



NOTICE AND AGENDA FOR REGULAR MEETING

DATE/TIME: Wednesday, May 11, 2016, 1:30 PM

PLACE: Board of Supervisors Chambers
651 Pine Street, Martinez, CA 94553

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

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

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

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

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

Campaign Contribution Disclosure

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

Notice of Intent to Waive Protest Proceedings

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

American Disabilities Act Compliance

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

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

MAY 11, 2016 CONTRA COSTA LAFCO AGENDA

1. Call to Order and Pledge of Allegiance
2. **Appointment of Public Member and Alternate Public Member**
3. Roll Call
4. Adoption of Agenda
5. Public Comment Period (please observe a three-minute time limit):
Members of the public are invited to address the Commission regarding any item that is not scheduled for discussion as part of this Agenda. No action will be taken by the Commission at this meeting as a result of items presented at this time.
6. Approval of Minutes for the April 13, 2016 regular LAFCO meeting

OUT OF AGENCY SERVICE REQUESTS

7. **LAFCO 16-04 – City of Martinez – Plaza Drive** – consider a request by the City of Martinez to provide municipal water service outside its jurisdictional boundary to a 0.13± acre parcel (APN 375-253-002) located at 1161 Plaza Drive in the unincorporated Mt. View area to serve a proposed single family home; and consider related actions under the California Environmental Quality Act (CEQA)

SPHERE OF INFLUENCE/BOUNDARY CHANGES

8. **LAFCO 16-01 – Scott and Kathryn Carr Annexation to the East Bay Municipal Utility District (EBMUD)** - consider annexation to EBMUD of 5.9± acres (APN 258-290-021) located at 80 Carr Ranch Road southeast of the Town of Moraga; and consider related actions under CEQA **Public Hearing**

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

9. **Fire and Emergency Medical Services MSR/SOI Updates (2nd Round)** – receive an overview of the Public Review Draft MSR, along with public comments, and provide input. The MSR covers three cities and eight districts **Public Hearing**

BUSINESS ITEMS

10. **Adoption of Final FY 2016-17 LAFCO Budget** – review and adopt the FY 2016-17 Final LAFCO Budget **Public Hearing**

CORRESPONDENCE

11. Correspondence from Contra Costa County Employees' Retirement Association (CCCERA)

INFORMATIONAL ITEMS

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

ADJOURNMENT

Next regular LAFCO meeting – June 8, 2016 at 1:30 p.m.

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



Lou Ann Teixeira
Executive Officer

MEMBERS

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

ALTERNATE MEMBERS

Candace Andersen <i>County Member</i>
Sharon Burke <i>Public Member</i>
Tom Butt <i>City Member</i>
Stanley Caldwell <i>Special District Member</i>

May 11, 2016 (Agenda)

May 11, 2016
Agenda Item 2

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

Appointment of LAFCO Public Members

Dear Members of the Commission:

The authority and procedures for appointing members of the Commission are set forth in the Cortese Knox Hertzberg Local Government Reorganization Act of 2000 (CKH Act). All terms of office on LAFCO are four years, expiring on the first Monday in May, unless otherwise specified.

In December, the Commission received a report regarding Commissioner terms and the process for filling vacancies. In May 2015, the terms of five Commissioners expire: County member Candace Andersen, City member Don Tatzin, Special District member Mike McGill, and Public members Don Blubaugh and Sharon Burke. A status of the various appointments is provided below.

- County member - In January 2016, the Contra Costa County Board of Supervisors re-appointed Commissioner Andersen.
- City member - On April 7th, the City Selection Committee re-appointed Commissioner Tatzin.
- Special District member – A meeting of the Independent Special District Selection Committee (ISDSC) was scheduled for April 18th to re-appoint Commissioner McGill, who is unopposed. Due to lack of a quorum, the ISDSC was unable to convene its meeting and hold the election. Commissioner McGill will continue to serve. LAFCO staff is completing the election by mail.
- Public members (regular and alternate) are appointed by the other members of the commission subject to the affirmative vote of at least one of the members selected by each of the other appointing authorities (i.e., city, county, special district). In December, the Commission discussed options for appointing the public members, including conducting a formal recruitment or reappointing the current public members pursuant to the Commission’s policy. Both public members expressed interest in continuing to serve on Contra Costa LAFCO; and the Commission expressed interest in re-appointing the current public members.

RECOMMENDATION – Reappoint the current Public member and Alternate Public member.

Sincerely,

LOU ANN TEXEIRA
EXECUTIVE OFFICER

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
MINUTES OF MEETING

April 13, 2016

Board of Supervisors Chambers
Martinez, CA

May 11, 2016
Agenda Item 6

1. Chair Mary Piepho called the meeting to order at 1:30 p.m.
2. The Pledge of Allegiance was recited.
3. Chair Piepho congratulated Commissioner Tatzin on his reelection to the Commission by the City Selection Committee and welcomed him to another four-year term.
4. Roll was called. A quorum was present of the following Commissioners:
City Member Don Tatzin.
County Members Mary Piepho and Alternate Candace Andersen.
Special District Members Mike McGill and Igor Skaredoff and Alternate Stanley Caldwell.

Present were Executive Officer Lou Ann Texeira, Legal Counsel Sharon Anderson, and Clerk Kate Sibley.
5. Approval of the Agenda
Upon motion of Tatzin, second by Skaredoff, Commissioners, by a vote of 5-0, adopted the agenda.

AYES: Andersen (A), McGill, Piepho, Skaredoff, Tatzin
NOES: none
ABSENT: Blubaugh (M), Glover (M), Schroder (M)
ABSTAIN: none
6. Public Comments
There were no comments from the public at this time.
7. Approval of March 9, 2016 Meeting Minutes
Upon motion of Skaredoff, second by Blubaugh, the minutes were unanimously approved by a vote of 7-0.

AYES: Andersen (A), McGill, Piepho, Skaredoff, Tatzin
NOES: none
ABSENT: Blubaugh (M), Glover (M), Schroder (M)
ABSTAIN: none
8. LAFCO 16-03 - City of Concord Out of Agency Service (John Miller)
The Executive Officer provided background on this request by the City of Concord to provide municipal sewer service to a property at 4981 Concord Boulevard in the unincorporated Ayers Ranch area. There is currently one single family home on the property which receives City sewer service. Out of agency service is requested to serve a proposed 5-lot subdivision. The property owner is currently working with the County on this project.

Kevin Marstall, Senior Civil Engineer for the City of Concord, and the LAFCO Executive officer responded to Commissioners' questions about the project concerning infrastructure, tree removal, associated with the proposed subdivision, and the City's commitment to the future annexation of the Ayers Ranch island.

DRAFT

Upon motion of Tatzin, second by Andersen, Commissioners, by a 5-0 vote, reviewed and considered the information contained in the CEQA documentation; and authorized the City of Concord to extend municipal sewer service outside its jurisdictional boundary to the 1.43±-acre parcel located at 4981 Concord Boulevard, subject to specified terms and conditions.

9. Fiscal Year 2015-16 Third Quarter Budget Report

The Executive Officer stated that, at the end of the third quarter of the current fiscal year, total expenditures to date are approximately 65% of total appropriations. Total revenues exceed the budget due to increased application activity.

Staff reported that last month, the Commission authorized an expenditure of \$25,000 from this account to fund a special study of the WCCHCD. This expenditure will be reflected in the FY 2015-16 year end budget report.

Commissioner McGill questioned whether all agency contributions were received, and asked about West Contra Costa Healthcare District, which has declared bankruptcy. Staff responded that there is an exemption in LAFCO law for bankrupt healthcare districts.

Upon motion of Tatzin, second by McGill, Commissioners, by a vote of 5-0, received the report.

AYES: Andersen (A), McGill, Piepho, Skaredoff, Tatzin

NOES: none

ABSENT: Blubaugh (M), Glover (M), Schroder (M)

ABSTAIN:

10. CALAFCO Legislative Report - Update and Positions

The Executive Officer reported that since the March meeting, an urgent request was received from CALAFCO to send letters opposing SB 1318 relating to water and wastewater services for disadvantaged communities, and AB 2032 relating to disincorporation. Additionally, after the distribution of the April agenda packet, CALAFCO sent another urgent request for a letter supporting AB 2910 (CALAFCO's annual omnibus bill) and a letter removing opposition to AB 2032. In accordance with the Commission's legislative policy, LAFCO staff will work with Chair Piepho to send the letters out in a timely manner.

11. Correspondence from CCCERA

There were no comments on this item.

12. Commissioner Comments and Announcements

Commissioner McGill reported that he attended the CALAFCO Legislative Committee on March 18 in Ontario, and will attend the next Legislative Committee in Sacramento on April 22. Also, he noted that the CALAFCO Annual Conference will be held October 26-28 in Santa Barbara. Chair Piepho asked that staff email commissioners with information about the conference (and the wine and beer competition).

Commissioner Tatzin reported that he and staff made presentations on the Agriculture & Open Space Preservation Policy to various groups. The next presentation will be at the quarterly Contra Costa Special Districts Association on Monday, April 18, which required noticing this meeting as a special LAFCO meeting due to an anticipated quorum of commissioners.

Commissioner McGill noted that it would be useful to get feedback on the AOSPP in May.

13. Staff Announcements

The Executive Officer thanked the Commission for the opportunity to attend the 2016 CALAFCO Staff Workshop in Universal City March 30-April 1. A report highlighting the workshop was provided in the agenda packet.

Also, the EO will attend the CALAFCO Legislative Committee on April 22 in Sacramento.

The meeting adjourned at 1:57 p.m.

Final Minutes Approved by the Commission May 11, 2016.

AYES:

NOES:

ABSTAIN:

ABSENT:

By _____
Executive Officer

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
EXECUTIVE OFFICER'S REPORT

May 11, 2016 (Agenda)

May 11, 2016
Agenda Item 7

LAFCO 16-04 City of Martinez - Out of Agency Service Request (Plaza Drive)

SYNOPSIS

This is a request by the City of Martinez to provide water service outside its jurisdictional boundary to one parcel located at 1161 Plaza Drive in the unincorporated Mt. View area. The parcel (APN 375-253-002) is 0.13± acre (see Attachment 1). The lot is currently vacant and is part of a major subdivision – “Martinez Center Tract No. 1” - recorded in 1915. In December 2015, the County approved the owner’s request to construct a single family home on the lot. The property owner is in the process of obtaining a building permit to construct the home.

The property is zoned R-6 (single family, 6,000 sf minimum lot size) and the County’s General Plan designation is SH (single family residential – high). The City’s pre-zoning designation is comparable. The subject parcel is located within the City of Martinez sphere of influence (SOI) and within the Urban Limit Line. Surrounding uses include single family residential to the north, south, east and west.

The City of Martinez is currently providing water service to all of the surrounding developed properties. The area is within the Mt. View Sanitary District (MVSD) service boundary.

DISCUSSION

Statutory Framework – Out of Agency Service - The Government Code and local LAFCO policies regulate the extension of out of agency service. Government Code §56133 states that “A city or district may provide new or extended services by contract or agreement outside of its jurisdictional boundary only if it first requests and receives written approval from the Commission.” Further, the law provides that LAFCO may authorize a city or district to provide new or extended services under specific circumstances: a) outside the agency’s jurisdictional boundary but within its SOI in anticipation of a future annexation; or b) outside its jurisdictional boundary and outside its SOI in response to an existing or impending threat to the public health or safety.

The Commission’s current policies regarding out of agency service are consistent with State law in that annexations to cities and special districts are generally preferred for providing municipal services. However, there may be situations where health and safety, emergency service, or other concerns warrant out of agency service. Historically, out of agency service is considered a temporary measure, typically in response to an existing or impending public health and safety threat (e.g., failing septic system, contaminated well); or in anticipation of a future annexation.

Out of Agency Service Request by City of Martinez and Background – As noted in both the 2014 and 2008 *Water/Wastewater* and the 2009 *Central County Sub-regional* LAFCO Municipal Service Reviews (MSRs), the City is providing water services beyond its corporate limits to 1,500± water connections. These 1,500 water connections represent residents who do not have representation concerning policy or governance of their water supply. The MSRs recommend that the City of Martinez annex areas receiving city services, as appropriate.

In the past five years, the City of Martinez had annexation activity. In 2011, the City submitted an application to annex 393± acres (139 parcels) in the Alhambra Valley. In response to community input and the City’s request, LAFCO approved a slightly reduced boundary comprised of 316± acres (104

parcels). Also, in 2011, the City submitted a proposal to annex the North Pacheco area. LAFCO approved the annexation; however, the voters rejected it.

Recently, the City embarked on a fiscal analysis to study potential annexation areas including the North Pacheco, Mt. View and Vine Hill areas. Further, the City Council adopted two resolutions reaffirming its commitment to annex the Alhambra Valley.

The law permits LAFCO to authorize the City to extend services outside its jurisdictional boundary in specific situations as described above. The request by the City to provide water service to the Plaza Drive property is in anticipation of a future annexation.

Other actions the City has taken in furtherance of future annexation efforts include the following:

- The City's General Plan includes policies and land use designations supporting annexation of various unincorporated areas.
- The City has rezoned all areas that are outside the City limits but within the City's SOI and within the boundaries of City of Martinez water service area, including the Mt. View community.
- The City recently initiated a study to review the fiscal impacts of annexing the North Pacheco, Mt. View and Vine Hill areas.
- The City requires property owners to execute a deferred annexation agreement in order to receive City water service.

Water Supply to the Project Area – The Mt. View area is mostly developed and characterized by primarily residential with some commercial, industrial and public uses. Most of the developed properties in the Mt. View area receive water service through the City of Martinez.

The City indicates that it has adequate water to serve the property on Plaza Drive. According to the City, water service will be provided to the parcel from the City's existing 6-inch water main on Plaza Drive. Infrastructure includes 20 linear feet of 1-inch diameter pipe, a water meter and a backflow prevention device. The service line will be used for domestic and fire supply.

The property owner is responsible for all site development, improvement and start-up costs including those associated with the domestic water system; operational and maintenance costs will be funded through water service and water usage fees collected by the City of Martinez.

Environmental Review – Both Contra Costa County and the City of Martinez found the project exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15303, and have filed Notices of Exemption. The LAFCO Environmental Coordinator has reviewed these documents and finds them adequate for LAFCO purposes.

ALTERNATIVES FOR COMMISSION ACTION

LAFCOs were formed for the primary purpose of promoting orderly development through the logical formation and determination of local agency boundaries, and facilitating the efficient provision of public services. The CKH provides that LAFCO can approve with or without amendments, wholly, partially, or conditionally, or deny a proposal. The statute also provides LAFCO with broad discretion in terms of imposing terms and conditions. The following options and recommended terms and conditions are presented for the Commission's consideration.

Option 1 **Approve** the out of agency service request with the following terms and conditions.

- A. Find that the project is exempt pursuant to section 15303 of the CEQA Guidelines, consistent with the determinations of Contra Costa County and the City of Martinez.
- B. Authorize the City of Martinez to extend water service outside its jurisdictional boundary to the APN 375-253-002) located at 1161 Plaza Drive in unincorporated Contra Costa County subject to the following terms and conditions:
 - 1. Water infrastructure and service is limited to one proposed single family dwelling unit, and
 - 2. The City of Martinez has delivered to LAFCO executed and recorded deferred annexation agreements, and
 - 3. The City of Martinez has delivered to LAFCO an executed indemnification agreement providing for the City to indemnify LAFCO against any expenses arising from any legal actions to challenging the out of agency service.

Option 2 **Deny** the request, thereby prohibiting the City of Martinez from providing water service to the project site.

Option 3 **Continue** this matter to a future meeting in order to obtain more information.

RECOMMENDATION

Option 1 – Approve out of agency service request

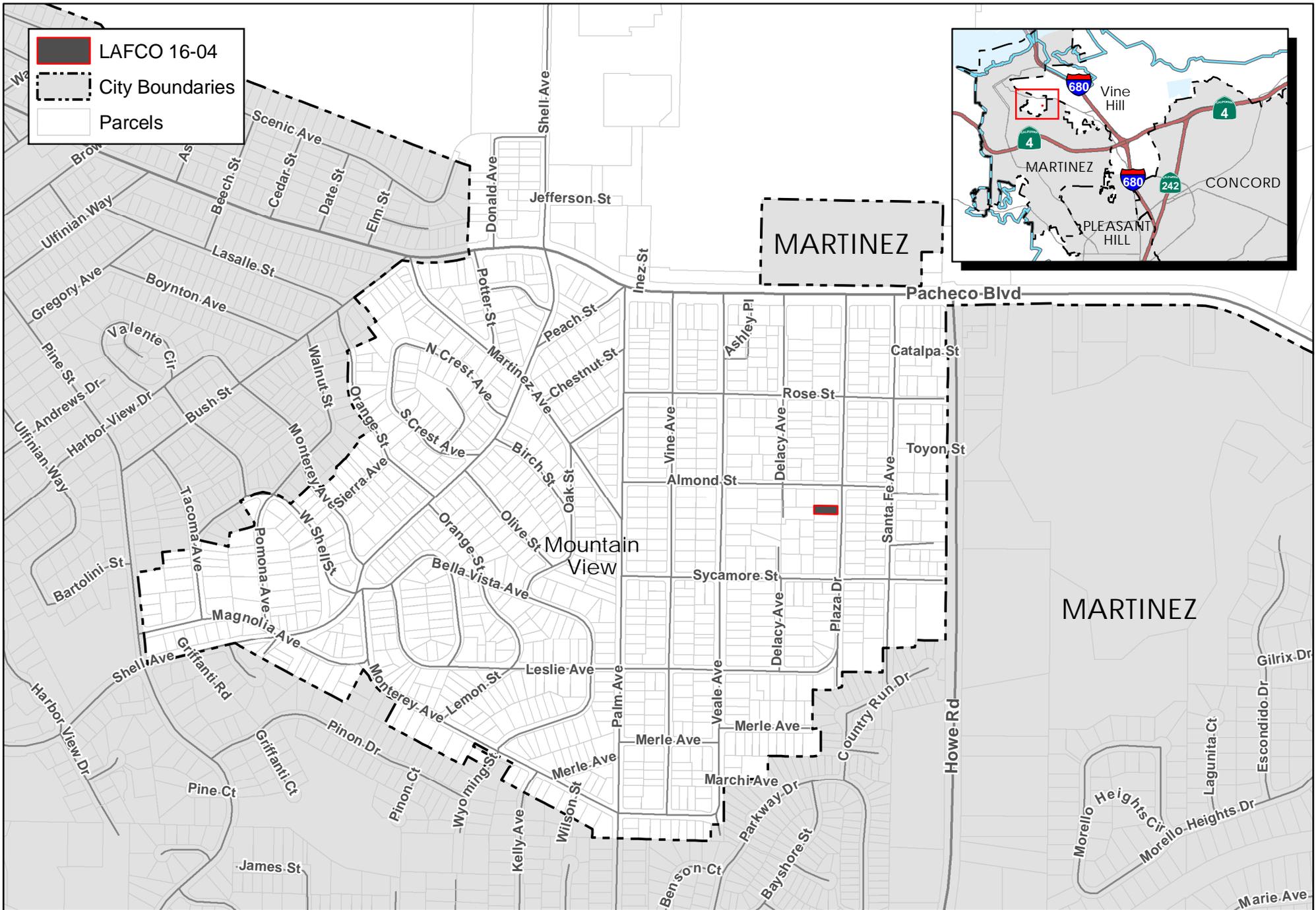
LOU ANN TEXEIRA, EXECUTIVE OFFICER
CONTRA COSTA LAFCO

Attachments

- 1. Map of Project Site
- 2. LAFCO Resolution 16-04

c: Tim Tucker, City of Martinez
 Antonio Orozco & Veronica Fernandez, Property Owners

LAFCO No.16-04 City of Martinez Out of Agency Service (1161 Plaza Dr)



- LAFCO 16-04
- City Boundaries
- Parcels

Map created 03/24/2016
 by Contra Costa County Department of Conservation and Development, GIS Group
 30 Muir Road, Martinez, CA 94553
 37:59:41.791N 122:07:03.756W

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

Attachment 1

Feet



RESOLUTION NO. 16-04

**RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
AUTHORIZING THE CITY OF MARTINEZ TO PROVIDE OUT-OF-AGENCY WATER SERVICE
TO 1161 PLAZA DRIVE (APN 375-253-002)**

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

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

WHEREAS, the Commission heard, discussed and considered all oral and written testimony related to this request including, but not limited to, the Executive Officer's report and recommendation; and

WHEREAS, out of agency service approval is needed in order to provide water services to the properties in anticipation of a future annexation; and

WHEREAS, the City of Martinez and the property owners have entered into Deferred Annexation Agreements in support of the future annexation of the property to the City of Martinez.

NOW, THEREFORE, BE IT RESOLVED DETERMINED AND ORDERED by the Contra Costa Local Agency Formation Commission as follows:

- A. Find that the project is exempt pursuant to section 15303 of the CEQA Guidelines, consistent with the determination of the City of Martinez.
- B. Authorize the City of Martinez to extend water service outside its jurisdictional boundary to one property located at 1161 Plaza Drive (APN 375-253-002) in unincorporated Contra Costa County subject to the following terms and conditions:
 - 1. Water infrastructure and service is limited to one single family dwelling unit on the parcel,
 - 2. The City of Martinez has delivered to LAFCO executed indemnification agreements providing for the City to indemnify LAFCO against any expenses arising from any legal actions to challenging the out of agency service, and
 - 3. The City of Martinez and the property owner(s) have signed the deferred annexation agreement (DAA), and the DAA was recorded as prescribed by law and runs with the land so that future landowners have constructive notice that their property is encumbered by the DAA.
- C. Approval to extend City of Martinez services beyond those specifically noted herein is withheld and is subject to future LAFCO review.

* * * * *

PASSED AND ADOPTED AS REVISED THIS 11th day of May 2016, by the following vote:

AYES:
NOES:
ABSTENTIONS:
ABSENT:

MARY N. PIEPHO, CHAIR, CONTRA COSTA LAFCO

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

Dated: May 11, 2016

Lou Ann Texeira, Executive Officer

CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
EXECUTIVE OFFICER'S REPORT

May 11, 2016
Agenda Item 8

May 11, 2016 (Agenda)

LAFCO 16-01 Scott and Kathryn Carr Annexation to the East Bay Municipal Utility District (EBMUD)

PROPONENT Scott and Kathryn Carr, Property Owners

SYNOPSIS The property owners have petitioned Contra Costa LAFCO to annex their 5.9± acre property (APN 258-290-021) to EBMUD. The property is located at 80 Carr Ranch Road southeast of the Town of Moraga as shown on the attached map (Attachment 1).

DISCUSSION

In October 2015, the property owners received a letter from EBMUD informing them that their property is located outside the District's boundary, is currently receiving water service, and must be annexed to EBMUD in order to continue to receive water service (Attachment 2). As noted in the letter, the meter serving the property was previously designated for agricultural use, at which time the meter was physically located within the EBMUD service boundary. In 2013, the meter was relocated to its current location and the District erroneously allowed service from the meter to a residential property which is outside the District's service area. Consequently, EBMUD is requiring that the property either disconnect from EBMUD water and find another source of water, or annex to the District for compliance purposes. The property owners filed an application with Contra Costa LAFCO to annex their property to EBMUD.

EBMUD is a multi-county district serving portions of Alameda and Contra Costa counties. Alameda is the principal County for EBMUD, as defined by Government Code §56066 (i.e., the county having the greatest portion of the entire assessed value, as shown on the last equalized assessment roll of the county or counties, of all taxable property within the district). In order to process the annexation in Contra Costa County, Contra Costa LAFCO must request a transfer of jurisdiction from Alameda LAFCO. On February 10, 2016, the Commission authorized LAFCO staff to send a letter to Alameda LAFCO requesting a transfer of jurisdiction. On March 10, 2016, Alameda LAFCO approved Contra Costa LAFCO's request for a transfer of jurisdiction.

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

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

The area proposed for annexation is within EBMUD's SOI, is also within the Town of Moraga's SOI, and inside the County Urban Limit Line.

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

Land uses on the subject property include one single family dwelling unit and related agricultural uses. The County's General Plan designation for the property is AL (Agricultural Lands), and the County's zoning is A-2 (General Agriculture – parcel 5 acre minimum).

The subject property is surrounded by agricultural land, with cattle operations, another single family home to the immediate south, and the Sky View residential subdivision to the far south of the property.

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

The property proposed for annexation was once part of the expansive Carr Ranch property, which comprises 600 acres of rolling hills on unincorporated land at the southern border of Moraga. The larger Carr Ranch property includes grazing land, ponds, creeks and woods that extend to the southeast nearly to San Ramon. The Carr Ranch has been sold to the John Muir Land Trust, a nonprofit organization that manages areas of open space in perpetuity throughout Contra Costa County.

The parcel proposed for annexation is not part of the Carr Ranch property sold to the John Muir Land Trust. The subject parcel contains no Prime Farmland, Unique Farmland, or Farmland of Statewide Importance; the proposed annexation would not result in the loss of agricultural land. No portion of the subject property is currently under a Williamson Act Land Conservation Act agreement. Portions of the subject property are occasionally used for cattle grazing.

4. Topography, Natural Features and Drainage Basins:

The subject property is relatively flat; surrounding areas are relatively flat with some rolling hills.

5. Population:

The property proposed for annexation contains one single family dwelling unit, which is currently receiving EBMUD water. No development is proposed and no increase in population will result from the proposed annexation.

6. Fair Share of Regional Housing:

In its review of a proposal, LAFCO must consider the extent to which the proposal will assist the receiving entity in achieving its fair share of the regional housing needs as determined by the regional council of governments. The proposed annexation will have no effect on regional housing needs.

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

Whenever an application for a change of organization or reorganization is submitted to LAFCO, the applicant must also submit a plan for providing services within the affected territory (Gov. Code §56653). The plan shall include all of the following information and any additional information required by the Commission or the Executive Officer:

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

The property currently receives water service from EBMUD; no change in the provision of service is proposed. The annexation area is served by various local and regional agencies including, but not limited to, Contra Costa County and the Moraga-Orinda Fire District.

8. Timely Availability of Water and Related Issues:

The proposal before the Commission is to annex to EBMUD in response to a letter from the District. EBMUD provides potable water services and limited wastewater collection and treatment services in portions of the District's service area. The EBMUD service area is approximately 331 square miles (Contra Costa and Alameda counties). EBMUD provides potable water to approximately 1.3 million people within the two-county service area. Within Contra Costa County, EBMUD provides water service to a 146± square mile service area, serving an estimated 477,212 residents.

EBMUD's water supply is distributed through a collection system consisting of aqueducts, reservoirs, and other components. The primary source of water supply for EBMUD is the Mokelumne River; this watershed accounts for 90 percent of EBMUD's water supply. EBMUD's existing water rights allow the delivery of up to 325 mgd or approximately 364,046 acre-feet per year of water from the Mokelumne River.

EBMUD's water rights are subject to variability, particularly during dry and multiple dry years. The availability of the Mokelumne River runoff is subject to senior water rights of other users, downstream fishery flow requirements, and other Mokelumne River water uses. Given the variability, EBMUD indicates that supplemental water supply sources are needed to meet future water demand during extended periods of drought.

The Freeport Regional Water Facility is a regional water supply project that provides supplemental water supply to EBMUD during dry years, as part of the Central Valley Project (CVP), a federal water management program. During periods of drought, EBMUD receives CVP water from its Freeport Regional Water Facility to augment its water supply. The U.S. Bureau of Reclamation (USBR) provides supplemental water supply during dry and multiple dry years to ensure the reliability of EBMUD's water supply. In conjunction with the request to annex the property, EBMUD is also seeking approval from the USBR.

EBMUD indicates that it has adequate capacity to continue to serve the Carr property.

9. Assessed Value, Tax Rates and Indebtedness:

The annexation area is within tax rate area 77001. The assessed value for the annexation area is \$317,472 (2015-16 roll). The territory being annexed shall be liable for all authorized or existing taxes comparable to properties presently within the annexing agencies.

10. Environmental Impact of the Proposal:

LAFCO's environmental coordinator has determined that the proposal is exempt from the California Environmental Quality Act (CEQA) pursuant to sections 15061(b)(3) (General Rule) and 15319 (Annexation of Existing Facilities).

11. Landowner Consent and Consent by Annexing Agency:

According to County Elections, there are fewer than 12 registered voters in the area proposed for annexation; thus, the area proposed for annexation is considered uninhabited.

LAFCO has confirmed that 100% of the affected landowners have provided written consent to the annexation. Thus, if the Commission approves the annexation, the Commission may waive the protest hearing (Gov. Code §56662). All landowners and registered voters within the proposal area(s) and within 300 feet of the exterior boundaries of the area(s) have received notice of the May 11, 2016 hearing.

12. Boundaries and Lines of Assessment:

The annexation area is within the SOI of EBMUD and is contiguous to the District's service boundary. A map and legal description to implement the proposed boundary changes have been received and are being reviewed by the County Surveyor.

13. Environmental Justice:

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

14. Disadvantaged Communities:

In accordance with Senate Bill 244, local agencies and LAFCOs are required to plan for disadvantaged unincorporated communities (DUCs). Many of these communities lack basic infrastructure, including streets, sidewalks, storm drainage, clean drinking water, and adequate sewer service. LAFCO actions relating to Municipal Service Reviews, SOI reviews/amendments, and annexations must take into consideration DUCs, and specifically the adequacy of public services, including sewer, water, and fire protection needs or deficiencies, to these communities. According to the County GIS/Demographics division, the annexation area does not meet the criteria of a DUC.

ALTERNATIVES FOR COMMISSION ACTION

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

Option 1

Approve the annexation.

- A. Determine that the proposal is exempt from CEQA pursuant to sections 15061(b)(3) (General Rule) and 15319 (Annexation of Existing Facilities).
- B. Adopt this report, approve LAFCO Resolution No. 16-01 (Attachment 2), and approve the proposal, to be known as the *Scott and Kathryn Carr Annexation to EBMUD* subject to the following terms and conditions:

1. The territory being annexed shall be liable for the continuation of any authorized or existing special taxes, assessments and charges comparable to properties presently within the annexing agency.
 2. That the property owners have delivered an executed indemnification agreement providing for property owners to indemnify LAFCO against any expenses arising from any legal actions challenging the annexation.
 3. Water service is conditional upon EBMUD receiving acceptance for inclusion of the annexed areas from the USBR, pursuant to the requirements in EBMUD's contract with USBR for supplemental water supply from the CVP.
- C. Find that the subject territory is uninhabited, the proposal has 100% landowner consent, and the conducting authority (protest) proceedings are hereby waived.

Option 2 Adopt this report and DENY the proposal.

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

RECOMMENDED ACTION:

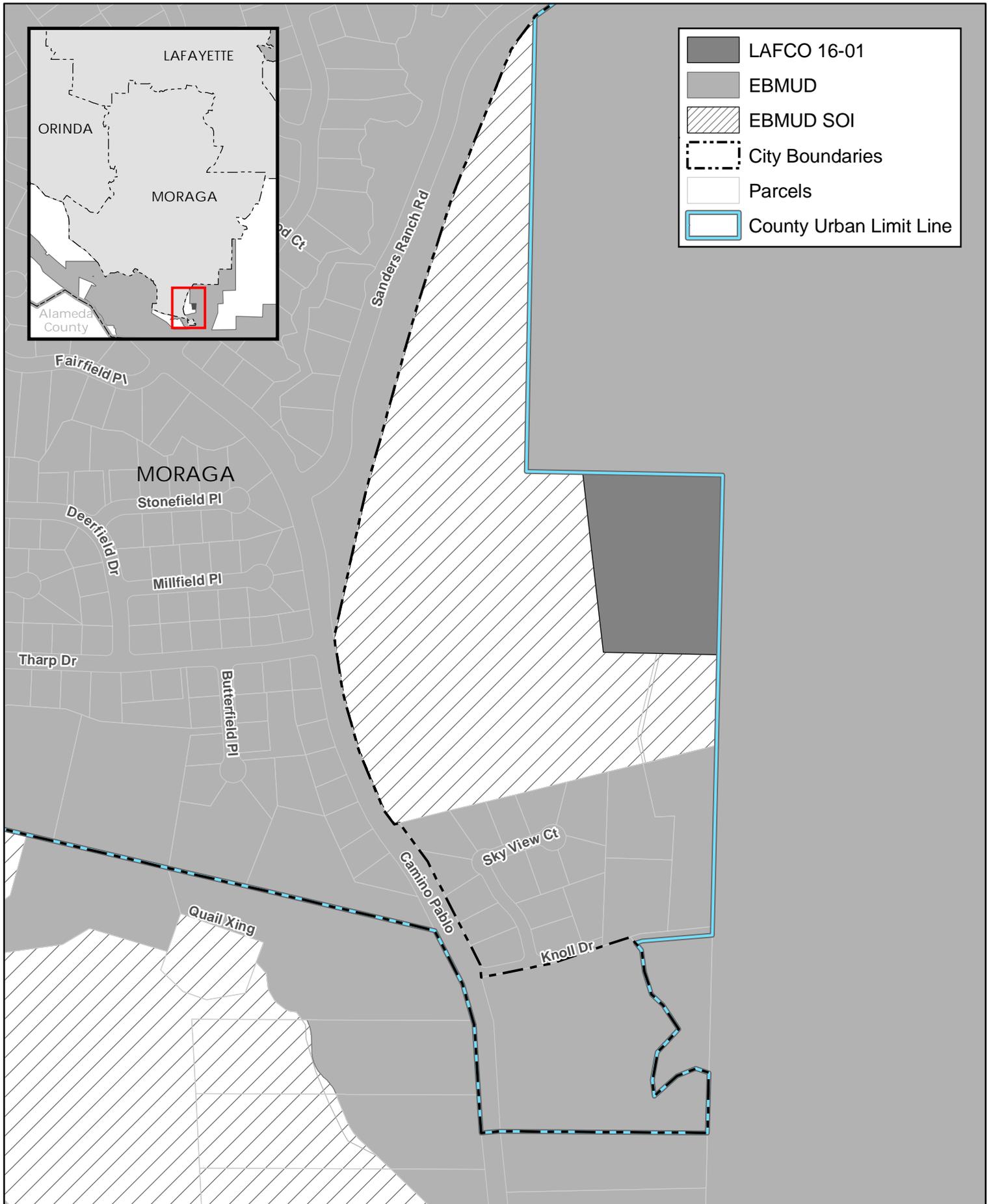
Option 1 - Approve the annexation

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

Attachments

- 1 - EBMUD Annexation Map
- 2 – Letter from EBMUD to Scott and Kathryn Carr
- 3 - Draft LAFCO Resolution 16-01

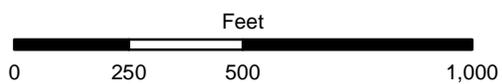
c: Scott and Kathryn Carr, Property Owners
Andrew Lee, Manager of New Business, EBMUD



	LAFCO 16-01
	EBMUD
	EBMUD SOI
	City Boundaries
	Parcels
	County Urban Limit Line

Map created 02/29/2016
 by Contra Costa County Department of
 Conservation and Development, GIS Group
 30 Muir Road, Martinez, CA 94553
 37:59:41.791N 122:07:03.756W

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





October 28, 2015

Mr. Scott Carr
80 Carr Ranch Road
Moraga, CA 94556

Subject: Water Service for 80 Carr Ranch Road, Moraga (APN 258-290-021)

Dear Mr. Carr,

It has come to East Bay Municipal Utility District's (District) attention that your property at 80 Carr Ranch Road (APN 258-290-021) is located outside of the District's service area and is currently receiving water service from a District meter. The District is prohibited by law to provide water service beyond our service area.

The meter you are currently using was previously designated as "agricultural use", and it was physically located within the limit of the District's service area. In 2013, the agricultural meter was relocated to its current location and the District erroneously allowed service from this meter to your residential property. As such, your water service must be brought into compliance with the District's regulations by taking action on one of the following options:

- 1) You may initiate the annexation process through the Contra Costa County Local Agency Formation Commission (LAFCO) to annex your property into the District's service area. You may submit a property owner petition with LAFCO for the annexation. If you need information regarding the annexation process and applicable fees, LAFCO can be reached at (925) 335-1094;
- 2) You may work with the developer for the adjacent 30 acre parcel (APN 258-290-023) to jointly petition for annexation into the District's service area to form a logical boundary. The District is aware that the adjacent parcel was sold to a developer and there is plan in place to annex the larger parcel into the City limit, as well as other utility services; or
- 3) You may remove the house line connection to the District's meter immediately and secure another source of water supply.

We assume you will prefer to annex your property to the District's service area. Following LAFCO's approval, the District must obtain approval from the United States Bureau of Reclamation (USBR) to include the annexed property into the Contractor Service Area in compliance with Article 35 of the Central Valley Project water supply contract. The District will

Mr. Scott Carr
October 28, 2015
Page 2

request LAFCO to condition water service to the property until the receipt of USBR's formal approval of inclusion. To initiate the USBR process, the District would provide the USBR with copies of a Board resolution initiating such application, LAFCO annexation documents, and any environmental documents that may be required. There will be a separate fee you must pay to the USBR for its review if you decide to move forward with an application. You will also need to enter into a reimbursement agreement with the District agreeing to pay all fees associated with the USBR review.

Furthermore, the District has become aware that the meter currently serving your property at 80 Carr Ranch Road is also serving 55 Carr Ranch Road (Mr. and Mrs. Hoover's property). Serving multiple lots from a single meter is prohibited under the District Regulations Governing Water Services. Section 19 of the District's Regulations states that "more than one premises will not be served from a single meter." A premise is defined as a "parcel of real estate." Since the meter is registered under your name, you are responsible for the removal of the illegal connection to mitigate the violation. We have notified the owners of 55 Carr Ranch Road of this problem, and we will be happy to work with both you and the owners of 55 Carr Ranch Road to ensure that there is no interruption in water service, provided you both work diligently to correct this problem.

Please contact the New Business Office to discuss the required follow-up actions immediately. If the District does not hear from you within the next 30 days, further actions may be initiated to address the unauthorized use of water outside of the service area and the illegal connection to 55 Carr Ranch Road. You can contact me at (510) 287-1182 should you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Andrew Lee", with a large, stylized flourish at the end.

Andrew Lee
Manager of New Business

RESOLUTION NO. 16-01**RESOLUTION OF THE CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
MAKING DETERMINATIONS AND APPROVING THE SCOTT AND KATHRYN CARR
ANNEXATION TO THE EAST BAY MUNICIPAL UTILITY DISTRICT**

WHEREAS, a proposal to annex territory to the East Bay Municipal Utility District (EBMUD) was filed with Executive Officer of the Contra Costa Local Agency Formation Commission pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act (Government Code section 56000 et seq.); and

WHEREAS, the Executive Officer has examined the application and executed her certification in accordance with law, determining and certifying that the filing is sufficient; and

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

WHEREAS, the Executive Officer has reviewed available information and prepared a report including her recommendations therein, and the report and related information have been presented to and considered by the Commission; and

WHEREAS, at a public hearing held on May 11, 2016, the Commission heard, discussed and considered all oral and written testimony related to the proposal including, but not limited to, the Executive Officer's report and recommendation, the environmental document or determination, consistency with the sphere of influence, contiguity with EBMUD's boundary, and related factors and information including those contained in Gov. Code §56668; and

WHEREAS, information satisfactory to the Commission has been presented that all the owners of land within the affected territory have given their written consent to the proposal; and

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

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

1. The proposal is exempt from CEQA pursuant to sections 15061(b)(3) (General Rule) and 15319 (Annexation of Existing Facilities).
2. Said annexation is hereby approved.
3. The subject proposal is assigned the distinctive short-form designation:
SCOTT AND KATHRYN CARR ANNEXATION TO EBMUD
4. Said territory is found to be uninhabited.
5. The proposal has 100% landowner consent and said conducting authority proceedings are hereby waived.
6. The boundaries of the affected territory are found to be definite and certain as approved and set forth in Attachment 1, attached hereto and made a part hereof.
7. The subject territory shall be liable for any existing bonded indebtedness of the annexing agencies, if applicable.
8. The subject territory shall be liable for any authorized or existing taxes, charges, and assessments comparable to properties within the annexing agencies.

Contra Costa LAFCO
Resolution No. 16-01

9. The property owners have delivered an executed indemnification agreement providing for the property owners to indemnify LAFCO against any expenses arising from any legal actions challenging the annexation.
10. Water service is conditional upon EBMUD receiving acceptance for inclusion of the annexed areas from the USBR, pursuant to the requirements in EBMUD's contract with USBR for supplemental water supply from the CVP.
11. All subsequent proceedings in connection with this annexation shall be conducted only in compliance with the approved boundary set forth in the attachment and any terms and conditions specified in this resolution.

PASSED AND ADOPTED THIS 11TH day of May, 2016, by the following vote:

AYES:
NOES:
ABSTENTIONS:
ABSENT:

MARY N. PIEPHO, CHAIR, CONTRA COSTA LAFCO

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

Dated: May 11, 2016

Lou Ann Texeira, Executive Officer



Lou Ann Texeira
Executive Officer

MEMBERS

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

ALTERNATE MEMBERS

Candace Andersen <i>County Member</i>
Sharon Burke <i>Public Member</i>
Tom Butt <i>City Member</i>
Stanley Caldwell <i>Special District Member</i>

May 11, 2016
Agenda Item 9

May 11, 2016 (Agenda)

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

**Fire & Emergency Medical Services Municipal Services Review
Public Review Draft Report**

Dear Members of the Commission:

BACKGROUND

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH Act) requires that not less than every five years, LAFCO prepare municipal service reviews (MSRs) prior to or in conjunction with sphere of influence (SOI) updates.

MSRs provide an assessment of the range and adequacy of municipal services provided in the County, and serve as an important tool for LAFCO in fulfilling its legislative mandate to coordinate the efficient and logical development of local government agencies and services. The MSR serves as a basis for SOI updates and future boundary changes.

Contra Costa LAFCO continues to make progress in completing its 2nd round MSRs. In June 2014, LAFCO completed a 2nd round countywide MSR covering water and wastewater services; and in November 2015, LAFCO completed a 2nd round MSR covering reclamation services.

SUMMARY

In October 2015, LAFCO initiated its 2nd round MSR covering fire and emergency medical services. The 2nd round MSR focuses on the following: 1) data updates for 11 EMS/fire service providers (three cities and eight special districts), 2) review of auto and mutual aid agreements, and 3) concentrated analysis on East Contra Costa Fire Protection District and Rodeo Hercules Fire Protection District and the interface with Contra Costa County Fire Protection District.

The consulting team of Mike Oliver and Brian Kelly of Municipal Resource Group, LLC, and Richard Berkson of Berkson Associates, were hired to prepare the MSR report.

The MSR Process - The MSR process involved distribution of an initial Request for Information (RFI) by LAFCO staff to obtain updated fiscal, operational and other information.

Following the initial RFI, the MSR team consulted with the local agencies to verify information, and provide each agency with preliminary findings and draft agency reports to enable an inclusive and cooperative process.

The Public Review Draft MSR was released on May 4th. The report was posted on the LAFCO website (www.contracostalafco.org), and local agencies/interested parties were notified of the availability of the report and comment period, which will end on June 1st.

The May 11th hearing is the first of two public hearings on the EMS/Fire MSR. At this hearing, the MSR consultants will present a summary of the MSR report, major findings and their recommendations. Following the presentation, the project team will receive comments from the public and the Commission. No final action on the Draft MSR report will be taken on May 11th.

The Commission will be asked to set a public hearing for July 13th, at which time the Commission will be asked to accept the Final MSR report, adopt the required MSR and SOI determinations, and update the SOIs for the eight special districts covered in the MSR report.

RECOMMENDATIONS

1. Receive the staff report and consultants' presentation,
2. Open the public hearing and receive comments,
3. Close the public hearing and provide comments and direction to the MSR team and staff, and
4. Direct staff to set a public hearing for July 13th, at which time the Commission will be asked to accept the Final MSR, make the required determinations, and update SOIs.

Sincerely,

LOU ANN TEXEIRA
EXECUTIVE OFFICER

c: Distribution



Lou Ann Teixeira
 Executive Officer

MEMBERS

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

ALTERNATE MEMBERS

Candace Andersen
County Member
 Sharon Burke
Public Member
 Tom Butt
City Member
 Stanley Caldwell
Special District Member

May 11, 2016
 Agenda Item 10

May 11, 2016 (Agenda)

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

FY 2016-17 Final LAFCO Budget

Dear Members of the Commission:

SYNOPSIS

The Contra Costa Local Agency Formation Commission (LAFCO) is responsible for adopting a proposed and final budget each year. On March 9, 2016, the Commission approved the FY 2016-17 Proposed Budget and Work Plan (available at www.contracostalafco.org). The Proposed Budget was subsequently distributed to the County, cities, special districts and other interested parties; no comments were received. The FY 2016-17 Final Budget will be presented to the Commission on May 11th.

The FY 2016-17 Final Budget is comparable to the Proposed Budget, and will enable Contra Costa LAFCO to focus on the following **priorities** as identified by the Commission:

- ❖ 2nd round Municipal Service Reviews (MSRs)
- ❖ Incoming applications
- ❖ Policies and procedures
- ❖ Special studies
- ❖ Growing Contra Costa LAFCO

LAFCO's **expenditures** consist of *Salaries & Benefits, Services & Supplies, Contingency Reserve, and Other Post Employment Benefit (OPEB) Trust*. The Final Budget reflects an overall increase of 10.3% in expenditures as compared to the FY 2015-16 budget. The increase is primarily attributable to increases in *Services & Supplies* as discussed below.

LAFCO's **revenue** sources include funding from the County, cities and independent special districts, application fees, interest earnings, and available fund balance. The FY 2016-17 budget reflects a slight increase in application fees due to anticipated growth in application activity.

The FY 2016-17 Final Budget is discussed below and summarized on the attached.

EXPENDITURES

The Final Budget, as proposed, includes expenditures totaling \$893,733, which consists of *Salaries & Benefits, Services & Supplies, Contingency Reserve, and OPEB Trust*.

FY 2016-17 *Salaries & Benefits* total \$403,257, maintain the current staffing of two full-time employees, and reflect a decrease of approximately 1.0% which is primarily attributable to a projected reduction in retirement costs resulting from a higher investment return, lower than expected employee salary and retiree/beneficiary COLA increases, and other experience gains.

FY 2016-17 *Services & Supplies* total \$370,476 and fund a range of items including rents/leases, equipment/supplies, communications, training/conferences, insurance, memberships, and professional/specialized services (i.e., audit/fiscal, legal, planning, mapping, MSRs/special studies, website maintenance, etc.) some of which supplement LAFCO staffing. These expenses are expected to increase by approximately 22.7%. The increase is related to conducting various studies including 2nd round *MSRs* (i.e., healthcare districts, cities/community services districts), and *special studies* (i.e., West Contra Costa Healthcare District study currently underway, Rollingwood Wilart Park Recreation & Park District study to be initiated in FY 2016-17), and a triennial *actuarial valuation*; and *relocation* of the LAFCO office as discussed below.

In developing LAFCO's FY 2016-017 work plan, the Commission expressed an interest in growing Contra Costa LAFCO in order to:

- keep pace with increased application activity
- meet State directives to update SOIs every five years and conduct corresponding MSRs
- initiate special studies and embark on other inventive projects and programs
- policy development including updating existing policies and procedures (e.g., agricultural & open space preservation); developing new policies to address recently enacted legislation (e.g., disadvantaged communities, water agency consolidations, fire service contracts); and developing policies to address future legislative mandates
- enhance public outreach and education efforts
- maintain involvement at a statewide level with CALAFCO and other stakeholders

The Commission recognizes that in order to expand and enhance our activities, LAFCO will need to grow. Our current location at 651 Pine Street does not afford this opportunity.

In conjunction with the Proposed Budget, the Commission discussed office and staffing options (please refer to the March 9, 2016 staff report for details). Based on the Commission's direction, the FY 2016-17 Final Budget includes costs associated with *relocation* of the LAFCO office to 40 Muir Road in Martinez, with a projected relocation date of February 2017.

The addition of LAFCO staff is contingent upon relocating, and will require further analysis regarding the level and type of staffing. It is anticipated that staffing options will be presented with the FY 2017-18 budget.

The FY 2016-17 budget includes a **Contingency Reserve** of \$80,000 which is comparable to FY 2015-16. In March 2016, the Commission authorized an expenditure of \$25,000 from the Contingency Reserve to fund a special study of the West Contra Costa Health Care District. Expenditure of these funds will be reflected in the FY 2015-16 year-end report.

The FY 2016-17 budget also includes a contribution of \$40,000 to LAFCO's **OPEB Trust**, which was established in FY 2011-12 to fund LAFCO's liability. In response to an actuarial assessment completed in March 2014, the Commission increased its annual OPEB contribution from \$10,000 annually to \$40,000 in FY 2015-16. As noted above, the FY 2016-17 budget includes funding to prepare an actuarial valuation to re-assess LAFCO's OPEB liability.

REVENUES

LAFCO's primary source of **revenue** is funding from the County, cities and independent special districts, with each group paying one-third of the LAFCO budget. The city and district shares are prorated based on general revenues reported to the State Controller's Office. LAFCO also receives revenue through application fees and interest earnings. The FY 2016-17 budget reflects an increase in anticipation of increased application activity. Finally, when available, LAFCO uses year end fund balance to help offset costs to the funding agencies.

CONCLUSION

The Commission and LAFCO staff continue to exercise fiscal prudence, and recognize the financial constraints on local government. Approval of the Final Budget will enable LAFCO to perform its core responsibilities effectively, to continue its work on MSRs/SOI updates, policies & procedures, and other special projects.

RECOMMENDATIONS

1. Receive this report and open the public hearing to accept testimony on the Final FY 2016-17 LAFCO Budget,
2. After receiving public comments close the hearing,
3. After Commission discussion, adopt the FY 2016-17 Final Budget, with any desired changes, and authorize staff to distribute the Final Budget to the County, cities and independent special districts as required by Government Code Section 56381.

Respectfully submitted,

LOU ANN TEXEIRA
EXECUTIVE OFFICER

Attachment - Final FY 2016-17 LAFCO Budget

PROPOSED FY 2016-17 LAFCO BUDGET

	FY 2015-16	FY 2015-16	FY 2016-17	
	Approved	Year-End	Final	% Change
		(Estimated)		
Salaries and Employee Benefits				
Permanent Salaries- 1011	\$ 208,432	\$ 205,330	\$ 213,401	2.3%
Deferred Comp Cty Contribution - 1015	\$ 1,020	255	\$ 1,020	0.0%
FICA- 1042	\$ 16,049	\$ 15,810	\$ 16,432	2.3%
Retirement expense- 1044	\$ 109,740	\$ 95,543	\$ 97,418	-12.6%
Employee Group Insurance- 1060	\$ 50,387	\$ 52,253	\$ 53,410	5.7%
Retiree Health Insurance- 1061	\$ 20,000	\$ 18,990	\$ 20,000	0.0%
Unemployment Insurance- 1063	\$ 625	\$ 616	\$ 576	-8.5%
Workers Comp Insurance- 1070	\$ 1,000	\$ 987	\$ 1,000	0.0%
Total Salaries and Benefits	\$ 407,253	\$ 389,784	\$ 403,257	-1.0%
Services and Supplies				
Office Expense- 2100	\$ 3,000	\$ 852	\$ 4,000	25.0%
Publications -2102	\$ 50	\$ 20	\$ 30	-66.7%
Postage -2103	\$ 1,500	\$ 772	\$ 1,800	16.7%
Communications - 2110	\$ 230	\$ 728	\$ 1,000	77.0%
Tele Exchange Services 2111	\$ 1,375	\$ 1,376	\$ 1,404	2.1%
Minor Comp Equipment - 2132	\$ 1,000	\$ -	\$ 1,000	0.0%
Pubs & Legal Notices 2190	\$ 2,000	\$ 1,772	\$ 2,000	0.0%
Memberships - 2200	\$ 8,858	\$ 8,933	\$ 9,579	7.5%
Rents & Leases - 2250 (copier)	\$ 4,000	\$ 3,558	\$ 4,000	0.0%
Computer Software - 2251	\$ 500	\$ -	\$ 500	0.0%
Bldg Occupancy Costs - 2262	\$ 7,623	\$ 7,363	\$ 14,865	48.7%
Bldg Life Cycle Costs - 2265	\$ 381	\$ 355	\$ 422	9.7%
Bldg Maintenance - 2284	\$ -			
Auto Mileage Emp. - 2301		\$ 607	\$ 1,000	100.0%
Other Travel Employees - 2303	\$ 10,000	\$ 11,158	\$ 11,000	9.1%
Prof & Spec Services - 2310	\$ 198,250	\$ 230,696	\$ 274,250	27.7%
Assessor	\$ 13,000	\$ 8,900	\$ 13,000	0.0%
Financial Audit	\$ 7,000	\$ 7,000	\$ 7,900	11.4%
GIS/Mapping	\$ 20,000	\$ 19,216	\$ 24,000	16.7%
Legal	\$ 35,000	\$ 39,954	\$ 40,000	12.5%
MSRs	\$ 80,000	\$ 134,337	\$ 117,950	32.2%
Planning	\$ 38,000	\$ 16,539	\$ 38,000	0.0%
Special Projects (document imaging)	\$ 3,750	\$ 3,414	\$ 4,900	23.5%
Investment Services		\$ -		
LAFCO Sponsored Training	\$ 1,500	\$ 1,336	\$ 1,500	0.0%
Special Study		\$ -	\$ 27,000	100.0%
Contracted Temp Help - 2314 (Web)	\$ 2,880	\$ 2,880	\$ 3,380	14.8%
Data Processing Services - 2315	\$ 3,000	\$ 2,850	\$ 3,500	14.3%
Data Processing Security - 2326	\$ 223	\$ 223	\$ 173	-28.9%
Courier - 2331	\$ 2,130	\$ 2,064	\$ 1,963	-8.5%
Other Inter-Dept Costs - 2340	\$ 97	\$ 92	\$ 110	11.8%
Liability/E&O Insurance - 2360	\$ 4,100	\$ 4,163	\$ 4,200	2.4%
Commission Training/Registration/Stipends - 2467	\$ 35,000	\$ 25,453	\$ 30,000	-16.7%
NOD/NOE Filings - 2490	\$ 300	\$ 300	\$ 300	0.0%
Total Services & Supplies	\$ 286,497	\$ 306,215	\$ 370,476	22.7%
Fixed Assets				
Office Equipment & Furniture - 4951		\$ -		
Total Fixed Assets				
Total Expenditures	\$ 693,750	\$ 695,999	\$ 773,733	10.3%
Contingency Reserve	\$ 80,000	\$ -	\$ 80,000	
OPEB Trust	\$ 40,000	\$ 40,000	\$ 40,000	
TOTAL APPROPRIATIONS	\$ 813,750	\$ 735,999	\$ 893,733	8.9%
TOTAL REVENUES				
TOTAL REVENUES	\$ 813,730	\$ 682,753	\$ 893,733	9.0%
Agency contributions - 9500 & 9800	\$ 651,730	\$ 651,730	\$ 723,733	9.9%
Application & other revenues	\$ 12,000	\$ 31,023	\$ 20,000	40.0%
Interest Earnings				
Fund Balance	\$ 150,000		\$ 150,000	



AGENDA

May 11, 2016
Agenda Item 11

RETIREMENT BOARD MEETING

SECOND MONTHLY MEETING
April 27, 2016
9:00 a.m.

Retirement Board Conference Room
The Willows Office Park
1355 Willow Way, Suite 221
Concord, California

THE RETIREMENT BOARD MAY DISCUSS AND TAKE ACTION ON THE FOLLOWING:

1. Pledge of Allegiance.
2. Accept comments from the public.
3. Approve minutes from the February 25, 2016 meeting.
4. Presentation from Segal Consulting: *Review of Economic Actuarial Assumptions*.
5. Consider and take possible action to adopt the economic assumptions recommended by Segal Consulting to be utilized in the December 31, 2015 actuarial valuation report.
6. Presentation and recommendation from Verus on Updated Asset Allocation and Implementation Plan.
7. Consider and take possible action to adopt governance models as recommended by Verus, including delegation of authority of the following investment functions to CCCERA staff:
 - a. Rebalancing
 - b. Investment Manager Hiring
 - c. Investment Manager Termination
8. Presentation from Verus on Angelo Gordon personnel changes.
9. Consider authorizing the attendance of Board and/or staff:
 - a. California Public Plan Roundtable, PIMCO, May 9, 2016, Newport Beach, CA.
 - b. A Road Map for Growing Your Institution's Investment Assets, Commonfund, May 16, 2016, San Francisco, CA.
 - c. 2016 Adams Street Partners Client Conference, Adams Street Partners, June 1-2, 2016, Chicago, IL.
 - d. Equilibrium's Fifth Annual Forum, Equilibrium, June 16, 2016, San Francisco, CA.
 - e. DBL 2016 Annual Meeting, June 16-17, San Francisco, CA.
 - f. 2016 Trustees and Administrators Institutes, IFEBP, June 27-29, 2016, Las Vegas, NV.

The Retirement Board will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Retirement Office at least 24 hours before a meeting.

- g. International and Emerging Market Investing, IFEBP, July 25-27, 2016, San Francisco, CA. (Note: Conflict with meeting)
- h. Principles of Pension Management, CALAPRS, August 9-12, 2016, Malibu, CA. (Note: Conflict with meeting)
- i. Public Pension Funding Forum, NCPERS, August 21-23, 2016, New Haven, CT.

10. Miscellaneous

- a. Staff Report
- b. Outside Professionals' Report
- c. Trustees' comments

The Retirement Board will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Retirement Office at least 24 hours before a meeting.



AGENDA

RETIREMENT BOARD MEETING

REGULAR MEETING
May 4, 2016
9:00 a.m.

Retirement Board Conference Room
The Willows Office Park
1355 Willow Way, Suite 221
Concord, California

THE RETIREMENT BOARD MAY DISCUSS AND TAKE ACTION ON THE FOLLOWING:

1. Pledge of Allegiance.
2. Accept comments from the public.
3. Routine items for May 4, 2016.
 - a. Approve certifications of membership.
 - b. Approve service and disability allowances.
 - c. Accept disability applications and authorize subpoenas as required.
 - d. Approve death benefits.
 - e. Accept Asset Allocation Report

CLOSED SESSION

4. The Board will go into closed session to consider the Hearing Officer's recommendation regarding the disability application for Rhonda Williams.
5. The Board will continue in closed session under Gov. Code Section 54957 to evaluate the performance of the following public employee:

Title: Chief Executive Officer
6. The Board will continue in closed session pursuant to Govt. Code Section 54956.9(d)(2) to confer with legal counsel regarding anticipated litigation (two cases).

OPEN SESSION

The Retirement Board will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Retirement Office at least 24 hours before a meeting.

7. Consider and take possible action to adjust the retirement allowance of CCCERA retired Hazardous Materials Specialists IIs pursuant to Government Code Section 31539 to exclude compensation improperly increased by the members:
 - a. Presentation of report and recommendations; Board questions
 - b. Opportunity for the retired members to present to the Board their positions and any information or records relevant to the issue; Board questions
 - c. Opportunity for the retired members' former employer, Contra Costa County, to present to the Board its position and any information or records relevant to the issue; Board questions
 - d. Public comment
 - e. Board deliberations and appropriate action
8. Consider and take possible action to direct the CCCERA Board voting delegate to vote in support of the 2016 SACRS legislative proposal at the May 2016 SACRS Conference.
9. Miscellaneous
 - a. Staff Report
 - b. Outside Professionals' Report
 - c. Trustees' comments

The Retirement Board will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Retirement Office at least 24 hours before a meeting.

CALAFCO Daily Legislative Report as of Wednesday, May 04, 2016

May 11, 2016 Agenda Item 13a

1

[AB 2032](#) (Linder R) Change of organization: cities: disincorporation.

Current Text: Amended: 4/11/2016 [pdf](#) [html](#)

Introduced: 2/16/2016

Last Amended: 4/11/2016

Status: 4/21/2016-From committee: Do pass and re-refer to Com. on APPR. with recommendation: To Consent Calendar. (Ayes 9. Noes 0.) (April 20). Re-referred to Com. on APPR.

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

Summary:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, requires the executive officer of a local agency formation commission to prepare a comprehensive fiscal analysis for any proposal that includes a disincorporation, as specified. This bill would additionally require the comprehensive fiscal analysis to include a review and documentation of all current and long-term liabilities of the city proposed for disincorporation and the potential financing mechanism or mechanisms to address any identified shortfalls and obligations, as specified.

Attachments:

[CALAFCO Removal of Opposition Letter April 2016](#)

[CALAFCO Oppose Letter March 2016](#)

Position: Support

Subject: CKH General Procedures, Disincorporation/dissolution

CALAFCO Comments: This bill is sponsored by the County Auditor's Association. After working closely with the author's office and the sponsor's representative, the bill has been substantially amended. The amendments in the April 5, 2016 version of the bill eliminate all of CALAFCO's concerns, and as a result we have removed our opposition. The amendments reflected in the April 11, 2016 version reflect the addition of one item inadvertently omitted by the author and a requested change in the ordering sequence by CALAFCO. All amendments are minor and have been agreed to by CALAFCO and the other stakeholders with whom we worked last year on AB 851 (Mayes).

[AB 2277](#) (Melendez R) Local government finance: property tax revenue allocation: vehicle license fee adjustments.

Current Text: Introduced: 2/18/2016 [pdf](#) [html](#)

Introduced: 2/18/2016

Status: 4/20/2016-In committee: Set, first hearing. Referred to APPR. suspense file.

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

Summary:

Beginning with the 2004-05 fiscal year and for each fiscal year thereafter, current law requires that each city, county, and city and county receive additional property tax revenues in the form of a vehicle license fee adjustment amount, as defined, from a Vehicle License Fee Property Tax Compensation Fund that exists in each county treasury. Current law requires that these additional allocations be funded from ad valorem property tax revenues otherwise required to be allocated to educational

entities. This bill would modify these reduction and transfer provisions for a city incorporating after January 1, 2004, and on or before January 1, 2012, for the 2016-17 fiscal year and for each fiscal year thereafter, by providing for a vehicle license fee adjustment amount calculated on the basis of changes in assessed valuation.

Attachments:

[CALAFCO Support Letter_March 2016](#)

Position: Support

Subject: Financial Viability of Agencies, Tax Allocation

CALAFCO Comments: As introduced, this bill is identical to SB 817 (Roth, 2016) except that it does not incorporate changes to the R&T Code Section 97.70 related to AB 448 (Brown, 2015). The bill calls for reinstatement of the VLF through ERAF for cities that incorporated between January 1, 2004 and January 1, 2012. There are no provisions for back payments for lost revenue, but the bill does reinstate future payments beginning in the 2016/17 year for cities that incorporated between 1-1-2004 and 1-1-2012.

[AB 2470](#) ([Gonzalez D](#)) **Municipal water districts: water service: Indian tribes.**

Current Text: Amended: 4/26/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Last Amended: 4/26/2016

Status: 4/27/2016-Re-referred to Com. on APPR.

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

Summary:

Current law authorizes a district to sell water under its control, without preference, to cities, other public corporations and agencies, and persons, within the district for use within the district. Current law authorizes a district to sell or otherwise dispose of water above that required by consumers within the district to any persons, public corporations or agencies, or other consumers. This bill, upon the request of an Indian tribe and the satisfaction of certain conditions, would require a district to provide service of water at substantially the same terms applicable to the customers of the district to an Indian tribe's lands that are not within a district, as prescribed, if the Indian tribe's lands meet certain requirements and the Indian tribe satisfies prescribed conditions.

Position: Watch

Subject: Water

[AB 2471](#) ([Quirk D](#)) **Health care districts: dissolution.**

Current Text: Introduced: 2/19/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Status: 3/8/2016-Referred to Com. on L. GOV.

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

Calendar:

5/4/2016 1:30 p.m. - State Capitol, Room 127 ASSEMBLY LOCAL GOVERNMENT, EGGMAN, Chair

Summary:

Would require a local agency formation commission to order the dissolution of a health care district without an election if the health care district meets certain criteria, as specified. The bill would subject a dissolution under these provisions to the provisions of the act for winding up the affairs of a dissolved district.

Attachments:

[CALAFCO Oppose Unless Amended Letter_April 2016](#)

Position: Oppose unless amended

Subject: CKH General Procedures, Disincorporation/dissolution, Special District Consolidations

CALAFCO Comments: As introduced, this bill amends CKH 57103 and Health & Safety Code by adding Section 32495. These changes require a LAFCO to order the dissolution of a health care district without an election, providing the health care district: (1) does not currently receive a property tax allocation; (2) has substantial net assets; and (3) does not provide a direct health care service (defined as the ownership or operation of a hospital, medical clinic, wellness center or ambulance service).

CALAFCO was not contacted by the author prior to the bill's introduction. According to the author's office, the bill is sponsored by Alameda County and focuses on a local issue with the Eden Health Care District. However, the bill is not written exclusively to address that issue, but rather all health care districts that meet the noted criteria. Further the bill removes all discretion from LAFCo in making a decision about the dissolution of a healthcare district that meets the stated criteria.

CALAFCO has offered two amendment options for the author to consider, both of which remove the requirement for an election subsequent to the LAFCO ordering the dissolution of the healthcare district.

[AB 2910](#) (Committee on Local Government) Local government: organization: omnibus bill.

Current Text: Amended: 4/18/2016 [pdf](#) [html](#)

Introduced: 3/15/2016

Last Amended: 4/18/2016

Status: 4/28/2016-Read second time. Ordered to Consent Calendar.

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

Calendar:

5/5/2016 #131 ASSEMBLY CONSENT CALENDAR 2ND DAY-ASSEMBLY BILLS

Summary:

Under current law, with certain exceptions, a public agency is authorized to exercise new or extended services outside the public agency's jurisdictional boundaries pursuant to a fire protection contract only if the public agency receives written approval from the local agency formation commission in the affected county. Current law defines the term "jurisdictional boundaries" for these purposes. Current law, for these purposes, references a public agency's current service area. This bill would revise these provisions to remove references to a public agency's current service area and instead include references to the public agency's jurisdictional boundaries.

Attachments:

[CALAFCO Support Letter_April 2016](#)

Position: Sponsor

Subject: CKH General Procedures

CALAFCO Comments: This is the annual Omnibus bill that makes minor, non controversial changes to CKH. This year, the bill makes several minor technical changes, corrects obsolete and incorrect code references, and corrects typographical errors. Affected sections include: 56301, 56331, 56700.4, 56816, 56881, 57130 and 56134.

[SB 552](#) (Wolk D) Public water systems: disadvantaged communities: consolidation or extension of service.

Current Text: Amended: 7/7/2015 [pdf](#) [html](#)

Introduced: 2/26/2015

Last Amended: 7/7/2015

Status: 7/17/2015-Failed Deadline pursuant to Rule 61(a)(10). (Last location was RLS. on 7/9/2015)

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

Summary:

Current law, for purposes of the California Safe Drinking Water Act, defines "disadvantaged community" to mean a disadvantaged community that is in an unincorporated area or is served by a mutual water company. This bill would allow a community to be a "disadvantaged community" if the community is in a mobilehome park even if it is not in an unincorporated area or served by a mutual water company.

Position: Watch

Subject: Disadvantaged Communities, Water

CALAFCO Comments: Previously, CALAFCO was informed by the author's office that this bill is being amended as a vehicle to clean-up the water consolidation legislation passed through as a budget trailer bill, SB 88/AB 115. However, to date there has been response from the author's office as to what that may look like. CALAFCO continues to monitor for amendments.

SB 817 (Roth D) Local government finance: property tax revenue allocations: vehicle license fee adjustments.

Current Text: Amended: 2/22/2016 [pdf](#) [html](#)

Introduced: 1/5/2016

Last Amended: 2/22/2016

Status: 4/11/2016-April 11 hearing: Placed on APPR. suspense file.

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

Summary:

Beginning with the 2004-05 fiscal year and for each fiscal year thereafter, current law requires that each city, county, and city and county receive additional property tax revenues in the form of a vehicle license fee adjustment amount, as defined, from a Vehicle License Fee Property Tax Compensation Fund that exists in each county treasury. Current law requires that these additional allocations be funded from ad valorem property tax revenues otherwise required to be allocated to educational entities. This bill would modify these reduction and transfer provisions for a city incorporating after January 1, 2004, and on or before January 1, 2012, for the 2016-17 fiscal year and for each fiscal year thereafter, by providing for a vehicle license fee adjustment amount calculated on the basis of changes in assessed valuation.

Attachments:

[CALAFCO Support Letter_Febuary 29, 2016](#)

Position: Support

Subject: Financial Viability of Agencies

CALAFCO Comments: As amended, this bill is identical to SB 25 (Roth, 2015) and SB 69 (Roth, 2014). The bill calls for reinstatement of the VLF through ERAF for cities that incorporated between January 1, 2004 and January 1, 2012. There are no provisions for back payments for lost revenue, but the bill does reinstate future payments beginning in the 2016/17 year for cities that incorporated between 1-1-2004 and 1-1-2012.

SB 1262 (Pavley D) Water supply planning.

Current Text: Amended: 4/27/2016 [pdf](#) [html](#)

Introduced: 2/18/2016

Last Amended: 4/27/2016

Status: 4/29/2016-Set for hearing May 9.

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

Calendar:

5/9/2016 10 a.m. - John L. Burton Hearing Room (4203)
 SENATE APPROPRIATIONS, LARA, Chair

Summary:

the Sustainable Groundwater Management Act, requires all groundwater basins designated as high- or medium-priority basins by the Department of Water Resources that are designated as basins subject to critical conditions of overdraft to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans by January 31, 2020, and requires all other groundwater basins designated as high- or medium-priority basins to be managed under a groundwater sustainability plan or coordinated groundwater sustainability plans by January 31, 2022, except as specified. This bill would require a city or county that determines a project is subject to the California Environmental Quality Act to identify any water system whose service area includes the project site and any water system adjacent to the project site.

Attachments:

[CALAFCO Letter of Concern March 2016](#)

Position: Watch

Subject: Water

CALAFCO Comments: As introduced, this complicated bill makes a number of changes to GC Section 66473.7 and Section 10910 of the Water Code. In 66473.7, in the definitions section, the bill adds definitions pertaining to the use of groundwater by a proposed subdivision as the source of water. It adds an adopted groundwater sustainability plan as optional substantial evidence that the water system has sufficient water supply to meet the demands of the subdivision project. The bill adds that a groundwater basin identified by the State Water Resources Control Board (SWRCB) as a probationary basin is not considered a viable water supply.

In Water Code section 10910, the bill makes the following changes: If no water system that is within or adjacent to the service area of the project site is identified as a viable source of water for the project, the city or county shall prepare a technical report that includes five factors. Based on this report, if the city or county determines that it is feasible for a water system to provide water to the project, the city or county shall submit the technical report to the local LAFCo with jurisdiction over the project. If the LAFCo denies the annexation or extension of service then the city or county shall develop a water supply assessment as outlined in 10910. What is unclear to CALAFCO at this time is what is to be done with the assessment once completed, and why it is not completed prior to the LAFCo considering the application as part of the CEQA process.

CALAFCO continues discussions with stakeholders, the administration and the author's staff on pending amendments.

[SB 1266](#) (McGuire D) Joint Exercise of Powers Act: agreements: filings.

Current Text: Amended: 4/12/2016 [pdf](#) [html](#)

Introduced: 2/18/2016

Last Amended: 4/12/2016

Status: 4/26/2016-Read second time. Ordered to third reading.

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

Calendar:

5/5/2016 #34 SENATE SEN THIRD READING FILE - SEN BILLS

Summary:

Current law requires an agency or entity that files a notice of agreement or amendment with the Secretary of State to also file a copy of the original joint powers agreement, and any amendments to the agreement, with the Controller. This bill would require an agency or entity required to file documents with the Controller, as described above, that meets the definition of a joint powers authority or joint powers agency, as specified, that was formed for the purpose of providing municipal services, and that includes a local agency member, as specified, to also file a copy of the agreement or amendment to the agreement with the local agency formation commission in each county within which all or any part of a local agency member's territory is located within 30 days after the effective date of the agreement or amendment to the agreement.

Attachments:

- [CALAFCO Support Letter February 2016](#)
- [CALAFCO Support as amended letter March 2016](#)

Position: Sponsor

Subject: Joint Power Authorities, LAFCo Administration

CALAFCO Comments: This is a CALAFCO sponsored bill. As amended, the bill requires all stand-alone JPAs, as defined in GC Section 56047.7, which includes a member that is a public agency as defined in GC Section 56054, and are formed for the purposes of delivering municipal services, to file a copy of their agreement (and a copy of any amendments to that agreement) with the LAFCo in each county within which all or any part a local agency member's territory is located. Further it requires the JPA to file with the LAFCo within 30 days of the formation of the JPA or change in the agreement, and should they not file adds punitive action that the JPA shall not issue bonds nor incur indebtedness. Both of the latter changes are consistent with existing JPA statute.

SB 1318 (Wolk D) Local government: drinking water infrastructure or services: wastewater infrastructure or services.

Current Text: Amended: 4/12/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Last Amended: 4/12/2016

Status: 4/21/2016-From committee: Do pass and re-refer to Com. on APPR. (Ayes 5. Noes 2. Page 3644.) (April 20). Re-referred to Com. on APPR.

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

Summary:

Current law, except as otherwise provided, prohibits a local agency formation commission from approving an annexation to a city of any territory greater than 10 acres, or as determined by commission policy, where there exists a disadvantaged unincorporated community, as specified, unless an application to annex the disadvantaged unincorporated community to the subject city has been filed with the executive officer. This bill would extend that prohibition to an annexation to a qualified special district.

Attachments:

- [CALAFCO Oppose As Amended Letter April 2016](#)
- [CALAFCO Oppose Letter March 2016](#)

Position: Oppose

Subject: Disadvantaged Communities, LAFCo Administration, Municipal Services, Service Reviews/Spheres, Water

CALAFCO Comments: Virtually gut and amended on April 12, the bill now does a number of different things.

First, it prohibits a commission from approving an annexation to a city or qualified

special district of any territory greater than 10 acres, or as determined by commission policy, where there exists a DUC within or adjacent to the SOI of a city or special district that lacks safe drinking water or wastewater infrastructure or services, unless the city or special district has entered into an enforceable agreement to extend those services into the DUC as specified. The bill would define “qualified special district” to mean a special district with more than 500 service connections.

Next, The bill would prohibit a commission from approving a sphere of influence update that removes a DUC from a city’s or special district’s sphere of influence unless the commission makes a finding that removal of the community will result in improved service delivery to the community. The bill adds 56425(k), prohibiting a commission from approving a SOI update that removes a disadvantaged community from a city’s sphere of influence unless a majority of the voters in the disadvantaged community approve of the proposed SOI.

The bill adds several requirements in GC Section 56430 relating to Municipal Service Reviews. First, it changes (b) to mandate the commission to assess various alternatives relating to the efficiency and affordability of infrastructure and delivery of services; and changes (c) to mandate the commission to include a review whether the agency being reviewed is in compliance with the CA Safe Drinking Water Act.

Finally, the bills adds to 56430 the following requirements to LAFCo: (1) on or before 1/1/22 and every 5 years thereafter, LAFCo shall do MSR for the entire county territory (regardless of service provider); (2) Create and electronically file a map that identifies DUCs that lack safe drinking water or wastewater with OPR (who will then post on their website); Within 2 years of identifying such a DUC, LAFCo shall create a plan based on alternatives analyzed and adopt any actions necessary to implement the plan (regardless of whether the agencies involved are public or private); (3) Creates an exemption for an election or any protest proceedings on the above action except protest proceedings are required for the residents of the DUC; (4) LAFCo will not be required to adopt a plan if there is no feasible way of connecting the DUC with an existing system; (5) LAFCo cannot change a SOI or extend services if these requirements are not met; (6) LAFCo cannot change a SOI of an agency that was identified in a plan of action and they have not taken action within 3 years, unless there is an application to to extend services of annex that territory; or an extension of services pursuant to 56133.

[AB 1362](#) (Gordon D) Mosquito abatement and vector control districts: board of trustees: appointment of members.

Current Text: Amended: 1/19/2016 [pdf](#) [html](#)

Introduced: 2/27/2015

Last Amended: 1/19/2016

Status: 2/4/2016-Referred to Com. on GOV. & F.

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

Summary:

Would authorize a city council, located in an existing or newly formed district as specified, to adopt a resolution requesting that appointments of persons to the board of trustees instead be made by a city selection committee, established pursuant to specified provisions of law, and conditioned upon a majority of authorized city councils adopting their respective resolutions. This bill would authorize the city selection committee to decrease the total number of appointments to be made by the committee if a majority of city councils within the district make this request in their

respective resolutions.

Position: Watch

CALAFCO Comments: As amended, this bill amends the Health and Safety Code by creating an alternative option to the appointment process to the board of trustees of a district. The additional process calls for the City Selection Committee to make appointments rather than the cities themselves in a case where a majority of the city councils located within the district and are authorized to appoint a person to the board of trustees adopt resolutions approving of this alternate appointment process. No change is being made to how the County Board of Supervisors makes their appoint to the district board.

This is a locally supported bill, stemming from an issue in San Mateo with their Mosquito Abatement District which is in the Assembly member's district.

AB 2414 (Garcia, Eduardo D) Desert Healthcare District.

Current Text: Amended: 4/18/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Last Amended: 4/18/2016

Status: 4/19/2016-Re-referred to Com. on APPR.

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

Calendar:

5/4/2016 9 a.m. - State Capitol, Room 4202

ASSEMBLY APPROPRIATIONS, GONZALEZ, Chair

Summary:

Would authorize the expansion of the Desert Healthcare District to include the eastern Coachella Valley region by requiring the Board of Supervisors of the County of Riverside to submit a resolution of application to the Riverside County Local Agency Formation Commission, and, upon direction by the commission, to place approval of district expansion on the ballot at the next countywide election following the completion of commission proceedings, including a public hearing.

Attachments:

[CALAFCO Oppose Letter April 2016](#)

Position: Oppose

Subject: Disincorporation/dissolution, LAFCo Administration

CALAFCO Comments: This bill requires the approval of the expansion of the territory within the Desert Healthcare District. It requires Riverside LAFCo to process, without the authority to deny, an application by the County of Riverside to expand the district. It further requires the Riverside LAFCo to consult with and complete a fiscal analysis with the District's Board, County Auditor-Controller, affected local entities and all interested stakeholders. The County Board of Supervisors is required to submit the application to LAFCo no more than 15 days after the enactment of the legislation, and Riverside LAFCo is required to complete the review on or before August 1, 2016. The bill eliminates the protest provisions for the purposes of this application. The bill further requires that a sufficient funding source to expand the district is identified, the expansion will be subject to a vote of the registered voters within the proposed expanded district.

This bill is reminiscent of AB 3 (Williams, 2015) in that it strips the local LAFCo of their authority. Additionally, the timelines proposed within this bill for the LAFCo are unrealistic.

Pending amendments taken by the author in the Assembly Local Gov't Comm. remove the tight timelines and target a 2018 election rather than 2016 by removing the bill's

urgency clause. Additionally, an election will occur only within the territory proposed for annexation, and move the requirement of identifying proposed new boundaries and a funding source from the LAFCo and onto the applicant. These amendments remove most of our concerns. The one remaining concern is preserving LAFCo's discretion in the matter.

[AB 115](#) (Committee on Budget) Water.

Current Text: Amended: 6/18/2015 [pdf](#) [html](#)

Introduced: 1/9/2015

Last Amended: 6/18/2015

Status: 9/11/2015-Ordered to inactive file at the request of Senator Mitchell.

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

Summary:

Would authorize the State Water Resources Control Board to order consolidation with a receiving water system where a public water system, or a state small water system within a disadvantaged community, consistently fails to provide an adequate supply of safe drinking water. This bill would authorize the state board to order the extension of service to an area that does not have access to an adequate supply of safe drinking water so long as the extension of service is an interim extension of service in preparation for consolidation.

Position: Oppose

Subject: Disadvantaged Communities, LAFCo Administration, Special District Consolidations, Water

CALAFCO Comments: UPDATED COMMENTS: CALAFCO continues to monitor this bill to ensure it does re-present itself in another form impacting LAFCo.

OLDER COMMENTS: This bill is the same as SB 88, which was passed in 2015. As amended, AB 115 gives the State Water Resources Control Board (SWRCB) direct authority to mandate either an extension of service or consolidation of water systems, including public and private systems, and individual wells. The bill focuses on disadvantage communities. Prior to ordering the consolidation, the SWRCB must make certain determinations and take certain actions, including conducting a public hearing in the affected territory. They are also required to "consult with and fully consider input from the relevant LAFCo, the PUC, and either the city or county (whichever has land use authority). Entities are allowed 6 months to find workable solutions before the SWRCB mandates the action. Prior to making the order, the SWRCB must make certain determinations. Upon making the order, the SWRCB must make funding available to the receiving water system for capacity building (no operations and maintenance funding is provided, adequately compensate the subsumed system, pay fees to the LAFCo for whatever work they will do (which is as of now undefined) to facilitate the action. The bill also contains certain CEQA exemptions and liability relief for the subsuming water entity, as well as various penalties. Finally, the bill makes legislative findings and declarations as to the reason for the SWRCB to have these powers, which has been taken directly from the legislative findings and declarations of CKH and the reason LAFCos have the powers they do.

CALAFCO has attempted to work with the administration for some time in defining the best possible process for these actions. However, for the most part, amendments proposed have been dismissed. CALAFCO has a number of concerns regarding the proposed process, not the least of which is the language in section 116682 (g) (the way it is worded now, it exempts the entire consolidation process and there is a legal

argument that this would divest LAFCO of any authority to complete the consolidation since that authority is solely contained in CKH). Further, we requested indemnification for LAFCo as they implement section 11682(e)(4) which was also dismissed.

[AB 1658](#) ([Bigelow R](#)) Happy Homestead Cemetery District: nonresident burial.

Current Text: Introduced: 1/13/2016 [pdf](#) [html](#)

Introduced: 1/13/2016

Status: 2/4/2016-Referred to Com. on L. GOV.

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

Calendar:

5/4/2016 1:30 p.m. - State Capitol, Room 127 ASSEMBLY LOCAL GOVERNMENT, EGGMAN, Chair

Summary:

Would authorize the Happy Homestead Cemetery District in the City of South Lake Tahoe in the County of El Dorado to use its cemeteries to inter residents of specified Nevada communities if specified conditions are met. This bill contains other related provisions.

Position: Watch

Subject: Special District Principle Acts

[AB 1707](#) ([Linder R](#)) Public records: response to request.

Current Text: Amended: 3/28/2016 [pdf](#) [html](#)

Introduced: 1/25/2016

Last Amended: 3/28/2016

Status: 4/22/2016-Failed Deadline pursuant to Joint Rule 61(b)(5). (Last location was A. L. GOV. on 3/29/2016)

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

Summary:

The California Public Records Act requires state and local agencies to make public records available for inspection, unless an exemption from disclosure applies. The act requires a response to a written request for public records that includes a denial of the request, in whole or in part, to be in writing. This bill instead would require the written response demonstrating that the record in question is exempt under an express provision of the act also to identify the type or types of record withheld and the specific exemption that justifies withholding that type of record.

Attachments:

[CALAFCO Oppose Letter March 2016](#)

Position: Oppose

Subject: Public Records Act

CALAFCO Comments: As amended, this bill would require public agencies, including LAFCos, when responding to a Public Records Request for which a determination has been made to deny the request, to identify the types of records being withheld and the specific exemption that applies to that record. The amendments did little to mitigate concerns, as the change is minor. (Removed the requirement of having to list every document and now requires them to be categorized.)

CALAFCO understands this bill has been pulled by the author. We will continue to monitor.

[AB 2142](#) ([Steinorth R](#)) Local government finance.

Current Text: Introduced: 2/17/2016 [pdf](#) [html](#)

Introduced: 2/17/2016

Status: 2/18/2016-From printer. May be heard in committee March 19.

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

Summary:

Current law requires the county auditor, in the case in which a qualifying city becomes the successor agency to a special district as a result of a merger with that district as described in a specified statute, to additionally allocate to that successor qualifying city that amount of property tax revenue that otherwise would have been allocated to that special district pursuant to general allocation requirements. This bill would make nonsubstantive changes to the provision pertaining to property tax revenue allocations to a qualifying city that merges with a special district.

Position: Watch

CALAFCO Comments: As introduced, this appears to be a spot bill. The bill targets Section 96.15 of the Rev & Tax code pertaining to property tax revenue allocations to a qualifying city that merges with a special district.

[AB 2257](#) ([Maienschein R](#)) Local agency meetings: agenda: online posting.

Current Text: Amended: 4/25/2016 [pdf](#) [html](#)

Introduced: 2/18/2016

Last Amended: 4/25/2016

Status: 4/26/2016-Re-referred to Com. on APPR.

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

Summary:

Would require an online posting of an agenda by a local agency to have a prominent direct link to the current agenda itself. The bill would require the link to be on the local agency's Internet Web site homepage, not in a contextual menu on the homepage, and would require the agenda to be posted in an open format that meets specified requirements, including that the agenda is platform independent and machine readable. The bill would make these provisions applicable on and after January 1, 2019. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: LAFCo Administration

CALAFCO Comments: As amended, this bill amends GC Section 54954.2 pertaining to the online posting of a local agency's meeting agenda. The bill requires that online posting to have a prominent and direct link to the current agenda itself from the local agency's homepage. This means that LAFCos will have to post a prominent link on their website's homepage, directly taking the user to the meeting agenda. Other requirements added in the April 11, 2016 version of the bill include: (1) The direct link to the agenda required shall not be in a contextual menu; (2) The agenda shall be posted in an open format that is retrievable, downloadable, indexable, and electronically searchable by commonly used Internet search applications; is platform independent and machine readable; is available to the public free of charge and without any restriction that would impede the reuse or redistribution of the public record.

[AB 2389](#) ([Ridley-Thomas D](#)) Special districts: district-based elections: reapportionment.

Current Text: Amended: 4/5/2016 [pdf](#) [html](#)

Introduced: 2/18/2016

Last Amended: 4/5/2016

Status: 4/25/2016-In committee: Hearing postponed by committee.

Desk	Policy	Fiscal	Floor	Desk	Policy	Fiscal	Floor	Conf.	Enrolled	Vetoed	Chaptered

1st House	2nd House	Conc.
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Calendar:

5/4/2016 1:30 p.m. - State Capitol, Room 127 ASSEMBLY LOCAL GOVERNMENT, EGGMAN, Chair

Summary:

Would authorize a governing body of a special district, as defined, to require, by resolution, that the members of its governing body be elected using district-based elections without being required to submit the resolution to the voters for approval. This bill would require the resolution to include a declaration that the change in the method of election is being made in furtherance of the purposes of the California Voting Rights Act of 2001.

Position: Watch

CALAFCO Comments: As amended, this bill allows special districts, if approved by resolution of the governing board, to conduct elections of their governing board using district-based elections, without being required to submit the resolution to the voters for approval.

AB 2435 (Mayes R) Local government organization: disincorporated cities.

Current Text: Introduced: 2/19/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Status: 2/22/2016-Read first time.

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

Summary:

Under that Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, upon disincorporation of a city, on and after the effective date of that disincorporation, the territory of the disincorporated city, all inhabitants within the territory, and all persons formerly entitled to vote by reason of residing within that territory, are no longer subject to the jurisdiction of the disincorporated city. This bill would make a technical, nonsubstantive change to this provision.

Position: Placeholder - monitor

Subject: Disincorporation/dissolution

CALAFCO Comments: This is a spot bill. According to the author's office, they have no intention of using it to amend CKH but rather as a vehicle to amend another unrelated section of the Government Code. CALAFCO will continue to monitor.

AB 2737 (Bonta D) Nonprovider health care districts.

Current Text: Amended: 4/11/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Last Amended: 4/11/2016

Status: 4/21/2016-From committee: Do pass and re-refer to Com. on APPR. (Ayes 7. Noes 0.) (April 20). Re-referred to Com. on APPR.

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

Summary:

Would require a nonprovider health care district, as defined, to spend at least 80% of its annual budget on community grants awarded to organizations that provide direct health services and not more than 20% of its annual budget on administrative expenses, as defined. By requiring a higher level of service from nonprovider health care districts, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

Position: Watch

CALAFCO Comments: This bill appears to be a companion bill to AB 2471 (Quirk) addressing the Eden Township Healthcare District.

AB 2801 (Gallagher R) Local government: fees and charges: written protest.

Current Text: Amended: 4/26/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Last Amended: 4/26/2016

Status: 4/27/2016-Re-referred to Com. on APPR.

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

Summary:

Current statutory law provides notice, protest, and hearing procedures for the levying of new or increased fees or charges by local government agencies pursuant to Article XIII D of the California Constitution. Under current statutory law, one written protest per parcel, filed by an owner or tenant of the parcel, is counted in calculating a majority protest to a proposed new or increased fee or charge. This bill would require the agency to maintain the written protests for a minimum of 2 years following the date of the hearing to consider the written protests. By increasing the duties of local officials, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: LAFCo Administration

CALAFCO Comments: The original bill would have removed the 60 day statute of limitations on bringing a validation action to court for any public agency, including LAFCo. Gut and amended on April 4, 2016, the bill now focuses on amending GCS 53755 and relates to fee increases to property owners by an agency providing property related services.

AB 2853 (Gatto D) Public records.

Current Text: Amended: 4/13/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Last Amended: 4/13/2016

Status: 4/14/2016-Re-referred to Com. on APPR.

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

Calendar:

5/4/2016 9 a.m. - State Capitol, Room 4202

ASSEMBLY APPROPRIATIONS, GONZALEZ, Chair

Summary:

Would authorize a public agency that posts a public record on its Internet Web site to first refer a person that requests to inspect or obtain a copy of the public record to the public agency's Internet Web site where the public record is posted. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: Public Records Act

CALAFCO Comments: As amended the bill simply allows a public agency that has received a public records request act request to refer the the person making the request to the agency's website for the documents, should they be posted on the site.

SB 971 (Committee on Governance and Finance) Validations.

Current Text: Introduced: 2/8/2016 [pdf](#) [html](#)

Introduced: 2/8/2016

Status: 4/21/2016-Referred to Com. on L. GOV.

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

Calendar:

5/4/2016 1:30 p.m. - State Capitol, Room 127 ASSEMBLY LOCAL GOVERNMENT, EGGMAN, Chair

Summary:

Would enact the First Validating Act of 2016, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill would declare that it is to take effect immediately as an urgency statute.

Attachments:

[CALAFCO Support Letter February 29, 2016](#)

Position: Support

CALAFCO Comments: One of three annual acts which validate the boundaries of all local agencies.

[SB 972](#) (Committee on Governance and Finance) Validations.

Current Text: Introduced: 2/8/2016 [pdf](#) [html](#)

Introduced: 2/8/2016

Status: 4/21/2016-Referred to Com. on L. GOV.

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

Calendar:

5/4/2016 1:30 p.m. - State Capitol, Room 127 ASSEMBLY LOCAL GOVERNMENT, EGGMAN, Chair

Summary:

Would enact the Second Validating Act of 2016, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities. This bill would declare that it is to take effect immediately as an urgency statute, but would become operative on a specified date.

Attachments:

[CALAFCO Support Letter February 29, 2016](#)

Position: Support

CALAFCO Comments: One of three annual acts which validate the boundaries of all local agencies.

[SB 973](#) (Committee on Governance and Finance) Validations.

Current Text: Introduced: 2/8/2016 [pdf](#) [html](#)

Introduced: 2/8/2016

Status: 4/21/2016-Referred to Com. on L. GOV.

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

Calendar:

5/4/2016 1:30 p.m. - State Capitol, Room 127 ASSEMBLY LOCAL GOVERNMENT, EGGMAN, Chair

Summary:

Would enact the Third Validating Act of 2016, which would validate the organization, boundaries, acts, proceedings, and bonds of the state and counties, cities, and specified districts, agencies, and entities.

Attachments:

[CALAFCO Support Letter February 29, 2016](#)

Position: Support

CALAFCO Comments: One of three annual acts which validate the boundaries of all local agencies.

[SB 974](#) (Committee on Governance and Finance) Local government: omnibus.

Current Text: Amended: 3/29/2016 [pdf](#) [html](#)

Introduced: 2/8/2016

Last Amended: 3/29/2016

Status: 5/2/2016-Referred to Com. on L. GOV.

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

Summary:

The Professional Land Surveyors' Act, among other things, requires a county recorder to store and index records of survey, and to maintain both original maps and a printed set for public reference. That act specifically requires the county recorder to securely fasten a filed record of survey into a suitable book. This bill would also authorize a county recorder to store records of survey in any other manner that will assure the maps are kept together. This bill contains other related provisions and other current laws.

Position: Watch

CALAFCO Comments: As amended, this bill is the Senate Governance & Finance Committee's annual Omnibus bill.

[SB 1009](#) (Nielsen R) Public cemeteries: nonresidents.

Current Text: Introduced: 2/11/2016 [pdf](#) [html](#)

Introduced: 2/11/2016

Status: 2/25/2016-Referred to Com. on GOV. & F.

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

Summary:

Would authorize a district that serves at least one county with a population of fewer than 10,000 residents or that has a population not exceeding 20,000 and is contained in a nonmetropolitan area, to inter a person who is not a resident of the district in a cemetery owned by the district if specified criteria are met, including that the district requires the payment of a nonresident fee and the board of trustee determines that the cemetery has adequate space for the foreseeable future.

Position: Watch

Subject: Special District Powers

CALAFCO Comments: This bill would authorize a district that serves at least one county with a population of fewer than 10,000 residents or that has a population not exceeding 20,000 and is contained in a non-metropolitan area, to inter a person who is not a resident of the district in a cemetery owned by the district if specified criteria are met, including that the district requires the payment of a nonresident fee and the board of trustee determines that the cemetery has adequate space for the foreseeable future.

[SB 1263](#) (Wieckowski D) Public water system: permits.

Current Text: Introduced: 2/18/2016 [pdf](#) [html](#)

Introduced: 2/18/2016

Status: 5/3/2016-Read second time. Ordered to third reading.

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

Calendar:

5/5/2016 #50 SENATE SEN THIRD READING FILE - SEN BILLS

Summary:

Would, commencing January 1, 2017, prohibit an application for a permit for a new public water system from being deemed complete unless the applicant has submitted a preliminary technical report to the State Water Resources Control Board, as specified, and would allow the state board to impose technical, financial, or managerial requirements on the permit.

Position: Watch

Subject: Water

CALAFCO Comments: As introduced, this bill would prohibit an application for a permit for a new public water system from being deemed complete unless the applicant has submitted a preliminary technical report to the state board, as specified, and would allow the state board to impose technical, financial, or managerial requirements on the permit. The bill would prohibit a public water system not in existence on January 1, 1998, from being granted a permit unless the public water system demonstrates that the water supplier also possesses adequate water rights to ensure the delivery safe drinking water, and would specify that the prohibition applies to any change in ownership of the public water system, including the consolidation of a public water system. The bill would allow the state board to deny the permit if the state board determines that the service area of the public water system can be served by one or more currently permitted public water systems. Finally, the bill would prohibit a local primacy agency from issuing a permit without the concurrence of the state board.

SB 1276 (Moorlach R) Local agencies.

Current Text: Introduced: 2/19/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Status: 3/3/2016-Referred to Com. on RLS.

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

Summary:

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, establishes the sole and exclusive authority and procedure for the initiation, conduct, and completion of changes of organization and reorganization for cities and districts. This bill would make nonsubstantive changes to the above-described law.

Position: Placeholder - monitor

Subject: CKH General Procedures

CALAFCO Comments: This is a spot bill to amend CKH. CALAFCO has not been contacted by the author's office regarding their intent.

SB 1292 (Stone R) Grand juries: reports.

Current Text: Amended: 3/28/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Last Amended: 3/28/2016

Status: 4/25/2016-April 25 hearing: Placed on APPR. suspense file.

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

Summary:

Current law authorizes a grand jury to request a subject person or entity to come before the grand jury for the purpose of reading and discussing the findings of the grand jury report that relates to that person or entity in order to verify the accuracy of the findings prior to their release. This bill would delete the authority of a grand jury to request a subject person or entity to come before it for purposes of reading and discussing the findings of a grand jury report.

Position: Support

Subject: Other

CALAFCO Comments: Sponsored by CSDA. As amended, the bill requires the Grand Jury to conduct an exit interview with report subjects to discuss and share findings. They may also provide a copy of the subject's report. The subject will have no less than 5 working days to provide written comments back to the Grand Jury for their consideration before the report is public. One the Grand Jury report is approved by a judge, the Grand Jury is required to provide a copy of the section pertaining to the subject to that entity no later than 6 working days prior to the reports public release. The subject entity can submit a preliminary response to the report to the Grand Jury, who is then required to make those prelim comments public at the time the report is made public.

This will allow LAFcos, when they are the subject of a Grand Jury report, to meet with the Grand Jury and hear their findings, and for the LAFco to respond to those findings and offer additional information or corrections. Further, it allows the LAFco to provide preliminary comments that are required to be posted with the report when it is made public.

SB 1360 (Bates R) Local government: municipal service agreements: law enforcement services.

Current Text: Amended: 3/31/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Last Amended: 3/31/2016

Status: 4/28/2016-Read second time. Ordered to consent calendar.

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

Calendar:

5/5/2016 #82 SENATE SEN CONSENT CALENDAR SECOND LEGISLATIVE DAY

Summary:

Would require a city that provides law enforcement services through its appropriate departments, boards, commissions, officers, or employees to another city pursuant to a contract or any other agreement to charge that city all the costs that are incurred in providing those law enforcement services, but prohibit the inclusion of any costs that the city providing the services reasonably determines are general overhead costs. The bill would provide that any determination of general overhead costs made by a city providing law enforcement services is subject to judicial review as to the reasonableness of that determination.

Position: Watch

Subject: Municipal Services

CALAFCO Comments: As amended, the bill requires a city that provides law enforcement services to another city, to only charge the city the costs incurred for providing the services, and excludes reimbursement of any general overhead costs. The bill applies to new or renewed contracts as of 1/1/17.

SB 1436 (Bates R) Local agency meetings: local agency executive compensation: oral report of final action recommendation.

Current Text: Amended: 4/6/2016 [pdf](#) [html](#)

Introduced: 2/19/2016

Last Amended: 4/6/2016

Status: 4/28/2016-In Assembly. Read first time. Held at Desk.

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

Summary:

Current law prohibits the legislative body from calling a special meeting regarding the

salaries, salary schedules, or compensation paid in the form of fringe benefits, of a local agency executive, as defined. This bill, prior to taking final action, would require the legislative body to orally report a summary of a recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive during the open meeting in which the final action is to be taken. This bill contains other related provisions and other existing laws.

Position: Watch

Subject: LAFCo Administration, Other

CALAFCO Comments: As amended, this bill requires public agencies, including LAFCos, when taking final action on salary for the agency's executive, to be made as a separate discussion agenda item rather than a content calendar item on the agenda.

Total Measures: 32

Total Tracking Forms: 32

5/4/2016 10:16:21 AM

**CONTRA COSTA LOCAL AGENCY FORMATION COMMISSION
PENDING PROPOSALS – MAY 11, 2016**

May 11, 2016
Agenda Item 13b

LAFCO APPLICATION	RECEIVED	STATUS
Town of Discovery Bay Community Services District (DBCSD) SOI Amendment (Newport Pointe): proposed SOI expansion of 20± acres bounded by Bixler Road, Newport Drive and Newport Cove (with corresponding annexation application)	July 2010	Incomplete; awaiting info from applicant
DBCSD Annexation (Newport Pointe): proposed annexation of 20± acres to supply water/sewer services to a 67-unit single family residential development	July 2010	Incomplete; awaiting info from applicant
Bayo Vista Housing Authority Annexation to RSD: proposed annexation of 33± acres located south of San Pablo Avenue at the northeastern edge of the District's boundary	Feb 2013	Continued from 11/12/14 meeting
Northeast Antioch Reorganization Area 2A: proposed annexations to City of Antioch and Delta Diablo; and corresponding detachments from County Service Areas L-100 and P-6	July 2013	Continued from 6/10/15 meeting to 6/8/16
Reorganization 186 (Magee Ranch/SummerHill): proposed annexations to Central Contra Costa Sanitary District (CCCSD) and East Bay Municipal Utility District (EBMUD) of 402± acres; 9 parcels total to CCCSD (8 parcels) and EBMUD (7 parcels)	June 2014	Removed from the Commission's calendar pending further notice
Detachment from Byron Bethany Irrigation District – proposed detachment of 480± acres in two separate areas located in Discovery Bay	Feb 2016	Under review
Montreux Reorganization: proposed annexations to the City of Pittsburg, Contra Costa Water District and Delta Diablo of 165.1± acres located on the west and east side of Kirker Pass Road	Apr 2016	Under review

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

mdoyle@mcclatchydc.com

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.

“

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.

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."

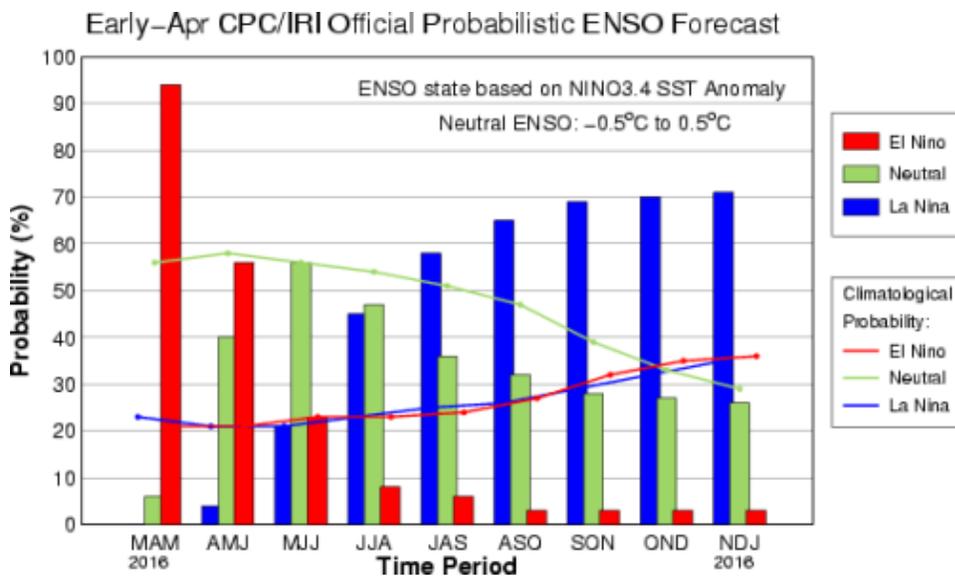
Those ratepayers also would be responsible for the annual cost of maintaining hundreds of miles of Delta levees.

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.

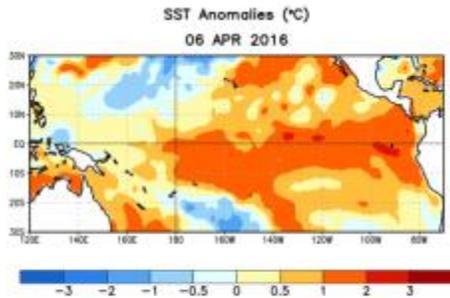


Figure 1. Average sea surface temperature (SST) anomalies (°C) for the week centered on 6 April 2016. Anomalies are computed with respect to the 1981-2010 base period weekly means.

"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)

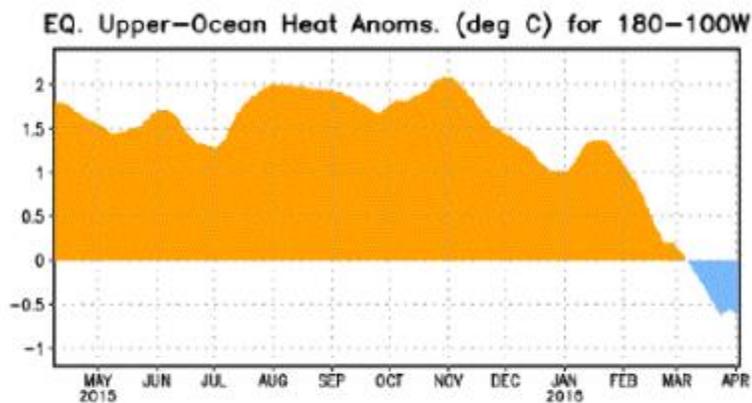


Figure 3. Area-averaged upper-ocean heat content anomaly ($^{\circ}\text{C}$) in the equatorial Pacific (5°N - 5°S , 180° - 100°W). The heat content anomaly is computed as the departure from the 1981-2010 base period pentad means.

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

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."

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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

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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

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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>

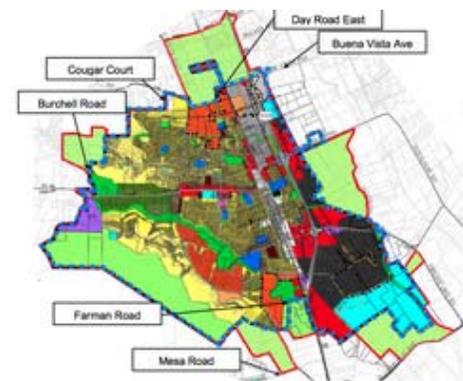
Gilroy urban growth boundary passes key hurdle

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.

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[back](#)

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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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[back](#)

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