

## HIGHLIGHTS

House committee folds California water measures into 2017 spending bill

Package would stop San Joaquin River restoration program for a year

Separately, 3 additional water districts to be proposed for irrigation drainage deal



< 2 of 2 >

In California's fourth year of drought, officials are finding it increasingly difficult to fulfill their legal and contractual obligations to distribute water. Following a controversial decision to supplement water flows along the Trinity River out of tribal concerns for salmon populations, Central Valley farmers, who are following land due to statewide irrigation cutoffs, are calling foul

on the decision. **Brittany Peterson** - McClatchy

BY MICHAEL DOYLE

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WASHINGTON — The politics of California water is becoming three-dimensional chess in Congress as lawmakers balance competing anti-drought ideas with a proposed San Joaquin Valley irrigation drainage settlement that's going to get bigger.

In a fresh gambit, a key House subcommittee on Wednesday approved controversial California water provisions that would steer more water to farmers. Soon, some of these same farmers will be seeking additional legislation to settle a long-running drainage dispute.

While the California drought and drainage proposals are distinct, they involve many of the same lawmakers, incite similar regional tensions and in the end could become entangled in each other's fate.

"A lot of dots begin to connect here," Rep. Jared Huffman, D-San Rafael, said Wednesday.

The initial moves involve California provisions folded into an 82-page bill that funds federal energy and water programs for the 2017 fiscal year, which begins Oct. 1. The Republican-controlled House of Representatives energy and water appropriations subcommittee unanimously approved the \$37.4 billion package Wednesday.

The California provisions modify proposals that have previously failed in Congress over the past four years. They include mandated pumping from the Sacramento-San Joaquin Delta and a freeze on an ambitious San Joaquin River restoration program.

"It moves the ball in the right direction," said Rep. David Valadao, R-Hanford, a member of the House Appropriations Committee. "I wish it

would have happened last December, (but) we're going to take every opportunity possible.”

Valadao wrote the original House bills from which the California provisions were taken.

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**THIS YEAR EL NINO STORMS HAVE BLESSED OUR STATE WITH RAIN AND SNOW. BUT THE BUREAU OF RECLAMATION HAS PUMPED LESS THIS YEAR THAN LAST YEAR WHEN WE FACED HISTORIC DRY PERIODS.**

House Majority Leader Kevin McCarthy, R-Calif.

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Northern California Democrats, including those representing parts of the Delta, oppose the familiar-sounding measures. While all but certain to pass the House, parts of the energy and water package will inevitably face resistance in the Senate and the White House.

“Same old, same old,” Huffman said. “This is another highly partisan, overreaching play on the same lousy bill.”

Huffman has proposed his own California water bill that includes a variety of recycling grants, watershed protection programs and desalination studies. It doesn't stand a chance in a House where Republicans command a 246-188 majority, though individual items might survive.

The Senate's version of the 2017 energy and water bill, also approved by subcommittee Wednesday, includes \$100 million for assorted drought-relief programs but omits the California measures preferred by House Republicans.

In theory, this conflict sets the stage for a negotiating conference where House and Senate appropriators work out their differences. Some GOP lawmakers have long believed their best shot at a California water win will come in

just such a conference committee on a must-pass bill.

The irrigation drainage settlement, so far, occupies a different board level in the chess game, but that could change.

In January, Valadao introduced a bill to implement a settlement between the Westlands Water District and the federal government over the Bureau of Reclamation's environmentally damaging failure to provide irrigation drainage.

The bill mirrors a legal settlement announced last September, relieving the federal government of the obligation to provide drainage. In return, the 600,000-acre Westlands district will retire at least 100,000 acres of farmland and have its own remaining debt of roughly \$375 million forgiven, among other changes.

Three smaller San Joaquin Valley water districts, sometimes dubbed the "Northerly Districts," have now neared an agreement on their own irrigation drainage settlement. Like the Westlands agreement, the tentative deal with the San Luis, Panoche and Pacheco water districts relieves the government of drainage responsibilities and forgives the water districts' remaining debts.

"It appears they are very close," Rep. Jim Costa, D-Fresno, said Wednesday.

Costa noted that the boards of the districts have agreed to a proposed settlement, which would also include some \$70 million in federal payments for anti-salinity efforts. The deal still needs sign-off by the federal Office of Management and Budget, which can seem sluggish and opaque to outsiders.

Once final, perhaps later this spring, the Northerly Districts' drainage settlement will also be translated into legislation, putting one more piece into play in a Congress where nothing comes easy.

April 14, 2016

## **Review: State aquifers being polluted**

### **Regulatory failure**

*Oil and gas industry permitted to dump into potential drinking water*

**By Ellen Knickmeyer**

**Associated Press**

SAN FRANCISCO — The U.S. Environmental Protection Agency is failing in its mandate to protect underground drinking water reserves from oilfield contamination, according to a federal review singling out lax EPA oversight in California, where the state routinely allowed oil companies to dump wastewater into some drinking water aquifers.

The U.S. Government Accountability Office review also sampled EPA operations around the country before concluding federal regulators were failing to collect paperwork and make on-site inspections necessary to ensure states are enforcing the Safe Drinking Water Act when it comes to oilfield operations.

“The takeaway overall is that the EPA doesn’t collect and states don’t provide the information for the EPA to exercise the oversight that’s its job,” said Kassie Siegel, senior counsel at the Center for Biological Diversity, one of the environmental groups critical of state and federal regulation of oilfield waste and drinking water.

“It shows a massive failure to protect our drinking water,” Siegel said, emphasizing the problem in California.

The federal review released last month made an object lesson of California, the country’s No. 3 oil-producing state, where state and federal regulators have acknowledged since at least 2014 that state-permitted oilfield operations were violating safe-drinking water laws.

Violations included allowing oilfield companies to dump wastewater into at least 11 aquifers that were supposed to have been protected by federal law as potential sources of drinking water.

An Associated Press analysis in 2015 cited more than 2,000 permits California had given oil companies to inject into federally protected drinking water reserves.

The AP analysis found granting of such permits had sped up since 2011 under Gov. Jerry Brown, although the state said it believed its dates on some of the permitting information were wrong.

In a statement, the EPA said Wednesday it generally agreed with the federal review and would take steps to improve data collection and oversight. EPA spokeswoman Kelly Zito also said that this week’s resignation of Jared Blumenfeld, regional EPA administrator for California, was not related to either the oilfield issues or the GAO report.

Media officers for California’s Division of Oil, Gas and Geothermal Resources and Department of Conservation, which regulate the oil and gas industry, did not immediately respond to repeated requests for comment Wednesday.

The issue concerns the disposal of oilfield wastewater by oil companies nationally.

Oil drilling and other operations produce massive amounts of briny fluid and other waste. Oilfield operators often dispose of the waste by injecting it back underground.

State and federal laws regulate how the oil companies do that, with the goal of protecting naturally occurring aquifers enough to potentially one day allow them to be tapped for drinking water or irrigation.

GAO inspectors cited California’s experience and their own past and current scrutiny of EPA operations around the country in concluding that “EPA does not have the information, or consistently conduct the oversight activities, needed ... to help ensure that (state and federal regulators) protect underground sources of drinking water.”

The GAO sampling studied U.S. EPA operations in Colorado, Kentucky, North Dakota, Ohio, Oklahoma, Pennsylvania and Texas with regard to federally protected drinking water and underground injection of oilfield waste.

EPA administrators told federal inspectors that they lacked the resources to assemble the needed databases on oilfield operations and water aquifers, or to inspect state oilfield regulatory operations in person, the GAO report said.

The GAO report is the first to publicly examine the U.S. EPA's role in the failures of California's regulation of oilfield waste and drinking water aquifers.

## East Bay Times

# Delta islands: Opponents sue to stop sale to Southern California water district

By Rowena Coetsee, rcoetsee@bayareanewsgroup.com

Posted: 04/15/2016 05:53:28 AM PDT | Updated: about 5 hours ago

THE DELTA -- Two counties and several environmental groups on Thursday sued to challenge the giant Metropolitan Water District's pending purchase of five Delta islands and tracts along or near the route of the state's proposed twin water tunnels estimated at \$15.5 billion.

Contra Costa and San Joaquin counties filed the suit in San Joaquin County Superior Court along with four other organizations, saying the Los-Angeles based water district erred in claiming that its \$175 million purchase is exempt from a state law requiring an analysis of the acquisition's potential effect on the environment.

Litigants want the court to prevent the water district from buying the property until it completes the review that the California Environmental Quality Act requires.



In this Tuesday, Feb. 23, 2016 photo, a sign opposing a proposed tunnel plan to ship water through the Sacramento-San Joaquin River Delta to Southern California is displayed near Freeport, Calif. (AP Photo/Rich Pedroncelli) ( Rich Pedroncelli )

While Metropolitan said the acquisition is intended to restore wildlife habitat and protect the environment in other ways, the purchase is really about helping the state build the controversial tunnels, the lawsuit contends.

The district's general manager has acknowledged that owning the 20,369 acres of real estate -- Bouldin and Bacon islands along with parts of Chipps Island as well as Webb and Holland tracts -- could make it easier for the state to build the as-yet unapproved tunnels project, in part because they could serve as storage space for construction equipment and the dirt that would be excavated, but also because two of the islands lie along the proposed route of the water conduits.

The plaintiffs are asking the Metropolitan Water District's board of directors to rescind its March 8 vote to buy the land from Zurich Insurance Group.

The litigants point out that if the water district loses the lawsuit, it never will be able to sell the islands for the purchase price -- thereby forcing its 19 million Southern California customers to become owners of a "very expensive duck habitat hundreds of miles to the north."

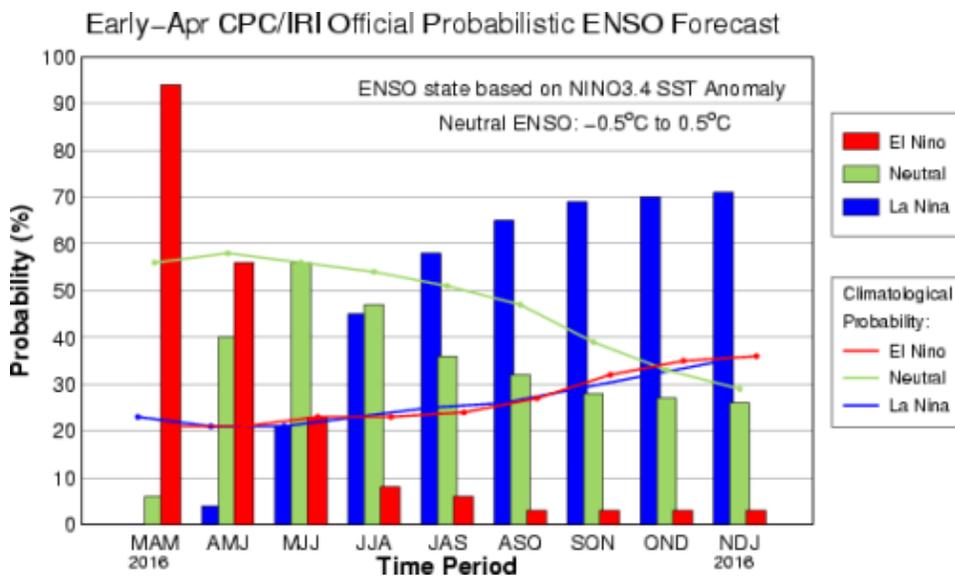
Those ratepayers also would be responsible for the annual cost of maintaining hundreds of miles of Delta levees.

Opponents say they would rather the water district spend \$175 million on ways to preserve the natural resource in Southern California such as recycling water or capturing stormwater.

# California drought: Odds of La Niña increase for next winter, bringing concerns the drought may drag on

By Paul Rogers, progers@mercurynews.com

Posted: 04/14/2016 06:08:04 AM PDT | Updated: 66 min. ago



El Niño, the warming of the Pacific Ocean that brought Northern California its wettest winter in five years, easing the drought, is continuing to weaken and appears to be giving way to La Niña conditions, which historically have increased the chances of drier-than-normal weather in much of the state.

On Thursday, scientists at NOAA -- the National Oceanic and Atmospheric Administration -- and Columbia University said that there is a 71 percent chance of La Niña conditions being present in the Pacific Ocean by November, up from 57 percent a month ago.

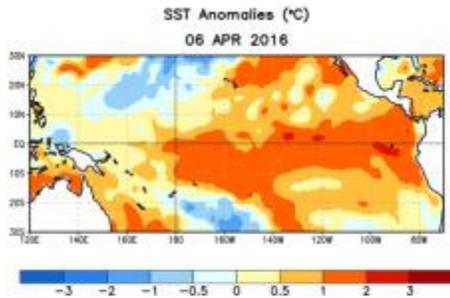


Figure 1. Average sea surface temperature (SST) anomalies (°C) for the week centered on 6 April 2016. Anomalies are computed with respect to the 1981-2010 base period weekly means.

"At this point, odds favor the development of La Niña by the fall," said Mike Halpert, deputy director of the NOAA's Climate Prediction Center in College Park, Maryland. "And should we see La Niña develop, below-normal precipitation would be favored next winter across central and southern California."

It's still very early, researchers cautioned. A more clear picture, including how strong or weak La Niña conditions might be, won't be known until this summer.

But the growing, and somewhat ominous likelihood of a La Niña event -- the shifting of trade winds and cooling of sea surface temperatures along the equator off Peru that can often follow an El Niño -- has already begun to draw the attention of state water regulators who are working to come up with a plan for how much to ease the mandatory water conservation targets they imposed on California's urban areas last June at the order of Gov. Jerry Brown.

Those targets, which ranged from 8 percent to 36 percent depending on each community's per capita water usage, forced cities across the state to impose strict limits on lawn watering, financial penalties and other rules on millions of residents. Brown's goal was for urban residents overall to cut water use 25 percent. They nearly hit the target, saving 23.9 percent through the end of February.

Now, the rules will likely be eased in May following a public hearing in Sacramento on April 20. But Felicia Marcus, chairwoman of the State Water Resources Control Board, which will make the decision, said earlier this month that although reservoirs have filled in many parts of Northern California this winter, Southern California has received only about half as much rainfall as its historic average. As a result, the state must brace for the fact that this winter might have been one normal rainfall season in a longer drought, rather than the beginning of the end of the drought that began in 2011.

"I think we need to adjust to recognize the reality that we are in," she said, "while still being mindful that we don't know what next year is going to bring."



The area near the spillway at Lexington Reservoir in Los Gatos looks like a moonscape in 2000. Thanks to that year's La Niña, the lack of rain has reportedly caused the water level to lower to such a degree that the tops of a couple of bridges that used to connect the town to the rest of Santa Clara County and San Jose are now visible above the water line. (Gary Reyes/Bay Area News Group)

Marcus cited Australia as a warning. Starting two decades ago, the "Millennium Drought" hit Australia hard, causing major water shortages, crop failures and wildfires. It was interrupted by the occasional normal year, raising hopes, but continued from 1995 to 2012.

"I'm sleeping better," Marcus said of this winter's rains. "But I'm still not sleeping through the night."

There have been 20 La Niña years since 1950.

Rainfall in San Francisco has been below the historic average in 14 of those winters, like the dry years of 1975-76 and 1988-89, and above the historic average in only six La Niña years.

The difference in rainfall totals between La Niña years and other years is usually relatively modest, said Jan Null, a meteorologist with Golden Gate Weather Services in Saratoga who compiled the research. Also, La Niña has had more effect in Southern California.

In Los Angeles, for example, 16 of the 20 La Niña years had below average rainfall, and in Fresno, 17 did.

"Overall, the West Coast pattern with La Niña is wetter than normal in Seattle and drier than normal in Southern California," said Null. "The Bay Area is often in between."

He noted that nothing is guaranteed, however, because 20 years is a relatively small sample size, and "the entire planet is changing, so whether climatology from 65 years ago should be valid now, you may need to put an asterisk next to it."

Although strong El Niño winters, like the one this year, have historically meant a greater likelihood of wetter-than-normal conditions, Null said that this winter rainfall has been about normal in the Bay Area, and below the historic average in Southern California because many of the El Niño storms hit farther north than expected on the West Coast, soaking Washington and

Oregon. That ended droughts there, but didn't cause the hoped-for deluges statewide in California.

Historically, strong El Niño have meant dry weather in the Pacific Northwest and wet weather in Southern California. But not this year.

"El Niño was a Godzilla," said Null, "but where it impacted was atypical."

Paul Rogers covers resources and environmental issues. Contact him at 408-920-5045. Follow him at [Twitter.com/PaulRogersSJMN](https://twitter.com/PaulRogersSJMN)

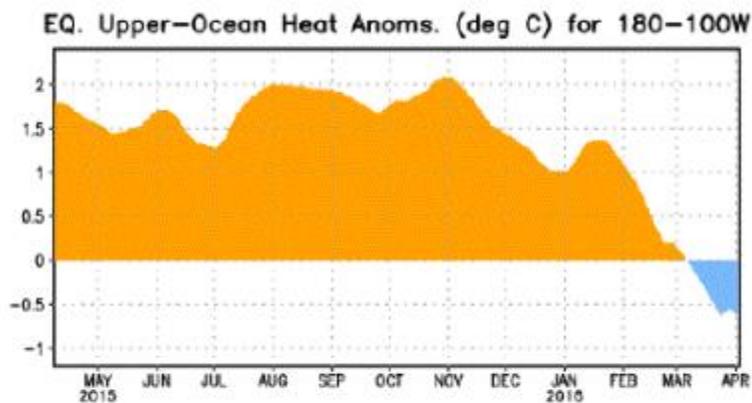


Figure 3. Area-averaged upper-ocean heat content anomaly ( $^{\circ}\text{C}$ ) in the equatorial Pacific ( $5^{\circ}\text{N}$ - $5^{\circ}\text{S}$ ,  $180^{\circ}$ - $100^{\circ}\text{W}$ ). The heat content anomaly is computed as the departure from the 1981-2010 base period pentad means.

From around the webSelected for you by a Sponsor

# Bay Point: Ambrose park district seeks attorney general's investigation of foundation

By Sam Richards, srichards@bayareanewsgroup.com  
East Bay Times

Posted: Thu Apr 14 22:29:22 MDT 2016

BAY POINT -- The Ambrose Recreation and Park District board voted Thursday night to submit a complaint to the state Department of Justice about the Bay Point Community Foundation's operations, contending the foundation has failed to support the park district, and that a signature authorizing a change to the foundation's bylaws appears to have been "falsified."

Contending the nonprofit foundation created in 2005 is not supporting the district, the board also voted to create a new foundation to provide the support it claims the park district lacks, mostly in helping find funding for its programs.

Several trustees said they had not been kept abreast of the 11-year-old foundation's activities.

"I've been very concerned about the foundation from the get-go -- it's like a 'phantom foundation' and I wasn't sure what it was doing," said Ambrose board member Mae Cendana Torlakson. "I've never seen a report from the foundation in nine years."

The complaint to the state attorney general will likely also reflect the district's belief that the community foundation board bylaws were "falsified" in 2010 to show Ambrose board members could not also serve as foundation board members.

In meeting agenda documents, Ambrose attorney Curtis Kidder claims former foundation board member Mary Jane Rodrigues denied she ever signed a bylaws amendment concerning foundation board makeup, even though her signature appears on the document.

Community foundation President Debra Mason, who was at Thursday's Ambrose meeting, denied any foundation documents were altered, and said she planned to speak to her attorney about the allegation shortly.

Earlier, in a letter to the Ambrose district, foundation attorney Ernie Montanari denied that community foundation bylaws were ever falsified.

Ambrose board members Thursday night said they believe Rodrigues -- who was taking the meeting minutes Thursday night -- did not sign the 2010 amendment to the district's bylaws, which shrunk the foundation board to exclude Ambrose trustees.

"I think it's our duty to back her up," Ambrose trustee Trina Hudson said.

In his agenda report to the Ambrose board, district General Manager Doug Long said the Bay Point Community Foundation's bylaws state its primary mission is to "support a broad base of programs, services, organizations and facilities that enhance the lives of Bay Point residents ... offered through the Ambrose Recreation and Park District and throughout the Bay Point community."

According to a March 10 email from Kidder to foundation attorney Montanari, the district had sought the foundation's assistance in raising money to help last year to pay for rebuilding and renovation of the Ambrose Park swimming pool. Kidder said in that email that Mason was not allowing access to the foundation's financial documents as part of that process, and asked that Mason make that information available. The next day, Montanari responded by email that Mason "will not turn over any materials to the district or otherwise assist in any transition" involving those financial documents.

Mason contended Thursday night that the foundation's focus expanded in 2010 to serve "kids in the community," not limited to those taking part in Ambrose programs -- hence the removal of Ambrose trustees from the foundation board.

In a Dec. 1, 2015, letter to Kidder, Montanari contended the park district's belief it can assign its own board members to serve on the foundation board is based on an "erroneous interpretation" of the foundation's bylaws. That letter also asserts a long-standing "political animus" between Long and Mason is behind the battle over the foundation and its purpose.

Complicating matters is that Debra Mason's husband, Lloyd Mason, is a member of the Ambrose board, and had to recuse himself from both of Thursday night's foundation-related votes.

## East Bay Times

# Concord seeks better naval weapons station deal from Lennar

By Lisa P. White, lwhite@bayareanewsgroup.com

Posted: 04/13/2016 03:11:18 PM PDT | Updated: about 18 hours ago

CONCORD -- Before city leaders consider awarding the lucrative Concord Naval Weapons Station contract to Lennar Urban, they expect the firm to sweeten the deal.

The City Council on Tuesday agreed unanimously to reopen negotiations with Lennar on a handful of issues, including funds for affordable housing, the scope of infrastructure construction and Willow Pass Road improvements.

Council members also flatly rejected Lennar's proposal to use binding arbitration and to grant the firm the right to develop future phases of the base reuse project.

If the talks prove fruitful, a final vote could come May 3, nearly eight months after lobbying allegations derailed the developer selection process.



A aerial view of the shuttered Concord Naval Weapons Station. (Karl Mondon/Bay Area News Group)

At Councilman Dan Helix's suggestion, city staffers also will look into how Concord could act as its own master developer or form a joint powers authority to develop the former military base if the city, ultimately, is unable to reach an agreement with Lennar.

"This is a once-in-a-lifetime, unparalleled opportunity to deliver a world-class development and to generate revenue for the city," Helix said. "We must, and I expect will, get 100 percent of what is available for us or chalk up this process to experience and start over."

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 Navy is expected to begin transferring property to the city next year.

Kofi Bonner, president of Lennar Urban, has said he is willing to accept most of the city's proposed terms, although Helix added a few conditions Tuesday, including an independent audit of the limited liability corporation Lennar has established for the project, and Concord's right to retain ownership of 40 acres.

"We plan to work in good faith with city staff to address the issues raised by (the) council," Bonner said in an email Thursday. "The term sheet is the start of a process, a marathon, as council members have acknowledged."

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 a 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.

The company also has allocated \$39 million for a K-8 school; \$26 million for 80 acres of parks, greenways and open space; \$20 million for two community centers; and \$3 million for a shuttle connecting the development to Todos Santos Plaza.

However, advocates and council members have criticized Lennar's affordable housing plan for not providing enough units for low- and very low-income households. Mayor Laura Hoffmeister also balked at the firm's proposal that Concord commit \$40 million of its guaranteed payout to build 100 affordable units.

While dozens of out-of-town speakers praised Lennar, some Concord residents said they are leery of working with the company after an independent investigator concluded Lennar had lobbied then-Mayor Tim Grayson by orchestrating contributions to his Assembly campaign.

Mike McDermott, who lives in the city, slammed Lennar's response to the investigator's report.

"Their arguments were insulting and dismissive of the serious concerns we have about political corruption," McDermott said. "If Lennar treats Concord and its residents this way before a contract is signed, if they lawyer up and refuse to take responsibility or admit mistakes now, how do you think they will behave if you give them a contract?"

Given lingering doubts about Lennar, Hoffmeister asked Bonner how he would restore credibility and trust with the council and the community.

"The only way one restores confidence is one person at a time," Bonner said. "Trust has to be earned."

Lisa P. White covers Concord and Pleasant Hill. Contact her at 925-943-8011. Follow her at [Twitter.com/lisa\\_p\\_white](https://twitter.com/lisa_p_white).

## East Bay Times

# Danville: Magee Ranch approvals rescinded, process can begin anew

By [Sam Richards, srichards@bayareanewsgroup.com](mailto:srichards@bayareanewsgroup.com)

Posted: **04/21/2016** 06:05:51 PM PDT | Updated: 3 days ago

DANVILLE -- The Town Council rescinded approval for a 69-house subdivision Tuesday, clearing the way for its builder to resubmit the project after a judge ruled in March that its environmental report must take bicycle safety into account.

The 5-0 decision will allow SummerHill Homes to resubmit applications for its Magee Ranch housing tract on the south side of Diablo Road not far from Mount Diablo State Park.

In March, Contra Costa County Superior Court Judge Barry Goode told attorneys for the Town of Danville, SummerHill Homes and the SOS-Danville Group that he would not allow adjustments to the environmental report to address only the safety of bicyclists on a 1¼-mile stretch of Diablo Road between Green Valley Road and Mount Diablo Scenic Boulevard.

Taking bicyclist safety into account, Goode said, will alter other aspects of the approvals granted in 2013, making reconsideration of the whole project necessary.

Town Attorney Rob Ewing said Tuesday that requests for new approvals does not mean every sticking point that prompted legal opinions the first time around will have to be discussed anew.

Maryann Cella, the spokeswoman for the SOS-Danville Group, told the council that car traffic counts on Diablo Road likely will have to be made again, too. Bicycle traffic on that popular stretch leading to the park has doubled in the past 10 years, said Cella, who implored the town to work with bicycle groups on those traffic counts.

## East Bay Times

# Sutter plans future closing of Berkeley emergency services

By Judith Scherr, Correspondent

Posted: 04/25/2016 01:35:19 PM PDT | Updated: about 5 hours ago

BERKELEY -- By 2030, or possibly sooner, there may be no emergency medical services in Berkeley.

Alta Bates Summit Hospital will close its acute care facility and emergency department in south Berkeley sometime between 2018 and 2030, hospital officials said, confirming rumors swirling around the city for years.

The services will be consolidated at the Summit campus, in Oakland, as mandated by SB 1953, which requires by 2030, hospital facilities will be able to withstand a major earthquake.

The issue was highlighted March 29 when the City Council voted unanimously to direct the city Disaster and Health commissions to evaluate the consequences on the community of the closures and to explore alternatives.

Sacramento-based not-for-profit Sutter Health, owns the 110-year-old Alta Bates hospital. Alta Bates merged with central Berkeley's Herrick Hospital in 1988, and in 1999, Alta Bates merged with Summit under Sutter Health ownership.

Councilman Jesse Arreguin expressed outrage.

"Sutter's using the requirement that the Alta Bates Campus be earthquake safe as an excuse to consolidate services," he said. "Moving acute care to Summit is going to make it that much more (difficult) for somebody in dire need of medical attention."

Arreguin added that with last year's closure of Doctors Hospital in San Pablo, "this is a huge issue for the whole I-80 corridor."

Sutter Health CEO Chuck Prosper contended in an October 2015 memo to staff, that Alta Bates had to shut down services.

"We face a State of California seismic deadline that requires us to cease inpatient, acute care services at Berkeley's Alta Bates Campus in 2030," he wrote, conceding that the issue goes beyond earthquake safety.

"Regardless of the seismic deadline, we must adapt to changes in health care if we are to survive in today's world," he wrote. "Operating two full service hospitals less than three miles apart is inefficient. In today's hypercompetitive environment, employers and consumers are choosing health services based on costs as much as quality. To excel we must be competitive."

In an email exchange with this newspaper, Alta Bates spokeswoman Carolyn Kemp said she was unable to add detail to the future plans.

"We do not have a finalized long range plan at this time and therefore there are also no building plans," Kemp said in an April 8 email. "Ultimately our goal is to reuse the Alta Bates site in its permitted capacity."

There are no plans to relocate the cancer and behavioral health services at the Herrick site, she said in an April 19 email.

Councilman Kriss Worthington, like Arreguin, argued at the council meeting that Sutter was using earthquake safety as an excuse to consolidate services.

"They're saying, 'State law requires us to do this,' but that's not what it requires us to do," he said, contending in a phone interview last week that hospital administration should be flexible. For example, it could shut down the acute care hospital while maintaining Berkeley's emergency services, he said.

State Assemblyman Tony Thurmond is planning a regional meeting on the question with the community, city officials and Alta Bates' representatives in the next few months.

"We're still reeling from the loss of Doctors Hospital," he said. Having a local hospital is "literally important to the health of the community."

Neighborhoods adjacent to Alta Bates have unique concerns. They have struggled with the hospital for decades over questions of noise, traffic, litter and parking, according to Lucy Smallsreed, president of the Bateman Neighborhood Association.

Smallsreed said the neighborhood hasn't succeeded in getting Alta Bates to discuss future site plans.

"We all like having the hospital there," she said. "We just want them to be a good neighbor."

The Community Health Commission will discuss the issue at its meeting at 6:30 p.m. April 28 at the South Berkeley Senior Center, 2939 Ellis St.

The Disaster and Fire Safety Commission will discuss it at its meeting at 7 p.m. May 25, Fire Department Training Facility, 997 Cedar St.

# Sutter addresses rumors that Alta Bates hospital to close

By Kate Darby  
Rauch

(SUPPLEMENT TO PREVIOUS ARTICLE)

April 10, 2015 11:15  
am



Alta Bates at 2450 Ashby Ave.: the hospital needs to meet seismic standards by 2030 and is considering its options on whether to close, or retrofit/rebuild..  
Photo: Frances Dinkelspiel

For months, neighbors of Alta Bates Hospital in South Berkeley's Elmwood District have been hearing rumors that the hospital, owned by [Sutter Health](#), plans to close. The buzz was getting so loud, said Lucy Smallsreed, president of the [Bateman Neighborhood Association](#), that she asked the hospital to respond.

Smallsreed said Stacey Wells, Sutter vice president of communications and public affairs, told her Alta Bates would close by Jan. 1, 2030. This is the date California hospitals must meet seismic standards to withstand a severe earthquake, set out in [Senate Bill 1953](#).

Wells, Smallsreed said, told her Sutter had decided not to retrofit Alta Bates, and instead would close the hospital, which is losing money. Smallsreed [wrote about](#) the issue in the Berkeley Daily Planet.

But in an email to Berkeleyside, Wells said, "no long-term decision has been made." She said there were inaccuracies in the Daily Planet story.

Wells sent this statement:

*"We're continuing to focus on how to provide exceptional care given the changing landscape of more*

*affordable health care. It's a matter of public record both that the Alta Bates campus is not seismically compliant past 2030 and that we have not yet filed plans to retrofit the campus. The neighborhood has also consistently opposed our construction projects and this makes it virtually impossible to construct a new campus at the existing hospital site. Beyond that, no long-term decisions have been made. We've made a handful of well-publicized program changes and will continue to do our due diligence. We will keep our staff, patients and community informed once we have something more concrete to share."*

These program changes, Wells said, include closing the cardiac catheterization lab at Alta Bates in 2011, and consolidating cardiac care at Summit Hospital in Oakland.

What's most important to the neighborhood association, Smallsreed said, is to be kept in the loop, with as much advance notice as possible of Alta Bates changes, such as a hospital closure or sale. Living in the midst of hearsay isn't easy, she said, and many neighbors don't trust the hospital with keeping them informed.

"The rumors have been going on for some time," she said. "We'd like transparency, and we'd like to have a voice in what's going to happen, and we'd like to have a voice early in the process. We wouldn't want to be invited to a hearing after they've made all the decisions."

In this quiet South Berkeley residential neighborhood straddling bustling Telegraph and College avenues, neighbors are concerned about any land use impact that would increase traffic, parking problems, noise and crime, Smallsreed said.

Indeed, Alta Bates neighbors have had a strong, well-organized voice in hospital construction projects through the years, working closely with the city permitting process to ensure that their concerns are mitigated or addressed through conditions of approval, or work requirements (such as this [2002 city use permit](#)). In 1983, several neighborhood groups hammered out an [agreement](#) with Alta Bates, prior to major construction.

When asked how Sutter plans to keep the community informed of current developments, Wells wrote: "Since no decision has been made I'm not sure what you mean by 'keeping the community informed.' If we had a decision, we'd let you know."

She elaborated on the general situation:

*"Health care is changing and as an organization, our goal is to anticipate and keep up with these changes. As a result of medical advances, fewer patients need inpatient (hospital) care. Over the years we have seen a dramatic drop in inpatient census and experienced financial challenges operating the medical center. We must reposition the medical center for success in the new health care world if Alta Bates Summit is to succeed and survive. We need to refocus on our core mission so that we can continue providing excellent inpatient care to the sickest patients who rely on us for life-saving medical treatment."*

Based in Sacramento, the not-for-profit [Sutter Health](#) operates dozens of hospitals, clinics and medical offices in Northern California, including Alta Bates and Herrick in Berkeley, and Sutter in Oakland. These three sites operate as one medical campus, Alta Bates Summit Medical Center, a merger that occurred in 2000.

Wells noted that the Alta Bates discussions don't apply to Berkeley's Herrick site, home to behavioral health, cancer services and a ["soon-to-be opened urgent care clinic."](#)

**Related:**

[Sutter Health to open new clinic at Alta Bates Summit Herrick campus](#) (03.03.15)

[Alta Bates Summit to lay off 358 in Berkeley/Oakland](#) (01.09.14)

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## East Bay Times

# Plan to enlarge Los Vaqueros Reservoir gains momentum

By Paul Rogers, [progers@bayareanewsgroup.com](mailto:progers@bayareanewsgroup.com)

Posted: 04/26/2016 06:06:01 PM PDT | Updated: 69 min. ago



The 218-foot tall dam at Los Vaqueros Reservoir can be seen from the marina at Los Vaqueros Watershed in Brentwood, Calif., on Tuesday, April 26, 2016. After five years of drought and with state bond money available to help, the idea of expanding the reservoir is gaining new momentum. (Susan Tripp Pollard/Bay Area News Group)

For nearly two decades, Los Vaqueros Reservoir -- a sprawling lake in eastern Contra Costa County nearly 3 miles long and 170 feet deep -- has been a popular spot for boating, fishing, hiking and a key source of water for local residents.

But now, after years of drought and new money available from a 2014 state bond measure to fund water projects, a long-standing idea to dramatically enlarge the reservoir to help provide drought insurance to cities all the way to San Jose is gaining momentum.

Some environmentalists say the idea, which they support, also would reduce the need for Gov. Jerry Brown's controversial \$17 billion plan to build two huge water tunnels under the Sacramento-San Joaquin River Delta.



According to a Contra Costa Water District Los Vaqueros Watershed brochure, the Los Vaqueros Watershed stores up to 160,000 acre-feet of water for Contra Costa Water District customers and can be seen from the dam in Brentwood, Calif., on Tuesday, April 26, 2016. A plan seeks to raise the height of the 218-foot tall dam at Los Vaqueros Reservoir by 51 feet, nearly doubling the reservoir's capacity. (Susan Tripp Pollard/Bay Area News Group)

The plan, which would cost roughly \$800 million, is simple: Raise the earthen dam by 51 feet, to 269 feet high. That would make it the second tallest dam in the Bay Area, eclipsed only by Warm Springs Dam, at 319 feet tall, on Lake Sonoma near Healdsburg.

The proposal would expand the size of Los Vaqueros, located in the rolling hills near the Alameda-Contra Costa county line, from its current 160,000 acre-feet capacity to 275,000 acre-feet, enough water when full for the annual needs of 1.4 million people.

Other water agencies -- including the Santa Clara Valley Water District, the East Bay Municipal Utility District and the Alameda County Water District -- are in early talks with the Contra Costa Water District, which owns the reservoir, over whether they would help pay to construct the project so they could draw water from the enlarged lake, particularly during dry years.

"There's new interest because of the drought and the project's benefits," said Marguerite Patil, who oversees expansion studies for the Contra Costa Water District. "And there's some opportunity to get state matching funds. It seems like good timing."

The idea was first floated shortly after Los Vaqueros was built in 1998 with \$450 million from the 500,000 customers of the Contra Costa Water District.

It surfaced again in 2010 when the district won an advisory vote from its customers to increase Los Vaqueros' size by raising the dam 34 feet. But at the time, the economy was struggling, and there were few state matching funds. So Contra Costa officials could not find other agencies to help foot the bill for the larger, 275,000 acre-foot option.

Now times have changed again.

Other agencies, particularly the Santa Clara Valley Water District, which provides water to 1.9 million people in Silicon Valley, are taking a fresh look.

"It's a concept that's worth exploring," said Barbara Keegan, chairwoman of the district's board. "We have to look at many options. I don't think it's wise to put all our eggs in one basket. It's an interesting idea that requires additional study."



Fisherman Doug Godbehere, of Clovis, a retired Fresno building inspector, catches a stripped bass from the pier at the marina at Los Vaqueros Watershed in Brentwood, Calif., on Tuesday, April 26, 2016. (Susan Tripp Pollard/Bay Area News Group)

Contra Costa officials are working on detailed environmental studies and a feasibility study with the U.S. Bureau of Reclamation. Both documents are scheduled to be finished next year.

The officials also have submitted a "concept paper" to the California Water Commission, a state panel that will decide how to hand out some of the \$7.5 billion in Proposition 1 bond funding approved by voters in 2014.

"We'll find out over the next year who is serious and who is ready to pursue it," Patil said.

The project would require a pipeline to be built about 8 miles from Los Vaqueros to the South Bay Aqueduct, a series of pipes and canals that takes Delta water 40 miles to San Jose from Bethany Reservoir near Livermore.

Contra Costa says the benefits to Bay Area water agencies are clear. A bigger reservoir could be filled up in wet years, providing more water in dry years.

Another key issue: Los Vaqueros does not use the massive federal and state pumps near Tracy to divert water from the Delta into its storage. Those pumps are regularly slowed when endangered fish, such as salmon, smelt and steelhead, are nearby and at risk of being killed by them.

Instead, Los Vaqueros has two intakes, at Old River near Discovery Bay and on Victoria Island in the Delta. Those intakes draw water at a much slower rate than the state and federal pumps, and they have modern fish screens.

### RESERVOIR EXPANSION PROPOSAL

An \$800 million project could expand Los Vaqueros Reservoir and connect it with other water systems as far south as San Jose.



Source: Contra Costa Water District

BAY AREA NEWS GROUP

That feature could allow agencies such as the Santa Clara Valley Water District to more easily take water from the Delta, which makes up 40 percent of its supply, without as many headaches.

Supporters of Brown's tunnels plan contend that the tunnels also would reduce reliance on the state and federal pumps by moving water through the Delta more easily. But environmental groups say that the project -- which critics call a Southern California water grab -- is almost certain to be tied up in court for years.

"This project could be a less expensive approach to getting greater water supplies, particularly in dry years when it is needed the most, without a decade of costly and unproductive litigation," said Jonas Minton, a former deputy director at the state Department of Water Resources who is now with the Planning and Conservation League, a Sacramento environmental group.

Keegan said that fact isn't lost on the Santa Clara Valley Water District.

"Development of alternative sources could help us in our decision-making process in terms of whether we support or don't support the tunnels," she said.

Paul Rogers covers resources and environmental issues. Contact him at 408-920-5045. Follow him at [Twitter.com/PaulRogersSJMN](https://twitter.com/PaulRogersSJMN).

## East Bay Times

# Bay Area residents wary of new housing development

By [George Avalos, gavalos@bayareanewsgroup.com](mailto:gavalos@bayareanewsgroup.com)

Posted: 04/28/2016 07:24:28 AM PDT | Updated: about 3 hours ago

Bay Area residents are all for more homes and plenty of them to help solve the region's housing affordability and traffic woes -- just not in their backyards.

Amid record-high housing prices, a sturdy economy and brisk hiring, a new poll released Thursday shows that by a strong majority -- 60 percent -- residents prefer that housing be built not in the crowded nine-county region but outside the Bay Area in places such as Yolo County, San Joaquin County and San Benito County.

"NIMBY is alive and well, and maybe stronger than ever," said Russell Hancock, president of San Jose-based Joint Venture Silicon Valley Network, which tracks the regional economy and often advocates creation of affordable housing. "Many people say they are here in the Bay Area, and they don't want anybody else to get in."

An estimated 85 percent of residents polled by the Bay Area Council say they support developing mass transit networks to serve the Bay Area's principal job centers, such as Silicon Valley. These future systems would connect the Bay Area to Sacramento and the Central Valley and speed employees between their homes and their workplaces.

"There's now an entrenched misperception that our region doesn't have the capacity to add the housing we need," said Jim Wunderman, president of the Bay Area Council, which polled 1,000 Bay Area residents.

Over the 12 months that ended in March, the Bay Area added nearly 121,000 jobs. That's enough workers to be the entire population of a city the size of Concord or Santa Clara.

The need for housing to serve new workers is even acute in some of the Bay Area's individual major urban centers, based on their job growth.

Over the same one-year period, Santa Clara County added 36,000 jobs, a 3.3 percent increase in total payroll jobs. That's roughly equivalent to the population of Morgan Hill or Martinez. The San Francisco-San Mateo region added about 43,000 jobs, a 4.2 percent annual gain, and approximately the population of Newark.

"The lack of housing threatens the economic competitiveness of the Bay Area," said Stephen Levy, director of the Palo Alto-based Center for Continuing Study of the California Economy. "Companies keep expanding in the Bay Area. The idea all the new workers can live outside of

the region just can't work. It would cost billions and billions of dollars to upgrade the transportation systems to the extent needed."

The poll also found that more than one-fourth of all Bay Area residents are spending at least 45 percent of their household income on housing -- well above the recommended range of 30 percent to 35 percent.

For people making less than \$50,000 a year in household income, according to the poll, more than two fifths are spending at least 45 percent of their household income on housing. One-third of the people who generate household income ranging from \$50,000 to \$100,000 a year spend at least 45 percent of their income on housing.

Even for those with a household income ranging from \$100,000 to \$150,000 a year, more than one-fourth reported spending at least 45 percent of their income on housing, the poll stated.

"What's unfortunate is that pushing housing outside the region still doesn't solve the problem of supply and lack of affordability" of residences, Wunderman said. "It simply means that fewer working families and workers in lower-income jobs can afford to live here."

Contact George Avalos at 408-859-5167. Follow him at [Twitter.com/georgeavalos](https://twitter.com/georgeavalos).

## Naval Weapons Station development

# Concord deal almost sealed

*Builder's concessions give Lennar edge as contract vote looms on reuse project*

**By Lisa P. White**

*lwhite@bayareanewsgroup.com*

CONCORD — With new offers of funding for affordable housing and roadway improvements, Lennar Urban appears

poised to win the coveted Concord Naval Weapons Station development contract.

But the company's revised financial proposal also reduces the city's guaranteed payout by at least \$10 million.

City staffers are recommending that the City Council on Tuesday review the proposal and select Lennar to develop the first phase of the base reuse project.

The meeting is at 6:30 p.m.

at Concord City Hall, 1950 Parkside Drive.

After Catellus Development Corp. withdrew from the developer selection process in March, the council agreed to reopen negotiations with Lennar.

"We think that this is a better deal overall when you add in all of the other things that Lennar is stepping up to do," said Guy Bjerke, Concord's director of community reuse planning.

Although staff originally

avored Catellus' proposal, Bjerke believes Lennar's revised profit-sharing plan and affordable housing provisions are superior.

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.

Under the revised proposal,

See **Lennar** on Page 2

# Naval weapons station vote delayed

*Concord cancels council meeting due to lack of quorum*

**By Lisa P. White**

*lwhite@bayareanewsgroup.com*

CONCORD — Tuesday's City Council meeting was canceled due to a lack of a quorum.

The council had been scheduled to review Lennar Urban's revised financial proposal and vote on whether to select the firm to develop the first phase of the Concord Naval Weapons Station.

The city has not announced a new date for the meeting.

Under the revised

proposal, Concord would receive a guaranteed \$20 million over 10 years with profit-sharing once the company earns a 20 percent return on its investment, which could amount to an additional \$23 million for the city. Lennar also would commit \$40 million for affordable housing and spend nearly \$16 million to widen Willow Pass Road to four lanes and rebuild Willow Pass bridge as a four-lane span.

The proposal still allocates \$39 million for a K-8 school; \$26 million for 80 acres of parks, greenways and open space; \$20 million for two community centers; and \$3 million for a shuttle connecting the development to Todos Santos Plaza.

From the Silicon Valley Business Journal:

<http://www.bizjournals.com/sanjose/news/2016/05/03/gilroy-urban-growth-boundary-passes-key-hurdle.html>

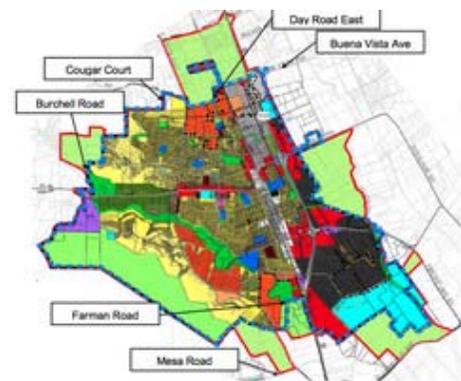
# Gilroy urban growth boundary passes key hurdle

May 3, 2016, 5:13am PDT **Updated: May 3, 2016, 7:12am PDT**

Advocates of an urban growth boundary in Gilroy are one step closer to getting an initiative on the November ballot.

Gilroy Growing Smarter said on Monday that it submitted to the city some 3,558 signatures in support of the measure. That represents 18 percent of the city's registered voters; 10 percent is needed to make the ballot.

"Over 40 unpaid volunteers spoke with thousands of Gilroy residents over the past six weeks, informing people about the initiative, its intent and provisions, answering questions, and collecting signatures on the petitions," supporters said in a news release. "In spite of misinformation and innuendo from opponents of the initiative, volunteers met with



GROWING GILROY SMARTER

The dashed blue line represents the urban growth boundary that is being proposed in the new ballot initiative.

overwhelming enthusiasm for the measure."

If adopted, the measure would restrict the city's ability to expand beyond its current boundaries. **I first covered the initiative back in February.**

The push comes after a controversial proposal to annex 721 acres just north of the city last year, land that was being targeted for potentially thousands of new homes. The proposal — **supported by the Gilroy City Council**— ran into intense opposition from the Local Agency Formation Commission, a state entity that oversees city boundary lines, **and was ultimately pulled.** But some residents want a more solid assurance that the possibility won't come back.

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A voter-approved urban growth boundary would require another vote of the people to change. Supporters say it allows exceptions for projects that "provide for the public benefit, such as schools, water projects, affordable housing and industrial projects promising good jobs for the area's residents," according to the press release.

You can read more about the initiative **here.**

Gilroy has plenty of vacant land where builders are constructing hundreds of new single-family homes, but land owners and developers say the city's ability to freely extend its reach is critical for handling the region's long-term growth needs.

If the measure passes, one winner could be San Benito County. The county to the south of Gilroy is seen as welcoming to large-scale, greenfield developments, and could score by seeing some of its competition removed.

The next step is for the city to certify the signatures. At that point, the Gilroy City Council can either adopt the measure as written (which is unlikely) or place it on the November ballot. A third-party report analyzing the measure's impact on the city is under way.

I'll have more on the Gilroy growth-control effort in the months ahead.

**Nathan Donato-Weinstein**

Real Estate Reporter  
Silicon Valley Business Journal



# Most profitable hospitals: Nonprofits

*Study: Stanford center is in top 10; states argue over tax obligations*

By **Carla K. Johnson**  
Associated Press

CHICAGO — Seven of the 10 most profitable U.S. hospitals are nonprofits, according to new research, including one in Urbana, Illinois, where hospital tax exemptions are headed for a contentious court battle that soon could determine whether medical facilities are paying their fair share

of taxes.

The “Top 10” list accompanies a study published Monday in the journal *Health Affairs*. The analysis is based on federal data from 2013 on nearly 3,000 hospitals. The authors measured profits using net income from patient care services, disregarding other income such as investments, donations and tuition. Researchers say the measure reflects

how hospitals fare from their core work, without income from other activities.

Topping the list is Gunderson Lutheran Medical Center in La Crosse, Wisconsin, which earned \$302.5 million in profit from patient care services that year.

Other nonprofits in the top 10 include the Stanford Hospital in Palo Alto, which took in nearly \$225 million, and the University of Pennsylvania’s hospital in Philadelphia, which earned \$184.5 million.

The research comes as cities in New Jersey, Michigan and Wisconsin also

wage battles over hospital tax breaks. Officials are scraping for revenue and pressuring hospitals to either pay up or justify their tax-exempt status.

So, who’s making money, and how? According to the study, delivering patient care was a money-loser for 55 percent of hospitals in the year studied. About a third made some money — up to \$1,000 — per patient. And a small group — about 12 percent of the total — made profits of more than \$1,000 per discharged patient from payments by insurers, government and patients themselves.

The nonprofits making big profits included the Carle Foundation Hospital in Illinois, where an appeals court in January ruled a state law allowing hospitals to avoid taxes is unconstitutional. The Illinois Supreme Court is expected to review the decision, on appeal by Carle Foundation Hospital.

Urbana Mayor Laurel Prussing said her city lost 11 percent of its assessed tax value when Carle stopped paying \$6.5 million a year in property taxes — the majority of which went to Urbana and its school district.

Carle Foundation Hospital spokeswoman Jennifer

Hendricks-Kaufmann said the research omits important details” like system-wide expenses and one-time government payments. The hospital provided \$25.8 million in charity care in 2013, she said.

“A positive bottom line does not mean a hospital does not deserve tax-exempt status,” said Danny Chun of the Illinois Hospital Association.

Taxation would force hospitals operating on thin margins to reduce services, lay off staff and delay the purchase of equipment or facility upgrades, Chun said.

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## ConFire May Start From Scratch on Station 16

*By Nick Marnell*

The Contra Costa County Fire Protection District will consider a tear down and rebuild of fire station 16 in Lafayette, according to upcoming fiscal year budget documents the district submitted to its board.

ConFire planned to rehab the structure but after receiving numerous construction proposals decided that it may be best to bulldoze the station and start from scratch. "If I had my way, that's the way we'd go," Fire Chief Jeff Carman told his advisory fire commission in April.

The reversal of the Lafayette fire station rebuilding plan is analogous to the turnaround of ConFire, which barely resembles the struggling district that Carman took over two-and-a-half years ago. ConFire was on the brink of a financial inferno in 2013. It had closed seven engine companies, stopped filling firefighter vacancies, was running up to a \$10 million structural deficit and was perilously close to exhausting its fund balances. The county administrator warned that the district was headed toward bankruptcy.

The budget presented for the 2016-17 fiscal year recommends funding for 25 fire stations, 26 companies, one squad and 353 full-time employees, including a new assistant chief of emergency medical services. By the end of the fiscal year the district will have placed 13 new fire engines, four trucks and three other vehicles into service. ConFire can restore these resources thanks to projected revenue of more than \$123 million, nearly \$30 million more than three years ago, due in large part to increased property taxes and first responder fees.

A major step in the district turnaround took place Jan. 1, when ConFire became the county's exclusive operator of emergency ambulance service - not including the areas covered by the Moraga-Orinda Fire District and the San Ramon Valley Fire Protection District.

"That was the highlight of the year," said Carman. Though the new program was expected to run cash-negative for several months, the first quarter appeared to finish strong. "It's better than we expected in terms of revenue," said the chief. The upcoming fiscal year will include the first complete 12-month cycle of ambulance operations.

The district will also ramp up its involvement with two county departments next year. ConFire plans to provide additional staffing for the county sheriff's helicopter program, and to work more closely with the county Hazardous Materials Division. Carman ran the Hazmat Division when he worked for the Roseville Fire Department.

The chief said he hopes to present a proposal for fire station 16 construction to his board May 10.

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

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## MOFD Avoids Drama, Sells Lafayette Property

*By Nick Marnell*

The Moraga-Orinda Fire District will make a handsome profit on its recent real estate holdings, based on offers from private citizens it accepted for property it owns at 1035 Lorinda Lane in Lafayette. The move avoids a possible dispute over an easement request by the City of Lafayette. The district had purchased the property in 2013 for \$1.2 million as a fire station site but decided not to build there; it then split the property into two parcels and put them on the market. Fire Chief Stephen Healy on April 27 announced pending sales prices of \$1.25 million for the house and \$449,000 for the vacant lot.

Apparently potential buyers did not blink at a special easement request by the city.

The city had pressured the district to obtain easements for a hiking trail on the outskirts of the MOFD holdings. The right of way requested by Lafayette runs atop ones already granted for roadway and utility use along the Lorinda Lane parcels, but the district did not want to risk compromising the sale of the property with the addition of another easement.

Lafayette offered the district \$10,000 for the easements. Healy and city manager Steve Falk negotiated a contract specifying terms of the transfer, and the chief presented the contract to his board at its April 6 meeting.

The reaction was not positive.

One-time board member Dick Olsen, out of concern for both the privacy and security of the Lorinda Lane residents, and also for how the price of the trail easements might negatively impact the future value of all easements granted in that neighborhood, urged the board to vote no.

Lorinda Lane resident Mark Debusschere pleaded with the district to not make the deal. "I assume the city is extorting the district to get these easements," he said. "I wouldn't sign this at all. If you made this same request of the new property owner, what do you think they are going to say?"

The issue has become a matter of public controversy, director Brad Barber said. "To the extent that this matter is drawn out by the city of Lafayette in its desire to obtain the easement, we face the likelihood that the value of the property will be impaired."

MOFD counsel John Bakker said that the city could get an injunction to preclude the sale of the property.

"That would be a hostile act," director Fred Weil said. "I would hope they understand our situation and react like decent human beings."

Weil also noted that Lafayette could condemn the property for public use any time it chooses, but to this point, why hadn't it done so? The city said it would be challenging and time consuming to secure the easements from private owners, which is why it pushed for acquisition from the district. The board declined to grant the easements but will revisit the motion at its May 4 meeting.

Any concerns the district had about diminishment of value of its property because of the easement request likely have been obviated by the strength of the initial offers.

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